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SEPTEMBER 1973

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FEDERAL RESERVE BULLETIN

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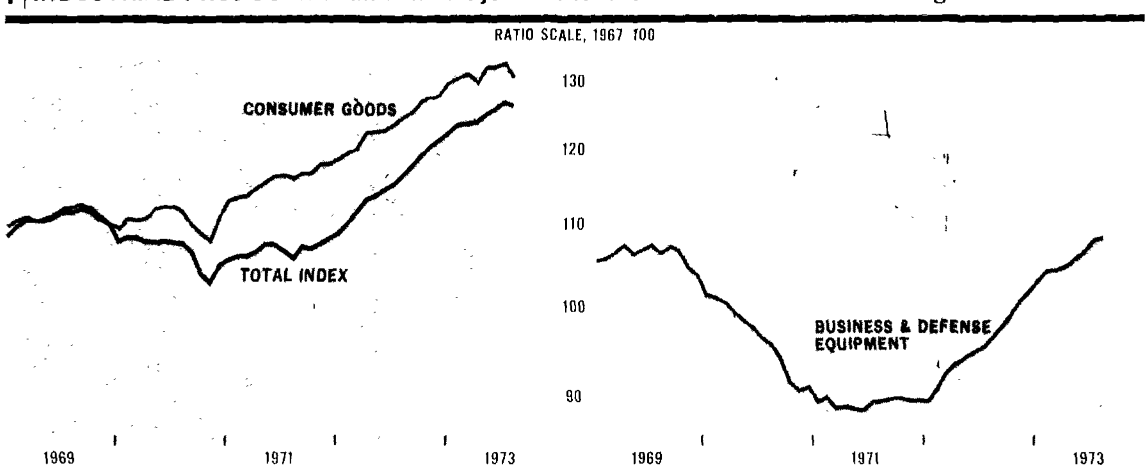
Expansion in Industrial Production

Industrial production reached a new high in the summer of 1973. The large and sustained expansion since the cyclical low in late 1970 has reflected widespread increases in demands: an upsurge of consumer buying, especially of durable goods; strong demands for business equipment to modernize and enlarge capacity; large increases in residential and commercial construction activity; and an accompanying rise in output of industrial materials and construction products.

The rate of increase in industrial production this year has been fairly rapid—a 7.5 per cent annual rate from last December to July—but was appreciably less than the 12 per cent rate during 1972. In August the index edged off because of a temporary sharp drop in auto and truck production. Moderation of the expansion this year reflects in part constraints placed on production by high rates of capacity utilization in a number of industries, particularly those producing fuels and materials for further processing. But it

1 | INDUSTRIAL PRODUCTION and the major MARKET GROUPINGS are at new highs



Seasonally adjusted. Latest data, August.

has also resulted, in part, from some easing of demand pressures in important sectors. Hence, consumer purchases of goods in constant dollars have changed relatively little from the advanced first-quarter level, and both housing starts and the volume of residential construction activity have been drifting down this year. On the other hand, the physical volume of exports of nonagricultural products has been rising rapidly and in the first half of this year was up more than one-fifth from a year earlier, reflecting both the devaluation of the U.S. dollar and strong economic expansion abroad. U.S. imports have risen much less rapidly than exports over this interval.

The labor market has continued strong, with the unemployment rate in August at 4.8 per cent compared with 5.6 per cent a year earlier. Growth in employment, however, has moderated from the exceptionally rapid rate that had prevailed in the second half of 1972 and in early 1973, and manufacturing employment has shown little change since June. The average workweek in manufacturing in the first 8 months of 1973 was above the corresponding period of 1972, but it has edged down since last spring.

Following a 2-year period of strong gains, increases in industrial productivity slowed in the first half of 1973 and continued relatively moderate in July and August. The reduced rate of productivity growth coupled with increasing labor compensation resulted in sharply higher unit labor costs in the first half of this year.

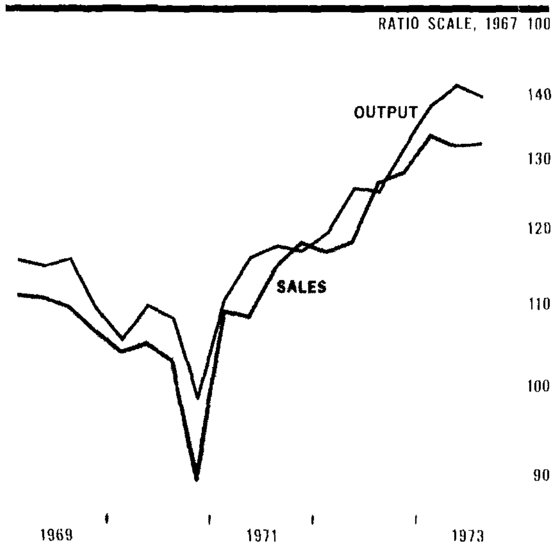
The wholesale price index, which had increased 6.5 per cent during 1972, rose at an annual rate of 25 per cent after Phase III controls replaced Phase II in January. This extremely rapid increase was led by an extraordinary 83 per cent annual rate of advance in prices of farm products, but the 11 per cent rate for industrial commodities was also exceptionally large. Prices of farm products rose further by a record amount from mid-July to mid-August, but much of this advance had been reversed by early September. The consumer price index followed the pattern shown by wholesale prices before and after the termination of Phase II, but the increases were less sharp. Retail food prices increased at an annual rate of 17 per cent between January and July of this year, and all items less foods rose at a 4 per cent annual rate.

A general price freeze imposed on June 13 was partially removed from most foods on July 18, and on September 10 was replaced by Phase IV controls, which are somewhat more rigorous than those of Phase II. But industrial prices, as expected, rose rapidly after the end of the freeze.

CONSUMER GOODS

Production of consumer goods in August was 16 per cent above the 1969 pre-recession peak—reflecting a sharp increase in output of durable goods and a smaller growth in nondurable goods that

2 **Output and stocks of CONSUMER DURABLE GOODS continue to rise but sales begin to decline**



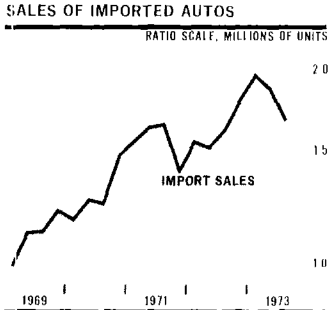
Seasonally adjusted. Sales and stocks based on physical quantity and constant dollar data derived partly by F.R. from Bureau of Economic Analysis and trade sources. Latest data, Q3 estimated.

account for a larger part of the total. By the second quarter of 1973, however, the expansion in total output of consumer goods had begun to slow as production of some durable goods was at or near capacity levels and demands were showing indications of easing. In August output of consumer goods declined, primarily because of special temporary circumstances in the auto industry; in mid-September, there was a short strike at a major auto producer, which was settled by a tentative agreement subject to union ratification. Consumer durable stocks have been increasing this year, moving toward the earlier record levels of 1971 (Chart 2).

Automobiles. Unit sales of domestic-type autos this year have remained close to the record rate reached in the first quarter, as may be seen in Chart 3. August sales were at a seasonally adjusted annual rate of 9.7 million units compared with the record rate of 10.3 million units in the first quarter. Purchases of imported cars also peaked in the first quarter and then declined as stocks already in this country at the time of the February dollar-devaluation were run down. It appears that concerns about gasoline shortages have kept sales of imported cars higher this summer than had been expected and have strengthened demand for domestic-type small cars.

With auto plants operating at close to capacity levels, domestic output was virtually unchanged in the first half of 1973 following a 25 per cent increase during 1972 to an advanced rate at the year-end. With sales off somewhat from their highs, dealer inven-

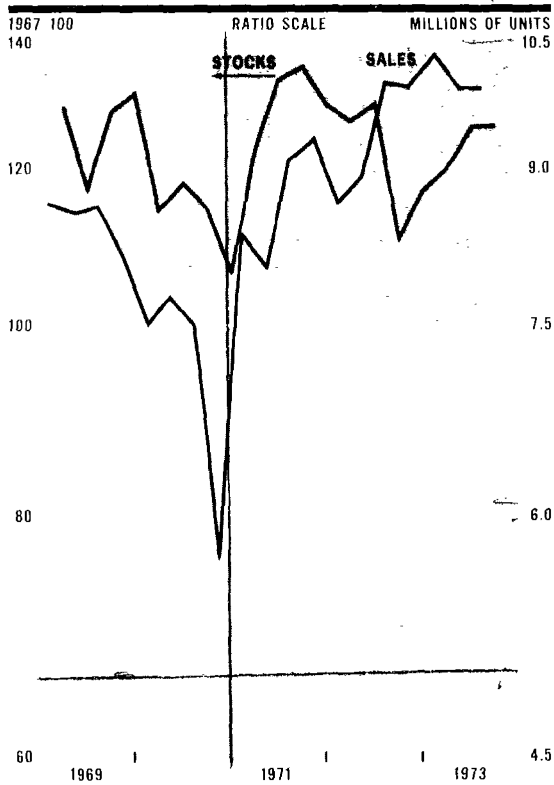
SALES OF IMPORTED AUTOS



Seasonally adjusted at annual rates. Latest data, Q3 estimated.

tories of new domestic autos have been accumulating and by mid-1973 had risen 15 per cent from the third quarter of 1972. In August, output was a fifth below the scheduled pace because of parts shortages and plant closings due to extreme heat; however, stocks remained at the end-of-the-second-quarter level and by August 31 were equivalent to a 49 selling-day supply.

3 | Sales and output of DOMESTIC AUTOS begin to ease; stocks start to climb



Seasonally adjusted. Sales and output at annual rates, stocks are index numbers. Quarterly averages except stocks, end of quarter. Latest data, Q3 estimated.

Home goods. Output of appliances, radios, television sets, carpets, and furniture—extending a period of growth that had started in early 1971—reached a new high in the second quarter of 1973, although production was off slightly by August. Retail sales, which include imports, also continued to rise. Nevertheless, the rate of growth tapered off after the first quarter as completion rates for new housing, including mobile homes, have leveled off. Retail and factory stocks of home goods, which include imports as well as domestic production, have increased in 1973 and by August were 7 per cent above the level at the end of 1972.

Production of home appliances and sales to dealers of these goods rose only slightly in the second quarter after a substantial rise in the previous two quarters and were down somewhat in July and

August. Factory and dealer stocks leveled off in the second quarter after a 25 per cent increase over the preceding six quarters ending in March; in August they were up again.

Domestic production of television sets and home audio equipment increased substantially in the first half of 1973 after a year of rather stable production in 1972. The expansion reflected in part the continued increase in demand for color TV sets—a higher percentage of which are produced in the United States—and in part adjustments in foreign exchange rates, which made imports more expensive here. By August, factory sales of television sets to dealers were only 2 per cent above a year earlier while factory and wholesale distributors' stocks were up 14 per cent. The inventory mix was changing, however, as stocks of monochrome units decreased, reflecting their declining market share, while inventories of color sets increased.

Nondurable consumer goods. Over-all production of nondurable consumer goods in August was 4 per cent above a year earlier. Since the first quarter, however, growth has leveled off as a decline in residential utilities has about offset increases in consumer chemicals. Output of processed foods and consumer paper products has changed little during 1973.

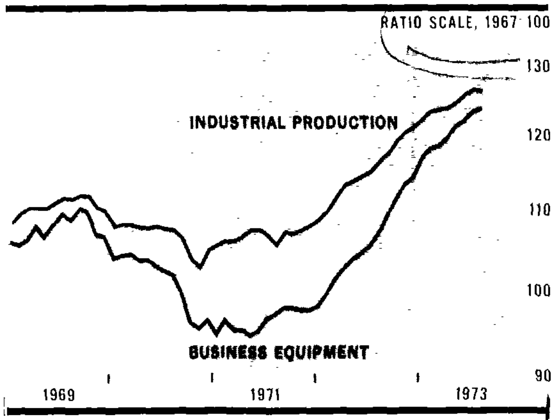
Production of the cyclically sensitive apparel group, which had been rising steadily since late 1970, has leveled off since March of this year. Over the two quarters ending in March, retail sales of apparel increased 12 per cent in value terms, but in the second quarter of 1973 they declined 2 per cent. The dollar value of apparel sales in recent months has reflected increases in prices, which rose sharply in the first half of 1973 following a slower but steady rate of increase from mid-1971.

BUSINESS EQUIPMENT

The renewed expansion in business equipment production, which began in mid-1971, has continued into the third quarter of this year. However, the rate of expansion has slackened since February, reflecting in part capacity output in some business-equipment-producing industries and also delays in delivery of intermediate goods and raw materials to equipment producers. Output of business equipment has risen at about a 10 per cent annual rate since February as compared with 20 per cent in the preceding 12-month period. In August, output was at a new record, about 12 per cent above its 1969 peak and 30 per cent above its trough in May 1971. As may be seen from Chart 4, the cyclical movement in business equipment production in the 1969–73 period was more pronounced than that for total industrial production, which is typical of business cycles.

Fluctuations in production of manufacturing equipment—over the period September 1969 to October 1972—contributed to the pronounced cyclical movement in total business equipment pro-

4 | BUSINESS EQUIPMENT recovers dramatically with upswing in industrial production



[1]Seasonally adjusted. Latest data, August

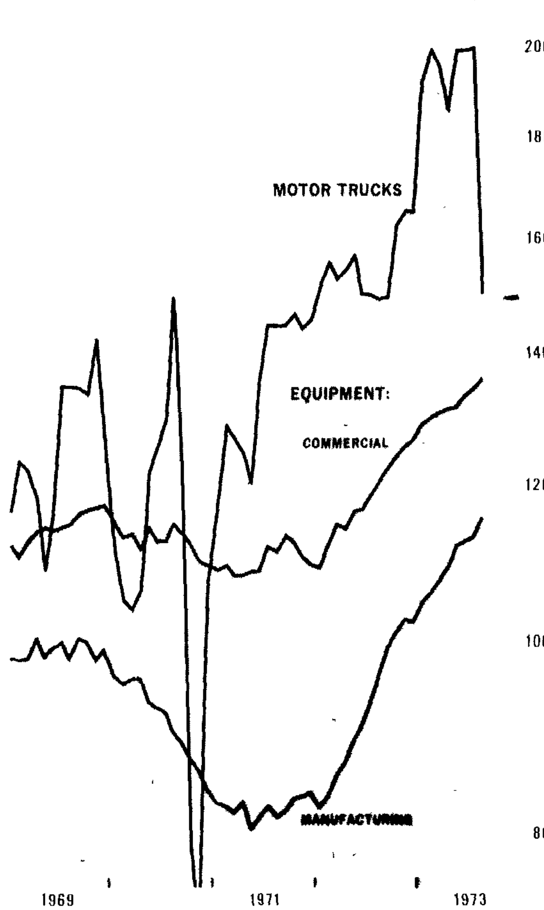
duction (Chart 5). After having reattained its 1969 peak in October 1972, manufacturing equipment output has risen to its highest postwar level. The sharp recovery to a new high reflects the sharp increase in investment in the manufacturing sector (Chart 6)—encouraged by such developments as expanding sales of manufactured goods, strains on capacity in some industries, and the investment tax credit.

The expansion in output of manufacturing equipment has apparently resulted in less expansion in manufacturing capacity than has been usual in cyclical upswings, in part because of urgent needs to modernize existing facilities and to adapt older plants to conform with pollution control standards. According to the results of McGraw-Hill's recent survey of business capital expenditures, the distribution of capital expenditures by manufacturing between expansion and modernization shifted in the direction of modernization in 1971 and 1972. Prior to 1971, this distribution had been relatively stable for a number of years.

This diversion of investment resources to needs other than capacity expansion appears to have been especially pronounced in the major materials industries where growth in capacity has been slow in spite of sharply rising investment levels (August 1973 BULLETIN, pages 564–66). Such major materials-supplying industries as paper, cement, and steel are prime examples of industries that have severe pollution problems, and they are among those that are devoting significant amounts of new equipment to pollution abatement. For example, the American Paper Institute reports that about 40 per cent of the paper industry's investment in 1972 was for pollution control.

There was also a pronounced cyclical movement in the production of transportation equipment in the 1969–73 period. After a peak in July–September 1969, output of such equipment declined

5 | EQUIPMENT PRODUCTION is up



Seasonally adjusted. Latest data, August.

to a low level in November 1970. At that point, production was further depressed by a strike at a major auto and truck producer. Production has since recovered but is not yet back to the levels attained in 1969, inasmuch as aircraft output, an important component, remains substantially below its peak levels. Output of commercial aircraft declined by about one-half from July 1969 to July 1971 and has shown only moderate recovery since then.

The recovery in transportation equipment production was spearheaded by near-capacity output of trucks in the first half of 1973. Truck production in August was down sharply, however, because of parts shortages and because of plant closings occasioned by extremely hot weather. Production of truck trailers also has increased strongly this year. Commercial ship production has been at about its 1969 level after an intervening decline and partial recovery. Production of railroad equipment remains well below the previous cycle peak as problems in the railroad industry, principally in the Northeast, have limited the carriers' ability to finance new equipment.

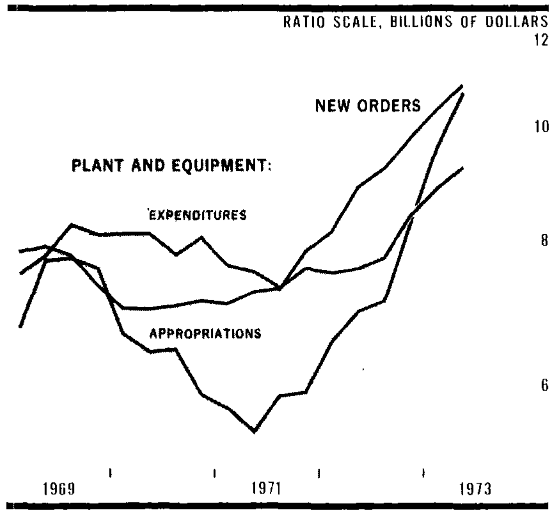
Production of farm equipment has recovered sharply since its July 1971 low. The upswing, fueled by the tremendous increase in domestic and foreign demands for U.S. farm products and the consequent high prices of farm products, has carried the index substantially above the previous high of August 1969.

Output of building and mining equipment has made a strong recovery from its recession low in July 1971. The index is currently well above the level of the previous peak in November 1968. Production of construction equipment has been buoyed by the dramatic upswing in private housing construction, which began early in 1970. Although new housing starts have been drifting downward this year, they have remained at a high level. Demand for construction equipment has also been stimulated by a recovery in 1972 and 1973 in activity in the private nonresidential sector. From a cyclical low of $24.3 billion (annual rates, 1958 dollars), expenditures for nonresidential structures rose to an estimated $27.1 billion in the second quarter of 1973.

Production of power and commercial equipment showed less cyclical movement in 1969–73 than that experienced in the other sectors. The relatively steady growth in the output of power equipment reflects the noncyclical nature of the utility business, which in turn reflects the generally sustained growth in use of energy by both industrial and nonindustrial consumers. Commercial equipment production (Chart 5) declined moderately from late 1969 to early 1971 and subsequently rose to new high levels. This class of equipment includes computers and other office and store machines whose applications in various sectors of the economy have continued to expand rapidly.

Various indicators suggest that considerable strength remains in the investment sector. Both new and unfilled orders of nondefense capital goods industries have continued to rise sharply this year, as have plant and equipment expenditures (Chart 6). Appropriations for new plant and equipment spending by the manufacturing sector in the second quarter were sharply higher than the cyclical low in the comparable quarter of 1971. The Conference Board reports that the recent slowing in the rate of increase of appropriations—from 17 per cent in the first quarter of 1973 to 11 per cent in the second quarter—was due to supply limitations. Backlogs of unspent appropriations this year showed their largest gain yet recorded. High levels of new appropriations and backlogs of unspent appropriations constitute the potential for continued investment—and for output of business equipment as well—at high and possibly rising levels. The recent Commerce Department survey, taken mostly in August, indicates that manufacturers plan to spend 19 per cent more for plant and equipment in 1973 than in

6 | **INDICATORS show strength in investment upswing**



Seasonally adjusted. Latest data, Q3 estimated.

1972 and that nonmanufacturing industries plan to spend 10 per cent more than in 1972.

DEFENSE AND SPACE EQUIPMENT

Output of defense and space equipment remains well below the peak rate reached in 1968. This reduced level reflects the U.S. withdrawal from an active military role in Southeast Asia and the reduction in space exploration activity since the completion of the Apollo program.

INTERMEDIATE PRODUCTS

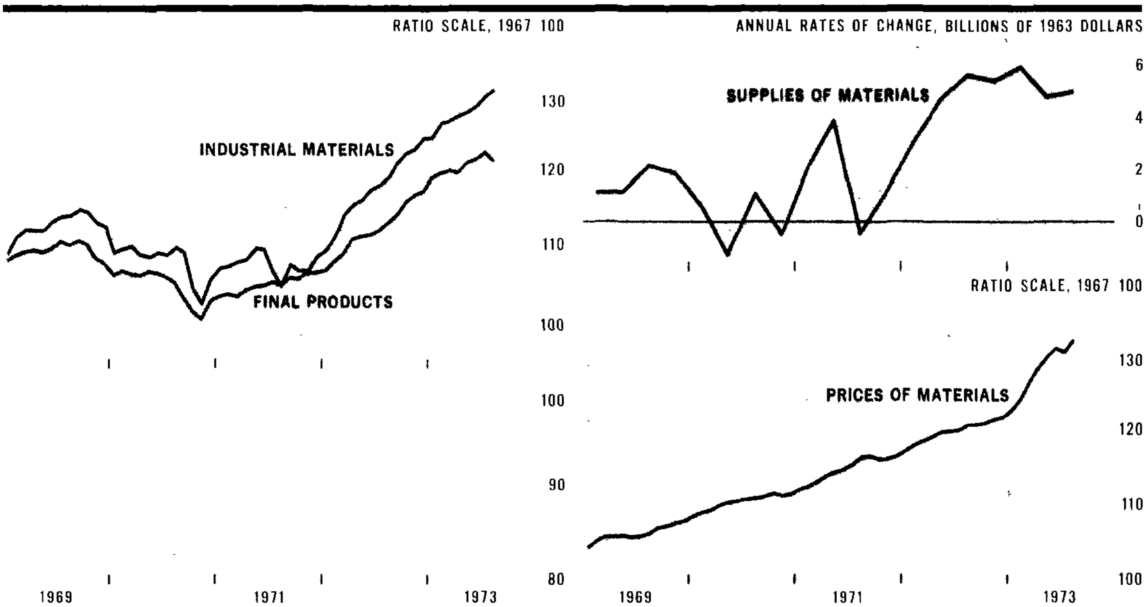
Intermediate products—such as construction products, farm chemicals, and fuels for commercial uses—are produced in the industrial sector for use mainly outside the sector. With the sharp rise in construction activity in 1972, output of construction products advanced rapidly during the year. During the first half of 1973, however, output of these products showed little further gain, in part because of capacity limitations in some industries and in part because of a drifting down in new private housing starts since late 1972. Production of general business supplies, reflecting the rise in the over-all economy, advanced during 1972 and then was maintained at record levels during the first half of 1973.

MATERIALS FOR PROCESSING

Fluctuations in production of materials used for industrial processing are usually wider than those for final products for two reasons. One is that they reflect fluctuations in a very sensitive component of business inventories. The other is that, in recent years, short-run shifts in foreign trade have been large for materials.

The rise in output of industrial materials that began in early 1972 and continued into mid-1973 has reflected a variety of influences: an increased demand for, and output of, consumer goods

7 Materials OUTPUT rises faster than PRODUCTS as UTILIZATION RATE of major materials increases; although SUPPLIES build up further, PRICES still rise rapidly



Seasonally adjusted except prices. Price index, F.R. grouping of BLS data. Utilization rate, F.R. Supplies, net imports plus projections of 1963 output-inventory relationships based on industrial production indexes for materials and final products (net imports compiled by F.R. from Dept. of Commerce data; duties and freight on imports, F.R. estimates). Latest data, August or Q3 estimated.

and business equipment; a build-up of inventories of these goods—apparently induced to a significant extent by an upward spiral in prices—as a partial hedge against expectations of continued price advances; and in recent months, an increase in exports of industrial materials in response to the devaluation of the dollar and to tighter supplies in other countries.

The 1972–73 upswing in output of industrial materials has brought to a new high the capacity utilization rate in major materials industries and an indicated increase in the rate of inventory accumulation of industrial materials. Stocks of materials probably have been built up enough to prevent development of serious general shortages of materials even though their production is near capacity. However, this does not preclude the development of shortages of specific materials. For example, some parts of the country and several types of industrial users have been affected by limited supplies of fuels this year, and in August, auto and truck assemblies were curtailed, in part, because of a lack of components.

The most volatile of the materials are those used in durable goods manufacturing. This category includes basic metals and the various semifinished products that are further processed into final durable consumer goods and business equipment. Output of these materials showed a rapid growth during 1972—over one-fifth—followed by a slowing down in the rate of increase in 1973.

Output of iron and steel, which had been cut back sharply following the wage contract settlement in mid-1971, advanced strongly in 1972 and reached a peak in December 1972. It has shown little change since then as steel mill operations have been at or near capacity levels. Inventories of steel products at producing mills declined sharply in the first half of 1973. Meanwhile, stocks increased at steel-consuming plants, but they were not excessive because output of consumer durable goods and business equipment continued at record levels. Imports of steel mill products have augmented domestic supplies, but the volume of imports has been declining as foreign steel demands have generally increased.

Production of nonferrous metals and products also increased sharply in 1972; like steel, it reached a peak at the end of the year with little change since then. Among other industrial materials, those for use in processing of durable consumer goods and business equipment showed large advances in 1972. While output of these goods has continued to increase since January, the rate of increase has been at a slower pace.

Over-all production of nondurable industrial materials is typically more stable and less influenced by cyclical changes than output of durable materials, and this has been especially true in the past several years. However, two of the major components of nondurable materials, which had shown a consistent expansion in production over the years until they reached a peak in 1970, have shown little further advance since then. Within these two sectors crude oil extraction and coal mining have declined in recent years and output of natural gas and gas liquids has remained stable. Output of electricity for industrial use, however, has continued to expand. In contrast, production of textile, paper, and chemical industrial materials is considerably more sensitive to cyclical fluctuations. Following large increases of output of these materials in 1971 and 1972, production continued to rise in mid-1973 but at a much slower pace than earlier.

■ ■ ■ ■ ■

All major sectors, apart from defense equipment, have contributed to the large rise in industrial production since the 1969–70 downturn—consumer goods, business equipment, and materials. However, further gains in industrial output in the months ahead may be limited because of several factors: a slowing of the rise in consumer demands for goods, reflecting in part the recent rapid increase in prices; a decline in residential construction reflecting in part reduced availability and higher costs of mortgage financing; and the high rates of capacity utilization of industrial materials and parts, which are currently limiting expansion in some finished goods industries. □

Treasury and Federal Reserve Foreign Exchange Operations

This twenty-third 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, Special Manager, System Open Market Account, and Senior Vice President in charge of the Foreign Department of the Federal Reserve Bank of New York. It covers the period March through July 1973. Previous reports have been published in the March and September BULLETINS *of each year beginning with September 1962.*

After consultations with the major trading partners of the United States, Treasury Secretary Schultz announced on the evening of February 12, 1973, that the dollar would be devalued by 10 per cent. Almost all of the developed nations maintaining par or central values left them unchanged, thus bringing about a uniform realignment of their exchange rates reflecting the full devaluation of the dollar. In the case of Japan, the yen was allowed to float temporarily to permit an additional appreciation vis-a-vis the dollar. Sterling and the Swiss franc remained on the floating basis initiated in earlier months and were joined by the Italian lira.

While there was some initial profit-taking, new flows of funds into marks and other foreign currencies soon resumed. Despite the major adjustment in exchange rates resulting from the dollar devaluation, there continued to be widespread discussion of the possibility of a joint float of the European Community (EC) currencies in the event of renewed dollar inflows. Market worries were further exacerbated by the speculative buoyancy of the floating Swiss franc, which had appreciated significantly more than other European currencies.

In short, the markets remained entirely unconvinced that the crisis was over, and by February 23 the dollar had fallen to its new floor against the mark, French franc, guilder, and Belgian franc. Then on Thursday, March 1, in a sudden new flight from the dollar, more than \$3.6 billion was dumped on the European central banks. That night the European authorities closed their exchange markets until further notice.

Emergency meetings of the EC and Group of Ten (G-10) Finance Ministers quickly got under way and yielded two major policy decisions. On March 11, five members of the EC—Germany, France, Belgium, the Netherlands, and Denmark—agreed to maintain fixed exchange-rate relationships among themselves within a 2.25 per cent band, which would be permitted to float as a bloc against the dollar. Norway and Sweden subsequently joined this bloc. In conjunction with this EC decision to establish a fixed-rate bloc, the German authorities revalued the mark by 3 per cent. As further protection against new speculative inflows of funds, most countries participating in the EC bloc tightened and extended their existing exchange controls. The Japanese yen, Swiss franc, sterling, and the Italian lira each continued to float independently.

The EC decision to engage in a joint float against the dollar left open a major question whether such a float would be "clean" or subject to intervention by the Federal Reserve and the EC central banks at their discretion. This policy issue was taken up by the Paris meeting of the G-10 Finance Ministers, including Secretary Schultz, who issued on March 16 a communique reiterating their determination to ensure jointly an orderly exchange-rate system. They agreed in principle that official intervention in the exchange markets might be useful at appropriate times to facilitate the maintenance of orderly conditions. Each nation represented stated that it would be prepared to intervene at its initiative in its own market in close consultation with the countries whose currencies were being traded. To ensure adequate resources for such official exchange operations, it was envisaged that some of the existing swap facilities would be enlarged.

With these new rules of the game, the markets were officially reopened on March 19 and over the next 6 weeks the dollar improved hesitantly as earlier adverse leads and lags were partially unwound. Despite an improving trend in the U.S. balance of payments and the frequently voiced view that the dollar was now undervalued, there was no large sustained covering of short dollar positions, or reflow of funds. Indeed, the market became increasingly concerned over the worsening U.S. inflation, forecasts of vastly higher energy imports, and the possible ramifications of the Watergate affair.

While the dollar remained strong against the currencies of this country's two major trading partners Japan and Canada a tendency to shift out of dollars in favor of European currencies resumed in early May. By midmonth a new speculative attack had broken out in which soaring gold prices, sliding Wall Street stock prices, and a weakening dollar fed upon each other. Pressure on the dollar was further intensified by the progressive tightening of German monetary and fiscal policies, as the sharp rise of the German mark began to pull up the other EC currency rates against the dollar.

In June and early July, the dollar was driven down in recurrent bursts of heavy selling to levels unjustified and undesirable on any reasonable assessment of the outlook for the U.S. payments position. As these pressures reached a climax on July 6, the German mark had been bid up by some 30 per cent above the central rate established in February, and the French franc and other currencies in the EC bloc by 18 to 21 per cent, while the price of gold on the London market had shot back up to $127. Meanwhile, trading conditions in the exchange markets had become increasingly disorderly, and by Friday, July 6, a number of New York banks were refusing to quote rates on certain European currencies. Exchange trading was grinding to a standstill.

Such excessive depreciation of the dollar was simultaneously generating further hectic speculation in the international commodity markets and otherwise seriously intensifying inflationary pressures in the United States. Those countries whose currency rates were moving down with the dollar suffered the same inflationary impact while, conversely, those countries whose currencies were appreciating excessively visualized a major and unjustifiable threat to their competitive position in world markets. This was a dangerous situation from almost every point of view and was recognized as such by press commentary around the world.

At a meeting of the Bank for International Settlements (BIS) group of central banks on the following weekend, Federal Reserve representatives wound up earlier negotiations providing for major increases in the Federal Reserve swap lines as well as for new arrangements covering exchange risks on floating rates. On Sunday night, July 8, the governors of the BIS central banks issued a statement noting that the necessary technical arrangements were now in place to implement the Paris agreement of March 6 regarding exchange market intervention to maintain orderly markets. On the following Monday afternoon, in agreement with the U.S. Treasury, a telephone conference of the Federal Open Market Committee approved a resumption of exchange operations, to be financed if necessary by drawings on the swap lines.

The exchange markets were meanwhile anticipating such action and by the following Tuesday afternoon, when the Federal Reserve announced an increase in the swap network from $11.7 billion to nearly $18 billion (Table 1, p. 639), a strong recovery of the dollar against most of the European currencies already had occurred. Against the mark, for example, the dollar had rocketed up by 7 per cent from the all-time low reached on the preceding Friday. In large part, the steep rise of dollar rates seemed to reflect market hedging against the possibility of sudden, massive intervention by the Federal Reserve. When intervention on such a scale did not immediately materialize, dollar rates began to slip back and were further seriously depressed during the rest of July by a progressive tightening of the German money markets. On July 26 the call money rate in Frankfurt rose to 38 per cent.

Market intervention by the Federal Reserve was in fact initiated on July 10 and was continued through the end of the month. Rather than the massive action envisaged by some traders, the Federal Reserve pursued the less dramatic path of trying to assist the market in finding a solid footing from which a strong recovery might then develop once the German credit crunch was relieved, and prospectively good trade figures for the United States for June were released. In this stabilizing effort, the Federal Reserve through frequent intervention in the New York market sold \$220 million of German marks, \$47 million of French francs, and \$6 million of Belgian francs—an intervention total of \$273 million—all financed by drawings on the swap lines with the foreign central banks concerned. These drawings increased the System's swap debt from \$1,555 million to \$1,828 million by the end of July (Table 2, p. 640). Federal Reserve operations in New York were strongly reinforced by coordinated purchases of dollars by the German Federal Bank in Frankfurt totaling somewhat more than \$300 million.

In late July, the market stabilized well above the lows reached earlier in the month. Then, as the German Federal Bank took action to relieve the German credit squeeze, the New York money market tightened, and the June trade figures for the United States showed considerable improvement, the dollar recovered strongly through the first 2 weeks of August. Since then the exchange markets have been functioning in more orderly fashion in a much calmer atmosphere. Bid and offer spreads are moving back toward normal, and daily swings in market rates are somewhat less volatile. In early September, dollar rates against the mark and French franc, for example, were some 10 per cent and 11⅝ per cent above their July 6 lows. After the shocks to confidence in recent years, however, the healing process is bound to take some time, and much will depend on emerging trends in the U.S. balance of payments and on the degree of success in holding inflation in check in this country. Meanwhile, the market is aware of the joint statement made on July 18 by Chairman Burns and Secretary Schultz that active intervention will take place in the future at whatever times and in whatever amounts are appropriate for maintaining orderly market conditions.

GERMAN MARK

By early 1973 Germany's economic expansion had accelerated and the rate of inflation had reached the highest level in more than two decades. In attempting to curb this inflation, the German authorities were relying heavily on monetary policy instruments and, consequently, were concerned over simultaneously attracting renewed flows into marks from abroad. Therefore, the German Government had erected various barriers to ward off capital inflows and to protect the economy from the expansionary impact of such inflows as did occur. These controls could not be airtight, however, and in January and early February of this year, a combination of developments in Europe and the United States had touched off a rush into marks, which thereafter broadened into a full-scale attack on the U.S. dollar.

In conjunction with the February 12 devaluation of the dollar, the German authorities immediately set a new central rate of \$0.3448 for the mark, corresponding in full to the change in the value of the dollar in Special Drawing Rights (SDR's). When regular exchange trading resumed after a 2-day closure of the markets, the mark–dollar market was subjected to strong crosscurrents. On the one hand, many holders of dollars decided that they were no longer prepared to hold dollar assets. Some foreigners simply sold dollars to return to their own currencies, but many others, including some central banks, shifted from dollars into German marks and other European currencies. This process added substantially to the demand for marks, not only in February but also, in varying volume, virtually through spring and early summer.

On the other hand, there remained the massive positions—short of dollars and long of marks—on which profits had yet to be taken. Therefore, after the German Federal Bank acted to neutralize the monetary impact of the buildup of mark balances by imposing a 100 per cent reserve requirement on excess balances of nonresidents, and often the German banks had responded by selectively imposing negative interest charges on nonresident balances, reflows

1 | THE DOLLAR-MARK RATE

out of marks developed. The spot mark eased, and by February 19 the mark reached its new floor against the dollar. Over the next few days the German Federal Bank was able to release to the market some $1 billion of its previous dollar intake, and as part of this operation it sold to the Federal Reserve sufficient marks to repay the full $105 million of Federal Reserve swap drawings incurred before the February devaluation of the dollar.

These reflows out of marks quickly dried up, however, and the balance of forces in the market swung sharply the other way. With the dollar weakening across the board at a time when European officials were openly discussing the possibility of a joint float against the dollar, few traders were willing to take up the heavy volume of dollars being offered in the exchanges. In the 2 days February 22 and 23, the mark rose from its floor to its new upper limit and traded near that level through the end of the month. The continuing discussion on both sides of the Atlantic of the exchange-rate question—whether the dollar's devaluation had been enough or whether there might be a joint float of the European currencies—kept the market anxious. Pressures came to a head on March 1, when massive amounts of dollars were dumped on the exchanges and the German Federal Bank alone took in a record $2.6 billion. The German and other European exchange markets were then closed and official international discussions to resolve the crisis began.

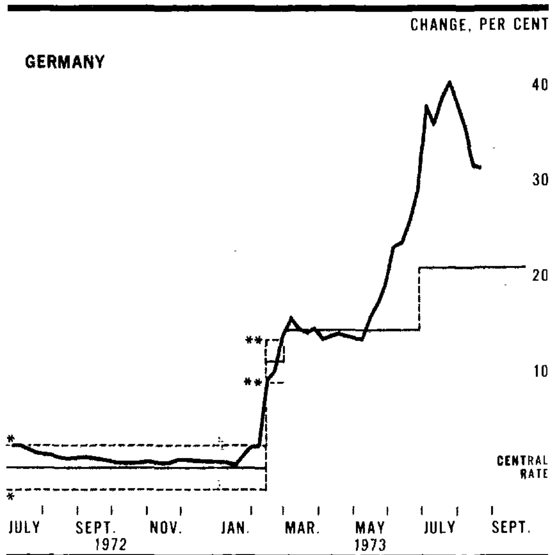
As the market awaited the outcome of these negotiations, the mark fluctuated erratically before drifting back somewhat in very thin trading. On March 11 Common Market officials announced that Germany and four of its EC partners would keep their exchange-rate relationships fixed against each other within a 2.25 per cent band while suspending the intervention limits against the dollar. As part of this agreement the German authorities revalued the mark vis-a-vis the SDR and other participating currencies by about 3 per cent. On March 16, in Paris, the U.S. authorities joined in a broader agreement incorporating these moves and recognizing that official intervention in the exchange markets may be useful at appropriate times to facilitate the maintenance of orderly market conditions.

When the markets were formally reopened on March 19, traders remained in a state of shock over the events of the previous 2 months. Moreover, the vast uncertainties over how well the market would function under the new arrangements—a mixture of fixed and floating exchange rates plus a spate of new capital controls—initially had paralyzing effect. As a result, the market was quiet, trading was thin, turnover was small, and day-to-day movements in the mark rate continued to be abnormally wide. Over the previous 2 months most market participants had satisfied their normal demand for marks for some time to come, leaving an absence of routine demand for marks once the markets reopened. In addition, some of the long positions in marks were being cut out, as the interest costs of maintaining those positions mounted.

Consequently, the mark settled just below its effective central rate of $0.3551 against the dollar and slipped to the bottom of the EC band, where it required support against those currencies at the top of the joint float. Except for a brief reversal in mid-April on a temporary tightening of monetary conditions in Germany, the mark continued to drift lower against the dollar and to exert a drag on other EC currencies through early May.

In May, a new series of events broke the surface calm of the exchange markets and set off a progressive rise of the mark that continued virtually uninterrupted through early July. The precipitous rise in the mark reflected developments in Germany and the United States as well as the dynamics of the exchange market itself. In Germany, the Federal Bank had been striving to maintain its firm grip on domestic liquidity through higher reserve requirements, cuts in discount quotas, hikes in discount and Lombard rates, and limits on access to the Lombard facility. These measures, and expectations in the market that further tightening would be forthcoming, tended to reinforce the demand for marks in the exchanges at a time when the German Government also was developing a program of anti-inflationary fiscal measures. At first there were rumors that this program would be accompanied by a further revaluation of the mark, which led to renewed speculative demand for marks. When the fiscal program was announced, however, there was no revaluation, and speculation subsided for the time being.

2A | MOVEMENTS IN EXCHANGE RATES



*Upper and lower intervention limits established in Dec 1971.

**Upper and lower intervention limits around new central rate established on Feb. 13, 1973, following ~~proposed~~ devaluation of U.S dollar. Limits suspended on Mar. 1, 1973

NOTE.—Movements in exchange rates are measured as percentage deviations of weekly averages of New York noon offered rates from the middle or central rates established under the Smithsonian Agreement of Dec. 18, 1971.

Meanwhile, the United States was suffering from a daily diet of bad news about escalating prices and the Watergate affair. Coupled with successive sharp jumps in the price of gold and repeated declines in prices on Wall Street throughout May, these factors brought frequent sharp declines in the dollar.

Against this background, the announcement of a small U.S. trade surplus for April gave the dollar only a brief lift in late May, and a renewed scramble for marks began following the Federal Bank's announcement of a further 1 percentage point increase in the discount and Lombard rates and the subsequent suspension of the Lombard facility on May 30. By June 5, the spot mark had climbed to \$0.3864—nearly 9 per cent above its central rate—and had moved up from the bottom of the European "snake," where it had traded since mid-March, almost to the top.

Shortly thereafter, reports of an impending new U.S. anti-inflation program, and later the Federal Bank's move to moderate the impact of its May measures by reopening a special discount facility against commercial bills, helped to turn the mark rate down briefly. But the 60-day price freeze announced for the United States disappointed the market. Then on June 26 traders were further disturbed by the U.S. trade figures for May, which showed a moderate deficit rather than the sizable surplus that many had been expecting, and by the Federal Bank's announcement of another move to tighten domestic liquidity—a 25 per cent cut in the reserve base for foreign deposits. That day, heavy demand for marks drove the spot rate up almost 2.5 per cent in 4 hours, to a level 12.5 per cent above the March central rate.

The mark was now spearheading the rise of the Community currencies against the dollar, and substantial intervention in marks by EC central banks was required on June 27 to keep the bloc together. On June 28 the mark was driven up another 3 per cent against the dollar, and the central banks participating in the fixed-rate bloc had to supply very large amounts of marks against EC currencies, bringing the 12-day total to \$1.5 billion equivalent. On June 29 the German Government announced a further revaluation of the mark by 5.5 per cent in SDR terms.

This move relieved the immediate tensions within the snake but gave little pause to the slide of the dollar vis-a-vis the mark. In the first week of July the mark rose each day to record levels, which market professionals agreed were absurdly high. Nevertheless, efforts of traders to sell dollars against marks and other European currencies intensified, soon reaching panic proportions. By July 6 the markets had fallen into such disarray that spreads between bid and offer rates widened almost to 1 per cent, and several New York banks refused to deal in marks at all. At its high of $0.4525 that day, the mark had gained more than 9.5 per cent since June 29 and stood some 30 per cent above its February central rate, 45.75 per cent above the previous Smithsonian central rate, and fully 65.5 per cent above its parity before May 1971.

Following the regular monthly meeting of central bankers in Basle that weekend, reports circulated that an increase in the Federal Reserve swap lines was in the offing, and as the market developed exaggerated expectations of massive intervention to be launched in support of the dollar, the mark dropped off sharply. By the time the increases in swap lines were confirmed on July 10, the spot rate had fallen by about 7 per cent. On that day the Federal Reserve began intervention in the New York market, using marks drawn under the swap line with the German Federal Bank, and following up with simultaneous intervention in French francs and Belgian francs, which also were at or near the top of the EC band.

The intervention was less dramatic than the market had expected, however, being intended primarily to help the markets regain some sense of balance and stability. Thus, although trading did become more orderly as the Federal Reserve continued to intervene and the Federal Bank began to intervene by buying dollars openly in Frankfurt, the earlier recovery of the dollar was not fully sustained.

After midmonth, German money market conditions came to dominate the exchange market; as banks found themselves short of liquidity, their efforts to meet their reserve requirements touched off renewed heavy bidding for marks. This liquidity squeeze persisted over several days, even though the Federal Bank provided a substantial amount of assistance to the domestic market and intervened in the exchange market to avoid a sharp decline in the dollar rate. The Federal Reserve intervened in New York while, at the same time, other central banks were obliged to intervene to maintain the margins of the snake.

On July 26 the squeeze came to a head, and a combined amount of $350 million equivalent of marks was provided through central bank intervention in limiting the rise of the mark, which nevertheless reached $0.4390, some 17 per cent above its central rate. The liquidity squeeze then passed and German money rates fell off. At the same time, U.S. interest rates were rising and improved trade figures were released. As the spot mark eased, the Federal Reserve applied gradual pressure, selling marks to keep the rate moving. By the end of July Federal Reserve intervention in marks had amounted to $220.5 million equivalent, while the Federal Bank bought some $300 million for its own account in support of the dollar.

FRENCH FRANC

Following the announcement on February 12 that the dollar would be devalued, the French authorities reaffirmed the gold parity of the French franc, thereby establishing a par value against the dollar which fully reflected the dollar's devaluation. As the dollar soon came under renewed attack in the exchange markets, the franc rose with most other currencies, touching its new ceiling on February 23. In the general selling of dollars that developed in early March, the Bank of France was obliged to take in some $500 million at the upper limit before the Paris exchange market officially closed on March 2.

In subsequent days, with all the major European currencies effectively floating during negotiations to resolve the exchange crisis, the franc rate rose more than 2 per cent above its new ceiling in exceedingly thin trading. During the negotiations, the French authorities agreed to participate in a collective EC float against the dollar while at the same time announcing a barrage of new regulations designed to ward off speculative inflows. These included a ban on interest for nonresident deposits, a 100 per cent marginal reserve requirement on those deposits, prohibition on the use of financial francs for nonresident purchases of short-term financial assets, and limitations on certain forward currency transactions by French banks.

When the Paris exchange market was officially reopened on March 19, trading was light as market participants tried to assess how these new controls would affect their individual operations. For their part, French banks soon responded to the 100 per cent marginal reserve requirement by selectively imposing a charge similar to a negative interest rate on nonresident balances. By and large, the controls had their desired effect, as no new rush into francs developed and, indeed, the franc soon began to ease in response to the downward pull of the German mark.

Among the EC currencies, however, the franc remained fairly buoyant. By early spring the French trade balance was strong, thanks to both the competitive edge France had gained through earlier exchange-rate realignments and to steady improvements in industrial productivity within France. Thus, as the dollar generally strengthened in late March and through much of April, the commercial franc declined more slowly than its partner EC currencies. The French franc was, therefore, at the top of a fully stretched European snake, with modest sales of francs required to maintain the limits.

As the dollar came under renewed pressure in Europe just before mid-May, the commercial franc joined the other continental currencies in setting new highs against the dollar almost every day. Speculative demand focused more heavily on the German mark, however, and although the franc rose steadily, by June it was superseded by the mark as the leader of the snake.

At this point monetary conditions remained more comfortable in France than in several EC countries where monetary policies had been drastically tightened. In addition, French Government officials spoke out repeatedly and in strong terms against further appreciation of the franc. Nevertheless, the franc was pulled up further in the wake of other currencies in the common EC float, and as speculation on the mark accelerated in June, the spot rate shot up against the dollar to 11¾ per cent above its par value. By this time, heavy demand for marks had put intense pressure on the snake and market professionals, who were coming to question the viability of the fixed-rate band and the commitment of the European banks to support the arrangement, were switching funds from France and other EC countries into Germany. On June 27 and 28, the French franc required heavy intervention to stay within its EC lower limit against the German mark.

The June 29 revaluation of the mark relieved the immediate pressure on the EC band but did nothing to stem the growing pressure on the dollar. Early in July the French Government introduced a broad range of credit measures designed both to counter domestic inflation and to bring French money market conditions more in line with those elsewhere in the EC. These measures bolstered the franc against other European currencies as well as against the dollar in an exchange market that was becoming increasingly disorderly day by day. On July 6, as the crisis came to a head, the franc was bid upward against the dollar to a high of $0.2626, almost 21 per cent above its par value. On that day the commercial franc moved exceptionally widely, and spreads between bid and offer quotations widened to more than 1 per cent. French Government spokesmen expressed strong concern about both the level to which the franc had been pushed and the demoralization of the markets.

Following the July 8 communique from the BIS meeting in Basle, the market turned around abruptly on rumors of imminent official intervention on behalf of the dollar. Over the next 2 days, the franc dropped back more than 7½ per cent, in part on reports—confirmed on July 10—of substantial increases in the Federal Reserve swap lines. The Federal Reserve in fact resumed intervention the same day, and through July 19 the New York Federal Reserve Bank had sold $47.0 million of French francs in the New York market in conjunction with operations in German marks and Belgian francs. These sales were covered by corresponding drawings on the swap line with the Bank of France.

By late July capital outflows were depressing the financial franc rate and as it fell, it dragged the commercial rate along with it. Consequently, the commercial rate sank to the bottom of the EC snake where it required modest support to remain within the band.

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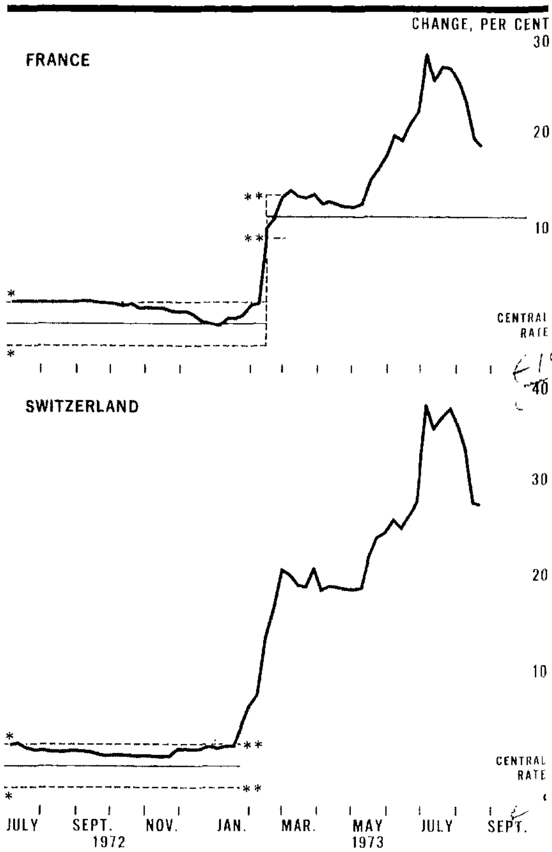
2B | MOVEMENTS IN EXCHANGE RATES



*Upper and lower intervention limits established in Dec 1971

**For France, upper and lower intervention limits around new par value established on Feb. 14, 1973; suspended on Mar 2. For Switzerland, limits suspended on Jan 23, 1973.

For Note see Chart 2A, p. 626.

SWISS FRANC

Late in January the Swiss authorities had decided to permit the Swiss franc to float so as to prevent their restrictive monetary policy from being compromised by renewed speculative inflows from abroad. By the time the proposed devaluation of the dollar was announced on February 12, the floating Swiss franc had been pushed up in heavy demand to nearly 8 per cent above its Smithsonian central rate. Unlike Switzerland's major trading partners, the Swiss Government did not set a new central rate and intervention limits based on the U.S. devaluation but decided to allow the franc to continue on a floating basis until the markets settled down.

As trading resumed after announcement of the dollar's devaluation, the Swiss market continued to await anxiously indications of the Swiss National Bank's intervention policy. The next week, when the Swiss authorities reiterated their decision not to fix new benchmarks for the franc, the market vigorously bid the franc up to almost 15 per cent above its Smithsonian central rate in a speculative rush that soon spilled over into other European markets. Although the Swiss National Bank intervened in the spot and forward markets to the extent of \$700 million, the speculative onslaught continued. On March 1 the franc was driven up still further to \$0.3247, almost 25 per cent above the Smithsonian central rate. At this level, the Swiss franc had appreciated some 7 per cent against the German mark.

Following the Paris accord of March 16, the Swiss authorities reconfirmed their intention to maintain the independent float of the Swiss franc rather than to affiliate themselves with the joint float of the EC countries. Nevertheless, as the Swiss National Bank provided some of the quarter-end liquidity needs of Swiss banks by way of \$500 million of swaps and additional money market assistance, normal quarter-end exchange-market pressures were blunted, and the Swiss franc began to ease as the currencies in the EC float moved lower. By early April the Swiss franc had come down to \$0.3060, still 17.5 per cent above the Smithsonian rate.

Throughout the rest of the early spring the franc market remained in rough balance, as Swiss banks found themselves more liquid than at any time since the introduction of Switzerland's restrictive monetary policy of late 1972. The banks were feeling the impact of quantitative limits on the growth of bank credit imposed the previous winter; with their ability to lend heavily constricted, they cut deposit rates by ¼ to ½ of a percentage point and reduced their dependence on the exchange market for additional funds. Although the authorities provided some liquidity to the domestic market during April, the National Bank was not called upon to provide month-end swaps or other direct month-end assistance to the banks for the first time since November 1972.

Around the middle of May, a convergence of troublesome events disrupted the earlier steadiness in the Swiss franc market. The renewed surge of inflation in the United States, concern about the Watergate investigations, and the soaring price of gold touched off vigorous bidding for the Swiss franc, along with other European currencies. By late May the franc had advanced to $0.3245, moving up along with the EC joint float.

At that point, the market began to question whether the rise in the franc relative to other European currencies, particularly the German mark, had not been overdone. As market attention shifted to the severe tightening of the German money market during June, the rise in the franc lagged behind that of the mark. With the strong rise in the mark exerting a mounting strain on the EC band, speculative money was switched out of Swiss francs into marks at an increasing pace to take advantage of any possible breakdown in the European common float.

The revaluation of the mark on June 29 failed to quiet the speculative turmoil. Trading conditions in the exchanges deteriorated alarmingly in the first week of July, as the market lost all confidence in its ability to assess the near-term prospects for dollar rates. Moreover, those who had taken advantage of the relatively low Swiss interest rates in recent years urgently bid for francs to cover their short franc positions, and the spot franc surged to new highs each day in increasingly volatile and disorderly trading. By July 6 the franc was quoted at $0.3774, 45 per cent above its Smithsonian central rate. Swiss National Bank Director-General Leutwiler in a public statement that day described the foreign exchange market as being "completely out of control."

After the July 7-8 central bank meeting at the BIS, talk of imminent U.S. intervention appeared in the Zurich market and soon spread to other financial centers. With the market now hopeful that the dollar would be supported in the exchanges, the franc came on offer both in Switzerland and in New York. By the time the Federal Reserve announced the increase in the swap network on July 10, the Swiss franc dropped almost 7.5 per cent from its high on July 6.

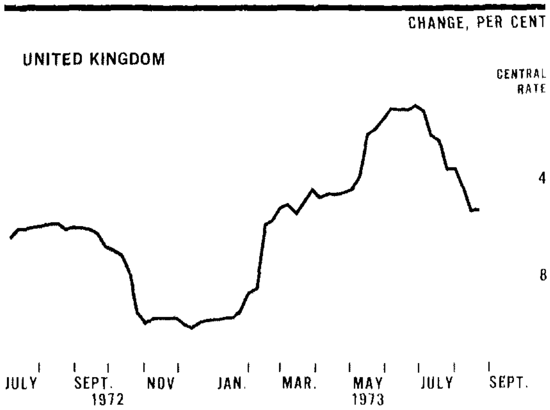
The initial burst of enthusiasm—prompted by hopes of massive official intervention—wore off quickly, however, and although exchange-market conditions generally improved, the Swiss franc began to rise again along with other European currencies. A severe stringency then developed in the German money market, prompting unprecedented increases in German interest rates and a renewed strong rise of the mark which pulled other European currency rates, including the Swiss franc, along in its wake. After German monetary conditions eased in late July, the spot franc followed the mark down against the dollar. By the end of July the franc stood 34.25 per cent above its Smithsonian central rate.

STERLING

During the period under review, the pound sterling was caught up both in the shifting tides of the United Kingdom's domestic and international position and in the speculative storms that swept through the world monetary system. At home, inflation continued to be a major concern and, increasingly, the decline of the sterling rate last year was seen as intensifying the upward pressure on prices. The substantial competitive advantage gained for the British economy vis-a-vis other industrial countries through depreciation of the floating pound since June 1972 had not as yet been translated into an improvement in the trade balance, while the worsening terms of trade and boom in commodity prices had escalated import costs. Moreover, the market remained pessimistic over the prospects for Britain's price and wage policies. Abroad, events strongly and unpredictably influenced the sterling rate from time to time, as the market struggled to interpret the implications for sterling of the dollar's weakness and recurrent strains within the EC band. Thus, depending on how these factors interacted, sterling would on some occasions tend to move in parallel with the dollar, and on others to reflect more closely the movements of EC countries.

Following the February 12 announcement of the devaluation of the dollar, the British Government indicated that sterling would continue to float for the time being. Soon after the London exchange market reopened on February 13, the pound was quoted at $2.47¾, up almost 5 per cent from levels in early February. Although this rise was less than that for those European currencies with new fixed rates against the dollar, sterling was soon pulled along with the

2C MOVEMENTS IN EXCHANGE RATES



For Note see Chart 2A, p. 626.

general advance of the continental European currencies against the dollar late in February. By March 1, the pound had climbed to \$2.51¾ as a renewed flight from the dollar climaxed.

The next day, in line with actions taken by their EC partners, the British authorities formally closed the London foreign exchange market while permitting normal trading to continue. That weekend, Chancellor of the Exchequer Barber met with his counterparts from other EC countries in an effort to forge a European solution to the continuing currency crisis. Agreement was reached on some issues but not on the terms and conditions under which sterling might cease to float against the other EC currencies.

As reports of this impasse reached the market early on March 6, the pound was marked down to \$2.46¼. Later that day, however, the market turned around in response to the Chancellor's annual budget message. Although strongly stimulative, the new budget was less expansionary than the market had feared and also contained provisions to encourage public-sector borrowing in international markets a measure designed to relieve pressure on Britain's capital market and to bolster Britain's official reserves. This proved reassuring to the market, and there was no adverse reaction to the British Government's confirmation that sterling would continue to float independently.

With the formal reopening of the European exchange markets on March 19, sterling, unlike the continental currencies, was relatively free of exchange controls against inflows of funds from abroad. High rates on short-term sterling assets became increasingly attractive to those who had been holding continental currencies in forms that were becoming either increasingly expensive or difficult to maintain. In addition, several favorable developments on the labor front lightened some of the market's pessimism over the prospects for success of Phase Two of the Government's incomes policy.

By April, sterling was also benefiting from growing expectations that the U.K. Government was prepared to support the exchange rate in order to protect the British economy from a further deterioration of the country's terms of trade. Thus, the \$1 billion Euro-bond issue by the Electricity Council and the sizable amounts of additional borrowings abroad by the U.K. local authorities, all of which would be converted into sterling at the Bank of England under the exchange cover provision outlined in the March budget, were seen as bolstering reserves to permit a defense of the exchange rate despite an expected worsening of the trade accounts.

Consequently, the inflow of funds into London that began in mid March accelerated even as money market rates in Britain backed off their peak levels. Recipients of sterling payments became more inclined to hold on to these balances while traders were increasingly willing to take on positions in sterling. Even release of figures showing a sharp worsening in the U.K. trade deficit in March failed to arrest sterling's progressive strengthening, and the spot rate advanced to the \$2.48½ level by mid-April and to \$2.50½ by early May. In mid-May, the intensifying speculative pressures against the dollar propelled the pound almost to \$2.58, and as sterling moved to the highest level since June 1972, the Bank of England entered the market to moderate the pace of its advance. The pound briefly turned lower in response to another set of disappointing British trade figures and subsequent announcement of a substantial U.S. trade surplus for April. But, as the dollar weakened still further in late May and early June, the spot rate was bid up above the \$2.58 level.

Meanwhile, however, the steady decline of London money market rates, contrasted with rising rates elsewhere, had eliminated most of the interest incentive for moving into sterling. Moreover, in view of the widely held expectation that the strong upswing in economic activity in Britain would lead to a further deterioration in the external payments position, the market was beginning to question whether current rates for sterling could be maintained. Consequently, the rise in sterling against the dollar in late May had already been less pronounced than the sharp increase in continental European rates, thereby producing a further substantial depreciation of sterling against the EC currencies.

During June, the outlook for sterling became increasingly uncertain, especially as it seemed more likely that the Government would face stiff union resistance to plans for Phase Three of its incomes policy. Also, London interest rates were continuing to fall, to levels that created strong interest incentives to move out of sterling. As increasingly chaotic trading conditions developed in exchange markets everywhere during the first week of July, sterling was hit by speculative selling. Even as the dollar dropped sharply vis-a-vis continental European currencies, sterling declined still further, and when the dollar began to rally, the pound lagged behind.

Then, later in the month sterling again began to slide in a sell-off which soon led to a drop in the rate to below $2.50 on July 26. As market sentiment turned against the pound, the British authorities took strong and decisive action to deal with the build-up of speculative pressures and outflows of funds prompted by a credit squeeze in Germany. To arrest an easing in the banks' reserve positions and to bring British interest rates more into line with those elsewhere, on July 19 the Bank of England called for additional special deposits for the first time since December 1972, requesting British banks to place on deposit 1 per cent of the banks' total liabilities.

This measure was followed by increases in the Bank of England's minimum lending rate from 7½ to 9 per cent on July 20 and then to 11½ per cent only 1 week later. Meanwhile, the Bank of England was strongly supporting sterling by intervening in dollars. On Friday, July 27, Chancellor of the Exchequer Barber asserted that sterling had become undervalued and that "I would not hesitate to use our ample reserves to protect our economy." As the British authorities thus made clear their intent to avoid a further severe decline of sterling and the German Federal Bank relieved the money market stringency in Germany, the market pressures eased, and so by the end of July sterling was trading above $2.50.

BELGIAN FRANC

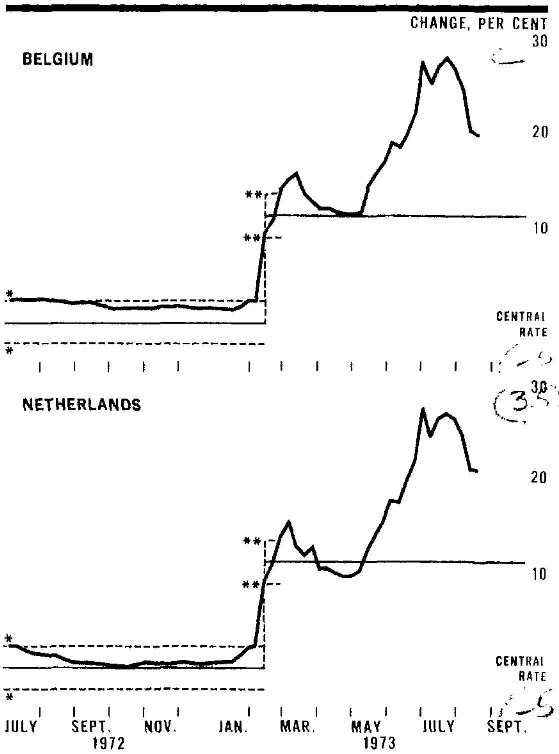
For Belgium, the exchange market upheaval of late January and early February, leading to the devaluation of the dollar on February 12, occurred at a time of growing concern over domestic inflation. Consequently, from a monetary policy point of view, the heavy inflows of funds at that time were far from welcome. Following the announcement of the U.S. devaluation, the Belgian Government established a new central rate corresponding to $0.024793 for the franc, allowing it to appreciate by the full 11.1 per cent change in the dollar parity. Shortly thereafter, the authorities introduced an anti-inflationary package featuring limits on credit expansion. As a result, the franc was already firming when the renewed run on the dollar developed in late February, and by early March the National Bank was obliged to intervene at the new ceiling, taking in an additional $125 million.

After the official closing of the Belgian market on March 2, trading remained nervous, as the authorities began to devise new regulations to prevent a further accumulation of nonresident commercial balances with Belgian banks. By the time the market was officially reopened, the authorities had established a negative interest charge of ¼ per cent per week on any excess of nonresident balances above normal levels. Holders of francs unloaded some balances subject to this charge—thereby pushing down the spot rate—while maintaining their long position in francs by purchasing forward francs—thereby widening the forward premium.

Once this adjustment had been completed, the spot franc moved more or less in line with the other EC currencies in late March and early April. Since liquidity conditions were somewhat tighter in Brussels than in Amsterdam, the franc tended to hold firmer than the guilder so that, while the two currencies eased progressively against the dollar through early May, there was occasional moderate intervention to maintain the 1½ per cent Benelux band.

Early in May, the National Bank hiked its discount rate by ½ of a percentage point to 5½ per cent, and so the franc had already begun to firm when the new rush out of the dollar began in midmonth. By early June, the franc was some 9 per cent above its central rate, but already trailing behind the German mark which had become the focus of speculation. By June 27, as the demand for marks intensified, the franc joined the other currencies requiring substantial support at the bottom of the EC band, while rising to more than 12 per cent above its central rate.

2D | MOVEMENTS IN EXCHANGE RATES



*Upper and lower intervention limits established in Dec. 1971.
**Upper and lower intervention limits around new central rate established on Feb. 14, 1973. Limits suspended on Mar. 1, 1973.
For Note see Chart 2A, p. 626.

The June 29 mark revaluation resolved temporarily the strains on the snake, but in the week that followed there were enormous new pressures on the dollar in all continental markets. Thus, by July 5 traders were finding it nearly impossible to get quotations or to do normal business. In just 1 week of extremely heavy demand, the franc had been pushed up some 6 per cent to reach $0.029200 in New York, almost 18 per cent above its central rate.

The market in Brussels turned dramatically around early the next week, as it did in other financial centers, following the meeting of central bank governors in Basle over the weekend of July 7 and 8. By the time the Federal Reserve's swap-line increases were formally announced on July 10, the Belgian franc had dropped 5.75 per cent from its July 6 highs. In conjunction with intervention in German marks and French francs, this Bank began to *sell Belgian francs, at first to consolidate the* earlier gains and then to provide resistance to sharp reversals in the dollar rate. Over several days the Federal Reserve sold $6.0 million equivalent of francs, which were obtained by drawings under the swap line with the National Bank. These sales were on a much smaller scale than those of other currencies, reflecting the relatively small volume of trading in Belgian francs in the New York market. When the franc moved away from its upper range of the European band, the Federal Reserve suspended its intervention in francs.

NETHERLANDS GUILDER

In the aftermath of the February dollar devaluation, the Dutch authorities set a new central rate of $0.3424, and the guilder quickly moved up to trade near this level. The market remained badly shaken by the dollar's second devaluation, however, and when another rush out of dollars developed at the end of February, bids for guilders again flooded the market as traders took advantage of the relatively free access to the Amsterdam market at a time when other centers were being closed off by progressively tighter restrictions. The Netherlands Bank, once again obliged to absorb dollars, took in more than $750 million by the time the authorities officially closed the market on March 1.

Then, as negotiations to devise a European solution to the exchange crisis proceeded, the guilder market turned extremely thin. With traders hesitant to deal in the face of uncertainty over the outcome of these discussions and over possible new exchange controls in the Netherlands, even very small trades provoked wide rate fluctuations. Against this background, the guilder spurted up on the news of another mark revaluation in connection with establishment of a collective EC float against the dollar. Traders soon became convinced, however, of the Dutch Government's resolve, in view of the persistently high domestic unemployment, not to revalue the guilder. Moreover, the Dutch authorities, to curb potential speculative inflows, announced that a ¼ per cent per week commission would be imposed on further increases in nonresident guilder deposits. As a result, the guilder was already falling back when the market was officially reopened on March 19. Nonresidents, moving to avoid the special commission but reluctant to unwind their positions, sought to switch out of spot and into forward guilders. Consequently, the spot rate soon fell to 1 per cent below its new central rate while the forward premium widened sharply.

Even when the bulk of this repositioning had been completed, the guilder maintained its easier tone. By early spring the expansionary effect of the huge first-quarter inflows had brought short-term money rates down to virtually nil in Amsterdam and less than 2 per cent in the Euro-guilder market. The Dutch authorities took successive steps to neutralize part of the monetary impact of the earlier inflows by raising the cash reserve ratio to 7 per cent and by open market transactions. Nevertheless, they proceeded carefully so as not to hamper a reflow of funds. Therefore, as the immediate strains of the February-March currency crisis receded, funds were increasingly pulled out of Amsterdam by more attractive yields in other European financial centers. In addition, some earlier leads and lags in favor of the guilder were being unwound. These short-term capital outflows more than offset the continuing strength of the underlying payments position and the guilder slid to the bottom of both the EC snake and the narrower Benelux band by early April, requiring support under both arrangements. As nonresident balances subsequently declined to pre-February levels, the Netherlands Bank lifted the special commission.

In May and early June the guilder strengthened against the dollar, although it remained weak relative to other currencies in the EC joint float and continued to require support. With the mark at the top of the EC band, pressure on the guilder intensified. Therefore, even though Dutch interest rates were now noticeably firming following an increase of ½ of a percentage point in the Netherlands Bank's discount rate, the guilder required increasing support to maintain the EC margins as the snake rose rapidly against the dollar. By late June, intervention against marks swelled to major proportions. In the 4 days prior to the June 29 mark revaluation, the Netherlands Bank was obliged to sell some $400 million equivalent of marks to stay within the band. Meanwhile, the guilder had been pulled up to $0.3831, almost 12 per cent above its February central rate.

Following the mark revaluation, the guilder market settled down only briefly, and in the first week in July the guilder was again caught up in the speculative onslaught against the dollar. By July 5, trading had become tumultuous, as the market was flooded with rumors of another mark revaluation, a guilder revaluation, and a third dollar devaluation. As traders rushed from dollars into the European currencies, the guilder was pushed up above $0.4000 on July 6. In the chaotic market conditions prevailing that day, many New York banks refused to trade guilders and quotations were little better than indications, with bid-offer spreads exceeding ½ per cent at times.

Release of the Basle communique that weekend and subsequent reports of expanded Federal Reserve swap lines helped reassure the market. The guilder dropped back to $0.3765 on hopes of large-scale U.S. intervention and traded quietly around this level for several days. This relative calm was then interrupted as the German liquidity crunch built up. As the mark moved 2.25 per cent above the guilder the Netherlands Bank again provided support against the German currency.

By the time the German money squeeze abated just before the end of July, the cumulative outflows from the Netherlands had worked to tighten domestic liquidity and thereby to encourage a firming of Dutch interest rates which the Netherlands Bank validated by progressively raising its discount rate to 6½ per cent. As monetary conditions firmed and short-term capital outflows subsided, the strength of the Dutch current account reemerged and the guilder, while easing nearly 2 per cent against the dollar, began to move toward the top of the 2.25 per cent EC band.

ITALIAN LIRA

Coming into 1973 the Italian economy was beset by sluggish growth and high unemployment coupled with rising inflation. This economic situation, against a background of political uncertainties and social unrest, provoked leads and lags against the lira and outright capital flight. After a long series of speculative attacks on the lira, on January 22 the Italian authorities had introduced a two-tier market for the lira, split between a commercial market in which the authorities would continue to intervene in support of the Smithsonian limits and a financial market where the lira would float freely. In the ensuing upheavals in the exchanges in late January and early February, the commercial lira remained under selling pressure, while the financial lira moved to a substantial discount.

The Italian authorities responded to the February 12 announcement of the proposed devaluation of the dollar by allowing the commercial lira to float, thereby withdrawing for the time being from the joint EC snake arrangement. When trading resumed on February 14, the commercial rate—at $0.001765—was some 2⅝ per cent above its abandoned Smithsonian central rate; at this level it had appreciated far less than the currencies of Italy's major European trading partners, which had moved up by 10 per cent or more. At the same time the discount on the financial lira narrowed somewhat.

When the dollar fell under attack again in late February, the outlook for the lira was still beclouded by concern over the domestic labor situation. But as the rush out of dollars reached a climax on March 1, the lira also came into demand, and the commercial rate briefly rose as far as 9 per cent above its Smithsonian central rate. This advance was not sustained, however, when in the subsequent negotiations it became apparent that Italy would not join the common European float against the dollar but would continue to float independently. Consequently, by mid-March, the lira had slipped back to some 2.25 per cent above the Smithsonian level for a further net depreciation against most European currencies.

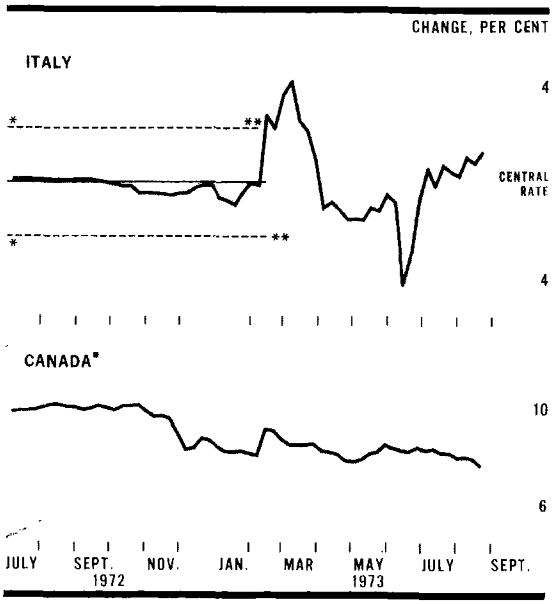
Except for a temporary boost late in March, the lira remained vulnerable to renewed selling pressure and it weakened early in April on release of figures showing a further widening in the trade deficit in January and February. With concern over the Italian economic and political situation continuing to overhang the market, the lira did not participate in the sharp upsurge of European rates against the dollar in early May. Indeed, the Bank of Italy continued to operate intermittently to keep the commercial rate from depreciating further against the currencies of its EC partners.

Toward the end of May and the first week of June the atmosphere in Italy's exchange market had turned even more sour. The long-simmering Government crisis came to a head almost simultaneously with release of April balance of payments figures showing a sharp and contraseasonal deterioration in the over-all current account. The Bank of Italy intervened only occasionally in the market, and in 7 trading days the commercial rate tumbled about 7 per cent while the financial lira fell even more sharply as capital outflows from Italy swelled.

On June 18, the caretaker Government announced a package of credit measures designed to restore confidence in the lira and to reduce the Italian inflation rate to levels prevailing in the rest of Europe without choking off Italy's incipient industrial recovery. These measures included a steep increase in the penalty charge for repeated use of the Bank of Italy's discount facility. And, to redirect longer-term investment into the securities markets, Italian commercial banks were instructed to invest no less than 6 per cent of deposits at the end of 1972 in designated public and private bonds in 1973.

While making these announcements, the Government noted the size of net official reserves and possible credits available under the EC and Federal Reserve swap networks. In addition, it announced supplementary central bank facilities and indicated that there would be further borrowing by state enterprises in the international markets. As a result, the market became persuaded that the Bank of Italy, its resources now bolstered by the additional credit facilities, would shortly resume intervention in support of the lira, and the spot rate strengthened along with other European currencies into

2E | MOVEMENTS IN EXCHANGE RATES



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

**Intervention limits suspended on Feb. 13, 1973.

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

For Note see Chart 2A, p. 626.

early July. Meanwhile, the political situation had stabilized with the formation of a new coalition government under Premier Mariano Rumor. In addition, the Italian Foreign Exchange Office decided to unwind dollar swaps with the commercial banking system instead of renewing them as had been expected, a move which both underscored the magnitude of the exchange resources available and tightened domestic liquidity. Nevertheless, the Bank of Italy continued to intervene heavily in the market to keep the lira in line with other European currencies.

In late July, the Rumor Government announced details of its new anti-inflation program, including a 3-month freeze on selected food and industrial prices, and ceilings on the growth of bank loans for certain categories of clients. Also featured in the package was a massive $2 billion long-term Euro-dollar borrowing by several Italian public institutions that was designed to bolster official reserves. New exchange controls were also introduced to discourage destabilizing speculation in the exchange. The controls required that Italian residents put up to 50 per cent of any foreign investment in a non-interest-bearing account with the authorities, that prepayment for imports be financed in foreign exchange, and that commercial banks maintain not only a balanced foreign exchange position over all, but separate balanced positions in U.S. dollars, EC currencies, and other currencies. The market reacted favorably to these announcements, and the lira soon began to improve in the exchanges.

CANADIAN DOLLAR

In February, heavy demand for Canadian dollars erupted at the time of the devaluation of the U.S. dollar, but once that episode passed, the market relationship between the two North American currencies remained largely free of the speculative influences that afflicted other exchange markets. In fact, during the period under review, the spot Canadian dollar moved roughly in line with the U.S. dollar vis-a-vis European currencies.

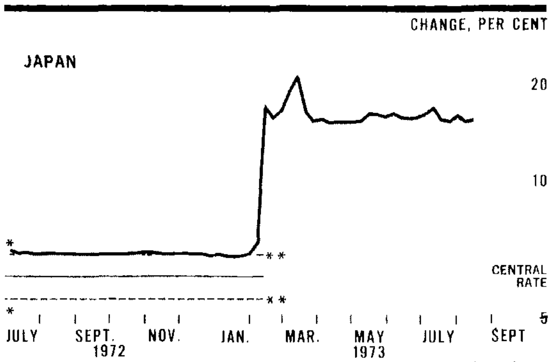
In general, the underlying forces affecting Canada's payments position were in rough balance, as a rise in imports stemming from more rapid expansion of the domestic economy was largely offset by a surge of exports, mainly commodities and raw materials. As a result, movements of the exchange rate over the spring and early summer reflected mainly shifting interest rate differentials in the nexus of Canadian and U.S. financial markets and the Euro-currency markets. Consequently, the Canadian dollar traded generally around $1.00 through early July. Then following the particularly sharp run-up of interest rates in the United States in late July and early August, which was not matched in Canada, the spot rate eased to around the $0.99½ level.

JAPANESE YEN

When the dollar was devalued on February 12, the Japanese authorities announced that they would permit the yen to float temporarily. The authorities nevertheless remained prepared to moderate rate movements in the Tokyo exchange market. Soon after trading resumed on February 14, the yen was in heavy demand and the spot rate was driven up to a level more than

17 per cent above the Smithsonian central rate. Activity then subsided, and the yen edged lower through the end of February. When heavy pressure against the dollar reemerged in Europe, the Japanese authorities, acting in concert with the Europeans, decided to close the Tokyo market on March 2.

2F | MOVEMENTS IN EXCHANGE RATES



*Upper and lower intervention limits established in Dec. 1971.
**Intervention limits suspended on Feb. 14, 1973.
For Note see Chart 2A, p. 626.

With the markets closed during the first half of March, there were no interbank transactions in Tokyo either in spot or in forward dealings. Following the March 16 Paris communique of the Group of Ten Finance Ministers, normal trading in yen was resumed and a strong reversal of earlier speculation in favor of the yen started to emerge. By late March the dollar had strengthened in Toyko in response to a variety of factors.

The rapid expansion of the Japanese economy and the 1971 revaluation of the yen had already stimulated import demand, particularly for raw materials and industrial commodities, and the boom in world commodity prices produced a further escalation in the cost of Japanese imports. At the same time, various official limits on export growth instituted last year were beginning to have a restrictive effect. Moreover, the leads and lags built up in the months prior to the floating of the yen were now being unwound, a sign that the market did not expect a further sharp rise of the yen rate in the near future. Furthermore, long-term capital outflows swelled, as Japanese interests stepped up their participation in international financial markets, as nonresidents liquidated a sizable amount of their investments, and as Japanese firms also increased their direct investment abroad. All of these factors combined to generate a persistent demand for dollars in Tokyo, and the Bank of Japan, intervening at some 16 per cent above the Smithsonian central rate, sold about $4 billion of reserves between mid-March and the end of June.

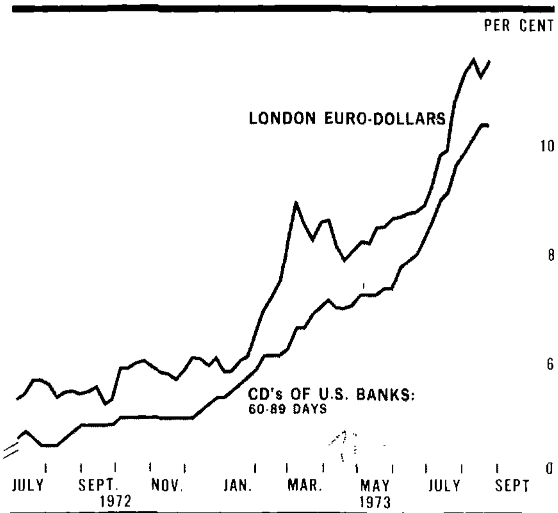
These shifts in the Japanese payments position so dominated developments in the Tokyo market that there was little response to a series of discount rate increases by the Bank of Japan, which brought the rate to 6 per cent from 4¼ per cent by early summer. Furthermore, there was only a slight reaction to the build-up of pressures on the dollar in Europe in May. Dealers expressed concern over the implications for the yen of the June 29 revaluation of the mark, but the Japanese authorities quickly responded by emphasizing that the German action, designed to correct an isolated problem within Europe, should have no impact on the yen.

When the dollar came under pressure early in July, however, the yen market became fearful of the threat posed by deteriorating market conditions elsewhere and the spot yen was bid up as much as 5 per cent. Trading then settled down following the BIS communique and subsequent enlargement of the Federal Reserve swap network. The yen then backed off to earlier levels, and over the remainder of July, the Bank of Japan resumed its dollar sales in the exchange market.

EURO-DOLLAR

The deepening crisis in the exchanges early this year, not unlike monetary disturbances in the past, left a distinct mark on supply and demand patterns as well as on rates in the Euro-dollar market. As traders and investors in many parts of the world increasingly covered their dollar exposure by means of forward sales, banks in Europe and elsewhere that had purchased those forward dollars from their customers sought to even out their positions by borrowing Euro-dollars and selling the spot proceeds in the exchanges. Speculative borrowing of dollars for conversion into stronger currencies was also an important market factor early this year. In addition, some Euro-dollar investors, notably in less

3 | YIELD COMPARISONS
3-MONTH MATURITIES EXCEPT WHERE NOTED



Euro-dollars are weekly averages of daily rates; CD Wednesday data

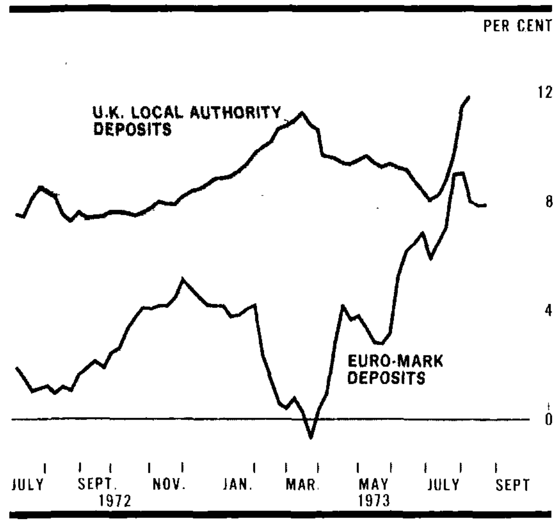
developed countries without well-functioning forward markets for their own currencies, decided to reduce their stake in the market by sizable amounts.

These changes in the pattern of supply and demand, together with rising U.S. money market rates, drove Euro-dollar rates steadily higher. By the end of February, the 1-month Euro-dollar rate was above 9.5 per cent, up from about 6 per cent at the beginning of the year. The currency crisis, in turn, induced a massive movement of funds from the United States into the market, as foreign banks withdrew balances previously placed and borrowed heavily on outstanding credit lines with U.S. banks or from their agencies, branches, and other affiliated institutions in this country. At the same time, these foreign subsidiary institutions in the United States and, to a lesser extent, U.S. banks repaid large amounts of maturing dollar borrowings that they had previously drawn from the market. Supplies in the market were also enlarged by additional deposits, particularly from governments and central banks in several developing countries.

In the wake of the February crisis and the dollar's devaluation, the authorities of several continental European countries introduced a variety of regulations in defensive moves to deter further speculative inflows into their countries. Some of them imposed stiffer reserve requirements and even negative interest charges on increments to nonresidents' deposits at domestic banks. Several governments, moreover, imposed additional restrictions on corporate borrowings from the Euro-dollar market and in some cases prohibited such borrowings altogether, forcing banks that were operating in the market to seek new customers aggressively in other overseas loan markets. In the process they not only relaxed already low credit standards but also permitted interest rate margins to narrow further.

Substantial demands for Euro-dollar loan facilities continued to originate among traditional users—with large amounts being employed for the financing of trade with eastern Europe and for British direct portfolio investment abroad. In the spring and summer these borrowings were augmented when both the British and Italian Governments, to cushion balance of payments pressures, encouraged public bodies in their countries to draw very large amounts from the market. In the United Kingdom the Chancellor of the Exchequer announced in his budget statement of early March that certain public bodies would again be allowed official exchange cover facilities for foreign currency borrowings.[7] As a result, local authorities and public corporations began to enter into very heavy bor-

4 | YIELD COMPARISONS
3-MONTH MATURITIES



Weekly averages of daily rates.

rowing commitments, the Electricity Council alone contracting for a $1 billion 10-year loan. Similarly, several Italian state institutions raised very large loans in the medium-term Euro-dollar market. These borrowings served to replenish monetary reserve holdings in the two countries.

In the United States the Board of Governors of the Federal Reserve System made several regulatory changes that are now beginning to affect the demand of banks in the United States for Euro-dollar balances. In mid-May the Board amended Regulations D and M to reduce from 20 to 8 per cent the reserve requirements applicable to certain foreign borrowings of U.S. banks to the extent that they exceeded the applicable reserve-free base of each bank. In addition, the reserve-free bases would be phased out.

On June 1 the Board requested the agencies, branches, and nonmember bank subsidiaries of foreign banks to maintain voluntary reserves of 8 per cent against any increases above the May level in net funds obtained from banks abroad, including their head offices and other directly related institutions. The revision in the rules for U.S. banks and the reemergence of a market incentive for U.S. banks to acquire Euro-dollars in lieu of purchasing Federal funds contributed to a step-up in their borrowings from their foreign branches.

Euro-dollar rates, which had been surprisingly stable during the period of exchange-rate disturbances in the spring and early summer, began to escalate again late in July as exceptionally high money-market rates in Germany exerted a strong pull on rate levels in other money markets. Moreover, money-market rates in this country were also rising to very high levels. Throughout August, rates for 3-month Euro-dollars remained in the 11¼ to 11¾ per cent range.

The international monetary uncertainties, together with soaring interest rates in the short end of the Euro-currency market, resulted in a severe contraction of the Euro-bond market, most notably its dollar-denominated segment. Indeed, during the periods of greatest currency unrest it became extremely difficult, if not impossible, to offer successfully to the public even mark-denominated issues. On balance, however, the pressure on the dollar seemed to have encouraged a further expansion of the role of other currencies in this market. Moreover, many of the needs of traditional Euro-bond borrowers are now being met by the medium-term Euro-currency market. □

TABLE 1

FEDERAL RESERVE RECIPROCAL CURRENCY ARRANGEMENTS

In millions of dollars

Institution	Increase on July 10, 1973	Amount of facility, July 10, 1973
Austrian National Bank	50	250
National Bank of Belgium	400	1,000
Bank of Canada	1,000	2,000
National Bank of Denmark	50	250
Bank of England	..	2,000
Bank of France	1,000	2,000
German Federal Bank	1,000	2,000
Bank of Italy	750	2,000
Bank of Japan	1,000	2,000
Bank of Mexico	50	180
Netherlands Bank	200	500
Bank of Norway	50	250
Bank of Sweden	50	300
Swiss National Bank	400	1,400
Bank for International Settlements:		
Swiss francs/dollars	..	600
Other authorized European currencies/dollars	250	1,250
Total	**6,250**	**17,980**

See p. 640 for Tables 2-4.

TABLE 2

FEDERAL RESERVE SYSTEM ACTIVITY UNDER ITS RECIPROCAL SWAP LINES

In millions of dollars equivalent

Transactions with	System swap drawings, Jan. 1, 1973	Drawings, or repayments ( ) 1973 I	II	July	System swap drawings, July 31, 1973
National Bank of Belgium	415.0	.. 25.0	... ..	6.0 ...	396.0
Bank of France	.	..	..	47.0	47.0
German Federal Bank	.	104.6 104.6	... ..	220.5	220.5
Swiss National Bank	570.0	... 5.0	.. .	... ..	565.0
Bank for International Settlements: Swiss francs	600.0		..	...	600.0
Total	**1,585.0**	..	..	**273.4**	**1,828.4**

NOTE. Discrepancies in totals are due to rounding.

TABLE 3

DRAWINGS AND REPAYMENTS ON FEDERAL RESERVE SYSTEM BY ITS SWAP PARTNERS

In millions of dollars

Banks drawing on System	Drawings on System, Jan. 1, 1973	Drawings, or repayments (−) 1973 I	II	July	Drawings on System, July 31, 1973
Bank for International Settlements (against German marks)	...	11.0 -11.0	23.0 --23.0	2.0 -2.0	...
Total		**11.0** **11.0**	**23.0** **-23.0**	**2.0** **−2.0**	..

TABLE 4

U.S. TREASURY SECURITIES, FOREIGN CURRENCY SERIES

In millions of dollars equivalent

Issued to	Out-standing, Jan. 1, 1973	Issues, or redemptions ( ) 1973 I	II	July	Out-standing, July 31, 1973
German Federal Bank	306.0	.. 153.0		... .	172.4
Swiss National Bank	1,232.9	...	.	...	1,384.1
Bank for International Settlements[1]	170.9	...	.	..	189.5
Total	**1,709.8**	**153.0**	. ..	... ..	**1,746.0**

[1]Denominated in Swiss francs.

NOTE.—Increases in amounts outstanding as compared with January 1 reflect valuation changes on April 30 and upon renewals of maturing securities

Rates on Consumer Instalment Loans

Interest rates on most key types of consumer instalment loans at commercial banks and finance companies have shown considerable stability throughout the period of the current economic stabilization program. For example, rates charged to new-car purchasers on contracts acquired from dealers by the major automobile finance companies moved within a range of only 27 basis points between August 1971 and July 1973, according to a survey conducted by the Federal Reserve System. This stability is in sharp contrast to the wide swings in interest rates on most other kinds of credit during that 2-year period.

Information on interest rates and other terms for selected types of consumer instalment credit has been collected by the Federal Reserve since late 1971 at the request of the President's Committee on Interest and Dividends (CID). In 1971 aggregate measures of consumer finance rates were virtually nonexistent, and so a new system for collecting such information had to be established.

AVAILABILITY OF RATE INFORMATION

Reliable data on consumer instalment loan rates have become more readily available in recent years, in part because of the provisions of the Federal Truth in Lending Act. That act, which became effective on July 1, 1969, requires disclosure of the effective annual percentage rate of interest on most instalment credit contracts. Before this legislation was enacted, finance rates, if disclosed, had generally been quoted as either an "add-on" or a "discount" rate of interest—which approximated only about one-half of the effective annual percentage rate. Lenders were not required to inform consumer borrowers of the interest rates that they were actually being charged.

NOTE.—David Hull and Linda Davidson of the Board's Division of Research and Statistics prepared this article.

Because rates are now stated on a uniform basis in each instalment loan contract and because Truth in Lending regulations require lenders to keep records of disclosure statements, it has become feasible for the major types of financial institutions that make consumer loans—commercial banks and finance companies—to provide meaningful data on selected types of credit.

Banks. At commercial banks, loans made directly to individuals account for the bulk of the consumer credit extended. Therefore, the rate survey for banks was confined to these loans. A representative panel of about 370 banks was asked to provide the "most common rate" as well as the range of rates charged during the first week of each month on five specified types of consumer instalment loans:

1. New-car loans with 36-month maturities.
2. Mobile home loans with 84-month maturities.
3. Other consumer goods loans with 24-month maturities.
4. Personal loans with 12-month maturities.
5. Bank credit-card plans.

Regular reporting of this information began in January 1972. Certain banks in the group, however, had been requested to supply information on consumer loan rates for the period immediately before and shortly after the August 15, 1971, freeze on prices, wages, and rents. Such data have been used in this article to supplement those reported regularly.

Finance companies. In the case of finance companies, two survey approaches were used in order to accommodate the structure of the industry and differences in data availability. One was devoted to companies that specialize in auto financing, and the other dealt with companies specializing in nonautomobile credit.

A major part of consumer automobile financing involves purchases of contracts from dealers by a limited number of national finance companies. Detailed records on each contract acquired were maintained by the data processing facilities of these companies, and back data were available in consistent form beginning with June 1971. With special computer programming, each of the major automobile finance companies was able to provide weighted monthly averages of the customer finance rates for all contracts acquired during the entire period on both new and used passenger cars and light trucks. In addition, they supplied the weighted averages of contract maturities and the ratios of amounts financed to value. For new cars, amounts financed are related to dealer cost, whereas for used cars they are related to average wholesale value.

Finance rates and other terms are collected on a bimonthly schedule for mobile home contracts and other consumer goods instalment credit contracts that have been purchased by finance companies; similar data are collected for personal cash instalment loans made directly by finance companies. Reports are obtained from nearly all of the major independent companies, from most of the manufacturers' affiliated companies, and from a number of small companies.

In order to reflect company specialization, separate reporting panels have been established for each type of credit. Each panel accounts for a substantial proportion of the volume of credit extended. Rate and maturity data are reported by approximately 20 companies for purchased mobile home contracts, by about 40 companies for other consumer goods, and by more than 85 companies for direct personal lending activity. Some companies are included in more than one panel.

Because of the diversity of accounting and record-keeping procedures among nonautomotive finance companies, the reporting companies were offered alternative procedures for supplying the needed data. Most large companies have electronic-data-processing facilities that enable them to report aggregate weighted averages of rate and maturity data for all contracts acquired or loans made during a reporting month; smaller companies generally prefer to provide individual contract data on worksheets. In many instances all loans are reported, but in others the data are for a sample of loans.

SURVEY RESULTS

Results of the various surveys have been published on a regular basis by the Board of Governors in a series of statistical releases.[1]

Banks. The Federal Reserve monthly G.10 release summarizes the "most common" rate data for five major categories of consumer instalment loans made directly by commercial banks. It also provides rate information on selected types of small business loans and on agricultural loans. As Table 1 shows, month-to-month changes in consumer loan rates have been quite small, and the cumulative changes since the inception of the stabilization program have been modest. These findings—although admittedly for a relatively short period—tend to support a common impression that consumers are not likely to encounter large cyclical swings

TABLE 1

FINANCE RATES ON CONSUMER INSTALMENT CREDIT AT COMMERCIAL BANKS

In annual percentage rates

Period	New automobiles (36 mos.)	Mobile homes (84 mos.)	Other consumer goods (24 mos.)	Personal loans (12 mos.)	Credit-card plans
1971					
Aug. 14[1]	10.49	....	12.46	12.34	16.74
Aug. 28[1]	10.48	....	12.43	12.33	17.07
1972					
Jan.	10.26	10.94	12.57	12.74	17.11
Feb.	10.20	10.88	12.50	12.72	17.13
Mar.	10.12	10.61	12.43	12.60	17.20
Apr.	10.00	10.45	12.37	12.58	17.22
May	9.96	10.73	12.44	12.63	17.24
June	9.98	10.49	12.38	12.65	17.25
July	9.97	10.77	12.39	12.73	17.25
Aug.	10.02	10.71	12.47	12.72	17.25
Sept.	10.02	10.67	12.47	12.70	17.25
Oct.	10.01	10.66	12.38	12.70	17.23
Nov.	10.02	10.85	12.44	12.63	17.23
Dec.	10.01	10.69	12.55	12.77	17.24
1973					
Jan.	10.01	10.54	12.46	12.65	17.13
Feb.	10.05	10.76	12.51	12.76	17.16
Mar.	10.04	10.67	12.48	12.71	17.19
Apr.	10.04	10.64	12.50	12.74	17.19
May	10.05	10.84	12.48	12.78	17.22
June	10.08	10.57	12.57	12.78	17.24
July	10.10	10.84	12.51	12.75	17.21

[1] Data derived from an experimental survey and are not strictly comparable with 1972–73.

NOTE.—Rates are reported on an annual percentage rate basis as specified in the Federal Reserve Board's Regulation Z (Truth in Lending).

[1] Copies may be obtained by writing Publications Services, Division of Administrative Services, Board of Governors of the Federal Reserve System, Washington, D.C. 20551.

in interest rates on instalment loans. Therefore, the chief rationing mechanism for consumer lending does not seem to be rates, but rather nonrate terms and the availability of funds from lending institutions.

Although the magnitude of the decline was quite small, consumer rates on bank loans appeared to follow the downward course of other market rates of interest between the summer of 1971 and the spring of 1972. On the other hand, increases in instalment loan charges lagged considerably the upturn in rates in nonconsumer markets—which had begun during the summer of 1972 and has accelerated sharply this year. For example, from their 1972 lows through early July 1973, rates on direct new-car loans rose only 14 basis points, whereas the bank prime rate on short-term loans to large businesses rose 325 basis points.

Two factors may have helped to hold down rate increases on instalment loans during this period. One was that lenders had been asked by the CID to exercise special moderation and restraint in adjusting their lending rates on consumer, home mortgage, small business, and farm loans. The other was that since April 16, 1973, commercial banks have been subject to special guidelines issued by the CID requiring that increases in rates on these types of loans be cost-justified.

Finance companies. Table 2 shows summary data on finance rates and other terms of consumer instalment lending at finance companies. Monthly figures for new and used cars, although not published on the Federal Reserve G.11 release until July 1972, are presented here from the beginning of the series in June 1971; bimonthly data for other types of lending by finance companies, which are shown on the Board's J.3 statistical release, were first reported for March 1972.

Average interest rates charged by finance companies have moved somewhat more irregularly since 1971 than the most common rate on

TABLE 2

FINANCE RATES AND OTHER TERMS ON CONSUMER INSTALMENT CREDIT AT FINANCE COMPANIES

Period	Customer rate (per cent per annum)					Average maturity (months)					Average amount financed (dollars)					Loan/value (per cent)	
	Automobile		Mobile homes	Other consumer goods	Personal loans	Automobile		Mobile homes	Other consumer goods	Personal loans	Automobile		Mobile homes	Other consumer goods	Personal loans	Automobile	
	New	Used				New	Used				New	Used				New	Used
1971																	
June	12.13	16.62	.....	.....	.....	35.0	28.6	.....	....	....	3,045	1,624	.....	.....	.....	87	99
July	12.10	16.69	.....	.....	.....	35.0	28.5	.....	....	....	3,059	1,611	.....	.....	.....	87	98
Aug.	12.11	16.78	.....	.....	.....	35.0	28.3	.....	....	....	3,039	1,578	.....	.....	.....	87	99
Sept.	12.10	16.77	.....	.....	.....	34.9	28.1	.....	....	....	3,041	1,559	.....	.....	.....	86	99
Oct.	12.06	16.08	.....	.....	.....	34.8	29.4	.....	....	....	3,052	1,622	.....	.....	.....	85	97
Nov.	12.06	16.16	.....	.....	.....	34.8	29.2	.....	....	....	3,054	1,632	.....	.....	.....	85	97
Dec.	12.11	16.26	.....	.....	.....	34.8	28.9	.....	....	....	3,089	1,632	.....	.....	.....	86	96
1972																	
Jan.	12.07	16.17	.....	.....	.....	34.9	29.2	.....	....	....	3,014	1,645	.....	.....	.....	86	97
Feb.	11.99	16.27	.....	.....	.....	34.9	29.2	.....	....	....	3,018	1,645	.....	.....	.....	87	98
Mar.	11.92	16.32	12.57	19.75	21.21	35.0	29.1	102.1	21.6	32.3	3,029	1,645	5,967	382	970	87	99
Apr.	11.87	16.40	.....	.....	.....	35.0	29.1	.....	....	....	3,058	1,648	.....	.....	.....	87	99
May	11.86	16.47	12.29	19.31	21.23	35.0	29.0	104.1	21.7	32.4	3,075	1,668	6,206	395	1,016	87	100
June	11.85	16.52	.....	.....	.....	35.1	28.9	.....	....	....	3,119	1,676	.....	.....	.....	87	100
July	11.84	16.57	12.25	19.38	21.26	35.1	28.8	105.5	21.6	32.1	3,141	1,692	6,345	392	999	87	100
Aug.	11.85	16.62	.....	.....	.....	35.2	28.6	.....	....	....	3,116	1,671	.....	.....	.....	87	100
Sept.	11.88	16.71	12.41	19.15	21.05	35.0	28.3	108.1	21.8	32.4	3,101	1,629	6,540	408	1,013	87	100
Oct.	11.86	16.67	.....	.....	.....	34.9	28.2	.....	....	....	3,186	1,692	.....	.....	.....	87	100
Nov.	11.89	16.78	12.41	18.90	21.22	34.9	28.0	112.0	21.8	32.4	3,179	1,706	6,479	404	984	87	100
Dec.	11.92	16.87	.....	.....	.....	34.9	27.9	.....	....	....	3,208	1,729	.....	.....	.....	87	99
1973																	
Jan.	11.89	16.08	12.51	19.04	21.00	34.9	29.6	112.2	21.3	32.3	3,200	1,789	6,360	395	1,001	87	98
Feb.	11.86	16.20	.....	.....	.....	35.0	29.6	.....	....	....	3,199	1,794	.....	.....	.....	87	99
Mar.	11.85	16.32	12.54	18.92	20.79	35.1	29.5	113.8	21.1	33.1	3,184	1,787	6,433	402	1,057	87	99
Apr.	11.88	16.44	.....	.....	.....	35.2	29.4	.....	....	....	3,201	1,792	.....	.....	.....	88	99
May	11.91	16.52	12.72	18.88	20.76	35.3	29.4	115.3	21.9	34.2	3,225	1,815	6,618	409	1,104	88	99
June	11.94	16.61	.....	.....	.....	35.4	29.3	.....	....	....	3,283	1,837	.....	.....	.....	88	99
July	12.02	16.75	.....	.....	.....	35.4	29.1	.....	....	....	3,329	1,820	.....	.....	.....	88	99

NOTE.—Rates are reported on an annual percentage rate basis as specified in the Federal Reserve Board's Regulation Z (Truth in Lending). Data on the amount financed exclude finance charges.

consumer lending at commercial banks. Despite the greater irregularities, which may reflect to some extent changes in the composition of loans made at finance companies, average rates at these companies and at banks have shown much the same pattern—a moderate downtrend until late 1972 or early 1973 with some upward movement since then.

It should be noted, however, that the levels of rates reported for finance companies are not directly comparable with those for commercial banks. The series for banks measures only the most common rate—which may involve a judgmental factor—for direct consumer loans with specified maturities. In contrast, the finance company series for new and used cars, mobile homes, and other consumer goods relate to data on loan contracts that are made by sellers of the merchandise and then sold to finance companies. In these cases, the summary statistics are derived from actual data on all contracts purchased in each reporting month—except for those companies that employ contract-sampling. Even where contract-sampling is used, the sample figures are adjusted to approximate company totals in order to compile weighted-average industry aggregates.

There is a somewhat greater degree of comparability between banks and finance companies in figures for personal cash instalment loans, because in both of these instances only direct lending is measured. Nevertheless, the rate concepts used are different; banks report the most common rate whereas finance companies report a weighted average. In addition, the maturity that is specified in the reporting form for banks—12 months—is much shorter than the actual weighted-average maturity of finance company loans, which has ranged between 32 and 34 months.

Factors other than the disparity of the statistical techniques cited above probably have an even more important bearing on differences in rate levels between commercial banks and finance companies. The levels of acceptable borrower risk are thought to be quite dissimilar between the types of financial institutions, and, in addition, there are differences in the cost of processing and handling consumer loan applications and contracts, the amount of service rendered, the relative convenience to the consumer of alternative sources of financing, and the competitive situation among lenders within a geographic area.

NONRATE DATA

Measurable differences in nonrate terms are also important to the levels of interest rates. Chief among these are the maturity of the loan and the ratio of the loan to the value of the collateral. On contracts for new cars and for mobile homes—types in which the amount of the loan tends to be moderate in relation to the value of the collateral—finance company rates have been considerably lower than rates for used cars, for other consumer goods (mainly furniture and appliances), or for personal loans—where the company's exposure to loss is higher. Table 2, for example, shows that for used cars the average loan in July—$1,820, excluding finance charges—is approximately equal to the average wholesale value of the car. In other words, the only effective downpayment that dealers have been obtaining on such transactions has been the margin between the wholesale value and the retail price of the unit. On older-model used cars—where interest rates are substantially higher than the average for all used cars—the ratio of amount financed to wholesale value sometimes ranges as high as 140 per cent. Immediate losses would result to the lender if a buyer were to default on a typical contract for an older-model unit.

Instalment financing of mobile homes has grown substantially at both banks and finance companies in recent years. In part, the growth at finance companies has reflected the efforts of many large independent companies to divert their activities from the highly competitive automobile market, where profit margins are relatively low. Over the period covered by the survey, the average amount financed on mobile home contracts has shown a rapid increase—to $6,618 in May—and the weighted-average maturity has lengthened to 115.3 months. In view of these changes total finance charges on the average contract, at a 12.72 per cent annual rate, are $4,865, or only $1,753 less than the average amount financed.

Rates on personal loans at finance companies have tended to edge lower during the past year, reflecting to some extent a modest increase in maturities and an 8.7 per cent expansion in the average amount financed. In States where lenders are making personal loans at maximum allowable rate ceilings, any State-authorized increase in maturity or in size of loan may result in a lower effective rate to the borrower, since legal rate maximums are often so scaled that small, short-term loans carry higher rates than large, long-term loans. This is what happened recently, for example, in New York State. Effective July 1 that State raised maximum allowable loan amounts for all maturities up to and including 36 months. As a result of this action, it is now possible to obtain a 36-month personal loan for as much as $2,500. The previous maximum had been $1,400. Whereas the effective rate on a $1,400 loan is still 20.21 per cent per year, the rate on a $2,500 loan is 18.18 per cent. Had the maximum loan been held constant and the term to maturity been lengthened, the effect would have been similar. Other States have made changes in maximum loan amounts and maturities that are reflected in the recent downward movements in rates on personal loans. □

Credit-Card and Check-Credit Plans at Commercial Banks

A recent study of credit-card and check-credit plans at commercial banks shows, among other developments, that

- Six of every ten commercial banks in the United States provided credit-card services to their customers at the end of 1972, and one in ten operated a check-credit plan.

TABLE 1

BANK CREDIT-CARD AND CHECK-CREDIT PLANS: SUMMARY STATISTICS

Data for December 31, 1972, unless otherwise indicated

BANK CREDIT-CARD PLANS	
Number of banks with plans	**8,574**
Single plan banks	*6,812*
Principal banks	930
Simple agent banks	5,410
Participating agent banks	472
Multiplan banks[1]	*1,762*
Principal for all plans	29
Simple agent for all plans	1,533
Participating agent for all plans	9
Principal bank and simple agent	59
Principal bank and participating agent	11
Simple and participating agent	121
Credit outstanding (millions of dollars)	5,408
Credit extended during 1972 (millions of dollars)	10,145
Retail volume	9,029
Cash advance volume	1,116
Average sales draft during 1972 (dollars)	19
Average cash advance during 1972 (dollars)	128
Cards outstanding (in thousands)	55,547
Cardholder accounts (in thousands)	33,870
Accounts with balances (in thousands)	20,586
Average balance per active account (dollars)	263
Merchant agreements (in thousands)	1,346
BANK CHECK CREDIT PLANS[2]	
Number of banks with plans	1,621
Credit outstanding (millions of dollars)	1,775
Credit extended during 1972 (millions of dollars)	2,517
Accounts with balances (in thousands)	2,950
Average balance per active account (dollars)	602

[1] 1,718 banks had two plans and 44 banks were affiliated with three plans.

[2] Figures include some amounts arising from joint plans with travel-and-entertainment card companies.

NOTE. David Seiders of the Board's Division of Research and Statistics prepared this article. Kay Oliver provided research assistance.

- The amount of credit that banks advanced under these programs came to $12.6 billion during 1972—about a fifth of total consumer instalment credit extended by commercial banks.
- Banks of all sizes participate in the credit-card industry; large banks are more likely to be principals—which hold credit-card balances—whereas small banks usually operate as agents. Many large banks also operate check-credit plans, but relatively few small banks do.
- All of the States and three-fourths of the counties in the United States have banks with credit-card plans, but—despite recent substantial increases—only a fifth of the counties have banks that offer check-credit plans.
- Extensive principal agent arrangements have been developed to extend the areas covered by bank credit-card plans.
- Most credit-card banks are associated with one or both of the two major bank credit-card systems, which provide for national interchange of sales slips and cash advances.

Availability of new types of information in the Bank Report of Condition for the end of 1972[1] has made possible this study of recent developments in bank credit-card and check-credit plans.[2]

[1] A special credit-card and check-credit supplement to that report provided statistics about operating arrangements among credit-card banks, bank affiliations with more than one plan, the role of banks of various sizes in the credit-card industry, the geographic coverage of this industry, and profitability of bank credit-card plans. This study focuses on developments in some of the major areas discussed in *Bank Credit-Card and Check-Credit Plans* (Board of Governors of the Federal Reserve System, July 1968).

[2] Detailed data in the form of supplementary tables are available on request from Publications Services, Division of Administrative Services, Board of Governors of the Federal Reserve System, Washington, D.C. 20551.

RECENT GROWTH

Commercial bank credit-card and check-credit plans both expanded greatly over the 5 years ending 1972, as shown in Table 2. Of the two types of bank revolving credit, card credit has grown more in terms of both dollar amount and the number of banks holding credit.[3] The rate of growth in card credit has slowed in the last few years, following a tremendous expansion during 1969 and early 1970. The growth rate of check credit, which had been declining since 1968, has picked up recently. As a result, the amount of credit outstanding under each plan increased by about 20 per cent in 1972 – a year when bank loans of all types increased by 18 per cent.

Between 1967 and 1972, credit outstanding under bank credit-card and check-credit plans expanded more rapidly than that under other selected kinds of credit plans with which they compete (Table 3). The gain in the banks' share of this market reflects the fact that most types of retailers have supplemented or replaced their own credit plans with bank credit-card plans. The major holdouts from bank credit cards have been large department stores, which have generally preferred to maintain direct customer contact through their own credit plans, and supermarkets, which often have mark-ups insufficient to cover the discounts of bank credit-card plans.

Over the same 5-year period, the two types of bank revolving credit have increased in importance relative to all kinds of consumer instalment credit at commercial banks. Credit-card and check-credit plans together rose from 9 per cent of total bank instalment extensions in 1967 to more than 20 per cent in 1972 (Table 4). This change reflects, in part, the substitution of bank card and check credit for certain types of instalment loans, particularly unsecured personal or furniture and appliance loans. Some banks have actively encouraged such shifts by opening a credit-card account or overdraft plan for qualified loan applicants, especially in the case of smaller loans, in order to cut down on handling expenses.

With the growth in bank credit-card and check-credit plans, consumers have assumed more control over the management of their debt. Both types of plans provide prearranged revolving lines of credit instantly available to the borrower, and both allow the borrower to decide upon the pattern of debt repayment within broad limits set by the bank. In many instances consumers use credit cards as a convenient substitute for cash or checks in transactions. About one-third of all bank credit-card accounts are, in fact, repaid within the interest-free period.

[3] There is no comprehensive historical information available on other measures of growth, such as agent banks, numbers of cards, accounts, and merchant agreements.

TABLE 2

BANK CREDIT-CARD AND CHECK-CREDIT PLANS

Amounts outstanding and numbers of banks with credit outstanding, 1967–72

Date	Amount (in millions of dollars)		Banks with credit outstanding		
	Credit cards	Check credit	Credit cards	Check credit	Both plans
Dec. 31, 1967	828	522	390	732	101
June 30, 1968	953	646	416	840	113
Dec. 31, 1968	1,312	798	510	975	144
June 30, 1969	1,705	993	699	1,061	212
Dec. 31, 1969	2,639	1,081	1,207	1,128	370
June 30, 1970	3,048	1,180	1,355	1,186	406
Dec. 31, 1970	3,792	1,336	1,432	1,228	427
June 30, 1971	3,895	1,359	1,514	1,282	450
Dec. 31, 1971	4,490	1,462	1,535	1,387	474
June 30, 1972	4,562	1,578	1,588	1,465	495
Dec. 31, 1972	5,408	1,775	1,631	1,621	532

TABLE 3

RATES OF GROWTH OF SELECTED TYPES OF CREDIT PLANS

Percentage change in amounts outstanding

Type of plan	1968	1969	1970	1971	1972	1968–72
Bank revolving-credit plans:						
Credit-card	58.4	101.1	43.7	18.4	20.4	553.1
Check credit	52.9	35.5	23.6	9.4	21.4	240.0
Selected nonbank credit plans:						
Travel-and-entertainment credit cards	24.6	44.7	10.9	8.2	24.2	168.9
Oil company credit cards	19.2	16.0	27.1	9.3	2.3	87.6
Retail charge accounts[1]	1.2	5	3.8	3.8	10.3	16.8

[1]Noninstalment accounts *only*.

NOTE.—Changes are calculated from amounts outstanding at beginning and end of year

TABLE 4

EXTENSIONS ON CREDIT-CARD AND CHECK-CREDIT PLANS
Volume, and share of total consumer instalment credit extended by banks

Year	Extensions (*in millions* of dollars)		Percentage of consumer instalment *credit extended* by banks	
	Credit cards	Check credit	Credit cards	Check credit
1968	2,203	1,278	5.9	3.4
1969	4,398	1,784	10.7	4.4
1970	6,768	1,937	15.8	4.5
1971	8,275	2,076	16.2	4.1
1972	10,145	2,517	17.1	4.2

BANK CREDIT-CARD AFFILIATIONS

A major development in the bank credit-card industry over the past several years has been the increased use of principal–agent arrangements. Another has been the growing participation of banks in national credit-card interchange systems, which have supplanted regional networks. These two developments have facilitated the expansion of the industry into all parts of the country and have given more consumers ready access to some kind of bank revolving-credit arrangement.

Principal–agent arrangements. Banks may be affiliated with credit-card plans as principals or as agents. When they act as principals, banks hold all the receivables generated by their cardholding customers. A principal bank may enlist other banks to act as agents. The principal bank then holds all or part of the receivables generated by the customers of its agents. Agent banks may be either "simple agents," in which case the principal bank holds all the receivables, or "participating agents," which share in the financing of the accounts according to a prearranged ratio.

About four-fifths of the credit-card banks operated as simple agents at the end of 1972. Of these, 5,410 were simple agents for a single card plan, and 1,533 for two or more plans (Table 1). For the banks with card credit outstanding, almost two-thirds were principals and the rest were participating agents. Most participating agents held 50 per cent or less of the outstanding credit owed by their cardholding customers, and a very few held more than 75 per cent. Few banks were principals for more than one plan.

Interchanges. Most credit-card banks are now principals or agents affiliated with one or both of the two major bank credit-card systems—National BankAmericard Incorporated and Interbank Card Association (which includes Master Charge). At the end of 1972, nearly 95 per cent of all bank card credit outstanding had been generated through cards carrying the BankAmericard or Interbank trademark.

These systems do not issue cards or extend credit, but they entitle affiliated banks to use their trademarks and provide services such as interchange and authorization systems. The interchange feature permits cardholders to make purchases from participating merchants any-where in the country or to obtain cash at any affiliated bank and have all such transactions consolidated in a single monthly bill. Almost one-third of the bank card credit extended during 1972 was from purchases made or cash advances obtained by cardholders outside the market areas of their home banks and was processed through one of the interchange systems.

SIZE OF BANK AND SIZE OF PLAN

Prior to the rapid expansion of the last few years, there had been concern about the competitive position of small banks in the credit-card market. However, with the growth of the national credit-card systems and the increasing use of agency arrangements, small as well as large banks have become active in this market

TABLE 5

BANKS WITH CREDIT-CARD AND CHECK-CREDIT PLANS, BY SIZE-OF-BANK CLASS, DECEMBER 31, 1972

Size class (total deposits in millions of dollars)	Percentage of all banks with		Percentage of credit-card banks with credit outstanding
	Credit-card plans*	Check-credit plans	
Less than 2	24.7	1.9	.5
2-5	35.0	1.9	4.4
5-10	54.1	3.9	7.9
10-25	75.8	10.1	14.2
25-50	81.6	22.3	24.9
50-100	85.5	33.7	41.1
100-500	82.4	50.8	63.2
500-1,000	89.4	67.0	88.1
1,000 and over	83.3	81.9	96.7

*Includes principals and agents.

Size of bank. Although commercial banks of all sizes are affiliated with credit-card plans, large institutions are more often principal banks, while small ones usually act as agents. This occurs because of heavy start-up costs and the consequent need to generate a large volume of business. In the group of 72 banks with more than \$1 billion in deposits at the end of 1972, 60 were affiliated with plans, 58 held credit outstanding, and 54 were principals. But 99 per cent of credit-card banks with deposits of less than \$2 million acted as agents (Table 5).

Many of the small banks that do hold credit act as participating agents of larger banks. Some others have chosen to be principals under an "association" form of organization in order to minimize start-up and operating costs. Under such arrangements, banks purchase accounting and data processing services from other banks or from credit-card associations. The fees they pay are based on the amount of credit-card activity.

Many small banks that have entered the credit-card field act as simple agents for two or more plans, usually handling cards in both of the nationwide card systems. Multiplan arrangements are an advantage to an agent bank in attracting merchant accounts since merchants like to offer their customers as many plans as possible but dislike having to maintain a separate account for each plan.

At one time check-credit plans were thought to provide an attractive alternative to credit cards, especially for the smaller banks that could not afford to operate a full credit-card plan. In practice, however, small banks have chosen to become agents for one or more credit-card plans rather than operate a check-credit plan. Whereas more than 2,800 small banks (deposits of less than \$10 million) were agent banks for credit-card plans at the end of 1972, fewer than 200 small banks operated a check-credit plan. At the same time, more than 75 per cent of those small banks that operate check-credit plans also have one or more credit-card plans.

Size of plan. Only 1,631 of the 8,574 banks affiliated with credit-card plans at the end of 1972 held credit outstanding, ranging from a few thousand dollars to about \$450 million. Amounts outstanding were highly concentrated in the largest plans; the top 1 per cent of the plans held about 35 per cent of all card credit outstanding (Table 6).

Concentration of amounts outstanding is also quite pronounced in bank check credit. The lower half of the distribution of plans held only 3 per cent of total check credit at year-end 1972, whereas the top 1 per cent of the plans held more than 40 per cent of the total.

The concentration of amounts outstanding under the two types of credit reflects a close relationship between size of bank and size of

TABLE 6

CUMULATIVE DISTRIBUTIONS OF NUMBERS OF BANKS WITH CREDIT OUTSTANDING AND AMOUNTS OUTSTANDING, BY SIZE OF CREDIT-CARD OR CHECK-CREDIT PLAN, DECEMBER 31, 1972

In per cent

Size of plan (credit outstanding in millions of dollars)	Bank credit cards		Bank check credit	
	Number of banks	Credit outstanding	Number of banks	Credit outstanding
Less than:				
2	46.4	8	65.7	3.7
5	61.7	2.3	80.0	7.7
1.0	71.3	4.4	86.0	11.5
5.0	86.9	15.1	95.9	32.1
10.0	93.1	28.4	97.8	43.7
20.0	96.3	42.2	99.0	58.5
50.0	98.9	64.2	99.7	78.9
All plans	100.0	100.0	100.0	100.0

plan. With credit cards, another contributing factor is the agency arrangements whereby principal banks hold all or part of the amounts outstanding generated by agents.

GEOGRAPHIC SCOPE

Principal banks have been able to expand the market areas served by their credit-card plans through the use of agency networks, and consumers in almost every part of the country now have bank credit-card plans available to them. Fewer areas of the country have banks with check-credit plans, but coverage appears to be improving.

Market areas for bank credit-card plans. In general, banks are not prohibited from offering credit-card services directly to merchants and consumers outside their normal marketing areas. However, in practice, principal banks have often found it more practical to extend their credit-card operations through agent banks. About seven-eighths of all credit-card-agent banks were located in different counties from their principal banks at the end of 1972. Furthermore, about a sixth of the agents were located in different States from their principals.

Additional banks may readily enter market areas where plans are already being operated. The national credit-card systems will license a card-issuing bank even if another bank is already offering the same type of card in that market area. Furthermore, banks may not prohibit their cardholders or merchants from signing up with other bank credit-card plans. Even banks offering the same bank credit card (for example, BankAmericard or Master Charge) may compete with each other for both merchant and customer accounts.

Credit-card coverage. Credit-card plans are now available in almost all localities of the country. All of the States and 75 per cent of the counties have banks with plans, and some of the remaining counties have branches of banks with plans. However, coverage varies considerably among States. In nearly a third of the States plans are available in 90 per cent or more of the counties in the State, but there are some States with credit-card operations in no more than 20 per cent of the counties. There are also marked differences among States in the proportion of affiliated banks that actually hold card credit.

State laws covering branch banking appear to have influenced the development of bank credit-card plans. While branching regulations have apparently had little effect on the proportion of banks that are affiliated with credit-card plans, they have influenced the incidence of agency arrangements (Table 7). In States where statewide branching is permitted, a much larger proportion of credit-card banks operate as principals, since branching permits principal banks to reach a large market area without entering into contract arrangements with agent banks.

It is often assumed that State laws governing the maximum interest rate that may be charged cardholders can—depending on the level established—influence the development of the credit-card industry. Most States permit banks to charge cardholders annual percentage rates up to 18 per cent, but in 1972 there were 11 States that had ceilings of between 10 and 15 per cent. Even in these States, however, card plans had been expanding. Almost half of the banks in the 11 States were affiliated with credit-card plans and a tenth of these were principals. In fact, in unlimited branching States, the proportion of credit-card banks acting as principals is larger in States where the rate ceiling is less than 18 per cent than where

TABLE 7

BANK CREDIT-CARD PLANS RELATED TO RATE CEILINGS AND EXTENT OF BRANCHING PERMITTED IN STATE, DECEMBER 31, 1972[1]

States with—	Number of States[2]	Banks with credit-card plans[3]		Per cent of credit-card banks operating as principals
		Number	Per cent of all banks in class	
Unit banking ..	15	4,696	61.1	5.2
Ceiling < 18 per cent ...	4	777	43.7	4.0
Ceiling ≥ 18 per cent	11	3,919	66.3	5.4
Limited branching ..	16	3,014	61.5	18.0
Ceiling < 18 per cent	3	637	50.5	11.9
Ceiling ≥ 18 per cent	13	2,377	65.3	19.6
Statewide branching .	20	864	64.6	28.0
Ceiling < 18 per cent	4	120	66.3	33.3
Ceiling ≥ 18 per cent	16	744	64.4	27.2
All States < 18 per cent	11	1,534	47.6	9.6
All States ≥ 18 per cent	40	7,040	65.8	12.5

[1]The rate ceiling assigned to a State and expressed as an annual percentage rate is the top bracket rate applicable to purchases of goods and services on bank cards at the beginning of 1972. This rate either is contained in legislation specifically regulating bank card programs or is the maximum rate allowed in States where instalment loan acts, retail instalment sales acts, small loan laws, or Comptrollers' opinions apply

[2]Includes the District of Columbia.

[3]Includes principals and agents.

it is not. This would suggest that plans of sufficient size can operate successfully despite the lower permitted interest return.

In this connection it should be noted that finance charges are not the only source of income for credit-card plans. Nearly one-fourth of the income, on the average, comes from merchant discounts, which may differ greatly from State to State. In low-rate States, merchant discounts may be high enough to make income to the plan from all sources about the same as in the high-rate States. In this case, the finance charge might be included in the price of the goods, with cash buyers helping to subsidize credit-card plans. Another possible source of income is an annual membership fee charged cardholders. Despite widespread discussion of this source of income, banks have generally avoided using it, though a large bank in Minnesota—a State with a 12 per cent ceiling—recently instituted such a fee.

Principal banks in high-interest-rate States have in some cases signed banks in low-rate States as credit-card agents. About one-sixth of all agent banks are located in States other than the principal, and one-fifth of that number are affiliated with principals in higher-rate States. In such situations, the interest rates charged the customers of the agent bank have sometimes been those of the principal bank. However, problems have arisen in connection with some of the out-of-State agent arrangements. A fundamental issue is the site of the loan transaction in the case of credit-card purchases. Some States adhere to a sales finance theory, under which credit is granted by the merchant at the time of the transaction. Other States subscribe to a direct loan theory and specify that credit is extended directly by the principal bank.

Check-credit coverage. Check-credit plans are not nearly so widespread as bank credit-card plans. Only one-fifth of all counties in the country now have banks that offer check credit. Early interest in check-credit plans was centered mainly in the Northeast and Far West. At the end of 1967, most of the banks operating plans were located in these areas, and the geographic structure of the industry has not changed greatly since that time. However, there appears to be a resurgence of interest in check-credit plans. The number of banks with such plans rose by 156 in the second half of 1972—the largest 6-month increase on record.

State branching and interest rate regulations do not appear to have been major factors in the development of bank check credit. A bank need not have branches to operate an overdraft plan profitably since a large volume of credit extensions is not required to cover the relatively small start-up and fixed costs involved. The interest rate ceilings covering check-credit plans are the same in most States as for bank credit cards, although some States have lower ceilings for the former. And while merchant discounts are not involved in check-credit transactions, there is usually no interest-free period. Also, check-credit plans generally provide for advances in fixed increments—most often \$100—when the borrower overdraws his account by as little as

$1, and additional amounts are extended in the same fixed increments up to the credit limit. Interest may be incurred on the entire balance, even if the borrower does not use it all.

PROFITS AND LOSSES ON BANK CREDIT-CARD PLANS

Credit-card plans have posed a number of operational problems for banks. In order to generate a sufficient volume of business for a profitable operation, a card-issuing bank must attract enough merchants to make it worthwhile for individuals to accept and use the credit cards while simultaneously attracting enough cardholders to interest merchants in the plan. In order to establish a cardholder base rapidly, some banks have used mass mailings of unsolicited cards. This was true particularly in the latter part of the 1960's. Widespread credit and fraud losses resulted in some instances, however, and in 1970 the Congress passed legislation prohibiting unsolicited distribution of credit cards.

Development of national credit-card interchanges, increased use of agent banks, and greater public interest in credit cards have simplified the solicitation of merchants and cardholders for principal banks. Moreover, the 1970 legislation mentioned above limits the legal liability of an individual cardholder to $50 in the case of loss or theft, and this feature has facilitated public acceptance of credit cards.

Despite the increased use of bank credit cards, profits have been low or nonexistent for many plans. According to Federal Reserve data, average gross rates of return were much higher in 1972 on bank credit-card plans than on other selected categories of bank loans, but average net rates of return were lower (Table 8).

Operating expenses—the costs of making, carrying, and collecting credit-card loans—accounted for the major part of the difference between gross and net yields on credit-card plans; such expenses accounted for almost 70 per cent of gross income. Net charge-offs were also relatively high—about 10 per cent of gross income—on credit-card plans. After allowing for the cost of money, the 1972 average net rate of return for the credit-card plans participating in the Federal Reserve Functional Cost Analysis was close to zero. Rising costs of funds to banks squeeze the profits of bank credit-card departments because rates charged cardholders are generally at State-imposed ceilings.

TABLE 8

AVERAGE RATES OF RETURN ON SELECTED TYPES OF BANK LOANS, 1972
Banks grouped by size of total deposits

Per cent per annum

Type of loan	Size of bank		
	Less than $50 million	$50 million to $200 million	Over $200 million
Credit-card			
Gross yield ..	18.5	19.3	19.7
Net yield	−2.9	1.7	7
Instalment—			
Gross yield ..	10.7	10.3	10.2
Net yield	3.3	3.1	3.0
All types—			
Gross yield ..	8.3	8.0	7.8
Net yield	2.5	2.5	2.4

NOTE—From the Federal Reserve *Functional Cost Analysis, 1972 Average Banks*, based on data furnished by 945 participating banks in 12 Federal Reserve Districts. Yields are calculated as ratios of gross or net income to average outstandings for the year, and are expressed as percentages.

The performance of bank credit-card plans, however, appears to improve with experience. Heavy start-up costs may be recovered within a few years after a plan is begun. More efficient accounting, authorization, and billing techniques may be introduced, inactive accounts and low-volume merchants may be dropped, and credit limits may be raised for established users. Gross and net charge-offs also tend to decline as the length of time a bank has operated a credit-card plan increases (Table 9). As experience is gained, banks may improve their techniques for selecting cardholders and merchants and for managing accounts. Furthermore, fraud losses can be lessened by developing better systems to detect stolen or counterfeit cards. Even so, fraud losses currently account for an estimated 15 to 20 per cent of total charge-offs on bank credit-card plans.

Not all of the benefits to a bank from operating a credit-card plan show up in the revenues generally allocated to the credit-card function.

TABLE 9

CHARGE-OFF RATES ON BANK CREDIT-CARD PLANS
BY YEAR BANK ENTERED CREDIT-CARD FIELD
Banks with credit outstanding, December 31, 1972

Year entered[1]	Number of banks	*Amount outstanding*		Charge-off rate, 1972	
		Millions of dollars	Percentage of total card credit outstanding	Gross	Net[2]
1966 and before	125	1,747	32.3	2.39	1.86
1967–68	352	1,498	27.7	3.10	1.96
1969	752	1,763	32.6	3.76	2.65
1970	204	330	6.1	5.25	4.51
1971	106	54	1.0	6.38	4.92
1972	92	16	.3	8.13	6.35
All banks	**1,631**	**5,408**	**100.0**	**3.23**	**2.32**

[1]Date from which a card program has remained continuously in effect
[2]Net charge-offs are gross charge-offs less recoveries.
NOTE.—The charge-off rates are calculated as ratios of gross and net charge-offs for 1972 to average credit-card outstandings for the year, and are expressed as percentages. For banks starting in 1972, the partial year flows have been converted to annual rates.

Credit-card plans provide a means of penetrating new consumer and merchant markets and thereby increase opportunities for promoting other banking services. Furthermore, by shifting small consumer loans to revolving-credit accounts, some banks have reduced the over-all cost of making consumer loans.

Finally, indirect benefits may accrue over the longer run because bank credit cards are likely to play an integral part in the electronic funds transfer system that is now emerging. Some banks have instituted card plans principally to be in a position to take advantage of such a system. Nationwide credit-card authorization and clearing systems, possibly linked to point-of-sale terminals, may provide for transfers of funds for a wide range of transactions and over large geographic areas. □

Objectives and Responsibilities of the Federal Reserve System

Following is an excerpt from an address by Arthur F. Burns, Chairman, Board of Governors of the Federal Reserve System, at dedication ceremonies for a new building at the Federal Reserve Bank of Minneapolis, September 8, 1973:

☆ ☆ ☆ ☆ ☆

Monetary policy in this country carries a heavy burden of responsibility for the maintenance of economic stability. Actually, our Nation sometimes expects more from the Federal Reserve than we can reasonably expect to accomplish in view of the imperfect tools with which we work and the complex problems that our Nation faces.

During the past decade our Nation has generally experienced prosperity, but the prosperity has been marred for many of our people by persistent and rapid inflation. Many factors are responsible for this unhappy development —among them, a protracted and unpopular war and abuses of market power by some of our business firms and trade unions. But I believe that the most important underlying cause has been the looseness of our Federal fiscal policies. Federal spending has been rising with disconcerting speed during the past decade. Despite the costly war in Vietnam, new governmental programs have been enacted at a dizzy pace, almost without regard to their cost or to the state of public revenues.

Deficits have therefore mounted in both good years and bad. In fiscal 1965, a year of rapidly advancing prosperity, the Federal deficit came to $1.6 billion. In fiscal 1973, a similarly prosperous year, the deficit amounted to $14.4 billion. In three of the past six years, the deficit came close to— or actually reached -$25 billion. Nor do even these figures tell the full story of how much Federal money has been paid out to the public beyond what the Government collected in taxes. Governmentally sponsored corporations, such as the Federal National Mortgage Association and the Federal home loan banks, have also gone heavily into debt and poured out additional billions that are excluded from the budgetary totals. In the fiscal year just ended, the net borrowing by Federally sponsored agencies exceeded $11 billion.

The continuance of large Federal deficits at a time of rapid resurgence of the economy has inevitably stimulated private spending and aggravated upward pressures on the level of prices. In fact, our economy is suffering at present from stronger inflationary pressures than at any time since the outbreak of the Korean war. Prices have risen sharply since the beginning of this year, and they are continuing to rise.

In view of the huge expansion in production and employment that we have experienced during the past year, it would have been difficult to avoid an appreciable upward movement of the price level even with a balanced Federal budget. But as the Fates would have it, several unusual factors combined to impart a new dimension to our inflationary problem this year. First, the devaluation of the dollar not only resulted in higher prices of imported goods, but also affected our price level by leading to some substitution of domestic for foreign products and by imparting a sharp impetus to foreign demand for our products. Second, our economic expansion has been accompanied by rapid expansion in virtually every other industrial country. The worldwide demand for capital equipment and industrial materials—goods for which the United States is a major supplier—has therefore burgeoned. Third, our current ability to expand output of basic industrial materials is narrowly limited—in large part because investment by producers of key materials has been held back in recent years by unsatisfactory profits and new environmental controls. Fourth, bad weather in a number of countries severely restricted agricultural production last year—at the very time when the demand for foodstuffs was rising rapidly in response to the worldwide expansion of incomes and employment. The concatenation of these special factors has played a decisive role in driving up prices this year.

The inflationary problem we are dealing with today is therefore quite complex, and we must be prepared for a further rise in prices in the months ahead. The resulting damage can be minimized, however, if aggregate monetary demand is restrained. The inflationary forces that now plague us will then have a better chance to burn themselves out.

The Federal Reserve is pursuing a course of monetary policy that is designed to minimize the threat of excess demand by restricting the growth of the monetary and credit aggregates. Monetary policy began to move in this direction in the spring of 1972, but at a pace that may appear in retrospect to have been too gradual. In any event, restrictive actions have multiplied in both frequency and impact in recent months. By now even skeptics in the financial community should be convinced that the Federal Reserve will not flinch in its determination to moderate substantially the pace at which money and credit supplies have been expanding.

A restrictive monetary policy cannot be carried out without causing difficulty for some business firms or households that seek additional credit. The homebuilding industry, in particular, is very sensitive to the level of interest rates and the availability of mortgage money. In view of the outflow of funds from thrift institutions into higher-yielding market instruments, mortgage commitments have been diminishing, and this is bound to affect homebuilding adversely in the months immediately ahead.

Early in 1970 anticipating precisely the kind of development that is now under way in the housing field, the Board of Governors of the Federal Reserve System undertook a comprehensive study of the ways in which the chronic fluctuations of housing construction may best be moderated. Two years later, in March 1972, the Board presented its report to the Congress. The Board's recommendations for legislative action deserve more careful consideration than they have yet received. If the needed reforms come too late to help in the present difficulty, they can still serve the larger purpose of stabilizing housing finance over the long future. Meanwhile, the several housing agencies, which have been softening the impact of credit shortages on homebuilding activity, are in a position to continue to do so. And the Federal Reserve System, as the lender of last resort, will, of course, honor its obligation to provide emergency credit in the event of need. I might add that it appears unlikely that such a need will arise.

The time will surely come when monetary policy can again be less restrictive, but that time has not yet arrived. At present there is no real alternative to a restrictive monetary policy. To be sure, if we permitted money and credit to expand at a more rapid pace, short-term interest rates would decline for a brief period. But in so doing we would be adding fuel to the inflationary fires now raging. Before very long interest rates would rise again, and probably well beyond their present level, as both lenders and borrowers adjusted to the quickened pace of inflation. The simple and inescapable truth is that inflation and high nominal interest rates go together.

The Federal Reserve must therefore persevere in its present policy. Fortunately, there are some signs that our efforts are bearing fruit. For example, the narrowly defined money supply—that is, currency plus demand deposits—grew at an annual rate of 6 per cent during the first half of 1973, compared with a growth rate of 7½ per cent during 1972. In recent weeks the growth rate has slowed further. During July and August the money stock rose at an annual rate of only about 2 per cent. These signs of better control over the growth of the money supply are encouraging, but the Federal Reserve will need more convincing evidence on moderation of the monetary and credit aggregates before it can responsibly relax its pressure on the monetary brake.

Of late there have also been encouraging developments with respect to our international balance of payments. Our competitive position in world markets has dramatically improved over the past year, and the deficit in our trade accounts that was for some time a source of great concern has now all but vanished. In fact, we enjoyed a modest trade surplus in the month of July, and the outlook for our exports continues to be very promising. These developments have not gone unnoticed in the financial world, and the dollar has strengthened markedly in recent weeks in foreign exchange markets. Intervention in these markets by the Federal Reserve has helped to bring about this turn in the dollar's value. However, a more basic factor in the recent improvement in the value of the dollar relative to other currencies is the increasing recognition abroad that the American people are determined to bring inflation under control and that they will support any reasonable policy that promotes this objective.

Governmental efforts to stabilize the general price level must therefore persist until the forces of inflation are fully dissipated. Since direct controls over wages and prices in the present environment can provide only limited benefits, primary reliance in this struggle must be placed on monetary and fiscal policies.

Clearly, monetary policy must play a major role in the fight against inflation, but we should not expose the economy to unnecessary risks by overburdening this tool of policy. Additional restraint through fiscal policy, in the form of reduced Government spending or increased taxes, would be helpful even now. Particularly appropriate would be fiscal measures that could be quickly reversed if economic activity began to weaken, as sometimes happens after a prolonged period of economic expansion.

We also need to improve our instruments of monetary policy to gain better control over the monetary aggregates. More precise management of money and credit supplies could be achieved if the reserve requirements that apply to demand deposits of Federal Reserve member banks were extended to all commercial banks.

The present limitation of the reserve requirements imposed by the Federal Reserve to the System's member banks, apart from being inequitable, weakens monetary control. All demand deposits are a part of the Nation's money supply, and they should be treated equally from the standpoint of reserve requirements. The difficulties already imposed on monetary policy as a result of the unequal treatment of demand deposits at member and nonmember banks will become more acute in the years ahead in the absence of corrective legislation. The Federal Reserve must therefore urge the Congress to give this problem its earnest consideration. The solution that we shall propose will not infringe in any significant way on our dual banking system, and yet it will enable the monetary authority to achieve more precise control over the monetary aggregates.

I need hardly say, in closing my remarks, that there is much unfinished business to attend to in our struggle to control inflation, to manage the Nation's money supply, to stabilize housing construction, and to deal with a host of other economic and financial problems. I am optimistic, however, about the future of our Nation's economy. Progress in moving toward equilibrium in our international payments accounts has been encouraging. So also has the recent evidence of moderation in the growth of monetary aggregates. And agricultural production in this region of our Nation and elsewhere is now on the increase, offering hope that food supplies will soon be more plentiful.

The principal source of my optimism, however, lies not in these general indicators of progress in dealing with economic and financial problems, but in my faith in our Nation and its good people. Our country has been blessed with rich natural resources and our people have been endowed with the vision and energy to strive for a better life. Let us dedicate the new Federal Reserve building today to the brighter future that is the hope and dream of every American. □

Statement to Congress

Statement by Arthur F. Burns, Chairman, Board of Governors of the Federal Reserve System, before the Committee on Banking and Currency, House of Representatives, September 12, 1973.

I appreciate the opportunity to discuss with you the problems that have developed of late in the markets for mortgage credit and housing.

Early this year, as the committee is well aware, building permits for private housing units began to decline, and so did the number of new housing starts. With mortgage credit supplies shrinking, a significant further drop in residential building activity may lie ahead.

Recent developments in housing finance are a matter of concern to the Federal Reserve as well as to this committee. A practical solution to the recurring problems of housing finance will be found only if the forces presently operating to depress residential construction are clearly understood. Let me therefore try to put recent events in perspective.

