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FEBRUARY 1972



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FEDERAL RESERVE BULLETIN

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Financial Developments in the Fourth Quarter of 1971

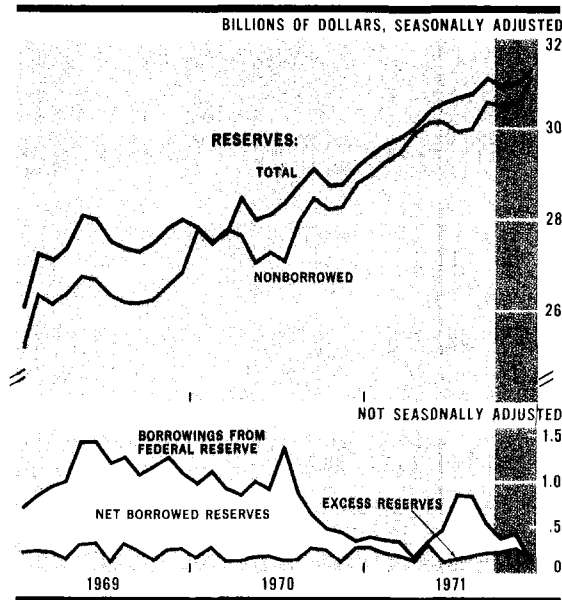
This report, which was sent to the Joint Economic Committee of the U.S. Congress, highlights the important developments in financial markets during the fall and early winter.

THE DOWNTREND in interest rates that developed after the President announced his new domestic and international economic program on August 15 was extended during the fourth quarter. On balance, the reductions in interest rates after mid-August were about sufficient to offset the advances recorded in late spring and early summer, and at the end of December most rates were near their lowest levels of the year. The Federal Reserve discount rate was reduced in two stages from 5 per cent to 4½ per cent to bring it more in line with market rates and to assist in the progress of economic expansion.

A number of factors combined to maintain the downtrend in interest rates, which occurred despite a continued heavy volume of borrowing in the securities markets by the U.S. Treasury, State and municipal governments, and business corporations. The rate premium required by investors to compensate for expected price increases was apparently reduced further, as public assessment of the President's wage-price control program remained generally favorable. Also, a major uncertainty overhanging the economic outlook was removed by the mid-December agreement of the Group of Ten industrial nations on the realignment of currency exchange rates.

The principal monetary aggregates displayed a diverse pattern of growth over the fourth quarter. The rate of ex-

BANK RESERVES AND BORROWINGS



Monthly averages of daily figures for member banks. Total and nonborrowed reserves are adjusted to exclude the effects of changes in reserve requirement percentages. Nonborrowed reserves are total reserves adjusted minus member bank borrowings from the Federal Reserve. Excess reserves are total reserves less required reserves. Latest figures, December.

pansion in the narrowly defined money stock (M_1), which had declined substantially in the third quarter from the very rapid pace established earlier in the year, slowed further to a modest 1 per cent annual rate of growth, as public demands for cash balances remained small in the wake of the very large build-up in liquidity over the first half of the year. Fourth-quarter rates of expansion in broader measures of money increased significantly from those of the third quarter, as the continued decline in market interest rates enhanced the attractiveness of rates paid on thrift deposits at commercial banks and other depository institutions. Over the year 1971, M_1 expanded at a 6.2 per cent rate, somewhat more than in 1970, while M_2 and M_3 rose by 11.1 and 13.3 per cent, respectively, growth rates that in both cases were considerably above those of the year before.

Bank credit, as measured by the adjusted bank credit proxy, continued to expand substantially in the fourth quarter, reflecting, in addition to the sharp increase in consumer-type time and savings deposits, a considerable rise in large negotiable certificates of deposit issued by banks that more than offset a decline on average in U.S. Treasury deposits. While the growth in business loans was quite modest, real estate and consumer loans rose sharply further and

banks continued to channel a significant volume of funds into security holdings.

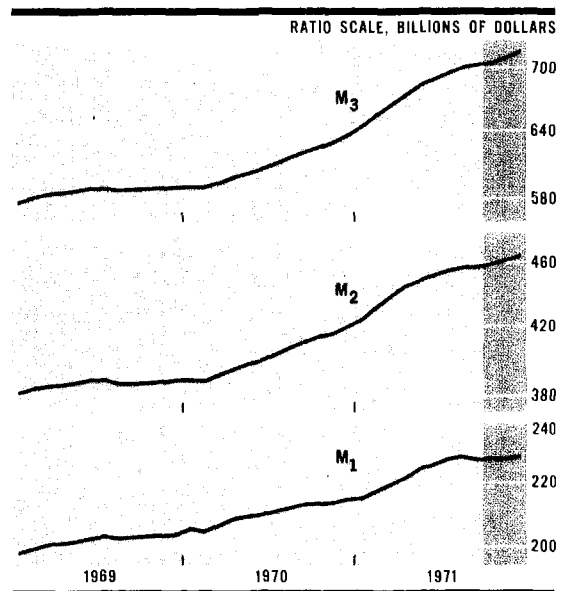
MONETARY AGGREGATES

Open market operations in the fourth quarter were directed toward creating conditions conducive to a sizable expansion in the monetary aggregates. This easing was reflected in a considerable decline in the rate on Federal funds. In addition, member bank indebtedness at Federal Reserve Bank discount windows declined.

Nonborrowed reserves of member banks increased by about a 7 per cent annual rate in the fourth quarter—somewhat more rapidly than in the third. However, with borrowed reserves declining, total reserves increased at only about a 2 per cent annual rate over the period. Total reserves, though, grew considerably in December; this carried through to even more rapid growth in January, reflecting in part the need for reserves—owing to lagged reserve requirements—because of deposit expansion in the latter half of December. Over the 4 months September 1971 through January 1972, total reserves expanded at an annual rate of about 7 per cent.

Banks were well positioned to accommodate an expansion in the monetary aggregates, and there was a marked drop in interest rates and a continued expansion in economic activity—conditions that ordinarily strengthen demands for

CONCEPTS OF MONEY



Seasonally adjusted monthly averages. For definitions of M_1 , M_2 , and M_3 , see footnote 1 to Changes in Selected Monetary Aggregates table.

CHANGES IN SELECTED MONETARY AGGREGATES

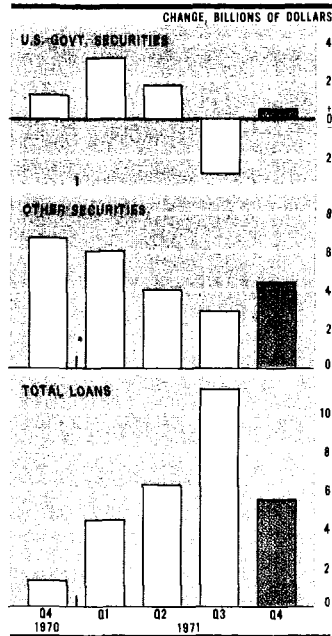
Percentage annual rates of change, seasonally adjusted

Item	1971				Year	
	I	II	III	IV	1970	1971
Member bank reserves:						
Total	8.9	10.1	6.8	2.6	6.0	7.3
Nonborrowed	9.5	9.1	5.6	7.2	9.2	8.1
Concepts of money: ¹						
M_1	9.1	10.6	3.7	1.1	5.4	6.2
M_2	18.1	12.4	4.4	8.0	8.1	11.1
M_3	18.9	14.4	7.8	9.6	7.8	13.3
Bank credit: ²						
Bank credit proxy adjusted	10.9	8.4	7.6	9.6	8.3	9.5
MEMO (change in billions of dollars, seasonally adjusted):						
Large CD's	2.6	1.3	2.3	1.8	14.5	8.0

¹ M_1 is currency plus private demand deposits adjusted. M_2 is M_1 plus bank time and savings deposits adjusted other than large CD's. M_3 is M_2 plus deposits at mutual savings banks and savings and loan associations.²Total member bank deposits plus funds provided by Euro-dollar borrowings and bank-related commercial paper.

NOTE.—Changes are calculated from the average amounts outstanding in the last month of each quarter.

BANK CREDIT—COMPONENTS



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

transactions balances. In spite of this, the increase in M_1 , as already mentioned, was at an annual rate of only 1 per cent over the fourth quarter. M_1 may not have responded more sensitively to factors that generally promote growth in this aggregate, in part because the public decided to reduce precautionary balances built up earlier in the year when there was greater concern about the economic outlook. In addition, some money-holders may have been gradually shifting out of cash balances into interest-bearing assets in the belief that the wage-price control program would meet with success and that interest rates would be lower in the future. Finally, experience indicates that it takes time for the public to adjust its cash balances upward in response to lower short-term interest rates. Recently, the rate of expansion in M_1 has picked up, with the preliminary estimate of growth in January at about a 3.7 per cent annual rate.

In contrast to the further slowing in M_1 , fourth-quarter growth in the broader measures of money— M_2 and M_3 —accelerated as funds flowed into thrift deposits at commercial banks and nonbank depository institutions in heavy volume in continued response to the decline in market rates relative to rates offered on these deposits. Flows of funds into consumer-type deposits at commercial banks expanded at a substantially stronger rate in the fourth quarter than in the third. At nonbank depository institutions, on the other hand,

fourth-quarter deposit growth fell somewhat short of that for the third quarter, but remained high by historical standards.

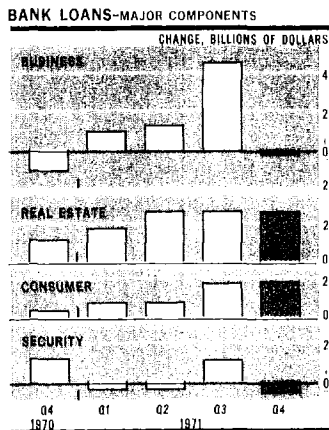
With funds flowing into consumer-type deposits in heavy volume, banks made frequent downward adjustments in their CD offering rates in an effort to keep these rates in line with money market interest rates. Despite a generally unaggressive attitude, the volume of CD's outstanding rose sharply over the quarter. At the same time, U.S. Treasury deposits declined moderately and nondeposit liabilities of banks fluctuated sharply but, on balance, remained approximately unchanged. The net result of these developments was that the adjusted credit proxy expanded at an annual rate of about 9.7 per cent, somewhat above the third-quarter rate but essentially in line with the pace for the entire year.

**COMMERCIAL
BANK USES OF
FUNDS**

Acquisition of securities, primarily State and local government obligations, accounted for nearly half of the expansion in bank credit during the fourth quarter. Reflecting the current boom in housing and continued purchases of consumer durable goods, banks also recorded further strong advances in real estate loans and consumer loans. But developments in other loan categories were quite weak and the growth in total loans fell well short of the unusually strong increase recorded in the third quarter.

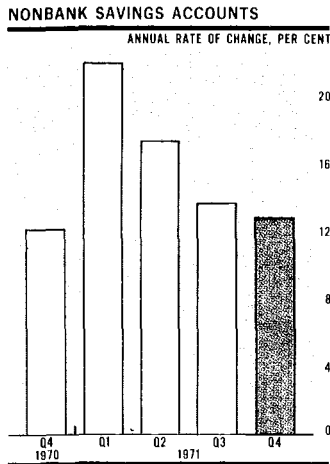
Business loans declined moderately after having set an exceptionally rapid pace during the third quarter when both domestic and foreign borrowers were attempting to reduce losses or to obtain profits from the expected realignment in foreign exchange rates. Except for the sharp third-quarter bulge induced by foreign exchange market developments, business demands for bank credit were generally quite moderate throughout 1971. Businesses were on the whole well supplied with funds from internal sources and from continued heavy borrowing in the capital markets. At the same time, needs for funds were kept low by cautious inventory policies on the part of businesses and by a moderate increase in expenditures on fixed investments.

In response to the sluggish loan demands and to the market reductions in short-term interest rates, banks cut their prime lending rate from 6 per cent to 5¼ per cent during the fourth quarter. Several large banks also instituted a policy of tying their base lending rates to selected money market rates.



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

NONBANK INTERMEDIARIES AND THE MORTGAGE MARKET



Seasonally adjusted.

The increase in deposits at nonbank thrift institutions during the fourth quarter of 1971, while still very large in dollar volume, was at a somewhat slower pace than the growth in the preceding quarter. The major portion of the 1971 shift in consumer portfolios from market securities to deposit claims apparently came during the first half of the year, when, for the first time in almost 3 years, deposit institutions had a favorable yield advantage. However, the sustained high rate of personal saving and the increase in the relative attractiveness of depositary claims—due to declining market rates of interest—contributed to a substantial rise in deposits in the closing months of the year.

Net mortgage debt formation increased at a seasonally adjusted quarterly rate of \$13.0 billion in the final quarter of 1971—slightly less than the record pace established in the preceding quarter. For the residential sector, which had provided the major impetus for the sharp rise in the total since the end of 1970, debt formation leveled off in the fourth quarter. And, after rising in the preceding three quarters, the pace of nonresidential debt formation declined somewhat in the final quarter, reflecting mainly a slowdown in the demand for loans on commercial properties.

NET CHANGE IN MORTGAGE DEBT OUTSTANDING

In billions of dollars, seasonally adjusted quarterly data

Item	1970	1971			
	IV	I	II	III	IV ^e
Total	7.8	9.3	11.9	13.4	13.0
Residential	5.6	6.7	9.0	10.1	10.1
Other ¹	2.2	2.6	2.9	3.3	2.9

¹Includes commercial and other nonresidential as well as farm properties.

^ePartly estimated.

NOTE.—Details may not add to totals because of rounding.

In addition to the continued strong support provided to the mortgage market by savings and loan associations and commercial banks, mutual savings banks increased their mortgage lending activity in the fourth quarter. Moreover, mortgage bankers accelerated their net additions to warehouse lines in anticipation of future declines in mortgage rates and for use in issuing GNMA-guaranteed mortgage-backed securities. Net lending by the various Federally sponsored agencies declined slightly from the moderate third-quarter pace because ample funds were available from other sources.

**FUNDS RAISED IN
SECURITY
MARKETS**

Total security offerings by corporations were unchanged from the third to the fourth quarter, remaining at a monthly average of \$3.5 billion, significantly below the pace set during the first half of 1971. The monthly average volume of public bond offerings in the fourth quarter increased moderately, while takedowns of private placements appear to have remained at a high level. The volume of new equity issues in the final quarter of the year, although somewhat less than the record third-quarter level, remained historically large.

OFFERINGS OF NEW SECURITY ISSUES

Monthly average in billions of dollars, not seasonally adjusted

Item	1970	1971			
	IV	I	II	III	IV ^e
Corporate securities—Total	4.0	4.1	3.9	3.5	3.5
Bonds	3.1	3.3	2.8	2.1	2.4
Stocks .....	.9	.8	1.1	1.4	1.1
State and local government bonds	2.0	2.2	2.0	2.0	2.0

^eEstimated.

Long-term bond offerings by State and local governments continued at an average monthly volume of \$2 billion for the third consecutive quarter. In addition to the sustained need for financing of capital expenditures, a number of government units continued to take advantage of the downward drift in long-term rates to fund outstanding short-term debt obligations, which are currently at record levels.

Net Treasury borrowing rose appreciably in the fourth quarter of 1971. The Federal Government's end-of-quarter cash balance was higher in December than at the close of the

FEDERAL GOVERNMENT BORROWING AND CASH BALANCE

Quarterly totals in billions of dollars, not seasonally adjusted

Item	1970		1971		
	IV	I	II	III	IV
Budget surplus or deficit.....	-8.9	-8.2	1.6	-7.8	-10.6
New cash borrowings, or repayments (-).....	8.9	1.6	1.6	9.1	12.5
Other means of financing ¹	-7	2.9	1.1	-1	-6
Change in cash balance.....	.7	-3.6	4.3	1.2	1.3
MEMO: Net borrowings by federally sponsored credit agencies ²	1.5	-1.0	-.9	1.7	1.3 ^e

¹Checks issued less checks paid and other accrued items.

²Includes debt of Federal home loan banks, the Federal Home Loan Mortgage Corporation, Federal Land Banks, Federal Intermediate Credit Banks, Banks for Cooperatives, and FNMA (including discount notes and bonds guaranteed by the Government National Mortgage Association).

^eEstimated.

third quarter, although most of the new cash borrowing was related to the rising budget deficit. Federal expenditures decreased slightly from the third to the fourth quarter, but the decline in receipts was somewhat larger.

Net borrowing by Federally sponsored credit agencies declined somewhat in the last 3 months of the year, in part because of repayment of debt by the Federal Home Loan Banks. With inflows to nonbank thrift institutions remaining high during this period, no substantial demand for Federal Home Loan Bank advances developed.

INTEREST RATES

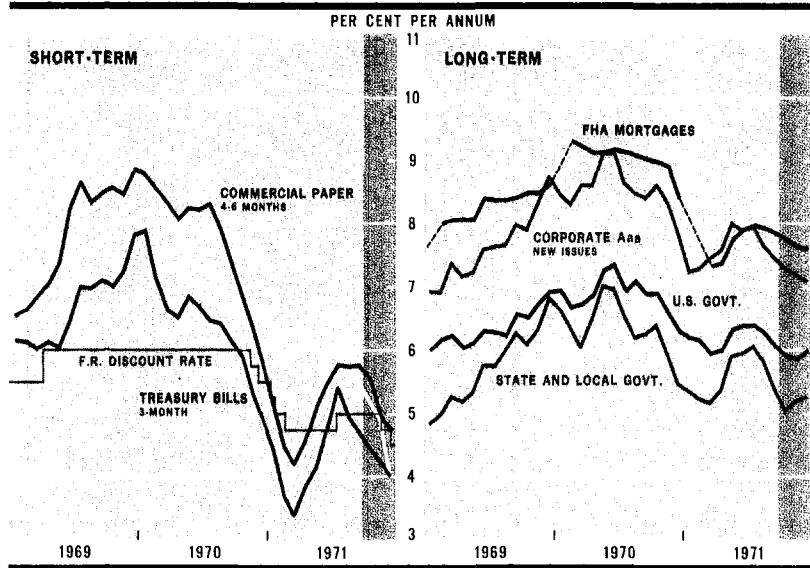
The decline in short- and long-term interest rates that began after the initiation of the administration's new economic program in mid-August continued through the fourth quarter of 1971. Yields on Treasury bills were about 70 basis points lower in December than in September, with buying of bills by foreign accounts large through most of the quarter. Rates on commercial paper and Federal funds dropped more than 1 full percentage point. The Federal Reserve discount rate was lowered in two steps by a total of $\frac{1}{2}$ of a percentage point.

Long-term rates also fell during the final quarter of 1971, although by a more modest amount. By the end of December, however, yields in the Government, corporate, and municipal markets had dropped back near the previous lows for the year, reached in the first quarter. Yields on long-term Government securities, on the average, were only 5 basis points below their September level by the end of the fourth quarter, but this was mainly a result of the back-up in rates that occurred following the Treasury refinancing and pre-refunding in November, in which a substantial volume of new, longer-maturity coupon issues were exchanged for outstanding issues.

Yields on State and local government bonds edged down about 10 basis points over the quarter, in spite of a sustained high level of long-term municipal financing and some slackening of the rate of commercial bank purchases of tax-exempt securities in December. The largest downward adjustment was in the long-term corporate market, where yields fell 35 basis points over the 3-month period despite an unseasonably high calendar of offerings.

Secondary market yields on Federal Housing Administration mortgages declined by one-fourth of a percentage point

INTEREST RATES



Monthly averages except FHA (based on quotations for one day each month). Yields: U.S. Treasury bills, market yields on 3-month issues; prime commercial paper, dealer offering rates; FHA, weighted averages of private secondary market prices of new-home 30-year mortgages converted to annual yield (dashed line indicates period of adjustment of change in contractual interest rate); corporate bonds, weighted averages of new publicly offered bonds rated Aaa, Aa, and A by Moody's Investors Service and adjusted to an Aaa basis; U.S. Govt. bonds, market yields adjusted to 20-year constant maturity by U.S. Treasury; State and local govt. bonds (20 issues, mixed quality), Bond Buyer.

over the quarter. The FHA yield series ended the year at a level somewhat above the lows recorded in early 1971 when thrift institutions were experiencing extraordinary savings inflows and mortgages were in short supply. □

Staff Economic Studies

The research staffs of the Board of Governors of the Federal Reserve System and of the Federal Reserve Banks undertake studies that cover a wide range of economic and financial subjects, and other staff members prepare papers related to such subjects. In some instances the Federal Reserve System finances similar studies by members of the academic profession.

From time to time the results of studies that are of general interest to the economics profession and to others are summarized—or they may be printed in full—in this section of the BULLETIN.

In all cases the analyses and conclusions set forth are those of the authors and do not necessarily indicate concurrence by the Board of Governors, by the Federal Reserve Banks, or by the members of their staffs.

Single copies of the full text of each of the studies or papers summarized in the BULLETIN are available in mimeographed form. The list of Federal Reserve Board publications at the back of each BULLETIN includes a separate section entitled “Staff Economic Studies” that enumerates the studies for which copies are currently available in that form.

Study Summaries

OPTIMAL DISTRIBUTED LAG RESPONSES AND EXPECTATIONS

Roger Craine—Staff, Board of Governors

Published in the American Economic Review, December 1971

This paper develops a distributed lag adjustment model based on a dynamic theory of a firm. An optimal adjustment path balances the rewards gained from quickly hitting the target against the costs of rapid adjustment. The purpose of the paper is twofold: (1) to show the advantage in using an optimal adjustment specification (rather than an *ad hoc* specification) and (2) to show the critical role that future values—or forecasts—play in determining the optimal adjustment path.

To demonstrate the advantage in an optimal adjustment specification, a derived optimal adjustment path is compared with an *ad hoc* adjustment specification.

The optimizing process places restrictions on the adjustment path and yields explicit functional forms that may be used to estimate the lag pattern more efficiently. In addition, the comparison makes explicit the implicit assumptions associated with *ad hoc* adjustment mechanisms attributed to adjustment costs. For example, when *ad hoc* adjustment patterns violate the restrictions imposed by the optimizing process, the implication is that the decision-maker has consciously followed a suboptimal policy.

The paper also examines the impact of future values on the optimal adjustment equation and presents methods to approxi-

mate the future values. The target is extremely sensitive to different forecasting specifications. Also discussed are the strengths and weaknesses of three fore-

casting techniques, which range from naive static forecasts to a trajectory of forecasts for a nonstationary probability distribution. □

THE EFFECT OF HOLDING COMPANY ACQUISITIONS ON BANK PERFORMANCE

Samuel H. Talley—Staff, Board of Governors

Prepared as a staff paper in late 1971

The Bank Holding Company Act requires the Board of Governors of the Federal Reserve System to determine whether proposed holding company acquisitions of banks are in the public interest. In making these decisions, it is important for the Board to know what effect holding company acquisitions generally have on the performance of acquired banks. The objective of this study is to update our knowledge of these effects.

The study involves an examination of 18 key banking ratios for 82 banks acquired by holding companies between 1966 and 1969. Seven of these ratios relate to the portfolio composition of the acquired banks; one to bank capital; three to prices set on various banking services; five to bank expenses; and two to bank profitability. To isolate the effect of holding company acquisitions on the ratios, the performance of each acquired bank is com-

pared both before and after acquisition with a similar-sized independent bank that is located in the same banking market.

Results of the study indicate that the major effect of holding company acquisitions is to alter the portfolio composition of acquired banks. These banks tend to switch out of U.S. Government securities and into State and local government securities and loans, particularly installment loans. These portfolio changes suggest that holding company acquisitions result in acquired banks making more credit available in their localities. Holding company acquisitions, however, do not result in significant changes in the capital, prices, expenses, or profitability of acquired banks. Therefore, the fact that a bank is acquired by a holding company does not appear to have a broad impact on that bank's performance. □

Assets and Liabilities of Foreign Branches of U.S. Banks

Since September 1969 the Federal Reserve System has been collecting monthly data on the assets and liabilities of branches of U.S. banks in foreign countries. The System's interest in these data developed as the Euro-dollar market expanded and as participation by foreign branches of the U.S. banks in this market became increasingly important for financial developments in the United States as well as abroad.

Tables 1 to 3 (pages 110-14) contain monthly data that the Federal Reserve has collected on assets and liabilities of foreign branches of U.S. banks from September 1969 through September 1971. In subsequent issues of the BULLETIN, the most recently available month-end data will be published with the other international data in the "Financial and Business Statistics" section.

This article describes these data and discusses the relationships between them and data used in the U.S. balance of payments accounts. It also identifies differences between these data and similar data that were collected by the U.S. Department of the Treasury through September 1969 and published in the *Treasury Bulletin* of November 1970.

DESCRIPTION OF DATA

The upper part of Table 1 shows for 25 months the total assets and liabilities of all foreign branches of U.S. banks, except for certain branches with relatively small dollar liabilities. The lower

part shows assets and liabilities that are payable in U.S. dollars. Table 2 contains similar data for branches in the United Kingdom, and Table 3 for branches in the Bahamas. Components of the totals are provided by type of customer as reported by the branches, except where a component might reveal information about an individual bank.

Reports are filed for all branches in the Bahamas, for branches in Europe with at least \$10 million of total liabilities payable in U.S. dollars, and for branches elsewhere abroad with at least \$30 million in total liabilities payable in U.S. dollars. Facilities on military bases abroad, however, do not report because they are considered part of the U.S. parent banks. In September 1969, 105 branches filed reports. By September 1971, the number of branches filing reports had grown to 186, about half the growth resulting from new branches in the Bahamas.

Branches exempt from filing monthly reports, because they have less than the minimum dollar liabilities during the first 9 months of the year, file a simplified annual report as of the end of September. More than 300 of these branches reported total assets of \$3.6 billion in 1969 and \$3.3 billion in 1970 (Table 4).

In general the definitions employed in the reports are consistent with those used in U.S. balance of payments accounts. Accordingly, foreign branches are those located outside the United States, Puerto Rico, and possessions of the United States. Similarly, U.S. residents are de-

Note.—Fred B. Ruckdeschel, Special Studies Section, Division of International Finance, prepared this article.

defined as persons or businesses whose principal address, according to the records of the reporting branch, is in the United States, Puerto Rico, a U.S. possession, or on a U.S. military base overseas.

But one definition significantly departs from that in balance of payments accounting: All assets acquired by foreign branches from their parent banks under specific repurchase agreements are treated as advances by the branches to parent banks and therefore are reported as claims on the parent banks. This treatment of assets acquired under repurchase agreements conforms with the practice used in reporting U.S. domestic banking transactions.

In these reports, a "parent bank" is defined for all purposes not only as the U.S. head office of the bank but also as all of its branches in the United States, its Edge Act subsidiaries, and its facilities in U.S. military installations abroad.

"Official institutions" include central governments, treasuries, central banks, stabilization funds, exchange-control offices, and the Bank for International Settlements (BIS).

Net flows of funds within a parent bank's network of foreign branches are indicated by the changes in claims on and liabilities to other foreign branches of the parent bank. In Table 1 amounts shown as claims on other foreign branches do not equal amounts shown as liabilities to other foreign branches owing to the reporting exemptions for many branches and to differences arising from the timing of entries in the accounts of different branches.

In addition to claims on and liabilities to other branches of parent banks, claims on and liabilities to several other categories of customers are shown.

Claims include loans, mortgages, over-

drafts, customers' liabilities on acceptances, and advances to and balances due from parent banks as well as deposits held by branches in banks. Claims on parent banks also include, as previously mentioned, all assets acquired from the parent banks under specific repurchase agreements.

"Other assets" refers to short-term money market paper, other securities, investments, accrued interest receivable, and any other assets not defined as claims.

"Liabilities" generally refers to deposits and other direct borrowings including rediscounts. "Other liabilities" refers to the permanent investment of the parent banks in their branches and all liabilities that are not deposits or direct borrowings.

Further details of the reporting definitions and procedures are shown in the monthly F.R. 502 report form and the annual F.R. 503 report form (pages 116-21).

RELATIONSHIP TO TREASURY DATA

The reports filed by foreign branches are part of the regular statistical reporting system used by the Federal Reserve to carry out its responsibilities in domestic and international areas. The data are also made available to the U.S. Treasury for administering the interest equalization tax. The data contained in the reports to the Federal Reserve System are essentially the same as information on foreign branches reported by banks to the Treasury under the Interest Equalization Tax Act on Treasury Form 3954. Accordingly, the Treasury has eliminated its reporting requirements for any bank that files reports with the Federal Reserve, and all banks required to report are now reporting to the Federal Reserve. Because

of the Federal Reserve's exemptions for certain branches, there has been a substantial reduction in the number of branches filing monthly reports. The Federal Reserve has also changed some definitions in order to make the foreign branch reports conform with other reports that banks file with it.

First, all branches must report to the Federal Reserve as of the end of the calendar month. Branches of a few large banks had reported to the Treasury as of the end of their business month, which occurred a week or 10 days before the end of the calendar month. Thus, in order to obtain statistically comparable data for economic analysis, it was necessary to establish on the Federal Reserve form a common reporting date for all branches.

Second, in the Federal Reserve data, claims on the U.S. parent bank include all assets that a branch has purchased from its parent and that the parent has agreed to buy back under a specific repurchase agreement. This conforms with a principle followed in domestic banking data. Specifically, purchase of any asset covered by a repurchase agreement is reported as a loan by the purchasing institution to the institution that sells the asset and agrees to repurchase it later. In the Treasury figures, assets purchased under repurchase agreements were treated as if purchased outright. Thus, in the Treasury reports the purchase of a loan by a foreign branch from its U.S. parent bank increased the foreign branch's loans in the category to which the debtor belonged.

Third, claims on "other" foreign banks in the Federal Reserve figures include not only deposit claims but also all other loans and overdrafts for the account of foreign banks. In the Treasury figures, all nondeposit claims on foreign banks were included in "other assets." An-

other Treasury category covered only "deposits in other foreign banks."

Fourth, the permanent investment of U.S. parent banks in their foreign branches is included in "other liabilities" in the Federal Reserve data and in "liabilities to U.S. offices of the parent bank" in the Treasury data. Otherwise the categories of liabilities in the two sets of data are similar.¹

These differences are related in Table 5 to the amounts of assets reported by branches to the Federal Reserve and the Treasury at the end of September 1969.

RELATIONSHIP TO BALANCE OF PAYMENTS DATA

The balance of payments of the United States involves only transactions between domestic and foreign residents. Since foreign branches of U.S. banks are foreign residents, transactions between them and other foreigners are not part of the U.S. balance of payments. Thus, only foreign branches' claims on and liabilities to U.S. residents—namely, their parent banks, the parents' U.S. affiliates, and other U.S. residents—are directly related to the U.S. balance of payments. But different exemption levels, different classification frameworks, and items in tran-

¹The Federal Reserve also publishes end-of-year data on assets and liabilities of overseas branches of member banks, as collected on reports of condition for the branches. These data differ from the data in this article in several ways. Only branches of member banks are covered by the condition report, and there are no exemptions for small branches. Several institutions that have branches reporting data described in this article are not members of the Federal Reserve System. Moreover, condition reports are filed by branches in Puerto Rico and other U.S. overseas and trust areas. Also, branches of several banks in the past filed condition reports as of the end of their business year rather than as of the end of the calendar year. Finally, the detailed asset and liability categories on the condition report focus on the types of assets and liabilities rather than on the types of borrowers and creditors. Data from condition statements for 1969 and 1970 were published in the BULLETIN, Sept. 1971, pp. 757-58.

sit between branches and their U.S. parent banks prevent precise correspondence between figures collected from foreign branches of U.S. banks and figures collected from U.S. banks and corporations for the balance of payments. For example, when foreign branches report assets purchased from their parent banks under specific repurchase agreements, the assets are classified as claims on the parent banks. But when parent banks report for balance of payments purposes, their liabilities to foreign branches do not include amounts representing assets sold to foreign branches under specific repurchase agreements.

OFFICIAL DOLLAR RESERVES OF FOREIGN COUNTRIES

Among the deposits at foreign branches of U.S. banks are dollar deposits held by central banks. The central banks count these U.S. dollar-denominated deposits as part of their official reserves. These deposits, however, are not liabilities of U.S. resident institutions. Therefore, changes in such deposits are not part of the U.S. balance of payments but are part of the difference between the aggregate change in international reserves of all foreign countries and the U.S. balance of payments as measured on the official settlements basis. □

TABLE 1
ASSETS AND LIABILITIES OF U.S. BANK BRANCHES IN FOREIGN COUNTRIES

In millions of dollars

End of month	ASSETS										LIABILITIES									
	Total	Claims on U.S.			Claims on foreigners					Other	Total	To U.S.			To foreigners					Other
		Total	Parent bank	Other	Total	Other branches of parent bank	Other banks	Official institutions	Non-bank foreigners			Total	Parent bank	Other	Total	Other branches of parent bank	Other banks	Official institutions	Non-bank foreigners	
	Total																			
1969—Sept.....	35,115	16,041	14,338	1,703	18,159	3,683	8,055	487	5,934	915	35,110	2,775	738	2,037	31,119	3,534	19,503	2,140	5,942	1,216
Oct.....	35,573	15,862	14,307	1,554	18,816	3,930	8,168	450	6,268	895	35,571	2,737	607	2,130	31,597	3,697	19,258	2,270	6,371	1,237
Nov.....	36,341	16,052	14,499	1,553	19,298	3,572	9,250	445	6,031	992	36,343	2,847	609	2,238	32,162	3,377	20,457	2,062	6,266	1,334
Dec.....	36,468	15,380	13,660	1,720	20,145	3,524	9,756	537	6,327	944	36,468	2,615	719	1,896	32,316	3,354	20,491	1,856	6,614	1,537
1970—Jan.....	36,397	15,489	13,644	1,845	19,941	3,731	9,545	464	6,200	967	36,397	2,782	593	2,189	32,223	3,430	20,431	1,642	6,721	1,391
Feb.....	37,174	14,652	12,862	1,791	21,502	4,161	10,203	472	6,666	1,020	37,174	2,927	741	2,186	32,915	3,714	20,832	1,698	6,670	1,332
Mar.....	37,518	13,753	12,066	1,688	22,763	4,343	10,986	555	6,879	1,001	37,516	2,839	693	2,146	33,336	4,055	20,573	1,949	6,759	1,341
Apr.....	38,728	14,358	12,608	1,749	23,376	4,240	11,271	494	7,372	995	38,731	2,742	647	2,095	34,586	4,037	21,324	2,371	6,854	1,403
May.....	39,815	13,999	12,129	1,870	24,756	4,565	11,981	478	7,731	1,060	39,818	2,728	614	2,114	35,646	4,266	21,801	2,264	7,315	1,444
June.....	42,084	14,027	12,089	1,938	26,980	5,062	13,389	448	8,080	1,077	42,088	2,827	638	2,189	37,845	4,647	23,674	2,455	7,069	1,415
July.....	40,817	12,267	10,360	1,907	27,460	4,953	13,229	513	8,765	1,090	40,820	2,720	641	2,080	36,719	4,432	22,744	2,373	7,170	1,381
Aug.....	42,446	12,866	10,856	2,009	28,446	4,939	13,897	500	9,110	1,135	42,450	2,690	610	2,080	38,354	4,599	23,756	2,651	7,348	1,406
Sept.....	43,665	12,377	10,253	2,124	30,009	5,481	14,358	565	9,606	1,278	43,669	2,667	661	2,006	39,606	5,147	23,789	3,234	7,436	1,396
Oct.....	44,099	11,467	9,274	2,193	31,337	6,048	14,528	544	10,217	1,295	44,103	2,661	682	1,979	39,964	5,571	23,695	3,335	7,363	1,477
Nov.....	45,011	10,344	8,003	2,340	33,278	6,372	15,419	692	10,794	1,390	45,017	2,478	656	1,822	40,824	5,960	23,724	3,429	7,711	1,715
Dec.....	47,279	9,686	7,248	2,438	36,192	6,881	16,979	695	11,636	1,402	47,270	2,575	716	1,859	42,746	6,372	24,820	4,180	7,374	1,949
1971—Jan.....	47,131	8,794	6,125	2,670	36,035	7,308	16,368	641	11,717	2,302	47,131	2,508	662	1,845	42,981	6,839	24,840	4,258	7,044	1,642
Feb.....	47,211	7,863	5,131	2,731	36,847	7,687	16,715	673	12,314	2,501	47,210	2,376	544	1,833	43,196	7,444	23,710	4,764	7,278	1,638
Mar.....	48,263	6,769	4,055	2,714	38,623	7,838	17,284	744	12,757	2,871	48,265	2,640	559	2,080	44,069	7,507	24,175	5,006	7,381	1,556
Apr.....	49,419	5,047	2,511	2,536	39,902	8,468	17,387	746	13,301	4,471	49,419	2,529	547	1,982	45,066	8,078	24,118	5,554	7,316	1,824
May.....	50,542	4,398	2,191	2,207	41,543	8,317	18,100	797	14,329	4,600	50,542	2,848	726	2,122	45,891	8,134	25,039	5,216	7,502	1,802
June.....	52,705	4,853	2,661	2,191	43,266	8,924	19,042	849	14,451	4,587	52,705	2,565	528	2,038	48,342	8,553	26,729	5,339	7,721	1,798
July.....	52,714	4,833	2,619	2,214	43,063	8,788	18,455	1,005	14,815	4,817	52,711	3,061	477	2,584	47,934	8,345	26,545	5,373	7,670	1,716
Aug.....	54,828	4,092	2,036	2,056	46,348	9,126	20,735	1,128	15,360	4,388	54,828	3,349	763	2,586	49,622	8,792	27,178	5,450	8,203	1,857
Sept.....	56,876	5,047	2,970	2,077	48,752	9,705	22,246	1,128	15,672	3,077	56,878	3,023	510	2,514	51,813	9,463	28,503	5,469	8,379	2,042

Payable in U.S. dollars

1969—Sept.....	28,236	15,845	14,326	1,519	12,090	2,132	6,706	275	2,977	301	28,282	2,521	624	1,897	25,046	2,324	16,660	1,849	4,214	715
Oct.....	27,959	15,651	14,294	1,357	12,023	2,171	6,477	297	3,078	285	28,193	2,478	500	1,978	25,011	2,263	16,223	1,900	4,625	704
Nov.....	28,866	15,818	14,485	1,333	12,714	1,931	7,564	281	2,938	334	29,233	2,585	492	2,092	25,874	2,094	17,520	1,757	4,504	774
Dec.....	29,099	15,130	13,642	1,489	13,622	1,994	8,074	349	3,205	346	29,750	2,392	606	1,786	26,341	2,130	17,793	1,566	4,851	1,017
1970—Jan.....	28,787	15,222	13,632	1,591	13,205	2,077	7,748	303	3,076	360	29,356	2,556	511	2,046	25,921	2,109	17,363	1,434	5,016	879
Feb.....	28,888	14,378	12,837	1,541	14,116	2,280	8,301	305	3,230	395	29,794	2,685	631	2,054	26,302	2,334	17,606	1,431	4,932	807
Mar.....	28,583	13,503	12,051	1,452	14,757	2,295	8,800	347	3,315	323	29,629	2,586	586	2,000	26,202	2,392	17,290	1,568	4,953	840
Apr.....	29,777	14,100	12,598	1,502	15,341	2,225	9,088	319	3,709	337	30,501	2,511	540	1,971	27,101	2,418	17,801	1,982	4,900	889
May.....	30,651	13,761	12,117	1,644	16,508	2,610	9,639	276	3,983	382	31,341	2,506	524	1,982	27,908	2,736	18,052	1,842	5,278	927
June.....	32,096	13,750	12,075	1,675	17,964	2,778	10,669	247	4,269	382	32,952	2,596	545	2,050	29,472	2,812	19,695	2,001	4,964	885
July.....	30,823	12,004	10,344	1,660	18,443	2,825	10,404	319	4,894	376	31,627	2,498	548	1,950	28,294	2,724	18,746	1,919	4,905	835
Aug.....	32,198	12,628	10,843	1,785	19,150	2,829	10,877	310	5,135	420	32,835	2,428	522	1,906	29,549	2,838	19,468	2,187	5,056	859
Sept.....	32,964	12,144	10,244	1,901	20,375	3,399	11,274	334	5,368	445	33,561	2,414	569	1,845	30,348	3,338	19,360	2,714	4,936	799
Oct.....	32,699	11,193	9,252	1,941	21,027	3,737	11,222	334	5,735	479	33,759	2,391	580	1,811	30,480	3,597	19,147	2,892	4,843	888
Nov.....	32,991	10,073	7,987	2,086	22,405	4,009	11,876	434	6,086	513	34,356	2,205	556	1,649	31,092	3,910	19,010	2,995	5,177	1,058
Dec.....	34,537	9,400	7,233	2,167	24,163	4,208	13,248	362	6,795	524	36,004	2,334	657	1,677	32,446	4,028	19,807	3,737	4,874	1,225
1971—Jan.....	34,221	8,546	6,112	2,434	24,260	4,504	12,553	370	6,833	1,414	35,470	2,277	603	1,674	32,216	4,356	19,522	3,818	4,513	976
Feb.....	33,842	7,657	5,118	2,538	24,606	4,716	12,214	423	7,253	1,579	35,137	2,120	474	1,647	32,073	4,874	18,243	4,206	4,749	944
Mar.....	34,960	6,560	4,043	2,516	26,409	5,070	13,307	453	7,580	1,990	36,213	2,413	501	1,912	32,891	5,052	18,722	4,323	4,794	909
Apr.....	35,717	4,856	2,501	2,356	27,337	5,654	13,209	529	7,944	3,525	36,973	2,284	491	1,794	33,717	5,644	18,717	4,743	4,612	972
May.....	36,037	4,193	2,172	2,020	28,264	5,354	13,815	552	8,542	3,581	37,284	2,582	643	1,939	33,638	5,469	19,120	4,419	4,630	1,063
June.....	37,622	4,648	2,651	1,998	29,412	5,609	14,625	586	8,593	3,562	39,116	2,293	432	1,861	35,782	5,793	20,610	4,604	4,775	1,041
July.....	37,092	4,613	2,610	2,003	28,693	5,648	13,780	713	8,552	3,787	38,297	2,762	393	2,368	34,571	5,433	20,192	4,416	4,530	965
Aug.....	37,801	3,875	2,025	1,851	30,658	5,791	15,427	865	8,576	3,268	39,449	2,939	643	2,296	35,406	5,735	20,340	4,375	4,956	1,104
Sept.....	38,644	4,807	2,950	1,857	32,040	6,028	16,391	851	8,770	1,797	40,128	2,646	389	2,257	36,315	6,203	20,986	4,407	4,720	1,167

For Note, see p. 114.