In the early months of 1970 activity in the residential building industry began to recover from its slump in 1969. This upturn was the beginning of a surge in housing activity that lasted for 3 years, and proved to be the strongest homebuilding boom of the postwar period. In the year 1972 alone, construction was started on 2.4 million conventional dwelling units; in addition, nearly 600,000 mobile homes were produced. Both in 1971 and 1972 the total production of new dwelling units exceeded by a substantial margin the national housing goals established by the Congress in 1968.

The booming volume of residential construction could not long be sustained by the basic demand for housing. During the year ending last March, 1.6 million new households were established in the United States. The number of new housing units produced during that year, however, was nearly twice as large. Inventories of unsold houses began to rise as early as 1971, and they are now almost twice as high, relative to sales, as they were 2 years ago. Vacancy rates for rental units have also crept up in many sections of the country, and they may well increase further as the completion of large apartment buildings now under construction adds to available rental units.

Besides outstripping the basic demand for housing, the boom in residential building played havoc with costs and prices. Prices of lumber, plywood, and other building materials skyrocketed, land values soared, and wages in the construction industry rose for a time at an annual rate of about 10 per cent.

Of late construction costs have come under better control. Thanks to the vigilance of the Construction Industry Wage Stabilization Committee, increases of wage rates have moderated appreciably. Upward pressure on prices of building materials, especially lumber and plywood, has also diminished in recent months. Nevertheless, the median price of new single-family homes is now more than a third higher than in October 1969.

By late 1972 overbuilding and high prices had set the stage for a downturn in residential construction. The ensuing decline in housing starts got under way long before supplies of mortgage credit had begun to affect homebuilding adversely.

One factor that contributed to overbuilding during the housing boom was the liberal supply of mortgage credit. The specialized mortgage lending institutions—that is, the savings and loan associations (S&L's) and the mutual savings banks—were well supplied with loanable funds over a prolonged period. Their total deposits, which had risen 7 per cent in 1970, increased 17 per cent in 1971 and 17 per cent again in 1972. Inflows of consumer savings deposits at commercial banks also rose rapidly, from 11 per cent in 1970 to an average of 15 per cent in 1971 and 1972.

These three classes of depositary institutions together added $11 billion to their residential mortgage portfolios in 1970. As their deposit inflows moved up, their net acquisition of mortgages rose to $30 billion in 1971 and then to $43 billion in 1972. In the second quarter of this year these institutions were still acquiring new residential mortgages at an annual rate of $48 billion.

Mortgage credit supplies during this period were so large that, despite soaring demands for mortgage credit, interest rates on mortgages actually declined between the late summer of 1970 and the spring of 1972 and then remained quite stable over the rest of 1972.

Developments in other financial markets last year, however, carried an ominous significance for housing finance. In the spring of 1972 short-term market interest rates began to rise, and their upward movement accelerated toward the close of the year. By now, as this committee knows, interest rates on most short-term market securities have risen above the previous high peaks of late 1969 or early 1970. Long-term interest rates have also advanced, but their rise has been less pronounced.

The fundamental reasons for this rise in interest rates should, I think, be evident to any thoughtful observer. With economic expansion proceeding at a vigorous rate since late 1971, the accompanying demand for credit has been very strong. The revival of fears that inflation has become endemic served further to enhance the demand for credit. These developments account for the mounting pace of private credit demands. Between the first half of 1972 and the first half of 1973 the rate of private credit expansion increased by more than a third, or about three times as fast as the percentage increase in the gross national product.

Continuing large drains on the money and capital markets by the Federal sector added, of course, to the upward pressure on interest rates. Total borrowing by the Federal Government—including the Federally sponsored credit agencies—amounted to almost $33 billion in fiscal 1973. It is well to bear in mind that Federal deficits augment private disposable income and thereby tend to increase private spending and borrowing. The impact of Federal deficits on interest rates therefore goes beyond the direct effects that stem from the addition of Federal borrowing to other credit demands. These deficits have contributed powerfully to the mounting pressures in financial markets since the spring of 1972.

During this period monetary policy has tolerated the higher interest rates that resulted from the rapidly rising demands for credit. Supplies of money and credit were allowed to expand, but not by enough to satisfy each and every demand for credit at the going level of interest rates. If a more expansive monetary policy—aimed primarily at holding down interest rates—had been followed, the resulting increase in supplies of money and other liquid assets would have added enormously to the potential for inflation. Before long, as both lenders and borrowers adjusted their behavior to the quickened pace of inflation, interest rates would have risen sharply despite the outpouring of newly created money, and by now they would probably be even higher than they in fact are. Inflation and rising interest rates go together, and both lead to serious difficulties for the housing industry.

Signs of developing problems in housing finance became evident early in 1973 when the inflow of consumer savings to commercial banks began to shrink. In the second quarter of the year, savings inflows to nonbank thrift institutions also weakened, falling to an annual growth rate of 9 per cent, compared with 17 per cent in 1972. Mortgage lenders, therefore, became less energetic in committing funds for housing, and interest rates on mortgage loans began to advance.

The threat to homebuilding activity posed by such developments becomes all the more serious when residential construction is beginning to weaken as a result of overbuilding, as was the case in early 1973. By the middle of this year, housing production thus appeared to be on the verge of yet another downswing in the feast-and-famine cycle that has long characterized this industry.

These recurring cycles have been of great concern to the Board of Governors of the Federal Reserve System. You may recall that in my testimony before this committee on February 7, 1970—my first appearance before a congressional committee as Chairman of the Federal Reserve Board—I indicated that the Federal Reserve staff would undertake a thorough search for ways of moderating the short-term swings in the availability of mortgage credit. Upon completion of that study, the Federal Reserve Board submitted its report to Congress on March 3, 1972. Our most important recommendation was a proposal for a more flexible use of fiscal policy to smooth out the fluctuations in business fixed investment so that dependence on credit restraint to achieve economic stability could be reduced. Other proposals were aimed at stabilizing the flow of funds to financial intermediaries.

While the Board's report was submitted at a time when commercial banks and other thrift institutions were enjoying strong deposit gains, it pointed out that these inflows would probably shrink when yields on market securities again rose. The Board therefore urged the Congress to take the opportunity afforded by conditions then existing in the mortgage and housing fields to strengthen the ability of our Nation's depositary institutions to function effectively in an environment of fluctuating interest rates.

The fundamental reason why the stream of savings into the specialized mortgage lending institutions—especially the S&L's—dries up periodically lies in the asymmetry between their assets and liabilities. Their assets consist chiefly of mortgages with a long average life, and their earnings rates are therefore rather inflexible. Their liabilities, on the other hand, consist of passbook accounts that in practice are payable on demand or of time deposits with relatively short maturities. These forms of savings are rather close substitutes for short-term market securities, on which yields are highly variable. When yields on competing market instruments rise, a strong tendency develops to divert savings from the thrift institutions to market securities.

The Board's report set forth proposals to deal with this problem. To achieve greater flexibility in the earnings of S&L's so that they could compete more effectively against market securities, the Board suggested that perhaps 10 per cent of their earning assets might be placed in consumer loans. More importantly, we recommended that consideration be given to enabling all depositary institutions to offer mortgages with variable interest rates, subject to regulatory safeguards.

The Board hopes that its report will assist the Congress in its search for ways to deal with the problem of cyclical instability in housing finance. But the necessary ameliorative measures have not yet been adopted. As a result, the Nation's housing industry may now have to bear once again a disproportionate share of the burden of policies to moderate the expansion of aggregate demand. Fiscal policy has not yet been made a flexible tool for economic stabilization. And monetary and credit policies are still serving as the primary line of defense against excess aggregate demand although we know from experience that general monetary restraints affect housing more than other industries.

As recent experience again indicates, our depositary institutions, particularly the S&L's, have great difficulty in coping with rising market interest rates. Over the past several years, the structure of deposits at the S&L's has changed substantially. Nearly all of the growth in their savings capital has come from special deposits with a fixed term to maturity. A large part of these special deposits, however, have rather short maturities. By actively encouraging growth of such accounts, it appears that the S&L's have attracted a substantial amount of interest-sensitive funds, thereby aggravating their problem of deposit instability.

The Federal Reserve has been troubled by this development for some time. During the spring of this year some depositary institutions began losing funds to market securities, on which interest rates were rising rapidly, and it seemed likely that the diversion of individual savings to market instruments would accelerate after the midyear interest-crediting period. More freedom for depositary institutions to bid for funds thus became urgent. On July 5 the Federal Reserve joined with the other regulatory agencies to allow commercial banks and other thrift institutions to offer higher yields on consumer-type time and savings deposits.

The new ceilings on interest rates paid by commercial banks were again set at lower levels than for other thrift institutions. In the case of

S&L's and mutual savings banks, the largest increases in ceiling rates were made for special accounts—that is, accounts other than passbook savings. This approach was adopted to enable these institutions to utilize the limited increase of their earnings in recent years to best advantage in attracting or holding on to savings customers.

At the same time, ceiling rates on consumer-type certificates of deposit (CD's) with maturities of 4 years or longer, when sold in denominations of $1,000 or more, were suspended for all depositary institutions. The objective of this action was to increase the ability of these institutions to compete with market instruments and at the same time achieve greater stability of deposits.

In taking these several steps, the Board and the other regulatory agencies kept in mind the need for greater equity for savers. Whatever advantages the housing industry and the institutions that finance it may derive from rate ceilings, these ceilings clearly discriminate against individuals who are able to accumulate only modest amounts of savings or who lack sophistication with regard to investment alternatives. In determining rate ceilings and in related actions, such as establishing minimum denominations in which Federal securities are sold, public policy must balance the needs of housing finance against equity for the small saver. One result of deposit rate ceilings and large minimum denominations of Treasury issues has been to deny small savers the opportunity of benefiting from competitive rates of return on their funds. This may help to sustain homebuilding, but we need to explore other, more equitable, ways of promoting that objective. Suspension of deposit rate ceilings in limited areas, subject to safeguards, is one such avenue of exploration.

The precise details of the liberalized ceiling rates that became effective on July 5 were designed with an eye to minimizing shifts of funds among depositary institutions. We soon discovered, however, that S&L's in a few metropolitan areas were losing funds to some commercial banks that were merchandising aggressively the new, no-ceiling 4-year certificate. The Board of Governors of the Federal Reserve System and the Federal Deposit Insurance Corporation (FDIC) responded promptly to this development by limiting the amount of such deposits that a commercial or mutual savings bank may accept to 5 per cent of its total time and savings accounts. A similar restriction had previously been imposed on S&L's by the Federal Home Loan Bank Board (FHLBB).

Other steps have also been taken recently by the regulatory agencies to achieve uniformity among competing financial institutions with regard to penalties for early withdrawal of time deposits, and to ensure that savers who may wish to switch into higher-yielding CD's understand how such penalties will affect their interest earnings.

These regulatory actions have clearly improved the ability of depositary institutions to compete with market securities for the savings of individuals. The further rise of market interest rates since early July has, however, blunted this achievement. With relatively short-term Treasury securities or Federal agency issues now offering yields of 8 or 9 per cent, the purchase of such securities by individuals has been rising rapidly of late.

In July deposit outflows amounted to about $300 million at S&L's and to about $600 million at mutual savings banks. In August mutual savings banks fared somewhat better. On the other hand, deposit outflows at S&L's accelerated, if we may judge from the data now available. The larger commercial banks, in their turn, reported a loss of $200 million in consumer time and savings deposits over the 4 weeks ended August 29, compared with an increase of $300 million in the previous 5 weeks.

The contrasting experience of commercial banks and S&L's since midyear has suggested to some observers that many banks may be attracting funds from S&L's through aggressive marketing of the new certificates with a maturity of 4 years or longer. The Federal Reserve has been investigating this question carefully.

An overwhelming proportion of the banks appear to be handling prudently the no-ceiling 4-year certificates. Less than 40 per cent of all insured commercial banks were offering these certificates at the end of July, and of those that did, only about 1 of 20 paid a rate in excess of 7½ per cent. The rates offered by commercial banks were broadly similar to those offered by S&L's and mutual savings banks. In general, since savers would not have gained interest income by switching funds from nonbank thrift institutions to commercial banks, it appears that the bulk of the funds lost by S&L's and savings banks during July and August did not move to commercial banks, but that the money went elsewhere—probably into market securities.

This, however, is not as yet a firm conclusion. In any event, even if valid on a nationwide basis, it may not apply to some individual communities. The Federal Reserve Board, working cooperatively with other regulatory agencies, will therefore continue to give this problem close attention and draw upon whatever new information becomes available. A few days ago the FHLBB and the FDIC liberalized their regulations so that the S&L's and mutual savings banks will be able to issue the no-ceiling 4-year certificates up to 10 per cent of their deposits. If further regulatory actions offer promise of diminishing turbulence in the markets for consumer savings and mortgage credit, the Federal Reserve Board—and I'm sure also the other regulatory agencies—will not hesitate to adopt them.

In all candor, however, I must acknowledge that I see no easy way out of our current dilemma. Competition among the thrift institutions could be restrained by reverting entirely to the former ceilings or by imposing a modest ceiling on the new 4-year certificates. But in that event the loss of funds by depositary institutions to market instruments would probably increase greatly. Alternatively, ceilings could be liberalized further so as to give the thrift institutions more freedom to compete with market securities. But many S&L's are not in a position to pay appreciably higher rates, and their future would be in jeopardy if they tried to do so. In either case, the availability of mortgage credit might be affected very adversely.

It thus appears that mortgage loans will remain in relatively short supply in the months immediately ahead, particularly in States with low usury ceilings, and that the volume of residential construction will consequently suffer. There is reason to believe, however, that the contraction in housing activity that we now face will be milder than the declines of 1966 or 1969.

A number of structural changes in housing finance during recent years have reduced the dependence of the housing industry on mortgage loans from nonbank thrift institutions. For one thing private sources of funds for mortgage credit have been broadened. Thus, the mortgage bonds guaranteed by the Government National Mortgage Association (GNMA) now attract private pension funds and other investors who previously had stayed out of the mortgage market; at present, some $10 billion of such bonds are outstanding. Real estate investment trusts have also been growing. In the second quarter of this year they supplied mortgage credit at an annual rate of $4 billion. Commercial banks now furnish a larger share of residential mortgage credit—more than 20 per cent in the first half of this year, compared with about 15 per cent in the decade of the 1960's. Moreover, mortgages have generally become more attractive to private investors because of the growth of opportunities to insure conventional mortgages and the enlargement of secondary market facilities.

The capability of Federal agencies to come to the aid of housing in times of difficulty has also been bolstered. The Federal National Mortgage Association (FNMA) and the Federal Home Loan Mortgage Corporation are now authorized to buy conventional mortgages as well as Government-guaranteed mortgages so that their efforts to support housing activity can be broadly based. The financial position of FNMA has become stronger in recent years, and its security issues are widely regarded as an attractive investment medium. So also are the securities issued by the Federal home loan banks to obtain funds for lending to savings institutions. Advances from the Federal home loan banks through August of this year total $5.5 billion, and they can be increased substantially further, if that should be necessary.

The Federal Reserve, on its part, has made plans for providing emergency credit to S&L's and mutual savings banks in the unlikely event that such a need arises. We have also sought to improve the market for the securities issued by the Federal housing credit agencies. Since September 1971, when we began making outright purchases and sales of agency issues, the spread between the yields on these obligations and those of the Treasury has narrowed, particularly for the shorter maturities. Our acquisitions were not the only reason for the lower spread, but I believe they made a constructive contribution.

Of greater importance, the Federal Reserve Board in May raised from 5 to 8 per cent the reserve requirement applicable to increases in the amount of large-denomination CD's outstanding at the larger banks. This step increased the cost to banks of the funds that they principally use to finance business loans. Last Friday the incremental reserve requirement against CD's was raised again, this time to 11 per cent. To the extent that this new reserve requirement restrains bank lending to the business sector, it should help to relieve pressures on residential mortgage credit.

In view of the structural changes in housing finance and related developments, I believe that the housing industry is in a better position now than it was a few years ago to weather the pressures of financial restraint. But additional actions are needed to achieve an acceptable degree of stability in housing finance and construction.

For the immediate future, the single most constructive step that could be taken by the Congress would be to increase the degree of fiscal restraint on aggregate demand. I for one would support stronger efforts to cut governmental expenditures, or actions to increase taxes. Particularly appropriate would be fiscal measures that could be quickly reversed if economic activity began to weaken. Steps to increase fiscal restraint now could have dramatic effects on financial markets, with substantial benefits for the supply of mortgage credit and housing.

I would also urge the Congress to abolish altogether the present ceiling rates of interest on Federal Housing Administration (FHA) and Veterans Administration (VA) loans. True, these ceiling rates have not been a significant impediment to mortgage credit supplies this year, but that is only because the Department of Housing and Urban Development and the VA have acted rather promptly to keep the ceilings in line with market rates of interest. In some States usury ceilings have dried up the supply of mortgage credit almost completely. If the Congress acted decisively on FHA and VA ceilings, State legislators would be more inclined to raise or eliminate the usury ceilings that are presently curtailing residential building in their area.

This committee could also be of great service to the housing industry by supporting reforms to moderate short-term swings in the supply of mortgage credit and home construction. Some of the measures needed are relatively noncontroversial, could be acted on quickly, and would improve the outlook for housing finance even in the short run. The Board's earlier recommendations to remove the legal restrictions on real estate loans by national banks, and to permit the Federal Reserve to lend to member banks on any sound collateral, including mortgages, fall into this category. Other measures will need to be debated at greater length, and it is therefore all the more urgent that the Congress initiate constructive deliberation of basic reforms. The highest priority should be given to making fiscal policy a more flexible tool for economic stabilization. A promising way to accomplish this, as the Board indicated in its housing report in early 1972, would be to make the investment tax credit variable over the business cycle.

If the tax credit for business investment were lowered during economic booms and raised in periods of slack, the rate of business capital spending would be more stable and so would interest rates and the flow of funds into housing. The Board recommends again, therefore, that the President be authorized to propose changes in the tax credit—within a range of perhaps 3 to 12 or 15 per cent—subject to congressional approval or disapproval under special procedures to assure prompt consideration.

Better control of the Federal budget would also be of great value. The Board welcomes the efforts of the Joint Study Committee on Budget Control, the Rules Committee of the House, and the Government Operations Committee of the Senate to reform budgetary procedures by fixing firmly the expenditure total for a fiscal year and then establishing congressional priorities within that total.

Reforms are also needed to improve the ability of depositary institutions to compete for individual savings in periods of rising interest rates. The Board would urge once again the adoption of legislation to encourage a moderate amount of investment by S&L's in consumer loans so that their earnings rates would be more flexible. A more significant contribution to this objective would come from the use by depositary institutions of mortgage loans with variable interest rates to finance the purchase of homes and apartment buildings.

The thoughts I have put before this committee today are confined to the problem of cyclical swings in housing. This is a critical current problem. That is why I have emphasized not only the desirability of changes in the structure of housing finance, but also the importance of basic reforms in fiscal policy. Once fiscal reforms are carried out, there will be less need to depend upon monetary restraint in the course of a business-cycle expansion. □

Record of Policy Actions

of the Federal Open Market Committee

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

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

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

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

The records for the meetings held in 1973 were published in the BULLETINS for April, pages 286–92; May, pages 345–51; June, pages 435–44; July, pages 513–20; and August, pages 574–80. The record for the meeting held on June 18–19, 1973, follows:

MEETING HELD ON JUNE 18-19, 1973[1]

1. Domestic policy directive

The information reviewed at this meeting suggested that real output of goods and services, which had expanded at an annual rate of 8 per cent in both the last quarter of 1972 and the first quarter of 1973, was growing at a less rapid pace in the current quarter. Staff projections continued to suggest that growth would moderate further in the second half of the year.

In May industrial production continued to rise—reflecting for the most part further gains in output of consumer goods and business equipment—but the pace of expansion was less rapid than it had been earlier in the year. The value of new construction put in place in both April and May changed little from the monthly average for the first quarter. Growth in nonfarm payroll employment slowed from the high rate in the first quarter of the year, but the unemployment rate remained at 5 per cent. Retail sales rose in May, according to the advance report, after having declined more sharply in April than had been reported earlier; the average for the 2 months was close to the average for the first quarter.

The advance in average hourly earnings of production workers on nonfarm payrolls, which had been moderate in the first 4 months of 1973, remained so in May. However, this year's upward spiral in the wholesale price index continued, reflecting another substantial rise in prices of industrial commodities as well as a large increase in prices of farm and food products. In April the uptrend in the consumer price index was sustained at about the fast pace of the preceding 3 months. On June 13 the President announced that prices of all goods and services—except for rents and for prices of raw agricultural commodities sold at the farm level—would be frozen for a period not to exceed 60 days while a new and more effective system of controls was being devised to replace the economic stabilization program's third phase, which had been introduced in mid-January. Wages, profit margins, dividends, and

[1] This meeting was held over a 2-day period beginning on the afternoon of June 18, 1973, in order to provide more time for the staff presentation concerning the economic situation and outlook and the Committee's discussion thereof.

interest rates remained subject to the controls that had existed under Phase III.

The latest staff projections for the second half of 1973 were very similar to those of 4 weeks earlier, although business fixed investment now was expected to expand at a somewhat less rapid pace, as suggested by the latest Department of Commerce survey of business spending plans. It was still anticipated that residential construction outlays would decline appreciably, that business inventory investment would increase less rapidly, and that the rise in disposable income and consumption expenditures would slow considerably.

In foreign exchange markets, the dollar came under strong selling pressure in early May, chiefly against those continental European currencies that were jointly floating against the dollar. Speculative demands were reflected in appreciation of those currencies floating against the dollar rather than in additions to foreign official holdings of dollars. By the date of this meeting, several of the European currencies had appreciated by as much as 7 to 10 per cent since early May.

The U.S. merchandise trade balance, which had improved substantially in March, was in surplus in April for the first time in about a year and a half. Exports of nonagricultural goods rose further while those of agricultural goods were near the high level reached in March. The value of imports declined, even though import prices rose sharply as a result largely of the devaluation of the dollar in February.

At U.S. commercial banks, total loans expanded sharply further in May, reflecting large increases in business loans and in loans to nonbank financial institutions. Banks' holdings of securities rose somewhat, although their holdings of U.S. Government securities declined appreciably. Faced with strong demands for loans and with rising market interest rates, banks raised the prime rate applicable to large corporations in three steps of ¼ of a percentage point each, from 6¾ per cent at the end of April to 7½ per cent in early June.

Growth in the narrowly defined money stock (M_1),[2] which had been very slow in the first quarter of the year and had picked up in April, was rapid in May and early June. The more broadly

[2] Private demand deposits plus currency in circulation.

defined money stock (M_2)[3] also grew in May at a faster pace than it had earlier, reflecting solely the accelerated expansion in M_1; inflows of time and savings deposits other than large-denomination CD's were about the same as in April. However, growth in the bank credit proxy[4] continued to moderate as the outstanding volume of large-denomination CD's grew less rapidly than it had earlier in the year. It appeared that over the first half of 1973, M_1, M_2, and the credit proxy would grow at annual rates of about 5.5, 7.5, and 13.0 per cent, respectively.[5]

Inflows of savings to nonbank thrift institutions—which had slowed considerably in April, in part because of earlier increases in market interest rates—picked up somewhat in May. Mortgage interest rates continued to edge up.

System open market operations since the meeting on May 15 had been guided by the Committee's decision to seek bank reserve and money market conditions consistent with somewhat slower growth in the monetary aggregates over the months immediately ahead than had occurred on average in the preceding 6 months. Operations had been directed toward fostering growth in reserves available to support private nonbank deposits (RPD's) at an annual rate in a range of 9 to 11 per cent in the May–June period, while avoiding marked changes in money market conditions.

Soon after the May meeting, it had appeared that in the May–June period the monetary aggregates would grow at rates in excess of acceptable ranges and that RPD's would grow at an annual rate above the range that the Committee had specified. Consequently, the System had acted promptly to resist the expansion in RPD's, and the Federal funds rate rose from around 7¾ per cent in the days before the May meeting to an average slightly above 8 per cent in the statement week ending May 23. On May 24 and again on June 8, a majority of the Committee members concurred in recommendations by the Chairman that money market conditions should be permitted to tighten still further if necessary to limit

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

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

[5] Growth rates cited are calculated on the basis of the daily-average level in the last month of the period relative to that in the last month preceding the period.

growth in RPD's, and the Federal funds rate rose to around 8½ per cent in the days before this meeting. In the 5 weeks ending June 13, member bank borrowings averaged about $1,855 million, up from about $1,715 million in the preceding 4 weeks.

In the inter-meeting period, short-term market interest rates advanced considerably further as money market conditions continued to firm and private credit demands remained strong. On May 16, moreover, imposition of marginal reserve requirements on large-denomination CD's was announced and the remaining Regulation Q ceilings on such CD's were suspended. The yield on 3-month Treasury bills—which had been relatively low, for the most part because of a shortage of bills in the market—rose more than other short-term rates as the market supply increased, mainly because of System sales of bills for its own account and that of foreign central banks; the market rate on such bills advanced from 6.17 per cent on the day before the May meeting to 7.20 per cent on the day before this meeting. Federal Reserve discount rates were raised ½ percentage point, to 6½ per cent, at 10 Reserve Banks on June 11 and at the remaining two Banks by June 15.

In long-term markets, increases in interest rates were moderate, despite the further tightening of money market conditions and further increases in short-term interest rates. The over-all volume of new public offerings of corporate and State and local government bonds had changed little in May, and although a rise was in prospect for June, the volume for the second quarter as a whole appeared to be low for that season of the year.

The Committee agreed that the economic situation and prospects called for somewhat slower growth in monetary aggregates over the months immediately ahead than appeared indicated for the first half of the year. A staff analysis suggested that expansion in the demand for money was likely to slow considerably from the high rate indicated for the second quarter in response to the anticipated moderation in GNP growth, to the sharp rise in short-term interest rates that had occurred in recent months, and to the running down of the deposits that had been built up in association with the unusually large refunds of Federal income taxes in the second quarter. Moreover, net expansion in consumer-type time and savings deposits at commercial banks was expected to slow appreciably as a consequence of the recent rise in short-term market interest rates. It was noted, however, that projections of the demand for money were subject to more uncertainty than usual because of the unknown effects of the short-term freeze on prices and the lack of information concerning the elements of the price and wage stabilization program to follow.

The staff analysis also indicated that demands for bank credit were likely to remain strong and that banks probably would continue to add substantial amounts to the outstanding volume of large-denomination CD's. Therefore, a relatively rapid rate of growth in RPD's in the June–July period—at an annual rate in a range of 9.5 to 11.5 per cent—was projected to be consistent with somewhat slower growth in the monetary aggregates over the months immediately ahead than appeared indicated for the first half of the year. The analysis suggested that such a rate of growth in RPD's might be associated with little change in money market conditions but that short- and long-term market interest rates in general might be subject to additional upward pressures in further adjustment to the firming in money market conditions that had occurred in recent weeks.

In view of the rapid monetary expansion in the second quarter and uncertainty about the demand for money in the months ahead, the Committee agreed that the lower end of the range specified for the annual rate of RPD growth in the June–July period should be lower than that projected in the staff analysis. Specifically, the members decided that operations should be directed at fostering RPD growth during that period at an annual rate within a range of 8 to 11.5 per cent. They agreed that money market conditions might be permitted to vary somewhat more in the inter-meeting period than had been contemplated at other recent meetings, if such variation appeared indicated in the conduct of operations directed toward achieving RPD growth in the desired range.

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

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

The information reviewed at this meeting, including recent developments in industrial production, employment, and retail sales, suggests that growth in economic activity is slowing in the current quarter from an exceptionally rapid pace in the two preceding quarters. The unemployment rate has remained at 5 per cent. Wage rates have advanced moderately thus far this year, but the rise in both wholesale and retail prices has been exceptionally rapid. On June 13 the President announced that prices will be frozen for a maximum of 60 days while a new and more effective system of controls is developed. Phase III controls affecting wages, profit margins, dividends, and interest rates remain in effect. In foreign exchange markets, several European currencies have appreciated against the dollar by 7 to 10 per cent since early May. The U.S. merchandise trade balance continued to improve in April, as exports other than agricultural products increased sharply further and imports dipped.

Following relatively slow growth earlier in the year, the narrowly defined money stock rose sharply in May and early June. Growth in consumer-type time and savings deposits changed little, while banks' net sales of large-denomination CD's declined further. On May 16 marginal reserve requirements were imposed on large-denomination CD's and the remaining Regulation Q ceilings on such CD's were suspended. Business loan demands have remained strong, and since mid-May short-term market interest rates have advanced considerably further. Interest rates on long-term market securities in general have risen somewhat. On June 11 Federal Reserve discount rates were raised one-half point to 6½ per cent.

In light of the foregoing developments, it is the policy of the Federal Open Market Committee to foster financial conditions conducive to abatement of inflationary pressures, a more sustainable rate of advance in economic activity, and progress toward equilibrium in the country's balance of payments.

To implement this policy, while taking account of international and domestic financial market developments, the Committee seeks to achieve bank reserve and money market conditions consistent with somewhat slower growth in monetary aggregates over the months immediately ahead than appears indicated for the first half of the year.

Votes for this action: Messrs. Burns, Brimmer, Bucher, Daane, Francis, Holland, Mayo, Mitchell, Morris, Sheehan, Clay, and Debs. Votes against this action: None.

Absent and not voting: Messrs. Balles and Hayes. (Messrs. Clay and Debs voted as alternates for Messrs. Balles and Hayes, respectively.)

Subsequent to the meeting it appeared that in the June–July period the annual rate of growth in RPD's would be above 11.5 per cent and that growth in the monetary aggregates would exceed an acceptable range, even though money market conditions had continued to tighten. On July 6, 1973, a majority of the members concurred in a recommendation by the Chairman that money market conditions should be permitted to tighten still further if necessary to limit growth in RPD's.

2. Authorization for domestic open market operations

On July 6, 1973, Committee members voted to increase from $2 billion to $3 billion the limit on changes between Committee meetings in System Account holdings of U.S. Government and Federal agency securities specified in paragraph 1(a) of the authorization for domestic open market operations, effective immediately, for the period ending with the close of business on July 17, 1973.

Votes for this action: Messrs. Burns, Balles, Brimmer, Francis, Holland, Mitchell, Sheehan, Debs, and Winn. Votes against this action: None.

Absent and not voting: Messrs. Bucher, Daane, Hayes, Mayo, and Morris. (Messrs. Debs and Winn voted as alternates for Messrs. Hayes and Mayo, respectively.)

This action was taken on recommendation of the System Account Manager. The Manager had advised that a substantial volume of open market purchases of securities had been required in the period since the Committee's meeting on June 19 in order to offset the reserve absorption caused by a rise in Treasury balances at Federal Reserve Banks, an increase in currency in circulation, and a decline in Federal Reserve float, and he further advised that a temporary increase in the leeway for System purchases appeared desirable in light of the prospective near-term needs to supply reserves.

3. Authorization for foreign currency operations

Effective July 10, 1973, the table contained in paragraph 2 of the authorization for foreign currency operations was amended to reflect increases in most of the System's swap arrangements. With these changes, paragraph 2 read as follows:

> The Federal Open Market Committee directs the Federal Reserve Bank of New York to maintain reciprocal currency arrangements ("swap" arrangements) for the System Open Market Account for periods up to a maximum of 12 months with the following foreign banks, which are among those designated by the Board of Governors of the Federal Reserve System under Section 214.5 of Regulation N, Relations with Foreign Banks and Bankers, and with the approval of the Committee to renew such arrangements on maturity:

Foreign bank	Amount of arrangement (millions of dollars equivalent)
Austrian National Bank	250
National Bank of Belgium	1,000
Bank of Canada	2,000
National Bank of Denmark	250
Bank of England	2,000
Bank of France	2,000
German Federal Bank	2,000
Bank of Italy	2,000
Bank of Japan	2,000
Bank of Mexico	180
Netherlands Bank	500
Bank of Norway	250
Bank of Sweden	300
Swiss National Bank	1,400
Bank for International Settlements:	
Dollars against Swiss francs	600
Dollars against other European currencies	1,250

The increases—ranging in size from $250 million to $1 billion—in the swap arrangements with the Bank for International Settlements and with the central banks of Belgium, Canada, France, Germany, Italy, Japan, the Netherlands, and Switzerland were made pursuant to an action the Committee had taken by unanimous vote at its meeting on March 20, 1973. In that action, the Special Manager was authorized to undertake negotiations looking toward increases in System swap lines not exceeding $6 billion in the aggregate, on the understanding that increases in individual lines, and the corresponding amendments to the foreign currency authorization, would become effective upon approval by Chairman Burns, after consultation with the U.S. Treasury. The remaining increases—of $50 million each—in the swap arrangements with the central banks of Austria, Denmark, Mexico, Norway, and Sweden were authorized by unanimous vote of the Committee at its meeting on June 19, 1973, on the understanding that they would become effective on the same date as the swap line increases for which negotiations had been authorized on March 20.

This expansion of the System's swap network was carried out in conformity with the policy that had been agreed to at the meeting of Finance Ministers and central bank governors in Paris on March 16, 1973.

Law Department

Statutes, regulations, interpretations, and decisions

RESERVES OF MEMBER BANKS

The Board of Governors has increased the marginal reserve requirement from 8 to 11 per cent, *subject to the proviso that in no event shall the* reserves required of a member bank on its aggregate amount of time and savings deposits exceed 10 per cent.

AMENDMENT TO REGULATION D

Effective October 4, 1973, section 204.5(a) (1)(ii) and (2)(ii) of Regulation D is amended to read as follows:

SECTION 204.5 RESERVE REQUIREMENTS

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

(1) If not in a reserve city

* * *

(ii) 3 per cent of its other time deposits up to $5 million, plus 5 per cent of such deposits in excess of $5 million: *Provided, however*, That a member bank shall maintain a reserve balance equal to 11 per cent of the amount by which the daily average amount of time deposits of the types hereinafter specified exceeds either the daily average amount of such time deposits outstanding during the computation period ending May 16, 1973, or $10 million, whichever is greater, and such 11 per cent reserve percentage shall apply with respect to time deposits of the following types:

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

(*b*) time deposits represented by promissory notes, acknowledgments of advance, due bills, or similar obligations issued by a member bank's affiliate, as provided in § 204.1(f); and

(*c*) time deposits represented by bank acceptances, as provided in § 204.1(f);

Provided further, That in no event shall the reserves required on its aggregate amount of time and savings deposits exceed 10 per cent; and

* * *

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

* * *

(ii) 3 per cent of its other time deposits up to $5 million, plus 5 per cent of such deposits in excess of $5 million: *Provided, however*, That a member bank shall maintain a reserve balance equal to 11 per cent of the amount by which the daily average amount of time deposits of the types hereinafter specified exceeds either the daily average amount of such time deposits outstanding during the computation period ending May 16, 1973, or $10 million, whichever is greater, and such 11 per cent reserve percentage shall apply with respect to time deposits of the following types:

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

(*b*) time deposits represented by promissory notes, acknowledgments of advance, due bills, or similar obligations issued by a member bank's affiliate, as provided in § 204.1(*f*); and

(*c*) time deposits represented by bank acceptances, as provided in § 204.1(f);

Provided further, That in no event shall the reserves required on its aggregate amount of time and savings deposits exceed 10 per cent; and

* * *

INTEREST ON DEPOSITS

The Board of Governors has amended Regulation Q to treat as a payment of a time deposit before maturity any amendment to the time deposit contract that results in either an increase in interest rate or a change in the maturity of the deposit. Such treatment would mean that the penalty for early withdrawals, provided in § 217.4(d) of Regulation Q, would apply at the time of any such amendment to the contract.

AMENDMENT TO REGULATION Q

Effective September 10, 1973, section 217.4(d) of its Regulation Q (12 CFR 217) is amended by adding a new sentence at the end thereof to read as follows:

SECTION 217.4 PAYMENT OF TIME DEPOSITS BEFORE MATURITY

* * * * *

(d) **Penalty for early withdrawals.** * * * Any amendment of a time deposit contract that results in an increase in the rate of interest paid or in a change in the maturity of the deposit constitutes a payment of the time deposit before maturity.

* * * * *

INTERPRETATION OF REGULATION Z

PREPAID FINANCE CHARGES; ADD-ONS AND DISCOUNTS

Sections 226.8(c)(6), 226.8(d)(2) and 226.8(e)(1) require that certain finance charges be disclosed as "prepaid finance charges." They also require that such prepaid finance charges be excluded or deducted from the credit extended in arriving at the "amount financed." The question arises whether add-on, discount or other precomputed finance charges which are reflected in the face amount of the debt instrument as part of the customer's obligation, but which are excluded from the "amount financed," must be labeled as "prepaid" finance charges.

The concept of prepaid finance charges was adopted to insure that the "amount financed" reflected only that credit of which the customer had the actual use. Precomputed finance charges which are included in the face amount of the obligation are not the type contemplated by the "prepaid" finance charge disclosure concept. Although such precomputed finance charges are not to be included in the "Amount financed," they need not be regarded as finance charges "paid separately" or "withheld by the creditor from the proceeds of the credit extended" within the meaning of § 226.8(e) to require labeling "prepaid" under §§ 226.8(c)(6) and 226.8(d)(2). They are "finance charges", of course, to be disclosed under §§ 226.8(c)(8) and 226.8(d)(3).

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

ORDERS UNDER SECTION 3 OF BANK HOLDING COMPANY ACT

CEGROVE CORPORATION, WAYNE TOWNSHIP, NEW JERSEY

ORDER DENYING ACQUISITION OF BANK

Cegrove Corporation, Wayne Township, New Jersey, a bank holding company within the meaning of the Bank Holding Company Act, has applied for the Board's approval under § 3(a)(3) of the Act (12 U.S.C. 1842(a)(3)) to acquire 100 per cent of the voting shares (less directors' qualifying shares) of The Ramapo Bank, Wayne Township, New Jersey ("Bank").

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

Applicant controls one bank, Pilgrim State Bank, Cedar Grove, New Jersey, with deposits of $5 million which represents approximately 0.1 per cent of deposits in commercial banks in the Greater Newark market. Bank, with deposits of approximately $35 million, operates three branches and is the 22nd largest of 35 organizations operating in the market approximated by the Paterson, New Jersey, SMSA. (All deposit data are as of December 31, 1972, and all market data are as of June 30, 1972.)

The Willowbrook office of Bank is separated from Pilgrim's office by only five miles, but penetration data show that neither bank derives a significant amount of business from the service area of the other and it appears that this proposal would not eliminate significant competition. There has been close cooperation in the management and operation of the two banks and it seems unlikely that future competition will develop. Apparently, consummation of the proposal would not appreciably raise the barriers to entry in any relevant area nor affect adversely the competitive situation in any relevant area, and there remains available a significant number of potential "foothold" acquisitions to afford entry into the relevant markets. Competitive considerations are regarded as consistent with approval.

In regard to financial considerations, Bank's net income decreased from $.45 per share in 1971 to $.41 per share in 1972. Bank's recent six months' figures indicate earnings per share of $.20. Pilgrim State Bank opened in March of 1971 and has never listed a profit, and it is questionable that it could turn a profit for 1973. Both banks have an aggressive loan posture and there is some evidence of a strain on Bank's capital. The proposal contemplates an undertaking by Applicant of $1.5 million in debt. On the record herein, the Board regards it as unlikely that cash derived from operations of the proposed expanded holding company system would be sufficient to service the debt without creating an undue strain on the capital of both banks involved.

Moreover, in light of the earnings picture and Applicant's proposed debt positions of the companies involved, it is not unreasonable to conclude that outside investors would not be attracted to the holding company. The Board has serious reservations as to the ability of Applicant to service the debt or raise additional capital. As the Board has stated many times, a holding company should be a source of strength for its subsidiary banks rather than vice versa. Applicant, a highly leveraged holding company, does not appear to be in a position to assist both Bank and Pilgrim Bank, the newly formed and as yet unprofitable bank in the system. In these circumstances, and in view of the entire record, the Board views the uncertain financial prospects as considerations weighing against approval of this transaction.

It should be emphasized that there is no evidence that the present financial condition of Bank or Applicant is unsound. The Board is concerned here only with a proposed expansion of a holding company and the problems related to acquisition debt and the capital structure of the proposed expanded institution.

Applicant proposes to offer services that are not currently offered by the banks involved. There is no evidence that the relevant markets are not adequately served at the present time. Considerations relating to the convenience and needs of the community to be served are regarded as consistent with, but lend no weight toward, approval. Managerial resources of Applicant, its subsidiary bank, and Bank are regarded as adequate but these considerations do not lend weight toward approval.

In light of the entire record, it is the Board's judgment that the proposed transaction would not be in the public interest and should be, and hereby is, denied.

By order of the Board of Governors, effective August 31, 1973.

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

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

FINANCIAL GENERAL BANKSHARES, INC., WASHINGTON, D.C.

ORDER CONDITIONALLY APPROVING ACQUISITION OF BANK

Financial General Bankshares, Inc., Washington, D.C., a bank holding company within the meaning of the Bank Holding Company Act, and its two-wholly owned subsidiaries, The Morris Plan Corporation and Virginia Bankshares, Inc., both of Washington, D.C. (collectively referred to as "Applicants"), have applied for the Board's approval under § 3(a)(3) of the Act (12 U.S.C. 1842(a)(3)), to acquire 17,000 or more, but not to exceed 80 per cent, of the voting shares of Clarendon Bank & Trust, Fairfax County, Virginia ("Bank").

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

On January 10, 1973, the Federal Deposit Insurance Corporation approved the merger of Woodlawn National Bank, Alexandria, Virginia (deposits of $11.5 million), into Bank (deposits of $154 million). Prior to that merger, Applicants owned 141,800 (or 55.12 per cent) of the outstanding shares of Bank. As a result of the merger, Applicants' ownership has dropped to 44.7 per cent. Although it is acknowledged that effective control still exists, the purpose of the instant proposal is to increase Applicants' degree of control of Bank to at least its former level of more than 50 per cent, and would have no effect on existing or future competition. The Board concludes that competitive considerations are consistent with approval of the application.

The financial and managerial resources and future prospects of Applicants are generally satisfactory and consistent with approval of the application. Applicants propose to acquire up to 80 per cent of the outstanding shares of Bank by means of a cash offer of $55 per share to all minority shareholders. A pro rata adjustment will be made, whereby Applicants will take a proportionate number of shares from each tendering stockholder, in the event that acceptance of the number of shares tendered would increase Applicant's percentage of ownership to more than 80 per cent. The Board has previously determined such a purchase procedure to be equitable to minority shareholders and a reasonable means of protecting both the offeror and the offeree. (See 1967 Federal Reserve BULLETIN 1567, 1570). Considerations relating to the convenience and needs of the community to be served are also consistent with approval of the application. Control by International Bank, Washington, D.C., (which is engaged in non-banking business) over Financial General is a matter of concern to the Board. To the extent that International Bank controls or exercises controlling influence over Financial General, an acquisition by Financial General would be regarded by the Board as an acquisition by International Bank under the provisions of the Bank Holding Company Act. Accordingly, approval of the application is hereby conditioned upon prior termination by International Bank of any such control or controlling influence over Financial General. It is the Board's judgment that consummation of the proposed acquisition would be in the public interest and that the application should be approved provided that such control by International Bank is terminated.

On the basis of the record, the application is approved for the reasons summarized above and upon the condition that no shares of Bank may be acquired under this Order prior to the date on which the Board concludes that International Bank does not control nor exercise a controlling influence over Applicant. The transaction shall not be consummated (a) before the thirtieth calendar day following the effective date of this Order or (b) later than 180 days after the effective date of this Order unless such period is extended for good cause by the Board or by the Federal Reserve Bank of Richmond pursuant to delegated authority.

By order of the Board of Governors, effective August 31, 1973.

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

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

[SEAL]

FINANCIAL GENERAL BANKSHARES, INC., WASHINGTON, D.C.

ORDER CONDITIONALLY APPROVING ACQUISITION OF BANK

Financial General Bankshares, Inc., Washington, D.C., a bank holding company within the meaning of the Bank Holding Company Act, has applied for the Board's approval under § 3(a)(3) of the Act (12 U.S.C. 1842(a)(3)) to acquire 50 per cent plus one share or more of the voting shares of Second National Bank of Richmond, Richmond, Virginia.

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

Applicant, holds interests in 25 banks in seven States, the District of Columbia, and the Virgin Islands. The operations of Applicant's banking subsidiaries were principally conducted in the State of Virginia on July 1, 1966, the date on which Applicant became a bank holding company. Therefore, the effect of section 3(d) of the Act is to prohibit the Board from approving an application by Applicant for the direct or indirect acquisition of voting shares of any additional bank not located in the State of Virginia. Applicant is the seventh largest banking organization in Virginia, controlling eight banks in Virginia with aggregate deposits of $573 million representing 5.3 per cent of all deposits of commercial banks in the State.[1] Acquisition of Bank (deposits of $30.7 million) would constitute Applicant's initial entry into the Richmond banking market (approximated by the city of Richmond and the counties of Chesterfield, Hanover, and Henrico) and would not change Applicant's ranking among banking organizations in the State.

As of June 30, 1972, Bank was the eighth largest of 14 banks in the Richmond banking market, controlling 1.5 per cent of total deposits in that market. Applicant's nearest subsidiary office to Bank is more than 100 miles distant. It appears that no meaningful competition exists between Bank and any of Applicant's subsidiary banking offices. Further, it seems unlikely that meaningful competition would develop in the future between Bank and Applicant in light of the

[1] All banking data are as of December 31, 1972.

facts presented, notably, the distances separating these banks and the Virginia statutes prohibiting Applicant's subsidiaries from *de novo* branching into the Richmond banking market. It appears that acquisition of Bank would not have a significantly adverse effect on the remaining banks in the relevant market. Furthermore, entry by Applicant may have a procompetitive effect by enabling Bank to compete more effectively with the four largest banks in the Richmond market which together controlled approximately 82 per cent of market deposits on June 30, 1972. On the basis of the record before it, the Board concludes that consummation of the proposal herein would not have an adverse effect on competition in any relevant area.

The financial condition, managerial resources and future prospects of Applicant and its subsidiary banks appear satisfactory. Bank's financial and managerial resources and future prospects are regarded as satisfactory and the ability of Applicant to strengthen Bank's capital position lends weight toward approval of the application. Considerations relating to the convenience and needs of the community to be served are consistent with approval of the application. Control by International Bank, Washington, D.C., (which is engaged in nonbanking business) over Applicant is a matter of concern to the Board. To the extent that International Bank controls or exercises controlling influence over Applicant, an acquisition by Applicant would be regarded by the Board as an acquisition by International Bank under the provisions of the Bank Holding Company Act. Accordingly, approval of the application is hereby conditioned upon prior termination by International Bank of any such control or controlling influence over Applicant. It is the Board's judgment that consummation of the proposed acquisition would be in the public interest and that the application should be approved provided that such control by International Bank is terminated.

On the basis of the record, the application is approved for the reasons summarized above and upon the condition that no shares of Bank may be acquired under this Order prior to the date on which the Board concludes that International Bank does not control nor exercise a controlling influence over Applicant. The transaction shall not be consummated (a) before the thirtieth calendar day following the effective date of this Order, or (b) later than 180 days after the effective date of this Order, unless such period is extended for good cause by the Board.

By order of the Board of Governors, effective August 31, 1973.

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

(Signed) THEODORE E. ALLISON,

[SEAL] *Assistant Secretary of the Board.*

MULTIBANK FINANCIAL CORP., BOSTON, MASSACHUSETTS

ORDER APPROVING ACQUISITION OF BANK

Multibank Financial Corp., Boston, Massachusetts, a bank holding company within the meaning of the Bank Holding Company Act, has applied for the Board's approval under § 3(a)(3) of the Act (12 U.S.C. 1842(a)(3)) to acquire 80 per cent or more of the voting shares of B.M.C. Durfee Trust Company, Fall River, Massachusetts ("Bank").

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

Applicant controls five banks with total deposits of $446.9 million, representing approximately four per cent of the total deposits of commercial banks in the State, and is the sixth largest banking organization in Massachusetts. (All banking data are as of December 31, 1972.) The acquisition of Bank ($56 million in deposits) would increase Applicant's share of the total State deposits by 0.45 per cent, and it would remain the sixth largest banking organization in Massachusetts. Bank is the second largest of six commercial banking organizations in the Fall River banking market[1] which is deemed the relevant market. If the five mutual savings banks located in the market are also considered, Bank is the fifth largest of eleven banking organizations in the market. Bank's market share is 30.2 per cent when only the commercial banks in the market are considered, but drops to 13.3 per cent if all banking organizations in the market are considered. The five mutual savings

[1] The Fall River banking market is approximated by the Fall River Standard Metropolitan Statistical Area which includes the City of Fall River and the Towns of Somerset, Swansea, Westport, and Dighton in southern Bristol County, Massachusetts, and Tiverton, Little Compton, and Portsmouth in Newport County, Rhode Island

banks in the Fall River market hold aggregate deposits greater than those held by the six commercial banks in the market, and their competition with the commercial banks is likely to increase in the future through their solicitation and acceptance of accounts subject to negotiable orders of withdrawal (NOW accounts). The proposed acquisition would represent Applicant's initial entry into this market.

Applicant's banking subsidiary nearest to Bank is located approximately 12 miles away in northern Bristol County in the Attleboro market, a separate market area. There presently exists no meaningful competition between Bank and that subsidiary. Although Applicant's banking subsidiary and Bank may each lawfully open branch offices in the respective market areas of the other under Massachusetts law, consummation of the proposed transaction would not have a significant adverse effect on the development of future competition. It is not expected that, absent such consummation, Applicant's banking subsidiary would avail itself of the opportunity to open branch offices in the Fall River market in view of the present economic condition of that market. The population growth of the Fall River SMSA between 1960 and 1970 was 8.6 per cent, compared to growth of 12.1 per cent by the entire State over the same period. The population per banking office in the SMSA is below that of the State, and, with deposits per banking office of $7.0 million, the SMSA is substantially below the State average of $13.3 million. Further, the Greater Fall River area has been classified as a substandard employment area by the Economic Development Administration. Similarly, although Bank recently branched into the fringe of the market area of Applicant's closest banking subsidiary, future branch expansion in that market by Bank in the near future is considered unlikely in view of its limited capital base and the fact that both the population per banking office and deposits per banking office of the Attleboro area are substantially below State averages.

Should the proposed transaction be consummated, Bank would become Applicant's second banking subsidiary in Bristol County; however, there would remain seven independent banks which offer holding company access to the County. Even if Bristol County should be considered the relevant market, consummation of this proposal would not increase the level of concentration of banking resources in the County to a degree that would endanger competition since Applicant would hold thereafter only 16.5 per cent of total commercial bank deposits therein. Further, the significant role of mutual savings banks in the County, holding, as they do, aggregate deposits of $834 million compared to aggregate deposits of commercial banks amounting to approximately $522 million, mitigates the significance of the 16.5 per cent figure. The Board concludes that the acquisition would have no significant adverse effect on the competitive situation or the concentration of banking resources in the area.

Applicant has agreed to inject capital into certain of its subsidiary banks. In that light, the Board finds the financial condition and managerial resources of the Applicant, its subsidiaries, and Bank satisfactory; and prospects for each are favorable.

Applicant intends to have Bank offer certain services not presently offered by Bank, principally equipment leasing and accounts receivable financing, as well as to implement a capital improvement program for Bank. The communities to be served should also benefit from larger lending limits and the expertise of specialized personnel in the holding company organization to become available to Bank as a result of consummation of the proposed transaction. Accordingly, considerations relating to convenience and needs of the communities to be served are consistent with approval. It is the Board's judgment that consummation of the proposed acquisition would be in the public interest and that the application should be approved.

Bank's sole subsidiary engages in the operation of a commercial parking lot on land owned by the subsidiary. Operation of a commercial parking lot is not an activity that is "closely related to banking", and Bank, as a subsidiary of a bank holding company, may not continue to engage in that activity either on the basis of section 4(c)(8) or section 4(c)(5) of the Act (12 U.S.C. 1843(c)(8) and (c)(5)). It is therefore expected that Bank, preferably prior to consummation of the proposed transaction, but in any event within a reasonable time after such consummation, will divest itself of that subsidiary, and approval of this application is conditioned upon such divestiture.

On the basis of the record, the application is approved for the reasons summarized above. The transaction shall not be consummated (a) before the thirtieth calendar day following the effective date of this Order or (b) later than three months after the effective date of this Order, unless such period is extended for good cause by the Board, or by the Federal Reserve Bank of Boston pursuant to delegated authority.

By order of the Board of Governors effective August 31, 1973.

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

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

DISSENTING STATEMENT OF GOVERNOR BRIMMER

I would deny this application. Consummation of the transaction would adversely affect future competition throughout Bristol County and unduly increase the level of concentration of commercial banking resources in that County.

The majority concentrates on the issue of whether Applicant's Attleboro subsidiary or Bank would branch into one another's market areas. By so doing, they ignore the high probability that Bank and Applicant's subsidiary would confront one another in other market areas within Bristol County—if this application were denied. Since both are limited to geographic expansion within the boundaries of the County by Massachusetts law, it is highly likely that the two would eventually establish branch offices in competition with one another. In fact, Bank has already branched into Taunton, and it appears likely that in time significant competition would develop between the two.

The majority dismisses the likelihood that future competition in the Attleboro and Fall River areas would develop between Bank and Applicant's subsidiary. It concludes that Bank would not branch into the Attleboro area (this despite the fact that Bank has already opened a branch office on the fringe of that area) in the belief that Bank lacks the capital necessary to support geographic expansion. The majority also suggest that the Attleboro area is not an attractive area for *de novo* branching. I believe they are wrong on both grounds.

The majority ignores the fact that Bank has pursued an aggressive branching policy—having opened three branch offices outside of Fall River in the last four years. There is no evidence to suggest that this policy would be abandoned if the proposed transaction were not approved. Further, the population growth of northwest Bristol County (where Attleboro is located) has considerably outpaced that of the rest of the County. Between 1960 and 1970, it increased by 26.9 per cent while the population of the County as a whole rose by only 11.5 per cent. With an estimated unemployment rate of 3.2 per cent, Attleboro possesses a strong economy. Nor is the attractiveness of the Attleboro area for *de novo* branching lessened by its population per banking office ratio which the majority notes is below the State average. The ratio is deceptive unless considered against the background of the substantial commuting into Attleboro for employment and shopping by residents of the surrounding towns—some of which have high population to banking office ratios. Contrary to the majority's conclusions, the Attleboro area is quite attractive for *de novo* branching entry, and Bank is quite likely to pursue such entry absent consummation of the proposed transaction.

I also cannot agree with the majority's conclusion that Applicant's Attleboro subsidiary would not establish a branch office in the Fall River market. The majority, noting the depressed status of the economy of Fall River, fails to recognize that the Fall River market extends beyond the boundaries of the City of Fall River. All of the market's population growth between 1960 and 1970 occurred in the suburbs of Fall River. That growth apparently represents a reversal of the long run downward trend of the market's economy. The market's unemployment rate, although undesirably high, has declined in recent years, reinforcing the conclusion that the decline of the Fall River area may be reversing itself. However, the attractiveness of the Fall River market for *de novo* entry by branching is best demonstrated by the fact that the largest commercial bank located in Bristol County recently received regulatory approval to establish a new branch office in the City of Fall River.

In assessing the competitive effects of this application, I believe that the majority, rather than looking to the medium term and long term adverse effects of the acquisition, has focused its concern exclusively on banking competition in Massachusetts today. I would not so limit my consideration. The competitive standard set forth in the Act "requires not merely an appraisal of the immediate impact of [an acquisition] upon competition, but a prediction of its impact upon competitive conditions in the future." I would arrest the anticompetitive tendencies of this proposed transaction at the outset.

In conclusion, I find that the anticompetitive effects of the proposed acquisition are not clearly outweighed in the public interest by the effect of the transaction on the convenience and needs of the community to be served. I would deny the application.

AFFILIATED BANKSHARES OF COLORADO, INC., BOULDER, COLORADO

ORDER APPROVING MERGER OF BANK HOLDING COMPANIES

Affiliated Bankshares of Colorado, Inc. ("Affiliated"), Boulder, Colorado, a bank holding company within the meaning of the Bank Holding Company Act, has applied for the Board's approval under § 3(a)(5) of the Act (12 U.S.C. 1842(a)(5)) to merge with First Colorado Bankshares, Inc. ("First Colorado"), Littleton, Colorado, under the certificate of incorporation and name of Affiliated Bankshares of Colorado.

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

Affiliated, having 14 subsidiary banks with total deposits of $378 million, is the fourth largest banking organization in Colorado and controls 6.4 per cent of the total commercial bank deposits in the State. (Unless otherwise indicated, banking data are as of June 30, 1972, adjusted to reflect acquisitions approved by the Board through May 31, 1973.) First Colorado controls four banks (in and around the City of Denver) with total deposits of $234 million and ranks as the State's seventh largest banking organization controlling about 4 per cent of the total deposits in the State. As a result of consummation of the proposal, Affiliated would control 10.3 per cent of the total deposits in commercial banks in Colorado and would become the State's third largest banking organization. The first, second, and third largest banking organizations in the State now control, respectively, about 16, 15, and 9 per cent of the total commercial bank deposits.

Affiliated's present subsidiary banks are all located along the populous Eastern Slope of the Rocky Mountains, and operate variously in each of four major banking markets in the State. Affiliated is the only large banking organization in Colorado not now represented in the Denver area. In the Colorado Springs market, where there are 20 banks with $476 million in total deposits, Applicant is the largest banking organization with three subsidiary banks holding 31 per cent of the deposits. Applicant is also the largest banking organization in the Boulder market where Applicant's four subsidiary banks hold 35 per cent of the total of $280 million in deposits held by the 14 banks operating there. In the Greeley market, Applicant's four subsidiary banks hold 39 per cent of the total of $220 million in deposits held by the 16 banks there, making Applicant the largest banking organization in that market. Applicant is the third largest banking organization in the Fort Collins market with its three subsidiary banks holding about 21 per cent of the $219 million in deposits held by the 11 banks there.

In contrast to Affiliated, First Colorado operates solely in the Denver area, with its four subsidiary banks accounting for 6.4 per cent of the over $3 billion in deposits of the 64 commercial banks operating there. Except for one of Affiliated's subsidiaries in Boulder, which derives a little more than $1 million in deposits from the Denver area, there is no existing competition between the subsidiary banks of Affiliated and of First Colorado. The closest banking offices of any subsidiary of either are more than 25 miles apart. It appears, therefore, that no significant existing banking competition would be eliminated as a result of consummation of the proposal.

Affiliated has a mortgage banking subsidiary making 1-4 family mortgage loans and construction loans in the Denver market, as does First Colorado. However, the amount of competition between the two mortgage companies is not regarded as being substantial. The combined share of the two institutions in the 1-4 family mortgage market represents less than 5 per cent of such mortgages in the Denver market. Furthermore, there are some 20 mortgage companies, 17 savings and loan associations, and 63 commercial banks engaged in mortgage lending in the Denver market. In view of the small market share of the two institutions and the large number of competitors in the market, the Board does not consider the amount of existing competition that would be eliminated on 1-4 family residential mortgages to be significant. In addition, since combined they made less than $50 million in the construction loans during 1972 and since the market for construction loans is considered to be regional in scope, the amount of existing competition in this product area that would be eliminated as a result of the proposal is minimal.

In commenting on the subject proposal, the Department of Justice indicated that some existing banking competition and some competition in mortgage lending in the Denver area would be eliminated. It further expressed the view that consummation of the proposal would eliminate significant potential competition since Affiliated and First Colorado may be regarded as significant potential entrants into markets which they both do not presently serve. In particular, the Department indicated that First Colorado was a significant potential entrant into the Boulder, Colorado Springs, Greeley, and Fort Collins banking markets, and that consummation of the proposal would thus eliminate substantial potential competition between Affiliated and First Colorado in those markets. The Department noted also that the number of significant banking organizations in Colorado would be reduced from eight to seven as the result of the removal of First Colorado as an independent banking organization. As discussed more fully above, the Board does not consider the effects of the proposal on existing competition to be significant. Moreover, as discussed below, in the Board's judgment consummation of the proposal would not have adverse effects on potential competition.

First Colorado was originally formed in 1962 with three subsidiary banks. It established its fourth subsidiary bank *de novo* in 1963, and has not made any acquisitions since that time. Furthermore, taking into account the financial and managerial resources of First Colorado and its subsidiaries, which are discussed below, it is doubtful that it possesses the necessary financial resources or inclination to alter its present status as a Denver area holding company. In view of these considerations, it is unlikely that the Board would approve a plan by First Colorado to expand its operations, even if one were to be submitted, unless extensive measures were adopted to strengthen and improve the financial condition and management of First Colorado.

With respect to the prospect of Affiliated expanding into the Denver area, Affiliated does possess both the financial and managerial resources for such expansion, either *de novo* or through a foothold acquisition, and to that extent some potential competition between the bank holding companies in the Denver area would be eliminated as a result of this proposal. However, the Board does not regard this elimination of such potential competition to be significant, inasmuch as First Colorado does not appear to be an aggressive competitor in the Denver market, holding only 6.4 per cent of the total deposits in the Denver area.

As a result of the consummation of the proposal, competition in the Denver area should be enhanced since First Colorado's subsidiary banks in Denver, which are not presently significant competitors due to their size and their impaired financial condition, should become more effective competitors as a result of increased financial resources which would be available from Affiliated. This will create a stronger alternative to the four largest Denver banking organizations which control over 60 per cent of market deposits. The proposal should also promote overall banking competition in the State since entrance into Denver, the financial and commercial center of the State, through the subject acquisition should enhance Affiliated's competitive position and make it comparable in size to the State's two larger bank holding companies already headquartered in Denver.

On the basis of the foregoing and the facts of record, it appears that consummation of the proposal would not substantially lessen competition in any relevant area nor have a significantly adverse effect on existing competition, nor foreclose the development of significant competition in any relevant area. The Board concludes, therefore, that competitive considerations are consistent with approval of the application.

The financial conditions of Affiliated and each of its subsidiaries are regarded as generally satisfactory and the prospects of the group appear favoarble. As noted previously in connection with the Board's assessment of the prospects of First Colorado expanding into other markets, the financial condition of First Colorado and its subsidiaries is not regarded as strong and is less than the Board regards as desirable for a bank holding company. At the present time three of First Colorado's subsidiary banks are in need of additional capital to service present operations, as well as to support future expansion, which capital First Colorado is unable to provide without borrowing and increasing its already high level of debt. In addition, First Colorado lacks the managerial resources to adequately staff its present banking subsidiaries. Absent approval of the present proposal, the Board considers First Colorado's future prospects to be only fair. As a result of the consummation of this proposal, Affiliated will be able to provide management personnel for First Colorado's banking subsidiaries. Moreover, Affiliated plans to raise $6 million for recapitalization of the banks being acquired and for the future expansion of the banking premises of those banks. Implementation of these plans should strengthen and improve the financial condition of First Colorado's subsidiaries and enhance the prospects of the banks for the future. Therefore, the Board finds that considerations relating to financial and managerial resources lend some weight for approval of the application.

There is no evidence indicating that the major banking needs of the areas served by the subsidiary banks of Affiliated or of First Colorado are not being met by the existing institutions. However, as a result of this proposal, the present subsidiaries of First Colorado should become more effective competitors in the Denver market because of their improved financial conditions. Affiliated would also be in a position to develop an effective correspondent banking division in Security National Bank (First Colorado's subsidiary bank in downtown Denver), and thus provide an additional source for such services to Colorado banks. Furthermore, as a result of the acquisition of First Colorado, Affiliated should be able to broaden and generally improve its banking services throughout Colorado, as well as providing larger overall lending limits to meet the needs of larger borrowers. These considerations relating to convenience and needs are regarded as being consistent with, and lending some weight toward, approval of the application.

On the basis of the record, the application is approved for the reasons summarized above. The transaction shall not be consummated (a) before the thirtieth calendar day following the effective date of this Order or (b) later than three months after the effective date of this Order, unless such period is extended for good cause by the Board, or by the Federal Reserve Bank of Kansas City pursuant to delegated authority.

By order of the Board of Governors, effective August 9, 1973.

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

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

DISSENTING STATEMENT OF GOVERNOR BRIMMER

I would deny this application. This proposal would merge two viable bank holding companies in a State whose banking structure is already highly concentrated. The only public benefit that could possibily come from the merger is the strengthening of one of First Colorado's four banks in the Denver banking market. The evidence shows clearly that its other subsidiaries are performing well, and their prospects are quite promising. This minor benefit is by no means sufficient to outweigh the serious adverse effects produced by the elimination of significant potential competition and the further increase in the concentration of banking resources in Colorado.

The crucial issue here is the way in which potential competition is perceived. The majority agrees that Affiliated Bankshares is likely to enter the Denver banking market eventually. However, it seems to believe that—by hastening its entry through sanctioning the present anticompetitive merger—Affiliated will be able to compete more effectively with the State's largest banking organizations. Unfortunately, this view gives too little weight to the fact that First Colorado *is already* competing successfully in the Denver market. In fact, one can think of First Colorado as a strong, local organization that is providing a generally efficient (and profitable) banking service in rapidly growing sectors of the Denver market. The fact that First Colorado is not likely to become a strong, State-wide competitor is *not* sufficient reason to allow it to disappear. On the contrary, there is no compelling reason why *every* bank holding company should be expected to develop a State-wide network. Some will be regional in scope, and others (because of branching restrictions) will operate a small number of banks in local markets. These small and medium-size holding companies can also play an effective role as elements in a progressive banking structure. By sanctioning this merger, the majority has limited significantly chances for such a structure to evolve in Colorado.

The long range effect of the proposal will be to foreclose the development of significant potential competition between the two holding companies involved. Affiliated Bankshares has the financial resources, managerial capability, and the desire to enter the Denver banking market. Prior to the submission of the present proposal, Affiliated attempted to negotiate the acquisition of two other Denver banks, but each of those efforts eventually proved unsuccessful. If the present proposal were denied, I have no doubt whatsoever that Affiliated would promptly initiate steps to acquire some other bank in the Denver market. If those efforts failed, I believe it would establish a bank *de novo*. Such foothold or *de novo* entry by Affiliated is clearly preferable from a competitive standpoint to the present proposal.

While First Colorado would perform a useful role even if it confined its efforts mainly to the Denver market, it also appears to have the capacity to extend its reach into several other markets in eastern Colorado now served by subsidiaries of Affiliated. In comments filed with the Board, the Department of Justice concluded that First Colorado was a significant potential entrant into the Boulder, Colorado Springs, Greeley, and Fort

Collins markets—each of which is now served by one or more subsidiary banks of Affiliated. In view of Affiliated's respective market position in each of those markets (the largest banking organization in Boulder, Colorado Springs, and Greeley and third largest in Fort Collins), the Department concluded that the proposal would eliminate potential competition in the Fort Collins market and substantial potential competition in Boulder, Colorado Springs, and Greeley. Although First Colorado may not have pursued a course of expansion in the past (apparently due to the need to stabilize and improve its overall financial position), it has the capacity to become a viable competitor in the four markets cited above either through a foothold acquisition or *de novo*. However, as a result of the Board's action today, the alternative is now lost for all time and with it the hope for the development of significant competition between the two institutions.

In addition to having seriously adverse effects on potential competition, consummation of the proposal would aggravate the already highly concentrated banking structure in Colorado. The five largest banking organizations in the State now control slightly less than 50 per cent of the State's total deposits. The combination of Affiliated (the State's fourth largest banking organization with 6.4 per cent of the deposits) and First Colorado (the State's seventh largest banking organization with 3.9 per cent of deposits) would advance Affiliated to the third position and give it control over 10 per cent of the total deposits in the State. The five largest banking organizations would then control about 55 per cent of total deposits. Any hope for deconcentration of such a concentrated banking structure must necessarily lie—to a large extent—in preserving a number of viable, medium-size banks or bank holding companies such as First Colorado. But, as a result of the Board's action, a meaningful alternative competitor is eliminated from the Colorado banking structure, and the prospects for deconcentration of banking resources in the State are seriously diminished.

ATLANTIC BANCORPORATION, JACKSONVILLE, FLORIDA

Order Approving Merger of Bank Holding Companies

Atlantic Bancorporation, Jacksonville, Florida ("Atlantic"), a bank holding company within the meaning of the Bank Holding Company Act, has applied for the Board's approval under § 3(a)(5) of the Act (12 U.S.C. 1842(a)(5)) to merge with Citizens Bancshares of Florida, Inc., Hollywood, Florida ("Citizens"), under the charter and title of Atlantic.

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

Atlantic controls 23 banks with aggregate deposits of approximately $856 million representing 4.3 per cent of deposits of commercial banks in Florida, and is the sixth largest banking organization and bank holding company in the State.[1] Citizens controls five banks with total deposits of about $114 million representing 0.6 per cent of aggregate deposits in the State, and is Florida's 23rd largest banking organization and bank holding company. Consummation of the proposed merger would result in Atlantic's control of 4.9 per cent of total State deposits, leaving unchanged its ranking as a banking organization or bank holding company in the State.

All of Atlantic's present subsidiary banks (except for its existing West Palm Beach subsidiary) are located in the northern two-thirds of Florida, and it is represented in several of the major banking markets in that portion of the State. It is dominant in none. Citizens, on the other hand, is concentrated in southern Florida. Four of its subsidiaries are located in the Greater Miami banking market approximated by Dade County and the southern third of Broward County, where it is the eleventh largest banking organization holding approximately 2 per cent of deposits; its remaining subsidiary, a newly established bank, is located in the nearby Fort Lauderdale area. Since the closest subsidiary banks of the proponents are over 40 miles apart and the remaining subsidiaries are more than 125 miles apart, consummation of the proposal will not eliminate any significant amount of existing competition.

The Board recognizes that consummation of the proposal would foreclose the possibility that Citizens would expand to become a Statewide competitor of Atlantic. However, considering the financial resources and capital position of Citizens, and the nature of Citizens' ownership, we do not believe that the record in this case reflects a prob-

[1] Banking data are as of December 31, 1972, and reflect bank holding company formations and acquisitions approved by the Board through May 31, 1973.

ability that, absent this proposal, Citizens would expand to become a Statewide competitor of Atlantic in the reasonably foreseeable future. In a recent action involving a similar proposal between two bank holding companies, the Board noted that a substantial adverse effect on potential competition occurs only where there is a probability rather than a possibility that substantial competition would develop between the banking organizations involved absent the proposed affiliation.[2]

With respect to the Greater Miami banking market, the Board believes that, absent this proposal, it is probable that Atlantic would enter *de novo* or through the acquisition of an existing bank in that market. However, due to the structure of banking in that market we do not believe that the foreclosure of Atlantic's entry as an independent competitor would have any substantial adverse effects on competition in that market. Banking in the Miami market is becoming more and more competitive. While the largest banking organization in the market—which is also the largest banking organization in Florida—holds approximately 23 per cent of market deposits, the next ten banking organizations hold market shares ranging from approximately 9 per cent to approximately 2 per cent.

While consummation of the present proposal would eliminate Atlantic as another potential entrant, the retail banking customers in the Greater Miami banking market are presently served by 40 banking organizations. Foreclosure of the possibility of a 41st could hardly have adverse effects on competition for retail business. As to the customer in need of wholesale and regional banking services, the proposal, rather than being anticompetitive, should in fact be procompetitive by creating another institution in the Greater Miami market with already established relationships in other parts of the State and with aggregate resources of nearly $1 billion.

The financial conditions and managerial resources of Atlantic, Citizens, and their respective groups of banks are generally satisfactory and their prospects appear favorable. These considerations are consistent with approval of the application. The primary banking needs of the areas served by both holding companies appear to be adequately met at the present time. However, consummation of the proposal would create another regional organization with resources more appropriate to meeting inter-regional needs. In addition, affiliation with Atlantic will enable customers of Citizens' banks to have immediate access to trust department services, credit cards, and international banking. Considerations relating to the convenience and needs of the communities to be served lend some weight toward approval. It is the Board's judgment that the proposed transaction is in the public interest and should be approved.

On the basis of the record, the application is approved for the reasons summarized above. The transaction shall not be consummated (a) before the thirtieth calendar day following the effective date of this Order or (b) later than three months after the effective date of this Order, unless such period is extended for good cause by the Board, or by the Federal Reserve Bank of Atlanta pursuant to delegated authority.

By order of the Board of Governors, effective August 1, 1973.

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

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

DISSENTING STATEMENT OF GOVERNOR BRIMMER

I would deny this application. As recently as February 16, 1973, I dissented from the Board's action approving the application of First Florida Bancorporation (59 Federal Reserve BULLETIN 183, at 185). This dissent reflected my concern that Board action approving the merger of two holding companies evidenced the end of a Board policy followed consistently over the last several years which sought to develop a well-balanced and competitive banking system in Florida. Today's action is a further indication that the Board—in fact—has ceased to pursue this policy.

In judging the competitive effects of this acquisition, the proposal ought to be viewed as essentially an effort to acquire a banking organization with a "main office" and "branches" all operating in the same market—the Greater Miami banking market. Approval of such an acquisition constitutes, I believe, a departure by the Board from its previous well defined position emphasizing foothold entry for the large Florida banking insitutions. Citizens is a viable local banking institution which has continued to grow and develop in its own market. Seen in this light, Citizens obviously is not a proper vehicle for foothold entry.

In view of the rapid growth of multi-bank holding companies in Florida, reflecting their desire

[2]See Application of First Florida Bancorporation, 59 Federal Reserve BULLETIN, 183, at 184

to enter the State's principal banking markets, it is reasonable to expect Atlantic to enter the Miami market--a likelihood conceded by the Board's majority. However, Citizens has no prospects, at the present time, of becoming a Statewide competitor. But this fact alone is not a sufficient reason to support its absorption. After all there is nothing inherent in the Florida banking structure that requires *every* viable bank to be part of a Statewide system. At the same time, I believe that a market extension by Atlantic into the Miami area would occur regardless of the Board's action in this case. Only Atlantic's means of entry appear s undecided: *de novo* or foothold.

I do not regard as a foothold acquisition the proposed merger of a $100 million banking organization. Neither did the Board until its action in the First Florida case. For the period 1969-72, the Board approved two acquisitions in which the banks that were taken over had deposits in excess of $100 million, and it denied an equal number. In the Miami banking market, there are undoubtedly less anticompetitive points of entry.

The proposed merger offers no public benefits sufficient to outweigh the likely adverse competitive effects. The private benefits flowing to Citizens' stockholders as a result of this proposal are not the types of benefits the Board may properly weigh under the Bank Holding Company Act. The parties do not claim that the merger would bring new services not already available in the Miami banking market. Those new services proposed for Citizens' customers through the merger (trust services and credit card services among others) can be developed through correspondent banks. Citizens is at no measurable competitive disadvantage with respect to holding company subsidiaries in its markets. Moreover, its ability to compete is the same as that of large, independent banks and other small holding companes.

In my judgment, the potentially adverse effects are not outweighed by any public benefits that have been cited as likely to result from the merger of Citizens with Atlantic. I believe this application should be denied.

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

BANKAMERICA CORPORATION, SAN FRANCISCO, CALIFORNIA

ORDER GRANTING REQUEST FOR RECONSIDERATION AND APPROVING ACQUISITION OF GAC FINANCE, INC.

BankAmerica Corporation, San Francisco, California, a bank holding company within the meaning of the Bank Holding Company Act, has applied for the Board's approval, under §§ 4(c)(8) and (13) of the Act and § 225.4(b)(2) of the Board's Regulation Y, to acquire voting shares of GAC Finance, Inc., Allentown, Pennsylvania. GAC Finance, Inc. through its subsidiaries engages in the activities of making direct loans to consumers; purchasing sales finance paper; financing inventory of distributors of, and dealers in, various consumer durable goods through agreements with manufacturers in the case of distributors and with distributors in the case of dealers; servicing manufacturer-funded receivables arising from inventory financing by certain manufacturers of consumer durable goods; rediscount financing for non-affiliated consumer sales finance companies; and sale to its direct consumer borrowers of credit life and credit health and accident insurance and of insurance coverage against damage to personal property securing extensions of credit made by the subsidiary to its direct consumer borrowers. Such activities have been specified by the Board in § 225.4(a) of Regulation Y as permissible for bank holding companies, subject to Board approval of individual proposals in accordance with the procedures of § 225.4(b).

Notice of the application, affording opportunity for interested persons to submit comments and views on the public interest factors, has been duly published (38 Federal Register 6103). The time for filing comments and views has expired, and the Board has considered all comments received, including those of the Department of Justice, in the light of the public interest factors set forth in § 4(c)(8) of the Act (12 U.S.C. 1843(c)(8)).

By Order dated July 27, 1973 the Board denied the application, the statement of reasons therefor to be issued at a later date.[1] On August 3, 1973 Applicant filed a request for reconsideration of the Board's Order of denial, predicated upon more current information with respect to the financial condition of Finance and upon commitments to divest substantially more assets and offices of Finance than originally proposed.

Reconsideration was granted pursuant to § 262.3(f)(6) of the Board's Rules of Procedure (12 CFR 262.3(f)(6)) and the Board's Order of July 27, 1973 is hereby vacated.

[1] Voting for that action: Chairman Burns and Governors Brimmer, Bucher, and Holland. Voting against that action: Governors Mitchell, Daane and Sheehan.

During the course of its initial consideration of this application the Board received adverse comments and a request for a formal hearing from a member of the public. The request for hearing was denied by the Board, based on its conclusion that Protestant had failed to allege the existence of material factual issues particular to the application and for other reasons communicated to Protestant. An invitation was extended to Protestant to submit further written comments on the application for the Board's consideration, but Protestant failed to respond. Subsequent to the Board's action denying the application, and while Applicant's request for reconsideration was pending, Protestant again wrote to the Board urging that it either reaffirm its denial or grant a formal hearing on the application. This request for hearing, in the Board's view, did not present any relevant facts or considerations not presented in earlier correspondence from this Protestant. Accordingly, the request was denied.

After reconsideration of the entire record in this matter and for the reasons summarized in the Board's Statement of this date, the § 4(c)(8) application is hereby approved on condition that Applicant cause Finance to accomplish the following plan of divestiture at the earliest practicable time and, in any event, within the time periods set forth below:

1. Finance will cause to be liquidated and paid, on the date of consummation of the proposed transaction, all receivables from GAC Corporation and its retained subsidiaries.

2. Finance will sell within one year, as going concerns, all of its consumer loan offices located in the States of California, Oregon, Washington, Arizona, New Mexico, Montana, Wyoming, Idaho, North Dakota, South Dakota, Colorado and Texas and will not reenter the consumer loan business in any of these States until such withdrawal from all has been fully consummated. Any such reentry would require the Board's prior approval pursuant to § 4(c)(8) of the Bank Holding Company Act.

3. Finance will sell within one year, as a going concern, its business of rediscounting receivables of smaller finance companies.

4. Finance will sell, within one year, the business and receivables of its Albuquerque, New Mexico, sales finance office and will close this office.

5. Finance will, within 18 months, dispose of an additional $25 million in sales finance receivables.

6. Finance will sell or otherwise dispose of, within two years, the business and assets of Trailer Industries, Inc., and all of the receivables of Finance's Business Finance and Lease Division.

7. Finance will segregate on its books as soon as possible after consummation of this proposal all of the receivables subject to disposition in paragraphs 4, 5, and 6.

8. Finance will file a written report with the Board not later than six months following consummation of this proposal and further written reports at not more than six month intervals thereafter, setting forth all dispositions accomplished during the preceding period and dispositions then under negotiation.

The acquisition shall not be consummated later than three months after the effective date of this Order, unless such period is extended for good cause by the Board. This approval is subject further to the Board's authority to require reports by, and make examinations of, holding companies and their subsidiaries and to require such modification or termination as the Board finds necessary to assure compliance with the provisions and purposes of the Act and the Board's regulations and orders issued thereunder, or to prevent evasion thereof. Applicant's application to acquire the foreign offices of Finance under § 4(c)(13) and § 225.4(f) of Regulation Y is also approved subject to the condition that its subsidiaries shall confine their activities to international or foreign banking and other international or foreign financial operations.

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

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

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

STATEMENT

BankAmerica Corporation, San Francisco, California, a bank holding company within the meaning of the Bank Holding Company Act, has applied for the Board's approval, under §§ 4(c)(8) and (13) of the Act and § 225.4(b)(2) of the Board's Regulation Y, to acquire voting shares of GAC Finance, Inc., Allentown, Pennsylvania ("Finance"). Finance, through its subsidiaries, engages in the activities described in the Board's Order of this date, which activities have been specified by the Board in § 225.4(a) of Regulation Y as permissible for bank holding companies, subject to Board approval of individual proposals in accordance with the procedures of § 225.4(b).

Notice of the application, affording opportunity for interested persons to submit comments and views on the public interest factors, has been duly published (38 Federal Register 6103) and the time for filing comments and views has expired.

In its Order of July 27, 1973, the Board denied Applicant's application to acquire Finance and stated that its reasons for the denial would be set forth in a Statement to be issued at a later date. Subsequently, on August 3, 1973, prior to issuance of the Statement, Applicant filed a request for reconsideration by the Board of its application to acquire Finance, proposing a plan of divestiture of certain additional assets and businesses of Finance within stated time periods if the application, on reconsideration, was approved by the Board. On August 8, 1973, the Board granted Applicant's request for reconsideration and vacated its Order of July 27 denying Applicant's proposed acquisition of Finance. The Board has reconsidered this application, all original and supplementary materials received in connection therewith and all comments received, including those of the Department of Justice, in the light of the public interest factors set forth in § 4(c)(8) of the Act (12 U.S.C. 1843(c)(8)).

Applicant is a one-bank holding company controlling the largest commercial bank in the world, Bank of America NT&SA, San Francisco, California ("Bank"). As of December 31, 1972, Bank had total domestic deposits of $23.4 billion, representing 36.6 per cent of the total deposits in commercial banks in California, and an additional $12 billion in foreign deposits. Applicant currently has nonbanking subsidiaries engaged principally in computer services, software and leasing activities, investment advisory services, issuance and sale of travelers checks and mortgage banking. Applicant does not currently have a consumer finance subsidiary. Finance had total assets of more than $719 million as of December 31, 1972, and operates 459 offices in 41 States and four offices in Canada. As measured by total assets, Finance is the eleventh largest independent finance company in the United States.

In connection with its analysis of the original proposal, the Board had taken into account comments received from the United States Department of Justice concerning the proposed transaction. In its comments, Justice concluded that, even considering Finance's proposed divestiture of its California consumer loan offices, discussed below, the transaction would have an adverse effect on existing competition in the State of California. The Justice Department further found that the proposal would have possible adverse effects on potential competition between Finance and Bank in the consumer finance field. Additionally, the Department viewed the proposal with concern as to its effects on concentration of resources. In its analysis, the Department found that these adverse effects were not outweighed by an affirmative showing of positive public benefits.

It appears that Applicant and Finance engage in only a minimal amount of direct competition outside the State of California. With the exception of Applicant's recently established *de novo* mortgage banking subsidiaries in Colorado and Texas, Applicant does not presently engage, to any significant extent, in consumer oriented financing at locations outside the State of California. Applicant does, however, have five Edge Corporations scattered throughout the country. Within California, Finance operates 36 consumer loan offices and two sales finance offices. In its original proposal, Applicant committed Finance to divest the 36 consumer loan offices to an outside party promptly after consummation of the proposal. Applicant proposed, however, to acquire and retain the two California sales finance offices offering dealer floor plan financing. The Department of Justice, in commenting on the application, stated that in its opinion, the proposal could have an adverse effect on competition in California, even assuming the divestiture, because a sale of such offices to a substantial bank or nonbank competitor could lead to similar competitive problems. Divestiture to a smaller nonbank or banking organization might decrease the competitive presence of Finance's offices in California. The Board concluded that the proposed initial divestiture would eliminate most of the adverse competitive consequences of the initial proposal in the consumer finance product market. The two California "private brands" sales finance offices of Finance compete to a very limited extent with Applicant's banking subsidiary in making floor plan loans to finance household items. This is due to the fact that the private brand contracts entered into by these two offices are generally on a nationwide basis and thus only a very small volume of the California receivables represents direct competition between Applicant and such offices.

The Board next considered the question whether consummation of the original proposal would eliminate any significant competition in the future between Applicant, its subsidiaries and Finance. As indicated above, Finance is one of the nation's significant competitors in the consumer finance industry, having a competitive presence in 41

States. Applicant has recently established a presence in home mortgage lending outside the State of California in the States of Colorado and Texas. Moreover, Bank has a long tradition of significant innovation in the consumer credit field in California. An analysis of its deposits and loans shows that, among United States banks, it is more heavily consumer oriented than any other bank with over $10 billion in assets. It thus appears quite possible in the light of its traditional service emphasis as well as its size and competitive ability, that Applicant would, absent this proposal, commence an expansion into other States in the consumer lending field, either through establishment of consumer finance offices *de novo* or through means of foothold entry. Moreover, the likelihood would seem to be greatest in the western part of the United States, in those States in close proximity to California. The Board concluded that consummation of the initial proposal would have eliminated a substantial possibility that Applicant, its subsidiaries and Finance would compete in various markets outside California in the future. The Board further concluded that this constituted a possible adverse effect to be considered under § 4(c)(8). However, with respect to any individual market, the Board cannot determine that such entry is probable or that the market is sufficiently concentrated that the elimination of the possibility of such entry would have substantially adverse effects. Further, the Board does not regard the consumer finance industry as so lacking in competition across the nation that it supports the judgment that any acquisition can be presumed *per se* to affect competition adversely.

In addition to the above possible adverse effects of the original proposal, the Board was deeply concerned with the question of whether an undue concentration of resources would result from approval of this application. The Conference Report accompanying the 1970 Amendments, in discussing this factor, states:

> The danger of undue concentration of economic resources and power is one of the factors which led to the enactment of this legislation, and constitutes a significant threat to the continued healthy evolution of our free economy. American trade has always operated on the principle that relationships between businessmen, large and small, should be founded on economic merit rather than monopoly power. Our national policies of limited governmental regulation and interference in trade and commerce, however, do make it possible for undue concentrations of resources and economic power to override fundamental fairness and economic merit when responding to the profit motive. This possibility is enhanced when concentrations of power are centered about money, credit and other financial areas, the common denominators of the economy. . . . The dangers of undue concentration of resources include, but are not limited to, specific competitive effects, which are themselves relevant factors under the Act. It should be clear that this legislation directs the Board to consider all reasonable ramifications of the concentration of resources in fulfilling its responsibilities under section 4.[2]

Congress did not provide specific criteria with respect to the size of acquisitions which should be disallowed to avoid an undue resources concentration. Rather, it has pointed to the dangers involved, particularly those involving concentration of power relating to money and credit, and has directed the Board to consider "all reasonable ramifications" in applying the standard of § 4(c)(8). It was the Board's judgment that approval of the original application, involving acquisition by the nation's largest bank holding company of a major consumer finance company with a nationwide network of offices, although a close question, raised issues of concentration in credit-granting resources that were inconsistent with the intent of Congress in enacting the 1970 Amendments. The expression of legislative intent contained in the Conference Report, measured against the facts of record in the case, warranted the conclusion that the concentration of resources in this instance weighed against approval of the original application.

In support of the application, Applicant contended that consummation of the proposal would produce public benefits in the form of significant improvements to Finance's consumer credit services. Among such public benefits would be an overall strengthening and revitalization of Finance as a consumer lending institution resulting in an increase in competition in that market. Because of the financial strength of Applicant, a proposed expansion of Finance's lending services could be expected in such areas as small business loans, loans to municipalities, financial counseling and loans to professionals and students. Other stated public benefits include possible reduction in certain loan rates due to Applicant's easier access to funds, probably at lower cost. Information reaching the Board suggested that Finance was in serious financial difficulties, and that its ability to continue operations was in some question if it were not to become affiliated with a financially strong organization. The Board judged that while most of the benefits cited would affirmatively serve the public interest, the same benefits should be achieved through a proposal which did not evidence the possible adverse effects inherent in the original proposal. The Board concluded, applying the balancing test of § 4(c)(8), that Applicant's showing of public benefits had not outweighed the

[2] H.R. Report No. 91-1747, p. 17

possible adverse effects of the proposed acquisition and that, therefore, the application should be denied.

Subsequent to the issuance of the Board's Order and prior to release of the Statement, Applicant petitioned the Board for reconsideration of its original Order. Applicant submitted a plan it believed to be more acceptable to the Board, proposing divestiture of certain assets, offices and businesses of Finance substantially beyond that in the initial proposal. The plan contemplates a divestiture by Finance within the time periods following consummation as set forth below:

1. Finance will cause to be liquidated and paid, on the date of consummation of the proposed transaction, all receivables from GAC Corporation and its retained subsidiaries.

2. Finance will sell within one year, as going concerns, all of its consumer loan offices located in the States of California, Oregon, Washington, Arizona, New Mexico, Montana, Wyoming, Idaho, North Dakota and South Dakota and will not reenter the consumer loan business in any of these States until such withdrawal has been fully consummated.

3. Finance will sell within one year, as going concerns, 15 of its 31 consumer loan offices located in the State of Texas and 8 of its 16 consumer loan offices located in the State of Colorado, the offices to be divested in each State to be selected so as to assure that the receivables being divested represent not less than one half of the receivables of all of Finance's consumer loan offices in each State as of June 30, 1973.

4. Finance will sell within one year, as a going concern, its business of rediscounting receivables of smaller finance companies.

5. Finance will sell within one year the business and receivables of its Albuquerque, New Mexico, sales finance office and will close this office.

6. Finance will, within 18 months, dispose of an additional $25 million in sales finance receivables.

7. Finance will sell or otherwise dispose of within two years the business and assets of Trailer Industries, Inc., and all of the receivables of Finance's Business Finance and Lease Division.

8. Finance will segregate on its books as soon as possible after consummation of this proposal all of the receivables subject to disposition in paragraphs 5, 6 and 7.

9. Finance will file a written report with the Board not later than six months following consummation of this proposal and further written reports at not more than six month intervals thereafter setting forth all dispositions accomplished during the preceding period and dispositions then under negotiation.

Applicant has requested that its petition for reconsideration be taken up by the Board on an emergency basis because of the exigent financial condition of Finance. In responding to the comments of the Department of Justice, Applicant pointed to the fact that its position in the consumer loan industry has seriously eroded in recent years, with the company experiencing substantial declines in assets, net income and shareholders' equity during the period from 1970 to 1972. More recent data confirm that the trend has continued to the present as earnings for the first five months of 1973, compared to the same period in 1972, are down sharply. Of greater immediate consequence has been the downgrading of credit ratings on debt issues of Finance by two national credit rating agencies since the Board's denial of the original application. The credit rating of Finance's senior debentures was lowered by one agency because of inadequate earnings protection for bond holders and lack of financial flexibility while, in a separate action, a second agency withdrew its "prime" rating for commercial paper issued by Finance. The latter action is of particular significance to the financial condition of Finance since many corporate and municipal investors either cannot or will not purchase commercial paper not carrying a prime rating. Finance's financial condition and its ability to meet its near term obligations is further impaired by excessive lending to its parent organization in an attempt to ameliorate the parent's cash flow problems. This sequence of events, together with other financial information brought to the Board's attention concerning Finance and its parent organization, evidences the fact that Finance must be sold for cash, and sold promptly, to a buyer of considerable financial strength to avoid the collapse of Finance and its parent, and possibly serious financial repercussions of a more general nature. The Board regards these circumstances to be of a sufficiently serious nature as to warrant immediate consideration of Applicant's revised proposal. The Board therefore granted reconsideration under § 262.3(f)(6) of its Rules of Procedure.

To aid in its analysis and determination on the revised proposal, the Board asked the Department of Justice for its comments. The Department continued to oppose the proposal, submitting that it involves potential adverse competitive and concentration of resources considerations and is lacking in significant public benefits. However, it ap pears that the Department was not fully aware of the immediate financial emergency confronting Finance and its possible consequences.

Applicant's proposal to sell within one year all consumer loan offices of Finance in nine western States besides California and one-half of Finance's consumer loan offices in the States of Colorado and Texas in large measure eliminates the Board's earlier expressed concern over the question of probable future competition between Applicant, its subsidiaries and Finance. Applicant must be regarded as a likely entrant into the consumer finance industry and this is particularly true in those States closest to California where the competitive presence of Applicant's banking subsidiary is most keenly felt. While this proposal substantially diminishes the Board's concerns regarding adverse competitive effects, retention of any offices in Colorado or Texas would continue to raise competitive problems due to Applicant's present competitive presence in those States exemplified by Applicant's present mortgage subsidiaries in those States. Divestiture of all consumer loan offices held by Finance in California and in all 11 western States closest to California, including all such offices in Colorado and Texas, would achieve a significant geographic separation between Applicant and the office facilities of the company to be acquired. Therefore, consummation of the proposal on condition that a divestiture of this nature takes place would reduce substantially the possible adverse effect on probable future competition as a factor to be considered under § 4(c)(8). Furthermore, the Board believes that such a divestiture is practical as finance company offices and their assets are more readily marketable than banks, for example.

In its consideration of the original proposal, the Board was also concerned with the question of undue concentration of resources. The initial proposal, if approved, would have permitted affiliation of Applicant's banking subsidiary, which operates more than 1,000 branches in California, with a company retaining 423 consumer loan offices in 40 States from coast to coast. The instant proposal constitutes a substantial reduction in the resources to be acquired by Applicant; it will accomplish significant geographic separation of office facilities and significant reductions in both assets and offices acquired by Applicant. As conditioned by the Board's Order of this date Applicant must sell, as going concerns, all of Finance's 128 consumer loan offices in 12 western States and must close its sales finance offices in New Mexico. In addition, Applicant will be required to sell, as a going concern, the entire rediscount business of Finance and to divest an additional $25 million in sales finance receivables and approximately $77 million in commercial financing receivables. As a consequence of these actions, Finance's total net receivables, using June 30, 1973, data, will be reduced from $575.7 million to $296 million and its national rank, in terms of total net receivables, among all independent finance companies would drop from eleventh to twentieth position. In light of the extensive divestitures to be accomplished by Applicant in this case, the possible dangers of an undue concentration of resources are significantly lessened and the Board no longer views this factor as warranting the degree of adverse weight initially assigned.

The public benefits reasonably expected to result from approval of the revised proposal remain essentially the same as when first considered by the Board with the exception of those related to the condition of Finance and its parent. Developments in the intervening days have demonstrated the validity of the previously expressed fears as to the fragility of the structure of borrowed funds relied upon by Finance. It is imperative that Finance be sold immediately to avoid possible severe economic consequences and to insure its continuation as a viable competitor. Acquisition and subsequent partial divestiture by Applicant will insure that survival as well as preserve the existing number of possible competitors in the western United States. Additionally, entry of Applicant with its record of innovation in the consumer field should produce public benefits in the eastern United States. The Board concludes that the reasonably expected public benefits from this revised proposal outweigh possible adverse effects.

CONCURRING STATEMENT OF GOVERNORS MITCHELL, DAANE AND SHEEHAN

We have joined our colleagues in voting to approve the amended proposal, but our approval of the original proposal indicates that we found no adverse effects and substantial public benefits associated with it.

The Board's Statement in this matter indicates that the divestiture of the California offices of Finance was sufficient to remove any question of elimination of direct competition that might have existed. Neither the original nor the revised proposal raised any substantial questions in this regard.

Our colleagues reserved their greatest concern for the issue of undue concentration and it is on that issue that we differ most sharply with them. As the majority Statement indicates, the legislative history provides little guidance as to the meaning of the term "undue concentration of resources." However, what little discussion of the term took place appears to have been concerned with concentration in particular product lines and particular markets rather than generalized bigness *per se*. The record in this case does not reflect, and the Board's decision is not premised upon, a high degree of concentration in any particular market but appears premised upon the absolute size of Applicant.

Applicant has worldwide gross resources of $40.8 billion. However, Applicant's size on a worldwide or a nationwide basis is not really relevant to a geographic expansion of its activities in the consumer credit field. Moreover, Applicant's size must be considered in the light of the structure of the commercial banking industry. As an industry it is relatively unconcentrated with many large units competing actively in numerous financial markets for the business of individual, corporate and governmental customers. In terms of total U.S. banking deposits, Applicant has 3.3 per cent of the business; the four largest companies account for only 9 per cent of business; the eight largest for 14 per cent; and the 20 largest for only 21 per cent. Similar ratios for the top 20 firms in numerous major industries are well in excess of 50 per cent. The consumer finance industry, interestingly enough, is more concentrated than commercial banking, and one consequence of Applicant's entry outside the State of California would be to lessen concentration in an industry where the four largest firms control 38 per cent of the business.

With respect to the consumer credit product line, the result of the proposal will be far from creation of an undue concentration. While Bank of America had $1.8 billion in consumer credit outstanding as of December 31, 1972, most of it was California business. Any concentration problem arising from Applicant's share of the consumer finance industry is limited to California, and any possible aggravation of that problem by the proposed acquisition was taken care of by the initial proposed divestiture of Finance's California operations. The Applicant's share of the nation's consumer instalment business was 1.4 per cent and the addition of Finance's 0.2 percentage points is an insignificant addition to this total.

A distinct lack of concentration is evident in most consumer markets. In each of these markets other finance companies, commercial banks, and to some degree sales finance companies, retailers, and savings and loans are competing. In these local arenas competition is ordinarily vigorous and individual market shares modest. While the market may be structured by risk, size and type of loan, so that not all of these competitors confront one another, in our judgment the record does not reflect concentration in any particular market.

In short, we concluded that consummation of the original proposal would have had no substantial adverse effects on competition nor, in our view, would it have created an undue concentration of resources. Against this lack of adverse effect we concluded that consummation of the original proposal would have had very substantial, reasonably expected, benefits to the public.

As the Board's Statement reflects, Bank of America has a long and excellent record of innovation and high standards in the provision of services to consumers. For example, it pioneered in perfecting the bank credit card for consumers and was one of the earliest bank lenders to consumers for the purchase of automobiles and other consumer durables. It is one of the most highly consumer oriented of the large commercial banks. Its present volume of instalment loans is 12.8 per cent of its total loans outstanding and compares to an average of 7.3 per cent for banks with deposits in excess of $10 billion.

A proposal such as the present one allows Applicant to meaningfully expand its services to consumers outside the State of California and there is every reason to expect that Applicant would prove to have a beneficial effect upon the industry. For example, Applicant has committed itself to explore every possibility for the reduction of loan rates charged to certain classes of borrowers. It appears that a reasonable estimate of the percentage of loans at the typical finance company which would be considered "bankable" is 30 to 50 per cent or more. While a consumer finance company in many instances charges up to 36 per cent for such a loan, the typical bank rate would be 12 to 14 per cent. Any such reductions by Applicant would surely have a competitive impact, and, when one considers that the total credit outstanding by consumer finance companies exceeds $32 billion, even a small reduction in rates would have a substantial beneficial impact upon consumers.

In addition to Applicant's record of innovation in consumer-oriented services, we believe that bank holding company entry into the consumer finance industry can reasonably be expected to produce increased benefits to the public. These include the ability to provide capital to strengthen consumer finance competition and the ability to obtain a more stable flow of funds at lower interest rates than are presently available to many consumer finance companies. Both of these attributes should permit benefits in the form of lower interest rates for customers of consumer finance companies.

These are the public benefits to which we gave weight for approval of the initial proposal. As we found no adverse effects emanating from the initial proposal, we approve the amended application with the judgment that while the impact of another effective competitor—Bank of America—has been removed in several States, it will still be of public benefit in those States where the majority has given its approval.

BANKERS TRUST NEW YORK CORPORATION, NEW YORK, NEW YORK

Order Denying Acquisition of Public Loan Company

Bankers Trust New York Corporation, New York, New York, a bank holding company within the meaning of the Bank Holding Company Act, has applied for the Board's approval, under section 4(c)(8) of the Act (12 U.S.C. 1843(c)(8)), and § 225.4(b)(2) of the Board's Regulation Y, to acquire all of the voting shares of Public Loan Company, Inc., Binghamton, New York ("Public Loan"). Public Loan, operating through its subsidiaries, engages in making consumer finance and sales finance loans (including the purchase of retail instalment contracts). Also, through two wholly-owned subsidiaries, Empire Life Insurance Company ("Empire Life") and Commonwealth Life Insurance Company ("Commonwealth Life"), both located in Wilmington, Delaware, Public Loan is engaged in underwriting, as reinsurer, credit life and credit accident and health insurance in connection with loans made to Public Loan's borrowers. Such activities have been determined by the Board to be closely related to banking (12 CFR 225.4(a)(1) and (10)). Thrift Credit Corp., a wholly-owned subsidiary of Public Loan engaged in commercial lending and equipment leasing, will be disposed of prior to the acquisition of Public Loan by Applicant.

Notice of the application, affording opportunity for interested persons to submit comments and views on the public interest factors, has been duly published (38 Federal Register 5206). The time for filing comments and views has expired, and the Board has considered all comments received in light of the public interest factors set forth in section 4(c)(8) of the Act (12 U.S.C. 1843(c)(8)).

Applicant controls nine banks, with aggregate deposits of $8.0 billion, representing 7.4 per cent of the total deposits in commercial banks in New York State, and is the sixth largest banking organization and bank holding company in the country.[1] Within New York State, Applicant is the fifth largest banking organization. Applicant's lead bank, Bankers Trust Company of New York, has deposits of $7.4 billion and is the seventh largest bank in the United States. In addition to its banking subsidiaries, Applicant's six nonbanking subsidiaries are engaged in mortgage banking, real estate investment trust management, equipment leasing and brokering, small business investing, and extension of credit through use of a credit card.

Public Loan, established in 1933, is a family-held small loan company, with total assets of approximately $72 million and net receivables of $54 million (as of June 30, 1972). Ranked by total capital funds, Public Loan is the 66th largest finance company and 40th largest noncaptive finance company in the country. Headquartered in Binghamton, New York, it controls nine wholly-owned subsidiaries, operates 28 small loan offices in New York, 32 in Pennsylvania, and one in New Jersey. Other activities engaged in by Public Loan are the following: Sales financing, engaged in by two subsidiaries, Beacon Discount Company and Public Discount Company, which business is being discontinued; commercial lending and equipment leasing, through another wholly-owned subsidiary, Thrift Credit Corporation, which will be sold or liquidated before Public Loan is acquired; and reinsuring credit life insurance and credit health and accident insurance covering the borrowers of Public Loan. Applicant proposes that Public Loan's activities would be confined to its small loan business with related credit life reinsurance.

A threshold question in the consideration of this application is whether consumer finance companies compete with commercial banks in the area of small loans to individuals. It has been contended that there are principally two factors which reflect an absence of competition between these types of organizations: (1) different statutory limitations

[1] All banking data are as of December 31, 1972, and reflect bank holding company formations and acquisitions approved by the Board through June 30, 1973. All other data are as of December 31, 1971, unless otherwise indicated.

with respect to the size of loan that can be made;[2] and (2) a different clientele being served by each type of organization. Our experience, however, in applying section 4(c)(8) of the Bank Holding Company Act to the many consumer finance applications processed since enactment of the 1970 Amendments leads us to conclude that the acquisition of a consumer finance company by a commercial banking organization may result in the elimination of existing competition in those geographic markets in which both compete.

The statutory lending limit, \$1,400 for consumer finance companies in New York State, allows for direct competition between consumer finance companies and commercial banks. The \$1,400 limit, however, masks the fact that the actual amount of credit obtained may be higher by a customer borrowing from more than one licensed lender, a practice known as "doubling up". Also, in this instance, a borrower living in the Binghamton area may choose to secure credit in Pennsylvania, as from Public Loan's Montrose office, which has a \$3,500 limit. These facts, among others of record, lead us to conclude that finance companies are an alternative credit source for personal loans, as well as loans to finance the purchase of automobiles and home improvements and other loans traditionally made by commercial banks.

The contention that commercial banks serve a different clientele from finance companies is becoming less and less valid as commercial banks place more emphasis on retail banking and seek to attract a greater diversity of customers. There appears to be a substantial class of customers being served by both institutions, consisting of the high-risk margin clientele of commercial banks and the low-risk margin customers in the case of finance companies. A few consumer finance companies, which confine their operations to small loans made to the very high risk sector of the market, would not generally be regarded as competing with commercial banks. Public Loan, however, is not of this category. Its very favorable loan write-off experience shows that Public Loan does not serve the high-risk market, but rather, lends to many of the same clientele as are served by Applicant's banking subsidiaries.

The relevant product markets in which the Board analyzes the competitive aspects of the proposed transaction are: (1) personal loans of \$1,400 or less, and (2) all direct consumer instalment loans, the latter including personal loans and automobile, mobile home, and home improvement and modernization loans.

While Applicant and Public Loan compete for consumer loans (which includes both personal loans and consumer instalment loans) in several markets in New York State, where Public Loan is the sixth largest licensed lender as of year end 1971, the Board is concerned with the consequences resulting from affiliation only in the Binghamton and Jamestown markets. It is only in these markets that the competitive effects are sufficiently serious as to represent an adverse factor weighing against approval of the proposed transaction.

The Binghamton market[3] encompasses the Triple Cities Area of Binghamton, Endicott, and Johnson City. Competing in that market are 33 lending institutions (15 commercial banks, 7 finance companies, and 11 credit unions), including the main office and two branches of Applicant's Binghamton banking subsidiary and six offices of Public Loan. Public Loan's Montrose, Pennsylvania, office is also included in the Binghamton market. In terms of personal loans under \$1,400, Public Loan was the largest lender in the market with \$5.2 million in loans outstanding and 18.6 per cent of the market; Bankers Trust of Binghamton was the 15th largest, with \$327,000 and 1.2 per cent of the market. Upon consummation, Applicant would control 19.8 per cent of the market and be nearly equal in size to the next two largest competitors, both of which are commercial banks. In terms of all direct consumer instalment loans, Public Loan and Bankers Trust of Binghamton are the third and fourth largest competitors in the market (the first two competitors are banks) and hold 7.2 per cent (\$5.6 million) and 6.2 per cent (\$4.9 million), respectively. If approved, Applicant would be the second largest supplier of such loans in the market.

The second geographic market in which there will result a loss of existing competition is the Jamestown market.[4] Bankers Trust of Jamestown

[2] In New York, Public Loan can make consumer instalment loans up to \$1,400; in Pennsylvania, the limitation is \$600 under a small loan license or \$3,500 under a consumer discount license. Commercial banks in New York State can make instalment loans up to \$10,000; in Pennsylvania, up to \$5,000. (As of December 31, 1971, commercial banks in New York State were subject to a \$5,000 ceiling.)

[3] Approximated by Broome and Tioga Counties plus the Town of Green in Chenango County and the northern half of Susquehanna County in Pennsylvania.

[4] Approximated by the southern half of Chautauqua County and the southwestern third of Cattaraugus County, in effect, the Jamestown banking market.

operates its head office and seven branches in this market, while Public Loan has one office, at Lakewood. Public Loan's service area is encompassed by the service area of Bankers Trust of Jamestown. Suppliers of credit in this market also number 33 lending institutions (4 commercial banks, 4 finance companies, and 25 credit unions). With respect to personal loans under $1,400, Public Loan ranked third in the market with 13.9 per cent of market loans ($1.4 million) while Bankers Trust of Jamestown was fourth with 10.1 per cent ($1.0 million). Upon consummation, Applicant would be the largest supplier of funds and would account for 24 per cent of the small personal loan business—nearly 50 per cent more than the next largest competitor in the market. Three of the five largest competitors in this market are commercial banks. With respect to all direct consumer instalment loans outstanding, Bankers Trust's subsidiary is the largest in the market with 19.8 per cent of market loans ($4.7 million); Public Loan ranks fifth with an even 6 per cent ($1.4 million). After consummation, Applicant's banking subsidiary would continue to rank first with nearly 26 per cent of all direct consumer instalment loans. Commercial banks are also heavily represented in this product market as the three largest competitors are of this category.

Because of the elimination of substantial existing competition in both the Binghamton and Jamestown markets, it is the Board's judgment that these competitive consequences are an adverse factor weighing against approval of the proposed transaction. Further, while the consumer finance industry is characterized by ease of entry, the proposed acquisition would solidify the market positions of Applicant and Public Loan in the Binghamton and Jamestown markets. Neither market has shown rapid growth and neither is particularly attractive for *de novo* entry in view of anticipated moderate population growth. In Jamestown, the acquisition would eliminate the only possible vehicle for entry by acquisition because the remaining consumer finance companies are national firms and presumably not interested in being acquired by a potential entrant. Accordingly, approval would serve to foreclose market entry by outside organizations.

Section 4(c)(8) of the Bank Holding Company Act requires the Board to find that the performance by Public Loan as an affiliate of Applicant "can reasonably be expected to produce benefits to the public, such as greater convenience, increased competition, or gains in efficiency that outweigh possible adverse effects, such as undue concentration of resources, decreased or unfair competition, conflicts of interests or unsound banking practices." The basic balancing test of section 4(c)(8) requires a showing of positive public benefits that outweigh the adverse effects of the proposed acquisition described above. Applicant must bear the burden of demonstrating that the proposed nonbanking activity will be in the public interest.[5] In seeking to meet this burden, Applicant has claimed that consummation of the proposal would produce the following benefits:

(1) ready access to funds by Public Loan at competitive rates and with greater assurance of availability;

(2) replacement of family management by an aggressive corporate management interested in expanding the volume, scope, and character of their services to the public;

(3) referral of customers for small loans to Public Loan and of those requiring loans in excess of $1,400 to Applicant's banking subsidiaries;

(4) expansion in types of insurance offered and reduction in the cost of credit insurance offered through Applicant's banking subsidiaries; and

(5) reduction in cost of credit insurance to customers of Public Loan.

The public benefits claimed by Applicant, in the Board's view, fall short of outweighing the adverse competitive effects which would result from approval of the proposed transaction. Public Loan appears to be of adequate size and financial soundness to obtain necessary financing at competitive rates. Moreover, any difference in the cost of funds to Applicant and to Public Loan would probably not be large enough to have a significant effect on the rates charged to customers of Public Loan. With respect to the management of Public Loan, there is no evidence of record to demonstrate that family management has in any way lessened the ability of the company to grow and prosper.

The proposed referral system cited by Applicant, in practice, may have quite the opposite effect to that expected by the Board when a bank holding company is permitted to acquire a consumer finance company. The Board expects that the acquisition of a consumer finance company by

[5] The House Conference Report on the 1970 Amendments to the Act (Report No. 91-1747) states at page 19:

"In connection with the overall application of the public benefits test, it is important to emphasize that the bank holding company making application under section 4(c)(8) must bear the burden of proof in showing that its carrying on of a particular nonbank activity would produce benefits to the public that outweigh any adverse effects."

a bank holding company will result in positive benefits to the public such as greater availability of consumer credit and a lowering of the finance rates previously charged by the acquired consumer finance company. The use of referrals may, however, instead of benefitting the public, have the contrary effect of enabling Applicant to divert eligible bank borrowers to Applicant's consumer finance subsidiary.

Applicant proposes upon approval of this application to expand the quality and range of insurance coverage available to customers of its subsidiary banks as well as to reduce rates on credit insurance. The provision of these benefits, however, is not dependent upon consummation of the Public Loan acquisition. Applicant can expand the quality and range of credit insurance presently made available to its customers and at lower premium rates without the affiliation of Public Loan.

A final benefit cited by Applicant results from the underwriting activity of Public Loan, as reinsurer, of credit life and credit accident and health insurance which is directly related to its extensions of credit. Applicant has indicated that the proposed underwriting activities would include underwriting such insurance for its banking subsidiaries as well. Applicant does not presently engage in insurance underwriting activities and the proposed affiliation with Applicant would appear to have no significant effects on competition within the industry.

In adding credit life to the list of permissible activities for bank holding companies, the Board stated that:

> To assure that engaging in the underwriting of credit life and credit accident and health insurance can reasonably be expected to be in the public interest, the Board will only approve applications in which an Applicant demonstrates that approval will benefit the consumer or result in other public benefits. Normally such a showing would be made by a projected reduction in rates or increase in policy benefits due to bank holding company performance of this service. (12 CFR 225.4(a)(10))

Applicant has stated that upon consummation of the proposed acquisition, the rate reductions for accident and health insurance in Pennsylvania, New York, and New Jersey, which have among the lowest rate ceilings in the nation, would range from approximately 3 per cent in Pennsylvania on policies for less than 3 years to 2 per cent in New York and New Jersey. In the credit life insurance area, the rates presently charged will be reduced by Applicant by amounts varying from approximately 1 per cent to 6 per cent in the various states. Additionally, Applicant would waive the suicide clause with respect to policies taken out in Pennsylvania. To the extent such reductions occur and improvements in policy terms occur, the public benefits.

It is the Board's judgment, applying the balancing test under section 4(c)(8) of the Act, that Applicant has failed to meet the burden of demonstrating that benefits to the public would outweigh the adverse effects which would result from approval of the application. For the most part, the benefits cited are not supported by objective facts of record or backed by firm policy commitments on the part of Applicant. Accordingly, since the public interest factors do not outweigh the possible adverse effects, the application is hereby denied.

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

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

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

DISSENTING STATEMENT OF GOVERNOR DAANE

I dissent from the majority's action denying the acquisition of Public Loan by Applicant. In my estimation, the lack of significant competition between banks and consumer finance companies such as Public Loan, the large number of lenders in the geographic areas where Applicant and Public Loan both make consumer loans, and the small proportion of Public Loan's business derived from Binghamton and Jamestown make the possible adverse effects far too small to outweigh the public benefits that would derive from the acquisition.

Although consumer finance companies and commercial banks both offer direct instalment loans to consumers, they may, and frequently do, serve different types of customers. In this case Public Loan can make direct instalment loans only up to $1,400. Most automobile loans and mobile home loans are for amounts greater than $1,400. Small loan companies, such as Public Loan, specialize in the lending of small amounts of money and they are permitted to charge much higher interest rates than banks. Commercial banks may be reluctant to make small consumer loans because of the cost of making and servicing such loans in relation to the interest rates they are permitted to charge. Applicant has stated that as a matter of policy its banking subsidiaries do not make consumer instalment loans below $800.

While I am aware of the competition figures cited by the majority, I am unable to conclude that approval of this proposal would result in an appreciable elimination of competition since Jamestown and Binghamton are both served by 33 lending entities including banks, finance companies and credit unions. Furthermore, the bulk of Public Loan's loans (approximately 90 per cent) are outstanding in areas apart from Jamestown and Binghamton.

Under these circumstances, it is my opinion that the public interest would be served by approval of the acquisition of Public Loan by Applicant. Applicant is interested in expanding the volume, scope, and character of the services offered and in assuring an increased availability of funds to Public Loan and its customers at competitive rates. This should benefit customers throughout the areas served by Public Loan, including the areas now served by Applicant's present banking offices.

CHEMICAL NEW YORK CORPORATION, NEW YORK, NEW YORK

ORDER DENYING ACQUISITION OF CNA NUCLEAR LEASING, INC.

Chemical New York Corporation, New York, New York, a bank holding company within the meaning of the Bank Holding Company Act, has applied for the Board's approval, under § 4(c)(8) of the Act and § 225.4(b)(2) of the Board's Regulation Y, to acquire voting shares of CNA Nuclear Leasing, Inc. ("Company"), Boston, Massachusetts, a company that is engaged in full-payout leasing of personal property and equipment. Such activity has been determined by the Board to be closely related to the business of banking (12 CFR 225.4(a)(6)). Applicant has also applied for authority of Company to engage in financing the acquisition of coal piles and other natural resource financings as an activity closely related to the business of banking pursuant to 12 CFR 225.4(a)(1).

Notice of the application, affording opportunity for interested persons to submit comments and views on the public interest factors, has been duly published (29 Federal Register 8099). The time for filing comments and views has expired, and all those received have been considered.

Applicant, the fourth largest banking organization in New York, controls four banks with aggregate domestic deposits of $9.8 billion, representing approximately 9 per cent of the total deposits in commercial banks in the State. (All banking data are as of December 31, 1972.) Applicant also has a nonbanking subsidiary engaged in extending short-term land development and construction loans to borrowers and providing advisory and loan servicing facilities to Applicant.

Company, organized in 1969, is presently engaged in leasing nuclear fuel cores and capital equipment, including production machinery, fleets of trucks and automobiles, electronic data processing equipment and noncommercial aircraft. Company generally leases such equipment for a noncancellable term of one year, with monthly renewals thereafter.[1] It appears that such leases would not be in compliance with the Board's leasing regulation and interpretation, which require the lessor to recover in full its acquisition cost of leased equipment through rentals, estimated salvage value, and estimated tax benefits during the initial term of the lease (12 CFR 225.4(c)(6) and 225.123(d)). However, Company's leases further provide that in the event the lease is terminated prior to full-payout recovery, the equipment is sold and the lessee is obligated to reimburse Company for any deficiency between the sale price and the unrecovered portion of the acquisition cost of the leased equipment. Where there is such an unconditional obligation, guaranteeing full-payout recovery, by a bona-fide lessee which clearly has the financial resources to meet such obligation, as in the case of Company's lessees, the Board will permit reliance on such obligation in determining whether a lease transaction meets the full-payout requirement of the Board's leasing regulation and interpretation.

Company also proposes to engage in coal and other natural supply financing agreements whereby company would purchase coal or other natural resources at the direction of a utility company and the utility company would, each month, pay Company the amount of the acquisition cost of the coal or other natural resources estimated to be consumed by the utility during the month plus a financing charge, adjusted to reflect any excess or deficiency between the amount estimated to be consumed and the amount actually consumed in the preceding month. Based on the foregoing and other conditions contained in the agreement the Board considers such coal or other natural resource agreements to be a form of extension of credit permissible under § 225.4(a)(1) of Regulation Y.

[1] No opinion has been obtained from the Internal Revenue Service that these leases would be characterized as a "lease" rather than a "conditional sale" for tax purposes. However, since Company does not take accelerated tax depreciation on its leased property and the investment tax credit for such property is passed through to the lessees, it is represented that the Company's federal income tax liability would appear to be substantially identical whatever the characterization. Furthermore, even if viewed as a "conditional sale" the activity would be permitted under § 225.4(a)(1) of Regulation Y.

Applicant, through its lead subsidiary bank, is engaged in personal property leasing activities primarily in the metropolitan New York area and also nationwide. Company is engaged in leasing equipment nationwide. Although there is some competitive overlap between Company's leasing business and that of Applicant's lead subsidiary bank, the Board finds that consummation of this proposal would not eliminate any significant existing or potential competition due to the somewhat different nature of the leasing activities engaged in by Applicant's lead subsidiary bank and Company, the relatively low barriers to entry into this business, the large number of competitors, and the small market shares held by Applicant and Company.

In its consideration of an application to acquire a nonbanking company under § 4(c)(8) of the Act, the Board is required to consider whether performance of the activity by an affiliate of a holding company can reasonably be expected to produce benefits to the public such as greater convenience, increased competition, or gains in efficiency that outweigh possible adverse effects such as undue concentration of resources, decreased or unfair competition, conflicts of interest, or unsound banking practices.

Company has grown rapidly since its inception, increasing its total assets from approximately $35 million at year-end 1970 to approximately $210 million at year-end 1972. However, Company has a very high level of debt in relation to equity capital. As of December 31, 1972 total liabilities were 74 times total equity. Because of its low equity capital base and consequent severe limitations on its capacity to absorb any losses, the investment community has apparently been unwilling to finance Company's operations at the prime commercial paper rate without the guarantee of its parent, CNA Financial Corporation.[2] As of December 31, 1972, the total amount of Company's outstanding commercial paper so guaranteed was $175 million. Upon acquisition by Applicant, Applicant would advance funds to Company to finance its existing lease portfolio as Company's outstanding commercial paper matures.

These advances would be financed on a short term basis by the issuance of Applicant's own commercial paper. Applicant estimates that Company's lease portfolio would grow from $205 million to $250-$300 million during 1973. By the end of 1974, at which time Company projects its lease portfolio will have grown to $350-$400 million, Applicant anticipates that it will reduce its direct financial support to Company. Applicant expects that Company will be free of all need for financial support from Applicant within eight years, by which time its lease portfolio could expand to as much as $750 million. Even assuming Applicant's favorable projections, it is clear that the acquisition of Company would require Applicant to commit substantial and continuing amounts of funds to support Company's growth.

The proposal involves a method of financing comparatively long term assets with short-term debt. As discussed above, due to the low equity base of Company, the market will not finance its commercial paper obligations at a rate which makes the proposal economically viable without a guarantee. In fact, Company is being sold by its present parent due to the large amounts of financing required, limitations on the amount of commercial paper it could issue, and the cost of back-up bank lines of credit to support such paper. Thus, success of the proposal requires directly the backing of the assets of Applicant and indirectly the strength and reputation of its major subsidiary, Chemical Bank.

The Board has on numerous occasions stated that one of the primary purposes of a holding company is to serve as a source of financial strength for its subsidiary banks. In the Board's judgment a proposal such as the present to acquire an extremely leveraged company with very heavy requirements for funds could seriously impair that ability. With respect to the instant application, Company's need for funds, even assuming no growth, will require Applicant to increase its short-term borrowing by a substantial amount, i.e. to the point where Applicant's current liabilities would exceed current assets by a considerable margin if subsidiary banks are not consolidated. Chemical Bank has experienced rapid growth. Between year-end 1970 and year-end 1972 its assets increased from $11.0 billion to $15.3 billion. Even assuming that there is little growth in nonbanking activities in its system, such growth in the future will require Applicant to supply additional capital to its banks. An application such as the present, which substantially reduces the margin between debt use and debt capacity, would impair the ability to provide such capital.

The Board recognizes the public benefits that attach to the availability of suitable financing for nuclear fuel cores. However, the Board finds that

[2] The risk involved is that of default and liquidity since the payments on the leases vary with the interest rate on the commercial paper.

there are a number of firms presently offering nuclear core financing and that there are no reasonably expected public benefits in this particular case such as greater convenience, increased competition, or gains in efficiency that outweigh the aforementioned possible adverse effects.

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

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

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

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

TENNESSEE NATIONAL BANCSHARES, INC., MARYVILLE, TENNESSEE

ORDER DENYING ACQUISITION OF MARYVILLE SAVINGS AND LOAN CORPORATION (AN INDUSTRIAL LOAN AND THRIFT COMPANY)

Tennessee National Bancshares, Inc., Maryville, Tennessee, a bank holding company within the meaning of the Bank Holding Company Act, has applied for the Board's approval, under § 4(c)(8) of the Act and § 225.4(b)(2) of the Board's Regulation Y, to acquire 90 per cent or more of the voting shares of Maryville Savings and Loan Corporation (an industrial loan and thrift company), Maryville, Tennessee ("Company"), a company that engages in the activities of an industrial loan company, including the making of loans, the sale of credit life insurance and credit accident and health insurance in connection therewith, the sale of comprehensive physical damage insurance on certain personal property taken as security in connection with loans, and the borrowing of funds at interest as provided by the applicable law. Such activities have been determined by the Board to be closely related to banking (12 CFR 225.4(a)(2) and (9)(ii)(a)).

Notice of the application, affording opportunity for interested persons to submit comments and views on the public interest factors, has been duly published (38 Federal Register 10679). The time for filing comments and views has expired, and none has been timely received.

Applicant controls two banks with aggregate deposits of $56.3 million, representing 0.5 per cent of total commercial bank deposits in the State.[1] Applicant's lead bank, The Blount National Bank of Maryville ("Bank"), Maryville, Tennessee (deposits of $50.9 million), is the smaller of two banks in Blount County and controls 45.5 per cent of bank deposits therein. Both of the banks in Blount County are located in Maryville, a town of approximately 14,000 persons, situated 15 miles south of Knoxville, Tennessee and falling within the Knoxville SMSA. Bank had outstanding consumer instalment loans of the types made by consumer finance companies of $1.6 million as of June 30, 1972, representing 12.2 per cent of outstanding consumer loans held by banks and consumer finance companies located in Blount County as of that date.

Contrary to the implications contained in its corporate title, Company (assets of $1.6 million) does not operate as a savings and loan association. It is an industrial loan and thrift company and has so served the Maryville area for over 40 years. Company issues "certificates of indebtedness" and with funds derived thereby makes signature, personal property, co-signor, and second mortgage loans. Company operates out of a single office in Maryville and had outstanding consumer loans of $939 thousand as of December 31, 1972. Company is the third largest of 10 consumer finance companies in Blount County with 12.7 per cent of the outstanding loans of the consumer finance companies. As Company's sole office is located only several blocks from the main office of Bank, both offices draw customers from the same local service area. Approval of this transaction would increase Applicant's share of outstanding consumer loans made in the Maryville area from approximately 12 per cent to approximately 19 per cent, remove an alternative source of consumer credit, and eliminate direct competition for consumer loans between Applicant's lead bank and Company. Accordingly, the Board finds that the proposed acquisition would have adverse effects on competition.

Section 4(c)(8) of the Bank Holding Company Act requires the Board to find that performance by Company as an affiliate of Applicant "can reasonably be expected to produce benefits to the public such as greater convenience, increased competition, or gains in efficiency that outweigh possible adverse effects, such as undue concentration of resources, decreased or unfair competition, conflicts of interest or unsound banking practices." The basic balancing test of § 4(c)(8) re-

[1] All banking data and data pertaining to Company are as of December 31, 1972, unless otherwise indicated.

quires a showing of positive public benefits that outweigh the adverse effects of the proposed acquisition described above. Applicant has the burden of demonstrating that the proposed acquisition will be in the public interest. In seeking to meet this burden, Applicant indicates that affiliation would increase the financial resources available to Company. Also, Applicant anticipates establishing additional offices for Company. However, upon consideration of the aforementioned anticompetitive factors, the Board finds that the public benefits to be derived from this affiliation do not outweigh the adverse competitive effects of the proposal.

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

By order of the Board of Governors, effective August 21, 1973.

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

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

NORTHWEST BANCORPORATION, MINNEAPOLIS, MINNESOTA

ORDER CONDITIONALLY APPROVING ACQUISITION OF T. G. EVENSEN & ASSOCIATES, INC.

Northwest Bancorporation, Minneapolis, Minnesota, a bank holding company within the meaning of the Bank Holding Company Act, has applied for the Board's approval, under section 4(c)(8) of the Act and § 225.4(b)(2) of the Board's Regulation Y, to acquire all of the voting shares of T. G. Evensen & Associates, Inc., Minneapolis, Minnesota ("Evensen"), a company that engages in the activity of providing financial advice to State and local governmental units. Such activity has been determined by the Board to be closely related to banking (12 CFR 225.4(a)(5)).

Notice of the application, affording opportunity for interested persons to submit comments and views on the public interest factors, has been duly published (37 Federal Register 5775). The time for filing comments and views has expired, and the Board has considered all comments received, including those received at an oral presentation on the application, held at the Federal Reserve Bank of Minneapolis on October 17, 1972, in the light of the public interest factors set forth in section 4(c)(8) of the Act (12 U.S.C. 1843(c)).

Applicant controls 79 banks[1] located in Minnesota, Montana, Nebraska, North Dakota, South Dakota, Wisconsin, and Iowa, with aggregate deposits of $4.8 billion. Forty-nine of the banks are located in the State of Minnesota and together hold total deposits amounting to $2.78 billion or approximately 24 per cent of total commercial bank deposits in the State.[2] Applicant is the second largest banking organization in the State of Minnesota.

Evensen advises State and local governmental units in Minnesota, Wisconsin, North Dakota, South Dakota, Iowa, and Nebraska. More than 70 per cent of its business derives from clients in the State of Minnesota, and, during 1971, Evensen advised on 20.8 per cent of the bonds issued by State and local government units in Minnesota, based on the face amount of such bond issues. Evensen, with gross receipts of $315,000 for its fiscal year ended September 30, 1971, ranks as the largest such bond adviser in Minnesota.

Although subsidiaries of Applicant engage in the underwriting of certain State and local government bond issues and the provision of related services to issuers of such securities, neither Applicant nor any of its subsidiaries engage in the business of providing advice concerning bond issuance to State and local governments. Evensen does not engage in the underwriting of bond issues nor any other activity engaged in by Applicant. Accordingly, consummation of the proposed transaction would have no adverse effect on existing competition in any line of commerce. To the contrary, such consummation may have a beneficial effect on existing competition by foreclosing the possibility of a merger of Evensen with one of its existing competitors. Each of Evensen's principal competitors, prior to the making of this application, separately offered to acquire the shares that Applicant here seeks to acquire.

In the Board's opinion, Applicant is not a likely *de novo* entrant into State and local governmental bond issuance advising. The economic incentive for such entry is not great, as may be adduced from the fact that there are only six firms in the nation engaged solely in this line of commerce. Evensen itself has been in the business for forty-four years and is considered a major bond consultant in the Minneapolis area. Yet, its average

[1]There is presently pending before the Board an application by Applicant to acquire one bank located in the State of Iowa, with aggregate deposits of approximately $75 million. Applicant recently received approval to acquire two other banks in Iowa with deposits of $43 million.

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

annual earnings over the last five years approximate only $47,000. The barriers to entry into the bond consultant business are high, not in terms of capital and licenses, but rather in terms of the degree of highly-specialized expertise necessary to properly advise State and local governmental units on the issuance of bonds. It appears that successful advising requires a combination of skills in the assessment of financial needs of clients, familiarity with public finance and tax laws, and a thorough and current knowledge of bond markets. In brief, considerably more is required of a qualified bond adviser than is required of a bond salesman. The Board has no doubt that Applicant has the financial and managerial resources to eventually develop the required expertise within its own organization. However, absent the hiring away of qualified personnel from existing firms, it may take a considerable time to do so and significant losses may be expected to be incurred during the start-up period. Given the lack of significant profit potential described above, it is the Board's judgment that the likelihood that Applicant will pursue the *de novo* route is remote.

Three competitors of Evensen and one bank engaged in the underwriting of State and local governmental bond issues (hereinafter collectively referred to as "the protestants") have opposed the subject application asserting that consummation of the proposed transaction would have the possible adverse effects of conflicts of interests, misuse of confidential information, and unfair competition. However, the protestants have expressly indicated that they in no way question the ethics or integrity of either Applicant or Evensen, which are of the highest order. Rather, their concern, as is that of the Bank Holding Company Act, is with "possible adverse effects." Briefly stated, the protestants contend that any affiliation between a bond issuance adviser and a bank holding company creates conflicts of interests, primarily between the advisory role and the roles of subsidiaries of the holding company as potential underwriters, paying agents, depositories of bond proceeds, and investment outlets for bond proceeds. In the case of any such affiliation, they contend, and economic incentive is present for the affiliated adviser to falsify, distort or withhold information from, and color or frame advice to, State and local governmental units in such a way as to encourage those clients either to utilize the services of the affiliates of the adviser where independent advice and information would suggest otherwise or to take those services on terms or conditions less favorable to the client than might be obtainable by the client were it to receive objective advice. The protestants further contend that, as a result of the affiliation, Applicant's subsidiaries possibly would have access to confidential information, provided to Evensen by State and local governments, and that access to such information could give Applicant's subsidiaries unfair advantages over their competitors, particularly in the area of bidding on bond issues and the formation of underwriting syndicates. The consequence of such possibilities, should they come to fruition, would enable Applicant to subsidize the fees of Evensen with the revenues derived from such activities, according to the protestants, with the ultimate consequence of threatening the survival of the protestants that compete with Evensen. Thus, they contend, the affiliation creates a possibility for unfair competition.

Section 4(c)(8) of the Act directs the Board to consider "possible" adverse effects of proposed acquisitions. However, the amount of weight to be accorded to "possible" adverse effects in the balancing process that is contemplated by section 4(c)(8) depends directly upon the likelihood of the occurrence of such effects.[3] Presumably the business ethics of both Evensen and Applicant and the likelihood, attested to by both sides of the instant controversy, that, should an affiliated adviser engage in any of the questionable practices asserted by the protestants, its reputation would be so damaged as to bring into question its future business survival,[4] lessen the likelihood that possible conflicts of interests would be realized.

Of the more than 2500 issues on which Evensen has advised over the past 43 years, 98 per cent were sold on the basis of published invitation for competitive sealed bids. The competitors of Evensen that have objected to this application have admitted that they have had a similar experience. In fact, even where competitive bids are not required by law, it is Evensen's general practice, as well as that of the adviser industry generally, to recommend the use of competitive bid procedures in the case of all issues with general market appeal. Where such procedures are used, the ability of the adviser to unfairly influence the issuer in the selection of an underwriter is therefore

[3] Statement of Board accompanying Order Conditionally Approving Proposal of NCNB Corporation to Operate a Trust Company in South Carolina, 1973 Federal Reserve BULLETIN 305, at 306 (March 9, 1973).

[4] This may account for the fact that, despite the provision of advice to tax-exempt bond issuers by many municipal bond underwriters, the protestants, under direct questioning at the oral presentation, cited no actual instance of the abuses alleged.

considerably diminished. However, where competitive bid procedures are not used, that is, where issues are sold by negotiation between the issuer and possible underwriters, the possibility of undue influence by the adviser is both obvious and real. The Board, therefore, in approving this application, conditions such action on Applicant and its subsidiaries refraining from participation in the sale of Evensen advised issues that are not sold pursuant to competitive bids. In addition, in order to ensure the confidentiality of information in Evensen's possession, the Board conditions its approval on Evensen refraining from making any information with respect to its clients available to Applicant or its subsidiaries not available at the same time to others.

Conflicts of interests between Applicant's dual role as adviser-paying agent, adviser-depository, and adviser-investment outlet may arise if Evensen, as a subsidiary of Applicant, advises issuers as to the selection of paying agents, depositories, or investment outlets. However, it is Evensen's general practice and that of the adviser industry, generally, to recommend that the purchaser of the bonds, rather than the issuer, designate the paying agent. This being the case, it appears that Evensen has no influence over such designation. Similarly, it is Evensen's general practice to refrain from participation in the selection of depositories for the proceeds of bond issues, and, rather than recommend a particular interim investment for the proceeds of an issue until needed, to recommend that the issuer seek informal competitive bids for such proceeds and accept that bid providing the highest return. However, there is nothing to assure that Evensen's present practices in these regards would continue if the proposed transaction is consummated. Therefore, the Board conditions its approval of the instant application upon the continuation of these practices. Further, the Board believes that prospective clients should be alerted to the affiliation of Evensen and Applicant and also conditions its approval upon the requirement that such affiliation be clearly disclosed on all advertising and letterheads. In addition, in order to obviate any possibility that Evensen will compete unfairly with its other competitors, the Board conditions its approval upon the requirement that Evensen shall continue to offer its services on an explicit fee basis.

In accordance with the Congressional directive contained in section 4(c)(8), the Board has examined the public benefits that may be expected to result from approval of the application and finds that they outweigh any "possible adverse effects", especially in view of the conditions that the Board is imposing as part of its approval. In the Board's judgment, Applicant's acquisition of Evensen will enable Evensen to geographically expand into areas where issuers are not presently served by advisers. The benefit to the public from sound financial management of State and municipal finances is obvious, and needs no detailed explanation here; an expansion in the supply of competent financial advice to meet such needs is, therefore, a strong public benefit. Furthermore, consummation would make available to Evensen capital and other resources to maintain and increase Evensen's specialized staff, improve and expand its product market and, in some measure, provide an orderly solution to a management succession problem occasioned by the age of Evensen's founder and sole owner.

Before, during, and after the oral presentation held at the Federal Reserve Bank of Minneapolis, referred to above, protestants raised two procedural objections to the Board's processing of this application: (1) They contended the Board should have held a formal trial-type hearing with right to cross-examine and subpoena witnesses; and (2) that the Board's regulation (section 225.4(a)(5) of Regulation Y) which permits bank holding companies, subject to the provisions of section 225.4(b), to provide financial advice to State and local governments, was improperly adopted and should be declared invalid. The Board believes that both of such contentions are without substance and, for the reasons hereinafter stated, protestants' requests that a formal hearing be held and for invalidation of section 225.4(a)(5) are denied.

Prior to 1970, section 4(c)(8) permitted the Board to act only "after due notice and hearing, and on the basis of the record made at such hearing by order . . .". That section was specifically amended by the Bank Holding Company Act Amendments of 1970 to delete the requirement that the Board act only after a hearing and "on the basis of the record" at such hearing. Accordingly, since the hearing requirements of the Administrative Procedure Act apply only to a "case of adjudication required by statute to be determined on the record" (5 U.S.C. 554(a)), the Board does not believe a formal trial-type hearing is required where protests are filed to an application under section 4(c)(8) of the Act. Further, a review of the 196-page transcript of the oral presentation that was held at the Federal Reserve Bank of Minneapolis and the voluminous additional exhibits and briefs submitted by participants leads the Board to conclude that the Board's procedures in this case met the Congressional intention of providing "opportunity for hearing" in section 4(c)(8) of the Act and did not deprive the protestants of their "due process of law" rights provided by the Fifth Amendment to the United States Constitution. *Commercial National Bank of Little Rock* v. *Board of Governors of the Federal Reserve System*, 451 F. 2d 86 (8th Cir. 1971); *Kirsch* v. *Board of Governors of the Federal Reserve System*, 353 F. 2d 353 (6th Cir. 1965); and *Northwest Bancorporation* v. *Board of Governors of the Federal Reserve System*, 303 F. 2d 832 (8th Cir. 1962). In addition, protestants misconstrue the Board's Rules of Practice for Formal Hearings (12 CFR 263) as authorizing subpoena of witnesses. Those Rules (12 CFR 263.7) authorize the subpoena of witnesses only where the statute, pursuant to which a formal hearing is held, authorizes subpoena of witnesses; the Bank Holding Company Act contains no such authorization.

The Board has also considered protestants' claim that they need the right of cross-examination to bring out certain information with respect to the application (transcript pages 157–59, and 172; protestants' Memorandum in Opposition to Application, pages 8, 13, and 19). The Board concluded that such issues are either immaterial to the Board's decision, are not susceptible to cross-examination, or have been rendered moot in light of the Board's conditional approval.

In sum, the Board concludes that protestants were given ample opportunity to be heard, that their views were fully considered and understood by the Board in reaching its decision, that they are not legally entitled to a formal trial-type hearing, and that it would have served no useful purpose to hold such a hearing in connection with this application.

In addition, protestants question the validity of the Board's action of June 6, 1972 (37 F.R. 11771) when it amended section 225.4(a)(5) of Regulation Y to, *inter alia*, specifically provide that bank holding companies may, subject to the procedures of section 225.4(b), "act as investment or financial adviser to the extent of . . . (v) *providing financial advice to State and local governments, such as with respect to the issuance of their securities*". (Emphasis added) Prior to the amendment, the Regulation was more generally worded and contained the word "including" after "acting as investment or financial adviser" rather than the more limiting term "to the extent of". At the time of the 1972 amendment, the Board stated that its purpose was "to indicate in more precise terms [the Board's] intent in permitting bank holding companies to act 'as investment or financial adviser' " and that the Administrative Procedure Act requirements of notice and public participation "were not followed with respect to this matter because it clarifies rather than changes a substantive rule". A review of the history of this regulatory provision indicates that the requirements of the Administrative Procedure Act for notice and public comment and hearing were clearly followed by the Board with respect to the adoption of section 225.4(a) in 1971 and that the regulation, as then adopted, would have permitted the activity in question. Accordingly, and for other reasons, the Board is of the opinion that its 1972 action was within the exemption provided by section 553(b) of the Administrative Procedure Act for "interpretive rules" and that prior notice and public participation was unnecessary. *Continental Oil Co.* v. *Burns*, 317 F. Supp. 194 (D. C. Del. 1970); *Garelick Mfg. Co.* v. *Dillon*, 313 F. 2d 899 (D. C. D. C. 1963); *Sav-On Drugs, Inc.* v. *Cunes*, 12 P & F Admin. Law 2d 848 (D. C. N. J. 1962). Furthermore, even assuming *arguendo* that the Board's 1972 action was invalid, protestants may not be heard to complain because the Board has the authority to proceed with respect to applications under section 4(c)(8) "by order or regulation" and, as indicated above, protestants have had ample opportunity to participate in this proceeding.

Based upon the foregoing and other considerations reflected in the record, the Board has determined that the balance of the public interest factors the Board is required to consider under section 4(c)(8) is favorable. Accordingly, the application is hereby approved, provided; (1) Evensen shall not make available to Applicant or its other subsidiaries any information with respect to its clients not available at the same time to others; (2) the affiliation of Evensen and Applicant shall be clearly disclosed on all advertising and letterheads; (3) Evensen shall continue to offer its services on an explicit fee basis; (4) where Evensen advised issues are not to be sold pursuant to competitive bids, Applicant and its other subsidiaries may not participate in their sale; and (5) Evensen shall continue its practices of (i) recommending that the purchaser of the bonds be authorized to name the paying agent; (ii) refraining from participation in the selection of a depository for the bond proceeds; and (iii) recommending that the issuer obtain bids before selecting an interim investment outlet for bond proceeds. This order is also subject to the conditions set forth in section

225.4(c) of Regulation Y and to the Board's authority to require such modification or termination of the activities of a holding company or any of its subsidiaries as the Board finds necessary to assure compliance with the provisions and purposes of the Act and the Board's regulations and orders issued thereunder, or to prevent evasion thereof. The transaction shall not be consummated later than three months after the effective date of this Order, unless such period is extended for good cause by the Board, or by the Federal Reserve Bank of Minneapolis, pursuant to delegated authority granted herewith.

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

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

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

DISSENTING STATEMENT OF GOVERNOR BRIMMER

I would deny this application. Northwest Bancorporation is a well-established multi-bank holding company with excellent management and large financial resources. It is the second largest banking organization in the State of Minnesota and also controls banks in Montana, Nebraska, North Dakota, South Dakota, Wisconsin and Iowa. I share the views of the majority that there are possible adverse effects from consummation of this acquisition (and I concur in their efforts to minimize such possible adverse effects). However, I disagree with my colleagues as to their conclusion that the benefits to the public would outweigh such adverse effects.

In my opinion, Applicant has the financial and managerial resources to commence this activity *de novo*. Further, if it is to pursue the acquisition route, it should not be permitted to acquire the largest independent firm in the market. Either the *de novo* route or the acquisition of a less prominent firm would have a more beneficial effect on competition for these services than is presented by the present application. As Congress has recognized:

> One of the asserted justifications for permitting bank holding companies to engage in activities that the Board has determined independently to be closely related to banking, is to permit the introduction of new innovative and competitive vigor into those markets which could benefit therefrom. Where a bank holding company enters a market through acquisition of a major going concern, it may not have the incentive to compete vigorously, thereby bringing the possible benefits into play, as it would immediately succeed to what it might consider its fair share of the market. On the other hand, where a bank holding company enters a new market *de novo*, or through acquisition of a small firm, as opposed to acquisition of a substantial competitor, its desire to succeed in its new endeavor is more likely to be competitive. (H. Rep. No. 1747, 91st Cong., 2d Sess. at page 17)

In the delicate weighing process that the Board is compelled to undertake in an application of this kind, I do not find that the public benefits present in this application are strong enough to sustain its approval.

ORDERS NOT PRINTED IN THIS ISSUE

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

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

Applicant	*Banks(s)*	*Board action (effective date)*	*Federal Register citation*
The Central Texas Financial Corporation, Brownwood, Texas	First National Bank in Brownwood, Brownwood, Texas	8/16/73	38 F.R. 22676 8/23/73
Citizens Bancshares Corporation, Atlanta, Georgia	Citizens Trust Company, Atlanta, Georgia	8/2/73	38 F.R. 21529 8/9/73
The First National Agency of Aitkin, Inc., Aitkin, Minnesota	The First National Bank of Aitkin, Aitkin, Minnesota	8/20/73	38 F.R. 23016 8/28/73
First Newton Bankshares, Inc., Topeka, Kansas	First National Bank, Newton, Kansas	8/23/73	38 F.R. 23559 9/31/73
First Wyoming Bancorporation, Kemmerer, Wyoming	The First National Bank of Kemmerer, Kemmerer, Wyoming	8/17/73	38 F.R. 22828 8/24/73

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

Applicant	*Banks(s)*	*Board action (effective date)*	*Federal Register citation*
Great Lakes Bancorp, Inc., Kalamazoo, Michigan	Industrial State Bank and Trust Co., Kalamazoo; The Owosso Savings Bank, Owosso; and Alpena Savings Bank Alpena, all in Michigan	8/14/73	38 F.R. 22677 8/23/73
Mid-America Fidelity Corporation, Ann Arbor, Michigan	Ann Arbor Bank, Ann Arbor, Michigan	8/2/73	38 F.R. 21529 8/9/73

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

Applicant	*Bank(s)*	*Board action (effective date)*	*Federal Register citation*
ASB Investment Company, Flint, Michigan	Great Lakes Bancorp, Inc., Kalamazoo, Michigan	8/14/73	38 F.R. 22676 8/23/73
Barnett Banks of Florida, Inc., Jacksonville, Florida	Edison National Bank in Fort Myers, Fort Myers, Florida	8/8/73	38 F.R. 22186 8/16/73
First Amtenn Corporation, Nashville, Tennessee	First National Bank of Tullahoma, Tullahoma, Tennessee	8/3/73	38 F.R. 21824 8/13/73
First New Mexico Bankshare Corporation, Albuquerque, New Mexico	Grant County Bank Silver City, New Mexico	8/20/73	38 F.R. 23017 8/28/73
The Fort Worth National Corporation, Fort Worth, Texas	Commercial Bank & Trust Co., Midland, Texas	8/23/73	38 F.R. 23559 8/31/73
The Fort Worth National Corporation, Fort Worth, Texas	The First State Bank of Stratford, Stratford, Texas	8/16/73	38 F.R. 22823 8/23/73
General Financial Systems, Riviera Beach, Florida	Tri-City Bank, Palm Beach Gardens, Florida	8/16/73	38 F.R. 22824 8/24/73
Great Lakes Holding Company, Kalamazoo, Michigan	Great Lakes Bancorp, Inc., Kalamazoo, Michigan	8/14/73	38 F.R. 22677 8/23/73
Hawkeye Bancorporation of Des Moines, Des Moines, Iowa	Farmers Savings Bank, Grundy Center, Iowa	8/23/73	38 F.R. 23560 8/31/73
Northwest Bancorporation, Minneapolis, Minnesota	Bettendorf Bank and Trust Company, Bettendorf, Iowa and Security State Bank, Keokuk, Iowa	8/2/73	38 F.R. 21530 8/9/73
Third National Corporation, Nashville, Tennessee	The Union Bank, Pulaski, Tennessee	8/2/73	38 F.R. 21530 8/9/73
United Banks of Colorado, Inc., Denver, Colorado	United Bank of Skyline, National Association, Denver, Colorado	8/16/73	38 F.R. 22826 8/23/73
United First Florida Banks, Inc., Tampa, Florida	Davenport State Bank, Davenport, Florida	8/6/73	38 F.R. 21827 8/13/73
United First Florida Banks, Inc., Tampa, Florida	First State Bank of Lutz, Lutz, Florida	8/21/73	38 F.R. 23364 8/29/73

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

Applicant	*Nonbanking Company (or activity)*	*Board action (effective date)*	*Federal Register citation*
Citizens and Southern Holding Company, Inc., Atlanta, Georgia	Citizens and Southern Mortgage Company Inc., and Citizens and Southern Factors Inc., Atlanta, Georgia	8/31/73	38 F.R. 24932 9/11/73
The First National Agency of Aitkin, Inc., Aitkin, Minnesota	The First National Bank of Aitkin, Aitkin, Minnesota	8/20/73	38 F.R. 23016 8/28/73
Marine Bancorporation, Seattle, Washington	Triway Finance Co., Portland, Oregon	8/14/73	38 F.R. 22581 8/22/73
Pan American Banchares, Inc., Miami, Florida	Atico Financial Corporation, Miami, Florida	8/16/73	38 F.R. 22831 8/23/73
South Carolina National Corporation, Columbia, South Carolina	Provident Financial Corporation, Sanford, North Carolina	8/16/73	38 F.R. 22825 8/23/73
Wells Fargo & Company, San Francisco, California	Wells Fargo Mortgage Company, San Francisco, California	8/31/73	38 F.R. 25234 9/12/73

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

Applicant	*Bank*	*Effective date*	*Federal Register citation*
Mountain Bank, Roanoke, Virginia	Mountain Trust Bank, Roanoke, Virginia	8/8/73	38 F.R. 22187 8/16/73

ORDERS ISSUED BY FEDERAL RESERVE BANKS

During August 1973, applications were approved by the Federal Reserve Banks under delegated authority as listed below. The orders have been published in the Federal Register, and copies of the orders are available upon request to the Reserve Bank.

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

Applicant	*Bank(s)*	*Reserve Bank*	*Board action (effective date)*	*Federal Register citation*
Midlantic Banks, Inc., Newark, New Jersey	Midlantic National Bank of Somerset, Bernardsville, New Jersey	New York	8/24/73	38 F.R. 23989 9/5/73
Dominion Bankshares Corporation, Roanoke, Virginia	The First National Exchange Bank of Montgomery County, Blacksburg, Va.	Richmond	8/16/73	38 F.R. 22827 9/24/73
United Virginia Bankshares, Incorporated, Richmond, Virginia	United Virginia Bank of Charlottesville, Charlottesville, Virginia	Richmond	8/22/73	38 F.R. 23561 8/31/73
Union Bancshares Company, Steubenville, Ohio	The Peoples-Merchants Trust Company, Canton, Ohio	Cleveland	8/16/73	38 F.R. 23837 9/4/73

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

Applicant	*Bank(s)*		*Board action (effective date)*	*Federal Register citation*
American Bancshares, Inc., North Miami, Florida	Executive Bank of Fort Lauderdale, Fort Lauderdale, Florida	Atlanta	8/16/73	38 F.R. 23015 8/28/73
American Bancshares, Inc., North Miami, Florida	The Seminole Bank of Tampa, Tampa, Florida	Atlanta	8/1/73	38 F.R. 21958 8/14/73
American Bancshares, Inc., North Miami, Florida	University City Bank, Gainesville, Florida	Atlanta	8/1/73	38 F.R. 21958 8/14/73
Exchange Bancorporation, Inc., Tampa, Florida	First Gulf Beach Bank and Trust Company, St. Petersburg Beach, Florida	Atlanta	8/16/73	38 F.R. 23016 8/28/73
Exchange Bancorporation, Inc., Tampa, Florida	Madeira Beach Bank, Madeira Beach, Florida	Atlanta	8/16/73	38 F.R. 23015 8/28/73

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

Applicant	*Bank*	*Reserve Bank*	*Effective date*	*Federal Register citation*
Peoples Bank of Stark County, Canton, Ohio	The Peoples-Merchants Trust Co., Canton, Ohio	Cleveland	8/16/73	38 F.R. 23837 8/23/73

Announcements

CHANGES IN BOARD STAFF

The Board of Governors of the Federal Reserve System announced the following promotions and appointment to the official staff of the Division of International Finance, effective September 10, 1973:

Helen B. Junz and George B. Henry have been promoted from Assistant Advisers to Associate Advisers.

Norman S. Fieleke, Vice President and Economist, Federal Reserve Bank of Boston, has taken a leave of absence from the Bank to accept a temporary appointment as an Assistant Adviser. Mr. Fieleke, who holds a Ph. D. degree from Harvard University, joined the Bank's research staff in September 1967.

MARGINAL RESERVE REQUIREMENTS ON LARGE CD'S

In a further move to curb the rapid expansion in bank credit, the Board of Governors announced on September 7, 1973, an increase in its marginal reserve requirements on large-denomination certificates of deposit.

The action increased the marginal reserve requirement from 8 per cent to 11 per cent, effective September 20.

The growth this year in bank credit has been financed in large part by bank sales of certificates of deposit of $100,000 and over, and similar money market instruments. Total bank loans have increased at a more than 20 per cent annual rate since midyear and bank loans to business firms have increased even more rapidly during this interval.

On May 16, the Board imposed an 8 per cent marginal reserve requirement - the regular 5 per cent plus a supplemental 3 per cent on further increases in (1) time deposits in denominations of $100,000 and over and (2) bank-related commercial paper. Similar reserve requirements were subsequently applied to funds raised by banks through the sale of finance bills.

Banks have been required to maintain this added reserve requirement beginning with the week of June 21 27, based on total deposit levels 2 weeks earlier. The marginal reserve does not apply to deposits of these types totaling less than $10 million, which are still subject to the regular reserve requirement.

The 11 per cent marginal reserve requirement -the regular 5 per cent plus a supplemental 6 per cent -applies to increases in the level of affected deposits since the week ending May 16.

Since that time, commercial banks have increased their holdings of large CD's, bank-related commercial paper, and finance bills by about $15 billion. An increase in the marginal reserve requirement to 11 per cent means that banks with these deposits are required to maintain about $450 million in additional reserve requirements.

Member banks will be required to maintain the 11 per cent marginal reserve requirement during the week of October 4- 10, based on deposit levels 2 weeks earlier.

AMENDMENTS TO REGULATION Q

The Board of Governors has announced two amendments to Regulation Q. Regulation Q deals with the payment of interest on deposits at Federal Reserve member banks.

The first action, effective September 10, defines any amendment to a time deposit contract that results in an increase in the interest rate, or a change in the maturity of the deposit, as a withdrawal of funds subject to penalty.

The amendment to Regulation Q would treat any change in a time deposit contract- generally, certificates of deposit- that results in an increase in the rate of interest to be paid, or that changes the maturity of the deposit, as a withdrawal before maturity. The penalty for early withdrawal of deposits would therefore apply.

The early withdrawal penalty differs according to the date on which the time deposit contract was entered into:

> For time deposit contracts entered into, or amended, or renewed after July 5, 1973 (when a new schedule of maximum interest rates on time deposits went into effect), the penalty is

in two parts: (a) a reduction of the rate of interest paid to the maximum permissible passbook rate for the entire time the deposit has been held, and (b) a loss of 3 months' interest.

For all other time deposits, the old penalty rule applies. This states that a bank may pay a time deposit before maturity only in an emergency where early withdrawal is necessary to prevent great hardship to the depositor, plus forfeiture of up to 3 months' accrued, unpaid interest.

The second amendment, which went into effect on September 18, relates to disclosure of the penalty provision for early withdrawal of time deposits. It requires member banks to:

1. Disclose in advertising regarding interest paid on time deposits that Federal law and regulation prohibit the payment of a time deposit prior to maturity unless substantial interest is forfeited. The following language is suggested for this statement:

"Federal law and regulation prohibit the payment of a time deposit prior to maturity unless three months of the interest thereon is forfeited and interest on the amount withdrawn is reduced to the passbook rate."

For radio or television commercials, the following language is suggested:

"Substantial interest penalty is required for early withdrawal."

2. Give to each bank customer who enters into a time deposit contract a written statement specifying that the customer has contracted to keep funds on deposit for a fixed period of time, and describing how the early withdrawal penalty applies to time deposits, in the event the bank permits payment before maturity.

The early withdrawal penalty subject to the disclosure provision is in two parts (a) a reduction of the rate of interest paid to the maximum permissible passbook rate for the period the deposit is held, and (b) a loss of 3 months' interest.

OVERSEAS BRANCHES OF MEMBER BANKS: ASSETS AND LIABILITIES

Total assets of the overseas branches of member banks increased by $10.4 billion, or 15 per cent, during 1972 to a total of $77.4 billion, the Board of Governors announced in releasing data showing balance sheet items of overseas branches at the beginning and end of the year. At the end of 1972, 627 branches were in operation in foreign countries and overseas territories, an increase of 50 branches during the year.

The tabulations (which are available upon request) show as separate items the amounts due from and due to other overseas branches of the same bank. Omitting these offshore interoffice claims, assets of the branches increased by $17.1 billion, or 31 per cent. This growth was again principally accounted for by branches in Europe (particularly those in London) and in the Bahamas.

Loans at overseas branches expanded by $8.6 billion, or 31 per cent, during 1972. In addition, cash assets increased by $9.8 billion (48 per cent), again reflecting continued expansion of time placements with other banks in Eurocurrency markets.

The data are derived from reports of condition filed at the end of the year with the Comptroller of the Currency and the Federal Reserve System and differ in certain respects from other statistical reports covering aspects of overseas branch operations. The assets and liabilities shown are payable in U.S. dollars as well as in currencies of the countries where the branches are located and in other foreign currencies.

ADMISSION OF STATE BANK TO MEMBERSHIP IN THE FEDERAL RESERVE SYSTEM

The following bank was admitted to membership in the Federal Reserve System during the period August 16, 1973, through September 15, 1973:

Florida

Bradenton .... First Security Bank

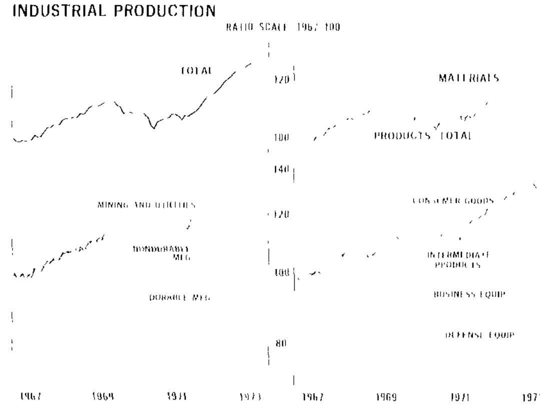
Industrial Production

Released for publication September 14

Industrial production declined 0.2 per cent in August and, at 126.2 per cent of the 1967 average, was 8.5 per cent above a year earlier. The August decline reflected a sharp curtailment in production of auto and truck assemblies due to special factors. Apart from autos and trucks, the index increased by 0.5 per cent.

Auto assemblies for August were scheduled at 610,000 units—an annual rate of 10.3 million units and the same as in July—but parts shortages, plant shutdowns because of extreme heat, and some work stoppages curtailed actual production to 470,000 cars, an annual rate of 8.0 million units. In early September, output of autos and trucks increased sharply.

Output of consumer durable goods declined due to a drop in auto production, while a rise in business equipment was slowed by the decline in truck output. Production of auto and truck assemblies combined was down 23 per cent during August. Production of industrial materials rose only slightly further. Output of household appliances, television sets, and furniture was maintained at record levels, while production of nondurable consumer goods advanced further.



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

Exclusive of trucks, output of business equipment rose about 1.5 per cent. The increase in total business equipment was 0.3 per cent, reflecting a 25 per cent drop in truck assemblies. Output of construction products increased, but production of steel, other durable goods materials, and nondurable materials was up only marginally.

Industrial production	Seasonally adjusted 1967=100				Percentage change from		
	1972	1973			June to July	Month ago	Year ago
	Aug.	June	July[p]	Aug.[e]			
Total index	**116.3**	**125.6**	**126.5**	**126.2**	**.7**	**.2**	**8.5**
Market groupings:							
Final products	112.6	121.2	122.1	121.0	.7	.9	7.5
Consumer goods	124.3	131.8	132.3	130.3	.4	1.5	4.8
Business equipment	107.2	122.1	123.5	123.9	1.1	.3	15.6
Materials	118.8	129.1	130.6	130.9	1.2	.2	10.2
Industry groupings:							
Manufacturing	115.4	125.7	126.2	125.7	.1	.4	8.9
Durable goods	109.7	123.1	123.4	122.2	.2	1.0	11.4
Nondurable goods	123.6	129.3	130.3	130.7	.8	.3	5.7
Mining and utilities	124.8	127.7	129.1	130.6	1.1	1.2	4.6

[p]Preliminary [e]Estimated

Financial and Business Statistics

CONTENTS

Continued on next page

U.S. STATISTICS—Continued

INTERNATIONAL STATISTICS:

Guide to Tabular Presentation

SYMBOLS AND ABBREVIATIONS

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

GENERAL INFORMATION

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

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

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

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

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

TABLES PUBLISHED SEMIANNUALLY OR ANNUALLY, WITH LATEST BULLETIN REFERENCE

Statistical Releases

LIST PUBLISHED SEMIANNUALLY, WITH LATEST BULLETIN REFERENCE

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

(In millions of dollars)

Period or date	Factors supplying reserve funds									
	Reserve Bank credit outstanding							Gold stock	Special Drawing Rights certificate account	Treasury currency outstanding
	U.S. Govt. securities [1]			Loans	Float [2]	Other F.R. assets [3]	Total [4]			
	Total	Bought outright	Held under repurchase agreement							
Averages of daily figures										
1939—Dec.	2,510	2,510	....	8	83	....	2,612	17,518	....	2,956
1941—Dec.	2,219	2,219	....	5	170	....	2,404	22,759	....	3,239
1945—Dec.	23,708	23,708	....	381	652	....	24,744	20,047	....	4,322
1950—Dec.	20,345	20,336	9	142	1,117	....	21,606	22,879	....	4,629
1960—Dec.	27,248	27,170	78	94	1,665	....	29,060	17,954	....	5,396
1968—Dec.	52,529	52,454	75	765	3,251	....	56,610	10,367	....	6,810
1969—Dec.	57,500	57,295	205	1,086	3,235	2,204	64,100	10,367	....	6,841
1970—Dec.	61,688	61,310	378	321	3,570	1,032	66,708	11,105	400	7,145
1971—Dec.	69,158	68,868	290	107	3,905	982	74,255	10,132	400	7,611
1972—Aug.	71,858	71,732	126	438	3,345	957	76,676	10,410	400	8,137
Sept.	70,252	70,135	117	514	3,723	894	75,451	10,410	400	8,183
Oct.	71,359	71,194	165	574	4,112	1,202	77,331	10,410	400	8,230
Nov.	71,112	70,815	297	606	2,966	1,170	75,959	10,410	400	8,278
Dec.	71,094	70,790	304	1,049	3,479	1,138	76,851	10,410	400	8,293
1973—Jan.	72,194	71,711	483	1,165	3,267	1,329	78,063	10,410	400	8,321
Feb.	72,307	72,082	225	1,593	2,556	1,004	77,600	10,410	400	8,353
Mar.	74,019	73,624	395	1,858	2,387	839	79,219	10,410	400	8,406
Apr.	75,353	74,914	439	1,721	2,319	1,043	80,542	10,410	400	8,444
May	76,758	76,205	553	1,786	2,247	960	81,889	10,410	400	8,478
June	75,355	75,047	308	1,789	2,369	942	80,546	10,410	400	8,518
July	77,448	76,875	573	2,051	3,113	1,180	83,880	10,410	400	8,538
Aug.[p]	76,653	76,475	178	2,144	2,547	1,018	82,427	10,410	400	8,549
Week ending—										
1973—June 6	76,049	75,328	721	1,664	2,347	853	81,043	10,410	400	8,500
13	73,953	73,953	....	1,700	2,340	887	78,950	10,410	400	8,515
20	74,898	74,543	355	1,930	2,517	940	80,378	10,410	400	8,520
27	75,871	75,832	39	1,848	2,630	999	81,419	10,410	400	8,526
July 4	77,758	76,564	1,194	2,402	2,196	1,098	83,575	10,410	400	8,537
11	77,002	76,650	352	1,680	3,718	1,090	83,573	10,410	400	8,537
18	77,264	76,821	443	1,720	3,874	1,183	84,113	10,410	400	8,537
25	77,243	76,853	390	2,081	3,317	1,244	83,955	10,410	400	8,540
Aug 1	77,889	77,405	484	2,095	2,288	1,278	83,649	10,410	400	8,539
8	76,916	76,916	....	2,006	2,700	1,299	82,974	10,410	400	8,543
15	75,989	75,989	....	1,914	2,886	1,282	82,120	10,410	400	8,546
22[p]	76,368	76,129	239	2,135	2,677	772	82,015	10,410	400	8,549
29[p]	76,839	76,539	300	2,558	2,075	748	82,301	10,410	400	8,554
End of month										
1973—June	76,471	[8] 76,471	....	1,770	2,048	1,135	81,490	10,410	400	8,531
July	78,821	[7] 77,750	1,071	2,225	2,171	1,307	84,656	10,410	400	8,546
Aug.[p]	77,953	[7] 76,984	969	2,847	1,566	750	83,200	10,410	400	8,568
Wednesday										
1973—June 6	75,957	[8] 75,196	761	881	3,291	870	81,160	10,410	400	8,502
13	72,641	[9] 72,641	....	1,694	2,954	948	78,302	10,410	400	8,515
20	76,253	[8] 75,277	976	1,761	3,458	990	82,585	10,410	400	8,520
27	75,865	[9] 75,865	....	1,584	2,644	1,081	81,241	10,410	400	8,535
July 4	79,148	[7] 76,787	2,361	2,999	2,523	1,065	85,909	10,410	400	8,537
11	74,173	[8] 74,173	....	2,304	4,395	1,165	82,094	10,410	400	8,537
18	77,361	[7] 76,777	584	1,673	4,646	1,210	84,957	10,410	400	8,537
25	76,877	[8] 76,591	286	2,032	3,604	1,272	83,870	10,410	400	8,543
Aug. 1[p]	78,546	[7] 77,747	799	1,378	3,324	1,351	84,751	10,410	400	8,540
8[p]	74,287	[8] 74,287	....	1,429	3,124	1,363	80,251	10,410	400	8,544
15[p]	74,066	[8] 74,066	....	2,530	3,922	770	81,334	10,410	400	8,548
22[p]	76,594	[8] 76,016	578	3,036	3,156	752	83,637	10,410	400	8,552
29[p]	75,966	[8] 75,966	....	3,465	2,311	797	82,585	10,410	400	8,557

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

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

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

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

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

Notes continued on opposite page.

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

(In millions of dollars)

Factors absorbing reserve funds										
Currency in circulation	Treasury cash holdings	Deposits, other than member bank reserves, with F.R. Banks			Other F.R. accounts[3]	Other F.R. liabilities and capital[3]	Member bank reserves			Period or date
		Treasury	Foreign	Other[2,5]			With F.R. Banks	Currency and coin[6]	Total[7]	
										Averages of daily figures
7,609	2,402	616	739		248	....	11,473	....	11,473	1939—Dec.
10,985	2,189	592	1,531		292	....	12,812	....	12,812	1941—Dec.
28,452	2,269	625	1,247		493	....	16,027	....	16,027	1945—Dec.
27,806	1,290	615	920	353	739	....	17,391	....	17,391	1950—Dec.
33,019	408	522	250	495	1,029	....	16,688	2,595	19,283	1960—Dec.
50,609	756	360	225	458	1,105	....	22,484	4,737	27,221	1968—Dec.
53,591	656	1,194	146	458	....	2,192	23,071	4,960	28,031	1969—Dec.
57,013	427	849	145	735	....	2,265	23,925	5,340	29,265	1970—Dec.
61,060	453	1,926	290	728	....	2,287	25,653	5,676	31,329	1971—Dec.
62,726	319	2,025	171	604	....	2,324	27,454	5,694	33,148	1972—Aug.
62,913	320	938	190	619	....	2,240	27,224	5,779	33,003	Sept.
63,385	362	1,369	200	631	....	2,336	28,088	5,715	33,803	Oct.
64,543	375	1,321	195	604	....	2,378	25,631	5,813	[7]31,774	Nov.[7]
66,060	350	1,449	272	631	....	2,362	24,830	6,095	31,353	Dec.
65,274	364	2,033	294	644	....	2,365	26,220	6,463	32,962	1973—Jan.
64,564	382	2,956	302	645	....	2,482	25,432	6,031	31,742	Feb.
65,072	384	3,598	338	666	....	2,530	25,848	5,856	31,973	Mar.
66,068	414	3,471	275	666	....	2,622	26,281	5,824	32,277	Apr.
66,726	413	4,121	330	652	....	2,721	26,214	6,007	32,393	May
67,609	386	2,408	266	698	....	2,732	25,776	6,086	32,028	June
68,382	346	3,375	341	782	....	2,846	27,156	6,274	33,542	July
68,394	344	1,674	300	838	....	2,877	27,359	6,294	33,765	Aug.[p]
										Week ending—
67,220	398	3,026	264	656	....	2,882	25,906	6,140	32,218	1973—June 6
67,734	388	1,401	253	663	....	2,641	25,195	6,230	31,597	13
67,760	385	1,653	246	768	....	2,659	26,238	5,892	32,302	20
67,580	381	3,062	277	693	....	2,732	26,032	6,020	32,224	27
68,048	373	3,614	308	740	....	2,850	26,989	6,227	33,328	July 4
68,662	366	3,978	284	729	....	2,972	25,930	6,465	32,507	11
68,613	344	3,224	281	817	....	2,730	27,452	6,159	33,723	18
68,267	331	3,168	405	[5]780	....	2,780	27,576	6,139	33,827	25
68,051	324	2,928	407	[5]818	....	2,903	27,567	6,372	34,051	Aug. 1
68,311	334	2,773	275	[5]816	....	2,957	26,859	6,484	33,455	8
68,619	347	1,413	314	[5]878	....	2,704	27,201	6,514	33,827	15
68,463	353	919	348	[5]884	....	2,826	27,581	5,899	33,592	22[p]
68,208	345	1,649	286	[5]782	....	2,944	27,453	6,253	33,818	29[p]
										End of month
67,771	369	4,039	334	717	....	2,783	24,818	6,227	31,157	1973—June
68,223	323	2,865	280	[5]821	....	3,005	28,495	6,372	34,979	July
68,362	343	848	259	[5]760	....	3,086	28,921	6,349	35,382	Aug.[p]
										Wednesday
67,654	397	1,324	253	642	....	2,896	27,306	6,140	33,618	1973—June 6
67,969	396	1,522	261	624	....	2,600	24,255	6,230	30,657	13
67,821	385	2,063	274	659	....	2,696	28,017	5,892	34,081	20
67,855	381	3,583	378	701	....	2,769	24,919	6,020	31,111	27
68,509	375	3,161	252	743	....	2,920	29,297	6,227	35,636	July 4
68,882	365	4,241	269	689	....	2,620	24,375	6,465	30,952	11
68,637	343	3,005	257	782	....	2,737	28,543	6,159	34,814	18
68,262	330	3,032	277	[5]766	....	2,803	27,753	6,139	34,004	25
68,259	331	2,281	250	[5]778	....	2,994	29,208	6,372	35,692	Aug. 1[p]
68,672	352	2,302	285	[5]827	....	2,644	24,523	6,484	31,119	8[p]
68,773	354	*	409	[5]808	....	2,747	27,602	6,514	34,228	15[p]
68,450	356	1,968	277	[5]772	....	2,846	28,330	5,899	34,341	22[p]
68,444	346	1,431	257	[5]740	....	3,082	27,652	6,253	34,017	29[p]

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

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

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

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

For other notes see opposite page.

RESERVES AND BORROWINGS OF MEMBER BANKS

(In millions of dollars)

Period	All member banks: Reserves: Total held[1]	Reserves: Required	Reserves: Excess[1]	Borrowings: Total	Borrowings: Seasonal	Large banks[2]: New York City: Excess	New York City: Borrowings	City of Chicago: Excess	City of Chicago: Borrowings	Other: Excess	Other: Borrowings	All other banks: Excess	All other banks: Borrowings
1939—Dec.	11,473	6,462	5,011	3	....	2,611	....	540	....	1,188	....	671	3
1941—Dec.	12,812	9,422	3,390	5	....	989	....	295	....	1,303	1	804	4
1945—Dec.	16,027	14,536	1,491	334	....	48	192	14	....	418	96	1,011	46
1950—Dec.	17,391	16,364	1,027	142	....	125	58	8	5	232	50	663	29
1960—Dec.	19,283	18,527	756	87	....	29	19	4	8	100	20	623	40
1965—Dec.	22,719	22,267	452	454	....	41	111	15	23	67	228	330	92
1967—Dec.	25,260	24,915	345	238	....	18	40	8	13	50	105	267	80
1968—Dec.	27,221	26,766	455	765	....	100	230	15	85	90	270	250	180
1969—Dec.	28,031	27,774	257	1,086	....	56	259	18	27	6	479	177	321
1970—Dec.	29,265	28,993	272	321	....	34	25	7	4	42	264	189	28
1971—Dec.	31,329	31,164	165	107	....	25	35	1	8	35	22	174	42
1972—Aug.	33,148	32,893	255	438	....	6	116	10	11	72	134	167	177
Sept.	33,003	32,841	162	514	....	29	136	−1	12	−2	195	136	171
Oct.	33,803	33,556	247	574	....	61	59	22	45	24	240	140	230
Nov.	31,774	31,460	314	606	....	4	64	−14	19	−1	248	−5	275
Dec.	31,353	31,134	219	1,049	....	−20	301	13	55	−42	429	−160	264
1973—Jan.	32,962	32,620	342	1,165	....	95	193	2	108	−33	578	−1	286
Feb.	31,742	31,537	205	1,593	....	−13	324	....	105	−33	693	−28	471
Mar.	31,973	31,678	295	1,858	....	72	176	−6	102	7	857	−47	723
Apr.	32,277	32,125	152	1,721	5	38	146	8	9	−111	828	45	738
May	32,393	32,275	118	1,786	30	−35	110	6	12	−65	881	40	783
June	32,028	31,969	59	1,789	77	62	145	4	28	−78	904	37	712
July	33,542	33,199	343	2,051	124	144	135	22	67	23	855	88	994
Aug.p	33,765	33,538	227	2,144	163	34	109	−5	53	5	755	81	1,227
Week ending—													
1972—Aug. 2	33,139	32,897	242	363	....	1	144	13	11	72	96	182	112
9	33,133	33,003	130	287	....	1	39	15	35	−23	95	139	118
16	33,326	33,072	254	382	....	36	76	−13	....	49	170	182	136
23	32,822	32,782	40	348	....	−75	79	12	....	7	95	110	174
30	32,978	32,751	227	477	....	85	86	−10	....	−19	120	171	271
1973—Feb. 7	31,834	31,687	147	1,232	....	−78	221	−7	16	−23	584	−24	411
14	31,813	31,625	188	1,991	....	1	709	17	178	−75	664	−32	440
21	32,042	31,537	505	1,672	....	156	155	11	104	47	928	12	485
28	31,286	31,300	−14	1,482	....	−128	211	−21	121	−4	599	−70	551
Mar. 7	32,058	31,717	341	1,688	....	92	242	43	99	−58	695	−15	652
14	31,555	31,532	23	1,491	....	−48	178	−25	113	−112	623	−71	577
21	31,962	31,713	249	2,139	....	56	225	3	104	−3	1,077	−86	733
28	31,671	31,578	93	2,013	....	−46	28	1	130	−66	951	−75	904
Apr. 4	32,619	32,082	537	1,754	....	169	144	18	8	99	865	79	737
11	31,759	31,845	−86	1,502	....	−184	24	−14	13	−90	775	30	690
18	32,624	32,390	234	1,845	....	146	306	2	2	−104	841	18	696
25	32,398	32,062	336	1,646	9	80	45	20	18	11	795	53	788
May 2	32,504	32,271	233	1,875	16	56	222	19	6	−63	868	49	779
9	32,246	32,327	−81	1,484	18	−75	182	−50	33	−137	580	9	689
16	32,963	32,600	363	1,814	23	49	123	42	9	6	993	94	689
23	32,302	32,178	124	1,689	32	33	30	27	....	−49	815	−5	844
30	32,226	32,060	166	2,401	46	7	144	27	11	−89	1,283	49	963
June 6	32,218	31,817	401	1,664	64	62	200	34	47	88	689	45	728
13	31,597	31,595	2	1,700	67	−78	31	−1	18	−102	953	11	698
20	32,302	32,121	181	1,930	71	92	262	−24	9	−113	965	54	694
27	32,224	32,000	224	1,848	93	42	107	−7	....	60	1,028	41	713
July 4	33,328	32,697	631	2,402	111	190	454	57	195	103	917	169	836
11	32,507	32,527	−20	1,680	117	−131	115	−51	28	−52	759	102	778
18	33,723	33,262	461	1,720	117	232	....	−2	13	10	851	109	856
25	33,827	33,793	34	2,081	128	150	50	56	24	−26	842	42	1,165
Aug. 1	34,051	33,552	499	2,095	141	266	....	12	88	5	785	114	1,222
8	33,455	33,381	74	2,006	158	−40	90	24	41	−68	741	46	1,134
15	33,827	33,511	316	1,914	148	24	50	−3	54	21	656	162	1,154
22p	33,592	33,558	34	2,135	163	−20	172	5	36	−87	711	24	1,216
29p	33,818	33,673	145	2,558	185	−41	137	19	68	41	947	52	1,406

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

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

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

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

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

BASIC RESERVE POSITION, AND FEDERAL FUNDS AND RELATED TRANSACTIONS

(In millions of dollars, except as noted)

Reporting banks and week ending	Basic reserve position					Interbank Federal funds transactions					Related transactions with U.S. Govt. securities dealers		
	Excess reserves[1]	Less		Net		Gross transactions		Total two-way transactions[2]	Net transactions		Loans to dealers[3]	Borrowings from dealers[4]	Net loans
		Borrowings at F.R. Banks	Net interbank Federal funds trans.	Surplus or deficit	Per cent of avg. required reserves	Purchases	Sales		Purchases of net buying banks	Sales of net selling banks			
Total—46 banks													
July 4	206	991	8,123	8,908	62.1	14,551	6,428	4,858	9,693	1,570	1,600	819	781
11	24	300	9,802	10,127	71.0	15,570	5,768	4,555	11,015	1,213	1,523	511	1,013
18	203	403	8,652	8,852	59.7	14,968	6,316	4,389	10,580	1,928	1,299	558	741
25	63	284	7,330	7,551	50.7	14,823	7,493	4,719	10,104	2,773	1,309	483	826
Aug. 1	269	253	7,003	6,987	47.5	14,106	7,013	4,747	9,269	2,266	1,379	564	815
8	152	361	7,477	7,687	52.3	14,166	6,689	4,715	9,451	1,974	1,867	460	1,407
15	85	299	8,401	8,614	58.0	14,242	5,841	4,659	9,583	1,183	2,240	503	1,737
22	29	250	8,015	8,294	55.8	14,068	6,052	4,431	9,637	1,622	1,829	475	1,354
29	45	365	6,319	6,730	42.2	13,394	7,075	4,649	8,745	2,426	1,560	391	1,169
8 in New York City													
July 4	164	387	2,548	2,771	47.6	3,943	1,395	1,140	2,803	255	995	226	769
11	47	115	2,697	2,860	49.8	4,288	1,591	1,314	2,974	277	833	289	544
18	166	....	2,368	2,202	36.6	4,402	2,034	1,285	3,117	749	631	271	360
25	20	29	2,326	2,374	39.2	4,669	2,343	1,253	3,416	1,090	636	264	373
Aug. 1	115	....	2,377	2,262	38.1	4,376	2,000	1,264	3,112	736	638	274	364
8	51	90	2,276	2,315	39.1	4,104	1,829	1,437	2,667	392	860	268	592
15	27	36	2,664	2,673	44.9	4,051	1,386	1,223	2,828	164	854	352	502
22	....	109	3,450	3,559	59.1	4,550	1,100	1,033	3,517	67	935	283	652
29	63	64	2,555	2,681	44.4	3,928	1,376	1,208	2,720	165	811	258	553
38 outside New York City													
July 4	42	604	5,575	6,137	71.9	10,607	5,033	3,718	6,890	1,315	605	593	12
11	23	185	7,105	7,267	85.3	11,282	4,177	3,241	8,041	936	691	222	469
28	36	403	6,284	6,651	75.5	10,567	4,283	3,104	7,463	1,179	668	287	381
25	83	255	5,004	5,176	58.5	10,154	5,150	3,466	6,688	1,683	672	219	453
Aug. 1	155	253	4,627	4,725	53.9	9,640	5,013	3,483	6,157	1,530	741	291	451
8	102	271	5,202	5,372	61.3	10,062	4,860	3,278	6,784	1,582	1,007	192	815
15	58	263	5,736	5,941	66.8	10,191	4,455	3,436	6,755	1,019	1,386	151	1,235
22	29	141	4,565	4,736	53.6	9,517	4,952	3,398	6,120	1,555	895	192	702
29	17	301	3,765	4,048	45.8	9,467	5,702	3,441	6,026	2,261	748	133	615
5 in City of Chicago													
July 4	24	188	1,899	2,063	134.2	2,623	724	698	1,925	26	310	30	279
11	2	14	2,376	2,389	159.7	3,176	800	746	2,430	54	401	80	321
18	24	....	2,306	2,329	141.3	3,245	939	875	2,370	64	438	30	408
25	51	....	1,885	1,835	113.1	2,984	1,099	982	2,002	117	435	17	418
Aug. 1	14	43	1,312	1,341	85.7	2,391	1,079	915	1,476	164	489	....	489
8	42	....	1,975	1,933	122.6	2,767	793	672	2,095	121	493	....	493
15	3	43	1,947	1,987	121.0	2,686	739	653	2,033	86	504	....	504
22	26	....	1,735	1,700	109.7	2,411	676	572	1,839	104	492	....	492
29	9	43	1,618	1,670	103.8	2,348	729	644	1,704	86	512	....	512
33 others													
July 4	18	416	3,675	4,074	58.3	7,984	4,309	3,020	4,965	1,289	296	563	267
11	21	171	4,729	4,878	69.4	8,106	3,378	2,495	5,611	882	290	142	148
18	60	403	3,978	4,321	60.3	7,322	3,343	2,229	5,093	1,115	229	257	27
25	32	255	3,119	3,341	46.3	7,170	4,051	2,484	4,686	1,567	231	202	35
Aug. 1	140	210	3,314	3,384	47.0	7,249	3,934	2,568	4,681	1,366	253	291	38
8	60	271	3,227	3,439	47.9	7,295	4,067	2,606	4,689	1,462	514	192	322
15	55	220	3,789	3,954	54.5	7,506	3,717	2,783	4,722	933	882	151	731
22	4	141	2,831	2,976	41.1	7,107	4,276	2,826	4,281	1,451	403	192	211
29	26	258	2,146	2,379	32.9	7,119	4,973	2,797	4,322	2,176	236	133	103

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

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

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

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

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

CURRENT RATES

(Per cent per annum)

Federal Reserve Bank	Loans to member banks— Under Secs. 13 and 13a [1]			Loans to member banks— Under Sec. 10(b) [2]			Loans to all others under last par. Sec. 13 [3]		
	Rate on Aug. 31, 1973	Effective date	Previous rate	Rate on Aug. 31, 1973	Effective date	Previous rate	Rate on Aug. 31, 1973	Effective date	Previous rate
Boston	7½	Aug. 23, 1973	7	8	Aug. 23, 1973	7½	[4]9½	Aug. 23, 1973	9
New York	7½	Aug. 14, 1973	7	8	Aug. 14, 1973	7½	9½	Aug. 14, 1973	9
Philadelphia	7½	Aug. 14, 1973	7	8	Aug. 14, 1973	7½	9½	Aug. 14, 1973	9
Cleveland	7½	Aug. 14, 1973	7	8	Aug. 14, 1973	7½	9½	Aug. 14, 1973	9
Richmond	7½	Aug. 14, 1973	7	8	Aug. 14, 1973	7½	[4]9½	Aug. 14, 1973	9
Atlanta	7½	Aug. 16, 1973	7	8	Aug. 16, 1973	7½	[4]9½	Aug. 16, 1973	9
Chicago	7½	Aug. 14, 1973	7	8	Aug. 14, 1973	7½	[4]9½	Aug. 14, 1973	9
St. Louis	7½	Aug. 14, 1973	7	8	Aug. 14, 1973	7½	[4]9½	Aug. 14, 1973	9
Minneapolis	7½	Aug. 14, 1973	7	8	Aug. 14, 1973	7½	[4]9½	Aug. 14, 1973	9
Kansas City	7½	Aug. 14, 1973	7	8	Aug. 14, 1973	7½	[4]9½	Aug. 14, 1973	9
Dallas	7½	Aug. 14, 1973	7	8	Aug. 14, 1973	7½	[4]9½	Aug. 14, 1973	9
San Francisco	7½	Aug. 14, 1973	7	8	Aug. 14, 1973	7½	[4]9½	Aug. 14, 1973	9

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

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

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

[4] Also effective on the same dates as the other rates shown above for the eight Reserve Banks so designated, a rate of 7½ percent was approved on advances to nonmember banks, to be applicable in special circumstances resulting from implementation of changes in Regulation J, which became effective on Nov. 9, 1972. See "Announcements" on p. 942 of the Oct. 1972 BULLETIN and p. 994 of the Nov. 1972 BULLETIN.

SUMMARY OF EARLIER CHANGES

(Per cent per annum)

Effective date	Range (or level) All F.R. Banks	F.R. Bank of N.Y.
In effect Dec. 31, 1954	1½	1½
1955—Apr. 14	1½–1¾	1½
15	1½–1¾	1¾
May 2	1¾	1¾
Aug. 4	1¾–2¼	1¾
5	1¾–2¼	2
12	2 –2¼	2
Sept. 9	2 –2¼	2¼
13	2¼	2¼
Nov. 18	2¼–2½	2½
23	2½	2½
1956—Apr. 13	2½–3	2¾
20	2¾–3	2¾
Aug. 24	2¾–3	3
31	3	3
1957—Aug. 9	3 –3½	3
23	3½	3½
Nov. 15	3 –3½	3
Dec. 2	3	3
1958—Jan. 22	2¾–3	3
24	2¾–3	2¾
Mar. 7	2¼–3	2¼
13	2¼–2¾	2¼
21	2¼	2¼
Apr. 18	1¾–2¼	1¾
May 9	1¾	1¾
Aug. 15	1¾–2	1¾
Sept. 12	1¾–2	2
23	2	2
Oct. 24	2 –2½	2
Nov. 7	2½	2½

Effective date	Range (or level) All F.R. Banks	F.R. Bank of N.Y.
1959 Mar. 6	2½–3	3
16	3	3
May 29	3 –3½	3½
June 12	3½	3½
Sept. 11	3½–4	4
18	4	4
1960 June 3	3½–4	4
10	3½–4	3½
14	3½	3½
Aug. 12	3 –3½	3
Sept. 9	3	3
1963 July 17	3 –3½	3½
26	3½	3½
1964 Nov. 24	3½–4	4
30	4	4
1965 Dec. 6	4 –4½	4½
13	4½	4½
1967 Apr. 7	4 –4½	4
14	4	4
Nov. 20	4 –4½	4½
27	4½	4½
1968 Mar. 15	4½–5	4½
22	5	5
Apr. 19	5 –5½	5½
26	5½	5½
Aug. 16	5¼–5½	5½
30	5¼	5¼
Dec. 18	5¼–5½	5½
20	5½	5½
1969 Apr. 4	5½–6	6
8	6	6

Effective date	Range (or level) All F.R. Banks	F.R. Bank of N.Y.
1970 Nov. 11	5¾–6	6
13	5¾–6	5¾
16	5¾	5¾
Dec. 1	5½–5¾	5¾
4	5½–5¾	5½
11	5½	5½
1971—Jan. 8	5¼–5½	5¼
15	5¼	5¼
19	5 –5¼	5¼
22	5 –5¼	5
29	5	5
Feb. 13	4¾–5	5
19	4¾	4¾
July 16	4¾–5	5
23	5	5
Nov. 11	4¾–5	5
19	4¾	4¾
Dec. 13	4½–4¾	4¾
17	4½–4¾	4½
24	4½	4½
1973—Jan. 15	5	5
Feb. 26	5 –5½	5½
Mar. 2	5½	5½
Apr. 23	5½–5¾	5½
May 4	5¾	5¾
11	5¾–6	6
18	6	6
June 11	6 –6½	6½
15	6½	6½
July 2	7	7
Aug. 14	7 –7½	7½
23	7½	7½
In effect Aug. 31, 1973	7½	7½

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

RESERVE REQUIREMENTS ON DEPOSITS OF MEMBER BANKS

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

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

Effective date	Net demand [2,4]					Time [3]		
	0-2	2-10	10-100	100-400	Over 400 [5]	Savings	Other time	
							0-5	Over 5 [6,9]
1972—Nov. 9	8	10	12	[7] 16½	17½	[8] 3	[8] 3	[8] 5
Nov. 16	......	......	......	13	......	......	......	......
1973—July 19	......	10½	12½	13½	18	......	......	......
In effect Aug. 31, 1973 [9]	8	10½	12½	13½	18	3	3	5

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

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

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

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

(c) Since Oct. 16, 1969, member banks have been required under Regulation M to maintain reserves against foreign branch deposits computed on the basis of net balances due from domestic offices to their foreign branches above a specified base and against foreign branch loans to U.S. residents, which until June 21, 1973, were also maintained above a specified base. The reserve-free base relating to net balances due from domestic banks to foreign branches is being reduced gradually beginning July 5, 1973, and will be eliminated by April 1974. The applicable reserve percentage, originally 10 per cent, was increased to 20 per cent on Jan. 7, 1971, and effective June 21, 1973, was reduced to 8 per cent. Regulation D imposes a similar reserve requirement on borrowings above a specified base from foreign banks by domestic offices of a member bank. The reserve-free base related to this type of borrowings is being reduced gradually and will be eliminated by April 1974. For details, see Regulations D and M and appropriate supplements and amendments thereto.

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

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

[5] Reserve city banks.

[6] Except as noted below, member banks are subject to an 8 per cent marginal reserve requirement against increases in the aggregate of (a) outstanding time deposits of $100,000 and over, (b) outstanding funds obtained by the bank through issuance by a bank's affiliate of obligations subject to the existing reserve requirements on time deposits, and (c) funds from sales of finance bills. The 8 per cent requirement applies to balances above a specified base, but is not applicable to banks that have obligations of these types aggregating less than $10 million. This requirement became effective for (a) and (b) on June 21, 1973 except that for the period June 21 to August 30, 1973, (a) includes only single-maturity time deposits and for (c) on July 12, 1973. For details, see Regulation D and appropriate supplements and amendments.

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

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

[9] For changes effective Sept. 20, 1973, see "Announcements."

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

MAXIMUM INTEREST RATES PAYABLE ON TIME AND SAVINGS DEPOSITS

(Per cent per annum)

Type of deposit	July 20, 1966	Sept. 26, 1966	Apr. 19, 1968	Jan. 21, 1970	June 24, 1970	May 16, 1973	July 1, 1973
Savings deposits	4	4	4	4½	4½	4½	5
Other time deposits:[1]							
Multiple maturity:[2]							
30–89 days	4	4	4	4½	4½	4½	5
90 days–1 year	5	5	5	5	5	5	5½
1 year to							
2 years	5	5	5	5½	5½	5½	....
2½ years	....	....	....	....	....	....	**6**
2 years and over	5	5	5	5¾	5¾	5¾	....
2½ years and over	....	....	....	....	....	....	**6½**
4 years and over (minimum denomination of $1,000)	....	....	....	....	....	....	([3])
Single maturity:							
Less than $100,000:							
30–89 days	5½	5	5	5	5	5	5
90 days–1 year	5½	5	5	5	5	5	5½
1 year to							
2 years	5½	5	5	5½	5½	5½	....
2½ years	....	....	....	....	....	....	**6**
2 years and over	5½	5	5	5¾	5¾	5¾	....
2½ years and over	....	....	....	....	....	....	**6½**
4 years and over (minimum denomination of $1,000)	....	....	....	....	....	....	([3])
$100,000 and over:							
30–59 days	5½	5½	5½	6¼	([4])	....	....
60–89 days	5½	5½	5¾	6½	([4])	....	....
90–179 days	5½	5½	6	6¾	6¾	([4])	....
180 days–1 year	5½	5½	6¼	7	7	([4])	....
1 year or more	5½	5½	6¼	7½	7½	([4])	....

[1] For exceptions with respect to certain foreign time deposits, see BULLETIN for Feb. 1968, p. 167.
[2] Multiple-maturity time deposits include deposits that are automatically renewable at maturity without action by the depositor and deposits that are payable after written notice of withdrawal.
[3] No ceiling for certificates with minimum denomination of $1,000. Amount of such certificates that a bank may issue is limited to 5 per cent of its total time and savings deposits. Any sales in excess of that amount are subject to the 6½ per cent ceiling that applies to time deposits maturing in 2½ years or more.
[4] Suspended as of this date.

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

MARGIN REQUIREMENTS

(Per cent of market value)

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

NOTE.—Regulations G, T, and U, prescribed in accordance with the Securities Exchange Act of 1934, limit the amount of credit to purchase and carry margin stocks that may be extended on securities as collateral by prescribing a maximum loan value, which is a specified percentage of the market value of the collateral at the time the credit is extended; margin requirements are the difference between the market value (100 per cent) and the maximum loan value. The term margin stocks is defined in the corresponding regulation.
Regulation G and special margin requirements for bonds convertible into stocks were adopted by the Board of Governors effective Mar. 11, 1968.

TRANSACTIONS OF THE SYSTEM OPEN MARKET ACCOUNT

(In millions of dollars)

Month	Outright transactions in U.S. Govt. securities, by maturity											
	Total			Treasury bills			Others within 1 year			1–5 years		
	Gross purchases	Gross sales	Redemptions	Gross purchases	Gross sales	Redemptions	Gross purchases	Gross sales	Exch., maturity shifts, or redemptions	Gross purchases	Gross sales	Exch. or maturity shifts
1972—July	2,753	3,286	....	2,753	3,286	....	....	....	....	....	....	....
Aug.	1,390	1,752	432	1,274	1,752	432	....	....	1,089	79	....	673
Sept.	9,369	8,673	850	9,369	8,673	850	....	....	....	....	....	....
Oct.	2,795	2,425	150	2,678	2,425	150	42	....	....	35	....	....
Nov.	2,638	2,880	351	2,638	2,880	300	....	....	360	....	....	411
Dec.	5,083	4,640	135	5,083	4,640	....	....	....	-135	....	....	....
1973—Jan.	3,060	1,735	....	3,060	1,735	....	....	....	....	....	....	....
Feb.	6,275	5,216	200	6,079	5,216	200	25	....	1,408	61	....	3,476
Mar.	3,510	2,201	200	3,510	2,201	200	....	....	....	....	....	....
Apr.	3,685	2,101	51	3,478	2,101	51	50	....	....	127	....	....
May	1,822	1,728	600	1,822	1,728	600	....	....	1,316	....	....	1,316
June	5,904	4,848	163	5,677	4,848	163	17	....	....	123	....	....
July	5,071	3,900	60	5,045	3,900	60	27	....	....	....	....	....

Month	Outright transactions in U.S. Govt. securities—Continued						Repurchase agreements (U.S. Govt. securities)		Net change in U.S. Govt. securities	Federal agency obligations (net)		Bankers' acceptances		Net change[1]
	5–10 years			Over 10 years										
	Gross purchases	Gross sales	Exch. or maturity shifts	Gross purchases	Gross sales	Exch. or maturity shifts	Gross purchases	Gross sales		Outright	Repurchase agreements	Outright, net	Under repurchase agreements, net	
1972—July	....	....	....	....	....	....	1,736	1,736	-533	26	....	10	....	-570
Aug.	23	....	166	15	....	250	3,171	2,459	-82	3	74	4	30	22
Sept.	....	....	....	....	....	....	1,132	1,844	-866	-35	-74	-4	-30	-1,009
Oct.	7	....	....	32	....	....	3,594	3,594	220	-22	....	7	....	206
Nov.	....	....	....	....	....	....	3,547	3,547	-593	157	....	-6	....	-442
Dec.	....	....	....	....	....	....	4,863	4,765	405	134	13	7	36	596
1973—Jan.	....	....	....	....	....	....	9,719	8,928	2,116	....	48	11	23	2,197
Feb.	79	....	-2,068	32	....	....	2,774	3,034	599	-18	28	-3	95	644
Mar.	....	....	....	....	....	....	6,024	5,478	1,656	-14	61	1	66	1,636
Apr.	19	....	....	11	....	....	5,664	5,978	1,218	19	65	7	36	1,106
May	....	....	....	....	....	....	7,379	8,240	1,367	21	29	1	-52	1,470
June	37	....	78	51	....	-78	5,621	5,621	893	210	....	17	....	1,085
July	....	....	....	....	....	....	7,651	6,686	2,076	168	106	12	78	2,416

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

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

CONVERTIBLE FOREIGN CURRENCIES HELD BY FEDERAL RESERVE BANKS

(In millions of U.S. dollar equivalent)

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

CONSOLIDATED STATEMENT OF CONDITION OF ALL FEDERAL RESERVE BANKS

(In millions of dollars)

Item	Wednesday 1973 Aug. 29	Aug. 22	Aug. 15	Aug. 8	Aug. 1	End of month 1973 Aug. 31	July 31	1972 Aug. 31
Assets								
Gold certificate account	10,303	10,303	10,303	10,303	10,303	10,303	10,303	10,303
Special Drawing Rights certificate account	400	400	400	400	400	400	400	400
Cash	307	312	307	308	305	309	307	327
Loans:								
Member bank borrowings	3,465	3,036	2,530	1,429	1,378	2,847	2,225	1,092
Other	....	....	....	....	....	....	....	....
Acceptances:								
Bought outright	46	46	46	48	55	47	54	66
Held under repurchase agreements	....	53	....	....	97	37	78	30
Federal agency obligations:								
Bought outright	1,597	1,614	1,614	1,614	1,614	1,597	1,617	1,076
Held under repurchase agreements	....	24	....	....	76	263	106	74
U.S. Govt. securities:								
Bought outright:								
Bills	33,567	33,600	31,299	31,871	35,331	34,585	35,331	29,814
Certificates—Special	....	....	351	....	....	....	....	....
Other	....	....	....	....	....	....	....	....
Notes	37,374	37,374	37,374	37,138	37,138	37,374	37,138	36,703
Bonds	3,428	3,428	3,428	3,664	3,664	3,428	3,664	3,511
Total bought outright	[1,2]74,369	[1,2]74,402	[1,2]72,452	[1,2]72,673	[1]76,133	[1]75,387	[1]76,133	[1]70,028
Held under repurchase agreements	....	554	....	....	723	706	965	712
Total U.S. Govt. securities	74,369	74,956	72,452	72,673	76,856	76,093	77,098	70,740
Total loans and securities	79,477	79,729	76,642	75,764	80,076	80,884	81,178	73,078
Cash items in process of collection	[p]7,755	[p]8,877	[p]11,645	[p]8,666	[p]9,525	[p]6,197	8,328	9,976
Bank premises	210	210	209	208	207	210	207	164
Other assets:								
Denominated in foreign currencies	4	4	15	19	32	5	4	34
All other	583	538	546	1,136	1,112	535	1,096	576
Total assets	[p]99,039	[p]100,373	[p]100,067	[p]96,804	[p]101,960	[p]98,843	101,823	94,858
Liabilities								
F.R. notes	60,433	60,459	60,778	60,681	60,248	60,338	60,200	55,120
Deposits:								
Member bank reserves	[p]27,652	[p]28,330	[p]27,602	[p]24,523	[p]29,208	[p]28,921	28,495	28,227
U.S. Treasurer—General account	1,431	1,968	*	2,302	2,281	848	2,866	1,727
Foreign	257	277	409	285	250	259	280	192
Other:								
All other	[3]740	[3]772	[3]808	[3]827	[3]778	[3]760	[3]820	592
Total deposits	[p]30,080	[p]31,347	[p]28,819	[p]27,937	[p]32,517	[p]30,788	32,461	30,738
Deferred availability cash items	5,444	5,721	7,723	5,542	6,201	4,631	6,157	6,580
Other liabilities and accrued dividends	1,058	917	909	898	944	1,035	968	587
Total liabilities	[p]97,015	[p]98,444	[p]98,229	[p]95,058	[p]99,910	[p]96,792	99,786	93,025
Capital accounts								
Capital paid in	827	826	826	825	824	827	824	778
Surplus	793	793	793	793	793	793	793	742
Other capital accounts	404	310	219	128	433	431	420	313
Total liabilities and capital accounts	[p]99,039	[p]100,373	[p]100,067	[p]96,804	[p]101,960	[p]98,843	101,823	94,858
Contingent liability on acceptances purchased for foreign correspondents	518	518	504	502	498	522	496	287
Marketable U.S. Govt. securities held in custody for foreign and international accounts	28,215	28,335	28,244	28,833	29,003	28,043	29,026	30,337
Federal Reserve Notes—Federal Reserve Agents' Accounts								
F.R. notes outstanding (issued to Bank)	64,512	64,559	64,513	64,345	64,244	64,616	64,257	59,088
Collateral held against notes outstanding:								
Gold certificate account	2,415	2,415	2,365	2,295	2,295	2,415	2,295	1,945
U.S. Govt. securities	63,690	63,690	63,540	63,420	63,375	63,690	63,375	58,365
Total collateral	66,105	66,105	65,905	65,715	65,670	66,105	65,670	60,310

[1] See note 8 on p. A-5.
[2] See note 9 on p. A-5.
[3] See note 5 on p. A-4.

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

(In millions of dollars)

Item	Total	Boston	New York	Phila-delphia	Cleve-land	Rich-mond	Atlan-ta	Chi-cago	St. Louis	Minne-apolis	Kan-sas City	Dallas	San Fran-cisco
Assets													
Gold certificate account	10,303	423	2,182	613	849	1,004	543	1,463	377	202	343	418	1,886
Special Drawing Rights certificate account	400	23	93	23	33	36	22	70	15	7	15	14	49
F.R. notes of other banks	1,302	167	276	61	61	110	242	59	36	33	46	77	134
Other cash	309	16	23	5	32	37	41	36	21	6	38	14	40
Loans:													
Secured by U.S. Govt. and agency obligations	1,683	127	196	157	149	173	201	287	40	29	90	59	175
Other	1,164	65	344	10	......	73	120	216	20	......	101	68	147
Acceptances:													
Bought outright	47	......	47	......	......	......	......	......	......	......	......	......	......
Held under repurchase agreements	37	......	37	......	......	......	......	......	......	......	......	......	......
Federal agency obligations:													
Bought outright	1,597	73	430	86	119	113	82	259	58	30	61	68	218
Held under repurchase agreements	263	......	263	......	......	......	......	......	......	......	......	......	......
U.S. Govt. securities:													
Bought outright	[1]75,387	3,431	20,304	4,073	5,624	5,339	3,851	12,217	2,729	1,438	2,878	3,229	10,274
Held under repurchase agreements	706	......	706	......	......	......	......	......	......	......	......	......	......
Total loans and securities	80,884	3,696	22,327	4,326	5,892	5,698	4,254	12,979	2,847	1,497	3,130	3,424	10,814
Cash items in process of collection	7,595	270	1,304	359	323	855	792	1,035	326	360	566	462	943
Bank premises	210	37	7	8	27	14	15	17	14	34	17	12	8
Other assets:													
Denominated in foreign currencies	5	......	[2] 2	......	1	......	......	1	......	......	......	......	1
All other	535	25	143	24	38	38	33	77	17	19	20	22	79
Total assets	101,543	4,657	26,357	5,419	7,256	7,792	5,942	15,737	3,653	2,158	4,175	4,443	13,954
Liabilities													
F.R. notes	61,640	3,138	15,349	3,809	4,890	5,464	3,171	10,318	2,422	1,103	2,428	2,357	7,191
Deposits:													
Member bank reserves	28,921	1,048	8,349	1,150	1,641	1,351	1,881	3,948	811	652	1,124	1,560	5,406
U.S. Treasurer—General account	848	62	201	30	77	60	41	98	51	17	12	7	192
Foreign	259	11	[3] 69	13	23	13	18	40	9	6	11	14	32
Other:													
All other[5]	760	4	646	18	2	16	12	23	3	2	5	7	22
Total deposits	30,788	1,125	9,265	1,211	1,743	1,440	1,952	4,109	874	677	1,152	1,588	5,652
Deferred availability cash items	6,029	267	919	248	377	649	630	839	254	313	474	352	707
Other liabilities and accrued dividends	1,035	43	296	48	68	121	48	147	33	20	36	39	136
Total liabilities	99,492	4,573	25,829	5,316	7,078	7,674	5,801	15,413	3,583	2,113	4,090	4,336	13,686
Capital accounts													
Capital paid in	827	33	209	41	74	45	61	130	28	20	35	45	106
Surplus	793	34	207	39	72	42	55	124	27	18	33	43	99
Other capital accounts	431	17	112	23	32	31	25	70	15	7	17	19	63
Total liabilities and capital accounts	101,543	4,657	26,357	5,419	7,256	7,792	5,942	15,737	3,653	2,158	4,175	4,443	13,954
Contingent liability on acceptances purchased for foreign correspondents	522	22	[4] 139	25	47	27	36	81	18	12	22	28	65
Federal Reserve Notes—Federal Reserve Agents' Accounts													
F.R. notes outstanding (issued to Bank)	64,616	3,324	16,245	3,873	5,089	5,668	3,426	10,555	2,558	1,155	2,567	2,534	7,622
Collateral held against notes outstanding:													
Gold certificate account	2,415	250	......	350	350	605	......	700	155	......	......	5	......
U.S. Govt. securities	63,690	3,110	16,450	3,700	4,850	5,120	3,600	10,100	2,480	1,200	2,600	2,580	7,900
Total collateral	66,105	3,360	16,450	4,050	5,200	5,725	3,600	10,800	2,635	1,200	2,600	2,585	7,900

[1] See note 8 on p. A-5.
[2] After deducting $3 million participations of other Federal Reserve Banks.
[3] After deducting $190 million participations of other Federal Reserve Banks.
[4] After deducting $383 million participations of other Federal Reserve Banks.
[5] See note 5 on p. A-4.
NOTE.—Some figures for cash items in process of collection and for member bank reserves are preliminary.

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

(In millions of dollars)

Item	Wednesday					End of month		
	1973					1973		1972
	Aug. 29	Aug. 22	Aug. 15	Aug. 8	Aug. 1	Aug. 31	July 31	Aug. 31
Loans—Total	3,465	3,036	2,530	1,429	1,378	2,847	2,224	1,091
Within 15 days	3,351	2,939	2,467	1,353	1,314	2,749	2,160	1,090
16 days to 90 days	114	97	63	76	64	98	64	1
91 days to 1 year	....	....	....	....	....	....	....	....
Acceptances—Total	46	99	46	48	152	84	132	96
Within 15 days	13	67	11	12	113	47	94	48
16 days to 90 days	33	32	35	36	39	37	38	48
91 days to 1 year	....	....	....	....	....	....	....	....
U.S. Government securities—Total	74,369	74,956	72,452	72,673	76,856	76,093	77,098	70,740
Within 15 days[1]	3,959	5,337	3,232	3,780	6,456	3,982	4,874	3,212
16 days to 90 days	18,285	18,026	16,361	16,209	17,468	19,995	19,291	14,497
91 days to 1 year	18,894	18,362	19,628	14,742	14,990	18,886	14,991	20,556
Over 1 year to 5 years	22,171	22,171	22,171	26,982	26,982	22,170	26,982	24,859
Over 5 years to 10 years	9,358	9,358	9,358	9,358	9,358	9,358	9,358	6,102
Over 10 years	1,702	1,702	1,702	1,602	1,602	1,702	1,602	1,514
Federal agency obligations—Total	1,597	1,638	1,614	1,614	1,690	1,860	1,723	1,150
Within 15 days[1]	30	46	17	....	76	293	108	109
16 days to 90 days	7	30	35	52	52	7	52	30
91 days to 1 year	379	372	372	372	372	379	373	117
Over 1 year to 5 years	622	631	631	630	630	622	630	519
Over 5 years to 10 years	307	307	307	308	308	307	308	227
Over 10 years	252	252	252	252	252	252	252	148

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

BANK DEBITS AND DEPOSIT TURNOVER

(Seasonally adjusted annual rates)

Period	Debits to demand deposit accounts[1] (billions of dollars)					Turnover of demand deposits				
	Total 233 SMSA's	Leading SMSA's		Total 232 SMSA's (excl. N.Y.)	226 other SMSA's	Total 233 SMSA's	Leading SMSA's		Total 232 SMSA's (excl. N.Y.)	226 other SMSA's
		N.Y.	6 others[2]				N.Y.	6 others[2]		
1972—July	12,994.0	5,633.0	2,996.3	7,361.0	4,364.7	82.4	194.4	84.2	57.2	46.9
Aug.	13,969.4	6,151.8	3,233.0	7,817.6	4,584.6	87.6	206.9	90.2	60.2	48.8
Sept.	14,022.7	6,285.1	3,191.0	7,737.6	4,546.5	88.7	214.9	89.8	60.1	48.8
Oct.	13,896.7	6,148.6	3,225.8	7,748.1	4,522.3	86.7	208.3	89.2	59.2	47.8
Nov.	15,154.7	6,979.3	3,411.9	8,175.4	4,763.5	93.5	229.2	93.9	62.1	50.0
Dec.	14,783.6	6,604.8	3,495.4	8,178.7	4,683.4	90.7	215.7	95.6	61.8	48.9
1973—Jan. r	15,471.7	6,855.4	3,652.6	8,616.3	4,963.7	94.0	224.0	98.4	64.3	51.2
Feb. r	16,049.4	7,227.0	3,787.3	8,822.4	5,035.0	97.8	238.0	102.7	65.9	52.0
Mar. r	15,932.6	6,844.8	3,855.9	9,087.8	5,231.9	96.9	228.3	104.0	67.6	53.8
Apr. r	15,999.5	6,297.5	3,873.0	9,072.1	5,199.1	95.9	228.9	102.3	66.4	52.7
May r	16,431.6	7,177.0	3,906.1	9,254.6	5,348.5	97.7	235.1	103.4	67.2	53.5
June r	16,620.6	7,244.6	4,034.9	9,396.0	5,361.1	99.8	245.0	107.2	68.6	54.0
July r	17,215.3	7,381.4	4,278.8	9,833.9	5,555.1	102.5	247.5	111.6	71.2	55.7

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

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

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

DENOMINATIONS IN CIRCULATION

(In millions of dollars)

End of period	Total in circulation [1]	Coin and small denomination currency: Total	Coin	$1 [2]	$2	$5	$10	$20	Large denomination currency: Total	$50	$100	$500	$1,000	$5,000	$10,000
1939	7,598	5,553	590	559	36	1,019	1,772	1,576	2,048	460	919	191	425	20	32
1941	11,160	8,120	751	695	44	1,355	2,731	2,545	3,044	724	1,433	261	556	24	46
1945	28,515	20,683	1,274	1,039	73	2,313	6,782	9,201	7,834	2,327	4,220	454	801	7	24
1947	28,868	20,020	1,404	1,048	65	2,110	6,275	9,119	8,850	2,548	5,070	428	782	5	17
1950	27,741	19,305	1,554	1,113	64	2,049	5,998	8,529	8,438	2,422	5,043	368	588	4	12
1955	31,158	22,021	1,927	1,312	75	2,151	6,617	9,940	9,136	2,736	5,641	307	438	3	12
1959	32,591	23,264	2,304	1,511	85	2,216	6,672	10,476	9,326	2,803	5,913	261	341	3	5
1960	32,869	23,521	2,427	1,533	88	2,246	6,691	10,536	9,348	2,815	5,954	249	316	3	10
1961	33,918	24,388	2,582	1,588	92	2,313	6,878	10,935	9,531	2,869	6,106	242	300	3	10
1962	35,338	25,356	2,782	1,636	97	2,375	7,071	11,395	9,983	2,990	6,448	240	293	3	10
1963	37,692	26,807	3,030	1,722	103	2,469	7,373	12,109	10,885	3,221	7,110	249	298	3	4
1964	39,619	28,100	3,405	1,806	111	2,517	7,543	12,717	11,519	3,381	7,590	248	293	2	4
1965	42,056	29,842	4,027	1,908	127	2,618	7,794	13,369	12,214	3,540	8,135	245	288	3	4
1966	44,663	31,695	4,480	2,051	137	2,756	8,070	14,201	12,969	3,700	8,735	241	286	3	4
1967	47,226	33,468	4,918	2,035	136	2,850	8,366	15,162	13,758	3,915	9,311	240	285	3	4
1968	50,961	36,163	5,691	2,049	136	2,993	8,786	16,508	14,798	4,186	10,068	244	292	3	4
1969	53,950	37,917	6,021	2,213	136	3,092	8,989	17,466	16,033	4,499	11,016	234	276	3	5
1970	57,093	39,639	6,281	2,310	136	3,161	9,170	18,581	17,454	4,896	12,084	215	252	3	4
1971	61,068	41,831	6,775	2,408	135	3,273	9,348	19,893	19,237	5,377	13,414	203	237	2	4
1972—July	62,435	42,449	7,052	2,326	135	3,155	9,231	20,550	19,986	5,502	14,052	196	229	2	4
Aug.	62,744	42,520	7,095	2,333	135	3,152	9,211	20,594	20,224	5,565	14,228	196	229	2	4
Sept.	62,599	42,341	7,116	2,329	135	3,139	9,146	20,477	20,258	5,492	14,336	195	228	2	4
Oct.	63,586	43,085	7,172	2,378	135	3,209	9,334	20,857	20,500	5,570	14,503	194	226	2	4
Nov.	65,137	44,208	7,237	2,437	135	3,305	9,602	21,491	20,928	5,714	14,789	194	225	2	4
Dec.	66,516	45,105	7,287	2,523	135	3,449	9,827	21,883	21,411	5,868	15,118	193	225	2	4
1973—Jan.	64,312	43,133	7,274	2,380	135	3,218	9,243	20,883	21,179	5,742	15,013	192	224	2	4
Feb.	64,696	43,431	7,290	2,370	135	3,213	9,330	21,091	21,266	5,755	15,089	192	224	2	4
Mar.	65,180	43,699	7,320	2,368	135	3,209	9,352	21,314	21,482	5,787	15,274	191	223	2	4
Apr.	66,094	44,313	7,382	2,406	135	3,234	9,447	21,707	21,781	5,887	15,476	190	222	2	4
May	67,161	45,074	7,446	2,439	135	3,302	9,613	22,138	22,088	5,974	15,697	189	221	2	4
June	67,771	45,428	7,498	2,433	135	3,309	9,648	22,405	22,343	6,024	15,903	189	220	2	4
July	68,223	45,564	7,542	2,440	135	3,301	9,602	22,544	22,659	6,116	16,130	188	219	2	4

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

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

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

KINDS OF UNITED STATES CURRENCY OUTSTANDING AND IN CIRCULATION

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

Kind of currency	Total, outstanding, July 31, 1973	Held in the Treasury: As security against gold certificates	Held in the Treasury: Treasury cash	Held in the Treasury: For F.R. Banks and Agents	Held by F.R. Banks and Agents	Currency in circulation [1]: 1973 July 31	1973 June 30	1972 July 31
Gold	10,410	(10,303)	107	....	....	....	....	....
Gold certificates	(10,303)	....	....	[2]10,302	1	....	....	....
Federal Reserve notes	64,258	....	128	....	4,057	60,072	59,664	54,771
Treasury currency Total	8,546	....	88	....	307	8,151	8,107	7,664
Dollars	767	....	18	....	39	710	705	638
Fractional coin	7,167	....	67	....	268	6,832	6,793	6,414
United States notes	323	....	2	....	....	320	320	320
In process of retirement [3]	289	....	....	....	....	289	289	292
Total—July 31, 1973	483,214	(10,303)	323	10,302	4,366	68,223	....	....
June 30, 1973	482,595	(10,303)	369	10,302	4,153	....	67,771	....
July 31, 1972	477,422	(10,303)	337	10,302	4,348	....	....	62,435

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

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

3 Redeemable from the general fund of the Treasury.

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

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

MEASURES OF THE MONEY STOCK

(In billions of dollars)

Month or week	Seasonally adjusted M_1	Seasonally adjusted M_2	Seasonally adjusted M_3	Not seasonally adjusted M_1	Not seasonally adjusted M_2	Not seasonally adjusted M_3
	Composition of measures is described in the NOTE below.					
1969—Dec.	208.8	392.3	594.0	214.9	397.0	598.4
1970—Dec.	221.3	425.2	641.3	227.7	430.0	645.6
1971—Dec.	236.0	473.8	727.7	242.8	478.7	731.9
1972—Aug.	248.6	508.4	791.6	245.5	505.1	788.3
Sept.	250.1	512.1	799.0	248.7	510.4	796.9
Oct.	251.6	516.4	807.0	251.2	515.2	805.2
Nov.	252.7	519.8	813.6	254.3	518.7	811.2
Dec.	255.5	525.1	822.0	262.9	530.3	826.5
1973—Jan.	255.4	527.9	828.7	262.6	534.1	834.6
Feb.	256.7	530.5	834.9	254.0	527.8	831.6
Mar.	256.6	532.6	839.7	254.1	531.4	838.8
Apr.	258.2	536.2	r845.6	259.5	539.5	849.8
May	260.5	540.6	852.0	256.0	538.2	r850.2
June	263.2	545.3	r859.4	261.2	544.7	r859.9
July	r264.3	r547.6	r863.4	r263.2	r546.6	r863.6
Aug.p	264.0	550.6	866.3	260.8	547.1	862.7
Week ending—						
Aug. 1	263.8	548.4	....	260.9	545.4	....
8	263.6	549.1	....	261.5	546.9	....
15	264.4	550.3	....	262.2	548.0	....
22p	264.9	552.1	....	261.2	547.9	....
29p	263.2	550.8	....	258.3	545.3	....

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

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

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

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

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

COMPONENTS OF MONEY STOCK MEASURES AND RELATED ITEMS

(In billions of dollars)

Month or week	Seasonally adjusted: Currency	Seasonally adjusted: Commercial banks: Demand deposits	Seasonally adjusted: Commercial banks: Time and savings deposits: CD's [1]	Seasonally adjusted: Commercial banks: Time and savings deposits: Other	Seasonally adjusted: Commercial banks: Time and savings deposits: Total	Seasonally adjusted: Nonbank thrift institutions [2]	Not seasonally adjusted: Currency	Not seasonally adjusted: Commercial banks: Demand deposits	Not seasonally adjusted: Commercial banks: Time and savings deposits: CD's [1]	Not seasonally adjusted: Commercial banks: Time and savings deposits: Other	Not seasonally adjusted: Commercial banks: Time and savings deposits: Total	Not seasonally adjusted: Nonbank thrift institutions [2]	U.S. Govt. deposits [3]
1969—Dec.	46.1	162.7	10.9	183.5	194.4	201.7	46.9	167.9	11.1	182.1	193.2	201.4	5.6
1970—Dec.	49.1	172.2	25.3	203.9	229.2	216.1	50.0	177.8	25.8	202.3	228.1	215.6	7.3
1971—Dec.	52.6	183.4	33.0	237.9	270.9	253.8	53.5	189.2	33.8	236.0	269.8	253.2	6.9
1972—Aug.	54.8	193.8	39.1	259.8	298.9	283.2	55.1	190.5	39.9	259.6	299.5	283.2	5.3
Sept.	55.3	194.8	39.8	262.0	301.9	286.9	55.2	193.5	41.0	261.7	302.7	286.5	5.9
Oct.	55.7	195.9	40.0	264.8	304.8	290.6	55.7	195.5	41.9	264.0	305.9	290.0	6.6
Nov.	56.2	196.5	41.2	267.1	308.4	293.8	56.7	197.7	43.3	264.4	307.7	292.5	6.2
Dec.	56.8	198.7	43.2	269.6	312.8	296.9	57.8	205.0	44.3	267.5	311.7	296.1	7.3
1973—Jan.	57.0	198.4	44.4	272.5	316.9	300.8	56.7	205.9	45.1	271.5	316.6	300.5	8.0
Feb.	57.5	199.3	48.8	273.8	322.6	304.4	56.7	197.3	48.6	273.8	322.5	303.8	9.6
Mar.	57.9	198.7	54.9	276.0	330.9	307.0	57.3	196.7	54.0	277.3	331.4	307.4	10.1
Apr.	58.7	199.5	58.7	278.0	336.7	309.4	58.2	201.3	56.1	280.0	336.1	310.3	8.2
May	59.0	201.6	61.7	280.1	341.8	311.4	58.7	197.3	58.8	282.2	340.9	r312.0	8.4
June	59.4	203.9	62.0	282.0	344.1	r314.1	59.4	201.8	59.3	283.4	342.7	r315.2	6.9
July	r59.5	r204.9	r64.5	r283.3	r347.7	r315.8	59.9	r203.2	62.3	r283.5	r345.8	r316.9	r6.3
Aug.p	59.7	204.3	67.0	286.6	353.6	315.7	60.0	200.8	68.4	286.2	354.6	315.7	4.0
Week ending—													
Aug. 1	59.3	204.5	65.5	284.6	350.2	....	59.4	201.5	64.9	284.6	349.5	....	6.0
8	59.9	203.7	66.2	285.5	351.7	....	60.4	201.0	66.6	285.5	352.0	....	4.8
15	59.6	204.8	67.3	286.0	353.2	....	60.3	201.9	68.2	285.8	353.9	....	3.7
22p	59.7	205.2	67.4	287.2	354.6	....	60.0	201.2	69.1	286.6	355.7	....	3.9
29p	59.7	203.5	67.5	287.6	355.1	....	59.4	198.8	69.8	287.1	356.9	....	3.4

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

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

3 At all commercial banks.

See also NOTE above.

AGGREGATE RESERVES AND MEMBER BANK DEPOSITS

(In billions of dollars)

Period	Member bank reserves, S.A.[1]				Deposits subject to reserve requirements[3]								Total member bank deposits plus nondeposit items[4]	
					S.A.				N.S.A.					
	Total	Non-borrowed	Required	Available[2]	Total	Time and savings	Demand: Private	Demand: U.S. Govt.	Total	Time and savings	Demand: Private	Demand: U.S. Govt.	S.A.	N.S.A.
1969—Dec....	27.96	26.70	27.73	25.34	287.7	150.4	131.9	5.3	291.2	149.7	136.9	4.6	307.7	311.1
1970—Dec....	29.12	28.73	28.91	26.98	321.3	178.8	136.0	6.5	325.2	178.1	141.1	6.0	332.9	336.8
1971—Dec....	31.21	31.06	31.06	28.91	360.3	210.4	143.8	6.1	364.6	209.7	149.2	5.7	364.3	368.7
1972—Aug....	33.38	33.04	33.21	30.56	387.3	230.8	152.0	4.5	384.5	231.3	149.0	4.3	391.4	388.7
Sept....	33.33	32.87	33.14	30.89	390.4	233.0	152.4	5.1	389.6	233.8	150.9	4.9	394.5	393.8
Oct.....	33.83	33.30	33.60	30.97	394.1	235.1	152.7	6.3	394.1	236.2	152.5	5.4	398.4	398.4
Nov....	31.88	31.30	31.54	29.50	397.6	237.9	152.8	6.9	396.4	237.6	153.7	5.1	401.9	400.7
Dec....	31.31	30.06	31.07	28.86	402.0	241.2	154.3	6.5	406.8	240.7	160.1	6.1	406.4	411.2
1973—Jan.....	32.24	30.85	31.98	29.41	404.7	243.7	153.9	7.1	410.4	243.8	160.0	6.6	409.2	414.9
Feb.....	31.65	29.79	31.44	29.30	410.2	248.5	154.5	7.2	409.0	248.5	152.4	8.1	414.8	413.5
Mar....	32.00	29.53	31.77	29.62	416.7	256.0	153.2	7.5	416.3	256.2	151.6	8.5	421.6	421.2
Apr.....	32.33	30.17	32.08	29.86	421.1	261.8	153.4	5.8	422.3	260.5	154.9	6.8	426.2	427.5
May....	32.45	30.20	32.28	30.10	425.1	265.8	154.7	4.6	423.0	264.5	151.4	7.0	430.5	428.4
June....	32.46	r30.80	32.21	r30.51	428.9	267.4	156.4	5.1	426.3	265.9	154.8	5.7	434.5	431.9
July....	r33.57	r32.33	33.30	r31.32	r431.2	r270.4	r157.3	3.4	r429.9	r268.5	r156.2	5.1	r437.7	r436.4
Aug.p..	33.91	32.00	33.74	31.97	436.7	275.5	157.0	4.2	433.7	276.5	154.0	3.1	443.9	440.8

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

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

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

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

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

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

LOANS AND INVESTMENTS AT ALL COMMERCIAL BANKS

(In billions of dollars)

Date	Seasonally adjusted							Not seasonally adjusted						
	Total loans and investments[1]	Loans				Securities		Total loans and investments[1]	Loans				Securities	
		Total[1]	Plus loans sold[2]	Commercial and industrial: Total	Commercial and industrial: Plus loans sold[2]	U.S. Treasury	Other[3]		Total[1]	Plus loans sold[2]	Commercial and industrial: Total	Commercial and industrial: Plus loans sold[2]	U.S. Treasury	Other[3]
1968—Dec. 31....	390.6	258.2	......	95.9	......	61.0	71.4	400.4	264.4	......	98.4	......	64.5	71.5
1969—Dec. 31[4]...	402.1	279.4	283.3	105.7	108.3	51.5	71.2	412.1	286.1	290.0	108.4	111.0	54.7	71.3
1970—Dec. 31....	435.9	292.0	294.9	109.6	111.7	58.0	85.9	446.8	299.0	301.9	112.5	114.6	61.7	86.1
1971—Dec. 31....	485.7	320.6	323.4	115.5	117.1	60.7	104.5	497.9	328.3	331.1	118.5	120.1	64.9	104.7
1972—Aug. 30.....	529.1	355.3	357.7	123.9	125.4	61.4	112.5	525.8	353.7	356.0	122.2	123.7	59.3	112.8
Sept. 27.....	535.6	360.1	362.4	124.6	126.1	62.0	113.5	535.0	360.7	363.0	124.2	125.7	60.3	114.0
Oct. 25.....	540.5	366.9	369.2	126.7	128.1	59.9	113.6	540.3	365.2	367.5	125.8	127.2	60.9	114.2
Nov. 29.....	549.8	373.6	376.1	128.2	129.8	60.6	115.6	549.9	371.8	374.3	127.6	129.2	63.2	114.9
Dec. 31.....	557.5	378.2	380.8	129.3	131.0	62.4	116.9	571.4	387.3	389.9	132.7	134.4	67.0	117.1
1973—Jan. 31p...	564.6	385.5	388.2	133.2	134.9	61.9	117.1	564.9	383.3	385.9	132.0	133.7	65.4	116.2
Feb. 28p...	573.7	396.2	399.3	138.1	140.2	60.2	117.2	569.7	392.0	395.1	136.6	138.7	61.3	116.4
Mar. 28p....	582.6	404.9	408.0	141.8	143.8	60.6	117.2	578.3	400.6	403.8	141.7	143.7	60.7	117.0
Apr. 25p...	585.3	408.0	411.6	144.1	146.4	60.6	116.6	584.1	406.8	410.5	144.5	146.8	59.8	117.5
May 30p....	594.6	416.1	419.8	147.2	149.4	59.7	118.7	590.8	414.7	418.4	146.7	148.9	57.6	118.5
June 30p...	596.6	417.8	421.3	148.9	151.1	60.8	118.0	601.3	425.3	428.9	151.9	154.1	57.1	118.9
July 25p....	601.4	423.3	427.3	151.0	153.6	58.7	119.5	601.7	426.5	430.5	152.2	154.8	55.5	119.7
Aug. 29p...	610.9	433.7	438.5	154.9	157.8	56.6	120.6	606.8	431.9	436.7	152.7	155.6	53.9	121.0

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

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

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

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

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

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

PRINCIPAL ASSETS AND LIABILITIES AND NUMBER, BY CLASS OF BANK

(Amounts in millions of dollars)

Class of bank and date	Loans and investments: Total	Loans and investments: Loans [1]	Loans and investments: Securities: U.S. Treasury	Loans and investments: Securities: Other [2]	Cash assets [3]	Total assets—Total liabilities and capital accounts [4]	Deposits: Total [3]	Deposits: Interbank [3]: Demand	Deposits: Interbank [3]: Time	Deposits: Other: Demand: U.S. Govt.	Deposits: Other: Demand: Other	Deposits: Other: Time [5]	Borrowings	Total capital accounts	Number of banks
All commercial banks:															
1941—Dec. 31...	50,746	21,714	21,808	7,225	26,551	79,104	71,283	10,982		44,349		15,952	23	7,173	14,278
1945—Dec. 31...	124,019	26,083	90,606	7,331	34,806	160,312	150,227	14,065		105,921		30,241	219	8,950	14,011
1947—Dec. 31 [6].	116,284	38,057	69,221	9,006	37,502	155,377	144,103	12,792	240	1,343	94,367	35,360	65	10,059	14,181
1966—Dec. 31...	322,661	217,726	56,163	48,772	69,119	403,368	352,287	19,770	967	4,992	167,751	158,806	4,859	32,054	13,767
1967—Dec. 30...	359,903	235,954	62,473	61,477	77,928	451,012	395,008	21,883	1,314	5,234	184,066	182,511	5,777	34,384	13,722
1968—Dec. 31...	401,262	265,259	64,466	71,537	83,752	500,657	434,023	24,747	1,211	5,010	199,901	203,154	8,899	37,006	13,679
1969—Dec. 31 [7].	421,597	295,547	54,709	71,341	89,984	530,665	435,577	27,174	735	5,054	208,870	193,744	18,360	39,978	13,661
1970—Dec. 31...	461,194	313,334	61,742	86,118	93,643	576,242	480,940	30,608	1,975	7,938	209,335	231,084	19,375	42,958	13,686
1971—Dec. 31...	516,564	346,930	64,930	104,704	99,832	640,255	537,946	32,205	2,908	10,169	220,375	272,289	25,912	47,211	13,783
1972—Aug. 30...	547,880	375,780	59,300	112,800	91,830	665,870	546,720	27,090	3,350	3,820	211,020	301,440	36,070	49,820	13,898
Sept. 27...	556,380	382,100	60,290	113,990	91,660	674,780	556,490	26,880	3,890	9,470	213,070	303,180	33,530	50,140	13,910
Oct. 25...	561,280	386,190	60,930	114,160	102,830	691,880	567,620	29,040	3,760	7,520	221,440	305,860	39,680	50,700	13,911
Nov. 29...	574,230	396,160	63,210	114,860	91,460	694,050	572,160	27,060	3,920	7,760	224,990	308,430	38,350	51,160	13,924
Dec. 31...	598,808	414,696	67,028	117,084	113,128	739,033	616,037	33,854	4,194	10,875	252,223	314,891	38,083	52,658	13,927
1973—Jan. 31p..	590,220	408,590	65,410	116,220	96,560	715,670	588,860	29,250	3,890	10,390	227,580	317,750	42,730	52,280	13,939
Feb. 28p..	597,890	420,210	61,330	116,350	99,610	727,520	596,440	29,510	4,170	11,350	226,290	325,120	45,530	52,670	13,952
Mar. 28p..	605,040	427,320	60,730	116,990	91,210	726,010	593,590	25,900	4,530	11,350	218,980	332,830	45,500	53,160	13,974
Apr. 25p..	612,020	434,750	59,810	117,460	91,880	734,480	600,420	26,140	4,880	10,850	223,380	335,170	45,920	53,440	13,998
May 30p..	616,760	440,630	57,630	118,500	95,790	744,140	606,720	27,670	5,250	5,760	226,800	341,240	47,480	53,850	14,018
June 27p..	623,470	447,910	56,900	118,660	90,980	746,370	606,700	26,570	5,490	10,090	223,730	340,820	48,810	54,250	14,044
July 25p..	627,280	452,100	55,520	119,660	96,130	755,040	612,350	28,580	5,750	6,680	225,630	345,710	52,410	54,380	14,067
Aug. 29p..	633,110	458,200	53,910	121,000	92,370	758,440	612,200	26,390	6,540	3,420	221,840	354,010	52,980	54,780	14,067
Members of F.R. System:															
1941—Dec. 31...	43,521	18,021	19,539	5,961	23,113	68,121	61,717	10,385	140	1,709	37,136	12,347	4	5,886	6,619
1945—Dec. 31...	107,183	22,775	78,338	6,070	29,845	138,304	129,670	13,576	64	22,179	69,640	24,210	208	7,589	6,884
1947—Dec. 31...	97,846	32,628	57,914	7,304	32,845	132,060	122,528	12,353	50	1,176	80,609	28,340	54	8,464	6,923
1966—Dec. 31...	263,687	182,802	41,924	38,960	60,738	334,559	291,063	18,788	794	4,432	138,218	128,831	4,618	26,278	6,150
1967—Dec. 30...	293,120	196,849	46,956	49,315	68,946	373,584	326,033	20,811	1,169	4,631	151,980	147,442	5,370	28,098	6,071
1968—Dec. 31...	325,086	220,285	47,881	56,920	73,756	412,541	355,414	23,519	1,061	4,309	163,920	162,605	8,458	30,060	5,978
1969—Dec. 31 [7].	336,738	242,119	39,833	54,785	79,034	432,270	349,883	25,841	609	4,114	169,750	149,569	17,395	32,047	5,869
1970—Dec. 31...	365,940	253,936	45,399	66,604	81,500	465,644	384,596	29,142	1,733	6,460	168,032	179,229	18,578	34,100	5,766
1971—Dec. 31...	405,087	277,717	47,633	79,738	86,189	511,353	425,380	30,612	2,549	8,427	174,385	209,406	25,046	37,279	5,727
1972—Aug. 30...	425,369	297,828	42,727	84,814	79,058	526,089	426,716	25,742	2,954	2,966	164,851	230,203	34,409	39,226	5,702
Sept. 27...	432,150	303,049	43,506	85,595	78,504	532,741	434,554	25,502	3,495	8,033	166,353	231,171	31,962	39,437	5,703
Oct. 25.	435,460	305,996	43,691	85,773	88,220	546,642	442,792	27,528	3,360	6,172	172,615	233,117	37,857	39,824	5,699
Nov. 29...	446,621	314,463	45,799	86,359	78,554	548,333	446,441	25,759	3,520	6,463	175,739	234,960	36,480	40,219	5,701
Dec. 31...	465,788	329,548	48,715	87,524	96,566	585,125	482,124	31,958	3,561	9,024	197,817	239,763	36,357	41,228	5,704
1973—Jan. 31...	458,760	324,637	47,333	86,790	82,499	565,071	458,943	27,757	3,260	8,461	177,677	241,788	40,256	40,994	5,690
Feb. 28...	465,065	334,609	43,698	86,758	85,264	575,222	465,395	28,037	3,537	9,364	176,525	247,932	42,912	41,309	5,688
Mar. 28...	471,067	340,667	43,259	87,141	77,728	573,531	463,004	24,488	3,895	9,407	170,560	254,654	42,649	41,578	5,683
Apr. 25...	476,739	346,865	42,517	87,357	78,219	580,412	468,385	24,744	4,242	9,167	173,671	256,561	43,076	41,806	5,695
May 30...	480,394	351,223	41,030	88,141	81,169	587,722	473,623	26,139	4,621	4,511	176,766	261,586	44,214	42,096	5,703
June 27...	485,919	357,050	40,595	88,274	77,033	589,402	473,051	25,136	4,854	8,075	173,886	261,100	45,624	42,418	5,705
July 25...	489,240	360,813	39,331	89,096	82,091	597,607	478,417	27,121	5,121	5,423	175,351	265,401	48,761	42,539	5,706
Aug. 29p..	494,196	365,947	38,233	90,016	78,475	600,202	478,274	24,976	5,911	2,701	172,078	272,608	49,283	42,806	5,706
Large member banks:															
New York City: [8,9,10]															
1941—Dec. 31...	12,896	4,072	7,265	1,559	6,637	19,862	17,932	4,202	6	866	12,051	807	......	1,648	36
1945—Dec. 31...	26,143	7,334	17,574	1,235	6,439	32,887	30,121	4,640	17	6,940	17,287	1,236	195	2,120	37
1947—Dec. 31...	20,393	7,179	11,972	1,242	7,261	27,982	25,216	4,453	12	267	19,040	1,445	30	2,259	37
1966—Dec. 31...	46,536	35,941	4,920	5,674	14,869	64,424	51,837	6,370	467	1,016	26,535	17,449	1,874	5,298	12
1967—Dec. 30...	52,141	39,059	6,027	7,055	18,797	74,609	60,407	7,238	741	1,084	31,282	20,062	1,880	5,715	12
1968—Dec. 31...	57,047	42,968	5,984	8,094	19,948	81,364	63,900	8,964	622	888	33,351	20,076	2,733	6,137	12
1969—Dec. 31 [7].	60,333	48,305	5,048	6,980	22,349	87,753	62,381	10,349	268	694	36,126	14,944	4,405	6,301	12
1970—Dec. 31...	62,347	47,161	6,009	9,177	21,715	89,384	67,186	12,508	956	1,039	32,235	20,448	4,500	6,486	12
1971—Dec. 31...	63,342	48,714	5,597	9,031	22,663	91,461	71,723	13,825	1,186	1,513	30,943	24,256	5,195	7,285	12
1972—Aug. 30...	67,353	52,031	5,158	10,164	19,152	92,066	69,330	11,679	1,345	288	27,497	28,521	8,188	7,736	13
Sept. 27...	68,924	53,166	5,368	10,390	17,864	92,484	70,323	11,414	1,591	1,454	27,718	28,146	6,861	7,714	13
Oct. 25...	69,136	53,835	5,045	10,256	21,261	96,657	72,568	12,386	1,530	1,097	29,046	28,509	9,170	7,756	13
Nov. 29...	71,707	55,533	5,712	10,462	21,556	98,990	74,550	12,639	1,752	1,032	30,710	28,417	9,335	7,944	13
Dec. 31...	75,034	58,713	5,696	10,625	26,416	107,603	82,446	15,094	1,833	1,418	35,373	28,728	9,502	8,042	13
1973—Jan. 31...	73,744	58,304	5,439	10,001	23,203	102,923	77,213	13,919	1,574	1,257	31,292	29,171	10,142	8,074	13
Feb. 28...	75,727	61,629	4,463	9,635	23,059	105,571	79,567	14,040	1,708	1,506	30,533	31,780	10,321	8,142	13
Mar. 28...	76,368	62,584	4,498	9,286	20,133	103,402	77,435	11,744	1,951	1,789	29,032	32,919	9,938	8,047	13
Apr. 25...	76,834	63,395	4,254	9,185	19,710	103,622	77,295	11,935	2,229	1,732	29,068	32,331	9,891	8,093	13
May 30...	78,078	64,505	4,424	9,149	19,587	104,550	77,980	11,780	2,491	521	30,035	33,153	10,496	8,137	13
June 27...	79,227	65,510	4,343	9,374	18,785	105,071	76,945	12,104	2,672	1,174	28,336	32,659	11,586	8,174	13
July 25...	79,869	66,117	4,047	9,705	23,544	110,392	81,473	13,787	2,969	769	30,164	33,784	12,857	8,212	13
Aug. 29...	80,338	66,610	4,095	9,633	20,095	108,141	78,925	12,092	3,558	310	28,185	34,780	12,368	8,220	13

For notes see p. A-21.

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

(Amounts in millions of dollars)

Class of bank and date	Loans and investments: Total	Loans and investments: Loans [1]	Securities: U.S. Treasury	Securities: Other [2]	Cash assets [3]	Total assets—Total liabilities and capital accounts [4]	Deposits: Total [3]	Interbank [3]: Demand	Interbank [3]: Time	Other: Demand: U.S. Govt.	Other: Demand: Other	Other: Time [5]	Borrowings	Total capital accounts	Number of banks
Large member banks (cont.):															
City of Chicago: [8,9]															
1941—Dec. 31	2,760	954	1,430	376	1,566	4,363	4,057	1,035	......	127	2,419	476	......	288	13
1945—Dec. 31	5,931	1,333	4,213	385	1,489	7,459	7,046	1,312	......	1,552	3,462	719	......	377	12
1947—Dec. 31	5,088	1,801	2,890	397	1,739	6,866	6,402	1,217	......	72	4,201	913	......	426	14
1966—Dec. 31	11,802	8,756	1,545	1,502	2,638	14,935	12,673	1,433	25	310	6,008	4,898	484	1,199	11
1967—Dec. 30	12,744	9,223	1,574	1,947	2,947	16,296	13,985	1,434	21	267	6,250	6,013	383	1,346	10
1968—Dec. 31	14,274	10,286	1,863	2,125	3,008	18,099	14,526	1,535	21	257	6,542	6,171	682	1,433	9
1969—Dec. 31 [7]	14,365	10,771	1,564	2,030	2,802	17,927	13,264	1,677	15	175	6,770	4,626	1,290	1,517	9
1970—Dec. 31	15,745	11,214	2,105	2,427	3,074	19,892	15,041	1,930	49	282	6,663	6,117	1,851	1,586	9
1971—Dec. 31	17,133	12,285	1,782	3,067	3,011	21,214	16,651	1,693	168	364	6,896	7,530	1,935	1,682	9
1972—Aug. 30	19,200	14,701	1,455	3,044	2,880	23,128	17,147	1,487	196	68	6,226	9,170	2,985	1,850	9
Sept. 27	19,270	14,582	1,545	3,143	3,135	23,479	17,812	1,406	224	374	6,435	9,373	2,768	1,859	9
Oct. 25	19,530	15,021	1,435	3,074	3,119	23,714	17,738	1,455	196	192	6,264	9,631	2,945	1,875	9
Nov. 29	20,370	15,379	1,597	3,394	2,659	24,042	18,021	1,262	217	213	6,565	9,764	3,137	1,855	9
Dec. 31	21,362	16,294	1,873	3,195	3,580	26,009	19,851	1,615	160	509	7,387	10,179	3,008	1,891	9
1973—Jan. 31	21,026	16,371	1,562	3,093	2,939	25,035	18,709	1,364	247	358	6,605	10,135	3,276	1,895	9
Feb. 28	21,983	17,544	1,384	3,055	3,513	26,575	19,429	1,433	224	442	6,778	10,552	4,075	1,891	9
Mar. 28	22,660	17,980	1,470	3,210	3,092	26,821	19,854	1,326	266	461	6,439	11,362	3,910	1,878	9
Apr. 25	22,800	18,253	1,414	3,133	3,277	27,170	20,020	1,304	333	426	6,639	11,318	3,971	1,899	9
May 30	23,777	18,956	1,564	3,257	3,209	28,134	21,088	1,501	411	154	6,882	12,140	3,954	1,910	9
June 27	24,410	19,666	1,462	3,282	3,332	28,920	21,270	1,371	436	314	6,899	12,250	4,432	1,922	9
July 25	25,221	20,580	1,364	3,277	3,759	30,199	21,627	1,638	389	226	6,488	12,886	4,922	1,928	9
Aug. 29	25,400	20,676	1,322	3,402	3,569	30,358	22,272	1,355	499	86	6,725	13,607	4,647	1,941	9
Other large member: [8,9]															
1941—Dec. 31	15,347	7,105	6,467	1,776	8,518	24,430	22,313	4,356	104	491	12,557	4,806	.....	1,967	351
1945—Dec. 31	40,108	8,514	29,552	2,042	11,286	51,898	49,085	6,418	30	8,221	24,655	9,760	2	2,566	359
1947—Dec. 31	36,040	13,449	20,196	2,396	13,066	49,659	46,467	5,627	22	405	28,990	11,423	1	2,844	353
1966—Dec. 31	95,831	69,464	13,040	13,326	24,228	123,863	108,804	8,593	233	1,633	49,004	49,341	1,952	9,471	169
1967—Dec. 30	105,724	73,571	14,667	17,487	26,867	136,626	120,485	9,374	310	1,715	53,288	55,798	2,555	10,032	163
1968—Dec. 31	119,006	83,634	15,036	20,337	28,136	151,957	132,305	10,181	307	1,884	57,449	62,484	4,239	10,684	161
1969—Dec. 31 [7]	121,324	90,896	11,944	18,484	29,954	157,512	126,232	10,663	242	1,575	58,923	54,829	9,881	11,464	157
1970—Dec. 31	133,718	96,158	14,700	22,860	31,263	171,733	140,518	11,317	592	2,547	59,328	66,734	10,391	12,221	156
1971—Dec. 31	149,401	106,361	15,912	27,129	33,732	190,880	155,226	11,241	933	3,557	62,474	77,020	14,799	13,197	156
1972—Aug. 30	153,957	112,638	13,501	27,818	31,452	193,592	152,570	9,458	1,150	1,015	58,564	82,383	18,450	14,062	156
Sept. 27	156,822	115,352	13,692	27,778	31,640	196,672	156,023	9,509	1,285	3,512	58,956	82,761	17,816	14,132	157
Oct. 25	157,630	115,642	13,699	28,289	35,635	201,551	158,214	10,202	1,239	2,374	61,147	83,252	20,500	14,193	156
Nov. 29	163,011	119,961	14,734	28,316	29,350	200,829	159,305	8,844	1,156	2,828	62,229	84,248	18,629	14,331	156
Dec. 31	171,549	126,661	16,316	28,572	36,729	217,170	173,913	11,133	1,173	3,860	71,376	86,372	19,392	14,687	156
1973—Jan. 31	168,522	123,907	15,844	28,771	30,426	207,904	163,418	9,239	1,044	3,470	63,011	86,654	21,086	14,619	156
Feb. 28	169,752	126,901	13,957	28,894	32,397	211,296	165,050	9,365	1,210	3,942	62,627	87,906	22,434	14,760	156
Mar. 28	172,681	129,991	13,615	29,075	29,634	211,358	165,250	8,355	1,283	3,761	60,676	91,175	22,182	14,819	156
Apr. 25	175,754	133,253	13,414	29,087	30,111	215,262	168,360	8,470	1,285	4,069	61,487	93,049	22,606	14,905	156
May 30	175,455	133,519	12,547	29,389	31,779	217,001	170,123	9,540	1,324	1,653	62,744	94,862	22,183	14,965	156
June 27	177,378	135,447	12,698	29,233	29,442	216,615	169,576	8,545	1,351	3,062	61,972	94,646	22,199	15,127	156
July 25	178,493	137,056	11,982	29,455	28,878	217,220	169,837	8,518	1,368	2,223	61,418	96,310	22,492	15,182	156
Aug. 29	181,404	140,150	11,573	29,681	29,551	221,043	171,726	8,467	1,459	1,051	60,607	100,142	23,670	15,239	156
All other member: [8,9,10]															
1941—Dec. 31	12,518	5,890	4,377	2,250	6,402	19,466	17,415	792	30	225	10,109	6,258	4	1,982	6,219
1945—Dec. 31	35,002	5,596	26,999	2,408	10,632	46,059	43,418	1,207	17	5,465	24,235	12,494	11	2,525	6,476
1947—Dec. 31	36,324	10,199	22,857	3,268	10,778	47,553	44,443	1,056	17	432	28,378	14,560	23	2,934	6,519
1966—Dec. 31	109,518	68,641	22,419	18,458	19,004	131,338	117,749	2,392	69	1,474	56,672	57,144	308	10,309	5,958
1967—Dec. 30	122,511	74,995	24,689	22,826	20,334	146,052	131,156	2,766	96	1,564	61,161	65,569	552	11,005	5,886
1968—Dec. 31	134,759	83,397	24,998	26,364	22,664	161,122	144,682	2,839	111	1,281	66,578	73,873	804	11,807	5,796
1969—Dec. 31 [7]	*140,715*	*92,147*	*21,278*	*27,291*	*23,928*	*169,078*	*148,007*	*3,152*	*84*	*1,671*	*67,930*	*75,170*	*1,820*	*12,766*	*5,691*
1970—Dec. 31	154,130	99,404	22,586	32,140	25,448	184,635	161,850	3,387	135	2,592	69,806	85,930	1,836	13,807	5,589
1971—Dec. 31	175,211	110,357	24,343	40,511	26,783	207,798	181,780	3,853	263	2,993	74,072	100,600	3,118	15,114	5,550
1972—Aug. 30	184,859	118,458	22,613	43,788	25,574	217,303	187,669	3,118	263	1,595	72,564	110,129	4,786	15,578	5,524
Sept. 27	187,134	119,949	22,901	44,284	25,865	220,106	190,396	3,173	395	2,693	73,244	110,891	4,517	15,732	5,524
Oct. 25	189,164	121,498	23,512	44,154	28,205	224,720	194,272	3,485	395	2,509	76,158	111,725	5,242	16,000	5,521
Nov. 29	191,533	123,590	23,756	44,187	24,989	224,472	194,565	3,014	395	2,390	76,235	112,531	5,379	16,089	5,523
Dec. 31	197,843	127,881	24,830	45,132	29,841	234,342	205,914	4,116	395	3,238	83,681	114,483	4,455	16,608	5,526
1973—Jan. 31	195,468	126,055	24,488	44,925	25,931	229,209	199,603	3,235	395	3,376	76,769	115,828	5,752	16,406	5,512
Feb. 28	197,603	128,535	23,894	45,174	26,295	231,780	201,349	3,199	395	3,474	76,587	117,694	6,082	16,516	5,510
Mar. 28	199,358	130,112	23,676	45,570	24,869	231,950	200,465	3,063	395	3,396	74,413	119,198	6,619	16,834	5,505
Apr. 25	201,351	131,964	23,435	45,952	25,121	234,358	202,710	3,035	395	2,940	76,477	119,863	6,608	16,909	5,517
May 30	203,084	134,243	22,495	46,346	26,594	238,037	204,432	3,318	395	2,183	77,105	121,431	7,581	17,084	5,525
June 27	204,904	136,427	22,092	46,385	25,474	238,796	205,260	3,116	395	3,525	76,679	121,545	7,407	17,195	5,527
July 25	205,657	137,060	21,938	46,659	25,910	239,796	205,480	3,178	395	2,205	77,281	122,421	8,490	17,217	5,528
Aug. 29[p]	207,054	138,511	21,243	47,300	25,260	240,660	205,351	3,062	395	1,254	76,561	124,079	8,598	17,406	5,528

For notes see p. A-21.

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

(Amounts in millions of dollars)

Classification by FRS membership and FDIC insurance	Loans and investments				Cash assets[3]	Total assets—Total liabilities and capital accounts[4]	Deposits						Borrowings	Total capital accounts	Number of banks
	Total	Loans[1]	Securities				Total[3]	Interbank[3]		Other					
			U.S. Treasury	Other[2]				Demand	Time	Demand		Time[5]			
										U.S. Govt.	Other				
Insured banks:															
Total:															
1941—Dec. 31..	49,290	21,259	21,046	6,984	25,788	76,820	69,411	10,654		1,762	41,298	15,699	10	6,844	13,426
1945—Dec. 31..	121,809	25,765	88,912	7,131	34,292	157,544	147,775	13,883		23,740	80,276	29,876	215	8,671	13,297
1947—Dec. 31..	114,274	37,583	67,941	8,750	36,926	152,733	141,851	12,615	54	1,325	92,975	34,882	61	9,734	13,398
1963—Dec. 20..	252,579	155,261	62,723	34,594	50,337	310,730	273,657	15,077	443	6,712	140,702	110,723	3,571	25,277	13,284
1964—Dec. 31..	275,053	174,234	62,499	38,320	59,911	343,876	305,113	17,664	733	6,487	154,043	126,185	2,580	27,377	13,486
1965—Dec. 31..	303,593	200,109	59,120	44,364	60,327	374,051	330,323	18,149	923	5,508	159,659	146,084	4,325	29,827	13,540
1966—Dec. 31..	321,473	217,379	55,788	48,307	68,515	401,409	351,438	19,497	881	4,975	166,689	159,396	4,717	31,609	13,533
1967—Dec. 30..	358,536	235,502	62,094	60,941	77,348	448,878	394,118	21,598	1,258	5,219	182,984	183,060	5,531	33,916	13,510
1968—Dec. 31..	399,566	264,600	64,028	70,938	83,061	498,071	432,719	24,427	1,155	5,000	198,535	203,602	8,675	36,530	13,481
1969—Dec. 31[7]	419,746	294,638	54,399	70,709	89,090	527,598	434,138	26,858	695	5,038	207,311	194,237	18,024	39,450	13,464
1971—Dec. 31..	514,097	345,386	64,691	104,020	98,281	635,805	535,703	31,824	2,792	10,150	219,102	271,835	25,629	46,731	13,602
1972—June 30..	539,093	368,275	59,984	110,833	98,252	661,838	549,985	28,398	3,033	9,062	217,641	291,850	32,828	49,623	13,669
Dec. 31..	594,502	411,525	66,679	116,298	111,333	732,519	612,822	33,366	4,113	10,820	250,693	313,830	37,556	52,166	13,721
1973—Mar. 28..	606,852	428,235	178,617		89,402	724,105	594,805	25,721	4,339	11,322	219,601	333,821	43,921	53,529	13,766
National member:															
1941—Dec. 31..	27,571	11,725	12,039	3,806	14,977	43,433	39,458	6,786		1,088	23,262	8,322	4	3,640	5,117
1945—Dec. 31..	69,312	13,925	51,250	4,137	20,144	90,220	84,939	9,229		14,013	45,473	16,224	78	4,644	5,017
1947—Dec. 31..	65,280	21,428	38,674	5,178	22,024	88,182	82,023	8,375	35	795	53,541	19,278	45	5,409	5,005
1963—Dec. 20..	137,447	84,845	33,384	19,218	28,635	170,233	150,823	8,863	146	3,691	76,836	61,288	1,704	13,548	4,615
1964—Dec. 31..	151,406	96,688	33,405	21,312	34,064	190,289	169,615	10,521	211	3,604	84,534	70,746	1,109	15,048	4,773
1965—Dec. 31..	176,605	118,537	32,347	25,720	36,880	219,744	193,860	12,064	458	3,284	92,533	85,522	2,627	17,434	4,815
1966—Dec. 31..	187,251	129,182	30,355	27,713	41,690	235,996	206,456	12,588	437	3,035	96,755	93,642	3,120	18,459	4,799
1967—Dec. 30..	208,971	139,315	34,308	35,348	46,634	263,375	231,374	13,877	652	3,142	106,019	107,684	3,478	19,730	4,758
1968—Dec. 31..	236,130	159,257	35,300	41,572	50,953	296,594	257,884	15,117	657	3,090	116,422	122,597	5,923	21,524	4,716
1969—Dec. 31[7]	247,526	177,435	29,576	40,514	54,721	313,927	256,314	16,299	361	3,049	121,719	114,885	12,279	23,248	4,668
1971—Dec. 31..	302,756	206,758	36,386	59,612	59,191	376,318	314,085	17,511	1,828	6,014	128,441	160,291	18,169	27,065	4,599
1972—June 30..	316,880	220,102	33,258	63,520	60,181	392,043	322,288	15,715	1,838	5,695	128,454	170,586	22,816	28,713	4,606
Dec. 31..	350,743	247,041	37,185	66,516	67,390	434,810	359,319	19,096	2,155	6,646	146,800	184,622	26,706	30,342	4,612
1973—Mar. 28..	354,999	254,447	100,552		53,789	426,035	345,341	14,134	2,285	6,866	127,001	195,056	30,336	30,924	4,607
State member:															
1941—Dec. 31..	15,950	6,295	7,500	2,155	8,145	24,688	22,259	3,739		621	13,874	4,025	1	2,246	1,502
1945—Dec. 31..	37,871	8,850	27,089	1,933	9,731	48,084	44,730	4,411		8,166	24,168	7,986	130	2,945	1,867
1947—Dec. 31..	32,566	11,200	19,240	2,125	10,822	43,879	40,505	3,978	15	381	27,068	9,062	9	3,055	1,918
1963—Dec. 20..	72,680	46,866	15,958	9,855	15,760	91,235	78,553	5,655	236	2,295	40,725	29,642	1,795	7,506	1,497
1964—Dec. 31..	77,091	51,002	15,312	10,777	18,673	98,852	86,108	6,486	453	2,234	44,005	32,931	1,372	7,853	1,452
1965—Dec. 31..	74,972	51,262	12,645	11,065	15,934	93,640	81,657	5,390	382	1,606	39,598	34,680	1,607	7,492	1,406
1966—Dec. 31..	77,377	54,560	11,569	11,247	19,049	99,504	85,547	6,200	357	1,397	41,464	36,129	1,498	7,819	1,351
1967—Dec. 30..	85,128	58,513	12,649	13,966	22,312	111,188	95,637	6,934	516	1,489	45,961	40,736	1,892	8,368	1,313
1968—Dec. 31..	89,894	61,965	12,581	15,348	22,803	116,885	98,467	8,402	404	1,219	47,498	40,945	2,535	8,536	1,262
1969—Dec. 31[7]	90,088	65,560	10,257	14,271	24,313	119,219	94,445	9,541	248	1,065	48,030	35,560	5,116	8,800	1,201
1971—Dec. 31..	102,813	71,441	11,247	20,125	26,998	135,517	111,777	13,102	721	2,412	45,945	49,597	6,878	10,214	1,128
1972—June 30..	105,895	75,047	10,450	20,398	26,248	138,021	111,705	11,595	879	1,935	43,965	53,331	8,936	10,645	1,108
Dec. 31..	115,426	82,889	11,530	21,008	29,176	150,697	123,186	12,862	1,406	2,378	51,017	55,523	9,651	10,886	1,092
1973—Mar. 28..	117,547	87,421	30,126		24,248	148,345	117,906	10,511	1,495	2,457	43,377	60,065	12,044	10,973	1,074
Nonmember:															
1941—Dec. 31..	5,776	3,241	1,509	1,025	2,668	8,708	7,702	129		53	4,162	3,360	6	959	6,810
1945—Dec. 31..	14,639	2,992	10,584	1,063	4,448	19,256	18,119	244		1,560	10,635	5,680	7	1,083	6,416
1947—Dec. 31..	16,444	4,958	10,039	1,448	4,083	20,691	19,340	262	4	149	12,366	6,558	7	1,271	6,478
1963—Dec. 20..	42,464	23,550	13,391	5,523	5,942	49,275	44,280	559	61	726	23,140	19,793	72	4,234	7,173
1964—Dec. 31..	46,567	26,544	13,790	6,233	7,174	54,747	49,389	658	70	649	25,504	22,509	99	4,488	7,262
1965—Dec. 31..	52,028	30,310	14,137	7,581	7,513	60,679	54,806	695	83	618	27,528	25,882	91	4,912	7,320
1966—Dec. 31..	56,857	33,636	13,873	9,349	7,777	65,921	59,434	709	87	543	28,471	29,625	99	5,342	7,384
1967—Dec. 30..	64,449	37,675	15,146	11,629	8,403	74,328	67,107	786	89	588	31,004	34,640	162	5,830	7,440
1968—Dec. 31..	73,553	43,378	16,155	14,020	9,305	84,605	76,368	908	94	691	34,615	40,060	217	6,482	7,504
1969—Dec. 31[7]	82,133	51,643	14,565	15,925	10,056	94,453	83,380	1,017	85	924	37,561	43,792	629	7,403	7,595
1971—Dec. 31..	108,527	67,188	17,058	24,282	12,092	123,970	109,841	1,212	242	1,723	44,717	61,946	582	9,451	7,875
1972—June 30..	116,317	73,126	16,276	26,915	11,822	131,774	115,992	1,088	316	1,432	45,222	67,934	1,076	10,265	7,955
Dec. 31..	128,333	81,594	17,964	28,774	14,767	147,013	130,316	1,408	552	1,796	52,876	73,685	1,199	10,938	8,017
1973—Mar. 28..	134,306	86,368	47,939		11,365	149,725	131,558	1,076	559	1,999	49,223	78,701	1,541	11,631	8,085

For notes see p. A-21.

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

(Amounts in millions of dollars)

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

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

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

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

2 See first two paragraphs of note 1.

3 Reciprocal balances excluded beginning with 1942.

4 Includes items not shown separately. See also note 1.

5 See third paragraph of note 1 above.

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

7 Figure takes into account the following changes beginning June 30, 1969: (1) inclusion of consolidated reports (including figures for all bank-premises subsidiaries and other significant majority-owned domestic subsidiaries) and (2) reporting of figures for total loans and for individual categories of securities on a gross basis—that is, before deduction of valuation reserves—rather than net as previously reported.

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

9 Regarding reclassification as a reserve city, see Aug. 1962 BULLETIN, p. 993. For various changes between reserve city and country status in 1960–63, see note 6, p. 587, May 1964 BULLETIN. (See also note 8.)

10 Beginning May 6, 1972, two New York City country banks, with deposits of $1,412 million, merged and were reclassified as a reserve city bank. (See also note 8.)

NOTE. Data are for all commercial banks in the United States (including Alaska and Hawaii, beginning with 1959). Commercial banks represent all commercial banks, both member and nonmember; stock savings banks; and nondeposit trust companies.

For the period June 1941–June 1962 member banks include mutual savings banks as follows: three before Jan. 1960, two through Dec. 1960, and one through June 1962. Those banks are not included in insured commercial banks.

Beginning June 30, 1969, commercial banks and member banks exclude a small national bank in the Virgin Islands; also, member banks exclude, and noninsured commercial banks include, through June 30, 1970, a small member bank engaged exclusively in trust business.

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

Data for national banks for Dec. 31, 1965, have been adjusted to make them comparable with State bank data.

Figures are partly estimated except on call dates.

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

LOANS AND INVESTMENTS BY CLASS OF BANK

(In millions of dollars)

Class of bank and call date	Total loans[1] and investments	Federal funds sold, etc.[2]	Other loans[1]: Total[3, 4]	Other loans: Commercial and industrial	Other loans: Agricultural[5]	For purchasing or carrying securities: To brokers and dealers	For purchasing or carrying securities: To others	To financial institutions: Banks	To financial institutions: Others	Real estate	Other, to individuals[3]	Other[5]	Investments: Total	U.S. Treasury securities[6]: Bills and certificates	U.S. Treasury securities[6]: Notes	U.S. Treasury securities[6]: Bonds	State and local govt. securities	Other securities[5]
Total:[2]																		
1947—Dec. 31..	116,284	......	38,057	18,167	1,660	830	1,220	115	......	9,393	5,723	947	69,221	9,982	6,034	53,205	5,276	3,729
1969—Dec. 31[10]	422,728	9,928	286,750	108,443	10,329	5,739	4,027	2,488	15,062	70,020	63,256	7,388	54,709	......	......	......	59,183	12,158
1972—Dec. 31.	599,367	26,662	388,593	132,701	14,314	11,316	4,491	6,585	23,402	98,382	87,232	10,171	67,028	......	......	......	89,504	27,579
All insured:																		
1941—Dec. 31..	49,290	......	21,259	9,214	1,450	614	662	40	......	4,773	4,505		21,046	988	3,159	16,899	3,651	3,333
1945—Dec. 31..	121,809	......	25,765	9,461	1,314	3,164	3,606	49	......	4,677	2,361	1,132	88,912	21,526	16,045	51,342	3,873	3,258
1947—Dec. 31..	114,274	......	37,583	18,012	1,610	823	1,190	114	......	9,266	5,654	914	67,941	9,676	5,918	52,347	5,129	3,621
1969—Dec. 31[10]	419,746	9,693	284,945	107,685	10,314	5,644	3,991	2,425	14,890	69,669	63,008	7,319	54,399	......	......	......	58,840	11,869
1972—Dec. 31.	594,502	25,584	385,941	131,122	14,287	11,165	4,460	6,115	23,277	98,204	86,912	10,099	66,679	......	......	......	89,173	27,125
1973—Mar. 28.	606,852	25,931	402,305	......	......	......	......	......	......	......	......	......	......	......	......	......	......	......
Member—Total:																		
1941—Dec. 31..	43,521	......	18,021	8,671	972	594	598	39	......	3,494	3,653		19,539	971	3,007	15,561	3,090	2,871
1945—Dec. 31..	107,183	......	22,775	8,949	855	3,133	3,378	47	......	3,455	1,900	1,057	78,338	19,260	14,271	44,807	3,254	2,815
1947—Dec. 31..	97,846	......	32,628	16,962	1,046	811	1,065	113	......	7,130	4,662	839	57,914	7,803	4,815	45,295	4,199	3,105
1969—Dec. 31[10]	337,613	7,356	235,639	96,095	6,187	5,408	3,286	2,258	14,035	53,207	48,388	6,776	39,833	......	......	......	47,227	7,558
1972—Dec. 31.	466,169	19,961	309,969	112,110	8,495	10,863	3,870	5,783	22,026	73,131	64,490	9,201	48,715	......	......	......	69,640	17,884
1973—Mar. 28.	472,546	19,090	322,778	......	......	......	......	......	......	......	......	......	......	......	......	......	......	......
New York City:[11]																		
1941—Dec. 31..	12,896	......	4,072	2,807	8	412	169	32	......	123	522		7,265	311	1,623	5,331	729	830
1945—Dec. 31..	26,143	......	7,334	3,044	......	2,453	1,172	26	......	80	287	272	17,574	3,910	3,325	10,339	606	629
1947—Dec. 31..	20,393	......	7,179	5,361	......	545	267	93	......	111	564	238	11,972	1,642	558	9,772	638	604
1969—Dec. 31[10]	60,333	802	47,503	28,189	12	3,695	776	1,047	4,547	3,835	3,595	1,807	5,048	......	......	......	6,192	788
1972—Dec. 31.	75,034	812	57,901	27,864	50	7,057	841	2,271	6,413	5,789	5,225	2,390	5,696	......	......	......	9,107	1,518
1973—Mar. 28.	76,790	1,674	61,021	......	......	......	......	......	......	......	......	......	......	......	......	......	......	......
City of Chicago:[11]																		
1941—Dec. 31..	2,760	......	954	732	6	48	52	1	......	22	95		1,430	256	153	1,022	182	193
1945—Dec. 31..	5,931	......	1,333	760	2	211	233	......	......	36	51	40	4,213	1,600	749	1,864	181	204
1947—Dec. 31..	5,088	......	1,801	1,418	3	73	87	......	......	46	149	26	2,890	367	248	2,274	213	185
1969—Dec. 31[10]	14,365	215	10,556	6,444	50	337	262	186	1,219	842	862	354	1,564	......	......	......	1,837	192
1972—Dec. 31.	21,362	718	15,576	7,851	140	1,330	282	341	2,780	1,066	1,138	648	1,873	......	......	......	2,820	375
1973—Mar. 28.	22,639	1,367	16,750	......	......	......	......	......	......	......	......	......	......	......	......	......	......	......
Other large banks:[11]																		
1941—Dec. 31..	15,347	......	7,105	3,456	300	114	194	4	......	1,527	1,508		6,467	295	751	5,421	956	820
1945—Dec. 31..	40,108	......	8,514	3,661	205	427	1,503	17	......	1,459	855	387	29,552	8,016	5,653	15,883	1,126	916
1947—Dec. 31..	36,040	......	13,449	7,088	225	170	484	15	......	3,147	1,969	351	20,196	2,731	1,901	15,563	1,342	1,053
1969—Dec. 31[10]	121,628	3,021	88,180	37,701	1,386	878	1,300	876	6,006	19,706	17,569	2,757	11,944	......	......	......	16,625	1,859
1972—Dec. 31.	171,618	9,927	116,802	44,483	1,977	2,024	1,707	2,716	10,268	27,014	22,669	3,943	16,316	......	......	......	24,049	4,523
1973—Mar. 28.	173,016	7,960	122,475	......	......	......	......	......	......	......	......	......	......	......	......	......	......	......
All other member:[11]																		
1941—Dec. 31..	12,518	......	5,890	1,676	659	20	183	2	......	1,823	1,528		4,377	110	481	3,787	1,222	1,028
1945—Dec. 31..	35,002	......	5,596	1,484	648	42	471	4	......	1,881	707	359	26,999	5,732	4,544	16,722	1,342	1,067
1947—Dec. 31..	36,324	......	10,199	3,096	818	23	227	5	......	3,827	1,979	224	22,857	3,063	2,108	17,687	2,006	1,262
1969—Dec. 31[10]	141,286	3,318	89,401	23,762	4,739	498	947	148	2,263	28,824	26,362	1,858	21,278	......	......	......	22,572	4,718
1972—Dec. 31.	198,156	8,504	119,690	31,911	6,327	452	1,040	455	2,565	39,262	35,458	2,220	24,830	......	......	......	33,664	11,468
1973—Mar. 28.	200,101	8,089	122,531	......	......	......	......	......	......	......	......	......	......	......	......	......	......	......
Nonmember:																		
1947—Dec. 31..	18,454	......	5,432	1,205	614	20	156	2	......	2,266	1,061	109	11,318	2,179	1,219	7,920	1,078	625
1969—Dec. 31[10]	85,115	2,572	51,111	12,348	4,141	329	741	231	1,028	16,813	14,868	612	14,875	......	......	......	11,956	4,600
1972—Dec. 31.	133,198	6,701	78,624	20,591	5,819	453	622	803	1,377	25,250	22,741	969	18,313	......	......	......	19,864	9,695

1 Beginning with June 30, 1948, figures for various loan items are shown gross (i.e., before deduction of valuation reserves); they do not add to the total and are not entirely comparable with prior figures. Total loans continue to be shown net. See also note 10.

2 Includes securities purchased under resale agreements. Prior to June 30, 1967, such securities were included in loans—for the most part in loans to "Banks." Prior to Dec. 1965, Federal funds sold were included with "Total" loans and loans to "Banks."

3 See table (and notes), *Deposits Accumulated for Payment of Personal Loans*, p. A-30.

4 Breakdowns of loan, investment, and deposit classifications are not available before 1947; summary figures for 1941 and 1945 appear in the table on pp. A-18—A-21.

5 Beginning with June 30, 1966, loans to farmers directly guaranteed by CCC were reclassified as "Other securities," and Export-Import Bank portfolio fund participations were reclassified from loans to "Other securities." This increased "Other securities" by about $1 billion.

6 Beginning with Dec. 31, 1965, components shown at par rather than at book value; they do not add to the total (shown at book value) and are not entirely comparable with prior figures. See also note 10.

Notes continued on opposite page.

RESERVES AND LIABILITIES BY CLASS OF BANK

(In millions of dollars)

Class of bank and call date	Reserves with F.R. Banks	Currency and coin	Balances with domestic banks[7]	Demand deposits adjusted[8]	Demand deposits: Interbank: Domestic[7]	Demand deposits: Interbank: Foreign[9]	Demand deposits: U.S. Govt.	Demand deposits: State and local govt.	Demand deposits: Certified and officers' checks, etc.	Demand deposits: IPC	Time deposits: Interbank	Time deposits: U.S. Govt. and Postal Savings	Time deposits: State and local govt.	Time deposits: IPC[3]	Borrowings	Capital accounts
Total:[3]																
1947—Dec. 31....	17,796	2,216	10,216	87,123	11,362	1,430	1,343	6,799	2,581	84,987	240	111	866	34,383	65	10,059
1969—Dec. 31[10]..	21,449	7,320	20,314	172,079	24,553	2,620	5,054	17,558	11,899	179,413	735	211	13,221	181,443	18,360	39,978
1972—Dec. 31...	26,070	8,666	32,185	212,121	29,971	3,883	10,875	18,588	11,685	221,950	4,194	606	37,161	277,683	38,083	52,658
All insured:																
1941—Dec. 31....	12,396	1,358	8,570	37,845	9,823	673	1,762	3,677	1,077	36,544	158	59	492	15,146	10	6,844
1945—Dec. 31....	15,810	1,829	11,075	74,722	12,566	1,248	23,740	5,098	2,585	72,593	70	103	496	29,277	215	8,671
1947—Dec. 31....	17,796	2,145	9,736	85,751	11,236	1,379	1,325	6,692	2,559	83,723	54	111	826	33,946	61	9,734
1969—Dec. 31[10]..	21,449	7,292	19,528	170,280	24,386	2,471	5,038	17,434	11,476	178,401	695	211	13,166	180,860	18,024	39,450
1972—Dec. 31...	26,070	8,637	30,734	210,287	29,731	3,635	10,820	18,459	11,177	221,057	4,113	606	37,086	276,138	37,556	52,166
1973 Mar. 28...	27,160	8,830	23,131	194,096	22,443	3,279	11,322	16,111	8,593	194,898	4,339	666	41,495	291,662	43,921	53,529
Member—Total:																
1941—Dec. 31....	12,396	1,087	6,246	33,754	9,714	671	1,709	3,066	1,009	33,061	140	50	418	11,878	4	5,886
1945—Dec. 31....	15,811	1,438	7,117	64,184	12,333	1,243	22,179	4,240	2,450	62,950	64	99	399	23,712	208	7,589
1947—Dec. 31....	17,797	1,672	6,270	73,528	10,978	1,375	1,176	5,504	2,401	72,704	50	105	693	27,542	54	8,464
1969—Dec. 31[10]..	21,449	5,676	11,931	133,435	23,441	2,399	4,114	13,274	10,483	145,992	609	186	9,951	140,308	17,395	32,047
1972—Dec. 31...	26,070	6,582	19,396	158,464	28,521	3,437	9,024	13,544	9,503	174,770	3,562	468	28,553	211,124	36,357	41,228
1973 Mar. 28...	27,160	6,710	14,719	145,411	21,537	3,108	9,323	11,732	7,347	151,299	3,780	516	31,705	222,900	42,380	41,897
New York City:[11]																
1941—Dec. 31....	5,105	93	141	10,761	3,595	607	866	319	450	11,282	6	......	29	778	.....	1,648
1945—Dec. 31....	4,015	111	78	15,065	3,535	1,105	6,940	237	1,338	15,712	17	10	20	1,206	195	2,120
1947—Dec. 31....	4,639	151	70	16,653	3,236	1,217	267	290	1,105	17,646	12	12	14	1,418	30	2,259
1969—Dec. 31[10]..	4,358	463	455	21,316	8,708	1,641	694	1,168	6,605	28,354	268	45	207	14,692	4,405	6,301
1972—Dec. 31...	5,695	508	4,854	23,271	12,532	2,562	1,418	741	3,592	31,040	1,833	10	2,522	26,196	9,502	8,042
1973 Mar. 28...	5,292	562	4,020	21,687	9,527	2,292	1,688	686	3,017	25,248	1,984	14	2,766	30,121	9,951	8,112
City of Chicago:[11]																
1941—Dec. 31....	1,021	43	298	2,215	1,027	8	127	233	34	2,152	......	......	......	476	.....	288
1945—Dec. 31....	942	36	200	3,153	1,292	20	1,552	237	66	3,160	......	......	......	719	.....	377
1947—Dec. 31....	1,070	30	175	3,737	1,196	21	72	285	63	3,853	......	2	9	902	.....	426
1969—Dec. 31[10]..	869	123	150	5,221	1,581	96	175	268	229	6,273	15	1	216	4,409	1,290	1,517
1972—Dec. 31...	1,496	152	173	5,783	1,516	99	509	223	264	6,899	160	95	847	9,237	3,008	1,891
1973 Mar. 28...	1,435	116	112	5,148	1,232	95	459	143	162	6,134	207	150	1,006	10,230	3,861	1,905
Other large banks:[11]																
1941—Dec. 31....	4,060	425	2,590	11,117	4,302	54	491	1,144	286	11,127	104	20	243	4,542	.....	1,967
1945—Dec. 31....	6,326	494	2,174	22,372	6,307	110	8,221	1,763	611	22,281	30	38	160	9,563	2	2,566
1947—Dec. 31....	7,095	562	2,125	25,714	5,497	131	405	2,282	705	26,003	22	45	332	11,045	1	2,844
1969—Dec. 31[10]..	9,044	1,787	3,456	44,169	10,072	590	1,575	3,934	1,928	53,062	242	86	4,609	50,439	9,881	11,464
1972—Dec. 31...	10,085	2,114	4,688	52,813	10,426	707	3,860	3,854	3,075	64,447	1,173	181	11,811	74,449	19,392	14,687
1973 Mar. 28...	10,958	2,124	3,694	48,856	7,762	639	3,767	3,421	2,336	54,882	1,196	175	12,810	78,380	22,129	14,869
All other member:[11]																
1941—Dec. 31....	2,210	526	3,216	9,661	790	2	225	1,370	239	8,500	30	31	146	6,082	4	1,982
1945—Dec. 31....	4,527	796	4,665	23,595	1,199	8	5,465	2,004	435	21,797	17	52	219	12,224	11	2,525
1947—Dec. 31....	4,993	929	3,900	27,424	1,049	7	432	2,647	528	25,203	17	45	337	14,177	23	2,934
1969—Dec. 31[10]..	7,179	3,302	7,870	62,729	3,080	72	1,671	7,905	1,721	58,304	84	54	4,920	70,768	1,820	12,766
1972—Dec. 31...	8,794	3,807	9,681	76,597	4,047	70	3,238	8,726	2,571	72,384	395	181	13,373	101,243	4,455	16,608
1973 Mar. 28...	9,474	3,908	6,893	69,720	3,016	83	3,409	7,482	1,832	65,035	393	176	15,122	104,170	6,439	17,012
Nonmember:[3]																
1947—Dec. 31....	....	544	3,947	13,595	385	55	167	1,295	180	12,284	190	6	172	6,858	12	1,596
1969—Dec. 31[10]..	....	1,644	8,383	38,644	1,112	222	940	4,284	1,416	33,420	126	25	3,269	41,135	965	7,931
1972—Dec. 31...	....	2,084	12,789	53,658	1,449	446	1,851	5,044	2,182	47,180	633	138	8,608	66,559	1,726	11,429

7 Beginning with 1942, excludes reciprocal bank balances.

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

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

10 Beginning June 30, 1969, reflects (1) inclusion of consolidated reports (including figures for all bank-premises subsidiaries and other significant majority-owned domestic subsidiaries) and (2) reporting of figures for total loans and for individual categories of securities on a gross basis—that is, before deduction of valuation reserves. See also notes 1 and 6.

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

NOTE. Data are for all commercial banks in the United States; member banks in U.S. possessions were included through 1968 and then excluded.

For the period June 1941–June 1962 member banks include mutual savings banks as follows: three before Jan. 1960, two through Dec. 1960, and one through June 1962. Those banks are not included in all insured or total banks.

A small noninsured member bank engaged exclusively in trust business is treated as a noninsured bank and not as a member bank for the period June 30, 1969–June 30, 1970.

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

For other notes see opposite page.