TABLE 2
ASSETS AND LIABILITIES OF U.S. BANK BRANCHES IN THE UNITED KINGDOM
 In millions of dollars

End of month	ASSETS									LIABILITIES										
	Total	Claims on U.S.			Claims on foreigners					Other	Total	To U.S.			To foreigners					Other
		Total	Parent bank	Other	Total	Other branches of parent bank	Other banks	Official institutions	Non-bank foreigners			Total	Parent bank	Other	Total	Other branches of parent bank	Other banks	Official institutions	Non-bank foreigners	
	Total																			
1969—Sept.....	23,970	12,359	10,966	1,393	11,264	1,768	6,056	196	3,244	347	23,971	1,863	96	1,767	21,608	1,587	14,411	1,432	4,178	499
Oct.....	23,548	11,891	10,680	1,211	11,338	1,960	5,763	220	3,395	320	23,548	1,851	63	1,788	21,212	1,545	13,905	1,552	4,211	485
Nov.....	24,331	12,033	10,846	1,187	11,930	1,714	6,795	212	3,209	368	24,331	1,980	76	1,903	21,811	1,344	14,782	1,402	4,283	541
Dec.....	24,130	11,311	10,043	1,267	12,417	1,702	6,953	289	3,473	403	24,130	1,571	82	1,489	21,920	1,222	14,954	1,235	4,510	639
1970—Jan.....	24,279	11,574	10,200	1,374	12,272	1,866	6,868	246	3,293	432	24,279	1,898	101	1,797	21,791	1,198	14,912	1,054	4,627	590
Feb.....	24,112	10,521	9,223	1,298	13,187	2,012	7,401	244	3,531	404	24,112	2,008	228	1,781	21,562	1,291	14,648	1,087	4,536	542
Mar.....	24,160	9,945	8,789	1,156	13,811	2,083	7,754	275	3,699	403	24,160	1,808	106	1,703	21,770	1,401	14,531	1,250	4,589	581
Apr.....	25,273	10,690	9,496	1,194	14,171	2,013	7,959	256	3,943	412	25,273	1,724	82	1,642	22,943	1,309	15,264	1,727	4,643	607
May.....	25,576	10,061	8,761	1,300	15,099	2,248	8,529	236	4,086	416	25,576	1,692	97	1,595	23,294	1,445	15,350	1,505	4,994	591
June.....	27,000	10,209	8,915	1,294	16,352	2,373	9,457	205	4,317	439	27,000	1,748	108	1,640	24,719	1,709	16,622	1,744	4,644	533
July.....	25,740	8,736	7,427	1,309	16,563	2,350	9,177	268	4,769	441	25,740	1,573	100	1,473	23,678	1,615	15,753	1,664	4,646	490
Aug.....	26,720	9,424	8,052	1,373	16,826	2,315	9,394	253	4,864	470	26,720	1,531	92	1,439	24,671	1,755	16,339	1,908	4,669	518
Sept.....	26,828	9,023	7,620	1,403	17,250	2,387	9,672	259	4,932	555	26,828	1,431	93	1,338	24,849	1,909	15,974	2,425	4,541	548
Oct.....	26,806	8,403	6,925	1,478	17,923	2,802	9,451	257	5,413	479	26,805	1,531	91	1,440	24,759	2,021	15,768	2,454	4,515	516
Nov.....	27,082	7,276	5,735	1,541	19,244	2,957	10,147	390	5,750	562	27,082	1,406	101	1,305	25,072	2,166	15,687	2,574	4,646	604
Dec.....	28,451	6,729	5,214	1,515	21,121	3,475	11,095	316	6,235	601	28,451	1,339	116	1,222	26,520	2,320	16,533	3,119	4,548	592
1971—Jan.....	28,478	6,064	4,380	1,684	21,330	3,700	10,898	300	6,432	1,084	28,478	1,384	77	1,307	26,542	2,358	16,817	3,067	4,300	552
Feb.....	28,115	5,194	3,487	1,706	21,663	3,915	10,760	338	6,650	1,258	28,115	1,423	103	1,320	26,103	2,641	15,588	3,337	4,538	589
Mar.....	28,711	4,658	2,897	1,761	22,539	3,890	11,419	355	6,875	1,514	28,711	1,533	103	1,430	26,597	2,586	15,942	3,615	4,454	581
Apr.....	29,082	3,143	1,598	1,545	23,414	4,307	11,584	412	7,111	2,524	29,082	1,492	186	1,306	26,989	2,699	15,698	4,067	4,525	601
May.....	29,952	2,746	1,401	1,345	24,627	4,218	11,957	433	8,020	2,579	29,952	1,591	301	1,291	27,667	2,843	16,387	3,873	4,565	694
June.....	31,276	3,188	1,827	1,361	25,545	4,393	12,632	418	8,101	2,542	31,276	1,565	147	1,419	29,021	2,931	17,578	3,967	4,545	690
July.....	30,710	3,098	1,700	1,398	25,140	4,448	11,953	520	8,218	2,473	30,710	1,773	126	1,647	28,264	2,762	16,843	4,034	4,625	674
Aug.....	32,119	2,608	1,340	1,268	27,249	4,462	13,744	558	8,486	2,262	32,119	2,000	300	1,700	29,429	3,069	17,310	4,268	4,782	691
Sept.....	33,280	3,390	2,143	1,247	28,464	4,882	14,683	512	8,387	1,426	33,280	1,658	117	1,541	30,877	3,344	18,431	4,318	4,785	745

Payable in U.S. dollars

1969—Sept.....	20,571	12,281	8,133	911	5,418	1,805	156	20,785	1,755	79	1,676	18,748	1,205	12,880	1,246	3,417	281
Oct.....	19,778	11,804	7,819	942	5,061	1,816	155	20,065	1,738	51	1,687	18,059	1,079	12,218	1,321	3,441	268
Nov.....	20,709	11,948	8,576	867	5,976	1,733	185	20,977	1,861	53	1,808	18,812	932	13,138	1,218	3,524	304
Dec.....	20,641	11,230	9,201	955	6,265	1,982	209	20,820	1,492	60	1,432	18,916	868	13,302	1,073	3,673	411
1970—Jan.....	20,621	11,475	8,939	1,013	6,085	1,842	206	20,712	1,820	89	1,731	18,551	869	12,865	938	3,878	342
Feb.....	20,244	10,426	9,610	1,128	6,533	1,949	208	20,495	1,894	191	1,703	18,290	898	12,715	914	3,764	311
Mar.....	19,995	9,861	9,950	1,182	6,775	1,994	183	20,330	1,700	84	1,616	18,289	929	12,567	1,032	3,761	342
Apr.....	21,057	10,591	10,262	1,128	6,923	2,211	204	21,101	1,623	48	1,575	19,122	880	13,044	1,481	3,716	356
May.....	21,259	9,972	11,068	1,404	7,340	2,325	218	21,226	1,596	76	1,520	19,270	1,033	12,952	1,266	4,019	359
June.....	22,155	10,135	11,787	1,407	7,880	2,500	232	22,239	1,655	92	1,563	20,300	1,137	14,061	1,463	3,640	283
July.....	20,989	8,635	12,122	1,412	7,803	2,908	232	20,931	1,496	86	1,410	19,187	1,082	13,196	1,378	3,531	247
Aug.....	21,878	9,333	12,286	1,389	7,899	2,998	259	21,785	1,428	79	1,349	20,092	1,162	13,724	1,634	3,572	265
Sept.....	22,015	8,941	12,800	1,524	8,227	3,050	273	21,890	1,330	77	1,252	20,294	1,372	13,389	2,096	3,436	267
Oct.....	21,702	8,290	13,136	1,841	7,951	3,344	276	21,849	1,404	68	1,337	20,185	1,375	13,251	2,198	3,361	260
Nov.....	21,549	7,153	14,067	1,920	8,635	3,512	328	21,894	1,279	78	1,200	20,305	1,455	13,044	2,295	3,510	311
Dec.....	22,574	6,596	15,655	2,223	9,420	4,012	323	23,005	1,208	98	1,110	21,495	1,548	13,684	2,859	3,404	302
1971—Jan.....	22,478	5,950	15,710	2,483	9,129	4,099	818	22,705	1,266	66	1,199	21,156	1,540	13,718	2,816	3,081	283
Feb.....	21,924	5,102	15,849	2,541	9,043	4,266	972	22,118	1,291	84	1,207	20,539	1,707	12,531	3,001	3,301	287
Mar.....	22,576	4,566	16,791	2,657	9,750	4,384	1,219	22,654	1,411	90	1,321	20,954	1,759	12,754	3,207	3,233	289
Apr.....	22,786	3,057	17,534	3,133	9,861	4,541	2,194	22,907	1,358	173	1,185	21,249	1,900	12,640	3,588	3,121	299
May.....	23,028	2,651	18,156	3,030	10,128	4,999	2,221	23,198	1,455	266	1,189	21,378	1,902	12,967	3,368	3,142	365
June.....	24,228	3,098	18,918	3,231	10,674	5,013	2,211	24,474	1,432	96	1,336	22,682	2,053	14,071	3,493	3,065	361
July.....	23,282	3,010	18,155	3,219	10,031	4,906	2,116	23,400	1,610	89	1,521	21,428	1,819	13,198	3,382	3,029	361
Aug.....	23,848	2,528	19,451	3,245	11,336	4,870	1,868	24,263	1,790	238	1,552	22,095	1,900	13,445	3,501	3,249	377
Sept.....	24,418	3,289	20,123	3,369	11,883	4,871	1,006	24,742	1,460	59	1,401	22,882	2,126	14,160	3,555	3,041	400

For Note, see p. 114.

FOREIGN BRANCHES OF U.S. BANKS

TABLE 3
ASSETS AND LIABILITIES OF U.S. BANK BRANCHES IN THE BAHAMAS
 In millions of dollars

End of month	LIABILITIES				ASSETS			
	Total	Claims on U.S.	Claims on foreigners	Other	Total	U.S. payable	Other	U.S.
1969—Sept.	2,405	1,209	1,041	1,176	739	436	2,100	2,322
Oct.	2,778	1,608	1,199	1,144	665	478	2,278	2,675
Nov.	2,697	1,433	1,246	1,241	765	476	2,564	2,891
Dec.	3,044	1,538	1,293	1,478	951	24	2,891	3,344
1970—Jan.	2,974	1,477	1,217	1,462	931	28	2,891	3,322
Feb.	3,402	1,403	1,257	1,600	531	24	2,891	3,322
Mar.	3,884	1,470	1,171	1,979	573	34	2,891	3,322
Apr.	4,067	1,458	1,322	2,088	731	37	2,891	3,322
May.	4,067	1,807	1,453	2,213	798	47	2,891	3,322
June.	4,483	1,756	1,397	2,680	908	48	2,891	3,322
July.	4,401	1,488	1,130	2,764	1,012	49	2,891	3,322
Aug.	4,466	1,394	995	3,015	1,094	57	2,891	3,322
Sept.	4,470	1,291	812	2,004	1,115	57	2,891	3,322
Oct.	4,200	1,056	493	1,813	60	63	2,891	3,322
Nov.	4,200	1,056	493	1,813	60	63	2,891	3,322
Dec.	4,731	1,119	455	2,096	58	58	2,891	3,322
1971—Jan.	4,663	1,135	396	1,916	205	205	2,891	3,322
Feb.	4,755	1,072	283	1,721	203	203	2,891	3,322
Mar.	4,755	879	162	1,994	1,611	271	2,891	3,322
Apr.	5,245	935	169	1,918	1,723	203	2,891	3,322
May.	5,347	773	113	2,038	1,843	694	2,891	3,322
June.	6,023	839	635	2,317	683	683	2,891	3,322
July.	6,023	890	623	2,337	729	729	2,891	3,322
Aug.	5,925	728	589	2,564	624	624	2,891	3,322
Sept.	6,160	788	457	2,891	624	624	2,891	3,322

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.

TABLE 4

ASSETS AND LIABILITIES OF FOREIGN BRANCHES OF U.S. BANKS NOT REQUIRED TO REPORT MONTHLY

In millions of dollars

Item	September 30, 1969		September 30, 1970	
	Total	Payable in dollars	Total	Payable in dollars
Total assets	3,589	702	3,276	673
Claims on U.S.	139	107	191	122
Parent bank	94	85	101	90
Other	45	22	90	32
Other assets	3,450	595	3,085	552
Total liabilities	3,588	704	3,276	730
Liabilities to U.S.	430	174	478	216
Parent bank	213	145	208	160
Other	216	29	269	55
Other liabilities	3,158	530	2,798	515

TABLE 5

COMPARISON OF FEDERAL RESERVE AND TREASURY REPORTING SYSTEMS FOR FOREIGN BRANCH ASSETS

Amounts as of Sept. 30, 1969, in millions of dollars

Federal Reserve		Treasury		Main factors accounting for differences
Category	Amount	Amount	Category	
Total assets	35,115	38,620	Total assets	1. Treasury received reports from a larger number of branches; 2. Some reports to the Treasury were for a <i>business</i> month; and 3. Treasury category differed as follows:
Claims on--				
Parent bank	14,338	13,675	Dollar claims on parent		Excluded nondeposit claims on parent banks, assets sold by parents to branches under repurchase agreements, and foreign currency claims on parents.
Other U.S.	1,703	(¹)		
Other foreign branches of parent	3,683	4,178	Deposits in other foreign branches of parent	<i>Included</i> foreign currency claims on parent banks and deposits in foreign banking subsidiaries of parents and <i>excluded</i> nondeposit claims on other branches.
Other foreign banks	8,055	7,365	Deposits in other foreign banks	<i>Excluded</i> nondeposit claims on foreign banks and claims on foreign banking subsidiaries of parents.
Official institutions	487	(¹)		
Nonbank foreigners	5,934	9,189	Loans to foreigners other than banks	<i>Included</i> loans to nonbank foreigners purchased from parents under repurchase agreements.
Other assets	915	4,214	Other assets	<i>Included</i> claims on "other U.S.," claims on "official institutions," and nondeposit claims purchased from parents under repurchase agreements, except such claims on nonbank foreigners.

¹ Included in "Other assets."

Form F.R. 502
 Form Approved
 Budget Bureau No. 55-R0237

<u>For Federal Reserve Use Only</u>	
Parent Bank F.R. District No. ___	___
State No. ___	___
Bank No. _____	_____
Branch Country Code No. _____	_____
Branch Code No. _____	_____

Name of parent bank _____
 Location of branch _____
 Street address _____
 City _____
 Country _____
 Date _____
 (As of last business day of month)

Monthly Report on Foreign Branch Assets and Liabilities
 (Amounts in thousands of U.S. dollars)

ASSETS	<u>Payable in U.S. Dollars</u>		<u>Payable in Other Currencies</u>		<u>Total</u>		<u>Line code</u>
	<u>millions</u>	<u>(1) thousands</u>	<u>millions</u>	<u>(2) thousands</u>	<u>millions</u>	<u>(3) thousands</u>	
1. Total							01
2. Claims on U.S. addressees, Total <u>a/</u>							02
3. Parent							03
4. Other U.S. addressees							04
5. Claims on non-U.S. addressees, Total <u>b/</u>							05
6. Official institutions							06
7. Other foreign branches of parent bank in same country <u>b/</u>							07
8. Other foreign branches of parent bank in other countries <u>c/</u>							08
9. Other banks							09
10. Nonbanks							10
11. Other assets, Total <u>a/</u>							11
12. Of which, securities							12

LIABILITIES

13. Total											13
14. Liabilities to U.S. addressees, Total <u>d/</u>											14
15. Parent bank											15
16. Other U.S. addressees											16
17. Liabilities to non-U.S. addressees, Total <u>d/</u>											17
18. Official institutions											18
19. Other foreign branches of parent bank in same country <u>b/</u>											19
20. Other foreign branches of parent bank in other countries <u>c/</u>											20
21. Other banks											21
22. Non-banks											22
23. Other liabilities <u>d/</u>											23

	MATURITY OF ASSETS										
	Payable in U.S. Dollars				Payable in Other Currencies				Total		
	Time to Maturity 1 year or less		Time to Maturity more than 1 yr.		Time to Maturity 1 year or less		Time to Maturity more than 1 yr.		(5)		
	(1)	(2)	(3)	(4)	(5)						
mill's	thou's	mill's	thou's	mill's	thou's	mill's	thou's	mill's	thou's		
24. Claims on other banks outside U.S. (excl. other foreign branches of parent) (line 9)											24
25. Claims on nonbanks outside U.S. (line 10)											25
26. Total (lines 24 and 25)											26

	Payable in U.S. dollars		
	millions	thousands	
27. Deposits of and direct borrowings from U.S. addressees (excluding U.S. Parent bank) with time to maturity of more than 1 year (included in line 16, column (1))			27
28. Deposits of and direct borrowings from U.S. addressees that are international finance subsidiaries of U.S. direct investment companies (included in line 16, column (1)) <u>e/</u>			28

BEFORE PREPARING THIS REPORT PLEASE READ CAREFULLY THE GENERAL AND SPECIFIC INSTRUCTIONS ON REVERSE SIDE

Official Signature

INSTRUCTIONS

Section I -- General Instructions

A. Introduction

This report form is designed to cover the assets and liabilities of foreign branches of Member Banks of the Federal Reserve System.

- B. Who must report. Member banks are to file monthly reports prepared by their branches located outside the United States, excluding branches in U.S. military facilities. Reports are to be prepared as of the close of business on the last business day of the month in the country in which the branch is located. The member bank should file the reports with the Federal Reserve Bank in its District by the 25th of the month following the report date.

- C. Exemptions. Reports are to be filed for:

1. All branches in the Bahamas (unless specific exceptions are made by the Board of Governors) and for other designated branches;
2. All branches in Europe whose total liabilities payable in U.S. dollars amount to \$10 million or more; and
3. All other branches whose total liabilities payable in U.S. dollars amount to \$30 million or more.

If total liabilities payable in U.S. dollars of a branch in Europe amount to \$10 million or more, or of other branches outside the Bahamas (or other designated areas) amount to \$30 million or more, on any report date, reports should continue to be filed for that branch for each remaining month in the calendar year regardless of the amounts of liabilities of that branch payable in U.S. dollars on subsequent report dates during the calendar year.

In reporting the maturity breakdown of certain assets a branch may elect to include in lines 24 to 26 only those loans, credits, overdrafts, and acceptances of \$100,000 or more per individual item, or equivalent amount in foreign currencies.

Alternatively a branch may elect to report on lines 24 to 26 all loans, credits, overdrafts and acceptances reported on lines 9 and 10.

5. "Other foreign branches of parent bank." The term "other foreign branches of parent bank" includes all branches outside the United States, except branches in U.S. military facilities (which are to be included with "parent bank"); the term includes all branches, whether or not they are exempt from a reporting requirement (see paragraph C, above.) Subsidiaries of the parent bank located outside the United States are to be included with "other banks" if they are banks within the definition of (6) below; otherwise they are to be included with "nonbanks."

6. "Other banks." The term "other banks" includes commercial banks, savings banks, discount houses and other similar institutions accepting deposits. Nationalized and other banking institutions owned by central governments should be regarded as foreign "banks" if they are not functioning as central banks. Development banks and similar institutions should not be included with other banks; include them with nonbanks.

- F. Valuation. Assets or liabilities payable in foreign currency should be converted into dollars at the exchange rate prevailing on the report date, except where your standard practice calls for a different procedure.
- G. Reporting of assets and liabilities payable in more than one currency. Report in Column 1 only those assets or liabilities payable only in U.S. dollars. If an asset or liability is payable in dollars and/or another currency, enter the value in Column 2.

Section II -- Specific Instructions

(See references on report form for (a) through (e))

- (a) Include in lines 2 through 10 only claims that represent loans, mortgages, credits, overdrafts, customers' liabilities on acceptances and deposits (including negotiable certificates of deposit). Include in line 11 ("Other assets") claims such as

- D. Method of submitting data to Federal Reserve Bank. The parent U.S. bank should file a separate report for each branch required to report.
- E. Definitions. The definition of maturity for this form is time remaining to maturity.
1. "United States." The term "United States" includes the States of the United States, the District of Columbia, the Commonwealth of Puerto Rico, and the following: American Samoa, Canal Zone, Guam, Midway Island, Virgin Islands, and Wake Island.
 2. "U.S. addressee." The term "U.S. addressee" includes any person or corporation whose principal address, according to the records of the reporting branch, is in the United States. The branch may use as the principal address that address to which statements of the customer's account (or receipted notes) are sent.
 3. "Parent bank." The term "parent bank" includes all offices and branches of the reporting bank located in the United States, as well as affiliates and Edge Act subsidiaries organized in the United States in which the reporting bank or holding company which owns the bank holds at least 50 per cent interest. The term "parent bank" also includes branches in U.S. military facilities abroad.
 4. "Official institution." The term "official institution" includes: central governments of foreign countries and of their possessions; recognized central banks of issue; stabilization funds; exchange control offices; and fiscal agents of national governments which have as an important part of their functions activities similar to those of a treasury, central bank, or a stabilization fund. The term also includes the Bank for International Settlements (BIS), the European Payments Union (EPU), and the International Monetary Fund (IMF). The term does not include non-monetary international institutions, such as the International Bank for Reconstruction and Development, the Inter-American Development Bank, and the Asian Development Bank; these latter types of institutions are to be included with non-banks (lines 10 and 22). Moreover, branches or agencies in the United States of "foreign official banking institutions" are to be considered as United States addressees for the purpose of this report.

securities (including short-term money market paper), investments, accrued interest receivable, etc.

Include in line 3 all advances to U.S. parent bank and balances due from parent bank as well as all loans, securities or other assets purchased from the U.S. parent bank under a specific repurchase agreement. Include in the appropriate line (4 through 11) all assets acquired from parent without repurchase agreement.

- (b) Include in lines 7 and 19 claims on and liabilities to all other branches of the parent bank located in the same country as the reporting branch, whether or not these other branches are exempt from reporting (see paragraph C, General Instructions).
- (c) Include in lines 8 and 20 claims on and liabilities to other non-U.S. branches of the parent bank that are located outside the country of domicile of the reporting branch; include such claims and liabilities whether or not the particular branches against which the claims and liabilities exist are exempt from reporting (see paragraph C, General Instructions).
- (d) Include in lines 14 through 22 only liabilities that represent deposits or direct borrowings, including rediscounts. Include in line 23 liabilities on acceptances sold, etc., the permanent investment of the parent bank in the branch, and other branch liabilities such as accrued taxes and expenses. Include in line 15 advances from U.S. parent bank or balance due to parent bank.
- (e) Enter in line 28 the best figure available from your existing records on your liabilities to U.S. addressees that are international finance subsidiaries of U.S. direct investment companies. A list of such subsidiaries will be supplied, and updated from time to time. As defined in Section 1000.323 of the Foreign Direct Investment Regulations, an international finance subsidiary is a U.S. corporation owned entirely by a U.S. direct investor, the principal business of which is to borrow funds from foreign nationals and to invest such funds in foreign affiliates. If any deposits of such subsidiaries have maturities of more than one year, they should also be included in line 27.

Form F.R. 503
 Form Approved
 Budget Bureau No. 55-R0237

For Federal Reserve Use Only
 Parent Bank F.R. District No. _ _
 State No. _ _ _
 Bank No. _ _ _
 Branch Country Code No. _ _ _ _ _
 Branch Code No. _ _ _ _ _

Name of parent bank _____
 Location of branch _____
 Street address _____
 City _____
 Country _____
 Date _____
 (As of last business day of September)

Annual Supplement to Monthly Report on Foreign Branch Assets and Liabilities
 (Amounts in thousands of U.S. dollars)

ASSETS	Payable in U.S. Dollars (1)		Payable in Other Currencies (2)		Total (3)		Line code
	millions	thousands	millions	thousands	millions	thousands	
1. Total							01
2. Claims on U.S. addressees, Total <u>a/</u>							02
3. Parent bank							03
4. Other U.S. addressees							04
5. Other assets							05
<u>LIABILITIES</u>							
6. Total							06
7. Liabilities to U.S. addressees <u>b/</u>							07
8. Parent bank							08
9. Other U.S. addressees							09
10. Other liabilities							10

BEFORE PREPARING THIS REPORT PLEASE READ CAREFULLY THE GENERAL AND SPECIFIC INSTRUCTIONS ON REVERSE SIDE

 Official Signature

INSTRUCTIONS

Annual Supplement

Section I -- General InstructionsA. Introduction

This report is designed to cover the assets and liabilities as of the end of September of any year of those foreign branches of Member Banks of the Federal Reserve System which were exempt from filing a Monthly Report on Foreign Branch Assets and Liabilities (Form F.R. 502) for that month. (See Section I, C of the Monthly Report of Foreign Branch Assets and Liabilities, Form F.R. 502, for provisions regarding exemptions.)

B. Who must report.

Member banks are to file an annual report on behalf of any branch located outside the United States, excluding branches in U.S. military facilities, that is not required to file a report on Form F.R. 502 for the month of September. Reports are to be filed on this form as of the close of business on the last business day of September in the country in which the branch is located. The member bank should file the reports with the Federal Reserve Bank in its district by November 15 of the year in which the report is filed.

C. Exemptions.

There is no exemption from filing this report for any branch not required to file Form 502 as of the end of September.

D. Method of submitting data to Federal Reserve Bank.

The parent U.S. bank should file a report for each branch required to report.

E. Definitions.

The definitions for this form correspond to those on the Monthly Report on Foreign Branch Assets and Liabilities.

1. "United States." The term "United States" includes the States of the United States, the District of Columbia, the Commonwealth of Puerto Rico, and the following: American Samoa, the Canal Zone, Guam, Midway Island, Virgin Islands, and Wake Island.

2. "U.S. addressee." The term "U.S. addressee" includes any person or corporation whose principal address, according to the records of the reporting branch, is in the United States. The branch may use as the principal address that address to which statements of the customer's account (or receipted notes) are sent.

3. "Parent bank." The term "parent bank" includes all offices and branches of the reporting bank located in the United States, as well as affiliates and Edge Act corporate subsidiaries organized in the United States in which the reporting bank or a holding company which owns the bank holds at least 50 per cent interest. The term "parent bank" also includes branches in U.S. military facilities abroad.

F. Valuation.

Assets or liabilities payable in foreign currency should be converted into dollars at the exchange rate prevailing on the report date, except where your standard practice calls for a different procedure.

G. Reporting of assets and liabilities payable in more than one currency.

Report in Column 1 only those assets or liabilities payable only in U.S. dollars. If an asset or liability is payable in dollars and/or another currency, enter the value in Column 2.

Section II -- Specific Instructions

(a) Include in lines 2, 3, and 4 only claims on U.S. addressees that represent loans, mortgages, credits, overdrafts, customers' liabilities on acceptances, and deposits (including negotiable certificates of deposit.) Include in line 5 ("Other Assets") all other claims on U.S. addressees, as well as all claims on non-U.S. addressees.

Include in line 3 advances to U.S. parent bank and balances due parent as well as all loans, securities or other assets purchased from the U.S. parent bank under a specific repurchase agreement. Include in the appropriate line (4 or 5) all assets acquired from parent without repurchase agreement.

(b) Include in lines 7, 8, and 9 only liabilities that represent deposits of or direct borrowings from U.S. addressees, advances from the parent bank or balances due the parent bank. Include the permanent investment of the parent bank in the branch, and all other liabilities, in line 10.

Statement to Congress

Statement by Arthur F. Burns, Chairman, Board of Governors of the Federal Reserve System, before the Joint Economic Committee, February 9, 1972.

I am glad to appear before this committee once again to report the views of the Board of Governors of the Federal Reserve System on the state of our national economy.

The early months of the past year presented an extraordinary challenge to our national policies. Although a recovery had commenced in economic activity, it proceeded at a rather sluggish pace. Although the number of men and women at work was again rising, the advance was no faster than that of the labor force; hence unemployment continued at a 6 per cent rate. Although gains in productivity were resuming, they had yet to display the vigorous improvement characteristic of earlier cyclical recoveries. And, despite much idleness of men and equipment, wages and prices continued to rise at a virtually undiminished pace.

Moreover, the competitive position of the United States in international trade was deteriorating further, confidence in the exchange value of the dollar was weakening, and a massive shift out of dollars and into foreign currencies was getting under way.

In mid-August of last year, the President took bold and comprehensive steps to deal with these accumulated economic ills; for it had become reasonably clear by then that the performance of the economy was eluding our national goals.

The new economic policy had four major objectives: first, to slow sharply and at once the rate of inflation and thereby break the inflationary psychology gripping the Nation; second, to set in motion forces that would stimulate more rapid expansion in aggregate demand and a decline in unemployment; third, to promote increased efficiency in our factories, mines, and other workshops; fourth, to set the stage for a reinvigoration of export trade, restoration of confidence in the exchange value of the dollar, and progress toward a sustainable equilibrium in the balance of payments.

The major new initiatives announced by the President included a 90-day freeze on virtually all prices and wages, to be followed by a more flexible price and wage policy; some selective reductions in taxes, including restoration of the investment tax credit; a temporary surcharge of 10 per cent on imports; and suspension of convertibility of dollars into gold or other reserve assets. The Congress in its turn moved with exemplary speed to enact the basic tax measures recommended by the President, and to strengthen the legislative basis for the new wage-price policy.

The Nation responded with a sense of exhilaration to the new economic policy; for it meant that we as a people could and would deal energetically with our major economic problems—inflation, unemployment, inadequate growth in output and productivity, and imbalance in international payments. A new confidence in our Nation's economic future was felt all around.

But, as so often happens in human affairs, the first blush of enthusiasm gave way to a more cautious appraisal of the problems yet confronting the economy. Doubts gradually began to be expressed about the effectiveness of the control program that supplanted the freeze, about the strength of the economic recovery, or about the durability of the Smithsonian currency agreement negotiated last December.

These are understandable concerns and it would be foolhardy to dismiss them. Surely, we must recognize that uncertainty is inherent in all economic life, that the deep-seated economic problems we have been struggling with have not yet been solved, that more—perhaps much more—remains to be done to restore the conditions for lasting prosperity. Indeed, we must try to see to it that the momentum generated by the new economic policy of last August is sustained in the months to come.

But if all this is worth keeping in mind, it is all the more important to recognize the solid evidence of improvement that has occurred since last August in the economic and financial scene. The brief freeze on wages and prices turned out to be an outstanding success. True, deferred increases went into effect when the freeze ended, causing an upsurge in average wage rates and to a lesser extent in prices. Nevertheless, both wages and prices have advanced at markedly lower rates since August 1971 than they did earlier in 1971. Moreover, demands for very large increases in wages seem less pervasive now than at any time in recent years, due in large part to the controls now in existence.

Financial markets have reacted constructively to this slackening pace of inflation. Interest rates have declined, as the inflation premium in the cost of credit has

been whittled away. Yields on high-grade corporate and State and local government bonds have fallen about 75 basis points since last summer despite continued heavy demands on the capital markets. The rate of interest charged by some banks on prime business loans has dropped to the level prevailing in the early 1960's. Interest rates on mortgages have been moving down. And stock prices have risen significantly since August, reflecting the greater confidence with which individuals and businesses view the future.

This increased confidence has been evident also in markets for goods and for labor. Consumers stepped up their buying of new cars and other durable goods last fall, and they were willing to go into debt to do so. This was a major factor in the quickening pace of economic activity in the fourth quarter. The demand for capital equipment, which had been conspicuously weak, is now appreciably stronger than last summer. And of late business firms have been adding substantially to their work forces; by the fourth quarter of 1971, civilian employment had risen more than a million from its level 6 months earlier, and a further significant increase occurred this January.

Gains have also been made in restoring confidence internationally. The re-adjustment of currency values negotiated in December by the Group of Ten countries was an event of far-reaching significance. While concern about international trade and finances has by no means ended, the uncertainties that had been troubling businessmen and the exchange markets have been greatly reduced. Confidence in continuing growth of the world economy and of international trade is now much stronger than it was last fall.

All these signs indicate that our people can look to the future with more confident

expectations. The state of confidence, however, is always apt to be delicately poised in the early stages of economic recovery. It is therefore vitally important, now that the Federal Government has become such a large factor in our Nation's economy, that its operations and policies be conducted in ways that sustain the more confident public mood released by the new economic policy. If that is accomplished, the prospects will be very favorable for a quickening tempo of economic expansion in the year and years ahead.

Several major areas of private demand offer promise of additional stimulus to economic activity during 1972. Business inventory policies have been conservative throughout 1970 and 1971. As sales pick up, there will be a need to keep larger inventories on hand. Fixed capital expenditures by business firms should also move up. Over the past 2 years these outlays declined in real terms, so that a backlog of postponed projects has in all probability accumulated. Recent surveys already indicate a substantial rise in planned capital expenditures during 1972—an anticipation supported by a marked rise in manufacturers' new capital appropriations and the recent strengthening in new orders for capital equipment and in construction contract awards.

A more rapid pace of consumer spending may well be an additional source of stimulus in 1972. The rate of personal saving has been abnormally high for an extended period, and consumers have accumulated large amounts of liquid assets that could be drawn down. The tax reductions resulting from recent legislation will provide additional support to consumer buying power this year.

As buying of goods or services goes up in one sector, its strength will be transmitted to other sectors, and the

economic expansion will gather momentum. This is a familiar process in business cycle history, and it seems likely that we are even now experiencing such a development.

The Federal budget for fiscal 1973 that has just been presented to the Congress seems broadly consistent with the objective of more rapid economic expansion, for it embodies a good deal of further stimulation through both higher expenditures and tax reductions. I recognize that the budget deficit reflects preponderantly the shortfall in the performance of the economy. Yet, as I contemplate the future, the sheer size of the projected fiscal 1972 deficit—close to \$40 billion—gives me some pause.

To maintain the public confidence that is so vital to the achievement of faster economic expansion, I consider it crucial to make tangible progress toward a more balanced fiscal position in the 1973 budget and beyond. Whether or not the projected revenues are realized will depend principally on the strength of economic recovery. On the other hand, the projections of further increases in expenditures are largely within the control of the Congress. I would urge, in keeping with the President's recommendation, that the Congress impose a rigid ceiling on fiscal 1973 expenditures—a ceiling to be treated as inviolate except in the event of a grave national emergency. This necessary discipline, which I have urged on other occasions, would go far to reassure the public that the Federal budgetary process is not out of control.

Let me turn now to the role that monetary policy needs to play in furthering national objectives this year. Clearly, our monetary affairs—no less than our fiscal affairs—must be kept in order, so that public confidence in our monetary management is maintained. An unduly ex-

pansive monetary policy would be most unfortunate, particularly in view of the large Federal budgetary deficits now projected. We need always to be mindful of the fact that increases in money and credit achieved today will still be with us tomorrow, when economic conditions may no longer be the same as they are today.

At this stage of the business cycle it is essential to pursue a monetary policy that will facilitate good economic recovery. Supplies of money and credit must be sufficient to finance the growth in consumer spending and in investment plans that now appears in process. Let me assure this committee that the Federal Reserve does not intend to let the present recovery falter for want of money or credit. And let me add, just as firmly, that the Federal Reserve will not release the forces of a renewed inflationary spiral.

We are now in a favorable position to provide the monetary support needed for a quickening pace of production and employment. While expansion in the supply of money and credit was relatively brisk during 1971, we successfully avoided an unduly rapid growth of liquidity.

No single measure of money or credit represents adequately the impact of monetary policy on the economy. Let me nevertheless cite a few salient facts. Growth of the narrowly defined money supply—that is, currency and private demand deposits—amounted to 6.2 per cent during 1971, compared with 5.4 per cent in 1970. If the money supply is defined more broadly, so as to include also consumer-type time and savings deposits at commercial banks, the rate of growth was 11.1 per cent during 1971, compared with 8.1 per cent in the previous year.

These 1971 growth rates of money balances are at the upper end of the range witnessed over the postwar period.

That is what should happen at a time of sluggish economic growth, as this committee has pointed out.

The substantial increase of the money supply, as variously measured, was accompanied by abundant and readily available supplies of credit. Inflows of deposits at the nonbank thrift institutions were unusually large, and they permitted a record increase in the volume of mortgage borrowing. Residential construction was greatly stimulated, and new housing starts rose to unprecedented levels by the fourth quarter. Business firms were able to fund short-term debt and to rebuild their liquidity position. State and local governments too, finding a ready market for their securities, were able to expand fairly rapidly their outlays on public goods and services.

Interest rates fluctuated over a fairly wide range last year as financial markets were buffeted by international as well as domestic disturbances. In the spring and early summer, inflationary expectations worsened, and interest rates moved up despite the ready availability of funds. But they declined again after the announcement of the new economic policy in August. By the end of 1971, interest rates on virtually all types of debt instruments had fallen below the levels prevailing at the beginning of the year.

Looking at 1971 as a whole, the growth in money and credit was, I believe, consistent with the needs of an expanding economy. There were, nonetheless, sizable variations in monetary growth rates—particularly in the narrowly defined money stock, which rose rapidly in the first half of the year and slowly thereafter.

These variations reflected the public's changing demand for cash balances, which is related not only to the need to finance current expenditures but also to the desire to hold money for precautionary reasons. Given the changing state of confidence

during 1971, there is reason to believe that precautionary demands for cash intensified during the spring and then subsided following the August announcement of the new economic policy.

To some degree, however, the variations in monetary growth resulted from shifts of emphasis in monetary policy. Early in 1971, the Federal Reserve sought to promote a rate of monetary growth sufficient to make up for the shortfall in late 1970. With precautionary demands for funds burgeoning unexpectedly at that time, key monetary aggregates expanded at a faster pace than expected or than would have been desirable for any length of time. Monetary policy, therefore, moved gradually during the spring and summer to restrain excessive monetary growth. Once again, the change sought was magnified during August by outflows of dollars to foreign money centers, and later—over a longer stretch—by an unforeseen upsurge of domestic confidence and consequently smaller precautionary demands for ready cash.

In recent months, the Federal Reserve has sought to encourage a faster rate of monetary expansion than occurred in the late summer and fall of last year. Open market operations have been conducted with more emphasis on increasing the reserve base of the banking system. In the 5 months from September through January, total bank reserves rose at an annual rate of over 8 per cent. Thus far, much of this increase has supported an accelerated growth in time deposits. But, in due course, the narrowly defined money stock, on which so much emphasis is nowadays placed by some single-minded observers, will also respond; preliminary calculations indicate that this aggregate rose more rapidly in January than in the immediately preceding months.

The additions to bank reserves have helped to move interest rates down in

recent months, especially short-term rates. With the passage of time, this effect should become diffused as the additional funds—the reserves and the deposits they support—are employed to finance consumer loans, or mortgage loans, or for other purposes. It would not be surprising, therefore, to see short-term interest rates rise somewhat as economic expansion carries the economy to higher levels of resource use.

On past occasions, a rise in short-term interest rates has more frequently than not induced a similar increase in long-term rates. At the present time, however, the differential between short-term and long-term rates is unusually wide. If further progress is made in dampening inflationary expectations, there need not be any rise in the cost of long-term funds. In fact, my hope is that further downward adjustments in long-term interest rates will occur in the months ahead, and that credit will remain in abundant supply for housing, for State and local construction, and for our Nation's business firms.

Before closing, let me turn briefly to other financial and economic issues. I have already referred to the significance of the Smithsonian agreement of December 18. I have little patience with the view that this agreement will prove to be fragile. The nations participating in the negotiations last fall realized that much was at stake. They still do. All of us are compelled by our own economic interests to continue in the same spirit of cooperation that led to the agreement.

There is, however, much unfinished business at hand. Legislation is needed to permit a change in the official dollar price of gold, as called for by the Smithsonian agreement. This legislation will soon be considered by the Congress, and I strongly recommend swift approval.

Over the longer run, we and our trading partners must fashion a new and stronger international economic order.

The issues are many and complex. A searching re-evaluation will be needed of the roles played by gold, reserve currencies, and Special Drawing Rights in settling international accounts. Sufficient flexibility in exchange rates will be essential to prevent large and persistent balance of payments problems. The circumstances under which the dollar may again be convertible into international reserve assets will have to be reviewed carefully. And determined new efforts will be required to reduce impediments to the international flow of goods, services, and capital.

Progress in these areas will not be rapid. But it is essential to the health of every national economy, including ours, that we get on with the job.

In the domestic sphere, the most urgent need is to realize the promise of our present wage and price policy. The return to a free-market economy will be speeded if the Pay Board and the Price Commission find ways to deal more successfully with outsized requests for wage and price increases. It is of great importance that the Pay Board resist pressures to reach compromises in specific cases that threaten to undermine its over-all objective. The Price Commission is less subject to this hazard, since its decisions do not involve direct conflict between labor and management. Its efforts to hold down prices must be pursued with the utmost vigor, and yet leave sufficient scope for confident and constructive business behavior. For more rapid economic expansion is no less important at this juncture of our Nation's history than bringing the rate of inflation down to 2½ per cent by the end of this year.

The jobs of both of these bodies will be lightened if improvements in productivity accelerate. Our performance in this critical area has deteriorated in recent years relative to that of other industrial

countries and of our own past. Resumption of rapid productivity growth is fundamental to our longer-term prospects. With higher productivity gains, we could have significant wage increases, larger profit margins, and numerous individual price declines within a framework of a stable level of average prices; our ability to compete with foreign producers would be greatly enhanced; and our national aspirations for cleaner air and water, for halting the process of urban decay, for better housing, and a host of other things would be more readily achieved.

Elevating the growth rate of productivity will require a many-sided effort, with full participation by the public and private sectors. A larger commitment of resources to technical research and to new and improved capital equipment will be needed. Labor and management will also need to get together in joint ventures to increase productivity within the individual firm and plant. This can best be done by assuring workers that they will individually share in the benefits of improvements in output per manhour. Productivity councils at the community and plant level could help to achieve this objective, and—thanks to the initiative of the Congress—the National Commission on Productivity will shortly be initiating a program to establish such councils.

A serious national effort to increase economic efficiency should also include the most careful consideration of the steps needed to reduce abuses of private economic power, whether of business or labor. That, I think, is an objective toward which the great majority of the American people quietly aspire. Once our labor and product markets become more competitive, there will be little or no need in the future for direct wage and price controls such as we have recently instituted. This, too, would strengthen the foundation of confidence on which our economy rests.