ASSETS AND LIABILITIES OF LARGE COMMERCIAL BANKS

(In millions of dollars)

Wednesday	Total loans and investments	Loans: Federal funds sold, etc.[1]: Total	Federal funds sold, etc.: To commercial banks	Federal funds sold, etc.: To brokers and dealers involving—: U.S. Treasury securities	Federal funds sold, etc.: To brokers and dealers involving—: Other securities	Federal funds sold, etc.: To others	Other: Total	Other: Commercial and industrial	Other: Agricultural	For purchasing or carrying securities: To brokers and dealers: U.S. Treasury secs.	For purchasing or carrying securities: To brokers and dealers: Other secs.	For purchasing or carrying securities: To others: U.S. Treasury secs.	For purchasing or carrying securities: To others: Other secs.	To nonbank financial institutions: Pers. and sales finan. cos., etc.	To nonbank financial institutions: Other
Large banks—Total															
1972															
Aug. 2	298,432	11,804	10,692	682	252	178	206,666	85,307	2,595	892	7,631	176	2,724	6,400	9,879
9	297,297	11,523	10,326	718	300	179	205,947	85,016	2,590	750	7,249	165	2,733	6,377	9,908
16	298,465	12,069	11,073	583	259	154	206,756	85,261	2,593	862	7,176	165	2,719	6,314	10,043
23	298,912	12,171	10,278	1,496	216	181	206,878	85,158	2,589	970	7,074	185	2,730	6,184	10,167
30	297,748	10,757	9,872	489	226	170	206,960	85,011	2,575	849	7,108	184	2,783	6,284	10,243
1973															
July 4	346,465	12,567	11,422	755	247	143	254,570	105,676	3,251	381	5,451	210	2,900	8,939	16,723
11	347,751	11,615	9,877	1,285	225	228	256,822	106,303	3,260	2,157	5,569	208	2,910	8,660	16,381
18	347,605	13,922	12,738	887	150	147	255,089	106,673	3,253	523	5,193	209	2,953	8,655	16,398
25	346,922	12,412	11,005	972	119	316	255,730	106,892	3,259	766	5,305	204	2,946	8,749	16,367
Aug. 1p	349,072	12,773	11,532	872	130	239	258,028	107,557	3,256	659	5,305	189	2,977	9,691	16,805
8p	352,538	15,352	12,035	2,587	225	505	259,037	108,084	3,295	1,164	5,299	189	2,997	9,425	16,858
15p	355,591	15,375	12,019	2,839	233	284	260,473	108,137	3,312	1,482	5,255	188	2,999	9,645	16,975
22p	350,383	13,326	11,528	1,369	160	269	258,332	107,896	3,304	830	5,002	181	2,960	8,879	16,962
29p	350,428	13,416	12,000	1,011	131	274	258,681	106,957	3,289	1,311	5,199	193	2,928	8,823	16,981
New York City															
1972															
Aug. 2	62,620	1,196	1,177	....	....	19	47,315	24,232	30	733	4,935	41	652	1,791	2,590
9	62,070	1,142	1,059	....	68	15	46,862	24,105	30	651	4,609	41	652	1,792	2,592
16	62,084	975	970	....	....	5	47,036	24,095	30	750	4,511	41	648	1,783	2,694
23	62,635	1,356	1,220	132	....	4	47,054	24,170	39	836	4,417	41	650	1,684	2,748
30	62,067	985	954	....	....	31	46,937	24,168	40	727	4,448	40	652	1,781	2,742
1973															
July 4	73,669	2,255	2,227	26	....	2	58,923	30,010	71	296	3,113	47	654	2,763	5,490
11	74,775	1,217	1,201	16	....	....	60,930	30,322	73	2,062	3,242	46	648	2,536	5,259
18	74,305	2,921	2,831	89	....	1	58,926	30,462	73	441	2,937	44	679	2,504	5,293
25	73,544	1,688	1,667	16	....	5	59,206	30,583	73	585	3,059	43	674	2,635	5,374
Aug. 1p	75,088	2,656	2,617	35	....	4	60,170	30,800	75	567	3,025	38	688	3,113	5,674
8p	75,245	2,289	2,191	96	....	2	60,771	31,081	78	1,085	3,011	43	693	2,877	5,688
15p	76,451	1,878	1,777	54	15	32	61,317	30,958	79	1,367	3,067	44	686	3,077	5,643
22p	74,051	1,359	1,246	66	....	47	59,703	30,879	76	727	2,901	43	682	2,672	5,657
29p	74,329	1,447	1,359	51	....	37	60,125	30,336	75	1,200	3,103	41	681	2,631	5,678
Outside New York City															
1972															
Aug. 2	235,812	10,608	9,515	682	252	159	159,351	61,075	2,565	159	2,696	135	2,072	4,609	7,289
9	235,227	10,381	9,267	718	232	164	159,085	60,911	2,560	99	2,640	124	2,081	4,585	7,316
16	236,381	11,094	10,103	583	259	149	159,720	61,166	2,563	112	2,665	124	2,071	4,531	7,349
23	236,277	10,815	9,058	1,364	216	177	159,824	60,988	2,550	134	2,657	144	2,080	4,500	7,419
30	235,681	9,772	8,918	489	226	139	160,023	60,843	2,535	122	2,660	144	2,131	4,503	7,501
1973															
July 4	272,796	10,312	9,195	729	247	141	195,647	75,666	3,180	85	2,338	163	2,246	6,176	11,233
11	272,976	10,398	8,676	1,269	225	228	195,892	75,981	3,187	95	2,327	162	2,262	6,124	11,122
18	273,300	11,001	9,907	798	150	146	196,163	76,211	3,180	82	2,256	165	2,274	6,151	11,105
25	273,378	10,724	9,338	956	119	311	196,524	76,309	3,186	181	2,246	161	2,272	6,114	10,993
Aug. 1p	273,984	10,117	8,915	837	130	235	197,858	76,757	3,181	92	2,280	151	2,289	6,578	11,131
8p	277,293	13,063	9,844	2,491	225	503	198,266	77,003	3,217	79	2,288	146	2,304	6,548	11,170
15p	279,140	13,497	10,242	2,785	218	252	199,156	77,179	3,233	115	2,188	144	2,313	6,568	11,332
22p	276,332	11,967	10,282	1,303	160	222	198,629	77,017	3,228	103	2,101	138	2,278	6,207	11,305
29p	276,099	11,969	10,641	960	131	237	198,556	76,621	3,214	111	2,096	152	2,247	6,192	11,303

For notes see p. A-28.

ASSETS AND LIABILITIES OF LARGE COMMERCIAL BANKS—Continued

(In millions of dollars)

Loans (cont.)						Investments						
Other (cont.)						U.S. Treasury securities						
Real estate	To commercial banks		Consumer instalment	Foreign govts.[2]	All other	Total	Bills	Certificates	Notes and bonds maturing—			Wednesday
	Domestic	Foreign							Within 1 yr.	1 to 5 yrs.	After 5 yrs.	
												Large banks Total
												1972
42,846	1,341	3,033	26,036	1,029	16,777	25,770	3,268	....	5,328	14,489	2,685	Aug. 2
42,974	1,342	3,014	26,122	1,050	16,657	25,466	3,072	....	5,308	14,415	2,671	9
43,272	1,327	2,996	26,211	1,043	16,774	25,246	2,997	....	4,281	14,860	3,108	16
43,434	1,432	2,970	26,330	1,034	16,621	25,417	3,131	....	4,529	14,489	3,268	23
43,517	1,444	2,908	26,465	1,078	16,511	25,651	3,566	....	4,581	14,324	3,180	30
												1973
50,192	3,550	5,196	30,422	1,241	20,438	23,825	4,152	....	4,151	12,755	2,767	July 4
50,444	3,339	5,308	30,499	1,248	20,536	23,613	4,059	....	4,146	12,665	2,743	11
50,628	3,251	5,222	30,609	1,201	20,321	23,137	3,585	....	4,083	12,723	2,746	18
50,891	3,350	5,057	30,775	1,224	19,945	22,732	3,133	....	4,153	12,713	2,733	25
51,006	3,130	4,851	31,006	1,230	20,366	22,301	2,954	....	4,055	12,615	2,677	Aug. 1[p]
51,152	3,170	5,057	31,118	1,236	19,993	22,151	2,902	....	4,094	12,550	2,605	8[p]
51,511	3,165	5,020	31,198	1,233	20,353	23,018	4,116	....	3,858	12,354	2,690	15[p]
51,706	3,316	4,857	31,326	1,214	19,899	22,491	3,780	....	3,854	12,213	2,644	22[p]
51,799	3,391	4,981	31,447	1,241	20,141	22,000	3,424	....	3,834	12,117	2,625	29[p]
												New York City
												1972
4,648	400	1,284	1,972	626	3,381	4,851	881	....	1,349	2,464	157	Aug. 2
4,665	481	1,272	1,985	634	3,353	4,760	733	....	1,369	2,477	181	9
4,718	462	1,275	1,996	627	3,406	4,546	703	....	878	2,551	414	16
4,740	472	1,267	2,008	632	3,350	4,697	839	....	912	2,470	476	23
4,693	452	1,243	2,006	661	3,284	4,877	1,209	....	917	2,328	423	30
												1973
5,511	1,370	2,350	2,269	662	4,317	3,953	1,153	....	569	1,597	634	July 4
5,564	1,261	2,465	2,283	676	4,493	3,859	1,125	....	579	1,572	583	11
5,601	1,229	2,448	2,293	621	4,301	3,774	1,088	....	548	1,560	578	18
5,629	1,322	2,302	2,328	625	3,974	3,742	1,003	....	584	1,576	579	25
5,631	1,184	2,065	2,352	628	4,330	3,516	859	....	611	1,519	527	Aug. 1[p]
5,682	1,163	2,267	2,381	613	4,109	3,460	805	....	649	1,523	483	8[p]
5,767	1,169	2,203	2,393	598	4,266	3,995	1,175	....	728	1,569	523	15[p]
5,790	1,237	2,035	2,401	599	4,004	4,017	1,274	....	632	1,587	524	22[p]
5,832	1,279	2,141	2,398	621	4,109	3,856	1,100	....	618	1,633	505	29[p]
												Outside New York City
												1972
38,198	941	1,749	24,064	403	13,396	20,919	2,387	....	3,979	12,025	2,528	Aug. 2
38,309	861	1,742	24,137	416	13,304	20,706	2,339	....	3,939	11,938	2,490	9
38,554	865	1,721	24,215	416	13,368	20,700	2,294	....	3,403	12,309	2,694	16
38,694	960	1,703	24,322	402	13,271	20,720	2,292	....	3,617	12,019	2,792	23
38,824	992	1,665	24,459	417	13,227	20,774	2,357	....	3,664	11,996	2,757	30
												1973
44,681	2,180	2,846	28,153	579	16,121	19,872	2,999	....	3,582	11,158	2,133	July 4
44,880	2,078	2,843	28,216	572	16,043	19,754	2,934	....	3,567	11,093	2,160	11
45,027	2,022	2,774	28,316	580	16,020	19,363	2,497	....	3,535	11,163	2,168	18
45,262	2,028	2,755	28,447	599	15,971	18,990	2,130	....	3,569	11,137	2,154	25
45,375	1,946	2,786	28,654	602	16,036	18,785	2,095	....	3,444	11,096	2,150	Aug. 1[p]
45,470	2,007	2,790	28,737	623	15,884	18,691	2,097	....	3,445	11,027	2,122	8[p]
45,744	1,996	2,817	28,805	635	16,087	19,023	2,941	....	3,130	10,785	2,167	15[p]
45,916	2,079	2,822	28,925	615	15,895	18,474	2,506	....	3,222	10,626	2,120	22[p]
45,967	2,112	2,840	29,049	620	16,032	18,144	2,324	....	3,216	10,484	2,120	29[p]

For notes see p. A-28.

ASSETS AND LIABILITIES OF LARGE COMMERCIAL BANKS—Continued

(In millions of dollars)

Wednesday	Investments (cont.): Other securities: Total	Obligations of State and political subdivisions: Tax warrants[3]	Obligations of State and political subdivisions: All other	Other bonds, corp. stock, and securities: Certif. of participation[4]	Other bonds, corp. stock, and securities: All other[5]	Cash items in process of collection	Reserves with F.R. Banks	Currency and coin	Balances with domestic banks	Investments in subsidiaries not consolidated	Other assets	Total assets/total liabilities
Large banks—Total												
1972												
Aug. 2	54,192	8,946	37,276	1,568	6,402	30,039	21,966	3,651	8,389	992	17,074	380,543
9	54,361	9,081	37,285	1,569	6,426	27,030	21,326	3,686	8,112	991	16,639	375,081
16	54,394	9,267	37,182	1,541	6,404	29,385	21,532	3,703	8,505	992	16,450	379,032
23	54,446	9,179	37,347	1,547	6,373	26,076	19,877	3,851	8,334	997	16,357	374,404
30	54,380	9,104	37,273	1,496	6,507	27,023	21,457	3,950	8,554	1,004	16,531	376,267
1973												
July 4	55,503	7,926	37,990	1,633	7,954	36 642	22,910	3,751	10,065	1,289	20,295	441,417
11	55,701	7,925	37,949	1,743	8,084	29,886	18,306	4,211	9,221	1,303	19,673	430,351
18	55,457	7,743	37,811	1,769	8,134	30,117	21,789	4,169	9,913	1,303	19,771	434,667
25	56,048	7,954	37,965	1,831	8,298	28,829	20,903	4,249	10,058	1,296	19,832	432,089
Aug. 1p	55,970	7,973	37,998	1,847	8,152	31,657	22,549	4,043	11,457	1,303	20,907	440,988
8p	55,998	7,944	38,033	1,958	8,063	27,495	18,452	3,954	10,423	1,308	20,787	434,957
15p	56,725	8,103	38,467	1,924	8,231	30,329	20,707	4,085	9,980	1,307	21,175	443,174
22p	56,234	7,781	38,341	1,948	8,164	26,710	21,592	4,184	10,220	1,310	20,202	434,601
29p	56,331	7,713	38,179	1,993	8,446	26,183	21,452	4,395	8,716	1,308	21,002	433,484
New York City												
1972												
Aug. 2	9,258	2,869	5,212	286	891	10,276	4,442	435	2,772	464	5,257	86,266
9	9,306	2,868	5,271	285	882	9,485	5,239	435	2,779	464	4,955	85,427
16	9,527	3,072	5,270	278	907	8,915	5,191	434	3,054	464	4,984	85,126
23	9,528	3,031	5,326	264	907	8,558	4,684	438	3,115	469	4,965	84,864
30	9,268	2,910	5,159	271	928	9,554	5,287	459	3,099	472	4,948	85,886
1973												
July 4	8,538	2,013	4,673	368	1,484	11,702	6,652	468	4,206	621	6,325	103,643
11	8,769	2,090	4,722	434	1,523	9,698	5,098	491	4,025	623	5,941	100,651
18	8,684	2,108	4,607	443	1,526	9,364	7,171	478	4,554	623	6,429	102,924
25	8,908	2,304	4,627	464	1,513	10,788	6,389	478	4,817	616	6,321	102,953
Aug. 1p	8,746	2,232	4,588	508	1,418	10,879	5,653	483	5,273	622	6,821	104,819
8p	8,725	2,173	4,574	605	1,373	9,568	5,185	486	4,972	624	6,819	102,899
15p	9,261	2,359	4,876	570	1,456	8,999	5,428	498	4,609	625	7,389	103,999
22p	8,972	2,243	4,793	575	1,361	8,317	6,585	488	5,076	627	6,770	101,914
29p	8,901	2,202	4,619	624	1,456	8,698	5,867	511	4,011	625	7,039	101,080
Outside New York City												
1972												
Aug. 2	44,934	6,077	32,064	1,282	5,511	19,763	17,524	3,216	5,617	528	11,817	294,277
9	45,055	6,213	32,014	1,284	5,544	17,545	16,087	3,251	5,333	527	11,684	289,654
16	44,867	6,195	31,912	1,263	5,497	20,470	16,341	3,269	5,451	528	11,466	293,906
23	44,918	6,148	32,021	1,283	5,466	17,518	15,193	3,413	5,219	528	11,392	289,540
30	45,112	6,194	32,114	1,225	5,579	17,469	16,170	3,491	5,455	532	11,583	290,381
1973												
July 4	46,965	5,913	33,317	1,265	6,470	24,940	16,258	3,283	5,859	668	13,970	337,774
11	46,932	5,835	33,227	1,309	6,561	20,188	13,208	3,720	5,196	680	13,732	329,700
18	46,773	5,635	33,204	1,326	6,608	20,753	14,618	3,691	5,359	680	13,342	331,743
25	47,140	5,650	33,338	1,367	6,785	18,041	14,514	3,771	5,241	680	13,511	329,136
Aug. 1p	47,224	5,741	33,410	1,339	6,734	20,778	16,896	3,560	6,184	681	14,086	336,169
8p	47,273	5,771	33,459	1,353	6,690	17,927	13,267	3,468	5,451	684	13,968	332,058
15p	47,464	5,744	33,591	1,354	6,775	21,330	15,279	3,587	5,371	682	13,786	339,175
22p	47,262	5,538	33,548	1,373	6,803	18,393	15,007	3,696	5,144	683	13,432	332,687
29p	47,430	5,511	33,560	1,369	6,990	17,485	15,585	3,884	4,705	683	13,963	332,404

For notes see p. A-28.

ASSETS AND LIABILITIES OF LARGE COMMERCIAL BANKS—Continued

(In millions of dollars)

Deposits															Wednesday
Demand									Time and savings						
				Domestic interbank		Foreign				IPC					
Total	IPC	States and political subdivisions	U.S. Govt.	Commercial	Mutual savings	Govts., etc.[2]	Commercial banks	Certified and officers' checks	Total[6]	Savings	Other	States and political subdivisions	Domestic interbank	Foreign govts.[2]	
															Large banks—Total
															1972
147,378	104,095	6,744	4,472	20,957	747	953	2,959	6,451	152,111	57,892	67,564	18,334	2,474	5,375	Aug. 2
140,911	101,382	5,994	3,401	20,140	700	800	2,926	5,568	152,984	57,924	68,458	18,331	2,433	5,371	9
143,100	104,684	6,261	1,981	20,195	688	774	2,984	5,533	153,472	57,901	68,933	18,297	2,480	5,394	16
138,860	102,011	5,806	2,048	19,350	632	715	2,719	5,579	154,459	57,867	69,792	18,458	2,501	5,368	23
140,450	102,374	6,038	1,715	20,357	682	864	2,999	5,421	155,495	57,827	70,796	18,488	2,542	5,335	30
															1973
161,502	113,967	7,645	5,079	22,448	1,023	1,003	3,360	6,977	180,133	58,376	87,530	21,173	4,304	8,044	July 4
153,096	110,682	6,316	2,790	20,633	854	1,219	3,587	7,015	180,521	58,222	87,986	21,266	4,426	8,014	11
153,340	111,502	6,089	3,215	21,083	783	1,076	3,292	6,300	181,811	57,999	89,445	21,325	4,487	7,967	18
150,989	106,783	6,013	3,945	21,008	738	1,003	3,685	7,814	183,778	57,641	91,262	21,731	4,597	7,960	25
157,605	111,528	6,901	3,010	22,749	857	1,135	3,539	7,886	185,434	57,345	92,791	21,978	4,715	8,050	Aug. 1p
147,750	105,985	6,060	1,404	22,495	874	951	3,667	6,314	187,307	57,136	94,404	22,193	4,951	8,118	8p
154,094	112,546	6,717	2,222	21,482	824	998	3,380	5,925	188,819	56,809	96,021	22,207	5,252	8,060	15p
144,371	106,331	5,676	1,820	19,724	792	819	3,556	5,653	190,039	56,612	96,913	22,544	5,430	8,102	22p
143,516	105,635	5,703	1,816	19,076	728	891	3,527	6,140	190,774	56,299	97,917	22,674	5,422	8,060	29p
															New York City
															1972
38,806	22,651	352	832	8,641	398	810	2,116	3,006	26,023	5,695	13,987	2,183	1,243	2,831	Aug. 2
36,860	21,716	357	633	8,617	369	653	2,032	2,483	26,182	5,696	14,343	2,060	1,186	2,813	9
36,504	22,336	460	253	8,040	348	633	2,112	2,322	26,395	5,699	14,527	2,043	1,234	2,809	16
35,912	22,043	381	315	7,965	319	558	1,873	2,458	26,819	5,702	14,901	2,097	1,246	2,787	23
37,256	22,169	363	274	8,983	349	674	2,153	2,291	27,268	5,673	15,384	2,070	1,280	2,775	30
															1973
43,479	24,611	1,022	936	10,481	594	834	2,293	2,708	32,830	5,315	18,838	1,925	2,591	4,058	July 4
40,650	23,070	297	415	9,606	430	1,045	2,571	3,216	32,924	5,279	18,867	1,932	2,697	4,056	11
41,478	24,211	324	651	10,132	414	892	2,260	2,594	33,169	5,247	19,161	1,891	2,774	4,016	18
42,337	22,615	303	737	10,510	391	726	2,709	4,346	33,629	5,196	19,452	2,046	2,912	3,957	25
44,216	24,608	432	528	10,878	449	976	2,503	3,842	34,262	5,147	19,943	2,093	3,072	3,939	Aug. 1p
40,932	22,139	441	128	11,588	479	770	2,663	2,724	34,725	5,119	20,239	2,027	3,280	3,991	8p
41,860	24,665	570	466	10,350	429	832	2,399	2,149	35,043	5,075	20,335	2,128	3,466	3,978	15p
38,418	22,545	401	230	9,418	448	657	2,543	2,176	34,817	5,036	19,945	2,222	3,511	4,044	22p
38,340	22,342	327	295	8,933	383	728	2,518	2,814	35,150	4,991	20,405	2,148	3,517	4,037	29p
															Outside New York City
															1972
108,572	81,444	6,392	3,640	12,316	349	143	843	3,445	126,088	52,197	53,577	16,151	1,231	2,544	Aug. 2
104,051	79,666	5,637	2,768	11,523	331	147	894	3,085	126,802	52,228	54,115	16,271	1,247	2,558	9
106,596	82,348	5,801	1,728	12,155	340	141	872	3,211	127,077	52,202	54,406	16,254	1,246	2,585	16
102,948	79,968	5,425	1,733	11,385	313	157	846	3,121	127,640	52,165	54,891	16,361	1,255	2,581	23
103,194	80,205	5,675	1,441	11,374	333	190	846	3,130	128,227	52,154	55,412	16,418	1,262	2,560	30
															1973
118,023	89,356	6,623	4,143	11,967	429	169	1,067	4,269	147,303	53,061	68,692	19,248	1,713	3,986	July 4
112,446	87,612	6,019	2,375	11,027	424	174	1,016	3,799	147,597	52,943	69,119	19,334	1,729	3,958	11
111,862	87,291	5,765	2,564	10,951	369	184	1,032	3,706	148,642	52,752	70,284	19,434	1,713	3,951	18
108,652	84,168	5,710	3,208	10,498	347	277	976	3,468	150,149	52,445	71,810	19,685	1,685	4,003	25
113,389	86,920	6,469	2,482	11,871	408	159	1,036	4,044	151,172	52,198	72,848	19,885	1,643	4,111	Aug. 1p
106,818	83,846	5,619	1,276	10,907	395	181	1,004	3,590	152,582	52,017	74,165	20,166	1,671	4,127	8p
112,234	87,881	6,147	1,756	11,132	395	166	981	3,776	153,776	51,734	75,686	20,079	1,786	4,082	15p
105,953	83,786	5,275	1,590	10,306	344	162	1,013	3,477	155,222	51,576	76,968	20,322	1,919	4,058	22p
105,176	83,293	5,376	1,521	10,143	345	163	1,009	3,326	155,624	51,308	77,512	20,526	1,905	4,023	29p

For notes see p. A-28.

ASSETS AND LIABILITIES OF LARGE COMMERCIAL BANKS—Continued

(In millions of dollars)

Wednesday	Federal funds purchased, etc.[7]	Borrowings from— F.R. Banks	Borrowings from— Others	Other liabilities, etc.[8]	Reserves for— Loans	Reserves for— Securities	Total capital accounts	Memoranda: Total loans (gross) adjusted[9]	Memoranda: Total loans and investments (gross) adjusted[9]	Memoranda: Demand deposits adjusted[10]	Memoranda: Large negotiable time CD's included in time and savings deposits[11] Total	Memoranda: Large negotiable time CD's Issued to IPC's	Memoranda: Large negotiable time CD's Issued to others	Gross liabilities of banks to their foreign branches
Large banks Total														
1972														
Aug. 2	30,164	1,200	1,494	15,440	4,171	71	28,514	206,437	286,399	91,910	38,227	24,067	14,160	1,829
9	31,162	777	1,530	14,933	4,166	71	28,547	205,802	285,629	90,340	38,936	24,862	14,074	1,250
16	31,997	439	1,486	15,810	4,168	71	28,489	206,425	286,065	91,539	39,401	25,254	14,147	1,778
23	30,285	809	1,555	15,661	4,167	71	28,537	207,339	287,202	91,386	40,312	26,047	14,265	1,845
30	29,623	1,178	1,479	15,182	4,183	71	28,606	206,401	286,432	91,355	41,212	26,835	14,377	1,262
1973														
July 4	41,216	2,423	3,723	17,094	4,469	96	30,761	252,165	331,493	97,333	59,773	39,716	20,057	1,766
11	38,656	1,836	4,013	16,932	4,492	64	30,741	255,221	334,535	99,787	60,674	40,357	20,317	1,664
18	41,746	1,100	4,264	17,219	4,492	64	30,631	253,022	331,616	98,925	61,878	41,625	20,253	2,146
25	38,743	1,299	4,512	17,558	4,495	64	30,651	253,787	332,567	97,207	63,766	43,122	20,644	2,092
Aug. 1p	38,677	698	4,356	18,775	4,524	65	30,854	256,139	334,410	100,189	64,901	43,950	20,951	2,226
8p	40,418	826	4,556	18,624	4,533	65	30,878	259,184	337,333	96,356	66,570	45,198	21,372	2,276
15p	39,747	1,959	4,715	18,426	4,531	67	30,816	260,664	340,407	100,061	68,179	46,480	21,699	1,900
22p	38,374	2,282	5,286	18,858	4,536	65	30,790	256,814	335,539	96,117	69,103	47,140	21,963	2,440
29p	36,886	2,546	5,619	18,794	4,553	64	30,732	256,706	335,037	96,441	69,835	48,082	21,753	2,793
New York City														
1972														
Aug. 2	6,324	511	371	5,805	1,224	....	7,202	46,934	61,043	19,057	13,304	8,827	4,477	1,446
9	8,032	275	335	5,320	1,221	....	7,202	46,464	60,530	18,125	13,542	9,243	4,299	973
16	7,755	37	339	5,686	1,222	....	7,188	46,579	60,652	19,296	13,830	9,498	4,332	1,448
23	6,962	570	354	5,837	1,227	....	7,183	46,718	60,943	19,074	14,304	9,947	4,357	1,543
30	6,794	482	316	5,277	1,235	....	7,258	46,516	60,661	18,445	14,678	10,354	4,324	931
1973														
July 4	9,628	539	1,793	6,312	1,284	....	7,778	57,581	70,072	20,360	19,367	12,748	6,619	1,512
11	9,001	807	1,876	6,346	1,275	....	7,772	59,685	72,313	20,931	19,475	12,744	6,731	1,354
18	10,517	....	2,131	6,609	1,279	....	7,741	57,787	70,245	21,331	19,725	13,072	6,653	1,669
25	9,318	257	2,125	6,282	1,282	....	7,723	57,905	70,555	20,302	20,209	13,362	6,847	1,470
Aug. 1p	7,963	....	2,080	7,212	1,288	....	7,798	59,025	71,287	21,931	20,676	13,634	7,042	1,657
8p	8,954	15	2,057	7,114	1,294	....	7,808	59,706	71,891	19,648	21,064	13,881	7,183	1,701
15p	8,925	265	2,041	6,771	1,293	....	7,801	60,249	73,505	22,045	21,406	13,933	7,473	1,329
22p	9,303	837	2,456	7,008	1,296	....	7,779	58,579	71,568	20,453	21,196	13,610	7,586	1,779
29p	8,396	527	2,606	7,025	1,302	....	7,734	58,934	71,691	20,414	21,589	14,084	7,505	2,327
Outside New York City														
1972														
Aug. 2	23,840	689	1,123	9,635	2,947	71	21,312	159,503	225,356	72,853	24,923	15,240	9,683	383
9	23,130	502	1,195	9,613	2,945	71	21,345	159,338	225,099	72,215	25,394	15,619	9,775	277
16	24,242	402	1,147	10,124	2,946	71	21,301	159,846	225,413	72,243	25,571	15,756	9,815	330
23	23,323	239	1,201	9,824	2,940	71	21,354	160,621	226,259	72,312	26,008	16,100	9,908	302
30	22,829	696	1,163	9,905	2,948	71	21,348	159,885	225,771	72,910	26,534	16,481	10,053	331
1973														
July 4	31,588	1,884	1,930	10,782	3,185	96	22,983	194,584	261,421	76,973	40,406	26,968	13,438	254
11	29,655	1,029	2,137	10,586	3,217	64	22,969	195,536	262,222	78,856	41,199	27,613	13,586	310
18	31,229	1,100	2,133	10,610	3,213	64	22,890	195,235	261,371	77,594	42,153	28,553	13,600	477
25	29,425	1,042	2,387	11,276	3,213	64	22,928	195,882	262,012	76,905	43,557	29,760	13,797	622
Aug. 1p	30,714	698	2,276	11,563	3,236	65	23,056	197,114	263,123	78,258	44,225	30,316	13,909	569
8p	31,464	811	2,499	11,510	3,239	65	23,070	199,478	265,442	76,708	45,506	31,317	14,189	575
15p	30,822	1,694	2,674	11,655	3,238	67	23,015	200,415	266,902	78,016	46,773	32,547	14,226	571
22p	29,071	1,445	2,830	11,850	3,240	65	23,011	198,235	263,971	75,664	47,907	33,530	14,377	661
29p	28,490	2,019	3,013	11,769	3,251	64	22,998	197,772	263,346	76,027	48,246	33,998	14,248	466

1 Includes securities purchased under agreements to resell.
2 Includes official institutions and so forth.
3 Includes short-term notes and bills.
4 Federal agencies only.
5 Includes corporate stock.
6 Includes U.S. Govt. and foreign bank deposits, not shown separately.
7 Includes securities sold under agreements to repurchase.
8 Includes minority interest in consolidated subsidiaries.
9 Exclusive of loans and Federal funds transactions with domestic commercial banks.
10 All demand deposits except U.S. Govt. and domestic commercial banks, less cash items in process of collection.
11 Certificates of deposit issued in denominations of $100,000 or more.

COMMERCIAL AND INDUSTRIAL LOANS OF LARGE COMMERCIAL BANKS

(In millions of dollars)

Industry	Outstanding					Net change during—							
	1973					1973			1973		1972	1973	1972
	Aug. 29	Aug. 22	Aug. 15	Aug. 8	Aug. 1	Aug.	July	June	II	I	IV	1st half	2nd half
Durable goods manufacturing:													
Primary metals	1,995	2,010	1,999	2,005	1,999	4	-39	15	102	122	20	20	79
Machinery	6,349	6,430	6,498	6,382	6,265	53	240	351	645	808	496	1,453	395
Transportation equipment	2,513	2,497	2,474	2,278	2,245	253	102	......	32	32	173	64	258
Other fabricated metal products	2,269	2,284	2,319	2,291	2,269	41	48	104	267	236	24	503	57
Other durable goods	3,907	3,924	3,889	3,866	3,867	122	9	140	323	549	13	872	69
Nondurable goods manufacturing:													
Food, liquor, and tobacco	3,706	3,788	3,780	3,756	3,708	50	332	85	194	171	640	23	827
Textiles, apparel, and leather	3,634	3,661	3,678	3,614	3,575	85	125	166	275	455	351	730	166
Petroleum refining	1,250	1,233	1,246	1,243	1,250	......	62	4	-7	218	10	211	14
Chemicals and rubber	2,633	2,662	2,652	2,641	2,610	31	64	53	63	746	9	809	262
Other nondurable goods	2,132	2,114	2,131	2,150	2,111	29	49	46	157	203	65	360	30
Mining, including crude petroleum and natural gas	4,010	4,010	4,073	4,115	4,078	119	169	5	......	331	33	331	25
Trade: Commodity dealers	1,284	1,304	1,296	1,300	1,270	12	18	136	603	63	481	540	622
Other wholesale	5,210	5,261	5,307	5,300	5,336	-113	102	35	183	384	61	567	216
Retail	6,090	6,166	6,247	6,299	6,270	-53	51	120	457	635	166	1,092	473
Transportation	5,932	6,036	5,999	5,993	5,994	30	78	143	283	11	235	294	42
Communication	2,050	2,161	2,131	2,159	2,172	84	17	29	79	179	147	258	424
Other public utilities	4,678	4,751	4,735	4,829	4,810	49	180	262	670	291	531	961	939
Construction	5,800	5,799	5,815	5,773	5,718	104	104	196	624	304	38	928	364
Services	10,383	10,374	10,355	10,329	10,271	166	88	248	455	542	558	997	494
All other domestic loans	8,056	8,112	8,129	8,087	8,078	214	253	106	782	972	168	1,754	239
Bankers' acceptances	1,227	1,275	1,371	1,456	1,421	105	-65	93	76	-230	302	154	100
Foreign commercial and industrial loans	4,174	4,261	4,195	4,384	4,449	267	3	6	22	580	414	558	491
Total classified loans	89,282	90,113	90,319	90,250	89,766	154	1,862	1,991	4,443	7,602	3,599	12,045	4,944
Total commercial and industrial loans of large commercial banks	p106,957	p107,896	p108,137	p108,084	p107,557	65	1,896	2,202	5,123	8,770	4,472	13,893	6,149

See NOTE to table below.

"TERM" COMMERCIAL AND INDUSTRIAL LOANS OF LARGE COMMERCIAL BANKS

(In millions of dollars)

Industry	Outstanding									Net change during—				
	1973								1972	1973		1972		1973
	Aug. 29	July 25	June 27	May 30	Apr 25	Mar 28	Feb. 28	Jan. 31	Dec. 27	II	I	IV	III	1st half
Durable goods manufacturing:														
Primary metals	1,294	1,293	1,328	1,314	1,315	1,335	1,307	1,336	1,268	7	67	35	-67	60
Machinery	2,640	2,664	2,641	2,560	2,555	2,313	2,305	2,271	2,154	328	159	249	49	487
Transportation equipment	1,226	1,193	1,189	1,168	1,180	1,174	1,217	1,246	1,205	15	31	-102	-52	16
Other fabricated metal products	846	861	869	833	842	785	765	751	720	84	65	41	4	149
Other durable goods	1,730	1,720	1,690	1,592	1,614	1,520	1,464	1,348	1,239	170	281	51	6	451
Nondurable goods manufacturing:														
Food, liquor, and tobacco	1,405	1,410	1,393	1,372	1,355	1,350	1,325	1,304	1,234	43	116	155	153	159
Textiles, apparel, and leather	1,021	1,003	969	942	978	892	843	781	723	77	169	12	57	246
Petroleum refining	925	947	876	885	858	842	778	781	698	34	144	19	15	178
Chemicals and rubber	1,494	1,486	1,481	1,441	1,459	1,479	1,439	1,359	1,153	2	326	6	65	328
Other nondurable goods	1,069	1,050	1,063	1,063	1,108	1,100	1,062	1,005	894	37	206	24	46	169
Mining, including crude petroleum and natural gas	2,921	3,022	2,846	2,908	2,895	2,872	2,823	2,896	2,685	26	187	6	12	161
Trade: Commodity dealers	115	178	123	139	136	150	131	132	121	27	29	14	2	2
Other wholesale	1,149	1,118	1,066	1,051	1,068	1,055	1,008	982	894	11	161	30	19	172
Retail	2,136	2,066	2,006	1,979	1,947	1,823	1,763	1,698	1,592	183	231	148	146	414
Transportation	4,287	4,255	4,305	4,161	4,202	4,234	4,285	4,257	4,180	71	54	94	219	125
Communication	835	814	785	760	738	746	770	755	682	39	64	121	64	103
Other public utilities	2,671	2,548	2,409	2,328	2,343	2,234	2,245	2,060	1,975	175	259	287	282	434
Construction	2,000	2,009	1,896	1,852	1,800	1,709	1,665	1,661	1,558	187	151	8	142	338
Services	4,645	4,568	4,562	4,402	4,417	4,339	4,184	4,120	4,026	223	313	164	143	536
All other domestic loans	2,458	2,389	2,201	2,180	2,061	1,871	1,785	1,711	1,597	330	274	43	131	604
Foreign commercial and industrial loans	2,292	2,497	2,585	2,647	2,410	2,567	2,327	2,355	2,366	18	201	223	105	219
Total loans	p39,159	p39,091	p38,283	p37,577	p37,281	p36,390	35,491	34,809	32,964	1,893	3,426	1,498	803	5,319

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

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

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

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

(In billions of dollars)

Class of bank, and quarter or month	Type of holder					Total deposits, IPC
	Financial business	Nonfinancial business	Consumer	Foreign	All other	
All commercial banks:						
1970—June	17.1	85.3	49.0	1.6	9.6	162.5
Sept.	17.0	88.0	51.4	1.4	10.0	167.9
Dec.	17.3	92.7	53.6	1.3	10.3	175.1
1971—Mar.	18.3	86.3	54.4	1.4	10.5	170.9
June	18.1	89.6	56.2	1.3	10.5	175.8
Sept.	17.9	91.5	57.5	1.2	9.7	177.9
Dec.	18.5	98.4	58.6	1.3	10.7	187.5
1972—June	17.9	97.6	60.5	1.4	11.0	188.4
Sept.	18.0	101.5	63.1	1.4	11.4	195.4
Dec.	18.9	109.9	65.4	1.5	12.3	208.0
1973—Mar.	18.6	102.8	65.1	1.7	11.8	200.0
June	18.5	106.0	66.8	2.0	11.7	205.1
Weekly reporting banks:						
1971—Dec.	14.4	58.6	24.6	1.2	5.9	104.8
1972—July	14.3	58.5	26.1	1.3	6.0	106.3
Aug.	13.6	57.4	26.0	1.3	5.7	104.0
Sept.	13.7	59.0	26.2	1.3	6.2	106.4
Oct.	14.1	60.0	26.2	1.3	6.1	107.8
Nov.	14.5	60.5	26.7	1.3	6.2	109.2
Dec.	14.7	64.4	27.1	1.4	6.6	114.3
1973—Jan.	15.0	63.1	27.8	1.4	6.8	114.1
Feb.	14.3	60.3	26.3	1.6	6.5	109.0
Mar.	14.4	59.0	26.5	1.6	6.4	107.9
Apr.	14.3	59.4	28.6	1.8	6.4	110.4
May	13.8	59.1	26.9	1.9	6.4	108.0
June	14.2	60.8	27.1	1.9	6.3	110.2
July^p	14.8	61.1	27.3	1.9	6.5	111.7

[1] Including cash items in process of collection.

NOTE.—Daily-average balances maintained during month as estimated from reports supplied by a sample of commercial banks. For a detailed description of the type of depositor in each category, see June 1971 BULLETIN, p. 466.

DEPOSITS ACCUMULATED FOR PAYMENT OF PERSONAL LOANS

(In millions of dollars)

Class of bank	Dec. 31, 1971	June 30, 1972	Dec. 31, 1972	Mar. 28, 1973	Class of bank	Dec. 31, 1971	June 30, 1972	Dec. 31, 1972	Mar. 28, 1973
All commercial	680	595	559	....	All member—Cont.				
Insured	677	592	554	556	Other large banks [1]	112	73	69	67
National member	387	340	311	314	All other member [1]	371	346	313	318
State member	95	79	71	72	All nonmember	197	177	177	....
All member	482	419	381	385	Insured	195	173	172	171
					Noninsured	2	3	5	....

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

NOTE.—These hypothecated deposits are excluded from "Time deposits" and "Loans" at commercial banks, as shown in the tables on pp. A-18, A-19, and A-24–A-28 (consumer instalment loans), and in the table at the bottom of p. A-17. These changes resulted from a change in Federal Reserve regulations. See June 1966 BULLETIN, p. 808.

These deposits have not been deducted from "Time deposits" and "Loans" for commercial banks as shown on pp. A-20 and A-21 and on pp. A-22 and A-23 (IPC only for time deposits).

LOANS SOLD OUTRIGHT BY COMMERCIAL BANKS

(Amounts outstanding; in millions of dollars)

Date	To own subsidiaries, foreign branches, holding companies and other affiliates: Total	By type of loan: Commercial and industrial	By type of loan: All other	To all others except banks: Total	By type of loan: Commercial and industrial	By type of loan: All other
1973—May 2	3,598	2,281	1,317	1,819	270	1,549
9	3,561	2,232	1,329	1,818	270	1,548
16	3,668	2,323	1,345	1,818	297	1,521
23	3,618	2,283	1,335	1,751	296	1,455
30	3,674	2,231	1,443	1,773	308	1,465
June 6	3,701	2,348	1,353	1,798	323	1,475
13	3,611	2,248	1,363	1,757	309	1,448
20	3,474	2,169	1,305	1,731	280	1,451
27	3,520	2,174	1,346	1,707	279	1,428
July 4	3,621	2,308	1,313	1,693	267	1,426
11	3,533	2,267	1,266	1,683	281	1,402
18	3,963	2,515	1,448	1,686	274	1,412
25	4,031	2,557	1,474	1,707	291	1,416
Aug. 1	4,119	2,542	1,577	1,694	294	1,400
8	4,142	2,506	1,636	1,795	380	1,415
15	4,526	2,786	1,740	1,792	381	1,411
22	4,602	2,708	1,894	1,738	327	1,411
29	4,742	2,895	1,847	1,749	323	1,426

NOTE.—Amounts sold under repurchase agreement are excluded. Figures include small amounts sold by banks other than large weekly reporting banks.

COMMERCIAL AND FINANCE COMPANY PAPER AND BANKERS' ACCEPTANCES OUTSTANDING

(In millions of dollars)

End of period	Commercial and finance company paper: Total	Placed through dealers: Bank related	Placed through dealers: Other[1]	Placed directly: Bank related	Placed directly: Other[2]	Dollar acceptances: Total	Held by: Accepting banks: Total	Accepting banks: Own bills	Accepting banks: Bills bought	F.R. Banks: Own acct.	F.R. Banks: Foreign corr.	Others	Based on—: Imports into United States	Exports from United States	All other
1965	9,300	....	1,903	....	7,397	3,392	1,223	1,094	129	187	144	1,837	792	974	1,626
1966	13,645	....	3,089	....	10,556	3,603	1,198	983	215	193	191	2,022	997	829	1,778
1967	17,085	....	4,901	....	12,184	4,317	1,906	1,447	459	164	156	2,090	1,086	989	2,241
1968	21,173	....	7,201	....	13,972	4,428	1,544	1,344	200	58	109	2,717	1,423	952	2,053
1969	32,600	1,216	10,601	3,078	17,705	5,451	1,567	1,318	249	64	146	3,674	1,889	1,153	2,408
1970	33,071	409	12,262	1,940	18,460	7,058	2,694	1,960	735	57	250	4,057	2,601	1,561	2,895
1971	32,126	495	10,923	1,478	19,230	7,889	3,480	2,689	791	261	254	3,894	2,834	1,546	3,509
1972—July	34,785	604	12,319	1,652	20,210	6,643	2,430	1,873	557	63	263	3,887	2,492	1,606	2,545
Aug.	34,233	705	12,239	1,716	19,573	6,639	2,298	1,829	469	96	287	3,958	2,532	1,631	2,476
Sept.	34,012	775	12,313	1,593	19,331	6,602	2,403	1,833	569	62	261	3,876	2,538	1,646	2,418
Oct.	35,651	821	12,737	1,708	20,385	6,748	2,394	1,881	514	70	219	4,065	2,585	1,786	2,377
Nov.	35,775	876	12,345	1,709	20,845	6,864	2,529	1,995	535	63	199	4,073	2,621	1,844	2,400
Dec.	34,721	930	11,242	1,707	20,842	6,898	2,706	2,006	700	106	179	3,907	2,531	1,909	2,458
1973—Jan.	35,727	911	11,641	1,795	21,380	6,564	2,384	1,825	560	141	198	3,841	2,337	1,948	2,279
Feb.	35,196	956	9,968	2,160	22,112	6,734	2,328	1,765	563	233	239	3,934	2,311	2,113	2,310
Mar.	34,052	993	8,366	2,463	22,230	6,859	2,269	1,777	492	165	282	4,143	2,091	2,399	2,368
Apr.	34,404	1,044	8,290	2,767	22,303	6,713	2,068	1,641	427	136	344	4,165	1,996	2,359	2,359
May	35,672	1,148	8,288	2,922	23,314	6,888	2,197	1,763	433	83	384	4,225	2,009	2,509	2,371
June	35,786	1,173	8,316	3,110	23,187	7,237	2,185	1,746	439	66	395	4,591	2,053	2,755	2,428
July	35,463	1,207	7,954	3,307	22,995	7,693	2,254	1,803	452	54	496	4,888	2,222	2,954	2,517

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

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

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

PRIME RATE CHARGED BY BANKS

(Per cent per annum)

Effective date	Rate
1969—Jan. 7	7
Mar. 17	7½
June 9	8½
1970—Mar. 25	8
Sept. 21	7½
Nov. 12	7¼
23	7
Dec. 22	6¾
1971—Jan. 6	6½
15	6¼
18	6
Feb. 16	5¾
Mar. 11	5¼–5½
19	5¼
Apr. 23	5¼–5½
May 11	5½
July 6	5½–6
7	6
Oct. 20	5¾
Nov. 1	5¾■–5⅝
4	5½■–5⅝
8	5½■
22	5⅜–5½■
29	5¼–5½■
Dec. 6	5¼–5⅜–5½■
27	5¼–5½■
31	5¼■
1972—Jan. 3	5–5⅛–5¼■
17	4¾–5–5¼■
24	4⅝–4¾–5■
31	4½–4¾■–5
Feb. 28	4⅜–4½–4¾■
Mar. 13	4½–4¾■
23	4¾■
27	4¾■–4⅞–5
Apr. 3	4¾■–5
5	5■
17	5■–5¼
May 1	5■–5⅛–5¼
30	5■
June 12	5■–5⅛
26	5–5¼■
July 3	5¼■–5⅜
10	5¼■–5⅜–5½
17	5¼■–5½
31	5¼■–5⅜–5½
Aug. 11	5¼■–5⅜
14	5¼■
21	5¼■–5⅜
25	5¼■–5⅜–5½
29	5¼–5⅜–5½■
1972—Sept. 4	5¼–5½■
5	5½■
11	5½■–5⅝
25	5½■–5⅝–5¾
Oct. 2	5½■–5¾
4	5½–5¾■
11	5¾■
16	5¾■–5⅞
Nov. 6	5¾■
20	5¾■–5⅞
Dec. 26	5¾■–6
27	5¾–6■
1973—Jan. 4	6■
Feb. 2	6■–6¼
14	6■
26	6■–6¼
27	6¼■
Mar. 19	6¼■–6¾
26	6½■
Apr. 18	6½–6¾■
19	6¾■
May 4	6¾■–7
7	7■
24	7■–7¼
25	7–7¼■
1973—June 8	7½■
19	7½■–7¾
25	7¾■
July 2	7¾■–8
3	7¾–8■
9	8–8¼■
17	8¼■–8½
18	8¼–8½■
23	8½
30	8½–8¾■
Aug. 6	8¾–9■
7	9■
13	9–9¼■
21	9¼■–9½■
22	9½■
28	9½■–9¾■
29	9¾■

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

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

RATES ON BUSINESS LOANS OF BANKS

Center	All sizes		Size of loan (in thousands of dollars): 1–9		10–99		100–499		500–999		1,000 and over	
	May 1973	Feb. 1973	May 1973	Feb. 1973	May 1973	Feb. 1973	May 1973	Feb. 1973	May 1973	Feb. 1973	May 1973	Feb. 1973
						Short-term						
35 centers	7.35	6.52	8.05	7.63	7.85	7.29	7.61	6.83	7.34	6.52	7.19	6.30
New York City	7.04	6.22	8.05	7.39	7.76	7.08	7.38	6.59	7.14	6.33	6.97	6.13
7 Other Northeast	7.71	6.89	8.36	8.00	8.08	7.53	7.89	7.04	7.77	6.93	7.52	6.65
8 North Central	7.45	6.45	7.72	7.26	7.70	7.16	7.57	6.83	7.32	6.35	7.41	6.27
7 Southeast	7.37	6.76	8.03	7.73	7.80	7.33	7.53	6.89	7.11	6.65	7.16	6.41
8 Southwest	7.33	6.63	7.98	7.48	7.74	7.16	7.48	6.72	7.28	6.53	7.08	6.38
4 West Coast	7.25	6.50	8.31	7.87	7.98	7.37	7.71	6.82	7.27	6.41	7.06	6.34
						Revolving credit						
35 centers	7.14	6.39	7.96	7.27	7.85	7.06	7.46	6.55	7.25	6.38	7.17	6.39
New York City	7.07	6.53	7.82	7.07	7.36	6.87	7.28	6.56	7.18	6.40	7.06	6.53
7 Other Northeast	7.45	6.38	8.43	7.51	7.63	7.09	7.55	6.69	7.33	6.47	7.45	6.32
8 North Central	7.40	6.25	8.61	8.50	7.99	7.14	7.66	6.54	7.22	6.29	7.37	6.18
7 Southeast	7.19	7.24	7.53	6.00	7.73	5.95	7.03	6.41	7.13	....	....	7.67
8 Southwest	7.79	6.83	7.75	7.65	7.83	7.17	8.11	6.74	7.54	6.86	7.79	6.82
4 West Coast	7.17	6.32	7.97	7.37	7.95	7.20	7.36	6.51	7.23	6.30	7.12	6.28
						Long-term						
35 centers	7.66	7.11	8.17	7.47	7.79	7.48	7.93	7.31	7.72	7.13	7.60	7.06
New York City	7.30	6.90	7.20	6.64	7.45	7.00	7.55	7.09	7.70	6.47	7.25	6.91
7 Other Northeast	8.17	7.08	8.60	7.28	7.68	7.66	8.12	7.49	7.95	6.89	8.28	6.94
8 North Central	7.72	7.04	8.08	7.34	8.02	7.60	8.21	7.24	7.51	7.02	7.65	6.98
7 Southeast	8.44	8.29	7.18	7.38	7.24	7.05	8.50	8.67	9.39	7.76	8.58	8.71
8 Southwest	7.79	7.88	8.39	8.20	8.20	7.97	7.66	7.37	7.68	6.62	7.82	8.45
4 West Coast	7.69	7.18	8.72	7.49	7.95	7.17	7.66	6.91	7.57	8.24	7.71	7.06

NOTE.—Beginning Feb. 1971 the Quarterly Survey of Interest Rates on Business Loans was revised. For description of revised series see pp. 468–77 of the June 1971 BULLETIN.

MONEY MARKET RATES

(Per cent per annum)

Period	Prime commercial paper[1]		Finance co. paper placed directly, 3- to 6-months[2]	Prime bankers' acceptances, 90 days[1]	Federal funds rate[3]	U.S. Government securities[4]						
						3-month bills[5]		6-month bills[5]		9- to 12-month issues		3- to 5-year issues[7]
	90-119 days	4- to 6-months				Rate on new issue	Market yield	Rate on new issue	Market yield	1-year bill (market yield)[5]	Other[6]	
1966	....	5.55	5.42	5.36	5.11	4.881	4.86	5.082	5.06	5.07	5.17	5.16
1967	....	5.10	4.89	4.75	4.22	4.321	4.29	4.630	4.61	4.71	4.84	5.07
1968	....	5.90	5.69	5.75	5.66	5.339	5.34	5.470	5.47	5.46	5.62	5.59
1969	....	7.83	7.16	7.61	8.22	6.677	6.67	6.853	6.86	6.79	7.06	6.85
1970	....	7.72	7.23	7.31	7.17	6.458	6.39	6.562	6.51	6.49	6.90	7.37
1971	....	5.11	4.91	4.85	4.66	4.348	4.33	4.511	4.52	4.67	4.75	5.77
1972	4.67	4.69	4.52	4.47	4.44	4.071	4.07	4.466	4.49	4.77	4.86	5.85
1972—Aug.	4.75	4.82	4.58	4.67	4.80	4.014	4.02	4.527	4.55	4.90	4.91	5.92
Sept.	5.07	5.14	4.91	4.84	4.87	4.651	4.66	5.086	5.13	5.44	5.49	6.16
Oct.	5.21	5.30	5.13	5.05	5.04	4.719	4.74	5.118	5.13	5.39	5.41	6.11
Nov.	5.18	5.25	5.13	5.01	5.06	4.774	4.78	5.079	5.09	5.20	5.22	6.03
Dec.	5.40	5.45	5.24	5.16	5.33	5.061	5.07	5.287	5.30	5.28	5.46	6.07
1973—Jan.	5.76	5.78	5.56	5.60	5.94	5.307	5.41	5.527	5.62	5.58	5.78	6.29
Feb.	6.17	6.22	5.97	6.14	6.58	5.558	5.60	5.749	5.83	5.93	6.07	6.61
Mar.	6.76	6.85	6.45	6.82	7.09	6.054	6.09	6.430	6.51	6.53	6.81	6.85
Apr.	7.13	7.14	6.76	6.97	7.12	6.289	6.26	6.525	6.52	6.51	6.79	6.74
May	7.26	7.27	6.85	7.15	7.84	6.348	6.36	6.615	6.62	6.63	6.83	6.78
June	8.00	7.99	7.45	7.98	8.49	7.188	7.19	7.234	7.23	7.05	7.27	6.76
July	9.26	9.18	8.09	9.19	10.40	8.015	8.01	8.081	8.12	7.97	8.37	7.49
Aug.	10.26	10.21	8.90	10.18	10.50	8.672	8.67	8.700	8.65	8.32	8.82	7.75
Week ending—												
1973—May 5	7.13	7.13	6.75	7.00	7.43	6.278	6.24	6.575	6.56	6.60	6.74	6.79
12	7.13	7.13	6.75	7.00	7.60	6.136	6.07	6.431	6.42	6.49	6.68	6.76
19	7.23	7.28	6.75	7.13	7.81	6.179	6.22	6.456	6.48	6.49	6.72	6.76
26	7.38	7.38	6.95	7.33	8.06	6.452	6.56	6.748	6.78	6.78	6.98	6.82
June 2	7.53	7.53	7.13	7.41	7.95	6.694	6.91	6.864	6.99	6.93	7.13	6.79
9	7.80	7.83	7.25	7.75	8.43	7.133	7.07	7.210	7.09	6.94	7.20	6.72
16	7.90	7.90	7.50	7.88	8.17	7.129	7.15	7.172	7.16	6.94	7.19	6.70
23	8.10	8.03	7.50	8.05	8.55	7.263	7.25	7.255	7.27	7.02	7.25	6.74
30	8.28	8.28	7.60	8.35	8.59	7.228	7.32	7.299	7.43	7.31	7.46	6.89
July 7	8.75	8.75	7.84	8.94	10.21	7.987	7.94	8.011	7.95	7.71	7.96	7.15
14	8.98	8.90	8.08	9.00	9.52	7.991	7.78	8.019	7.86	7.65	8.09	7.29
21	9.28	9.15	8.13	9.05	10.22	7.967	8.03	8.023	8.17	7.97	8.40	7.48
28	9.70	9.60	8.13	9.50	10.58	8.114	8.17	8.272	8.35	8.34	8.73	7.76
Aug. 4	9.95	9.88	8.33	9.85	10.57	8.320	8.30	8.476	8.43	8.40	8.94	8.02
11	10.15	10.05	8.65	10.15	10.39	8.486	8.70	8.650	8.79	8.44	9.13	8.16
18	10.28	10.25	8.80	10.25	10.39	8.976	8.88	8.943	8.78	8.34	8.91	7.80
25	10.30	10.25	8.98	10.25	10.52	8.910	8.71	8.856	8.57	8.25	8.61	7.50
Sept. 1	10.48	10.45	9.00	10.25	10.79	8.668	8.62	8.577	8.58	8.22	8.53	7.35

1 Averages of the most representative daily offering rate quoted by dealers.

2 Averages of the most representative daily offering rate published by finance companies, for varying maturities in the 90-179 day range.

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

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

5 Bills quoted on bank-discount-rate basis.

6 Certificates and selected note and bond issues.

7 Selected note and bond issues.

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

BOND AND STOCK YIELDS

(Per cent per annum)

Period	Government bonds				Corporate bonds								Stocks		
	United States (long-term)	State and local			Aaa utility		Total[1]	By selected rating		By group			Dividend/price ratio		Earnings/price ratio
		Total[1]	Aaa	Baa	New issue	Recently offered		Aaa	Baa	Industrial	Railroad	Public utility	Preferred	Common	Common
							Seasoned issues								
1963	4.00	3.28	3.06	3.58	4.21	....	4.50	4.26	4.86	4.42	4.65	4.41	4.30	3.17	5.68
1964	4.15	3.28	3.09	3.54	4.34	....	4.57	4.40	4.83	4.52	4.67	4.53	4.32	3.01	5.54
1965	4.21	3.34	3.16	3.57	4.50	4.51	4.64	4.49	4.87	4.61	4.72	4.60	4.33	3.00	5.87
1966	4.66	3.90	3.67	4.21	5.43	5.38	5.34	5.13	5.67	5.30	5.37	5.36	4.97	3.40	6.72
1967	4.85	3.99	3.74	4.30	5.82	5.79	5.82	5.51	6.23	5.74	5.89	5.81	5.34	3.20	5.71
1968	5.25	4.48	4.20	4.88	6.50	6.47	6.51	6.18	6.94	6.41	6.77	6.49	5.78	3.07	5.64
1969	6.10	5.73	5.45	6.07	7.71	7.64	7.36	7.03	7.81	7.22	7.46	7.49	6.41	3.24	6.08
1970	6.59	6.42	6.12	6.75	8.68	8.71	8.51	8.04	9.11	8.26	8.77	8.68	7.22	3.83	6.51
1971	5.74	5.62	5.22	5.89	7.62	7.66	7.94	7.39	8.56	7.57	8.38	8.13	6.75	3.14	5.40
1972	**5.63**	5.30	**5.04**	5.60	**7.31**	7.34	**7.63**	**7.21**	8.16	7.35	7.99	7.74	**7.27**	**2.84**	....
1972—Aug.	5.54	5.36	5.10	5.66	7.37	7.38	7.61	7.19	8.19	7.35	7.99	7.69	6.90	2.80	....
Sept.	5.70	5.38	5.12	5.69	7.40	7.42	7.59	7.22	8.09	7.36	7.97	7.63	7.00	2.83	5.56
Oct.	5.69	5.24	5.03	5.45	7.38	7.41	7.59	7.21	8.06	7.36	7.97	7.63	7.03	2.82	....
Nov.	5.50	5.11	4.91	5.37	7.09	7.21	7.52	7.12	7.99	7.28	7.95	7.55	6.93	2.73	....
Dec.	5.63	5.13	4.91	5.39	7.15	7.21	7.47	7.08	7.93	7.22	7.91	7.48	6.92	2.70	5.46
1973—Jan.	5.94	5.13	4.90	5.39	7.38	7.37	7.49	7.15	7.90	7.27	7.87	7.51	6.85	2.69	6.11
Feb.	6.14	5.17	4.95	5.44	7.40	7.42	7.57	7.22	7.97	7.34	7.92	7.61	6.91	2.80	....
Mar.	6.20	5.30	5.07	5.58	7.49	7.54	7.62	7.29	8.03	7.43	7.94	7.64	7.03	2.83	....
Apr.	6.11	5.17	4.95	5.42	7.46	7.47	7.62	7.26	8.09	7.43	7.98	7.64	7.11	2.90	....
May	6.22	5.13	4.90	5.41	7.51	7.50	7.62	7.29	8.06	7.41	8.01	7.63	7.13	3.01	....
June	6.32	5.25	5.05	5.51	7.64	7.64	7.69	7.37	8.13	7.49	8.07	7.69	7.25	3.06	....
July	6.53	5.44	5.21	5.71	8.01	7.97	7.80	7.45	8.24	7.59	8.17	7.81	7.35	3.04	....
Aug.	6.81	5.51	5.26	5.80	8.36	8.22	8.04	7.68	8.53	7.91	8.32	8.06	7.43	3.16	....
Week ending—															
1973—July 7	6.44	5.36	5.10	5.65	....	7.80	7.74	7.41	8.16	7.53	8.13	7.75	7.30	3.15	....
14	6.43	5.45	5.25	5.70	7.92	7.85	7.78	7.44	8.22	7.55	8.17	7.79	7.33	3.03	....
21	6.50	5.43	5.20	5.75	7.92	7.94	7.80	7.45	8.25	7.60	8.18	7.82	7.35	3.03	....
28	6.64	5.53	5.30	5.80	8.03	8.15	7.83	7.48	8.27	7.65	8.17	7.84	7.43	2.94	....
Aug. 4	6.90	5.63	5.40	5.90	8.31	8.28	7.88	7.53	8.33	7.72	8.19	7.89	7.43	3.06	....
11	6.97	5.63	5.40	5.90	8.52	8.32	7.97	7.61	8.43	7.83	8.28	7.96	7.39	3.11	....
18	6.83	5.64	5.20	5.85	8.30	8.16	8.06	7.71	8.54	7.94	8.34	8.06	7.35	3.19	....
25	6.74	5.42	5.20	5.75	8.29	8.21	8.12	7.77	8.61	7.99	8.36	8.14	7.48	3.27	....
Sept. 1	6.62	5.35	5.10	5.60	....	8.24	8.12	7.73	8.67	7.97	8.40	8.17	7.50	3.17	....
Number of issues[2]	12	20	5	5	....	....	121	20	30	41	30	40	14	500	500

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

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

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

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

Notes to tables on opposite page:

Security Prices:

[1] Begins June 30, 1965, at 10.90. On that day the average price of a share of stock listed on the American Stock Exchange was $10.90.

NOTE.—Annual data are averages of monthly figures. Monthly and weekly data are averages of daily figures unless otherwise noted and are computed as follows: *U.S. Govt. bonds*, derived from average market yields in table on p. A-34 on basis of an assumed 3 per cent, 20-year bond. *Municipal and corporate bonds*, derived from average yields as computed by Standard and Poor's Corp., on basis of a 4 per cent, 20-year bond; Wed. closing prices. *Common stocks*, derived from component common stock prices. *Average daily volume of trading*, normally conducted 5 days per week for 5½ hours per day, or 27½ hours per week. In recent years shorter days and/or weeks have cut total weekly trading to the following number of hours: 1967—Aug. 8–20, 20; 1968—Jan. 22–Mar. 1, 20; June 30–Dec. 31, 22; 1969—Jan. 3–July 3, 20; July 7–Dec. 31–22½; 1970—Jan. 2–May 1, 25.

Terms on Mortgages:

[1] Fees and charges—related to principal mortgage amount—include loan commissions, fees, discounts, and other charges, which provide added income to the lender and are paid by the borrower. They exclude any closing costs related solely to transfer of property ownership.

[2] Series revised beginning Jan. 1973; hence data are not strictly comparable with earlier figures.

NOTE.—Compiled by Federal Home Loan Bank Board in cooperation with Federal Deposit Insurance Corporation. Data are weighted averages based on probability sample survey of characteristics of mortgages originated by major institutional lender groups (including mortgage companies) for purchase of single-family homes. Data exclude loans for refinancing, reconditioning, or modernization; construction loans to homebuilders; and permanent loans that are coupled with construction loans to owner-builders. Series beginning 1965, not strictly comparable with earlier data. See also the table on Home-Mortgage Yields, p. A-53.

SECURITY PRICES

Period	Bond prices (per cent of par)			Common stock prices										Volume of trading in stocks (thousands of shares)	
				New York Stock Exchange									American Stock Exchange total index[1]		
				Standard and Poor's index (1941–43=10)				New York Stock Exchange index (Dec. 31, 1965=50)							
	U.S. Govt. (long-term)	State and local	Corporate AAA	Total	Industrial	Railroad	Public utility	Total	Industrial	Transportation	Utility	Finance		NYSE	AMEX
1963	86.31	111.3	96.8	69.87	73.39	37.58	64.99	....	....	....	....	....	8.52	4,573	1,269
1964	84.46	111.5	95.1	81.37	86.19	45.46	69.91	....	....	....	....	....	9.81	4,888	1,570
1965	83.76	110.6	93.9	88.17	93.48	46.78	76.08	....	....	....	....	....	12.05	6,174	2,120
1966	78.63	102.6	86.1	85.26	91.09	46.34	68.21	44.16	43.79	48.23	44.77	44.43	14.67	7,538	2,752
1967	76.55	100.5	81.8	91.93	99.18	46.72	68.10	50.77	51.97	53.51	45.43	49.82	19.67	10,143	4,508
1968	72.33	93.5	76.4	98.70	107.49	48.84	66.42	55.37	58.00	50.58	44.19	65.85	27.72	12,971	6,353
1969	64.49	79.0	68.5	97.84	107.13	45.95	62.64	54.67	57.45	46.96	42.80	70.49	28.73	11,403	5,001
1970	60.52	72.3	61.6	83.22	91.29	32.13	54.48	45.72	48.03	32.14	37.24	54.64	22.59	10,532	3,376
1971	67.73	80.0	65.0	98.29	108.35	41.94	59.33	54.22	57.92	44.35	39.53	70.38	25.22	17,429	4,234
1972	68.71	84.4	65.9	109.20	121.79	44.11	56.90	60.29	65.73	50.17	38.48	78.35	27.00	16,487	4,447
1972– Aug.	69.55	84.2	65.8	111.01	124.35	43.28	54.66	61.07	67.25	48.97	36.87	78.27	26.85	15,522	3,807
Sept.	68.06	83.4	65.6	109.39	122.33	42.37	55.36	60.05	65.72	46.49	37.82	78.41	25.23	12,314	2,774
Oct.	68.09	85.3	65.5	109.56	122.39	41.20	56.66	59.99	65.35	44.95	38.93	79.64	25.87	14,427	3,014
Nov.	69.87	87.1	65.9	115.05	128.29	42.41	61.16	62.99	68.29	47.50	41.81	84.57	26.18	20,282	4,286
Dec.	68.68	87.1	66.0	117.50	131.08	45.23	61.73	64.26	69.96	48.44	42.28	83.45	26.50	18,146	4,775
1973—Jan.	65.89	86.9	66.0	118.42	132.55	42.87	60.01	64.38	70.55	45.14	41.72	81.62	25.35	18,752	4,046
Feb.	64.09	86.1	65.5	114.16	128.50	40.80	57.52	61.52	67.67	42.34	39.95	74.47	25.34	16,753	3,690
Mar.	63.59	84.1	65.2	112.42	126.05	39.29	55.94	60.15	66.20	40.92	39.13	72.32	24.59	15,564	2,966
Apr.	64.39	85.7	64.9	110.27	123.56	35.88	55.34	58.67	64.41	40.57	38.97	69.42	24.02	13,900	2,981
May	63.43	86.1	64.7	107.22	119.95	36.14	55.43	56.74	62.22	36.66	39.01	65.33	23.12	15,329	3,043
June	62.61	85.8	64.4	104.75	117.20	34.35	54.37	55.14	60.52	33.72	37.95	63.52	22.44	12,796	2,316
July	60.87	83.2	63.8	105.83	118.65	35.22	53.31	56.12	61.53	34.22	37.68	68.95	22.89	14,655	2,522
Aug.	58.71	82.2	61.0	103.80	116.75	33.76	50.14	55.33	61.09	33.48	35.40	68.26	23.03	14,761	1,796
Week ending															
1973 Aug. 4	58.01	81.4	61.7	107.49	120.89	35.12	51.93	57.27	63.20	35.03	36.75	70.65	23.40	12,053	2,272
11	57.51	81.5	60.6	105.84	119.10	34.48	50.77	56.44	62.42	34.27	35.78	69.44	23.28	12,406	1,957
18	58.60	81.9	60.8	102.81	115.64	33.60	49.73	54.80	60.55	33.11	35.02	67.24	22.98	11,842	1,687
25	59.22	82.6	60.9	101.31	113.88	32.85	49.42	53.99	59.53	32.44	34.94	66.60	22.81	10,763	1,533
Sept. 1	60.17	83.7	61.1	103.52	116.44	33.44	50.03	55.17	60.90	33.35	35.22	68.61	22.89	11,978	1,650

For notes see opposite page.

TERMS ON CONVENTIONAL FIRST MORTGAGES

Period	New homes						Existing homes					
	Contract rate (per cent)	Fees & charges (per cent)[1]	Maturity (years)	Loan/price ratio (per cent)	Purchase price (thous. of dollars)	Loan amount (thous. of dollars)	Contract rate (per cent)	Fees & charges (per cent)[1]	Maturity (years)	Loan/price ratio (per cent)	Purchase price (thous. of dollars)	Loan amount (thous. of dollars)
1965	5.74	.49	25.0	73.9	25.1	18.3	5.87	.55	21.8	72.7	21.6	15.6
1966	6.14	.71	24.7	73.0	26.6	19.2	6.30	.72	21.7	72.0	22.2	15.9
1967	6.33	.81	25.2	73.6	28.0	20.4	6.40	.76	22.5	72.7	24.1	17.4
1968	6.83	.89	25.5	73.9	30.7	22.4	6.90	.83	22.7	73.0	25.6	18.5
1969	7.66	.91	25.5	72.8	34.1	24.5	7.68	.88	22.7	71.5	28.3	19.9
1970	8.27	1.03	25.1	71.7	35.5	25.2	8.20	.92	22.8	71.1	30.0	21.0
1971	7.60	.87	26.2	74.3	36.3	26.5	7.54	.77	24.2	73.9	31.7	23.1
1972	7.45	.88	27.2	76.8	37.3	28.1	7.38	.81	25.7	76.0	33.4	25.0
1972—July	7.43	.83	27.2	77.0	37.3	28.2	7.37	.83	25.6	76.2	33.8	25.2
Aug.	7.45	.86	27.5	77.5	36.8	27.9	7.39	.81	26.3	76.5	33.7	25.4
Sept.	7.43	.86	27.3	77.5	36.6	27.9	7.42	.83	26.2	76.5	32.9	24.8
Oct.	7.48	.88	27.2	77.3	36.0	27.4	7.43	.84	26.1	76.3	33.3	25.0
Nov.	7.50	.90	27.5	77.4	37.1	28.1	7.44	.83	26.2	76.7	33.7	25.3
Dec.	7.51	.92	27.5	78.0	37.9	29.0	7.45	.86	26.4	76.8	34.0	25.7
1973—Jan.	7.52	1.03	25.7	76.6	35.8	27.0	7.53	.94	23.2	75.2	30.5	22.6
Feb.	7.52	1.15	26.8	78.6	35.9	27.6	7.55	1.03	23.6	77.5	29.2	22.0
Mar.	7.51	1.09	26.6	78.4	36.7	28.3	7.54	.95	23.3	76.9	29.3	22.0
Apr.	7.53	1.11	26.6	78.2	36.9	28.2	7.55	.96	23.9	77.3	30.1	22.8
May	7.55	1.05	25.9	78.7	36.6	27.2	7.62	.93	23.5	77.5	30.0	22.3
June	7.62	1.08	26.3	78.0	35.8	27.5	7.64	.92	23.4	75.9	31.7	23.5
July	7.67	1.10	26.6	78.2	36.9	28.3	7.69	.93	24.2	75.5	33.4	24.7

For notes see opposite page.

STOCK MARKET CUSTOMER FINANCING

(In millions of dollars)

End of period	Margin credit at brokers and banks [1]										Other security credit at banks [4]	Free credit balances at brokers [5]	
	Regulated [2]									Unregulated [3]			
	By source			By type									
				Margin stock		Convertible bonds		Subscription issues		Nonmargin stock credit at banks			
	Total	Brokers	Banks	*Brokers*	*Banks*	*Brokers*	*Banks*	*Brokers*	*Banks*			*Margin accts.*	*Cash accts.*
1972—July	8,924	7,945	979	7,660	910	248	53	37	16	1,772	1,285	403	1,842
Aug.	9,092	8,060	1,032	7,780	961	246	54	34	17	1,800	1,298	384	1,733
Sept.	9,091	8,083	1,008	7,800	937	248	54	35	17	1,871	1,255	380	1,677
Oct.	9,024	8,081	943	7,800	872	250	53	31	18	1,875	1,351	389	1,708
Nov.	9,068	8,166	902	7,890	831	249	52	27	19	1,871	1,396	390	1,828
Dec.	9,045	8,180	865	7,900	798	254	50	26	17	1,896	1,528	414	1,957
1973—Jan.	8,840	7,975	865	7,700	796	249	48	26	21	1,940	1,484	413	1,883
Feb.	8,620	7,753	867	7,480	800	248	50	25	17	1,954	1,508	431	1,770
Mar.	8,344	7,465	879	7,197	813	244	48	24	18	1,917	1,566	442	1,719
Apr.	8,165	7,293	872	7,040	804	232	49	21	19	1,969	1,482	389	1,536
May	7,650	6,784	866	6,540	802	224	47	20	18	2,010	1,502	413	1,564
June	7,287	6,416	871	6,180	800	215	53	21	18	1,964	....	396	1,472
July	....	6,243	....	6,010	....	216	....	17	....	....	....	379	1,542

[1] Margin credit includes all credit extended to purchase or carry stocks or related equity instruments and secured at least in part by stock (see Dec. 1970 BULLETIN). Credit extended by brokers is end-of-month data for member firms of the New York Stock Exchange. *June data for banks* are universe totals; all other data for banks represent estimates for all commercial banks based on reports by a reporting sample, which accounted for 60 per cent of security credit outstanding at banks on June 30, 1971.

[2] In addition to assigning a current loan value to margin stock generally, Regulations T and U permit special loan values for convertible bonds and stock acquired through exercise of subscription rights.

[3] Nonmargin stocks are those not listed on a national securities exchange and not included on the Federal Reserve System's list of Over the Counter margin stocks. At banks, loans to purchase or carry nonmargin stocks are unregulated; at brokers, such stocks have no loan value.

[4] Includes loans to purchase or carry margin stock if these are unsecured or secured entirely by unrestricted collateral (see Dec. 1970 BULLETIN).

[5] Free credit balances are in accounts with no unfulfilled commitments to the brokers and are subject to withdrawal by customers on demand.

EQUITY STATUS OF MARGIN ACCOUNT DEBT AT BROKERS

(Per cent of total debt, except as noted)

End of period	Total debt (millions of dollars)[1]	Equity class (per cent)					
		80 or more	70–79	60–69	50–59	40–49	Under 40
1972—July	7,660	5.5	8.3	14.6	30.8	24.9	15.7
Aug.	7,780	5.9	8.6	15.0	33.6	22.4	14.6
Sept.	7,800	5.5	8.0	13.8	31.4	24.9	16.4
Oct.	7,800	5.5	8.1	13.6	30.8	25.0	17.0
Nov.	7,890	6.0	9.4	16.6	35.1	20.5	12.4
Dec.	7,900	6.5	8.6	17.6	31.9	20.3	15.0
1973—Jan.	7,700	5.8	8.2	16.8	27.8	21.2	20.0
Feb.	7,480	5.3	7.8	14.7	23.9	22.5	25.6
Mar.	7,200	5.7	7.5	15.9	23.1	22.7	25.1
Apr.	7,040	4.8	7.3	13.4	19.8	22.4	32.4
May	6,540	4.9	7.2	12.7	18.7	21.9	34.9
June	6,180	4.9	7.1	13.2	17.5	22.1	35.3
July	6,080	5.8	8.8	17.7	22.7	25.3	19.7

[1] See note 1 to table above.

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

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

(Per cent of total, except as noted)

End of period	Net credit status	Equity class of accounts in debit status		Total balance (millions of dollars
		60 per cent or more	Less than 60 per cent	
1972—July	34.4	55.2	11.4	5,930
Aug.	33.4	55.2	11.4	5,990
Sept.	33.7	53.8	12.5	6,000
Oct.	33.3	53.4	13.3	5,950
Nov.	33.6	54.5	11.8	6,140
Dec.	34.4	52.9	12.7	6,100
1973—Jan	35.1	51.7	13.1	5,850
Feb.	35.8	49.8	14.4	5,770
Mar.	36.3	47.9	15.7	5,790
Apr.	35.3	46.9	18.0	5,660
May	35.8	45.0	19.1	5,670
June	35.8	43.5	20.7	5,750
July	35.9	46.7	17.4	5,740

NOTE.—Special miscellaneous accounts contain credit balances that may be used by customers as the *margin deposit required for additional* purchases. Balances may arise as transfers based on loan values of other collateral in the customer's margin account or deposits of cash (usually sales proceeds) occur.

MUTUAL SAVINGS BANKS

(In millions of dollars)

End of period	Loans: Mortgage	Loans: Other	Securities: U.S. Govt.	Securities: State and local govt.	Securities: Corporate and other[1]	Cash	Other assets	Total assets—Total liabilities and general reserve accts.	Deposits[2]	Other liabilities	General reserve accounts	Mortgage loan commitments[3] classified by maturity (in months): 3 or less	3–6	6–9	Over 9	Total
1965	44,433	862	5,485	320	5,170	1,017	944	58,232	52,443	1,124	4,665	......	......	......	......	2,697
1966	47,193	1,078	4,764	251	5,719	953	1,024	60,982	55,006	1,114	4,863	......	......	......	......	2,010
1967	50,311	1,203	4,319	219	8,183	993	1,138	66,365	60,121	1,260	4,984	742	982		799	2,523
1968	53,286	1,407	3,834	194	10,180	996	1,256	71,152	64,507	1,372	5,273	811	1,034		1,166	3,011
1969	55,781	1,824	3,296	200	10,824	912	1,307	74,144	67,026	1,588	5,530	584	485	452	946	2,467
1970	57,775	2,255	3,151	197	12,876	1,270	1,471	78,995	71,580	1,690	5,726	619	322	302	688	1,931
1971	62,069	2,808	3,334	385	17,674	1,389	1,711	89,369	81,440	1,810	6,118	1,047	627	463	1,310	3,447
1972[4]	67,563	2,979	3,510	873	21,906	1,644	2,117	100,593	91,613	2,024	6,956	1,593	713	609	1,624	4,539
1972—July	64,853	3,642	3,392	675	21,209	1,300	1,963	97,034	87,838	2,533	6,663	1,579	956	557	1,629	4,721
Aug.	65,408	3,512	3,369	786	21,405	1,329	1,958	97,766	88,254	2,778	6,734	1,572	824	549	1,647	4,593
Sept.	65,901	3,604	3,408	822	21,569	1,362	1,834	98,500	89,289	2,428	6,784	1,740	716	583	1,637	4,675
Oct.	66,373	3,482	3,462	844	21,513	1,304	2,011	98,990	89,677	2,510	6,803	1,667	718	617	1,660	4,662
Nov.	66,891	3,507	3,434	871	21,664	1,323	2,014	99,704	90,228	2,607	6,870	1,624	753	631	1,658	4,666
Dec.	67,563	2,979	3,510	873	21,906	1,644	2,117	100,593	91,613	2,024	6,956	1,593	713	609	1,624	4,539
1973—Jan.	68,021	3,624	3,489	935	22,190	1,319	2,055	101,632	92,398	2,221	7,014	1,569	915	688	1,541	4,712
Feb.	68,352	4,030	3,419	986	22,389	1,331	2,070	102,577	92,949	2,540	7,088	1,729	862	732	1,480	4,803
Mar.	68,920	3,970	3,458	1,028	22,509	1,576	2,058	103,518	94,095	2,285	7,139	1,816	886	826	1,355	4,882
Apr.	69,426	3,831	3,388	1,080	22,598	1,582	2,089	103,994	94,217	2,589	7,189	1,904	888	725	1,395	4,912
May	69,988	4,099	3,376	1,076	22,615	1,629	2,116	104,899	94,744	2,904	7,251	1,792	913	712	1,406	4,824
June	70,586	3,943	3,290	1,123	22,588	1,799	2,252	105,582	95,614	2,653	7,314	1,711	1,020	573	1,378	4,683
July	71,168	3,798	3,138	1,091	22,683	1,576	2,212	105,666	95,264	3,047	7,355	1,626	906	636	1,367	4,535

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

[2] Beginning with data for June 30, 1966, about $1.1 billion in "Deposits accumulated for payment of personal loans" were excluded from "Time deposits" and deducted from "Loans" at all commercial banks. These changes resulted from a change in Federal Reserve regulations. See table (and notes), *Deposits Accumulated for Payment of Personal Loans*, p. A-30.

[3] Commitments outstanding of banks in New York State as reported to the Savings Banks Assn. of the State of New York. Data include building loans beginning with Aug. 1967.

[4] Balance sheet data beginning Jan. 1972 are reported on a gross-of-valuation-reserves basis. The data differ somewhat from balance sheet data previously reported by National Assn. of Mutual Savings Banks which were net of valuation reserves. For most items, however, the differences are relatively small.

NOTE.—NAMSB data; figures are estimates for all savings banks in the United States and differ somewhat from those shown elsewhere in the BULLETIN; the latter are for call dates and are based on reports filed with U.S. Govt. and State bank supervisory agencies.

LIFE INSURANCE COMPANIES

(In millions of dollars)

End of period	Total assets	Government securities: Total	United States	State and local	Foreign[1]	Business securities: Total	Bonds	Stocks	Mortgages	Real estate	Policy loans	Other assets
Statement value:												
1965	158,884	11,679	5,119	3,530	3,030	67,599	58,473	9,126	60,013	4,681	7,678	7,234
1966	167,022	10,837	4,823	3,114	2,900	69,816	61,061	8,755	64,609	4,883	9,117	7,760
1967	177,832	10,573	4,683	3,145	2,754	76,070	65,193	10,877	67,516	5,187	10,059	8,427
1968	188,636	10,509	4,456	3,194	2,859	82,127	68,897	13,230	69,973	5,571	11,306	9,150
Book value:												
1966	167,022	10,864	4,824	3,131	2,909	68,677	61,141	7,536	64,661	4,888	9,911	8,801
1967	177,361	10,530	4,587	2,993	2,950	73,997	65,015	8,982	67,575	5,188	10,060	11,011
1968	188,636	10,760	4,456	3,206	3,098	79,653	68,731	10,922	70,044	5,575	11,305	11,299
1969	197,208	10,914	4,514	3,221	3,179	84,566	70,859	13,707	72,027	5,912	13,825	9,964
1970	207,254	11,068	4,574	3,306	3,188	88,518	73,098	15,420	74,375	6,320	16,064	10,909
1971	222,102	11,000	4,455	3,363	3,182	99,805	79,198	20,607	75,496	6,904	17,065	11,832
1972p	239,407	11,080	4,333	3,522	3,406	112,980	86,605	26,375	77,319	7,310	17,998	12,720
1972—May r	229,213	11,198	4,597	3,356	3,245	106,491	82,911	23,580	75,363	7,089	17,434	11,638
June	230,182	11,105	4,394	3,355	3,356	107,074	83,382	23,692	75,547	7,149	17,528	11,779
July	231,586	11,075	4,372	3,356	3,347	108,236	84,539	23,697	75,626	7,185	17,605	11,859
Aug.	233,337	11,086	4,389	3,351	3,346	109,728	85,187	24,541	75,723	7,235	17,689	11,876
Sept.	234,455	11,125	4,385	3,350	3,390	110,300	85,912	24,388	75,813	7,245	17,773	12,199
Oct.	235,972	11,132	4,396	3,347	3,389	111,616	86,874	24,742	75,952	7,229	17,854	12,189
Nov.	237,971	11,193	4,459	3,356	3,378	113,066	87,425	25,641	76,207	7,272	17,922	12,311
Dec.	239,407	11,080	4,333	3,522	3,406	112,980	86,605	26,375	77,319	7,310	17,998	12,720
1973—Jan.	241,022	11,191	4,389	3,358	3,444	114,526	88,371	26,155	77,481	7,366	18,080	12,378
Feb.	242,069	11,138	4,371	3,319	3,448	115,386	89,247	26,139	77,510	7,434	18,166	12,435
Mar.	243,078	11,154	4,417	3,300	3,437	115,972	89,881	26,091	77,587	7,449	18,288	12,628
Apr.	242,562	11,455	4,566	3,388	3,501	115,181	89,710	25,471	77,258	7,522	18,420	12,726
May	243,589	11,434	4,538	3,384	3,512	115,897	90,314	25,583	77,400	7,545	18,533	12,780

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

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

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

SAVINGS AND LOAN ASSOCIATIONS

(In millions of dollars)

End of period	Assets				Total assets—Total liabilities	Liabilities					Mortgage loan commitments outstanding at end of period[5]
	Mortgages	Investment securities[1]	Cash	Other[2]		Savings capital	Net worth[3]	Borrowed money[4]	Loans in process	Other	
1967	121,805	9,180	3,442	7,788	143,534	124,493	9,916	4,775	2,257	2,093	3,042
1968	130,802	11,116	2,962	8,010	152,890	131,618	10,691	5,705	2,449	2,427	3,631
1969	140,232	10,873	2,438	8,606	162,149	135,538	11,620	9,728	2,455	2,808	2,824
1970	150,331	13,020	3,506	9,326	176,183	146,404	12,401	10,911	3,078	3,389	4,452
1971	174,385	21,076		10,842	206,303	174,472	13,657	9,048	5,072	4,054	7,378
1972—July	191,642	24,497		11,942	228,081	194,770	14,900	7,216	5,997	5,198	12,147
Aug.	194,955	24,321		12,125	231,401	196,571	15,432	7,512	6,100	5,786	12,143
Sept.	197,881	24,102		12,277	234,260	199,966	14,991	8,080	6,119	5,104	12,175
Oct.	200,554	24,648		12,457	237,659	202,012	15,485	8,327	6,086	5,749	12,226
Nov.	203,266	24,750		12,689	240,705	203,889	15,992	8,503	6,067	6,254	12,274
Dec.	206,387	24,491		12,693	243,571	207,305	15,326	9,847	6,225	4,868	11,578
1973—Jan.	[6] 208,132	[6] 23,460		[6] 15,660	247,252	210,589	15,557	9,171	6,076	5,859	12,469
Feb.	210,260	24,220		16,214	250,694	212,493	15,925	9,415	6,095	6,766	13,538
Mar.	213,259	24,019		17,104	254,382	216,195	15,825	9,958	6,326	6,078	14,508
Apr.	216,250	23,943		17,605	257,798	217,026	16,133	11,336	6,548	6,755	15,009
May	219,500	24,072		17,990	261,562	218,906	16,505	11,756	6,727	7,668	15,139
June	222,801	23,362		18,038	264,201	222,183	16,315	12,766	6,770	6,167	14,776
July p	225,507	22,749		18,433	266,689	221,961	16,669	14,288	6,710	7,061	13,750

[1] Investment securities included U.S. Govt. securities only through 1967. Beginning 1968 the total reflects liquid assets and other investment securities. Included are U.S. Govt. obligations, Federal agency securities, State and local govt. securities, time deposits at banks, and miscellaneous securities, except stock of the Federal Home Loan Bank Board. Compensating changes have been made in "Other assets."

[2] Includes other loans, stock in the Federal home loan banks, other investments, real estate owned and sold on contract, and office buildings and fixtures. See also notes 1, 5, and 6.

[3] Includes net undistributed income, which is accrued by most, but not all, associations.

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

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

[6] Beginning Jan. 1973, participation certificates guaranteed by the Federal Home Loan Mortgage Corporation, loans and notes insured by the Farmers Home Administration and certain other Government-insured mortgage-type investments, previously included in mortgage loans, are included in other assets. The effect of this change was to reduce the mortgage total by about $0.6 billion.

Also, GNMA-guaranteed, mortgage-backed securities of the pass-through type, previously included in cash and investment securities are included in other assets. These amounted to about $2.4 billion at the end of 1972.

NOTE.—FHLBB data; figures are estimates for all savings and loan assns. in the United States. Data are based on monthly reports of insured assns. and annual reports of noninsured assns. Data for current and preceding year are preliminary even when revised.

MAJOR BALANCE SHEET ITEMS OF SELECTED FEDERALLY SPONSORED CREDIT AGENCIES

(In millions of dollars)

End of period	Federal home loan banks						Federal National Mortgage Assn. (secondary market operations)		Banks for cooperatives		Federal intermediate credit banks		Federal land banks	
	Assets			Liabilities and capital										
	Advances to members	Investments	Cash and deposits	Bonds and notes	Member deposits	Capital stock	Mortgage loans (A)	Debentures and notes (L)	Loans to cooperatives (A)	Debentures (L)	Loans and discounts (A)	Debentures (L)	Mortgage loans (A)	Bonds (L)
1967	4,386	2,598	127	4,060	1,432	1,395	5,348	4,919	1,506	1,253	3,411	3,214	5,609	4,904
1968	5,259	2,375	126	4,701	1,383	1,402	6,872	6,376	1,577	1,334	3,654	3,570	6,126	5,399
1969	9,289	1,862	124	8,422	1,041	1,478	10,541	10,511	1,732	1,473	4,275	4,116	6,714	5,949
1970	10,614	3,864	105	10,183	2,332	1,607	15,502	15,206	2,030	1,755	4,974	4,799	7,186	6,395
1971	7,936	2,520	142	7,139	1,789	1,618	17,791	17,701	2,076	1,801	5,669	5,503	7,917	7,063
1972—July	6,138	3,579	118	6,526	1,497	1,722	18,740	18,194	2,137	1,731	6,330	6,174	8,517	7,659
Aug.	6,294	3,319	118	6,531	1,442	1,724	19,021	18,194	2,156	1,710	6,255	6,148	8,631	7,659
Sept.	6,736	2,184	106	6,531	1,444	1,729	19,295	18,939	2,233	1,710	6,201	6,063	8,749	7,798
Oct.	7,045	2,591	83	6,531	1,334	1,735	19,438	18,724	2,355	1,837	6,110	5,952	8,857	8,012
Nov.	7,245	2,850	107	6,971	1,380	1,741	19,619	19,041	2,313	1,905	6,048	5,872	8,972	8,012
Dec.	7,979	2,225	129	6,971	1,548	1,756	19,791	19,238	2,298	1,944	6,094	5,804	9,107	8,012
1973—Jan.	7,831	2,264	91	6,971	1,306	1,821	19,980	19,252	2,876	1,950	6,087	5,891	9,251	8,280
Feb.	7,944	2,421	106	7,220	1,323	1,891	20,181	19,402	2,936	2,188	6,179	5,969	9,387	8,280
Mar.	8,420	1,938	108	7,220	1,291	1,943	20,571	19,985	2,896	2,188	6,414	6,076	9,591	8,280
Apr.	9,429	2,087	111	8,415	1,143	1,981	20,791	20,056	2,859	2,465	6,555	6,314	9,767	8,836
May	10,155	2,702	95	9,615	1,261	1,991	21,087	20,225	2,765	2,370	6,777	6,460	9,953	8,836
June	11,145	2,516	108	10,215	1,453	2,008	21,413	20,364	2,725	2,316	6,958	6,645	10,117	8,836
July	12,365	2,126	103	11,213	1,183	2,035	21,772	20,843	2,811	2,365	6,981	6,745	10,256	9,377

NOTE.—Data from Federal Home Loan Bank Board, Federal National Mortgage Assn., and Farm Credit Admin. Among omitted balance sheet items are capital accounts of all agencies, except for stock of FHLB's. Bonds, debentures, and notes are valued at par. They include only publicly offered securities (excluding, for FHLB's, bonds held within the FHLB System) and are not guaranteed by the U.S. Govt.; for a listing of these securities, see table on opposite page. Loans are gross of valuation reserves and represent cost for FNMA and unpaid principal for other agencies.

OUTSTANDING ISSUES OF FEDERALLY SPONSORED AGENCIES, JULY 31, 1973

Agency, and date of issue and maturity	Coupon rate	Amount (millions of dollars)
Federal home loan banks		
Bonds:		
10/27/70 - 8/27/73	7.20	450
11/27/72 - 11/27/73	5.55	600
1/26/70 - 1/25/74	8.40	300
6/26/70 - 2/25/74	8.40	250
8/27/71 - 2/25/74	7.10	300
6/25/71 - 5/25/74	6.35	300
2/26/73 - 5/28/74	6.45	700
8/25/69 - 8/25/74	7.65	178
8/25/72 - 8/26/74	5⅝	400
11/25/69 - 11/25/74	8.00	221
5/25/73 - 11/25/74	7.05	1,000
1/26/71 - 2/25/75	6.10	250
11/27/72 - 2/25/75	5⅞	400
8/25/70 - 5/26/75	8.05	265
7/27/70 - 8/25/75	7.95	300
4/12/73 - 5/25/75	7.15	700
7/25/73 - 8/25/75	7⅛	500
12/18/70 - 11/25/75	6.50	350
5/25/73 - 11/25/75	7.05	600
8/27/71 - 2/25/76	7⅜	300
7/25/73 - 8/25/76	7.80	500
6/25/71 - 5/25/77	6.95	200
6/22/73 - 5/22/77	7.20	600
4/12/73 - 8/25/77	7.15	300
2/26/73 - 11/25/77	6¾	300
3/25/70 - 2/25/80	7.75	350
10/15/70 - 10/15/80	7.80	200
10/27/71 - 11/27/81	6.60	200
4/12/73 - 5/25/83	7.30	200
Federal Home Loan Mortgage Corporation		
Bonds:		
8/2/71 - 11/26/73	6.70	150
2/10/72 - 8/26/74	5.30	200
5/11/72 - 2/25/77	6.15	350
11/19/70 - 11/27/95	8.60	140
7/15/71 - 8/26/96	7.75	150
5/11/72 - 5/26/97	7.15	150
Federal National Mortgage Association—Secondary market operations		
Discount notes		1,294
Capital debentures:		
9/30/68 - 10/1/73	6.00	250
4/1/70 - 4/1/75	8.00	200
9/30/71 - 10/1/96	4.38	248
10/2/72 - 10/1/97	7.40	250
Mortgage-backed bonds:		
6/1/70 - 6/2/75	8.38	250
3/14/73 - 1/15/81	3.58	53
3/14/73 - 1/15/81	5.48	6
6/21/73 - 7/1/82	5.85	72
6/21/73 - 7/1/82	5.92	35
3/1/73 - 3/1/86	5.74	81
9/29/70 - 10/1/90	8.63	200
Federal National Mortgage Association—Cont.		
Debentures:		
3/10/70 - 9/10/73	8.10	300
6/10/71 - 9/10/73	6.13	350
12/10/70 - 12/10/73	5.75	500
8/10/71 - 12/10/73	7.15	500
12/11/72 - 12/10/73	6.00	200
12/1/71 - 3/11/74	5.45	400
4/10/70 - 3/11/74	7.75	350
8/5/70 - 6/10/74	7.90	400
11/10/71 - 6/10/74	5.70	350
9/10/69 - 9/10/74	7.85	250
2/10/71 - 9/10/74	5.65	300
5/10/71 - 12/10/74	6.10	250
9/10/71 - 12/10/74	6.45	450
11/10/70 - 3/10/75	7.55	300
10/12/71 - 3/10/75	6.35	600
4/12/71 - 6/10/75	5.25	500
10/13/70 - 9/10/75	7.50	350
3/12/73 - 9/10/75	6.80	650
3/10/72 - 12/10/75	5.70	500
3/11/71 - 3/10/76	5.65	500
6/12/73 - 3/10/76	7.13	400
6/10/71 - 6/10/76	6.70	250
2/10/72 - 6/10/76	5.85	450
11/10/71 - 9/10/76	6.13	300
6/12/72 - 9/10/76	5.85	500
7/12/71 - 12/10/76	7.45	300
12/11/72 - 12/10/76	6.25	500
2/13/62 - 2/10/77	4½	198
9/11/72 - 3/10/77	6.30	500
12/10/70 - 6/10/77	6.38	250
5/10/71 - 6/10/77	6.50	150
9/10/71 - 9/12/77	6.88	300
7/10/73 - 12/12/77	7.25	500
6/12/73 - 6/12/78	7.15	600
10/12/71 - 12/11/78	6.75	300
6/12/72 - 9/10/79	6.40	300
12/10/71 - 12/10/79	6.55	350
2/10/72 - 3/10/80	6.88	250
2/16/73 - 7/31/80	5.19	1
2/16/73 - 7/31/80	3.18	9
1/16/73 - 10/30/80	5.47	5
12/11/72 - 12/10/80	6.60	300
6/29/72 - 1/29/81	6.15	156
3/12/73 - 3/10/81	7.05	350
4/18/73 - 4/10/81	6.59	26
3/21/73 - 5/1/81	4.50	18
3/12/73 - 5/1/81	5.77	2
1/21/71 - 6/10/81	7.25	250
9/10/71 - 9/10/81	7.25	250
6/28/72 - 5/1/82	5.84	58
2/10/71 - 6/10/82	6.65	250
9/11/72 - 9/10/82	6.80	200
3/11/71 - 6/10/83	6.75	200
6/12/73 - 6/10/83	7.30	300
11/10/71 - 9/12/83	6.75	250
4/12/71 - 6/11/84	6.25	200
12/10/71 - 12/10/84	6.90	250
3/10/72 - 3/10/92	7.00	200
6/12/72 - 6/10/92	7.05	200
Banks for cooperatives		
Debentures:		
2/1/73 - 8/1/73	5.95	578
10/1/70 - 10/1/73	7.30	100
4/2/73 - 10/1/73	6.95	560
5/1/73 - 11/1/73	6.75	259
6/4/73 - 12/3/73	6.85	410
7/2/73 - 1/2/74	7.55	458
Federal intermediate credit banks		
Debentures:		
11/1/72 - 8/1/73	5.65	545
12/4/72 - 9/4/73	5.45	551
1/2/73 - 10/1/73	5.70	631
2/1/73 - 11/1/73	6.00	559
3/1/73 - 12/3/73	6.15	544
4/2/73 - 1/2/74	7.00	660
7/1/71 - 1/2/74	6.85	212
5/1/73 - 2/4/74	6.90	695
6/4/73 - 3/4/74	7.00	664
7/2/73 - 4/1/74	7½	421
1/4/71 - 7/1/74	5.95	224
5/1/72 - 1/2/75	6.05	240
1/3/72 - 7/1/75	5.70	302
3/1/73 - 1/5/76	6.65	261
7/2/73 - 1/3/77	7.10	236
Federal land banks		
Bonds:		
2/20/63 - 2/20/73-78	4⅛	148
4/20/70 - 10/22/73	7.80	300
10/23/72 - 10/23/73	5.80	462
7/20/72 - 1/21/74	5.55	450
2/20/72 - 2/20/74	4½	155
10/20/70 - 4/22/74	7.30	354
9/15/72 - 4/22/74	5.85	350
10/21/71 - 7/27/74	5.85	326
4/20/71 - 10/21/74	5.30	300
2/20/70 - 1/20/75	8⅜	220
4/23/73 - 1/20/75	7.15	300
4/20/65 - 4/21/75	4⅜	200
7/20/73 - 4/21/75	7.65	289
2/15/72 - 7/21/75	5.70	425
7/20/71 - 10/20/75	7.20	300
4/20/72 - 1/20/76	6¼	300
2/21/66 - 2/24/76	5.00	123
1/22/73 - 4/20/76	6¼	373
7/20/66 - 7/20/76	5⅜	150
4/23/73 - 10/20/76	7.15	450
7/20/73 - 7/20/77	7½	550
10/27/71 - 10/20/77	6.35	300
5/2/66 - 4/20/78	5⅛	150
7/20/72 - 7/20/78	6.40	269
2/20/67 - 1/22/79	5.00	285
9/15/72 - 4/23/79	6.85	235
10/23/72 - 10/23/79	6.80	400
1/22/73 - 1/21/80	6.70	300
7/20/73 - 7/21/80	7½	250
2/23/71 - 4/20/81	6.70	224
4/20/72 - 4/20/82	6.90	200
4/23/73 - 4/20/82	7.30	239

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

FEDERAL FISCAL OPERATIONS: SUMMARY

(In millions of dollars)

Period	U.S. budget: Receipt-expenditure account: Budget receipts	U.S. budget: Receipt-expenditure account: Net expenditures	U.S. budget: Net lending	U.S. budget: Budget outlays[1]	U.S. budget: Budget surplus or deficit (−)	Means of financing: Borrowings from the public[2]: Public debt securities	Borrowings from the public: Plus: Agency securities	Borrowings from the public: Less: Investments by Govt. accounts: Special issues	Borrowings from the public: Less: Investments by Govt. accounts: Other	Borrowings from the public: Less: Special notes[3]	Borrowings from the public: Equals: Total borrowing	Less: Cash and monetary assets: Treasury operating balance	Less: Cash and monetary assets: Other	Other means of financing, net[4]
Fiscal year:														
1970	193,743	194,456	2,131	196,588	−2,845	17,198	−1,739	9,386	676	......	5,397	2,151	−581	−982
1971	188,392	210,318	1,107	211,425	−23,033	27,211	−347	6,616	800	......	19,448	710	−979	3,586
1972	208,649	....	....	231,876	−23,227	29,131	−1,269	6,813	1,607	......	19,442	1,362	1,108	6,255
1973	232,192	....	....	246,603	−14,412	30,881	216	12,029	207	......	19,275	2,459	−1,287	−3,691
Half year:														
1971—July–Dec.	93,180	110,608	948	111,554	−18,374	26,001	−1,117	2,803	523	......	21,561	973	80	−2,122
1972—Jan.–June	115,549	....	....	120,319	−4,850	3,130	−150	4,010	1,089	......	−2,114	389	1,028	8,377
July–Dec.	106,061	....	....	118,586	−12,525	22,037	876	r6,239	−861	......	17,386	r956	r1,525	−5,430
1973—Jan.–Dec.	126,131	....	....	128,017	−1,887	8,844	660	5,790	654	......	1,889	1,503	238	1,739
Month:														
1972—July	r15,210	....	....	r18,501	r3,291	5,123	9	1,409	6	......	3,730	−1,129	r−1,732	r3,300
Aug.	18,213	....	....	20,581	−2,369	3,056	534	2,639	16	......	934	−4,012	222	−2,355
Sept.	22,183	....	....	18,471	3,712	−1,493	22	−1,339	−508	......	376	4,783	−92	604
Oct.	14,738	....	....	20,055	−5,317	6,000	24	3,085	88	......	2,851	−1,786	37	717
Nov.	16,748	....	....	21,165	−4,418	4,301	380	−659	42	......	5,298	305	7	−569
Dec.	18,972	....	....	19,721	750	5,051	93	1,104	−343	......	4,197	2,795	57	−595
1973—Jan.	21,130	....	....	23,631	−2,501	770	18	−900	168	......	1,519	302	99	1,383
Feb.	18,067	....	....	20,227	−2,160	4,770	−9	780	119	......	3,863	408	212	−1,507
Mar.	15,987	....	....	20,806	−4,820	3,768	27	584	206	......	3,005	1,152	−83	2,883
Apr.	25,860	....	....	22,306	3,554	−1,543	−721	−56	49	......	2,159	1,220	1,164	988
May	16,584	....	....	20,157	3,573	275	−43	1,968	234	......	−1,970	−5,924	−1,141	1,522
June	28,504	....	....	20,892	7,612	803	68	3,414	−174	......	−2,369	4,344	414	−485
July	18,121	....	....	22,627	4,486	862	9	1,258	325	......	713	5,398	544	−743

End of period	Selected balances: Treasury operating balance: F.R. Banks	Treasury operating balance: Tax and loan accounts	Treasury operating balance: Other depositaries[5]	Treasury operating balance: Total	Federal securities: Public debt securities	Federal securities: Agency securities	Federal securities: Less: Investments of Govt. accounts: Special issues	Federal securities: Less: Investments of Govt. accounts: Other	Federal securities: Less: Special notes[3]	Federal securities: Equals: Total held by public	Memo: Debt of Govt.-sponsored corps.—Now private[6]
Fiscal year:											
1970	1,005	6,929	111	8,045	370,919	12,510	76,124	21,599	825	284,880	35,789
1971	1,274	7,372	109	8,755	398,130	12,163	82,740	22,400	825	304,328	36,886
1972	2,344	7,934	[5] 139	10,117	427,260	10,894	89,539	24,023	825	323,770	41,044
1973	4,038	8,433	106	12,576	458,142	11,109	101,738	24,093	825	343,045	....
Calendar year:											
1971	2,020	9,173	113	11,306	424,131	11,044	85,544	22,922	825	325,884	39,860
1972	*1,856*	*8,907*	*310*	*11,073*	*449,298*	*11,770*	*95,924*	*23,164*	*825*	*341,155*	42,640
Month:											
1972—July	2,298	6,547	144	8,988	432,383	10,903	90,944	24,018	825	327,499	41,751
Aug.	1,730	3,025	222	4,976	435,439	11,437	93,616	24,002	825	328,433	41,796
Sept.	1,395	8,105	259	9,759	433,946	11,459	92,281	23,490	825	328,809	42,493
Oct.	1,613	6,051	309	7,973	439,947	11,483	95,365	23,579	825	331,660	42,633
Nov.	1,182	6,786	310	8,278	444,247	11,863	94,821	23,506	825	336,958	43,217
Dec.	1,856	8,907	310	11,073	449,298	11,770	95,924	23,164	825	341,155	43,459
1973—Jan.	2,749	8,317	310	11,376	450,068	11,787	95,024	23,332	825	342,674	43,993
Feb.	2,073	9,401	310	11,784	454,838	11,779	95,804	23,451	825	346,537	45,400
Mar.	2,882	9,744	309	12,935	458,606	11,806	96,413	23,632	825	349,542	45,566
Apr.	4,162	9,683	311	14,156	457,063	11,084	96,356	23,583	825	347,383	47,905
May	3,242	4,679	311	8,232	457,338	11,041	98,324	23,817	825	345,414	49,731
June	4,038	8,433	106	12,576	458,142	11,109	101,738	24,093	825	343,045	51,325
July	2,867	4,203	108	7,178	459,003	11,118	102,996	23,968	825	342,332	....

1 Equals net expenditures plus net lending.

2 The decrease in Federal securities resulting from conversion to private ownership of Govt.-sponsored corporations (totaling $9,853 million) is not included here. In the bottom panel, however, these conversions decrease the outstanding amounts of Federal securities held by the public mainly by reductions in agency securities. The Federal National Mortgage Association (FNMA) was converted to private owership in Sept. 1968 and the Federal intermediate credit banks (FICB) and banks for cooperatives in Dec. 1968.

3 Represents non-interest-bearing public debt securities issued to the International Monetary Fund and international lending organizations. New obligations to these agencies are handled by letters of credit.

4 Includes accrued interest payable on public debt securities, deposit funds, miscellaneous liability and asset accounts, and seigniorage.

5 As of Jan. 3, 1972, the Treasury operating balance was redefined to exclude the gold balance and to include previously excluded "Other depositaries" (deposits in certain commercial depositaries that have been converted from a time to a demand basis to permit greater flexibility in Treasury cash management).

6 Includes debt of Federal home loan banks, Federal land banks, R.F.K. Stadium Fund, FNMA (beginning Sept. 1968), and FICB and banks for cooperatives (both beginning Dec. 1968).

NOTE.—Half years may not add to fiscal year totals due to revisions in series that are not yet available on a monthly basis.

FEDERAL FISCAL OPERATIONS: DETAIL

(In millions of dollars)

Period	Budget receipts: Total	Individual income taxes: Withheld	Individual income taxes: Nonwithheld	Individual income taxes: Refunds	Individual income taxes: Net total	Corporation income taxes: Gross receipts	Corporation income taxes: Refunds	Social insurance taxes and contributions: Employment taxes and contributions[1]: Payroll taxes	Social insurance taxes and contributions: Employment taxes and contributions[1]: Self-empl.	Social insurance taxes and contributions: Unempl. insur.	Social insurance taxes and contributions: Other net receipts[2]	Social insurance taxes and contributions: Net total	Excise taxes	Customs	Estate and gift	Misc. receipts[3]
Fiscal year:																
1970	193,743	77,416	26,236	13,240	90,412	35,037	2,208	37,190	1,942	3,465	2,700	45,298	15,705	2,430	3,644	3,424
1971	188,392	76,490	24,262	14,522	86,230	30,320	3,535	39,751	1,948	3,673	3,206	48,578	16,614	2,591	3,735	3,858
1972	208,649	83,200	25,679	14,143	94,737	34,926	2,760	44,088	2,032	4,357	3,437	53,914	15,477	3,287	5,436	3,633
1973p	232,192	98,097	27,031	21,867	103,261	38,989	2,893	52,499	2,371	6,064	3,612	64,546	16,272	3,175	4,898	3,944
Half year:																
1971—July–Dec.	93,180	38,449	5,589	574	43,465	13,262	1,448	19,643	155	1,518	1,673	22,989	8,961	1,838	2,395	1,718
1972—Jan.–June	115,469	44,751	20,090	13,569	51,272	21,664	1,312	24,445	1,877	4,736	1,764	30,925	6,516	1,449	3,041	1,915
July–Dec.	106,061	46,058	5,784	688	51,154	15,315	1,459	22,493	165	2,437	1,773	26,867	8,244	1,551	2,333	2,056
1973—Jan.–Junep	126,131	52,038	21,247	21,179	52,106	23,674	1,434	30,006	2,206	3,627	1,839	37,679	8,028	1,625	2,566	1,888
Month:																
1972 July	r15,210	r7,055	548	245	r7,358	1,258	187	3,727	.....	260	289	r4,278	1,442	237	334	r491
Aug.	18,213	8,175	362	157	8,380	855	190	5,367	......	1,175	307	6,849	1,351	278	423	266
Sept.	22,183	7,305	3,794	95	11,005	5,289	324	3,529	145	63	302	4,038	1,327	237	316	295
Oct.	14,738	7,187	469	61	7,595	1,287	323	3,225	15	210	311	3,759	1,387	281	409	343
Nov.	16,748	8,425	257	69	8,613	853	294	4,044	......	637	287	4,969	1,452	284	487	383
Dec.	18,972	7,915	353	61	8,206	5,772	140	2,601	5	92	277	2,975	1,286	234	364	276
1973—Jan.	21,130	8,254	4,671	27	12,897	1,539	158	3,833	139	174	340	4,486	1,437	289	396	244
Feb.	18,067	8,404	768	1,104	8,067	865	193	5,900	167	684	278	7,029	1,186	255	568	289
Mar.	15,987	8,748	1,494	6,833	3,409	5,208	342	4,771	186	63	320	5,340	1,244	278	489	360
Apr.	25,860	8,648	9,124	6,185	11,587	5,915	258	4,297	1,316	444	302	6,359	1,318	262	330	348
May	16,584	8,813	1,444	6,433	3,825	1,219	296	6,662	253	2,156	308	9,380	1,446	280	466	264
Junep	28,504	9,171	3,747	597	12,321	8,927	188	4,542	145	106	291	5,085	1,397	261	317	384
July	18,121	8,487	681	354	8,814	1,552	202	4,608	.....	382	346	5,336	1,538	276	398	409

Period	Budget outlays: Total	National defense	Intl. affairs	Space research	Agriculture	Natural resources	Commerce and transp.	Commun. develop. and housing	Education and manpower	Health and welfare	Veterans	Interest	General govt.	General revenue sharing	Intragovt. transactions[4]
Fiscal year:															
1971	211,425	77,661	3,095	3,381	5,096	2,716	11,310	3,357	8,226	70,607	9,776	19,608	3,970	....	-7,376
1972	231,876	78,336	r3,786	3,422	r7,061	r3,759	r11,197	r4,216	r10,198	r81,536	r10,747	r20,584	r4,889	....	-7,858
1973	246,603	76,055	3,185	3,316	6,181	611	12,393	4,167	10,821	91,194	12,004	22,796	5,618	6,636	-8,373
1974[5]	268,665	81,074	3,811	3,135	5,572	3,663	11,580	4,931	10,110	103,709	11,732	24,672	6,025	6,035	−9,131
Half year:															
1971—July–Dec.	111,557	35,755	1,752	1,777	5,999	1,952	6,030	2,181	4,355	38,131	5,003	10,050	2,392	....	−3,822
1972—Jan.–June	120,319	42,583	r2,034	1,645	1,062	1,807	r5,167	2,035	r5,843	r43,405	5,744	r10,534	r2,497	....	−4,036
July–Dec.	118,586	35,350	1,640	1,676	4,616	329	6,200	2,637	5,133	43,212	5,740	10,604	2,870	[6]2,617	−4,039
1973—Jan.–Junep	128,017	40,705	1,545	1,640	1,565	282	6,193	1,530	5,688	47,982	6,264	12,192	2,748	4,019	....
Month:															
1972—July	18,502	r5,049	313	289	2,397	821	827	529	764	r6,165	884	r1,696	r613	......	r−251
Aug.	20,581	5,873	300	289	1,127	554	1,333	658	905	6,779	858	1,723	610	....	−409
Sept.	18,471	5,397	198	273	102	321	1,173	408	852	6,970	832	1,899	322	....	276
Oct.	20,055	6,305	259	271	806	−16	1,056	244	800	7,688	896	1,559	463	....	−276
Nov.	21,165	6,501	350	272	329	353	982	384	851	7,851	1,279	1,919	448	....	−353
Dec.	19,721	6,135	221	284	−146	−40	829	414	960	7,710	989	1,809	415	[6]2,617	−2,474
1973—Jan.	23,630	6,633	82	271	994	−1,053	1,546	483	808	8,130	1,157	1,777	586	2,514	−297
Feb.	20,227	6,265	280	241	431	230	567	368	904	7,907	1,046	2,002	374	9	−397
Mar.	20,806	6,963	323	301	−77	310	1,072	270	786	7,565	1,064	2,097	462	....	329
Apr.	22,306	6,417	237	265	368	324	793	243	788	8,058	1,114	2,120	409	1,493	−324
May	20,157	6,401	136	255	−155	298	907	−148	1,066	8,124	1,017	2,165	466	3	−377
Junep	20,891	8,043	489	306	3	173	1,307	314	1,336	8,199	866	2,016	451	....	−2,611
July	22,607	4,878	308	278	2,011	942	2,104	911	777	7,792	1,099	2,184	563	1,495	850

1 Old-age, disability, and hospital insurance (including premiums for uninsured effective July 1, 1973, as provided for in Public Law 92 603), and Railroad Retirement accounts.

2 Supplementary medical insurance premiums (including premiums for disabled effective July 1, 1973, as provided for in Public Law 92-603), and Federal employee retirement contributions.

3 Deposits of earnings by Federal Reserve Banks and other miscellaneous receipts.

4 Consists of Government contributions for employee retirement and of interest received by trust funds.

5 Estimates presented in the Jan. 1974 *Budget Document*. Breakdowns do not add to totals because special allowances for contingencies, and Federal pay increase (excluding Department of Defense), totaling $1,750 million for fiscal 1974, are not included.

6 Outlays of $6,786 million in fiscal 1973 contain retroactive payments of $2,600 million for fiscal 1972.

NOTE.—Half years may not add to fiscal year totals due to revisions in series that are not yet available on a monthly basis.

GROSS PUBLIC DEBT, BY TYPE OF SECURITY

(In billions of dollars)

End of period	Total gross public debt [1]	Public issues										Special issues [5]
		Total	Marketable					Convertible bonds	Nonmarketable			
			Total	Bills	Certificates	Notes	Bonds [2]		Total [3]	Foreign issues [4]	Savings bonds & notes	
1941—Dec.	57.9	50.5	41.6	2.0	....	6.0	33.6	....	8.9	....	6.1	7.0
1946—Dec.	259.1	233.1	176.6	17.0	30.0	10.1	119.5	....	56.5	....	49.8	24.6
1965—Dec.	320.9	270.3	214.6	60.2	....	50.2	104.2	2.8	52.9	2.4	50.3	46.3
1966—Dec.	329.3	273.0	218.0	64.7	5.9	48.3	99.2	2.7	52.3	1.5	50.8	52.0
1967—Dec.	344.7	284.0	226.5	69.9	....	61.4	95.2	2.6	54.9	3.1	51.7	57.2
1968—Dec.	358.0	296.0	236.8	75.0	....	76.5	85.3	2.5	56.7	4.3	52.3	59.1
1969—Dec.	368.2	295.2	235.9	80.6	....	85.4	69.9	2.4	56.9	3.8	52.2	71.0
1970—Dec.	389.2	309.1	247.7	87.9	....	101.2	58.6	2.4	59.1	5.7	52.5	78.1
1971—Dec.	424.1	336.7	262.0	97.5	....	114.0	50.6	2.3	72.3	16.8	54.9	85.7
1972—Aug.	435.4	339.9	258.1	96.2	....	115.7	46.2	2.3	79.5	21.7	57.0	93.6
Sept.	433.9	339.8	257.7	96.4	....	115.7	45.7	2.3	79.8	21.7	57.2	92.3
Oct.	439.9	342.7	260.9	97.5	....	117.7	45.6	2.3	79.6	21.2	57.5	95.4
Nov.	444.2	347.6	265.6	100.7	....	119.4	45.5	2.3	79.6	21.0	57.8	94.9
Dec.	449.3	351.4	269.5	103.9	....	121.5	44.1	2.3	79.5	20.6	58.1	95.9
1973—Jan.	450.1	353.2	271.1	104.9	....	121.5	44.7	2.3	79.7	20.5	58.4	95.0
Feb.	454.8	357.1	269.9	105.0	....	120.2	44.6	2.3	84.9	25.4	58.7	95.8
Mar.	458.6	360.4	269.8	105.0	....	120.2	44.6	2.3	88.3	28.3	59.0	96.4
Apr.	457.1	358.9	267.8	103.2	....	120.2	44.5	2.3	88.7	28.5	59.3	96.4
May	457.3	357.1	265.9	103.0	....	117.8	45.1	2.3	88.9	28.3	59.7	98.3
June	458.1	354.6	263.0	100.1	....	117.8	45.1	2.3	89.4	28.5	59.9	101.7
July	459.0	354.2	262.7	99.9	....	117.8	45.0	2.3	89.2	28.2	60.2	103.0
Aug.	461.8	353.8	262.4	101.8	....	118.7	42.0	2.3	89.1	27.9	60.3	106.1

[1] Includes non-interest-bearing debt (of which $619 million on August 31, 1973, was not subject to statutory debt limitation).
[2] Includes Treasury bonds and minor amounts of Panama Canal and postal savings bonds.
[3] Includes (not shown separately): depositary bonds, retirement plan bonds, foreign-currency series, foreign series, and Rural Electrification Administration bonds; before 1954, Armed Forces leave bonds; before 1956, tax and savings notes; and before Oct. 1965, Series A investment bonds.
[4] Nonmarketable certificates of indebtedness, notes, and bonds in the Treasury foreign series and foreign currency series issues.
[5] Held only by U.S. Govt. agencies and trust funds and the Federal home loan banks.

NOTE.—Based on Daily Statement of U.S. Treasury. See also second paragraph in NOTE to table below.

OWNERSHIP OF PUBLIC DEBT

(Par value, in billions of dollars)

End of period	Total gross public debt	Held by—		Held by private investors									
		U.S. Govt. agencies and trust funds	F.R. Banks	Total	Commercial banks	Mutual savings banks	Insurance companies	Other corporations	State and local govts.	Individuals		Foreign and international [1]	Other misc. investors [2]
										Savings bonds	Other securities		
1939—Dec.	41.9	6.1	2.5	33.4	12.7	2.7	5.7	2.0	.4	1.9	7.5	.2	.3
1946—Dec.	259.1	27.4	23.4	208.3	74.5	11.8	24.9	15.3	6.3	44.2	20.0	2.1	9.3
1965—Dec.	320.9	59.7	40.8	220.5	60.7	5.3	10.3	15.8	22.9	49.7	22.4	16.7	16.7
1966—Dec.	329.3	65.9	44.3	219.2	57.4	4.6	9.5	14.9	24.3	50.3	24.3	14.5	19.4
1967—Dec.	344.7	73.1	49.1	222.4	63.8	4.1	8.6	12.2	24.1	51.2	22.8	15.8	19.9
1968—Dec.	358.0	76.6	52.9	228.5	66.0	3.6	8.0	14.2	24.4	51.9	23.9	14.3	22.4
1969—Dec.	368.2	89.0	57.2	222.0	56.8	2.9	7.1	11.7	25.9	51.8	29.6	11.2	25.0r
1970—Dec.	389.2	97.1	62.1	229.9	62.7	2.8	7.0	9.4	25.2	52.1	29.8	20.6	20.4
1971—Dec.	424.1	106.0	70.2	247.9	65.3	2.7	6.6	12.4	25.0	54.4	19.6	46.9	15.0
1972—Aug.	435.4	115.4	70.7	249.3	60.0	2.6	6.0	9.5	26.5	56.6	17.6	55.9	14.6
Sept.	433.9	113.5	69.7	250.7	60.8	2.8	6.1	8.9	27.2	56.8	17.2	55.3	15.7
Oct.	439.9	116.7	70.1	253.1	61.0	2.7	5.9	10.4	28.0	57.1	17.0	55.8	15.2
Nov.	444.2	116.1	69.5	258.6	63.5	2.7	6.1	12.0	27.9	57.4	17.1	56.0	16.1
Dec.	449.3	116.9	69.9	262.5	67.0	2.6	6.0	11.7	28.3	57.7r	17.0	55.3	17.0
1973—Jan.	450.1	116.2	72.0	261.8	66.0	2.6	6.1	12.3	29.5	58.0	16.8	54.2r	16.5r
Feb.	454.8	117.1	72.6	265.1	62.4	2.6	5.8	12.7	29.0	58.3	16.6	61.1	16.7
Mar.	458.6	117.9	74.3	266.4	61.6	2.5	5.9	13.0	28.9	58.6	16.6	63.1	16.3
Apr.	457.1	117.9	75.5	263.7	60.1	2.5	5.7	12.5	28.7	58.9	16.5	61.7	17.2
May	457.3	120.1	74.1	263.1	57.9	2.4	5.7	13.3	28.1	59.2	16.4	61.3	18.6r
June	458.1	123.4	75.0	259.7	57.9	2.4	5.7	12.0	28.3	59.5	16.4	60.2	17.4
July	459.0	125.0	77.1	256.9	55.5	2.2	5.3	13.0	27.9	59.7	16.5	59.7	17.1

[1] Consists of investments of foreign and international accounts in the United States.
[2] Consists of savings and loan assns., nonprofit institutions, corporate pension trust funds, and dealers and brokers. Also included are certain Govt. deposit accounts and Govt.-sponsored agencies.

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

The debt and ownership concepts were altered beginning with the Mar. 1969 BULLETIN. The new concepts (1) exclude guaranteed securities and (2) remove from U.S. Govt. agencies and trust funds and add to other miscellaneous investors the holdings of certain Govt.-sponsored but privately owned agencies and certain Govt. deposit accounts.

OWNERSHIP OF MARKETABLE SECURITIES, BY MATURITY

(Par value, in millions of dollars)

Type of holder and date	Total	Within 1 year			1–5 years	5–10 years	10–20 years	Over 20 years
		Total	Bills	Other				
All holders:								
1970—Dec. 31	247,713	123,423	87,923	35,500	82,318	22,554	8,556	10,863
1971—Dec. 31	262,038	119,141	97,505	21,636	93,648	29,321	9,530	10,397
1972—Dec. 31	269,509	130,422	103,870	26,552	88,564	29,143	15,301	6,079
1973—June 30	262,971	122,803	100,061	22,742	88,223	31,111	14,477	6,357
July 31	262,708	122,602	99,860	22,742	88,223	31,108	14,456	6,318
U.S. Govt. agencies and trust funds:								
1970—Dec. 31	17,092	3,005	708	2,297	6,075	3,877	1,748	2,387
1971—Dec. 31	18,444	1,380	605	775	7,614	4,676	2,319	2,456
1972—Dec. 31	19,360	1,609	674	935	6,418	5,487	4,317	1,530
1973—June 30	20,081	1,656	386	1,270	7,129	5,369	4,319	1,609
July 31	20,422	1,703	415	1,288	7,278	5,468	4,343	1,630
Federal Reserve Banks:								
1970—Dec. 31	62,142	36,338	25,965	10,373	19,089	6,046	229	440
1971—Dec. 31	70,218	36,032	31,033	4,999	25,299	7,702	584	601
1972—Dec. 31	69,906	37,750	29,745	8,005	24,497	6,109	1,414	136
1973—June 30	75,022	37,106	34,246	2,860	26,956	9,358	1,417	184
July 31	77,098	38,501	35,483	3,018	27,595	9,374	1,419	208
Held by private investors:								
1970—Dec. 31	168,479	84,080	61,250	22,830	57,154	12,631	6,579	8,036
1971—Dec. 31	173,376	81,729	65,867	15,862	60,735	16,943	6,627	7,340
1972—Dec. 31	180,243	91,063	73,451	17,612	57,649	17,547	9,570	4,413
1973—June 30	167,868	84,041	65,429	18,612	54,138	16,384	8,741	4,564
July 31	165,188	82,398	63,962	18,436	53,350	16,266	8,694	4,480
Commercial banks:								
1970—Dec. 31	50,917	19,208	10,314	8,894	26,609	4,474	367	260
1971—Dec. 31	51,363	14,920	8,287	6,633	28,823	6,847	555	217
1972—Dec. 31	52,440	18,077	10,289	7,788	27,765	5,654	864	80
1973—June 30	45,139	14,561	6,812	7,749	24,884	4,728	792	175
July 31	43,101	12,470	4,953	7,517	24,840	4,716	817	259
Mutual savings banks:								
1970—Dec. 31	2,745	525	171	354	1,168	339	329	385
1971—Dec. 31	2,742	416	235	181	1,221	499	281	326
1972—Dec. 31	2,609	590	309	281	1,152	469	274	124
1973—June 30	2,351	490	229	261	1,063	373	276	149
July 31	2,236	418	174	244	1,028	371	270	150
Insurance companies:								
1970—Dec. 31	6,066	893	456	437	1,723	849	1,369	1,231
1971—Dec. 31	5,679	720	325	395	1,499	993	1,366	1,102
1972—Dec. 31	5,220	799	448	351	1,190	976	1,593	661
1973—June 30	4,932	731	212	519	1,030	1,271	1,319	581
July 31	5,034	836	324	512	1,030	1,267	1,326	575
Nonfinancial corporations:								
1970—Dec. 31	3,057	1,547	1,194	353	1,260	242	2	6
1971—Dec. 31	6,021	4,191	3,280	911	1,492	301	16	20
1972—Dec. 31	4,948	3,604	1,198	2,406	1,198	121	25	1
1973—June 30	4,599	3,287	1,426	1,861	1,170	91	39	12
July 31	5,212	3,536	1,388	2,148	1,509	103	52	13
Savings and loan associations:								
1970—Dec. 31	3,263	583	220	363	1,899	281	243	258
1971—Dec. 31	3,002	629	343	286	1,449	587	162	175
1972—Dec. 31	2,873	820	498	322	1,140	605	226	81
1973—June 30	2,674	712	310	402	1,135	534	214	80
July 31	2,567	608	223	385	1,138	529	214	78
State and local governments:								
1970—Dec. 31	11,204	5,184	3,803	1,381	2,458	774	1,191	1,598
1971—Dec. 31	9,823	4,592	3,832	760	2,268	783	918	1,263
1972—Dec. 31	10,904	6,159	5,203	956	2,033	816	1,298	598
1973—June 30	10,406	5,904	4,996	908	1,949	1,016	1,095	441
July 31	10,114	5,748	4,601	1,147	2,003	922	1,065	376
All others:								
1970—Dec. 31	91,227	56,140	45,092	11,048	22,037	5,672	3,078	4,298
1971—Dec. 31	94,746	56,261	49,565	6,696	23,983	6,933	3,329	4,237
1972—Dec. 31	101,249	61,014	55,506	5,508	23,171	8,906	5,290	2,868
1973—June 30	97,767	58,356	51,444	6,912	22,907	8,371	5,006	3,126
July 31	96,924	58,782	52,299	6,483	21,802	8,358	4,950	3,029

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 5,609 commercial banks, 479 mutual savings banks, and 739 insurance companies combined; (2) about 50 per cent by the 463 nonfinancial corporations and 486 savings and loan assns.; and (3) about 70 per cent by 504 State and local govts.

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

DAILY-AVERAGE DEALER TRANSACTIONS

(Par value, in millions of dollars)

Period	U.S. Government securities: Total	By maturity: Within 1 year	By maturity: 1–5 years	By maturity: 5–10 years	By maturity: Over 10 years	By type of customer: U.S. Govt. securities dealers	By type of customer: U.S. Govt. securities brokers	By type of customer: Commercial banks	By type of customer: All other[1]	U.S. Govt. agency securities
1972—July	2,571	2,124	283	131	33	633	382	851	704	439
Aug.	2,658	1,953	377	191	137	587	411	911	749	443
Sept.	2,695	2,225	231	143	97	635	504	845	710	482
Oct.	3,047	2,473	350	126	99	837	420	988	802	561
Nov.	3,397	2,397	709	168	123	835	498	1,228	837	731
Dec.	3,184	2,640	361	118	65	757	352	1,215	860	472
1973—Jan.	3,158	2,445	443	148	122	793	470	1,113	781	463
Feb.	4,155	2,975	721	370	89	888	808	1,360	1,099	645
Mar.	3,077	2,311	508	201	57	713	585	987	792	664
Apr.	3,185	2,535	440	165	46	709	636	1,075	766	714
May	3,187	2,390	322	323	153	661	543	1,057	927	687
June	2,969	2,335	289	228	118	593	622	975	778	732
July	2,993	2,330	367	226	72	581	632	982	798	700
Week ending–										
1973—July 4	3,578	2,714	420	282	161	633	908	1,132	904	652
11	3,091	2,479	338	225	49	593	621	1,025	852	656
18	2,807	2,236	299	198	73	590	531	950	737	798
25	2,729	2,055	367	247	60	554	587	915	673	860
Aug. 1	3,388	2,318	661	277	132	587	768	1,085	948	570
8	3,073	1,978	729	208	158	521	826	950	777	476
15	3,671	2,829	634	148	61	695	760	1,128	1,088	951
22	3,298	2,453	601	178	67	452	964	925	957	862
29	3,566	2,558	811	148	50	588	1,032	1,150	796	610

[1] Since Jan. 1972 has included transactions of dealers and brokers in securities other than U.S. Govt.

NOTE.—The transactions data combine market purchases and sales of U.S. Govt. securities dealers reporting to the F.R. Bank of New York. They do not include allotments of, and exchanges for, new U.S. Govt. securities, redemptions of called or matured securities, or purchases or sales of securities under repurchase agreement, reverse repurchase (resale), or similar contracts. Averages of daily figures based on the number of trading days in the period.

DAILY-AVERAGE DEALER POSITIONS

(Par value, in millions of dollars)

Period	U.S. Government securities, by maturity: All maturities	Within 1 year	1–5 years	5–10 years	Over 10 years	U.S. Govt. agency securities
1972—July	3,253	3,626	−146	−216	−11	356
Aug.	3,905	3,370	41	130	363	404
Sept.	4,386	4,374	−83	−58	153	408
Oct.	3,333	3,452	−29	−132	41	543
Nov.	4,522	4,113	335	8	66	834
Dec.	4,973	4,903	73	−41	37	556
1973—Jan.	4,744	4,959	−53	−259	97	281
Feb.	3,394	3,365	−9	−1	39	202
Mar.	2,702	3,130	−274	−143	−11	180
Apr.	2,795	3,105	−159	−143	9	274
May	2,626	2,596	−324	179	175	356
June	2,976	2,818	165	91	232	744
July	1,901	2,062	250	43	131	511
Week ending—						
1973—June 6	3,369	3,315	299	76	276	745
13	3,274	3,140	205	92	248	852
20	2,948	2,718	110	119	221	804
27	2,505	2,269	−63	94	204	636
July 4	2,595	2,636	234	23	171	620
11	2,034	2,120	−244	28	131	686
18	2,017	2,129	−215	56	158	676
25	1,772	1,937	−237	87	158	364

NOTE.—The figures include all securities sold by dealers under repurchase contracts regardless of the maturity date of the contract, unless the contract is matched by a reverse repurchase (resale) agreement or delayed delivery sale with the same maturity and involving the same amount of securities. Included in the repurchase contracts are some that more clearly represent investments by the holders of the securities rather than dealer trading positions.

Average of daily figures based on number of trading days in the period.

DAILY-AVERAGE DEALER FINANCING

(In millions of dollars)

Period	All sources	Commercial banks: New York City	Commercial banks: Elsewhere	Corporations[1]	All other
1972—July	3,055	753	496	820	986
Aug.	4,021	1,356	580	927	1,158
Sept.	4,379	1,633	599	705	1,442
Oct.	3,055	1,227	406	490	932
Nov.	4,198	1,538	617	709	1,334
Dec.	4,848	1,695	808	944	1,399
1973—Jan.	4,520	1,346	794	932	1,449
Feb.	3,415	1,063	455	490	1,408
Mar.	2,799	903	292	281	1,323
Apr.	3,032	935	513	311	1,273
May	2,667	674	452	252	1,291
June	3,769	1,242	690	431	1,406
July	2,826	725	544	510	1,047
Week ending—					
1973—June 6	4,053	1,407	617	329	1,701
13	4,218	1,449	736	460	1,574
20	3,828	1,262	616	455	1,495
27	3,180	986	689	462	1,042
July 4	3,423	875	743	481	1,324
11	3,177	803	705	545	1,124
18	2,937	749	722	556	910
25	2,547	704	428	509	906

[1] All business corporations, except commercial banks and insurance companies.

NOTE.—Averages of daily figures based on the number of calendar days in the period. Both bank and nonbank dealers are included. See also NOTE to the table on the left.

U.S. GOVERNMENT MARKETABLE AND CONVERTIBLE SECURITIES, AUGUST 31, 1973

(In millions of dollars)

Issue and coupon rate	Amount	Issue and coupon rate	Amount	Issue and coupon rate	Amount	Issue and coupon rate	Amount
Treasury bills		**Treasury bills—Cont.**		**Treasury notes—Cont.**		**Treasury bonds**	
Sept. 6, 1973	4,301	Jan. 31, 1974	1,701	Dec. 31, 1974.....5⅞	2,102	Nov. 15, 1973.....4⅛	4,336
Sept. 13, 1973	4,303	Feb. 7, 1974	1,802	Feb. 15, 1975.....5¾	4,015	Feb. 15, 1974.....4⅛	2,466
Sept. 19, 1973†	2,017	Feb. 12, 1974	1,801	Feb. 15, 1975.....5⅞	1,222	May 15, 1974.....4¼	2,849
Sept. 20, 1973	4,302	Feb. 14, 1974	1,807	Apr. 1, 1975.....1½	8	Nov. 15, 1974.....3⅞	1,214
Sept. 25, 1973	1,801	Feb. 21, 1974	1,801	May 15, 1975.....5⅞	1,776	May 15, 1975-85..4¼	1,203
Sept. 27, 1973	4,310	Feb. 28, 1974	1,800	May 15, 1975.....6	6,760	June 15, 1978-83..3¼	1,488
Oct. 4, 1973	4,301	Mar. 12, 1974	1,790	Aug. 15, 1975.....5⅞	7,679	Feb. 15, 1980.....4	2,577
Oct. 11, 1973	4,301	Apr. 9, 1974	1,802	Oct. 1, 1975.....1½	30	Nov. 15, 1980.....3½	1,897
Oct. 18, 1973	4,301	May 7, 1974	1,800	Nov. 15, 1975.....7	3,115	Aug. 15, 1981.....7	807
Oct. 23, 1973	1,802	June 4, 1974	1,801	Feb. 15, 1976.....6¼	3,739	Feb. 15, 1982.....6⅜	2,702
Oct. 25, 1973	4,301	July 2, 1974	1,802	Feb. 15, 1976.....5⅞	4,945	Aug. 15, 1984.....6⅜	2,353
Nov. 1, 1973	4,301	Aug. 27, 1974	1,805	Apr. 1, 1976.....1½	27	May 15, 1985.....3¼	968
Nov. 8, 1973	4,303			May 15, 1976.....5¾	2,802	Nov. 15, 1986.....6⅛	1,216
Nov. 15, 1973	4,193			May 15, 1976.....6½	2,697	Aug. 15, 1987-92..4¼	3,716
Nov. 20, 1973	1,802			Aug. 15, 1976.....7½	4,194	Feb. 15, 1988-93..4	235
Nov. 23, 1973	4,202			Aug. 15, 1976.....6½	3,883	May 15, 1989-94..4⅛	1,487
Nov. 29, 1973	4,204			Oct. 1, 1976.....1½	11	Feb. 15, 1990.....3½	4,101
Dec. 6, 1973	1,707			Nov. 15, 1976.....6¼	4,325	Feb. 15, 1993.....6¾	627
Dec. 13, 1973	1,701			Feb. 15, 1977.....8	5,163	Aug. 15, 1993.....7½	926
Dec. 18, 1973	1,800	**Treasury notes**		Apr. 1, 1977.....1½	5	Feb. 15, 1995.....3	895
Dec. 20, 1973	1,701	Oct. 1, 1973.....1½	30	Aug. 15, 1977.....7¾	4,919	May 15, 1993-98..7	692
Dec. 27, 1973	1,701	Feb. 15, 1974.....7¾	2,960	Oct. 1, 1977.....1½	17	Nov. 15, 1998.....3½	3,215
Jan. 3, 1974	1,701	Apr. 1, 1974.....1½	34	Feb. 15, 1978.....6¼	8,389		
Jan. 10, 1974	1,702	May 15, 1974.....7¼	4,334	Apr. 1, 1978.....1½	15		
Jan. 15, 1974	1,804	Aug. 15, 1974.....5⅝	10,284	Nov. 15, 1978.....6	8,207	**Convertible bonds**	
Jan. 17, 1974	1,701	Sept. 30, 1974.....6	2,060	Aug. 15, 1979.....6¼	4,559	**Investment Series B**	
Jan. 24, 1974	1,702	Oct. 1, 1974.....1½	42	Nov. 15, 1979.....6⅝	1,604	Apr. 1, 1975-80..2¾	2,275
		Nov. 15, 1974.....5¾	5,442	May 15, 1980.....6⅞	7,265		

† Tax-anticipation series.

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

NEW ISSUES OF STATE AND LOCAL GOVERNMENT SECURITIES

(In millions of dollars)

Period	All issues (new capital and refunding)								Total amount delivered[3]	Issues for new capital						
	Total	Type of issue				Type of issuer				Total	Use of proceeds					
		General obligations	Revenue	HAA[1]	U.S. Govt. loans	State	Special district and stat. auth.	Other[2]			Education	Roads and bridges	Utilities[4]	Housing[5]	Veterans' aid	Other purposes
1964	10,847	6,417	3,585	637	208	1,628	3,812	5,407	10,069	10,201	3,392	688	2,437	727	120	2,838
1965	11,329	7,177	3,517	464	170	2,401	3,784	5,144	11,538	10,471	3,619	900	1,965	626	50	3,311
1966	11,405	6,804	3,955	325	312	2,590	4,110	4,695	....	11,303	3,738	1,476	1,880	533	......	3,667
1967	14,766	8,985	5,013	477	334	2,842	4,810	7,115	....	14,643	4,473	1,254	2,404	645	......	5,867
1968	16,596	9,269	6,517	528	282	2,774	5,946	7,884	....	16,489	4,820	1,526	2,833	787	......	6,523
1969	11,881	7,725	3,556	402	197	3,359	3,596	4,926	....	11,838	3,252	1,432	1,734	543	......	4,884
1970	18,164	11,850	6,082	131	103	4,174	5,595	8,399	....	18,110	5,062	1,532	3,525	466	......	7,526
1971	24,962	15,220	8,681	1,000	62	5,999	8,714	10,246	....	24,495	5,278	2,642	5,214	2,068	......	9,293
1972—June	2,270	989	1,064	209	8	246	1,226	799	....	2,000	347	150	533	393	......	576
July	1,805	1,322	481	....	2	647	467	690	....	1,796	327	121	223	154	......	971
Aug.	1,966	820	1,138	....	8	468	897	600	....	1,931	444	111	429	162	......	784
Sept.	1,726	663	803	257	4	298	1,016	414	....	1,609	238	107	590	270	......	404
Oct.	2,200	1,662	533	....	5	487	689	1,025	....	2,147	444	162	409	52	......	1,082
Nov.	1,862	1,147	711	....	5	425	572	866	....	1,762	312	215	365	56	......	814
Dec.	1,797	872	653	268	4	147	754	895	....	1,507	351	21	204	332	......	599
1973—Jan.	1,974	1,149	822	......	3	602	454	919	......	1,845	369	215	418	117	......	727
Feb.[r]	1,499	768	731	......	1	47	561	891	......	1,398	365	63	406	10	......	553
Mar.[r]	2,451	1,227	916	303	6	613	914	924	......	2,194	373	153	497	347	......	823
Apr.[r]	1,818	866	944	......	9	159	732	925	......	1,752	305	12	448	88	......	900
May[r]	1,921	820	1,093	......	8	291	926	703	......	1,906	299	232	428	222	......	723
June[r]	2,072	984	823	261	4	189	1,054	828	......	2,064	533	101	603	334	......	494

1 Only bonds sold pursuant to 1949 Housing Act, which are secured by contract requiring the Housing Assistance Administration to make annual contributions to the local authority.

2 Municipalities, counties, townships, school districts.

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

4 Water, sewer, and other utilities.

5 Includes urban redevelopment loans.

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

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

Components may not add to totals due to rounding.

TOTAL NEW ISSUES

(In millions of dollars)

Period	Gross proceeds, all issues[1]										
	Total	Noncorporate				Corporate					
		U.S. Govt.[2]	U.S. Govt. agency[3]	State and local (U.S.)[4]	Other[5]	Total	Bonds			Stock	
							Total	Publicly offered	Privately placed	Preferred	Common
1964	37,122	10,656	1,205	10,544	760	13,957	10,865	3,623	7,243	412	2,679
1965	40,108	9,348	2,731	11,148	889	15,992	13,720	5,570	8,150	725	1,547
1966	45,015	8,231	6,806	11,089	815	18,074	15,561	8,018	7,542	574	1,939
1967	68,514	19,431	8,180	14,288	1,817	24,798	21,954	14,990	6,964	885	1,959
1968	65,562	18,025	7,666	16,374	1,531	21,966	17,383	10,732	6,651	637	3,946
1969	52,496	4,765	8,617	11,460	961	26,744	18,347	12,734	5,613	682	7,714
1970	88,666	14,831	16,181	17,762	949	38,945	30,315	25,384	4,931	1,390	7,240
1971	105,233	17,325	16,283	24,370	2,165	45,090	32,123	24,775	7,354	3,670	9,291
1972—June	7,588	536	300	2,222	190	4,341	2,556	1,336	1,218	612	1,174
July	6,921	496	1,000	1,784	59	3,583	2,465	1,807	657	206	913
Aug.	7,136	606	1,685	1,898	54	2,893	1,945	1,523	421	206	743
Sept.	5,635	474	650	1,701	90	2,720	1,651	862	789	305	765
Oct.	9,505	2,530	1,141	1,970	74	3,791	2,336	1,772	565	421	1,033
Nov.	10,987	3,590	2,134	1,816	70	3,377	2,343	1,361	982	154	880
Dec.	8,210	2,553	200	1,760	302	3,396	2,625	1,024	1,601	272	498
1973—Jan.	6,523	1,199	993	1,889	116	2,327	1,276	989	287	137	913
Feb.	7,325	1,603	2,261	1,445	53	1,962	957	641	316	172	832
Mar.	9,029	606	1,826	2,304	359	3,933	2,116	1,315	802	833	2,729
Apr.r	6,567	564	1,640	1,688	178	2,497	1,739	938	801	200	558
Mayr	11,219	3,353	3,442	1,870	17	2,537	1,722	1,049	673	187	627
June	7,821	559	1,760	2,046	53	3,456	2,646	1,307	1,338	216	595

Period	Gross proceeds, major groups of corporate issuers											
	Manufacturing		Commercial and miscellaneous		Transportation		Public utility		Communication		Real estate and financial	
	Bonds	Stocks	Bonds	Stocks	Bonds	Stocks	Bonds	Stocks	Bonds	Stocks	Bonds	Stocks
1964	2,819	228	902	220	944	38	2,139	620	669	1,520	3,391	466
1965	4,712	704	1,153	251	953	60	2,332	604	808	139	3,762	514
1966	5,861	1,208	1,166	257	1,856	116	3,117	549	1,814	189	1,747	193
1967	9,894	1,164	1,950	117	1,859	466	4,217	718	1,786	193	2,247	186
1968	5,668	1,311	1,759	116	1,665	1,579	4,407	873	1,724	43	2,159	662
1969	4,448	1,904	1,888	3,022	1,899	247	5,409	1,326	1,963	225	2,739	1,671
1970	9,192	1,320	1,963	2,540	2,213	47	8,016	3,001	5,053	83	3,878	1,638
1971	9,426	2,152	2,272	2,390	1,998	420	7,605	4,195	4,227	1,592	6,601	2,212
1972—June	468	299	181	341	171	15	1,018	520	368	431	349	179
July	464	110	77	239	130	30	455	343	390	196	949	200
Aug.	192	261	308	342	94	2	452	184	237	....	662	161
Sept.	441	162	302	242	61	....	649	598	32	1	166	66
Oct.	269	114	192	326	152	12	522	758	313	58	887	187
Nov.	346	79	429	271	61	8	322	472	657	1	528	202
Dec.	486	103	343	149	214	25	491	370	34	17	1,057	107
1973—Jan.	113	63	89	105	120	1	529	371	30	3	395	509
Feb.	178	35	118	111	96	4	319	277	58	117	290	461
Mar.	772	125	177	327	317	6	1,076	1,351	548	668	1,462	1,397
Apr.r	772	22	237	139	91	1	150	369	258	....	743	228
Mayr	260	12	30	143	237	8	361	404	355	19	351	230
June	387	25	107	90	183	....	1,047	486	303	29	310	181

1 Gross proceeds are derived by multiplying principal amounts or number of units by offering price.

2 Includes guaranteed issues.

3 Issues not guaranteed.

4 See NOTE to table at bottom of preceding page.

5 Foreign governments and their instrumentalities, International Bank for Reconstruction and Development, and domestic nonprofit organizations.

NOTE.—Securities and Exchange Commission estimates of new issues maturing in more than 1 year sold for cash in the United States.

NET CHANGE IN OUTSTANDING CORPORATE SECURITIES

(In millions of dollars)

Period	Derivation of change, all issuers[1]								
	All securities			Bonds and notes			Common and preferred stocks		
	New issues	Retirements	Net change	New issues	Retirements	Net change	New issues	Retirements	Net change
1967	25,964	7,735	18,229	21,299	5,340	15,960	4,664	2,397	2,267
1968	25,439	12,377	13,062	19,381	5,418	13,962	6,057	6,959	-900
1969	28,841	10,813	18,027	19,523	5,767	13,755	9,318	5,045	4,272
1970	38,707	9,079	29,628	29,495	6,667	22,825	9,213	2,411	6,801
1971	46,687	9,507	37,180	31,917	8,190	23,728	14,769	1,318	13,452
1971—IV	11,488	2,521	8,967	8,019	2,084	5,935	3,469	437	3,032
1972—I	10,072	2,691	7,381	6,699	2,002	4,698	3,373	690	2,683
II	11,514	2,389	9,123	7,250	2,191	5,050	4,264	198	4,066
III	9,776	2,212	7,564	6,118	1,603	4,515	3,659	609	3,049
IV	10,944	2,932	8,012	6,998	2,207	4,790	3,946	725	3,220
1973—I	8,219	2,806	5,412	4,198	1,781	2,417	4,020	1,025	2,995

Period	Type of issues											
	Manufacturing		Commercial and other[2]		Transportation[3]		Public utility		Communication		Real estate and financial[1]	
	Bonds & notes	Stocks	Bonds & notes	Stocks	Bonds & notes	Stocks	Bonds & notes	Stocks	Bonds & notes	Stocks	Bonds & notes	Stocks
1968	4,418	1,842	2,242	821	987	149	3,669	892	1,579	120	1,069	741
1969	3,747	69	1,075	1,558	946	186	4,464	1,353	1,834	241	1,687	866
1970	6,641	870	853	1,778	1,104	36	6,861	2,917	4,806	94	2,564	1,107
1971	6,585	2,534	827	2,290	900	800	6,486	4,206	3,925	1,600	5,005	2,017
1971—IV	1,361	453	190	445	−27	163	1,749	1,183	980	54	1,683	734
1972—I	696	423	31	545	267	15	827	872	1,020	402	1,856	425
II	704	851	344	774	127	164	1,844	1,176	806	464	1,233	638
III	479	530	459	673	138	28	1,410	1,061	573	305	1,456	453
IV	116	290	575	479	179	47	1,056	1,735	944	89	1,920	580
1973 II	135	63	174	377	127	43	844	1,170	520	185	965	1,244

1 Excludes investment companies.
2 Extractive and commercial and miscellaneous companies.
3 Railroad and other transportation companies.

NOTE.—Securities and Exchange Commission estimates of cash transactions only. As contrasted with data shown on opposite page, new issues exclude foreign sales and include sales of securities held by affiliated companies, special offerings to employees, and also new stock issues and cash proceeds connected with conversions of bonds into stocks. Retirements are defined in the same way and also include securities retired with internal funds or with proceeds of issues for that purpose.

OPEN-END INVESTMENT COMPANIES

(In millions of dollars)

Year	Sales and redemption of own shares			Assets (market value at end of period)		
	Sales[1]	Redemptions	Net sales	Total[2]	Cash position[3]	Other
1960	2,097	842	1,255	17,026	973	16,053
1961	2,951	1,160	1,791	22,789	980	21,809
1962	2,699	1,123	1,576	21,271	1,315	19,956
1963	2,460	1,504	952	25,214	1,341	23,873
1964	3,404	1,875	1,528	29,116	1,329	27,787
1965	4,359	1,962	2,395	35,220	1,803	33,417
1966	4,671	2,005	2,665	34,829	2,971	31,858
1967	4,670	2,745	1,927	44,701	2,566	42,135
1968	6,820	3,841	2,979	52,677	3,187	49,490
1969	6,717	3,661	3,056	48,291	3,846	44,445
1970	4,624	2,987	1,637	47,618	3,649	43,969
1971	5,145	4,751	774	56,694	3,163	53,531

Month	Sales and redemption of own shares			Assets (market value at end of period)		
	Sales[1]	Redemptions	Net sales	Total[2]	Cash position[3]	Other
1972—July	398	424	-26	56,932	3,219	53,713
Aug.	391	582	-191	58,186	3,375	54,811
Sept.	310	442	-132	57,193	3,395	53,798
Oct.	384	411	27	57,525	3,719	53,806
Nov.	387	645	258	59,854	3,549	56,305
Dec.	449	619	-170	59,831	3,035	56,796
1973—Jan.	535	666	-131	56,946	3,015	53,931
Feb.	327	530	203	54,083	3,375	50,708
Mar.	519	531	-12	53,377	3,774	49,603
Apr.	300	452	120	50,837	3,837	46,464
May	285	446	161	48,588	4,154	44,434
June	303	349	46	48,127	4,164	43,963
July	364	357	7	50,933	4,594	46,339

1 Includes contractual and regular single-purchase sales, voluntary and contractual accumulation plan sales, and reinvestment of investment income dividends; excludes reinvestment of realized capital gains dividends.
2 Market value at end of period less current liabilities.
3 Cash and deposits, receivables, all U.S. Govt. securities, and other short-term debt securities, less current liabilities.

NOTE.—Investment Company Institute data based on reports of members, which comprise substantially all open-end investment companies registered with the Securities and Exchange Commission. Data reflect newly formed companies after their initial offering of securities.

CORPORATE PROFITS, TAXES, AND DIVIDENDS

(In billions of dollars)

Year	Profits before taxes	Income taxes	Profits after taxes	Cash dividends	Undistributed profits	Corporate capital consumption allowances[1]
1966	84.2	34.3	49.9	20.8	29.1	39.5
1967	79.8	33.2	46.6	21.4	25.3	43.0
1968	87.6	39.9	47.8	23.6	24.2	46.8
1969	84.9	40.1	44.8	24.3	20.5	51.9
1970	74.0	34.8	39.3	24.7	14.6	56.0
1971	85.1	37.4	47.6	25.1	22.5	60.4
1972	98.0	42.7	55.4	26.0	29.3	65.9

Quarter	Profits before taxes	Income taxes	Profits after taxes	Cash dividends	Undistributed profits	Corporate capital consumption allowances[1]
1971 II	85.5	38.4	47.1	25.1	22.0	59.8
III	87.0	38.0	49.0	25.2	23.7	61.0
IV	86.9	36.4	50.6	24.9	25.7	62.1
1972 I	92.8	40.6	52.2	25.7	26.5	63.4
II	94.8	41.4	53.4	25.9	27.5	66.2
III	98.4	42.9	55.6	26.2	29.4	66.0
IV	106.1	45.9	60.3	26.4	33.9	68.0
1973 I	119.6	52.7	66.9	26.9	40.0	69.3
II[p]	130.1	57.5	72.6	27.3	45.2	70.8

[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 NONFINANCIAL CORPORATIONS

(In billions of dollars)

End of period	Net working capital	Current assets: Total	Cash	U.S. Govt. securities	Notes and accts. receivable: U.S. Govt.[1]	Notes and accts. receivable: Other	Inventories	Other	Current liabilities: Total	Notes and accts. payable: U.S. Govt.[1]	Notes and accts. payable: Other	Accrued Federal income taxes	Other
1968	182.3	426.5	48.2	11.5	5.1	168.8	166.0	26.9	244.2	6.4	162.4	14.3	61.0
1969	185.7	473.6	47.9	10.6	4.8	192.2	186.4	31.6	287.9	7.3	196.9	12.6	76.0
1970—II	185.6	481.8	45.6	8.7	4.4	197.9	191.8	33.4	296.2	7.0	196.0	10.8	82.4
III	185.3	484.6	46.5	7.1	4.2	201.0	193.5	32.3	299.3	6.8	196.7	11.5	84.3
IV	187.8	490.4	49.7	7.6	4.2	200.6	196.0	32.4	302.6	6.6	200.5	11.8	83.7
1971—I	192.0	494.1	48.5	7.8	4.2	201.3	198.5	33.8	302.1	6.1	195.7	13.7	86.6
II	196.5	498.2	51.1	7.7	3.9	203.3	199.2	33.1	301.7	5.3	195.8	12.4	88.3
III	200.9	507.2	52.4	7.8	3.9	206.5	201.6	34.9	306.3	5.0	197.4	13.8	90.1
IV	204.9	516.7	55.3	10.4	3.5	207.5	203.1	36.8	311.8	4.9	202.8	14.5	89.7
1972—I	209.6	526.0	55.3	9.9	3.4	211.4	207.2	38.9	316.4	4.9	202.5	15.7	93.3
II	215.2	534.3	55.7	8.7	2.8	216.3	210.7	40.1	319.1	4.9	204.0	13.4	96.8
III	219.3	545.5	57.3	7.6	2.9	222.5	215.2	39.8	326.2	4.7	207.6	15.0	98.9
IV	224.3	561.1	60.3	9.7	3.4	228.9	218.2	40.7	336.8	4.0	216.9	16.7	99.2
1973—I	231.4	577.1	61.0	10.4	3.2	234.0	225.9	42.5	345.7	4.1	218.1	18.6	104.9

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

NOTE: Based on Securities and Exchange Commission estimates.

BUSINESS EXPENDITURES ON NEW PLANT AND EQUIPMENT

(In billions of dollars)

Period	Total	Manufacturing: Durable	Manufacturing: Nondurable	Mining	Transportation: Railroad	Transportation: Air	Transportation: Other	Public utilities: Electric	Public utilities: Gas and other	Communications	Other[1]	Total (S.A. A.R.)
1969	75.56	15.96	15.72	1.86	1.86	2.51	1.68	8.94	2.67	8.30	16.05	....
1970	79.71	15.80	16.15	1.89	1.78	3.03	1.23	10.65	2.49	10.10	16.59	....
1971	81.21	14.15	15.84	2.16	1.67	1.88	1.38	12.86	2.44	10.77	18.05	....
1972	88.44	15.64	15.72	2.45	1.80	2.46	1.46	14.48	2.52	11.89	20.07	....
1973[2]	100.62	18.70	18.31	2.64	1.68	2.38	1.52	16.87	2.95	13.40	22.16	....
1971—I	17.68	3.11	3.58	.49	.34	.34	.28	2.70	.41	2.50	3.94	79.32
II	20.60	3.52	4.03	.54	.47	.60	.36	3.20	.63	2.81	4.44	81.61
III	20.14	3.40	3.91	.55	.42	.39	.37	3.35	.71	2.62	4.42	80.75
IV	22.79	4.12	4.32	.59	.45	.56	.37	3.60	.69	2.84	5.26	83.18
1972—I	19.38	3.29	3.32	.58	.48	.50	.32	3.19	.44	2.72	4.55	86.79
II	22.01	3.71	3.92	.61	.48	.73	.39	3.61	.62	2.95	4.98	87.12
III	21.86	3.86	3.87	.59	.38	.61	.35	3.67	.72	2.84	4.97	87.67
IV	25.20	4.77	4.61	.63	.47	.63	.40	4.01	.73	3.39	5.57	91.94
1973—I	21.50	3.92	3.88	.63	.46	.52	.32	3.45	.50	2.87	4.94	96.19
II[2]	24.93	4.78	4.50	.68	.46	.68	.42	4.00	.74	8.66		98.57
III[2]	25.32	4.83	4.60	.71	.50	.46	.40	4.36	.88	8.57		101.80

[1] Includes trade, service, construction, finance, and insurance.
[2] Anticipated by business.

NOTE.—Dept. of Commerce and Securities and Exchange Commission estimates for corporate and noncorporate business; excludes agriculture, real estate operators, medical, legal, educational, and cultural service, and nonprofit organizations.

MORTGAGE DEBT OUTSTANDING

(In billions of dollars)

End of period	All properties				Farm			Nonfarm								
	All holders	Financial institutions[1]	Other holders[2]		All holders	Financial institutions[1]	Other holders[3]	All holders	1- to 4-family houses[4]			Multifamily and commercial properties[5]			Mortgage type[6]	
			U.S. agencies	Individuals and others					Total	Finan. institutions[1]	Other holders	Total	Finan. institutions[1]	Other holders	FHA-VA-underwritten	Conventional
1964	300.1	241.0	11.4	47.7	18.9	7.0	11.9	281.2	197.6	170.3	27.3	83.6	63.7	19.9	77.2	204.0
1965	325.8	264.6	12.4	48.7	21.2	7.8	13.4	304.6	212.9	184.3	28.7	91.6	72.5	19.1	81.2	223.4
1966	347.4	280.8	15.8	50.9	23.3	8.4	14.9	324.1	223.6	192.1	31.5	100.5	80.2	20.3	84.1	240.0
1967	370.2	298.8	18.4	53.0	25.5	9.1	16.3	344.8	236.1	201.8	34.2	108.7	87.9	20.9	88.2	256.6
1968	397.5	319.9	21.7	55.8	27.5	9.7	17.8	370.0	251.2	213.1	38.1	118.7	97.1	21.6	93.4	276.6
1969	425.3	339.1	26.8	59.4	29.5	9.9	19.6	395.9	266.8	223.7	43.2	129.0	105.5	23.5	100.2	295.7
1970	451.7	355.9	33.0	62.8	31.2	10.1	21.1	420.5	280.2	231.3	48.9	140.3	114.5	25.8	109.2	311.3
1971—I	459.0	361.8	33.6	63.6	31.8	10.1	21.6	427.2	283.6	234.4	49.2	143.6	117.3	26.3	111.0	316.2
II	471.1	372.0	35.2	63.9	31.9	9.7	22.2	439.3	290.9	240.7	50.2	148.3	121.6	26.7	114.4	324.9
III	485.6	383.6	37.4	64.6	32.4	9.8	22.6	453.2	299.7	248.0	51.8	153.5	125.8	27.7	117.5	335.7
IV	499.9	394.5	39.4	66.1	32.9	9.9	23.0	467.0	307.8	254.2	53.7	159.2	130.5	28.7	120.7	346.3
1972—I	511.7	404.2	41.2	66.4	33.5	9.9	23.6	478.2	314.1	259.6	54.5	164.1	134.6	29.4	123.7	259.2
II	529.1	418.9	42.7	67.5	34.4	10.2	24.2	494.8	324.6	268.8	55.8	170.2	140.0	30.3	126.6	269.2
III	547.3	434.6	44.3	68.3	35.0	10.3	24.7	512.3	335.8	279.2	56.6	176.5	145.1	31.3	129.0	280.3
IV	565.4	450.6	45.8	69.0	35.4	10.5	24.9	530.0	346.1	288.7	57.4	183.9	151.3	32.6	131.1	291.4
1973—I[p]	579.6	463.1	47.2	69.3	36.2	10.8	25.4	543.4	353.9	296.2	57.7	189.4	156.1	33.3	....	....

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

[2] U.S. agencies include former Federal National Mortgage Assoc. and, beginning fourth quarter 1968, new Government National Mortgage Assoc. as well as Federal Housing Admin., Veterans Admin., Public Housing Admin., Farmers Home Admin. They also include U.S. sponsored agencies—new FNMA, Federal land banks, GNMA (Pools), and the Federal Home Loan Mortgage Corp. Other U.S. agencies (amounts small or separate data not readily available) included with "individuals and others."

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

[4] For multifamily and total residential properties, see tables below.

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

[6] Data by type of mortgage on nonfarm 1- to 4-family properties alone are shown in table below.

NOTE.—Based on data from Federal Deposit Insurance Corp., Federal Home Loan Bank Board, Institute of Life Insurance, Depts. of Agriculture and Commerce, FNMA, FHA, PHA, VA, GNMA, FHLMC, and Comptroller of the Currency.

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

MORTGAGE DEBT OUTSTANDING ON RESIDENTIAL PROPERTIES

(In billions of dollars)

End of period	All residential			Multifamily[1]		
	Total	Financial institutions	Other holders	Total	Financial institutions	Other holders
1963	211.2	176.8	34.5	29.0	20.7	8.3
1964	231.1	195.4	35.7	33.6	25.1	8.5
1965	250.1	213.2	36.9	37.2	29.0	8.2
1966	264.0	223.7	40.3	40.3	31.5	8.8
1967	280.0	236.6	43.4	43.9	34.7	9.2
1968	298.6	250.8	47.8	47.3	37.7	9.7
1969	319.0	265.0	54.0	52.2	41.3	10.8
1970	338.2	277.1	61.1	58.0	45.8	12.2
1971—II	353.1	289.9	63.2	62.1	49.2	12.9
III	364.0	298.4	65.6	64.3	50.4	13.9
IV	374.7	306.1	68.6	66.8	52.0	14.9
1972—I	382.9	312.9	70.0	68.8	53.3	15.4
II	395.8	324.1	71.7	71.3	55.3	16.0
III	409.3	336.1	73.2	73.5	56.9	16.6
IV	422.5	347.9	74.6	76.4	59.1	17.3
1973—I[p]	432.6	357.3	75.3	78.7	61.1	17.6

[1] Structures of five or more units.

NOTE.—Based on data from same source as for "Mortgage Debt Outstanding" table above.

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

(In billions of dollars)

End of period	Total	Government-underwritten			Conventional
		Total	FHA-insured	VA-guaranteed[1]	
1964	197.6	69.2	38.3	30.9	128.3
1965	212.9	73.1	42.0	31.1	139.8
1966	223.6	76.1	44.8	31.3	147.6
1967	236.1	79.9	47.4	32.5	156.1
1968	251.2	84.4	50.6	33.8	166.8
1969	266.8	90.2	54.5	35.7	176.6
1970	280.2	97.2	59.9	37.3	182.9
1971—II	290.9	100.4	62.8	37.6	190.5
III	299.7	102.9	64.4	38.5	196.8
IV	307.8	105.2	65.7	39.5	202.6
1972—I	314.1	107.5	66.8	40.7	206.6
II	324.6	109.6	67.6	42.0	215.0
III	335.8	111.5	68.4	43.1	224.3
IV[p]	346.1	112.9	68.2	44.7	233.1
1973 I[p]	353.9	....	....	....	....

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

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

Based on data from FHLBB, Federal Housing Admin., and Veterans Admin.

MORTGAGE LOANS HELD BY BANKS

(In millions of dollars)

End of period	Commercial bank holdings [1]							Mutual savings bank holdings						
	Total	Residential				Other non-farm	Farm	Total	Residential				Other non-farm	Farm
		Total	FHA-insured	VA-guaranteed	Conventional				Total	FHA-insured	VA-guaranteed	Conventional		
1964	43,976	28,933	7,315	2,742	18,876	12,405	2,638	40,556	36,487	12,287	11,121	13,079	4,016	53
1965	49,675	32,387	7,702	2,688	21,997	14,377	2,911	44,617	40,096	13,791	11,408	14,897	4,469	52
1966	54,380	34,876	7,544	2,599	24,733	16,366	3,138	47,337	42,242	14,500	11,471	16,272	5,041	53
1967	59,019	37,642	7,709	2,696	27,237	17,931	3,446	50,490	44,641	15,074	11,795	17,772	5,732	117
1968	65,696	41,433	7,926	2,708	30,800	20,505	3,758	53,456	46,748	15,569	12,033	19,146	6,592	117
1969	70,705	44,573	7,960	2,663	33,950	22,113	4,019	56,138	48,682	15,862	12,166	20,654	7,342	114
1970	73,275	45,640	7,919	2,589	35,131	23,284	4,351	57,948	49,937	16,087	12,008	21,842	7,893	119
1971—I	74,424	46,343	7,971	2,595	35,777	23,595	4,486	58,680	50,553	16,157	12,010	22,386	8,014	113
II	76,639	48,163	8,146	2,636	37,381	24,477	3,999	59,643	51,362	16,281	12,011	23,069	8,174	107
III	79,936	50,280	8,246	2,806	39,228	25,500	4,156	60,625	51,989	16,216	12,033	23,740	8,561	75
IV	82,515	52,004	8,310	2,980	40,714	26,306	4,205	61,978	53,027	16,141	12,074	24,812	8,901	50
1972—I	85,614	53,937	8,360	2,999	42,578	27,353	4,324	62,978	53,733	16,184	12,144	25,405	9,195	50
II	90,114	56,782	8,477	3,141	45,163	28,785	4,547	64,404	54,758	16,256	12,325	26,178	9,586	60
III	95,048	59,976	8,515	3,118	48,343	30,415	4,657	65,901	55,889	16,130	12,463	27,296	9,951	61
IV	99,314	62,782	8,495	3,203	51,084	31,751	4,781	67,556	57,140	16,013	12,622	28,505	10,354	62
1973—I	103,314	65,192	....	....	....	33,060	5,062	68,920	58,169	....	....	....	10,683	68

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

NOTE.—Second and fourth quarters, FDIC series for all commercial and mutual savings banks in the United States and possessions. First and third quarters, estimates based on special F.R. interpolations.

MORTGAGE ACTIVITY OF LIFE INSURANCE COMPANIES

(In millions of dollars)

Period	Loans acquired						Loans outstanding (end of period)					
	Total	Nonfarm				Farm	Total	Nonfarm				Farm
		Total	FHA-insured	VA-guaranteed	Other [1]			Total	FHA-insured	VA-guaranteed	Other	
1945	976	....	....	....	....	....	6,637	5,860	1,394	....	4,466	766
1964	10,433	9,386	1,812	674	6,900	1,047	55,152	50,848	11,484	6,403	32,961	4,304
1965	11,137	9,988	1,738	553	7,697	1,149	60,013	55,190	12,068	6,286	36,836	4,823
1966	10,217	9,223	1,300	467	7,456	994	64,609	59,369	12,351	6,201	40,817	5,240
1967	8,470	7,633	757	444	6,432	837	67,516	61,947	12,161	6,122	43,664	5,569
1968	7,925	7,153	733	346	6,074	772	69,973	64,172	11,961	5,954	46,257	5,801
1969	7,531	6,991	594	220	6,177	540	72,027	66,254	11,715	5,701	48,838	5,773
1970	7,181	6,867	386	88	6,393	314	74,375	68,726	11,419	5,394	51,913	5,649
1971	7,573	7,070	322	101	6,647	503	75,496	69,895	10,767	5,004	54,124	5,601
1972	8,802	8,101	277	202	7,622	701	77,319	71,640	9,944	4,646	57,050	5,679
1972—June r	684	620	46	20	554	64	75,404	69,822	10,408	4,847	54,567	5,582
July	655	605	19	25	561	50	75,626	70,031	10,314	4,811	54,906	5,595
Aug	743	682	19	21	642	61	75,723	70,105	10,224	4,776	55,105	5,618
Sept	708	663	22	14	627	45	75,813	70,195	10,139	4,734	55,322	5,618
Oct	718	673	10	16	647	45	75,952	70,323	10,053	4,700	55,570	5,629
Nov	803	746	28	13	705	57	76,207	70,567	10,000	4,668	55,899	5,640
Dec	1,830	1,723	16	18	1,689	107	77,319	71,640	9,944	4,646	57,050	5,679
1973—Jan	711	649	16	20	613	62	77,481	71,856	9,901	4,630	57,325	5,625
Feb	603	542	27	24	491	61	77,510	71,892	9,806	4,613	57,473	5,618
Mar	670	573	37	24	512	97	77,587	71,953	9,735	4,594	57,624	5,634
Apr	702	624	20	22	582	78	77,258	71,611	9,708	4,572	57,331	5,647
May	774	694	22	21	651	80	77,400	71,721	9,627	4,549	57,545	5,679
June	1,101	1,009	24	27	758	90	77,914	72,187	9,544	4,524	58,119	5,727

[1] Includes mortgage loans secured by land on which oil drilling or extracting operations are in process.

COMMITMENTS OF LIFE INSURANCE COMPANIES FOR INCOME PROPERTY MORTGAGES

Period	Number of loans	Total amount committed (millions of dollars)	Averages: Loan amount (thousands of dollars)	Averages: Contract interest rate (per cent)	Averages: Maturity (yrs./mos.)	Averages: Loan-to-value ratio (per cent)	Averages: Capitalization rate (per cent)	Averages: Debt coverage ratio	Averages: Per cent constant
1968	2,569	3,244.3	1,263	7.66	22/11	73.6	9.0	1.30	9.5
1969	1,788	2,920.7	1,633	8.69	21/8	73.3	9.6	1.29	10.2
1970	912	2,341.1	2,567	9.93	22/8	74.7	10.8	1.32	11.1
1971	1,664	3,982.5	2,393	9.07	22/10	74.9	10.0	1.29	10.4
1971—July	183	386.5	2,112	8.94	21/10	74.4	9.8	1.26	10.4
Aug.	153	434.4	2,839	9.08	23/1	74.9	9.9	1.27	10.4
Sept.	178	366.1	2,057	9.15	22/6	74.8	9.8	1.28	10.4
Oct.	112	198.4	1,771	9.20	22/7	75.8	10.0	1.28	10.4
Nov.	136	288.2	2,119	9.01	23/5	75.6	9.9	1.27	10.2
Dec.	133	290.0	2,181	8.96	23	74.4	9.9	1.30	10.2
1972—Jan.	107	198.6	1,856	8.78	22/1	73.3	10.0	1.31	10.2
Feb.	122	423.5	3,471	8.62	22/6	73.3	9.7	1.31	10.0
Mar.	220	530.4	2,411	8.50	24/2	76.3	9.5	1.29	9.7
Apr.	200	381.1	1,906	8.44	24/6	76.3	9.5	1.29	9.6
May	246	399.6	1,624	8.48	23/4	76.0	9.5	1.26	9.8
June	268	683.2	2,549	8.55	23/0	75.4	9.5	1.29	9.8
July	170	421.2	2,478	8.56	23/0	74.5	9.5	1.31	9.8
Aug.	178	515.7	2,897	8.54	23/0	74.9	9.5	1.27	9.9
Sept.	152	354.1	2,329	8.58	23/4	75.7	9.5	1.28	9.8

NOTE.—American Life Insurance Association data for new commitments of $100,000 and over each on mortgages for multifamily and nonresidential nonfarm properties located largely in the United States. The 15 companies account for a little more than one-half of both the total assets and the nonfarm mortgages held by all U.S. life insurance companies. Averages, which are based on number of loans, vary in part with loan composition by type and location of property, type and purpose of loan, and loan amortization and prepayment terms. Data for the following are limited to cases where information was available or estimates could be made: capitalization rate (net stabilized property earnings divided by property value); debt coverage ratio (net stabilized earnings divided by debt service); and per cent constant (annual level payment, including principal and interest, per $100 of debt). All statistics exclude construction loans, increases in existing loans in a company's portfolio, reapprovals, and loans secured by land only.

MORTGAGE ACTIVITY OF SAVINGS AND LOAN ASSOCIATIONS

(In millions of dollars)

Period	Loans made: Total [1]	Loans made: New home construction	Loans made: Home purchase	Loans outstanding (end of period): Total [2]	Loans outstanding: FHA-insured [3]	Loans outstanding: VA-guaranteed [3]	Loans outstanding: Conventional
1965	24,192	6,013	10,830	110,306	5,145	6,398	98,763
1966	16,924	3,653	7,828	114,427	5,269	6,157	103,001
1967	20,122	4,243	9,604	121,805	5,791	6,351	109,663
1968	21,983	4,916	11,215	130,802	6,658	7,012	117,132
1969	21,847	4,757	11,254	140,347	7,917	7,658	124,772
1970	21,383	4,150	10,237	150,331	10,178	8,494	131,659
1971	39,472	6,835	18,811	174,385	13,798	10,848	149,739
1972—July	4,572	743	2,515	191,642	15,153	12,606	163,883
Aug.	5,379	803	3,087	194,955	15,263	12,892	166,800
Sept.	4,689	739	2,587	197,881	15,342	13,098	169,441
Oct.	4,522	761	2,423	200,554	15,378	13,334	171,842
Nov.	4,393	714	2,307	203,266	15,490	13,544	174,232
Dec.	4,591	667	2,167	206,387	15,639	13,764	176,964
1973—Jan.	3,702	590	1,970	208,132	29,581		178,551
Feb.	3,710	614	2,019	210,260	29,751		180,509
Mar.	4,990	887	2,685	213,259	30,045		183,214
Apr.	4,989	886	2,762	216,250	30,182		186,068
May	r5,477	931	3,141	219,500	30,296		189,204
June p	5,738	903	3,469	222,801	30,381		192,420
July	5,024	841	3,062	225,507	30,276		195,231

1 Includes loans for repairs, additions and alterations, refinancing, etc., not shown separately.
2 Includes shares pledged against mortgage loans; beginning 1966, also includes junior liens and real estate sold on contract; beginning 1967, also includes downward structural adjustment for change in universe; and beginning 1973, excludes participation certificates guaranteed by the FHLMC and certain other related items.
3 Beginning 1973, data for these groups available only on a combined basis.

FEDERAL HOME LOAN BANKS

(In millions of dollars)

Period	Advances	Repayments	Advances outstanding (end of period): Total	Short-term [1]	Long-term [2]	Members' deposits (end of period)
1965	5,007	4,335	5,997	3,074	2,923	1,043
1966	3,804	2,866	6,935	5,006	1,929	1,036
1967	1,527	4,076	4,386	3,985	401	1,432
1968	2,734	1,861	5,259	4,867	392	1,382
1969	5,531	1,500	9,289	8,434	855	1,041
1970	3,256	1,929	10,615	3,081	7,534	2,331
1971	2,714	5,392	7,936	3,002	4,934	1,789
1972	4,790	4,749	7,979	2,961	5,018	2,104
1972 July	285	222	6,138	1,990	4,148	1,497
Aug.	406	249	6,295	2,083	4,212	1,442
Sept.	631	189	6,736	2,307	4,429	1,443
Oct.	542	233	7,045	2,440	4,605	1,334
Nov.	445	246	7,245	2,520	4,725	1,371
Dec.	984	251	7,979	2,961	5,018	2,104
1973 Jan.	332	480	7,831	2,805	5,025	1,306
Feb.	415	302	7,944	2,774	5,170	1,321
Mar.	764	288	r8,421	2,975	5,446	1,290
Apr.	1,187	178	r9,429	3,450	5,979	1,142
May	915	187	10,156	3,428	6,728	1,261
June	1,093	104	11,145	4,016	7,129	1,380
July	1,373	153	12,365	4,583	7,782	1,164

1 Secured or unsecured loans maturing in 1 year or less.
2 Secured loans, amortized quarterly, having maturities of more than 1 year but not more than 10 years.

NOTE.—FHLBB data.

FEDERAL NATIONAL MORTGAGE ASSOCIATION ACTIVITY

(In millions of dollars)

End of period	Mortgage holdings			Mortgage transactions (during period)		Mortgage commitments	
	Total	FHA-insured	VA-guaranteed	Purchases	Sales	Made during period	Outstanding
1967	5,522	4,048	1,474	1,400	12	1,732	501
1968	7,167	5,121	2,046	1,944	......	2,696	1,287
1969	10,950	7,680	3,270	4,121	......	6,630	3,539
1970	15,502	11,071	4,431	5,078	......	8,047	5,203
1971	17,791	......	......	3,574	336	4,986	5,694
1972	19,791	14,624	5,112	3,684	213	......	......
1972-July	18,740	14,013	4,714	258	3	515	6,471
Aug.	19,023	14,188	4,816	427	......	466	6,309
Sept.	19,295	14,380	4,888	401	......	755	6,451
Oct.	19,438	14,462	4,939	265	......	887	6,654
Nov.	19,619	14,558	5,016	315	6	388	6,562
Dec.	19,791	14,624	5,112	307	12	1,086	5,440
1973-Jan.	19,982	14,743	5,170	225	29	392	6,943
Feb.	20,181	14,872	5,223	218	......	493	6,911
Mar.	20,571	15,201	5,259	326	......	934	8,165
Apr.	20,791	15,389	5,269	174	......	1,211	8,742
May	21,086	15,581	5,335	330	......	1,180	9,312
June	21,413	15,768	5,411	516	1	1,191	9,778
July	21,772	15,877	5,574	516	......	1,102	9,859

NOTE.—FNMA data. Total holdings include conventional loans. Data prior to Sept. 1968 relate to secondary market portfolio of former FNMA. Mortgage holdings include loans used to back bond issues guaranteed by GNMA. Mortgage commitments made during the period include some multifamily and nonprofit hospital loan commitments in addition to 1- to 4-family loan commitments accepted in FNMA's free market auction system, and through the FNMA-GNMA Tandem Plan (Program 18).

FEDERAL NATIONAL MORTGAGE ASSOCIATION AUCTIONS

Date of auction	Government-underwritten home loans			Conventional home loans		
	Mortgage amounts		Average yield (short-term commitments)	Mortgage amounts		Average yield (short-term commitments)
	Offered	Accepted		Offered	Accepted	
	In millions of dollars		In per cent	In millions of dollars		In per cent
1972 Dec. 26	108.7	66.3	7.69	......	......	......
1973 Feb. 6	......	......	......	100.9	62.9	7.89
20	110.3	71.6	7.73	......	......	......
21	......	......	......	66.0	49.6	7.92
Mar. 5	170.8	107.7	7.75	......	......	......
6	......	......	......	60.3	44.3	7.95
19	297.3	168.7	7.81	......	......	......
21	......	......	......	86.8	56.4	8.02
Apr. 2	234.6	145.9	7.86	......	......	......
3	......	......	......	111.9	81.6	8.11
16	216.6	190.7	7.89	......	......	......
17	......	......	......	111.0	88.4	8.17
30	261.2	185.9	7.92	128.9	88.2	8.23
May 14	258.3	187.7	7.96	117.6	84.4	8.31
28	212.4	140.0	8.00	113.3	74.0	8.39
June 11	184.5	142.2	8.04	110.1	74.1	8.44
25	199.3	118.7	8.09	95.0	69.4	8.51
July 9	539.0	244.8	8.38	108.0	72.5	8.67
23	351.4	181.4	8.54	119.0	61.7	8.79
Aug. 6	458.5	201.9	8.71	154.3	77.4	8.98
20	525.0	223.8	8.95	171.3	77.2	9.27

NOTE.—Average secondary market yields are gross—before deduction of 38 basis-point fee paid for mortgage servicing. They reflect the average accepted bid yield for home mortgages assuming a prepayment period of 12 years for 30-year loans, without special adjustment for FNMA commitment fees and FNMA stock purchase and holding requirements. Since Oct. 18, 1971, the maturity on new short-term commitments has been extended 4 months. Mortgage amounts offered by bidders are total eligible bids received.

GOVERNMENT NATIONAL MORTGAGE ASSOCIATION ACTIVITY

(In millions of dollars)

End of period	Mortgage holdings			Mortgage transactions (during period)		Mortgage commitments	
	Total	FHA-insured	VA-guaranteed	Purchases	Sales	Made during period	Outstanding
1967	3,348	2,756	592	860	......	1,045	1,171
1968	4,220	3,569	651	1,089	1	867	1,266
1969	4,820	4,220	600	827	......	615	1,131
1970	5,184	4,634	550	621	......	897	738
1971	5,294	......	......	393	......	......	......
1972	5,113	......	......	......	......	......	......
1972-July	5,301	......	......	......	......	......	......
Aug.	5,405	......	......	......	......	......	......
Sept.	5,278	......	......	......	......	......	......
Oct.	5,203	......	......	......	......	......	......
Nov.	5,152	......	......	......	......	......	......
Dec.	5,113	......	......	......	......	......	......
1973-Jan.	5,117	......	......	......	......	......	......
Feb.	4,984	......	......	......	......	......	......
Mar.	4,663	......	......	......	......	......	......
Apr.	4,439	......	......	......	......	......	......
May	3,980	......	......	......	......	......	......
June	3,908	......	......	......	......	......	......
July	4,156	......	......	......	......	......	......

NOTE.—GNMA data. Total holdings include a small amount of conventional loans. Data prior to Sept. 1968 relate to Special Assistance and Management and Liquidating portfolios of former FNMA and include mortgages subject to participation pool of Government Mortgage Liquidation Trust, but exclude conventional mortgage loans acquired by former FNMA.

GNMA MORTGAGE-BACKED SECURITY PROGRAM

(In millions of dollars)

Period	Pass-through securities		Bonds sold
	Applications received	Securities issued	
1970	1,126.2	452.4	1,315.0
1971	4,373.6	2,701.9	300.0
1972	3,854.5	2,661.7	......
1972—July	135.5	145.8	......
Aug.	548.3	140.3	......
Sept.	192.0	130.9	......
Oct.	237.8	164.1	......
Nov.	226.4	138.2	......
Dec.	440.9	299.8	......
1973 Jan.	515.7	323.3	......
Feb.	167.2	216.8	......
Mar.	339.4	139.9	......
Apr.	467.8	'182.1	......
May	563.3	338.8	......
June'	243.1	315.3	......
July	215.7	384.7	......

NOTE.—GNMA data. Under the Mortgage-Backed Security Program, GNMA guarantees the timely payment of principal and interest on both pass-through and bond-type securities, which are backed by a pool of mortgages insured by FHA or Farmers Home Admin. or guaranteed by VA and issued by an approved mortgagee. To date, bond-type securities have been issued only by FNMA and FHLMC.

HOME-MORTGAGE YIELDS

(In per cent)

Period	Primary market (conventional loans)			Secondary market
	FHLBB series (effective rate)		HUD series (FHA)	Yield on FHA-insured new-home loans
	New homes	Existing homes	New homes	
1968	6.97	7.03	7.12	7.21
1969	7.81	7.82	7.99	8.29
1970	8.44	8.35	8.52	9.03
1971	7.74	7.67	7.75	7.70
1972	7.60	7.52	7.64	7.52
1972—July	7.58	7.50	7.65	7.54
Aug.	7.59	7.52	7.65	7.55
Sept.	7.57	7.55	7.70	7.56
Oct.	7.62	7.57	7.70	7.57
Nov.	7.64	7.57	7.70	7.57
Dec.	7.66	7.59	7.70	7.56
1973—Jan.	7.68	7.68	7.70	7.55
Feb.	7.70	7.72	7.75	7.56
Mar.	7.68	7.69	7.80	7.63
Apr.	7.71	7.70	7.90	7.73
May	7.71	7.77	7.95	7.79
June[r]	7.79	7.79	8.05	7.89
July	7.84	7.84	8.40	8.19

NOTE.—Annual data are averages of monthly figures. The Housing and Urban Development (FHA) data are based on opinion reports submitted by field offices on prevailing local conditions as of the first of the succeeding month. Yields on FHA-insured mortgages are derived from weighted averages of private secondary market prices for Sec. 203, 30-year mortgages with minimum downpayment and an assumed prepayment at the end of 15 years. Any gaps in data are due to periods of adjustment to changes in maximum permissible contract interest rates. The HUD (FHA) interest rates on conventional first mortgages in primary markets are unweighted and are rounded to the nearest 5 basis points. The FHLBB effective rate series reflects fees and charges as well as contract rates (as shown in the table on conventional first-mortgage terms, p. A-35) and an assumed prepayment at end of 10 years.

DELINQUENCY RATES ON HOME MORTGAGES

(Per 100 mortgages held or serviced)

End of period	Loans not in foreclosure but delinquent for—				Loans in foreclosure
	Total	30 days	60 days	90 days or more	
1965	3.29	2.40	.55	.34	.40
1966	3.40	2.54	.54	.32	.36
1967	3.47	2.66	.54	.27	.32
1968	3.17	2.43	.51	.23	.26
1969	3.22	2.43	.52	.27	.27
1970	3.64	2.67	.61	.36	.33
1971	3.93	2.82	.65	.46	.46
1972	4.65	3.42	.78	.45	.48
1971—I	3.21	2.26	.56	.39	.40
II	3.27	2.36	.53	.38	.38
III	3.59	2.54	.62	.43	.41
IV	3.93	2.82	.65	.46	.46
1972—I	3.16	2.21	.58	.37	.50
II	3.27	2.38	.53	.36	.48
III	3.82	2.74	.65	.43	.52
IV [1]	4.66	3.41	.79	.46	.50
	4.65	3.42	.78	.45	.48
1973—I	3.63	2.52	.68	.43	....
II	3.84	2.81	.64	.39	....

[1] First line is old series; second line is new series.

NOTE.—Mortgage Bankers Association of America data from reports on 1- to 4-family FHA-insured, VA-guaranteed, and conventional mortgages held by more than 400 respondents, including mortgage bankers (chiefly), commercial banks, savings banks, and savings and loan associations.

GOVERNMENT-UNDERWRITTEN RESIDENTIAL LOANS MADE

(In millions of dollars)

Period	FHA-insured					VA-guaranteed		
	Total	Mortgages		Projects[1]	Property improvements[2]	Total[3]	Mortgages	
		New homes	Existing homes				New homes	Existing homes
1965	8,689	1,705	5,760	591	634	2,652	876	1,776
1966	7,320	1,729	4,366	583	641	2,600	980	1,618
1967	7,150	1,369	4,516	642	623	3,405	1,143	2,259
1968	8,275	1,572	4,924	1,123	656	3,774	1,430	2,343
1969	9,129	1,551	5,570	1,316	693	4,072	1,493	2,579
1970	11,982	2,667	5,447	3,251	617	3,440	1,311	2,129
1971	14,689	3,900	6,475	3,641	674	5,961	1,694	4,267
1972	12,320	3,459	4,608	3,448	805	8,293	2,539	5,754
1972 July	900	261	374	218	47	675	183	492
Aug.	1,018	310	440	201	67	776	224	552
Sept.	949	245	340	287	77	758	212	546
Oct.	862	255	343	170	94	720	204	516
Nov.	1,001	261	331	312	97	790	246	544
Dec.	964	190	245	444	85	715	220	495
1973 Jan.	834	254	324	197	59	681	218	463
Feb.[r]	710	162	235	197	52	592	187	405
Mar.[r]	969	195	268	262	65	596	185	411
Apr.[r]	620	151	223	440	74	621	187	434
May[r]	462	158	228	172	81	634	198	436
June	644	153	229	122	61	646	182	464
July	551	143	250	201	66	666	204	462

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

[2] Not ordinarily secured by mortgages.

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

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

FEDERAL HOME LOAN MORTGAGE CORPORATION ACTIVITY

(In millions of dollars)

End of period	Mortgage holdings			Mortgage transactions (during period)		Mortgage commitments	
	Total	FHA-VA	Conventional	Purchases	Sales	Made during period	Outstanding
1970	325	325	....	325	....	....	....
1971	968	821	147	778	64	....	182
1972	1,790	1,503	287	1,298	408	....	198
1972 June	1,415	1,344	71	194	97	117	313
July	1,475	1,374	100	74	11	75	298
Aug.	1,498	1,394	104	107	75	109	263
Sept.	1,545	1,408	137	66	13	136	318
Oct.	1,631	1,439	192	102	9	189	371
Nov.	1,744	1,491	253	128	10	89	293
Dec.	1,790	1,503	287	143	87	93	198
1973 Jan.	1,761	1,517	244	76	99	142	226
Feb.	1,677	1,535	142	76	150	166	300
Mar.	1,718	1,589	128	119	68	141	295
Apr.	1,784	1,646	138	126	51	193	343
May	1,906	1,695	211	147	17	187	344
June	2,029	1,716	313	154	21	159	316

NOTE.—FHLMC data. Data for 1970 include only the period beginning Nov. 26 when the FHLMC first became operational. Holdings, purchases, and sales include participations as well as whole loans. Mortgage holdings include loans used to back bond issues guaranteed by GNMA. Commitment data cover the conventional and Govt.-underwritten loan programs.

TOTAL CREDIT

(In millions of dollars)

End of period	Total	Instalment					Noninstalment			
		Total	Auto-mobile paper	Other consumer goods paper	Repair and mod-ernization loans [1]	Personal loans	Total	Single-payment loans	Charge accounts	Service credit
1940	8,338	5,514	2,071	1,827	371	1,245	2,824	800	1,471	553
1945	5,665	2,462	455	816	182	1,009	3,203	746	1,612	845
1950	21,471	14,703	6,074	4,799	1,016	2,814	6,768	1,821	3,367	1,580
1955	38,830	28,906	13,460	7,641	1,693	6,112	9,924	3,002	4,795	2,127
1960	56,141	42,968	17,658	11,545	3,148	10,617	13,173	4,507	5,329	3,337
1965	89,883	70,893	28,437	18,483	3,736	20,237	18,990	7,671	6,430	4,889
1966	96,239	76,245	30,010	20,732	3,841	21,662	19,994	7,972	6,686	5,336
1967	100,783	79,428	29,796	22,389	4,008	23,235	21,355	8,558	7,070	5,727
1968	110,770	87,745	32,948	24,626	4,239	25,932	23,025	9,532	7,193	6,300
1969	121,146	97,105	35,527	28,313	4,613	28,652	24,041	9,747	7,373	6,921
1970	127,163	102,064	35,184	31,465	5,070	30,345	25,099	9,675	7,968	7,456
1971	138,394	111,295	38,664	34,353	5,413	32,865	27,099	10,585	8,350	8,164
1972	157,564	127,332	44,129	40,080	6,201	36,922	30,232	12,256	9,002	8,974
1972—July	145,214	117,702	41,603	35,470	5,797	34,832	27,512	11,235	7,644	8,633
Aug.	147,631	119,911	42,323	36,188	5,950	35,450	27,720	11,411	7,717	8,592
Sept.	148,976	121,193	42,644	36,745	6,049	35,755	27,783	11,541	7,693	8,549
Oct.	150,576	122,505	43,162	37,216	6,124	36,003	28,071	11,717	7,780	8,574
Nov.	152,968	124,325	43,674	38,064	6,174	36,413	28,643	11,917	8,010	8,716
Dec.	157,564	127,332	44,129	40,080	6,201	36,922	30,232	12,256	9,002	8,974
1973—Jan.	157,227	127,368	44,353	39,952	6,193	36,870	29,859	12,204	8,357	9,298
Feb.	157,582	127,959	44,817	39,795	6,239	37,108	29,623	12,409	7,646	9,568
Mar.	159,320	129,375	45,610	39,951	6,328	37,486	29,945	12,540	7,702	9,703
Apr.	161,491	131,022	46,478	40,441	6,408	37,695	30,469	12,686	8,036	9,747
May	164,277	133,531	47,518	41,096	6,541	38,376	30,746	12,817	8,319	9,610
June	167,083	136,018	48,549	41,853	6,688	38,928	31,065	12,990	8,555	9,520
July	169,148	138,212	49,352	42,575	6,845	39,440	30,936	12,968	8,479	9,489

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

NOTE.—Consumer credit estimates cover loans to individuals for household, family, and other personal expenditures, except real estate mortgage loans. For back figures and description of the data, see "Consumer Credit," Section 16 (New) of *Supplement to Banking and Monetary Statistics*, 1965 and BULLETINS for Dec. 1968 and Oct. 1972.

INSTALMENT CREDIT

(In millions of dollars)

End of period	Total	Financial institutions					Retail outlets		
		Total	Com-mercial banks	Finance compa-nies [1]	Credit unions	Mis-cellaneous lenders [1]	Total	Auto-mobile dealers [2]	Other retail outlets
1940	5,514	3,918	1,452	2,278	171	17	1,596	167	1,429
1945	2,462	1,776	745	910	102	19	686	28	658
1950	14,703	11,805	5,798	5,315	590	102	2,898	287	2,611
1955	28,906	24,398	10,601	11,838	1,678	281	4,508	487	4,021
1960	42,968	36,673	16,672	15,435	3,923	643	6,295	359	5,936
1965	70,893	61,102	28,962	23,851	7,324	965	9,791	315	9,476
1966	76,245	65,430	31,319	24,796	8,255	1,060	10,815	277	10,538
1967	79,428	67,944	33,152	24,576	9,003	1,213	11,484	287	11,197
1968	87,745	75,727	37,936	26,074	10,300	1,417	12,018	281	11,737
1969	97,105	83,989	42,421	27,846	12,028	1,694	13,116	250	12,866
1970	102,064	88,164	45,398	27,678	12,986	2,102	13,900	218	13,682
1971	111,295	97,144	51,240	28,883	14,770	2,251	14,151	226	13,925
1972	127,332	111,382	59,783	32,088	16,913	2,598	15,950	261	15,689
1972—July	117,702	104,132	55,688	30,065	15,910	2,469	13,570	248	13,322
Aug.	119,911	106,146	56,846	30,464	16,278	2,558	13,765	251	13,514
Sept.	121,193	107,278	57,566	30,650	16,439	2,623	13,915	253	13,662
Oct.	122,505	108,405	58,266	30,970	16,556	2,613	14,100	257	13,843
Nov.	124,325	109,673	58,878	31,427	16,742	2,626	14,652	259	14,393
Dec.	127,332	111,382	59,783	32,088	16,913	2,598	15,950	261	15,689
1973—Jan.	127,368	111,690	60,148	32,177	16,847	2,518	15,678	263	15,415
Feb.	127,959	112,630	60,582	32,431	16,973	2,644	15,329	266	15,063
Mar.	129,375	114,190	61,388	32,750	17,239	2,813	15,185	272	14,913
Apr.	131,022	115,727	62,459	33,078	17,455	2,735	15,295	278	15,017
May	133,531	118,165	63,707	33,859	17,832	2,767	15,366	284	15,082
June	136,018	120,450	64,999	34,367	18,269	2,815	15,568	289	15,279
July	138,212	122,479	66,065	35,020	18,517	2,877	15,733	293	15,440

[1] Finance companies consist of those institutions formerly classified as sales finance, consumer finance, and other finance companies. Miscellaneous lenders include savings and loan associations and mutual savings banks.

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

See also NOTE to table above.

MAJOR HOLDERS OF INSTALMENT CREDIT

(In millions of dollars)

End of period	Commercial banks								Finance companies [1]					
	Total	Automobile paper		Other consumer goods paper			Repair and modernization loans	Personal loans	Total	Automobile paper	Other consumer goods paper		Repair and modernization loans	Personal loans
		Purchased	Direct	Mobile homes	Credit cards	Other					Mobile homes	Other		
1940	1,452	339	276		232		165	440	2,278	1,253	159		193	673
1945	745	66	143		114		110	312	910	202	40		62	606
1950	5,798	1,177	1,294		1,456		834	1,037	5,315	3,157	692		80	1,386
1955	10,601	3,243	2,062		2,042		1,338	1,916	11,838	7,108	1,448		42	3,240
1960	16,672	5,316	2,820		2,759		2,200	3,577	15,435	7,703	2,553		173	5,006
1965	28,962	10,209	5,659		4,166		2,571	6,357	23,851	9,218	4,343		232	10,058
1966	31,319	11,024	5,956		4,681		2,647	7,011	24,796	9,342	4,925		214	10,315
1967	33,152	10,972	6,232		5,469		2,731	7,748	24,576	8,627	5,069		192	10,688
1968	37,936	12,324	7,102	....	1,307	5,387	2,858	8,958	26,074	9,003	5,424		166	11,481
1969	42,421	13,133	7,791	....	2,639	6,082	2,996	9,780	27,846	9,412	5,775		174	12,485
1970	45,398	12,918	7,888	....	3,792	7,113	3,071	10,616	27,678	9,044	2,464	3,237	199	12,734
1971	51,240	13,837	9,277	4,423	4,419	4,501	3,236	11,547	28,883	9,577	2,561	3,052	247	13,446
1972	59,783	16,320	10,776	5,786	5,288	5,122	3,544	12,947	32,088	10,174	2,916	3,589	497	14,912
1972- July	55,688	15,244	10,193	5,144	4,517	4,903	3,410	12,277	30,065	9,714	2,725	3,270	325	14,031
Aug.	56,846	15,566	10,331	5,321	4,631	5,003	3,479	12,515	30,464	9,822	2,773	3,318	358	14,193
Sept.	57,566	15,754	10,381	5,471	4,750	5,030	3,522	12,658	30,650	9,835	2,820	3,367	383	14,245
Oct.	58,266	15,996	10,534	5,590	4,782	5,053	3,555	12,756	30,970	9,914	2,862	3,430	412	14,352
Nov.	58,878	16,180	10,674	5,690	4,868	5,063	3,557	12,846	31,427	10,026	2,899	3,476	452	14,574
Dec.	59,783	16,320	10,776	5,786	5,288	5,122	3,544	12,947	32,088	10,174	2,916	3,589	497	14,912
1973 Jan.	60,148	16,464	10,889	5,839	5,311	5,135	3,527	12,983	32,177	10,177	2,928	3,644	528	14,900
Feb.	60,582	16,680	10,977	5,932	5,283	5,158	3,515	13,037	32,431	10,267	2,909	3,752	562	14,941
Mar.	61,388	16,951	11,216	6,035	5,243	5,289	3,538	13,116	32,750	10,419	2,943	3,796	581	15,011
Apr.	62,459	17,327	11,436	6,163	5,290	5,401	3,581	13,261	33,078	10,617	2,991	3,831	611	15,028
May	63,707	17,716	11,680	6,321	5,360	5,538	3,635	13,457	33,859	10,872	3,025	3,985	656	15,321
June	64,999	18,138	11,866	6,473	5,502	5,688	3,700	13,632	34,367	11,121	3,081	4,002	694	15,469
July	66,065	18,439	12,023	6,629	5,603	5,815	3,774	13,782	35,020	11,365	3,132	4,103	733	15,687

[1] Finance companies consist of those institutions formerly classified as sales finance, consumer finance, and other finance companies.

See also Note to table at top of preceding page.

INSTALMENT CREDIT HELD BY OTHER FINANCIAL LENDERS

(In millions of dollars)

End of period	Total	Automobile paper	Other consumer goods paper	Repair and modernization loans	Personal loans
1940	188	36	7	13	132
1945	121	16	4	10	91
1950	692	159	40	102	391
1955	1,959	560	130	313	956
1960	4,566	1,460	297	775	2,034
1965	8,289	3,036	498	933	3,822
1966	9,315	3,411	588	980	4,336
1967	10,216	3,678	654	1,085	4,799
1968	11,717	4,238	771	1,215	5,493
1969	13,722	4,941	951	1,443	6,387
1970	15,088	5,116	1,177	1,800	6,995
1971	17,021	5,747	1,472	1,930	7,872
1972	19,511	6,598	1,690	2,160	9,063
1972- July	18,379	6,204	1,589	2,062	8,524
Aug.	18,836	6,353	1,628	2,113	8,742
Sept.	19,062	6,421	1,645	2,144	8,852
Oct.	19,169	6,461	1,656	2,157	8,895
Nov.	19,368	6,535	1,675	2,165	8,993
Dec.	19,511	6,598	1,690	2,160	9,063
1973--Jan.	19,365	6,560	1,680	2,138	8,987
Feb.	19,617	6,627	1,698	2,162	9,130
Mar.	20,052	6,752	1,732	2,209	9,359
Apr.	20,190	6,820	1,748	2,216	9,406
May	20,599	6,966	1,785	2,250	9,598
June	21,084	7,135	1,828	2,294	9,827
July	21,394	7,232	1,853	2,338	9,971

NOTE.--Other financial lenders consist of credit unions and miscellaneous lenders. Miscellaneous lenders include savings and loan associations and mutual savings banks.

NONINSTALMENT CREDIT

(In millions of dollars)

End of period	Total	Single-payment loans		Charge accounts		Service credit
		Commercial banks	Other financial institutions	Retail outlets	Credit cards [1]	
1940	2,824	636	164	1,471	....	553
1945	3,203	674	72	1,612	....	845
1950	6,768	1,576	245	3,291	76	1,580
1955	9,924	2,635	367	4,579	216	2,127
1960	13,173	3,884	623	4,893	436	3,337
1965	18,990	6,690	981	5,724	706	4,889
1966	19,994	6,946	1,026	5,812	874	5,336
1967	21,355	7,478	1,080	6,041	1,029	5,727
1968	23,025	8,374	1,158	5,966	1,227	6,300
1969	24,041	8,553	1,194	5,936	1,437	6,921
1970	25,099	8,469	1,206	6,163	1,805	7,456
1971	27,099	9,316	1,269	6,397	1,953	8,164
1972	30,232	10,857	1,399	7,055	1,947	8,974
1972 July	27,512	9,900	1,335	5,664	1,980	8,633
Aug.	27,720	10,053	1,358	5,676	2,041	8,592
Sept.	27,783	10,165	1,376	5,613	2,080	8,549
Oct.	28,071	10,339	1,378	5,794	1,986	8,574
Nov.	28,643	10,527	1,390	6,081	1,929	8,716
Dec.	30,232	10,857	1,399	7,055	1,947	8,974
1973 - Jan.	29,859	10,825	1,379	6,402	1,955	9,298
Feb.	29,623	10,989	1,420	5,735	1,911	9,568
Mar.	29,945	11,074	1,466	5,825	1,877	9,703
Apr.	30,469	11,237	1,449	6,129	1,907	9,747
May	30,746	11,359	1,458	6,387	1,932	9,610
June	31,065	11,520	1,470	6,544	2,011	9,520
July	30,936	11,491	1,477	6,424	2,055	9,489

[1] Service station and miscellaneous credit-card accounts and home-heating-oil accounts. Bank-credit-card accounts outstanding are included in estimates of instalment credit outstanding.

See also NOTE to table at top of preceding page.

INSTALMENT CREDIT EXTENDED AND REPAID, BY TYPE OF CREDIT

(In millions of dollars)

Period	Total S.A.[1]	Total N.S.A.	Automobile paper S.A.[1]	Automobile paper N.S.A.	Other consumer goods paper S.A.[1]	Other consumer goods paper N.S.A.	Repair and modernization loans S.A.[1]	Repair and modernization loans N.S.A.	Personal loans S.A.[1]	Personal loans N.S.A.
					Extensions					
1965	....	78,661	....	27,208	....	22,857	....	2,270	....	26,326
1966	....	82,832	....	27,192	....	26,329	....	2,223	....	27,088
1967	....	87,171	....	26,320	....	29,504	....	2,369	....	28,978
1968	....	99,984	....	31,083	....	33,507	....	2,534	....	32,860
1969	....	109,146	....	32,553	....	38,332	....	2,831	....	35,430
1970	....	112,158	....	29,794	....	43,873	....	2,963	....	35,528
1971	....	124,281	....	34,873	....	47,821	....	3,244	....	38,343
1972	....	142,951	....	40,194	....	55,599	....	4,006	....	43,152
1972—July	11,687	11,833	3,298	3,480	4,684	4,544	328	358	3,377	3,451
Aug.	12,484	13,166	3,491	3,696	4,990	5,094	371	431	3,632	3,945
Sept.	11,953	11,535	3,368	3,110	4,772	4,695	340	360	3,473	3,370
Oct.	12,404	12,337	3,504	3,663	4,971	4,831	335	347	3,594	3,496
Nov.	12,846	12,806	3,620	3,505	5,118	5,202	327	321	3,781	3,778
Dec.	12,627	13,643	3,763	3,195	4,876	6,171	351	280	3,637	3,997
1973—Jan.	13,304	11,923	4,006	3,393	5,282	4,949	329	259	3,687	3,322
Feb.	13,434	11,214	3,972	3,407	5,245	4,252	364	300	3,853	3,255
Mar.	13,852	13,681	4,001	4,164	5,349	5,169	406	377	4,096	3,971
Apr.	13,465	13,661	3,822	4,101	5,563	5,378	365	372	3,715	3,810
May	13,932	14,792	3,989	4,409	5,504	5,698	374	431	4,065	4,254
June	13,646	14,608	3,762	4,313	5,505	5,678	400	450	3,979	4,167
July	14,518	14,812	3,930	4,177	5,901	5,753	433	472	4,254	4,410
					Repayments					
1965	....	70,463	....	23,706	....	20,707	....	2,112	....	23,938
1966	....	77,480	....	25,619	....	24,080	....	2,118	....	25,663
1967	....	83,988	....	26,534	....	27,847	....	2,202	....	27,405
1968	....	91,667	....	27,931	....	31,270	....	2,303	....	30,163
1969	....	99,786	....	29,974	....	34,645	....	2,457	....	32,710
1970	....	107,199	....	30,137	....	40,721	....	2,506	....	33,835
1971	....	115,050	....	31,393	....	44,933	....	2,901	....	35,823
1972	....	126,914	....	34,729	....	49,872	....	3,218	....	39,095
1972—July	10,593	10,496	2,917	2,896	4,249	4,115	279	278	3,148	3,207
Aug.	10,841	10,957	2,896	2,976	4,395	4,376	270	278	3,280	3,327
Sept.	10,667	10,253	2,873	2,789	4,303	4,138	263	261	3,228	3,065
Oct.	10,908	11,025	3,041	3,145	4,354	4,360	263	272	3,250	3,248
Nov.	11,128	10,986	3,023	2,993	4,444	4,354	271	271	3,390	3,368
Dec.	10,964	10,636	2,977	2,740	4,341	4,155	263	253	3,383	3,488
1973—Jan.	11,355	11,887	3,097	3,169	4,649	5,077	267	267	3,342	3,374
Feb.	11,437	10,623	3,145	2,943	4,627	4,409	275	254	3,390	3,017
Mar.	11,808	12,265	3,225	3,371	4,755	5,013	286	288	3,542	3,593
Apr.	12,061	12,014	3,218	3,233	4,963	4,888	294	292	3,586	3,601
May	11,941	12,283	3,261	3,369	4,917	5,043	290	298	3,473	3,573
June	12,034	12,121	3,253	3,282	4,955	4,921	300	303	3,526	3,615
July	12,551	12,618	3,333	3,374	5,145	5,031	309	315	3,764	3,898
					Net change in credit outstanding[2]					
1965	....	8,198	....	3,502	....	2,150	....	158	....	2,388
1966	....	5,352	....	1,573	....	2,249	....	105	....	1,425
1967	....	3,183	....	−214	....	1,657	....	167	....	1,573
1968	....	8,317	....	3,152	....	2,237	....	231	....	2,697
1969	....	9,360	....	2,579	....	3,687	....	374	....	2,720
1970	....	4,959	....	−343	....	3,152	....	457	....	1,693
1971	....	9,231	....	3,480	....	2,888	....	343	....	2,520
1972	....	16,037	....	5,465	....	5,727	....	788	....	4,057
1972—July	1,094	1,337	381	584	435	429	49	80	229	244
Aug.	1,643	2,209	595	720	595	718	101	153	352	618
Sept.	1,286	1,282	495	321	469	557	77	99	245	305
Oct.	1,496	1,312	463	518	617	471	72	75	344	248
Nov.	1,718	1,820	597	512	674	848	56	50	391	410
Dec.	1,663	3,007	786	455	535	2,016	88	27	254	509
1973—Jan.	1,949	36	909	224	633	−128	62	−8	345	−52
Feb.	1,997	591	827	464	618	−157	89	46	463	238
Mar.	2,044	1,416	776	793	594	156	120	89	554	378
Apr.	1,404	1,647	604	868	600	490	71	80	129	209
May	1,991	2,509	728	1,040	587	655	84	133	592	681
June	1,612	2,487	509	1,031	550	757	100	147	453	552
July	1,967	2,194	597	803	756	722	124	157	490	512

[1] Includes adjustments for differences in trading days.

[2] Net changes in credit outstanding are equal to extensions less repayments.

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

For back figures and description of the data, see "Consumer Credit," Section 16 (New) of *Supplement to Banking and Monetary Statistics*, 1965, and BULLETINS for Dec. 1968 and Oct. 1972.

INSTALMENT CREDIT EXTENDED AND REPAID, BY HOLDER

(In millions of dollars)

Period	Total		Commercial banks		Finance companies		Other financial lenders		Retail outlets	
	S.A.[1]	N.S.A.	S.A.[1]	N.S.A.	S.A.[1]	N.S.A.	S.A.[1]	N.S.A.	S.A.[1]	N.S.A.
					Extensions					
1965	....	78,661	....	29,528	....	25,265	....	9,438	....	14,430
1966	....	82,832	....	30,073	....	25,897	....	10,368	....	16,494
1967	....	87,171	....	31,382	....	26,461	....	11,238	....	18,090
1968	....	99,984	....	37,395	....	30,261	....	13,206	....	19,122
1969	....	109,146	....	40,955	....	32,753	....	15,198	....	20,240
1970	....	112,158	....	42,960	....	31,952	....	15,720	....	21,526
1971	....	124,281	....	51,237	....	32,935	....	17,966	....	22,143
1972	....	142,951	....	59,339	....	38,464	....	20,607	....	24,541
1972—July	11,687	11,833	4,926	5,103	3,107	3,184	1,506	1,580	2,148	1,966
Aug.	12,484	13,166	5,349	5,644	3,285	3,433	1,788	2,014	2,062	2,075
Sept.	11,953	11,535	4,972	4,852	3,181	2,971	1,731	1,683	2,069	2,029
Oct.	12,404	12,337	5,227	5,224	3,334	3,348	1,705	1,679	2,138	2,086
Nov.	12,846	12,806	5,413	5,059	3,434	3,581	1,792	1,704	2,207	2,462
Dec.	12,627	13,643	5,313	5,096	3,355	3,766	1,791	1,642	2,168	3,139
1973—Jan.	13,304	11,923	5,762	5,246	3,517	3,033	1,706	1,509	2,319	2,135
Feb.	13,434	11,214	5,664	4,826	3,557	2,972	1,964	1,711	2,249	1,705
Mar.	13,852	13,681	5,853	5,890	3,654	3,598	2,131	2,083	2,214	2,110
Apr.	13,465	13,661	5,644	5,973	3,555	3,576	1,792	1,832	2,474	2,280
May	13,932	14,792	5,859	6,356	3,820	4,027	1,868	2,060	2,385	2,349
June	13,646	14,608	5,684	6,219	3,584	3,817	1,978	2,211	2,400	2,361
July	14,518	14,812	5,952	6,232	3,824	3,931	2,110	2,233	2,632	2,416
					Repayments					
1965	....	70,463	....	25,663	....	23,056	....	8,311	....	13,433
1966	....	77,480	....	27,716	....	24,952	....	9,342	....	15,470
1967	....	83,988	....	29,549	....	26,681	....	10,337	....	17,421
1968	....	91,667	....	32,611	....	28,763	....	11,705	....	18,588
1969	....	99,786	....	36,470	....	30,981	....	13,193	....	19,142
1970	....	107,199	....	40,398	....	31,705	....	14,354	....	20,742
1971	....	115,050	....	45,395	....	31,730	....	16,033	....	21,892
1972	....	126,914	....	50,796	....	35,259	....	18,117	....	22,742
1972—July	10,593	10,496	4,366	4,298	2,883	2,841	1,419	1,505	1,925	1,852
Aug.	10,841	10,957	4,414	4,486	3,021	3,034	1,510	1,557	1,896	1,880
Sept.	10,667	10,253	4,221	4,132	2,938	2,785	1,533	1,457	1,975	1,879
Oct.	10,908	11,025	4,408	4,524	3,023	3,028	1,550	1,572	1,927	1,901
Nov.	11,128	10,986	4,531	4,447	3,061	3,124	1,578	1,505	1,958	1,910
Dec.	10,964	10,636	4,485	4,191	2,952	3,105	1,561	1,499	1,966	1,841
1973—Jan.	11,355	11,887	4,734	4,881	3,033	2,944	1,532	1,655	2,056	2,407
Feb.	11,437	10,623	4,684	4,392	3,030	2,718	1,625	1,459	2,098	2,054
Mar.	11,808	12,265	4,870	5,084	3,141	3,279	1,665	1,648	2,132	2,254
Apr.	12,061	12,014	4,919	4,902	3,251	3,248	1,693	1,694	2,198	2,170
May	11,941	12,283	4,976	5,108	3,100	3,246	1,612	1,651	2,253	2,278
June	12,034	12,121	4,890	4,927	3,241	3,309	1,694	1,726	2,209	2,159
July	12,551	12,618	5,120	5,166	3,312	3,278	1,770	1,923	2,349	2,251
					Net change in credit outstanding [2]					
1965	....	8,198	....	3,865	....	2,209	....	1,127	....	997
1966	....	5,352	....	2,357	....	945	....	1,026	....	1,024
1967	....	3,183	....	1,833	....	220	....	901	....	669
1968	....	8,317	....	4,784	....	1,498	....	1,501	....	534
1969	....	9,360	....	4,485	....	1,772	....	2,005	....	1,098
1970	....	4,959	....	2,977	....	-168	....	1,366	....	784
1971	....	9,231	....	5,842	....	1,205	....	1,933	....	251
1972	....	16,037	....	8,543	....	3,205	....	2,490	....	1,799
1972—July	1,094	1,337	560	805	224	343	87	75	223	114
Aug.	1,643	2,209	935	1,158	264	399	278	457	166	195
Sept.	1,286	1,282	751	720	243	186	198	226	94	150
Oct.	1,496	1,312	819	700	311	320	155	107	211	185
Nov.	1,718	1,820	882	612	373	457	214	199	249	552
Dec.	1,663	3,007	828	905	403	661	230	143	202	1,298
1973—Jan.	1,949	36	1,028	365	484	89	174	-146	263	-272
Feb.	1,997	591	980	434	527	254	339	252	151	349
Mar.	2,044	1,416	983	806	513	319	466	435	82	144
Apr.	1,404	1,647	725	1,071	304	328	99	138	276	110
May	1,991	2,509	883	1,248	720	781	256	409	132	71
June	1,612	2,487	794	1,292	343	508	284	485	191	202
July	1,967	2,194	832	1,066	512	653	340	310	283	165

[1] Includes adjustments for differences in trading days.

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

NOTE.—Other financial lenders include credit unions and miscellaneous lenders. See also NOTE to preceding table and footnote 1 at bottom of p. A-54.

MARKET GROUPINGS

(1967 = 100)

Grouping	1967 pro-por-tion	1972 aver-age	1972ʳ July	Aug.	Sept.	Oct.	Nov.	Dec.	1973 Jan.	Feb.	Mar.	Apr.	Mayʳ	Juneʳ	July
Total index	100.0	115.2	115.1	116.3	117.6	119.2	120.2	121.1	122.2	123.4	123.7	124.1	124.8	125.6	126.5
Products, total	**62.21**	**113.8**	**113.3**	**114.7**	**115.6**	**117.3**	**118.6**	**119.1**	**120.7**	**121.5**	**121.7**	**122.0**	**122.9**	**123.3**	**124.1**
Final products	*48.95*	*111.9*	*111.6*	*112.6*	*113.6*	*115.3*	*116.3*	*116.8*	*118.6*	*119.3*	*119.6*	*120.0*	*120.8*	*121.2*	*122.1*
Consumer goods	28.53	123.6	123.3	124.3	125.2	127.0	127.4	127.7	129.8	130.2	130.8	130.9	131.8	131.8	132.3
Equipment	20.42	95.5	95.3	96.3	97.7	98.9	100.7	101.5	102.9	104.1	104.1	104.7	105.7	106.3	107.8
Intermediate products	13.26	121.1	119.8	122.3	122.8	124.7	127.6	127.7	128.4	129.5	129.4	129.3	130.5	131.1	131.5
Materials	**37.79**	**117.4**	**117.8**	**118.8**	**120.9**	**122.3**	**122.8**	**124.4**	**124.5**	**126.7**	**127.0**	**127.7**	128.3	129.1	130.6
Consumer goods															
Durable consumer goods	*7.86*	*125.7*	*124.5*	*124.9*	*125.7*	*129.1*	*131.0*	*135.0*	*136.0*	*137.8*	*140.4*	*140.5*	*141.5*	*141.7*	*142.7*
Automotive products	2.84	127.7	125.3	126.0	125.4	132.3	138.3	142.9	138.6	141.7	144.1	141.7	142.6	142.6	144.8
Autos	1.87	112.7	108.2	109.5	109.6	118.9	126.6	133.9	130.2	131.5	130.8	128.1	129.8	132.6	134.0
Auto parts and allied goods	.97	156.5	158.0	158.1	155.8	158.0	160.6	160.0	155.0	161.4	169.9	167.5	167.0	161.9	165.6
Home goods	5.02	124.5	124.1	124.3	125.8	127.3	126.9	130.5	134.5	135.8	138.3	139.8	140.9	141.2	141.3
Appliances, TV, and radios	1.41	124.6	121.6	118.6	123.0	124.1	121.7	133.3	140.7	137.8	143.0	149.7	148.0	147.7	146.3
Appliances and A/C	.92	144.5	138.5	139.9	142.8	147.9	141.9	151.1	153.2	153.8	156.9	157.6	157.8	154.7	153.5
TV and home audio	.49	87.5	89.9	78.6	86.1	79.4	83.9	99.9	117.4	108.0	116.8	135.0	129.6	134.3	132.8
Carpeting and furniture	1.08	132.6	132.3	136.4	134.5	137.6	137.6	139.0	142.1	145.0	145.7	146.7	147.8	148.1	151.4
Misc. home goods	2.53	121.0	121.8	122.4	123.6	124.7	125.2	125.3	127.5	130.9	132.7	131.4	134.0	134.7	134.1
Nondurable consumer goods	*20.67*	*122.8*	*122.8*	*124.1*	*124.9*	*126.2*	*126.0*	*125.0*	*127.4*	*127.3*	*127.1*	*127.2*	*128.0*	*127.9*	*128.4*
Clothing	4.32	122.8	110.4	112.0	113.5	113.5	114.8	112.2	115.1	115.2	115.4	114.5	114.2	115.8	.....
Consumer staples	16.34	109.7	126.1	127.3	127.9	129.5	128.9	128.4	130.7	130.5	130.3	130.6	131.7	131.1	131.8
Consumer foods and tobacco	8.37	117.5	116.7	118.4	118.3	119.5	119.9	119.1	121.1	121.5	120.9	121.0	120.9	120.4	121.7
Nonfood staples	7.98	135.3	135.9	136.6	138.1	140.0	138.3	138.1	140.9	140.0	140.1	140.7	143.1	142.4	142.5
Consumer chemical products	2.64	144.6	144.7	145.9	147.6	149.1	145.1	143.9	148.8	149.9	151.1	151.5	154.9	152.8	153.3
Consumer paper products	1.91	114.8	115.6	115.1	115.6	118.6	119.3	119.3	119.1	119.4	118.7	119.0	121.7	120.7	121.0
Consumer fuel and lighting	3.43	139.5	140.5	141.1	143.2	144.7	143.7	144.1	147.1	144.0	143.8	144.4	145.6	146.2	146.2
Residential utilities	2.25	147.8	148.5	149.4	152.2	153.0	152.5	153.6	156.5	154.4	153.5	152.3	152.1	152.5	153.2
Equipment															
Business equipment	*12.74*	*106.1*	*105.5*	*107.2*	*109.6*	*111.6*	*113.4*	*114.4*	*116.9*	*118.2*	*118.6*	*119.6*	*121.3*	*122.1*	*123.5*
Industrial equipment	6.77	102.5	102.4	104.0	107.9	109.1	110.4	111.5	113.0	114.5	115.6	117.4	119.1	119.6	120.0
Building and mining equip	1.45	104.8	106.0	106.9	108.1	108.3	108.7	112.3	113.0	115.1	116.0	118.1	118.8	119.4	119.7
Manufacturing equipment	3.85	92.7	93.2	96.1	99.1	101.0	102.6	102.5	104.7	106.1	107.5	109.4	112.0	112.5	113.0
Power equipment	1.47	125.6	122.3	122.4	130.9	131.2	132.9	134.1	134.6	135.5	137.1	137.6	138.2	138.4	138.6
Commercial, transit, farm eq	5.97	110.3	109.1	110.9	111.6	114.4	116.6	117.6	121.4	122.4	121.9	122.2	123.7	125.0	127.2
Commercial equipment	3.30	118.4	118.6	120.4	122.4	123.9	125.5	126.5	128.8	129.9	130.6	131.3	131.6	133.3	134.4
Transit equipment	2.00	96.8	92.5	93.0	92.9	96.8	101.9	101.7	110.0	111.8	110.2	107.5	109.8	109.7	109.0
Farm equipment	.67	110.5	111.2	117.7	114.7	120.3	116.3	120.0	118.3	117.6	114.6	120.9	126.5	129.3	145.7
Defense and space equipment	*7.68*	*77.9*	*78.3*	*78.1*	*77.6*	*77.9*	*79.6*	*80.1*	*79.8*	*80.6*	*80.1*	*80.0*	*79.7*	*80.2*	*81.8*
Military products	5.15	80.1	80.6	80.1	79.3	79.4	81.5	81.8	81.0	82.0	81.5	81.0	80.1	80.1	82.2
Intermediate products															
Construction products	5.93	120.8	118.0	121.2	122.9	125.6	130.0	128.7	129.6	130.3	130.7	132.2	132.2	133.0	133.5
Misc. intermediate products	7.34	121.3	121.3	123.0	122.8	123.9	125.9	126.9	127.4	128.9	128.3	127.0	129.2	129.4	129.9
Materials															
Durable goods materials	*20.91*	*113.5*	*113.0*	*114.5*	*118.1*	*120.2*	*121.4*	*123.5*	*124.1*	*126.6*	*127.6*	*127.9*	*128.6*	*129.5*	*130.9*
Consumer durable parts	4.75	113.8	113.2	115.5	118.1	119.0	120.5	123.6	123.9	125.4	125.9	129.0	125.7	128.0	130.0
Equipment parts	5.41	99.3	100.2	100.1	103.1	107.5	109.7	112.0	111.6	113.0	114.6	113.8	118.0	117.7	120.0
Durable materials nec	10.75	120.6	119.4	121.2	125.5	127.2	127.7	129.2	130.6	134.2	134.9	134.7	135.3	136.1	136.9
Nondurable goods materials	*13.99*	*122.5*	*124.0*	*124.7*	*124.6*	*125.3*	*124.6*	*126.4*	*126.3*	*127.7*	*127.1*	*128.5*	*128.9*	*129.6*	*130.9*
Textile, paper, and chem. mat	8.58	129.2	131.0	132.5	132.0	132.9	132.9	136.0	136.0	136.5	136.3	138.8	139.4	140.1	142.2
Nondurable materials n.e.c	5.41	111.9	112.6	112.3	112.7	113.3	111.8	111.4	110.9	113.9	112.7	112.2	112.3	112.9	112.9
Fuel and power, industrial	2.89	120.9	122.8	121.1	124.5	123.2	122.6	119.5	120.6	122.7	122.6	122.1	122.9	124.8	126.1
Supplementary groups															
Home goods and clothing	9.34	117.7	117.8	118.6	120.1	120.9	121.1	122.0	125.5	126.3	127.6	128.1	128.6	129.6	129.5
Containers	1.82	129.7	131.1	130.8	134.0	133.2	134.1	135.0	137.1	138.8	145.2	139.1	138.0	142.3	135.0
Gross value of products in market structure															
(In billions of 1963 dollars)															
Products, total	.....	.....	*412.8*	*418.7*	*421.7*	*430.0*	*435.7*	*437.3*	*442.8*	*445.7*	*446.9*	*446.2*	*449.7*	*451.1*	*452.4*
Final products	.....	.....	317.8	322.2	324.8	331.6	334.7	336.3	340.5	342.7	343.9	343.7	346.6	347.5	348.5
Consumer goods	.....	.....	224.4	227.1	228.2	233.1	234.4	235.9	237.6	238.2	239.5	238.9	241.1	241.2	241.3
Equipment	.....	.....	93.4	95.0	96.4	98.5	100.2	100.6	103.0	104.6	104.5	104.8	105.6	106.3	107.4
Intermediate products	.....	.....	95.1	96.7	96.9	98.3	100.8	101.3	102.2	103.0	102.7	102.3	103.1	103.5	104.2

For NOTE see p. A-61.

INDUSTRY GROUPINGS

(1967 = 100)

Grouping	1967 proportion	1972 average	1972[r] July	Aug.	Sept.	Oct.	Nov.	Dec.	1973 Jan.	Feb.	Mar.	Apr.	May[r]	June[r]	July
Manufacturing	*88.55*	*114.0*	*114.3*	*115.4*	*117.0*	*118.5*	*119.5*	*120.4*	*121.4*	*122.7*	*123.4*	*123.8*	*124.9*	*125.7*	*126.2*
Durable	52.33	108.4	108.8	109.7	111.6	113.8	115.3	116.3	117.5	118.7	119.9	120.6	121.8	123.1	123.4
Nondurable	36.22	122.1	122.5	123.6	124.8	125.2	125.6	126.2	127.0	128.4	128.6	128.4	129.3	129.3	130.3
Mining and utilities	11.45	124.1	124.0	124.8	126.5	126.6	126.7	126.1	127.3	128.0	127.3	126.6	127.0	127.7	129.1
Mining	6.37	108.8	108.6	108.8	110.8	110.2	109.7	108.2	108.5	110.2	109.5	109.0	109.1	109.8	111.8
Utilities	5.08	143.4	143.3	144.9	146.4	147.1	148.2	148.5	151.0	150.5	149.6	148.7	149.5	150.3	151.2
Durable manufactures															
Primary and fabricated metals	*12.55*	*113.9*	*114.7*	*115.3*	*118.8*	*121.3*	*122.6*	*124.0*	*124.3*	*125.4*	*125.8*	*127.3*	*128.1*	*130.0*	*129.8*
Primary metals	6.61	113.1	115.1	114.3	119.7	122.1	122.9	125.4	123.1	124.7	123.5	125.8	126.1	127.0	127.2
Iron and steel, subtotal	4.23	107.1	108.1	108.1	114.7	118.4	119.2	120.0	118.6	120.0	117.5	119.7	119.8	119.9	120.0
Fabricated metal products	5.94	114.8	114.3	116.6	118.0	120.4	122.2	122.3	125.7	126.2	128.4	128.9	130.3	133.6	132.9
Machinery and allied goods	*32.44*	*103.5*	*103.7*	*104.6*	*106.0*	*108.2*	*110.1*	*111.2*	*112.5*	*113.7*	*115.1*	*115.7*	*117.3*	*118.5*	*118.9*
Machinery	17.39	107.5	108.4	109.7	111.8	114.0	115.7	116.8	118.4	119.1	121.4	122.6	124.7	126.4	126.1
Nonelectrical machinery	9.17	105.7	107.0	109.8	111.7	113.5	115.3	114.4	116.3	117.3	119.0	121.5	124.0	125.6	125.5
Electrical machinery	8.22	109.6	109.9	109.5	112.0	114.7	116.1	119.6	120.8	121.2	123.9	123.8	125.4	127.4	127.0
Transportation equipment	9.29	99.0	97.7	98.1	99.5	102.7	105.0	106.6	107.6	110.0	110.3	110.0	111.0	112.2	112.9
Motor vehicles and parts	4.56	123.1	120.2	121.0	122.9	128.7	132.3	135.9	139.3	141.5	141.0	140.1	140.9	143.3	144.4
Aerospace and misc. trans. eq.	4.73	75.8	76.0	76.1	77.2	77.6	78.7	78.3	77.1	79.7	80.8	81.1	82.2	82.2	82.6
Instruments	2.07	120.2	121.7	122.7	124.3	125.0	125.1	126.6	130.1	131.9	133.8	134.7	138.9	139.1	139.4
Ordnance, private and Govt.	3.69	86.0	86.6	86.5	84.8	85.2	87.3	87.8	87.0	87.6	87.1	86.4	85.4	86.8	88.2
Lumber, clay, and glass	*4.44*	*120.0*	*120.0*	*121.0*	*121.9*	*124.9*	*124.5*	*123.7*	*126.4*	*127.3*	*129.1*	*129.9*	*130.3*	*129.1*	*130.2*
Lumber and products	1.65	122.4	122.5	121.8	123.6	127.3	126.8	122.7	125.8	128.5	129.5	129.1	127.5	126.7	128.1
Clay, glass, and stone products	2.79	118.6	118.6	120.4	120.9	123.5	123.1	124.3	126.8	126.6	128.9	130.4	132.0	130.6	131.5
Furniture and miscellaneous	*2.90*	*122.7*	*123.7*	*126.2*	*126.6*	*126.9*	*126.6*	*127.7*	*130.3*	*132.8*	*133.4*	*133.1*	*136.0*	*135.7*	*134.4*
Furniture and fixtures	1.38	113.5	115.5	116.4	116.7	117.6	118.5	120.3	119.1	122.3	122.8	123.8	126.5	126.4	126.4
Miscellaneous manufactures	1.52	131.1	131.0	135.1	135.6	135.4	134.0	134.5	140.5	142.4	143.0	141.6	144.5	144.4	141.7
Nondurable manufactures															
Textiles, apparel, and leather	*6.90*	*108.1*	*109.0*	*109.7*	*111.2*	*112.1*	*113.0*	*113.2*	*113.4*	*114.4*	*114.6*	*114.0*	*113.3*	*114.4*	*113.4*
Textile mill products	2.69	117.4	118.7	120.8	121.1	123.2	125.7	124.2	125.3	126.1	127.1	126.1	127.2	127.9	127.2
Apparel products	3.33	105.7	106.0	106.8	108.3	109.5	110.1	111.1	112.3	112.6	112.4	111.7	110.0	110.8	......
Leather and products	.88	88.9	90.1	86.5	91.6	88.0	85.9	87.4	81.3	85.1	85.0	86.8	83.0	86.6	84.5
Paper and printing	*7.92*	*116.1*	*117.0*	*117.6*	*117.7*	*119.9*	*120.0*	*120.3*	*120.0*	*121.5*	*122.4*	*120.8*	*122.0*	*122.8*	*123.5*
Paper and products	3.18	128.2	131.0	130.5	130.1	131.1	131.3	133.6	131.8	134.1	137.1	133.6	135.1	135.0	136.4
Printing and publishing	4.74	107.9	107.6	108.7	109.4	112.4	112.6	111.3	112.1	113.0	112.4	112.2	113.2	114.7	114.8
Chemicals, petroleum, and rubber	*11.92*	*137.8*	*138.5*	*140.0*	*142.2*	*141.6*	*142.0*	*143.8*	*145.5*	*146.3*	*146.3*	*147.9*	*150.2*	*149.6*	*151.4*
Chemicals and products	7.86	139.6	140.0	141.3	144.8	143.9	143.2	144.7	146.4	147.2	146.8	147.8	150.2	150.0	151.3
Petroleum products	1.80	120.6	120.5	121.0	121.3	123.8	124.4	125.5	127.3	124.1	123.5	126.9	128.5	129.5	128.2
Rubber and plastics products	2.26	145.5	147.8	150.6	149.8	148.4	151.5	154.7	157.1	160.4	163.4	165.1	166.8	164.4	170.1
Foods and tobacco	*9.48*	*117.6*	*117.0*	*118.3*	*118.6*	*118.5*	*119.0*	*118.5*	*119.6*	*122.0*	*121.5*	*120.7*	*121.5*	*120.2*	*121.6*
Foods	8.81	118.6	118.5	119.0	119.8	119.0	119.4	119.7	120.5	122.9	121.8	121.3	122.4	121.0	122.6
Tobacco products	.67	103.7	96.7	108.5	103.0	111.8	112.5	102.5	107.9	110.3	118.1	112.9	111.2	108.1	......
Mining															
Metal, stone, and earth minerals	*1.26*	*107.3*	*101.9*	*106.8*	*110.6*	*110.4*	*112.6*	*113.7*	*116.4*	*117.6*	*117.0*	*116.8*	*116.2*	*111.8*	*117.9*
Metal mining	.51	120.9	109.8	118.6	124.8	122.8	124.7	128.1	130.3	131.9	127.8	128.5	127.0	121.6	129.4
Stone and earth minerals	.75	98.1	96.8	98.5	101.1	102.0	104.4	104.0	106.9	107.8	109.4	108.8	108.8	105.2	110.1
Coal, oil, and gas	*5.11*	*109.2*	*110.3*	*109.3*	*110.8*	*110.1*	*109.0*	*106.8*	*106.5*	*108.4*	*107.6*	*107.1*	107.3	109.3	110.3
Coal	.69	104.2	109.0	97.8	105.2	100.8	102.6	98.6	99.1	103.9	105.7	99.9	100.9	106.4	109.4
Oil and gas extraction	4.42	110.0	110.5	111.1	111.8	111.5	110.0	108.2	107.7	109.1	107.9	108.3	108.4	109.8	110.4
Utilities															
Electric	3.91	149.4	149.5	151.3	153.1	154.2	155.2	155.6	159.1	158.3	157.4	156.2	156.8	158.1	159.3
Gas	1.17	123.4	......	......	......	......	......	......	......	......	......	......	......	......	......

For NOTE see p. A-61.

MARKET GROUPINGS

(1967 = 100)

Grouping	1967 proportion	1972 average	1972r July	Aug.	Sept.	Oct.	Nov.	Dec.	1973 Jan.	Feb.	Mar.	Apr.	May r	June r	July
Total index	100.0	115.2	109.9	116.4	121.6	122.7	120.4	117.3	118.9	123.6	124.6	124.5	125.6	128.9	122.3
Products, total	**62.21**	**113.8**	**109.6**	**116.1**	**121.8**	**121.9**	**118.5**	**114.2**	**116.6**	**120.6**	**121.8**	**121.2**	**122.4**	**127.1**	**121.4**
Final products	*48.95*	*111.9*	*107.0*	*113.7*	*119.9*	*119.7*	*116.1*	*112.0*	*115.3*	*119.1*	*120.0*	*118.9*	*120.0*	*124.9*	*118.6*
Consumer goods	28.53	123.6	117.5	127.3	134.3	133.2	126.8	120.2	125.3	129.2	130.8	129.2	130.3	136.3	127.9
Equipment	20.42	95.5	92.3	94.8	99.8	100.8	101.1	100.5	101.4	104.9	105.0	104.6	105.5	109.0	105.5
Intermediate products	13.26	121.1	119.1	125.1	128.9	130.1	127.5	122.2	121.2	126.1	128.5	129.6	131.4	135.2	131.7
Materials	**37.9**	**117.4**	**110.3**	**117.0**	**121.3**	**124.0**	**123.5**	**122.5**	**122.8**	**128.6**	**129.2**	**129.9**	**130.9**	**131.9**	**123.9**
Consumer goods															
Durable consumer goods	*7.86*	*125.7*	*107.6*	*119.5*	*133.9*	*140.2*	*134.8*	*125.1*	*133.3*	*140.6*	*143.5*	*141.3*	*142.7*	*147.5*	*129.4*
Automotive products	2.84	127.7	93.5	108.0	137.2	147.0	141.9	123.9	138.5	149.1	151.5	147.6	147.4	154.4	127.3
Autos	1.87	112.7	61.0	78.4	120.6	135.6	132.9	109.8	134.8	144.6	143.9	135.8	138.2	148.5	108.5
Auto parts and allied goods	.97	156.5	155.8	164.9	169.2	168.9	159.0	150.9	145.7	157.7	166.0	170.2	165.0	165.8	163.3
Home goods	*5.02*	*124.5*	*115.5*	*126.0*	*132.0*	*136.3*	*130.8*	*125.8*	*130.3*	*135.8*	*138.9*	*137.7*	*140.1*	*143.6*	*130.6*
Appliances, TV, and home audio	1.41	124.6	109.1	112.3	127.7	142.7	129.1	122.0	139.7	142.6	149.0	148.2	148.5	147.3	128.6
Appliances and A/C	.92	144.5	134.1	129.1	143.5	164.9	143.5	134.6	153.7	157.0	166.2	165.6	166.1	163.4	148.3
TV and home audio	.49	87.5	62.2	80.9	98.2	101.2	102.2	98.4	113.6	115.7	116.9	115.4	115.7	117.1	91.9
Carpeting and furniture	1.08	132.6	114.4	138.4	139.6	139.7	140.8	140.0	141.0	150.2	149.1	146.1	146.3	150.3	131.0
Misc. home goods	2.53	121.0	119.5	128.3	131.1	131.3	127.6	121.9	120.4	125.9	129.0	128.2	132.7	138.6	131.6
Nondurable consumer goods	*20.67*	*122.8*	*121.2*	*130.2*	*134.4*	*130.6*	*123.7*	*118.4*	*122.2*	*124.9*	*126.0*	*124.6*	*125.6*	*132.0*	*127.3*
Clothing	4.32	109.7	98.8	116.5	119.5	118.0	112.5	103.0	105.9	116.6	120.0	119.3	115.3	122.2	.....
Consumer staples	16.34	126.2	127.1	133.8	138.3	133.9	126.7	122.5	126.5	127.1	127.6	126.0	128.3	134.6	133.1
Consumer foods and tobacco	8.37	117.5	115.8	124.2	128.9	125.9	119.3	111.6	113.8	117.0	118.4	117.8	120.7	124.5	120.6
Nonfood staples	7.98	135.3	138.9	143.8	148.2	142.2	134.4	134.0	139.9	137.8	137.2	134.7	136.2	145.3	146.3
Consumer chemical products	2.64	144.6	146.9	149.1	162.4	157.4	145.0	133.8	139.9	140.2	147.3	146.9	154.0	162.0	155.6
Consumer paper products	1.91	114.8	116.2	121.2	122.8	124.9	118.5	113.2	112.4	116.2	115.5	117.8	117.0	124.1	124.8
Consumer fuel and lighting	3.43	139.5	145.3	152.2	151.4	140.1	135.1	145.8	155.3	148.0	141.6	134.6	133.2	144.3	151.2
Residential utilities	2.25	147.8	154.9	165.1	163.5	146.4	139.4	154.5	168.5	160.1	151.8	140.4	135.5	148.7	159.8
Equipment															
Business equipment	*12.74*	*106.1*	*101.4*	*105.4*	*113.1*	*114.5*	*113.7*	*112.0*	*114.4*	*119.6*	*119.8*	*119.7*	*121.1*	*126.0*	*120.5*
Industrial equipment	6.77	102.5	99.5	103.5	110.3	111.2	111.2	110.6	111.6	116.4	116.8	116.8	117.9	122.3	116.9
Building and mining equip	1.45	104.8	101.7	106.5	112.1	111.7	113.0	114.3	112.0	118.6	117.2	115.7	115.6	120.5	116.0
Manufacturing equipment	3.85	92.7	89.9	94.7	100.2	102.0	102.3	101.7	103.4	108.9	109.6	109.3	111.4	115.5	109.0
Power equipment	1.47	125.6	122.3	123.7	134.8	134.6	132.9	130.2	132.7	133.9	135.3	137.3	137.1	141.8	138.6
Commercial, transit, farm eq	5.97	110.3	103.5	107.6	116.2	118.3	116.5	113.6	117.6	123.3	123.2	122.9	124.7	130.3	124.5
Commercial equipment	3.30	118.4	120.4	122.4	128.1	126.0	125.2	122.3	123.0	127.8	126.9	129.1	131.6	139.3	137.8
Transit equipment	2.00	96.8	78.2	85.2	95.0	104.0	104.6	99.2	108.1	114.8	114.9	110.8	112.0	113.8	102.5
Farm equipment	.67	110.5	95.2	101.0	120.8	123.2	109.0	113.2	118.9	126.2	129.7	128.2	128.6	134.9	124.7
Defense and space equipment	*7.68*	*77.9*	*77.2*	*77.2*	*77.7*	*78.0*	*80.2*	*81.5*	*79.8*	*80.5*	*80.4*	*79.5*	*79.6*	*80.8*	*80.7*
Military products	5.15	80.1	80.0	79.5	79.2	79.1	81.7	82.4	81.2	81.9	81.8	80.8	80.3	81.4	81.6
Intermediate products															
Construction products	5.93	120.8	117.3	121.8	127.3	131.0	128.3	121.9	120.5	128.0	131.9	135.0	136.4	140.2	132.7
Misc. intermediate products	7.34	121.3	120.5	127.7	130.2	129.3	126.9	122.5	121.7	124.5	125.7	125.2	127.4	131.1	130.9
Materials															
Durable goods materials	*20.91*	*113.5*	*104.9*	*111.5*	*118.8*	*121.3*	*121.0*	*121.8*	*121.6*	*128.8*	*130.7*	*131.2*	*132.2*	*133.7*	*124.6*
Consumer durable parts	4.75	113.8	99.2	108.5	118.2	120.5	122.1	126.8	126.8	129.3	129.4	130.0	128.8	130.9	119.6
Equipment parts	5.41	99.3	93.6	97.7	104.1	107.2	108.7	111.0	110.8	114.7	117.5	117.4	118.7	120.2	114.2
Durable materials n.e.c	10.75	120.6	113.1	119.7	126.4	128.7	126.7	125.1	124.7	135.7	137.9	138.7	140.6	141.7	132.1
Nondurable goods materials	*13.99*	*122.5*	*117.3*	*124.3*	*124.7*	*128.2*	*127.1*	*123.9*	*124.5*	*129.2*	*128.2*	*129.4*	*130.7*	*131.0*	*123.7*
Textile, paper, and chem. mat	8.58	129.2	121.7	131.4	131.9	135.7	135.6	131.8	133.7	139.6	139.0	140.9	142.2	142.1	132.1
Nondurable materials n.e.c	5.41	111.9	110.2	113.0	113.2	116.4	113.7	111.4	110.0	112.8	111.2	111.1	112.6	113.4	110.5
Fuel and power, industrial	2.89	120.9	115.6	121.3	123.5	123.3	123.6	120.3	122.6	124.5	123.2	122.3	122.7	123.4	119.2
Supplementary groups															
Home goods and clothing	9.34	117.7	107.8	121.6	126.2	127.8	122.3	115.3	119.0	126.9	130.2	129.2	128.6	133.7	118.9
Containers	1.82	129.7	127.3	134.6	136.9	141.3	133.3	125.0	129.4	140.5	142.6	139.4	140.9	146.7	131.1

For NOTE see p. A-61.

INDUSTRY GROUPINGS

(1967 = 100)

Grouping	1967 pro-portion	1972 aver-age	1972^r July	1972^r Aug.	1972^r Sept.	1972^r Oct.	1972^r Nov.	1972^r Dec.	1973 Jan.	1973 Feb.	1973 Mar.	1973 Apr.	1973 May^r	1973 June^r	1973 July
Manufacturing, total	*88.55*	*114.0*	*107.8*	*114.6*	*120.3*	*122.2*	*120.0*	*116.3*	*117.6*	*123.2*	*124.6*	*124.7*	*125.8*	*129.0*	*120.8*
Durable	52.33	108.4	101.2	106.3	113.5	116.4	115.3	113.3	114.9	121.0	122.5	122.4	123.2	126.1	117.6
Nondurable	36.22	122.1	117.4	126.6	130.2	130.6	126.7	120.6	121.5	126.3	127.7	128.0	129.5	133.3	125.5
Mining and utilities	*11.45*	*124.1*	*125.1*	*130.4*	*131.2*	*126.5*	*123.8*	*125.2*	*128.6*	*127.5*	*125.0*	*122.7*	*123.6*	*128.3*	*130.3*
Mining	6.37	108.8	106.3	109.9	111.7	111.3	110.6	109.2	107.0	109.2	107.6	108.5	110.7	111.2	109.1
Utilities	5.08	143.4	148.7	156.1	155.8	145.5	140.5	145.4	155.7	150.6	146.8	140.5	139.9	149.9	156.9
Durable manufactures															
Primary and fabricated metals	*12.55*	*113.9*	*105.4*	*110.0*	*117.4*	*121.1*	*120.3*	*120.5*	*120.4*	*130.0*	*132.1*	*131.7*	*131.2*	*132.1*	*120.2*
Primary metals	6.61	113.1	101.9	107.3	115.4	119.4	117.1	118.9	118.5	131.3	133.8	133.9	131.7	130.4	114.1
Iron and steel, subtotal	4.23	107.1	98.7	101.4	108.3	113.4	110.9	114.2	112.3	125.8	128.3	128.5	125.8	121.1	111.9
Fabricated metal products	5.94	114.8	109.2	113.1	119.7	123.0	123.9	122.3	122.6	128.5	130.1	129.3	130.7	133.9	126.9
Machinery and allied goods	*32.44*	*103.5*	*95.9*	*100.3*	*108.6*	*111.3*	*110.6*	*109.0*	*111.8*	*116.0*	*117.1*	*116.7*	*117.9*	*121.5*	*114.3*
Machinery	17.39	107.5	102.8	106.8	114.7	117.1	115.0	114.6	116.9	121.8	123.3	123.5	124.9	129.1	122.1
Nonelectrical machinery	9.17	105.7	103.5	106.8	113.6	114.3	113.1	112.5	114.0	121.2	122.2	122.3	124.0	129.1	123.9
Electrical machinery	8.22	109.6	102.0	106.8	116.0	120.3	117.1	117.0	120.2	122.4	124.5	124.8	125.9	129.1	120.1
Transportation equipment	9.29	99.0	81.2	88.6	102.1	107.2	108.0	103.2	108.7	113.5	114.0	112.8	113.4	116.3	104.7
Motor vehicles and parts	4.56	123.1	88.1	102.7	127.4	137.5	138.3	129.2	142.6	148.6	147.3	144.9	145.6	151.2	129.2
Aerospace and misc. trans. eq.	4.73	75.8	74.6	75.0	77.8	78.0	78.9	78.1	76.0	79.6	82.0	81.8	82.4	82.7	81.1
Instruments	2.07	120.2	121.7	125.3	129.5	128.9	126.5	125.3	126.3	128.1	131.5	130.5	137.5	142.0	139.4
Ordnance, private and Govt.	3.69	86.0	85.9	85.5	84.5	84.6	87.4	88.2	87.5	87.9	87.8	86.4	85.6	87.2	87.5
Lumber, clay, and glass	*4.44*	*120.0*	*119.4*	*126.4*	*127.3*	*130.9*	*124.5*	*115.4*	*115.3*	*123.2*	*127.2*	*130.9*	*132.8*	*135.2*	*129.4*
Lumber and products	1.65	122.4	120.7	126.1	129.0	133.0	124.8	111.9	115.6	128.4	130.5	131.3	128.6	132.4	125.9
Clay, glass, and stone products	2.79	118.6	118.6	126.5	126.3	129.7	124.3	117.5	115.1	120.1	125.3	130.7	135.3	136.9	131.5
Furniture and miscellaneous	*2.90*	*122.7*	*114.5*	*127.5*	*131.0*	*131.1*	*131.3*	*127.6*	*126.1*	*134.3*	*133.9*	*132.4*	*132.5*	*137.5*	*125.3*
Furniture and fixtures	1.38	113.5	100.4	115.7	117.9	118.8	122.1	121.5	121.6	128.7	127.3	124.2	123.0	125.6	111.8
Miscellaneous manufactures	1.52	131.1	127.3	138.2	142.9	142.2	139.6	133.2	130.2	139.4	139.9	139.9	141.2	148.4	137.7
Nondurable manufactures															
Textiles, apparel, and leather	*6.90*	*108.1*	*95.8*	*114.1*	*115.2*	*115.3*	*112.0*	*103.9*	*106.4*	*115.4*	*118.2*	*116.9*	*113.8*	*119.8*	*101.1*
Textile mill products	2.69	117.4	103.3	125.2	123.9	125.7	125.1	117.0	117.8	126.1	129.6	128.7	129.1	133.7	110.7
Apparel products	3.33	105.7	94.3	111.1	114.3	113.0	108.2	98.7	103.9	113.7	116.3	115.6	110.0	117.2	......
Leather and products	.88	88.9	78.1	91.3	92.0	92.1	86.5	83.3	80.6	88.7	89.9	85.8	81.3	87.1	73.3
Paper and printing	*7.92*	*116.1*	*113.3*	*121.1*	*122.5*	*126.3*	*122.3*	*113.8*	*113.2*	*118.7*	*120.4*	*121.4*	*122.8*	*125.7*	*121.4*
Paper and products	3.18	128.2	119.9	130.2	128.4	137.9	133.7	123.6	130.2	137.5	138.9	137.6	138.5	138.4	128.6
Printing and publishing	4.74	107.9	108.8	114.9	118.6	118.5	114.7	107.3	101.7	106.0	107.9	110.6	112.2	117.1	116.6
Chemicals, petroleum, and rubber	*11.92*	*137.8*	*134.5*	*140.3*	*145.9*	*145.6*	*143.0*	*140.3*	*141.1*	*144.8*	*145.6*	*147.6*	*150.6*	*153.6*	*146.7*
Chemicals and products	7.86	139.6	138.5	142.4	148.6	146.8	143.2	139.5	140.5	143.8	145.0	148.8	152.2	155.1	149.6
Petroleum products	1.80	120.6	124.1	126.0	126.0	125.8	124.3	125.2	123.9	120.9	119.5	121.3	127.0	132.6	131.7
Rubber and plastics products	2.26	145.5	129.0	144.6	152.5	157.2	157.0	155.0	156.8	167.3	168.3	164.4	164.0	165.1	148.5
Foods and tobacco	*9.48*	*117.6*	*115.2*	*123.0*	*127.7*	*126.4*	*120.5*	*113.8*	*114.9*	*117.4*	*118.1*	*117.1*	*120.0*	*123.8*	*119.7*
Foods	8.81	118.6	117.4	123.5	129.1	126.9	121.0	115.9	115.4	117.7	118.1	117.8	120.7	124.4	121.4
Tobacco products	.67	103.7	86.3	116.7	109.4	120.4	113.4	86.0	107.7	113.5	118.3	108.0	110.1	115.6	......
Mining															
Metal, stone, and earth minerals	*1.26*	*107.3*	*104.7*	*112.1*	*116.9*	*114.4*	*110.8*	*108.7*	*103.4*	*105.7*	*109.0*	*116.4*	*125.7*	*125.3*	*120.1*
Metal mining	.51	120.9	116.7	128.4	133.5	123.2	115.0	115.0	114.0	120.6	118.7	127.2	143.4	144.0	135.0
Stone and earth minerals	.75	98.1	96.6	100.9	105.6	108.5	107.9	104.4	96.2	95.5	102.4	109.0	113.6	112.6	109.9
Coal, oil, and gas	*5.11*	*109.2*	*106.7*	*109.4*	*110.4*	*110.5*	*110.5*	*109.3*	*107.9*	*110.1*	*107.2*	*106.5*	*107.0*	*107.7*	*106.4*
Coal	.69	104.2	89.3	104.2	107.9	107.8	104.9	98.0	98.0	104.2	104.3	101.7	102.9	101.7	89.6
Oil and gas extraction	4.42	110.0	109.4	110.2	110.8	110.9	111.4	111.1	109.5	111.0	107.6	107.2	107.7	108.7	109.0
Utilities															
Electric	3.91	149.4	156.5	166.0	165.4	152.0	145.3	151.6	165.1	158.5	153.8	145.4	144.6	157.5	166.6
Gas	1.17	123.4	......	......	......	......	......	......	......	......	......	......	......	......	......

NOTE.—Pages A-58 and A-59 include revisions stemming from changes in seasonal adjustment factors, and pages A-60 and A-61 include revisions in some series that are not seasonally adjusted, beginning in March 1972 in both instances. Data for the complete year of 1972 are available in a pamphlet *Industrial Production Indexes 1972* from Publications Services, Division of Administrative Services, Board of Governors of the Federal Reserve System, Washington, D.C. 20551.

Published groupings include series and subtotals not shown separately. Figures for individual series and subtotals are published in the monthly Business Indexes release.

SELECTED BUSINESS INDEXES

(1967 = 100, except as noted)

Period	Industrial production: Total	Market: Total	Market: Products: Total	Market: Products: Final: Consumer goods	Market: Products: Final: Equipment	Market: Intermediate	Market: Materials	Industry: Manufacturing	Capacity utilization in mfg. (1967 output = 100)	Construction contracts	Nonagricultural employment—Total[1]	Manufacturing[2]: Employment	Manufacturing[2]: Payrolls	Total retail sales[3]	Prices[4]: Consumer	Prices[4]: Wholesale commodity
1954	51.9	51.8	50.8	53.3	47.9	55.1	52.0	51.5	84.1	....	74.4	89.6	55.1	54	80.5	87.6
1955	58.5	56.6	54.9	59.5	48.9	62.6	61.5	58.2	90.0	....	76.9	92.9	61.1	59	80.2	87.8
1956	61.1	59.7	58.2	61.7	53.7	65.3	63.1	60.5	88.2	....	79.6	93.9	64.6	61	81.4	90.7
1957	61.9	61.1	59.9	63.2	55.9	65.3	63.1	61.2	84.5	....	80.3	92.2	65.4	64	84.3	93.3
1958	57.9	58.6	57.1	62.6	50.0	63.9	56.8	56.9	75.1	....	78.0	83.9	60.3	64	86.6	94.6
1959	64.8	64.4	62.7	68.7	54.9	70.5	65.5	64.1	81.4	....	81.0	88.1	67.8	69	87.3	94.8
1960	66.2	66.2	64.8	71.3	56.4	71.0	66.4	65.4	80.1	....	82.4	88.0	68.8	70	88.7	94.9
1961	66.7	66.9	65.3	72.8	55.6	72.4	66.4	65.6	77.6	....	82.1	84.5	68.0	70	89.6	94.5
1962	72.2	72.1	70.8	77.7	61.9	76.9	72.4	71.4	81.4	....	84.4	87.3	73.3	75	90.6	94.8
1963	76.5	76.2	74.9	82.0	65.6	81.1	77.0	75.8	83.0	86.1	86.1	87.8	76.0	79	91.7	94.5
1964	81.7	81.2	79.6	86.8	70.1	87.3	82.6	81.2	85.5	89.4	88.6	89.3	80.1	83	92.9	94.7
1965	89.2	88.1	86.8	93.0	78.7	93.0	91.0	89.1	89.0	93.2	92.3	93.9	88.1	91	94.5	96.6
1966	97.9	96.8	96.1	98.6	93.0	99.2	99.8	98.3	91.9	94.8	97.1	99.9	97.8	97	97.2	99.8
1967	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	87.9	100.0	100.0	100.0	100.0	100	100.0	100.0
1968	105.7	105.8	105.8	106.6	104.7	105.7	105.7	105.7	87.7	113.2	103.1	101.4	108.3	109	104.2	102.5
1969	110.7	109.7	109.0	111.1	106.1	112.0	112.4	110.5	86.5	123.7	106.7	103.2	116.6	114	109.8	106.5
1970	106.7	106.0	104.5	110.3	96.3	111.7	107.7	105.2	78.3	123.1	107.2	98.0	114.1	120	116.3	110.4
1971	106.8	106.4	104.7	115.7	89.4	112.6	107.4	105.2	75.0	145.4	107.3	93.9	116.3	122	121.2	113.9
1972	115.2	113.8	111.9	123.6	95.5	121.1	117.4	114.0	r78.6	165.3	110.5	96.7	130.2	142	125.3	119.8
1972 July	115.1	113.3	111.6	123.3	95.3	119.8	117.8	114.3		155.0	110.4	96.5	127.7	143	125.5	119.7
Aug.	116.3	114.7	112.6	124.3	96.3	122.3	118.8	115.4	r79.4	180.0	110.9	97.0	131.2	145	125.7	119.9
Sept.	117.6	115.6	113.6	125.2	97.7	122.8	120.9	117.0		187.0	111.3	97.5	133.8	144	126.2	120.2
Oct.	119.2	117.3	115.3	127.0	98.9	124.7	122.3	118.5		171.0	111.7	98.4	136.1	149	126.6	120.0
Nov.	120.2	118.6	116.3	127.4	100.7	127.6	122.8	119.5	r81.5	177.0	112.1	99.1	139.0	148	126.9	120.7
Dec.	121.1	119.1	116.8	127.7	101.5	127.7	124.4	120.4		163.0	112.4	99.6	139.3	151	127.3	122.9
1973—Jan.	122.2	120.7	118.6	129.8	102.9	128.4	124.5	121.4		181.0	112.7	99.9	139.8	156	127.7	124.5
Feb.	123.4	121.5	119.3	130.2	104.1	129.5	126.7	122.7	r82.8	191.0	113.5	100.7	142.9	158	128.6	126.9
Mar.	123.7	121.7	119.6	130.8	104.1	129.4	127.0	123.4		193.0	113.8	101.0	142.6	160	129.8	129.7
Apr.	124.1	122.0	120.0	130.9	104.7	129.3	127.7	123.8		177.0	114.0	101.5	144.8	157	130.7	130.7
May	124.8	122.9	120.8	r131.8	r105.7	r130.5	r128.3	124.9	r83.4	173.0	114.4	101.7	144.9	160	131.5	133.4
June	r125.6	r123.3	121.2	r131.8	r106.3	r131.1	r129.1	r125.7		183.0	r114.7	r102.1	145.3	157	132.4	136.7
July	r126.5	124.1	r122.1	r132.3	r107.8	r131.5	r130.6	r126.2	....	....	r114.7	r101.8	r146.6	163	132.7	134.9
Aug.p	126.2	123.4	121.0	130.3	108.1	132.5	130.9	125.7	....	....	115.1	101.8	147.3	163	....	142.7

[1] Employees only: excludes personnel in the Armed Forces.
[2] Production workers only.
[3] F.R. index based on Census Bureau figures.
[4] Prices are not seasonally adjusted. Latest figure is final.

NOTE.—*All series:* Data are seasonally adjusted unless otherwise noted.

Capacity utilization: Based on data from Federal Reserve, McGraw-Hill Economics Department, and Dept. of Commerce.

Construction contracts: F. W. Dodge Co. monthly index of dollar value of total construction contracts, including residential, nonresidential, and heavy engineering; does not include data for Alaska and Hawaii.

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

Prices: Bureau of Labor Statistics data.

CONSTRUCTION CONTRACTS AND PRIVATE HOUSING PERMITS

(In millions of dollars, except as noted)

Type of ownership and type of construction	1971	1972	1972: June	July	Aug.	Sept.	Oct.	Nov.	Dec.	1973: Jan.	Feb.	Mar.	Apr.	May	June
Total construction [1]	**80,188**	**91,877**	**8,478**	**8,067**	**8,875**	**8,197**	**8,225**	**7,248**	**6,464**	**6,795**	**6,839**	**8,644**	**8,814**	**9,428**	**9,910**
By type of ownership:															
Public	23,927	24,404	2,517	2,528	2,466	2,017	1,668	1,785	1,650	1,918	1,717	2,046	2,071	2,359	2,995
Private [1]	56,261	67,473	5,960	5,538	6,409	6,181	6,557	5,462	4,814	4,877	5,122	6,599	6,743	7,069	6,916
By type of construction:															
Residential building [1]	34,754	45,473	4,375	3,864	4,671	4,135	4,298	3,663	3,120	3,195	3,277	4,643	4,512	4,754	4,612
Nonresidential building	25,574	27,327	2,447	2,461	2,458	2,378	3,549	2,184	2,215	2,420	2,229	2,707	2,634	2,629	2,976
Nonbuilding	19,282	19,077	1,655	1,741	1,746	1,684	1,544	1,402	1,132	1,180	1,333	1,294	1,668	2,045	2,322
Private housing units authorized (In thousands, S.A., A.R.)	1,925	r2,230	2,121	r2,195	r2,281	r2,366	r2,318	r2,226	r2,399	r2,233	r2,209	r2,129	r1,939	r1,838	r2,030

[1] Because of improved procedures for collecting data for 1-family homes, some totals are not strictly comparable with those prior to 1968. To improve comparability, earlier levels may be raised by approximately 3 per cent for total and private construction, in each case, and by 8 per cent for residential building.

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

Private housing units authorized are Census Bureau series for 14,000 reporting areas with local building permit systems; 1971 data are for 13,000 reporting areas.

VALUE OF NEW CONSTRUCTION ACTIVITY

(In millions of dollars)

Period	Total	Private							Public				
		Total	Residential	Nonresidential					Total	Military	Highway	Conservation & development	Other [2]
				Total	Buildings: Industrial	Buildings: Commercial	Buildings: Other buildings [1]	Other					
1962 [3]	59,965	42,096	25,150	16,946	2,842	5,144	3,631	5,329	17,869	1,266	6,365	1,523	8,715
1963 [4]	64,563	45,206	27,874	17,332	2,906	4,995	3,745	5,686	19,357	1,179	7,084	1,694	9,400
1964	67,413	47,030	28,010	19,020	3,565	5,396	3,994	6,065	20,383	910	7,133	1,750	10,590
1965	73,412	51,350	27,934	23,416	5,118	6,739	4,735	6,824	22,062	830	7,550	2,019	11,663
1966	76,002	51,995	25,715	26,280	6,679	6,879	5,037	7,685	24,007	727	8,405	2,194	12,681
1967	77,503	51,967	25,568	26,399	6,131	6,982	4,993	8,293	25,536	695	8,591	2,124	14,126
1968	86,626	59,021	30,565	28,456	6,021	7,761	4,382	10,292	27,605	808	9,321	1,973	15,503
1969	93,368	65,404	33,200	32,204	6,783	9,401	4,971	11,049	27,964	879	9,250	1,783	4,822
1970	94,167	66,071	31,864	34,207	6,538	9,754	5,125	12,790	28,096	718	9,981	1,908	4,832
1971	109,238	79,367	43,268	36,099	5,423	11,619	5,437	13,620	29,871	901	10,658	2,095	4,820
1972	123,836	93,640	54,186	39,454	4,676	13,462	5,898	13,418	30,196	1,080	10,448	2,172	4,996
1972– Aug.	123,028	93,873	54,497	39,376	4,736	13,381	5,939	15,320	29,155	866	10,003	2,099	16,187
Sept.	125,146	94,520	55,536	38,984	4,519	13,442	5,730	15,293	30,626	1,050	10,443	2,140	16,993
Oct.	128,513	96,201	56,361	39,840	4,345	13,720	6,197	15,578	32,312	1,076	10,642	2,205	18,389
Nov.	126,831	97,506	57,167	40,339	4,617	13,607	6,235	15,880	29,325	1,200	10,585	2,042	15,498
Dec.	131,550	98,450	57,545	40,905	4,765	13,865	6,220	16,055	33,100	1,188	11,045	2,065	18,802
1973– Jan. r	135,455	101,753	59,112	42,641	5,292	15,001	6,002	16,346	33,702	1,221	....	1,999	....
Feb. r	136,104	103,816	61,219	42,597	5,180	14,873	6,145	16,399	32,288	1,422	....	1,712	....
Mar. r	138,055	104,426	61,240	43,186	5,479	15,071	6,179	16,457	33,629	1,303	....	2,490	....
Apr. r	135,851	103,291	59,851	43,440	5,287	15,473	6,282	16,398	32,560	1,158	....	1,675	....
May r	136,928	104,579	59,849	44,730	5,338	16,118	6,251	17,023	32,349	1,277	....	2,291	....
June r	136,231	105,286	60,036	45,250	5,928	15,704	6,383	17,235	30,945	1,135	....	1,870	....
July r	138,553	106,619	60,084	46,535	6,108	16,259	6,568	17,600	31,934	1,375	....	1,679	....
Aug.	139,158	107,106	60,098	47,008	....	....	....	18,072	32,052	....	....	....	....

[1] Includes religious, educational, hospital, institutional, and other buildings.

[2] Sewer and water, formerly shown separately, now included in "Other."

[3] Beginning July 1962, reflects inclusion of new series affecting most private nonresidential groups.

[4] Beginning 1963, reflects inclusion of new series under "Public" (for State and local govt. activity only).

NOTE.—Census Bureau data; monthly series at seasonally adjusted annual rates.

NEW HOUSING UNITS

(In thousands)

Period	Units started														Mobile home shipments (N.S.A.)
	Private (S.A., A.R.)								Private and public (N.S.A.)			Government-underwritten (N.S.A.)			
	Total	Region				Type of structure									
		Northeast	North Central	South	West	1-family	2- to 4-family	5- or more-family	Total	Private	Public	Total	FHA	VA	
1963	1,603	261	328	591	430	1,012	589		1,635	1,603	32	292	221	71	151
1964	1,529	254	340	578	357	970	108	450	1,561	1,529	32	264	205	59	191
1965	1,473	270	362	575	266	964	87	422	1,510	1,473	37	246	197	49	216
1966	1,165	206	288	472	198	778	61	325	1,196	1,165	31	195	158	37	217
1967	1,292	215	337	520	220	844	72	376	1,322	1,292	30	232	180	53	240
1968	1,508	227	369	618	294	900	81	527	1,546	1,508	38	283	227	56	318
1969	1,467	206	349	588	324	814	85	571	1,500	1,467	33	284	233	51	413
1970	1,434	218	294	612	310	813	85	536	1,469	1,434	35	482	421	61	401
1971	2,052	264	434	869	486	1,151	120	781	2,084	2,052	32	621	528	93	497
1972	2,357	330	443	1,057	527	1,309	141	906	2,379	2,357	22	475	371	104	576
1972—July	2,244	303	443	1,009	488	1,319	116	809	208	206	1	36	26	9	48
Aug.	2,424	349	475	1,014	586	1,373	137	914	231	229	2	40	30	10	52
Sept.	2,426	355	474	1,096	501	1,382	125	920	204	203	1	37	28	9	49
Oct.	2,446	372	469	1,125	480	1,315	153	978	218	217	2	34	25	9	54
Nov.	2,395	353	400	1,106	536	1,324	134	937	187	186	1	29	21	8	50
Dec.	2,369	486	330	1,080	473	1,207	128	1,034	153	151	2	48	42	6	38
1973—Jan.	2,497	348	599	1,086	464	1,450	163	884	147	147	1	19	12	7	41
Feb.	2,456	366	571	1,087	434	1,372	123	961	140	138	2	21	14	7	43
Mar.	2,260	297	415	1,142	406	1,245	123	892	201	200	1	27	19	8	57
Apr.	2,123	292	387	809	554	1,202	131	790	205	205	....	27	18	9	62
May r	2,413	267	595	999	552	1,271	162	980	234	234	....	29	18	11	57
June r	2,093	344	468	837	444	1,117	128	848	200	200	....	27	19	8	57
July	2,176	221	486	1,067	402	1,249	148	779	201	201	1	....	....	8	....

NOTE.—Starts are Census Bureau series (including farm starts) except for Govt.-underwritten, which are from Federal Housing Admin. and Veterans Admin. and represent units started, including rehabilitation units under FHA, based on field office reports of first compliance inspections. Data may not add to totals because of rounding.

Mobile home shipments are as reported by Mobile Homes Manufacturers Assn.

LABOR FORCE, EMPLOYMENT, AND UNEMPLOYMENT

(In thousands of persons, except as noted)

Period	Total noninstitutional population (N.S.A.)	Not in labor force (N.S.A.)	Total labor force (S.A.)	Civilian labor force (S.A.)					Unemployment rate[2] (per cent; S.A.)
				Total	Employed[1]			Unemployed	
					Total	In nonagricultural industries	In agriculture		
1967	133,319	52,527	80,793	77,347	74,372	70,527	3,844	2,975	3.8
1968	135,562	53,291	82,272	78,737	75,920	72,103	3,817	2,817	3.6
1969	137,841	53,602	84,240	80,734	77,902	74,296	3,606	2,832	3.5
1970	140,182	54,280	85,903	82,715	78,627	75,165	3,462	4,088	4.9
1971	142,596	55,666	86,929	84,113	79,120	75,732	3,387	4,993	5.9
1972	145,775	56,785	88,991	86,542	81,702	78,230	3,472	4,840	5.6
1972—Aug.	146,069	55,311	89,337	86,941	82,061	78,451	3,610	4,880	5.6
Sept.	146,289	57,191	89,471	87,066	82,256	78,677	3,579	4,810	5.5
Oct.	146,498	56,907	89,651	87,236	82,397	78,739	3,658	4,839	5.5
Nov.	146,709	57,309	89,454	87,023	82,525	78,969	3,556	4,498	5.2
Dec.	146,923	57,486	89,707	87,267	82,780	79,130	3,650	4,487	5.1
1973—Jan.	147,129	59,008	89,325	86,921	82,555	79,054	3,501	4,366	5.0
Feb.	147,313	58,238	89,961	87,569	83,127	79,703	3,424	4,442	5.1
Mar.	147,541	57,856	90,629	88,268	83,889	80,409	3,480	4,379	5.0
Apr.	147,729	57,906	90,700	88,350	83,917	80,606	3,311	4,433	5.0
May	147,940	58,050	90,739	88,405	84,024	80,749	3,275	4,381	5.0
June	148,147	55,417	91,247	88,932	84,674	81,271	3,403	4,258	4.8
July	148,361	55,133	91,121	88,810	84,614	81,098	3,516	4,196	4.7
Aug.	148,565	56,129	90,958	88,651	84,434	80,991	3,443	4,217	4.8

1 Includes self-employed, unpaid family, and domestic service workers.
2 Per cent of civilian labor force.

NOTE.—Bureau of Labor Statistics. Information relating to persons 16 years of age and over is obtained on a sample basis. Monthly data relate to the calendar week that contains the 12th day; annual data are averages of monthly figures. Description of changes in series beginning 1967 is available from Bureau of Labor Statistics.

EMPLOYMENT IN NONAGRICULTURAL ESTABLISHMENTS, BY INDUSTRY DIVISION

(In thousands of persons)

Period	Total	Manufacturing	Mining	Contract construction	Transportation & public utilities	Trade	Finance	Service	Government
1967	65,857	19,447	613	3,208	4,261	13,606	3,225	10,099	11,398
1968	67,915	19,781	606	3,285	4,310	14,084	3,382	10,623	11,845
1969	70,284	20,167	619	3,435	4,429	14,639	3,564	11,229	12,202
1970	70,593	19,349	623	3,381	4,493	14,914	3,688	11,612	12,535
1971	70,645	18,529	602	3,411	4,442	15,142	3,796	11,669	12,858
1972	72,764	18,933	607	3,521	4,495	15,683	3,927	12,309	13,290
SEASONALLY ADJUSTED									
1972—Aug.	73,016	18,975	603	3,544	4,487	15,762	3,940	12,382	13,323
Sept.	73,268	19,069	606	3,551	4,507	15,794	3,953	12,403	13,385
Oct.	73,584	19,210	608	3,561	4,540	15,839	3,969	12,451	13,406
Nov.	73,835	19,312	608	3,524	4,549	15,911	3,981	12,497	13,453
Dec.	74,002	19,402	607	3,459	4,558	15,946	3,991	12,537	13,502
1973—Jan.	74,252	19,463	610	3,498	4,574	16,013	3,995	12,621	13,478
Feb.	74,715	19,586	612	3,594	4,580	16,114	4,014	12,682	13,533
Mar.	74,914	19,643	610	3,604	4,580	16,163	4,024	12,716	13,574
Apr.	75,105	19,727	608	3,571	4,591	16,217	4,031	12,746	13,614
May	75,321	19,782	608	3,620	4,593	16,256	4,044	12,776	13,642
June	75,526	19,856	629	3,654	4,597	16,262	4,049	12,820	13,659
July[p]	75,515	19,798	631	3,679	4,599	16,273	4,047	12,831	13,657
Aug.[p]	75,807	19,811	633	3,688	4,614	16,346	4,066	12,921	13,728
NOT SEASONALLY ADJUSTED									
1972—Aug.	72,975	19,147	616	3,838	4,527	15,691	3,995	12,481	12,680
Sept.	73,519	19,298	613	3,785	4,548	15,774	3,957	12,391	13,153
Oct.	74,118	19,359	609	3,782	4,549	15,887	3,957	12,463	13,512
Nov.	74,449	19,414	607	3,630	4,554	16,162	3,965	12,472	13,645
Dec.	74,778	19,423	603	3,373	4,558	16,669	3,971	12,474	13,707
1973—Jan.	73,343	19,279	598	3,155	4,510	15,865	3,959	12,406	13,571
Feb.	73,724	19,420	598	3,184	4,507	15,776	3,978	12,530	13,731
Mar.	74,255	19,521	598	3,294	4,539	15,880	4,000	12,627	13,796
Apr.	74,861	19,586	603	3,442	4,559	16,088	4,019	12,771	13,793
May	75,404	19,667	608	3,616	4,593	16,200	4,040	12,865	13,815
June	76,308	20,002	642	3,837	4,661	16,335	4,089	12,999	13,743
July[p]	75,404	19,724	644	3,933	4,654	16,241	4,112	12,985	13,111
Aug.[p]	75,743	19,969	647	3,994	4,656	16,273	4,123	13,024	13,057

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

Beginning with 1970, series has been adjusted to Mar. 1971 benchmark.

PRODUCTION WORKER EMPLOYMENT IN MANUFACTURING INDUSTRIES

(In thousands of persons)

Industry group	Seasonally adjusted [1]				Not seasonally adjusted [1]			
	1972	1973			1972	1973		
	Aug.	June	July p	Aug. p	Aug.	June	July p	Aug. p
Total	**13,884**	**14,614**	**14,564**	**14,564**	**14,023**	**14,739**	**14,460**	**14,686**
Durable goods	**7,972**	**8,573**	**8,560**	**8,587**	**7,953**	**8,665**	**8,508**	**8,557**
Ordnance and accessories	97	98	99	98	97	98	98	98
Lumber and wood products	529	542	540	542	547	561	556	561
Furniture and fixtures	411	436	432	434	415	436	422	437
Stone, clay, and glass products	530	555	557	555	545	569	568	571
Primary metal industries	992	1,052	1,050	1,061	991	1,074	1,063	1,060
Fabricated metal products	1,056	1,126	1,127	1,127	1,053	1,136	1,109	1,124
Machinery	1,246	1,380	1,377	1,401	1,227	1,391	1,367	1,380
Electrical equipment and supplies	1,240	1,389	1,393	1,380	1,238	1,389	1,373	1,377
Transportation equipment	1,260	1,348	1,339	1,344	1,217	1,360	1,316	1,294
Instruments and related products	279	306	305	307	280	307	304	308
Miscellaneous manufacturing industries	332	344	341	338	343	344	333	349
Nondurable goods	**5,912**	**6,041**	**6,004**	**5,977**	**6,070**	**6,074**	**5,952**	**6,129**
Food and kindred products	1,168	1,165	1,160	1,129	1,290	1,156	1,189	1,246
Tobacco manufactures	57	63	63	59	64	56	55	66
Textile-mill products	874	900	900	893	877	911	886	896
Apparel and related products	1,164	1,175	1,139	1,158	1,173	1,187	1,093	1,166
Paper and allied products	540	557	556	558	545	565	556	563
Printing, publishing, and allied industries	657	664	662	657	654	663	658	655
Chemicals and allied products	580	599	605	603	584	605	607	608
Petroleum refining and related industries	117	118	118	118	121	121	122	122
Rubber and misc. plastic products	492	544	546	550	494	547	538	551
Leather and leather products	263	257	255	252	269	263	248	258

[1] Data adjusted to 1971 benchmark.

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

HOURS AND EARNINGS OF PRODUCTION WORKERS IN MANUFACTURING INDUSTRIES

Industry group	Average hours worked [1] (per week; S.A.)				Average weekly earnings [1] (dollars per week; N.S.A.)				Average hourly earnings [1] (dollars per hour; N.S.A.)			
	1972	1973			1972	1973			1972	1973		
	Aug.	June	July p	Aug. p	Aug.	June	July p	Aug. p	Aug.	June	July p	Aug. p
Total	**40.6**	**40.6**	**40.8**	**40.6**	**154.28**	**165.24**	**165.24**	**165.24**	**3.80**	**4.04**	**4.07**	**4.07**
Durable goods	**41.3**	**41.4**	**41.5**	**41.4**	**166.04**	**179.31**	**177.98**	**178.40**	**4.04**	**4.30**	**4.32**	**4.33**
Ordnance and accessories	42.6	41.9	42.5	41.8	174.66	177.66	179.76	179.74	4.10	4.22	4.28	4.30
Lumber and wood products	41.2	40.9	40.7	41.0	137.86	149.82	146.16	149.14	3.33	3.61	3.60	3.62
Furniture and fixtures	40.5	40.1	40.0	39.5	126.28	131.30	129.10	131.20	3.08	3.25	3.26	3.28
Stone, clay, and glass products	41.9	42.2	42.3	42.0	167.90	177.64	178.93	178.50	3.96	4.17	4.21	4.20
Primary metal industries	41.6	41.9	42.4	42.4	194.64	209.81	211.92	216.58	4.69	4.96	5.01	5.12
Fabricated metal products	41.2	41.5	41.5	41.3	164.79	178.08	175.11	175.12	3.99	4.24	4.24	4.23
Machinery	42.2	42.5	42.3	42.5	178.07	191.70	188.52	190.71	4.26	4.50	4.51	4.53
Electrical equipment and supplies	40.5	40.1	40.1	40.0	149.04	154.35	152.86	156.00	3.68	3.83	3.86	3.90
Transportation equipment	41.4	41.9	42.4	42.3	190.28	214.63	213.03	208.98	4.71	5.05	5.06	5.06
Instruments and related products	40.6	40.5	40.8	40.5	149.88	155.90	156.35	155.96	3.71	3.84	3.87	3.87
Miscellaneous manufacturing industries	39.4	38.9	38.9	38.7	122.36	127.53	125.57	127.20	3.08	3.27	3.27	3.27
Nondurable goods	**39.7**	**39.6**	**39.6**	**39.4**	**138.80**	**145.67**	**146.89**	**146.89**	**3.47**	**3.66**	**3.70**	**3.70**
Food and kindred products	40.3	40.1	40.3	40.4	146.01	153.95	155.47	157.44	3.57	3.82	3.82	3.84
Tobacco manufactures	37.8	37.8	37.8	39.7	129.79	150.14	150.78	150.32	3.38	3.91	4.01	3.73
Textile-mill products	41.3	40.8	41.0	40.7	113.02	119.48	117.62	119.14	2.73	2.90	2.89	2.92
Apparel and related products	36.0	36.0	35.9	35.5	94.74	99.28	98.64	99.52	2.61	2.75	2.74	2.78
Paper and allied products	43.0	42.7	42.6	42.4	171.50	178.05	180.20	181.05	3.97	4.16	4.23	4.25
Printing, publishing, and allied industries	37.9	37.8	37.7	37.6	171.07	177.37	177.66	178.04	4.49	4.68	4.70	4.71
Chemicals and allied products	41.8	42.0	42.0	42.2	175.55	187.77	187.26	188.13	4.23	4.46	4.48	4.49
Petroleum refining and related industries	41.8	41.7	42.4	42.5	207.48	220.08	226.61	225.46	4.94	5.24	5.27	5.28
Rubber and misc. plastic products	41.3	40.7	40.9	40.6	150.28	153.38	155.09	154.66	3.63	3.75	3.82	3.80
Leather and leather products	38.9	38.1	38.0	38.1	105.03	108.36	107.42	107.06	2.70	2.80	2.79	2.81

[1] Data adjusted to 1971 benchmark.