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 1971 through September 21 were published in the *BULLETINS* for April, pages 320–27; May, pages 391–98; June, pages 503–11; July, pages 599–606; August, pages 663–71; September, pages 715–22; October, pages 820–27; November, pages 925–30; December, pages 989–99; and January 1972, pages 33–39. The records for the meetings held on October 19, November 16, and December 14, 1971, follow:

MEETING HELD ON OCTOBER 19, 1971

Authority to effect transactions in System Account.

Information reviewed at this meeting indicated that the increase in real output of goods and services in the third quarter was of only modest proportions, in part because of reductions in steel inventories after the threat of a steel strike was eliminated by the August 1 agreement on a new labor contract. However, there were indications of a strengthening in economic activity following the mid-August announcement of the Government's new economic program. Staff projections suggested that real GNP would grow considerably faster in the current quarter and in the first half of 1972 than it had in the third quarter, and that the rise in prices would be appreciably slower.

In September retail sales expanded further, mainly because of the sharp rise in purchases of new domestic automobiles that had begun in mid-August. Retail sales were considerably higher in the third quarter as a whole than in the second quarter. Industrial production, after having declined in July and August, increased somewhat in September, chiefly as a result of partial recovery in output of steel. Total nonfarm payroll employment rose appreciably, in part because of widespread gains among manufacturing industries, and the unemployment rate edged down to 6.0 from 6.1 per cent in August despite a sizable increase in the civilian labor force. Although the number of private housing starts fell in September, the total for the third quarter was a record high.

Wholesale prices of industrial commodities declined slightly from mid-August to mid-September—the first monthly decrease in several years. The number of increases among classes of industrial commodities dropped sharply, reflecting the 90-day freeze, and prices of motor vehicles were reduced as the 1971 model-year came to an end. The rise in wage rates apparently also slowed significantly following imposition of the freeze. The general framework of the post-freeze stabilization program, including provision for a Price Commission and a Pay Board, was described in an address by the President on October 7 and in subsequent statements by administration officials.

The latest staff projections for the fourth quarter contemplated a larger increase in Federal expenditures than those prepared 4 weeks earlier, mainly because it was now assumed that the military pay raise associated with the development of a volunteer armed force would be effective in mid-November rather than on January 1. Expansion in residential construction outlays was expected to be substantial, although well below the unexpectedly large gain in the third quarter. For other sectors, projections were about the same as 4 weeks earlier. Thus, it was anticipated that the real volume of consumer spending would increase appreciably; that State and local government expenditures would continue to expand at a substantial rate; that business capital outlays would change little; and that inventory investment would rise.

The expectation that real GNP would continue to grow in the first half of 1972 at about the rapid rate anticipated for the fourth quarter was based in part on the assumption that tax measures along the lines of those recently approved by the House of Representatives would be enacted into law. It was expected that consumer expenditures would rise substantially further as a result of advances in disposable income that reflected cuts in personal income taxes as well as increases in employment; and it appeared likely that a renewed expansion in business outlays for plant and equipment would be stimulated by the upswing in production, along with the investment tax credit. Also, business inventory investment was projected to increase considerably in response to the rise in final sales and the need for the auto industry to replenish depleted stocks.

U.S. imports again exceeded exports by a substantial margin in August, and in July and August together the trade deficit remained at about the second-quarter rate. Contributing to the July-August deficit was an acceleration in imports in anticipation of the East Coast port strike, which began on October 1. Outflows of short-term capital in September were much smaller than the massive outflows in August.

In foreign exchange markets, rates for most major currencies had risen further against the dollar in recent weeks. Some foreign central banks acquired substantial amounts of dollars in September and early October in the process of limiting appreciation of their currencies.

Interest rates on market securities had declined in recent weeks to

levels somewhat below those to which they had dropped immediately after announcement of the new economic program in mid-August. Among the factors contributing to the declines were the developments with respect to the post-freeze stabilization program and growing expectations of a more stimulative monetary policy in the light of recent slackening in the expansion of the monetary aggregates and moderate easing of money market conditions. Although the volume of new issues of corporate bonds rose substantially from August to September and that of State and local government issues also increased, it appeared that total offerings in those sectors would decline somewhat in October and November.

The market for Treasury bills was influenced not only by the easing of money market conditions but also by the continuing demands for bills on the part of foreign central banks. On the day before this meeting the market rate on 3-month bills was 4.45 per cent, about 25 basis points lower than 4 weeks earlier and 70 basis points lower than on August 13.

The Treasury was expected to announce on October 27 the terms on which it would refund securities maturing on November 15, including about \$3.8 billion held by the public. Market participants expected the Treasury to pre-refund some issues and to offer some longer-term issues, making further use of the limited authority to sell bonds with a yield above $4\frac{1}{4}$ per cent.

Contract interest rates on conventional new-home mortgages, which had risen over the preceding 4 months, were unchanged in September. Yields in the more sensitive secondary market for federally insured mortgages edged down for the second consecutive month. Inflows of savings to nonbank thrift institutions increased in September, but for the third quarter as a whole they were well below the extraordinary rates in the first two quarters of the year.

At commercial banks, business loans rose moderately in September following the very large increase that had occurred in August in connection with developments in foreign exchange markets. Other categories of loans—especially real estate, consumer, and security loans—expanded appreciably. Banks acquired sizable amounts of short-term municipal securities but reduced their holdings of U.S. Government obligations for the third consecutive month.

The narrowly defined money stock (private demand deposits plus

currency in circulation, or M_1) declined in September, after having increased at a sharply reduced rate in August. Inflows of consumer-type time and savings deposits remained relatively small, and the broadly defined money stock (M_1 plus commercial bank time deposits other than large-denomination CD's, or M_2) increased only slightly. Over the third quarter M_1 and M_2 grew at annual rates of about 3 and 4.5 per cent, respectively, compared with rates of 11.5 and 12.5 per cent in the second quarter.¹

Against the background of strong over-all demands for loans, banks raised offering rates on large-denomination CD's early in September, and the volume of such certificates outstanding rose considerably during the month. Consequently, expansion in the bank credit proxy—daily-average member bank deposits, adjusted to include funds from nondeposit sources—remained relatively rapid in September. Over the third quarter the proxy series rose at a rate of 9 per cent compared with 6.5 per cent in the second quarter. Late in September some banks reduced offering rates on CD's.

System open market operations in the period since the September 21 meeting of the Committee had been directed at encouraging somewhat easier conditions in the money market, in light of the continuing tendency of the monetary aggregates to fall short of the expected paths. The Federal funds rate, which had been fluctuating around 5½ per cent at the time of the September meeting, edged down to around 5¼ per cent. In the 4 weeks ending October 13 member bank borrowings averaged about \$380 million, compared with \$675 million in the preceding 4 weeks. In the latter part of September the System purchased about \$96 million of Federal agency securities. These were the first operations conducted pursuant to the Committee's action of August 24, 1971, authorizing outright operations in agency issues.

Staff analysis suggested that if prevailing money market conditions were maintained, growth in both M_1 and M_2 would remain relatively slow in October and November but would quicken over the course of the following several months. It was noted that the precise timing of the step-up in monetary growth rates was particularly difficult to

¹ Calculated on the basis of the daily-average level in the last month of the quarter relative to that in the last month of the preceding quarter.

anticipate because of the many prevailing uncertainties. However, the analysis suggested that over the fourth quarter M_1 and M_2 might expand at rates close to those recorded in the third, and that M_1 might increase more rapidly in the first quarter of 1972. Growth in the bank credit proxy was expected to slow in the fourth quarter as a result of a reduction in U.S. Government deposits from their recent unusually high levels.

It was noted in the Committee's discussion that the 90-day freeze on prices and wages had been effective thus far and that the announcement concerning the framework of the post-freeze stabilization program seemed to have been generally well received. However, the details of the program remained to be filled in, and there appeared to be widespread uncertainty about how the program would operate and how effective it might prove to be. As to economic activity, the Committee agreed that a strengthening was under way but some members voiced doubt that real GNP was rising as much in the current quarter as the staff projections suggested.

Against this background the Committee decided that open market operations in the period until the next meeting should be directed at achieving moderate growth in monetary and credit aggregates over the months ahead, taking account of the forthcoming Treasury financing. The members agreed that, while some easing of money market conditions in the coming period might be indicated by unfolding developments with respect to the aggregates, a marked easing designed to stimulate faster growth in the near term would not be warranted, particularly in light of the very high rates of monetary expansion earlier in the year. The members also agreed that a continued down-drift in market interest rates would be constructive, but that aggressive efforts to stimulate rate declines would risk both a resurgence of inflationary expectations and the development of conditions that could culminate in rising rates.

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

The information reviewed at this meeting indicates that real output of goods and services expanded modestly in the third quarter and that unemployment remained substantial. However, there are indica-

tions of a strengthening in economic activity since the mid-August announcement of the Government's new economic program. The 90-day freeze has thus far effectively limited increases in prices and wages, and the general framework of the post-freeze stabilization program has been established. The narrowly defined money stock, which had grown rapidly through July, increased much less in August and declined in September. The broadly defined money stock increased slightly in September as inflows of consumer-type time and savings deposits to banks continued at the moderate August rate. However, the volume of large-denomination CD's outstanding rose sharply, and the rate of expansion in the bank credit proxy remained relatively rapid. Market interest rates have declined in recent weeks and are appreciably below their mid-August levels. The U.S. foreign trade balance remained in heavy deficit in August. Outflows of short-term capital, which had been massive in August, were much smaller in September. In recent weeks the market exchange rates for some foreign currencies against the dollar rose further, while foreign official reserve holdings increased substantially. In light of the foregoing developments, it is the policy of the Federal Open Market Committee to foster financial conditions consistent with the aims of the new governmental program, including sustainable real economic growth and increased employment, abatement of inflationary pressures, and attainment of reasonable equilibrium in the country's balance of payments.

To implement this policy, the Committee seeks to achieve moderate growth in monetary and credit aggregates over the months ahead. System open market operations until the next meeting of the Committee shall be conducted with a view to achieving bank reserve and money market conditions consistent with that objective, taking account of the forthcoming Treasury financing.

Votes for this action: Messrs. Burns, Hayes, Brimmer, Clay, Kimbrel, Maisel, Mayo, Mitchell, Morris, Robertson, and Sherrill. Votes against this action: None.

Absent and not voting: Mr. Daane.

MEETING HELD ON NOVEMBER 16, 1971

Authority to effect transactions in System Account.

Preliminary estimates of the Commerce Department indicated that expansion in real output of goods and services had slowed to an annual rate of about 3 per cent in the third quarter, in part because producers and users of steel were working down inventories accumulated earlier against the threat of a steel strike. Growth in real output appeared to be accelerating in the fourth quarter, and staff projections suggested that a faster pace of expansion would be sustained in the first half of 1972.

In October industrial production increased slightly as widespread gains among industries were offset in large part by a strike-induced curtailment in coal. Because of the coal and dock strikes, employment fell in the mining and transportation sectors, and total nonfarm payroll employment changed little following a sizable gain in September. The unemployment rate declined to 5.8 from 6.0 per cent, in part because expansion in the civilian labor force slowed considerably. According to early estimates, retail sales increased slightly further in October to a level appreciably higher than the monthly average for the third quarter. The volume of private housing starts, which had fallen in September from a record high level, rose somewhat in October.

Price developments from mid-September to mid-October—the middle period of the 90-day freeze—continued to be characterized by a sharply reduced number of increases, and the wholesale index for industrial commodities was stable following a slight decline in September. The rise in average wage rates slowed sharply in September and October. In early November the Price Commission and the Pay Board announced the basic policies and initial regulations for the post-freeze phase of the stabilization program.

The latest staff projections for the fourth quarter of 1971 and the first half of 1972 were similar to those of 4 weeks earlier, although the rate of expansion in real GNP now anticipated was not quite so large as before. In the current quarter growth appeared to be accelerating mainly because of faster expansion in the real volume of consumer spending and an increase in inventory investment from the

reduced rate of the third quarter. Federal outlays were expected to rise in part because of the military pay increase that became effective in mid-November.

For the first half of 1972, the projections continued to suggest substantial further growth in consumer spending—in response to gains in disposable income arising from tax reductions and increases in social security benefits as well as from expansion in output and employment—and further increases in inventory investment. It was anticipated also that business capital outlays would pick up, that State and local government expenditures would continue to expand rapidly, and that residential construction would advance moderately further.

The flow of merchandise through East Coast and Gulf ports was accelerated in September in anticipation of the dock strike that began in October, but the acceleration in exports far exceeded that in imports and the trade balance shifted into surplus. For the third quarter as a whole imports exceeded exports, although by less than the large margin in the second quarter.

In late October and early November trading generally was thin in foreign exchange markets, and on occasion rates moved sharply as traders attempted to assess the progress in negotiations on new exchange rate relationships. The outflow of short-term capital declined further, and the rise in reserves of foreign central banks slowed markedly. On a weighted average basis, rates for major foreign currencies changed little against the dollar.

On October 27 the Treasury announced that in its mid-November financing it would offer two new securities—a 7-year, 6 per cent note priced to yield 6.04 per cent and a 15-year, $6\frac{1}{8}$ per cent bond priced to yield 6.15 per cent—in exchange for notes and bonds maturing in November 1971 and in May and August 1972. This combination of a refunding and a pre-refunding was well received. Of the nearly \$12 billion of eligible issues held by the public, \$5.8 billion were exchanged for the new issues, and only \$1.3 billion—34 per cent—of the issues maturing in November were redeemed for cash even though the offering did not include a short-term issue. To cover the redemptions and to raise additional cash, on November 9 the Treasury auctioned \$2 $\frac{3}{4}$ billion of a $4\frac{7}{8}$ per cent, 15-month note at an average yield of 4.91 per cent.

Interest rates on market securities generally had continued to decline following the October 19 meeting of the Committee. The course of rates was influenced by a gradual easing in money market conditions during the period and by market expectations of further easing. Downward pressure on short-term rates was intensified by the relatively small market supply of Treasury bills, which resulted in part from purchases of short-term Treasury securities by foreign central banks. On the day before this meeting the market rate on 3-month Treasury bills was about 4.15 per cent, 30 basis points below its level 4 weeks earlier. Federal Reserve discount rates were reduced $\frac{1}{4}$ of a percentage point, to $4\frac{3}{4}$ per cent, at seven Reserve Banks on November 11 and at four additional Banks in the period through the date of this meeting.

In capital markets, the estimated volume of new corporate and State and local government bonds issued in October was smaller than in September. However, declining yields apparently stimulated offerings, and the volume of new issues expected during the rest of the year remained relatively large.

Contract interest rates on conventional new-home mortgages edged lower in October, marking the first decrease since last spring. Yields in the more sensitive secondary market for federally insured mortgages, which had turned down in August, continued to decline. Inflows of savings funds to nonbank thrift institutions slowed somewhat in October but were close to the average rate of the third quarter.

At commercial banks, business loans outstanding rose relatively little during October. Major banks reduced their prime lending rates from 6 to $5\frac{3}{4}$ per cent late in the month and then to $5\frac{1}{2}$ per cent in early November, and some banks announced that they were adopting a "floating" prime rate. Real estate and consumer loans continued to expand rapidly in October, and banks again reduced their holdings of U.S. Government securities and increased their holdings of other securities.

According to preliminary estimates, the narrowly defined money stock (private demand deposits plus currency in circulation, or M_1) declined further in October. The broader measure of money (M_1 plus commercial bank time deposits other than large-denomination CD's, or M_2) increased as a result of a marked expansion of inflows of

consumer-type time and savings deposits, but the rise in M_2 was somewhat smaller than had been expected. Growth in the bank credit proxy—daily-average member bank deposits, adjusted to include funds from nondeposit sources—slowed substantially, as U.S. Government deposits declined and the volume of large-denomination CD's outstanding increased less than in September. Offering rates on such CD's had been reduced late in September and they were cut further during October.

System open market operations in the period since the October 19 meeting of the Committee had been directed at achieving a gradual easing of money market conditions in light of the continuing tendency of the monetary aggregates to fall below expected paths. The Federal funds rate declined from about $5\frac{1}{4}$ per cent shortly before the preceding meeting to about $4\frac{3}{4}$ per cent. In the 4 weeks ending November 10 member bank borrowings averaged about \$270 million, compared with about \$380 million in the preceding 4 weeks.

Staff analysis suggested that the effects of two factors that had been tending in recent months to hold down demands for money—moderation of inflationary expectations as a result of the new economic program, and lagged reactions to the high short-term interest rates of late spring and early summer—probably had about run their course. According to the analysis, if money market conditions were similar to those prevailing or slightly easier, M_1 would begin to grow again in December and would expand faster over the first quarter—at a pace more nearly in line than recently with growing transactions demands. For M_2 , prospects favored a fourth-quarter rate of growth somewhat above the 4.5 per cent annual rate recorded in the third quarter.¹ Only a small further step-up in growth of M_2 was anticipated in early 1972, however, because inflows of consumer-type time and savings deposits were expected to slow as consumer spending expanded. As to the bank credit proxy, it appeared likely that the rise over the fourth quarter would be held to modest proportions by a decline in U.S. Government deposits from their high September level.

In the Committee's discussion it was noted that business and

¹ Calculated on the basis of the daily-average level in the last month of the quarter relative to that of the preceding quarter.

consumer confidence was being adversely affected by widespread uncertainties connected with the transition from the 90-day freeze to the post-freeze stabilization program and with the unsettled international monetary situation. The view was expressed that it would be particularly unfortunate in this climate for the recent weak performance of the monetary aggregates to persist for long, since the lack of significant growth in the aggregates could become an important independent source of uncertainty. At the same time, some members cautioned against unduly aggressive action to stimulate monetary expansion.

The Committee decided that open market operations in the coming period should be directed at promoting somewhat greater growth in monetary and credit aggregates over the months ahead, recognizing that pursuit of that objective might require appreciably easier money market conditions. The following current economic policy directive was issued to the Federal Reserve Bank of New York:

The information reviewed at this meeting indicates that real output of goods and services expanded modestly in the third quarter, but greater growth appears in prospect for the current quarter. Although the unemployment rate has declined recently, it remains high. Available data indicate that the 90-day freeze effectively limited increases in prices and wages, and basic policies for the post-freeze stabilization program have been announced. The narrowly defined money stock declined further in October, but inflows of consumer-type time and savings deposits to banks expanded considerably and the broadly defined money stock increased moderately. Expansion in the bank credit proxy slowed substantially as the volume of large-denomination CD's outstanding rose less than in September and as U.S. Government deposits were reduced. Interest rates on both short- and long-term market securities have continued to decline in recent weeks and Federal Reserve discount rates were reduced by one-quarter of a percentage point to $4\frac{3}{4}$ per cent. The U.S. foreign trade balance was raised in September by a sharp acceleration of export shipments in advance of an East Coast port strike. In recent weeks net outflows of short-term capital apparently have diminished further, market exchange rates for foreign currencies against the dollar on average have not changed much, and foreign official reserve holdings have increased less than they did

in September. In light of the foregoing developments, it is the policy of the Federal Open Market Committee to foster financial conditions consistent with the aims of the new governmental program, including sustainable real economic growth and increased employment, abatement of inflationary pressures, and attainment of reasonable equilibrium in the country's balance of payments.

To implement this policy, the Committee seeks to promote somewhat greater growth in monetary and credit aggregates over the months ahead. System open market operations until the next meeting of the Committee shall be conducted with a view to achieving bank reserve and money market conditions consistent with that objective.

Votes for this action: Messrs. Burns, Hayes, Brimmer, Clay, Daane, Kimbrel, Maisel, Mayo, Mitchell, Morris, and Robertson. Votes against this action: None.

MEETING HELD ON DECEMBER 14, 1971

1. Authority to effect transactions in System Account.

The latest estimates of the Commerce Department indicated that real output of goods and services had risen at an annual rate of about 4 per cent in the third quarter of 1971 despite the sharp cut in inventory investment associated with elimination of the steel strike threat on August 1. It appeared that real GNP was increasing at a more rapid rate in the fourth quarter—mainly because of an upturn in inventory investment and a greater gain in the real volume of consumer spending—and that prices were rising at a relatively slow pace from the third to the fourth quarter. Staff projections suggested that the faster rate of growth in real GNP would be sustained in the first half of 1972.

In November industrial production rose substantially further, reflecting gains in output for both finished goods and materials in addition to expansion in coal mining after the strike settlement in midmonth. Nonfarm payroll employment advanced moderately, but the unemployment rate rose from 5.8 to 6.0 per cent as growth in the civilian labor force picked up again after having slowed in October. Contrary to earlier indications, it now appeared that total retail sales had declined in October, but early estimates for November suggested an upturn despite some slackening in sales of new automobiles.

Industrial commodity prices and average hourly earnings in manufacturing changed little from October to November. During the period of the 90-day freeze—mid-August to mid-November—the rate of increase in prices and wages was sharply lower than earlier in the year. In late November and early December, after the freeze ended, the Price Commission received requests for increases from many of the companies required to obtain prior approval. Some requests were granted in full and some in part, and others were held in abeyance pending receipt of additional information. Thus far the Pay Board had announced only a few decisions under the post-freeze guidelines.

The latest staff projections for the first half of 1972 were generally similar to those of 4 weeks earlier, although—in line with recent surveys of business spending intentions—the projected rise in busi-

ness capital outlays had been revised upward somewhat. As before, it was anticipated that the rate of expansion in consumer spending would remain substantial, reflecting reductions in taxes and assumed increases in social security benefits as well as gains in wage and salary payments; that State and local government expenditures would continue to grow rapidly; that residential construction would advance moderately; and that business inventory investment would increase further.

The flow of U.S. merchandise trade declined sharply in October, after having accelerated in September in anticipation of the strike at East Coast and Gulf ports that began on October 1. The decline—like the earlier rise—was greater for exports than for imports. Moreover, exports in October were adversely affected by the coal strike, and they benefited less than imports from the resumption of work at West Coast ports. Consequently, the trade surplus that had emerged in September was succeeded in October by a deficit of record proportions.

In foreign exchange markets attitudes had been influenced in recent weeks by the introduction of legislation that would give the President authority to change the dollar price of gold and by reports of progress in international negotiations at the Rome meeting of the Group of Ten. These developments were interpreted as enhancing prospects for a near-term realignment of exchange rates in which most major currencies would appreciate further against the dollar. As a consequence, outflows of short-term capital from the United States were substantial in late November and early December. Official reserves of some countries increased considerably and market exchange rates for most major currencies appreciated against the dollar. Another meeting of the Group of Ten was scheduled to begin in Washington on December 17.

In domestic financial markets, interest rates on long-term bonds and on Treasury bills rose in late November, but they turned down again in early December and by midmonth they were close to or below the levels of 4 weeks earlier. In capital markets dealers' inventories of U.S. Government securities increased sharply following the Treasury's mid-November financing—which included a pre-refunding of issues maturing in May and August 1972—and the volume of new offerings of corporate and State and local government

bonds rose moderately from October to November. These developments contributed to the upward pressures on bond yields in late November, but thereafter markets were strengthened by reports of progress at the Group of Ten meeting in Rome and by Federal Reserve purchases of Treasury coupon issues for System account and for foreign official accounts.

The rise in Treasury bill rates in late November was related in part to a large issue of tax-anticipation bills, and the subsequent decline to a sharp expansion in demands for bills by the foreign central banks experiencing gains in reserves. The market rate on 3-month bills was about 3.95 per cent on the day before this meeting of the Committee, compared with 4.15 per cent 4 weeks earlier. Federal Reserve discount rates, which had been reduced $\frac{1}{4}$ of a percentage point in mid-November, were lowered by an additional $\frac{1}{4}$ of a point, to $4\frac{1}{2}$ per cent, at four Reserve Banks effective December 13.

Yields in the secondary market for federally insured mortgages apparently declined further in November. According to preliminary estimates, inflows of savings to nonbank thrift institutions continued to slow.

At commercial banks, business loans declined somewhat in November, and total loans advanced relatively little even though real estate and consumer loans continued to expand rapidly. Banks increased their holdings of securities.

The narrowly defined money stock (private demand deposits plus currency in circulation, or M_1) changed little from October to November and had not grown on balance since August. The broader measure of money (M_1 plus commercial bank time deposits other than large-denomination CD's, or M_2) continued to expand at a moderate rate, however, as inflows of consumer-type time and savings deposits remained rapid. Growth in the adjusted bank credit proxy—daily-average member bank deposits, adjusted to include funds from nondeposit sources—rose sharply, reflecting expansion in U.S. Government deposits and in nondeposit liabilities. Owing in part to the weakness in business loan demands, banks had reduced offering rates on large-denomination CD's in September and October, and the average volume of such CD's outstanding declined in November.

System open market operations in the period since the last meeting

of the Committee had been directed at achieving a further gradual relaxation of money market conditions, with cognizance being taken of the behavior of the monetary aggregates, particularly the continuing lack of growth in M_1 . Operations were complicated in late November by an unanticipated shortfall in nonborrowed reserves, and the Federal funds rate and member bank borrowings increased temporarily. At the time of this meeting the funds rate was about $4\frac{3}{8}$ per cent, down from the level of about $4\frac{3}{4}$ per cent prevailing shortly before the preceding meeting. In the 4 weeks ending December 8, borrowings averaged about \$395 million, compared with about \$270 million in the preceding 4 weeks.

Staff analysis suggested that an easing of money market conditions during coming weeks probably would be required if M_1 were to expand at moderate rates in December and January, and that such easing would be associated with some step-up in the rate of growth in M_2 . It was noted, however, that the outlook for the monetary aggregates was particularly uncertain at this time because of factors related to possible international flows of funds. It appeared likely that an agreement on new exchange rates in the current negotiations would stimulate reflows of funds from abroad, which in turn could have substantial—if perhaps temporary—effects on the monetary aggregates. However, the size and timing of any such reflows could not be foreseen with assurance. In addition, there was considerable uncertainty about the extent to which recent amendments to regulations of the Office of Foreign Direct Investment would delay the usual year-end corporate repatriation of liquid funds.

In the Committee's discussion a number of members expressed the view that more aggressive actions to stimulate monetary growth were needed at this time in the interest of fostering the desired expansion of economic activity and employment. In their judgment the risk of rekindling inflationary pressures and expectations by such actions was considerably less now than it had been earlier in the year. Considerable concern was expressed about the persistent weakness of key monetary aggregates despite the progressive easing of money market conditions in recent months. Reference was made in this connection not only to the absence of net growth in M_1 since August but also to the low average rate of increase in total member bank reserves during that period.

Other members, while agreeing that it would be desirable to promote adequate growth in the aggregates over coming months, advocated more cautious and gradual measures. They noted that the rate of increase in M_1 had been very high in the first 7 months of the year, and they expressed concern about unduly aggressive action to ease money market conditions at this time in part because of the risk that such action might generate excessive rates of monetary growth in the near future. They also suggested that substantial weight should be given to the behavior of other key aggregates, noting in this connection that M_2 and the bank credit proxy had been expanding more rapidly than M_1 in recent months.

At the conclusion of the discussion the Committee agreed that open market operations should be directed at promoting the degree of ease in bank reserve and money market conditions essential to greater growth in monetary aggregates over the months ahead. The following current economic policy directive was issued to the Federal Reserve Bank of New York:

The information reviewed at this meeting suggests that real output of goods and services is increasing more rapidly in the current quarter than it had in the third quarter, but the unemployment rate remains high. Increases in prices and wages were effectively limited by the 90-day freeze, which ended in mid-November. Since then some wage and price increases have occurred, but other increases requested have been cut back or not approved by the Pay Board and the Price Commission. The narrowly defined money stock changed little in November and has not grown on balance since August. Inflows of consumer-type time and savings deposits to banks remained rapid in November and the broadly defined money stock continued to increase moderately. Expansion in the bank credit proxy stepped up as U.S. Government deposits and nondeposit liabilities increased on average. After advancing in the latter part of November, most market interest rates have been declining recently, and discount rates at four Federal Reserve Banks were reduced by an additional one-quarter of a percentage point. The U.S. foreign trade balance was heavily in deficit in October. In recent weeks net outflows of short-term capital apparently have been substantial, market exchange rates for foreign currencies against the dollar on average have risen further, and official reserve holdings of some countries have increased considerably. In light of the foregoing

developments, it is the policy of the Federal Open Market Committee to foster financial conditions consistent with the aims of the new governmental program, including sustainable real economic growth and increased employment, abatement of inflationary pressures, and attainment of reasonable equilibrium in the country's balance of payments.

To implement this policy, the Committee seeks to promote the degree of ease in bank reserve and money market conditions essential to greater growth in monetary aggregates over the months ahead.

Votes for this action: Messrs. Burns, Hayes, Brimmer, Clay, Daane, Kimbrel, Maisel, Mayo, Mitchell, Morris, and Robertson. Votes against this action: None.

Subsequent to this meeting, on December 20, 1971, Committee members voted unanimously to amend this current economic policy directive by adding the clause "while taking account of international developments" at the end of the final sentence. As amended, that sentence read as follows:

To implement this policy, the Committee seeks to promote the degree of ease in bank reserve and money market conditions essential to greater growth in monetary aggregates over the months ahead, while taking account of international developments.

This action was taken following the announcement that agreement regarding exchange rates and related matters had been reached on December 18 at the Group Ten meeting in Washington. The Manager had advised that, if the agreement was followed by substantial reflows of funds to the United States, considerable flexibility in open market operations might be required to cope with the resulting churning in domestic financial markets. The members decided that the directive should be amended to affirm the Committee's intention to authorize the operations that might be needed.

2. Action with respect to continuing authority directive.

On December 23, 1971, a majority of Committee members voted to suspend, until close of business on the day of the next meeting of the Committee, the lower limit (set forth in paragraph 1(c) of the continuing authority directive with respect to domestic open market

operations) on interest rates on repurchase agreements arranged by the Federal Reserve Bank of New York with nonbank dealers. The suspended provision specified that such repurchase agreements were to be made "at rates not less than (1) the discount rate of the Federal Reserve Bank of New York at the time such agreement is entered into, or (2) the average issuing rate on the most recent issue of 3-month Treasury bills, whichever is the lower."

This action was taken after the Manager had advised that occasions might arise in the next few weeks when it would be desirable to make fairly extensive use of repurchase agreements in order to supply reserves on a flexible temporary basis, in anticipation of possible large-scale sales of U.S. Treasury bills by foreign central banks; and that in light of prevailing costs of funds to dealers it was doubtful that the New York Reserve Bank would be able to arrange repurchase agreements in any significant volume under existing rate limitations. It was understood that the authority to make repurchase agreements at rates lower than those authorized previously would be used sparingly, and only as deemed necessary to accomplish Committee objectives; and that rates below 3½ per cent would not be employed without prior notification to the Committee.

Votes for this action: Messrs. Brimmer, Clay, Daane, Kimbrel, Maisel, Mayo, Mitchell, Morris, and Treiber. Vote against this action: Mr. Robertson.

Unavailable and not voting: Messrs. Burns and Hayes. (Mr. Treiber voted as alternate for Mr. Hayes.)

Mr. Robertson dissented from this action because he believed that the desired injection of funds into the market by the Federal Reserve should be through the outright purchase of U.S. Government securities rather than through repurchase transactions which, in his judgment, actually constituted low-rate loans to securities dealers. He indicated that he was reluctant to increase the profits of dealers by providing them with low-cost Federal Reserve funds merely to avoid temporarily raising the price (lowering the yield) of Treasury securities by purchasing them outright.

Law Department

Statutes, regulations, interpretations, and decisions

BANK HOLDING COMPANIES

The Board of Governors has under consideration proposed amendments to § 225.4(a) and (b) of Regulation Y, "Bank Holding Companies", which were published in the Federal Register of December 28, 1971 (36 F.R. 25048). Pending consideration of the proposals, the Board of Governors has suspended the operation of § 225.4(b)(3) of Regulation Y until further notice.

The Board of Governors has amended subparagraph (5) of § 225.4(a) of Regulation Y, effective February 1, 1972, to add "serving as investment adviser to investment companies registered under the Investment Company Act of 1940" to the list of activities that it has determined to be closely related to banking or managing banks. An accompanying interpretation of Regulation Y expresses the Board's views on several questions that arose during consideration of this matter concerning the scope of the new activity and the applicability thereto of certain provisions of the Banking Act of 1933. The text of the amendment and of the interpretation read as follows:

AMENDMENT TO REGULATION Y

Effective February 1, 1972, § 225.4(a)(5) is amended to read as follows:

SECTION 225.4—NONBANKING ACTIVITIES

(a) **Activities closely related to banking or managing or controlling banks.** * * * The following activities have been determined by the Board to be so closely related to banking or managing or controlling banks as to be a proper incident thereto:

* * * * *

(5) acting as investment or financial adviser, including (i) serving as the advisory company for a mortgage or a real estate investment trust; (ii) serving as investment adviser, as defined in § 2(a)(20) of the Investment Company Act of 1940, to an investment company registered under that

Act; and (iii) furnishing economic or financial information;**

INTERPRETATION OF REGULATION Y

INVESTMENT ADVISER ACTIVITIES

Effective February 1, 1972, the Board of Governors amended § 225.4(a) of Regulation Y to add "serving as investment adviser, as defined in § 2(a)(20) of the Investment Company Act of 1940, to an investment company registered under that Act" to the list of activities it has determined to be so closely related to banking or managing or controlling banks as to be a proper incident thereto. During the course of the Board's consideration of this amendment several questions arose as to the scope of such activity, particularly in view of certain restrictions imposed by sections 16, 20, 21 and 32 of the Banking Act of 1933 (12 U.S.C. 24, 377, 378, 78) (sometimes referred to hereinafter as the "Glass-Steagall Act provisions") and the United States Supreme Court's decision in *Investment Company Institute v. Camp*, 401 U.S. 617 (1971). The Board's views with respect to some of these questions are set forth below.

It is clear from the legislative history of the Bank Holding Company Act Amendments of 1970 (84 Stat. 1760) that the Glass-Steagall Act provisions were not intended to be affected thereby. Accordingly, the Board regards the Glass-Steagall Act provisions and the Board's prior interpretations thereof as applicable to a holding company's activities as an investment adviser. Consistently with the spirit and purpose of the Glass-Steagall Act, this interpretation applies to all bank holding companies registered under the Bank Holding Company Act irrespective of whether they have subsidiaries that are member banks.

**For an interpretation relating to the scope of the activity described in (ii) see 12 CFR 225.125. Acting as a management consultant is not regarded by the Board as within this activity (5). Whether to propose expanding activity (5) to include management consulting is under consideration by the Board.

Under § 225.4(a)(5), as amended, bank holding companies (which term, as used herein, includes both their bank and nonbank subsidiaries) may, in accordance with the provisions of § 225.4(b), act as investment advisers to various types of investment companies, such as "open-end" investment companies (commonly referred to as "mutual funds") and "closed-end" investment companies. Briefly, a mutual fund is an investment company which, typically, is continuously engaged in the issuance of its shares and stands ready at any time to redeem the securities as to which it is the issuer; a closed-end investment company typically does not issue shares after its initial organization except at infrequent intervals and does not stand ready to redeem its shares.

The Board intends that a bank holding company may exercise all functions that are permitted to be exercised by an "investment adviser" under the Investment Company Act of 1940, except to the extent limited by the Glass-Steagall Act provisions, as described, in part, hereinafter.

The Board recognizes that presently most mutual funds are organized, sponsored and managed by investment advisers with which they are affiliated and that their securities are distributed to the public by such affiliated investment advisers, or subsidiaries or affiliates thereof. However, the Board believes that (i) the Glass-Steagall Act provisions do not permit a bank holding company to perform all such functions, and (ii) it is not necessary for a bank holding company to perform all such functions in order to engage effectively in the described activity.

In the Board's opinion, the Glass-Steagall Act provisions, as interpreted by the U.S. Supreme Court, forbid a bank holding company to sponsor, organize or control a mutual fund. However, the Board does not believe that such restrictions apply to closed-end investment companies as long as such companies are not primarily or frequently engaged in the issuance, sale and distribution of securities. In no case, however, should a bank holding company act as investment adviser to an investment company which has a name that is similar to, or a variation of, the name of the holding company or any of its subsidiary banks.

In view of the potential conflicts of interests that may exist, a bank holding company and its bank and nonbank subsidiaries should not (i) purchase for their own account securities of any investment company for which the bank holding company

acts as investment adviser; (ii) purchase in their sole discretion, any such securities in a fiduciary capacity (including as managing agent); (iii) extend credit to any such investment company; or (iv) accept the securities of any such investment company as collateral for a loan which is for the purpose of purchasing securities of the investment company.

A bank holding company should not engage, directly or indirectly, in the sale or distribution of securities of any investment company for which it acts as investment adviser. Prospectuses or sales literature should not be distributed by the holding company, nor should any such literature be made available to the public at any offices of the holding company. In addition, officers and employees of bank subsidiaries should be instructed not to express any opinion with respect to advisability of purchase of securities of any investment company for which the bank holding company acts as investment adviser. Customers of banks in a bank holding company system who request information on an unsolicited basis regarding any investment company for which the bank holding company acts as investment adviser may be furnished the name and address of the fund and its underwriter or distributing company, but the names of bank customers should not be furnished by the bank holding company to the fund or its distributor. Further, a bank holding company should not act as investment adviser to a mutual fund which has offices in any building which is likely to be identified in the public's mind with the bank holding company.

Acting in such capacities as registrar, transfer agent, or custodian for an investment company is not a selling activity and is permitted under § 225.4 (a)(4) of Regulation Y. However, in view of potential conflicts of interests, a bank holding company which acts both as custodian and investment adviser for an investment company should exercise care to maintain at a minimal level demand deposit accounts of the investment company which are placed with a bank affiliate and should not invest cash funds of the investment company in time deposit accounts (including certificates of deposit) of any bank affiliate.

DELEGATION OF AUTHORITY

The Board of Governors has also expanded the authority of the Federal Reserve Banks to include approval of the acquisition by bank holding companies of (1) a controlling interest in the shares of

a newly-formed bank, within specified limitations, and (2) shares of a subsidiary bank to the extent the shares are acquired through the exercise of rights received as a bank shareholder. In addition, the Board clarified that the Reserve Banks' authority to approve the formation of a one-bank holding company includes authority to approve merger and/or membership applications that are incidental to such formation. To accomplish these delegations the Board has amended its Rules Regarding Delegation of Authority, effective January 22, 1972, as follows:

AMENDMENT TO RULES REGARDING DELEGATION OF AUTHORITY

Effective January 22, 1972, § 265.2(f)(22) is amended and § 265.2(f)(23) and (24) are added to read as follows:

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

* * * * *

(f) **Each Federal Reserve Bank** is authorized, as to member banks or other indicated organizations headquartered in its district:

* * * * *

(22) Under the provisions of section 3(a)(1) of the Bank Holding Company Act (12 U.S.C. 1842), to approve the acquisition by a company of a controlling interest in the voting shares of one bank, if (i) no objection to the proposed acquisition has been made by the bank's supervisory authority, (ii) no significant policy issue is raised by the proposal as to which the Board has not expressed its views, and (iii) neither the holding company nor any of its subsidiaries or affiliates is engaged in any activities other than those specifically permissible for bank holding companies by either the Act or Part 225 of this chapter (Regulation Y).²

(23) Under the provisions of section 3(a)(3) of the Bank Holding Company Act (12 U.S.C. 1842), to approve the acquisition by a bank holding company of additional shares in a subsidiary bank that are to be acquired through exercise of rights received, on a pro rata basis, by the bank's shareholders.

(24) Under the provisions of section 3(a)(3) of the Bank Holding Company Act (12 U.S.C.

1842), to approve the acquisition of a controlling interest in the shares of a newly-formed bank, if (i) no objection to the proposed acquisition has been made by the bank's supervisory authority, (ii) no significant policy issue is raised by the proposal as to which the Board has not expressed its views, and (iii) the Reserve Bank determines that:

(a) the general condition of the holding company and its bank subsidiaries is satisfactory;

(b) (1) the holding company has either a proven record of furnishing to its subsidiary banks, when needed, special services, management, capital funds, or general guidance, or (2) in the case of a relatively new holding company, the Reserve Bank is satisfied that the company has the potential to provide such services;

(c) (1) bank subsidiaries of the holding company do not hold in the aggregate more than 20 per cent of the commercial bank deposits in the relevant market area and (2) the holding company is not one of the dominant banking organizations in the State.

ORDERS UNDER BANK MERGER ACT

THE AUGLAIZE COUNTY BANK,
ST. MARYS, OHIO

ORDER APPROVING APPLICATION FOR MERGER OF BANKS

The Auglaize County Bank, St. Marys, Ohio, which is to be a member State bank of the Federal Reserve System, has applied for the Board's approval pursuant to the Bank Merger Act (12 U.S.C. 1828(c)) of the merger of that bank with The Home Banking Company, St. Marys, Ohio. As an incident to the merger, the present offices of The Home Banking Company would become branches of The Auglaize County Bank.

As required by the Act, notice of the proposed merger, in form approved by the Board, has been published, and the Board has requested reports on competitive factors from the Attorney General, the Comptroller of the Currency, and the Federal Deposit Insurance Corporation.

The Board has considered the application and all comments and reports received in the light of the factors set forth in the Act, and finds that:

Applicant is a wholly owned subsidiary of Central Bancorporation, Inc., a registered bank holding company. The proposed merger is one step in a plan of corporate reorganization whereby Central Bancorporation, Inc. is to acquire all of the capital stock of The Home Banking Company. Central Bancorporation has already received approval of the Board under the Bank Holding Com-

²This delegation includes authority to approve (a) a merger transaction under the provisions of section 18(c) of the Federal Deposit Insurance Act (12 U.S.C. 1828(c)) and (b) an application, under section 9 of the Federal Reserve Act (12 U.S.C. 321), for membership in the Federal Reserve System that are incidental to an application to become a one-bank holding company.

pany Act to acquire The Home Banking Company (36 Federal Register 18034).

The proposed merger of The Home Banking Company and Applicant, a nonoperating bank formed solely to facilitate the corporate reorganization described above, would itself have no effect on competition or on banking convenience and needs. The financial and managerial resources and prospects of The Home Banking Company are satisfactory, as they will be with respect to the resulting bank.

Accordingly, the Board concludes that the application should be approved.

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

By order of the Board of Governors, January 18, 1972.

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

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

MECHANICS AND FARMERS' BANK OF
ALBANY, ALBANY, NEW YORK
ORDER APPROVING APPLICATION FOR
MERGER OF BANKS

Mechanics and Farmers' Bank of Albany, Albany, New York ("Mechanics Bank"), a member State bank of the Federal Reserve System, has applied for the Board's approval pursuant to the Bank Merger Act (12 U.S.C. 1828(c)) of the merger of that bank with The Tanners National Bank of Catskill, Catskill, New York ("Tanners National"), under the charter and title of Mechanics Bank. As an incident to the merger, the two present offices of Tanners National would become branches of the resulting bank.

As required by the Act, notice of the proposed merger, in form approved by the Board, has been published, and the Board has requested reports on competitive factors from the Attorney General, the Comptroller of the Currency, and the Federal Deposit Insurance Corporation.

The Board has considered the application and all comments and reports received in the light of the factors set forth in the Act, and finds that:

Mechanics Bank (\$34 million deposits), a wholly-owned subsidiary of The Bank of New York Company, Inc., New York, New York, the ninth largest banking organization in the State, operates two offices in the City of Albany and two offices in Albany County, in New York's Fourth Banking District. The Bank of New York Company, Inc., has no other subsidiary located in the Fourth District, wherein Mechanics Bank ranks as the sixteenth largest of 35 banks, holding 1.1 per cent of this District's commercial bank deposits. Mechanics Bank is the smallest bank operating in the City of Albany.

Tanners National (\$9 million deposits), the smaller of two commercial banks in Catskill, operates two offices in the town and serves an area comprised of Greene County wherein it ranks as fifth largest of the six banks operating in the county. Four of the five competing banks in the county are subsidiaries of multi-bank holding companies and are the largest banks headquartered in New York's Fourth Banking District. Tanners National is the twenty-sixth largest bank in the District and controls only 0.3 per cent of the District's deposits.

The closest offices of Mechanics Bank and Tanners National are 33 miles apart, and there is no significant existing competition between them. It appears that the proposed merger would not foreclose any substantial amount of potential competition because of the distances involved and the presence of intervening banking offices. Tanners Bank is presently closely affiliated with Catskill's other bank, Catskill Savings Bank, through interlocking directorates, and it appears that consummation of the proposed merger would serve to stimulate competition by severing this affiliation by eliminating the existing home office protection. Moreover, *de novo* entry appears unlikely since there are already three commercial banking offices in the village of Catskill, which has a population of 5,317. It appears that consummation of the proposed merger would not materially increase the concentration of banking resources in the Fourth Banking District nor adversely affect other banks operating therein.

Based upon all the facts revealed in the record, the Board concludes that the merger would not have an adverse effect on competition in any relevant area. Considerations under convenience and needs lend some weight toward approval of the proposal since the residents of the town of Catskill would benefit by the addition of an alternative, full service banking facility. The banking factors as they pertain to Mechanics Bank and Tanners Na-

tional are satisfactory, and the future prospects of the resulting bank appear favorable. It is the Board's judgment that consummation of the proposal would be in the public interest and that the action 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 date of this Order or (b) later than three months after the date of this Order, unless such period is extended for

good cause by the Board, or by the Federal Reserve Bank of New York pursuant to delegated authority.

By order of the Board of Governors, January 25, 1972.

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

[SEAL]

(Signed) TYNAN SMITH,
Secretary of the Board.

**ORDERS UNDER SECTION 3 OF BANK HOLDING
COMPANY ACT**

JACOB SCHMIDT COMPANY AND
AMERICAN BANCORPORATION, INC.,
ST. PAUL, MINNESOTA

ORDER APPROVING ACQUISITION OF BANK

Jacob Schmidt Company and American Bancorporation, Inc., both of St. Paul, Minnesota (hereinafter jointly referred to as "Applicant"), are bank holding companies within the meaning of the Bank Holding Company Act and have applied for the Board's approval under § 3(a)(3) of the Act (12 U.S.C. 1842(a)(3)) for American Bancorporation to acquire 100 per cent of the voting shares (less directors' qualifying shares) of Lake City State Bank, Lake City, Minnesota ("Bank"). Jacob Schmidt Company, which owns 57.8 per cent of American Bancorporation, Inc.'s outstanding voting stock, would acquire indirect control of Bank.

Notice of receipt of the application has been given in accordance with § 3(b) of the Act, and 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:

Applicant controls two banks with aggregate deposits of \$197 million, representing 2.1 per cent of the total commercial bank deposits in the State, and is the fifth largest bank holding company in Minnesota. (All banking data are as of June 30, 1971, and reflect holding company formations and acquisitions approved through November 30, 1971.) Applicant's acquisition of Bank (\$11 million in deposits) would increase Applicant's share of deposits in the State by 0.1 percentage point. Bank, the only bank located in Lake City (estimated population: 3,600), is the third largest of five banks in the Red Wing banking market which is approximated by the northeast section of Wabasha County and the southwest section of Goodhue County, and holds 16.8 per cent of deposits in that market. Applicant's subsidiary located closest to Bank is about 55 miles distant; and it appears that consummation of the transaction would not eliminate existing competition. On the facts of record, notably, the distances involved, the number of banks in the intervening areas between Bank and Applicant's subsidiaries, and Minnesota's prohibitive branching law, there appears to be little likelihood that significant competition

between Bank and Applicant would develop in the future. The Board concludes, therefore, that consummation of the proposed acquisition would not adversely affect competition in any relevant area.

Bank appears to be satisfactorily serving the financial needs of the community it serves; however, affiliation with Applicant would improve the quality, and expand the number of services Bank currently offers to the community. Affiliation with Applicant would increase the lending capability of Bank through participation arrangements with Applicant's present subsidiary banks, and would enable Bank to benefit from certain internal efficiencies resulting from a holding company structure. Additionally, Bank will be in a position to provide trust, travel and international services. Applicant also proposes to build a new facility for Bank, including in such plans drive-in facilities, off-street parking, and a "community room." Considerations relating to the convenience and needs of the communities to be served lend some weight toward approval.

Considerations relating to financial and managerial resources and future prospects as they relate to Applicant, its subsidiaries and Bank, are regarded as satisfactory. Applicant's proposed public offering will retire the debt incurred in the acquisition of Bank. Management expertise to be made available to Bank by Applicant lends weight toward approval of the application. Banking factors are believed 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.

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 date of this Order or (b) later than three months after the date of this Order, unless such period is extended for good cause by the Board, or by the Federal Reserve Bank of Minneapolis pursuant to delegated authority.

By order of the Board of Governors, January 4, 1972.

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

[SEAL]

(Signed) TYNAN SMITH,
Secretary of the Board.

BANCOHIO CORPORATION,
COLUMBUS, OHIO

ORDER APPROVING ACQUISITION OF BANK

BancOhio Corporation, Columbus, Ohio, 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 Community National Bank, Loveland, Ohio ("Bank"), a proposed new bank.

Notice of receipt of the application has been given in accordance with § 3(b) of the Act, and 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:

Applicant, the second largest banking organization in Ohio, controls 29 banks with aggregate deposits of \$1.6 billion, representing 7.3 per cent of total commercial bank deposits in the State. (All banking data are as of June 30, 1971 and reflect holding company formations and acquisitions approved through November 30, 1971.)

Bank will be located in the town of Loveland which is part of the Cincinnati banking market. The banking needs of the community have been served since 1958 by a branch of a bank headquartered in Milford. Because Loveland is located in three counties, Bank will have the future possibility of branching into these counties. Applicant has no subsidiaries in these counties and the nearest office of a subsidiary, located 30 miles from Bank, draws no business from Loveland. Since Bank is a new Bank, approval of the acquisition would not result in the elimination of existing competition nor in the foreclosure of future competition. Based on the record before it, the Board concludes that consummation of the proposed acquisition would not adversely affect competition in any relevant area. In fact, competition may be stimulated by the provision of a new banking alternative in the area.

The financial and managerial resources and prospects of Applicant, its subsidiary banks, and Bank are regarded as satisfactory and these considerations are consistent with approval of the application. Applicant has stated that citizens of Loveland were seeking additional banking facilities. It appears that residents and businessmen would benefit from an additional banking source and hence considerations related to convenience

and needs of the community favor approval of the application. It is the Board's judgment that the proposed acquisition would be in the public interest and that the application should be approved.

On the basis of the record, the application is approved for the reasons summarized above. The transaction shall not be consummated (a) before the thirtieth calendar day following the date of this Order or (b) later than three months after the date of this Order; and (c) The Community National Bank, Loveland, Ohio, shall be opened for business not later than six months after the date of this Order. Each of the periods described in (b) and (c) may be extended for good cause by the Board, or by the Federal Reserve Bank of Cleveland pursuant to delegated authority.

By order of the Board of Governors, January 4, 1971.

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

(Signed) TYNAN SMITH,
Secretary of the Board.

[SEAL]

UNITED MISSOURI BANCSHARES, INC.,
KANSAS CITY, MISSOURI

ORDER DENYING ACQUISITION OF BANK

United Missouri Bancshares, Inc., Kansas City, Missouri (formerly Missouri Bancshares, Inc.), has applied for the Board's approval under § 3(a)(3) of the Bank Holding Company Act (12 U.S.C. 1842(a)(3)) to acquire 80 per cent or more of the voting shares of Bank of Jacomo, Blue Springs, Missouri ("Bank").

Notice of receipt of the application has been given in accordance with § 3(b) of the Act, and the time for filing comments and views has expired. 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 the basis of the record, the application is denied for the reasons set forth in the Board's Statement of this date.

By order of the Board of Governors, January 6, 1972.

Voting for this action: Vice Chairman Robertson and Governors Mitchell, Daane, Maisel, and Brimmer. Absent and not voting: Chairman Burns. Governor Sheehan did not participate in the Board's action in this matter.

(Signed) TYNAN SMITH,
Secretary of the Board.

[SEAL]

STATEMENT

United Missouri Bancshares, Inc., Kansas City, Missouri, a registered bank holding company, has applied to the Board of Governors, pursuant to section 3(a)(3) of the Bank Holding Company Act of 1956 (12 U.S.C. 1842(a)(3)), for prior approval of the acquisition of 80 per cent or more of the voting shares of Bank of Jacomo, Blue Springs, Missouri ("Bank").

Statutory considerations. Applicant, the fourth largest banking organization in Missouri, controls 8 banks with aggregate deposits of approximately \$493.8 million, representing 4.3 per cent of total commercial bank deposits in the State. (All banking data are as of December 31, 1970, and reflect holding company formations and acquisitions approved by the Board through October 31, 1971.) As a result of consummation of the proposal herein, Applicant's share of commercial bank deposits in the State would be increased an insignificant amount, and its position in relation to the State's other banking organizations would remain unchanged.

Bank (\$3 million deposits), which received charter approval in March 1970 and opened for business on May 26, 1970, is located in suburban Kansas City, approximately twenty miles east of Applicant's largest subsidiary bank (\$380.6 million deposits) in downtown Kansas City. While both Bank and Applicant's lead bank operate in the Kansas City market and consummation of the proposal herein would tend to foreclose the development of competition between the two, consummation would not have such a serious adverse effect on competition as to require denial of the application.

In exercising its assigned statutory responsibility of reviewing the acquisition of a bank by a holding company, the Board considers not only the direct competitive effects of the acquisition but also all the other relevant circumstances to determine whether, on balance, the acquisition would be in the public interest. In considering all the relevant circumstances of this proposal, the Board finds that the public interest requires denial of the application.

In connection with its review of the application, the Board has considered a comment filed by the Missouri Commissioner of Finance indicating that he views with concern the practice whereby a bank is chartered *de novo* with the intention of realizing a profit through the early sale of the bank to a holding company. The Commissioner stated that it was not ". . . for the good of the banking

community to have banks chartered and sold immediately for a profit. It is further the attitude of this office that everyone who files a *de novo* application with the intent of negotiation with any holding company, the application will be denied."

In considering the public interest, the Board gives weight to a chartering authority being able to consider all of the relevant facts surrounding a proposal to establish a new bank including the probability that the ownership and management of a new bank will remain stable for a reasonable period of time.

Another area of concern to the Board in connection with this case is reflected in the prospect for a depressed earning rate on this investment as a result of the price being offered to the stockholders of Bank. The purchase price is equal to almost 200 per cent of Bank's book value and the premium is equal to about 22 per cent of Bank's deposits. This retarding effect on the earnings of the holding company if Applicant were to continue to dilute its earning capacity by offering premiums in future acquisitions such as appear in this case could be serious. The Board has previously expressed its concern about excessive premiums. (1971 Federal Reserve BULLETIN 838-839).

The present financial condition of Applicant and subsidiary banks is generally satisfactory, their management is capable, and prospects of the group appear favorable. As was noted earlier, Bank is a newly chartered organization, and its financial condition, management, and prospects are regarded as satisfactory whether as an affiliate of Applicant or as an independent. However, considerations relating to the financial factors are not such as to require approval of the application.

The major banking needs of the residents of the Blue Springs area appear to be adequately served at the present time by the existing institutions, and Applicant proposes no new services, except for trust services, which are not available from the other six banks in Bank's service area. Moreover, consummation of the proposal would remove an alternative source of banking services for those residents of Blue Springs who commute to Kansas City. Consequently, considerations relating to convenience and needs provide no substantial support for approval of the application.

Summary and conclusion. On the basis of all relevant facts in the record, and in light of the factors set forth in section 3(c) of the Act, it is the Board's judgment that the proposed acquisition would not be in the public interest, and that the application should be denied.

BANKS OF IOWA, INC.,
CEDAR RAPIDS, IOWA

ORDER APPROVING ACQUISITION OF BANK

Banks of Iowa, Inc., Cedar Rapids, Iowa, 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 Council Bluffs Savings Bank, Council Bluffs, Iowa ("Bank").

Notice of receipt of the application has been given in accordance with § 3(b) of the Act, and 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:

Applicant controls 3 banks with deposits of approximately \$262 million, representing 3.8 per cent of the total commercial bank deposits in the State, and is the second largest banking organization and bank holding company in Iowa.¹ Applicant's acquisition of Bank (deposits of \$52 million) would increase Applicant's share of deposits in the State by 0.8 percentage points.

Bank operates one office and three branches, and serves the Omaha-Council Bluffs banking market. Bank is the fourth largest of 34 banking organizations serving that market with 4.2 per cent of deposits. The three larger banking organizations serving this market are located in Omaha, Nebraska, on the western side of the Missouri River which bisects the Omaha-Council Bluffs market, and control approximately 65 per cent of the total market deposits. No existing competition would be eliminated as this acquisition represents Applicant's initial entry into the market, and the development of any meaningful competition between any of Applicant's existing subsidiaries and Bank appears remote in light of the distance involved, the closest subsidiary being 136 miles northeast of Bank's main office, and the State's highly restrictive branching laws. Some potential competition would be foreclosed since Applicant could be considered a likely entrant into the market through *de novo* entry or through the acquisition of a smaller bank, and Bank could be a strong addition to a smaller holding company. However, as a subsidiary of the second largest holding company in Iowa, Bank could readily present the needed

¹All banking data are as of June 30, 1971, and reflect holding company formations and acquisitions approved through December 15, 1971.

competitive force against the larger Omaha-based banks that eventually might result in a desirable deconcentration of this market. The immediate benefits of increasing competition within the market outweigh the potential benefits of Applicant's entry through alternate means.

On the basis of the record before it, the Board concludes that consummation of the proposed acquisition would not adversely affect competition in any relevant area. Affiliation with Applicant would increase Bank's lending capabilities through participations with Applicant's subsidiaries and special emphasis would be given to expansion of Bank's activities in computer services, trust administration, and investment counseling. Assistance in the area of municipal financing and international banking would also be provided. Considerations relating to the convenience and needs of the communities to be served lend some weight toward approval of the application.

Considerations relating to financial and managerial resources and prospects as they relate to Applicant, its subsidiaries, and Bank are considered satisfactory and 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.

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 date of this Order or (b) later than three months after the date of this Order, unless such period is extended for good cause by the Board, or by the Federal Reserve Bank of Chicago pursuant to delegated authority.

By order of the Board of Governors, January 12, 1972.

Voting for this action: Vice Chairman Robertson and Governors Daane, Maisel, and Brimmer. Absent and not voting: Chairman Burns, and Governor Mitchell. Governor Sheehan did not participate in the Board's action on this matter.

(Signed) TYNAN SMITH,
Secretary of the Board.

[SEAL.]

CITIZENS BANCORP.,
VINELAND, NEW JERSEY

ORDER APPROVING FORMATION OF BANK HOLDING
COMPANY

Citizens Bancorp., Vineland, New Jersey, has applied for the Board's approval under § 3(a)(1) of the Bank Holding Company Act (12 U.S.C. 1842(a)(1)) of formation of a bank holding com-

pany through acquisition of 100 per cent of the voting shares of Citizens State Bank, Vineland, New Jersey ("Citizens Bank"), and 100 per cent of the voting shares of Continental Bank of New Jersey, Maple Shade, New Jersey ("Continental Bank").

Notice of receipt of the application has been given in accordance with § 3(b) of the Act, and 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:

Applicant was recently formed for the purpose of acquiring the two proposed subsidiary banks. Upon acquisition of Citizens Bank (deposits of \$18.3 million) and Continental Bank (deposits of \$8.6 million), Applicant would become the smallest holding company in the State, controlling less than .2 per cent of commercial bank deposits in the State. (Banking data are as of June 30, 1971, unless otherwise noted, and reflect holding company formations and acquisitions approved through December 31, 1971.)

Citizens Bank, located in Vineland, is the seventh largest of thirteen banks in the Vineland-Millville-Bridgeton banking market, controlling 5 per cent of deposits in that market.

Continental Bank is located in Maple Shade which is 40 miles north of Vineland and is in the Camden banking market. Continental Bank, with less than 1 per cent of market deposits, is the 12th largest of fifteen banks there.

It appears that Citizens Bank and Continental Bank are owned by stockholders that control the Citizens National Bank of South Jersey, Bridgeton, New Jersey¹ (deposits of \$10 million), which is located in the same market as Citizens Bank. However, it does not appear that consummation of this proposal would significantly increase deposit concentration or have adverse competitive effects in the Vineland-Millville-Bridgeton banking market even if Citizens National Bank is considered as part of this proposal. On the facts presented, consummation of the proposal herein would not have an adverse effect on existing or potential competition in any relevant area nor would any competing bank be adversely affected.

Applicant's financial condition and future prospects are dependent on those of its proposed sub-

sidary banks. The financial and managerial resources and future prospects of the banks are generally satisfactory and consistent with approval. It appears that the present banking needs of the communities to be served are already being met. However, Applicant proposes to provide a greater effective lending capability to the Banks and form a data processing subsidiary, thereby providing an alternative source for specialized banking services. Therefore, considerations relating to the convenience and needs lend some weight toward approval. It is the Board's judgment that the proposed transaction would be in the public interest and that the application should be approved.

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

By order of the Board of Governors, January 13, 1972.

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

(Signed) TYNAN SMITH,
Secretary of the Board.

[SEAL.]

SOCIETY CORPORATION, CLEVELAND, OHIO

ORDER APPROVING ACQUISITION OF BANK

Society Corporation, Cleveland, Ohio, a bank holding company within the meaning of the Bank Holding Company Act, has applied for the Board's prior approval under § 3(a)(3) of the Act (12 U.S.C. 1842 (a)(3)) to acquire 100 per cent (less directors' qualifying shares) of the voting shares of The 1st State Bank & Trust Company, Columbus, Ohio ("Bank").

Notice of receipt of the application has been given in accordance with § 3(b) of the Act, and 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:

Applicant controls 11 banks with aggregate deposits of approximately \$1,147 million, representing 5.2 per cent of the total commercial bank

¹The Citizens National Bank of South Jersey is the resulting bank of a merger which will be consummated on January 14, 1972.

deposits in Ohio and is the fifth largest banking organization in the State. (All banking data are as of June 30, 1971, and reflect holding company formations and acquisitions approved by the Board through November 30, 1971.) Consummation of the acquisition of Bank (\$19 million deposits) would add less than .1 per cent to Applicant's percentage share of deposits and would not change its rank.

Though Bank is the ninth largest of 40 banking organizations in the Columbus area, it controls less than 1 per cent of the area deposits. Applicant's acquisition of Bank would constitute its initial entry in the Columbus area. Applicant's nearest subsidiary to Bank is located over 25 miles away, and there is little existing competition between this subsidiary or any other of Applicant's subsidiaries and Bank. Moreover, due to the distances involved and Ohio's branching law, and other facts of record, there appears to be only a slight possibility of substantial potential competition developing between any of Applicant's subsidiaries, or Applicant itself and Bank. On the other hand, Applicant's acquisition of Bank should make the latter a stronger competitor in the Columbus area, which is dominated by three large holding companies. On the basis of the record before it, the Board considers that consummation of the proposal would not adversely affect competition in any relevant area.

The financial and managerial resources and future prospects of Applicant, its subsidiaries, and Bank appear to be satisfactory and consistent with approval of the application. Considerations relating to the convenience and needs of the community to be served lend some weight toward approval of the application, since Applicant proposes to expand Bank's trust services; to provide participation lending arrangements; and to institute a credit card program. It is the Board's judgment that the proposed acquisition would be in the public interest and that the application should be approved.

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

By order of the Board of Governors, January 18, 1972.

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

(Signed) TYNAN SMITH,
Secretary of the Board.

[SEAL]

MERCANTILE BANCORPORATION INC.,
ST. LOUIS, MISSOURI

ORDER APPROVING ACQUISITION OF BANK

Mercantile Bancorporation Inc., St. Louis, Missouri, a bank holding company within the meaning of the Bank Holding Company Act, has applied for the Board's approval under § 3(a)(3) of the Act (12 U.S.C. 1842(a)(3)) to acquire up to 100 per cent of the voting shares of County Bank of St. Charles, St. Charles, Missouri ("Bank").

Notice of receipt of the application has been given in accordance with § 3(b) of the Act, and 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:

Applicant, the largest banking organization and largest bank holding company in Missouri on the basis of deposits, has five subsidiary banks with aggregate deposits of \$1.12 billion, representing 9.8 per cent of the total commercial bank deposits in the State. (All banking data are as of June 30, 1971, adjusted to reflect holding company acquisitions and formations approved by the Board through November 30, 1971.) Consummation of the proposal herein would increase Applicant's share of commercial bank deposits in the State by less than .1 percentage point.

Bank (\$9.7 million of deposits) is one of the smaller banks operating in the St. Louis banking market, and is the smallest of four banks in Bank's primary service area, which is approximated by St. Charles and the immediate surrounding area. The St. Charles area has enjoyed substantial population growth in the past, and the prospects for the area's economic growth appear highly favorable. Two of Applicant's subsidiary banks, including its lead bank (\$966 million deposits), are located in downtown St. Louis approximately 23 miles from Bank. While there appears to be some competition between Bank and Applicant's subsidiaries in the St. Louis area, or some potential therefor, consummation of the proposed acquisition is not likely to substantially lessen competition nor to have any significant effect on

competition in any relevant area. In light of the facts of record, notably the large number of banks in the St. Louis banking market (over 100), the existence of geographical barriers and the distance separating Applicant's subsidiaries and Bank, and Missouri's restrictive branching laws, there seems to be little prospect for the development of significant competition between Bank and Applicant's subsidiaries. Furthermore, consummation of the proposal herein is not likely to have any adverse effects on Bank's competitors nor would it raise any significant barriers to entry by others into the area; rather it would enable Bank to compete more effectively with the larger banks in its service area.

The financial and managerial resources and prospects of Applicant, its subsidiaries, and Bank are all regarded as satisfactory and consistent with approval of the application. Applicant proposes to assist Bank in enlarging its mortgage lending services and in establishing additional services such as trust and bond services. The addition and expansion of such services should enhance Bank's ability to meet the expanding needs of its service area. Thus, considerations relating to the convenience and needs of the communities to be served lend weight in support of approval of the application. It is the Board's judgment that consummation of the proposed acquisition would be in the public interest, and that the application should be approved.

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

By order of the Board of Governors, January 18, 1972.

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

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

ATLANTIC BANCORPORATION,
JACKSONVILLE, FLORIDA

ORDER APPROVING ACQUISITION OF BANK

Atlantic Bancorporation, Jacksonville, Florida,
a bank holding company within the meaning of the

Bank Holding Company Act, has applied for the Board's approval under § 3(a)(3) of the Act (12 U.S.C. 1842(a)(3)) to acquire 80 per cent or more of the voting shares of The First State Bank and Trust Company, Eustis, Florida ("Bank").

Notice of receipt of the application has been given in accordance with § 3(b) of the Act, and 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:

Applicant presently controls 19 banks with aggregate deposits of \$687 million, representing 4.7 per cent of total commercial bank deposits held by Florida's banks. (All banking data are as of June 30, 1971, and reflect holding company formations and acquisitions approved through November 30, 1971). Applicant's acquisition of Bank, with deposits of approximately \$21 million, would not represent a significant increase in Applicant's share of total deposits in the State.

Bank is the larger of two banks headquartered in Eustis and the second largest of 10 banks located in Lake County, the relevant market, wherein it holds 13.2 per cent of the market's total deposits. However, the fifth and eighth largest of the county banks are closely affiliated and together hold 16.3 per cent of market deposits, and two other county banks, as subsidiaries of the fifth and sixth largest banking organizations in the State, together control 28.5 per cent of market deposits. Bank does not compete significantly with any of Applicant's subsidiary banks, the nearest of which is located in Sanford, 26 miles east of Eustis. It also appears that consummation of this proposal would not eliminate any meaningful potential competition due, among other factors of record, to the distances involved, the number of intervening banks, and the restrictions placed on branching by Florida law.

Based upon the record, the Board concludes that consummation of the proposed acquisition would have no significant adverse effect on competition in any relevant area. The financial conditions and managerial resources of Applicant and its subsidiary banks are regarded as satisfactory and prospects for Applicant's group appear favorable. The financial resources and future prospects of Bank are generally satisfactory and favorable; however, Applicant's ability to provide Bank with management strength as needed lends some weight toward approval of this application. The convenience and needs aspects of the proposal

also lend weight toward approval since Applicant proposes to increase Bank's lending capabilities, and to provide Bank with counseling regarding trusts, investments, credit and overall operations of the Bank. It is the Board's judgment that the proposed transaction would be in the public interest, and that the application should be approved.

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

By order of the Board of Governors, January 20, 1972.

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

(Signed) TYNAN SMITH,
Secretary of the Board.

[SEAL.]

NORTH PLATTE CORPORATION,
TORRINGTON, WYOMING

ORDER APPROVING FORMATION OF BANK HOLDING
COMPANY

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

Notice of receipt of the application has been given in accordance with § 3(b) of the Act, and 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:

Applicant is a nonoperating corporation formed for the express purpose of acquiring Bank which has aggregate deposits of approximately \$14 million. (All banking data are as of June 30, 1971.) The proposed transaction would effect a corporate ownership of Bank, and all shareholders of Bank are being accorded equal treatment. Since Applicant has no present operations or subsidiaries, it appears that consummation of the proposal would not significantly affect existing

or potential competition, nor have an adverse effect on the other bank in the area.

The banking considerations are consistent with approval of the application. The financial and managerial resources of Bank and its prospects are regarded as generally satisfactory. Applicant has not commenced operations; thus, its financial condition, management and prospects are dependent on those of Bank. Applicant's projected earnings appear to be sufficient to service its debt without undue strain on Bank's income. The acquisition herein is not likely to have any significant immediate effect on the convenience and needs of the community. However, the new and expanded services which Applicant proposes to institute should ultimately benefit the public; and this aspect of the proposal lends some weight toward approval of the application. It is the Board's judgment that the transaction would be in the public interest and that the application should be approved.

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

By order of the Board of Governors, January 20, 1972.

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

(Signed) TYNAN SMITH,
Secretary of the Board.

[SEAL.]

NATIONAL BANCSHARES CORPORATION
OF TEXAS, SAN ANTONIO, TEXAS

ORDER APPROVING FORMATION OF BANK HOLDING
COMPANY

National Bancshares Corporation of Texas, San Antonio, Texas, has applied for the Board's approval under § 3(a)(1) of the Bank Holding Company Act (12 U.S.C. 1842(a)(1)) of formation of a bank holding company through acquisition of 100 per cent of the voting shares (less directors' qualifying shares) of the successor by merger to National Bank of Commerce of San Antonio ("Commerce Bank"), San Antonio, Texas, and 51 per cent or more of the voting shares of Randolph Field National Bank ("Randolph Bank"),

Universal City, Texas. The bank into which Commerce Bank is to be merged has no significance except as a means of acquiring all of the shares of Commerce Bank. Accordingly, the proposed acquisition of the shares of the successor organization is treated herein as the proposed acquisition of the shares of Commerce Bank.

Notice of receipt of the application has been given in accordance with § 3(b) of the Act, and 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:

Applicant is a newly organized corporation. Consummation of the proposal herein would result in Applicant controlling \$276.8 million representing 1.0 per cent of total commercial bank deposits in the State and Applicant would become the 10th largest banking organization and the 6th largest bank holding company in Texas. (All banking data are as of December 31, 1970, adjusted to reflect holding company formations and acquisitions approved by the Board through October 31, 1971.)

Commerce Bank (\$264.0 million in deposits) and Randolph Bank (\$12.8 million in deposits) are both located within the San Antonio banking market which is approximated by Bexar, Guadalupe, and Comal Counties. On the basis of deposits, Commerce Bank is the 2nd largest of 39 banking organizations within the market controlling 17.1 per cent of commercial bank deposits; Randolph Bank is the 24th largest banking organization holding 0.8 per cent of commercial bank deposits.

Commerce Bank is a large wholesale bank which competes with other large banks throughout Texas and the nation, while Randolph Bank is a small retail-oriented institution located 18 miles from Commerce Bank. Since 1969, several directors of Commerce Bank have held indirect ownership of 51 per cent of the voting shares of Randolph Bank. This relationship has had the effect of eliminating any meaningful competition between the banks, though it is doubtful that any such competition existed prior to this time. Thus, Commerce Bank and Randolph Bank do not compete with each other to any significant extent, and the development of such competition, in the future, even in the event of disaffiliation, appears unlikely because of the large number of intervening banks, the distance involved, and the unit banking laws of Texas. Moreover, the slight increase in

concentration in the market is not considered to be significant in the light of the numerous existing banking alternatives. Accordingly, on the basis of the record before it, the Board concludes that consummation of the proposal would not have an adverse effect on competition in any relevant area.

The financial, managerial, and future prospects of Applicant and Commerce Bank are regarded as satisfactory. Although acquisition of the Randolph Bank shares involves short-term debt, Applicant and Commerce Bank appear to be capable of servicing and repaying such debt without undue strain; the proposed debt to capital ratio does not appear to be at an unsatisfactory level. Future prospects of the Randolph Bank will be improved by affiliation with Applicant since Randolph Bank will have easier access to necessary capital funds and a pool of trained management personnel. Affiliation with Applicant will also provide Randolph Bank with access to the expertise of Commerce Bank particularly with respect to trust matters, international banking, and other specialized services. Thus, considerations related to the convenience and needs of the community as well as financial, managerial, and future prospects of Applicant and the banks involved lend some weight for 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 date of this Order or (b) later than three months after the date of this Order, unless such period is extended for good cause by the Board, or by the Federal Reserve Bank of Dallas pursuant to delegated authority.

By order of the Board of Governors, January 21, 1972.

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

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

FIRSTBROOK CORPORATION,
CHICAGO, ILLINOIS
ORDER DENYING FORMATION OF BANK
HOLDING COMPANY

Firstbrook Corporation, Chicago, Illinois, has applied for the Board's approval under § 3(a)(1)

of the Bank Holding Company Act (12 U.S.C. 1842(a)(1)) of formation of a bank holding company through acquisition of 80 per cent or more of the voting shares of Northbrook Trust & Savings Bank, Northbrook, Illinois ("Bank").

Notice of receipt of the application has been given in accordance with § 3(b) of the Act, and 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:

Applicant is a newly-formed organization and has no operating history. Upon acquisition of Bank (\$31.5 million of deposits), Applicant would control less than .1 per cent of the commercial bank deposits in Illinois. (All banking data are as of June 30, 1971.) As the proposed transaction represents a sale of individuals' ownership of Bank to a presently nonoperating holding company, consummation of the transaction would not eliminate any existing or potential competition and would not result in any increase in the concentration of banking resources in any relevant area.

Bank is presently in satisfactory financial condition with adequate capital and satisfactory management. Its location in a growing community about 25 miles northwest of Chicago should insure favorable growth although growth may not continue at past rates due to the recent entrance of two other banks into the area previously served only by Bank. Despite future growth prospects of Bank, however, the proposed method of financing the acquisition of Bank, would, if utilized, adversely affect the financial condition and prospects of both Applicant and Bank.

Applicant, upon consummation of the proposed transaction, would incur acquisition debt in the amount of \$4,500,000 resulting in a debt-to-equity ratio of over 250 per cent. Applicant proposes to repay the debt with interest in ten years with increasing annual principal payments beginning in 1973. Based upon the expected rapid population growth and development of the Northbrook area and Bank's annual earnings growth at a rate that would enable Applicant to service its acquisition debt from no more than a 50 per cent dividend payout from Bank.

However, Bank's present adequate capitalization derives from the restraint Bank has exercised in past declarations of dividends. Between 1966 and 1970, dividends averaged approximately 19 per cent of current earnings (whereas Applicant

projects 50 per cent to service the debt). The projected average annual earnings growth rate may be unrealistic; it is higher than that experienced by Bank between 1961 and 1970 when Bank was the only bank located in its service area. In fact, despite the favorable growth trend of the community which Bank serves, the growth rate of Bank's earnings has declined from 25.4 per cent in 1969 to 9.5 per cent in 1971. If earnings growth fails to keep pace with Applicant's projections, the percentage of earnings paid out as dividends of Bank would have to be increased in order to service Applicant's acquisition debt, in turn, retarding Bank's capital growth. Finally, it is not clear that Applicant, even if its projections proved accurate, could properly service its acquisition debt and meet its expenses.

Beside imperiling Bank's future capital growth, the high level of acquisition debt contemplated by this application would hinder Applicant's ability to meet any emergency capital needs of Bank should such arise. These factors weigh heavily against approval of this application. It should be emphasized, however, that these factors in no way reflect upon the present financial soundness of Bank, nor upon its future financial condition absent consummation of the instant proposal.

The banking needs of the residents of Bank's service area appear to be adequately served by existing institutions. The added flexibility of a holding company structure to enable Bank to better meet future demands lends some weight for approval.

Under all of the circumstances of this case, the Board concludes that the acquisitions debt involved in this proposal presents adverse circumstances bearing on the financial condition and prospects of Applicant and Bank. Such circumstances are not outweighed by any procompetitive factors or by circumstances relating to the convenience and needs of the communities to be served, accordingly, approval of the application is not in the public interest and it should be denied.

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

By order of the Board of Governors, January 20, 1972.

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

(Signed) TYNAN SMITH,
Secretary of the Board.

[SEAL]

FIRST BANC GROUP OF OHIO, INC.,
COLUMBUS, OHIO

ORDER APPROVING ACQUISITION OF BANK

First Banc Group of Ohio, Columbus, Ohio, 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 of the successor by merger to The Ashland Bank and Savings Company, Ashland, Ohio ("Bank"). The bank into which Bank is to be merged has no significance except as a means to facilitate the acquisition of the voting shares of Bank. Accordingly, the proposed acquisition of the shares of the successor organization is treated herein as the proposed acquisition of the shares of Bank.

Notice of receipt of the application has been given in accordance with § 3(b) of the Act, and 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:

Applicant controls nine banks with deposits of \$715.5 million, representing 3.2 per cent of the total commercial bank deposits in the State, and is the seventh largest banking organization in Ohio. (All banking data are as of June 30, 1971, and reflect holding company formations and acquisitions approved through November 30, 1971.) Acquisition of Bank (deposits of \$12.8 million) would increase Applicant's share of deposits in the State by an insignificant amount. Bank operates two banking offices in Ashland County, which approximates its banking market. It is the third largest of five banking organizations in the County with 18.4 per cent of total deposits in that area. The two larger banks in the County respectively control 39 and 21 per cent of market deposits.

Applicant's subsidiary located closest to Bank is approximately 11 miles west in adjacent Richland County and a second subsidiary is located approximately 20 miles east of Bank in adjacent Wayne County. Although some competition exists between Bank and Applicant's Richland and Wayne County subsidiaries, the amount of competition is not considered substantial. Elimination of this competition as a result of consummation of the proposed acquisition would not have a significantly adverse effect on competition in the area. Some potential competition between Applicant and Bank might be foreclosed by consum-

mation of the proposal since Applicant could enter bank's market *de novo* or through acquisition of a smaller bank. However, due to the present "overbanked" character of the market, the restrictive branching laws in the State and other facts of record, there appears to be little likelihood that significant competition between bank and Applicant would develop in the future.¹

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

The financial and managerial resources and future prospects of Applicant, its subsidiary banks and Bank are regarded as satisfactory and consistent with approval. Although there is no evidence that significant banking needs of the communities involved are going unserved, Applicant proposes to expand mortgage and education loans, provide trust services and municipal financing through Bank and suggests the possibility of opening additional branches in rural areas of the County. Accordingly, considerations relating to convenience and needs of the community lend some weight toward approval. It is the Board's judgment that the proposed transaction would be in the public interest and that the application should be approved.

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

By order of the Board of Governors, January 25, 1972.

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

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

¹Population per banking office in Ashland County is 3,442 and deposits per banking office are \$5.8 million. These ratios are well below both State and national averages.

AFFILIATED BANK CORPORATION,
MADISON, WISCONSIN

ORDER APPROVING ACQUISITION OF BANK

Affiliated Bank Corporation, Madison, Wisconsin, a bank holding company within the meaning of the Bank Holding Company Act, has applied for the Board's approval under § 3(a)(3) of the Act (12 U.S.C. 1842(a)(3)) to acquire 80 per cent or more of the voting shares of Middleton Shores Bank, Middleton, Wisconsin ("Bank").

Notice of receipt of the application has been given in accordance with § 3(b) of the Act, and 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:

Applicant is the eleventh largest banking organization in Wisconsin, controlling two banks with aggregate deposits of \$93 million, representing 0.9 per cent of the total commercial bank deposits in the State. (All banking data are as of June 30, 1971, and reflect holding company formations and acquisitions approved through December 31, 1971.) Bank, with deposits of \$0.8 million, is the smallest of 31 banks in the relevant banking market which is approximated by the Madison SMSA and holds less than 0.1 per cent of deposits in commercial banks in that market. Both of Applicant's present banking subsidiaries compete in this market, and Applicant is the second largest banking organization in that market, controlling 15 per cent of market deposits. There is no significant existing competition between Bank and either of Applicant's subsidiaries since Bank was recently formed by officers and directors of Applicant. Due to the number of banks in the intervening areas, and Wisconsin's branching law, which effectively prohibits Applicant's present subsidiaries and Bank from branching into the primary service area of each other, there appears to be little likelihood that significant competition between Bank and Applicant would develop in the future even if the Board denied the application and, as Applicant has indicated, control of Bank were to be sold to local residents. Consummation of the proposed acquisition would not eliminate existing or potential competition nor have adverse effects on any competing bank.

The banking needs of the community are being satisfactorily served at this time. Considerations relating to the convenience and needs of the com-

munities to be served are consistent with approval. Considerations relating to financial and managerial resources and future prospects as they relate to Applicant, its subsidiaries, and Bank, are regarded as satisfactory, and 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.

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 date of this Order, or (b) later than three months after the date of this Order, unless such period is extended for good cause by the Board, or by the Federal Reserve Bank of Chicago pursuant to delegated authority.

By order of the Board of Governors, January 25, 1972.

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

(Signed) TYNAN SMITH,
Secretary of the Board.

[SEAL.]

CHEMICAL NEW YORK CORPORATION,
NEW YORK, NEW YORK

ORDER APPROVING ACQUISITION OF BANK

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 section 3(a)(3) of the Act (12 U.S.C. 1842(a)(3)) to acquire 100 per cent of the voting shares (less directors' qualifying shares) of the successor by merger to the Eastern National Bank of Long Island, Smithtown, New York ("Bank").

The bank into which Bank is to be merged has no significance except as a means to facilitate the acquisition of the voting shares of Bank. Accordingly, the proposed acquisition of the shares of the successor organization is treated herein as the proposed acquisition of the shares of Bank.

Notice of receipt of the application has been given in accordance with section 3(b) of the Act, and 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 section 3(c) of the Act (12 U.S.C. 1842(c)) and finds that:

Applicant, the fourth largest banking organization in New York, controls two banks with total domestic deposits of \$7.64 billion, representing 8.7 per cent of the State's total commercial deposits. (All banking data are as of December 31, 1970, adjusted to reflect holding company formations and acquisitions to date.) Upon acquisition of bank (\$52.2 million deposits), Applicant would not increase its share of deposits in the State, nor its present ranking.

Bank operates its main office and three branches in the Smithtown banking market, and two branches in the Huntington banking market. It is the second largest banking organization in the Smithtown market, with 15.3 per cent of the deposits in that market, and the fourth largest banking organization in the Huntington market, controlling 2.0 per cent of market deposits.¹ Applicant's subsidiary office closest to Bank is located 5.5 miles west of Bank's Huntington branch in Nassau County, a separate banking market, into which Applicant's bank is presently prohibited from branching. Although Applicant's subsidiary branch derives some banking business from Bank's service area, existing competition is nominal and there are two banking offices in the intervening area. Consummation of the proposal would thus eliminate only a small amount of existing competition and would not adversely affect any competing bank in any relevant area.

Some potential competition between Applicant and Bank would be foreclosed upon consummation of the proposal since Applicant could enter Bank's markets *de novo* through acquisition of a smaller bank. The effect of the elimination of this competition would appear to be minimal, however, in light of the large number of potential entrants to the market. Additionally, within Bank's market area there are seventy-five offices of fourteen banks. Within the county there were, at year end 1970, 23 banks with 186 offices. Forty-seven per cent of these offices represented only three commercial banks. Applicant's acquisition of Bank, and Bank's expected expansion through *de novo* branching would provide additional competition for these three dominant banks and have a procompetitive effect in the market.