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

CONSUMER PRICES

(1967 = 100)

Period	All items	Food	Housing: Total	Housing: Rent	Housing: Home-ownership	Housing: Fuel oil and coal	Housing: Gas and electricity	Housing: Furnishings and operation	Apparel and upkeep	Transportation	Health and recreation: Total	Health and recreation: Medical care	Health and recreation: Personal care	Health and recreation: Reading and recreation	Health and recreation: Other goods and services
1929	51.3	48.3	......	76.0	......	......	......	......	48.5	......	......	......	......	......	......
1933	38.8	30.6	......	54.1	......	......	......	......	36.9	......	......	......	......	......	......
1941	44.1	38.4	53.7	57.2	......	40.5	81.4	......	44.8	44.2	......	37.0	41.2	47.7	49.2
1945	53.9	50.7	59.1	58.8	......	48.0	79.6	......	61.5	47.8	......	42.1	55.1	62.4	56.9
1960	88.7	88.0	90.2	91.7	86.3	89.2	98.6	93.8	89.6	89.6	85.1	79.1	90.1	87.3	87.8
1965	94.5	94.4	94.9	96.9	92.7	94.6	99.4	95.3	93.7	95.9	93.4	89.5	95.2	95.9	94.2
1966	97.2	99.1	97.2	98.2	96.3	97.0	99.6	97.0	96.1	97.2	96.1	93.4	97.1	97.5	97.2
1967	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
1968	104.2	103.6	104.2	102.4	105.7	103.1	100.9	104.4	105.4	103.2	105.0	106.1	104.2	104.7	104.6
1969	109.8	108.9	110.8	105.7	116.0	105.6	102.8	109.0	111.5	107.2	110.3	113.4	109.3	108.7	109.1
1970	116.3	114.9	118.9	110.1	128.5	110.1	107.3	113.4	116.1	112.7	116.2	120.6	113.2	113.4	116.0
1971	121.3	118.4	124.3	115.2	133.7	117.5	114.7	118.1	119.8	118.6	122.2	128.4	116.8	119.3	120.9
1972	125.3	123.5	129.2	119.2	140.1	118.5	120.5	121.0	122.3	119.9	126.1	132.5	119.8	122.8	125.5
1972—July	125.5	124.2	129.5	†119.2	140.7	117.7	120.3	121.1	121.1	120.3	126.3	132.7	120.0	123.0	125.8
Aug.	125.7	124.6	129.9	†119.6	141.3	117.9	120.5	121.2	120.8	120.5	126.5	132.9	120.2	123.0	126.0
Sept.	126.2	124.8	130.1	119.9	141.5	118.0	120.5	121.6	123.1	121.0	126.8	133.1	120.5	123.7	126.2
Oct.	126.6	124.9	130.4	120.3	141.8	118.1	120.9	121.8	124.3	121.2	127.2	133.9	120.8	124.0	126.4
Nov.	126.9	125.4	130.8	120.5	142.0	119.3	122.2	122.1	125.0	121.4	127.4	134.1	121.0	124.1	126.4
Dec.	127.3	126.0	131.2	121.0	142.6	119.4	122.5	122.3	125.0	121.3	127.5	134.4	121.5	124.0	126.5
1973—Jan.	127.7	128.6	131.4	121.5	142.6	120.7	124.1	122.2	123.0	121.0	127.8	134.9	121.8	124.1	126.7
Feb.	128.6	131.1	132.0	122.1	142.9	127.2	124.5	122.6	123.6	121.1	128.1	135.3	122.4	124.3	127.1
Mar.	129.8	134.5	132.3	122.6	143.2	127.8	125.0	123.0	124.8	121.5	128.6	135.8	123.1	124.5	127.6
Apr.	130.7	136.5	132.8	123.0	143.6	128.3	125.5	123.6	125.8	122.6	129.2	136.2	123.8	125.2	128.2
May	131.5	137.9	133.3	123.5	144.2	129.3	125.7	123.9	126.7	123.5	129.6	136.6	124.4	125.6	128.5
June	132.4	139.8	133.9	123.9	145.0	131.6	125.4	124.7	126.8	124.6	130.0	137.0	124.9	125.9	129.0
July	132.7	140.9	134.2	124.3	145.2	131.7	125.5	125.0	125.8	124.8	130.3	137.3	125.3	126.2	129.5

† Indexes affected by changes (refunds) in residential telephone series in California and by retroactive rent increases in New York City.

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

WHOLESALE PRICES: SUMMARY

(1967 = 100, except as noted)

Period	All commodities	Farm products	Processed foods and feeds	Industrial commodities: Total	Textiles, etc.	Hides, etc.	Fuel, etc.	Chemicals, etc.	Rubber, etc.	Lumber, etc.	Paper, etc.	Metals, etc.	Machinery and equipment	Furniture, etc.	Nonmetallic minerals	Transportation equipment[1]	Miscellaneous
1960	94.9	97.2	89.5	95.3	99.5	90.8	96.1	101.8	103.1	95.3	98.1	92.4	92.0	99.0	97.2	......	93.0
1961	94.5	96.3	91.0	94.8	97.7	91.7	97.2	100.7	99.2	91.0	95.2	91.9	91.9	98.4	97.6	......	93.3
1962	94.8	98.0	91.9	94.8	98.6	92.7	96.7	99.1	96.3	91.6	96.3	91.2	92.0	97.7	97.6	......	93.7
1963	94.5	96.0	92.5	94.7	98.5	90.0	96.3	97.9	96.8	93.5	95.6	91.3	92.2	97.0	97.1	......	94.5
1964	94.7	94.6	92.3	95.2	99.2	90.3	93.7	98.3	95.5	95.4	95.4	93.8	92.8	97.4	97.3	......	95.2
1965	96.6	98.7	95.5	96.4	99.8	94.3	95.5	99.0	95.9	95.9	96.2	96.4	93.9	96.9	97.5	......	95.9
1966	99.8	105.9	101.2	98.5	100.1	103.4	97.8	99.4	97.8	100.2	98.8	98.8	96.8	98.0	98.4	......	97.7
1967	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	......	100.0
1968	102.5	102.5	102.2	102.5	103.7	103.2	98.9	99.8	103.4	113.3	101.1	102.6	103.2	102.8	103.7	......	102.2
1969	106.5	109.1	107.3	106.0	106.0	108.9	100.9	99.9	105.3	125.3	104.0	108.5	106.5	104.9	107.7	100.8	105.2
1970	110.4	111.0	112.0	110.0	107.2	110.1	105.9	102.2	108.6	113.7	108.2	116.7	111.4	107.5	113.3	104.5	109.9
1971	113.9	112.9	114.3	114.0	108.6	114.0	114.2	104.2	109.2	127.0	110.1	119.0	115.5	109.9	122.4	110.3	112.8
1972	119.1	125.0	120.8	117.9	113.6	131.3	118.6	104.2	109.3	144.3	113.4	123.5	117.9	111.4	126.1	113.8	114.6
1972—Aug.	119.9	128.2	121.0	118.5	114.1	134.6	119.7	104.4	109.5	148.1	114.1	123.7	118.3	111.7	126.7	114.2	115.1
Sept.	120.2	128.6	121.8	118.7	114.3	135.7	120.3	104.4	109.5	148.5	114.3	124.0	118.3	112.0	126.9	114.2	115.2
Oct.	120.0	125.5	121.8	118.8	114.8	139.8	120.6	104.4	109.5	149.2	114.7	124.1	118.4	112.0	127.3	112.9	115.0
Nov.	120.7	128.8	123.1	119.1	115.1	144.0	121.3	104.7	109.8	149.4	115.0	124.1	118.5	112.3	127.3	113.0	115.0
Dec.	122.9	137.5	129.4	119.4	115.6	142.2	121.9	104.8	109.8	149.8	115.1	124.4	118.6	112.4	127.4	114.2	115.1
1973—Jan.	124.5	144.2	132.4	120.0	116.6	143.9	122.2	105.1	110.0	151.0	115.8	125.6	118.9	112.6	128.2	114.1	115.8
Feb.	126.9	150.9	137.0	121.3	117.4	144.9	126.0	105.6	110.1	161.0	116.5	126.9	119.4	113.1	128.4	114.2	117.1
Mar.	129.7	160.9	141.4	122.7	119.0	143.5	126.7	106.7	110.3	173.2	118.3	129.2	120.0	113.5	129.0	114.5	117.9
Apr.	130.7	160.6	139.8	124.4	120.8	145.0	131.8	107.7	110.6	182.0	119.8	130.5	120.8	114.1	130.0	114.9	118.6
May	133.5	170.4	145.0	125.8	122.3	142.2	135.5	109.3	111.5	186.9	120.7	131.7	121.5	115.1	130.5	115.1	119.5
June	136.7	182.3	151.8	126.9	123.7	140.9	142.8	110.4	112.6	183.1	122.0	132.5	121.9	115.2	131.1	115.0	120.2
July	134.9	173.3	146.5	126.9	124.2	141.4	142.8	110.8	112.9	177.8	122.3	132.8	122.0	115.2	130.0	115.0	120.9
Aug.	142.7	213.3	166.2	127.4	125.2	143.0	142.9	111.0	113.1	178.8	123.3	133.7	122.3	115.9	130.0	115.1	121.0

[1] Dec. 1968=100.

WHOLESALE PRICES: DETAIL

(1967=100)

Group	1972 Aug.	1973 June	1973 July	1973 Aug.
Farm products:				
Fresh and dried produce	138.9	197.5	187.8	162.2
Grains	99.8	178.6	157.2	266.4
Livestock	148.1	193.8	199.3	243.3
Live poultry	106.8	184.5	189.5	269.7
Plant and animal fibers	120.6	177.7	186.4	228.5
Fluid milk	122.0	133.3	133.3	143.4
Eggs	99.3	159.4	155.2	209.6
Hay and seeds	115.9	299.9	187.4	293.6
Other farm products	134.6	148.1	151.9	150.4
Processed foods and feeds:				
Cereal and bakery products	115.3	125.9	125.5	136.2
Meat, poultry, and fish	132.3	164.9	169.7	198.3
Dairy products	118.6	127.5	127.1	131.3
Processed fruits and vegetables	120.2	127.9	127.7	129.3
Sugar and confectionery	121.3	131.0	131.1	135.7
Beverages and beverage materials	118.9	121.4	121.1	121.2
Animal fats and oils	124.0	221.3	227.4	428.9
Crude vegetable oils	104.1	168.8	169.7	284.6
Refined vegetable oils	107.5	164.8	164.8	164.8
Vegetable oil end products	121.5	137.4	137.2	161.6
Miscellaneous processed foods	113.9	119.9	123.4	128.5
Manufactured animal feeds	111.7	257.8	197.0	261.8
Textile products and apparel:				
Cotton products	122.8	141.3	144.6	147.3
Wool products	101.1	131.3	132.1	134.9
Manmade fiber textile products	108.7	122.9	123.1	123.7
Apparel	115.1	118.8	118.8	119.3
Textile housefurnishings	109.9	111.5	111.5	112.2
Miscellaneous textile products	121.4	126.0	124.2	124.3
Hides, skins, leather, and products:				
Hides and skins	243.0	241.6	246.3	261.6
Leather	140.6	156.4	156.8	157.5
Footwear	126.5	129.3	129.5	129.7
Other leather products	118.7	129.0	129.2	130.6
Fuels and related products, and power:				
Coal	191.5	215.1	214.0	214.4
Coke	155.3	167.2	167.2	167.2
Gas fuels	114.3	128.0	128.7	130.4
Electric power	122.1	128.4	129.0	129.1
Crude petroleum	114.7	125.3	125.8	125.8
Petroleum products, refined	110.7	146.6	146.1	145.9
Chemicals and allied products:				
Industrial chemicals	101.3	103.0	103.4	103.5
Prepared paint	118.3	121.0	121.0	121.0
Paint materials	105.2	113.0	114.9	115.7
Drugs and pharmaceuticals	103.3	104.4	104.4	104.3
Fats and oils, inedible	121.4	263.6	263.2	273.2
Agricultural chemicals and products	92.0	95.0	96.7	95.9
Plastic resins and materials	88.2	92.7	93.1	93.3
Other chemicals and products	113.5	118.0	118.1	118.2
Rubber and plastic products:				
Rubber and rubber products	114.3	118.0	118.5	118.9
Crude rubber	98.7	112.8	115.8	118.1
Tires and tubes	109.7	110.4	110.4	110.4
Miscellaneous rubber products	122.1	125.2	125.4	125.4
Plastic construction products (Dec. 1969=100)	93.3	93.9	93.8	94.0
Unsupported plastic film and sheeting (Dec. 1970=100)	98.3	101.1	100.8	100.8
Laminated sheets, high pressure (Dec. 1970=100)	97.9	97.7	98.7	98.1
Lumber and wood products:				
Lumber	164.1	214.8	209.6	210.8
Millwork	130.0	147.7	148.3	148.3
Plywood	135.9	154.9	138.0	140.1
Other wood products	126.8	151.9	152.9	153.2

Group	1972 Aug.	1973 June	1973 July	1973 Aug.
Pulp, paper, and allied products:				
Pulp, paper and products, excluding building paper and board	114.4	122.4	122.7	123.7
Woodpulp	111.5	122.4	130.8	133.3
Wastepaper	138.9	187.6	187.6	187.6
Paper	116.7	122.5	121.8	121.5
Paperboard	106.0	116.7	116.7	116.7
Converted paper and paperboard	114.3	121.5	121.5	123.2
Building paper and board	107.2	111.7	112.2	112.8
Metals and metal products:				
Iron and steel	128.6	135.9	135.9	136.0
Steelmill products	130.2	134.3	134.3	134.3
Nonferrous metals	116.8	135.0	135.9	137.9
Metal containers	130.9	135.7	135.6	135.5
Hardware	120.7	124.0	124.5	124.5
Plumbing equipment	120.2	126.2	126.3	126.4
Heating equipment	119.2	120.7	120.9	120.7
Fabricated structural metal products	122.5	126.9	127.1	127.8
Miscellaneous metal products	124.7	128.7	129.1	130.9
Machinery and equipment:				
Agricultural machinery and equip.	122.8	125.4	125.5	125.5
Construction machinery and equip.	126.1	131.3	130.9	131.4
Metalworking machinery and equip.	120.8	125.6	125.8	125.8
General purpose machinery and equipment	123.0	127.2	127.4	127.4
Special industry machinery and equipment	124.0	130.0	130.2	131.7
Electrical machinery and equip.	110.6	112.7	112.7	112.7
Miscellaneous machinery	120.8	124.4	124.4	124.7
Furniture and household durables:				
Household furniture	117.8	123.3	123.2	123.6
Commercial furniture	119.8	130.6	130.6	132.2
Floor coverings	98.8	102.7	102.7	102.7
Household appliances	107.7	107.4	107.7	109.0
Home electronic equipment	92.4	91.6	91.6	92.0
Other household durable goods	126.8	131.0	130.8	130.8
Nonmetallic mineral products:				
Flat glass	122.8	122.2	117.9	117.9
Concrete ingredients	128.1	131.6	131.7	131.7
Concrete products	126.1	132.3	132.3	132.3
Structural clay products excluding refractories	117.5	123.8	123.8	123.9
Refractories	129.6	136.3	136.3	136.3
Asphalt roofing	131.2	136.6	136.3	136.3
Gypsum products	116.1	124.1	122.9	122.5
Glass containers	136.4	141.6	137.1	137.4
Other nonmetallic minerals	127.1	129.5	128.1	128.0
Transportation equipment:[1]				
Motor vehicles and equipment	118.5	118.9	119.0	119.0
Railroad equipment	130.2	134.8	134.8	135.2
Miscellaneous products:				
Toys, sporting goods, small arms, ammunition	114.5	117.5	117.6	117.8
Tobacco products	117.5	122.5	122.5	122.5
Notions	111.7	114.5	113.1	113.6
Photographic equipment and supplies	107.0	108.4	108.5	108.5
Other miscellaneous products	117.6	127.0	129.5	129.5

[1] Dec. 1968 = 100.

NOTE.—Bureau of Labor Statistics indexes.

GROSS NATIONAL PRODUCT

(In billions of dollars)

Item	1929	1933	1941	1950	1968	1969	1970	1971	1972	1972 II	1972 III	1972 IV	1973 I	1973 II
Gross national product	**103.1**	**55.6**	**124.5**	**284.8**	**864.2**	**930.3**	**977.1**	**1,055.5**	**1,155.2**	**1,142.4**	**1,166.5**	**1,199.2**	**1,242.5**	**1,272.0**
Final purchases	*101.4*	*57.2*	*120.1*	*278.0*	*857.1*	*922.5*	*972.6*	*1,049.4*	*1,149.1*	*1,136.9*	*1,157.8*	*1,191.0*	*1,237.8*	*1,267.5*
Personal consumption expenditures	**77.2**	**45.8**	**80.6**	**191.0**	**536.2**	**579.5**	**617.6**	**667.2**	**726.5**	**719.2**	**734.1**	**752.6**	**779.4**	**795.6**
Durable goods	9.2	3.5	9.6	30.5	84.0	90.8	91.3	103.6	117.4	115.1	120.2	122.9	132.2	132.8
Nondurable goods	37.7	22.3	42.9	98.1	230.8	245.9	263.8	278.7	299.9	297.9	302.3	310.7	322.2	330.3
Services	30.3	20.1	28.1	62.4	221.3	242.7	262.6	284.9	309.2	306.2	311.6	319.0	325.0	332.6
Gross private domestic investment	**16.2**	**1.4**	**17.9**	**54.1**	**126.0**	**139.0**	**136.3**	**153.2**	**178.3**	**174.7**	**181.5**	**189.4**	**194.5**	**198.2**
Fixed investment	*14.5*	*3.0*	*13.4*	*47.3*	*118.9*	*131.1*	*131.7*	*147.1*	*172.3*	*169.2*	*172.9*	*181.2*	*189.9*	*193.7*
Nonresidential	*10.6*	*2.4*	*9.5*	*27.9*	*88.8*	*98.5*	*100.6*	*104.4*	*118.2*	*116.3*	*118.3*	*124.3*	*130.9*	*134.1*
Structures	5.0	.9	2.9	9.2	30.3	34.2	36.1	37.9	41.7	41.5	41.3	43.0	45.3	47.2
Producers' durable equipment	5.6	1.5	6.6	18.7	58.5	64.3	64.4	66.5	76.5	74.9	77.0	81.2	85.5	86.9
Residential structures	4.0	.6	3.9	19.4	30.1	32.6	31.2	42.7	54.0	52.8	54.5	56.9	59.0	59.6
Nonfarm	3.8	.5	3.7	18.6	29.5	32.0	30.7	42.2	53.5	52.3	53.9	56.4	58.4	59.1
Change in business inventories	1.7	−1.6	4.5	6.8	7.1	7.8	4.5	6.1	6.0	5.5	8.7	8.2	4.6	4.5
Nonfarm	1.8	−1.4	4.0	6.0	6.9	7.7	4.3	4.5	5.6	4.8	8.4	7.9	4.4	4.4
Net exports of goods and services	**1.1**	**.4**	**1.3**	**1.8**	**2.5**	**1.9**	**3.6**	**.8**	**−4.6**	**5.7**	**3.8**	**3.5**	**.0**	**2.8**
Exports	7.0	2.4	5.9	13.8	50.6	55.5	62.9	66.3	73.5	69.9	74.0	79.7	89.7	97.2
Imports	5.9	2.0	4.6	12.0	48.1	53.6	59.3	65.5	78.1	75.6	77.7	83.2	89.7	94.4
Government purchases of goods and services	**8.5**	**8.0**	**24.8**	**37.9**	**199.6**	**210.0**	**219.5**	**234.3**	**255.0**	**254.2**	**254.7**	**260.7**	**268.6**	**275.3**
Federal	*1.3*	*2.0*	*16.9*	*18.4*	*98.8*	*98.8*	*96.2*	*98.1*	*104.4*	*106.7*	*102.3*	*102.7*	*105.5*	*107.3*
National defense	......	......	13.8	14.1	78.3	78.4	74.6	71.6	74.4	76.6	71.9	72.4	74.3	74.2
Other	......	......	3.1	4.3	20.5	20.4	21.6	26.5	30.1	30.1	30.4	30.3	31.2	33.1
State and local	7.2	6.0	7.9	19.5	100.8	111.2	123.3	136.2	150.5	147.5	152.4	158.0	163.0	168.0
Gross national product in constant (1958) dollars	**203.6**	**141.5**	**263.7**	**355.3**	**706.6**	**725.6**	**722.5**	**745.4**	**790.7**	**785.6**	**796.7**	**812.3**	**829.3**	**834.3**

NOTE.—Dept. of Commerce estimates. Quarterly data are seasonally adjusted totals at annual rates. For back data and explanation of series, see the *Survey of Current Business*, (generally the July issue) and the Aug. 1966 Supplement to the *Survey*.

NATIONAL INCOME

(In billions of dollars)

Item	1929	1933	1941	1950	1968	1969	1970	1971	1972	1972 II	1972 III	1972 IV	1973 I	1973 II^p
National income	**86.8**	**40.3**	**104.2**	**241.1**	**711.1**	**766.0**	**800.5**	**859.4**	**941.8**	**928.3**	**949.2**	**978.6**	**1,015.0**	**1,039.4**
Compensation of employees	**51.1**	**29.5**	**64.8**	**154.6**	**514.6**	**566.0**	**603.9**	**644.1**	**707.1**	**699.6**	**713.1**	**731.2**	**757.4**	**774.9**
Wages and salaries	*50.4*	*29.0*	*62.1*	*146.8*	*464.9*	*509.7*	*542.0*	*573.8*	*627.3*	*620.8*	*632.5*	*648.7*	*666.7*	*682.3*
Private	45.5	23.9	51.9	124.4	369.2	405.6	426.9	449.7	493.3	488.4	497.5	510.9	525.1	538.7
Military	.3	.3	1.9	5.0	17.9	19.0	19.6	19.4	20.3	20.1	20.0	20.1	20.9	20.5
Government civilian	4.6	4.9	8.3	17.4	77.8	85.1	95.5	104.7	113.8	112.3	115.1	117.7	120.7	123.1
Supplements to wages and salaries	*.7*	*.5*	*2.7*	*7.8*	*49.7*	*56.3*	*61.9*	*70.3*	*79.7*	*78.9*	*80.5*	*82.5*	*90.8*	*92.6*
Employer contributions for social insurance	.1	.1	2.0	4.0	24.3	27.8	29.7	33.7	39.0	38.7	39.3	40.2	47.4	48.3
Other labor income	.6	.4	.7	3.8	25.4	28.4	32.2	36.6	40.7	40.2	41.3	42.3	43.3	44.2
Proprietors' income	**15.1**	**5.9**	**17.5**	**37.5**	**64.2**	**67.2**	**66.9**	**68.7**	**74.2**	**73.2**	**74.1**	**77.1**	**80.6**	**81.5**
Business and professional	9.0	3.3	11.1	24.0	49.5	50.5	50.0	51.9	54.0	53.3	54.3	55.3	56.3	57.1
Farm	6.2	2.6	6.4	13.5	14.7	16.7	16.9	16.8	20.2	19.9	19.8	21.8	24.3	24.4
Rental income of persons	**5.4**	**2.0**	**3.5**	**9.4**	**21.2**	**22.6**	**23.9**	**24.5**	**24.1**	**22.6**	**24.9**	**24.9**	**24.7**	**24.6**
Corporate profits and inventory valuation adjustment	**10.5**	**−1.2**	**15.2**	**37.7**	**84.3**	**79.8**	**69.2**	**80.1**	**91.1**	**88.0**	**91.5**	**98.8**	**104.3**	**109.0**
Profits before tax	*10.0*	*1.0*	*17.7*	*42.6*	*87.6*	*84.9*	*74.0*	*85.1*	*98.0*	*94.8*	*98.4*	*106.1*	*119.6*	*130.1*
Profits tax liability	1.4	.5	7.6	17.8	39.9	40.1	34.8	37.4	42.7	41.4	42.9	45.9	52.7	57.5
Profits after tax	*8.6*	*.4*	*10.1*	*24.9*	*47.8*	*44.8*	*39.3*	*47.6*	*55.4*	*53.4*	*55.6*	*60.3*	*66.9*	*72.6*
Dividends	5.8	2.0	4.4	8.8	23.6	24.3	24.7	25.1	26.0	25.9	26.2	26.4	26.9	27.3
Undistributed profits	2.8	−1.6	5.7	16.0	24.2	20.5	14.6	22.5	29.3	27.5	29.4	33.9	40.0	45.2
Inventory valuation adjustment	.5	−2.1	−2.5	−5.0	−3.3	−5.1	4.8	−4.9	−6.9	6.7	6.9	−7.3	−15.4	−21.1
Net interest	**4.7**	**4.1**	**3.2**	**2.0**	**26.9**	**30.5**	**36.5**	**42.0**	**45.2**	**44.8**	**45.7**	**46.6**	**47.9**	**49.4**

NOTE.—Dept. of Commerce estimates. Quarterly data are seasonally adjusted totals at annual rates. See also NOTE to table above.

RELATION OF GROSS NATIONAL PRODUCT, NATIONAL INCOME, AND PERSONAL INCOME AND SAVING

(In billions of dollars)

Item	1929	1933	1941	1950	1968	1969	1970	1971	1972	1972			1973	
										II	III	IV	I	II^{p}
Gross national product	103.1	55.6	124.5	284.8	864.2	930.3	977.1	1,055.5	1,155.2	1,142.4	1,166.5	1,199.2	1,242.5	1,272.0
Less: Capital consumption allowances	7.9	7.0	8.2	18.3	74.5	81.6	87.3	93.8	102.4	103.6	102.3	105.1	106.9	109.1
Indirect business tax and nontax liability	7.0	7.1	11.3	23.3	78.6	85.9	93.5	102.4	109.5	108.4	110.5	112.8	115.6	117.2
Business transfer payments	.6	.7	.5	.8	3.4	3.8	4.0	4.3	4.6	4.6	4.7	4.7	4.8	4.9
Statistical discrepancy	.7	.6	.4	1.5	−2.7	−6.1	6.4	3.4	1.5	1.0	1.6	0.2	1.1	1.9
Plus: Subsidies less current surplus of government enterprises	.1	......	.1	.2	.7	1.0	1.7	1.2	1.7	1.5	1.8	2.2	.9	.4
Equals: National income	86.8	40.3	104.2	241.1	711.1	766.0	800.5	859.4	941.8	928.3	949.2	978.6	1,015.0	1,039.4
Less: Corporate profits and inventory valuation adjustment	10.5	−1.2	15.2	37.7	84.3	79.8	69.2	80.1	91.1	88.0	91.5	98.8	104.3	109.0
Contributions for social insurance	.2	.3	2.8	6.9	47.1	54.2	57.7	64.6	73.7	72.9	74.5	75.8	89.3	90.9
Excess of wage accruals over disbursements	......	......	......	......	......	......	.0	.6	.5	.4	.2	.0	.0	.3
Plus: *Government transfer payments*	.9	1.5	2.6	14.3	56.1	61.9	75.1	88.9	98.3	95.3	96.4	107.3	108.8	110.8
Net interest paid by government and consumers	2.5	1.6	2.2	7.2	26.1	28.7	31.0	31.0	32.7	32.6	32.9	33.7	34.7	36.1
Dividends	5.8	2.0	4.4	8.8	23.6	24.3	24.7	25.1	26.0	25.9	26.2	26.4	26.9	27.3
Business transfer payments	.6	.7	.5	.8	3.4	3.8	4.0	4.3	4.6	4.6	4.7	4.7	4.8	4.9
Equals: Personal income	85.9	47.0	96.0	227.6	688.9	750.9	808.3	863.5	939.2	926.1	943.7	976.1	996.6	1,019.0
Less: Personal tax and nontax payments	2.6	1.5	3.3	20.7	97.9	116.5	116.6	117.5	142.2	140.7	142.8	147.4	145.1	149.3
Equals: Disposable personal income	83.3	45.5	92.7	206.9	591.0	634.4	691.7	746.0	797.0	785.4	800.9	828.7	851.5	869.7
Less: Personal outlays	79.1	46.5	81.7	193.9	551.2	596.2	635.5	685.8	747.2	739.5	755.1	774.3	801.5	818.7
Personal consumption expenditures	77.2	45.8	80.6	191.0	536.2	579.5	617.6	667.2	726.5	719.2	734.1	752.6	779.4	795.6
Consumer interest payments	1.5	.5	.9	2.4	14.3	15.8	16.8	17.7	19.7	19.4	20.0	20.7	21.2	22.0
Personal transfer payments to foreigners	.3	.2	.2	.5	.8	.9	1.0	1.0	1.0	.9	1.0	1.1	.9	1.0
Equals: Personal saving	4.2	−.9	11.0	13.1	39.8	38.2	56.2	60.2	49.7	45.9	45.8	54.4	50.0	51.0
Disposable personal income in constant (1958) dollars	150.6	112.2	190.3	249.6	499.0	513.6	534.8	554.9	577.9	571.6	579.3	595.1	603.9	604.8

NOTE. Dept. of Commerce estimates. Quarterly data are seasonally adjusted totals at annual rates. See also NOTE to table at top of opposite page.

PERSONAL INCOME

(In billions of dollars)

Item	1971	1972	1972						1973						
			July	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	June	July^{p}
Total personal income	863.5	939.2	935.2	944.4	951.3	967.0	977.6	983.6	989.1	997.4	1,003.3	1,011.6	1,018.7	1,026.6	1,033.9
Wage and salary disbursements	573.3	627.8	627.0	632.6	638.7	643.8	648.4	654.0	661.7	667.2	671.1	677.6	682.0	688.2	692.9
Commodity-producing industries	206.3	226.0	224.4	227.4	230.1	232.8	235.0	236.8	239.2	242.2	243.5	245.9	248.3	251.7	253.5
Manufacturing only	*160.5*	*175.9*	*174.9*	*177.0*	*179.3*	*181.6*	*183.8*	*185.6*	*187.1*	*189.6*	*190.6*	*192.9*	*194.7*	*197.0*	*198.2*
Distributive industries	138.3	151.5	151.6	152.4	153.6	155.2	155.6	157.2	158.7	159.3	160.6	162.2	163.2	164.5	165.3
Service industries	104.7	116.1	117.2	117.6	118.8	119.2	119.8	121.3	122.9	124.1	124.9	126.4	126.8	127.7	129.0
Government	123.9	134.2	133.8	135.1	136.2	136.7	138.1	138.7	140.9	141.6	142.2	143.1	143.7	144.4	145.0
Other labor income	36.6	40.7	40.9	41.3	41.6	42.0	42.3	42.7	43.0	43.3	43.6	43.9	44.2	44.5	44.8
Proprietors' income	68.7	74.2	73.3	74.3	74.6	75.9	77.5	77.9	80.1	80.6	81.0	81.0	81.5	81.9	82.1
Business and professional	51.9	54.0	54.0	54.5	54.3	55.1	55.1	55.6	56.1	56.3	56.4	56.8	57.1	57.3	57.6
Farm	16.8	20.2	19.3	19.8	20.3	20.8	22.4	22.3	24.0	24.3	24.6	24.2	24.4	24.6	24.5
Rental income	24.5	24.1	24.4	25.2	25.1	25.1	24.7	24.9	24.8	24.8	24.6	24.3	24.6	24.9	25.0
Dividends	25.1	26.0	26.1	26.3	26.2	26.3	26.3	26.5	26.8	26.9	27.0	27.3	27.3	27.4	27.6
Personal interest income	73.0	78.0	78.3	78.5	78.9	79.6	80.4	81.1	81.9	82.6	83.4	84.5	85.7	86.5	87.6
Transfer payments	93.2	103.0	100.6	101.3	101.4	109.7	113.7	112.6	112.5	113.8	114.5	115.3	115.9	116.0	117.2
Less: Personal contributions for social insurance	30.9	34.7	35.4	35.0	35.2	35.4	35.7	35.9	41.7	41.9	42.0	42.4	42.5	42.8	43.4
Nonagricultural income	839.8	911.5	908.6	917.3	923.6	938.8	947.7	953.6	957.4	965.3	970.9	979.5	986.4	994.2	1,001.1
Agricultural income	23.7	27.7	26.6	27.1	27.7	28.2	29.9	30.0	31.8	32.1	32.4	32.0	32.2	32.4	32.5

NOTE.—Dept. of Commerce estimates. Monthly data are seasonally adjusted totals at annual rates. See also NOTE to table at top of opposite page.

1. SUMMARY OF FLOW OF FUNDS ACCOUNTS FOR THE YEAR 1972

(Seasonally adjusted annual rates; in billions of dollars)

	Sector / Transaction category	Private domestic nonfinancial sectors: Households		Business		State and local govts.		Total		Rest of the world		U.S. Govt.		Financial sectors: Total		Sponsored credit agencies		Monetary auth.		Coml. banking		Pvt. nonbank finance		All sectors		Discrepancy	Natl. savings and investment	
		U	S	U	S	U	S	U	S	U	S	U	S	U	S	U	S	U	S	U	S	U	S	U	S	U		
1	**Gross saving**		**191.2**		**102.3**		**5.9**		**299.4**		**8.4**		**-19.1**		**9.1**		**.1**		**.1**		**3.7**		**5.2**		**297.7**		**289.3**	1
2	Capital consumption		105.9		87.6				193.4						2.7						1.3		1.4		196.1		196.1	2
3	Net saving (1-2)		85.3		14.8		5.9		105.9		8.4		-19.1		6.4		.1		.1		2.4		3.8		101.5		93.2	3
4	**Gross investment (5+10)**	**206.4**		**87.4**		**-1.8**		**291.9**		**11.4**		**-20.1**		**11.4**		**.1**		**.1**		**5.1**		**6.0**		**294.6**		**3.0**	**284.3**	4
5	Private capital expenditures	157.8		133.3				291.1						4.6						2.5		2.1		295.7		2.0	295.7	5
6	Consumer durables	117.4						117.4																117.4			117.4	6
7	Residential construction	34.3		19.3				53.6						.4								.4		54.0			54.0	7
8	Plant and equipment	6.1		108.0				114.0						4.2						2.5		1.7		118.2			118.2	8
9	Inventory change			6.0				6.0																6.0			6.0	9
10	**Net financial investment (11-12)**	**48.6**		**-46.0**		**-1.8**		**.8**		**11.4**		**-20.1**		**6.8**		**.1**		**.1**		**2.6**		**3.9**		**-1.1**		**1.1**	**-11.4**	10
11	**Financial uses**	**117.5**		**33.2**		**11.0**		**161.7**		**19.4**		**.9**		**191.4**		**6.6**		**2.1**		**78.3**		**104.5**		**373.4**		**1.1**	**7.9**	11
12	**Financial sources**		**68.9**		**79.1**		**12.9**		**160.9**		**7.9**		**21.0**		**184.6**		**6.5**		**2.0**		**75.6**		**100.6**		**374.5**		**19.4**	12
13	Gold, SDR's, and official fgn. exchange									.6	-.2	-.3		-.4				-.4						-.2	-.2			13
14	Treasury currency and SDR ctfs.												.5	.7				.7						.7	.5	-.2		14
15	Demand deposits and currency	12.8		.2		1.8		14.8		1.5		-1.0		1.9	20.4	*			4.0	.2	16.4	1.8		17.2	20.4	3.1		15
16	Private domestic	12.8		.2		1.8		14.8						1.9	18.4	*			4.4	.2	14.0	1.8		16.7	18.4	1.7		16
17	U.S. Government											-1.0			.4				-.3		.7			-1.0	.4	1.4		17
18	Foreign									1.5					1.5				-.1		1.6			1.5	1.5			18
19	Time and savings accounts	75.8		3.1		6.8		85.7		2.6		.1		.3	88.7						42.3	.3	46.4	88.7	88.7			19
20	At commercial banks	29.8		3.1		6.8		39.7		2.6		.1		-.1	42.3						42.3	-.1		42.3	42.3			20
21	At savings institutions	46.0						46.0						.4	46.4							.4	46.4	46.4	46.4			21
22	Life insurance reserves	7.3						7.3					.1		7.2								7.2	7.3	7.3			22
23	Pension fund reserves	20.7						20.7					3.2		17.6								17.6	20.7	20.7			23
24	Interbank items													2.0	2.0			1.6	-1.0	.4	3.0			2.0	2.0			24
25	Corporate shares	-5.9			10.4			-5.9	10.4	2.3	-.4			15.6	2.0					.1	.5	15.4	1.5	12.0	12.0			25
26	Credit market instruments	8.9	63.2	4.6	59.5	2.0	12.3	15.4	135.0	8.4	3.8	2.3	17.3	156.4	26.4	6.0	6.2	.2		69.7	4.3	80.5	15.9	182.5	182.5			26
27	U.S. Government securities	4.4		-2.4		2.1		4.1		8.4		*	17.4	11.1	6.2	-1.4	6.2	.3		6.5		5.7		23.6	23.6			27
28	State and local obligations	1.3		1.0		-.2	11.9	2.1	11.9					9.8						6.3		3.5		11.9	11.9			28
29	Corporate and foreign bonds	4.9			12.2			4.9	12.2	*	1.0			15.2	6.9					1.7	1.1	13.5	5.8	20.1	20.1			29
30	Home mortgages	-2.2	38.4		1.2	*		-2.2	39.7			-.6	-.1	43.5	1.2	4.3				9.0		30.2	1.2	40.7	40.7			30
31	Other mortgages	.2	1.4		26.2			.2	27.6			.4		27.6	.5	2.4				7.8		17.4	.5	28.1	28.1			31
32	Consumer credit		19.2	2.6				2.6	19.2					16.5						10.1		6.4		19.2	19.2			32
33	Bank loans n.e.c.		2.9		16.5				19.4		2.4			28.5	6.8					28.5	.8		5.9	28.5	28.5			33
34	Other loans	.4	1.3	3.3	3.4		.3	3.7	5.0	-.1	.4	2.6		4.2	4.9	.8		-.2		-.2	2.4	3.8	2.5	10.4	10.4			34
35	Security credit	.1	4.7					.1	4.7	.1	.1			8.7	4.1					4.8		3.9	4.1	8.9	8.9			35
36	To brokers and dealers	.1						.1		.1				3.9	4.1					3.9			4.1	4.1	4.1			36
37	To others		4.7						4.7		.1			4.8						.8		3.9		4.8	4.8			37
38	Taxes payable				.6	.5		.5	.6			.5			.1				*		-.2		.3	1.0	.7	-.3		38
39	Trade credit		.5	19.8	13.4		.6	19.8	14.5	.8	.6	-.8	-.1	.3								.3		20.0	14.9	-5.1		39
40	Equity in noncorporate business	-5.0			-5.0			-5.0	-5.0															-5.0	-5.0			40
41	Miscellaneous claims	2.7	.5	5.6	.2			8.2	.7	3.1	4.0	.1	*	6.0	16.2	.6	.3		-1.0	3.1	9.3	2.3	7.6	17.5	20.9	3.5		41
42	Sector discrepancies (1-4)	-15.2		15.0		7.7		7.4		-3.1		1.0		-2.3		-.1				-1.5		-.8		3.0		3.0	5.1	42

2. SUMMARY OF FUNDS RAISED AND ADVANCED IN U.S. CREDIT MARKETS

(Seasonally adjusted annual rates; in billions of dollars)

	Transaction category, or sector	1966	1967	1968	1969	1970	1971	1972	1971 H1	1971 H2	1972 H1	1972 H2	1973p H1	
	Funds raised, by type and sector													
1	**Total funds raised by nonfinancial sectors**	**67.7**	**82.2**	**94.6**	**91.4**	**97.5**	**146.7**	**166.1**	**134.7**	**158.7**	**144.8**	**187.6**	**191.0**	1
2	***Excluding equities***	**66.9**	**80.0**	**95.9**	**88.0**	**92.6**	**135.0**	**156.1**	**123 8**	**146.1**	**134.4**	**178.1**	**183.1**	2
3	U.S. Government	3.6	13.0	13.4	-3.6	12.8	25.5	17.3	22.7	28.4	12.4	22.2	15.4	3
4	Public debt securities	2.3	8.9	10.3	-1.3	12.9	26.0	13.9	24.2	27.8	10.5	17.2	14.1	4
5	Budget agency issues	1.3	4.1	3.1	2.4	-.1	-.5	3.4	-1.6	.5	1.9	4.9	1.3	5
6	**All other nonfinancial sectors**	**64.1**	**69.2**	**81.2**	**95.0**	**84.7**	**121.2**	**148.8**	**112.0**	**130.4**	**132.4**	**165.5**	**175.6**	6
7	Corporate equity shares	.8	2.2	-1.4	3.4	4.9	11.7	10.0	10.9	12.6	10.4	9.5	7.9	7
8	***Debt instruments***	**63.3**	**67.0**	**82.6**	**91.6**	**79.8**	**109.5**	**138.8**	**101.1**	**117.8**	**122.0**	**155.9**	**167.7**	8
9	Debt capital instruments	38.9	45.7	50.6	50.6	57.7	83.2	92.4	79.5	86.9	87.3	97.6	86.8	9
10	State and local government securities	5.6	7.8	9.5	9.9	11.3	16.6	11.9	17.9	15.4	12.0	11.9	7.3	10
11	Corporate and foreign bonds	11.0	15.9	14.0	13.0	20.6	19.7	13.2	22.3	17.2	14.4	12.0	8.2	11
12	Mortgages	22.3	22.0	27.1	27.7	25.7	46.8	67.3	39.3	54.3	60.9	73.7	71.4	12
13	*Home mortgages*	*11.7*	*11.5*	*15.1*	*15.7*	*12.8*	*26.0*	*39.7*	*20.6*	*31.5*	*35.6*	*43.7*	*41.6*	13
14	*Other residential*	*3.1*	*3.6*	*3.4*	*4.7*	*5.8*	*8.8*	*10.3*	*8.5*	*9.1*	*9.1*	*11.5*	*12.2*	14
15	*Commercial*	*5.7*	*4.7*	*6.4*	*5.3*	*5.3*	*10.0*	*14.8*	*8.5*	*11.5*	*13.5*	*16.0*	*14.6*	15
16	*Farm*	*1.8*	*2.3*	*2.2*	*1.9*	*1.8*	*2.0*	*2.6*	*1.7*	*2.3*	*2.7*	*2.5*	*2.9*	16
17	Other private credit	24.4	21.3	32.0	41.0	22.1	26.3	46.4	21.7	30.9	34.7	58.4	80.9	17
18	Bank loans n.e.c.	10.7	9.5	13.1	15.3	6.4	9.3	21.8	5.1	13.5	14.2	29.7	52.5	18
19	Consumer credit	6.4	4.5	10.0	10.4	6.0	11.2	19.2	8.9	13.6	15.8	22.5	24.7	19
20	Open-market paper	1.0	2.1	1.6	3.3	3.8	.9	1.6	1.0	.8	-.3	-2.8	-4.3	20
21	Other	6.2	5.1	7.2	12.0	5.9	6.6	7.0	8.7	4.6	5.0	9.0	8.0	21
22	**By borrowing sector**	**64.1**	**69.2**	**81.2**	**95.0**	**84.7**	**121.2**	**148.8**	**112.0**	**130.4**	**132.4**	**165.5**	**175.6**	22
23	***Debt instruments***	**63.3**	**67.0**	**82.6**	**91.6**	**79.8**	**109.5**	**138.8**	**101.1**	**117.8**	**122.0**	**155.9**	**167.7**	23
24	Foreign	1.6	4.0	2.9	2.9	3.0	5.7	3.8	5.3	6.1	3.4	4.3	10.7	24
25	State and local governments	6.3	7.9	9.8	10.7	11.4	17.0	12.3	17.9	16.1	11.9	12.7	7.3	25
26	Households	22.6	19.0	29.6	32.2	22.9	38.3	63.2	30.0	46.6	55.6	70.8	71.2	26
27	Nonfinancial business	32.8	36.0	40.2	45.9	42.5	48.5	59.5	47.9	49.0	51.1	68.2	78.5	27
28	*Farm*	*3.1*	*3.6*	*2.8*	*3.2*	*3.2*	*4.1*	*4.9*	*4.0*	*4.2*	*4.4*	*5.3*	*5.7*	28
29	*Nonfarm noncorporate*	*5.4*	*5.0*	*5.6*	*7.4*	*5.3*	*8.7*	*10.4*	*9.3*	*8.1*	*9.5*	*11.6*	*13.1*	29
30	*Corporate*	*24.3*	*27.4*	*31.8*	*35.4*	*33.9*	*35.7*	*44.2*	*34.6*	*36.8*	*37.2*	*51.2*	*59.7*	30
31	Corporate equities	.8	2.2	-1.4	3.4	4.9	11.7	10.0	10.9	12.6	10.4	9.5	7.9	31
32	Foreign	.3	.1	.2	.5	.1	*	.4	.4	.3	-.2	.6	.9	32
33	Nonfinancial corporations	1.1	2.2	-1.5	2.9	4.8	11.7	10.4	10.5	12.9	10.7	10.1	8.7	33
	Totals incuding equities													
34	Foreign	1.3	4.0	3.1	3.3	3.0	5.7	3.4	5.7	5.8	3.2	3.7	9.8	34
35	Nonfinancial business	33.9	38.2	38.7	48.8	47.3	60.2	69.9	58.4	61.9	61.8	78.3	87.2	35
36	Corporate	25.4	29.6	30.3	38.3	38.8	47.4	54.6	45.1	49.7	47.9	61.3	68.4	36
37	Memo: U.S. Govt. cash balance totals net of changes in U.S.	-.4	1.2	-1.1	.4	2.8	3.2	.5	.2	6.6	-3.0	4.0	3.8	37
38	Total funds raised	68.1	81.1	95.7	91.0	94.7	143.5	165.6	134.9	152.1	147.8	183.6	187.1	38
39	By U.S. Government	4.0	11.8	14.5	4.0	10.0	22.3	16.8	22.9	21.7	15.4	18.1	11.6	39
	Private net investment and borrowing in credit markets													
	Total, households and business													
1	***Total capital outlays*** [1]	**190.6**	**188.1**	**207.6**	**226.7**	**224.2**	**252.5**	**291.1**	**246.3**	**258.7**	**279.9**	**302.3**	**324.0**	1
2	Capital consumption [2]	118.5	128.4	140.4	154.3	166.0	179.0	193.4	175.8	182.2	190.3	196.6	205.7	2
3	Net physical investment	72.2	59.7	67.2	72.4	58.2	73.5	97.7	70.5	76.6	89.7	105.7	118.3	3
4	Net funds raised	56.5	57.3	68.3	81.0	70.2	98.5	133.1	88.4	108.5	117.4	149.1	158.5	4
5	Excess net investment [3]	15.7	2.4	-1.1	8.6	12.0	-25.0	35.4	-17.9	-32.0	-27.7	-43.5	-40.2	5
	Total business													
6	***Total capital outlays***	**96.4**	**93.4**	**97.9**	**108.9**	**108.0**	**116.6**	**133.3**	**115.8**	**117.3**	**127.4**	**139.3**	**145.7**	6
7	Capital consumption	54.2	58.5	63.2	69.5	74.6	80.3	87.6	78.8	81.7	86.2	88.9	92.8	7
8	Net physical investment	42.3	35.0	34.7	39.4	33.5	36.3	45.8	37.0	35.5	41.2	50.4	52.9	8
9	Net debt funds raised	32.8	36.0	40.2	45.9	42.5	48.5	59.5	47.9	49.0	51.1	68.2	78.5	9
10	Corporate equity issues	1.1	2.2	-1.5	2.9	4.8	11.7	10.4	10.5	12.9	10.7	10.1	8.7	10
11	Excess net investment [3]	8.4	3.2	-4.0	-9.4	-13.8	-23.9	24.1	-21.4	26.4	-20.6	-27.9	34.3	11
	Corporate business													
12	***Total capital outlays***	**76.5**	**71.4**	**75.0**	**83.7**	**84.0**	**86.7**	**100.7**	**86.5**	**87.0**	**96.0**	**105.4**	**108.4**	12
13	Capital consumption	38.2	41.5	45.1	49.8	53.6	57.7	62.8	56.7	58.7	61.8	63.8	66.6	13
14	Net physical investment	38.3	29.9	29.9	33.9	30.4	29.1	37.8	29.8	28.3	34.1	41.5	41.8	14
15	Net debt funds raised	24.3	27.4	31.8	35.4	33.9	35.7	44.2	34.6	36.8	37.2	51.2	59.7	15
16	Corporate equity issues	1.1	2.2	-1.5	2.9	4.8	11.7	10.4	10.5	12.9	10.7	10.1	8.7	16
17	Excess net investment [3]	12.9	.3	-.4	-4.4	-8.4	18.3	16.8	15.3	21.4	13.7	-19.8	-26.7	17
	Households													
18	***Total capital outlays***	**94.2**	**94.6**	**109.7**	**117.8**	**116.2**	**135.9**	**157.8**	**130.4**	**141.4**	**152.6**	**163.0**	**178.3**	18
19	Capital consumption	64.3	69.9	77.2	84.8	91.4	98.7	105.9	97.0	100.4	104.1	107.7	112.9	19
20	Net physical investment	29.9	24.7	32.5	33.0	24.7	37.2	51.9	33.5	41.0	48.5	55.3	65.4	20
21	Net funds raised	22.6	19.0	29.6	32.2	22.9	38.3	63.2	30.0	46.6	55.6	70.8	71.2	21
22	Excess net investment [3]	7.3	5.7	2.9	.8	1.8	1.1	11.3	3.5	-5.6	-7.1	-15.6	-5.8	22

[1] Capital outlays are totals for residential and nonresidential fixed capital, net change in inventories, and consumer durables, except outlays by financial business.

[2] Capital consumption includes amounts for consumer durables and excludes financial business capital consumption.

[3] Excess of net investment over net funds raised.

NOTE. Data revised for all periods. Full statements for sectors and transaction types are available on a quarterly basis and annually for flows and for amounts outstanding. Requests for these statements should be addressed to the Flow of Funds Section, Division of Research and Statistics, Board of Governors of the Federal Reserve System, Washington, D.C., 20551.

Funds raised by type and sector. Credit flows included here are the net amounts raised by households, nonfinancial business, governments, and foreigners. All funds raised by financial sectors are excluded. U.S. Government budget issues (line 4) are loan participation certificates issued by CCC, Export-Import Bank, FNMA, and GNMA, together with security issues by FHA, Export-Import Bank, and TVA. Issues by Federally sponsored credit agencies are excluded as borrowing by financial institutions. Such issues are in U.S. Government securities on p. A-71.2, line 11. Corporate share issues are net cash issues by nonfinancial and foreign corporations. Mortgages exclude loans in process. Open market paper is commercial paper issued by nonfinancial corporations plus bankers' acceptances.

3. DIRECT AND INDIRECT SOURCES OF FUNDS TO CREDIT MARKETS

(Seasonally adjusted annual rates; in billions of dollars)

	Transaction category, or sector	1966	1967	1968	1969	1970	1971	1972	1971 H1	1971 H2	1972 H1	1972 H2	1973p H1	
1	**Total funds advanced in credit markets to nonfinancial sectors**	**66.9**	**80.0**	**95.9**	**88.0**	**92.6**	**135.0**	**156.1**	**123.8**	**146.1**	**134.4**	**178.1**	**183.1**	1
	By public agencies and foreign													
2	**Total net advances**	**11.9**	**11.3**	**12.2**	**15.8**	**28.0**	**41.3**	**16.9**	**38.6**	**44.0**	**19.7**	**14.1**	**43.6**	2
3	U.S. Government securities	3.4	6.8	3.4	.9	15.7	33.4	7.3	32.9	34.0	12.7	2.0	21.4	3
4	Residential mortgages	2.8	2.1	2.8	4.6	5.7	5.7	5.2	4.2	7.1	6.2	4.3	4.7	4
5	FHLB advances to S&L's	.9	−2.5	.9	4.0	1.3	−2.7	*	−5.5	.2	−2.4	2.5	7.8	5
6	Other loans and securities	4.8	4.9	5.1	6.3	5.2	4.9	4.3	7.1	2.7	3.2	5.4	9.7	6
	By agency—													
7	U.S. Government	4.9	4.6	4.9	2.9	2.8	3.2	2.3	4.3	2.2	1.5	3.1	.6	7
8	Sponsored credit agencies	5.1	−.1	3.2	9.0	9.9	2.8	6.0	−1.4	7.0	7.5	4.5	18.9	8
9	Federal Reserve	3.5	4.8	3.7	4.2	5.0	8.8	.2	8.4	9.3	4.5	−4.1	11.7	9
10	Foreign	−1.6	2.0	.3	−.3	10.3	26.4	8.4	27.3	25.5	6.2	10.6	12.4	10
11	Agency borrowing not in line 1	4.8	−.6	3.5	8.8	8.2	4.3	6.2	.9	7.7	7.4	5.0	17.6	11
	Private domestic funds advanced													
12	**Total net advances**	**59.8**	**68.1**	**87.2**	**80.9**	**72.8**	**98.0**	**145.4**	**86.1**	**109.9**	**122.1**	**169.0**	**157.1**	12
13	U.S. Government securities	5.4	5.7	13.3	4.6	5.4	−3.5	16.3	−9.2	2.1	7.1	25.3	11.7	13
14	Municipal securities	5.6	7.8	9.5	9.9	11.3	16.6	11.9	17.9	15.4	12.0	11.9	7.3	14
15	Corporate and foreign bonds	10.3	16.0	13.8	12.5	20.0	19.5	13.2	22.1	16.8	14.2	12.1	6.9	15
16	Residential mortgages	12.0	13.0	15.5	15.7	12.8	29.1	44.6	24.8	33.4	38.4	50.8	49.1	16
17	Other mortgages and loans	27.4	23.1	35.9	42.2	24.6	33.7	59.5	25.0	42.3	47.9	71.4	90.0	17
18	Less: FHLB advances	.9	−2.5	.9	4.0	1.3	−2.7	*	−5.5	.2	−2.4	2.5	7.8	18
	Private financial intermediation													
19	*Credit market funds advanced by private financial institutions*	*45.4*	*63.5*	*75.3*	*54.9*	*74.9*	*111.4*	*150.2*	*112.2*	*110.6*	*130.1*	*170.5*	*172.7*	19
20	Commercial banking	17.5	35.9	38.7	18.2	35.1	50.6	69.7	53.2	48.0	56.9	82.7	87.0	20
21	Savings institutions	7.9	15.0	15.6	14.5	16.9	41.5	48.7	45.4	37.5	48.4	48.9	49.2	21
22	Insurance and pension funds	15.5	12.9	14.0	12.3	17.3	14.1	16.0	12.5	15.7	14.1	17.8	21.6	22
23	Other finance	4.5	−.3	7.0	9.9	5.7	5.3	15.8	1.2	9.4	10.6	21.0	14.8	23
24	*Sources of funds*	*45.4*	*63.5*	*75.3*	*54.9*	*74.9*	*111.4*	*150.2*	*112.2*	*110.6*	*130.1*	*170.5*	*172.7*	24
25	Private domestic deposits	22.5	50.0	45.9	2.6	63.2	90.8	97.8	107.7	73.9	97.2	98.6	92.9	25
26	Credit market borrowing	3.2	−.4	8.5	19.1	−.4	9.2	20.2	2.6	15.9	16.4	24.0	37.1	26
27	Other sources	19.8	13.9	21.0	33.3	12.1	11.3	32.2	1.9	20.8	16.5	47.9	42.6	27
28	*Foreign funds*	3.7	2.3	2.6	9.3	−8.5	−3.2	5.1	−7.2	.8	5.5	4.7	3.1	28
29	Treasury balances	−.5	.2	−.2	*	2.9	2.2	.7	−.8	5.3	−3.6	5.1	−1.4	29
30	Insurance and pension reserves	13.6	12.0	11.4	10.4	13.1	9.6	11.3	7.7	11.5	8.4	14.1	16.0	30
31	Other, net	3.0	−.6	7.2	13.5	4.5	2.7	15.1	2.2	3.2	6.3	24.0	25.0	31
	Private domestic nonfinancial investors													
32	Direct lending in credit markets	17.6	4.2	20.3	45.0	−2.4	−4.2	15.4	−23.5	15.2	8.3	22.5	21.6	32
33	U.S. Government securities	8.2	−1.4	8.0	16.8	−8.3	−13.0	4.1	−22.4	−3.5	−3.3	11.5	13.9	33
34	Municipal securities	2.6	−2.5	−.2	8.7	−1.1	−.1	2.1	−2.7	2.6	.9	3.4	5.4	34
35	Corporate and foreign bonds	2.1	4.6	4.7	7.4	10.1	8.2	4.9	8.6	7.7	4.5	5.2	.2	35
36	Commercial paper	2.3	1.9	5.8	10.2	−4.4	−.6	3.7	−7.3	6.0	6.7	.8	1.2	36
37	Other	2.3	1.7	2.1	2.0	1.4	1.3	.6	.3	2.3	−.4	1.7	.8	37
38	Deposits and currency	24.4	52.1	48.3	5.4	66.6	94.2	102.2	110.6	77.9	102.6	102.0	99.0	38
39	Time and savings accounts	20.3	39.3	33.9	−2.3	56.1	81.2	85.7	92.6	69.8	88.8	82.6	92.7	39
40	Large negotiable CD'S	−.2	4.3	3.5	−13.7	15.0	7.7	8.7	3.4	12.0	2.1	15.3	27.2	40
41	Other at commercial banks	13.3	18.3	17.5	3.4	24.2	32.9	31.0	44.0	21.9	38.9	23.2	27.8	41
42	At savings institutions	7.3	16.7	12.9	8.0	16.9	40.6	46.0	45.3	35.9	47.8	44.1	37.7	42
43	Money	4.1	12.8	14.5	7.7	10.5	13.0	16.5	17.9	8.1	13.8	19.4	6.4	43
44	Demand deposits	2.1	10.6	12.1	4.8	7.1	9.6	12.1	15.1	4.1	8.4	16.0	.3	44
45	Currency	2.0	2.1	2.4	2.8	3.5	3.4	4.4	2.8	3.9	5.5	3.4	6.1	45
46	**Total of credit market instr., deposits, and currency**	**42.0**	**56.3**	**68.7**	**50.5**	**64.2**	**90.0**	**117.7**	**87.1**	**93.0**	**111.0**	**124.5**	**120.6**	46
47	Public support rate (in per cent)	17.9	14.1	12.7	18.0	30.2	30.6	10.8	31.2	30.1	14.6	7.9	23.8	47
48	Private fin. intermediation (in per cent)	75.9	93.2	86.4	67.9	102.8	113.7	103.3	130.3	100.7	106.6	100.9	109.9	48
49	Total foreign funds	2.1	4.3	2.9	9.1	1.8	23.2	13.5	20.1	26.3	11.6	15.3	15.4	49
							Corporate equities not included above							
1	**Total net issues**	**4.6**	**5.3**	**5.1**	**9.5**	**9.5**	**14.7**	**12.0**	**13.0**	**16.3**	**12.4**	**11.5**	**7.8**	1
2	Mutual fund shares	3.7	3.0	5.8	4.8	2.6	1.2	−.6	.3	2.1	−.8	−.4	−2.2	2
3	Other equities	.9	2.3	−.7	4.7	6.9	13.5	12.6	12.7	14.2	13.3	12.0	10.1	3
4	Acquisitions by financial institutions	6.0	9.1	10.8	12.2	11.4	19.2	15.6	23.4	15.0	17.6	13.6	12.4	4
5	Other net purchases	−1.4	−3.8	−5.8	−2.7	−1.9	−4.6	−3.6	−10.4	1.3	−5.1	−2.1	−4.6	5

Notes

Line

1. Line 2 of page A-71.1.
2. Sum of lines 3–6 or 7–10.
6. Includes farm and commercial mortgages.
11. Credit market funds raised by Federally sponsored credit agencies. Included below in lines 13 and 33. Includes all GNMA-guaranteed security issues backed by mortgage pools.
12. Line 1 less line 2 plus line 11. Also line 19 less line 26 plus line 32. Also sum of lines 27, 32, 39, and 44.
17. Includes farm and commercial mortgages.
25. Lines 39 + 44.
26. Excludes equity issues and investment company shares. Includes line 18.
28. Foreign deposits at commercial banks, bank borrowings from foreign branches, and liabilities of foreign banking agencies to foreign affiliates.
29. Demand deposits at commercial banks.
30. Excludes net investment of these reserves in corporate equities.
31. Mainly retained earnings and net miscellaneous liabilities.
32. Line 12 less line 19 plus line 26.
33–37. Lines 13–17 less amounts acquired by private finance. Line 37 includes mortgages.
39+44. See line 25.
45. Mainly an offset to line 9.
46. Lines 32 plus 38 or line 12 less line 27 plus line 45.
47. Line 2/line 1.
48. Line 19/line 12.
49. Lines 10 plus 28.

Corporate equities

Line 1 and 3 Includes issues by financial institutions.

4. SECTOR STATEMENTS OF SAVINGS AND INVESTMENT

(Seasonally adjusted annual rates; in billions of dollars)

	Category	1966	1967	1968	1969	1970	1971	1972	1971 H1	1971 H2	1972 H1	1972 H2	1973p H1	
		Households, personal trusts, and nonprofit organizations												
1	Personal income	587.2	629.3	688.9	750.9	808.3	863.5	939.2	849.7	877.3	918.4	959.9	1007.9	1
2	Less: Personal taxes & nontaxes	75.4	83.0	97.9	116.5	116.6	117.5	142.2	114.0	121.1	139.3	145.1	146.9	2
3	Equals: Disposable personal income	511.9	546.3	591.0	634.4	691.7	746.0	797.0	735.7	756.2	779.1	814.8	861.0	3
4	Less: Personal outlays	479.3	506.0	551.2	596.2	635.5	685.8	747.2	674.4	697.2	729.7	764.7	809.8	4
5	Equals: Personal saving, NIA basis	32.5	40.4	39.8	38.2	56.2	60.2	49.7	61.3	59.0	49.4	50.1	51.2	5
6	Plus: Credits from Govt. insur.[1]	5.6	5.5	6.2	6.6	8.8	9.7	10.5	9.9	9.5	10.3	10.7	10.4	6
7	Capital gains dividends [2]	1.3	1.7	2.5	2.5	.9	.8	1.4	.6	.9	1.2	1.7	1.5	7
8	Net durables in consumpt	15.2	12.4	16.7	16.2	10.6	16.0	23.6	15.2	16.9	21.4	25.9	32.1	8
9	Equals: Net saving	54.6	60.0	65.0	63.6	76.4	86.7	85.3	87.0	86.3	82.2	88.3	95.3	9
10	Plus: Capital consumption	64.3	69.9	77.2	84.8	91.4	98.7	105.9	97.0	100.4	104.1	107.7	112.9	10
11	Equals: Gross saving	118.9	129.9	142.2	148.5	167.9	185.4	191.2	184.0	186.8	186.3	196.0	208.2	11
12	**Gross investment**	**129.4**	**134.7**	**144.5**	**144.9**	**168.2**	**188.5**	**206.4**	**187.5**	**189.5**	**200.5**	**212.1**	**223.7**	12
13	Capital expend. (net of sales)	94.2	94.6	109.7	117.8	116.2	135.9	157.8	130.4	141.4	152.6	163.0	178.3	13
14	Residential construction	18.9	17.0	21.1	22.0	19.6	26.8	34.3	24.0	29.7	33.3	35.3	39.4	14
15	Consumer durable goods	70.8	73.1	84.0	90.8	91.3	103.5	117.4	101.0	106.0	113.3	121.5	132.7	15
16	Plant and equip. (nonprofit)	4.5	4.5	4.5	5.1	5.3	5.6	6.1	5.5	5.7	6.0	6.1	6.2	16
17	**Net finan. investment**	**35.2**	**40.1**	**34.8**	**27.1**	**52.1**	**52.6**	**48.6**	**57.1**	**48.1**	**47.9**	**49.1**	**45.4**	17
18	*Net acquis. of financial assets*	*58.4*	*63.5*	*68.2*	*56.7*	*74.2*	*94.3*	*117.5*	*89.8*	*98.9*	*112.0*	*122.8*	*112.4*	18
19	*Deposits and credit market instruments* [3]	*41.9*	*48.5*	*54.3*	*42.6*	*54.3*	*72.1*	*97.5*	*72.8*	*71.3*	*94.5*	*100.4*	*91.6*	19
20	Demand deposits and currency	3.9	11.2	12.3	1.5	9.5	10.9	12.8	15.5	6.3	12.5	12.9	4.5	20
21	Time and savings accounts	20.5	34.8	30.3	6.0	44.4	70.5	75.8	80.8	60.1	78.3	73.4	82.2	21
22	At commercial banks	13.2	18.1	17.4	-2.0	27.5	29.8	29.8	35.5	24.2	30.5	29.2	44.5	22
23	At savings institutions	7.3	16.7	12.9	8.0	16.9	40.6	46.0	45.3	35.9	47.8	44.1	37.7	23
24	Credit market instruments	17.5	2.5	11.7	35.1	.5	9.3	8.9	23.5	5.0	3.7	14.1	4.9	24
25	U.S. Govt. securities	7.8	1.3	5.5	12.2	7.7	12.7	4.4	-22.9	2.6	1.5	7.1	1.5	25
26	State and local oblig	3.6	-2.2	-.8	9.6	-.5	.9	1.3	3.3	1.6	.2	2.4	4.8	26
27	Corporate and foreign bonds	2.1	4.6	4.7	7.4	10.1	8.2	4.9	8.6	7.7	4.5	5.2	.2	27
28	Commercial paper	2.7	-2.1	.7	4.8	1.5	3.9	.4	-5.2	2.5	.8	1.6	.2	28
29	Mortgages	1.3	.9	1.5	1.1	.1	.1	2.0	.7	.8	1.8	2.3	-1.9	29
30	Investment company shares	3.7	3.0	5.8	4.8	2.6	1.2	.6	.3	2.1	.8	-.4	2.2	30
31	Other corporate shares	4.8	7.5	13.7	9.0	-5.2	6.6	5.2	-10.9	2.3	6.0	4.4	5.2	31
32	Life insurance reserves	4.7	5.1	4.6	5.0	5.2	6.2	7.3	6.0	6.3	6.8	7.9	7.8	32
33	Pension fund reserves	14.7	14.6	15.5	15.8	19.1	22.1	20.7	22.1	22.1	19.8	21.6	23.4	33
34	Net investment in noncorp. business	3.2	-3.8	-2.2	2.8	-3.6	3.4	5.0	3.6	-3.2	4.9	-5.0	-4.8	34
35	Security credit	.2	2.2	2.1	-1.8	-.9	.5	.1	.7	.3	.1	.1	.9	35
36	Miscellaneous	1.2	1.5	1.8	2.1	2.6	2.3	2.7	2.3	2.3	2.6	2.7	2.8	36
37	*Net increase in liabilities*	*23.2*	*23.4*	*33.4*	*29.7*	*22.1*	*41.7*	*68.9*	*32.7*	*50.8*	*64.1*	*73.7*	*67.0*	37
38	Credit market instruments	22.6	19.0	29.6	32.2	22.9	38.3	63.2	30.0	46.6	55.6	70.8	71.2	38
39	Home mortgages	12.7	10.4	14.6	16.1	12.5	24.1	38.4	18.3	30.0	34.7	42.1	40.9	39
40	Other mortgages	1.3	1.2	1.1	1.3	1.4	1.2	1.4	1.1	1.3	1.4	1.4	1.4	40
41	Instalment cons. credit	5.4	3.2	8.3	9.4	5.0	9.2	16.0	6.9	11.5	14.2	17.9	22.0	41
42	Other consumer credit	1.0	1.4	1.7	1.0	1.1	2.0	3.1	2.0	2.0	1.6	4.6	2.7	42
43	Bank loans n.e.c.	.3	1.6	2.2	1.5	.5	.4	2.9	.3	.5	2.4	3.4	2.4	43
44	Other loans [4]	2.0	1.3	1.7	3.0	2.6	1.4	1.3	1.5	1.3	1.4	1.3	1.9	44
45	Security credit	-.1	3.7	2.9	-3.4	1.8	2.6	4.7	1.8	3.4	7.5	1.8	5.2	45
46	Trade debt	.3	.4	.5	.5	.5	.5	.5	.5	.5	.5	.5	.5	46
47	Miscellaneous	.4	.3	.4	.4	.4	.3	.5	.3	.3	.5	.6	.5	47
48	Discrepancy (11-12)	10.5	4.8	2.3	3.5	.4	3.2	15.2	3.5	2.8	14.2	-16.1	15.5	48
	Memoranda:													
	Net physical investment:													
	(*A*) *Residential construction*													
49	Expenditures	18.9	17.0	21.1	22.0	19.6	26.8	34.3	24.0	29.7	33.3	35.3	39.4	49
50	Less: Capital consumption	7.4	7.8	8.3	8.7	9.0	9.4	10.2	9.3	9.5	10.3	10.1	10.4	50
51	*Home mortgages*	*12.7*	*10.4*	*14.6*	*16.1*	*12.5*	*24.1*	*38.4*	*18.3*	*30.0*	*34.7*	*42.1*	*40.9*	51
52	Equals: Excess net investment	-1.1	1.2	-1.8	-2.8	1.9	6.7	14.3	-3.7	9.7	11.7	-16.9	11.8	52
	(*B*) *Consumer durables*													
53	Expenditures	70.8	73.1	84.0	90.8	91.3	103.5	117.4	101.0	106.0	113.3	121.5	132.7	53
54	Less: Capital consumption	55.6	60.7	67.4	74.6	80.7	87.5	93.8	85.8	89.1	91.9	95.7	100.5	54
55	Equals: Net investment	15.2	12.4	16.7	16.2	10.6	16.0	23.6	15.2	16.9	21.4	25.9	32.1	55
56	Less: Consumer credit	6.4	4.5	10.0	10.4	6.0	11.2	19.2	8.9	13.6	15.8	22.5	24.7	56
57	Equals: Excess net investment	8.8	7.9	6.7	5.9	4.5	4.8	4.5	6.3	3.3	5.6	3.3	7.4	57
	(*C*) *Nonprofit plant plus equipment*													
58	Expenditures	4.5	4.5	4.5	5.1	5.3	5.6	6.1	5.5	5.7	6.0	6.1	6.2	58
59	Less: Capital consumption	1.3	1.4	1.5	1.6	1.7	1.8	1.9	1.8	1.8	1.9	2.0	2.0	59
60	Nonprofit mortgages	1.3	1.2	1.1	1.3	1.4	1.2	1.4	1.1	1.3	1.4	1.4	1.4	60
61	Equals: Excess net investment	2.0	1.9	1.9	2.2	2.2	2.6	2.7	2.6	2.6	2.7	2.7	2.8	61

NOTE. Data revised for all periods; 1973 H1 based on preliminary and incomplete information. For other notes see p. A-71.13.

4. SECTOR STATEMENTS OF SAVING AND INVESTMENT—Continued

(Seasonally adjusted annual rates; in billions of dollars)

	Category	1966	1967	1968	1969	1970	1971	1972	1971 H1	1971 H2	1972 H1	1972 H2	1973[p] H1	
	Nonfinancial business—Total													
1	Income before taxes [1]	139.1	136.2	142.4	139.5	128.2	138.5	151.2	137.0	140.0	146.4	156.0	169.4	1
2	Gross saving	77.1	78.3	79.9	80.4	80.3	92.4	102.3	89.4	95.5	99.0	105.3	107.8	2
3	Gross investment	68.9	72.5	71.5	77.0	74.6	79.5	87.4	77.4	81.5	90.6	83.9	98.5	3
4	***Capital expenditures***	**96.4**	**93.4**	**97.9**	**108.9**	**108.0**	**116.6**	**133.3**	**115.8**	**117.3**	**127.4**	**139.3**	**145.7**	4
5	Fixed investment	81.6	85.2	90.9	101.1	103.5	110.5	127.3	108.5	112.5	123.7	130.9	140.7	5
6	Business plant + equipment	75.5	77.2	82.0	90.5	92.0	94.8	108.0	93.3	96.2	105.1	110.8	121.5	6
7	1-4 family residential construction [2]	-.7	2.0	1.1	.1	.9	2.9	2.1	3.3	2.6	2.3	1.9	2.1	7
8	Other residential	6.8	6.1	7.8	10.4	10.6	12.8	17.2	11.9	13.7	16.4	18.1	17.2	8
9	Change in inventories	14.8	8.2	7.1	7.8	4.5	6.1	6.0	7.3	4.8	3.6	8.4	5.0	9
10	**Net financial investment**	**27.6**	**-21.0**	**-26.4**	**31.9**	**-33.4**	**37.1**	**-46.0**	**-38.4**	**-35.7**	**-36.8**	**-55.4**	**-47.2**	10
11	*Financial uses of funds, net*	*13.7*	*18.0*	*30.6*	*30.2*	*12.8*	*25.2*	*33.2*	*21.8*	*28.5*	*29.9*	*36.5*	*54.1*	11
12	*Financial sources of funds, net*	*41.2*	*39.0*	*57.0*	*62.2*	*46.2*	*62.3*	*79.1*	*60.3*	*64.3*	*66.7*	*91.9*	*101.3*	12
13	Corporate share issues	1.1	2.2	1.5	2.9	4.8	11.7	10.4	10.5	12.9	10.7	10.1	8.7	13
14	Credit market instruments	32.8	36.0	40.2	45.9	42.5	48.5	59.5	47.9	49.0	51.1	68.2	78.5	14
15	Corporate bonds	10.2	14.7	12.9	12.0	19.8	18.8	12.2	21.2	16.4	12.6	11.8	7.5	15
16	Home mortgages	1.0	1.1	.4	.4	.3	1.9	1.2	2.3	1.6	.9	1.6	.7	16
17	Other mortgages	9.3	9.4	10.9	10.8	11.6	19.5	26.2	17.6	21.5	23.9	28.5	28.4	17
18	Bank loans n.e.c	10.8	8.2	11.2	14.4	5.9	6.3	16.5	3.5	9.2	9.9	23.4	43.2	18
19	Other loans	3.4	2.7	4.8	9.2	4.9	1.9	3.4	3.3	.5	3.8	3.0	-1.3	19
20	Trade debt	10.2	9.0	17.4	18.5	5.2	3.6	13.4	.5	6.8	11.2	15.6	12.4	20
21	Other liabilities	-2.9	8.2	1.0	5.2	6.3	1.5	-4.2	1.4	4.5	6.3	2.1	1.6	21
22	Discrepancy (2-3)	8.3	5.9	8.4	3.4	5.7	13.0	15.0	12.0	13.9	8.5	21.4	9.3	22
	Farm business [4]													
1	New income [1]	16.1	14.8	14.7	16.7	16.9	16.8	20.2	16.8	16.9	19.7	20.8	24.9	1
2	Net saving	*	.1	*	*	*	*	*	.1	*	*	.1	.1	2
3	Capital consumption	5.3	5.7	6.2	6.6	6.4	6.8	7.4	6.7	7.0	7.4	7.5	8.0	3
4	Corporate	.2	.3	.3	.3	.4	.4	.4	.4	.4	.4	.4	.4	4
5	Noncorporate	5.1	5.5	6.0	6.2	6.0	6.5	7.0	6.3	6.6	7.0	7.1	7.6	5
6	Current surplus-gross saving [5]	5.3	5.7	6.2	6.5	6.4	6.8	7.4	6.6	7.0	7.4	7.4	8.0	6
7	Gross investment	5.3	5.7	6.2	6.5	6.4	6.8	7.4	6.6	7.0	7.4	7.4	8.0	7
8	***Capital expenditures***	**5.8**	**7.3**	**6.3**	**6.6**	**7.0**	**8.6**	**8.6**	**8.3**	**8.9**	**7.8**	**9.3**	**9.8**	8
9	Plant and equipment	5.4	6.0	5.7	5.9	6.3	6.5	7.6	6.6	6.4	6.7	8.4	9.1	9
10	Residential construction	.5	.6	.5	.6	.5	.6	.6	.5	.6	.6	.6	.5	10
11	Change in inventories	.2	.7	.1	.1	.2	1.6	.4	.3	1.9	.5	.3	.2	11
12	**Net financial investment**	**.5**	**-1.6**	**.1**	**.1**	**.7**	**1.8**	**1.2**	**-1.7**	**1.9**	**.5**	**-1.9**	**-1.8**	12
13	*Net increase in financial assets*	*.2*	*.4*	*.6*	*.5*	*.6*	*.7*	*.6*	*.7*	*.7*	*.6*	*.6*	*.7*	13
14	Demand deposits and currency	....	.1	.2	.1	.1	.1	.1	.1	.1	.1	.1	.1	14
15	Miscellaneous assets	.2	.3	.4	.4	.5	.6	.5	.6	.6	.5	.5	.6	15
16	Insurance receivables	.2	.2	.3	.4	.4	.5	.4	.5	.5	.4	.4	.4	16
17	Equity in sponsored agencies [6]	*	*	.1	.1	.1	.1	.1	.1	.1	.1	.1	.2	17
18	*Net increase in liabilities*	*.7*	*2.0*	*.7*	*.6*	*1.3*	*2.5*	*1.8*	*2.4*	*2.6*	*1.1*	*2.6*	*2.6*	18
19	Credit market instruments	3.1	3.6	2.8	3.2	3.2	4.1	4.9	4.0	4.2	4.4	5.3	5.7	19
20	Mortgages	1.8	2.3	2.2	1.9	1.8	2.0	2.6	1.7	2.3	2.7	2.5	2.9	20
21	Bank loans n.e.c	.9	.7	.4	.6	.8	1.3	1.8	1.2	1.5	1.1	2.5	1.9	21
22	Other loans	.4	.6	.2	.6	.6	.7	.5	1.1	.4	.6	.3	.9	22
23	U.S. Government	*	.2	-.1	*	-.1	*	*	*	.1	.1	.2	-.1	23
24	FICB + banks for cooperatives	.4	.5	.2	.6	.7	.7	.4	1.1	.2	.7	.2	1.0	24
25	Trade debt	.9	.8	.3	.7	1.0	1.2	1.0	1.1	1.3	.8	1.2	.8	25
26	Proprietor net investment [8]	-3.3	-2.5	-2.4	-3.2	-2.9	-2.8	-4.0	-2.7	-2.9	4.1	-4.0	-3.9	26
	Nonfarm noncorporate business													
1	Net income [1]	53.8	56.4	58.9	60.0	60.3	62.6	63.7	62.2	63.1	62.3	65.1	66.4	1
2	Capital consumption	10.7	11.2	11.9	13.1	14.6	15.8	17.3	15.5	16.1	17.0	17.6	18.1	2
3	Current surplus gross saving [5]	10.7	11.2	11.9	13.1	14.5	15.8	17.5	15.5	16.1	17.0	17.6	18.1	3
4	Gross investment	10.7	11.2	11.9	13.1	14.5	15.8	17.5	15.5	16.1	17.0	17.6	18.1	4
5	***Capital expenditures***	**14.1**	**14.7**	**16.6**	**18.6**	**16.9**	**21.2**	**24.1**	**21.0**	**21.4**	**23.6**	**24.7**	**27.5**	5
6	Fixed capital	13.5	14.5	16.1	17.6	18.3	21.7	25.3	21.1	22.3	24.7	25.9	26.5	6
7	Plant + equipment	9.1	9.3	9.8	10.6	10.6	11.5	12.2	11.2	11.7	12.1	12.3	13.0	7
8	Multifamily residential	5.1	4.5	5.9	7.3	7.5	9.1	12.3	8.5	9.6	11.7	12.9	12.7	8
9	Home construction [2]	-.6	.7	.3	-.3	.2	1.2	.8	1.4	1.0	.9	.7	.8	9
10	Change in inventories	.6	.2	.5	1.0	-1.4	.5	1.2	-.1	.9	-1.1	1.3	1.0	10
11	**Net financial investment**	**-3.5**	**-3.6**	**4.7**	**-5.4**	**-2.4**	**-5.5**	**-6.6**	**5.6**	**5.3**	**-6.6**	**-7.0**	**9.4**	11
12	*Net acquisition of financial assets*	*.8*	*.8*	*1.0*	*1.3*	*1.3*	*1.5*	*1.8*	*1.5*	*1.5*	*1.3*	*2.3*	*1.7*	12
13	Demand deposits and currency	....	....	....	....	....	....	....	....	....	....	....	....	13
14	Consumer credit	.5	.4	.5	.6	.6	.7	1.1	.7	.7	.5	1.6	.9	14
15	Miscellaneous assets	.4	.4	.5	.7	.7	.8	.7	.8	.8	.7	.7	.8	15
16	*Net increase in liabilities*	*4.3*	*4.4*	*5.6*	*6.7*	*3.7*	*6.9*	*8.4*	*7.0*	*6.8*	*7.8*	*9.3*	*11.0*	16
17	Credit market instruments	5.4	5.0	5.6	7.4	5.3	8.7	10.4	9.3	8.1	9.5	11.6	13.1	17
18	Mortgages	2.4	3.7	3.4	3.8	4.9	8.0	9.2	7.9	8.1	8.1	10.4	10.3	18
19	Home mortgages	-.5	.6	.2	-.2	.2	1.0	.6	1.1	.8	.4	.8	.4	19
20	Multifamily	2.4	2.8	2.7	3.6	4.3	6.2	7.3	6.0	6.3	6.5	8.1	8.6	20
21	Commercial	.4	.3	.5	.4	.4	.9	1.3	.7	1.0	1.2	1.5	1.3	21
22	Bank loans n.e.c	1.3	.6	1.1	2.1	-.6	.2	.7	*	.4	1.2	.6	.6	22
23	Other loans [7]	1.7	.6	1.0	1.5	1.0	.5	.4	1.4	-.5	.2	.6	2.2	23
24	Trade debt, net	-1.2	.8	-.1	-1.1	-.9	-1.2	-1.1	-1.4	-.9	-.9	-1.2	-1.1	24
25	Proprietor net investment [8]	.1	-1.3	.2	.5	-.7	-.6	-.9	-.9	-.3	-.8	-1.1	-.9	25

NOTE.—Data revised for all periods; 1973 H1 based on preliminary and incomplete information. For other notes see p. A-71.13.

4. SECTOR STATEMENTS OF SAVING AND INVESTMENT—Continued

(Seasonally adjusted annual rates; in billions of dollars)

	Category	1966	1967	1968	1969	1970	1971	1972	1971 H1	1971 H2	1972 H1	1972 H2	1973[p] H1	
								Nonfinancial corporate business						
1	Profits before tax	71.1	66.1	72.2	67.9	55.7	64.0	74.2	63.1	64.9	71.1	77.2	96.3	1
2	– Profits tax accruals	30.0	28.3	34.0	33.6	27.5	29.6	34.9	30.1	29.0	33.6	36.2	46.3	2
3	– Net dividends paid	18.1	18.8	20.8	20.7	20.0	20.2	21.1	20.2	20.3	21.2	21.1	21.3	3
4	Undistributed profits	22.9	19.0	17.5	13.6	8.3	14.2	18.1	12.9	15.5	16.5	19.7	28.6	4
5	+ Foreign branch profits	1.8	2.1	2.5	2.5	2.3	2.9	3.5	2.8	3.1	3.1	3.9	4.7	5
6	+ Investment valuation adjustment	-1.8	1.1	3.3	5.1	4.8	4.9	6.9	5.0	4.8	6.7	7.1	18.2	6
7	+ Capital consumption allowance	38.2	41.5	45.1	49.8	53.6	57.7	62.8	56.7	58.7	61.8	63.8	66.6	7
8	= Gross internal funds	61.2	61.5	61.7	60.7	59.4	69.9	77.5	67.3	72.4	74.7	80.3	81.7	8
9	Gross investment (10 + 15)	52.9	55.6	53.3	57.3	53.7	56.9	62.5	55.3	58.5	66.2	58.9	72.4	9
10	***Capital expenditures***	**76.5**	**71.4**	**75.0**	**83.7**	**84.0**	**86.7**	**100.7**	**86.5**	**87.0**	**96.0**	**105.4**	**108.4**	10
11	Fixed investment	62.1	64.1	68.6	76.9	78.4	81.8	93.9	80.4	83.2	91.8	96.0	104.6	11
12	Plant and equipment	61.1	61.9	66.5	74.0	75.1	76.8	88.2	75.5	78.1	86.3	90.1	99.4	12
13	Residential construction	1.1	2.3	2.1	2.9	3.3	4.9	5.7	4.9	5.0	5.5	5.9	5.2	13
14	Change in inventories [3]	14.4	7.3	6.4	6.7	5.7	5.0	6.8	6.1	3.8	4.2	9.4	3.8	14
15	**Net financial investment**	**23.6**	**15.8**	**21.7**	**26.4**	**30.3**	**29.8**	**38.2**	**31.2**	**28.5**	**29.7**	**46.5**	**36.0**	15
16	*Financial uses of funds, net*	*12.6*	*16.8*	*29.0*	*28.4*	*11.0*	*23.0*	*30.7*	*19.7*	*26.3*	*28.0*	*33.5*	*51.7*	16
17	Liquid assets	3.7	4.8	8.0	2.3	1.1	10.6	5.1	7.3	13.8	6.0	4.2	21.6	17
18	Demand deposits and currency	.3	1.5	1.7	2.6	.4	.7	*	1.0	.4	1.2	1.3	1.5	18
19	Time deposits	1.4	2.1	.4	2.4	1.7	3.6	3.1	5.4	1.8	4.7	1.5	5.1	19
20	U.S. Government securities	1.2	-2.5	.3	2.3	.3	2.0	2.4	2.1	2.0	6.0	1.3	13.0	20
21	*Commercial paper*	.2	4.2	4.2	4.0	.5	2.4	1.7	1.6	6.5	3.4	*	.3	21
22	Security RP's [9]	.2	.2	.9	1.4	3.4	.8	1.6	.5	2.1	4.1	.8	1.3	22
23	State and local obligations	1.0	.3	.5	1.0	.6	1.0	1.0	1.0	1.0	1.0	1.0	1.0	23
24	Consumer credit	.5	.3	*	.3	.7	.6	1.6	.4	.8	.8	2.4	1.8	24
25	Trade credit	12.0	8.3	18.6	22.7	7.1	5.6	19.8	5.0	6.2	16.5	23.0	19.5	25
26	Miscellaneous assets	3.7	3.5	2.4	3.0	4.2	6.2	4.3	7.0	5.5	4.8	3.9	8.8	26
27	Foreign direct investment [10]	3.0	2.7	1.1	2.2	3.6	3.8	1.4	4.1	3.4	.7	2.1	6.5	27
28	Foreign currencies	.1	.1	.5	.4	.4	1.4	1.8	1.8	1.0	2.9	.6	1.1	28
29	Insurance receivables	.6	.7	.8	1.1	.9	1.0	1.2	1.0	1.1	1.1	1.2	1.1	29
30	Equity in Federally sponsored agencies	*	*	*	.1	.1	*	*	*	*	*	*	*	30
31	*Financial sources of funds, net*	*36.2*	*32.6*	*50.7*	*54.8*	*41.3*	*52.8*	*68.9*	*50.8*	*54.8*	*57.8*	*80.0*	*87.6*	31
32	Net funds raised in markets	25.4	29.6	30.3	38.3	38.8	47.4	54.6	45.1	49.7	47.9	61.3	68.4	32
33	Net new share issues	1.1	2.2	1.5	2.9	4.8	11.7	10.4	10.5	12.9	10.7	10.1	8.7	33
34	Debt instruments	24.3	27.4	31.8	35.4	33.9	35.7	44.2	34.6	36.8	37.2	51.2	59.7	34
35	Corporate bonds [10]	10.2	14.7	12.9	12.0	19.8	18.8	12.2	21.2	16.4	12.6	11.8	7.5	35
36	Mortgages	4.2	4.5	5.7	4.6	5.2	11.4	15.6	10.3	12.6	14.0	17.3	15.9	36
37	*Home mortgages*	.5	.6	.2	-.2	.2	1.0	.6	1.1	.8	.4	.8	.4	37
38	Multifamily mortgage	.7	.8	.7	1.2	1.5	2.6	3.0	2.5	2.7	2.6	3.3	3.6	38
39	Commercial mortgages	4.0	3.1	4.8	3.7	3.6	7.9	12.0	6.7	9.1	10.9	13.1	11.9	39
40	Bank loans n.e.c.	8.6	6.9	9.7	11.6	5.7	4.8	13.9	2.3	7.2	7.6	20.2	40.7	40
41	Open-market paper	1.0	1.5	1.6	2.7	2.6	1.5	.5	1.8	1.1	1.1	2.2	5.3	41
42	Finance company loans	.1	.3	1.7	4.3	.4	1.9	2.8	2.2	1.5	1.8	3.8	1.0	42
43	U.S. Government loans	.4	.2	.2	.1	.3	.2	.2	.3	.2	.1	.4	.1	43
44	Profit tax liability	.2	4.7	2.9	3.3	3.7	2.0	.6	4.7	.7	1.0	2.3	5.5	44
45	Trade debt	10.6	7.4	17.2	19.0	5.2	3.6	13.5	.8	6.4	11.3	15.7	12.7	45
46	Miscellaneous liabilities	.1	.3	.3	.8	1.0	.1	.2	.3	.5	-.4	.7	.9	46
47	*Discrepancy*	*8.3*	*5.9*	*8.4*	*3.4*	*5.7*	*13.0*	*15.0*	*12.0*	*13.9*	*8.5*	*21.4*	*9.3*	47
48	Memo: net trade credit	1.4	.9	1.4	3.8	1.9	2.0	6.3	4.2	.1	5.2	7.3	6.8	48
49	Profits tax payments	30.5	32.3	31.8	37.0	31.3	27.8	34.0	26.7	28.8	34.0	34.1	39.7	49
	Per cent ratios:													
50	Effective tax rate	42.2	42.8	47.0	49.5	49.4	46.2	47.1	47.7	44.8	47.3	46.9	48.1	50
51	Capital outlays/internal funds	125.1	116.2	121.6	137.8	141.4	124.1	129.9	128.5	120.1	128.5	131.3	132.7	51
52	*Credit market borrowing/capital expenses*	31.7	38.5	42.4	42.3	40.4	41.1	43.9	40.0	42.3	38.7	48.6	55.1	52

NOTE. Data revised for all periods; 1973 H1 based on preliminary and incomplete information. For other notes see p. A-71.13

4. SECTOR STATEMENTS OF SAVING AND INVESTMENT—Continued

(Seasonally adjusted annual rates; in billions of dollars)

	Category	1966	1967	1968	1969	1970	1971	1972	1971 H1	1971 H2	1972 H1	1972 H2	1973[p] H1	
	State and local governments—General funds [1]													
1	Tax receipts	65.8	72.0	82.0	92.1	102.3	113.8	128.8	110.4	117.1	125.6	131.9	139.0	1
2	Social insurance and grants received	19.4	21.5	25.1	27.6	32.7	38.5	48.4	37.4	39.7	45.4	51.3	52.5	2
3	*Purchases of goods and services*	79.0	89.4	100.8	111.2	123.3	136.2	150.5	133.3	139.2	145.9	155.2	165.8	3
4	Net interest and transfers paid	4.9	5.7	6.7	7.8	9.9	12.0	13.5	11.8	12.2	13.4	13.6	13.3	4
5	Net surplus, NIA basis	1.3	1.6	.3	.7	1.8	4.0	13.1	2.7	5.4	11.8	14.5	12.5	5
6	Less: retirement credit to households	4.2	4.1	4.8	5.1	6.3	6.8	7.3	7.0	6.6	7.4	7.1	7.4	6
7	Equals: gross saving	3.0	-5.6	-5.2	4.4	4.5	2.8	5.9	4.3	1.3	4.4	7.4	5.0	7
8	**Net financial investment**	**-2.8**	**-4.8**	**-4.5**	**-9.4**	**5.2**	**13.5**	**1.8**	**14.5**	**12.5**	**2.8**	**.8**	**1.7**	8
9	*Net acquisition of financial assets*	*3.9*	*3.8*	*6.0*	*1.8*	*6.6*	*4.0*	*11.0*	*3.9*	*4.2*	*9.7*	*12.4*	*6.2*	9
10	Total deposits and currency	2.1	3.6	3.0	4.5	8.4	6.2	8.6	5.7	6.7	8.3	8.9	6.7	10
11	Demand deposits and currency	.8	1.2	.2	1.4	1.6	-1.0	1.8	.7	-1.2	2.5	1.1	1.3	11
12	Time deposits	1.3	2.4	3.2	5.9	10.0	7.2	6.8	6.4	7.9	5.8	7.8	5.4	12
13	Credit market instruments	1.6	.1	2.3	6.9	-1.0	2.4	2.0	2.0	2.9	.9	3.1	.9	13
14	U.S. Government securities	1.7	.1	2.2	6.9	1.0	2.2	2.1	1.6	2.9	1.2	3.1	-.5	14
15	Direct	2.3	.5	.5	3.5	.4	1.2	1.4	.6	1.8	.9	1.9	-.9	15
16	U.S. Government agency securities	.6	.4	2.7	3.3	.6	1.1	.7	1.0	1.1	.3	1.2	.4	16
17	State and local securities	*	....	*	.1	*	.2	.2	.4	*	.3	*	.4	17
18	Home mortgages	*	*	.1	.1	*	*	*	*	*	*	*	.....	18
19	Tax receivables	.2	.3	.7	.6	.9	.3	.5	.2	.4	.5	.5	.4	19
20	*Net increase in liabilities*	*6.8*	*8.6*	*10.4*	*11.2*	*11.8*	*17.6*	*12.9*	*18.5*	*16.6*	*12.5*	*13.3*	*7.9*	20
21	Credit market borrowing	6.3	7.9	9.8	10.7	11.4	17.0	12.3	17.9	16.1	11.9	12.7	7.3	21
22	State and local obligations	5.6	7.8	9.5	9.9	11.3	16.6	11.9	17.9	15.4	12.0	11.9	7.3	22
23	Short-term	.7	1.8	.1	2.8	2.3	2.4	1.0	3.3	1.5	.8	1.2	-3.1	23
24	*Other*	5.0	5.9	9.4	7.2	9.0	14.2	12.9	14.6	13.8	12.7	13.1	10.4	24
25	U.S. Government loans	.6	.2	.3	.7	.1	.4	.3	.1	.7	.1	.8	*	25
26	Trade debt	.5	.6	.6	.5	.4	.6	.6	.5	.6	.6	.6	.6	26
27	Discrepancy (7-8)	.1	.9	.7	5.0	.7	10.7	7.7	10.2	11.2	7.2	8.2	6.8	27
	U.S. Government [2]													
1	Total receipts, NIA basis	142.5	151.2	175.0	197.3	192.0	198.9	228.7	196.2	201.5	224.1	233.2	257.7	1
2	Personal taxes	61.7	67.5	79.7	94.8	92.2	89.9	107.9	87.4	92.4	106.1	109.7	109.7	2
3	*Corporate profits tax accruals*	32.1	30.7	36.7	36.6	31.0	33.3	37.8	33.7	33.0	36.3	39.3	48.7	3
4	Indirect taxes	15.7	16.3	18.0	19.0	19.3	20.4	19.9	20.5	20.3	19.7	20.1	20.9	4
5	Insurance receipts	33.0	36.7	40.7	46.9	49.5	55.2	63.0	54.6	55.8	62.0	64.1	78.4	5
6	Total expenditures, NIA basis	142.8	163.6	181.5	189.2	203.9	221.0	244.6	216.7	225.4	240.5	248.7	260.3	6
7	Goods and services	77.8	90.7	98.8	98.8	96.2	98.1	104.4	96.4	99.7	106.4	102.5	106.0	7
8	Grants and donations	29.0	30.7	34.1	37.2	45.1	47.0	47.8	47.9	46.0	46.1	49.6	47.7	8
9	Net interest	9.5	10.2	11.7	13.1	14.6	13.6	13.5	13.9	13.4	13.4	13.5	15.2	9
10	Insurance benefits	26.4	32.0	36.9	40.0	48.1	62.4	78.8	58.5	66.3	74.7	83.0	91.4	10
11	Net surplus, NIA basis	-.2	12.4	6.5	8.1	11.9	-22.2	15.9	-20.5	23.9	16.3	15.4	-2.6	11
12	Less: Insurance credits to households [3]	1.4	1.4	1.3	1.6	2.5	2.9	3.2	2.9	2.9	2.9	3.6	3.0	12
13	Equals: Gross saving	-1.6	13.8	-7.8	6.5	14.4	25.1	19.1	23.4	26.8	19.2	19.0	5.6	13
14	**Net financial investment**	**.8**	**-12.8**	**-8.4**	**6.1**	**15.2**	**25.0**	**20.1**	**24.2**	**25.8**	**18.9**	**21.4**	**6.6**	14
15	*Net acquisition of financial assets*	*5.4*	*2.9*	*7.4*	*3.7*	*.7*	*4.1*	*.9*	*2.6*	*5.5*	*-4.2*	*5.9*	*13.2*	15
16	Demand deposits and currency	.1	1.0	1.7	1.1	2.5	3.3	1.0	.4	6.2	-4.5	2.6	4.3	16
17	*Credit market instruments*	4.9	4.6	4.9	2.9	2.8	3.2	2.3	4.3	2.2	1.5	3.1	.6	17
18	Agency securities [4]	1.3	-.1	.1	1.3	.1	*	*	*	*	.....	*	*	18
19	Mortgages	.8	.9	1.1	.7	.3	*	.2	.1	*	.2	-.3	-2.4	19
20	*Other loans*	2.8	3.8	3.7	3.5	2.6	3.2	2.6	4.2	2.2	1.7	3.4	3.0	20
21	Excess of tax accruals over receipts	.7	4.4	1.7	2.6	2.3	1.3	.5	2.8	.2	1.2	2.2	8.1	21
22	Other financial assets [5]	1.3	1.8	2.5	2.2	2.3	3.8	1.0	4.9	2.7	*	1.9	.2	22
23	*Net increase in liabilities*	*6.2*	*15.7*	*15.9*	*-2.5*	*15.9*	*29.1*	*21.0*	*26.8*	*31.3*	*14.6*	*27.3*	*19.8*	23
24	U.S. Government securities	3.6	13.0	13.4	3.6	12.8	25.5	17.3	22.7	28.4	12.4	22.2	15.4	24
25	Savings bonds—households	.7	.9	.4	-.4	.3	2.4	3.3	2.4	2.4	3.4	3.2	3.7	25
26	Direct excl. savings bonds	1.7	8.0	9.9	.9	12.6	23.6	10.6	21.8	25.4	7.1	14.1	10.4	26
27	Budget agency securities [6]	1.3	4.1	3.1	-2.4	.1	.5	3.4	-1.6	.5	1.9	4.9	1.3	27
28	Life and retirement reserves	1.4	1.4	1.3	1.6	2.5	2.9	3.2	2.9	2.9	2.9	3.6	3.0	28
29	Other liabilities [7]	1.2	1.3	1.1	.4	.6	.6	.4	1.2	.1	.6	1.6	1.3	29
30	Discrepancy (13-14)	.8	1.0	.6	.4	.8	.1	1.0	.8	1.0	.3	2.4	.9	30
31	Memo: Corp. tax receipts, net	32.8	35.1	35.0	39.2	33.4	32.0	37.3	30.8	33.2	37.5	37.1	40.5	31
	Federally sponsored credit agencies [8]													
1	Current surplus	.1	.1	.1	.1	.1	.1	.1	.1	.1	.1	.1	.1	1
2	*Net acquisition of financial assets*	*5.1*	*.1*	*3.2*	*9.2*	*10.8*	*3.4*	*6.6*	*.6*	*7.4*	*8.1*	*5.2*	*18.9*	2
3	Demand deposits and currency	*	*	*	*	*	.1	*	*	.1	-.1	*	*	3
4	Credit market instruments	5.1	.1	3.2	9.0	9.9	2.8	6.0	1.4	7.0	7.5	4.5	18.9	4
5	U.S. Government securities	1.0	*	.1	.2	1.7	1.5	1.4	1.9	1.1	1.8	-4.6	.2	5
6	Residential mortgages	1.9	1.1	1.6	3.9	5.4	5.6	5.5	4.1	7.1	6.3	4.7	7.1	6
7	Farm mortgages	.7	.7	.5	.6	.5	.7	1.2	.7	.8	.9	1.5	1.9	7
8	Other loans	1.6	1.8	1.2	4.8	2.3	2.0	.8	4.2	.2	1.4	3.0	9.8	8
9	To coops (BC)	.2	.2	.1	.2	.3	*	.3	.2	.2	.3	.3	1.0	9
10	To farmers (FICB)	.4	.5	.2	.6	.7	.7	.4	1.1	.2	.7	.2	1.0	10
11	To S & L's (FHLB)	.9	2.5	.9	4.0	1.3	2.7	*	5.5	.2	-2.4	2.5	7.8	11
12	Miscellaneous assets	.1	*	*	.1	1.0	.6	.6	.8	.3	.6	.6	*	12
13	*Net increase in liabilities*	*5.0*	*.2*	*3.2*	*9.1*	*10.8*	*3.3*	*6.5*	*-.7*	*7.3*	*7.9*	*5.0*	*18.6*	13
14	Credit market instruments	4.8	.6	3.5	8.8	8.2	4.3	6.2	.9	7.7	7.4	5.0	17.6	14
15	Agency securities	5.1	.6	3.2	9.1	8.2	4.3	6.2	.9	7.7	7.4	5.0	17.6	15
16	U.S. Government loans	.2	.1	.2	.3	.....	.....	.....	.....	.....	.....	.....	.....	16
17	Miscellaneous liabilities	.2	.5	.3	.4	2.5	1.0	.3	1.6	.3	.5	*	1.0	17
18	Discrepancy	.1	*	.1	.1	.1	*	-.1	*	*	.1	.1	.2	18

NOTE. Data revised for all periods; 1973 H1 based on preliminary and incomplete information. For other notes see p. A-71.13.

4. SECTOR STATEMENTS OF SAVING AND INVESTMENT—Continued

(Seasonally adjusted annual rates; in billions of dollars)

	Category	1966	1967	1968	1969	1970	1971	1972	1971 H1	1971 H2	1972 H1	1972 H2	1973p H1	
		Monetary authorities[1]												
1	Current surplus	*	*	*	*	*	−.1	.1	−.1	−.1	.1	.1	.1	1
2	Net acquisition of financial assets	4.2	4.9	3.6	4.2	5.3	8.3	2.1	6.9	9.7	4.7	−.5	9.6	2
3	Gold and foreign exchange[2]	−.3	−.5	−1.2	−.1	−1.4	−.8	−.4	−1.1	−.6	−1.1	.3	−.4	3
4	Treas. currency and SDR ctfs.	.7	.5	.2	.1	.7	.5	.7	.5	.4	.9	.5	.4	4
5	F.R. float	.3	.1	.9	*	.8	.1	−.4	−.6	.8	.8	−1.5	−1.3	5
6	F.R. loans to domestic banks	.1	*	*	*	.2	−.3	1.9	−.4	−.2	−.4	4.3	−.9	6
7	Credit market instruments	3.5	4.8	3.7	4.2	5.0	8.8	.2	8.4	9.3	4.5	−4.1	11.7	7
8	U.S. Government securities	3.5	4.8	3.8	4.2	5.0	8.6	.3	8.4	8.9	4.9	−4.2	11.8	8
9	Net increase in liabilities	4.2	4.8	3.6	4.1	5.3	8.3	2.0	6.9	9.8	4.6	−.6	9.5	9
10	Member bank reserves	1.3	1.3	.8	.2	2.1	3.6	−2.1	2.3	5.0	1.0	−5.2	−.4	10
11	Vault cash of coml. banks[3]	.6	.5	1.3	.1	−.3	.5	1.1	1.9	−.9	−1.0	3.2	−1.7	11
	Demand deposits and currency													
12	Due to U.S. Government	.2	.9	−1.0	.5	−.4	.9	−.3	.5	1.3	.7	−1.3	4.8	12
13	Due to rest of the world[4]	.2	*	.1	−.1	*	.1	−.1	.1	.2	−.3	.1	.1	13
14	Currency outside banks	2.0	2.1	2.4	2.8	3.5	3.4	4.4	2.8	3.9	5.5	3.4	6.1	14
15	Other	−.1	.1	.1	.5	.4	−.2	−1.0	−.7	.3	−1.2	−.8	.6	15
		Commercial banking[5]												
1	Current surplus	2.5	2.3	3.0	3.7	3.3	2.8	3.7	2.5	3.2	3.5	3.9	5.1	1
2	Plant and equipment	1.0	1.0	1.3	1.9	2.1	2.3	2.5	2.2	2.5	2.5	2.5	2.5	2
3	Net acquisition of financial assets	21.3	40.9	46.3	22.0	45.2	58.5	78.3	65.2	51.8	73.3	83.4	95.9	3
4	Demand deposits and currency	*	.1	*	*	.1	.1	.2	.1	.1	.2	.1	*	4
5	Total bank credit	18.1	37.4	40.1	17.2	36.6	51.4	74.6	52.9	49.8	63.2	86.2	81.8	5
6	Credit market instruments	17.5	35.9	38.7	18.2	35.1	50.6	69.7	53.2	48.0	56.9	82.7	87.0	6
7	U.S. Government securities	−3.1	9.4	3.3	−10.0	10.4	6.9	6.5	10.9	3.0	6.3	6.6	−5.5	7
8	Direct	−3.4	6.5	2.1	−9.7	6.9	3.1	2.4	8.2	−2.0	2.2	2.5	−10.7	8
9	Agency issues	.3	2.9	1.2	−.3	3.5	3.8	4.1	2.7	5.0	4.1	4.0	5.3	9
10	Other securities and mortgages	7.1	14.6	15.5	5.6	13.9	23.8	24.8	27.5	20.2	25.3	24.4	16.8	10
11	State and local obligations	2.3	9.1	8.6	.2	10.7	12.6	6.3	17.4	7.8	7.8	4.8	−.9	11
12	Corporate bonds	.1	.8	.3	−.1	.8	1.3	1.7	1.5	1.1	1.9	1.6	.1	12
13	Home mortgages	2.4	2.5	3.5	3.0	.9	5.7	9.0	4.7	6.7	8.0	10.0	9.7	13
14	Other mortgages	2.3	2.2	3.2	2.4	1.6	4.2	7.8	3.8	4.7	7.6	8.0	8.0	14
15	Other credit except security	13.5	11.9	20.0	22.7	10.7	19.8	38.4	14.8	24.8	25.3	51.8	75.7	15
16	Consumer credit	2.6	2.4	5.7	4.7	2.9	6.7	10.1	6.0	7.4	8.5	11.7	12.1	16
17	Bank loans n.e.c.	9.8	7.5	15.7	17.6	5.8	12.4	28.5	8.3	16.4	17.2	40.1	65.9	17
18	Open-market paper	1.1	2.0	−1.4	.5	2.0	.8	−.2	.5	1.0	−.4	*	−2.3	18
19	Corporate equities	.1	.1	.1	*	.1	*	.1	.1	−.1	.3	......	......	19
20	Security credit	.6	1.5	1.3	−1.1	1.4	.8	4.8	−.3	1.9	6.1	3.4	−5.2	20
21	Vault cash and member bank reserves	1.9	1.8	2.0	.3	1.8	4.1	−1.0	4.2	4.1	*	−2.0	−2.2	21
22	Other interbank claims	*	1.0	.7	1.6	1.7	1.7	1.4	6.2	−2.9	8.4	−5.5	13.8	22
23	Miscellaneous assets	1.2	.7	3.4	2.8	5.0	1.2	3.1	1.7	.7	1.5	4.7	2.4	23
24	Net increase in liabilities	20.1	39.1	44.4	20.1	43.5	56.3	75.6	63.2	49.4	70.7	80.7	92.3	24
25	Demand deposits, net	1.6	12.0	13.3	4.9	11.2	13.0	16.4	15.1	10.9	7.6	25.3	.5	25
26	U.S. Government	−.5	.2	−.2	*	2.9	2.2	.7	−.8	5.3	−3.6	5.1	−1.4	26
27	Other[6]	2.1	11.8	13.5	4.9	8.3	10.8	15.6	16.0	5.6	11.2	20.2	1.9	27
28	Time deposits	13.3	23.9	20.7	−9.5	38.0	41.4	42.3	48.3	34.4	42.9	41.8	58.9	28
29	Large negotiable CD's	−.6	4.7	3.1	−12.5	15.2	8.7	9.8	4.9	12.5	2.1	17.4	30.2	29
30	Other at commercial banks	13.8	19.1	17.4	2.9	22.4	32.4	33.0	43.2	21.6	40.4	25.7	28.1	30
31	At foreign banking agencies	*	.1	.2	.2	.4	.3	−.5	.2	.3	.3	−1.3	.6	31
32	Federal Reserve float	.3	.1	.9	*	.8	.1	−.4	−.6	.8	.8	−1.5	−1.3	32
33	Borrowing at Federal Reserve banks	.1	*	*	*	.2	−.3	1.9	−.4	−.2	−.4	4.3	−.9	33
34	Other interbank claims	*	1.0	.7	1.6	1.7	1.7	1.4	6.2	−2.9	8.4	−5.5	13.8	34
35	Credit market debt[7]	*	.1	1.3	6.1	−4.9	3.3	4.8	.2	6.4	8.0	1.6	9.9	35
36	Profit tax liabilities	*	−.1	−.1	.1	.3	*	−.2	−.2	.2	−.4	*	.8	36
37	Miscellaneous liabilities	5.0	2.3	7.6	16.9	−3.7	−2.7	9.3	−5.4	−.1	3.9	14.7	10.6	37
38	Liabilities to foreign affiliates	2.9	.7	2.3	7.9	−6.9	−4.1	.9	−8.0	−.2	1.5	.4	−.5	38
39	Other	2.0	1.6	5.3	8.9	3.2	1.3	8.4	2.6	.1	2.4	14.4	11.2	39
40	Discrepancy	.2	−.4	−.1	*	−.5	−1.7	−1.5	−1.7	−1.8	−1.7	−1.2	−.9	40

NOTE.—Data revised for all periods; 1973 H1 based on preliminary and incomplete information. For other notes see p. A-71.13.

4. SECTOR STATEMENTS OF SAVING AND INVESTMENT—Continued

(Seasonally adjusted annual rates; in billions of dollars)

4. SECTOR STATEMENTS OF SAVING AND INVESTMENT—Continued
(Seasonally adjusted annual rates; in billions of dollars)

	Category	1966	1967	1968	1969	1970	1971	1972	1971 H1	1971 H2	1972 H1	1972 H2	1973p H1	
	Private nonbank financial institutions Total													
1	Current surplus	1.6	1.3	.2	-.1	1.7	4.1	5.2	3.8	4.4	5.2	5.2	5.6	1
2	Physical investment (life insurance)	.5	.6	1.1	1.2	1.2	1.9	2.1	1.6	2.1	1.9	2.2	3.0	2
3	***Net acquisition of financial assets***	**35.6**	**43.2**	**52.4**	**45.9**	**55.2**	**85.6**	**104.5**	**87.7**	**83.6**	**101.5**	**107.6**	**99.2**	3
4	Demand deposits and currency	.3	.7	.9	-.4	1.0	.8	1.8	.8	.9	.2	3.3	1.9	4
5	Time deposits (MSB)	*	*	*	-.1	.2	.2	-.1	.2	.1	.1	.2	.4	5
6	Svgs. and loan shares (Cr. union)	-.4	.2	-.2	-.1	.1	.2	.4	.2	.2	.3	.5	.6	6
7	Corporate shares	5.9	9.0	10.7	12.2	11.3	19.3	15.4	23.4	15.1	17.3	13.6	12.4	7
8	Credit market instruments	27.9	27.6	36.6	36.7	39.8	60.8	80.5	59.0	62.6	73.2	87.7	85.7	8
9	U.S. Government securities	.3	-2.3	2.1	2.2	3.3	2.5	5.7	2.3	2.6	4.2	7.3	3.3	9
10	State and local obligations	.7	1.2	1.2	1.0	1.8	4.1	3.5	3.2	5.0	3.3	3.7	2.8	10
11	Corporate and foreign bonds	9.0	11.9	9.8	6.9	12.2	14.9	13.5	17.2	12.7	14.5	12.4	10.3	11
12	Home mortgages	5.2	8.0	8.6	8.6	7.6	18.4	30.2	16.2	20.6	25.6	34.9	30.4	12
13	Other mortgages	6.7	6.7	7.2	7.6	10.1	14.1	17.4	13.2	15.0	15.9	18.8	19.8	13
14	Consumer credit	2.7	1.5	3.8	4.8	1.8	3.3	6.4	1.9	4.7	6.0	6.9	9.9	14
15	Other loans	3.2	.6	3.8	9.9	3.1	3.5	3.8	5.0	2.1	3.7	3.8	9.2	15
16	Security credit	*	3.2	2.8	3.5	-1.3	2.5	3.9	1.9	3.1	6.9	1.0	5.5	16
17	Trade credit	.2	.3	.3	.4	.5	.3	.3	.3	.3	.3	.3	.3	17
18	Miscellaneous assets	2.2	2.1	1.3	.8	3.6	1.6	2.3	1.9	1.4	3.2	1.3	4.3	18
19	**Net increase in liabilities**	**36.1**	**45.0**	**53.2**	**48.8**	**55.0**	**82.8**	**100.6**	**83.2**	**82.3**	**95.6**	**105.6**	**97.8**	19
20	Time and savings accounts	6.9	17.0	12.7	7.9	17.0	40.8	46.4	45.6	36.1	48.1	44.7	38.3	20
21	Insurance and pension reserves	18.1	18.2	18.8	19.2	21.8	25.4	24.8	25.2	25.5	23.7	25.9	28.1	21
22	Corporate equities	3.8	3.1	6.5	6.1	4.5	2.7	1.5	1.7	3.7	1.5	1.4	*	22
23	Credit market instruments	3.2	-.5	7.1	13.0	4.7	6.2	15.9	2.8	9.6	8.9	22.9	27.2	23
24	Finance company bonds	.8	1.0	.8	1.7	3.0	4.2	5.8	4.2	4.2	5.6	6.1	3.5	24
25	Mortgage loans in process	-.9	1.0	.2	*	.6	2.0	1.2	2.8	1.2	1.1	1.2	.6	25
26	Other mortgages			.2	.2	.1	.1	.5	.1	.1	.5	.5	.7	26
27	Bank loans n.e.c.	1.1	-2.0	2.4	2.1	.6	1.4	5.9	3.2	-.4	1.9	10.0	11.6	27
28	Other loans	4.5	-.5	3.5	8.9	1.5	1.5	2.5	7.4	4.4	.2	5.3	10.8	28
29	Open-market paper	3.5	2.0	2.6	4.9	.2	1.2	2.5	1.9	4.2	2.2	2.8	3.0	29
30	FHLB loans	.9	-2.5	.9	4.0	1.3	2.7	*	5.5	.2	-2.4	2.5	7.8	30
31	Security credit	.8	3.2	3.5	-3.0	1.0	1.1	4.1	.6	1.7	5.5	2.7	6.5	31
32	Taxes payable	*	.1	.2	.1	.2	.1	.3	*	.3	.2	.4	.6	32
33	Miscellaneous liabilities	3.4	4.2	4.5	5.4	5.9	6.7	7.6	7.4	6.0	7.7	7.5	10.2	33
34	Discrepancy	1.6	2.5	-.2	1.6	.3	.6	.8	2.3	1.1	2.6	1.0	1.1	34
	Savings and loan associations													
1	Current surplus	.9	.9	1.0	1.0	1.0	1.0	.9	.9	1.0	.9	.9	.9	1
2	**Net acquisition of financial assets**	**4.6**	**9.7**	**9.7**	**9.3**	**14.1**	**30.1**	**37.3**	**31.7**	**28.5**	**35.9**	**38.6**	**40.0**	2
3	Demand deposits and currency [1]	-.5	.3	-.4	.2	.3	.5	.6	.4	.6	.3	.9	.3	3
4	Credit market instruments	4.2	9.2	10.2	9.9	11.6	29.4	36.5	31.1	27.6	34.3	38.6	36.8	4
5	U.S. Government securities	.4	1.6	.7	.3	1.2	5.2	4.3	8.9	1.5	4.8	3.8	2.3	5
6	*Home mortgages*	2.9	6.0	7.2	7.7	7.2	17.9	24.7	15.9	20.0	22.3	27.1	25.8	6
7	Other mortgages	.9	1.5	2.1	1.8	3.0	6.1	7.3	6.2	6.0	7.0	7.6	8.6	7
8	Consumer credit	*	.1	.1	.2	.3	.1	.2	.1	.1	.2	.2	.2	8
9	Miscellaneous financial transactions	.9	.9	.1	.4	2.2	.2	.2	.2	.3	1.3	-.9	2.9	9
10	**Net increase in liabilities**	**4.0**	**9.3**	**8.9**	**8.4**	**13.3**	**28.9**	**35.6**	**30.9**	**26.9**	**34.3**	**36.9**	**38.0**	10
11	Savings shares	3.6	10.6	7.4	3.9	10.9	28.1	32.8	31.4	24.8	34.2	31.4	27.6	11
12	Credit market instruments	.1	-1.7	1.1	4.1	1.8	*	2.0	-2.0	2.0	-.8	4.8	8.3	12
13	Mortgage loans in process	-.9	1.0	.2	*	.6	2.0	1.2	2.8	1.2	1.1	1.2	.6	13
14	Bank loans n.e.c.	.1	-.1	.1	.1	-.1	.7	.8	.7	.7	.4	1.1	.1	14
15	FHLB advances	.9	-2.5	.9	4.0	1.3	-2.7	*	5.5	.2	-2.4	2.5	7.8	15
16	Miscellaneous liabilities	.4	.4	.4	.4	.6	.8	.7	1.5	.1	.9	.6	1.9	16
17	Memo—FHLB loans less deposits	.9	-2.9	.9	4.4	*	2.1	.3	5.0	.8	-2.3	2.9	7.9	17
	Mutual savings banks													
1	Current surplus	.2	.1	.2	.3	.3	.4	.4	.3	.4	.4	.4	.5	1
2	**Net acquisitions of financial assets**	**2.8**	**5.4**	**4.6**	**3.1**	**4.7**	**10.4**	**11.0**	**12.8**	**8.0**	**12.6**	**9.4**	**9.5**	2
3	Demand deposits and currency	*	*	.1	*	.1	*	.3	*	*	*	.7	.1	3
4	Time deposits	*	*	*	.1	.2	.2	-.1	.2	.1	.1	.2	.4	4
5	Corporate shares	*	.2	.3	.2	.3	.5	.6	.4	.5	.8	.5	.6	5
6	Credit market instruments	2.6	5.0	4.1	2.9	3.8	9.5	9.4	11.6	7.3	11.0	7.7	9.1	6
7	U.S. Government securities	-.5	-.3	-.2	-.5	.2	.4	.3	.2	.5	.1	.5	*	7
8	State and local Government securities	-.1	*	*	*	*	.2	.5	.2	.1	.5	.5	.4	8
9	Corporate bonds	.3	2.1	1.3	.3	1.3	4.3	2.8	6.9	1.8	4.3	1.3	.4	9
10	*Home mortgages*	1.6	1.8	1.4	1.4	.9	1.3	3.0	.9	1.7	2.4	3.6	3.6	10
11	Other mortgages	1.1	1.4	1.4	1.3	.9	2.7	2.6	2.5	3.0	2.4	2.7	2.1	11
12	Consumer credit	.1	.1	.1	.1	.1	.1	.3	.1	.1	.5	*	.4	12
13	Other loans [2]	.1	*	.1	.3	.3	.5	.1	.8	.1	.7	-1.0	2.3	13
14	*Miscellaneous assets*	.1	.1	.3	*	.3	.3	.8	.6	.1	.7	.9	*	14
15	Savings deposits	2.6	5.1	4.2	2.6	4.4	9.9	10.2	11.2	8.5	10.4	10.0	6.8	15
16	Miscellaneous liabilities	*	.1	.1	.2	.1	.1	.2	*	.2	.4	.1	.6	16
	Credit unions													
1	**Net acquisitions of financial assets**	**.8**	**1.2**	**1.1**	**1.4**	**1.7**	**2.9**	**3.4**	**2.9**	**2.9**	**3.5**	**3.3**	**3.8**	1
2	Demand deposits and currency	*	.1	*	*	.2	.1	.1	.1	.1	.2	.1	*	2
3	Savings and loan shares	-.4	.2	-.2	-.1	.1	.2	.4	.2	.2	.3	.5	.6	3
4	Credit market instruments	1.1	.9	1.3	1.6	1.5	2.6	2.8	2.6	2.6	3.1	2.6	3.2	4
5	U.S. Government securities	.1	.1	*	-.2	.4	.8	.6	1.1	.5	.9	.3	.4	5
6	*Home mortgages*	.1	*	*	*	.1	*	.1	*	*	.1	.1	.1	6
7	Consumer credit	.9	.7	1.3	1.7	1.0	1.8	2.1	1.5	2.1	2.1	2.2	2.8	7
8	Credit union shares	.8	1.2	1.1	1.4	1.7	2.9	3.4	2.9	2.9	3.5	3.3	3.8	8

NOTE. Data revised for all periods; 1973 H1 based on preliminary and incomplete information. For other notes see p. A-71.13.

4. SECTOR STATEMENTS OF SAVING AND INVESTMENT—Continued

(Seasonally adjusted annual rates; in billions of dollars)

	Category	1966	1967	1968	1969	1970	1971	1972	1971 H1	1971 H2	1972 H1	1972 H2	1973p H1	
	Life insurance companies													
1	Current surplus	1.1	.8	.6	.9	.8	.9	1.6	.9	1.0	1.5	1.7	1.9	1
2	Physical investment	.5	.6	.7	.8	1.0	1.4	1.0	1.3	1.6	.8	1.1	1.3	2
3	**Net acquisition of financial assets**	**8.2**	**8.7**	**9.8**	**9.2**	**9.9**	**12.7**	**14.8**	**12.6**	**12.7**	**14.6**	**15.0**	**16.7**	3
4	Demand deposits and currency	*	*	.1	*	.1	*	.1	.1	-.1	.2	*	.3	4
5	Corporate shares	.3	1.0	1.4	1.7	2.0	3.6	3.5	3.9	3.3	4.2	2.8	3.2	5
6	Credit market instruments	7.7	7.4	7.7	6.7	7.0	8.1	10.1	7.7	8.6	9.1	11.1	12.2	6
7	U.S. Government securities	-.4	-.3	.1	-.3	.1	-.2	.2	.3	*	.1	.6	.5	7
8	State and local obligations	-.4	.1	.2	*	.1	.1	*	.1	*	*	*	.1	8
9	Corporate bonds	2.4	3.8	3.9	1.5	1.5	5.5	7.2	3.9	7.1	6.6	7.8	5.1	9
10	Home mortgages	.6	-.5	-.7	-1.1	-1.3	2.1	2.1	1.9	2.2	-2.7	1.5	1.8	10
11	Other mortgages	4.0	3.4	3.2	3.1	3.6	3.2	4.0	2.7	3.7	3.3	4.6	3.7	11
12	Other loans	1.5	1.0	1.2	3.4	3.0	1.6	1.4	3.3	.1	1.9	.9	4.6	12
13	Miscellaneous assets	.2	.3	.6	.9	.8	.9	1.0	.9	.9	1.0	1.0	1.0	13
14	**Net increase in liabilities**	**8.0**	**9.1**	**9.2**	**9.3**	**10.2**	**13.3**	**14.7**	**13.0**	**13.6**	**14.1**	**15.4**	**16.5**	14
15	Life insurance reserves	4.6	5.0	4.6	4.9	5.1	6.1	7.2	5.9	6.3	6.7	7.8	7.7	15
16	Pension fund reserves	2.1	2.6	2.9	2.9	3.3	5.2	4.6	4.9	5.4	4.8	4.5	5.1	16
17	Other liabilities	1.2	1.6	1.5	1.4	1.7	2.1	2.9	2.2	2.1	2.7	3.1	3.7	17
18	Discrepancy	.3	.6	.7	.2	.1	.2	.6	.1	.3	.2	1.0	.5	18
	Private pension funds													
1	**Net acquisition of financial assets** [3]	**7.2**	**6.6**	**6.4**	**6.3**	**7.1**	**7.3**	**5.7**	**7.3**	**7.3**	**4.8**	**6.6**	**7.9**	1
2	Demand deposits and currency	*	.4	.3	*	.2	.2	.2	.3	*	.6	.9	.3	2
3	Corporate shares	3.7	4.6	4.7	5.4	4.6	8.9	7.1	10.6	7.2	8.2	6.0	5.2	3
4	Credit market instruments	2.6	.7	1.1	.6	2.4	-1.6	1.3	-3.2	*	2.5	.1	2.4	4
5	U.S. Government securities	-.5	-.6	.4	-.2	.2	.3	1.0	.7	.1	.5	1.4	.9	5
6	Corporate bonds	2.5	1.1	.6	.6	2.1	-.7	1.6	1.8	.5	2.2	1.0	2.1	6
7	Mortgages	.6	.2	*	.1	.1	.6	.7	.7	.5	.8	.5	-.5	7
8	Miscellaneous	.9	.8	.4	.3	*	.1	.2	.1	*	.2	.2	*	8
	State and local Government employee retirement funds													
1	**Net acquisition of financial assets** [3]	**4.2**	**4.1**	**4.8**	**5.1**	**6.3**	**6.8**	**7.3**	**7.0**	**6.6**	**7.4**	**7.1**	**7.4**	1
2	Demand deposits and currency	.1	.1	.1	-.1	.1	-.1	*	*	.2	.3	.3	.1	2
3	Corporate shares	.5	.7	1.3	1.8	2.1	3.2	3.0	2.9	3.5	2.9	3.0	3.8	3
4	Credit market instruments	3.7	3.3	3.4	3.4	4.0	3.7	4.3	4.1	3.3	4.8	3.8	3.7	4
5	U.S. Government securities	.2	.8	.5	.3	.7	1.2	.2	2.3	.1	.3	.1	.1	5
6	State and local obligations	.1	-.1	*	.1	.3	.2	.2	*	.4	*	.3	.6	6
7	Corporate bonds	2.8	3.7	2.6	3.1	4.2	4.8	4.8	6.2	3.4	5.3	4.3	4.1	7
8	Mortgages	.8	.5	.4	.6	.8	.3	.1	.2	.4	.2	.1	.1	8
	Other insurance companies													
1	Current surplus	.5	.4	.1	-.1	.8	2.0	2.6	1.6	2.3	2.6	2.6	2.7	1
2	**Net acquisition of financial assets**	**2.1**	**2.0**	**3.1**	**2.9**	**5.5**	**6.6**	**6.2**	**6.3**	**7.0**	**5.7**	**6.7**	**6.5**	2
3	Demand deposits and currency	*	*	.1	*	.1	.1	.1	.1	.1	.1	.1	.1	3
4	Corporate shares	.4	.3	.8	1.0	1.0	2.5	3.0	2.0	2.9	2.5	3.4	2.9	4
5	Credit market instruments	1.5	1.4	1.9	1.6	3.9	3.8	2.9	3.8	3.7	2.8	3.0	3.3	5
6	U.S. Government securities	-.4	-.7	-.2	-.5	.1	.4	.4	.4	.4	.6	.2	-.5	6
7	State and local obligations	1.3	1.4	1.0	1.2	1.5	3.9	3.3	3.7	4.1	3.4	3.2	3.3	7
8	Corporate bonds	.6	.7	1.2	.8	2.3	.3	-.1	.6	*	.1	.1	.4	8
9	Commercial mortgages	*	*	*	*	*	*	*	*	*	*	*	*	9
10	Trade credit	.2	.3	.3	.4	.5	.3	.3	.3	.3	.3	.3	.3	10
11	**Net increase in liabilities**	**1.9**	**2.2**	**2.7**	**3.9**	**3.9**	**4.1**	**4.4**	**4.1**	**4.0**	**4.4**	**4.4**	**4.5**	11
12	Corporate equities	.1	.1	.2	.5	.4	.6	.6	.6	.6	.6	.6	.6	12
13	Profit tax liabilities	*	*	*	.1	.1	-.1	.1	*	-.2	.1	.1	.2	13
14	Insurance claims	1.8	2.1	2.5	3.3	3.4	3.6	3.7	3.5	3.6	3.7	3.7	3.8	14
15	Discrepancy	.2	.6	.2	.9	-.8	.6	.8	.5	.7	1.2	.3	.7	15

NOTE.—Data revised for all periods; 1973 H1 based on preliminary and incomplete information. For other notes see p. A-71.13.

4. SECTOR STATEMENTS OF SAVING AND INVESTMENT—*Continued*

(Seasonally adjusted annual rates; in billions of dollars)

	Category	1966	1967	1968	1969	1970	1971	1972	1971 H1	1971 H2	1972 H1	1972 H2	1973p H1	
1	Current surplus of group	1.1	-1.0	1.8	2.2	1.1	.1	.3	*	.1	.2	.5	.4	1
	Finance companies													
1	**Net acquisition of financial assets**	**2.3**	**.7**	**5.2**	**8.1**	**.9**	**4.4**	**11.0**	**4.1**	**4.7**	**7.6**	**14.4**	**10.3**	1
2	Demand deposits and currency	.2	.1	.1	.1	.2	.3	.3	.3	.3	.3	.3	.3	2
3	Home mortgages	-.6	.4	.6	.3	.1	1.1	4.1	1.3	.8	2.7	5.6	2.0	3
4	Consumer credit	1.6	.5	2.3	2.8	.5	1.3	3.8	.2	2.4	3.2	4.4	6.5	4
5	Other loans (to business)	1.1	.3	2.2	5.0	.1	1.8	2.8	2.3	1.3	1.5	4.2	1.6	5
6	**Net increase in liabilities**	**3.1**	**1.2**	**5.7**	**8.4**	**1.7**	**4.2**	**9.1**	**3.0**	**5.5**	**5.1**	**13.1**	**12.1**	6
7	Corporate bonds	.8	1.0	.8	1.6	2.5	3.8	5.4	3.4	4.2	5.0	5.9	3.0	7
8	Bank loans n.e.c.	1.2	1.8	2.3	1.9	-1.1	*	3.6	1.5	1.4	.2	7.1	6.6	8
9	Open-market paper	3.5	2.0	2.6	4.9	.2	.4	*	-1.9	2.7	.1	.2	2.5	9
	Real estate investment trusts													
1	**Physical investment**	......	......	**.4**	**.3**	**.2**	**.4**	**1.1**	**.3**	**.5**	**1.1**	**1.2**	**1.7**	1
2	Multifamily structures	......	......	.1	.1	.1	.1	.4	.1	.2	.4	.4	.6	2
3	Nonresidential structures	......	......	.2	.2	.2	.3	.8	.2	.3	.7	.8	1.2	3
4	**Financial assets**	......	......	**.3**	**1.0**	**2.4**	**2.6**	**5.4**	**2.4**	**2.8**	**5.4**	**5.3**	**7.0**	4
5	*Home mortgages*	......	......	*	.1	.5	.7	1.2	.7	.8	1.6	.7	1.2	5
6	Multifamily mortgages	......	......	.1	.3	.6	.7	1.9	.7	.7	1.4	2.4	2.9	6
7	Commercial mortgages	......	......	.1	.4	1.0	1.1	1.8	1.0	1.1	1.9	1.6	2.4	7
8	Miscellaneous assets	......	......	.1	.1	.3	*	.5	.1	*	.4	.6	.4	8
9	***Financial sources of funds***	......	......	**.7**	**1.3**	**2.7**	**3.0**	**6.5**	**2.8**	**3.2**	**6.5**	**6.5**	**8.7**	9
10	Corporate equities	......	......	.4	.8	1.4	.9	1.5	.8	1.0	1.7	1.3	1.6	10
11	Credit market instruments	......	......	.3	.5	1.2	2.0	4.8	1.9	2.1	4.6	5.0	6.9	11
12	Mortgages	......	......	.2	.2	.1	.1	.5	.1	.1	.5	.5	.7	12
13	Multifamily residences	......	......	.1	.1	*	*	.2	*	*	.2	.1	.2	13
14	Commercial mortgages	......	......	.1	.2	.1	.1	.3	.1	.1	.3	.3	.5	14
15	Corporate bonds	......	......	......	.1	.5	.4	.4	.8	.1	.6	.2	.5	15
16	Bank loans n.e.c.	......	......	.1	.2	.6	.7	1.5	1.0	.4	1.2	1.8	5.2	16
17	Commercial paper	......	......	......	......	......	.8	2.5	......	1.6	2.3	2.6	.5	17
18	Miscellaneous liabilities	......	......	*	*	.1	.1	.2	.1	.1	.2	.1	.2	18
	Open-end investment companies													
1	Current surplus	1.2	-1.5	-2.2	-2.2	.9	-.6	-1.2	-.4	-.8	-.9	-1.4	1.4	1
2	**Net acquisition of financial assets**	**2.5**	**1.5**	**3.6**	**2.6**	**1.7**	**.6**	**-1.8**	**-.1**	**1.3**	**-1.7**	**-1.8**	**-3.6**	2
3	Demand deposits and currency	*	.2	.1	-.1	*	.1	*	.2	.1	*	.1	.6	3
4	Corporate shares	1.0	1.9	2.5	1.7	1.2	.4	-1.8	1.7	.8	-1.6	-2.0	-3.7	4
5	Credit market instruments	1.5	.5	.9	.9	.5	*	*	2.0	2.0	-.1	.1	-.6	5
6	U.S. Government securities	.6	-.5	.2	.5	.2	-.3	.1	-.4	.2	*	.2	.8	6
7	Corporate bonds	.4	*	.4	.2	.7	.6	.2	-.2	1.5	.2	.1	-2.2	7
8	Commercial paper	.5	*	.3	1.2	-.4	-.3	-.3	1.4	.7	.3	-.3	.8	8
9	Net share issues [4]	3.7	3.0	5.8	4.8	2.6	1.2	-.6	.3	2.1	-.8	-.4	-2.2	9
	Security brokers and dealers													
1	**Net acquisition of financial assets**	**.9**	**3.4**	**3.8**	**-3.1**	**.8**	**1.3**	**4.3**	**.7**	**1.9**	**5.7**	**3.0**	**-6.2**	1
2	Demand deposits and currency	.1	.2	.5	-.1	.3	*	*	*	.1	*	*	*	2
3	Corporate equity shares	.1	.4	-.2	.4	.1	.1	.1	1.8	-1.5	.4	.1	.4	3
4	Credit market instruments	.8	-.3	.6	.1	2.3	-1.4	.2	-2.9	.2	1.5	2.0	-1.2	4
5	U.S. *Government* securities	.7	.8	.8	*	1.7	-1.6	.2	-3.8	.6	1.4	1.8	-1.2	5
6	State and local Government securities	*	*	*	-.2	.6	.1	-.1	-.9	1.1	.5	.3	.4	6
7	Corporate and foreign bonds	.1	.4	-.2	.4	.1	.1	.1	1.8	-1.5	.4	-.1	.4	7
8	Security credit	*	3.2	2.8	-3.5	1.3	2.5	3.9	1.9	3.1	6.9	1.0	5.5	8
9	**Net increase in *liabilities*— *security credit***	**.8**	**3.2**	**3.5**	**-3.0**	**1.0**	**1.1**	**4.1**	**.6**	**1.7**	**5.5**	**2.7**	**-6.5**	9
10	From banks	.6	.8	1.0	-1.0	1.9	.7	3.9	-.2	1.6	5.4	2.5	-5.5	10
11	Customer credit balances	.2	2.3	2.4	-2.0	-1.0	.5	.2	.8	.1	.1	.2	-1.0	11

NOTE.—Data revised for all periods; 1973 H1 based on *preliminary and incomplete* information. For other notes see p. A-71.13.

4. SECTOR STATEMENTS OF SAVING AND INVESTMENT—Continued

(Seasonally adjusted annual rates; in billions of dollars)

	Category	1966	1967	1968	1969	1970	1971	1972	1971 H1	1971 H2	1972 H1	1972 H2	1973[p] H1	
		Rest of the world												
1	**Net U.S. exports**	5.3	5.2	2.5	1.9	3.6	.8	4.6	2.2	.6	5.6	3.6	.9	1
2	U.S. exports	43.4	46.2	50.6	55.5	62.9	66.3	73.5	66.5	66.0	70.1	76.8	92.4	2
3	U.S. imports	38.1	41.0	48.1	53.6	59.3	65.5	78.1	64.4	66.6	75.7	80.4	91.6	3
4	Transfer receipts from United States	2.8	3.0	2.9	2.9	3.2	3.6	3.7	3.3	3.9	3.8	3.7	3.2	4
5	Current account balance (4–1) [1]	2.4	-2.2	.4	1.0	.4	2.8	8.4	1.2	4.4	9.4	7.3	2.3	5
6	**Net financial investment**	2.0	1.2	.9	3.4	.8	13.6	11.4	8.7	18.5	10.0	12.9	10.2	6
7	*Net acquisition of financial assets*	3.3	7.6	8.5	10.3	5.9	22.7	19.4	18.1	27.3	17.0	21.7	23.3	7
8	Gold and SDR's [2]	.6	1.2	1.2	1.0	.8	1.3	.6	1.8	.9	1.1	*	*	8
9	U.S. demand deposits and currency	.4	.3	.6	.3	.2	.3	1.5	.1	.5	2.1	.9	.2	9
10	Time deposits	.3	1.2	.3	1.1	1.7	.5	2.6	.7	.4	1.9	3.4	3.8	10
11	U.S. corporate shares	.3	.7	2.1	1.6	.7	.8	2.3	.2	1.5	1.7	2.8	2.9	11
12	Credit market instruments	1.6	2.0	.3	.3	10.3	26.4	8.4	27.3	25.5	6.2	10.6	12.4	12
13	U.S. Government securities	2.4	2.1	.5	1.8	9.1	26.3	8.4	26.4	26.2	6.1	10.7	9.5	13
14	U.S. corporate bonds [3]	.6	.1	.2	.5	.7	.3	*	.2	.3	.2	.1	1.3	14
15	Acceptances	.2	*	.6	1.0	.5	.2	.1	.7	1.1	.1	*	1.6	15
16	Security credit	*	.1	.3	.2	.1	*	.1	.1	2	*	.1	*	16
17	Trade credit	.5	.4	.9	.8	1.4	.1	.8	.5	.7	.7	.9	1.2	17
18	Bank liabilities to foreign affiliates	2.9	.7	2.3	7.9	6.9	4.1	.9	8.0	.2	1.5	.4	.5	18
19	Direct investment in United States	.1	.3	.3	.8	1.0	.1	.2	.3	.5	.4	.7	.9	19
20	Unallocated	.4	.7	.7	.8	.3	2.6	2.1	3.8	1.3	2.2	1.9	2.9	20
21	*Financial sources of funds, net*	5.3	8.8	7.6	6.9	5.1	9.1	7.9	9.4	8.8	7.1	8.8	13.2	21
22	Official U.S. foreign exchange	*	1.1	2.1	.3	-2.5	1.7	.2	1.6	1.8	.1	.4	.5	22
23	Foreign corporate shares	.3	.1	.2	.5	.1	*	.4	.4	.3	.2	.6	.9	23
24	Credit market instruments	1.6	4.0	2.9	2.9	3.0	5.7	3.8	5.3	6.1	3.4	4.3	10.7	24
25	Corporate bonds	.7	1.2	1.1	1.0	.9	.9	1.0	1.1	.8	1.8	.2	.7	25
26	Bank loans n.e.c.	.4	.3	.2	.6	*	2.6	2.4	1.4	3.9	1.9	2.9	6.9	26
27	Other loans [4]	1.2	3.0	2.1	2.4	2.1	2.1	.4	2.9	1.4	.3	1.1	3.1	27
28	Security debt	*	.2	.2	.2	*	*	.1	*	*	.1	.1	*	28
29	Trade debt	.3	.5	.4	.8	1.0	.5	.6	.6	.5	.2	.9	.6	29
30	U.S. Government equity in IBRD, IDA, IFC, IADB, ADB	.....	.1	.1	.2	.2	.3	.3	.2	.3	.2	.3	.3	30
31	*Foreign currency* held in United States	.4	.1	.5	.5	.5	1.4	3.6	1.7	1.0	4.2	2.9	1.1	31
32	U.S. direct investment abroad [5]	3.0	2.7	1.1	2.2	3.6	3.8	1.4	4.1	3.4	7	2.1	6.5	32
33	Unallocated [5]	.2	.2	.2	.7	.7	.8	1.2	1.2	.4	1.6	.8	3.5	33
34	Discrepancy	.4	1.0	.5	2.3	1.2	10.8	3.1	7.5	14.1	.6	5.6	7.9	34

NOTE.—Data revised for all periods; 1973 H1 based on preliminary and incomplete information.

Notes to Table 4

Households

[1] Imputed saving associated with growth of government life insurance and retirement reserves.

[2] From open-end investment companies.

[3] Excludes corporate equities.

[4] Policy loans, hypothecated deposits, and U.S. Govt. loans to nonprofit organizations.

Business

[1] Excludes imputed rental income from owner-occupied houses.

[2] Change in work in process.

[3] After inventory valuation adjustment.

[4] Includes corporate farms.

[5] Noncorporate net income is treated as payment in full to proprietors in the household sector. Gross saving consists of capital consumption allowances plus, in farm business, corporate farm retained profits.

[6] Shares in FICB's, Banks for Coops, and land banks.

[7] Loans from U.S. Govt., commercial loans from finance companies, and bankers' acceptances.

[8] Includes earnings retained in business; see note 5 above.

[9] Loans to commercial banks.

[10] Foreign investment excludes amounts financed by bond issues abroad, and bond issues outside the U.S. are excluded from financial sources of funds above.

Governments

[1] Retirement funds are on p. A-71.11.

[2] Unified budget basis for all years. Excludes sponsored agencies shown below.

[3] Govt. life insurance, employee retirement, and R.R. retirement programs.

[4] Securities of sponsored credit agencies only.