Applicant is paying a relatively small premium for Bank based upon market values of Applicant's and Bank's stock. Based upon book value the premium is substantial. However, Applicant does

not appear to be paying for the purchase of monopoly power. While it is true that Applicant could enter *de novo*, if it were to do so it would be prohibited by New York State law from opening a new branch in the year of charter and then limited to two branches a year until 1976. Such restrictions would limit Applicant's competitive effectiveness in the market and the "premium" appears to reflect the worth to Applicant of establishing such competitive effectiveness at an earlier date. The establishment of branches by Bank as contemplated by Applicant would, as pointed out above, be pro-competitive.

The financial and managerial resources of Applicant and Bank are generally satisfactory and consistent with approval. Applicant proposes to offer, through Bank, trust and investment advisory services and lower rates on installment loans, thereby providing another competitive alternative for expanded banking services. Accordingly, considerations relating to convenience and needs of the community lend some weight toward approval. It is the Board's judgment that the proposed transaction would be in the public interest and that the application should be approved.

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

By order of the Board of Governors, January 27, 1972.

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

Governor Sheehan did not participate in the Board's action on this matter.

(Signed) TYNAN SMITH,
Secretary of the Board.

[SEAL.]

DISSENTING STATEMENT OF GOVERNORS ROBERTSON AND BRIMMER

We would deny the application. Consummation of the proposal would have adverse competitive effects which are not outweighed by considerations relating to the convenience and needs of the communities to be served, and the transaction would not be in the public interest.

Bank operates six offices and has received approval to open two additional offices in the attrac-

¹Banking data relating to market position are as of June 30, 1970.

tive, rapidly growing Suffolk County area. With deposits of \$52.2 million, it is the second largest banking organization in the Smithtown banking market and the fourth largest banking organization in the Huntington market. Although Applicant's present banking subsidiary is prohibited from branching into Suffolk County, there is some existing competition between its Woodbury office and Bank's Huntington branch, which offices are only 5.5 miles apart. Moreover, it appears that Applicant would be a likely entrant into the growing Suffolk County market.

In connection with the recent application of Applicant to acquire the Tappan Zee National Bank, one of us (Governor Robertson) expressed concern about the high premium Applicant was paying for the bank. There should be even greater concern with the premium being paid in the present case. Based on the book values of both Applicant's stock and Bank's stock that is being exchanged in this transaction, Applicant is paying a premium of almost \$9 million or approximately 18 per cent of Bank's deposits. It is obvious that Applicant is willing to pay such a premium to obtain a well-established branching network and market position and thereby avoid the need of developing a *de novo* bank into a strong competitor. This is an understandable business judgment by Applicant; however, it is the public's interest—not Applicant's—that is paramount. Furthermore, the existence of such premiums in the Suffolk County area reduces the possibilities for holding companies smaller than Applicant to enter the market through the acquisition of a bank.

Applicant's acquisition of Bank is anticompetitive since it will eliminate the potential competition that would result if Applicant entered the market either through *de novo* establishment of a subsidiary bank or by a foothold acquisition of a smaller bank. The two largest New York City-based holding companies have entered Suffolk County by establishing *de novo* subsidiary banks. Applicant should also be required to enter Suffolk County *de novo* which would increase, rather than decrease, competition and thereby provide greater benefits to the public.

The record reflects that the banking needs of Suffolk County are being adequately met at the present time, and none of the benefits to the convenience and needs of the communities to be served urged by Applicant outweigh the anticompetitive effects of the present transaction. Those same alleged benefits could be provided in less anticompetitive ways, and the application should be denied.

FIRST FLORIDA BANCORPORATION,
TAMPA, FLORIDA

ORDER APPROVING ACQUISITION OF BANK

First Florida Bancorporation, Tampa, Florida, a bank holding company within the meaning of the Bank Holding Company Act, has applied for the Board's approval under § 3(a)(3) of the Act (12 U.S.C. 1842(a)(3)) to acquire 90 per cent or more of the voting shares of The Orlando National Bank—West, Orlando, Florida ("Bank"), a proposed new bank.

Notice of receipt of the application has been given in accordance with § 3(b) of the Act, and 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:

Applicant has 22 subsidiary banks with aggregate deposits of approximately \$445 million, representing 3.0 per cent of the commercial bank deposits in Florida. (Banking data are as of June 30, 1971.) Approval of the acquisition of Bank would not presently increase Applicant's deposits since Bank is a proposed new bank. Although one of Applicant's subsidiaries, The Orlando Bank and Trust Company ("Orlando Bank"), is located four miles from the proposed site of Bank, Orlando Bank originates only a small percentage of its deposits and loans within Bank's proposed service area. Moreover, Applicant does not have a dominant position in the Orlando area. Accordingly, the Board concludes that consummation of the proposed acquisition would not adversely affect competition in any relevant area.

The financial and managerial resources and future prospects of Applicant, its subsidiary banks, and Bank are regarded as satisfactory. Considerations relating to the convenience and needs of the community lend weight in favor of approval since Bank is to be established in one of the fastest growing areas in Florida and will provide an additional source of services to customers in or near the Disney World complex. It is the Board's judgment that the proposed acquisition would be in the public interest and that the application should be approved.

On the basis of the record, the application is approved for the reasons summarized above. The transaction shall not be consummated (a) before the thirtieth calendar day following the date of this Order or (b) later than three months after the date of this Order, and provided further that (c) The Orlando National Bank—West shall be open for

business not later than six months after the date of this Order. The periods described in (b) and (c) hereof may be extended for good cause by the Board, or by the Federal Reserve Bank of Atlanta pursuant to delegated authority.

By order of the Board of Governors, January 27, 1972.

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

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

**NORTH ATLANTIC BANCORP.,
NEWTON, MASSACHUSETTS**

ORDER APPROVING ACQUISITION OF BANK

North Atlantic Bancorp., Newton, 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 51 per cent or more of the voting shares of University Trust Company, Cambridge, Massachusetts ("Bank").

Notice of receipt of the application has been given in accordance with § 3(b) of the Act, and 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:

Applicant controls one bank with total deposits of \$33.9 million, representing .3 per cent of total commercial deposits in the State. (Banking data are as of June 30, 1971.) Acquisition of Bank (deposits of \$10.2 million) would not significantly increase Applicant's share of total deposits in the State.

Bank operates its sole office in the Boston SMSA and the area it presently serves is approximated by the towns of Cambridge, Somerville, Arlington and Belmont. Bank controls .1 per cent of the deposits in the Boston SMSA and ranks forty-first of fifty-five banks in that market. Applicant's subsidiary office closest to Bank is located 6.5 miles away and is also located in the Boston SMSA; however, it serves a different area, which is approximated by the cities of Newton, Wellesley, Watertown, Brookline, Bedford and Woburn. There is only nominal existing competition between Bank and Applicant's existing subsidiary and there are numerous banking offices in the intervening area. Consummation of the proposal would

eliminate only a small amount of existing competition and would not adversely affect any competing bank in any relevant area.

Some potential competition between Applicant and Bank would be foreclosed upon consummation of the proposal since both Applicant's subsidiary bank and Bank can branch *de novo* into each others service area. However, the high ratio of commercial banking offices to population in the relevant areas, and the relatively static economic and population growth in those areas minimize any effect on potential competition.

The financial and managerial resources of Applicant and Bank are generally satisfactory and consistent with approval. It appears that consummation of this proposal would not have any immediate effects on the convenience and needs of the communities, although improvement and expansion of services may be facilitated by the operational structure of a holding company. Moreover, Applicant will assist Bank in loan participation arrangements, auditing, advertising, and general operating procedures. Considerations related to the convenience and needs of the communities to be served therefore, lend some weight for approval. It is the Board's judgment that the proposed transaction would be in the public interest and that the application should be approved.

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

By order of the Board of Governors, January 27, 1972.

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

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

**ORDER UNDER SECTIONS 3 AND 4 OF
BANK HOLDING COMPANY ACT**

**CARLTON AGENCY, INC.,
CARLTON, MINNESOTA**

**ORDER DENYING ACTION TO BECOME A BANK
HOLDING COMPANY AND REQUEST FOR
DETERMINATION UNDER § 4(C)(8)**

Carlton Agency, Inc., Carlton, Minnesota, has applied for the Board's approval under § 3(a)(1) of

the Bank Holding Company Act (12 U.S.C. 1842(a)(1)) to become a bank holding company through the acquisition of 100 per cent of the voting shares (less directors' qualifying shares) of Carlton National Bank, Carlton, Minnesota ("Bank").

At the same time, Applicant 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 engage in certain permissible insurance agency activities through the acquisition of certain assets of the First National Bank Insurance Agency, Carlton, Minnesota.

Notice of receipt of these applications has been given in accordance with §§ 3 and 4 of the Act, and the time for filing comments and views has expired. The Board has considered the applications and all comments received in light of the factors set forth in § 3(c) of the Act (12 U.S.C. 1842(c)), and the considerations specified in § 4(c)(8) of the Act (12 U.S.C. 1843(c)(8)) and finds that:

Applicant is a newly-formed organization and has no operating history. Upon acquisition of Bank (\$5.9 million of deposits), Applicant would control about 0.1 per cent of the commercial bank deposits in the State. (All banking data are as of June 30, 1971.) As the proposed transaction represents a transfer of an individual's ownership of Bank into a presently nonoperating holding company, consummation would not eliminate any existing or potential banking competition and would not result in any increase in the concentration of banking resources in any relevant area. Bank's management and financial condition are consistent with approval and its capital presently is adequate. However, because of the proposed method of financing the acquisition of Bank, the financial condition and prospects of Applicant and Bank would be adversely affected by consummation of the proposed transaction.

Applicant, upon consummation of the proposed acquisition, would incur acquisition debt of \$175,000 (now owed by the principal to a third-party bank), which would amount to approximately 66 per cent of Applicant's equity. The balance of the debt, \$100,000, would be held personally by the principal and would be secured by stock of Applicant. Applicant would require more than 60 per cent of Bank's earnings to service the debt, and its ability to do so is considered marginal.

The Board views the debt split arrangement present in this application as a method to circumvent the problem of debt servicing by one-bank

holding companies. The fact that the principal personally has assumed part of the bank acquisition debt does not mean that the holding company will not be expected to satisfy, directly or indirectly, some of the obligation. After analysis of the proposed debt of Applicant and its principal and other circumstances of record, the Board concludes that the acquisition debt involved in this proposal presents adverse circumstances bearing on the financial condition and prospects of Applicant and Bank. Such circumstances are not outweighed by any procompetitive factors or by circumstances relating to the convenience and needs of the communities to be served. On the basis of the record, the Board concludes that approval of the § 3 application is not in the public interest, and it is accordingly denied.¹

By order of the Board of Governors, January 27, 1972.

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

(Signed) TYNAN SMITH,
Secretary of the Board.

[SEAL.]

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

LINCOLN FIRST BANKS, INC.,
ROCHESTER, NEW YORK

ORDER APPROVING ACQUISITION OF LINCOLN
FIRST/BAER CORPORATION

Lincoln First Banks, Inc., Rochester, New York, Applicant, a bank holding company within the meaning of the Bank Holding Company Act, as amended, 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 51 per cent of the voting shares of Lincoln First/Baer Corporation, New York, New York ("Lincoln/Baer"), the successor to Baer Credit Corporation, ("Baer"), which is presently 100 per cent owned by Baer Holding, A.G., Switzerland. Baer Holding, A.G., will own 49 per cent of the voting shares of Lincoln/Baer. Lincoln/Baer has no significance except as a means to restructure the ownership of Baer Credit Corporation. Notice of the application affording opportunity for interested persons to submit comments and views was duly published (36 Federal Register 22335 and

¹Denial of Applicant's 3(a)(1) application requires denial of the attendant 4(c)(8) proposal.

23273). The time for filing comments and views has expired and all received have been considered.

Making or acquiring loans or other extensions of credit is an activity that the Board has previously determined to be closely related to banking (12 CFR 225.4(a)(1)). A bank holding company may acquire a company engaged in this activity so long as the proposed acquisition is consistent with the relevant factors specified in § 4(c)(8) of the Act. Lincoln/Baer, which will have assets of \$6.8 million, will conduct only the activities presently conducted by Baer, a small commercial finance company whose major activity is non-notification accounts receivable financing. Baer also engages to a limited extent in inventory and equipment financing and in unsecured short-term international financing. These types of commercial financing are specialized, serving high risk customers who generally cannot obtain sufficient bank financing. Lincoln/Baer will not accept demand deposits and will engage solely in the activities described in § 225.4(a)(1) of Regulation Y. Accordingly, the activities to be conducted by Lincoln/Baer are closely related to banking.

Applicant is the fifteenth largest banking organization in New York State, controlling five banks with aggregate deposits of \$1.7 billion. Baer, which operates from a single office in New York City, is a small factor in its market (approximated by the Second Federal Reserve District), competing with over 50 commercial finance companies, as well as the commercial finance subsidiaries or departments of six area banks. Applicant's subsidiary banks, while located in the market area, do not offer commercial finance services of the type offered by Baer, and consummation of the proposal would thus have no adverse effects on competition.

Applicant will make a capital contribution to Lincoln/Baer, thus making likely its development as a stronger competitive force than Baer. Additionally, consummation of the proposal will enable Applicant to provide additional services to those of its customers who require this specialized type of financing and will perhaps enable Applicant to further develop its services in the international field. There is no evidence in the record that the proposal would result in any undue concentration of resources, unfair competition, conflicts of interest, unsound banking practices or other adverse effects on the public interest.

Based upon the foregoing and other considerations reflected in the record, the Board has determined that the balance of the public interest

factors the Board is required to consider under § 4(c)(8) is favorable. Accordingly, the application is hereby approved and Applicant is hereby permitted to engage in the activities now conducted by Baer that are authorized by 12 CFR 225.4(a)(1). This determination is subject to the conditions set forth in § 225.4(c) of Regulation Y and to the Board's authority to require such modification or termination of the activities of a holding company or any of its subsidiaries as the Board finds necessary to assure compliance with the provisions and purposes of the Act and the Board's regulations and orders issued thereunder or to prevent evasion thereof.

By order of the Board of Governors, January 12, 1972.

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

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

PATAGONIA CORPORATION,
TUCSON, ARIZONA

ORDER APPROVING ACQUISITION OF MODEL
FINANCE COMPANY

Patagonia Corporation,¹ Tucson, Arizona, a bank holding company within the meaning of the Bank Holding Company Act of 1956, as amended, has applied for the Board's approval, under § 4(c)(8) of the Act and § 225.4(b)(2) of the Board's Regulation Y, to acquire all of the voting shares of Model Finance Company, Phoenix, Arizona. Notice of the application affording opportunity for interested persons to submit comments and views has been duly published. Time for filing comments and views has expired and all those received have been considered.

The operation of a finance company and acting as insurance agent or broker are activities that the Board has determined to be closely related to banking (12 C.F.R. 225.4(a)(1) and (9)). A bank holding company may acquire a company engaged in either of these activities as long as the activities of the institution proposed to be acquired are not conducted in a manner inconsistent with

¹Patagonia Corporation presently controls various non-banking subsidiaries acquired prior to the date it became a bank holding company under the Act. It is its intention to clarify the status of certain of these subsidiaries as soon as possible, and to comply with the requirements of the Act, including the divestiture provisions of section 4, where applicable, as to all of these subsidiaries.

the limitations the Board has established pursuant to § 4(c)(8) of the Act.

Applicant's banking subsidiary, Great Western Bank and Trust ("Great Western"), is the sixth largest bank in Arizona. Its deposits of \$124.7 million represent 3.5 per cent of total deposits in the State. Great Western makes consumer installment loans through its headquarters office in Phoenix and in branch offices throughout Arizona. Installment credit by all Arizona banks, as of December 31, 1970, totaled \$648.1 million, of which Great Western had but \$5.0 million.

Model Finance Company is a small consumer finance holding company with total assets of \$7.2 million.² It has 13 offices, of which 8 are in areas of Arizona served by Great Western; the 5 out-of-State offices are located in Albuquerque, Las Vegas, and Denver. Model Finance Company makes small consumer loans and sells credit insurance in connection with its lending activities. The local markets for high-risk consumer loans, in which Model Finance Company competes, encompass a relatively large number of competitors. For example, in the Tucson and Phoenix metropolitan areas there are 39 and 117 licensed consumer finance companies, respectively.

Most potential borrowers in the small high-risk consumer loan market either can not or would not consider commercial banks as alternative sources. Since finance companies and commercial banks do not compete for loans to the same class of borrowers, the Board concludes that consummation of the acquisition would not eliminate existing or potential competition between Great Western and Model Finance Company. Nor is there any significant possibility that the acquisition will have adverse effects on credit availability to independent finance companies. There is no evidence in the record indicating that consummation of the proposed transaction would result in any undue concentration of resources, unfair competition, conflicts of interests, unsound banking practices, or other adverse effects on the public interest.

It is anticipated that Model Finance Company's affiliation with Applicant will give Model Finance Company access to the greater resources of Applicant, and enable it to compete more effectively with other consumer finance companies in the area in which it operates. There are also certain economies likely to be derived from the affiliation. On balance, the Board concludes that the public

benefits factors the Board is required to consider under section 4(c)(8) outweigh any possible adverse effects that might result from the proposed acquisition.

Based upon the foregoing and other considerations reflected in the record, the Board has determined that the balance of the public interest factors the Board is required to consider under § 4(c)(8) is favorable. Accordingly, the application is hereby approved. This determination is subject to revocation by the Board if the facts upon which it is based change in any material respect.

By order of the Board of Governors, January 27, 1972.

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

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

INDUSTRIAL NATIONAL CORPORATION,
PROVIDENCE, RHODE ISLAND

ORDER APPROVING ACQUISITION OF
AMBASSADOR FACTORS CORPORATION

Industrial National Corporation, Providence, Rhode Island ("Applicant"), a bank holding company within the meaning of the Bank Holding Company Act of 1956, as amended, has applied for the Board's approval under § 4(c)(8) of the Act and § 225.4(b)(2) of the Board's Regulation Y, to acquire 100 per cent of the voting shares of Ambassador Factors Corporation, New York, New York ("Ambassador") into which its affiliates Belvedere Factors Corp. and Ambassador Leasing Corp., will be merged prior to the acquisition. Notice of the application affording opportunity for interested persons to submit comments and views was duly published. The time for filing comments and views has expired and all those received have been considered, including those presented orally and in writing in connection with a Board hearing on November 12, 1971, pertaining to factoring in general.

The operation by a bank holding company of a commercial finance company and a factoring company are activities that the Board has previously determined to be closely related to the business of banking (12 CFR 225.4(a)(1)). The Board has also determined that data processing services for the internal storing and processing of banking, financial or related economic data for members of the holding company system are closely related to the business of banking (12

²Data as of June 30, 1971.

CFR 225.4(a)(8)). Such a data processing subsidiary may also perform incidental activities such as selling excess computer time so long as its only involvement is furnishing the facility and the necessary operating personnel (12 CFR 225.123). A bank holding company may engage in the above activities so long as the activities of the institution proposed to be acquired are not conducted in a manner inconsistent with the limitations the Board has established pursuant to § 4(c)(8) of the Act.

It appears that Ambassador engages in factoring and commercial finance; its affiliate Belvedere Factors Corp. engages in commercial finance; and Ambassador Leasing Corp. provides data processing services for Ambassador and sells excess computer time to Ambassador's customers within the limitations of 12 CFR 225.123. Accordingly, the activities of Ambassador and its affiliates are closely related to banking.

Applicant, the parent holding company of Industrial National Bank of Rhode Island, has consolidated assets of \$1.074 billion, including Bank's total assets of \$1.029 billion. (Banking data are as of June 30, 1971.) Bank is the largest banking organization in Rhode Island, with 51.2 per cent of the commercial bank deposits in the State.

Ambassador and its affiliates are located in New York City. In 1970, Ambassador had a factoring volume of approximately \$110 million with 79 per cent of its customers being headquartered in New York City. Ambassador is the twenty-third largest of the twenty-six factors that compete in national markets and its factoring volume was one per cent of the total commercial factored volume for those twenty-six factors. Belvedere Factors Corp. is a small competitor in the commercial finance field, having an annual business volume of \$1.2 million. Ambassador Leasing Corp. had an annual business volume from its data processing activities of only \$47,000.

Neither Applicant nor any of its subsidiaries engages in factoring, and consummation of the proposal would therefore eliminate no existing competition in the factoring field. It appears unlikely that competition in this area would arise between Applicant and Ambassador. Factoring is characterized by relatively high entry barriers due to the high degree of expertise in the client's industry which is required and *de novo* entry in the field has been extremely limited.

There is no significant existing competition between Applicant and Ambassador and its affiliates

in the commercial finance field. Each derives less than one per cent of its volume from the service area of the other. Due to geographical separation and the large number of competitors in the field, significant competition is unlikely to develop. While Applicant presently has a subsidiary performing data processing services, neither it nor Ambassador Leasing Corp. do any business in the service area of the other and are unlikely to compete in the future. There is no evidence in the record indicating that acquisition of Ambassador by Applicant would result in any undue concentration of resources, unfair competition, conflicts of interest, unsound banking practices, or other adverse effects on the public interest.

The majority of Ambassador's clients are now headquartered in New York City and acquisition of Ambassador by Applicant will likely result in a wider availability of factoring services in Rhode Island. Additionally, it has become increasingly difficult in recent years for factors to find sufficient financing to expand. Affiliation with Applicant would assure Ambassador of a source of such funds.

Based upon the foregoing and other considerations reflected in the record, the Board has determined that the balance of the public interest factors the Board is required to consider under § 4(c)(8) is favorable, and lends weight toward approval. Accordingly, the application is hereby approved. This determination is subject to the Board's authority to require reports by, and make examinations of, holding companies and their subsidiaries and to require such modification or termination of the activities of a holding company or any of its subsidiaries as the Board finds necessary to assure compliance with the provisions and purposes of the Act and the Board's regulations and orders issued thereunder, or to prevent evasion thereof.

By order of the Board of Governors, January 27, 1972.

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

(Signed) TYNAN SMITH,
Secretary of the Board.

[SEAL]

FIRST BANK SYSTEM, INC.,
MINNEAPOLIS, MINNESOTA

ORDER APPROVING ACQUISITION OF IDS
CREDIT CORPORATION

First Bank System, Inc., Minneapolis, Minnesota, a bank holding company registered under the

Bank Holding Company Act, as amended, has applied for the Board's approval under section 4(c)(8) of the Act and section 225.4(b)(2) of the Board's Regulation Y to acquire 100 per cent of the voting shares of IDS Credit Corporation ("IDSCC"), Minneapolis, Minnesota. Notice of the application affording opportunity for interested persons to submit comments and views has expired and all received have been considered.

Making or acquiring loans or other extensions of credit and selling group credit life and disability insurance are activities that the Board has previously determined to be closely related to banking (12 CFR 225.4(a)(1) and (9)). A bank holding company may acquire a company engaged in this activity so long as the proposed acquisition is consistent with the relevant factors specified in section 4(c)(8) of the Act.

Applicant has 86 bank subsidiaries, located in Minnesota, North Dakota, South Dakota, Montana, and Wisconsin. By virtue of its control of 49 banks in Minnesota holding \$2.7 billion in deposits, which sum represents 28.5 per cent of deposits in commercial banks in the State, Applicant is the largest banking organization in Minnesota. Within the Minneapolis-St. Paul Standard Metropolitan Statistical Area ("SMSA"), Applicant controls 16 banks holding \$1.6 billion in deposits constituting 39.7 per cent of deposits in commercial banks in the Minneapolis-St. Paul SMSA, and is the largest banking organization in that SMSA. (All deposit data are as of June 30, 1971, whereas all market share data are as of June 30, 1970.) Although all 86 commercial banking subsidiaries make direct consumer installment loans, only five purchased dealer-originated home improvement installment contracts in 1970. The aggregate amount of such contracts was \$52,657.

IDSCC, a wholly-owned subsidiary of Investors Diversified Services, Inc. ("IDS"), is a sales finance company that purchases and services dealer-originated home improvement installment contracts. Through its wholly-owned subsidiary, Empire Loan and Thrift Company, Minneapolis, Minnesota ("Empire"), IDSCC makes direct consumer loans and purchases dealer-originated automobile installment contracts. IDSCC also operates IDS Homes Corporation, Dublin, Georgia, which purchases mortgages on low priced homes, and IDS Credit Corporation of Texas which makes direct consumer loans through four offices in Texas. IDSCC operates 19 offices doing business in 21 states. With the exception of its corporate home office and a sales finance office in Minneapo-

lis, these offices operate outside of the Ninth Federal Reserve District in various midwestern and southern states. Empire operates throughout Minnesota from a single office located in Minneapolis.

As of December 31, 1970, IDSCC was the 98th largest finance company in the nation and as of September 30, 1971, IDSCC held unpaid credit balances ("outstandings") of approximately \$87.1 million. However, IDS has already purchased approximately \$50.8 million of IDSCC's outstandings and prior to consummation of the proposed acquisition, IDS will acquire \$36.3 million in outstandings of IDSCC in exchange for an assumption of the liabilities of IDSCC. Similarly, IDS will purchase the outstandings of IDS Homes Corporation. The outstandings of Empire and IDS Credit Corporation of Texas will be retained by those subsidiaries. Upon consummation of the proposed transaction, IDSCC will have total assets of approximately \$7 million and net worth of \$1.5 million.

Since Applicant's present subsidiaries do not compete outside of the Ninth Federal Reserve District, the proposed acquisition of IDSCC would not affect existing competition outside of the Ninth Federal Reserve District. Therefore, prospects for significant potential competition between Applicant and IDSCC outside of the Ninth District are slight.

Within the Ninth District, the two Minneapolis offices of IDSCC purchase dealer-originated home improvement installment contracts originating in Minnesota and northwestern Wisconsin; such outstandings amounted on September 30, 1971, to approximately \$5.7 million. Although these contracts will be sold to IDS prior to consummation of the proposed transaction, it may be assumed that the outstandings of this type will be rebuilt by IDSCC if the acquisition is consummated. In any case, there is little existing competition between Applicant's subsidiaries and IDSCC in view of the insignificant extent of the involvement of those subsidiaries in the secondary market for home improvement paper. Although, given Applicant's substantial financial resources, there exists a possibility that it might expand its presently limited activities in the home improvement paper market, there is no indication that such an expansion is probable. In this sense, the proposed acquisition may have only a slightly adverse effect.

Applicant's subsidiaries and Empire both make direct consumer loans in the Minneapolis-St.

Paul SMSA. However, Empire primarily makes consumer loans of a higher risk quality than commercial banks would, as a rule, make. Furthermore, Empire—which as of December 31, 1970 had outstanding loans and paper of \$0.9 million—is not a significant competitor in the consumer loan business in the Minneapolis-St. Paul SMSA, being one of the smallest of the 138 consumer finance companies in the SMSA. It is estimated that Applicant through its subsidiaries holds approximately 16 per cent of outstanding consumer loans in the SMSA and thereby is the largest consumer lender. It would appear that neither existing nor potential significant competition in consumer lending in the SMSA would be foreclosed by consummation of the proposed acquisition.

Based upon the foregoing, and the record before it, the Board concludes that the proposed acquisition would have no adverse effects on existing competition and only slightly adverse effects on potential competition in Minnesota and northwestern Wisconsin. It is expected that, following consummation of this proposal, applicant will encourage expansion by IDSCC into new geographic markets outside the Ninth District and into new areas of finance activity and that none of this expansion will occur within the Ninth District. Assuming that this expansion would be by internal growth rather than by acquisition, the public interest would be served by both added convenience and increased competition. On balance, the Board concludes that these public benefits outweigh any possible adverse effects on competition.

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

By order of the Board of Governors, January 27, 1972.

Voting for this action: Chairman Burns and Governors Daane, Maisel, and Sheehan. Voting against this action:

Governors Robertson and Brimmer. Absent and not voting: Governor Mitchell.

(Signed) TYNAN SMITH,
Secretary of the Board.

[SEAL.]

DISSENTING STATEMENT OF GOVERNOR
ROBERTSON

Applicant is the largest banking organization in the Ninth District and presently controls an extensive network of 86 banks operating throughout the Ninth District. I believe that a bank holding company that occupies as dominant a position as Applicant does, should not be permitted to expand into other financial areas absent a showing of significant public benefits flowing therefrom. To hold otherwise would be to permit the very unbridled development of undue concentration of economic resources which the Act was meant to prevent. First Bank System, Inc. possesses the resources and ability to expand into nonbanking financial areas *de novo*. It should be expected to do so.

Because consummation of this proposed acquisition would have adverse effects on competition and because this application is totally devoid of any benefits to the public, I would deny the application.

DISSENTING STATEMENT OF GOVERNOR BRIMMER

I dissent from the majority position in this case for the reason that the Board's approval of this application permits the dominant banking organization in the Ninth Federal Reserve District to achieve an extremely powerful position in numerous locations within the Ninth District with respect to consumer financing services. Applicant presently controls 86 banks, 49 of which are located in the State of Minnesota (controlling 28.5 per cent of the total commercial bank deposits in the State) and 37 of which are in the remaining 4 States comprising the Ninth District (15 banks in Montana representing control of approximately 28.9 per cent of the total deposits, 7 banks in South Dakota holding approximately 16 per cent of total deposits, 14 banks in North Dakota holding approximately 16 per cent of total deposits, 1 bank in Wisconsin controlling approximately .3 per cent of total deposits).

At the present time Applicant's subsidiary banks, located throughout the Ninth District, are engaged in making direct consumer loans and the purchase of dealer-originated automobile installment paper. This is precisely the major thrust of

Empire's activities. The Board's approval action in this case would enable Applicant, historically identified as an aggressive competitor, using Empire as the acquiring vehicle, to acquire existing finance company offices in any of the several localities where Applicant's subsidiary banks and such finance company offices compete. Under the simplified procedures for bank holding company acquisition of consumer finance companies that have been proposed by the Board to be incorporated in its Regulation Y, a bank holding company could acquire any number of consumer finance companies, each with assets of less than \$10 million, so long as the aggregate assets of consumer finance companies acquired under the procedures within a one-year period does not exceed \$50 million. The typical consumer finance company in the upper Midwest holds assets of less than \$10 million. Thus, Applicant could, with minimal effort, eliminate existing competition between Applicant's subsidiary banks and existing finance companies and raise insurmountable barriers to future entry by potential competitors. The obvious result would be a further strengthening of an already dominant position in this product market.

In my judgment, Applicant, occupying as dominant a position as it does in the State of Minnesota and the entire Ninth District, should be permitted to expand in the consumer finance market only by *de novo* entry. The Board's action not only fails to impose such a requirement but will encourage unbridled expansion to the disadvantage of the banking public. Such a consequence is not contemplated by the applicable statute. The application should be denied.

FIRST CHICAGO CORPORATION,
CHICAGO, ILLINOIS

ORDER APPROVING ACQUISITION OF
I. J. MARKIN & CO.

First Chicago Corporation, Chicago, Illinois, a bank holding company within the meaning of the Bank Holding Company Act of 1956, 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 I. J. Markin & Co. ("Markin"), Chicago, Illinois. Notice of the application affording opportunity for interested persons to submit comments and views was duly published. The time for filing comments and views has expired and all received have been considered, including those presented orally and in

writing in connection with a Board hearing on November 8, 1971, pertaining to mortgage banking in general, and this application in particular.

Applicant controls the First National Bank of Chicago ("Bank"), the second largest bank in the Chicago SMSA, and twenty-one domestic and foreign nonbanking subsidiaries. Bank's deposits of \$4.6 billion¹ represent 18 per cent of the total commercial bank deposits in the Chicago SMSA. Bank, which does not service mortgages originated by others, has outstanding \$249 million of mortgages (primarily residential) which represent only 1.7 per cent of approximately \$14.3 billion of mortgage loans outstanding in the Chicago SMSA.

Markin has a mortgage loan portfolio of \$97.5 million² (which represents 0.7 per cent of mortgage loans outstanding in the Chicago SMSA) and originated \$8.3 million in loans during 1970. Applicant and Markin hold a combined share of only 2.4 per cent of the outstanding mortgage loans in this market. Based on the volume of mortgages serviced, Markin is the ninth largest mortgage company headquartered in Chicago, and the 187th largest in the nation. Markin specializes in the origination of mortgage loans on new income producing properties for sale to institutional investors, whereas Applicant specializes in residential loans (for its own account).

The proposed acquisition would not result in any elimination of existing competition between Bank and Markin in the markets for either construction loans, permanent mortgages on one-four family homes, or in the servicing of mortgages for the public. The only market in which the two institutions are in direct competition at the present time is the origination of mortgage loans on new income producing properties. However, there is no significant existing competition between the two in this product market.

Bank's capability for *de novo* entry into those mortgage banking markets in which it is not presently competing is limited only by its ability to develop or obtain the experienced personnel necessary to operate a *de novo* concern. However, in this case, we find little differentiation to be made between a *de novo* entry, and the acquisition of a firm as small as Markin. As the ninth largest mortgage company headquartered in Chicago, Markin services less than five per cent of all mortgages serviced by the top 10 mortgage companies head-

¹Data as of December 1970.

²Data as of October 31, 1970.

quartered in Chicago. There are numerous other mortgage companies and other financial institutions servicing mortgages in the Chicago SMSA as well. Thus, the market is sufficiently unconcentrated to allow a small acquisition by Applicant without a substantial lessening of potential competition.

We believe that Applicant's acquisition of Markin will not only add to the latter's operating capabilities but will strengthen its competitive role in the markets where it presently operates and those into which it may expand. Applicant's purchase of Markin could expand the availability of housing finance in the Chicago area (and Applicant has assured the Board that it will make available to Markin additional funds for low and moderate income housing projects). Additionally, because of the number of remaining credit sources, there is no significant possibility that the acquisition would have adverse effects on credit availability to independent mortgage companies. On balance, the Board concludes that these public benefits outweigh any possible adverse effect on competition.

Based upon the foregoing and other considerations reflected in the record, the application is approved.

By order of the Board of Governors, January 31, 1972.

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

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

DISSENTING STATEMENT OF GOVERNORS
ROBERTSON, MAISEL, AND BRIMMER

Applicant's subsidiary, First National Bank of Chicago (\$4.6 billion deposits), is the second largest bank in Chicago and has long been active in the single family home mortgage market. Its present mortgage loan portfolio of \$249 million is comprised almost entirely of residential loans made by it. In addition, the bank has served as a lender to mortgage companies located both within the Chicago SMSA and outside the area. In Applicant's own words, the bank has acquired a reputation over the last 25 years as "a major bank for mortgage bankers throughout the nation", and has become "thoroughly familiar with the nature of the mortgage banking business."¹

¹See Statement of Richard L. Thomas, Senior Vice President and General Manager, First Chicago Corporation, Board hearings on mortgage banking, November 8, 1971, pp. 59, 63.

I. J. Markin & Co. ("Markin"), specializes in the origination of loans on new income producing properties (\$8.3 million in 1970). Unlike many Chicago mortgage companies, it does not make permanent mortgages on one-four family residences; nor does it engage to any significant extent in construction lending. For example, Markin made no construction loans at all in the Chicago SMSA during 1970. As of October 1970, it serviced \$97 million of loans. Thus, on the basis of mortgages serviced, Markin is the 9th largest mortgage company in Chicago and the 187th largest in the nation.

It is clear from the record that the purchase of Markin by Applicant would diminish existing competition. Their offices are less than three blocks apart. Both are large-scale lenders on mortgages in the Chicago area. Moreover, consolidation of the two financial institutions would add a significant volume to the existing loan portfolio of Applicant as well as increase the assets of one of the largest financial organizations already in the Chicago market. Additionally, through a subsidiary (Real Estate Research Corporation) Applicant is one of the country's largest active consultants in the real estate field. The subsidiary is active in Chicago, and it would appear probable that it sells its services to Markin as well as to its competitors--and to customers of both. Applicant's acquisition of a substantial mortgage company thus offers the possibility of substantial conflicts of interest.

Moreover, there are adverse effects on potential competition. Since the barriers to entry into mortgage banking are relatively low,² it would appear that Applicant's past experience should facilitate easy entry into those lines of mortgage banking (i.e., interim construction lending and servicing of permanent mortgages originated by others) in which it has not heretofore engaged. In fact, on several occasions, Applicant has announced its intention to enter the construction lending business. It claims, however, that lack of personnel experienced in this specialized business has prevented it from doing so. On the other hand, Applicant admits that "a bank with our size and

²According to the testimony of the holding company, the supply of skilled mortgage men in the Chicago area is limited. It is cheaper for a corporation wishing to expand its business to purchase these services through acquiring an existing firm rather than through attempting to hire individuals, train them, or to acquire a firm not now active in its own market. If we assume this information to be accurate, the purchase of Markin by First Chicago would forestall or make it more difficult for a non-Chicago based bank holding company to compete in the Chicago market, one of the largest in the United States.

muscle could conceivably hire some very talented people from independent mortgage bankers."³

It is thus apparent that consummation of the proposed acquisition would foreclose potential competition. Applicant, owning the second largest bank in the Chicago SMSA, clearly has the resources and expertise to expand *de novo* into those mortgage banking lines in which it is not presently engaged. And it is only logical to expect that such expansion would occur in its own—and Markin's—present geographical market. As an established mortgage company, Markin is likewise capable of expanding its own mortgage banking activities in the Chicago area. Each institution is a potential competitor to the other in both the regional and national mortgage banking markets. Thus, consummation of the proposed acquisition would eliminate potential competition in two ways, since each would be eliminated as a potential competitor in the other's specialized mortgage activity.

Given this record, and the foregoing anti-competitive effects, under the provisions of the Act, the Board would have to find a significant number of positive factors benefiting the public in order to outweigh these large negative forces. Since it is obvious that Applicant could enter the mortgage banking business either *de novo* or through purchase of a company not now competing with it directly, extremely strong public interest advantages must be demonstrated before such an acquisition would be in accordance with the statute and the clear legislative intent. We fully concur with the analysis of this question by the Department of Justice in its memorandum on mortgage banking filed with the Board on December 3, 1971:

The basic balancing test of Section 4(c)(8) is concerned with more than clear adverse competitive effects which might amount to a violation of the antitrust laws. While providing increased flexibility for bank holding company expansion into nonbanking fields, Congress was concerned that the substantial economic power enjoyed by banks might adversely affect the public interest when released in these areas. Accordingly, it imposed regulatory restraints, above and beyond existing antitrust laws, on the limited intermingling of banking and commerce which it was permitting. These restraints are embodied in the required showing of positive public benefits; in this sense Section 4(c)(8) imposes a generally stricter standard than traditional antitrust laws. It seems clear that bank holding companies bear the burden of demonstrating that their proposed nonbanking activity will be in the public interest.

To meet the burden of establishing that benefits to the public outweigh the adverse effects of the proposed acquisition, as imposed by the 1970 Amendments to the Bank Holding Company Act,

³*Id.* at 68.

Applicant has claimed that consummation of the proposal would produce the following benefits: (1) Markin would become a more aggressive mortgage banker, (2) with more funds, it could lower the cost of financing to industrial and commercial borrowers; (3) Applicant would become a more vigorous competitor to other holding companies. However, the argument proves too much. The advantages claimed likely could result from the acquisition by a corporation the size of Applicant of a mortgage banking firm of any size. There would certainly be an equal—and probably greater—stimulus to competition through *de novo* entry by Applicant as compared to a purchase. Thus, the advantages cited are *negative* rather than positive factors, for they only serve to illuminate the manner in which Applicant could better enhance competition through internal expansion instead of through acquisition.

An additional public benefit which Applicant claims would result from the instant proposal is that Markin would become more active in the housing field. To date, Markin has exhibited very little interest in national housing policy. It has made few, if any, loans on houses or in support of any type of government housing program. In contrast, two subsidiaries of Applicant—First National Bank of Chicago and Real Estate Research Corporation—have been extremely active in the housing field. Since Applicant already has in its corporate structure significant skills in housing finance presently being used to advance national housing policy, it is difficult to give much weight to a claim of public benefit through the acquisition of Markin—a corporation whose major skills are in the commercial and industrial spheres of mortgage lending and which has avoided participation in the furtherance of national housing policy.

On the record, First Chicago has failed to show any positive benefits to the public through this acquisition. It has shown that numerous negative factors exist of the type that the Federal Reserve has been specifically required to consider when bank holding companies wish to acquire outside firms rather than expand their existing activities.

The balance appears clear. We would deny the application.

U.S. BANCORP,
PORTLAND, OREGON

ORDER DENYING DETERMINATION UNDER § 4(c)
(8) OF BANK HOLDING COMPANY ACT

U.S. Bancorp, Portland, Oregon, a bank holding company within the meaning of the Bank

Holding Company Act of 1956, 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 Securities-Intermountain, Inc. ("Simco") Portland, Oregon. Notice of the application affording opportunity for interested persons to submit comments and views was duly published. The time for filing comments and views has expired and all received have been considered, including those presented orally and in writing in connection with a Board hearing on November 8, 1971, pertaining to mortgage banking in general, and this application in particular.

Applicant owns the United States National Bank ("Bank"), a \$1.5 billion deposit institution headquartered in Portland, Oregon, Bank holds 37.7 per cent of the total commercial bank deposits in the State of Oregon, and is one of the two largest commercial banks in the State, which together hold 79.5 per cent of total State deposits.¹

Historically, Bank has made residential loans for its own account. In its most recent fiscal year, bank originated over \$1 million in mortgage loans in the Portland area that were sold to long-term investors. In addition, it originated \$6.5 million in construction and real estate development loans for its own account.

Bank entered the mortgage banking business in 1967 through the acquisitions of Thomas Mortgage Company and Commerce Mortgage Company ("Commerce"). In its most recent fiscal year, Commerce originated \$13.5 million in mortgage loans in the Portland area that were sold to long-term investors, and \$9.9 million in construction and real estate development loans for its own account. In the same period, Commerce's Spokane, Washington, office originated \$12.1 million of mortgage loans that were sold to long-term investors, and over \$6 million in construction and real estate development loans for its own account. Commerce has a servicing volume of over \$91 million in loans from the Spokane market alone. Based on its total mortgage servicing volume of \$372 million, Commerce is the 52nd largest mortgage banking company in the United States.²

Simco engages in the origination and servicing of all types of mortgage loans through offices located in Portland, Oregon; Seattle, Spokane and

Bellevue, Washington; and Palo Alto, California. In its last fiscal year, Simco's Portland office originated and sold \$4.8 million in mortgage loans, and originated \$5.4 million in construction loans. During the same period, its Spokane office originated \$1.3 million mortgage loans and \$1.9 million construction loans. Simco has a servicing volume of \$22.7 million in loans from the Spokane market alone. Based on its total mortgage servicing volume of \$205 million, Simco is the 100th largest mortgage banking company in the country.³

The Board finds that the proposed acquisition would eliminate substantial existing competition between Applicant and Simco in both the Portland and Spokane markets,⁴ where the two are direct competitors. Moreover, through its subsidiary, Commerce Mortgage Company, Applicant has the present capability of expanding *de novo* into the Seattle-Bellevue market, where Simco's mortgage loan portfolio exceeds \$88 million. Thus, the proposed acquisition would have an adverse effect on potential competition. The Board also views unfavorably the undue concentration of economic resources that would result from the proposed acquisition, considering Applicant's present substantial position in commercial and mortgage banking in Oregon.

If the proposed acquisition were approved, Applicant and Simco would offer approximately the same range of services as Applicant presently offers; the public would gain few, if any, benefits therefrom. The Board finds that the proposed acquisition would not result in greater convenience, increased competition, or gains in efficiency

³ Servicing portfolio as of June 30, 1971.

⁴ According to the Statements of Robert Wilson, president, U.S. Bancorp, and Robert James, Treasurer, Securities-Intermountain, Inc., Commerce accounted for 2.4 per cent of total mortgages recorded during the first nine months of 1971 in the Portland area, while Simco accounted for 1 per cent. (Simco's 1970 share of the Portland area represented 3.2 per cent according to the application.) In Spokane, the two firms had a combined share of approximately 20 per cent. See Board Hearing on Bank Holding Company Acquisition of Mortgage Companies, November 8, 1971, pp. 125, 132. With respect to the elimination of existing competition, the Conference Report accompanying the 1970 Amendments to the Bank Holding Company Act states: "Where a bank holding company seeks to engage in related activities through acquisition, in whole or in part, of a going concern, the elimination of existing competition will be an important negative factor, for other subsidiaries of the bank holding company, or the company itself, may already be providing the products and services in the market served by the company to be acquired. In such circumstances, where the possible benefits to the public of bank holding company activity are already being provided, the elimination of an independent competitive alternative will weigh heavily in the balance against approval." Report No. 91-1747, p. 17.

¹ Deposit data as of June 1971.

² Servicing portfolio as of June 30, 1971.

to the public that outweigh the probable adverse effects.

Accordingly, based upon the foregoing and other considerations reflected in the record, the application is denied.

By order of the Board of Governors January 31, 1972.

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

[SEAL.]

(Signed) TYNAN SMITH,
Secretary of the Board.

Directors of Federal Reserve Banks and Branches

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

District 1—FEDERAL RESERVE BANK OF BOSTON

		<i>Term Expires Dec. 31</i>
<i>Class A:</i>		
WILLIAM M. HONEY	President, The Martha's Vineyard National Bank, Vineyard Haven, Mass.	1972
RALPH A. MCININCH	President, Merchants National Bank of Manchester, N. H.	1973
MARK C. WHEELER	Chairman of the Board, President, New England Merchants National Bank of Boston, Mass.	1974
<i>Class B:</i>		
F. RAY KEYSER, JR.	Vice President, Vermont Marble Company, Proctor, Vt.	1972
G. WILLIAM MILLER	President, Textron, Providence, R. I.	1973
W. GORDON ROBERTSON	General Trustee, Bangor Punta Corporation, Bangor, Maine	1974
<i>Class C:</i>		
LOUIS W. CABOT ²	Chairman of the Board, Cabot Corporation, Boston, Mass.	1972
JOHN M. FOX	President, Chief Executive Officer, H.P. Hood & Sons, Charlestown, Mass.	1973
JAMES S. DUESENBERRY ¹	Professor of Economics, Harvard University, Cambridge, Mass.	1974

¹Chairman

²Deputy Chairman

District 2—FEDERAL RESERVE BANK OF NEW YORK

*Term
Expires
Dec. 31*

Class A:

ARTHUR S. HAMLIN	President, The Canandaigua National Bank and Trust Company, Canandaigua, N. Y.	1972
WILLIAM S. RENCHARD	Chairman of the Board, Chemical Bank, New York, N. Y.	1973
NORMAN BRASSLER	Chairman of the Board, Chief Executive Officer, New Jersey Bank, N.A., Passaic, N. J.	1974

Class B:

MAURICE R. FORMAN (Vacancy)	Chairman of the Board, B. Forman Co., Rochester, N. Y.	1972 1973
FRANK R. MILLIKEN	President, Kennecott Copper Corporation, New York, N. Y.	1974

Class C:

ELLISON L. HAZARD ²	Chairman of the Executive Committee, Continental Can Com- pany, Inc., New York, N. Y.	1972
ALAN J. PIFER	President , Carnegie Corporation of New York, N. Y.	1973
ROSWELL L. GILPATRICK ¹	Partner, Cravath, Swaine & Moore, New York, N. Y.	1974

BUFFALO BRANCH**Appointed by Federal Reserve Bank:**

DAVID J. LAUB	Chairman of the Board, Marine Midland Bank-Western, Buffalo, N. Y.	1972
WILLIAM B. ANDERSON	President, The First National Bank of Jamestown, N. Y.	1973
ANGELO A. COSTANZA	President, Chief Executive Officer, Central Trust Company Rochester, N. Y., Rochester, N. Y.	1973
THEODORE M. McCLURE	President, The Citizens National Bank and Trust Company, Wellsville, N. Y.	1974

Appointed by Board of Governors:

MORTON ADAMS ¹	General Manager, Pro-Fac Cooperative Inc., Rochester, N. Y.	1972
RUPERT WARREN	President, Trico Products Corporation, Buffalo, N. Y.	1973
NORMAN F. BEACH	Vice President, General Manager, Kodak Park Division, East- man Kodak Company, Rochester, N. Y.	1974

District 3—FEDERAL RESERVE BANK OF PHILADELPHIA**Class A:**

WILLIAM R. COSBY	Chairman of the Board, Princeton Bank and Trust Company, Princeton, N. J.	1972
RICHARD A. HERBSTER	President, Lewistown Trust Company, Lewistown, Pa.	1973
JAMES H. DAWSON	Chairman of the Board, President, Bank of Delaware, Wil- mington, Del.	1974

¹Chairman²Deputy Chairman

District 3—FEDERAL RESERVE BANK OF PHILADELPHIA—Continued

		<i>Term Expires Dec. 31</i>
<i>Class B:</i>		
EDWARD J. DWYER	Chairman, Chief Executive Officer, ESB Incorporated, Philadelphia, Pa.	1972
PHILIP H. GLATFELTER, III	Chairman of the Board, President, P. H. Glatfelter Co., Spring Grove, Pa.	1973
C. GRAHAM BERWIND, JR.	President, Chief Executive Officer, Berwind Corporation, Philadelphia, Pa.	1974

Class C:

BAYARD L. ENGLAND ¹	Ventnor, N.J.	1972
JOHN R. COLEMAN ²	President, Haverford College, Haverford, Pa.	1973
EDWARD W. ROBINSON, JR.	President, Chief Executive Officer, Provident Home Industrial Mutual Life Insurance Company, Philadelphia, Pa.	1974

District 4—FEDERAL RESERVE BANK OF CLEVELAND*Class A:*

DAVID L. BRUMBACK, JR.	President, Van Wert National Bank, Van Wert, Ohio	1972
EDWARD W. BARKER	President, First National Bank of Middletown, Ohio	1973
A. BRUCE BOWDEN	Vice Chairman of the Board, Mellon National Bank and Trust Company, Pittsburgh, Pa.	1974

Class B:

R. STANLEY LAING	President, The National Cash Register Company, Dayton, Ohio	1972
JOHN L. GUSHMAN	Chairman of the Board, Chief Executive Officer, Anchor Hocking Corporation, Lancaster, Ohio	1973
DONALD E. NOBLE	President, Chief Executive Officer, Rubbermaid, Incorporated, Wooster, Ohio	1974

Class C:

ALBERT G. CLAY ¹	President, Clay Tobacco Company, Mt. Sterling, Ky.	1972
J. WARD KEENER ²	Chairman of the Board, The B. F. Goodrich Company, Akron, Ohio	1973
HORACE A. SHEPARD	Chairman of the Board, Chief Executive Officer, TRW Inc., Cleveland, Ohio	1974

¹Chairman²Deputy Chairman

District 4—FEDERAL RESERVE BANK OF CLEVELAND—Continued**CINCINNATI BRANCH**

*Term
Expires
Dec. 31*

Appointed by Federal Reserve Bank:

PAUL W. CHRISTENSEN, JR.	President, The Cincinnati Gear Company, Cincinnati, Ohio	1972
ROBERT E. HALL	President, The First National Bank and Trust Company, Troy, Ohio	1972
WILLIAM S. ROWE	President, The Fifth Third Bank, Cincinnati, Ohio	1973
E. PAUL WILLIAMS	President, The Second National Bank of Ashland, Ky.	1974

Appointed by Board of Governors:

PHILLIP R. SHRIVER	President, Miami University, Oxford, Ohio	1972
CLAIR F. VOUGH	Vice President, Office Products Division, IBM Corporation, Lexington, Ky.	1973
GRAHAM E. MARX ¹	President, General Manager, The G. A. Gray Company, Cincinnati, Ohio	1974

PITTSBURGH BRANCH*Appointed by Federal Reserve Bank:*

ROBINSON F. BARKER	Chairman of the Board, Chief Executive Officer, PPG Industries, Inc., Pittsburgh, Pa.	1972
JOHN W. BINGHAM	President, The Merchants and Manufacturers National Bank of Sharon, Pa.	1972
MERLE E. GILLIAND	Chairman of the Board, Chief Executive Officer, Pittsburgh National Bank, Pittsburgh, Pa.	1973
CHARLES F. WARD	President, Gallatin National Bank, Uniontown, Pa.	1974

Appointed by Board of Governors:

LAWRENCE E. WALKLEY ¹	President, Chief Executive Officer, Westinghouse Air Brake Company, Pittsburgh, Pa.	1972
ROBERT E. KIRBY	President, Industry and Defense Company, Westinghouse Electric Corporation, Pittsburgh, Pa.	1973
RICHARD M. CYERT	Dean, Graduate School of Industrial Administration, Carnegie-Mellon University, Pittsburgh, Pa.	1974

District 5—FEDERAL RESERVE BANK OF RICHMOND*Class A:*

HUGH A. CURRY	President, Chief Executive Officer, The Kanawha Valley Bank, Charleston, W. Va.	1972
THOMAS P. McLACHLEN	President, McLachlen National Bank, Washington, D.C.	1973
EDWARD N. EVANS	President, Farmers & Merchants National Bank of Cambridge, Cambridge, Md.	1974

¹Chairman

District 5—FEDERAL RESERVE BANK OF RICHMOND—Continued

		<i>Term Expires Dec. 31</i>
<i>Class B:</i>		
ROBERT S. SMALL	President, Dan River, Inc., Greenville, S. C.	1972
H. DAIL HOLDERNESS	President, Carolina Telephone and Telegraph Company, Tarboro, N.C.	1973
HENRY C. HOFHEIMER, II	Member of the Executive Committee, Southern Materials Co., Inc., Norfolk, Va.	1974
<i>Class C:</i>		
ROBERT W. LAWSON, JR. ¹	Managing Partner of Charleston Office, Steptoe & Johnson, Charleston, W. Va.	1972
STUART SHUMATE ²	President, Richmond, Fredericksburg and Potomac Railroad Company, Richmond, Va.	1973
E. CRAIG WALL, SR.	Chairman of the Board, Canal Industries, Inc., Conway, S.C.	1974

BALTIMORE BRANCH*Appointed by Federal Reserve Bank:*

J. R. CHAFFINCH, JR.	Executive Vice President, The Denton National Bank, Denton, Md.	1972
JAMES J. ROBINSON	Executive Vice President, Bank of Ripley, W. Va.	1973
J. STEVENSON PECK	President, Union Trust Company of Maryland, Baltimore, Md.	1973
TILTON H. DOBBIN	President, Chairman of the Executive Committee, Maryland National Bank, Baltimore, Md.	1974

Appointed by Board of Governors:

ARNOLD J. KLEFF, JR.	Baltimore, Md.	1972
JOHN H. FETTING, JR. ¹	President, A. H. Fetting Company, Baltimore, Md.	1973
JAMES G. HARLOW, JR.	President, West Virginia University, Morgantown, W. Va.	1974

CHARLOTTE BRANCH*Appointed by Federal Reserve Bank:*

J. WILLIS CANTEY	Chairman, Chief Executive Officer, The Citizens & Southern National Bank of South Carolina, Columbia, S.C.	1972
C. C. CAMERON	Chairman of the Board, President, First Union National Bank of North Carolina, Charlotte, N.C.	1973
H. PHELPS BROOKS, JR.	President, The Peoples National Bank, Chester, S.C.	1973
L. D. COLTRANE, III	President, The Concord National Bank, Concord, N.C.	1974

¹Chairman²Deputy Chairman

District 5—FEDERAL RESERVE BANK OF RICHMOND—Continued**CHARLOTTE BRANCH—Continued**

*Term
Expires
Dec. 31*

Appointed by Board of Governors:

ROBERT C. EDWARDS	President, Clemson University, Clemson, S.C.	1972
CHARLES W. DEBELL ¹	General Manager, North Carolina Works, Western Electric Company, Inc., Winston-Salem, N.C.	1973
CHARLES F. BENBOW	Vice President, R. J. Reynolds Industries, Inc., Winston-Salem, N.C.	1974

District 6—FEDERAL RESERVE BANK OF ATLANTA*Class A:*

WILLIAM B. MILLES	President, The Florida National Bank, Jacksonville, Fla.	1972
A. L. ELLIS	Chairman of the Board, First National Bank, Tarpon Springs, Fla.	1973
JACK P. KEITH	President, First National Bank of West Point, Ga.	1974

Class B:

PHILIP J. LEE	Vice President, Tropicana Products, Inc., Tampa, Fla.	1972
HOSKINS A. SHADOW	President, Tennessee Valley Nursery, Inc., Winchester, Tenn.	1973
OWEN COOPER	President, Mississippi Chemical Corporation, Coastal Chemical Corporation, Yazoo City, Miss.	1974

Class C:

F. EVANS FARWELL	President, Milliken and Farwell, Inc., New Orleans, La.	1972
JOHN C. WILSON ¹	President, Horne-Wilson, Inc., Atlanta, Ga.	1973
H. G. PATILLO ²	President, Patillo Construction Company, Inc., Decatur, Ga.	1974

BIRMINGHAM BRANCH*Appointed by Federal Reserve Bank:*

HARVEY TERRELL	Chairman of the Board, The First National Bank of Birmingham, Ala.	1972
WALLACE D. MALONE, JR.	President, Chairman of the Board, The First National Bank of Dothan, Ala.	1973
C. LOGAN TAYLOR	Chairman of the Board, The First State Bank of Oxford, Ala.	1973
W. EUGENE MORGAN	President, Chief Executive Officer, The First National Bank of Huntsville, Ala.	1974

¹Chairman²Deputy Chairman

District 6—FEDERAL RESERVE BANK OF ATLANTA—Continued**BIRMINGHAM BRANCH—Continued**

*Term
Expires
Dec. 31*

Appointed by Board of Governors:

E. STANLEY ROBBINS ¹	President, National Floor Products Company, Inc., Florence, Ala.	1972
DAVID MATHEWS	President, University of Alabama, University, Ala.	1973
WILLIAM C. BAUER	President, South Central Bell, Birmingham, Ala.	1974

JACKSONVILLE BRANCH*Appointed by Federal Reserve Bank:*

JAMES G. RICHARDSON	Chairman of the Board, President, The Commercial Bank and Trust Company of Ocala, Fla.	1972
MALCOLM C. BROWN	President, Chairman of the Board, Florida First National Bank at Brent, Pensacola, Fla.	1973
A. CLEWIS HOWELL	President, Marine Bank & Trust Company, Tampa, Fla.	1973
GUY W. BOTTS	Vice Chairman of the Board, Barnett Bank of Jacksonville, N.A., Jacksonville, Fla.	1974

Appointed by Board of Governors:

HENRY K. STANFORD ¹	President, University of Miami, Coral Gables, Fla.	1972
HENRY CRAGG	Vice President, The Coca-Cola Company Foods Division, Winter Park, Fla.	1973
GERT H. W. SCHMIDT	President, TeLeVision 12 of Jacksonville, Fla.	1974

NASHVILLE BRANCH*Appointed by Federal Reserve Bank:*

EDWARD C. HUFFMAN	Chairman of the Board, President, First National Bank, Shelbyville, Tenn.	1972
DAN B. ANDREWS	President, First National Bank, Dickson, Tenn.	1973
EDWARD G. NELSON	Executive Vice President, Commerce Union Bank, Nashville, Tenn.	1973
THOMAS C. MOTTERN	President, Hamilton National Bank of Johnson City, Tenn.	1974

Appointed by Board of Governors:

JOHN C. TUNE, JR. ¹	Partner, Butler, McHugh, Butler, Tune & Watts, Nashville, Tenn.	1972
JAMES W. LONG	President, Robertson County Farm Bureau, Springfield, Tenn.	1973
EDWARD J. BOLING	President, The University of Tennessee, Knoxville, Tenn.	1974

¹Chairman

District 6—FEDERAL RESERVE BANK OF ATLANTA—Continued**NEW ORLEANS BRANCH**

*Term
Expires
Dec. 31*

Appointed by Federal Reserve Bank:

H. P. HEIDELBERG, JR.	President, Pascagoula-Moss Point Bank, Pascagoula, Miss.	1972
TOM A. FLANAGAN, JR.	President, Lakeside National Bank of Lake Charles, La.	1973
LAWRENCE A. MERRIGAN	President, The Bank of New Orleans and Trust Company, New Orleans, La.	1973
ARCHIE R. McDONNELL	President, Citizens National Bank, Meridian, Miss.	1974

Appointed by Board of Governors:

D. BEN KLEINPETER	Wholesale Manager, Kleinpeter Farms Dairy, Inc., Baton Rouge, La.	1972
BROADUS N. BUTLER ¹	President, Dillard University, New Orleans, La.	1973
FRED ADAMS, JR.	President, Cal-Maine Foods, Inc., Jackson, Miss.	1974

District 7—FEDERAL RESERVE BANK OF CHICAGO*Class A:*

EDWARD BYRON SMITH	Chairman of the Board, The Northern Trust Company, Chicago, Ill.	1972
MELVIN C. LOCKARD	President, First National Bank, Mattoon, Ill.	1973
FLOYD F. WHITMORE	President, The Okey-Vernon National Bank, Corning, Iowa	1974

Class B:

WILLIAM H. DAVIDSON	President, Harley-Davidson Motor Co., Inc., Milwaukee, Wis.	1972
HOWARD M. PACKARD	Vice Chairman, S. C. Johnson & Son, Inc., Racine, Wis.	1973
JOHN T. HACKETT	Executive Vice President, Cummins Engine Company, Inc., Columbus, Ind.	1974

Class C:

EMERSON G. HIGDON ¹	President, The Maytag Company, Newton, Iowa	1972
JOHN W. BAIRD	President, Baird & Warner, Inc., Chicago, Ill.	1973
WILLIAM H. FRANKLIN ²	President, Caterpillar Tractor Co., Peoria, Ill.	1974

DETROIT BRANCH*Appointed by Federal Reserve Bank:*

GEORGE L. WHYEL	President, Genesee Merchants Bank & Trust Company, Flint, Mich.	1972
ROLAND A. MEWHORT	Chairman, Manufacturers National Bank of Detroit, Mich.	1972
ELLIS B. MERRY	Chairman of the Board, National Bank of Detroit, Mich.	1973
HAROLD A. ELGAS	President, Gaylord State Bank, Gaylord, Mich.	1974

¹Chairman²Deputy Chairman

District 7—FEDERAL RESERVE BANK OF CHICAGO—Continued**DETROIT BRANCH—Continued**

		<i>Term Expires Dec. 31</i>
<i>Appointed by Board of Governors:</i>		
W. M. DEFOE	Chairman of the Board, Defoe Shipbuilding Company, Bay City, Mich.	1972
L. WM. SEIDMAN	Resident Partner, Seidman & Seidman, Grand Rapids, Mich.	1973
PETER B. CLARK ¹	Chairman of the Board, President, The Evening News Association, Detroit, Mich.	1974

District 8—FEDERAL RESERVE BANK OF ST. LOUIS*Class A:*

CECIL W. CUPP, JR.	President, Arkansas Bank & Trust Company, Hot Springs, Ark.	1972
BRADFORD BRETT	President, The First National Bank of Mexico, Mo.	1973
EDWIN S. JONES	Chairman of the Board, Chief Executive Officer, First National Bank in St. Louis, Mo.	1974

Class B:

EDWARD J. SCHNUCK	Chairman of the Board, Schnuck Markets, Inc., Bridgeton, Mo.	1972
FRED I. BROWN, JR.	President, Arkansas Foundry Company, Little Rock, Ark.	1973
JAMES M. TUHOLSKI	President, Mead Johnson & Company, Evansville, Ind.	1974

Class C:

SAM COOPER ²	President, HumKo Products Division of Kraftco Corporation, Memphis, Tenn.	1972
HARRY M. YOUNG, JR.	Farmer, Herndon, Ky.	1973
FREDERIC M. PEIRCE ¹	Chairman of the Board, Chief Executive Officer, General American Life Insurance Company, St. Louis, Mo.	1974

LITTLE ROCK BRANCH*Appointed by Federal Reserve Bank:*

ELLIS E. SHELTON	President, The First National Bank of Fayetteville, Ark.	1972
WAYNE A. STONE	Chairman of the Board, Chief Executive Officer, Simmons First National Bank of Pine Bluff, Ark.	1972
EDWARD M. PENICK	President, Chief Executive Officer, Worthen Bank & Trust Company, Little Rock, Ark.	1973
WILL H. KELLEY	President, Chief Executive Officer, The State First National Bank of Texarkana, Ark.	1974

Appointed by Board of Governors:

JAKE HARTZ, JR.	President, Jacob Hartz Seed Co., Inc., Stuttgart, Ark.	1972
ROLAND R. REMMEL ¹	Chairman of the Board, Southland Building Products Co., Little Rock, Ark.	1973
AL POLLARD	President, Al Pollard & Associates, Little Rock, Ark.	1974

¹Chairman²Deputy Chairman

District 8—FEDERAL RESERVE BANK OF ST. LOUIS—Continued**LOUISVILLE BRANCH**

		<i>Term Expires Dec. 31</i>
<i>Appointed by Federal Reserve Bank:</i>		
PAUL CHASE	President, The Bedford National Bank, Bedford, Ind.	1972
HERBERT J. SMITH	President, The American National Bank & Trust Company of Bowling Green, Ky.	1972
HAROLD E. JACKSON	President, The Scott County State Bank, Scottsburg, Ind.	1973
HUGH M. SHWAB	Chairman of the Boards, First National Bank of Louisville, The Kentucky Trust Company, Louisville, Ky.	1974

Appointed by Board of Governors:

JOHN G. BEAM ¹	President, Thomas Industries, Inc., Louisville, Ky.	1972
WILLIAM H. STROUBE	Associate Dean, College of Science and Technology, Western Kentucky University, Bowling Green, Ky.	1973
(Vacancy)		1974

MEMPHIS BRANCH*Appointed by Federal Reserve Bank:*

JAMES R. FITZHUGH	Executive Vice President, Bank of Ripley, Tenn.	1972
WAYNE W. PYEATT	President, National Bank of Commerce, Memphis, Tenn.	1972
J. J. WHITE	President, Helena National Bank, Helena, Ark.	1973
WADE C. BARTON	President, First Citizens National Bank, Tupelo, Miss.	1974

Appointed by Board of Governors:

WILLIAM L. GILES ¹	President, Mississippi State University, State College, Miss.	1972
ALVIN HUFFMAN, JR.	President, Huffman Brothers Incorporated, Blytheville, Ark.	1973
C. WHITNEY BROWN	President, S. C. Toof & Company, Memphis, Tenn.	1974

District 9—FEDERAL RESERVE BANK OF MINNEAPOLIS*Class A:*

JOHN BOSSHARD	Executive Vice President, First National Bank of Bangor, Wis.	1972
PHILIP H. NASON	President, The First National Bank of Saint Paul, Minn.	1973
ROY H. JOHNSON	President, First National Bank of Negaunee, Mich.	1974

Class B:

DAVID M. HESKETT	President, Montana-Dakota Utilities Co., Bismarck, N.D.	1972
DALE V. ANDERSEN	President, Mitchell Packing Company, Inc., Mitchell, S.D.	1973
JOHN H. BAILEY	President, The Cretex Companies, Inc., Elk River, Minn.	1974

¹Chairman

District 9—FEDERAL RESERVE BANK OF MINNEAPOLIS—Continued

		<i>Term Expires Dec. 31</i>
<i>Class C:</i>		
DAVID M. LILLY ¹	Chairman of the Board, The Toro Company, Minneapolis, Minn.	1972
RUSS B. HART	President, Hart-Albin Company, Billings, Mont.	1973
BRUCE B. DAYTON ²	Chairman of the Board, Dayton Hudson Corporation, Minneapolis, Minn.	1974

HELENA BRANCH*Appointed by Federal Reserve Bank:*

E. LOWRY KUNKEL	President, First National Bank, Butte, Mont.	1972
ROBERT I. PENNER	President, Citizens First National Bank, Wolf Point, Mont.	1972
RICHARD D. RUBIE	President, Missoula Bank of Montana, Missoula, Mont.	1973

Appointed by Board of Governors:

WARREN B. JONES ¹	Secretary-Treasurer, Two Dot Land and Livestock Company, Harlowton, Mont.	1972
WILLIAM A. CORDINGLEY	Publisher, Great Falls Tribune, Great Falls, Mont.	1973

District 10—FEDERAL RESERVE BANK OF KANSAS CITY*Class A:*

ROGER D. KNIGHT, JR.	Chairman of the Board, United Banks of Colorado, Inc., Denver, Colo.	1972
C. MOSE MILLER	Chairman of the Board, President, The Farmers and Merchants State Bank, Colby, Kans.	1973
JOHN A. O'LEARY	Chairman of the Board, The Peoples State Bank, Luray, Kans.	1974

Class B:

CECIL O. EMRICH	President, C. O. Emrich Enterprises, Norfolk, Nebr.	1972
ALFRED E. JORDAN	Vice President, Trans World Airlines, Inc., Kansas City, Mo.	1973
FRANK C. LOVE	President, Kerr-McGee Corporation, Oklahoma City, Okla.	1974

Class C:

WILLARD DEERE HOSFORD, JR. ²	Vice President, General Manager, John Deere Company, Omaha, Nebr.	1972
ROBERT T. PERSON	President, Chairman of the Board, Public Service Company of Colorado, Denver, Colo.	1973
ROBERT W. WAGSTAFF ¹	Chairman of the Board, President, Coca-Cola Bottling Company of Mid-America, Kansas City, Mo.	1974

DENVER BRANCH*Appointed by Federal Reserve Bank:*

ROBERT L. TRIPP	President, Albuquerque National Bank, Albuquerque, N.M.	1972
DALE R. HINMAN	Chairman of the Board, The Greeley National Bank, Greeley, Colo.	1972
JOHN W. HAY, JR.	President, Rock Springs National Bank, Rock Springs, Wyo.	1973

¹Chairman²Deputy Chairman

District 10—FEDERAL RESERVE BANK OF KANSAS CITY—Continued**DENVER BRANCH—Continued**

		<i>Term Expires Dec. 31</i>
<i>Appointed by Board of Governors:</i>		
DAVID R. C. BROWN ¹	President, The Aspen Skiing Corporation, Aspen, Colo.	1972
MAURICE B. MITCHELL	Chancellor, University of Denver, Colo.	1973

OKLAHOMA CITY BRANCH*Appointed by Federal Reserve Bank:*

MARVIN MILLARD	Chairman of the Board, National Bank of Tulsa, Okla.	1972
HUGH C. JONES	Executive Vice President, The Bank of Woodward, Okla.	1972
W. H. McDONALD	Chairman of the Executive Committee, The First National Bank and Trust Company of Oklahoma City, Okla.	1973

Appointed by Board of Governors:

FLORIN W. ZALOUDEK	Manager, J. I. Case Implements, Kremlin, Okla.	1972
JOSEPH H. WILLIAMS ¹	President, Chief Operating Officer, The Williams Companies, Tulsa, Okla.	1973

OMAHA BRANCH*Appointed by Federal Reserve Bank:*

EDWARD W. LYMAN	President, The United States National Bank of Omaha, Nebr.	1972
S. N. WOLBACH	President, The First National Bank of Grand Island, Nebr.	1973
GLENN YAUSSE	Chairman of the Board, National Bank of Commerce Trust & Savings, Lincoln, Nebr.	1973

Appointed by Board of Governors:

HENRY Y. KLEINKAUF ¹	President, Natkin & Company, Omaha, Nebr.	1972
A. JAMES EBEL	Vice President, General Manager, Cornhusker Television Corporation, Lincoln, Nebr.	1973

District 11—FEDERAL RESERVE BANK OF DALLAS*Class A:*

MURRAY KYGER	Chairman of the Executive Committee, The First National Bank of Fort Worth, Tex.	1972
J. V. KELLY	President, The Peoples National Bank of Belton, Tex.	1973
A. W. RITER, JR.	President, The Peoples National Bank of Tyler, Tex.	1974

Class B:

C. A. TATUM, JR.	President, Chief Executive Officer, Texas Utilities Company, Dallas, Tex.	1972
CARL D. NEWTON	Chairman of the Board, Fox-Stanley Photo Products, Inc., San Antonio, Tex.	1973
HUGH F. STEEN	President, El Paso Natural Gas Company, El Paso, Tex.	1974

¹Chairman

District 11—FEDERAL RESERVE BANK OF DALLAS—Continued

*Term
Expires
Dec. 31*

Class C:

PHILIP G. HOFFMAN ²	President, University of Houston, Tex.	1972
JOHN LAWRENCE	Chairman of the Board, Dresser Industries, Inc., Dallas, Tex.	1973
CHAS. F. JONES ¹	Vice Chairman of the Board, Humble Oil & Refining Company, Houston, Tex.	1974

EL PASO BRANCH*Appointed by Federal Reserve Bank:*

ARCHIE B. SCOTT	President, The Security State Bank of Pecos, Texas, Pecos, Tex.	1972
SAM D. YOUNG, JR.	President, El Paso National Bank, El Paso, Tex.	1972
CULLEN J. KELLY	President, The First National Bank of Midland, Tex.	1973
WAYNE STEWART	President, First National Bank in Alamogordo, N.M.	1974

Appointed by Board of Governors:

ALLAN B. BOWMAN ¹	President, General Manager, Banner Mining Company, Tucson, Ariz.	1972
HERBERT M. SCHWARTZ	President, Popular Dry Goods Co., Inc., El Paso, Tex.	1973
GAGE HOLLAND	Rancher, Marathon, Tex.	1974

HOUSTON BRANCH*Appointed by Federal Reserve Bank:*

W. G. THORNELL	Chairman of the Board, President, The First National Bank of Port Arthur, Tex.	1972
JOHN E. WHITMORE	Chairman of the Board, Chief Executive Officer, Texas Commerce Bank National Association, Houston, Tex.	1972
KLINE MCGEE	Chairman of the Board, Southern National Bank of Houston, Tex.	1973
SETH W. DORBANDT	Chairman of the Board, President, First National Bank in Conroe, Tex.	1974

Appointed by Board of Governors:

GEO. T. MORSE, JR. ¹	Vice Chairman of the Board, Chief Operating Officer, Peden In- dustries, Inc., Houston, Tex.	1972
M. STEELE WRIGHT, JR.	Chairman of the Board, Texas Farm Products Company, Nacog- doches, Tex.	1973
R. M. BUCKLEY	President, Eastex Incorporated, Silsbee, Tex.	1974

SAN ANTONIO BRANCH*Appointed by Federal Reserve Bank:*

TOM C. FROST, JR.	Chairman of the Board, The Frost National Bank of San Antonio, Tex.	1972
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¹Chairman²Deputy Chairman

District 11—FEDERAL RESERVE BANK OF DALLAS—Continued**SAN ANTONIO BRANCH—Continued**

		<i>Term Expires Dec. 31</i>
<i>Appointed by Federal Branch Bank—Continued</i>		
W. O. ROBERSON	President, First National Bank at Brownsville, Tex.	1972
RAY M. KECK, JR.	Chairman of the Board, President, Union National Bank of Laredo, Tex.	1973
LEON STONE	President, The Austin National Bank, Austin, Tex.	1974

Appointed by Board of Governors:

W. A. BELCHER	Rancher, Veterinarian, Brackettville, Tex.	1972
IRVING A. MATHEWS ¹	Chairman of the Board, Chief Executive Officer, Frost Bros., Inc., San Antonio, Tex.	1973
MARSHALL BOYKIN, III	Partner, Wood, Boykin & Wolter, Corpus Christi, Tex.	1974

District 12—FEDERAL RESERVE BANK OF SAN FRANCISCO**LOS ANGELES BRANCH***Class A:*

CARROLL F. BYRD	Chairman of the Board, President, The First National Bank of Willows, Calif.	1972
RALPH J. VOSS	President, First National Bank of Oregon, Portland, Oreg.	1973
CARL E. SCHROEDER	President, The First National Bank of Orange County, Orange, Calif.	1974

Class B:

JOSEPH ROSENBLATT	Honorary Chairman of the Board, The Eimco Corporation, Salt Lake City, Utah	1972
MARRON KENDRICK	President, Chairman of the Board, Schlage Lock Company, San Francisco, Calif.	1973
CHARLES R. DAHL	President, Chief Executive Officer, Crown Zellerbach, San Francisco, Calif.	1974

Class C:

S. ALFRED HALGREN ²	Senior Vice President, Carnation Company, Los Angeles, Calif.	1972
O. MEREDITH WILSON ¹	President, Director, Center for Advanced Study in the Behavioral Sciences, Stanford, Calif.	1973
MAS OJI	President, Oji Bros. Farm, Inc., Yuba City, Calif.	1974

Appointed by Federal Reserve Bank:

W. GORDON FERGUSON	President, National Bank of Whittier, Calif.	1972
LINUS E. SOUTHWICK	President, Valley National Bank, Glendale, Calif.	1973
CARL E. HARTNACK	President, Security Pacific National Bank, Los Angeles, Calif.	1973
RAYBURN S. DEZEMBER	Chairman of the Board, President, American National Bank, Bakersfield, Calif.	1974

¹Chairman²Deputy Chairman

District 12—FEDERAL RESERVE BANK OF SAN FRANCISCO—Continued**LOS ANGELES BRANCH—Continued**

		<i>Term Expires Dec. 31</i>
<i>Appointed by Board of Governors:</i>		
LELAND D. PRATT ¹	President, Kelco Company, San Diego, Calif.	1972
EDWARD A. SLOAN	President, Sloan's Dry Cleaners, Los Angeles, Calif.	1973
RUTH HANDLER	President, Mattel, Inc., Hawthorne, Calif.	1974

PORTLAND BRANCH*Appointed by Federal Reserve Bank:*

JAMES H. STANARD	Vice President, First National Bank of McMinnville, Oreg.	1972
FRANK L. SERVOSS	President, Crater National Bank of Medford, Oreg.	1972
LEROY B. STAVER	Chairman of the Board, Chief Executive Officer, United States National Bank of Oregon, Portland, Oreg.	1973

Appointed by Board of Governors:

JOHN R. HOWARD ¹	President, Lewis and Clark College, Portland, Oreg.	1972
FRANK ANDERSON	Farmer, Heppner, Oreg.	1973

SALT LAKE CITY BRANCH*Appointed by Federal Reserve Bank:*

RODERICK H. BROWNING	President, Bank of Utah, Ogden, Utah	1972
ROY W. SIMMONS	President, Zions First National Bank, Salt Lake City, Utah	1972
JOSEPH BIANCO	Chairman of the Board, President, Bank of Idaho, Boise, Idaho	1973

Appointed by Board of Governors:

JOHN H. BRECKENRIDGE ¹	President, L. L. Breckenridge Company, Twin Falls, Idaho	1972
THEODORE C. JACOBSEN	Chairman of the Board, Jacobsen Construction Company, Inc., Salt Lake City, Utah	1973

SEATTLE BRANCH*Appointed by Federal Reserve Bank:*

A. E. SAUNDERS	Vice Chairman of the Board, Puget Sound National Bank, Tacoma, Wash.	1972
PHILIP H. STANTON	President, Washington Trust Bank, Spokane, Wash.	1972
JOSEPH C. BAILLARGEON	Chairman of the Board, Chief Executive Officer, Seattle Trust & Savings Bank, Seattle, Wash.	1973

Appointed by Board of Governors:

C. HENRY BACON, JR. ¹	Vice Chairman of the Board, Simpson Timber Company, Seattle, Wash.	1972
THOMAS T. HIRAI	President, Quality Growers Company, Inc., Quincy, Wash.	1973

¹Chairman

Announcements

GOVERNOR SHEEHAN CONFIRMED

Following his confirmation by the Senate on February 7, John E. Sheehan took the oath of office on February 8 as a member of the Board of Governors of the Federal Reserve System for the unexpired portion of a term ending January 31, 1982.

Governor Sheehan has served as a member of the Board since January 4 when he took the oath of office under a recess appointment announced by President Nixon on December 23. He succeeded William W. Sherrill who resigned effective November 15, 1971.

Prior to his appointment to the Board, Governor Sheehan had been president and chief executive officer of Corhart Refractories Company, a subsidiary of Corning Glass Works in Louisville, Kentucky. He was also a director of the Louisville Branch of the Federal Reserve Bank of St. Louis.

A native of Johnstown, Pennsylvania, Governor Sheehan was graduated from the U.S. Naval Academy in 1952 and from the Harvard Business School in 1960.

CHANGES IN BOARD STAFF

The Board of Governors has announced the following official staff appointments and promotions, effective January 31, 1972:

Robert S. Plotkin appointed an Adviser in the Legal Division. Prior to joining the Board's staff in 1964, he had been associated with private law firms in New York and Washington, D.C., as well as with the Securities and Exchange Commission. Mr. Plotkin holds B.B.A. and L.L.B. degrees from City College of New York and Columbia University, respectively.

Paul Gardner, Jr., appointed Assistant General Counsel in the Legal Division. Prior to joining the Board's staff in 1970, Mr. Gardner had been engaged in the private practice of law in Philadelphia. He holds both A.B. and L.L.B. degrees from Harvard University.

Eleanor J. Stockwell appointed an Assistant Adviser in the Division of Research and Statistics. Miss Stockwell, a graduate of Vassar College, has held a number of increasingly responsible positions in the Division since join-

ing its staff in 1936, most recently as a Senior Economist specializing in corporate financial analysis.

Peter M. Keir and James L. Pierce promoted to Advisers and Joseph C. Zeisel promoted to Associate Adviser in the Division of Research and Statistics.

In addition, the Board has appointed Walter W. Kreimann as Deputy Director in the Division of Administrative Services, effective February 22, 1972. Prior to joining the Board's staff, Mr. Kreimann was with the U.S. Postal Service where he was responsible for the development and implementation of building and equipment maintenance policies and programs.

Mr. Kreimann holds a B.A. degree from Dakota Wesleyan University and has done graduate work at George Washington University.

GUIDELINES APPROVED FOR NEW CHECK-CLEARING SYSTEM

The Board of Governors on February 2, 1972, announced approval of guidelines to be used by the System throughout the Nation in establishing regional centers for overnight processing and settlement of checks.

It is expected that the new check-clearing system will result in the majority of the 62 million checks written daily by Americans being cleared and paid by the opening of business the day following deposit of a check.

The guidelines were issued in furtherance of a policy statement by the Board announced last June 17, calling—as a matter of urgency—for modernization of the Nation's check payments system.

The guidelines give basic directions to the Reserve Banks for the establishment, and operation, of Regional Check Processing Centers (RCPC's) in "communities whose trade, business and financial activities are substantially related" and where check volume warrants upgrading of check-handling facilities.

Most of the new clearing centers will be located at existing Federal Reserve offices: the 12 Federal Reserve Banks, their 24 branches, and one facility.

In operating as regional check-clearing facilities, in addition to their other functions, these Federal Reserve offices in 37 of the Nation's financial centers will expand the overnight check settlement arrangements they have had for some years with banks in the reserve cities.

New Federal Reserve regional clearing centers will be opened only in areas not reached by the centers in existing Federal Reserve offices where check volume and the absence of alternative facilities make additional Federal Reserve service essential.

The new system will make maximum use, consistent with improved service to the public, of check-processing centers operated by commercial banks. In such commercial bank processing centers, checks from a number of correspondent banks are sorted and otherwise made ready for clearance.

The new system is to become operative, region by region, as soon as practicable. Clearing regions may cross State or Federal Reserve district boundaries.

For individuals and businesses making and receiving payments by check, the new system will mean earlier receipt of funds due to them, and earlier payment of funds they are transferring to others. For example, most payroll checks—typically due to be paid by a local bank to a depositor in another nearby bank—will be cleared, and employees will have use of their pay, within a day after they deposit their paychecks. Similarly, a check written to pay a bill, or make a purchase, will be debited within a day after the check is deposited in a participating area bank. In all cases, the total time between the writing and collection of a check circulating within a clearing area will vary according to how long the check is held by the recipient before being deposited.

In its June 1971 policy statement dealing generally with modernization of the Nation's system for making financial payments, the Board said that a speedier, more efficient check handling and clearance system is urgent because the huge number of checks being put in use—some 23 billion checks, transferring about \$13 trillion dollars yearly—is expected to double by the end of this decade. For the same reasons, the Board said the improved check payments system it called for should be regarded as a transitional step toward replacing the use of checks with electronic transfer of funds.

Consequently, the guidelines specified that, generally, regional clearing centers should be pro-

vided with automated clearing and telecommunications capabilities to serve as the basis for transition to widespread checkless—electronic—fund transfers.