[5] Mainly official foreign exchange and IMF position of Treasury. Includes net purchases of Special Drawing Rights, which are assets of the Exchange Stabilization Fund. 1970–72 allocations of SDR's are excluded, however, from these tables on transactions. Includes trade credit (advances and prepayments) to corporate business.

[6] Loan participation certificates and securities issued by Export-Import Bank, GNMA, CCC, Federal Housing Administration, Postal Service, and TVA. Includes mortgage liabilities of Defense Dept. and Coast Guard and Farmers Home Administration insured notes.

[7] Includes net sales of SDR certificates to Federal Reserve System.

[8] Home loan banks, land banks, intermediate credit banks, banks for cooperatives, Federal National Mortgage Association (before 1969, secondary market operations only), and mortgage pools issuing GNMA-guaranteed securities.

Banking

[1] Federal Reserve System plus those Treasury accounts included in "Member Bank Reserves, Federal Bank Credit, and Related Items" (p. A-4). Excludes Exchange Stabilization Fund, which is in U.S. Govt. accounts.

[2] Includes F.R. holdings of foreign currencies. On Special Drawing Rights, see notes 5 and 7 to Governments table. SDR certificates as assets of the Federal Reserve are on line 4 of this table.

[3] Includes vault cash of nonmember banks.

[4] IMF deposits are net in line 3.

[5] Combined statement for all commercial banks as reported on p. A-20, their domestic affiliates as reported on p. A-31 for loans sold and commercial paper issued, Edge Act corporations, U.S. agencies of foreign banks, and banks in U.S. possessions overseas. The figures consolidate commercial banks, but claims between commercial banks and the other groups included in the sector are shown in both lending and borrowing in the statement.

[6] Net of F.R. float, shown separately in line 31.

[7] Net issues of bonds and equities, commercial paper of bank affiliates, borrowings from nonbank lenders in security RP's, and bank loans to foreign banking agencies.

Nonbank finance

[1] Excludes deposits at FHLB, which are included in Miscellaneous, line 9.

[2] Federal funds and other loans to commercial banks.

[3] Used as a measure of net increase in liabilities to households.

[4] Includes retained capital gains dividends.

Rest of the world

[1] The current balance is shown here from the viewpoint of the rest of the world and is thus opposite in sign from U.S. balance of payments statements and U.S. national income accounts. Excludes capital transfers to U.S., for SDR allocations.

[2] Net purchases of gold and Special Drawing Rights from the U.S. only. Excludes acquisitions of gold from outside the U.S. Also excludes 1970–72 allocations of SDR's.

[3] Net of U.S. issues in foreign markets to finance U.S. investment abroad.

[4] Bankers' acceptances and loans from U.S. Government.

[5] Errors and omissions in U.S. balance of payments statement.

NOTE.—Quarterly figures and background information concerning these tables are available on request to the Flow of Funds Section, Board of Governors of the Federal Reserve System, Washington, D.C. 20551.

5. FINANCIAL ASSETS AND LIABILITIES, DECEMBER 31, 1972

(Amounts outstanding in billions of dollars)

(A) All sectors

	Sector	Private domestic nonfinancial sectors								Rest of the world		U.S. Government		Financial sectors										Total [1]		Discrepancies	
		Households		Business		State and local governments		Total						Total		Federally sponsored credit agencies		Monetary authority		Commercial banks		Private nonbank finance					
	Transaction category	A	L	A	L	A	L	A	L	A	L	A	L	A	L	A	L	A	L	A	L	A	L	A	L	A	
1	**Total assets**	**2413.1**		**470.9**		**86.7**		**2970.7**		**182.1**		**97.7**		**1870.3**		**56.9**		**96.4**		**655.0**		**1061.9**		**5120.8**		**13.9**	1
2	**Total liabilities**		**590.0**		**814.4**		**186.1**		**1590.5**		**168.2**		**396.4**		**1755.2**		**55.8**		**95.9**		**618.3**		**985.1**		**3910.3**		2
3	Gold									43.5		2.0		10.4				10.4						55.9			3
4	Official foreign exchange										.2	*		.2				.2						.2	.2		4
5	IMF position										.5	.5		−.1				−.1						.5	.5		5
6	Treasury currency												7.0	8.7				8.7						8.7	7.0	−1.7	6
7	Demand dep. and currency	156.5		55.3		14.6		226.3		8.0		13.3		17.0	281.4	.2			60.4	.7	220.9	16.1		264.6	281.4	16.8	7
8	Private domestic	156.5		55.3		14.6		226.3						17.0	260.3	.2			57.9	.7	202.5	16.1		243.3	260.3	17.0	8
9	U.S. Government											13.3			13.1				2.2		10.9			13.3	13.1	−.3	9
10	Foreign									8.0					8.0				.4		7.6			8.0	8.0		10
11	Time and savings accounts	568.6		20.2		37.2		625.9		9.8		.6		1.1	637.4						316.8	1.1	320.6	637.4	637.4		11
12	At commercial banks	248.6		20.2		37.2		306.0		9.8		.6		.4	316.8						316.8	.4		316.8	316.8		12
13	At savings institutions	319.9						319.9						.7	320.6							.7	320.6	320.6	320.6		13
14	Life insurance reserves	143.7						143.7					7.5		136.2								136.2	143.7	143.7		14
15	Pension fund reserves	309.2						309.2					33.5		275.6								275.6	309.2	309.2		15
16	Interbank claims													49.3	49.3			6.0	34.3	43.3	14.9			49.3	49.3		16
17	Corporate shares [2]	967.3						967.3		26.0				235.0	59.8					.6		234.4	59.8	1228.3	59.8		17
18	Other credit mkt. instr.	231.5	560.1	65.9	602.8	32.5	178.6	329.9	1341.5	61.0	61.7	61.6	344.7	1453.3	158.0	54.3	49.4	71.2		566.1	13.1	761.8	95.5	1905.8	1905.8		18
19	U.S. Govt. securities [3]	92.2		7.0		28.4		127.6		54.4		*	343.3	210.6	49.4	1.3	49.4	71.1		90.0		48.2		392.7	392.7		19
20	State & local govt. oblig.	46.0		4.2		1.9	173.0	52.1	173.0					120.9						89.1		31.8		173.0	173.0		20
21	Corp. & fgn. bonds	54.8			198.3			54.8	198.3	2.4	16.2			194.8	37.6					5.7	4.1	189.1	33.5	252.1	252.1		21
22	Home mortgages	9.8	334.8		6.2	2.2		12.0	341.0			5.1	1.3	331.5	6.2	25.2				57.0		249.3	6.2	348.6	348.6		22
23	Other mortgages	27.5	23.1		195.9			27.5	219.0			4.2		188.5	1.2	11.4				42.3		134.7	1.2	220.2	220.2		23
24	Consumer credit		157.6	28.6				28.6	157.6					129.0						70.6		58.3		157.6	157.6		24
25	Bank loans n.e.c.		21.0		147.4				168.4		11.2			203.8	24.1					203.8	2.9		21.2	203.8	203.8		25
26	Other loans	1.1	23.6	26.2	55.0		5.5	27.3	84.2	4.1	34.3	52.3		74.2	39.5	16.4		.1		7.5	6.1	50.3	33.3	157.9	157.9		26
27	Security credit	5.0	17.7					5.0	17.7	.4	.4			32.2	19.4					18.5		13.6	19.4	37.5	37.5		27
28	To brokers and dealers	5.0						5.0		.4				14.0	19.4					14.0			19.4	19.4	19.4		28
29	To others		17.7						17.7		.4			18.1						4.5		13.6		18.1	18.1		29
30	Taxes payable				14.0	2.5		2.5	14.0			10.9			2.7				.2		.7		1.8	13.4	16.7	3.3	30
31	Trade credit [4]		6.2	215.2	183.1		7.5	215.2	196.9	6.7	7.3	4.0	3.4	5.0								5.0		230.9	207.5	−23.4	31
32	Miscellaneous	31.3	6.0	114.4	14.5			145.7	20.5	26.8	98.2	4.6	.3	58.3	135.4	2.5	6.4		1.0	25.8	51.8	30.0	76.1	235.4	254.4	19.0	32

For notes see facing page.

5. FINANCIAL ASSETS AND LIABILITIES, December 31, 1972—Continued

(Amounts outstanding in billions of dollars)

(B) Private nonbank financial institution

	Sector	Total		Savings and loan assns.		Mutual savings banks		Credit unions		Life insurance cos.		Private pension funds		State and local govt. retirement funds		Other insurance cos.		Finance cos.		Real estate investment trusts		Open-end investment cos.		Security brokers and dealers		
	Transaction category	A	L	A	L	A	L	A	L	A	L	A	L	A	L	A	L	A	L	A	L	A	L	A	L	
1	**Total assets**	**1061.9**		**243.6**		**100.6**		**21.7**		**231.8**		**152.3**		**71.8**		**64.6**		**78.0**		**11.7**		**59.8**		**26.1**		1
2	**Total liabilities**		**985.1**		**228.2**		**93.6**		**21.7**		**216.3**		**152.3**		**71.8**		**41.8**		**70.9**		**9.1**		**59.8**		**19.6**	2
3	Demand deposits and currency	16.1		2.8		1.3		1.0		1.9		1.8		.5		1.6		3.2				.9		1.1		3
4	Time and savings accounts	1.1	320.6		207.3	.4	91.6	.7	21.7																	4
5	At commercial banks	.4				.4																				5
6	At savings institutions	.7	320.6		207.3		91.6	.7	21.7																	6
7	Life insurance reserves		136.2								136.2															7
8	Pension fund reserves		275.6								51.6		152.3		71.8											8
9	Corporate shares[3]	234.4	59.8			3.6				26.4		111.8		14.2		20.5						51.7	59.8	6.2		9
10	Other credit mkt. instr.	761.8	95.5	230.6	16.1	92.3		20.0		192.4		34.1		57.1		37.5		74.8	70.6	10.6	8.8	7.2		5.1		10
11	U.S. Govt. securities	48.2		21.8		5.5		2.2		3.8		3.7		5.1		3.5						.7		2.0		11
12	State & local govt. secs.	31.8				.9				3.3				1.7		25.0								.9		12
13	Corp. and fgn. bonds	189.1	33.5			15.4				86.8		27.4		43.4		8.8			32.1		1.4	5.1		2.2		13
14	Home mortgages	249.3	6.2	167.6	6.2	41.7		.9		22.5		3.0						11.1		2.6						14
15	Other mortgages	134.7	1.2	38.8		25.9				54.9				7.0		.2				8.0	1.2					15
16	Consumer credit	58.3		2.4		1.5		16.9										37.5								16
17	Bank loans n.e.c.		21.2		1.9														16.4		3.0					17
18	Other loans	50.3	33.3		8.0	1.5				21.2								26.1	22.1		3.2	1.4				18
19	Security credit	13.6	19.4																					13.6	19.4	19
20	To brokers and dealers		19.4																						19.4	20
21	Other	13.6																						13.6		21
22	Taxes payable		1.8		.3						.8						.3		.3						.2	22
23	Trade credit	5.0														5.0										23
24	Miscellaneous	30.0	76.1	10.2	4.6	3.0	2.0			11.1	27.7	4.6					41.5			1.1	.3					24

[1] Excess of total assets over liabilities consists of gold (row 3) and corporate shares (row 17) other than investment co. shares less total discrepancies (row 1), which are not included in sector assets.

[2] Assets shown at market value: nonbank finance liability is redemption value of shares of open-end investment companies. No specific liability is attributed to issuers of stocks other than open-end investment companies for amounts outstanding.

[3] Includes savings bonds other nonmarketable debt held by the public, issues by agencies in the budget (CCC, Export-Import Bank, GNMA, TVA, FHA) and by sponsored credit agencies in Financial sectors, and loan participation certificates. Postal savings system deposits are included in line 32.

[4] Business asset is corporate only. Noncorporate trade credit is deducted in liability total to conform to quarterly flow tables.

6. SUMMARY OF CREDIT MARKET DEBT OWED BY NONFINANCIAL SECTORS[1]

(Amounts outstanding at end of year; in billions of dollars)

	Transaction category, or sector	1961	1962	1963	1964	1965	1966	1967	1968	1969	1970	1971	1972	
							Debt outstanding, by type and sector							
1	**Total credit market debt owed by nonfinancial sectors**	**789.0**	**842.6**	**900.6**	**967.5**	**1037.6**	**1102.8**	**1181.6**	**1276.9**	**1363.9**	**1456.8**	**1591.4**	**1747.8**	1
2	U.S. Government	243.1	250.2	254.1	260.4	262.2	265.8	278.8	292.2	288.6	301.4	327.4	344.7	2
3	Public debt securities	240.7	246.9	251.0	256.4	257.7	260.0	268.9	279.2	278.0	290.8	316.9	330.8	3
4	Budget agency securities [2]	2.5	3.3	3.2	4.0	4.5	5.8	9.9	13.0	10.6	10.5	10.5	13.9	4
5	***All other nonfinancial sectors***	**545.9**	**592.4**	**646.5**	**707.1**	**775.4**	**837.0**	**902.8**	**984.7**	**1075.3**	**1155.4**	**1264.0**	**1403.1**	5
6	Debt capital instruments	385.2	417.8	453.4	490.6	530.0	568.9	613.4	663.7	713.3	771.5	854.5	947.5	6
7	State and local govt. securities	75.9	81.2	86.9	92.9	100.3	105.9	113.7	123.2	133.1	144.5	161.1	173.0	7
8	Corporate and foreign bonds	86.1	91.7	96.6	101.6	108.0	118.6	133.5	147.3	159.3	180.5	200.7	214.5	8
9	Mortgages	223.2	244.9	269.9	296.1	321.7	344.4	366.3	393.2	420.9	446.6	492.7	560.0	9
10	*Home mortgages*	*150.0*	*162.7*	*177.9*	*193.5*	*208.9*	*220.6*	*232.1*	*247.1*	*262.8*	*275.6*	*301.3*	*341.0*	10
11	*Other residential*	*23.0*	*25.8*	*29.0*	*33.6*	*37.2*	*40.3*	*43.9*	*47.3*	*52.0*	*57.8*	*66.6*	*76.9*	11
12	*Commercial*	*36.4*	*41.1*	*46.2*	*50.0*	*54.5*	*60.1*	*64.8*	*71.3*	*76.6*	*81.9*	*91.9*	*106.7*	12
13	*Farm*	*13.9*	*15.2*	*16.8*	*18.9*	*21.2*	*23.3*	*25.5*	*27.5*	*29.5*	*31.2*	*32.9*	*35.4*	13
14	Other private credit	160.7	174.6	193.0	216.5	245.5	268.1	289.4	321.0	362.0	383.9	409.5	455.6	14
15	Bank loans n.e.c.	59.7	64.4	70.7	79.8	93.8	104.6	114.1	127.2	142.5	148.8	158.1	179.6	15
16	Consumer credit	58.0	63.8	71.7	80.3	89.9	96.2	100.8	110.8	121.1	127.2	138.4	157.6	16
17	Open market paper	3.8	3.8	3.9	4.5	4.2	5.2	7.4	9.0	12.3	16.1	15.2	13.6	17
18	Other	39.3	42.6	46.8	51.9	57.6	62.1	67.2	74.0	86.0	91.9	97.8	104.9	18
19	***By borrowing sector***	**545.9**	**592.4**	**646.5**	**707.1**	**775.4**	**837.0**	**902.8**	**984.7**	**1075.3**	**1155.4**	**1264.0**	**1403.1**	19
20	Foreign	25.4	27.7	30.9	36.6	39.4	40.2	43.1	45.8	47.6	51.1	57.3	61.7	20
21	State and local governments	77.3	83.2	89.1	95.4	103.1	109.3	117.3	127.2	137.9	149.3	166.3	178.6	21
22	Households	231.6	252.4	277.1	305.0	333.3	354.8	373.8	403.8	435.8	458.8	496.8	560.1	22
23	Nonfinancial business	211.6	229.1	249.3	270.1	299.7	332.7	368.6	407.9	454.0	496.3	543.7	602.8	23
24	*Corporate*	*162.6*	*174.7*	*187.8*	*200.7*	*221.2*	*245.4*	*272.9*	*303.9*	*339.4*	*373.3*	*408.2*	*452.1*	24
25	*Nonfarm noncorporate*	*27.4*	*30.6*	*35.1*	*40.4*	*46.2*	*51.6*	*56.5*	*62.1*	*69.5*	*74.7*	*83.4*	*93.8*	25
26	*Farm*	*21.6*	*23.9*	*26.4*	*29.0*	*32.3*	*35.8*	*39.2*	*41.9*	*45.1*	*48.3*	*52.0*	*56.9*	26
							Holdings of credit market claims [3]							
1	**Total credit market debt claims against nonfinancial sectors**	**789.0**	**842.6**	**900.6**	**967.5**	**1037.6**	**1102.8**	**1181.6**	**1276.9**	**1363.9**	**1456.8**	**1591.4**	**1747.8**	1
	Holdings held by public agencies and foreign													
2	Total	82.4	89.8	96.3	104.1	112.8	124.2	135.2	146.8	161.6	190.1	231.0	248.1	2
3	U.S. Govt. securities	41.3	44.9	48.7	52.2	55.9	59.3	66.1	69.5	70.4	86.1	119.5	126.9	3
4	Residential mortgages	8.4	8.5	7.2	7.1	7.4	10.2	12.3	15.1	19.7	25.5	31.1	36.3	4
5	FHLB advances to S & L's	2.7	3.5	4.8	5.3	6.0	6.9	4.4	5.3	9.3	10.6	7.9	8.0	5
6	Other loans plus securities	30.0	32.9	35.6	39.5	43.4	47.7	52.4	56.9	62.2	67.9	72.5	76.9	6
	By agency													
7	U.S. Government	28.3	30.8	32.2	34.9	37.7	42.0	46.6	51.1	54.0	56.7	59.3	61.6	7
8	Sponsored credit agencies	12.1	13.7	15.3	16.0	18.3	23.4	23.3	26.5	35.6	45.4	48.2	54.3	8
9	Federal Reserve	28.9	30.9	33.8	37.2	41.0	44.5	49.3	53.0	57.2	62.2	71.0	71.2	9
10	Foreign	13.0	14.4	15.0	15.9	15.9	14.3	16.1	16.1	14.9	25.7	52.5	61.0	10
11	Agency debt not in line 1	8.6	10.1	11.5	12.1	14.2	19.0	18.4	21.9	30.6	38.9	43.2	49.4	11
	Private domestic holdings													
12	Total	715.2	762.8	815.8	875.5	938.9	997.6	1064.8	1152.0	1232.9	1305.6	1403.5	1549.1	12
13	U.S. Govt. securities	208.8	213.5	215.1	218.3	218.2	223.6	229.3	242.6	247.3	252.6	249.6	265.9	13
14	Municipal securities	75.9	81.2	86.9	92.9	100.3	105.9	113.7	123.2	133.1	144.5	161.1	173.0	14
15	Corporate and foreign bonds	85.5	91.0	95.9	100.7	107.3	117.3	132.5	146.4	158.9	178.8	198.4	212.0	15
16	Residential mortgages	166.0	181.8	201.5	221.9	240.5	252.5	265.4	281.0	296.7	309.5	338.3	382.9	16
17	Other mortgages and loans	181.7	198.8	221.2	247.1	278.7	305.3	328.2	364.0	406.3	430.8	464.1	523.3	17
18	Less FHLB advances	2.7	3.5	4.8	5.3	6.0	6.9	4.4	5.3	9.3	10.6	7.9	8.0	18
	Private financial intermediation													
19	*Credit market claims held by private fin. inst.*	*534.3*	*582.3*	*632.6*	*689.5*	*752.3*	*796.9*	*860.3*	*935.5*	*991.5*	*1066.2*	*1177.7*	*1327.9*	19
20	Commercial banking	212.9	231.9	249.5	272.2	300.9	317.3	353.1	391.9	410.7	445.7	496.3	566.1	20
21	Savings institutions	121.1	135.1	152.5	168.7	183.0	191.3	206.2	221.7	236.0	252.8	294.3	342.9	21
22	Insurance and pension funds	169.7	181.0	192.7	205.5	219.1	234.6	247.5	261.6	273.9	291.1	305.2	321.2	22
23	Other finance	30.5	34.3	37.9	43.1	49.3	53.8	53.5	60.4	70.9	76.6	81.9	97.7	23
24	*Sources of funds*	*534.3*	*582.3*	*632.6*	*689.5*	*752.3*	*796.9*	*860.3*	*935.5*	*991.5*	*1066.2*	*1177.7*	*1327.9*	24
25	Domestic deposits	305.1	335.5	366.6	401.5	439.9	461.2	511.0	556.9	559.6	622.8	713.6	811.4	25
26	Credit market debt	24.9	28.8	35.0	40.6	48.5	51.7	51.3	59.7	79.2	78.9	88.1	108.6	26
27	Other sources	204.2	218.0	231.0	247.4	264.0	284.1	298.0	318.9	352.7	364.6	375.9	407.8	27
28	Foreign funds	9.8	10.3	11.8	14.3	15.0	18.7	21.0	23.6	32.9	24.5	21.2	26.3	28
29	Treasury balances	5.9	7.2	6.5	6.5	5.5	5.0	5.2	5.0	5.1	7.9	10.2	10.9	29
30	Insurance and pension reserves	140.9	150.0	159.6	170.5	181.5	195.7	206.5	216.9	228.5	241.9	250.0	259.5	30
31	Other, net	47.6	50.5	53.0	56.0	61.9	64.6	65.4	73.5	86.3	90.3	94.5	111.1	31
	Private domestic nonfinancial investors													
32	*Credit market claims*	*205.8*	*209.3*	*218.2*	*226.6*	*235.1*	*253.4*	*255.7*	*276.2*	*320.7*	*318.2*	*314.0*	*329.9*	32
33	U.S. Govt. securities	103.4	104.9	109.4	110.5	113.4	121.7	120.3	128.2	145.0	136.7	123.5	127.6	33
34	Municipal securities	37.2	36.3	38.1	40.5	43.1	45.7	43.1	42.9	51.2	50.0	50.0	52.1	34
35	Corporate and foreign bonds	11.3	11.2	11.2	11.8	13.4	15.2	19.0	23.8	31.1	41.2	49.5	54.8	35
36	Commercial paper	3.0	3.8	4.6	6.9	8.4	10.7	12.6	18.4	28.6	24.2	23.6	27.3	36
37	Other	50.9	53.1	54.9	56.8	56.7	59.0	60.7	62.8	64.7	66.1	67.4	68.1	37
38	*Deposits and currency*	*335.4*	*366.4*	*400.1*	*436.6*	*477.1*	*500.4*	*552.3*	*600.6*	*606.1*	*672.8*	*767.0*	*869.3*	38
39	*Time and savings accounts*	*194.2*	*222.3*	*251.0*	*280.1*	*312.8*	*332.0*	*371.2*	*405.0*	*402.8*	*459.0*	*540.2*	*625.9*	39
40	Large negotiable CD's	3.1	5.8	9.2	11.4	15.0	14.8	19.1	22.6	8.9	23.9	31.6	40.3	40
41	Other at commercial banks	76.6	89.0	99.2	110.2	126.2	138.3	156.6	174.1	177.6	201.7	234.7	265.7	41
42	At savings institutions	114.5	127.6	142.7	158.4	171.6	178.9	195.5	208.3	216.3	233.3	273.9	319.9	42
43	Money	141.2	144.0	149.0	156.5	164.3	168.3	181.1	195.6	203.3	213.8	226.8	243.4	43
44	Demand deposits	111.0	113.2	115.6	121.4	127.1	129.2	139.8	151.9	156.7	163.8	173.4	185.5	44
45	Currency	30.2	30.8	33.4	35.1	37.2	39.2	41.3	43.7	46.6	50.0	53.4	57.9	45
46	**Total of credit market instruments, deposits, and currency**	**541.2**	**575.6**	**618.2**	**663.2**	**712.2**	**752.7**	**808.1**	**876.8**	**926.8**	**991.1**	**1081.1**	**1199.1**	46
47	Public holdings as per cent of total	10.4	10.7	10.7	10.8	10.9	11.3	11.4	11.5	11.9	13.0	14.5	14.2	47
48	Private fin. intermediation (in per cent)	74.7	76.3	77.5	78.8	80.1	79.9	80.8	81.2	80.4	81.7	83.9	85.7	48
49	Total foreign funds	22.8	24.7	26.8	30.2	30.9	33.0	37.0	39.7	47.8	50.2	73.7	87.2	49

[1] Excludes corporate equities both as assets and as liabilities.
[2] Includes U.S. Govt. liability for home mortgages not in U.S. Govt. securities on p. A-71.17.
[3] For notes see p. A-71.2.

7. SUMMARY OF PRINCIPAL ASSETS AND LIABILITIES

(Amounts outstanding at end of year; in billions of dollars)

	Transaction category, or sector	1961	1962	1963	1964	1965	1966	1967	1968	1969	1970	1971	1972	
							Demand deposits and currency							
1	**Money supply**	**154.6**	**158.5**	**163.8**	**172.2**	**180.5**	**184.7**	**198.6**	**214.6**	**222.3**	**234.0**	**248.3**	**268.3**	1
2	Domestic sectors	151.5	155.2	160.3	168.0	176.1	180.0	193.5	208.9	216.3	227.9	241.9	260.3	2
3	Households	76.1	78.4	81.7	86.5	94.2	98.1	109.4	121.7	123.3	132.8	143.7	156.5	3
4	Nonfinancial business	46.0	46.4	46.5	47.0	47.4	47.7	49.3	51.2	53.8	54.3	55.1	55.3	4
5	Corporate	27.7	28.0	28.3	28.6	28.9	29.2	30.7	32.4	34.9	35.2	35.9	36.0	5
6	Nonfarm noncorporate	12.5	12.5	12.5	12.5	12.5	12.5	12.5	12.5	12.5	12.5	12.5	12.5	6
7	Farm	5.8	5.9	5.7	5.9	6.0	6.0	6.1	6.3	6.4	6.5	6.6	6.8	7
8	State and local governments	8.8	9.4	10.9	12.5	12.1	13.0	14.1	13.9	15.3	13.7	12.8	14.6	8
9	Financial sectors	10.3	11.2	11.2	11.5	11.8	11.6	12.4	13.3	13.0	14.0	15.0	17.0	9
10	Mail float	10.3	9.9	9.9	10.4	10.5	9.5	8.3	8.8	10.9	13.0	15.3	17.0	10
11	Rest of the world	3.1	3.2	3.5	4.2	4.4	4.8	5.1	5.7	6.0	6.2	6.5	8.0	11
12	U.S. Government	6.8	8.1	7.8	7.9	7.0	6.6	7.7	6.5	7.0	9.5	12.7	13.1	12
13	Total assets	161.4	166.6	171.6	180.2	187.4	191.3	206.3	221.1	229.3	243.6	261.0	281.4	13
14	**Net banking system liability**	**161.4**	**166.6**	**171.6**	**180.2**	**187.4**	**191.3**	**206.3**	**221.1**	**229.3**	**243.6**	**261.0**	**281.4**	14
15	Monetary authorities	31.4	32.1	34.9	36.8	38.8	41.2	44.2	45.7	48.9	52.0	56.4	60.4	15
16	Commercial banking	130.0	134.5	136.7	143.4	148.6	150.1	162.2	175.4	180.4	191.6	204.6	220.9	16
							Time deposits and savings accounts							
1	**Total held**	**197.8**	**226.5**	**256.1**	**286.5**	**319.7**	**338.8**	**379.6**	**412.9**	**411.5**	**466.5**	**548.7**	**637.4**	1
2	Commercial banking liability	83.0	98.6	113.0	127.6	147.7	159.8	183.7	204.5	195.1	233.1	274.5	316.8	2
3	Households	67.3	79.9	89.4	101.1	115.9	127.9	146.0	163.4	161.5	189.0	218.8	248.6	3
4	Corporate business	6.9	8.4	10.8	10.8	13.1	11.7	13.8	14.2	11.8	13.5	17.1	20.2	4
5	State and local governments	5.5	6.5	8.1	9.8	12.2	13.5	15.9	19.1	13.2	23.2	30.4	37.2	5
6	U.S. Government	.3	.3	.3	.3	.3	.2	.3	.4	.2	.5	.5	.6	6
7	Mutual savings banks	.2	.2	.1	.2	.2	.2	.2	.2	.1	.3	.5	.4	7
8	Foreign	2.9	3.4	4.3	5.4	6.0	6.3	7.6	7.3	8.4	6.7	7.2	9.8	8
9	Savings institutions liability	114.8	127.9	143.1	159.0	172.0	179.0	195.8	208.4	216.4	233.4	274.2	320.6	9
	Liabilities:													
10	Savings and loan associations	70.9	80.2	91.3	101.9	110.4	114.0	124.5	131.6	135.5	146.4	174.5	207.3	10
11	Mutual savings banks	38.3	41.3	44.6	48.8	52.4	55.0	60.1	64.5	67.1	71.6	81.4	91.6	11
12	Credit unions	5.6	6.3	7.2	8.2	9.2	10.0	11.2	12.3	13.7	15.4	18.3	21.7	12
	Assets:													
13	Households	114.5	127.6	142.7	158.4	171.6	178.9	195.5	208.3	216.3	233.3	273.9	319.9	13
14	Credit union deposits at S&L's	.3	.4	.4	.5	.4	.1	.3	.1	*	.1	.3	.7	14
							U.S. Government securities[1]							
1	**Total outstanding**	**250.1**	**258.4**	**263.9**	**270.5**	**274.2**	**282.9**	**295.4**	**312.1**	**317.6**	**338.8**	**369.1**	**392.7**	1
2	Included in public debt	240.7	246.9	251.0	256.4	257.7	260.0	268.9	279.2	278.0	290.8	316.9	330.8	2
3	Household savings bonds	46.4	46.9	48.0	49.0	49.6	50.2	51.1	51.5	51.1	51.4	53.8	57.1	3
4	Direct excluding savings bonds	194.2	200.0	202.9	207.4	208.1	209.8	217.8	227.7	226.8	239.4	263.0	273.7	4
5	Short-term marketable	98.9	99.8	101.1	105.8	108.8	110.2	118.9	119.4	128.4	133.8	130.4	143.5	5
6	Other direct	95.3	100.2	101.9	101.6	99.3	99.5	98.9	108.3	98.4	105.6	132.7	130.1	6
7	Other budget issues	1.0	1.5	1.4	2.2	2.6	4.0	8.2	11.3	9.1	9.0	9.0	12.5	7
8	Sponsored agency issues [2]	8.5	10.0	11.5	11.9	13.8	18.9	18.4	21.6	30.6	38.9	43.2	49.4	8
9	**Total holdings, by sector**	**250.1**	**258.4**	**263.9**	**270.5**	**274.2**	**282.9**	**295.4**	**312.1**	**317.6**	**338.8**	**369.1**	**392.7**	9
10	U.S. Government (agency sec.)	*	......	*	*	*	1.4	1.3	1.4	.1	*	*	*	10
11	Sponsored credit agencies	1.4	1.8	2.2	1.8	1.9	2.9	2.9	2.7	2.5	4.2	2.7	1.3	11
12	Federal Reserve System	28.9	30.8	33.6	37.0	40.8	44.3	49.1	52.9	57.2	62.1	70.8	71.1	12
13	Short-term marketable	18.3	20.7	25.6	28.2	31.9	36.5	39.2	32.6	37.6	38.5	39.5	41.2	13
14	Other direct	10.6	10.1	8.0	8.8	8.9	7.8	9.9	20.4	19.5	23.7	3.7	28.7	14
15	Agency issues	......	......	......	......	......	......	......	......	......	......	.6	1.2	15
16	Foreign	11.0	12.3	12.9	13.4	13.2	10.8	12.9	12.4	10.6	19.7	46.0	54.4	16
17	Short-term marketable	7.1	9.2	8.7	8.5	7.6	6.7	7.6	5.9	3.7	11.5	25.4	27.7	17
18	Other	3.9	3.1	4.2	4.9	5.6	4.1	5.3	6.5	7.0	8.2	20.6	26.7	18
19	Private domestic nonfinancial	103.4	104.9	109.4	110.5	113.4	121.7	120.3	128.2	145.0	136.7	123.5	127.6	19
20	Household savings bonds	46.4	46.9	48.0	49.0	49.6	50.2	51.1	51.5	51.1	51.4	53.8	57.1	20
21	Direct excluding savings bonds	52.3	53.1	55.6	55.4	56.4	59.8	57.2	61.5	72.1	61.2	50.3	50.1	21
22	Short-term marketable	31.4	32.3	33.9	31.3	34.0	35.0	33.9	39.8	52.2	38.9	28.9	30.4	22
23	Other direct	20.9	20.8	21.7	24.1	22.4	24.8	23.4	21.7	19.9	22.3	21.4	19.7	23
24	Agency issues	4.6	5.0	5.7	6.0	6.8	10.0	9.7	12.6	19.8	21.7	17.2	17.1	24
25	Loan participations	......	......	......	.2	.6	1.5	2.2	2.6	2.1	2.4	2.2	3.3	25
26	Commercial banking	70.2	71.4	68.5	68.8	66.0	62.9	72.3	75.5	65.5	75.9	83.6	90.0	26
27	Short-term marketable	33.4	27.7	24.0	28.2	26.2	21.4	26.9	28.5	24.2	30.0	25.0	30.5	27
28	Other direct	33.8	39.4	39.8	35.4	34.0	35.4	36.4	36.8	31.4	32.5	40.6	37.6	28
29	Agency issues	2.9	4.4	4.7	5.2	5.8	6.1	9.0	10.2	9.9	13.4	17.9	22.0	29
30	Nonbank finance	35.2	37.1	37.2	39.0	38.8	39.1	36.8	38.9	36.7	40.0	42.5	48.2	30
31	Short-term marketable	7.4	8.1	7.0	7.8	7.5	8.6	8.6	9.9	8.6	10.9	8.9	12.5	31
32	Other direct	26.0	26.8	27.8	28.4	28.1	26.6	23.9	22.9	20.3	18.7	19.3	17.4	32
33	Agency issues	1.9	2.2	2.4	2.8	3.3	3.9	4.4	6.1	7.8	10.4	14.3	18.3	33
34	**Memo: Held by private domestic nonfinancial banks, and nonbank finance**	**208.8**	**213.5**	**215.1**	**218.3**	**218.2**	**223.6**	**229.3**	**242.6**	**247.3**	**252.6**	**249.6**	**265.9**	34

[1] Where not shown separately, loan participations are included with agency issues.
[2] These issues are outside the budget and outside the U.S. Government sector in flow of funds accounts. They are included in credit market debt of financial institutions.

7. SUMMARY OF PRINCIPAL ASSETS AND LIABILITIES—Continued

(Amounts outstanding at end of year; in billions of dollars)

	Transaction category, or sector	1961	1962	1963	1964	1965	1966	1967	1968	1969	1970	1971	1972	
							State and local government securities							
1	**Total liability of State and local govts**	**75.9**	**81.2**	**86.9**	**92.9**	**100.3**	**105.9**	**113.7**	**123.2**	**133.1**	**144.5**	**161.1**	**173.0**	1
2	Short-term	3.7	3.7	4.1	4.9	5.5	6.2	8.0	8.1	10.9	13.3	15.7	14.7	2
3	Long-term	72.2	77.5	82.8	88.0	94.8	99.8	105.7	115.1	122.2	131.2	145.4	158.3	3
4	**Total assets**	**75.9**	**81.2**	**86.9**	**92.9**	**100.3**	**105.9**	**113.7**	**123.2**	**133.1**	**144.5**	**161.1**	**173.0**	4
5	Households	32.0	31.0	32.0	34.6	36.4	40.0	37.7	37.0	46.1	45.6	44.7	46.0	5
6	Corporate business	2.4	2.7	3.8	3.7	4.6	3.6	3.3	3.8	2.8	2.2	3.2	4.2	6
7	*State and local governments*, general funds	2.8	2.6	2.3	2.2	2.2	2.1	2.1	2.2	2.2	2.3	2.1	1.9	7
8	Commercial banking	20.5	26.2	30.1	33.7	38.9	41.2	50.3	58.9	59.5	70.2	82.8	89.1	8
9	Mutual savings banks	.7	.5	.4	.4	.3	.3	.2	.2	.2	.2	.4	.9	9
10	Life insurance companies	3.9	4.0	3.9	3.8	3.5	3.1	3.0	3.2	3.2	3.3	3.4	3.3	10
11	Other insurance companies	9.1	9.9	10.6	11.0	11.3	12.6	14.1	15.1	16.3	17.8	21.7	25.0	11
12	State and *local governments, retirement funds*	4.3	3.8	3.3	2.9	2.6	2.5	2.4	2.4	2.3	2.0	1.9	1.7	12
13	Brokers and dealers	.3	.5	.5	.7	.5	.5	.5	.5	.4	.9	1.0	.9	13
							Corporate and foreign bonds							
1	**Total liabilities**	**96.5**	**102.4**	**109.0**	**116.6**	**125.7**	**137.2**	**153.4**	**168.3**	**182.0**	**206.3**	**231.5**	**252.1**	1
2	Corporate business	80.0	84.5	88.4	92.4	97.8	108.0	122.7	135.6	147.6	167.3	186.1	198.3	2
3	Commercial banks			.2	.8	1.6	1.7	2.0	2.2	2.3	2.4	3.1	4.1	3
4	Finance companies	10.4	10.7	12.2	14.3	16.1	16.9	17.9	18.8	20.3	22.9	26.7	32.1	4
5	REITS									.1	.6	1.0	1.4	5
6	Rest of the world	6.2	7.2	8.2	9.2	10.2	10.5	10.8	11.7	11.7	13.2	14.6	16.2	6
7	**Total assets**	**96.5**	**102.4**	**109.0**	**116.6**	**125.7**	**137.2**	**153.4**	**168.3**	**182.0**	**206.3**	**231.5**	**252.1**	7
8	Households	11.3	11.2	11.2	11.8	13.4	15.2	19.0	23.8	31.1	41.2	49.5	54.8	8
9	Commercial banking	.9	.8	.8	.9	.8	.9	1.7	2.0	1.9	2.7	4.0	5.7	9
10	Mutual savings banks	3.6	3.5	3.2	3.1	2.9	3.2	5.3	6.6	6.9	8.3	12.6	15.4	10
11	Life insurance companies	50.7	53.2	56.0	58.3	61.1	63.5	67.3	71.2	72.7	74.1	79.6	86.8	11
12	*Private pension funds*	16.9	18.1	19.6	21.2	22.7	25.2	26.4	27.0	27.6	29.7	29.0	27.4	12
13	State and local governments, retirement funds	8.8	10.7	12.8	15.0	17.4	20.2	23.9	26.5	29.6	33.8	38.6	43.4	13
14	Other insurance companies	1.7	2.1	2.0	2.4	3.0	3.6	4.3	5.5	6.3	8.6	8.9	8.8	14
15	*Brokers and dealers*	.4	.6	.8	.9	1.2	1.3	1.7	1.5	1.8	1.9	2.1	2.2	15
16	Investment companies	1.6	1.6	1.8	2.1	2.6	2.9	3.0	3.4	3.6	4.3	4.9	5.1	16
17	*Rest of the world*	.6	.7	.7	.9	.7	1.3	.9	.9	.4	1.7	2.3	2.4	17
							Corporate equities							
1	**Total at market value**	**574.0**	**505.7**	**597.0**	**662.1**	**749.0**	**682.6**	**869.5**	**1027.6**	**909.7**	**902.4**	**1060.3**	**1228.3**	1
2	Open-end investment co. shares	22.9	21.3	25.2	29.1	35.2	34.8	44.7	52.7	48.3	47.6	55.6	59.8	2
3	Other	551.1	484.4	571.8	633.0	713.8	647.8	824.8	974.9	861.4	854.8	1004.7	1168.5	3
4	**Market value of holdings**	**574.0**	**505.7**	**597.0**	**662.1**	**749.0**	**682.6**	**869.5**	**1027.6**	**909.7**	**902.4**	**1060.3**	**1228.3**	4
5	Households	501.7	437.8	514.5	566.0	636.7	575.9	731.5	860.6	748.9	732.3	845.2	967.3	5
6	Mutual savings banks	.9	1.0	1.2	1.3	1.4	1.5	1.7	1.9	2.2	2.5	3.0	3.6	6
7	Commercial banking	.1	.1	.1	.1	.2	.2	.3	.4	.4	.5	.5	.6	7
8	Life insurance companies	6.3	6.3	7.1	7.9	9.1	8.8	10.9	13.2	13.7	15.4	20.5	26.4	8
9	Private pension funds	22.9	21.9	27.7	33.5	40.7	39.5	51.1	61.4	61.6	67.2	88.6	111.8	9
10	State and local governments, retirement funds	.6	.8	1.0	1.3	1.6	2.1	2.8	4.1	5.9	8.0	11.2	14.2	10
11	Other insurance companies	9.3	8.6	10.0	11.4	12.0	11.0	13.0	14.6	13.3	13.2	16.6	20.5	11
12	Open-end investment companies	20.3	18.3	22.1	25.6	30.9	28.9	39.2	46.1	40.9	39.7	47.5	51.7	12
13	Brokers and dealers	.2	.4	9	1.2	1.8	2.1	3.6	5.7	4.8	4.8	5.9	6.2	13
14	Rest of the world	11.8	10.3	12.5	13.8	14.6	12.6	15.5	19.6	18.1	18.7	21.3	26.0	14
							Total mortgages							
1	**Total mortgage debt**	**226.2**	**248.6**	**274.3**	**300.1**	**325.8**	**347.4**	**370.2**	**397.5**	**425.3**	**451.7**	**499.9**	**568.7**	1
2	Savings and loan associations	1.6	2.0	2.5	2.2	2.2	1.3	2.3	2.4	2.5	3.1	5.1	6.2	2
3	U.S. Government	1.5	1.7	1.8	1.8	1.8	1.8	1.7	1.7	1.6	1.5	1.4	1.3	3
4	REITS								.2	.4	.5	.7	1.2	4
5	Private nonfinancial sectors	223.2	244.9	269.9	296.1	321.7	344.4	366.3	393.2	420.9	446.6	492.7	560.0	5
6	**Total assets**	**226.2**	**248.6**	**274.3**	**300.1**	**325.8**	**347.4**	**370.2**	**397.5**	**425.3**	**451.7**	**499.9**	**568.7**	6
7	Households	33.5	34.5	34.8	35.1	34.3	35.7	36.6	38.1	39.2	39.3	39.3	37.3	7
8	State and local governments, general funds	2.0	2.1	2.2	2.2	2.1	2.1	2.2	2.2	2.2	2.1	2.2	2.2	8
9	U.S. Government	6.1	6.3	5.8	5.7	5.6	6.4	7.3	8.4	9.1	9.5	9.5	9.3	9
10	FNMA and land banks	5.7	5.9	5.4	5.7	6.8	9.4	11.1	13.3	17.8	23.6	29.9	36.6	10
11	Commercial banks	30.4	34.5	39.4	44.0	49.7	54.4	59.0	65.7	70.7	73.3	82.5	99.3	11
12	Savings and loan associations	68.8	78.8	90.9	101.3	110.3	114.4	121.8	130.8	140.2	150.3	174.4	206.4	12
13	Mutual savings banks	29.1	32.3	36.2	40.6	44.6	47.3	50.5	53.5	56.1	57.9	62.0	67.6	13
14	Credit unions	.4	.5	.5	.5	.6	.6	.7	.7	.7	.8	.8	.9	14
15	Life insurance companies	44.2	46.9	50.5	55.2	60.0	64.6	67.5	70.0	72.0	74.4	75.5	77.3	15
16	Private pension funds	1.6	1.9	2.2	2.7	3.3	3.9	4.1	4.1	4.2	4.3	3.7	3.0	16
17	State and local governments, retirement funds	1.9	2.2	2.6	3.1	3.7	4.5	5.0	5.4	6.0	6.8	7.1	7.0	17
18	Other insurance companies	.2	.1	.1	.1	.1	.1	.2	.2	.2	.2	.2	.2	18
19	Finance companies	2.2	2.7	3.5	3.9	4.5	3.9	4.3	4.9	5.7	5.9	7.0	11.1	19
20	REITS								.2	1.1	3.2	5.8	10.6	20
							Bank loans not elsewhere classified							
1	**Total liabilities**	**66.3**	**72.2**	**80.1**	**89.8**	**106.2**	**115.9**	**123.4**	**139.1**	**157.2**	**162.9**	**175.2**	**203.8**	1
2	Nonfinancial business	47.9	51.9	57.1	62.1	74.4	85.2	93.4	104.6	119.1	125.0	131.3	147.3	2
3	Households	8.1	8.6	9.0	10.4	11.8	12.1	13.7	15.9	17.2	17.7	18.1	21.0	3
4	Rest of the world	3.7	3.9	4.5	7.3	7.7	7.3	7.0	6.8	6.2	6.2	8.8	11.2	4
5	Financial sectors	6.7	7.8	9.5	10.0	12.4	11.3	9.3	11.9	14.6	14.1	17.1	24.1	5

7. SUMMARY OF PRINCIPAL ASSETS AND LIABILITIES—Continued

(Amounts outstanding at end of year; in billions of dollars)

	Transaction category, or sector	1961	1962	1963	1964	1965	1966	1967	1968	1969	1970	1971	1972	
		Credit market debt claims [1]												
	Credit market debt owed by													
1	**Nonfinancial sectors**	**789.0**	**842.6**	**900.6**	**967.5**	**1037.6**	**1102.8**	**1181.6**	**1276.9**	**1363.9**	**1456.8**	**1591.4**	**1747.8**	1
2	Federal government	243.1	250.2	254.1	260.4	262.2	265.8	278.8	292.2	288.6	301.4	327.4	344.7	2
3	Foreign	25.4	27.7	30.9	36.6	39.4	40.2	43.1	45.8	47.6	51.1	57.3	61.7	3
4	Private domestic	520.5	564.7	615.6	670.4	736.0	796.8	859.7	938.9	1027.7	1104.4	1206.7	1341.5	4
5	State and local govts	77.3	83.2	89.1	95.4	103.1	109.3	117.3	127.2	137.9	149.3	166.3	178.6	5
6	Households	231.6	252.4	277.1	305.0	333.3	354.8	373.8	403.8	435.8	458.8	496.8	560.1	6
7	Corporate nonfin. business	162.6	174.7	187.8	200.7	221.2	245.4	272.9	303.9	339.4	373.3	408.2	452.1	7
8	Nonfarm noncorp. business	27.4	30.6	35.1	40.4	46.2	51.6	56.5	62.1	69.5	74.7	83.4	93.8	8
9	Farm business	21.6	23.9	26.4	29.0	32.3	35.8	39.2	41.9	45.1	48.3	52.0	56.9	9
10	**Financial sectors**	**33.5**	**38.9**	**46.5**	**52.6**	**62.7**	**70.7**	**69.6**	**81.6**	**109.9**	**117.8**	**131.3**	**158.0**	10
11	Sponsored credit agencies	8.6	10.1	11.5	12.1	14.2	19.0	18.4	21.9	30.6	38.9	43.2	49.4	11
12	Savings and loan assns	4.4	5.6	7.6	7.8	8.7	8.7	7.0	8.2	12.3	14.1	14.1	16.1	12
13	Finance companies	20.4	23.1	27.2	31.2	36.5	39.6	40.8	46.5	55.4	57.0	61.2	70.6	13
14	REITS	...	...	...	...	...	...	...	.3	.8	1.9	3.9	8.8	14
15	Commercial banks	...	...	.2	1.4	3.3	3.2	3.3	4.6	6.3	3.0	4.8	7.6	15
16	Bank affiliates	...	...	...	...	...	...	...	...	4.2	2.3	2.0	2.6	16
17	Foreign banking agencies	*	*	*	.1	.1	.1	.1	.2	.3	.4	2.1	2.9	17
18	***Total credit market debt***	**822.5**	**881.4**	**947.1**	**1020.1**	**1100.3**	**1173.5**	**1251.3**	**1358.5**	**1473.8**	**1574.6**	**1722.7**	**1905.8**	18
	Held by													
19	**Private domestic nonfin. sectors**	**205.8**	**209.3**	**218.2**	**226.6**	**231.5**	**252.4**	**255.7**	**276.2**	**320.7**	**318.2**	**314.0**	**329.9**	19
20	Households	149.5	149.5	154.3	160.9	165.9	183.1	184.7	196.5	231.1	231.5	222.2	231.5	20
21	Nonfarm noncorp. business	5.5	5.9	6.3	6.6	7.1	7.6	8.0	8.5	9.1	9.7	10.4	11.4	21
22	Nonfinancial corp. business	31.9	33.8	36.8	38.6	38.9	36.8	38.2	44.1	46.6	44.1	51.0	54.4	22
23	State and local governments	19.0	20.0	20.9	20.4	23.3	24.8	24.8	27.1	33.9	33.0	30.5	32.5	23
24	**U.S. Government**	**28.3**	**30.8**	**32.2**	**34.9**	**37.7**	**42.0**	**46.6**	**51.1**	**54.0**	**56.7**	**59.3**	**61.6**	24
25	**Financial institutions**	**575.3**	**627.0**	**681.7**	**742.7**	**811.6**	**864.8**	**932.9**	**1015.0**	**1084.3**	**1173.9**	**1297.0**	**1453.3**	25
26	Sponsored credit agencies	12.1	13.7	15.3	16.0	18.3	23.4	23.3	26.5	35.6	45.4	48.2	54.3	26
27	Federal Reserve System	28.9	30.9	33.8	37.2	41.0	44.5	49.3	53.0	57.2	62.2	71.0	71.2	27
28	Commercial banking	212.9	231.9	249.5	272.2	300.9	317.3	353.1	391.9	410.7	445.7	496.3	566.1	28
29	Commercial banks	210.9	229.7	247.3	269.9	298.3	314.1	349.5	387.7	401.0	434.3	484.6	553.4	29
30	Bank affiliates	...	...	...	...	...	...	...	...	3.9	3.0	2.8	2.6	30
31	Foreign banking agencies	1.8	1.9	1.7	1.8	2.0	2.4	2.8	3.2	4.5	7.2	7.3	8.1	31
32	Banks in U.S. possessions	.3	.4	.5	.5	.6	.7	.9	1.0	1.2	1.3	1.6	1.9	32
33	Private nonbank finance	321.3	350.4	383.1	417.2	451.4	479.7	507.2	543.7	580.8	620.5	681.3	761.8	33
34	Savings and loan assns.	75.6	85.9	99.2	110.2	119.8	124.4	133.4	143.3	153.2	164.7	194.1	230.6	34
35	Mutual savings banks	40.6	43.6	47.0	51.2	54.9	57.6	62.6	66.9	69.8	73.5	83.0	92.3	35
36	Credit unions	4.9	5.6	6.3	7.2	8.2	9.4	10.2	11.5	13.1	14.6	17.2	20.0	36
37	Life insurance companies	110.9	116.9	123.3	130.2	137.7	145.4	152.8	160.5	167.2	174.2	182.3	192.4	37
38	Other insurance companies	16.5	17.8	18.6	19.4	20.5	22.0	23.5	25.4	27.0	30.9	34.6	37.5	38
39	Private pension funds	21.3	23.0	25.2	27.5	29.6	32.2	33.0	34.0	34.6	37.0	35.4	34.1	39
40	State and local governments, rtr. funds	21.1	23.2	25.6	28.3	31.3	34.9	38.3	41.7	45.1	49.1	52.8	57.1	40
41	Finance companies	26.1	28.6	33.1	37.1	42.8	44.9	45.5	50.6	59.2	59.9	64.0	74.8	41
42	REITS	...	...	...	...	...	...	...	.2	1.1	3.2	5.8	10.6	42
43	Open-end investment cos.	2.3	2.6	2.7	3.0	3.8	5.4	4.8	5.8	6.7	7.2	7.2	7.2	43
44	Security brokers and dealers	2.1	3.1	2.1	2.9	2.7	3.5	3.2	3.8	3.9	6.3	4.9	5.1	44
45	**Rest of the world**	**13.0**	**14.4**	**15.0**	**15.9**	**15.9**	**14.3**	**16.1**	**16.1**	**14.9**	**25.7**	**52.5**	**61.0**	45
		Total claims and their relation to total financial assets												
1	***Total credit market debt***	**822.5**	**881.4**	**947.1**	**1020.1**	**1100.3**	**1173.5**	**1251.3**	**1358.5**	**1473.8**	**1574.6**	**1722.7**	**1905.8**	1
	Other debt forms—													
2	Foreign exchange	1.8	1.2	1.2	1.2	1.6	1.6	2.8	4.8	5.1	2.6	.9	.7	2
3	Treasury currency	2.7	2.8	2.8	2.8	3.1	4.0	4.6	5.1	5.3	6.0	6.4	7.0	3
4	Deposits at finan. insts.	359.2	393.1	427.7	466.7	507.2	530.1	585.9	634.0	640.8	710.1	809.7	918.8	4
5	*Banking system*	*244.4*	*265.2*	*284.6*	*307.7*	*335.1*	*351.2*	*390.1*	*425.6*	*424.4*	*476.7*	*535.4*	*598.2*	5
6	Demand dep. and currency	161.4	166.6	171.6	180.2	187.4	191.3	206.3	221.1	229.3	243.6	261.0	281.4	6
7	Time and svgs. deposits	83.0	98.6	113.0	127.6	147.7	159.8	183.7	204.5	195.1	233.1	274.5	316.8	7
8	Savings institutions	114.8	127.9	143.1	159.0	172.0	179.0	195.8	208.4	216.4	233.4	274.2	320.6	8
9	Insurance and pension reserves	192.1	201.6	219.3	238.6	259.7	274.2	300.7	326.4	342.0	367.4	408.1	452.9	9
10	U.S. Government	21.5	22.6	23.9	25.3	26.7	28.1	29.5	30.8	32.4	34.9	37.8	41.0	10
11	Insurance sector	170.6	179.0	195.4	213.3	232.9	246.1	271.2	295.6	309.6	332.5	370.3	411.9	11
12	Security credit	13.1	13.9	16.7	16.8	18.0	18.7	25.8	32.3	25.7	24.9	28.7	37.5	12
13	Trade debt	84.0	89.3	97.3	105.1	118.1	130.2	141.4	160.3	180.6	187.2	191.8	207.5	13
14	Profit taxes payable	16.5	18.0	19.2	20.4	22.1	22.3	17.4	20.4	17.3	14.2	16.0	16.7	14
15	Miscellaneous	98.0	102.9	110.6	120.6	131.0	144.8	157.6	175.4	206.0	218.8	229.4	254.4	15
16	Interbank claims	24.1	25.5	24.6	26.0	26.6	28.9	31.6	35.3	37.2	41.7	47.3	49.3	16
17	Investment co. shares	22.9	21.3	25.2	29.1	35.2	34.8	44.7	52.7	48.3	47.6	55.6	59.8	17
18	**Total debt above**	**1637.1**	**1750.9**	**1891.6**	**2047.5**	**2222.7**	**2363.1**	**2563.7**	**2805.1**	**2982.1**	**3195.0**	**3516.5**	**3910.3**	18
	Add—Financial assets not included in borrowing:													
19	Other corporate shares	551.1	484.4	571.8	633.0	713.8	647.8	824.8	974.9	861.4	854.8	1004.7	1168.5	19
20	Gold	41.1	41.5	42.3	43.0	43.2	43.2	41.6	40.9	41.0	44.7	48.1	55.9	20
	Deduct—floats not included in assets:													
21	Demand dep.—U.S. Govt.	.3	*	.1	.4	.1	.2	-.6	-.1	-.7	.7	.8	.3	21
22	Other	10.3	9.9	9.9	10.4	10.5	9.5	8.3	8.8	10.9	13.0	15.3	17.0	22
23	Trade credit	8.5	8.3	7.1	-7.9	-9.6	-11.4	-10.8	12.3	17.7	-19.3	-19.1	-23.4	23
	Deduct—liabilities not allocated as assets:													
24	Treasury currency	-2.7	2.7	2.6	-2.4	-2.4	2.2	-2.0	1.7	-1.5	1.6	-1.6	1.7	24
25	Tax liabilities	2.6	3.2	2.4	2.3	2.7	3.3	2.6	3.2	3.3	3.4	3.6	3.3	25
26	Miscellaneous	3.6	2.3	2.3	2.6	4.4	5.1	5.0	7.2	16.9	14.2	14.6	19.0	26
27	**Totals allocated to sectors as assets**	**2224.3**	**2272.3**	**2500.9**	**2718.8**	**2974.2**	**3050.0**	**3427.5**	**3815.9**	**3873.4**	**4085.4**	**4557.2**	**5120.8**	27

[1] Excludes corporate equities.

8. SECTOR STATEMENTS OF FINANCIAL ASSETS AND LIABILITIES

(Amounts outstanding at end of year; in billions of dollars)

	Category	1961	1962	1963	1964	1965	1966	1967	1968	1969	1970	1971	1972	
		Households, personal trusts, and nonprofit organizations												
1	**Total financial assets**	**1116.2**	**1090.4**	**1218.3**	**1328.9**	**1463.6**	**1459.1**	**1692.5**	**1905.6**	**1852.1**	**1917.1**	**2145.4**	**2413.1**	1
2	*Deposits and credit market instruments* [1]	*407.4*	*435.4*	*468.1*	*507.0*	*547.6*	*588.0*	*635.6*	*689.9*	*732.2*	*786.6*	*858.6*	*956.5*	2
3	Demand deposits and currency	76.1	78.4	81.7	86.5	94.2	98.1	109.4	121.7	123.3	132.8	143.7	156.5	3
4	Savings accounts	181.8	207.5	232.1	259.5	287.5	306.8	341.5	371.7	377.8	422.3	492.7	568.6	4
5	At commercial banks	67.3	79.9	89.4	101.1	115.9	127.9	146.0	163.4	161.5	189.0	218.8	248.6	5
6	At savings institutions	114.5	127.6	142.7	158.4	171.6	178.9	195.5	208.3	216.3	233.3	273.9	319.9	6
7	Credit market instruments	149.5	149.5	154.3	160.9	165.9	183.1	184.7	196.5	231.1	231.5	222.2	231.5	7
8	U.S. Govt. securities	72.7	72.8	76.3	79.3	81.8	89.6	90.8	96.3	108.5	100.8	87.8	92.2	8
9	Savings bonds	46.4	46.9	48.0	49.0	49.6	50.2	51.1	51.5	51.1	51.4	53.8	57.1	9
10	Short-term marketable	10.6	10.2	12.6	11.8	14.4	15.5	14.2	22.7	34.6	21.1	10.6	12.0	10
11	Other direct	13.5	13.1	12.8	14.9	13.2	14.9	15.1	11.9	9.8	12.6	11.4	11.5	11
12	Agency issues	2.2	2.6	2.9	3.7	4.6	9.0	10.3	10.2	13.0	15.7	12.0	11.6	12
13	State and local obligations	32.0	31.0	32.0	34.6	36.4	40.0	37.7	37.0	46.1	45.6	44.7	46.0	13
14	Corporate and foreign bonds	11.3	11.2	11.2	11.8	13.4	15.2	19.0	23.8	31.1	41.2	49.5	54.8	14
15	Mortgages	33.5	34.5	34.8	35.1	34.3	35.7	36.6	38.1	39.2	39.3	39.3	37.3	15
16	Commercial paper	*	.1	.1	*	*	2.8	.6	1.4	6.1	4.6	.7	1.1	16
17	Corporate equities	501.7	437.8	514.5	566.0	636.7	575.9	731.5	860.6	748.9	732.3	845.2	967.3	17
18	Investment company shares	22.9	21.3	25.2	29.1	35.2	34.8	44.7	52.7	48.3	47.6	55.6	59.8	18
19	Other corporate shares	478.9	416.6	489.3	536.9	601.5	541.1	686.8	807.9	700.6	684.7	789.5	907.5	19
20	Life insurance reserves	88.6	92.4	96.6	101.1	105.9	110.6	115.4	120.0	125.0	130.3	136.4	143.7	20
21	Pension fund reserves	103.5	109.2	122.7	137.5	153.8	163.6	185.2	206.4	217.0	237.2	271.7	309.2	21
22	Security credit	1.2	1.2	1.5	1.7	2.5	2.7	4.9	7.0	5.2	4.4	4.9	5.0	22
23	Miscellaneous assets	13.8	14.3	14.8	15.7	17.0	18.2	19.8	21.6	23.8	26.3	28.7	31.3	23
24	**Total liabilities**	**243.1**	**264.0**	**291.1**	**319.2**	**348.7**	**370.8**	**394.2**	**427.9**	**457.5**	**479.6**	**521.0**	**590.0**	24
25	Credit market instruments	231.6	252.4	277.1	305.0	333.3	354.8	373.8	403.8	435.8	458.8	496.8	560.1	25
26	Home mortgages	147.7	160.4	175.1	191.1	206.3	219.0	229.4	244.0	260.1	272.5	296.4	334.8	26
27	Other mortgages	10.1	11.0	12.0	13.1	14.2	15.5	16.7	17.8	19.1	20.5	21.7	23.1	27
28	Instalment consumer credit	43.9	48.7	55.5	62.7	70.9	76.2	79.4	87.7	97.1	102.1	111.3	127.3	28
29	Other consumer credit	14.1	15.1	16.3	17.6	19.0	20.0	21.4	23.0	24.0	25.1	27.1	30.2	29
30	Bank loans n.e.c.	8.1	8.6	9.0	10.4	11.8	12.1	13.7	15.9	17.2	17.7	18.1	21.0	30
31	Other loans	7.7	8.5	9.2	10.1	11.0	11.9	13.3	15.3	18.3	20.9	22.3	23.6	31
32	Security credit	6.7	6.6	8.6	8.4	9.1	9.0	12.7	15.6	12.2	10.4	13.1	17.7	32
33	Trade credit	2.2	2.4	2.5	2.8	3.0	3.3	3.7	4.2	4.7	5.2	5.7	6.2	33
34	Deferred and unpaid life insurance premiums	2.5	2.7	2.9	3.0	3.3	3.7	3.9	4.3	4.7	5.1	5.4	6.0	34
		Nonfinancial business Total												
1	**Total financial assets**	**223.5**	**236.2**	**252.3**	**268.1**	**290.9**	**306.3**	**325.9**	**358.8**	**391.8**	**407.4**	**435.4**	**470.9**	1
2	Demand deposits and currency	46.0	46.4	46.5	47.0	47.4	47.7	49.3	51.2	53.8	54.3	55.1	55.3	2
3	Time deposits	6.9	8.4	10.8	10.8	13.1	11.7	13.8	14.2	11.8	13.5	17.1	20.2	3
4	Credit market instruments	37.4	39.8	43.0	45.3	45.9	44.4	46.2	52.6	55.7	53.8	61.3	65.9	4
5	Trade credit	88.0	92.6	98.8	107.0	121.0	133.0	141.3	160.0	182.7	189.8	195.4	215.2	5
6	Miscellaneous assets	45.2	49.1	53.2	58.0	63.5	69.4	75.3	80.8	87.9	96.0	106.5	114.4	6
7	**Total liabilities**	**307.8**	**330.9**	**360.7**	**389.2**	**433.5**	**477.4**	**518.4**	**578.8**	**640.9**	**686.3**	**739.7**	**814.4**	7
8	Credit market instruments	211.6	229.1	249.3	270.1	299.7	332.7	368.6	407.9	454.0	496.3	543.7	602.8	8
9	Corporate bonds	80.0	84.5	88.4	92.4	97.8	108.0	122.7	135.6	147.6	167.3	186.1	198.3	9
10	Home mortgages	2.3	2.4	2.7	2.4	2.6	1.6	2.7	3.2	2.7	3.1	5.0	6.2	10
11	Other mortgages	63.2	71.1	80.1	89.5	98.6	108.3	117.5	128.2	139.0	150.6	169.7	195.9	11
12	Bank loans n.e.c.	47.8	51.9	57.1	62.1	74.3	85.2	93.3	104.5	119.1	124.9	131.2	147.4	12
13	Other loans	18.3	19.3	21.0	23.7	26.4	29.7	32.4	36.4	45.6	50.5	51.7	55.0	13
14	Trade debt, net	73.9	78.2	85.9	92.8	104.9	115.2	124.2	141.6	159.9	165.2	168.9	183.1	14
15	Other liabilities	22.4	23.6	25.5	26.4	29.0	29.4	25.6	29.3	27.0	24.7	27.0	28.5	15

[1] Excludes corporate equities.

8. SECTOR STATEMENTS OR FINANCIAL ASSETS AND LIABILITIES—Continued

(Amounts outstanding at end of year; in billions of dollars)

	Category	1961	1962	1963	1964	1965	1966	1967	1968	1969	1970	1971	1972	
							Farm business							
1	**Total financial assets**	**7.7**	**7.9**	**7.8**	**8.2**	**8.5**	**8.7**	**9.1**	**9.6**	**10.2**	**10.8**	**11.5**	**12.1**	1
2	Demand deposits and currency	5.8	5.9	5.7	5.9	6.0	6.0	6.1	6.3	6.4	6.5	6.6	6.8	2
3	Miscellaneous assets	1.9	2.0	2.1	2.3	2.5	2.7	3.0	3.3	3.8	4.3	4.8	5.3	3
4	Insurance receivables	1.7	1.7	1.9	2.0	2.2	2.3	2.6	2.8	3.2	3.6	4.1	4.6	4
5	Equity in sponsored agencies	.2	.2	.3	.3	.3	.4	.4	.5	.6	.6	.7	.8	5
6	**Total liabilities**	**25.5**	**28.4**	**31.5**	**34.5**	**38.4**	**42.8**	**47.1**	**50.0**	**53.9**	**58.1**	**63.0**	**68.9**	6
7	Credit market instruments	21.6	23.9	26.4	29.0	32.3	35.8	39.2	41.9	45.1	48.3	52.0	56.9	7
8	Mortgages	13.9	15.2	16.8	18.9	21.2	23.3	25.5	27.5	29.5	31.2	32.9	35.4	8
9	Bank loans n.e.c.	5.3	6.1	6.7	7.0	7.7	8.6	9.3	9.7	10.3	11.2	12.5	14.3	9
10	Other loans	2.3	2.6	2.9	3.1	3.5	3.9	4.5	4.7	5.3	5.9	6.7	7.1	10
11	U.S. Government	.7	.7	.8	.9	.9	.9	1.1	1.0	1.0	1.0	1.0	1.1	11
12	FICB and banks for coops	1.7	1.8	2.1	2.2	2.5	2.9	3.4	3.7	4.3	5.0	5.7	6.1	12
13	Trade debt	3.9	4.5	5.1	5.5	6.1	7.0	7.8	8.1	8.8	9.7	11.0	12.0	13
							Nonfarm noncorporate business							
1	**Total financial assets**	**21.3**	**21.8**	**22.3**	**23.0**	**23.7**	**24.5**	**25.4**	**26.3**	**27.6**	**28.9**	**30.4**	**32.2**	1
2	Demand deposits and currency	12.5	12.5	12.5	12.5	12.5	12.5	12.5	12.5	12.5	12.5	12.5	12.5	2
3	Consumer credit	5.5	5.9	6.3	6.6	7.1	7.6	8.0	8.5	9.1	9.7	10.4	11.4	3
4	Miscellaneous	3.2	3.3	3.5	3.8	4.1	4.4	4.8	5.3	6.0	6.7	7.5	8.2	4
5	Insurance receivables	3.1	3.3	3.5	3.7	4.0	4.3	4.7	5.2	5.8	6.5	7.3	8.0	5
6	Equity in sponsored agencies	.1	.1	.1	.1	.1	.1	.1	.1	.2	.2	.2	.2	6
7	**Total liabilities**	**29.5**	**32.7**	**36.8**	**41.7**	**46.8**	**51.0**	**56.7**	**62.2**	**68.4**	**72.7**	**80.3**	**90.4**	7
8	Credit market instruments	27.4	30.6	35.1	40.4	46.2	51.6	56.5	62.1	69.5	74.7	83.4	93.8	8
9	Mortgages	15.6	17.8	20.6	24.0	27.1	29.5	33.2	36.7	40.4	45.3	53.3	62.6	9
10	Home	1.2	1.2	1.4	1.2	1.3	.8	1.4	1.6	1.4	1.5	2.5	3.1	10
11	Multifamily	11.8	13.6	15.8	19.1	21.8	24.2	27.0	29.7	33.3	37.7	43.8	51.1	11
12	Commercial	2.6	3.0	3.4	3.7	4.0	4.5	4.8	5.3	5.8	6.1	7.0	8.4	12
13	Bank loans n.e.c.	4.2	4.5	5.2	5.7	6.6	8.0	8.6	9.7	11.8	11.2	11.4	12.1	13
14	Other loans	7.7	8.3	9.3	10.8	12.4	14.1	14.7	15.8	17.2	18.2	18.7	19.1	14
15	Trade debt, net	2.1	2.1	1.7	1.3	.6	.6	.2	.1	1.0	2.0	3.1	3.4	15
16	Trade debt	15.9	15.7	15.3	15.2	14.6	13.9	15.1	13.9	13.4	12.9	12.1	11.8	16
17	Trade receivables	13.8	13.6	13.6	13.9	14.0	14.5	15.0	13.9	14.4	14.8	15.2	15.1	17
							Corporate nonfinancial business							
1	**Total financial assets**	**194.5**	**206.5**	**222.2**	**237.0**	**258.7**	**273.0**	**291.5**	**322.8**	**354.0**	**367.7**	**393.6**	**426.6**	1
2	Liquid assets	56.5	59.6	64.2	65.1	67.8	64.1	68.8	76.7	78.9	77.8	88.4	93.5	2
3	Demand deposits and currency	27.7	28.0	28.3	28.6	28.9	29.2	30.7	32.4	34.9	35.2	35.9	36.0	3
4	Time deposits	6.9	8.4	10.8	10.8	13.1	11.7	13.8	14.2	11.8	13.5	17.1	20.2	4
5	U.S. Govt. securities	16.5	16.8	16.7	15.2	12.7	11.5	8.9	9.3	7.0	7.3	9.4	7.0	5
6	Open market paper	3.0	3.7	4.6	6.3	6.7	6.5	10.7	14.8	18.9	19.4	21.8	23.5	6
7	Security R.P.'s	...	...	...	.6	1.7	1.5	1.3	2.2	3.6	.2	1.1	2.7	7
8	State and local obligations	2.4	2.7	3.8	3.7	4.6	3.6	3.3	3.8	2.8	2.2	3.2	4.2	8
9	Consumer credit	9.9	10.6	11.6	12.9	13.2	13.7	14.0	14.0	14.3	15.0	15.6	17.1	9
10	Trade credit	88.0	92.6	98.8	107.0	121.0	133.0	141.3	160.0	182.7	189.8	195.4	215.2	10
11	Miscellaneous financial assets	40.1	43.8	47.5	51.9	56.9	62.3	67.4	72.2	78.1	85.1	94.2	100.9	11
12	Foreign direct investment	34.7	37.2	40.7	44.4	49.2	53.9	58.3	61.6	66.6	73.0	79.6	83.3	12
13	Foreign currencies	.2	.8	.7	1.1	.8	.9	1.1	1.6	1.3	.9	2.3	4.1	13
14	Insurance receivables	5.1	5.7	6.0	6.4	6.8	7.3	8.0	8.8	9.9	10.8	11.9	13.0	14
15	Equity in sponsored agencies	.1	.1	.1	.1	.1	.1	.1	.2	.2	.3	.4	.4	15
16	**Total liabilities**	**252.9**	**269.9**	**292.3**	**313.0**	**348.3**	**383.6**	**414.6**	**466.6**	**518.6**	**555.5**	**596.4**	**655.2**	16
17	Credit market instruments	162.6	174.7	187.8	200.7	221.2	245.4	272.9	303.9	339.4	373.3	408.2	452.1	17
18	Corporate bonds	80.0	84.5	88.4	92.4	97.8	108.0	122.7	135.6	147.6	167.3	186.1	198.3	18
19	Mortgages	36.0	40.5	45.4	49.0	52.8	57.1	61.6	67.2	71.8	77.0	88.5	104.1	19
20	Home mortgages	1.2	1.2	1.4	1.2	1.3	.8	1.4	1.6	1.4	1.5	2.5	3.1	20
21	Multifamily	11.2	12.2	13.2	14.5	15.3	16.1	16.9	17.5	18.7	20.2	22.8	25.8	21
22	Commercial	23.6	27.1	30.8	33.3	36.2	40.2	43.3	48.1	51.8	55.3	63.2	75.2	22
23	Bank loans n.e.c.	38.4	41.3	45.2	49.4	60.1	68.6	75.5	85.2	97.0	102.6	107.4	120.9	23
24	Open market paper	1.5	1.6	1.3	1.5	1.2	2.2	3.7	5.3	8.0	10.6	9.1	8.6	24
25	Finance company loans	5.9	5.6	6.3	7.0	7.6	7.5	7.2	9.0	13.3	13.7	15.6	18.4	25
26	U.S. Govt. loans	.9	1.1	1.2	1.4	1.7	2.0	2.2	1.7	1.8	2.1	1.6	1.8	26
27	Profit taxes liability	15.0	15.9	17.5	18.0	20.2	20.4	15.6	18.5	15.2	11.5	13.3	14.0	27
28	Trade debt	67.9	71.7	79.1	86.0	98.1	108.7	116.2	133.4	152.2	157.5	161.1	174.5	28
29	Miscellaneous liabilities	7.4	7.6	7.9	8.4	8.8	9.1	9.9	10.8	11.8	13.3	13.7	14.5	29

8. SECTOR STATEMENTS OR FINANCIAL ASSETS AND LIABILITIES—Continued

(Amounts outstanding at end of year; in billions of dollars)

	Category	1961	1962	1963	1964	1965	1966	1967	1968	1969	1970	1971	1972	
		State and local governments General funds [1]												
1	**Total financial assets**	**34.7**	**37.3**	**41.5**	**44.6**	**49.6**	**53.5**	**57.3**	**63.3**	**65.0**	**71.6**	**75.7**	**86.7**	1
2	Demand deposits and currency	8.8	9.4	10.9	12.5	12.1	13.0	14.1	13.9	15.3	13.7	12.8	14.6	2
3	Time deposits	5.5	6.5	8.1	9.8	12.2	13.5	15.9	19.1	13.2	23.2	30.4	37.2	3
4	Credit market instruments	19.0	20.0	20.9	20.4	23.3	24.8	24.8	27.1	33.9	33.0	30.5	32.5	4
5	U.S. Government securities	14.2	15.3	16.4	16.0	18.9	20.6	20.5	22.7	29.5	28.6	26.3	28.4	5
6	Direct	13.3	14.5	15.4	15.2	18.1	20.4	19.8	19.3	22.9	22.5	21.3	22.7	6
7	Agency issues	.9	.8	1.0	.8	.9	.2	.7	3.3	6.7	6.1	5.0	5.7	7
8	State and local obligations	2.8	2.6	2.3	2.2	2.2	2.1	2.1	2.2	2.2	2.3	2.1	1.9	8
9	Home mortgages	2.0	2.1	2.2	2.2	2.1	2.1	2.2	2.2	2.2	2.1	2.2	2.2	9
10	*Taxes receivable*	1.4	1.5	1.7	1.9	2.1	2.3	2.5	3.2	2.5	1.7	2.0	2.5	10
11	**Total liabilities**	**80.0**	**86.0**	**92.2**	**98.7**	**106.7**	**113.5**	**122.1**	**132.6**	**143.8**	**155.6**	**173.2**	**186.1**	11
12	*Credit market instruments*	77.3	83.2	89.1	95.4	103.1	109.3	117.3	127.2	137.9	149.3	166.3	178.6	12
13	State and local obligations	75.9	81.2	86.9	92.9	100.3	105.9	113.7	123.2	133.1	144.5	161.1	173.0	13
14	Short-term	3.7	3.7	4.1	4.9	5.5	6.2	8.0	8.1	10.9	13.3	15.7	14.7	14
15	Other	72.2	77.5	82.8	88.0	94.8	99.8	105.7	115.1	122.2	131.2	145.4	158.3	15
16	Other loans (U.S. Government)	1.5	2.0	2.2	2.5	2.8	3.4	3.6	4.0	4.7	4.8	5.2	5.5	16
17	Trade debt	2.7	2.8	3.0	3.3	3.7	4.2	4.8	5.4	5.9	6.4	6.9	7.5	17
		U.S. Government												
1	**Total financial assets**	**56.3**	**60.3**	**63.9**	**68.3**	**71.2**	**75.5**	**78.9**	**85.9**	**89.6**	**91.0**	**95.2**	**97.7**	1
2	Gold and official U.S. foreign exchange	1.9	1.2	1.2	1.0	1.1	.9	1.3	3.3	4.7	3.6	2.1	2.6	2
3	Demand deposits and currency	7.2	8.1	7.7	8.3	6.9	6.8	8.3	6.6	7.7	10.2	13.5	13.3	3
4	Time deposits	.3	.3	.3	.3	.3	.2	.3	.4	.2	.5	.5	.6	4
5	Credit market instruments	28.3	30.8	32.2	34.9	37.7	42.0	46.6	51.1	54.0	56.7	59.3	61.6	5
6	Sponsored credit agency issues	*	......	*	*	*	1.4	1.3	1.4	.1	*	*	*	6
7	Home mortages	4.4	4.5	4.1	4.0	3.9	4.5	5.2	6.0	6.1	6.0	5.7	5.1	7
8	Other mortgages	1.7	1.7	1.7	1.7	1.7	1.9	2.1	2.4	3.0	3.5	3.8	4.2	8
9	Other loans	22.2	24.5	26.3	29.2	32.0	34.3	38.0	41.3	44.7	47.2	49.8	52.3	9
10	To rest of the world	13.8	14.9	16.0	17.5	19.0	19.8	22.3	24.4	26.5	27.8	29.6	31.1	10
11	To others	8.4	9.6	10.4	11.7	13.0	14.5	15.7	16.9	18.2	19.5	20.1	21.2	11
12	Taxes receivable	12.5	13.3	15.1	16.2	17.4	16.7	12.3	14.0	11.4	9.1	10.4	10.9	12
13	*Trade credit*	1.8	2.0	2.5	2.7	3.1	4.4	5.8	6.4	7.3	6.6	4.9	4.0	13
14	Miscellaneous assets	4.4	4.6	4.9	4.8	4.7	4.4	4.3	4.1	4.2	4.4	4.5	4.6	14
15	**Total liabilities**	**271.8**	**280.0**	**285.1**	**292.4**	**296.4**	**303.2**	**319.1**	**334.4**	**332.0**	**346.7**	**375.5**	**396.4**	15
16	*Credit market instruments*	243.1	250.2	254.1	260.4	262.2	265.8	278.8	292.2	288.6	301.4	327.4	344.7	16
17	Savings bonds	46.4	46.9	48.0	49.0	49.6	50.2	51.1	51.5	51.1	51.4	53.8	57.1	17
18	Short-term marketable	98.9	99.8	101.1	105.8	108.8	110.2	118.9	119.4	128.4	133.8	130.4	143.5	18
19	Other direct	95.3	100.2	101.9	101.6	99.3	99.5	98.9	108.3	98.4	105.6	132.7	130.1	19
20	Agency issues	.1	.1	.2	.2	.2	.3	.5	1.9	1.6	1.9	2.5	4.5	20
21	Loan participations	.9	1.4	1.2	2.0	2.4	3.7	7.7	9.4	7.5	7.1	6.5	8.0	21
22	Home mortgages	1.5	1.7	1.8	1.8	1.8	1.8	1.7	1.7	1.6	1.5	1.4	1.3	22
23	Trade debt	3.4	3.7	3.6	3.4	3.9	4.5	5.1	5.1	4.8	4.2	3.5	3.4	23
24	Treasury currency liability	2.7	2.8	2.8	2.8	3.1	4.0	4.6	5.1	5.3	6.0	6.4	7.0	24
25	Life insurance reserves	6.5	6.6	6.8	6.9	7.0	7.1	7.2	7.2	7.3	7.4	7.4	7.5	25
26	Retirement fund reserves	15.0	16.0	17.2	18.4	19.7	21.0	22.3	23.6	25.1	27.5	30.4	33.5	26
27	Miscellaneous liabilities	1.0	.8	.7	.6	.6	.8	1.0	1.2	.9	.3	.3	.3	27
		Federally sponsored credit agencies [2]												
1	**Total financial assets**	**12.7**	**14.3**	**15.8**	**16.5**	**18.8**	**23.8**	**23.7**	**27.0**	**36.1**	**46.9**	**50.3**	**56.9**	1
2	Demand deposits and currency	.2	.2	.2	.2	.2	.2	.2	.2	.2	.2	.2	.2	2
3	Credit market instruments	12.1	13.7	15.3	16.0	18.3	23.4	23.3	26.5	35.6	45.4	48.2	54.3	3
4	U.S. Government securities	1.4	1.8	2.2	1.8	1.9	2.9	2.9	2.7	2.5	4.2	2.7	1.3	4
5	*Mortgages*	5.7	5.9	5.4	5.7	6.8	9.4	11.1	13.3	17.8	23.6	29.9	36.6	5
6	Home (FNMA)	2.9	2.8	2.1	2.0	2.5	4.4	5.5	7.2	11.0	16.1	20.9	25.2	6
7	Multifamily (FNMA)	*	*	*	*	*	*	*	*	*	.3	1.1	2.3	7
8	Farm (FLB)	2.8	3.1	3.3	3.7	4.3	5.0	5.6	6.1	6.7	7.2	7.9	9.1	8
9	Other loans	5.0	6.1	7.7	8.5	9.6	11.1	9.3	10.5	15.3	17.6	15.6	16.4	9
10	To coops (BC)	.7	.7	.8	1.0	1.1	1.3	1.5	1.6	1.7	2.0	2.0	2.3	10
11	To farmers (FICB)	1.7	1.8	2.1	2.2	2.5	2.9	3.4	3.7	4.3	5.0	5.7	6.1	11
12	To S & L's (FHLB)	2.7	3.5	4.8	5.3	6.0	6.9	4.4	5.3	9.3	10.6	7.9	8.0	12
13	Miscellaneous assets	.3	.4	.3	.3	.3	.3	.3	.3	.3	1.3	1.8	2.5	13
14	**Total liabilities**	**12.1**	**13.7**	**15.1**	**15.7**	**18.0**	**23.0**	**22.8**	**26.1**	**35.2**	**46.0**	**49.3**	**55.8**	14
15	Credit market instruments	8.6	10.1	11.5	12.1	14.2	19.0	18.4	21.9	30.6	38.9	43.2	49.4	15
16	*Agency securities*	8.5	10.0	11.5	11.9	13.8	18.9	18.4	21.6	30.6	38.9	43.2	49.4	16
17	U.S. Government loans	.1	.1	......	.1	.3	.1	*	.3	......	......	......	......	17
18	Miscellaneous liabilities	3.5	3.6	3.6	3.7	3.8	4.0	4.4	4.2	4.5	7.1	6.1	6.4	18
19	Deposits at FHLB's	1.2	1.2	1.2	1.2	1.0	1.0	1.4	1.4	1.0	2.3	1.8	1.5	19
20	Capital subscriptions	1.8	1.9	1.9	1.9	2.0	2.3	2.4	2.2	2.4	2.7	2.8	3.1	20
21	Other	.5	.5	.5	.5	.7	.6	.6	.6	1.1	2.0	1.5	1.7	21

[1] Employee retirement funds are on page A-71.26.

[2] This group consists of Federal home loan banks, Federal National Mortgage Association, Federal intermediate credit banks, banks for cooperatives, and Federal land banks. These agencies are privately owned and are excluded from U.S. Government budget accounts as of 1969 and from U.S. Government figures in these accounts for all years.

8. SECTOR STATEMENTS OF FINANCIAL ASSETS AND LIABILITIES Continued

(Amounts outstanding at end of year; in billions of dollars)

	Category	1961	1962	1963	1964	1965	1966	1967	1968	1969	1970	1971	1972	
							Monetary authorities							
1	**Total financial assets**	**53.6**	**55.3**	**57.5**	**60.8**	**63.1**	**67.3**	**72.1**	**75.8**	**80.0**	**85.2**	**93.5**	**96.4**	1
2	Gold and foreign exchange [1]	16.8	16.0	15.6	15.6	14.3	14.0	13.5	12.4	12.3	10.9	10.1	10.5	2
3	Treasury currency and SDR certificates	5.4	5.4	5.4	5.2	5.4	6.2	6.6	6.8	6.8	7.5	8.0	8.7	3
4	F.R. float	2.3	2.9	2.6	2.6	2.2	2.5	2.6	3.4	3.4	4.3	4.3	4.0	4
5	F.R. loans to domestic banks	.1	*	*	.2	.1	.2	.1	.2	.2	.3	*	2.0	5
6	Credit market instruments	28.9	30.9	33.8	37.2	41.0	44.5	49.3	53.0	57.2	62.2	71.0	71.2	6
7	U.S. Govt. securities	28.9	30.8	33.6	37.0	40.8	44.3	49.1	52.9	57.2	62.1	70.8	71.1	7
8	Short-term marketable	18.3	20.7	25.6	28.2	31.9	36.5	39.2	32.6	37.6	38.5	39.5	41.2	8
9	Other direct	10.6	10.1	8.0	8.8	8.9	7.8	9.9	20.4	19.5	23.7	30.7	28.7	9
10	Agency issues	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.6	1.2	10
11	Acceptances	.1	.1	.2	.1	.2	.2	.2	.1	.1	.1	.3	.1	11
12	Bank loans n.e.c	*	*	*	*	*	.....	.....	.....	.....	.....	.....	.....	12
13	**Total liabilities**	**53.6**	**55.2**	**57.3**	**61.2**	**63.6**	**67.8**	**72.6**	**76.2**	**80.4**	**85.6**	**94.0**	**95.9**	13
14	Vault cash of commercial banks	3.7	4.5	4.3	4.5	4.9	5.5	5.9	7.2	7.3	7.0	7.5	8.7	14
15	Member bank reserves	17.4	17.5	17.0	17.9	18.4	19.8	21.1	21.9	22.1	24.2	27.8	25.6	15
16	Demand deposits and currency	31.4	32.1	34.9	36.8	38.8	41.2	44.2	45.7	48.9	52.0	56.4	60.4	16
17	U.S. Government	.9	1.0	1.2	1.4	1.4	1.6	2.5	1.5	2.0	1.6	2.5	2.2	17
18	Foreign	.3	.3	.2	.3	.2	.4	.4	.5	.4	.3	.5	.4	18
19	Currency outside banks	30.2	30.8	33.4	35.1	37.2	39.2	41.3	43.7	46.6	50.0	53.4	57.9	19
20	Taxes payable	.1	.1	.1	.7	.2	.2	.2	.2	.2	.2	.2	.2	20
21	Other	1.0	1.0	1.0	1.3	1.3	1.2	1.2	1.3	1.8	2.2	2.1	1.0	21
							Commercial banking [2]							
1	**Total financial assets**	**247.7**	**269.3**	**287.5**	**313.5**	**343.5**	**363.7**	**404.6**	**450.8**	**473.0**	**518.2**	**576.7**	**655.0**	1
2	Demand deposits and currency	.1	.1	.1	.2	.1	.2	.2	.2	.3	.4	.5	.7	2
3	Total bank credit [3]	220.1	240.0	258.6	281.8	310.4	327.4	364.8	404.9	422.6	459.2	510.6	585.2	3
4	Credit market instruments	212.9	231.9	249.5	272.2	300.9	317.3	353.1	391.9	410.7	445.7	496.3	566.1	4
5	U.S. Govt. securities [4]	70.2	71.4	68.5	68.8	66.0	62.9	72.3	75.5	65.5	75.9	83.6	90.0	5
6	Short-term direct	33.4	27.7	24.0	28.2	26.2	21.4	26.9	28.5	24.2	30.0	25.0	30.5	6
7	Other direct	33.8	39.4	39.8	35.4	34.0	35.4	36.4	36.8	31.4	32.5	40.6	37.6	7
8	Agency issues	2.9	4.4	4.7	5.2	5.8	6.1	9.0	10.2	9.9	13.4	17.9	22.0	8
9	Other securities and mortgages	51.8	61.5	70.4	78.6	89.4	96.5	111.0	126.6	132.2	146.2	169.3	194.2	9
10	State and local obligations	20.5	26.2	30.1	33.7	38.9	41.2	50.3	58.9	59.5	70.2	82.8	89.1	10
11	Corporate bonds	.9	.8	.8	.9	.8	.9	1.7	2.0	1.9	2.7	4.0	5.7	11
12	Home mortgages	20.0	22.1	24.9	27.2	30.4	32.8	35.3	38.8	41.4	42.3	48.0	57.0	12
13	Other mortgages	10.4	12.3	14.5	16.8	19.3	21.6	23.7	26.9	29.3	30.9	34.5	42.3	13
14	Other credit exc. security	91.0	99.0	110.7	124.9	145.6	157.9	169.8	189.8	213.0	223.6	243.4	281.9	14
15	Consumer credit	21.4	23.7	27.2	31.0	35.7	38.3	40.6	46.3	51.0	53.9	60.6	70.6	15
16	Bank loans n.e.c	66.3	72.2	80.1	89.8	106.2	115.9	123.4	139.1	157.2	162.9	175.2	203.8	16
17	Open-market paper	2.5	2.4	2.5	3.1	2.7	3.7	5.8	4.4	4.9	6.9	7.7	7.5	17
18	Hypothecated deposits	.8	.8	.8	1.0	1.1	.....	.....	.....	.....	.....	.....	.....	18
19	Corporate equities	.1	.1	.1	.1	.2	.2	.3	.4	.4	.5	.5	.6	19
20	Security credit	7.0	8.0	9.0	9.4	9.3	9.9	11.3	12.7	11.5	13.0	13.8	18.5	20
21	Vault cash	3.7	4.5	4.3	4.5	4.9	5.5	5.9	7.2	7.3	7.0	7.5	8.7	21
22	Member bank reserves	17.4	17.5	17.0	17.9	18.4	19.8	21.1	21.9	22.1	24.2	27.8	25.6	22
23	Other interbank claims	.6	.6	.7	.9	.9	.9	1.9	2.6	4.2	5.9	7.6	9.0	23
24	Miscellaneous assets	5.9	6.5	6.8	8.3	8.8	10.0	10.7	14.1	16.5	21.5	22.7	25.8	24
25	**Total liabilities**	**228.4**	**248.6**	**267.0**	**291.2**	**320.0**	**339.0**	**378.2**	**422.7**	**443.8**	**487.2**	**543.3**	**618.3**	25
26	Demand deposits, net	130.0	134.5	136.7	143.4	148.6	150.1	162.2	175.4	180.4	191.6	204.6	220.9	26
27	U.S. Government	5.9	7.2	6.5	6.5	5.5	5.0	5.2	5.0	5.1	7.9	10.2	10.9	27
28	Other	124.0	127.4	130.1	136.9	143.1	145.2	156.9	170.4	175.3	183.7	194.4	210.1	28
29	Time deposits	83.0	98.6	113.0	127.6	147.7	159.8	183.7	204.5	195.1	233.1	274.5	316.8	29
30	Large negotiable CD's	3.2	6.2	9.9	12.6	16.3	15.7	20.3	23.5	10.9	26.1	34.8	44.5	30
31	Other at commercial banks	79.5	92.1	102.7	114.6	130.9	143.6	162.8	180.2	183.2	205.6	238.0	271.1	31
32	At foreign banking agencies	.3	.3	.4	.4	.5	.5	.6	.8	1.0	1.4	1.7	1.2	32
33	Federal Reserve float	2.3	2.9	2.6	2.6	2.2	2.5	2.6	3.4	3.4	4.3	4.3	4.0	33
34	Borrowing at F.R. banks	.1	*	*	.2	.1	.2	.1	.2	.2	.3	*	2.0	34
35	Other interbank claims	.6	.6	.7	.9	.9	.9	1.9	2.6	4.2	5.9	7.6	9.0	35
36	Credit market debt	*	*	.3	1.5	3.4	3.3	3.4	4.8	10.9	5.8	8.9	13.1	36
37	Taxes payable	.6	1.1	.6	.8	.7	.7	.6	.5	.6	1.0	.9	.7	37
38	Miscellaneous liabilities	11.7	10.8	13.1	14.3	16.4	21.4	23.7	31.2	49.0	45.2	42.5	51.8	38
39	Liabilities to foreign branches	3.8	3.7	4.0	4.6	4.7	7.6	8.3	10.6	18.6	11.6	7.6	8.5	39
40	Other	8.0	7.1	9.1	9.7	11.8	13.8	15.3	20.6	30.4	33.6	34.9	43.3	40

[1] Monetary gold stock and F.R. holdings of foreign currencies. Exchange Stabilization Fund holdings of gold and foreign exchange are in U.S. Govt. account, p. A-71.22.

[2] Consists of chartered commercial banks, their domestic affiliates, Edge Act corporations, agencies of foreign banks, and banks in U.S. possessions. Edge Act corporations and agencies of foreign banks appear together in these tables as "foreign banking agencies."

[3] Gross of bad debt reserves.

[4] At par value.

8. SECTOR STATEMENTS OF FINANCIAL ASSETS AND LIABILITIES—Continued

(Amounts outstanding at end of year; in billions of dollars)

	Category	1961	1962	1963	1964	1965	1966	1967	1968	1969	1970	1971	1972	
							Commercial banks							
1	**Total financial assets**	**242.7**	**264.0**	**281.6**	**306.2**	**336.4**	**355.5**	**395.4**	**438.9**	**452.7**	**490.7**	**547.2**	**624.5**	1
2	Total bank credit	217.1	237.0	255.2	278.3	306.8	323.2	360.0	399.5	411.7	446.4	497.5	571.0	2
3	Credit market instruments	210.9	229.7	247.3	269.9	298.3	314.1	349.5	387.7	401.0	434.3	484.6	553.4	3
4	U.S. Govt. securities	69.5	70.8	67.9	68.2	65.3	62.2	71.5	74.7	64.6	75.1	82.9	88.8	4
5	Direct	66.6	66.4	63.2	63.0	59.5	56.2	62.5	64.5	54.7	61.7	64.9	67.0	5
6	Agency issues	2.9	4.4	4.7	5.2	5.8	6.1	9.0	10.2	9.9	13.4	17.9	21.8	6
7	Other securities and mortgages	51.5	61.1	70.0	78.1	88.8	95.8	110.1	125.7	131.1	144.8	168.0	193.3	7
8	State and local oblig	20.3	26.0	30.0	33.5	38.7	41.0	50.0	58.6	59.2	69.6	82.4	89.5	8
9	Corporate bonds	.9	.8	.8	.9	.8	.9	1.6	1.9	1.9	2.7	3.9	5.3	9
10	Home mortgages	20.0	22.0	24.7	27.0	30.1	32.5	34.9	38.3	40.9	41.8	47.3	56.3	10
11	Other mortgages	10.4	12.3	14.4	16.7	19.2	21.5	23.6	26.8	29.1	30.7	34.3	42.1	11
12	Other credit excluding security	89.8	97.8	109.4	123.6	144.1	156.1	167.9	187.4	205.4	214.4	233.7	271.3	12
13	*Consumer credit*	*21.4*	*23.7*	*27.2*	*31.0*	*35.7*	*38.3*	*40.6*	*46.3*	*51.0*	*53.9*	*60.6*	*70.6*	13
14	Bank loans n.e.c.	65.2	71.1	79.0	88.6	104.9	114.2	121.6	136.8	149.6	153.7	165.7	193.3	14
15	Open-market paper	3.2	3.0	3.2	3.9	3.6	3.6	5.7	4.3	4.8	6.7	7.5	7.3	15
16	Security credit	6.2	7.3	7.9	8.4	8.5	9.0	10.5	11.8	10.7	12.1	12.9	17.6	16
17	Interbank claims	21.1	22.1	21.4	22.4	23.3	25.3	27.1	29.1	29.5	31.5	35.5	37.1	17
18	Vault cash and member bank reserves	21.1	22.0	21.3	22.4	23.3	25.2	27.0	29.1	29.4	31.2	35.3	34.3	18
19	Deposits at foreign banking agencies	.1	.1	.1	*	*	.1	.1	.1	.1	.3	.2	2.8	19
20	Miscellaneous assets	4.5	4.9	5.0	5.5	6.2	7.1	8.3	10.2	11.4	12.7	14.2	16.4	20
21	**Total liabilities**	**223.4**	**243.3**	**261.1**	**283.9**	**312.8**	**330.8**	**369.0**	**410.7**	**423.5**	**459.6**	**513.8**	**587.9**	21
22	Demand deposits, net	128.7	133.3	135.6	141.5	147.0	148.6	160.5	172.8	177.4	182.0	195.4	215.2	22
23	U.S. Government	5.9	7.2	6.5	6.5	5.5	5.0	5.2	5.0	5.1	7.9	10.2	10.9	23
24	Other	122.8	126.2	129.0	135.0	141.5	143.6	155.2	167.8	172.3	174.1	185.2	204.3	24
25	Time deposits	82.7	98.3	112.6	127.2	147.2	159.3	183.1	203.7	194.1	231.7	272.8	315.6	25
26	Large negotiable CD's	3.2	6.2	9.9	12.6	16.3	15.7	20.3	23.5	10.9	26.1	34.8	44.5	26
27	Other	79.5	92.1	102.7	114.6	130.9	143.6	162.8	180.2	183.2	205.6	238.0	271.1	27
28	Interbank liabilities	3.0	3.5	3.2	3.6	3.2	3.5	4.5	6.1	7.7	10.2	11.7	12.2	28
29	F.R. float	2.3	2.9	2.6	2.6	2.2	2.5	2.6	3.4	3.4	4.3	4.3	4.0	29
30	Borrowing at F.R. banks	.1	*	*	.2	.1	.2	.1	.2	.2	.3	*	2.0	30
31	Demand deposits of fgn. banking agencies	.5	.5	.5	.5	.7	.7	1.6	2.3	3.1	4.4	5.6	4.4	31
32	Time deposits of fgn. banking agencies	....	....	....	....	....	....	....	....	....	.1	.1	.4	32
33	*Loans from affiliates*	....	....	....	....	....	....	....	....	.6	.7	1.0	.6	33
34	Loans from foreign banking agencies	.1	.1	.1	.3	.2	.2	.3	.2	.4	.5	.6	.8	34
35	Corporate bonds	....	....	.2	.8	1.6	1.7	2.0	2.2	2.3	2.4	3.1	4.1	35
36	*Security RP's*	....	....	....	.6	1.7	1.5	1.3	2.3	4.0	.7	1.7	3.5	36
37	Profit tax liabilities	.6	1.1	.6	.8	.7	.7	.6	.5	.6	1.0	.9	.7	37
38	Miscellaneous liabilities	8.3	7.1	8.9	9.4	11.4	15.5	17.0	23.0	37.4	31.8	28.2	36.6	38
39	*Liabilities to foreign branches*	1.0	.9	1.0	1.1	1.4	4.0	4.2	6.0	12.8	5.7	.9	1.4	39
40	Other	7.3	6.3	7.9	8.3	10.1	11.5	12.7	17.0	24.6	26.1	27.2	35.2	40
							Domestic affiliates of commercial banks							
1	**Total financial assets**	....	....	....	....	....	....	....	....	**4.5**	**3.6**	**3.8**	**3.2**	1
2	Bank loans n.e.c.	....	....	....	....	....	....	....	....	3.9	3.0	2.8	2.6	2
3	Loans to affiliate banks	....	....	....	....	....	....	....	....	.6	.7	1.0	.6	3
4	**Total liabilities**	....	....	....	....	....	....	....	....	**4.5**	**3.6**	**3.8**	**3.2**	4
5	Commercial paper issues	....	....	....	....	....	....	....	....	4.2	2.3	2.0	2.6	5
6	Miscellaneous liabilities	....	....	....	....	....	....	....	....	.3	1.3	1.9	.6	6
							Edge Act corporations and agencies of foreign banks							
1	**Total financial assets**	**4.2**	**4.4**	**4.8**	**6.0**	**5.8**	**6.5**	**7.3**	**9.8**	**12.5**	**20.1**	**21.4**	**22.5**	1
2	Credit market instruments	1.8	1.9	1.7	1.8	2.0	2.4	2.8	3.2	4.5	7.2	7.3	8.1	2
3	U.S. Govt. securities	.5	.5	.4	.4	.5	.5	.6	.6	.6	.5	.3	.6	3
4	State and local govt. obligations	.1	.2	.1	.1	.1	.1	.2	.2	.2	.4	.2	.7	4
5	Corporate bonds	*	*	*	*	*	*	*	*	*	*	*	.3	5
6	Bank loans n.e.c.	1.1	1.0	1.1	1.2	1.3	1.7	1.8	2.3	3.6	6.2	6.7	7.8	6
7	Open-market paper	.1	.2	.1	.1	.1	.1	.1	.1	.1	.1	.1	.1	7
8	Corporate equities	.1	.1	.1	.1	.2	.2	.3	.4	.4	.5	.5	.6	8
9	Security credit	.9	.7	1.1	1.1	.8	.9	.9	.9	.9	.9	.9	.9	9
10	Demand deposits at commercial banks	.5	.5	.5	.5	.7	.7	1.6	2.3	3.1	4.4	5.6	4.4	10
11	*Time deposits at commercial banks*	....	....	....	....	....	....	....	....	....	.1	.1	.4	11
12	Loans to banks	.1	.1	.1	.3	.2	.2	.3	.2	.4	.5	.6	.8	12
13	Miscellaneous assets	.9	1.2	1.3	2.2	2.0	2.2	1.5	2.9	3.2	6.7	6.4	7.2	13
14	**Total liabilities**	**4.2**	**4.4**	**4.8**	**6.0**	**5.8**	**6.5**	**7.3**	**9.8**	**12.5**	**20.1**	**21.4**	**22.5**	14
15	Demand deposits in money supply	1.2	1.2	1.1	1.8	1.6	1.5	1.7	2.7	3.0	9.6	9.2	5.8	15
16	*Time deposits*	.3	.3	.4	.4	.5	.5	.6	.8	1.0	1.4	1.7	1.2	16
17	Deposits of banks	.1	.1	.1	*	*	.1	.1	.1	.1	.3	.2	2.8	17
18	Loans from banks	*	*	*	.1	.1	.1	.1	.2	.3	.4	2.1	2.9	18
19	Miscellaneous liabilities	2.6	2.7	3.2	3.7	3.6	4.3	4.8	6.0	7.9	8.4	8.2	9.9	19
20	Due to foreign affiliates	2.7	2.8	3.0	3.5	3.3	3.6	4.1	4.6	5.7	6.0	6.7	7.1	20
21	Other	-.1	-.1	.1	.2	.3	.7	.7	1.4	2.2	2.4	1.6	2.8	21
							Banks in U.S. possessions							
1	**Total financial assets**	**.8**	**.9**	**1.1**	**1.3**	**1.3**	**1.6**	**1.9**	**2.2**	**3.3**	**3.8**	**4.3**	**4.8**	1
2	Demand deposits and currency	.1	.1	.1	.2	.1	.2	.2	.2	.3	.4	.5	.7	2
3	Credit market instruments	.3	.4	.5	.5	.6	.7	.9	1.0	1.2	1.3	1.6	1.9	3
4	U.S. Govt. securities	.1	.1	.2	.1	.1	.2	.2	.2	.2	.3	.4	.6	4
5	State and local government obligations	*	*	.1	.1	.1	.1	.1	.2	.2	.2	.2	.3	5
6	Corporate bonds	*	*	*	*	*	*	.1	.1	.1	.1	.1	.1	6
7	Mortgages	.1	.2	.2	.3	.4	.4	.5	.5	.7	.8	.9	.9	7
8	Miscellaneous assets	.4	.5	.5	.6	.6	.7	.8	1.0	1.8	2.1	2.1	2.1	8
9	**Deposit liabilities**	**.8**	**.9**	**1.1**	**1.3**	**1.3**	**1.6**	**1.9**	**2.2**	**3.3**	**3.8**	**4.3**	**4.8**	9

8. SECTOR STATEMENTS OF FINANCIAL ASSETS AND LIABILITIES Continued

(Amounts outstanding at end of year; in billions of dollars)

	Category	1961	1962	1963	1964	1965	1966	1967	1968	1969	1970	1971	1972	
		Private nonbank financial institutions Total												
1	**Total financial assets**	**409.4**	**437.6**	**485.7**	**533.6**	**585.5**	**611.2**	**674.4**	**740.8**	**770.2**	**822.7**	**931.8**	**1061.9**	1
2	Demand deposits and currency	9.9	10.8	10.9	11.1	11.5	11.3	12.0	12.9	12.5	13.5	14.3	16.1	2
3	Time deposits (Mutual savings banks)	.2	.2	.1	.2	.2	.2	.2	.2	.1	.3	.5	.4	3
4	Savings and loan shares (Credit unions)	.3	.4	.4	.5	.4	.1	.3	.1	*	.1	.3	.7	4
5	Corporate shares	60.3	57.4	69.9	82.1	97.5	93.8	122.2	147.1	142.3	150.9	193.3	234.4	5
6	Credit market instruments	321.3	350.4	383.1	417.2	451.4	479.7	507.2	543.7	580.8	620.5	681.3	761.8	6
7	U.S. Government securities	35.2	37.1	37.2	39.0	38.8	39.1	36.8	38.9	36.7	40.0	42.5	48.2	7
8	State and local obligations	18.2	18.8	18.7	18.7	18.3	19.0	20.2	21.4	22.4	24.2	28.3	31.8	8
9	Corporate and foreign bonds	83.7	89.7	96.3	103.0	110.8	119.8	131.8	141.6	148.5	160.7	175.6	189.1	9
10	Home mortgages	112.3	123.3	137.4	150.3	162.2	167.8	175.6	184.1	193.2	200.6	219.1	249.3	10
11	Other mortgages	36.2	42.1	49.3	57.1	64.9	71.7	78.4	85.6	93.2	103.3	117.4	134.7	11
12	Consumer credit	21.1	23.6	26.6	29.7	34.0	36.7	38.2	42.0	46.8	48.6	51.9	58.3	12
13	Other loans	14.6	15.7	17.5	19.4	22.3	25.6	26.2	30.0	39.9	43.0	46.5	50.3	13
14	Security credit	4.7	4.6	6.1	5.6	6.0	6.0	9.2	12.0	8.5	7.2	9.7	13.6	14
15	Trade credit	2.0	2.2	2.3	2.5	2.6	2.9	3.2	3.5	3.9	4.4	4.7	5.0	15
16	Miscellaneous assets	10.6	11.7	12.8	14.3	15.8	17.4	20.1	21.4	22.2	25.9	27.7	30.0	16
17	**Total liabilities**	**370.1**	**396.7**	**441.2**	**485.9**	**534.3**	**561.4**	**620.1**	**680.3**	**713.7**	**764.7**	**864.8**	**985.1**	17
18	Time and savings accounts	114.8	127.9	143.1	159.0	172.0	179.0	195.8	208.4	216.4	233.4	274.2	320.6	18
19	Insurance and pension reserves	170.6	179.0	195.4	213.3	232.9	246.1	271.2	295.6	309.6	332.5	370.3	411.9	19
20	Investment company shares	22.9	21.3	25.2	29.1	35.2	34.8	44.7	52.7	48.3	47.6	55.6	59.8	20
21	Credit market instruments	24.9	28.8	34.7	39.1	45.1	48.3	47.9	55.0	68.4	73.1	79.3	95.5	21
22	Finance company bonds	10.4	10.7	12.2	14.3	16.1	16.9	17.9	18.8	20.4	23.5	27.7	33.5	22
23	Mortgage loans in process	1.6	2.0	2.5	2.2	2.2	1.3	2.3	2.4	2.5	3.1	5.1	6.2	23
24	Other mortgages								.2	.4	.5	.7	1.2	24
25	Bank loans n.e.c.	6.6	7.8	9.4	10.0	12.3	11.2	9.2	11.7	14.3	13.7	15.1	21.2	25
26	Other loans	6.3	8.3	10.6	12.6	14.5	19.0	18.4	21.9	30.8	32.3	30.8	33.3	26
27	Open market paper	3.6	4.8	5.8	7.3	8.5	12.0	14.1	16.6	21.5	21.7	22.9	25.4	27
28	FHLB loans	2.7	3.5	4.8	5.3	6.0	6.9	4.4	5.3	9.3	10.6	7.9	8.0	28
28	Security credit	6.3	7.2	8.0	8.4	8.7	9.6	12.7	16.2	13.2	14.2	15.3	19.4	29
30	Taxes payable	.8	.9	.9	.9	1.1	1.1	1.0	1.2	1.3	1.5	1.5	1.8	30
31	Miscellaneous liabilities	29.9	31.7	33.8	36.2	39.2	42.5	46.9	51.2	56.6	62.4	68.5	76.1	31
		Savings and loan associations												
1	**Total financial assets**	**82.1**	**93.6**	**107.6**	**119.4**	**129.6**	**133.9**	**143.5**	**152.9**	**162.1**	**176.2**	**206.3**	**243.6**	1
2	Demand deposits and currency	2.1	2.7	2.8	2.8	2.9	2.3	2.0	1.6	1.4	1.7	2.2	2.8	2
3	Credit market instruments	75.6	85.9	99.2	110.2	119.8	124.4	133.4	143.3	153.2	164.7	194.1	230.6	3
4	U.S. Government securities	5.7	6.0	7.0	7.6	8.2	8.6	10.1	10.9	11.1	12.3	17.5	21.8	4
5	Home mortgages	62.4	69.8	79.1	87.2	94.2	97.4	103.3	110.3	117.9	125.0	142.9	167.6	5
6	Other mortgages	6.4	9.0	11.9	14.2	16.1	17.0	18.5	20.5	22.3	25.4	31.5	38.8	6
7	Consumer credit	1.1	1.1	1.2	1.3	1.4	1.4	1.5	1.6	1.8	2.1	2.2	2.4	7
8	Miscellaneous assets	4.4	5.0	5.5	6.3	6.9	7.2	8.1	8.0	7.6	9.8	10.0	10.2	8
9	**Total liabilities**	**76.4**	**87.1**	**100.4**	**111.5**	**120.9**	**124.8**	**134.0**	**142.6**	**150.9**	**164.2**	**192.6**	**228.2**	9
10	Savings shares	70.9	80.2	91.3	101.9	110.4	114.0	124.5	131.6	135.5	146.4	174.5	207.3	10
11	Credit market instruments	4.4	5.6	7.6	7.8	8.7	8.7	7.0	8.2	12.3	14.1	14.1	16.1	11
12	Mortgage loans in process	1.6	2.0	2.5	2.2	2.2	1.3	2.3	2.4	2.5	3.1	5.1	6.2	12
13	Bank loans n.e.c.	.2	.2	.2	.3	.5	.5	.4	.5	.5	.4	1.1	1.9	13
14	Borrowing from FHLB	2.7	3.5	4.8	5.3	6.0	6.9	4.4	5.3	9.3	10.6	7.9	8.0	14
15	Taxes payable	*	*	.1	.1	.1	.1	.1	.1	.1	.1	.2	.3	15
16	Miscellaneous liabilities	1.1	1.2	1.4	1.6	1.7	2.1	2.4	2.7	3.0	3.6	3.9	4.6	16
17	Memo: FHLB loans less deposits	1.5	2.3	3.6	4.1	5.0	5.9	3.0	3.9	8.2	8.3	6.1	6.4	17
		Mutual savings banks												
1	**Total financial assets**	**42.8**	**46.1**	**49.7**	**54.2**	**58.2**	**61.0**	**66.4**	**71.2**	**74.2**	**79.0**	**89.6**	**100.6**	1
2	Demand deposits and currency	.8	.8	.8	.8	.8	.8	.8	.8	.9	1.0	.9	1.3	2
3	Time deposits	.2	.2	.1	.2	.2	.2	.2	.2	.1	.3	.5	.4	3
4	Corporate shares	.9	1.0	1.2	1.3	1.4	1.5	1.7	1.9	2.2	2.5	3.0	3.6	4
5	Credit market instruments	40.6	43.6	47.0	51.2	54.9	57.6	62.6	66.9	69.8	73.5	83.0	92.3	5
6	U.S. Government securities	6.6	6.7	6.5	6.5	6.2	5.7	5.4	5.2	4.7	4.9	5.2	5.5	6
7	State and local obligations	.7	.5	.4	.4	.3	.3	.2	.2	.2	.2	.4	.9	7
8	Corporate bonds	3.6	3.5	3.2	3.1	2.9	3.2	5.3	6.6	6.9	8.3	12.6	15.4	8
9	Home mortgages	20.0	22.1	24.7	27.4	30.1	31.7	33.5	35.0	36.4	37.3	38.6	41.7	9
10	Other mortgages	9.1	10.2	11.5	13.2	14.6	15.7	17.0	18.4	19.7	20.6	23.3	25.9	10
11	Consumer credit	.2	.3	.3	.4	.5	.6	.8	.9	1.0	1.1	1.2	1.5	11
12	Other loans	.3	.4	.3	.4	.3	.5	.4	.5	.8	1.2	1.6	1.5	12
13	Miscellaneous assets	.4	.5	.7	.7	.8	1.0	1.1	1.4	1.3	1.7	2.2	3.0	13
14	Savings deposits	38.3	41.3	44.6	48.8	52.4	55.0	60.1	64.5	67.1	71.6	81.4	91.6	14
15	Miscellaneous liabilities	.8	.8	.9	1.0	1.1	1.1	1.3	1.4	1.6	1.7	1.8	2.0	15
		Credit unions												
1	**Total financial assets**	**5.6**	**6.3**	**7.2**	**8.2**	**9.2**	**10.0**	**11.2**	**12.3**	**13.7**	**15.4**	**18.3**	**21.7**	1
2	Demand deposits and currency	.4	.4	.4	.5	.5	.6	.7	.7	.6	.8	.8	1.0	2
3	Savings and loan shares	.3	.4	.4	.5	.4	.1	.3	.1	*	.1	.3	.7	3
4	Credit market instruments	4.9	5.6	6.3	7.2	8.2	9.4	10.2	11.5	13.1	14.6	17.2	20.0	4
5	U.S. Government securities	.2	.2	.3	.3	.3	.5	.5	.5	.3	.8	1.6	2.2	5
6	Home mortgages	.4	.5	.5	.5	.6	.6	.7	.7	.7	.8	.8	.9	6
7	Consumer credit	4.3	4.9	5.5	6.3	7.3	8.3	9.0	10.3	12.0	13.0	14.8	16.9	7
8	Credit union shares	5.6	6.3	7.2	8.2	9.2	10.0	11.2	12.3	13.7	15.4	18.3	21.7	8

8. SECTOR STATEMENTS OF FINANCIAL ASSETS AND LIABILITIES—Continued

(Amounts outstanding at end of year; in billions of dollars)

	Category	1961	1962	1963	1964	1965	1966	1967	1968	1969	1970	1971	1972	
		Life insurance companies												
1	**Total financial assets**	**122.8**	**129.2**	**136.9**	**144.9**	**154.1**	**161.7**	**172.1**	**182.9**	**190.9**	**200.5**	**214.7**	**231.8**	1
2	Demand deposits and currency	1.4	1.5	1.5	1.5	1.5	1.5	1.6	1.7	1.6	1.8	1.8	1.9	2
3	Corporate shares	6.3	6.3	7.1	7.9	9.1	8.8	10.9	13.2	13.7	15.4	20.5	26.4	3
4	Credit market instruments	110.9	116.9	123.3	130.2	137.7	145.4	152.8	160.5	167.2	174.2	182.3	192.4	4
5	U.S. Govt. securities	6.1	6.2	5.9	5.6	5.1	4.7	4.5	4.4	4.1	4.2	4.0	3.8	5
6	*State and local obligations*	3.9	4.0	3.9	3.8	3.5	3.1	3.0	3.2	3.2	3.3	3.4	3.3	6
7	Corporate bonds	50.7	53.2	56.0	58.3	61.1	63.5	67.3	71.2	72.7	74.1	79.6	86.8	7
8	Home mortgages	25.6	26.4	27.3	28.5	29.6	30.2	29.8	29.0	28.0	26.7	24.6	22.5	8
9	Other mortgages	18.6	20.5	23.2	26.6	30.4	34.4	37.8	40.9	44.1	47.7	50.9	54.9	9
10	Other loans	5.9	6.6	7.0	7.4	8.0	9.5	10.5	11.8	15.2	18.2	19.8	21.2	10
11	Miscellaneous assets	4.3	4.6	4.9	5.3	5.7	6.0	6.9	7.5	8.3	9.2	10.1	11.1	11
12	**Total liabilities**	**114.2**	**120.3**	**126.8**	**134.0**	**141.9**	**149.9**	**159.0**	**168.1**	**177.5**	**187.7**	**201.0**	**216.3**	12
13	Life insurance reserves	82.1	85.8	89.9	94.2	98.9	103.5	108.2	112.9	117.8	122.9	129.0	136.2	13
14	Pension fund reserves	20.3	21.6	23.3	25.3	27.3	29.4	32.1	35.0	37.9	41.2	46.4	51.6	14
15	Taxes payable	.4	.4	.4	.6	.5	.6	.5	.6	.7	.8	.8	.8	15
16	*Miscellaneous liabilities*	11.5	12.4	13.2	14.0	15.2	16.4	18.2	19.7	21.1	22.8	24.9	27.7	16
		Private pension funds												
1	**Total financial assets**	**46.3**	**47.3**	**55.4**	**63.9**	**73.6**	**75.8**	**89.4**	**101.4**	**102.5**	**110.8**	**130.5**	**152.3**	1
2	Demand deposits and currency	.7	.7	.8	.9	.9	.9	1.3	1.6	1.6	1.8	1.6	1.8	2
3	Corporate shares	22.9	21.9	27.7	33.5	40.7	39.5	51.1	61.4	61.6	67.2	88.6	111.8	3
4	Credit market instruments	*21.3*	*23.0*	*25.2*	*27.5*	*29.6*	*32.2*	33.0	34.0	34.6	37.0	35.4	34.1	4
5	U.S. Govt. securities	2.8	3.1	3.4	3.6	3.6	3.1	2.5	2.9	2.8	3.0	2.7	3.7	5
6	*Corporate bonds*	16.9	18.1	19.6	21.2	22.7	25.2	26.4	27.0	27.6	29.7	29.0	27.4	6
7	Home mortgages	1.6	1.9	2.2	2.7	3.3	3.9	4.1	4.1	4.2	4.3	3.7	3.0	7
8	Miscellaneous assets	1.5	1.7	1.7	2.0	2.3	3.2	4.0	4.4	4.7	4.7	4.8	4.6	8
		State and local government retirement funds												
1	***Total financial assets***	**21.9**	**24.3**	**26.9**	**29.9**	**33.2**	**37.4**	**41.5**	**46.4**	**51.4**	**57.7**	**64.5**	**71.8**	1
2	Demand deposits and currency	.3	.3	.3	.3	.3	.4	.5	.6	.5	.6	.5	.5	2
3	Corporate shares	.6	.8	1.0	1.3	1.6	2.1	2.8	4.1	5.9	8.0	11.2	14.2	3
4	*Credit market instruments*	21.1	23.2	25.6	28.3	31.3	34.9	38.3	41.7	45.1	49.1	52.8	57.1	4
5	U.S. Govt. securities	6.1	6.5	6.8	7.3	7.5	7.8	7.0	7.4	7.1	6.4	5.2	5.1	5
6	Short-term marketable	.4	.4	.4	.3	.4	.4	.5	.5	.7	.8	.6	.8	6
7	Other direct	5.5	5.7	6.1	6.6	6.7	6.7	5.7	5.6	4.8	4.0	3.4	3.1	7
8	Agency issues	.3	.4	.3	.4	.5	.7	.8	1.4	1.6	1.6	1.2	1.1	8
9	State and local obligations	4.3	3.8	3.3	2.9	2.6	2.5	2.4	2.4	2.3	2.0	1.9	1.7	9
10	Corporate bonds	8.8	10.7	12.8	15.0	17.4	20.2	23.9	26.5	29.6	33.8	38.6	43.4	10
11	Mortgages	1.9	2.2	2.6	3.1	3.7	4.5	5.0	5.4	6.0	6.8	7.1	7.0	11
		Other insurance companies												
1	**Total financial assets**	**29.2**	**30.1**	**32.4**	**34.7**	**36.5**	**37.2**	**40.9**	**44.9**	**45.5**	**49.9**	**57.4**	**64.6**	1
2	Demand deposits and currency	1.4	1.5	1.4	1.4	1.3	1.3	1.3	1.4	1.3	1.4	1.5	1.6	2
3	Corporate shares	9.3	8.6	10.0	11.4	12.0	11.0	13.0	14.6	13.3	13.2	16.6	20.5	3
4	Credit market instruments	16.5	17.8	18.6	19.4	20.5	22.0	23.5	25.4	27.0	30.9	34.6	37.5	4
5	U.S. Govt. securities	5.6	5.7	5.9	6.0	6.0	5.6	4.9	4.7	4.2	4.3	3.9	3.5	5
6	State and local obligations	9.1	9.9	10.6	11.0	11.3	12.6	14.1	15.1	16.3	17.8	21.7	25.0	6
7	Corporate bonds	1.7	2.1	2.0	2.4	3.0	3.6	4.3	5.5	6.3	8.6	8.9	8.8	7
8	Commercial mortgages	.2	.1	.1	.1	.1	.1	.2	.2	.2	.2	.2	.2	8
9	Trade credit	2.0	2.2	2.3	2.5	2.6	2.9	3.2	3.5	3.9	4.4	4.7	5.0	9
10	**Total liabilities**	**16.7**	**17.4**	**18.4**	**19.6**	**21.2**	**23.0**	**25.1**	**27.5**	**30.9**	**34.4**	**38.0**	**41.8**	10
11	Policy payables	16.5	17.2	18.3	19.6	21.1	22.9	25.0	27.5	30.8	34.2	37.8	41.5	11
12	Taxes payable	.1	.1	.1	*	.1	.1	.1	.1	.1	.2	.2	.3	12

8. SECTOR STATEMENTS OF FINANCIAL ASSETS AND LIABILITIES—Continued

(Amounts outstanding at end of year; in billions of dollars)

	Category	1961	1962	1963	1964	1965	1966	1967	1968	1969	1970	1971	1972	
							Finance companies							
1	**Total financial assets**	**28.0**	**30.6**	**34.9**	**38.9**	**44.8**	**47.1**	**47.7**	**52.9**	**61.6**	**62.5**	**67.0**	**78.0**	1
2	Demand deposits and currency	1.9	2.0	1.8	1.8	2.0	2.1	2.2	2.3	2.4	2.7	2.9	3.2	2
3	Home mortgages	2.2	2.7	3.5	3.9	4.5	3.9	4.3	4.9	5.7	5.9	7.0	11.1	3
4	Consumer credit	15.5	17.3	19.6	21.6	24.8	26.4	26.9	29.2	32.0	32.4	33.7	37.5	4
5	Other loans (to business)	8.4	8.6	10.0	11.6	13.5	14.6	14.3	16.5	21.5	21.6	23.3	26.1	5
6	**Total liabilities**	**20.7**	**23.4**	**27.4**	**31.4**	**36.7**	**39.8**	**41.0**	**46.7**	**55.6**	**57.3**	**61.5**	**70.9**	6
7	Corporate bonds	10.4	10.7	12.2	14.3	16.1	16.9	17.9	18.8	20.3	22.9	26.7	32.1	7
8	Bank loans n.e.c.	6.4	7.6	9.2	9.7	11.8	10.7	8.8	11.2	13.5	12.4	12.5	16.4	8
9	Open market paper	3.6	4.8	5.8	7.3	8.5	12.0	14.1	16.6	21.5	21.7	22.1	22.1	9
10	Taxes payable	.3	.3	.3	.2	.3	.2	.2	.2	.2	.3	.3	.3	10
							Real estate investment trusts							
1	Physical assets	....	....	....	....	....	....	....	.4	.7	.9	1.4	2.5	1
2	Multifamily structures	....	....	....	....	....	....	....	.1	.2	.3	.4	.8	2
3	Nonresidential structures	....	....	....	....	....	....	....	.2	.5	.6	.9	1.7	3
4	**Total financial assets**	....	....	....	....	....	....	....	**.3**	**1.3**	**3.8**	**6.4**	**11.7**	4
5	Home mortgages	....	....	....	....	....	....	....	*	.2	.7	1.4	2.6	5
6	Multifamily mortgages	....	....	....	....	....	....	....	.1	.4	1.0	1.8	3.7	6
7	Commercial mortgages	....	....	....	....	....	....	....	.1	.5	1.5	2.6	4.4	7
8	Miscellaneous assets	....	....	....	....	....	....	....	.1	.2	.6	.6	1.1	8
9	**Total liabilities**	....	....	....	....	....	....	....	**.3**	**.8**	**2.1**	**4.1**	**9.1**	9
10	Credit market instruments	....	....	....	....	....	....	....	.3	.8	1.9	3.9	8.8	10
11	Mortgages	....	....	....	....	....	....	....	.2	.4	.5	.7	1.2	11
12	Multifamily	....	....	....	....	....	....	....	.1	.1	.2	.2	.4	12
13	Commercial	....	....	....	....	....	....	....	.1	.3	.4	.5	.8	13
14	Corporate bonds	....	....	....	....	....	....	....	....	.1	.6	1.0	1.4	14
15	Bank loans n.e.c.	....	....	....	....	....	....	....	.1	.2	.8	1.5	3.0	15
16	Commercial paper	....	....	....	....	....	....	....	....	....	....	.8	3.2	16
17	Miscellaneous liabilities	....	....	....	....	....	....	....	*	*	.1	.2	.3	17
							Open-end investment companies							
1	**Total financial assets**	**22.9**	**21.3**	**25.2**	**29.1**	**35.2**	**34.8**	**44.7**	**52.7**	**48.3**	**47.6**	**55.6**	**59.8**	1
2	Demand deposits and currency	.3	.3	.4	.4	.5	.5	.7	.8	.7	.7	.9	.9	2
3	Corporate shares	20.3	18.3	22.1	25.6	30.9	28.9	39.2	46.1	40.9	39.7	47.5	51.7	3
4	Credit market instruments	2.3	2.6	2.7	3.0	3.8	5.4	4.8	5.8	6.7	7.2	7.2	7.2	4
5	U.S. Govt. securities	.7	.7	.7	.8	.8	1.4	.9	1.1	.7	.9	.6	.7	5
6	Corporate bonds	1.6	1.6	1.8	2.1	2.6	2.9	3.0	3.4	3.6	4.3	4.9	5.1	6
7	Open market paper	*	.3	.2	.1	.5	1.0	1.0	1.2	2.4	2.1	1.7	1.4	7
							Security brokers and dealers							
1	**Total financial assets**	**7.7**	**8.7**	**9.7**	**10.4**	**11.2**	**12.3**	**17.0**	**23.0**	**18.6**	**19.3**	**21.6**	**26.1**	1
2	Demand deposits and currency	.7	.6	.7	.7	.7	.8	1.0	1.5	1.4	1.1	1.1	1.1	2
3	Corporate shares	.2	.4	.9	1.2	1.8	2.1	3.6	5.7	4.8	4.8	5.9	6.2	3
4	Credit market instruments	2.1	3.1	2.1	2.9	2.7	3.5	3.2	3.8	3.9	6.3	4.9	5.1	4
5	U.S. Govt. securities	1.3	2.0	.7	1.4	1.1	1.7	1.0	1.8	1.7	3.4	1.8	2.0	5
6	State and local obligations	.3	.5	.5	.7	.5	.5	.5	.5	.4	.9	1.0	.9	6
7	Corporate bonds	.4	.6	.8	.9	1.2	1.3	1.7	1.5	1.8	1.9	2.1	2.2	7
8	Security credit	4.7	4.6	6.1	5.6	6.0	6.0	9.2	12.0	8.5	7.2	9.7	13.6	8
9	**Total liabilities**	**6.3**	**7.2**	**8.0**	**8.4**	**8.8**	**9.7**	**12.9**	**16.4**	**13.3**	**14.3**	**15.4**	**19.6**	9
10	Security credit	6.3	7.2	8.0	8.4	8.7	9.6	12.7	16.2	13.2	14.2	15.3	19.4	10
11	From banks	4.1	5.2	5.3	5.5	5.3	5.8	6.6	7.7	6.7	8.6	9.3	13.1	11
12	From agencies of foreign banks	.9	.7	1.1	1.1	.8	.9	.9	.9	.9	.9	.9	.9	12
13	Customer credit balances	1.3	1.3	1.6	1.8	2.7	2.9	5.3	7.7	5.7	4.7	5.2	5.4	13
14	Taxes payable	.1	*	.1	.1	.1	.1	.2	.2	.1	.2	.1	.2	14

8. SECTOR STATEMENTS OF FINANCIAL ASSETS AND LIABILITIES—Continued

(Amounts outstanding at end of year; in billions of dollars)

	Category	1961	1962	1963	1964	1965	1966	1967	1968	1969	1970	1971	1972	
		Rest of the world												
1	**Total financial assets**	**70.1**	**71.7**	**78.4**	**84.4**	**88.0**	**89.6**	**98.0**	**107.9**	**115.6**	**125.2**	**153.2**	**182.1**	1
2	Gold	24.2	25.4	26.7	27.5	29.4	30.0	29.5	30.0	29.2	32.8	36.8	43.5	2
3	U.S. demand deposits	3.1	3.2	3.5	4.2	4.4	4.8	5.1	5.7	6.0	6.2	6.5	8.0	3
4	U.S. time deposits	2.9	3.4	4.3	5.4	6.0	6.3	7.6	7.3	8.4	6.7	7.2	9.8	4
5	U.S. corporate shares	11.8	10.3	12.5	13.8	14.6	12.6	15.5	19.6	18.1	18.7	21.3	26.0	5
6	Credit market instruments	13.0	14.4	15.0	15.9	15.9	14.3	16.1	16.1	14.9	25.7	52.5	61.0	6
7	U.S. Govt. securities	11.0	12.3	12.9	13.4	13.2	10.8	12.9	12.4	10.6	19.7	46.0	54.4	7
8	Corporate bonds [1]	.6	.7	.7	.9	.7	1.3	.9	.9	.4	1.7	2.3	2.4	8
9	Other loans	1.4	1.4	1.4	1.6	2.0	2.2	2.2	2.8	3.8	4.3	4.1	4.1	9
10	Security credit	.1	.1	.1	.1	.2	.2	.3	.6	.4	.3	.3	.4	10
11	Trade credit	.8	.8	.8	.8	1.0	1.4	1.8	2.7	4.4	5.8	5.9	6.7	11
12	Miscellaneous assets	14.2	14.0	15.5	16.5	16.6	20.0	22.1	25.9	34.3	29.1	22.8	26.8	12
13	U.S. bank liabilities to foreign affiliates	3.8	3.7	4.0	4.6	4.7	7.6	8.3	10.6	18.6	11.6	7.6	8.5	13
14	Direct investment in U.S.	7.4	7.6	7.9	8.4	8.8	9.1	9.9	10.8	11.8	13.3	13.7	14.5	14
15	Other	3.0	2.7	3.5	3.6	3.1	3.4	3.9	4.5	3.9	4.2	1.5	3.8	15
16	**Total liabilities**	**70.2**	**75.7**	**82.0**	**93.9**	**101.4**	**107.2**	**116.2**	**126.1**	**134.9**	**143.3**	**155.9**	**168.2**	16
17	Official U.S. foreign exchange and net IMF position	1.8	1.2	1.2	1.2	1.6	1.6	2.8	4.8	5.1	2.6	.9	.7	17
18	Credit market instruments	25.4	27.7	30.9	36.6	39.4	40.2	43.1	45.8	47.6	51.1	57.3	61.7	18
19	Bonds	6.2	7.2	8.2	9.2	10.2	10.5	10.8	11.7	11.7	13.2	14.6	16.2	19
20	Bank loans n.e.c.	3.7	3.9	4.5	7.3	7.7	7.3	7.0	6.8	6.2	6.2	8.8	11.2	20
21	Other loans	15.5	16.7	18.2	20.2	21.5	22.3	25.3	27.3	29.7	31.7	33.9	34.3	21
22	Security debt	.1	.1	.1	.1	.1	.1	.3	.5	.3	.3	.3	.4	22
23	Trade debt	1.9	2.2	2.2	2.8	2.7	3.0	3.5	3.9	5.2	6.2	6.7	7.3	23
24	Miscellaneous liabilities	40.9	44.6	47.5	53.1	57.6	62.2	66.5	71.0	76.6	83.2	90.7	98.2	24
25	U.S. capital subscription to IBRD, IDA, etc.	1.0	1.1	1.2	1.2	1.3	1.3	1.4	1.5	1.7	1.9	2.2	2.5	25
26	U.S. direct investment abroad [2]	34.7	37.2	40.7	44.4	49.2	53.9	58.3	61.6	66.6	73.0	79.6	83.3	26
27	Foreign currency held by U.S.	3.5	4.2	4.5	4.8	4.3	4.0	4.1	4.6	4.2	4.7	6.1	9.6	27
28	Other	1.7	2.1	1.2	2.7	2.8	3.0	2.8	3.3	4.1	3.6	2.8	2.8	28

[1] Excludes U.S. issues in foreign markets to finance U.S. investment abroad.

[2] Excludes investment financed by bond issues in foreign markets.

International statistics start on following page.

1. U.S. BALANCE OF PAYMENTS

(In millions of dollars)

Line	Credits+, debits−	1970	1971	1972	1972				1973
					I	II	III	IV	I[p]
	Summary—Seasonally adjusted								
1	Merchandise trade balance [1]	2,176	2,698	-6,912	1,820	1,774	1,573	1,745	−960
2	Exports	41,964	42,768	48,769	11,655	11,539	12,362	13,213	15,320
3	Imports	39,788	-45,466	-55,681	-13,475	13,313	13,935	-14,958	−16,280
4	Military transactions, net	3,374	2,918	3,558	894	-954	-846	−864	--824
5	Travel and transportation, net	-2,013	2,288	-2,853	755	-691	679	-730	699
6	*Investment income, net* [2]	6,260	7,972	7,862	1,891	1,791	1,950	2,232	2,247
7	U.S. direct investments abroad	7,920	9,456	10,433	2,392	2,450	2,600	2,991	3,109
8	Other U.S. investments abroad	3,506	3,443	3,492	922	820	876	875	996
9	Foreign investments in the United States	-5,166	--4,927	-6,063	-1,423	1,479	1,526	-1,634	1,858
10	Other services, net	581	739	850	204	202	209	237	237
11	***Balance on goods and services*** [3]	3,630	807	--4,609	1,374	1,426	-939	870	1
12	Remittances, pensions, and other transfers	-1,481	-1,553	1,570	391	375	373	429	-400
13	**Balance on goods, services, and remittances**	2,150	745	-6,179	-1,765	1,801	1,312	1,299	-399
14	U.S. Government grants (excluding military)	-1,734	-2,045	--2,174	578	563	581	452	-351
15	**Balance on current account**	416	2,790	8,353	2,343	2,364	-1,893	1,751	-750
16	U.S. Government capital flows excluding nonscheduled repayments, net [4]	1,829	-2,117	1,714	298	245	-542	627	677
17	Nonscheduled repayments of U.S. Government assets	244	225	137	88	17	7	26	111
18	U.S. Government nonliquid liabilities to other than foreign official reserve agencies	-433	-467	238	79	133	169	15	222
19	Long-term private capital flows, net	-1,429	4,401	151	1,143	604	393	781	-120
20	*U.S. direct investments abroad*	--4,410	-4,943	3,404	-1,302	183	1,148	771	2,139
21	Foreign direct investments in the United States	1,030	115	160	361	183	178	160	247
22	Foreign securities	-942	966	614	437	-346	209	40	47
23	U.S. securities other than Treasury issues	2,190	2,269	4,335	1,058	956	553	1,768	1,738
24	Other, reported by U.S. banks	178	862	1,120	11	263	426	442	155
25	Other, reported by U.S. nonbanking concerns	526	216	492	--112	257	241	106	142
26	***Balance on current account and long-term capital*** [4]	-3,031	-9,550	-9,842	3,775	1,855	-2,652	-1,556	-1,214
27	Nonliquid short-term private capital flows, net	482	-2,347	-1,637	535	310	-430	982	-1,420
28	Claims reported by U.S. banks	--1,023	1,802	1,495	-575	206	267	859	1,757
29	Claims reported by U.S. nonbanking concerns	361	-530	315	5	62	122	250	222
30	Liabilities reported by U.S. nonbanking concerns	902	15	173	45	42	41	127	115
31	Allocations of Special Drawing Rights (SDR's)	867	717	710	178	178	177	177	....
32	Errors and omissions, net	1,205	10,784	3,112	944	940	-1,626	1,490	4,237
33	**Net liquidity balance**	-3,851	-21,965	-13,882	--3,188	-2,307	4,531	--3,851	-6,871
34	Liquid private capital flows, net	5,988	7,788	3,542	-288	1,456	7	2,367	-3,631
35	Liquid claims	252	-1,097	-1,234	-802	109	410	−131	1,742
36	Reported by U.S. banks	−99	566	742	--637	246	274	−77	-1,295
37	Reported by U.S. nonbanking concerns	351	531	492	165	137	136	-54	447
38	Liquid liabilities	-6,240	--6,691	4,776	514	1,347	417	2,498	-1,889
39	To foreign commercial banks	-6,508	6,908	3,862	436	1,136	295	1,995	1,910
40	To international and regional organizations	181	682	104	25	-70	32	181	6
41	To other foreigners	87	--465	810	53	281	154	322	15
42	**Official reserve transactions balance**	9,839	-29,753	-10,340	--3,476	851	-4,524	1,484	10,502
	Financed by changes in:								
43	*Liquid liabilities to foreign official agencies*	7,637	27,615	9,720	2,546	1,057	4,467	1,645	9,124
44	Other readily marketable liabilities to foreign official agencies [5]	-810	−551	399	221	27	34	117	1,202
45	Nonliquid liabilities to foreign official reserve agencies reported by U.S. Govt.	535	341	189	280	2	78	-167	-44
46	U.S. official reserve assets, net	2,477	2,348	32	429	231	-55	111	220
47	Gold	787	866	547	544	....	3	....	....
48	SDR's	-851	249	-703	178	-171	177	177	....
49	Convertible currencies	2,152	381	35	64	-245	134	82	233
50	Gold tranche position in IMF	389	1,350	153	1	185	15	16	13
	Memoranda:								
51	Transfers under military grant programs (excluded from lines 2, 4, and 14)	2,586	3,153	4,200	1,143	920	1,189	949	717
52	Reinvested earnings of foreign incorporated affiliates of U.S. firms (excluded from lines 7 and 20)	2,948	3,192	(6)	(6)	(6)	(6)	(6)	(6)
53	Reinvested earnings of U.S. incorporated affiliates of foreign firms (excluded from lines 9 and 21)	434	498	(6)	(6)	(6)	(6)	(6)	(6)

For notes see end of table.

1. U.S. BALANCE OF PAYMENTS—Continued

(In millions of dollars)

Credits +, debits −	1970	1971	1972	1972 I	1972 II	1972 III	1972 IV	1973 I p
Balances excluding allocations of SDR's—Seasonally adjusted								
Net liquidity balance	4,718	22,682	14,592	3,366	2,485	4,708	4,028	6,871
Official reserve transactions balance	10,706	30,470	11,050	3,654	1,029	4,701	1,661	10,502
Balances not seasonally adjusted								
Balance on goods and services	3,630	807	4,609	880	1,489	2,409	168	673
Balance on goods, services, and remittances	2,150	745	6,179	1,248	1,873	2,796	263	299
Balance on current account	416	2,790	8,353	1,853	2,471	3,333	698	81
Balance on current account and long-term capital [4]	3,031	9,550	9,842	3,824	2,310	4,052	343	1,094
Balances including allocations of SDR's:								
Net liquidity	-3,851	21,965	13,882	2,352	3,034	5,299	3,197	6,459
Official reserve transactions	-9,839	29,753	10,340	2,506	741	5,590	1,503	9,961
Balances excluding allocations of SDR's:								
Net liquidity	4,718	22,682	14,592	3,062	3,034	5,299	3,197	6,459
Official reserve transactions	10,706	30,470	11,050	3,216	741	5,590	1,503	9,961

[1] Adjusted to balance of payments basis; excludes transfers under military grants, exports under U.S. military agency sales contracts and imports of U.S. military agencies.