The guidelines approved by the Board were prepared by the Federal Reserve System Steering Committee on the Payments Mechanism, headed by Reserve Board Governor George W. Mitchell, in collaboration with the Conference of First Vice Presidents of the Reserve Banks. The Steering Committee issued a statement accompanying the guidelines, giving the background to its decisions. This emphasized integration into the system of services available from commercial banks. The Steering Committee likewise emphasized that operating arrangements at different clearing centers may vary sufficiently to accommodate—within the basic guidelines—the substantial differences that exist across the Nation in banking structure, population density, volume of check traffic, and differences in geography and topography that affect highway and other transportation facilities for the movement of checks.

Other members of the Steering Committee are Reserve Board Governors Sherman J. Maisel and John E. Sheehan (succeeding former Governor William W. Sherrill), Reserve Bank Presidents George H. Clay of Kansas City, Aubrey N. Heflin of Richmond, and Eliot J. Swan of San Francisco, and the First Vice Presidents of the Chicago and the New York Reserve Banks, Ernest T. Baughman and William F. Treiber.

The size of an area served by a clearing center will be determined chiefly by the distance that surface or air transport—where that is the more practical and economical means of check gathering and delivery—can travel to pick up during the afternoon the day's crop of checks deposited in participating banks, bring these to the clearing center for processing and settlement during the night, and deliver them early the next morning to banks against which checks deposited the day before were drawn.

Participation by banks in the new system will be on an entirely voluntary basis, but every effort will be made to secure the cooperation of all banks, whether or not they are members of the Federal Reserve System.

A clearing center will accept from participating banks in its clearing region all checks written on other participating banks in the region. It will also accept, from Federal Reserve member banks, checks drawn upon banks outside the region. U.S. Government checks, postal money orders, and

other items payable at a Federal Reserve office will be accepted from participating banks, wherever they originate.

CHANGES IN OTC MARGIN STOCKS

The Board of Governors announced several changes, effective Wednesday, February 2, 1972, in its "List of OTC Margin Stocks" that was issued in revised form on July 12, 1971. The list was first published on July 8, 1969.

One stock, National Patent Development Corporation, Class A, \$.01 par common, is added to the list and will be subject to the same 55 per cent margin requirement as other over-the-counter margin stocks.

Ten stocks are deleted from the list: Herff Jones Company, no par common; Horizon Corporation, \$.01 par common; Lynch Communication Systems Inc., \$1.00 par common; Mission Equities Corporation, no par common; Texfi Industries, Inc., \$1.00 par common; United Illuminating Company, The, no par common; Bankers National Life Insurance Company, \$2.00 par common; Eckrich, Peter & Sons, Inc., no par common; North American Life and Casualty Company, \$1.00 par common; United Convalescent Hospitals, Inc., \$1.00 par common.

Other changes are as follows: Beeiland International, Inc., \$1.00 par common becomes American Beef Packers, Inc., \$1.00 par common; Bibb Manufacturing Company, \$12.50 par com-

mon is changed to Bibb Company, The, no par common; Brush Beryllium Company, The, \$1.00 par common now reads as Brush Wellman, Inc., \$1.00 par common; First National Holding Corporation, \$5.00 par common is renamed First Tennessee National Corporation, \$5.00 par common; Landa Industries, Inc., \$.10 par common becomes Surveyor Companies, Inc., \$.10 par common; and Northern Trust Company, The, \$20.00 par capital reads as Nortrust Corporation, \$20.00 par capital.

REVISION OF AGGREGATE RESERVES AND MEMBER BANK DEPOSITS SERIES

The member bank reserves and deposits series, Table A-18, have been revised for the period 1959 to date. Seasonal factors have been revised for all series. In addition, the seasonally adjusted reserve series have been revised to reflect actual reserve requirements, eliminating the adjustments for changes in reserve requirement percentages that were formerly incorporated in the series. The revision lowered the level of the aggregate reserve series from October 1970 to date, reflecting the actual percentage requirements that have been in effect since October 1, 1970.

Revised weekly and monthly data beginning with 1959 are available on request from the Banking Section, Division of Research and Statistics, Board of Governors of the Federal Reserve System 20551.

National Summary of Business Conditions

Released for publication February 15

Industrial production rose somewhat further in January, employment increased, and the unemployment rate edged down. Retail sales were little changed. Commercial bank credit, the money stock, and time and savings deposits increased. Between mid-January and mid-February, yields on short-term U.S. Government securities declined but other market interest rates rose.

INDUSTRIAL PRODUCTION

Industrial production at 107.9 per cent (1967=100) in January was 0.3 per cent above the downward revised December level of 107.6. The January index was 2.5 per cent above a year earlier but 3.6 per cent below the 1969 high.

Output of final products was unchanged but production of materials increased further. Auto assemblies declined 6 per cent in January to an annual rate of 8.1 million units. However, production of home goods and consumer non-durable goods rose to new highs. Output of business equipment was about unchanged and revisions in November and December show little changes since last August. Production of defense and space equipment declined somewhat further in January. Production of steel and construction materials rose further but output of textiles, paper, and chemicals remained at their December record levels.

EMPLOYMENT

Nonfarm payroll employment increased by 240,000 in January with gains widespread among major in-

dustry groups. The average workweek of factory workers declined 0.4 hour to 39.9 hours but was 0.1 hour above the level of a year earlier. The unemployment rate edged down to 5.9 per cent from 6.0 per cent (revised) in December.

RETAIL SALES

The value of retail sales rose marginally in January, according to the advance report, and was 7.5 per cent above a year earlier. Sales at durable goods stores were little changed and sales at non-durable goods stores were up 0.3 per cent. Unit sales of new domestic autos advanced 10 per cent in January to an annual rate of 8.6 million units and were 4.0 per cent above a year earlier.

CONSUMER PRICES

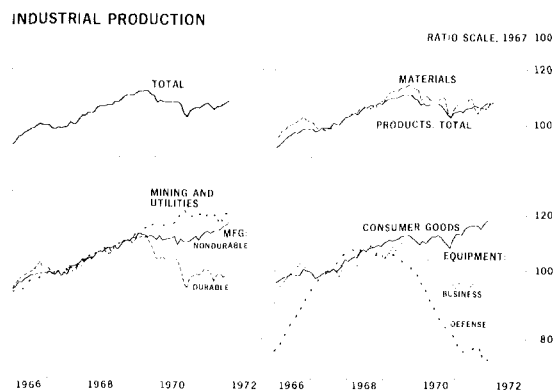
The rise in consumer prices, seasonally adjusted, accelerated to 0.4 per cent in December reflecting mainly increases since the end of the 90-day freeze. As in November, food prices rose sharply—0.7 per cent—with fresh vegetables, beef, and pork showing the largest advances. Prices of other commodities and services rose 0.3 per cent.

BANK CREDIT, DEPOSITS, AND RESERVES

Commercial bank credit, adjusted for transfers of loans between banks and their affiliates, increased sharply in January—at a seasonally adjusted annual rate of over 17 per cent. Rapid expansion in loans accounted for about four-fifths of this rise. Banks also continued to add substantially to their holdings of municipal issues but holdings of U.S. Treasury securities, which expanded sharply during the December financings, were reduced.

The narrowly-defined money stock increased at an annual rate of 3.7 per cent in January, a stronger rate of advance than in December. Growth in total time and savings deposits was at an annual rate of 20 per cent—about the same as in December and much larger than in most other recent months. The pace of advance in consumer-type time and savings deposits increased substantially in January while holdings of large negotiable CD's declined slightly.

Free reserves of member banks averaged about \$195 million over the 4 weeks ending January 26 compared with \$15 million in December. Mem-



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

ber bank borrowings dropped sharply but excess reserves also declined somewhat.

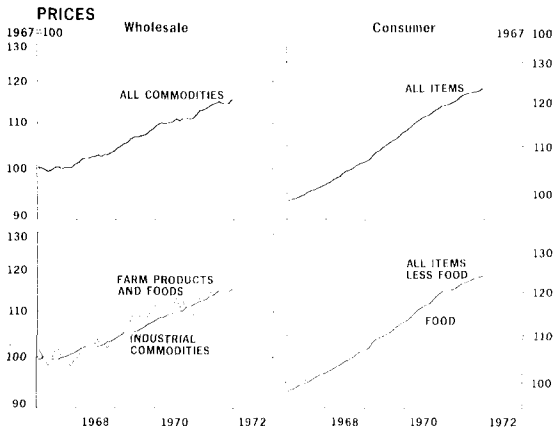
SECURITY MARKETS

Treasury bill rates were about 15 basis points lower to 40 basis points higher between mid-January and mid-February, with the increases on the longer maturities. The 3-month bill was bid at around 3.06 per cent in the middle of February, down from about 3.20 per cent a month earlier.

Yields on U.S. Government notes and bonds advanced by some 15 to 30 basis points over the same period.

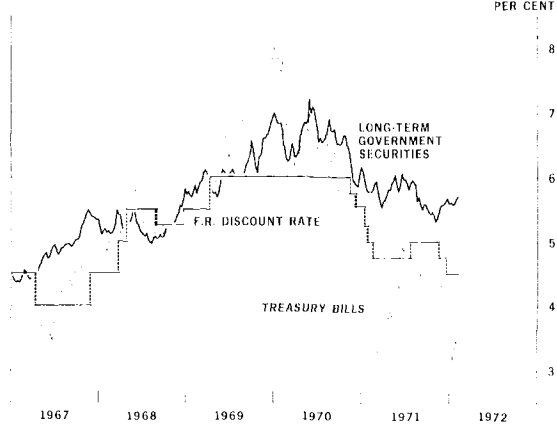
New and seasoned corporate security yields rose steadily from mid-January to mid-February. Rates on municipal securities also rose on balance.

Common stock prices continued to advance on moderately heavy volume during the same period.



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

INTEREST RATES



Discount rate, range or level for all F.R. Banks. Weekly average market yields for U.S. Govt. bonds maturing in 10 years or more and for 90-day Treasury bills. Latest figures: week ending Feb. 5.

Financial and Business Statistics

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Guide to Tabular Presentation

SYMBOLS AND ABBREVIATIONS

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

GENERAL INFORMATION

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

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

"U.S. Govt. securities" may include guaranteed issues of U.S. Govt. agencies (the flow of funds figures

also include not fully guaranteed issues) as well as direct obligations of the Treasury. "State and local gov't." also includes municipalities, special districts, and other political subdivisions.

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

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

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A 4 BANK RESERVES AND RELATED ITEMS □ FEBRUARY 1972

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

(In millions of dollars)

Period or date	Factors supplying reserve funds									
	Reserve Bank credit outstanding						Gold stock	Special Drawing Rights certificate account	Treasury currency outstanding	
	U.S. Govt. securities ¹			Loans [†]	Float ²	Other F.R. assets ³				Total ⁴
	Total	Bought outright	Held under repurchase agreement							
Averages of daily figures										
1939—Dec.	2,510	2,510		8	83		2,612	17,518	2,956	
1941—Dec.	2,219	2,219		5	170		2,404	22,759	3,239	
1945—Dec.	23,708	23,708		381	652		24,744	20,047	4,322	
1950—Dec.	20,345	20,336	9	142	1,117		21,606	22,879	4,629	
1960—Dec.	27,248	27,170	78	94	1,665		29,060	17,954	5,396	
1965—Dec.	40,885	40,772	113	490	2,349		43,853	13,799	5,565	
1967—Dec.	48,891	48,810	81	238	2,030		51,268	12,436	6,777	
1968—Dec.	52,529	52,454	75	765	3,251		56,610	10,367	6,810	
1969—Dec.	57,500	57,295	205	1,086	3,235	2,204	64,100	10,367	7,841	
1970—Dec.	61,688	61,310	378	321	3,570	1,032	66,708	11,105	7,145	
1971—Jan.	62,068	61,941	127	370	3,636	1,216	67,363	10,732	7,157	
Feb.	62,350	62,051	299	328	2,974	1,065	66,797	10,732	7,188	
Mar.	62,719	62,381	338	319	2,671	896	66,691	10,732	7,235	
Apr.	63,371	63,153	218	148	3,047	1,103	67,747	10,732	7,291	
May	64,714	64,368	346	330	2,704	1,076	68,926	10,448	7,357	
June	64,642	64,574	68	453	2,690	979	68,834	10,332	7,419	
July	66,001	65,652	349	820	3,001	1,150	71,052	10,332	7,437	
Aug.	66,324	66,143	181	804	2,572	991	70,749	10,184	7,460	
Sept.	67,106	66,794	312	501	2,974	900	71,568	10,132	7,523	
Oct.	67,690	67,488	202	360	3,122	1,105	72,349	10,132	7,545	
Nov.	68,052	67,635	397	407	3,129	1,013	72,694	10,132	7,573	
Dec.	69,158	68,868	290	107	3,905	982	74,255	10,132	7,611	
1972—Jan. [†]	70,687	70,300	387	20	3,401	1,177	75,411	10,132	7,656	
Week ending—										
1971—Nov. 3.	67,390	67,276	114	216	3,262	1,207	72,132	10,132	7,549	
10.	67,307	67,155	152	122	3,105	1,240	71,847	10,132	7,557	
17.	67,828	67,414	414	287	3,268	1,061	72,535	10,132	7,573	
24.	68,400	67,867	533	538	3,214	796	73,056	10,132	7,576	
Dec. 1.	68,970	68,481	489	705	3,027	859	73,669	10,132	7,586	
8.	68,941	68,822	119	59	3,090	893	73,047	10,132	7,594	
15.	68,761	68,761		25	3,473	927	73,245	10,132	7,602	
22.	68,958	68,863	95	141	4,444	988	74,621	10,132	7,615	
29.	69,514	68,938	576	216	4,644	1,096	75,627	10,132	7,634	
1972—Jan. 5.	70,658	69,517	1,141	57	4,260	1,078	76,258	10,132	7,626	
12.	70,712	70,211	501	17	3,594	1,125	75,592	10,132	7,634	
19 [†] .	71,130	70,560	570	13	3,405	1,181	75,884	10,132	7,649	
26 [†] .	70,561	70,561		13	3,076	1,228	74,954	10,132	7,658	
End of month										
1971—Nov.	68,157	67,681,157		146	2,707	841	71,909	10,132	7,599	
Dec.	70,804	69,481	1,323	39	4,343	1,068	76,515	10,132	7,627	
1972—Jan. [†]	70,202	70,202		15	1,855	1,280	73,427	10,132	7,765	
Wednesday										
1971—Nov. 3.	68,026	67,226	800	252	2,763	1,241	72,373	10,132	7,570	
10.	66,944	66,944		195	2,855	1,289	71,340	10,132	7,567	
17.	68,541	67,605	936	392	3,597	801	73,464	10,132	7,574	
24.	69,862	68,159	1,703	2,397	2,921	825	76,207	10,132	7,579	
Dec. 1.	68,427	68,427		66	2,692	962	72,203	10,132	7,603	
8.	69,194	68,882	312	86	3,053	929	73,344	10,132	7,592	
15.	68,032	68,032		28	3,844	983	72,953	10,132	7,614	
22.	68,652	68,640	12	828	4,059	1,018	74,635	10,132	7,622	
29.	71,759	69,059	2,700	1,340	4,043	1,114	78,519	10,132	7,619	
1972—Jan. 5 [†] .	70,275	69,689	586	45	4,198	1,099	75,736	10,132	7,627	
12 [†] .	70,518	70,361	157	17	3,029	1,179	74,877	10,132	7,644	
19 [†] .	71,451	70,561	890	24	3,131	1,223	75,970	10,132	7,653	
26 [†] .	70,561	70,561		19	2,809	1,261	74,727	10,132	7,673	

For notes see opposite page.

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

(In millions of dollars)

Currency in circulation	Treasury cash holdings	Factors absorbing reserve funds					Member bank reserves			Period or date
		Deposits, other than member bank reserves, with F.R. Banks			Other F.R. accounts ³	Other F.R. liabilities and capital ³	With F.R. Banks	Currency and coin ⁵	Total	
		Treasury	Foreign	Other ²						
Averages of daily figures										
7,609	2,402	616	739		248		11,473		11,473	1939—Dec.
10,985	2,189	592	1,531		292		12,812		12,812	1941—Dec.
28,452	2,269	625	1,247		493		16,027		16,027	1945—Dec.
27,806	1,290	615	920	353	739		17,391		17,391	1950—Dec.
33,019	408	522	250	495	1,029		16,688	2,595	19,283	1960—Dec.
42,206	808	683	154	231	389		18,747	3,972	22,719	1965—Dec.
47,000	1,428	902	150	451	-204		20,753	4,507	25,260	1967—Dec.
50,609	756	360	225	458	-1,105		22,484	4,737	27,221	1968—Dec.
53,591	656	1,194	146	458		2,192	23,071	4,960	28,031	1969—Dec.
57,013	427	849	145	735		2,265	23,925	5,340	29,265	1970—Dec.
56,192	445	1,028	155	786		2,109	24,938	5,550	30,488	1971—Jan.
55,754	465	1,025	153	778		2,232	24,710	5,170	29,880	Feb.
56,123	467	783	139	718		2,227	24,601	5,085	29,686	Mar.
56,716	499	1,047	148	752		2,194	24,814	5,071	29,885	Apr.
57,155	506	1,112	173	690		2,244	25,251	5,168	30,419	May
57,969	491	652	155	698		2,227	24,793	5,230	30,023	June
58,847	471	1,546	161	714		2,251	25,231	5,316	30,547	July
58,906	477	1,121	181	712		2,298	25,098	5,357	30,455	Aug.
59,012	466	1,621	151	712		2,296	25,365	5,437	30,802	Sept.
59,185	464	2,100	152	736		2,327	25,463	5,397	30,860	Oct.
59,939	470	1,723	133	714		2,320	25,500	5,453	30,953	Nov.
61,060	453	1,926	290	728		2,287	25,653	5,676	31,329	Dec.
60,201	487	2,821	181	750		2,208	26,951	5,914	32,865	1972—Jan. [†]
Week ending—										
59,307	483	1,795	134	726		2,355	25,412	5,549	30,961	1971—Nov. 3
59,594	479	1,598	119	710		2,422	25,014	5,566	30,580	10
59,925	465	1,582	123	725		2,244	25,577	5,595	31,172	17
60,107	464	1,927	123	686		2,265	25,591	5,125	30,716	24
60,424	457	1,894	169	732		2,328	25,783	5,492	31,275	Dec. 1
60,568	456	1,749	133	717		2,398	25,151	5,592	30,743	8
61,040	457	1,563	143	710		2,219	25,246	5,907	31,153	15
61,242	450	1,895	426	736		2,234	25,785	5,366	31,151	22
61,448	448	2,336	471	708		2,301	26,081	5,843	31,924	29
61,026	462	2,548	298	862		2,152	27,068	5,746	32,814	1972—Jan. 5
60,689	473	2,760	171	727		2,155	26,784	6,009	32,793	12
60,225	486	2,515	148	737		2,210	27,745	5,989	33,734	19 [†]
59,663	508	3,084	160	724		2,259	26,747	5,896	32,643	26 [†]
End of month										
60,577	460	1,996	177	697		2,351	23,782	5,490	29,272	1971—Nov.
60,979	464	2,020	294	999		2,131	27,788	5,743	33,531	Dec.
59,433	504	2,860	147	814		2,344	25,621	5,861	31,482	1972—Jan. [†]
Wednesday										
59,564	493	1,687	124	740		2,403	25,465	5,548	31,013	1971—Nov. 3
59,939	473	1,411	137	714		2,443	24,322	5,565	29,887	10
60,094	472	1,532	145	705		2,226	26,396	5,593	31,989	17
60,409	467	1,435	126	698		2,303	28,879	5,125	34,004	23
60,578	460	2,567	128	717		2,353	23,536	5,490	29,026	Dec. 1
61,004	463	936	187	779		2,429	25,670	5,591	31,261	8
61,271	462	2,127	173	709		2,198	24,159	5,908	30,067	15
61,620	452	2,031	473	725		2,250	25,238	5,366	30,604	22
61,492	459	1,955	281	754		2,362	29,367	5,844	35,211	29
60,992	469	3,071	302	729		2,108	26,224	5,751	31,975	1972—Jan. 5 [†]
60,656	479	2,108	146	707		2,173	26,784	6,012	32,796	12 [†]
60,053	506	2,491	127	778		2,234	27,967	5,989	33,956	19 [†]
59,602	512	2,862	146	716		2,279	26,815	5,896	32,711	26 [†]

† Previously referred to as Discounts and advances.

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

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

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

⁴ Includes industrial loans and acceptances, until Aug. 21, 1959, when industrial loan program was discontinued. For holdings of acceptances

on Wed. and end-of-month dates, see tables on F.R. Banks on following pages. See also note 2.

⁵ Part allowed as reserves Dec. 1, 1959–Nov. 23, 1960; all allowed thereafter. Beginning with Jan. 1963, figures are estimated except for weekly averages. Beginning Sept. 12, 1968, amount is based on close-of-business figures for reserve period 2 weeks previous to report date.

⁶ Includes securities loaned—fully secured by U.S. Govt. securities pledged with F.R. Banks.

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

A 6 BANK RESERVES AND RELATED ITEMS □ FEBRUARY 1972

RESERVES AND BORROWINGS OF MEMBER BANKS

(In millions of dollars)

Period	All member banks					Reserve city banks									
	Reserves			Borrowings at F.R. Banks	Free reserves	New York City			Borrowings at F.R. Banks	Free reserves	City of Chicago			Borrowings at F.R. Banks	Free reserves
	Total held	Required ¹	Excess			Total held	Required ¹	Excess			Total held	Required ¹	Excess		
1939—Dec.	11,473	6,462	5,011	3	5,008	5,623	3,012	2,611	2,611	1,141	601	540	.....	540
1941—Dec.	12,812	9,422	3,390	5	3,385	5,142	4,153	989	989	1,143	848	295	.....	295
1945—Dec.	16,027	14,536	1,491	334	1,157	4,118	4,070	48	192	1,444	939	224	14	14	
1950—Dec.	17,391	16,364	1,027	142	885	4,742	4,616	125	58	1,199	1,191	8	5	3	
1960—Dec.	19,283	18,527	756	87	669	3,687	3,658	29	19	1,058	953	4	8	-4	
1965—Dec.	22,719	22,267	452	454	-2	4,301	4,260	41	111	-70	1,143	1,128	15	23	
1967—Dec.	25,260	24,915	345	238	107	5,052	5,034	18	40	-22	1,225	1,217	8	13	
1968—Dec.	27,221	26,766	455	765	-310	5,157	5,057	100	230	-130	1,199	1,184	15	85	
1969—Dec.	28,031	27,774	257	1,086	-829	5,441	5,385	56	259	-203	1,285	1,267	18	27	
1970—Dec.	29,265	28,993	272	321	-49	5,623	5,589	34	25	9	1,329	1,322	7	4	
1971—Jan.	30,488	30,209	279	370	-91	5,976	5,917	59	40	19	1,387	1,392	-5	1	
Feb.	29,880	29,679	201	328	-127	5,854	5,810	44	29	15	1,403	1,380	23	4	
Mar.	29,686	29,487	199	319	-120	5,664	5,703	-39	51	-90	1,375	1,384	9	16	
Apr.	29,885	29,745	140	148	-8	5,690	5,696	-6	15	-21	1,392	1,385	7	4	
May	30,419	30,107	312	330	-18	5,837	5,791	46	113	-67	1,436	1,421	15	13	
June	30,023	29,892	131	453	-322	5,637	5,674	-37	90	-127	1,387	1,405	-18	21	
July	30,547	30,385	162	820	-658	5,729	5,754	-25	86	-111	1,407	1,408	-1	28	
Aug.	30,455	30,257	198	804	-606	5,693	5,640	53	164	-111	1,417	1,410	7	7	
Sept.	30,802	30,596	206	501	-295	5,683	5,674	9	38	-29	1,417	1,423	-6	4	
Oct.	30,860	30,653	207	360	-153	5,678	5,667	11	67	-56	1,425	1,408	17	15	
Nov.	30,953	30,690	263	407	-144	5,644	5,608	36	107	-71	1,408	1,400	8	22	
Dec.	31,329	31,164	165	107	58	5,774	5,749	25	35	10	1,426	1,425	1	8	
1972—Jan.	32,865	32,698	167	20	147	6,067	6,056	11	.....	11	1,503	1,511	-8	-8
Week ending—															
1971—Jan. 6	30,611	30,035	576	407	169	6,064	5,902	162	71	91	1,396	1,411	-15	-15	
13	30,242	30,210	32	277	-245	5,850	5,910	-60	.....	-60	1,402	1,384	18	18
20	31,029	30,937	92	472	-380	6,165	6,198	-33	92	-125	1,424	1,464	-40	5	
27	30,172	29,890	282	354	-72	5,752	5,760	-8	26	-34	1,373	1,335	38	38	
1971—May 5	30,780	30,415	365	174	191	5,907	5,817	90	46	44	1,440	1,449	-9	-9	
12	30,084	29,854	230	99	131	5,657	5,716	-59	39	-98	1,424	1,393	31	31	
19	30,362	30,260	102	306	-204	5,986	5,967	19	143	-124	1,426	1,455	-29	41	
26	30,246	30,072	174	267	-93	5,768	5,781	-13	100	-113	1,435	1,416	19	18	
June 2	30,276	29,991	285	646	-361	5,693	5,638	55	171	-116	1,387	1,396	-9	-9	
9	29,886	29,813	73	153	-80	5,648	5,680	-32	46	-78	1,414	1,413	1	1	
16	30,225	29,959	266	403	-137	5,742	5,729	13	129	-116	1,473	1,467	6	6	
23	29,919	29,709	210	619	-409	5,648	5,607	41	103	-62	1,338	1,351	-13	77	
30	30,292	30,060	232	750	-518	5,676	5,699	-23	107	-130	1,405	1,394	11	11	
July 7	30,313	30,036	277	661	-384	5,689	5,663	26	34	-8	1,388	1,374	14	14	
14	30,254	30,249	5	991	-986	5,747	5,814	-67	252	-319	1,390	1,412	-22	-22	
21	30,932	30,650	282	1,121	-839	5,911	5,856	55	65	-10	1,464	1,451	13	116	
28	30,623	30,556	67	545	-478	5,671	5,718	-47	30	-77	1,383	1,384	-1	7	
Aug. 4	30,894	30,460	434	764	-330	5,781	5,677	104	43	61	1,447	1,434	13	13	
11	30,330	30,303	27	593	-566	5,625	5,699	-74	.....	-74	1,419	1,431	-12	-12
18	30,605	30,381	224	1,179	-955	5,816	5,748	68	342	-274	1,416	1,412	4	31	
25	30,111	30,020	91	771	-680	5,456	5,522	-66	267	-333	1,387	1,383	4	4	
Sept. 1	30,519	30,195	324	706	-382	5,679	5,561	118	116	2	1,398	1,399	-1	1	
8	30,855	30,650	205	765	-560	5,719	5,759	-40	.....	-40	1,428	1,423	5	4
15	30,851	30,604	247	457	-210	5,762	5,690	72	.....	72	1,441	1,448	-7	3
22	30,360	30,421	-61	329	-390	5,469	5,578	-109	86	-195	1,410	1,413	-3	9	
29	31,073	30,730	343	424	-81	5,825	5,689	136	36	100	1,410	1,412	-2	-2	
Oct. 6	30,993	30,779	214	309	-95	5,644	5,671	-27	29	-56	1,441	1,422	19	19	
13	30,702	30,653	49	449	-400	5,668	5,693	-25	100	-125	1,413	1,432	-19	7	
20	31,071	30,861	210	332	-122	5,808	5,818	-10	35	-45	1,429	1,421	8	4	
27	30,424	30,373	51	413	-362	5,513	5,508	5	133	-128	1,353	1,364	-11	54	
Nov. 3	30,961	30,565	396	216	180	5,681	5,626	55	.....	55	1,435	1,400	35	35
10	30,580	30,570	10	122	-112	5,589	5,597	-8	21	-29	1,376	1,406	-30	-30	
17	31,172	30,984	188	287	-99	5,705	5,761	-56	64	-120	1,447	1,433	14	14	
24	30,716	30,572	144	538	-394	5,589	5,520	69	150	-81	1,358	1,374	-16	47	
Dec. 1	31,275	30,685	590	705	-115	5,701	5,538	163	222	-59	1,438	1,386	52	47	
8	30,743	30,600	143	59	84	5,671	5,604	67	.....	67	1,356	1,366	-10	-10
15	31,153	30,949	204	25	179	5,699	5,757	-58	.....	-58	1,479	1,451	28	28
22	31,151	31,180	-29	141	-170	5,747	5,764	-17	79	-96	1,371	1,414	-43	14	
29	31,924	31,610	314	216	98	5,793	5,799	-6	76	-82	1,511	1,445	66	21	
1972—Jan. 5	32,814	32,502	312	57	255	6,200	6,120	80	.....	80	1,520	1,526	-6	-6
12	32,793	32,688	105	17	88	6,055	6,141	-86	.....	-86	1,569	1,549	20	20
19	33,734	33,455	279	13	266	6,371	6,266	105	.....	105	1,522	1,560	-38	-38
26	32,643	32,404	239	13	226	5,768	5,849	-81	.....	-81	1,473	1,459	14	14

For notes see opposite page.

RESERVES AND BORROWINGS OF MEMBER BANKS—Continued

(In millions of dollars)

Other reserve city banks					Country banks					Period
Reserves			Borrowings at F.R. Banks	Free reserves	Reserves			Borrowings at F.R. Banks	Free reserves	
Total held	Required ¹	Excess			Total held	Required ¹	Excess			
3,140	1,953	1,188	.....	1,188	1,568	897	671	3	668	.....1939—Dec.
4,317	3,014	1,303	.....	1,302	2,210	1,406	804	4	800	.....1941—Dec.
6,394	5,976	418	.....	322	4,576	3,566	1,011	46	965	.....1945—Dec.
6,689	6,458	232	.....	50	4,761	4,099	663	29	634	.....1950—Dec.
7,950	7,851	100	.....	20	6,689	6,066	623	40	583	.....1960—Dec.
9,056	8,989	67	.....	228	8,219	7,889	330	92	238	.....1965—Dec.
10,081	10,031	50	.....	105	8,901	8,634	267	80	187	.....1967—Dec.
10,990	10,900	90	.....	270	9,875	9,625	250	180	70	.....1968—Dec.
10,970	10,964	6	.....	479	10,335	10,158	177	321	-144	.....1969—Dec.
11,548	11,506	42	.....	264	10,765	10,576	189	28	161	.....1970—Dec.
11,974	11,962	12	.....	294	11,151	10,938	213	35	178	.....1971—Jan.
11,647	11,712	-65	.....	268	10,976	10,777	199	27	172	.....Feb.
11,732	11,651	81	.....	236	10,915	10,749	166	16	150	.....Mar.
11,754	11,789	-35	.....	119	11,049	10,875	174	10	164	.....Apr.
11,923	11,832	91	.....	136	11,223	11,063	160	68	92	.....May
11,743	11,735	8	.....	181	11,256	11,078	178	161	17	.....June
11,939	11,929	10	.....	441	11,472	11,294	178	10	265	.....July
11,871	11,883	-12	.....	425	11,474	11,324	150	208	-58	.....Aug.
12,115	12,077	38	.....	318	11,587	11,422	165	141	24	.....Sept.
12,069	12,050	19	.....	163	11,688	11,528	160	115	45	.....Oct.
12,106	12,041	65	.....	177	11,795	11,641	154	101	53	.....Nov.
12,198	12,233	-35	.....	22	11,931	11,757	174	42	132	.....Dec.
12,951	12,939	12	.....	12	12,344	12,192	152	20	132	.....1972—Jan. ^P
Week ending—										
12,028	11,903	125	.....	310	11,123	10,819	304	26	278	.....1971—Jan. 6
11,912	11,996	-84	.....	249	11,078	10,920	158	28	130	.....13
12,214	12,246	-32	.....	332	11,226	11,029	197	43	154	.....20
11,862	11,800	62	.....	286	11,185	10,995	190	42	148	.....27
12,044	11,939	105	.....	101	11,389	11,210	179	27	152	.....1971—May 5
11,826	11,752	74	.....	42	11,177	10,993	184	18	166	.....12
11,805	11,871	-66	.....	71	11,145	10,967	178	51	127	.....19
11,820	11,780	40	.....	93	11,223	11,095	128	56	72	.....26
11,891	11,857	34	.....	317	11,305	11,100	205	158	47	.....June 2
11,693	11,753	-60	.....	52	11,131	10,967	164	55	109	.....9
11,812	11,749	63	.....	113	11,198	11,014	184	161	23	.....16
11,703	11,640	63	.....	286	11,230	11,111	119	153	-34	.....23
11,827	11,759	68	.....	324	11,384	11,208	176	308	-132	.....30
11,847	11,801	46	.....	372	11,389	11,198	191	255	-64	.....July 7
11,786	11,876	-90	.....	498	11,331	11,147	184	241	-57	.....14
12,089	12,028	61	.....	607	11,468	11,315	153	333	-180	.....21
11,946	11,993	-47	.....	296	11,623	11,461	162	212	-50	.....28
12,094	11,973	121	.....	429	11,572	11,376	196	292	-96	.....Aug. 4
11,856	11,898	-42	.....	375	11,430	11,275	155	218	-63	.....11
11,883	11,901	-18	.....	545	11,490	11,320	170	261	-91	.....18
11,798	11,788	10	.....	372	11,470	11,327	143	132	11	.....25
11,935	11,896	39	.....	404	11,507	11,339	168	185	-17	.....Sept. 1
12,182	12,138	44	.....	588	11,526	11,330	196	173	23	.....8
12,140	12,098	42	.....	324	11,508	11,368	140	130	10	.....15
11,937	12,013	-76	.....	146	11,544	11,417	127	88	39	.....22
12,135	12,080	55	.....	231	11,703	11,549	154	157	-3	.....29
12,165	12,117	48	.....	118	11,743	11,569	174	162	12	.....Oct. 6
12,011	12,092	-81	.....	234	11,610	11,436	174	108	66	.....13
12,183	12,110	73	.....	194	11,651	11,512	139	99	40	.....20
11,876	11,933	-57	.....	129	11,682	11,568	114	97	17	.....27
12,073	11,976	97	.....	105	11,772	11,563	209	111	98	.....Nov. 3
11,967	12,050	-83	.....	47	11,648	11,517	131	54	77	.....10
12,172	12,139	33	.....	174	11,848	11,651	197	49	148	.....17
11,967	11,973	-6	.....	201	11,802	11,705	97	140	-43	.....24
12,181	12,025	156	.....	282	11,955	11,736	219	154	65	.....Dec. 1
11,932	11,992	-60	.....	15	11,784	11,638	146	44	102	.....8
12,156	12,099	57	.....	57	11,819	11,642	177	25	152	.....15
12,180	12,254	-74	.....	24	11,853	11,748	105	24	81	.....22
12,521	12,453	68	.....	58	12,099	11,913	186	61	125	.....29
12,871	12,819	52	.....	52	12,223	12,037	186	57	129	.....1972—Jan. 5
12,898	12,927	-29	.....	48	12,271	12,071	200	17	183	.....12
13,349	13,301	48	.....	48	12,492	12,328	164	13	151	.....19 ^P
12,971	12,840	131	.....	131	12,431	12,256	175	13	162	.....26 ^P

¹ Beginning Sept. 12, 1968, amount is based on close-of-business figures for reserve period 2 weeks previous to report date.

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

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

Required reserves: Based on deposits as of opening of business each day. Borrowings at F.R. Banks: Based on closing figures.

BASIC RESERVE POSITION, AND FEDERAL FUNDS AND RELATED TRANSACTIONS

(In millions of dollars, except as noted)

Reporting banks and week ending—	Basic reserve position					Interbank Federal funds transactions					Related transactions with U.S. Govt. securities dealers		
	Excess reserves ¹	Less—		Net—		Gross transactions		Net transactions			Loans to dealers ³	Borrowings from dealers ⁴	Net loans
		Borrowings at F.R. Banks	Net inter-bank Federal funds trans.	Surplus or deficit	Per cent of avg. required reserves	Purchases	Sales	Total two-way transactions ²	Purchases of net buying banks	Sales of net selling banks			
<i>Total—46 banks</i>													
1971—Dec. 1	350	371	5,641	-5,662	44.2	10,289	4,647	4,140	6,148	507	1,713	206	1,507
8	155		7,098	-6,943	54.1	11,121	4,022	3,796	7,325	227	1,789	164	1,625
15	76		7,844	-7,769	59.1	12,107	4,263	3,909	8,199	354	1,844	224	1,620
22	-35	98	7,636	-7,768	58.9	12,040	4,404	4,007	8,033	397	1,837	207	1,631
29	40	116	6,586	-6,662	49.8	11,080	4,494	3,925	7,154	569	1,614	328	1,268
1972—Jan. 5	154		6,567	-6,413	46.1	11,770	5,203	4,451	7,319	752	2,024	477	1,547
12	38		7,967	-7,929	56.5	12,965	4,998	4,739	8,226	259	1,627	191	1,436
19	63		7,448	-7,386	51.5	11,692	4,244	3,789	7,904	455	1,671	173	1,498
26	66		6,319	-6,253	46.0	10,909	4,590	3,963	6,946	627	1,851	109	1,742
<i>8 in New York City</i>													
1971—Dec. 1	189	217	1,732	-1,759	35.1	2,746	1,014	1,005	1,740	9	1,286	50	1,235
8	122		2,381	-2,259	44.4	3,223	843	822	2,402	21	1,299	76	1,223
15	39		3,112	-3,073	59.0	3,763	652	652	3,112		1,384	76	1,308
22	-8	73	3,236	-3,317	63.4	3,895	659	659	3,236		1,281	39	1,242
29	-8	74	2,698	-2,780	52.9	3,399	702	702	2,697		1,182	60	1,122
1972—Jan. 5	79		2,881	-2,802	50.4	3,765	884	884	2,881		1,488	77	1,411
12	-18		3,078	-3,096	55.6	3,985	907	907	3,078		1,183	96	1,087
19	75		2,844	-2,769	48.7	3,629	785	785	2,844		1,241	69	1,172
26	-8		2,374	-2,382	45.0	3,242	868	868	2,374		1,403	45	1,358
<i>38 outside New York City</i>													
1971—Dec. 1	161	154	3,910	-3,903	50.1	7,543	3,633	3,135	4,408	498	428	156	272
8	34		4,718	-4,684	60.4	7,897	3,180	2,974	4,924	206	490	89	402
15	37		4,732	-4,696	59.1	8,344	3,612	3,257	5,087	354	460	148	312
22	-27	24	4,400	-4,451	55.9	8,145	3,745	3,348	4,797	397	557	168	389
29	48	43	3,888	-3,883	47.9	7,680	3,792	3,223	4,457	569	433	268	164
1972—Jan. 5	75		3,686	-3,611	43.2	8,005	4,319	3,567	4,438	752	535	400	136
12	56		4,888	-4,833	57.0	8,980	4,092	3,832	5,148	259	443	95	349
19	-12		4,604	-4,616	53.3	8,064	3,459	3,004	5,059	455	529	103	326
26	74		3,945	-3,872	46.6	7,667	3,722	3,095	4,572	627	448	63	385
<i>5 in City of Chicago</i>													
1971—Dec. 1	56	46	1,068	-1,058	83.8	1,695	627	611	1,084	16	92		92
8	6		1,337	-1,331	107.3	1,933	596	574	1,360	22	114		114
15	21		1,739	-1,718	129.5	2,275	536	536	1,739		168		168
22	-12	14	1,423	-1,450	112.4	2,040	617	574	1,466	42	195		195
29	53	21	1,257	-1,225	92.8	1,945	688	612	1,333	76	91		91
1972—Jan. 5	12		1,361	-1,349	96.6	2,006	644	567	1,439	78	69		69
12	15		1,799	-1,784	126.0	2,521	722	679	1,843	44	77		77
19	-10		1,708	-1,718	120.7	2,319	611	574	1,744	36	74		74
26	6		1,443	-1,436	108.1	2,060	617	569	1,490	47	108		108
<i>33 others</i>													
1971—Dec. 1	105	109	2,842	-2,845	43.5	5,848	3,007	2,524	3,324	482	335	156	179
8	28		3,381	-3,353	51.4	5,964	2,584	2,400	3,564	184	376	89	288
15	16		2,994	-2,978	45.0	6,069	3,075	2,721	3,348	354	293	148	144
22	-15	10	2,977	-3,002	45.0	6,105	3,129	2,774	3,331	355	362	168	194
29	-5	21	2,631	-2,657	39.1	5,736	3,105	2,611	3,124	494	342	268	73
1972—Jan. 5	63		2,325	-2,262	32.5	5,999	3,674	3,000	2,999	674	466	400	67
12	41		3,089	-3,049	43.2	6,459	3,369	3,154	3,305	216	366	95	271
19	-2		2,896	-2,898	40.0	5,745	2,849	2,430	3,315	419	355	103	252
26	67		2,502	-2,435	34.9	5,608	3,105	2,526	3,082	580	340	63	277

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 carry-over reserves.

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

³ Federal funds loaned, net funds supplied to each dealer by clearing

banks, repurchase agreements (purchases of securities from dealers subject to resale), or other lending arrangements.

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

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

CURRENT RATES

(Per cent per annum)

Federal Reserve Bank	Loans to member banks						Loans to all others under last par. Sec. 13 ³		
	Under Secs. 13 and 13a ¹			Under Sec. 10(b) ²			Rate on Jan. 31, 1972	Effective date	Previous rate
	Rate on Jan. 31, 1972	Effective date	Previous rate	Rate on Jan. 31, 1972	Effective date	Previous rate			
Boston.....	4½	Dec. 13, 1971	4¾	5	Dec. 13, 1971	5½	6½	Dec. 13, 1971	6¾
New York.....	4½	Dec. 17, 1971	4¾	5	Dec. 17, 1971	5½	6½	Dec. 17, 1971	6¾
Philadelphia.....	4½	Dec. 17, 1971	4¾	5	Dec. 17, 1971	5½	6½	Dec. 17, 1971	6¾
Cleveland.....	4½	Dec. 17, 1971	4¾	5	Dec. 17, 1971	5½	6½	Dec. 17, 1971	6¾
Richmond.....	4½	Dec. 24, 1971	4¾	5	Dec. 24, 1971	5½	6½	Dec. 24, 1971	6¾
Atlanta.....	4½	Dec. 23, 1971	4¾	5	Dec. 23, 1971	5½	6½	Dec. 23, 1971	6¾
Chicago.....	4½	Dec. 17, 1971	4¾	5	Dec. 17, 1971	5½	6½	Dec. 17, 1971	6¾
St. Louis.....	4½	Dec. 13, 1971	4¾	5	Dec. 13, 1971	5½	6½	Dec. 13, 1971	6¾
Minneapolis.....	4½	Dec. 23, 1971	4¾	5	Dec. 23, 1971	5½	6½	Dec. 23, 1971	6¾
Kansas City.....	4½	Dec. 13, 1971	4¾	5	Dec. 13, 1971	5½	6½	Dec. 13, 1971	6¾
Dallas.....	4½	Dec. 24, 1971	4¾	5	Dec. 24, 1971	5½	6½	Dec. 24, 1971	6¾
San Francisco.....	4½	Dec. 13, 1971	4¾	5	Dec. 13, 1971	5½	6½	Dec. 13, 1971	6¾

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.