[2] Includes fees and royalties from U.S. direct investments abroad or from foreign direct investments in the United States.

[3] Equal to net exports of goods and services in national income and product accounts of the United States.

[4] Includes some short-term U.S. Govt. assets.

[5] Includes changes in long-term liabilities reported by banks in the United States and in investments by foreign official agencies in debt securities of U.S. Federally-sponsored agencies and U.S. corporations.

[6] Not available.

NOTE. Data are from U.S. Department of Commerce, Bureau of Economic Analysis. Details may not add to totals because of rounding.

2. MERCHANDISE EXPORTS AND IMPORTS

(Seasonally adjusted; in millions of dollars)

	Exports [1]				Imports [2]				Trade balance			
	1970	1971	1972	1973	1970	1971	1972	1973	1970	1971	1972	1973
Month:												
Jan.	3,406	3,601	4,074	4,977	3,222	3,599	4,415	5,281	184	2	341	-304
Feb.	3,546	3,695	3,824	5,065	3,279	3,564	4,473	5,541	267	130	649	476
Mar.	3,375	3,790	3,869	5,380	3,219	3,628	4,515	5,432	156	160	647	53
Apr.	3,410	3,631	3,820	5,487	3,262	3,774	4,417	5,291	148	143	596	196
May	3,661	3,746	3,882	5,603	3,367	3,908	4,486	5,761	324	-161	604	158
June	3,727	3,672	3,971	5,778	3,265	4,037	4,468	5,794	462	-365	497	16
July	3,704	3,573	4,074	5,869	3,254	3,832	4,565	5,762	450	259	491	106
Aug.	3,591	3,667	4,197	....	3,346	3,913	4,726	....	245	-247	530	....
Sept.	3,553	4,487	4,176	....	3,423	4,179	4,612	....	130	308	436	....
Oct.	3,688	2,669	4,316	....	3,498	3,469	4,738	....	190	800	421	....
Nov.	3,499	3,196	4,473	....	3,428	3,456	5,148	....	71	-260	675	....
Dec.	3,569	3,881	4,558	....	3,401	4,169	5,002	....	168	288	444	....
Quarter:												
I	10,327	11,086	11,767	15,421	9,720	10,792	13,403	16,254	607	294	1,637	833
II	10,798	11,049	11,673	16,868	9,864	11,719	13,370	16,846	933	670	1,697	22
III	10,848	11,727	12,447	....	10,023	11,924	13,903	....	816	197	1,456	....
IV	10,756	9,746	13,347	....	10,327	11,094	14,888	....	425	1,348	1,540	....
Year [3]	42,659	43,549	49,208	....	39,952	45,563	55,555	....	2,707	2,014	6,347	....

[1] Exports of domestic and foreign merchandise; excludes Dept. of Defense shipments of grant-aid military equipment and supplies under Mutual Security Program.

[2] General imports including imports for immediate consumption plus entries into bonded warehouses.

[3] Sum of unadjusted figures.

NOTE. Bureau of the Census data. Details may not add to totals because of rounding.

3. U.S. NET MONETARY GOLD TRANSACTIONS WITH FOREIGN COUNTRIES AND INTERNATIONAL ORGANIZATIONS

(Net sales (−) or net acquisitions; in millions of dollars at $35 per fine troy ounce until May 8, 1972, and at $38 per fine troy ounce thereafter)

Area and country	1963	1964	1965	1966	1967	1968	1969	1970	1971	1972	1972		1973	
											III	IV	I	II
Western Europe:														
Austria	−82	−55	−100	−25	......	......	4	......	......	......	......	......	......	......
Belgium	......	−40	−83	......	......	−58	......	......	−110	......	......	......	......	......
France	−518	−405	−884	−601	......	600	325	−129	−473	......	......	......	......	......
Germany, Fed. Rep. of	......	−225	......	......	......	......	500	......	......	......	......	......	......	......
Ireland	......	−1	−2	−2	−2	−52	41	2	......	......	......	......	......	......
Italy	......	200	−80	−60	−85	−209	−76	......	......	......	......	......	......	......
Netherlands	......	−60	−35	......	......	−19	......	−50	−25	......	......	......	......	......
Spain	−130	−32	−180	......	......	......	......	51	......	......	......	......	......	......
Switzerland	......	−81	−50	−2	−30	−50	−25	−50	−175	......	......	......	......	......
United Kingdom	329	618	150	80	−879	−835	......	......	......	......	......	......	......	......
Bank for Intl. Settlements	......	......	......	......	......	......	200	......	......	......	......	......	......	......
Other	1	−6	−35	−49	16	−47	11	−29	−13	......	......	......	......	......
Total	−399	−88	−1,299	−659	−980	−669	969	−204	−796	......	......	......	......	......
Canada	......	......	......	200	150	50	......	......	......	......	......	......	......	......
Latin American republics:														
Argentina	−30	......	......	−39	−1	−25	−25	−28	......	......	......	......	......	......
Brazil	72	54	25	−3	−1	*	......	−23	......	......	......	......	......	......
Colombia	......	10	29	7	......	......	*	−1	......	......	......	......	......	......
Venezuela	......	......	−25	......	......	......	......	......	......	......	......	......	......	......
Other	−11	−9	−13	−6	11	−40	−29	−80	−5	......	......	......	......	......
Total	32	56	17	−41	9	−65	−54	−131	−5	......	......	......	......	......
Asia:														
Iraq	......	......	−10	−4	−21	−42	......	......	......	......	......	......	......	......
Japan	......	......	......	−56	......	......	......	−119	......	......	......	......	......	......
Lebanon	......	−11	......	11	−1	−95	......	......	−35	......	......	......	......	......
Malaysia	......	......	......	......	......	−34	......	......	−10	......	......	......	......	......
Philippines	25	20	*	−1	......	9	40	4	−2	......	......	......	......	......
Saudi Arabia	......	......	......	......	......	−50	......	......	......	......	......	......	......	......
Singapore	......	......	......	......	......	−81	11	......	−30	......	......	......	......	......
Other	−13	−6	−14	−14	−22	−75	−9	[2] −91	39	−3	−3	......	......	......
Total	12	3	24	−86	−44	−366	42	−213	38	−3	3	......	......	......
All other	−36	−7	−16	−22	[3] −166	[3] −68	−1	−81	−6	......	......	......	......	......
Total foreign countries	−392	−36	1,322	−608	−1,031	−1,118	957	[4] −631	−845	−3	−3	......	......	......
Intl. Monetary Fund[5]	......	......	[6] −225	177	22	−3	10	−156	−22	−544	......	......	......	......
Grand total	−392	−36	1,547	−431	−1,009	−1,121	967	−787	−867	−547	−3	......	......	......

[1] Includes purchase from Denmark of $25 million.

[2] Includes purchase from Kuwait of $25 million.

[3] Includes sales to Algeria of $150 million in 1967 and $50 million in 1968.

[4] Data for IMF include the U.S. payment of $385 million increase in its gold subscription to the IMF and gold sold by the IMF to the United States in mitigation of U.S. sales to other countries making gold payments to the IMF. The country data include U.S. gold sales to various countries in connection with the IMF quota payments. Such U.S. sales to countries and resales to the United States by the IMF total $548 million each.

[5] Includes IMF gold sales to and purchases from the United States, U.S. payment of increases in its gold subscription to IMF, gold deposits by the IMF (see note 1 (b) to Table 4), and withdrawal of deposits. The first withdrawal ($17 million) was made in June 1968 and the last withdrawal ($144 million) was made in Feb. 1972.

IMF sold to the United States a total of $800 million of gold ($200 million in 1956, and $300 million in 1959 and in 1960) with the right of repurchase; proceeds from these sales invested by IMF in U.S. Treasury securities. IMF repurchased $400 million in Sept. 1970 and the remaining $400 million in Feb. 1972.

[6] Payment to the IMF of $259 million increase in U.S. gold subscription less gold deposits by the IMF.

Notes to Table 5 on opposite page:

[1] Represents net IMF sales of gold to acquire U.S. dollars for use in IMF operations. Does not include transactions in gold relating to gold deposit or gold investment (see Table 6).

[2] Positive figures represent purchases from the IMF of currencies of other members for equivalent amounts of dollars; negative figures represent repurchase of dollars, including dollars derived from charges on purchases and from other net dollar income of the IMF. The United States has a commitment to repurchase within 3 to 5 years, but only to the extent that the holdings of dollars of the IMF exceed 75 per cent of the U.S. quota. Purchases of dollars by other countries reduce the U.S. commitment to repurchase by an equivalent amount.

[3] Includes dollars obtained by countries other than the United States from sales of gold to the IMF.

[4] Represents the U.S. gold tranche position in the IMF (the U.S. quota minus the holdings of dollars of the IMF), which is the amount that the United States could purchase in foreign currencies automatically if needed. Under appropriate conditions, the United States could purchase additional amounts equal to its quota.

[5] Includes $259 million gold subscription to the IMF in June 1965 for a U.S. quota increase, which became effective on Feb. 23, 1966. In figures published by the IMF from June 1965 through Jan. 1966, this gold subscription was included in the U.S. gold stock and excluded from the reserve position.

[6] Includes $30 million of Special Drawing Rights.

[7] Represents amount payable in dollars to the IMF to maintain the value of IMF holdings of U.S. dollars.

NOTE. The initial U.S. quota in the IMF was $2,750 million. The U.S. quota was increased to $4,125 million in 1959, to $5,160 million in Feb. 1966, to $6,700 million in Dec. 1970, and to $7,274 million in May 1972 as a result of the change in par value of the U.S. dollar. Under the Articles of Agreement, subscription payments equal to the quota have been made 25 per cent in gold and 75 per cent in dollars.

4. U.S. RESERVE ASSETS

(In millions of dollars)

End of year	Total	Gold stock[1]		Convertible foreign currencies	Reserve position in IMF[3]	SDR's[4]	End of month	Total	Gold stock[1]		Convertible foreign currencies[5]	Reserve position in IMF[3]	SDR's[4]
		Total[2]	Treasury						Total[2]	Treasury			
1959...	21,504	19,507	19,456	....	1,997	....	1972						
1960...	19,359	17,804	17,767	....	1,555	....	Aug....	13,124	10,488	10,410	234	444	1,958
1961...	18,753	16,947	16,889	116	1,690	....	Sept....	13,217	10,487	10,410	323	449	1,958
1962...	17,220	16,057	15,978	99	1,064	....	Oct....	13,313	10,487	10,410	414	454	1,958
1963...	16,843	15,596	15,513	212	1,035	....	Nov....	13,307	10,487	10,410	403	459	1,958
1964...	16,672	15,471	15,388	432	769	....	Dec....	13,151	10,487	10,410	241	465	1,958
1965...	15,450	[6] 13,806	[6] 13,733	781	[6] 863	....	1973						
1966...	14,882	13,235	13,159	1,321	326	....	Jan....	13,054	10,487	10,410	140	469	1,958
1967...	14,830	12,065	11,982	2,345	420	....	Feb....	12,926	10,487	10,410	8	473	1,958
1968...	15,710	10,892	10,367	3,528	1,290	....	Mar...	12,931	10,487	10,410	8	478	1,958
1969...	[7] 16,964	11,859	10,367	[7] 2,781	2,324	....	Apr....	12,904	10,487	10,410	8	460	1,949
							May...	12,916	10,487	10,410	16	464	1,949
1970...	14,487	11,072	10,732	629	1,935	851	June...	12,914	10,487	10,410	8	470	1,949
1971...	[8] 12,167	10,206	10,132	[8] 276	585	1,100	July...	12,918	10,487	10,410	8	474	1,949
1972[9]..	13,151	10,487	10,410	241	465	1,958	Aug....	12,923	10,487	10,410	8	479	1,949

[1] Includes (a) gold sold to the United States by the IMF with the right of repurchase, and (b) gold deposited by the IMF to mitigate the impact on the U.S. gold stock of foreign purchases for the purpose of making gold subscriptions to the IMF under quota increases. For corresponding liabilities, see Table 6.

[2] Includes gold in Exchange Stabilization Fund.

[3] The United States has the right to purchase foreign currencies equivalent to its reserve position in the IMF automatically if needed. Under appropriate conditions the United States could purchase additional amounts equal to the U.S. quota. See Table 5.

[4] Includes allocations by the IMF of Special Drawing Rights as follows: \$867 million on Jan. 1, 1970; \$717 million on Jan. 1, 1971; and \$710 million on Jan. 1, 1972; plus net transactions in SDRs.

[5] For holdings of F.R. Banks only, see pp. A-12 and A-13.

[6] Reserve position includes, and gold stock excludes, \$259 million gold subscription to the IMF in June 1965 for a U.S. quota increase which became effective on Feb. 23, 1966. In figures published by the IMF from June 1965 through Jan. 1966, this gold subscription was included in the U.S. gold stock and excluded from the reserve position.

[7] Includes gain of \$67 million resulting from revaluation of the German mark in Oct. 1969, of which \$13 million represents gain on mark holdings at time of revaluation.

[8] Includes \$28 million increase in dollar value of foreign currencies revalued to reflect market exchange rates as of Dec. 31, 1971.

[9] Total reserve assets include an increase of \$1,016 million resulting from change in par value of the U.S. dollar on May 8, 1972; of which, total gold stock is \$828 million (Treasury gold stock \$822 million), reserve position in IMF \$33 million, and SDR's \$155 million.

NOTE.—See Table 24 for gold held under earmark at F.R. Banks for foreign and international accounts. Gold under earmark is not included in the gold stock of the United States.

5. U.S. POSITION IN THE INTERNATIONAL MONETARY FUND

(In millions of dollars)

Period	Transactions affecting IMF holdings of dollars (during period)							IMF holdings of dollars (end of period)		U.S. reserve position in IMF (end of period) [4]
	U.S. transactions with IMF				Transactions by other countries with IMF		Total change	Amount	Per cent of U.S. quota	
	Payments of subscriptions in dollars	Net gold sales by IMF [1]	Transactions in foreign currencies [2]	IMF net income in dollars	Purchases of dollars [3]	Repurchases in dollars				
1946—1957	2,063	600	....	-45	-2,670	827	775	775	28	1,975
1958—1963	1,031	150	....	60	-1,666	2,740	2,315	3,090	75	1,035
1964—1966	776	....	1,640	45	-723	6	1,744	4,834	94	[5] 326
1967	....	....	....	20	-114	....	94	4,740	92	420
1968	....	....	-84	20	-806	....	870	3,870	75	1,290
1969	....	22	....	19	-1,343	268	-1,034	2,836	55	2,324
1970	1,155	[6] 712	150	25	-854	741	1,929	4,765	71	1,935
1971	....	*	1,362	-28	-24	40	1,350	6,115	91	585
1972	[7] 541	....	200	-47	....	....	694	6,810	94	465
1972—Aug.	....	....	....	-5	....	....	-5	6,831	94	444
Sept.	....	....	....	-6	....	....	-6	6,825	94	449
Oct.	....	....	....	-5	....	....	-5	6,820	94	454
Nov.	....	....	....	-4	....	....	4	6,816	94	459
Dec.	....	....	....	-6	....	....	-6	6,810	94	465
1973—Jan.	....	....	....	-4	....	....	-4	6,806	94	469
Feb.	....	....	....	-5	....	....	-5	6,801	93	473
Mar.	....	....	....	-5	....	....	5	6,796	93	478
Apr.	....	....	....	18	....	....	18	6,814	94	460
May	....	....	....	4	....	....	4	6,810	94	464
June	....	....	....	-6	....	....	6	6,804	94	470
July	....	....	....	-4	....	....	-4	6,800	93	474
Aug.	....	....	....	5	....	....	5	6,795	93	479

For notes see opposite page.

6. U.S. LIQUID AND OTHER LIABILITIES TO FOREIGN OFFICIAL INSTITUTIONS, AND LIQUID LIABILITIES TO ALL OTHER FOREIGNERS

(In millions of dollars)

End of period	Total	Liquid liabilities to IMF arising from gold transactions[1]	Liabilities to foreign countries: Official institutions[2]: Total	Official institutions: Liquid: Short-term liabilities reported by banks in U.S.	Official institutions: Liquid: Marketable U.S. Treas. bonds and notes[3]	Official institutions: Liquid: Nonmarketable convertible U.S. Treas. bonds and notes	Official institutions: Nonmarketable nonconvertible U.S. Treas. bonds and notes[4]	Official institutions: Other readily marketable liabilities[5]	Liquid liabilities to commercial banks abroad[6]	Liquid liabilities to other foreigners: Total	Liquid liabilities to other foreigners: Short-term liabilities reported by banks in U.S.	Liquid liabilities to other foreigners: Marketable U.S. Treas. bonds and notes[3,7]	Liquid liabilities to nonmonetary intl. and regional organizations[8]
1962 [9]	24,268	800	12,914	11,963	751	....	200	....	5,346	3,013	2,565	448	2,195
1963 [9]	26,433	800	14,459	12,467	1,217	703	63	9	5,817	3,397	3,046	351	1,960
	26,394	800	14,425	12,467	1,183	703	63	9	5,817	3,387	3,046	341	1,965
1964 [9]	29,313	800	15,790	13,224	1,125	1,079	204	158	7,271	3,730	3,354	376	1,722
	29,364	800	15,786	13,220	1,125	1,079	204	158	7,303	3,753	3,377	376	1,722
1965	29,569	834	15,826	13,066	1,105	1,201	334	120	7,419	4,059	3,587	472	1,431
1966 [9]	31,145	1,011	14,841	12,484	860	256	328	913	10,116	4,271	3,743	528	906
	31,020	1,011	14,896	12,539	860	256	328	913	9,936	4,272	3,744	528	905
1967 [9]	35,819	1,033	18,201	14,034	908	711	741	1,807	11,209	4,685	4,127	558	691
	35,667	1,033	18,194	14,027	908	711	741	1,807	11,085	4,678	4,120	558	677
1968 [9]	38,687	1,030	17,407	11,318	529	701	2,518	2,341	14,472	5,053	4,444	609	725
	38,473	1,030	17,340	11,318	462	701	2,518	2,341	14,472	4,909	4,444	465	722
1969 [9]	[10]45,755	1,019	[10]15,975	11,054	346	[10]555	[10]2,515	1,505	23,638	4,464	3,939	525	659
	45,914	1,019	15,998	11,077	346	555	2,515	1,505	23,645	4,589	4,064	525	663
1970—Dec.[9]	47,009	566	23,786	19,333	306	429	3,023	695	17,137	4,676	4,029	647	844
	46,960	566	23,775	19,333	295	429	3,023	695	17,169	4,604	4,039	565	846
1971—Dec.[11]	67,681	544	51,209	39,679	1,955	6,060	3,371	144	10,262	4,138	3,691	447	1,528
	67,808	544	50,651	39,018	1,955	6,093	3,441	144	10,949	4,141	3,694	447	1,523
1972—July	77,465	....	59,416	39,777	3,516	12,094	3,647	382	12,128	4,493	4,123	370	1,428
Aug.	79,454	....	60,606	40,616	3,881	12,094	3,647	368	12,906	4,419	4,041	378	1,523
Sept.	79,728	....	60,075	39,633	4,117	12,095	3,804	426	13,577	4,630	4,241	389	1,446
Oct.	81,420	....	60,931	40,266	4,457	12,097	3,651	460	14,173	4,822	4,416	406	1,494
Nov.r	82,372	....	61,127	40,045	4,834	12,098	3,651	499	14,776	4,745	4,322	423	1,724
Dec.r	82,900	....	61,520	39,994	5,236	12,108	3,639	543	14,862	4,952	4,527	425	1,626
1973—Jan.r	82,073	....	60,797	38,535	5,798	12,110	3,780	574	14,793	4,891	4,466	425	1,592
Feb.r	87,870	....	68,475	45,413	6,377	12,110	3,627	948	12,809	4,967	4,595	372	1,619
Mar.r	[12]90,878	....	[12]71,331	46,924	6,917	[12]12,128	3,617	1,745	12,952	4,959	4,583	376	1,636
Apr.	[13]90,596	....	70,748	45,949	6,934	12,245	3,631	1,989	13,070	5,148	4,749	399	1,630
May	92,103	....	70,902	46,099	6,934	12,245	3,628	1,996	14,296	5,146	4,762	384	1,759
June[p]	92,210	....	70,661	45,673	6,934	12,245	3,805	2,004	14,520	5,320	4,937	383	1,709
July[p]	93,101	....	70,878	45,988	6,934	12,245	3,705	2,006	15,429	5,249	4,875	374	1,545

[1] Includes (a) liability on gold deposited by the IMF to mitigate the impact on the U.S. gold stock of foreign purchases for gold subscriptions to the IMF under quota increases, and (b) U.S. Treasury obligations at cost value and funds awaiting investment obtained from proceeds of sales of gold by the IMF to the United States to acquire income-earning assets.

[2] Includes BIS and European Fund.

[3] Derived by applying reported transactions to benchmark data; breakdown of transactions by type of holder estimated 1959–63.

[4] Excludes notes issued to foreign official nonreserve agencies.

[5] Includes long-term liabilities reported by banks in the United States and debt securities of U.S. Federally-sponsored agencies and U.S. corporations.

[6] Includes short-term liabilities payable in dollars to commercial banks abroad and short-term liabilities payable in foreign currencies to commercial banks abroad and to "other foreigners."

[7] Includes marketable U.S. Treasury bonds and notes held by commercial banks abroad.

[8] Principally the International Bank for Reconstruction and Development and the Inter-American and Asian Development Banks. From Dec. 1957 through Jan. 1972 includes difference between cost value and face value of securities in IMF gold investment account.

[9] Data on the two lines shown for this date differ because of changes in reporting coverage. Figures on first line are comparable with those shown for the preceding date; figures on second line are comparable with those shown for the following date.

[10] Includes $101 million increase in dollar value of foreign currency liabilities resulting from revaluation of the German mark in Oct. 1969 as follows: liquid, $17 million, and other, $84 million.

[11] Data on the second line differ from those on first line because certain accounts previously classified as "official institutions" are included with "banks"; a number of reporting banks are included in the series for the first time; and U.S. Treasury securities payable in foreign currencies issued to official institutions of foreign countries have been increased in value to reflect market exchange rates as of Dec. 31, 1971.

[12] Includes $15 million increase in dollar value of foreign currency liabilities revalued to reflect market exchange rates.

[13] Includes $147 million increase in dollar value of foreign currency liabilities to official institutions of foreign countries revalued to reflect market exchange rates as follows: short-term liabilities, $15 million; nonmarketable convertible U.S. Treasury bonds and notes, $113 million; and nonmarketable nonconvertible U.S. Treasury bonds and notes, $19 million.

NOTE. Based on Treasury Dept. data and on data reported to the Treasury Dept. by banks and brokers in the United States. Data correspond generally to statistics following in this section, except for the exclusion of nonmarketable, nonconvertible U.S. Treasury notes issued to foreign official nonreserve agencies, the inclusion of investments by foreign official reserve agencies in debt securities of U.S. Federally-sponsored agencies and U.S. corporations, and minor rounding differences. Table excludes IMF "holdings of dollars," and holdings of U.S. Treasury letters of credit and non-negotiable, non-interest-bearing special U.S. notes held by other international and regional organizations.

7. U.S. LIQUID AND OTHER LIABILITIES TO OFFICIAL INSTITUTIONS OF FOREIGN COUNTRIES, BY AREA

(Amounts outstanding; in millions of dollars)

End of period	Total foreign countries	Western Europe[1]	Canada	Latin American republics	Asia	Africa	Other countries[2]
1967	18,194	10,321	1,310	1,582	4,428	250	303
1968[3]	17,407	8,070	1,867	1,865	5,043	259	303
	17,340	8,062	1,866	1,865	4,997	248	302
1969[3]	[4] 15,975	[4] 7,074	1,624	1,888	4,552	546	291
	15,998	7,074	1,624	1,911	4,552	546	291
1970[3]	23,786	13,620	2,951	1,681	4,713	407	414
	23,775	13,615	2,951	1,681	4,708	407	413
1971[5]	51,209	30,010	3,980	1,414	14,519	415	871
	50,651	30,134	3,980	1,429	13,823	415	870
1972—July	59,416	36,370	4,446	1,393	14,727	572	1,908
Aug.	60,606	36,612	4,463	1,420	15,352	652	2,107
Sept.	60,075	35,985	4,469	1,368	15,291	685	2,277
Oct.	60,931	35,078	4,468	1,473	16,805	616	2,491
Nov.	61,127	34,608	4,289	1,444	17,372	694	2,720
Dec.[r]	61,520	34,197	4,279	1,731	17,573	777	2,963
1973—Jan.[r]	60,797	34,146	4,201	1,728	17,034	673	3,015
Feb.[r]	68,475	40,773	4,290	1,895	17,907	809	2,801
Mar.[r]	[6] 71,331	[6] 45,229	4,221	1,749	16,564	823	2,745
Apr.	[7] 70,748	[7] 45,608	4,157	1,915	15,415	839	2,814
May	70,902	46,641	4,104	1,903	14,417	940	2,897
June[p]	70,661	46,942	4,111	1,990	13,725	992	2,901
July[p]	70,878	47,009	4,043	2,070	13,684	928	3,144

[1] Includes Bank for International Settlements and European Fund.
[2] Includes countries in Oceania and Eastern Europe, and Western European dependencies in Latin America.
[3] See note 9 to Table 6.
[4] Includes $101 million increase in dollar value of foreign currency liabilities resulting from revaluation of the German mark in Oct. 1969.
[5] Data on second line differ from those on the first line because certain accounts previously classified as "Official institutions" are included in "Banks"; a number of reporting banks are included in the series for the first time; and U.S. Treasury liabilities payable in foreign currencies to official institutions of foreign countries have been increased in value by $110 million to reflect market exchange rates as of Dec. 31, 1971.
[6] Includes $15 million increase in dollar value of foreign currency liabilities revalued to reflect market exchange rates.
[7] Includes $147 million increase in dollar value of foreign currency liabilities revalued to reflect market exchange rates.

NOTE. Data represent short- and long-term liabilities to the official institutions of foreign countries, as reported by banks in the United States; foreign official holdings of marketable and nonmarketable U.S. Treasury securities with an original maturity of more than 1 year, except for nonmarketable notes issued to foreign official nonreserve agencies; and investments by foreign official reserve agencies in debt securities of U.S. Federally-sponsored agencies and U.S. corporations.

8. SHORT-TERM LIABILITIES TO FOREIGNERS REPORTED BY BANKS IN THE UNITED STATES, BY TYPE

(Amounts outstanding; in millions of dollars)

End of period	To all foreigners								To nonmonetary international and regional organizations[6]				
	Total[1]	Payable in dollars					Payable in foreign currencies	IMF gold investment[5]	Total	Deposits		U.S. Treasury bills and certificates	Other short-term liab.[4]
		Total	Deposits: Demand	Deposits: Time[2]	U.S. Treasury bills and certificates[3]	Other short-term liab.[4]				Demand	Time[2]		
1969	40,199	39,770	20,460	6,959	5,015	7,336	429	800	613	62	83	244	223
1970[7]	41,719	41,351	15,785	5,924	14,123	5,519	368	400	820	69	159	211	381
	41,761	41,393	15,795	5,961	14,123	5,514	368	400	820	69	159	211	381
1971[8]	55,404	55,018	10,399	5,209	33,025	6,385	386	400	1,372	73	192	210	896
	55,428	55,036	6,459	4,217	33,025	11,335	392	400	1,367	73	192	210	892
1972—July	57,294	56,813	7,320	4,746	32,881	11,866	481	....	1,266	101	262	142	761
Aug.	58,884	58,429	6,631	4,867	33,745	13,186	455	....	1,322	65	267	172	818
Sept.	58,684	58,206	6,927	4,939	32,714	13,626	478	....	1,233	79	224	145	785
Oct.	60,136	59,598	7,071	5,146	33,071	14,310	538	....	1,281	63	210	204	804
Nov.[r]	60,653	60,111	7,011	5,378	32,774	14,948	543	....	1,511	95	241	380	794
Dec.[r]	60,736	60,239	8,288	5,628	31,850	14,473	496	....	1,412	86	201	326	800
1973—Jan.[r]	59,173	58,648	7,452	5,532	30,134	15,530	526	....	1,379	118	171	279	811
Feb.[r]	64,234	63,722	7,786	5,594	36,538	13,803	513	....	1,417	133	143	303	838
Mar.[r]	65,883	65,335	7,606	5,610	37,966	14,153	548	....	1,425	114	133	279	899
Apr.	65,196	64,612	8,118	5,652	36,459	14,382	584	....	1,428	119	111	240	957
May	66,747	66,175	8,374	5,700	35,965	16,136	572	....	1,589	147	118	148	1,177
June[p]	66,739	66,089	9,118	5,814	34,951	16,206	650	....	1,608	155	133	189	1,131
July[p]	67,808	67,211	8,987	5,872	34,556	17,796	597	....	1,516	206	113	116	1,080

For notes see the following page.

8. SHORT-TERM LIABILITIES TO FOREIGNERS REPORTED BY BANKS IN THE UNITED STATES, BY TYPE—*Continued*

(Amounts outstanding; in millions of dollars)

End of period	To residents of foreign countries						To official institutions[10]					
	Total	Payable in dollars				Payable in foreign currencies	Total	Payable in dollars				Payable in foreign currencies
		Deposits		U.S. Treasury bills and certificates[3]	Other short-term liab.[4]			Deposits		U.S. Treasury bills and certificates[3]	Other short-term liab.[4]	
		Demand	Time[2]					Demand	Time[2]			
1969	38,786	20,397	6,876	3,971	7,113	429	11,077	1,930	2,942	3,844	2,159	202
1970[7]	40,499	15,716	5,765	13,511	5,138	368	19,333	1,652	2,554	13,367	1,612	148
	40,541	15,726	5,802	13,511	5,133	368	19,333	1,652	2,554	13,367	1,612	148
1971[8]	53,632	10,326	5,017	32,415	5,489	386	39,679	1,620	2,504	32,311	3,086	158
	53,661	6,386	4,025	32,415	10,443	392	39,018	1,327	2,039	32,311	3,177	165
1972—July	56,028	7,219	4,485	32,738	11,106	481	39,777	1,521	2,377	32,655	3,054	170
Aug.[r]	57,563	6,566	4,600	33,573	12,368	455	40,611	1,308	2,412	33,499	3,220	171
Sept.	57,451	6,848	4,716	32,569	12,841	478	39,633	1,239	2,459	32,497	3,268	171
Oct.	58,855	7,008	4,935	32,867	13,506	538	40,266	1,335	2,569	32,794	3,398	171
Nov.	59,143	6,915	5,137	32,394	14,154	543	40,045	1,271	2,643	32,315	3,645	171
Dec.[r]	59,323	8,203	5,427	31,523	13,674	496	39,994	1,589	2,876	31,453	3,905	171
1973—Jan.[r]	57,794	7,333	5,361	29,855	14,720	526	38,535	1,405	2,875	29,779	4,304	171
Feb.[r]	62,817	7,653	5,450	36,235	12,965	513	45,413	1,756	2,841	36,147	4,497	172
Mar.[r]	64,459	7,492	5,477	37,687	13,254	548	46,924	1,543	2,832	37,620	4,757	172
Apr.	63,768	7,999	5,541	36,219	13,425	584	45,949	1,714	2,916	36,137	4,996	[9]187
May	65,157	8,227	5,583	35,817	14,959	572	46,099	1,723	2,933	35,736	5,520	187
June[p]	65,130	8,963	5,681	34,762	15,075	649	45,673	1,950	3,105	34,684	5,747	187
July[p]	66,292	8,781	5,758	34,440	16,716	597	45,988	1,934	3,183	34,360	6,322	189

End of period	Total	To banks[11]					To other foreigners					To banks and other foreigners: Payable in foreign currencies
		Payable in dollars										
		Total	Deposits		U.S. Treasury bills and certificates	Other short-term liab.[4]	Total	Deposits		U.S. Treasury bills and certificates	Other short-term liab.[4]	
			Demand	Time[2]				Demand	Time[2]			
1969	27,709	23,419	16,756	1,999	20	4,644	4,064	1,711	1,935	107	312	226
1970[7]	21,166	16,917	12,376	1,326	14	3,202	4,029	1,688	1,886	131	325	220
	21,208	16,949	12,385	1,354	14	3,197	4,039	1,688	1,895	131	325	220
1971[8]	13,953	10,034	7,047	850	8	2,130	3,691	1,660	1,663	96	274	228
	14,643	10,721	3,399	320	8	6,995	3,694	1,660	1,666	96	271	228
1972—July	16,251	11,816	3,877	285	5	7,649	4,123	1,821	1,822	77	402	311
Aug.[r]	16,951	12,626	3,555	336	6	8,729	4,040	1,702	1,852	67	419	284
Sept.	17,818	13,269	3,833	348	5	9,084	4,241	1,776	1,909	68	489	308
Oct.	18,589	13,805	3,798	434	3	9,570	4,417	1,875	1,933	70	538	368
Nov.	19,097	14,404	3,938	481	5	9,981	4,322	1,706	2,014	75	528	372
Dec.[r]	19,329	14,477	4,659	525	5	9,287	4,527	1,954	2,026	65	481	325
1973—Jan.[r]	19,260	14,438	4,155	415	7	9,861	4,467	1,773	2,070	69	555	355
Feb.[r]	17,405	12,467	4,084	483	5	7,895	4,596	1,813	2,127	83	573	341
Mar.[r]	17,535	12,576	4,144	518	5	7,909	4,583	1,805	2,127	63	588	376
Apr.	17,820	12,672	4,335	514	7	7,817	4,750	1,951	2,112	75	611	398
May	19,059	13,911	4,645	535	8	8,723	4,763	1,859	2,115	73	716	385
June[p]	19,457	14,058	5,050	404	8	8,595	4,937	1,963	2,171	70	732	463
July[p]	20,303	15,021	4,957	432	8	9,624	4,874	1,890	2,143	72	769	408

1 Data exclude "holdings of dollars" of the IMF.

2 Excludes negotiable time certificates of deposit, which are included in "Other."

3 Includes nonmarketable certificates of indebtedness issued to official institutions of foreign countries.

4 Principally bankers' acceptances, commercial paper, and negotiable time certificates of deposit. See also note 8(a).

5 U.S. Treasury bills and certificates obtained from proceeds of sales of gold by the IMF to the United States to acquire income-earning assets. Upon termination of investment, the same quantity of gold was reacquired by the IMF.

6 Principally the International Bank for Reconstruction and Development and the Inter-American Development Bank.

Includes difference between cost value and face value of securities in IMF gold investment account.

7 Data on the two lines shown for this date differ because of changes in reporting coverage. Figures on the first line are comparable in coverage with those shown for the preceding date; figures on the second line are comparable with those shown for the following date.

8 Data on second line differ from those on first line because (a) those liabilities of U.S. banks to their foreign branches and those liabilities of U.S. agencies and branches of foreign banks to their head offices and foreign branches, which were previously reported as deposits, are included in "Other short-term liabilities"; (b) certain accounts previously classified as "Official institutions" are included in "Banks"; and (c) a number of reporting banks are included in the series for the first time.

9 Includes $15 million increase in foreign currency liabilities to official institutions of foreign countries revalued to reflect market exchange rates.

10 Foreign central banks and foreign central govts. and their agencies, and Bank for International Settlements and European Fund.

11 Excludes central banks, which are included in "Official institutions."

NOTE.—"Short term" refers to obligations payable on demand or having an original maturity of 1 year or less. For data on long-term liabilities reported by banks, see Table 10. Data exclude the "holdings of dollars" of the International Monetary Fund; these obligations to the IMF constitute contingent liabilities, since they represent essentially the amount of dollars available for drawings from the IMF by other member countries. Data exclude also U.S. Treasury letters of credit and non-negotiable, non-interest-bearing special U.S. notes held by the Inter-American Development Bank and the International Development Association.

9. SHORT-TERM LIABILITIES TO FOREIGNERS REPORTED BY BANKS IN THE UNITED STATES, BY COUNTRY

(End of period. Amounts outstanding; in millions of dollars)

Area and country	1971	1972			1973						
	Dec.	Oct.	Nov.[r]	Dec.[r]	Jan.[r]	Feb.[r]	Mar.[r]	Apr.[r]	May	June[p]	July[p]
Europe:											
Austria	254	279	245	272	268	267	281	292	301	297	305
Belgium-Luxembourg	701	1,159	1,070	1,092	974	1,165	1,253	1,245	1,373	1,376	1,443
Denmark	168	217	254	284	321	364	400	406	502	489	477
Finland	160	161	157	163	152	158	142	168	244	194	165
France	3,150	4,501	4,630	4,441	4,434	4,483	5,000	5,167	5,327	5,406	5,452
Germany	6,596	5,809	5,514	5,346	5,034	10,494	12,990	12,701	12,161	12,003	12,837
Greece	170	195	190	238	210	224	223	175	219	219	240
Italy	1,887	1,345	1,354	1,338	1,085	1,041	968	1,020	1,171	1,072	870
Netherlands	270	1,460	1,442	1,468	1,356	1,762	2,532	2,543	2,427	2,369	2,029
Norway	685	895	960	978	973	995	1,018	1,035	1,046	1,050	1,082
Portugal	303	379	413	416	439	498	518	502	511	499	477
Spain	203	230	223	256	231	222	256	250	325	334	282
Sweden	792	1,059	1,081	1,184	1,189	1,403	1,483	1,682	1,787	1,905	1,951
Switzerland	3,249	3,072	2,838	2,857	2,924	2,845	2,901	2,959	3,272	3,306	3,337
Turkey	68	71	96	97	109	94	105	118	71	75	102
United Kingdom	7,379	5,683	5,430	5,011	5,510	4,546	4,657	4,741	5,899	6,317	6,456
Yugoslavia	34	56	98	117	82	78	58	69	73	66	66
Other Western Europe[1]	1,391	1,428	1,479	1,483	1,464	1,502	1,619	1,772	2,159	2,335	2,832
U.S.S.R.	14	16	10	11	14	21	14	8	9	11	18
Other Eastern Europe	53	63	58	81	71	65	71	71	66	74	81
Total	27,529	28,078	27,541	27,134	26,840	32,227	36,488	36,924	38,944	39,397	40,501
Canada	3,441	3,969	3,799	3,484	3,889	3,325	3,290	3,618	3,816	3,306	3,401
Latin America:											
Argentina	441	532	547	631	631	689	687	694	730	727	750
Bahamas[2]	656	576	576	539	290	261	198	226	496	440	768
Brazil	342	601	564	605	643	648	671	703	768	765	917
Chile	191	135	135	137	132	136	143	140	138	140	134
Colombia	188	192	185	210	210	218	184	197	218	200	200
Cuba	6	6	6	6	7	7	6	7	7	10	7
Mexico	715	671	659	831	783	800	788	853	843	925	919
Panama	154	151	150	167	193	201	171	168	192	186	194
Peru	164	180	183	225	176	167	172	167	170	180	190
Uruguay	108	125	133	140	140	138	132	143	150	180	128
Venezuela	963	924	926	1,077	995	1,051	948	1,044	967	1,054	1,066
Other Latin American republics	655	747	751	860	839	827	804	818	778	777	744
Netherlands Antilles and Surinam	87	82	89	86	81	84	76	72	64	68	78
Other Latin America	37	55	57	44	235	237	216	243	264	651	400
Total	4,708	4,979	4,961	5,558	5,354	5,461	5,196	5,477	5,785	6,303	6,494
Asia:											
China, People's Rep. of (China Mainland)	39	39	39	39	39	37	49	43	44	41	38
China, Republic of (Taiwan)	258	590	639	675	737	783	816	831	830	843	788
Hong Kong	312	313	310	318	336	319	337	330	368	341	290
India	89	103	107	98	115	134	114	125	145	110	144
Indonesia	63	114	107	108	101	96	89	90	117	155	176
Israel	150	127	141	177	139	146	137	144	142	161	159
Japan	14,295	15,485	16,152	15,843	14,570	14,733	12,344	10,415	9,056	8,458	8,125
Korea	196	218	201	192	224	210	227	214	231	226	219
Philippines	306	382	394	438	446	453	513	520	583	558	559
Thailand	126	143	128	171	211	187	170	166	177	175	147
Other	595	1,016	965	1,071	951	897	869	940	872	883	955
Total	16,429	18,529	19,182	19,131	17,868	17,995	15,665	13,818	12,565	11,951	11,602
Africa:											
Egypt	24	23	24	24	21	28	17	33	67	29	29
Morocco	9	10	11	12	9	8	13	9	8	11	15
South Africa	78	57	83	115	111	104	125	125	120	155	169
Zaire	12	14	17	21	18	23	22	28	45	17	21
Other	474	595	678	768	573	728	739	798	786	904	803
Total	597	700	814	939	733	891	917	992	1,025	1,118	1,037
Other countries:											
Australia	916	2,553	2,801	3,027	3,046	2,861	2,849	2,882	2,961	2,985	3,197
All other	42	47	46	51	65	57	54	57	60	71	61
Total	957	2,600	2,846	3,077	3,111	2,918	2,903	2,939	3,022	3,056	3,258
Total foreign countries	53,661	58,855	59,143	59,323	57,794	62,817	64,459	63,768	65,157	65,130	66,292
International and regional:											
International[3]	1,327	794	1,030	951	930	957	979	982	1,144	1,190	1,136
Latin American regional	298	320	316	307	301	318	320	337	337	321	299
Other regional[4]	142	167	165	155	148	142	126	109	108	97	81
Total	1,767	1,281	1,511	1,412	1,379	1,417	1,425	1,428	1,589	1,609	1,516
Grand total	55,428	60,136	60,653	60,736	59,173	64,234	65,883	65,196	66,747	66,739	67,808

For notes see the following page.

9. SHORT-TERM LIABILITIES TO FOREIGNERS REPORTED BY BANKS IN THE UNITED STATES, BY COUNTRY—Continued

(End of period. Amounts outstanding; in millions of dollars)

Supplementary data [5]

Area and country	1971 Apr.	1971 Dec.	1972 Apr.	1972 Dec.	1973 Apr.
Other Western Europe:					
Cyprus	7	2	2	3	9
Iceland	10	11	9	9	12
Ireland, Rep. of	29	16	15	17	22
Other Latin American republics:					
Bolivia	59	55	53	87	65
Costa Rica	43	62	70	92	75
Dominican Republic	90	123	91	114	104
Ecuador	72	57	62	121	109
El Salvador	80	78	83	76	86
Guatemala	97	117	123	132	127
Haiti	19	18	23	27	25
Honduras	44	42	50	58	64
Jamaica	19	19	32	41	32
Nicaragua	47	50	66	61	79
Paraguay	15	17	17	22	26
Trinidad & Tobago	14	10	15	20	17
Other Latin America:					
Bermuda	(2)	(2)	(2)	(2)	127
British West Indies	38	32	23	36	100
Other Asia:					
Afghanistan	15	19	17	25	19
Bahrain	35	21	18	24	(7)
Burma	3	10	5	2	(7)
Cambodia	2	5	2	3	3
Iran	67	59	88	93	114
Iraq	7	10	9	10	(7)
Jordan	3	2	2	4	4
Other Asia—Cont.:					
Kuwait	36	20	16	39	36
Laos	2	3	3	2	3
Lebanon	60	46	60	55	55
Malaysia	28	23	25	54	59
Pakistan	28	33	58	59	93
Ryukyu Islands (incl. Okinawa)[6]	39	29	53	......	......
Saudi Arabia	41	79	80	344	236
Singapore	43	35	45	77	53
Sri Lanka (Ceylon)	4	4	6	5	6
Syria	3	4	6	4	39
Vietnam	161	159	185	135	98
Other Africa:					
Algeria	13	23	31	32	51
Ethiopia (incl. Eritrea)	12	11	29	57	75
Ghana	6	8	11	10	28
Kenya	13	9	14	23	19
Liberia	21	23	25	30	31
Libya	91	274	296	393	(7)
Nigeria	25	46	56	85	(7)
Southern Rhodesia	2	2	2	2	1
Sudan	1	1	5	3	3
Tanzania	10	6	6	11	16
Tunisia	6	9	7	10	11
Uganda	5	3	10	7	19
Zambia	14	13	7	28	(7)
All other:					
New Zealand	22	23	27	30	34

[1] Includes Bank for International Settlements and European Fund.
[2] Bermuda included with Bahamas through Dec. 1972.
[3] Data exclude "holdings of dollars" of the International Monetary Fund but include IMF gold investment until Feb. 1972, when investment was terminated.
[4] Asian, African, and European regional organizations, except BIS and European Fund, which are included in "Europe."
[5] Represent a partial breakdown of the amounts shown in the "other" categories (except "Other Eastern Europe").
[6] Included in Japan after Apr. 1972.
[7] Not available.

10. LONG-TERM LIABILITIES TO FOREIGNERS REPORTED BY BANKS IN THE UNITED STATES

(Amounts outstanding; in millions of dollars)

End of period	Total	To intl. and regional	To foreign countries: Total	To foreign countries: Official institutions	To foreign countries: Banks[1]	To foreign countries: Other foreigners	Country or area: Germany	Country or area: United Kingdom	Country or area: Other Europe	Country or area: Total Latin America	Country or area: Japan	Country or area: Other Asia	Country or area: All other countries
1969	2,490	889	1,601	1,505	56	40	*	46	7	239	655	582	70
1970	1,703	789	914	695	165	53	110	42	26	152	385	137	62
1971	902	446	457	144	257	56	164	52	30	111	3	87	9
1972 July	1,157	688	469	117	269	84	165	68	34	136	*	49	18
Aug.	1,093	650	443	88	269	86	165	68	34	135	*	24	17
Sept.	1,067	612	455	99	269	87	167	68	35	135	*	33	17
Oct.	1,068	615	453	97	269	87	165	68	37	135	*	32	16
Nov.[r]	1,051	600	450	94	269	88	165	68	37	134	1	32	14
Dec.[r]	1,000	562	439	93	259	87	165	63	32	136	1	32	10
1973—Jan.[r]	1,026	599	427	74	257	96	165	61	30	127	1	30	13
Feb.[r]	1,259	596	663	304	258	100	164	59	233	118	1	71	16
Mar.[r]	1,389	680	709	328	269	112	164	66	234	133	1	96	16
Apr.	1,382	669	713	329	274	111	164	68	239	128	1	98	16
May	1,362	671	691	313	274	104	164	68	231	115	1	96	16
June[p]	1,439	742	697	311	274	113	164	68	233	125	4	92	10
July[p]	1,484	756	727	311	275	141	164	68	235	145	2	93	19

[1] Excludes central banks, which are included with "Official institutions."

11. ESTIMATED FOREIGN HOLDINGS OF MARKETABLE U.S. TREASURY BONDS AND NOTES

(End of period; in millions of dollars)

	1972						1973						
	July	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	June[p]	July[p]
Europe:													
Belgium-Luxembourg	6	6	6	6	6	6	6	6	6	6	6	6	6
Sweden	19	17	15	35	85	85	110	135	135	135	135	135	135
Switzerland	49	45	45	45	45	45	45	44	43	44	43	43	42
United Kingdom	265	280	293	308	326	327	327	276	278	300	281	280	275
Other Western Europe	79	79	79	79	79	79	79	79	79	79	85	85	85
Eastern Europe	5	5	5	5	5	5	5	5	5	5	5	5	5
Total	422	432	443	478	545	547	572	544	546	569	555	554	547
Canada	313	372	432	479	559	558	558	559	561	561	560	560	560
Latin America:													
Latin American republics	1	1	1	1	1	1	1	1	1	1	1	1	1
Other Latin America	6	6	6	6	6	6	6	6	6	6	6	6	6
Total	7	7	7	7	7	7	7	7	7	7	7	7	7
Asia:													
Japan	3,125	3,310	3,481	3,756	4,003	4,380	4,867	5,421	5,961	5,978	5,978	5,977	5,977
Other Asia	10	10	10	10	10	10	10	10	10	10	10	10	9
Total	3,136	3,321	3,492	3,766	4,013	4,391	4,877	5,431	5,971	5,988	5,988	5,988	5,987
Africa	8	127	133	133	133	133	183	183	183	183	183	183	183
All other	*	*	*	*	*	25	25	25	25	25	25	25	25
Total foreign countries	3,886	4,259	4,506	4,863	5,257	5,661	6,223	6,749	7,293	7,333	7,318	7,317	7,308
International and regional:													
International	136	176	186	186	186	186	186	176	186	176	142	72	1
Latin American regional	27	27	27	27	28	28	28	26	26	27	27	27	28
Total	162	203	213	213	214	214	214	202	212	202	169	100	29
Grand total	4,048	4,461	4,719	5,076	5,471	5,874	6,436	6,951	7,505	7,535	7,487	7,417	7,337

NOTE.—Data represent estimated official and private holdings of marketable U.S. Treasury securities with an original maturity of more than 1 year, and are based on benchmark surveys of holdings and regular monthly reports of securities transactions (see Table 16).

12. NONMARKETABLE U.S. TREASURY BONDS AND NOTES ISSUED TO OFFICIAL INSTITUTIONS OF FOREIGN COUNTRIES

(In millions of dollars or dollar equivalent)

End of period	Total	Payable in dollars								Payable in foreign currencies			
		Total	Belgium	Canada [1]	China, Rep. of (Taiwan)	Germany	Italy [2]	Korea	Thailand	Total	Germany [3]	Italy	Switzerland
1969	[4] 3,181	1,431	32	1,129	20	....	135	15	100	[4] 1,750	[4] 1,084	125	541
1970	3,563	2,480	32	2,289	20	....	25	15	100	1,083	542	......	541
1971	[5] 9,657	7,829	32	2,640	20	5,000	22	15	100	[5] 1,827	612	......	1,215
1972—Aug.	15,864	14,188	32	2,840	20	11,158	22	15	100	1,676	459	......	1,217
Sept.	16,022	14,345	32	2,840	20	11,315	22	15	100	1,677	459	......	1,218
Oct.	15,871	14,345	32	2,840	20	11,315	22	15	100	1,526	306	......	1,220
Nov.	15,872	14,345	32	2,840	20	11,315	22	15	100	1,528	306	......	1,222
Dec.	15,872	14,333	20	2,840	20	11,315	22	15	100	1,539	306	......	1,233
1973—Jan.	16,016	14,474	20	2,840	20	11,471	22	......	100	1,542	306	......	1,236
Feb.	15,863	14,474	20	2,840	20	11,471	22	......	100	1,389	153	......	1,236
Mar.	[6] 15,870	14,464	20	2,840	10	11,471	22	......	100	[6] 1,407	153	......	1,254
Apr.	[6] 16,015	14,459	20	2,840	5	11,471	22	......	100	[6] 1,556	172	......	1,384
May	16,012	14,456	20	2,840	2	11,471	22	......	100	1,556	172	......	1,384
June	16,189	14,633	......	2,840	....	11,670	22	......	100	1,556	172	......	1,384
July	16,089	14,533	......	2,840	....	11,670	22	......	......	1,556	172	......	1,384
Aug.	16,015	14,383	......	2,690	....	11,670	22	......	......	1,631	172	......	1,458

[1] Includes bonds issued in 1964 to the Government of Canada in connection with transactions under the Columbia River treaty. Amounts outstanding end of 1967 through Oct. 1968, $114 million; Nov. 1968 through Sept. 1969, $84 million; Oct. 1969 through Sept. 1970, $54 million; and Oct. 1970 through Oct. 1971, $24 million.

[2] Notes issued to the Government of Italy in connection with military purchases in the United States.

[3] In addition, nonmarketable U.S. Treasury notes amounting to $125 million equivalent were held by a group of German commercial banks from June 1968 through Nov. 1972. The dollar value of these notes was increased by $10 million in Oct. 1969 and by $18 million as of Dec. 31, 1971.

[4] Includes an increase in dollar value of $84 million resulting from revaluation of the German mark in Oct. 1969.

[5] Includes $106 million increase in dollar value of foreign currency obligations revalued to reflect market exchange rates as of Dec. 31, 1971.

[6] Includes $15 million increase in Mar. and $145 million increase in Apr. in dollar value of foreign currency obligations revalued to reflect market exchange rates.

13. SHORT-TERM CLAIMS ON FOREIGNERS REPORTED BY BANKS IN THE UNITED STATES, BY COUNTRY

(End of period. Amounts outstanding; in millions of dollars)

Area and country	1971	1972			1973						
	Dec.	Oct. r	Nov. r	Dec. r	Jan.	Feb.	Mar.	Apr.	May	June p	July p
Europe:											
Austria	11	15	10	8	7	13	9	9	9	12	10
Belgium-Luxembourg	57	87	84	120	67	124	100	87	73	94	96
Denmark	49	52	57	59	58	59	60	63	69	69	56
Finland	135	119	123	118	127	122	131	134	140	141	134
France	263	274	272	330	275	312	424	451	447	377	438
Germany	235	287	296	321	267	414	371	345	356	382	353
Greece	30	27	27	29	34	23	29	32	19	19	28
Italy	160	177	170	255	221	271	269	288	327	326	274
Netherlands	105	104	101	108	93	152	118	129	115	109	101
Norway	67	62	62	69	62	63	70	66	67	65	79
Portugal	12	22	21	19	21	26	20	30	17	19	18
Spain	70	229	215	207	210	236	282	238	360	387	272
Sweden	118	128	123	156	176	249	235	238	259	226	225
Switzerland	145	186	150	125	187	206	152	186	190	241	212
Turkey	3	4	4	6	5	6	5	5	6	9	7
United Kingdom	559	654	723	849	672	1,001	847	795	876	893	987
Yugoslavia	19	18	16	22	18	20	18	20	13	12	12
Other Western Europe	12	23	19	20	23	26	22	29	21	29	20
U.S.S.R	28	30	32	41	44	55	54	61	50	56	56
Other Eastern Europe	37	40	38	49	47	51	52	60	69	73	84
Total	2,114	2,540	2,545	2,911	2,613	3,431	3,269	3,265	3,483	3,537	3,462
Canada	1,627	1,676	1,695	1,897	1,939	2,372	2,461	2,286	2,379	2,020	2,134
Latin America:											
Argentina	305	363	357	379	389	417	406	396	408	407	431
Bahamas [1]	262	372	403	476	413	521	461	505	409	399	495
Brazil	435	657	631	649	641	727	740	759	851	889	955
Chile	139	58	53	52	53	49	51	45	40	43	38
Colombia	380	384	396	418	408	412	380	401	397	411	417
Cuba	13	13	15	13	12	13	13	13	13	14	13
Mexico	934	1,126	1,168	1,202	1,202	1,213	1,320	1,343	1,343	1,394	1,375
Panama	125	143	177	244	219	220	212	183	190	213	223
Peru	176	138	147	145	129	136	132	143	147	169	180
Uruguay	41	36	38	40	40	38	40	36	31	34	34
Venezuela	268	361	386	383	388	385	404	401	440	452	454
Other Latin American republics	374	353	368	388	393	379	369	382	383	380	372
Netherlands Antilles and Surinam	18	15	13	14	15	15	20	27	35	38	48
Other Latin America	26	32	33	36	56	70	103	85	74	66	71
Total	3,494	4,049	4,187	4,437	4,359	4,592	4,649	4,717	4,761	4,909	5,107
Asia:											
China, People's Rep. of (China Mainland)	1	1	1	1	2	2	2	2	5	3	7
China, Republic of (Taiwan)	109	187	201	194	205	211	231	238	216	200	193
Hong Kong	70	76	76	93	84	103	111	122	132	203	218
India	21	15	17	14	15	15	16	14	19	21	18
Indonesia	41	74	74	87	87	103	127	127	97	94	91
Israel	129	87	105	105	126	106	141	126	116	111	133
Japan	4,280	3,715	3,998	4,158	4,081	5,277	5,568	5,663	5,536	5,756	5,756
Korea	348	302	317	296	271	288	301	331	338	347	346
Philippines	138	151	160	149	148	150	140	150	139	144	134
Thailand	172	177	183	191	184	195	205	197	194	173	188
Other	252	244	260	300	288	335	274	296	324	354	353
Total	5,560	5,030	5,393	5,589	5,490	6,786	7,116	7,267	7,116	7,407	7,438
Africa:											
Egypt	10	17	16	21	22	20	20	22	25	34	45
Morocco	4	5	4	4	6	5	7	5	4	4	5
South Africa	156	134	145	143	150	155	155	151	166	163	150
Zaire	21	14	10	13	15	13	11	13	13	42	43
Other	96	109	112	124	116	113	133	137	136	143	147
Total	288	279	286	304	309	305	325	327	343	386	389
Other countries:											
Australia	158	229	271	291	272	256	244	249	232	260	271
All other	28	36	36	40	50	44	47	50	47	46	40
Total	186	265	308	330	322	300	291	299	280	305	310
Total foreign countries	13,269	13,840	14,413	15,468	15,032	17,787	18,111	18,161	18,362	18,564	18,839
International and regional	3	6	6	3	3	3	1	2	2	1	2
Grand total	13,272	13,845	14,419	15,471	15,035	17,789	18,113	18,163	18,364	18,565	18,840

[1] Includes Bermuda through Dec. 1972.

NOTE.—Short-term claims are principally the following items payable on demand or with a contractual maturity of not more than 1 year: loans made to, and acceptances made for, foreigners; drafts drawn against foreigners, where collection is being made by banks and bankers for their own account or for account of their customers in the United States; and foreign currency balances held abroad by banks and bankers and their customers in the United States. Excludes foreign currencies held by U.S. monetary authorities.

14. SHORT-TERM CLAIMS ON FOREIGNERS REPORTED BY BANKS IN THE UNITED STATES, BY TYPE

(Amounts outstanding; in millions of dollars)

End of period	Total	Payable in dollars								Payable in foreign currencies			
		Total	Loans to				Collections outstanding	Acceptances made for acct. of foreigners	Other	Total	Deposits with foreigners	Foreign govt. securities, coml. and finance paper	Other
			Total	Official institutions	Banks[1]	Others							
1969	9,680	9,165	3,278	262	1,943	1,073	2,015	3,202	670	516	352	89	74
1970	10,802	10,192	3,051	119	1,720	1,212	2,389	3,985	766	610	352	92	166
1971[2]	13,170	12,328	4,503	223	2,613	1,667	2,475	4,243	1,107	842	549	119	174
	13,272	12,377	3,969	231	2,080	1,658	2,475	4,254	1,679	895	548	173	174
1972—July	14,273	13,371	5,049	164	2,779	2,106	2,703	3,227	2,392	902	516	278	108
Aug.[r]	14,361	13,415	4,978	152	2,710	2,116	2,805	3,082	2,551	946	482	338	126
Sept.[r]	13,930	13,042	4,980	143	2,572	2,265	2,882	2,967	2,213	888	431	330	127
Oct.[r]	13,845	13,069	5,138	146	2,666	2,326	2,987	2,953	1,991	776	408	209	159
Nov.[r]	14,419	13,649	5,306	157	2,700	2,448	3,130	3,129	2,085	770	412	219	139
Dec.[r]	15,471	14,625	5,674	163	2,975	2,535	3,269	3,204	2,478	846	441	223	182
1973—Jan.	15,035	14,210	5,429	143	2,814	2,472	3,234	3,103	2,443	825	443	253	128
Feb.[r]	17,789	16,718	6,453	162	3,675	2,616	3,555	3,282	3,429	1,071	596	313	162
Mar.	18,113	17,162	6,538	141	3,694	2,703	3,697	3,463	3,464	951	524	262	165
Apr.	18,163	17,344	6,847	146	3,944	2,757	3,781	3,463	3,253	819	460	207	152
May	18,364	17,511	6,935	163	3,824	2,947	3,789	3,600	3,186	854	499	237	118
June[p]	18,565	17,742	7,257	199	4,033	3,025	3,846	3,961	2,679	823	537	140	147
July[p]	18,840	17,969	7,012	169	3,900	2,943	3,831	3,892	3,234	872	599	151	122

[1] Excludes central banks, which are included with "Official institutions."

[2] Data on second line differ from those on first line because (a) those claims of U.S. banks on their foreign branches and those claims of U.S. agencies and branches of foreign banks on their head offices and foreign branches, which were previously reported as "Loans", are included in "Other short-term claims"; and (b) a number of reporting banks are included in the series for the first time.

15. LONG-TERM CLAIMS ON FOREIGNERS REPORTED BY BANKS IN THE UNITED STATES

(Amounts outstanding; in millions of dollars)

End of period	Total	Type						Country or area						
		Payable in dollars					Payable in foreign currencies	United Kingdom	Other Europe	Canada	Latin America	Japan	Other Asia	All other countries
		Loans to				Other long-term claims								
		Total	Official institutions	Banks[1]	Other foreigners									
1969	3,250	2,806	502	209	2,096	426	18	67	411	408	1,329	88	568	378
1970	3,075	2,698	504	236	1,958	352	25	71	411	312	1,325	115	548	292
1971	3,667	3,345	575	315	2,455	300	22	130	593	228	1,458	246	583	429
1972—July	4,310	4,003	757	356	2,890	275	32	146	674	283	1,724	294	754	434
Aug.[r]	4,394	4,079	771	398	2,910	281	34	141	671	279	1,793	288	773	448
Sept.[r]	4,542	4,227	796	402	3,030	282	33	128	687	291	1,866	289	802	480
Oct.[r]	4,649	4,323	796	412	3,114	292	35	139	658	340	1,897	305	828	481
Nov.[r]	4,702	4,378	819	432	3,127	291	33	143	658	360	1,880	305	863	493
Dec.[r]	4,954	4,539	833	430	3,276	375	40	145	704	406	1,996	319	881	503
	5,020	4,544	833	430	3,282	436	40	145	709	406	2,006	348	898	509
1973—Jan.[r]	5,022	4,541	835	440	3,266	440	41	144	732	403	1,967	353	915	508
Feb.[r]	5,131	4,630	840	470	3,319	449	52	135	771	434	1,986	342	928	535
Mar.[r]	5,276	4,769	897	480	3,392	460	47	121	859	453	1,978	336	985	544
Apr.[r]	5,419	4,923	931	514	3,477	448	49	122	912	477	2,000	337	1,028	544
May	5,522	5,019	932	545	3,541	456	48	131	931	511	2,001	331	1,059	558
June[p]	5,636	5,102	965	566	3,570	489	45	129	1,016	521	1,999	311	1,099	561
July[p]	5,626	5,116	957	554	3,605	456	54	128	1,029	517	1,984	310	1,122	535

[1] Excludes central banks, which are included with "Official institutions."

[2] Data on the two lines shown for this date differ because of changes in reporting coverage. Figures on the first line are comparable in coverage with those shown for the preceding date; figures on the second line are comparable with those shown for the following date.

16. PURCHASES AND SALES BY FOREIGNERS OF LONG-TERM SECURITIES, BY TYPE

(In millions of dollars)

Period	Marketable U.S. Treas. bonds and notes [1]: Net purchases or sales: Total	Intl. and regional	Foreign: Total	Foreign: Official	Foreign: Other	U.S. corporate securities [2]: Purchases	Sales	Net purchases or sales	Foreign bonds: Purchases	Sales	Net purchases or sales	Foreign stocks: Purchases	Sales	Net purchases or sales
1970	56	25	82	-41	123	11,426	9,844	1,582	1,490	2,441	951	1,033	998	35
1971	1,672	130	1,542	1,661	119	14,573	13,158	1,415	1,687	2,621	935	1,385	1,439	-57
1972[r]	3,316	57	3,258	3,281	23	19,073	15,015	4,058	1,901	2,961	-1,060	2,532	2,123	409
1973 Jan. July[p]	1,463	185	1,648	1,697	50	11,003	7,188	3,815	956	1,333	-377	1,054	871	183
1972 July[r]	223	1	222	224	2	1,196	1,157	39	191	101	90	155	166	11
Aug.[r]	413	40	373	365	9	1,502	1,223	279	129	98	30	242	179	63
Sept.[r]	258	10	247	237	11	1,165	843	322	173	163	11	173	142	32
Oct.[r]	356	......	356	340	17	1,353	1,045	309	154	207	53	188	119	69
Nov.[r]	395	1	395	377	18	1,927	1,295	632	136	171	-35	192	110	82
Dec.[r]	404	....	404	403	1	2,014	1,375	639	243	465	222	233	178	55
1973 Jan.[r]	562	.....	562	562	*	1,874	1,125	750	191	323	132	161	158	4
Feb.[r]	515	12	527	579	52	1,796	1,066	731	145	144	*	194	145	49
Mar.	554	10	544	540	3	2,220	1,111	1,109	144	125	19	211	114	97
Apr.[r]	31	-9	40	16	23	1,564	1,040	523	117	292	175	121	112	9
May	-48	33	15	*	15	1,141	1,101	40	139	150	-11	137	125	12
June[p]	71	69	1	.....	-1	1,087	899	188	125	103	22	123	111	12
July[p]	-79	71	9	....	-9	1,320	847	473	94	194	-99	107	107	*

[1] Excludes nonmarketable U.S. Treasury bonds and notes issued to official institutions of foreign countries; see Table 12.

[2] Includes State and local govt. securities, and securities of U.S. Govt. agencies and corporations. Also includes issues of new debt securities sold abroad by U.S. corporations organized to finance direct investments abroad.

NOTE.—Statistics include transactions of international and regional organizations.

17. NET PURCHASES OR SALES BY FOREIGNERS OF U.S. CORPORATE STOCKS, BY COUNTRY

(In millions of dollars)

Period	Total	France	Germany	Netherlands	Switzerland	United Kingdom	Other Europe	Total Europe	Canada	Latin America	Asia	Africa	Other countries	Intl. & regional
1970	626	58	195	128	110	-33	24	482	-9	47	85	-1	1	22
1971	731	87	131	219	168	-49	71	627	-93	37	108	*	-2	54
1972[r]	2,188	372	-51	297	642	561	137	1,958	-78	32	256	-1	-1	86
1973—Jan. July[p]	1,769	182	-35	170	607	216	195	1,335	142	-42	294	1	2	39
1972—July[r]	3	-6	-44	-14	56	15	-2	5	4	-25	12	*	*	7
Aug.[r]	252	60	-13	8	68	101	26	249	9	-16	4	*	*	6
Sept.[r]	166	36	-7	15	51	56	12	163	-12	1	11	*	*	3
Oct.[r]	159	65	6	24	83	-89	19	109	8	2	29	*	-1	12
Nov.[r]	490	85	44	55	61	150	53	449	13	25	-8	*	-1	12
Dec.	350	48	-3	42	59	132	19	297	-1	8	42	*	*	4
1973—Jan.[r]	490	32	29	47	144	118	22	392	25	-20	85	*	1	7
Feb.[r]	461	25	4	67	152	89	46	383	37	-10	46	1	*	4
Mar.	350	35	8	47	148	21	29	288	25	5	21	*	1	10
Apr.[r]	139	21	9	-8	53	-16	46	105	34	-10	5	*	*	4
May	-121	-2	-43	-14	-22	39	3	117	-7	-16	11	2	*	11
June[p]	134	2	23	7	52	15	21	74	8	-2	55	*	*	-2
July[p]	316	67	19	25	80	28	28	210	19	11	71	*	*	5

18. NET PURCHASES OR SALES BY FOREIGNERS OF U.S. CORPORATE BONDS, BY COUNTRY

(In millions of dollars)

Period	Total	France	Germany	Netherlands	Switzerland	United Kingdom	Other Europe	Total Europe	Canada	Latin America	Asia	Africa	Other countries	Intl. and regional
1970	956	35	48	37	134	118	91	464	128	25	28	1	−12	324
1971	684	15	35	−1	197	327	39	612	37	19	−2	*	−21	39
1972 r	1,871	336	77	74	135	357	315	1,293	82	22	323	2	*	148
1973—Jan.–July p	2,046	102	*	−23	199	83	413	775	69	18	966	*	11	206
1972—July	36	9	−4	8	41	−34	12	33	4	2	1	*	*	−4
Aug.	27	6	4	6	17	−16	45	62	9	−1	−1	1	*	−44
Sept. r	156	7	4	3	16	24	80	134	10	*	*	*	*	12
Oct. r	150	36	7	1	35	34	54	168	5	3	2	*	*	−28
Nov. r	142	2	30	27	−1	46	42	147	−6	1	1	*	*	*
Dec.	289	56	30	*	14	49	60	210	8	3	29	1	*	38
1973—Jan. r	260	12	*	−2	29	49	73	161	1	6	31	*	*	60
Feb.	270	6	4	2	30	46	60	149	36	1	110	*	*	−26
Mar.	759	45	3	−22	−7	−3	158	174	*	4	623	*	*	−42
Apr.	385	33	2	*	65	−96	94	98	16	4	199	*	*	68
May	161	1	−4	−1	76	120	22	215	7	1	2	*	*	−63
June p	54	6	−3	*	−3	−19	−2	−20	7	1	*	*	10	59
July p	158	*	−2	*	9	−15	7	−1	3	3	1	*	*	150

NOTE.—Statistics include State and local govt. securities, and securities of U.S. Govt. agencies and corporations. Also includes issues of new debt securities sold abroad by U.S. corporations organized to finance direct investments abroad.

19. NET PURCHASES OR SALES BY FOREIGNERS OF LONG-TERM FOREIGN SECURITIES, BY AREA

(In millions of dollars)

Period	Total	Intl. and regional	Total foreign countries	Europe	Canada	Latin America	Asia	Africa	Other countries
1970	−915	−254	−662	50	−586	−11	−129	−6	20
1971	−992	−310	−682	31	−275	−46	−366	−57	32
1972 r	−651	−90	−561	492	−651	−69	−296	−66	29
1973—Jan.–July p	−194	67	−261	24	−292	−65	44	*	29
1972—July	79	78	1	36	23	2	−62	*	2
Aug.	93	−1	94	50	49	−1	−5	*	2
Sept.	42	6	36	47	3	9	−24	*	1
Oct. r	16	16	*	46	−73	2	23	*	2
Nov. r	47	11	36	39	−4	8	−8	*	*
Dec. r	−167	9	−176	7	−158	−26	−2	2	1
1973—Jan. r	−129	9	−138	8	−67	−70	−9	*	*
Feb. r	49	−2	51	−3	41	−16	29	*	*
Mar.	116	23	93	24	34	8	27	*	1
Apr.	−166	16	−182	22	−193	−6	−5	*	*
May	−1	11	−10	−22	−13	6	6	−1	14
June p	34	7	27	10	6	13	−13	1	9
July p	−99	3	−102	−14	−100	*	9	*	2

20. FOREIGN CREDIT AND DEBIT BALANCES IN BROKERAGE ACCOUNTS

(Amounts outstanding; in millions of dollars)

End of period	Credit balances (due to foreigners)	Debit balances (due from foreigners)
1970—June	334	182
Sept.	291	203
Dec.	349	281
1971—Mar.	511	314
June	419	300
Sept.	333	320
Dec.	311	314
1972—Mar.	325	379
June	312	339
Sept.	286	336
Dec. r	372	405
1973 Mar.	310	364
June p	315	242

NOTE.—Data represent the money credit balances and money debit balances appearing on the books of reporting brokers and dealers in the United States, in accounts of foreigners with them, and in their accounts carried by foreigners.

Notes to Tables 21a and 21b on following pages:

[1] Total assets and total liabilities payable in U.S. dollars amounted to $13,600 million and $13,913 million, respectively, on May 31, 1973.

NOTE.—Components may not add to totals due to rounding.

For a given month, total assets may not equal total liabilities because some branches do not adjust the parent's equity in the branch to reflect unrealized paper profits and paper losses caused by changes in exchange rates, which are used to convert foreign currency values into equivalent dollar values.

21a. ASSETS OF FOREIGN BRANCHES OF U.S. BANKS

(In millions of dollars)

Location and currency form	Month-end	Total	Claims on U.S.: Total	Claims on U.S.: Parent bank	Claims on U.S.: Other	Claims on foreigners: Total	Claims on foreigners: Other branches of parent bank	Claims on foreigners: Other banks	Claims on foreigners: Official institutions	Claims on foreigners: Nonbank foreigners	Other
IN ALL FOREIGN COUNTRIES											
Total, all currencies	1970—Dec.	47,363	9,740	7,248	2,491	36,221	6,887	16,997	695	11,643	1,403
	1971—Dec.	61,334	4,798	2,311	2,486	54,752	11,211	24,550	1,167	17,823	1,785
	1972—May	64,375	4,619	2,080	2,539	57,946	10,463	27,061	1,276	19,146	1,810
	June [c]	69,619	4,854	2,279	2,576	62,897	11,459	30,582	1,342	19,514	1,867
	July	69,963	4,058	1,514	2,544	63,941	11,622	30,419	1,407	20,492	1,965
	Aug.	72,856	4,504	1,759	2,745	66,268	11,655	31,821	1,566	21,225	2,084
	Sept.	74,906	4,952	2,243	2,709	67,607	11,335	33,395	1,539	21,338	2,346
	Oct. [c]	74,796	4,967	2,239	2,728	67,599	11,343	33,098	1,549	21,610	2,230
	Nov.	76,241	4,456	1,824	2,632	69,425	11,350	34,203	1,577	22,295	2,360
	Dec.	80,034	4,735	2,124	2,611	73,031	11,717	36,738	1,665	22,910	2,268
	1973—Jan.	81,200	4,926	2,327	2,600	74,007	11,946	36,797	1,621	23,643	2,267
	Feb. [r]	87,989	4,327	1,565	2,762	81,106	12,273	42,206	1,747	24,881	2,555
	Mar. [r]	91,646	4,296	1,988	2,308	84,370	12,458	44,268	1,965	25,679	2,980
	Apr.	90,987	3,917	1,672	2,244	84,091	12,787	42,976	2,081	26,247	2,979
	May	92,951	4,218	1,926	2,292	85,534	13,489	42,746	1,998	27,301	3,199
Payable in U.S. dollars	1970—Dec.	34,619	9,452	7,233	2,219	24,642	4,213	13,265	362	6,802	525
	1971—Dec.	40,182	4,541	2,305	2,236	35,064	6,659	18,006	864	9,536	577
	1972—May	41,935	4,393	2,063	2,330	36,889	6,475	19,575	936	9,903	653
	June [c]	44,901	4,585	2,260	2,325	39,665	6,598	22,045	914	10,108	651
	July	45,034	3,811	1,488	2,324	40,523	7,260	21,666	984	10,613	700
	Aug.	47,175	4,263	1,741	2,523	42,184	7,320	22,717	1,063	11,085	728
	Sept.	48,704	4,685	2,222	2,463	43,141	7,048	23,840	1,105	11,148	879
	Oct. [c]	48,986	4,669	2,216	2,453	43,556	7,391	23,555	1,084	11,526	761
	Nov.	49,631	4,173	1,803	2,371	44,664	7,439	24,123	1,083	12,019	793
	Dec.	54,058	4,473	2,102	2,371	48,768	8,083	26,907	1,128	12,651	817
	1973—Jan.	54,197	4,592	2,303	2,289	48,829	8,094	26,764	1,063	12,908	777
	Feb. [r]	57,633	3,987	1,534	2,452	52,718	8,551	29,831	1,097	13,239	929
	Mar. [r]	58,745	3,988	1,957	2,031	53,752	8,438	30,568	1,124	13,622	1,005
	Apr.	57,515	3,589	1,645	1,944	52,871	8,426	29,498	1,108	13,839	1,055
	May	57,976	3,930	1,899	2,031	52,828	8,547	28,677	1,134	14,470	1,218
IN UNITED KINGDOM											
Total, all currencies	1970—Dec.	28,451	6,729	5,214	1,515	21,121	3,475	11,095	316	6,235	601
	1971—Dec.	34,552	2,694	1,230	1,464	30,996	5,690	16,211	476	8,619	862
	1972—May	36,311	2,441	1,282	1,160	33,119	5,209	18,304	585	9,020	750
	June	39,452	2,298	1,199	1,099	36,307	5,604	21,096	568	9,039	846
	July	39,463	1,876	810	1,066	36,741	5,742	20,946	546	9,507	847
	Aug.	40,596	2,117	1,078	1,039	37,538	5,688	21,411	595	9,844	941
	Sept.	42,053	2,350	1,253	1,097	38,606	5,651	22,559	650	9,745	1,097
	Oct. [c]	41,649	2,409	1,386	1,023	38,201	5,751	22,157	630	9,662	1,040
	Nov.	41,600	1,939	907	1,032	38,643	5,490	22,671	584	9,898	1,018
	Dec.	43,684	2,234	1,138	1,096	40,430	5,659	23,983	609	10,179	1,020
	1973—Jan.	44,347	2,585	1,466	1,118	40,796	5,637	24,333	574	10,252	966
	Feb.	48,533	1,945	848	1,097	45,487	5,887	28,473	585	10,542	1,102
	Mar.	49,696	2,052	1,130	922	46,520	5,783	29,148	663	10,926	1,124
	Apr.	49,181	1,662	794	868	46,332	5,437	29,255	651	10,989	1,188
	May	49,080	1,744	910	834	46,001	5,725	28,394	614	11,268	1,336
Payable in U.S. dollars	1970—Dec.	22,574		6,596		15,655	2,223	9,420		4,012	323
	1971—Dec.	24,428		2,585		21,493	4,135	12,762		4,596	350
	1972—May	24,928		2,356		22,195	3,577	14,101		4,517	377
	June	27,114		2,210		24,535	3,931	15,983		4,621	366
	July	26,680		1,791		24,494	4,097	15,589		4,808	395
	Aug.	27,185		2,036		24,734	4,013	15,768		4,953	415
	Sept.	28,204		2,264		25,463	4,004	16,609		4,851	476
	Oct. [c]	27,978		2,307		25,244	4,169	16,249		4,827	427
	Nov.	27,865		1,846		25,579	4,049	16,399		5,132	439
	Dec.	30,381		2,146		27,787	4,326	17,976		5,485	447
	1973—Jan.	30,652		2,468		27,778	4,184	18,069		5,526	405
	Feb.	32,746		1,814		30,423	4,568	20,219		5,637	508
	Mar.	32,658		1,953		30,183	4,324	20,033		5,827	522
	Apr.	31,833		1,539		29,778	4,034	20,119		5,625	515
	May	30,906		1,654		28,666	3,943	18,848		5,874	587
IN THE BAHAMAS											
Total, all currencies	1970—Dec.	4,815	1,173	455	717	3,583		2,119		1,464	59
	1971—Dec.	8,493	1,282	505	778	7,119		3,798		3,320	92
	1972—May	9,097	1,361	195	1,166	7,618		4,183		3,435	117
	June [c]	10,071	1,552	295	1,257	8,392		4,821		3,571	128
	July	10,329	1,409	110	1,298	8,786		4,924		3,863	134
	Aug. [c]	11,515	1,530	118	1,413	9,846		5,682		4,164	139
	Sept.	11,914	1,612	221	1,391	10,150		5,929		4,221	152
	Oct.	12,017	1,739	251	1,489	10,120		5,836		4,284	157
	Nov.	12,330	1,586	221	1,365	10,577		6,209		4,368	167
	Dec.	13,091	1,496	225	1,272	11,419		6,965		4,454	175
	1973—Jan.	13,065	1,387	182	1,206	11,496		6,754		4,742	181
	Feb.	13,559	1,461	83	1,378	11,860		7,189		4,671	238
	Mar.	13,764	1,211	90	1,121	12,283		7,520		4,764	271
	Apr.	13,653	1,407	293	1,113	11,988		6,726		5,262	258
	May	[1]14,687	1,498	272	1,227	12,845		7,235		5,611	343

For notes see p. A-85.

21b. LIABILITIES OF FOREIGN BRANCHES OF U.S. BANKS

(In millions of dollars)

Total	To U.S.			To foreigners					Other	Month-end	Location and currency form
	Total	Parent bank	Other	Total	Other branches of parent bank	Other banks	Official institutions	Nonbank foreigners			
											IN ALL FOREIGN COUNTRIES
47,354	2,575	716	1,859	42,812	6,426	24,829	4,180	7,377	1,967	1970 Dec.	Total, all currencies
61,336	3,114	669	2,445	56,124	10,773	31,081	5,513	8,756	2,098	1971 Dec.	
64,374	2,819	562	2,256	59,648	10,055	33,114	6,649	9,830	1,908	1972 May	
69,618	3,083	643	2,440	64,591	11,069	36,112	7,223	10,187	1,944	June [r]	
69,963	3,212	736	2,476	64,712	11,283	35,860	7,176	10,393	2,039	July	
72,855	3,263	680	2,583	67,392	11,510	37,327	7,841	10,714	2,200	Aug.	
74,905	3,303	728	2,575	69,340	11,123	39,328	8,208	10,680	2,263	Sept.	
74,795	3,255	716	2,539	69,198	11,204	38,470	8,236	11,287	2,342	Oct. [r]	
76,239	3,233	802	2,432	70,513	11,146	39,324	8,401	11,642	2,493	Nov.	
80,035	3,559	1,000	2,559	73,842	11,344	42,531	8,486	11,483	2,634	Dec.	
81,200	3,414	836	2,578	75,273	11,746	42,260	9,236	12,032	2,513	1973 Jan.	
87,989	3,967	1,132	2,835	80,886	11,901	46,373	9,388	13,224	3,136	Feb [p]	
91,646	4,137	1,218	2,919	84,066	12,219	48,520	9,454	13,873	3,443	Mar. [p]	
90,987	4,095	1,044	3,051	83,345	12,638	47,874	9,538	13,294	3,547	Apr.	
92,951	4,548	1,122	3,426	84,612	13,241	48,536	9,331	13,505	3,791	May	
36,086	2,334	657	1,677	32,509	4,079	19,816	3,737	4,877	1,243	1970 Dec.	Payable in U.S. dollars
42,033	2,674	511	2,163	38,083	6,653	22,069	4,433	4,928	1,276	1971 Dec.	
44,223	2,411	439	1,973	40,754	6,648	23,603	5,170	5,333	1,058	1972 May	
47,830	2,668	520	2,148	44,141	7,277	25,806	5,656	5,401	1,021	June [r]	
47,460	2,754	611	2,143	43,634	7,507	24,766	5,777	5,584	1,072	July	
49,436	2,800	549	2,252	45,463	7,660	25,861	6,252	5,690	1,173	Aug. [r]	
51,092	2,833	605	2,227	47,055	7,401	27,133	6,490	6,031	1,204	Sept.	
51,326	2,789	582	2,207	47,305	7,706	26,770	6,567	6,262	1,232	Oct. [r]	
52,139	2,753	651	2,102	48,082	7,741	27,241	6,734	6,365	1,305	Nov.	
56,375	3,104	848	2,256	51,811	8,178	30,253	6,913	6,467	1,459	Dec.	
56,405	2,995	693	2,302	52,114	8,400	29,234	7,680	6,800	1,297	1973 Jan.	
60,890	3,466	954	2,511	55,815	8,783	32,024	7,809	7,200	1,609	Feb. [p]	
62,430	3,613	1,038	2,575	57,127	8,735	33,131	7,771	7,489	1,691	Mar. [p]	
60,915	3,562	886	2,676	55,604	8,657	31,970	7,743	7,234	1,750	Apr.	
61,383	4,005	955	3,050	55,593	8,767	32,275	7,361	7,190	1,786	May	
											IN UNITED KINGDOM
28,451	1,339	116	1,222	26,520	2,320	16,533	3,119	4,548	592	1970 Dec.	Total, all currencies
34,552	1,660	111	1,550	32,128	3,401	19,137	4,464	5,126	763	1971 Dec.	
36,311	1,397	105	1,291	34,090	3,154	19,908	5,158	5,871	824	1972 May	
39,452	1,447	147	1,300	37,102	3,160	22,144	5,542	6,256	903	June	
39,463	1,497	150	1,347	37,075	3,464	21,720	5,565	6,326	892	July	
40,596	1,498	153	1,345	38,165	3,423	22,236	6,007	6,499	933	Aug.	
42,053	1,497	137	1,360	39,517	3,139	23,739	6,272	6,367	1,039	Sept.	
41,649	1,465	136	1,329	39,225	3,060	23,001	6,309	6,854	959	Oct. [r]	
41,600	1,481	132	1,349	39,149	2,928	22,769	6,340	7,112	969	Nov.	
43,684	1,456	113	1,343	41,232	2,961	24,776	6,453	7,042	997	Dec.	
44,347	1,501	107	1,394	41,933	3,277	23,959	7,285	7,412	913	1973 Jan.	
48,533	1,844	264	1,580	45,628	3,157	27,038	7,517	7,915	1,062	Feb.	
49,696	1,858	235	1,624	46,750	3,164	28,119	7,388	8,078	1,088	Mar.	
49,181	1,970	165	1,805	46,075	3,397	27,796	7,509	7,373	1,136	Apr.	
49,080	2,028	170	1,857	45,792	3,614	27,168	7,324	7,685	1,260	May	
23,005	1,208	98	1,110	21,495	1,548	13,684	2,859	3,404	302	1970 Dec.	Payable in U.S. dollars
24,845	1,412	23	1,389	23,059	2,164	14,038	3,676	3,181	374	1971 Dec.	
25,787	1,202	58	1,144	24,168	2,054	14,610	4,141	3,363	417	1972 May	
27,729	1,250	103	1,147	26,017	2,070	15,874	4,560	3,513	462	June	
27,130	1,294	103	1,190	25,393	2,197	15,000	4,641	3,554	444	July	
27,625	1,271	100	1,171	25,887	2,140	15,217	4,981	3,549	467	Aug.	
28,589	1,269	86	1,184	26,788	1,926	15,959	5,117	3,787	531	Sept.	
28,477	1,245	80	1,165	26,759	1,942	15,597	5,216	4,004	473	Oct. [r]	
28,558	1,270	92	1,178	26,778	1,959	15,383	5,280	4,155	510	Nov.	
30,933	1,276	72	1,203	29,121	2,008	17,478	5,349	4,287	536	Dec.	
30,926	1,335	72	1,264	29,091	2,234	16,205	6,162	4,490	500	1973 Jan.	
33,966	1,661	226	1,436	31,714	2,188	18,360	6,394	4,771	591	Feb.	
33,929	1,676	195	1,481	31,655	2,128	18,334	6,251	4,942	598	Mar.	
33,050	1,735	119	1,616	30,782	2,318	17,672	6,245	4,546	533	Apr.	
32,148	1,809	138	1,671	29,730	2,225	16,982	5,897	4,626	608	May	
											IN THE BAHAMAS
4,815	542			4,183	488	2,872		823	90	1970 Dec.	Total, all currencies
8,495	750			7,557	1,649	4,784		1,124	188	1971 Dec.	
9,096	812			8,141	1,454	5,356		1,330	144	1972 May	
10,071	994			8,942	1,809	5,902		1,231	136	June [r]	
10,329	1,043			9,126	1,633	6,169		1,323	160	July	
11,515	1,121			10,238	1,885	6,898		1,455	156	Aug.	
11,913	1,137			10,620	1,935	7,192		1,493	156	Sept.	
12,017	1,053			10,793	1,928	7,415		1,450	171	Oct.	
12,329	934			11,230	1,982	7,862		1,386	166	Nov.	
13,091	1,220			11,703	1,964	8,395		1,344	168	Dec.	
13,065	1,137			11,761	1,875	8,503		1,383	167	1973 Jan.	
13,559	1,186			12,144	2,223	8,394		1,527	230	Feb.	
[1]13,765	1,303			12,195	1,855	8,803		1,537	267	Mar.	
13,653	1,126			12,138	1,977	8,505		1,656	389	Apr.	
[1]14,687	1,404			12,938	2,195	9,259		1,483	345	May	

For notes see p. A-85.

22. LIABILITIES OF U.S. BANKS TO THEIR FOREIGN BRANCHES AND FOREIGN BRANCH HOLDINGS OF SPECIAL U.S. GOVERNMENT SECURITIES

(Amounts outstanding; in millions of dollars)

Wednesday	Liabilities[1]	Liab. plus sec.[2]
1968		
Mar. 27	4,920	....
June 26	6,202	....
Sept. 25	7,104	....
Dec. 31 (1/1/69)	6,039	....
1969		
Mar. 26	9,621	....
June 25	13,269	....
Sept. 24	14,349	....
Dec. 31	12,805	....
1970		
Mar. 25	11,885	....
June 24	12,172	....
Sept. 30	9,663	....
Dec. 30	7,676	....
1971		
Mar. 31	2,858	4,358
June 30	1,492	4,500
Sept. 29	2,475	3,578
Dec. 29	909	....
1972		
Jan. 26	1,419	
Feb. 23	1,068	
Mar. 29	1,532	
Apr. 26	1,374	
May 31	1,465	
June 28	1,443	
July 26	1,345	
Aug. 30	1,270	
Sept. 27	2,023	
Oct. 25	1,415	
Nov. 29	1,745	
Dec. 27	1,406	
1973		
Jan. 3	1,121	
10	1,625	
17	1,419	
24	1,800	
31	1,413	
Feb. 7	1,391	
14	694	
21	1,157	
28	790	
Mar. 7	1,465	
14	1,419	
21	1,290	
28	1,127	
Apr. 4	1,011	
11	1,203	
18	1,193	
25	1,123	
May 2	1,238	
9	1,073	
16	1,721	
23	1,492	
30	1,351	
June 6	940	
13	1,266	
20	1,242	
27	1,521	
July 3	1,766	
11	1,664	
18	2,146	
25	2,086	
Aug. 1	2,226	
8	2,276	
15	1,900	
22	2,440	
29	2,793	

[1] Represents gross liabilities of reporting banks to their branches in foreign countries.

[2] For period Jan. 27, 1971 through Oct. 20, 1971, includes U.S. Treasury Certificates Eurodollar Series and special Export-Import Bank securities held by foreign branches. Beginning July 28, 1971, all of the securities held were U.S. Treasury Certificates Eurodollar Series.

23. MATURITY OF EURO-DOLLAR DEPOSITS IN FOREIGN BRANCHES OF U.S. BANKS

(End of month; in billions of dollars)

Maturity of liability	1973		
	Apr.	May	June
Overnight	1.62	1.87	2.57
Call	3.37	3.25	3.04
Other liabilities, maturing *in following calendar months after report date:*			
1st	13.91	12.63	15.47
2nd	7.04	8.01	7.61
3rd	6.19	6.08	6.55
4th	3.44	3.60	3.96
5th	3.25	3.55	3.67
6th	3.24	3.57	3.08
7th	.85	.83	.54
8th	.67	.45	.82
9th	.45	.77	.96
10th	.71	.86	.54
11th	.86	.53	.36
12th	.48	.35	.32
Maturities of more than 1 year	1.70	1.73	1.92
Total	47.79	48.08	51.27

NOTE.—Includes interest-bearing U.S. dollar deposits and direct borrowings of all branches in the Bahamas and of all other foreign branches for which such deposits and direct borrowings amount to $50 million or more.

Details may not add to totals due to rounding.

24. DEPOSITS, U.S. TREAS. SECURITIES, AND GOLD HELD AT F.R. BANKS FOR FOREIGN OFFICIAL ACCOUNT

(In millions of dollars)

End of period	Deposits	Assets in custody	
		U.S. Treas. securities[1]	Earmarked gold
1970	148	16,226	12,926
1971	294	43,195	13,815
1972—Aug.	192	51,676	[2]15,530
Sept.	193	50,997	15,531
Oct.	192	51,821	15,531
Nov.	188	51,874	15,530
Dec.	325	50,934	15,530
1973—Jan.	310	50,118	15,526
Feb.	455	56,914	15,522
Mar.	327	[3]59,389	15,519
Apr.	328	[3]58,255	15,513
May	289	58,015	15,511
June	334	57,545	15,486
July	280	57,054	15,464
Aug.	259	55,855	15,455

[1] Marketable U.S. Treasury bills, certificates of indebtedness, notes, and bonds and nonmarketable U.S. Treasury securities payable in dollars and in foreign currencies.

[2] Increase reflects principally change in par value of the U.S dollar in May 1972.

[3] Includes $15 million increase in Mar. and $160 million increase in Apr. in dollar value of foreign currency obligations revalued to reflect market exchange rates.

NOTE.—Excludes deposits and U.S. Treas. securities held for international and regional organizations. Earmarked gold is gold held for foreign and international accounts and is not included in the gold stock of the United States.

25. SHORT-TERM LIQUID CLAIMS ON FOREIGNERS REPORTED BY NONBANKING CONCERNS

(Amounts outstanding; in millions of dollars)

End of period	Total	Payable in dollars		Payable in foreign currencies		United Kingdom	Canada
		Deposits	Short-term investments[1]	Deposits	Short-term investments[1]		
1968	1,638	1,219	87	272	60	979	280
1969[2]	1,319	952	116	174	76	610	469
	1,491	1,062	161	183	86	663	534
1970	1,141	697	150	173	121	372	443
1971—Dec.[2]	1,648	1,092	203	234	120	577	587
	1,507	1,078	127	234	68	580	443
1972 June	1,987	1,385	199	312	92	713	572
July	2,085	1,517	194	318	55	754	565
Aug.	2,273	1,602	217	392	61	755	709
Sept.	2,101	1,527	170	359	45	685	604
Oct.	2,033	1,472	171	332	57	681	551
Nov.	2,058	1,493	167	343	55	635	587
Dec.[2] r	1,965	1,446	169	307	42	702	485
	2,121	1,670	46	338	68	780	506
1973 Jan. r	2,363	1,860	70	340	93	909	654
Feb. r	2,865	2,132	136	373	225	980	1,036
Mar. r	2,889	2,112	138	414	225	1,078	920
Apr. r	2,882	2,114	115	414	238	1,027	840
May r	2,987	2,232	114	430	211	990	940
June	2,973	2,314	73	451	135	1,011	838

[1] Negotiable and other readily transferable foreign obligations payable on demand or having a contractual maturity of not more than 1 year from the date on which the obligation was incurred by the foreigner.

[2] Data on the two lines for this date differ because of changes in reporting coverage. Figures on the first line are comparable in coverage with those shown for the preceding date; figures on the second line are comparable with those shown for the following date.

NOTE.—Data represent the liquid assets abroad of large nonbanking concerns in the United States. They are a portion of the total claims on foreigners reported by nonbanking concerns in the United States and are included in the figures shown in Tables 26 and 27.

26. SHORT-TERM LIABILITIES TO AND CLAIMS ON FOREIGNERS REPORTED BY NONBANKING CONCERNS

(End of period. Amounts outstanding; in millions of dollars)

Area and country	Liabilities to foreigners					Claims on foreigners				
	1972				1973	1972				1973
	June	Sept.	Dec.[1]		Mar.p	June	Sept.	Dec.[1]		Mar.p
Europe:										
Austria	6	2	2	2	2	16	15	20	19	14
Belgium-Luxembourg	108	82	75	81	80	64	63	62	63	101
Denmark	5	5	9	9	10	20	19	28	29	26
Finland	2	3	4	4	4	19	16	23	25	21
France	139	145	163	167	159	207	188	220	230	288
Germany, Fed. Rep. of	104	130	144	154	145	191	200	176	194	242
Greece	5	14	24	24	28	36	30	39	35	36
Italy	99	108	118	121	108	184	174	194	202	205
Netherlands	65	79	102	110	102	66	71	78	83	96
Norway	5	5	9	14	14	17	19	17	16	17
Portugal	2	3	4	4	5	21	20	21	19	19
Spain	70	63	79	81	82	117	130	137	157	159
Sweden	13	14	12	12	22	37	45	56	57	45
Switzerland	97	119	122	105	126	59	57	79	82	86
Turkey	3	2	3	4	3	11	8	47	47	23
United Kingdom	981	943	949	989	836	990	992	1,043	1,068	1,370
Yugoslavia	6	5	7	7	16	10	11	12	12	14
Other Western Europe	2	2	2	2	2	10	11	14	12	8
Eastern Europe	3	9	3	3	9	22	47	42	41	41
Total	1,714	1,733	1,830	1,896	1,753	2,098	2,117	2,307	2,392	2,812
Canada	185	183	208	210	267	936	996	899	920	1,293
Latin America:										
Argentina	18	16	19	29	30	50	52	59	79	74
Brazil	22	24	35	35	42	153	163	175	169	172
Chile	16	17	18	18	17	41	33	33	34	31
Colombia	6	6	8	8	8	38	39	41	43	42
Cuba	*	1	1	1	*	1	1	1	1	1
Mexico	18	21	27	27	34	143	154	180	183	197
Panama	6	5	8	8	8	22	20	19	67	74
Peru	6	5	5	5	5	32	36	40	39	36
Uruguay	3	2	6	7	5	5	7	4	5	5
Venezuela	17	17	17	21	23	75	74	89	92	106
Other L.A. republics	32	30	35	43	44	106	96	91	99	100
Bahamas[2]	357	293	319	366	288	442	519	520	546	473
Neth. Antilles and Surinam	6	9	10	10	10	10	11	12	13	12
Other Latin America	6	6	7	6	11	18	23	23	35	42
Total	514	453	514	584	527	1,134	1,226	1,289	1,404	1,365
Asia:										
China, People's Republic of (China Mainland)	1	28	32	32	32	*	1	*	*	1
China, Rep. of (Taiwan)	25	26	28	27	28	45	51	67	66	61
Hong Kong	11	12	12	12	12	23	22	24	32	31
India	7	7	7	7	7	32	36	33	34	31
Indonesia	5	6	12	13	13	25	32	33	33	38
Israel	9	11	12	13	16	17	18	31	31	34
Japan	188	223	149	161	194	451	452	456	467	509
Korea	16	16	20	20	19	61	57	63	63	47
Philippines	6	5	15	15	25	67	63	49	47	45
Thailand	4	5	5	5	5	15	14	15	22	25
Other Asia	103	112	117	152	157	174	171	201	205	190
Total	374	451	410	456	506	911	918	972	1,000	1,011
Africa:										
Egypt	1	1	25	32	37	6	7	7	16	24
South Africa	37	17	7	8	6	46	45	53	52	56
Zaire	1	2	1	1	12	7	7	5	8	16
Other Africa	31	37	59	61	69	74	64	75	79	79
Total	71	57	92	103	124	133	122	140	156	175
Other countries:										
Australia	54	46	47	46	53	97	92	94	83	81
All other	11	11	13	13	11	18	18	20	24	25
Total	66	57	60	59	64	116	110	114	108	106
International and regional	*	*	*	*	*	3	5	1	1	1
Grand total	2,925	2,933	3,114	3,308	3,241	5,331	5,495	5,721	5,980	6,764

[1] Data in the two columns shown for this date differ because of changes in reporting coverage. Figures in the first column are comparable in coverage with those shown for the preceding date; figures in the second column are comparable with those shown for the following date.

[2] Includes Bermuda.

NOTE.—Reported by exporters, importers, and industrial and commercial concerns and other nonbanking institutions in the United States. Data exclude claims held through U.S. banks, and intercompany accounts between U.S. companies and their foreign affiliates.

27. SHORT-TERM LIABILITIES TO AND CLAIMS ON FOREIGNERS REPORTED BY NONBANKING CONCERNS, BY TYPE

(Amounts outstanding; in millions of dollars)

End of period	Liabilities			Claims			
	Total	Payable in dollars	Payable in foreign currencies	Total	Payable in dollars	Payable in foreign currencies: Deposits with banks abroad in reporter's name	Payable in foreign currencies: Other
1969—Mar.	1,576	1,185	391	4,014	3,329	358	327
June	1,613	1,263	350	4,023	3,316	429	278
Sept.	1,797	1,450	346	3,874	3,222	386	267
Dec.[1]	1,786	1,399	387	3,710	3,124	221	365
	2,124	1,654	471	4,159	3,532	244	383
1970—June	2,387	1,843	543	4,457	3,868	234	355
Sept.	2,512	1,956	557	4,361	3,756	301	305
Dec.	2,677	2,281	496	4,160	3,579	234	348
1971—Mar.	2,437	1,975	462	4,515	3,909	232	374
June	2,375	1,937	438	4,708	4,057	303	348
Sept.	2,564	2,109	454	4,894	4,186	383	326
Dec.[1]	2,704	2,229	475	5,185	4,535	318	333
	2,763	2,301	463	5,004	4,467	290	247
1972—Mar.	2,844	2,407	437	5,177	4,557	318	302
June	2,925	2,452	472	5,331	4,685	376	270
Sept.	2,933	2,435	498	5,495	4,833	432	230
Dec.[1] p	3,114	2,629	484	5,721	5,084	400	238
	3,308	2,817	491	5,980	5,310	382	288
1973—Mar. p	3,241	2,729	513	6,764	5,862	458	443

[1] Data on the two lines shown for this date differ because of changes in reporting coverage. Figures on *the first line are comparable with those shown for the* preceding date; figures on the second line are comparable with those shown for the following date.

28. LONG-TERM LIABILITIES TO AND CLAIMS ON FOREIGNERS REPORTED BY NONBANKING CONCERNS

(Amounts outstanding; in millions of dollars)

End of period	Total liabilities	Claims										
		Total	Country or area									
			United Kingdom	Other Europe	Canada	Brazil	Mexico	Other Latin America	Japan	Other Asia	Africa	All other
1969—Mar.	1,285	1,872	175	342	432	194	75	222	126	191	72	43
June	1,325	1,952	168	368	447	195	76	216	142	229	72	40
Sept.	1,418	1,965	167	369	465	179	70	213	143	246	71	42
Dec.[1]	1,725	2,215	152	433	496	172	73	388	141	249	69	42
	2,304	2,363	152	442	562	177	77	420	142	271	75	46
1970—Mar.	2,358	2,744	159	735	573	181	74	458	158	288	71	47
June	2,587	2,757	161	712	580	177	65	477	166	288	76	54
Sept.	2,785	2,885	157	720	620	180	63	586	144	284	73	58
Dec.	3,102	2,950	146	708	669	183	60	618	140	292	71	64
1971—Mar.	3,177	2,983	154	688	670	182	63	615	161	302	77	72
June	3,172	2,982	151	687	677	180	63	625	138	312	75	74
Sept.	2,939	3,019	135	672	765	178	60	597	133	319	85	75
Dec.[1]	3,159	3,118	128	705	761	174	60	652	141	327	86	85
	3,138	3,118	128	705	767	174	60	653	136	325	86	84
1972—Mar.	3,093	3,191	129	713	787	175	60	665	137	359	81	85
June	3,300	3,255	108	713	797	188	61	671	161	377	86	93
Sept.	3,448	3,235	128	695	805	177	63	661	132	389	89	96
Dec.[1] p	3,540	3,380	162	715	833	184	60	669	156	406	87	109
	3,839	3,553	179	767	937	183	62	708	133	394	80	111
1973—Mar. p	3,967	3,689	144	819	958	162	60	781	123	416	101	125

[1] Data on the two lines shown for this date differ because of changes in reporting coverage. Figures on the first line are comparable with those shown for the preceding date; figures on the second line are comparable with those shown for the following date.

FOREIGN EXCHANGE RATES

(In cents per unit of foreign currency)

Period	Australia (dollar)	Austria (schilling)	Belgium (franc)	Canada (dollar)	Ceylon (rupee)	Denmark (krone)	Finland (markka)	France (franc)
1968	111.25	3.8675	2.0026	92.801	16.678	13.362	23.761	20.191
1969	111.10	3.8654	1.9942	92.855	16.741	13.299	23.774	19.302
1970	111.36	3.8659	2.0139	95.802	16.774	13.334	23.742	18.087
1971	113.61	4.0009	2.0598	99.021	16.800	13.508	23.758	18.148
1972	119.23	4.3228	2.2716	100.937	16.057	14.384	24.022	19.825
1972—Aug.	119.11	4.3470	2.2795	101.789	15.611	14.438	24.020	19.986
Sept.	119.10	4.3354	2.2742	101.730	15.600	14.388	24.015	19.977
Oct.	119.07	4.3102	2.2640	101.756	15.605	14.453	23.562	19.906
Nov.	119.09	4.3064	2.2685	101.279	15.026	14.510	24.022	19.839
Dec.	120.74	4.3172	2.2670	100.326	14.936	14.601	24.000	19.657
1973—Jan.	127.16	4.3203	2.2665	100.071	14.904	14.536	23.986	19.671
Feb.	135.46	4.8582	2.3981	100.440	15.407	15.386	24.728	20.987
Mar.	141.29	4.8759	2.5378	100.333	15.774	16.275	25.628	22.191
Apr.	141.50	4.8330	2.4895	99.928	15.777	16.099	25.872	21.959
May	141.50	4.9082	2.5356	99.916	15.883	16.241	25.277	22.341
June	141.58	5.2408	2.6643	100.160	16.538	17.130	26.731	23.472
July	141.78	5.8124	2.8151	100.049	16.431	18.041	27.202	24.655
Aug.	141.48	5.5917	2.7035	99.605	15.948	17.521	27.314	23.527

Period	Germany (Deutsche *mark*)	India (rupee)	Ireland (pound)	Italy (lira)	Japan (yen)	Malaysia (dollar)	Mexico (peso)	Neth-erlands (guilder)
1968	25.048	13.269	239.35	.16042	.27735	32.591	8.0056	27.626
1969	25.491	13.230	239.01	.15940	.27903	32.623	8.0056	27.592
1970	27.424	13.233	239.59	.15945	.27921	32.396	8.0056	27.651
1971	28.768	13.338	244.42	.16174	.28779	32.989	8.0056	28.650
1972	31.364	13.246	250.08	.17132	.32995	35.610	8.0000	31.153
1972—Aug.	31.382	13.030	245.02	.17203	.33204	36.026	8.0000	31.158
Sept.	31.318	13.016	244.10	.17199	.33209	36.110	8.0000	30.969
Oct.	31.184	12.806	239.48	.17145	.33221	36.063	8.0000	30.869
Nov.	31.215	12.540	235.05	.17109	.33224	36.124	8.0000	30.964
Dec.	31.262	12.467	234.48	.17146	.33196	35.531	8.0000	30.962
1973—Jan.	31.288	12.494	235.62	.17079	.33136	35.523	8.0000	31.084
Feb.	33.273	12.910	242.75	.17421	.36041	37.679	8.0000	33.119
Mar.	35.548	13.260	247.24	.17604	.38190	39.922	8.0000	34.334
Apr.	35.252	13.255	248.37	.16971	.37666	40.307	8.0000	33.890
May	35.841	13.340	253.05	.17100	.37786	40.333	8.0000	34.488
June	38.786	13.753	257.62	.16792	.37808	40.865	8.0000	36.582
July	42.821	13.605	253.75	.17200	.37801	43.121	8.0000	38.700
Aug.	41.219	13.220	247.57	.17423	.37704	43.859	8.0000	37.596

Period	New Zealand (dollar)	Norway (krone)	Portugal (escudo)	South Africa (rand)	Spain (peseta)	Sweden (krona)	Switz-erland (franc)	United King-dom (pound)
1968	111.37	14.000	3.4864	139.10	1.4272	19.349	23.169	239.35
1969	111.21	13.997	3.5013	138.90	1.4266	19.342	23.186	239.01
1970	111.48	13.992	3.4978	139.24	1.4280	19.282	23.199	239.59
1971	113.71	14.205	3.5456	140.29	1.4383	19.592	24.325	244.42
1972	119.35	15.180	3.7023	129.43	1.5559	21.022	26.193	250.08
1972—Aug.	119.45	15.335	3.7211	125.28	1.5752	21.160	26.449	245.02
Sept.	119.33	15.209	3.7221	125.26	1.5754	21.146	26.403	244.10
Oct.	119.21	15.141	3.7080	124.47	1.5750	21.078	26.332	239.48
Nov.	119.45	15.144	3.7140	127.52	1.5753	21.076	26.346	235.05
Dec.	119.53	15.187	3.7248	127.57	1.5753	21.080	26.526	234.48
1973—Jan.	119.52	15.128	3.7280	127.55	1.5755	21.092	26.820	235.62
Feb.	126.87	16.038	3.8562	134.91	1.6355	21.935	29.326	242.75
Mar.	132.21	16.954	4.1005	141.43	1.7183	22.582	31.084	247.24
Apr.	132.99	16.428	3.9563	141.70	1.7217	22.161	30.821	248.37
May	132.34	17.196	4.0050	141.65	1.7224	22.567	31.494	253.05
June	132.40	18.192	4.2175	148.07	1.7229	23.746	32.757	257.62
July	135.02	18.932	4.4624	148.63	1.7385	24.732	35.428	253.75
Aug.	135.33	18.145	4.3243	148.52	1.7553	24.070	33.656	247.57

NOTE. Averages of certified noon buying rates in New York for cable transfers. For description of rates and back data, see "International Finance," Section 15 of *Supplement to Banking and Monetary Statistics*, 1962.

CENTRAL BANK RATES FOR DISCOUNTS AND ADVANCES TO COMMERCIAL BANKS

(Per cent per annum)

Country	Rate as of Aug. 31, 1972		Changes during the last 12 months												Rate as of Aug. 31, 1973
			1972				1973								
	Per cent	Month effective	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	
Argentina	18.0	Feb. 1972													18.0
Austria	5.0	Jan. 1970			5.5								6.0		6.0
Belgium	4.0	Mar. 1972			4.5	5.0					5.50		6.0	6.5	6.5
Brazil	18.0	Feb. 1972													18.0
Canada	4.75	Oct. 1971								5.25	5.75	6.25		6.75	6.75
Ceylon	6.5	Jan. 1970													6.5
Chile	7.0	Jan. 1972													7.0
China, Rep. of (Taiwan)	9.25	May 1971											10.5		10.5
Colombia	8.0	May 1963													8.0
Costa Rica	5.0	June 1966													5.0
Denmark	8.0	June 1972		7.0									8.0		8.0
Ecuador	8.0	Jan. 1970													8.0
Egypt	5.0	May 1962													5.0
El Salvador	4.0	Aug. 1964													4.0
Ethiopia	6.50	Aug. 1970													6.50
Finland	7.75	Jan. 1972											9.25		9.25
France	5.75	Apr. 1972			7.5								8.50	9.5	9.5
Germany, Fed. Rep. of	3.0	Feb. 1972		3.5	4.5		5.0				6.0	7.0			7.0
Ghana	8.0	July 1971													8.0
Greece	6.5	Sept. 1969													6.5
Honduras	4.0	Feb. 1966													4.0
Iceland	5.25	Jan. 1966													5.25
India	6.0	Jan. 1971									7.0				7.0
Indonesia	6.0	May 1969													6.0
Iran	7.0	Oct. 1969													7.0
Ireland	6.19	Aug. 1972	7.19	7.44											7.44
Italy	4.0	Apr. 1972													4.0
Jamaica	6.0	June 1972					7.0								7.0
Japan	4.25	June 1972								5.0	5.5		6.0	7.0	7.0
Korea	13.0	Jan. 1972													13.0
Mexico	4.5	June 1942													4.5
Morocco	3.50	Nov. 1951													3.50
Netherlands	4.0	Mar. 1972	3.0		4.0							5.0	6.0	6.5	6.5
New Zealand	6.0	Mar. 1972													6.0
Nigeria	4.50	June 1968													4.50
Norway	4.5	Sept. 1969													4.5
Pakistan	6.0	May 1972												8.0	8.0
Peru	9.5	Nov. 1959													9.5
Philippine Republic	10.0	June 1969													10.0
Portugal	3.75	Feb. 1971				4.0			5.5						4.0
South Africa	6.0	Aug. 1972													5.5
Spain	5.0	Oct. 1971											6.0		6.0
Sweden	5.0	Nov. 1971			5.0										5.0
Switzerland	3.75	Sept. 1969					4.50								4.50
Thailand	5.0	Oct. 1959													5.0
Tunisia	5.0	Sept. 1966													5.0
Turkey	9.0	Sept. 1970							8.0						8.0
United Kingdom	6.0	June 1972		7.50		9.0	8.75		8.5		7.75	7.50	11.50		†11.50
Venezuela	5.0	Oct. 1970													5.0
Vietnam	18.0	Sept. 1970													18.0

NOTE. Rates shown are mainly those at which the central bank either discounts or makes advances against eligible commercial paper and/or govt. securities for commercial banks or brokers. For countries with more than one rate applicable to such discounts or advances, the rate shown is the one at which it is understood the central bank transacts the largest proportion of its credit operations. Other rates for some of these countries follow:

Argentina—3 and 5 per cent for certain rural and industrial paper, depending on type of transaction;

Brazil—8 per cent for secured paper and 4 per cent for certain agricultural paper;

Chile—Various rates ranging from 1 per cent to 17 per cent; 20 per cent for loans to make up reserve deficiencies.

Colombia—5 per cent for warehouse receipts covering approved lists of products, 6 and 7 per cent for agricultural bonds, and 12 and 18 per cent for rediscounts in excess of an individual bank's quota;

Costa Rica—5 per cent for paper related to commercial transactions (rate shown is for agricultural and industrial paper);

Ecuador—5 per cent for special advances and for bank acceptances for agricultural purposes, 7 per cent for bank acceptances for industrial purposes, and 10 per cent for advances to cover shortages in legal reserves;

Ethiopia—5 per cent for export paper and 6 per cent for Treasury bills.

Honduras—Rate shown is for advances only.

Indonesia—Various rates depending on type of paper, collateral, commodity involved, etc.;

Japan—Penalty rates (exceeding the basic rate shown) for borrowings from the central bank in excess of an individual bank's quota;

Morocco—Various rates from 3 per cent to 4.6 per cent depending on type of paper, maturity, collateral, guarantee, etc.

Peru—3.5, 5, and 7 per cent for small credits to agricultural or fish production, import substitution industries and manufacture of exports; 8 per cent for other agricultural, industrial and mining paper;

Philippines—6 per cent for financing the production, importation, and distribution of rice and corn and 7.75 per cent for credits to enterprises engaged in export activities. Preferential rates are also granted on credits to rural banks; and

† *United Kingdom*—On Oct. 9, 1972, the Bank of England announced: "With effect from Friday October 13th the Bank's minimum lending rate will until further notice be the average rate of discount for Treasury bills established at the most recent tender plus one half percent rounded to the nearest one quarter percent above. Although the rate will therefore be automatically determined by this formula it will for convenience be made known each Friday afternoon concurrently with and in the same manner as the results of the Treasury bill tender. The regular weekly bank rate announcement will be discontinued from now on." Therefore, the minimum lending rate as of last Friday of the month will be carried in place of Bank rate.

Venezuela—2 per cent for rediscounts of certain agriculture paper, 4½ per cent for advances against government bonds, and 5½ per cent for rediscounts of certain industrial paper and on advances against promissory notes or securities of first-class Venezuelan companies.

Vietnam—10 per cent for export paper; treasury bonds are rediscounted at a rate 4 percentage points above the rate carried by the bond; and there is a penalty rate of 24 per cent for banks whose loans exceed quantitative ceilings.

OPEN MARKET RATES

(Per cent per annum)

Month	Canada: Treasury bills, 3 months[1]	Canada: Day-to-day money[2]	United Kingdom: Prime bank bills, 3 months[3]	United Kingdom: Treasury bills, 3 months	United Kingdom: Day-to-day money	United Kingdom: Clearing banks' deposit rates[4]	France: Day-to-day money[5]	Germany, Fed. Rep. of: Treasury bills, 60-90 days[6]	Germany, Fed. Rep. of: Day-to-day money[7]	Netherlands: Treasury bills, 3 months	Netherlands: Day-to-day money	Switzerland: Private discount rate
1971	3.62	3.76	6.41	5.57	4.93	3.84	5.84	4.54	6.10	4.34	3.76	5.24
1972	3.55	3.65	6.06	5.02	4.83	3.84	....	3.04	4.30	2.15	1.97	4.81
1972—Aug.	3.47	3.54	6.71	5.79	5.13	5.25	3.76	2.75	4.48	.70	.60	4.75
Sept.	3.57	3.52	7.18	6.44	5.27	5.25	3.89	2.75	4.83	1.11	.54	4.75
Oct.	3.57	3.64	7.34	6.74	5.47	5.25	5.16	3.25	6.07	1.95	2.61	4.75
Nov.	3.61	3.71	7.28	6.88	5.70	5.25	6.33	3.75	5.71	3.13	3.31	4.75
Dec.	3.66	3.71	8.08	7.76	6.23	5.57	7.32	4.25	6.69	3.12	3.20	4.75
1973—Jan.	3.79	3.72	8.76	8.49	7.66	6.55	7.23	4.75	5.58	3.16	2.78	5.00
Feb.	3.91	3.93	9.34	8.14	8.31	7.30	7.71	5.75	2.18	2.33	1.55	5.00
Mar.	4.28	4.21	9.76	8.16	7.52	7.50	7.49	5.75	11.37	1.53	.61	5.00
Apr.	4.73[8]	4.53	8.64	7.87	7.20	7.25	7.46	5.75	14.84	1.22	.77	5.00
May	5.08[8]	4.67	8.35	7.45	8.29	7.11	7.71	5.75	7.40	....	3.88	5.00
June	5.40[8]	5.00	8.14	7.12	6.66	6.55	...	7.00	10.90	3.59	4.28	5.00
July	5.65[8]	5.28	9.06	8.35	5.89	6.25	....	....	15.78	5.58	5.65	5.00
Aug.	6.47	5.87	12.78	10.98	9.70	8.99	....	....	....	....	....	....

[1] Based on average yield of weekly tenders during month.
[2] Based on weekly averages of daily closing rates.
[3] Data for 1968 through Sept. 1971 are for bankers' acceptances, 3 months.
[4] Data for 1968 through Sept. 1971 are for bankers' allowance on deposits.
[5] Rate shown is on private securities.
[6] Rate in effect at end of month.
[7] Monthly averages based on daily quotations.
[8] Bill rates in table are buying rates for prime paper.

NOTE.—For description and back data, see "International Finance," Section 15 of *Supplement to Banking and Monetary Statistics*, 1962.

ARBITRAGE ON TREASURY BILLS

(Per cent per annum)

Date	United States and United Kingdom: Treasury bill rates: United Kingdom (adj. to U.S. quotation basis)	United States and United Kingdom: Treasury bill rates: United States	United States and United Kingdom: Treasury bill rates: Spread (favor of London)	United States and United Kingdom: Premium (+) or discount (−) on forward pound	United States and United Kingdom: Net incentive (favor of London)	United States and Canada: Treasury bill rates: Canada: As quoted in Canada	United States and Canada: Treasury bill rates: Canada: Adj. to U.S. quotation basis	United States and Canada: Treasury bill rates: United States	United States and Canada: Spread (favor of Canada)	United States and Canada: Premium (+) or discount (−) on forward Canadian dollars	United States and Canada: Net incentive (favor of Canada)
1973											
Mar. 2	8.01	5.68	2.33	2.82	.49	4.05	3.96	5.68	1.72	2.06	.34
9	8.11	5.76	2.35	3.78	1.43	4.15	4.05	5.76	1.71	2.35	.64
16	7.99	6.04	1.95	3.73	1.78	4.28	4.18	6.04	1.86	2.31	.45
23	7.87	6.21	1.66	3.32	1.66	4.42	4.31	6.21	1.90	2.31	.41
30	7.83	6.22	1.61	2.77	1.16	4.50	4.39	6.22	1.83	2.52	.69
Apr. 6	7.77	6.34	1.43	2.57	1.14	4.48	4.37	6.34	1.97	2.16	.19
13	7.35	6.12	1.23	2.15	.92	4.75	4.63	6.12	1.49	1.48	-.01
20[1]	....	....	....	....	....	....	....	....	....	....	....
27	7.56	6.13	1.43	1.86	.43	4.86	4.82	6.13	1.31	1.68	.37
May 4	7.56	6.16	1.40	2.13	.73	5.02	4.89	6.16	1.27	1.54	.27
11	7.26	6.04	1.22	1.80	.58	4.99	4.86	6.04	1.18	1.30	.12
18	7.15	6.22	.93	1.80	.87	5.70	5.06	6.22	1.16	1.48	.32
25	7.08	6.46	.62	1.52	.90	5.20	5.06	6.46	1.40	1.48	.08
June 1	7.06	6.87	.19	1.43	1.24	5.19	5.07	6.87	1.80	1.12	.68
8	7.06	7.02	.04	1.41	1.37	5.25	5.11	7.02	1.91	1.38	.53
15	6.93	7.07	.14	1.38	1.52	5.44	5.29	7.07	1.78	1.48	.30
22	6.90	7.16	.26	1.40	1.66	5.46	5.31	7.16	1.85	1.60	.25
29	6.86	7.29	.43	1.68	2.11	5.48	5.33	7.29	1.96	1.58	.38
July 6	6.76	7.87	1.11	2.36	3.47	5.62	5.47	7.87	2.40	1.70	.70
13	6.85	7.59	.74	2.22	2.96	5.62	5.47	7.59	2.12	1.68	.44
20	8.26	8.05	.21	2.13	1.92	5.71	5.55	8.05	2.50	2.27	.23
27	10.74	8.15	2.59	3.55	.96	5.74	5.59	8.15	2.56	2.48	.08
Aug. 3	10.63	8.18	2.45	2.97	.52	5.82	5.66	8.18	2.52	2.64	.12
10	10.76	8.76	2.00	4.60	2.60	5.99	5.82	8.76	2.94	2.88	.06
17	10.78	8.47	2.31	4.55	2.24	6.05	5.82	8.47	2.65	2.69	.04
24	10.83	8.45	2.38	4.88	2.50	6.12	5.95	8.45	2.50	2.64	.14
31	10.82	8.53	2.29	4.45	2.16	8.38	6.00	8.53	2.53	2.58	.05

[1] No data because of holiday on Good Friday.

NOTE.—*Treasury bills:* All rates are on the latest issue of 91-day bills. U.S. and Canadian rates are market offer rates 11 a.m. Friday; U.K. rates are Friday opening market offer rates in London.

Premium or discount on forward pound and on forward Canadian dollar: Rates per annum computed on basis of midpoint quotations (between bid and offer) at 11 a.m. Friday in New York for both spot and forward pound sterling and for both spot and forward Canadian dollars.

All series: Based on quotations reported to F.R. Bank of New York by market sources.

For description of series and for back figures, see Oct. 1964 BULLETIN, pp. 1241–60. For description of adjustments to U.K. and Canadian Treasury bill rates, see notes to Table 1, p. 1257, and to Table 2, p. 1260, Oct. 1964 BULLETIN.

GOLD RESERVES OF CENTRAL BANKS AND GOVERNMENTS

(In millions of dollars; valued at $35 per fine ounce through Apr. 1972 and at $38 per fine ounce thereafter)

End of period	Estimated total world[1]	Intl. Monetary Fund	United States	Estimated rest of world	Algeria	Argentina	Australia	Austria	Belgium	Brazil	Burma	Canada	Chile
1965	[2]43,230	[3]1,869	13,806	27,285	6	66	223	700	1,558	63	84	1,151	44
1966	43,185	2,652	13,235	27,300	6	84	224	701	1,525	45	84	1,046	45
1967	41,600	2,682	12,065	26,855	155	84	231	701	1,480	45	84	1,015	45
1968	40,905	2,288	10,892	27,725	205	109	257	714	1,524	45	84	863	46
1969	41,015	2,310	11,859	26,845	205	135	263	715	1,520	45	84	872	47
1970	41,275	4,339	11,072	25,865	191	140	239	714	1,470	45	63	791	47
1971	41,175	4,732	10,206	26,235	192	90	259	729	1,544	46	22	792	47
1972—July	....	5,761	10,490	....	208	130	285	793	1,682	50	16	834	....
Aug.	....	5,765	10,488	....	208	130	283	792	1,672	50	16	834	....
Sept.	44,875	5,777	10,487	28,610	208	152	283	792	1,648	50	16	834	....
Oct.	....	5,777	10,487	....	208	152	282	792	1,636	50	16	834	....
Nov.	....	5,778	10,487	....	208	152	282	792	1,642	50	16	834	....
Dec.	44,925	5,830	10,487	28,610	208	152	281	792	1,638	50	12	834	....
1973—Jan.	....	5,830	10,487	....	208	152	281	793	1,621	50	12	834	....
Feb.	....	5,830	10,487	....	208	152	281	793	1,603	50	....	834	....
Mar.	44,900	5,830	10,487	28,585	208	152	282	793	1,603	50	....	834	....
Apr.	....	5,830	10,487	....	208	152	281	793	1,603	....	....	834	....
May	....	5,826	10,487	....	208	152	281	793	1,603	....	....	834	....
June	[p]44,875	5,831	10,487	[p]28,555	208	....	281	793	1,603	....	....	834	....
July[p]	....	5,826	10,487	....	208	....	281	793	1,603	....	....	834	....

End of period	China, Rep. of (Taiwan)	Colombia	Denmark	Egypt	Finland	France	Germany, Fed. Rep. of	Greece	India	Iran	Iraq	Ireland	Israel
1965	55	35	97	139	84	4,706	4,410	78	281	146	110	21	56
1966	62	26	108	93	45	5,238	4,292	120	243	130	106	23	46
1967	81	31	107	93	45	5,234	4,228	130	243	144	115	25	46
1968	81	31	114	93	45	3,877	4,539	140	243	158	193	79	46
1969	82	26	89	93	45	3,547	4,079	130	243	158	193	39	46
1970	82	17	64	85	29	3,532	3,980	117	243	131	144	16	43
1971	80	14	64	85	49	3,523	4,077	98	243	131	144	16	43
1972—July	87	16	69	92	53	3,826	4,437	132	264	142	156	17	47
Aug.	87	16	69	92	53	3,826	4,437	132	264	142	156	17	47
Sept.	87	16	69	92	53	3,826	4,436	132	264	142	156	17	43
Oct.	87	16	69	92	53	3,826	4,436	132	264	142	156	17	42
Nov.	87	16	69	92	53	3,826	4,436	132	264	142	156	17	44
Dec.	87	16	69	92	53	3,826	4,459	133	264	142	156	17	43
1973—Jan.	87	16	69	92	53	3,834	4,468	133	264	142	156	17	41
Feb.	87	16	69	92	53	3,834	4,468	133	264	142	156	17	41
Mar.	87	16	69	92	53	3,834	4,468	133	264	142	156	17	41
Apr.	87	16	69	92	53	3,834	4,468	133	264	142	156	17	41
May	87	16	69	92	53	3,834	4,469	133	....	142	156	17	41
June	87	16	69	....	53	3,841	4,462	133	....	142	156	17	41
July[p]	87	16	69	....	53	3,835	4,469	....	....	142	156	17	....

End of period	Italy	Japan	Kuwait	Lebanon	Libya	Malaysia	Mexico	Morocco	Netherlands	Norway	Pakistan	Peru	Philippines
1965	2,404	328	52	182	68	2	158	21	1,756	31	53	67	38
1966	2,414	329	67	193	68	1	109	21	1,730	18	53	65	44
1967	2,400	338	136	193	68	31	166	21	1,711	18	53	20	60
1968	2,923	356	122	288	85	66	165	21	1,697	24	54	20	62
1969	2,956	413	86	288	85	63	169	21	1,720	25	54	25	45
1970	2,887	532	86	288	85	48	176	21	1,787	23	54	40	56
1971	2,884	679	87	322	85	58	184	21	1,909	33	55	40	67
1972—July	3,131	801	94	350	93	63	188	23	2,079	36	60	41	72
Aug.	3,131	801	94	350	93	63	188	23	2,079	36	60	41	72
Sept.	3,130	801	94	350	93	63	188	23	2,078	36	60	41	72
Oct.	3,130	801	94	350	93	63	188	23	2,078	36	60	41	72
Nov.	3,130	801	94	350	93	63	188	23	2,059	36	60	41	71
Dec.	3,130	801	94	350	93	63	188	23	2,059	37	60	41	71
1973—Jan.	3,134	801	94	350	93	63	188	23	2,059	37	60	41	71
Feb.	3,134	801	94	350	93	63	188	23	2,059	37	60	41	71
Mar.	3,134	801	94	350	93	63	188	23	2,059	37	60	41	71
Apr.	3,134	801	94	350	93	63	188	23	2,059	37	60	41	50
May	3,134	802	....	350	93	63	....	23	2,059	37	60	41	50
June	3,134	802	....	350	93	....	....	....	2,063	37	60	41	40
July[p]	3,134	802	....	....	93	....	....	....	2,063	37	....	....	40

For notes see end of table.

GOLD RESERVES OF CENTRAL BANKS AND GOVERNMENTS—Continued

(In millions of dollars; valued at $35 per fine ounce through Apr. 1972 and at $38 per fine ounce thereafter)

End of period	Portugal	Saudi Arabia	South Africa	Spain	Sweden	Switzerland	Thailand	Turkey	United Kingdom	Uruguay	Venezuela	Yugoslavia	Bank for Intl. Settlements [4]
1965	576	73	425	810	202	3,042	96	116	2,265	155	401	19	−558
1966	643	69	637	785	203	2,842	92	102	1,940	146	401	21	−424
1967	699	69	583	785	203	3,089	92	97	1,291	140	401	22	−624
1968	856	119	1,243	785	225	2,624	92	97	1,474	133	403	50	−349
1969	876	119	1,115	784	226	2,642	92	117	1,471	165	403	51	−480
1970	902	119	666	498	200	2,732	92	126	1,349	162	384	52	−282
1971	921	119	410	498	200	2,909	82	130	775	148	391	51	310
1972—July	1,004	129	543	541	217	3,158	89	122	816	169	425	56	276
Aug.	1,021	129	580	541	217	3,158	89	122	800	169	425	56	276
Sept.	1,021	129	601	541	217	3,158	89	122	800	169	425	56	267
Oct.	1,021	129	636	541	217	3,158	89	122	800	169	425	56	267
Nov.	1,021	129	662	541	217	3,158	89	122	800	169	425	56	255
Dec.	1,021	129	681	541	217	3,158	89	136	800	....	425	56	218
1973—Jan.	1,022	129	706	542	220	3,162	89	136	810	....	425	56	218
Feb.	1,022	131	711	542	220	3,162	89	136	810	....	425	56	214
Mar.	1,022	131	714	542	220	3,162	89	136	810	....	425	56	214
Apr.	1,022	131	720	542	220	3,162	89	136	....	....	425	56	214
May	1,022	131	721	542	220	3,162	89	136	....	....	425	56	199
June	1,022	131	724	....	220	3,162	89	136	....	....	425	56	205
July[p]	....	131	734	....	220	3,162	89	136	....	....	425	56	204

[1] Includes reported or estimated gold holdings of international and regional organizations, central banks and govts. of countries listed in this table, and also of a number not shown separately here, and gold to be distributed by the Tripartite Commission for the Restitution of Monetary Gold; excludes holdings of the U.S.S.R., other Eastern European countries, and China Mainland.

The figures included for the Bank for International Settlements are the Bank's gold assets net of gold deposit liabilities. This procedure avoids the overstatement of total world gold reserves since most of the gold deposited with the BIS is included in the gold reserves of individual countries.

[2] Adjusted to include gold subscription payments to the IMF made by some member countries in anticipation of increase in Fund quotas, except those matched by gold mitigation deposits with the United States and United Kingdom; adjustment is $270 million.

[3] Excludes gold subscription payments made by some member countries in anticipation of increase in Fund quotas: for most of these countries the increased quotas became effective in Feb. 1966.

[4] Net gold assets of BIS, i.e., gold in bars and coins and other gold assets minus gold deposit liabilities.

NOTE.—For back figures and description of the data in this and the following tables on gold (except production), see "Gold," Section 14 of *Supplement to Banking and Monetary Statistics*, 1962.

GOLD PRODUCTION

(In millions of dollars; valued at $35 per fine ounce through 1971 and at $38 per fine ounce thereafter)

Period	World production [1]	Africa			North and South America					Asia			Other	
		South Africa	Ghana	Zaire	United States	Canada	Mexico	Nicaragua	Colombia	India	Japan	Philippines	Australia	All other [1]
1966	1,445.0	1,080.8	24.0	5.6	63.1	114.6	7.5	5.2	9.8	4.2	19.4	15.8	32.1	62.9
1967	1,410.0	1,068.7	26.7	5.4	53.4	103.7	5.8	5.2	9.0	3.4	23.7	17.2	28.4	59.4
1968	1,420.0	1,088.0	25.4	5.9	53.9	94.1	6.2	4.9	8.4	4.0	21.5	18.5	27.6	61.6
1969	1,420.0	1,090.7	24.8	6.0	60.1	89.1	6.3	3.7	7.7	3.4	23.7	20.0	24.5	60.0
1970	1,450.0	1,128.0	24.6	6.2	63.5	84.3	6.9	4.0	7.1	3.7	24.8	21.1	21.7	54.1
1971[p]	....	1,098.7	24.4	6.0	52.3	79.1	5.3	3.7	6.6	4.1	27.0	22.2	23.5	....
1972[p]	....	1,109.8	....	....	54.3	77.2	....	....	7.1	4.0	32.2	23.0	28.7	....
1972—June	....	94.3	....	[2]1.0	....	6.2	.6	....	.7	.3	2.5	....	2.4	....
July	....	94.4	....	....	....	6.4	.4	....	.5	.4	2.8	....	2.7	....
Aug.	....	94.1	....	....	....	5.9	.4	....	.6	.3	2.8	....	2.8	....
Sept.	....	93.9	....	....	....	6.3	.4	....	.6	.3	3.1	....	2.3	....
Oct.	....	94.2	....	....	....	6.3	....	....	.5	.3	2.7	....	2.1	....
Nov.	....	91.5	....	....	....	6.0	....	....	.7	....	....	....	2.0	....
Dec.	....	84.3	....	....	....	6.3	....	....	.5	....	....	....	1.9	....
1973—Jan.	....	88.2	....	....	....	6.2	....	....	.8	....	....	....	r2.4	....
Feb.	....	86.5	....	....	....	6.1	....	....	.5	....	....	....	1.8	....
Mar.	....	88.5	....	....	....	6.3	....	....	.5	....	....	....	....	....
Apr.	....	86.6	....	....	....	6.2	....	....	....	....	....	....	....	....
May	....	86.0	....	....	....	6.8	....	....	....	....	....	....	....	....
June	....	87.6	....	....	....	6.4	....	....	....	....	....	....	....	....

[1] Estimated; excludes U.S.S.R., other Eastern European countries, China Mainland, and North Korea.

[2] Quarterly data.

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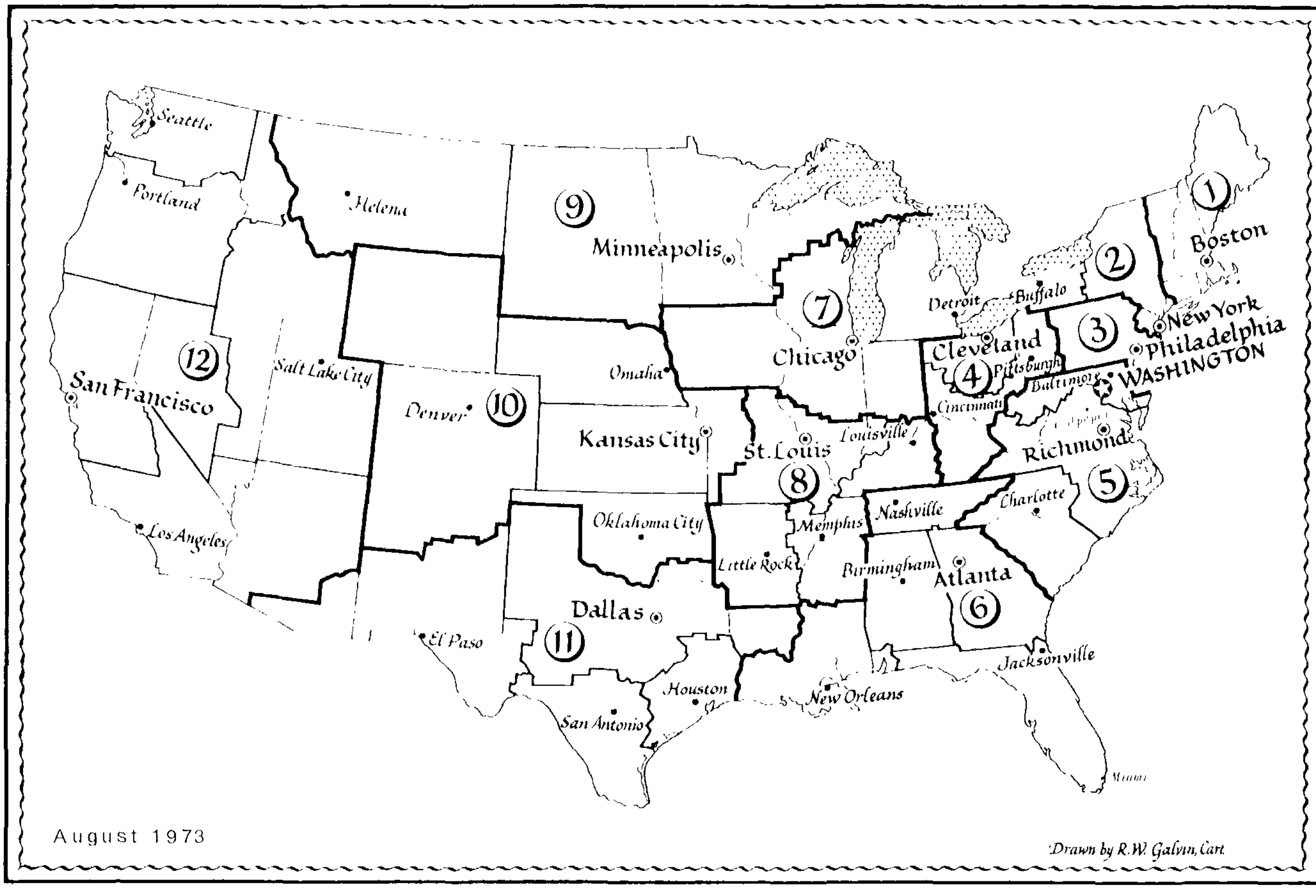
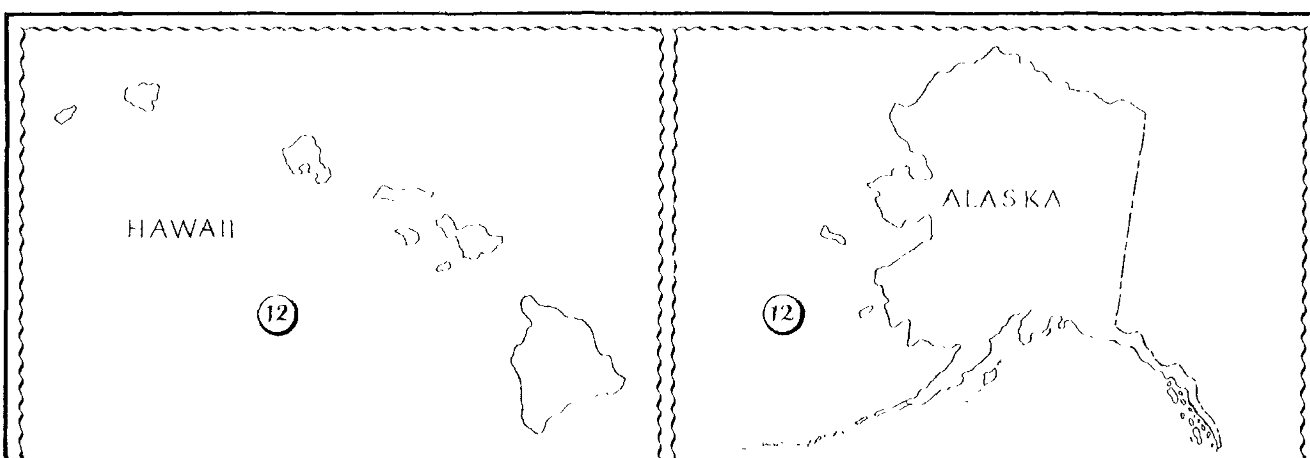
BOUNDARIES OF FEDERAL RESERVE DISTRICTS AND THEIR BRANCH TERRITORIES



THE FEDERAL RESERVE SYSTEM



Legend

Boundaries of Federal Reserve Districts — Boundaries of Federal Reserve Branch Territories

Board of Governors of the Federal Reserve System

Federal Reserve Bank Cities • Federal Reserve Branch Cities

· Federal Reserve Bank Facilities