SUMMARY OF EARLIER CHANGES

(Per cent per annum)

Effective date	Range (or level) All F.R. Banks	F.R. Bank of N.Y.	Effective date	Range (or level) All F.R. Banks	F.R. Bank of N.Y.	Effective date	Range (or level) All F.R. Banks	F.R. Bank of N.Y.
In effect Dec. 31, 1954.....	1½	1½	1959--Mar. 6.....	2½-3	3	1969--Apr. 4.....	5½-6	6
1955--Apr. 14.....	1½-1¾	1½	16.....	3	8.....	6	6	
15.....	1½-1¾	1¾	May 29.....	3 -3½	3½			
May 2.....	1¾	1¾	June 12.....	3½	3½			
Aug. 4.....	1¾-2¼	1¾	Sept. 11.....	3½-4	4	1970--Nov. 11.....	5¾-6	6
5.....	1¾-2¼	2	18.....	4	4	13.....	5¾-6	5¾
12.....	2 -2¼	2				16.....	5¾	5¾
Sept. 9.....	2 -2¼	2¼	1960--June 3.....	3½-4	4	Dec. 1.....	5½-5¾	5¾
13.....	2¼	2¼	10.....	3½-4	3½	4.....	5½-5¾	5½
Nov. 18.....	2¼-2½	2½	14.....	3½	3½	11.....	5½	5½
23.....	2½	2½	Aug. 12.....	3 -3½	3			
			Sept. 9.....	3	3			
1956--Apr. 13.....	2½-3	2¾	1963--July 17.....	3 -3½	3½	1971--Jan. 8.....	5¼-5½	5¼
20.....	2¾-3	2¾	26.....	3½	3½	15.....	5¼	5¼
Aug. 24.....	2¾-3	3				19.....	5 -5¼	5¼
31.....	3	3	1964--Nov. 24.....	3½-4	4	22.....	5 -5¼	5
			30.....	4	4	29.....	5	5
1957--Aug. 9.....	3 -3½	3				Feb. 13.....	4¾-5	5
23.....	3½	3½	1965--Dec. 6.....	4 -4½	4½	19.....	4¾	4¾
Nov. 15.....	3 -3½	3	13.....	4½	4½			
Dec. 2.....	3	3				July 16.....	4¾-5	5
			1967--Apr. 7.....	4 -4½	4	23.....	5	5
1958--Jan. 22.....	2¾-3	3	14.....	4	4	Nov. 11.....	4¾-5	5
24.....	2¾-3	2¾	Nov. 20.....	4 -4½	4½	19.....	4¾	4¾
Mar. 7.....	2¾-3	2¾	27.....	4½	4½			
13.....	2¾-2¾	2¾	1968--Mar. 15.....	4½-5	4½	Dec. 13.....	4½-4¾	4¾
21.....	2¾	2¾	22.....	5	5	24.....	4½	4½
Apr. 18.....	1¾-2¼	1¾						
May 9.....	1¾	1¾	Apr. 19.....	5 -5½	5½	In effect Jan. 31, 1972.....	4½	4½
Aug. 15.....	1¾-2	1¾	26.....	5½	5½			
Sept. 12.....	1¾-2	2	Aug. 16.....	5¼-5½	5½			
23.....	2	2	30.....	5¼	5¼			
Oct. 24.....	2 -2½	2	Dec. 18.....	5¼-5½	5½			
Nov. 7.....	2½	2½	20.....	5½	5½			

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

The rate charged by the F.R. Bank of N.Y. on repurchase contracts against U.S. Govt. obligations was the same as its rate on loans to member banks under Secs. 13 and 13a, except in the following periods (rates in percentages): 1955--May 4-6, 1.65; Aug. 4, 1.85; Sept. 1-2, 2.10; Sept. 8, 2.15; Nov. 10, 2.375; 1956--Aug. 24-29, 2.75; 1957--Aug. 22, 3.50; 1960--Oct. 31--Nov. 17, Dec. 28-29, 2.75; 1961--Jan. 9, Feb. 6-7, 2.75; Apr. 3-4, 2.50; June 29, 2.75; July 20, 31, Aug. 1-3, 2.50; Sept. 28-29,

2.75; Oct. 5, 2.50; Oct. 23, Nov. 3, 2.75; 1962--Mar. 20-21, 2.75; 1964--Dec. 10, 3.85; Dec. 15, 17, 22, 24, 28, 30, 31, 3.875; 1965--Jan. 4-8, 3.875; 1968--Apr. 4, 5, 11, 15, 16, 5.125; Apr. 30, 5.75; May 1-3, 6, 9, 13-16, 5.75; June 7, 11-13, 19, 21, 24, 5.75; July 5, 16, 5.625; Aug. 16, 19, 5.25; 1971--Jan. 21, 27, 4.75; Feb. 1-2, 4.50; 4, 11, 4.25; 16-17, 4.00; 18-19, 3.75. Mar. 1-2, 10, 12, 15, 18, 24, 29-31, 3.75. Apr. 1, 2, 5-6, 3.75; 13, 15, 21, 28, 4.125. May 3-6, 17, 4.125; 18-20, 4.375; 26-27, 4.50; June 1, 4.50; Nov. 15-18, 4.75; Dec. 17, 4.125; 22, 405; 23, 3.75; 27, 3.75; 28-29, 3.625; 30, 3.625 and 3.75. 1972--Jan. 3, 5-7, 3.75; 10, 3.625; 11, 13-14, 18-19, 3.50.

RESERVE REQUIREMENTS OF MEMBER BANKS

(Per cent of deposits)

Dec. 31, 1949, through July 13, 1966					Beginning July 14, 1966							
Effective date ¹	Net demand deposits ²			Time deposits (all classes of banks)	Effective date ¹	Net demand deposits ^{2,4}				Time deposits ^{4,5} (all classes of banks)		
	Central reserve city banks	Re-reserve city banks	Country banks			Reserve city banks		Country banks		Savings deposits	Other time deposits	
						Under \$5 million	Over \$5 million	Under \$5 million	Over \$5 million		Under \$5 million	Over \$5 million
In effect Dec. 31, 1949.....	22	18	12	5	1966—July 14, 21..... Sept. 8, 15.....	6 16½		6 12		6 4	6 4	5 6
1951—Jan. 11, 16..... Jan. 25, Feb. 1.....	23 24	19 20	13 14	6	1967—Mar. 2..... Mar. 16.....					3½ 3	3½ 3	
1953—July 9, 1..... 1954—June 24, 16..... July 29, Aug. 1.....	22 21 20	19 18	13 12	6 5	1968—Jan. 11, 18.....	16½	17	12	12½			
1958—Feb. 27, Mar. 1..... Mar. 20, Apr. 1..... Apr. 17..... Apr. 24.....	19½ 19 18½ 18	17½ 17 16½	11½ 11		1969—Apr. 17..... 1970—Oct. 1.....	17	17½	12½	13			5
1960—Sept. 1..... Nov. 24..... Dec. 1..... 1962—July 28..... Oct. 25, Nov. 1.....	17½ 18 16½ (3)		12		In effect Jan. 31, 1972..	17	17½	12½	13	3	3	5
				4	Present legal requirement: Minimum..... Maximum.....	10 22		7 14		3 10	3 10	3 10

¹ When two dates are shown, the first applies to the change at central reserve or reserve city banks and the second to the change at country banks. For changes prior to 1950 see Board's Annual Reports.

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

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

⁴ Since Oct. 16, 1969, member banks have been required under Regulation M to maintain reserves against balances above a specified base due from domestic offices to their foreign branches. Effective Jan. 7, 1971, the applicable reserve percentage was increased from the original 10 per cent to 20 per cent. Regulation D imposes a similar reserve requirement on bor-

rowings above a specified base from foreign banks by domestic offices of a member bank. For details concerning these requirements, see Regulations D and M and appropriate supplements and amendments thereto.

⁵ Effective Jan. 5, 1967, time deposits such as Christmas and vacation club accounts became subject to same requirements as savings deposits.

⁶ See preceding columns for earliest effective date of this rate.

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

MARGIN REQUIREMENTS

(Per cent of market value)

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

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

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

MAXIMUM INTEREST RATES PAYABLE ON TIME AND SAVINGS DEPOSITS

(Per cent per annum)

Rates Jan. 1, 1962—July 19, 1966					Rates beginning July 20, 1966							
Type of deposit	Effective date				Type of deposit	Effective date						
	Jan. 1, 1962	July 17, 1963	Nov. 24, 1964	Dec. 6, 1965		July 20, 1966	Sept. 26, 1966	Apr. 19, 1968	Jan. 21, 1970			
Savings deposits: ¹					Savings deposits.....	4	4	4	4½			
12 months or more.....	4	4	4	4	Other time deposits: ²							
Less than 12 months.....	3½	3½				Multiple maturity: ³						
					30-89 days.....	4	4	4	4½			
					90 days-1 year.....	5	5	5	5			
					1 year to 2 years.....				5½	5	5	5½
					2 years and over.....							5¾
					Single maturity:							
Other time deposits: ²					Less than \$100,000:							
12 months or more.....	4	4	4½	5½	30 days to 1 year.....	5½	5	5	5			
6 months to 12 months.....	3½				5½				5½	5¾		
90 days to 6 months.....	2½											
Less than 90 days.....	1	1	4		\$100,000 and over:							
(30-89 days)					30-59 days.....	5½	5½	6	(4)			
					60-89 days.....				5½	5½	6	(4)
					90-179 days.....							6¾
					180 days to 1 year.....							7
					1 year or more.....				7½			

¹ Closing date for the Postal Savings System was Mar. 28, 1966. Maximum rates on postal savings accounts coincided with those on savings deposits.

² For exceptions with respect to certain foreign time deposits, see BULLETINS for Oct. 1962, p. 1279; Aug. 1965, p. 1084; and Feb. 1968, p. 167.

³ Multiple-maturity time deposits include deposits that are automatically renewable at maturity without action by the depositor and deposits that are payable after written notice of withdrawal.

⁴ The rates in effect beginning Jan. 21 through June 23, 1970, were 6½ per cent on maturities of 30-59 days and 6½ per cent on maturities of

60-89 days. Effective June 24, 1970, maximum interest rates on these maturities were suspended until further notice.

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

DEPOSITS, CASH, AND RESERVES OF MEMBER BANKS

(In millions of dollars)

Item	All member banks	Reserve city banks			Country banks	Item	All member banks	Reserve city banks			Country banks
		New York City	City of Chicago	Other				New York City	City of Chicago	Other	
Four weeks ending Dec. 1, 1971						Four weeks ending December 29, 1971					
Gross demand- Total...	193,795	42,850	7,887	67,887	75,172	Gross demand- Total...	199,926	43,690	8,251	70,930	77,056
Interbank.....	27,383	13,208	1,484	9,618	3,073	Interbank.....	26,750	12,221	1,543	9,837	3,150
U.S. Govt.....	3,074	383	106	1,149	1,436	U.S. Govt.....	5,597	1,158	283	2,120	2,037
Other.....	163,339	29,259	6,296	57,120	70,663	Other.....	167,580	30,311	6,425	58,974	71,870
Net demand ¹	144,670	25,299	5,971	50,878	62,522	Net demand ¹	151,846	27,285	6,486	53,758	64,318
Time.....	206,995	25,570	7,746	74,689	98,990	Time.....	209,649	25,623	7,705	76,449	99,872
Demand balances due from domestic banks...	11,483	1,402	287	2,724	7,070	Demand balances due from domestic banks...	11,512	1,510	162	2,638	7,202
Currency and coin.....	5,445	441	104	1,711	3,190	Currency and coin.....	5,677	464	113	1,798	3,302
Balances with F.R.						Balances with F.R.					
Banks.....	25,491	5,205	1,301	10,361	8,624	Banks.....	25,566	5,264	1,316	10,399	8,587
Total reserves held.....	30,936	5,646	1,405	12,072	11,814	Total reserves held.....	31,243	5,728	1,429	12,197	11,889
Required.....	30,703	5,604	1,400	12,047	11,652	Required.....	31,085	5,731	1,419	12,200	11,735
Excess.....	233	42	5	25	162	Excess.....	158	3	10	3	154

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

NOTE.—Averages of daily figures, close of business.

CONSOLIDATED STATEMENT OF CONDITION OF ALL FEDERAL RESERVE BANKS

(In millions of dollars)

Item	Wednesday					End of month		
	1972				1971	1972		1971
	Jan. 26	Jan. 19	Jan. 12	Jan. 5	Dec. 29	Jan. 31	Dec. 31	Jan. 31
Assets								
Gold certificate account.....	9,875	9,875	9,875	9,875	9,875	9,875	9,875	10,464
Special Drawing Rights certificate account.....	400	400	400	400	400	400	400	400
Cash.....	306	283	272	258	253	313	261	255
Loans: †								
Member bank borrowings.....	19	24	17	45	1,340	15	39	308
Other.....								
Acceptances:								
Bought outright.....	77	77	77	77	80	75	80	59
Held under repurchase agreements.....		64	57	42	183		181	
Federal agency obligations:								
Bought outright.....	650	650	650	477	485	650	485	
Held under repurchase agreements.....		31	38	58	111		101	
U.S. Govt. securities:								
Bought outright:								
Bills.....	30,655	30,655	30,654	30,155	29,734	30,296	30,156	25,606
Certificates—Other.....								
Notes.....	35,905	35,905	35,733	35,733	35,554	35,905	35,554	33,236
Bonds.....	3,351	3,351	3,324	3,324	3,286	3,351	3,286	2,941
Total bought outright.....	¹ 69,911	¹ 69,911	¹ 69,711	¹ 69,212	¹ 68,574	¹ 69,552	¹ 68,996	¹ 61,783
Held under repurchase agreements.....		859	119	528	2,589		1,222	
Total U.S. Govt. securities.....	69,911	70,770	69,830	69,740	71,163	69,552	70,218	61,783
Total loans and securities.....	70,657	71,616	70,669	70,439	73,362	70,292	71,104	62,150
Cash items in process of collection.....	[#] 10,918	[#] 12,060	[#] 11,726	[#] 12,778	[#] 12,279	[#] 9,192	[#] 11,887	[#] 9,284
Bank premises.....	151	152	151	150	151	152	150	129
Other assets:								
Denominated in foreign currencies.....	17	17	17	17	14	17	17	186
IMF gold deposited ²	144	144	144	144	144	144	144	159
All other.....	949	910	867	788	805	967	757	793
Total assets.....	[#] 93,417	[#] 95,457	94,121	94,849	97,283	[#] 91,352	94,595	83,820
Liabilities								
F.R. notes.....	52,490	52,931	53,506	53,835	54,328	52,229	53,819	48,630
Deposits:								
Member bank reserves.....	[#] 26,815	[#] 27,967	26,784	26,224	29,367	[#] 25,621	27,788	24,565
U.S. Treasurer—General account.....	2,862	2,491	2,108	3,071	1,955	2,860	2,020	976
Foreign.....	146	127	146	302	281	147	294	129
Other:								
IMF gold deposit ²	144	144	144	144	144	144	144	159
All other.....	572	634	563	585	610	670	855	610
Total deposits.....	[#] 30,539	[#] 31,363	29,745	30,326	32,357	[#] 29,442	31,101	26,439
Deferred availability cash items.....	8,109	8,929	8,697	8,580	8,236	7,337	7,544	6,534
Other liabilities and accrued dividends.....	546	565	576	576	631	565	647	511
Total liabilities.....	[#] 91,684	[#] 93,788	92,524	93,317	95,552	[#] 89,573	93,111	82,114
Capital accounts								
Capital paid in.....	751	748	743	743	740	752	742	708
Surplus.....	742	742	742	742	702	742	742	702
Other capital accounts.....	240	179	112	47	289	285		296
Total liabilities and capital accounts.....	[#] 93,417	[#] 95,457	94,121	94,849	97,283	[#] 91,352	94,595	83,820
Contingent liability on acceptances purchased for foreign correspondents.....	252	253	254	254	255	253	254	270
Marketable U.S. Govt. securities held in custody for foreign and international accounts.....	28,390	28,219	28,057	27,551	27,549	28,420	27,227	11,645
Federal Reserve Notes—Federal Reserve Agents' Accounts								
F.R. notes outstanding (issued to Bank).....	57,045	57,144	57,278	57,425	57,427	53,801	54,954	53,050
Collateral held against notes outstanding:								
Gold certificate account.....	2,445	2,445	2,470	2,670	2,670	2,445	2,670	3,330
U.S. Govt. securities.....	56,075	56,075	56,075	55,875	55,675	56,075	55,875	51,415
Total collateral.....	58,520	58,520	58,545	58,545	58,345	58,520	58,545	54,745

† Previously referred to as Discounts and advances.
¹ See note 6 on p. A-5.

² See note 1 (b) to table at top of p. A-77.

STATEMENT OF CONDITION OF EACH FEDERAL RESERVE BANK ON JANUARY 31, 1972

(In millions of dollars)

Item	Total	Boston	New York	Phila- del- phia	Cleve- land	Rich- mond	Atlan- ta	Chi- cago	St. Louis	Minne- apolis	Kan- sas City	Dallas	San Fran- cisco
Assets													
Gold certificate account.....	9,875	567	2,910	618	688	984	428	1,800	397	179	476	380	448
Special Drawing Rights certif. acct....	400	23	93	23	33	36	22	70	15	7	15	14	49
F.R. notes of other banks.....	1,572	188	278	144	92	114	298	94	45	34	25	78	182
Other cash.....	313	11	28	12	35	43	37	36	19	8	29	17	38
Loans: †													
Secured by U.S. Govt. and agency obligations.....	15	*	*	1		5	*	2	1	*	3	1	2
Other.....													
Acceptances:													
Bought outright.....	75		75										
Held under repurchase agreements.....													
Federal agency obligations:													
Bought outright.....	650	30	168	34	50	47	34	105	25	13	27	30	87
Held under repurchase agreements.....													
U.S. Govt. securities:													
Bought outright.....	169,552	3,228	18,035	3,667	5,352	5,042	3,636	11,226	2,633	1,352	2,875	3,176	9,330
Held under repurchase agreements.....													
Total loans and securities.....	70,292	3,258	18,278	3,702	5,402	5,094	3,670	11,333	2,659	1,365	2,905	3,207	9,419
Cash items in process of collection...	12,790	770	2,226	727	945	932	1,391	2,138	645	507	836	887	786
Bank premises.....	152	2	8	3	25	13	16	16	15	20	17	9	8
Other assets:													
Denominated in foreign currencies..	17	1	2	1	2	1	1	2	1	*	1	1	2
IMF gold deposited ³	144		144										
All other.....	967	80	241	50	70	69	46	146	38	21	41	42	123
Total assets.....	96,522	4,900	24,210	5,280	7,292	7,286	5,909	15,635	3,834	2,141	4,345	4,635	11,055
Liabilities													
F.R. notes.....	53,801	2,857	13,247	3,158	4,384	4,761	2,688	9,337	2,085	899	1,999	2,076	6,310
Deposits:													
Member bank reserves.....	25,621	1,040	7,260	1,104	1,649	1,480	1,710	3,621	919	663	1,134	1,501	3,540
U.S. Treasurer—General account..	2,860	187	761	269	158	51	64	250	157	94	321	205	343
Foreign.....	147	7	4	40	7	13	7	10	22	3	6	8	19
Other:													
IMF gold deposit ³	144		144										
All other.....	670	*	614	3		16	3	4	3	2	2	2	21
Total deposits.....	29,442	1,234	8,819	1,383	1,820	1,554	1,787	3,897	1,084	762	1,463	1,716	3,923
Deferred availability cash items.....	10,935	702	1,542	616	885	833	1,290	2,036	584	428	783	722	514
Other liabilities and accrued dividends	565	27	145	30	43	40	29	91	21	14	25	26	74
Total liabilities.....	94,743	4,820	23,753	5,187	7,132	7,188	5,794	15,361	3,774	2,103	4,270	4,540	10,821
Capital accounts													
Capital paid in.....	752	33	193	39	69	39	51	115	25	17	32	41	98
Surplus.....	742	34	193	38	68	38	50	111	25	17	32	41	95
Other capital accounts.....	285	13	71	16	23	21	14	48	10	4	11	13	41
Total liabilities and capital accounts..	96,522	4,900	24,210	5,280	7,292	7,286	5,909	15,635	3,834	2,141	4,345	4,635	11,055
Contingent liability on acceptances purchased for foreign correspondents.....	253	11	5	67	13	23	13	17	9	6	11	14	32

Federal Reserve Notes—Federal Reserve Agents' Accounts

F.R. notes outstanding (issued to Bank).....	56,963	3,073	14,012	3,311	4,629	4,952	2,998	9,763	2,171	943	2,102	2,250	6,759
Collateral held against notes outstanding:													
Gold certificate account.....	2,445	150	500	300	350	285		700	155			5	
U.S. Govt. securities.....	56,075	3,000	13,800	3,150	4,400	4,720	3,100	9,300	2,130	970	2,175	2,330	7,000
Total collateral.....	58,520	3,150	14,300	3,450	4,750	5,005	3,100	10,000	2,285	970	2,175	2,335	7,000

† Previously referred to as Discounts and advances.

⁵ After deducting \$186 million participations of other F.R. Banks.

¹ See note 6 on p. A-5.

² After deducting \$13 million participations of other F.R. Banks.

Note.—Some figures for cash items in process of collection and for member bank reserves are preliminary.

³ See note 1 (b) to table at top of p. A-77.

⁴ After deducting \$107 million participations of other F.R. Banks.

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
1970—Dec.	3,414	2,280		2,883	2,280		5			365		
1971—Jan.	1,515	1,547	327	1,515	1,547	327						
Feb.	5,832	5,153		5,347	5,153				-3,732	174		4,092
Mar.	3,142	2,523	240	2,600	2,523	240				263		
Apr.	2,229	1,298	50	2,033	1,298	50			2	119		-2
May	1,291	248		1,163	248				464	46		-136
June	1,955	1,165	37	1,893	1,165	37			82	38		-82
July	2,067	1,617	127	2,067	1,617	127						
Aug.	1,818	1,024		1,709	1,024				991	84		-444
Sept.	2,102	1,088	83	1,818	1,088	83	46		104	189		-104
Oct.	772	1,133		772	1,133							
Nov.	1,883	1,070	200	1,129	1,070	200	24		-3,548	406		1,478
Dec.	3,160	1,981		3,055	1,981		11		130	21		-130

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		Out-right	Repurchase agreements	Out-right, net	Under repurchase agreements, net	
	Gross purchases	Gross sales	Exch. or maturity shifts	Gross purchases	Gross sales	Exch. or maturity shifts								
1970—Dec.	113			48			5,109	5,334	908		-61	21	-50	819
1971—Jan.							2,298	2,298	-359			2		-357
Feb.	189		-360	121			4,183	4,183	679			-5		673
Mar.	205			74			6,561	5,242	1,698		186	*	85	1,968
Apr.	62			16			5,085	6,404	-439		-186	3	-85	-707
May	82		-327				4,076	4,076	1,043			8	48	1,099
June	11			14			1,165	1,165	754			-1	-48	705
July							3,044	3,044	323			-7		316
Aug.	16		-547	8			2,184	1,951	1,027		69	-3	55	1,148
Sept.	34			14			3,697	3,930	698		61	-69	-1	634
Oct.							2,616	2,616	-361		35			-326
Nov.	267		1,920	58		150	5,003	5,003	613	244		6		862
Dec.	67			6			4,830	3,607	2,401	145	101	22	181	2,850

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

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

CONVERTIBLE FOREIGN CURRENCIES HELD BY FEDERAL RESERVE BANKS

(In millions of U.S. dollar equivalent)

End of period	Total	Pounds sterling	Austrian schillings	Belgian francs	Canadian dollars	Danish kroner	French francs	German marks	Italian lire	Japanese yen	Netherlands guilders	Swiss francs
1968—Dec.	2,061	1,444		8	3		433	165	1	1	4	3
1969—Dec.	1,967	1,575		1	*		199	60	125	1	3	4
1970—Oct.	408	306		*	*			97		1	*	4
Nov.	265	161		*	*			98		1	*	4
Dec.	257	154		*	*			98		1	*	4
1971—Jan.	186	80		1	*			99		1		5
Feb.	107	*		1	*			100		1		5
Mar.	34	*		1	*			27		1		5
Apr.	34	*		1	*			27		1		5
May	94	*		1	*			87		1		5
June	96	*		2	*			87		1		6
July	23	*		2	*			12		1		8
Aug.	23	*		2	*			12		1		8
Sept.	23	*		2	*			12		1		8
Oct.	30	*		9	*			12		1		8

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

(In millions of dollars)

Item	Wednesday					End of month		
	1972					1971	1971	
	Jan. 26	Jan. 19	Jan. 12	Jan. 5	Dec. 29	Jan. 31	Dec. 31	Jan. 31
Loans—Total.....	19	24	17	45	1,338	15	39	308
Within 15 days.....	17	22	16	43	1,335	14	37	308
16 days to 90 days.....	2	2	1	2	3	1	2	
91 days to 1 year.....								
Acceptances—Total.....	77	141	134	119	263	75	261	59
Within 15 days.....	13	67	76	60	195	19	196	18
16 days to 90 days.....	64	74	58	59	68	56	65	41
91 days to 1 year.....								
U.S. Government securities—Total.....	69,911	70,770	69,830	69,740	71,163	69,552	70,218	61,783
Within 15 days ¹	4,622	5,298	3,907	4,455	7,039	3,103	3,917	2,415
16 days to 90 days.....	14,671	14,773	15,483	15,314	14,596	16,049	15,825	13,685
91 days to 1 year.....	16,325	16,406	16,337	15,868	15,635	16,107	16,583	19,879
Over 1 year to 5 years.....	25,286	25,286	25,179	25,179	25,100	25,286	25,100	19,089
Over 5 years to 10 years.....	7,855	7,855	7,776	7,776	7,664	7,855	7,664	6,046
Over 10 years.....	1,152	1,152	1,148	1,148	1,129	1,152	1,129	669
Federal agency obligations—Total.....	650	681	688	535	596	650	586	
Within 15 days ¹	7	37	38	58	119	7	109	
16 days to 90 days.....	25	13	20	20	20	25	20	
91 days to 1 year.....	181	193	193	182	182	181	182	
Over 1 year to 5 years.....	288	289	289	181	181	288	181	
Over 5 years to 10 years.....	91	91	88	61	61	91	61	
Over 10 years.....	58	58	60	33	33	58	33	

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		
1970—Dec.....	10,896.5	5,016.1	2,480.1	5,880.3	3,400.2	77.0	170.6	76.7	52.4	42.6
1971—Jan.....	10,688.4	4,825.9	2,453.5	5,862.5	3,408.9	76.3	168.3	76.8	52.6	42.9
Feb.....	11,508.9	5,477.4	2,524.1	6,031.5	3,507.4	82.0	191.3	79.5	54.0	43.9
Mar.....	11,425.9	5,309.7	2,505.3	6,116.2	3,610.9	79.5	183.5	76.5	53.3	44.1
Apr.....	11,658.7	5,356.8	2,597.1	6,301.9	3,704.8	80.5	185.6	78.7	54.4	44.7
May.....	11,119.2	4,903.9	2,573.9	6,215.3	3,641.4	76.6	171.2	77.9	53.4	43.7
June.....	11,815.7	5,202.8	2,765.2	6,612.9	3,847.7	80.1	179.3	82.4	55.8	45.3
July.....	11,770.0	5,147.4	2,773.9	6,622.6	3,848.8	79.8	178.9	82.7	55.8	45.2
Aug.....	12,369.5	5,704.9	2,795.7	6,664.7	3,869.0	83.7	198.7	83.4	56.0	45.3
Sept.....	12,310.5	5,613.7	2,815.3	6,696.8	3,881.4	83.0	191.7	84.0	56.3	45.4
Oct.....	12,270.1	5,776.2	2,710.9	6,493.9	3,783.1	83.3	201.5	81.1	54.7	44.4
Nov.....	12,896.2	6,057.5	2,857.1	6,838.6	3,981.6	87.0	211.0	85.2	57.3	46.4
Dec.....	12,331.8	5,555.5	2,813.1	6,776.2	3,963.1	83.1	195.6	83.5	56.5	46.0

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 description of series, see Mar. 1965 BULLETIN, p. 390.

The data shown here differ from those shown in the Mar. 1965 BULLETIN because they have been revised, as described in the Mar. 1967 BULLETIN, p. 389.

DENOMINATIONS IN CIRCULATION

(In millions of dollars)

End of period	Total in circulation ¹	Coin and small denomination currency						Large denomination currency							
		Total	Coin	\$1 ²	\$2	\$5	\$10	\$20	Total	\$50	\$100	\$500	\$1,000	\$5,000	\$10,000
1939.....	7,598	5,553	590	559	36	1,019	1,772	1,576	2,048	460	919	191	425	20	32
1941.....	11,160	8,120	751	695	44	1,355	2,731	2,545	3,044	724	1,433	261	556	24	46
1945.....	28,515	20,683	1,274	1,039	73	2,313	6,782	9,201	7,834	2,327	4,220	454	801	7	24
1947.....	28,868	20,020	1,404	1,048	65	2,110	6,275	9,119	8,850	2,548	5,070	428	782	5	17
1950.....	27,741	19,305	1,554	1,113	64	2,049	5,998	8,529	8,438	2,422	5,043	368	588	4	12
1955.....	31,158	22,021	1,927	1,312	75	2,151	6,617	9,940	9,136	2,736	5,641	307	438	3	12
1958.....	32,193	22,856	2,182	1,494	83	2,186	6,624	10,288	9,337	2,792	5,886	275	373	3	9
1959.....	32,591	23,264	2,304	1,511	85	2,216	6,672	10,476	9,326	2,803	5,913	261	341	3	5
1960.....	32,869	23,521	2,427	1,533	88	2,246	6,691	10,536	9,348	2,815	5,954	249	316	3	10
1961.....	33,918	24,388	2,582	1,588	92	2,313	6,878	10,935	9,531	2,869	6,106	242	300	3	10
1962.....	35,338	25,356	2,782	1,636	97	2,375	7,071	11,395	9,983	2,990	6,448	240	293	3	10
1963.....	37,692	26,807	3,030	1,722	103	2,469	7,373	12,109	10,885	3,221	7,110	249	298	3	4
1964.....	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—Dec.....	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—Jan.....	55,345	38,081	6,254	2,190	136	2,971	8,673	17,857	17,264	4,809	11,983	214	251	3	4
Feb.....	55,611	38,298	6,266	2,178	136	2,972	8,753	17,994	17,313	4,822	12,022	213	249	3	4
Mar.....	56,304	38,785	6,303	2,200	136	3,011	8,835	18,300	17,519	4,892	12,160	212	248	3	4
Apr.....	56,592	38,917	6,360	2,206	136	3,001	8,826	18,388	17,675	4,917	12,294	210	246	3	4
May.....	57,403	39,509	6,410	2,245	136	3,048	8,960	18,711	17,894	4,994	12,438	210	245	3	4
June.....	58,393	40,263	6,472	2,277	136	3,099	9,137	19,144	18,130	5,075	12,596	209	243	3	4
July.....	58,558	40,238	6,493	2,260	136	3,068	9,031	19,251	18,321	5,129	12,735	208	242	3	4
Aug.....	58,904	40,442	6,537	2,267	136	3,058	9,045	19,398	18,462	5,162	12,845	207	241	2	4
Sept.....	58,797	40,284	6,556	2,273	135	3,053	8,987	19,279	18,514	5,155	12,906	206	240	2	4
Oct.....	59,216	40,559	6,589	2,302	135	3,071	9,054	19,408	18,657	5,183	13,024	205	239	2	4
Nov.....	60,636	41,699	6,714	2,360	135	3,186	9,329	19,975	18,936	5,272	13,216	204	237	2	4
Dec.....	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

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, Dec. 31, 1971	Held in the Treasury			Currency in circulation ¹		
		As security against gold and silver certificates	Treasury cash	For F.R. Banks and Agents	1971		1970
					Dec. 31	Nov. 30	
Gold.....	10,132	(9,875)	2,257				
Gold certificates.....		(9,875)		3,984			
Federal Reserve notes.....	57,489		143		3,668	53,678	50,204
Treasury currency—Total.....	7,710		60		260	7,390	6,889
Dollars.....	598		14		18	566	482
Fractional coin.....	6,495		44		242	6,209	5,800
United States notes.....	323		1			321	309
In process of retirement ⁴	294					294	298
Total—Dec. 31, 1971.....	75,332	(9,875)	460	9,874	3,929	61,068	
Nov. 30, 1971.....	74,064	(9,875)	448	9,874	3,106		60,636
Dec. 31, 1970.....	71,626	(10,457)	431	10,456	3,645		57,093

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 Includes \$144 million gold deposited by and held for the International Monetary Fund.

³ Consists of credits payable in gold certificates, the Gold Certificate Fund—Board of Governors, FRS.

⁴ Redeemable from the general fund of the Treasury.

⁵ 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 [†]			Not seasonally adjusted [†]		
	M ₁ (Currency plus demand deposits)	M ₂ (M ₁ plus time deposits at coml. banks other than large time CD's) ¹	M ₃ (M ₂ plus deposits at nonbank thrift institutions) ²	M ₁ (Currency plus demand deposits)	M ₂ (M ₁ plus time deposits at coml. banks other than large time CD's) ¹	M ₃ (M ₂ plus deposits at nonbank thrift institutions) ²
1968—Dec.....	197.4	378.0	572.6	203.4	383.0	577.5
1969—Dec.....	203.7	386.8	*588.3	209.8	392.0	*593.4
1970—Dec.....	214.8	418.2	*634.0	221.2	423.5	*637.2
1971—Jan.....	215.3	423.1	*642.2	221.4	428.3	*647.5
Feb.....	217.7	430.4	*653.4	215.6	427.8	*650.4
Mar.....	219.7	437.1	*663.9	217.5	435.7	*662.9
Apr.....	221.2	441.5	*672.5	222.3	443.7	*675.2
May.....	223.8	446.6	*681.0	219.9	443.7	*678.2
June.....	225.5	450.6	*687.8	223.7	449.1	*687.1
July.....	227.4	453.4	*693.8	226.0	452.0	*693.0
Aug.....	228.0	454.5	*697.6	224.9	451.7	*694.5
Sept.....	227.6	455.6	*701.2	226.2	454.3	*699.5
Oct.....	227.7	458.3	*706.5	227.5	458.0	*705.9
Nov.....	227.7	460.8	*711.6	229.6	461.4	*711.4
Dec.....	228.2	464.7	*718.1	235.1	470.2	*723.4
1972—Jan. [†]	228.9	470.1	727.1	235.4	475.4	732.6
Week ending—						
1972—Jan. 5.....	228.2	468.2	.....	241.3	479.7	.....
12.....	228.5	469.2	.....	238.3	477.2	.....
19.....	229.0	469.8	.....	236.0	475.9	.....
26 [†]	229.2	470.6	.....	231.1	472.0	.....
Feb. 5 [†]	229.8	472.2	.....	230.7	472.8	.....

COMPONENTS OF MONEY STOCK MEASURES AND RELATED ITEMS

(In billions of dollars)

Month or week	Seasonally adjusted						Not seasonally adjusted						U.S. Govt. deposits ⁵
	Currency	Demand deposits	Commercial banks			Non-bank thrift institutions ⁴	Currency	Demand deposits	Commercial banks			Non-bank thrift institutions ⁴	
			CD's ³	Other	Total				CD's ³	Other	Total		
1968—Dec.....	43.4	154.0	23.6	180.6	204.2	194.6	44.3	159.1	23.6	179.6	203.2	194.6	5.0
1969—Dec.....	46.0	157.7	11.0	183.2	194.1	201.5	46.9	162.9	11.1	182.1	193.2	*201.4	5.6
1970—Dec.....	49.0	165.8	25.5	203.4	228.9	*215.8	50.0	171.3	25.8	202.3	228.1	*213.6	7.3
1971—Jan.....	49.3	166.0	26.6	207.8	234.4	*219.2	49.1	172.3	27.0	206.9	233.8	*219.3	6.8
Feb.....	49.7	168.0	27.5	212.7	240.2	*223.0	49.1	166.5	27.4	212.2	239.6	*222.6	8.4
Mar.....	50.0	169.7	28.1	217.4	245.4	*226.8	49.5	168.0	28.0	218.2	246.2	*227.2	5.5
Apr.....	50.5	170.7	27.8	220.3	248.1	*231.0	50.1	172.3	27.1	221.4	248.5	*231.5	5.5
May.....	50.8	173.0	28.5	222.8	251.3	*234.4	50.5	169.4	27.6	223.8	251.4	*234.5	7.8
June.....	51.1	174.5	29.4	225.0	254.4	*237.2	51.0	172.7	28.4	225.4	253.8	*238.0	5.3
July.....	51.6	175.8	30.4	225.9	256.4	*240.4	51.9	174.1	29.5	226.0	255.5	*241.1	6.8
Aug.....	51.7	176.3	30.8	226.5	257.3	*243.1	51.9	173.0	31.2	226.9	258.1	*242.8	6.8
Sept.....	51.9	175.7	31.6	228.0	259.6	*245.6	51.9	174.3	32.1	228.1	260.3	*245.2	7.5
Oct.....	52.2	175.5	32.7	230.6	263.3	*248.3	52.2	175.3	33.6	230.6	264.1	*247.9	5.3
Nov.....	52.2	175.5	32.2	233.1	265.3	*250.8	52.8	176.9	33.7	231.8	265.5	*250.0	3.9
Dec.....	52.5	175.7	33.4	236.4	269.9	*253.4	53.5	185.5	33.9	235.1	269.0	*253.2	6.7
1972—Jan. [†]	52.7	176.2	33.2	241.2	274.4	257.1	52.6	182.9	33.7	240.0	273.7	257.2	7.2
Week ending—													
1972—Jan. 5.....	52.6	175.6	33.2	240.0	273.2	.....	53.3	188.1	33.4	238.4	271.7	.....	8.7
12.....	52.7	175.8	33.2	240.7	274.0	.....	53.0	185.3	33.8	238.9	272.7	.....	5.7
19.....	52.8	176.1	33.2	240.9	274.1	.....	52.6	183.4	33.8	239.9	273.7	.....	6.3
26 [†]	52.8	176.5	33.3	241.4	274.6	.....	52.0	179.1	33.9	240.8	274.8	.....	7.6
Feb. 5 [†]	52.9	176.9	33.4	242.4	275.8	.....	52.0	178.7	33.4	242.0	275.4	.....	8.9

¹ Includes, in addition to currency and demand deposits, savings deposits, time deposits open account, and time certificates of deposits other than negotiable time certificates of deposit issued in denominations of \$100,000 or more by large weekly reporting commercial banks.

² Includes M₂, plus the average of the beginning and end of month deposits of mutual savings banks and savings and loan shares.

³ Negotiable time certificates of deposit issued in denominations of \$100,000 or more by large weekly reporting commercial banks.

⁴ Average of the beginning and end-of-month deposits of mutual savings banks and savings and loan shares.

⁵ At all commercial banks.

NOTE.—For description of revised series and for back data, see pp. 880-93 of the November BULLETIN.

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

AGGREGATE RESERVES AND MEMBER BANK DEPOSITS

(In billions of dollars)

Period	Member bank reserves, S.A. ¹			Deposits subject to reserve requirements ²								Total member bank deposits plus nondeposit items ³		
	Total	Non-borrowed	Required	S.A.				N.S.A.				S.A.	N.S.A.	
				Total	Time and savings	Demand		Total	Time and savings	Demand				
						Private	U.S. Govt.				Private	U.S. Govt.		
1968—Dec. 7	27.29	26.51	26.89	297.6	164.3	128.3	5.0	301.2	163.8	133.3	4.1	304.6	308.1	
1969—Dec. 7	27.97	26.83	27.74	285.4	150.3	129.8	5.3	288.8	149.7	134.6	4.6	305.4	308.8	
1970—Dec. 7	29.13	28.76	28.92	319.0	178.8	133.8	6.4	322.8	178.2	138.7	6.0	330.6	334.4	
1971—Jan. 7	29.40	28.97	29.16	323.3	183.5	134.1	5.8	328.2	182.8	139.7	5.6	333.4	338.3	
Feb. 7	29.61	29.25	29.36	328.1	187.5	135.7	4.9	328.4	187.1	134.3	7.0	336.7	337.0	
Mar. 7	29.78	29.44	29.59	332.5	191.7	136.8	4.0	332.2	192.3	135.4	4.5	339.6	339.2	
Apr. 7	29.99	29.86	29.79	336.9	193.6	137.7	5.6	337.3	193.6	139.0	4.7	342.0	342.4	
May 7	30.32	30.10	30.12	340.4	196.0	139.0	5.4	338.4	195.8	135.9	6.7	344.5	342.5	
June 7	30.53	30.11	30.34	342.3	198.2	139.8	4.3	340.2	197.6	138.2	4.4	346.7	344.7	
July 7	30.65	29.93	30.48	345.5	199.8	140.6	5.1	344.1	198.9	139.4	5.7	349.8	348.4	
Aug. 7	30.73	29.98	30.56	347.1	200.3	141.0	5.7	344.6	200.8	138.1	5.8	351.0	348.6	
Sept. 7	31.05	30.53	30.89	349.2	202.1	140.5	6.6	348.2	202.7	139.2	6.3	353.3	352.2	
Oct. 7	30.89	30.49	30.70	349.8	205.2	139.9	4.7	350.2	205.9	139.9	4.3	354.7	355.0	
Nov. 7	30.97	30.53	30.75	352.7	206.4	140.9	5.4	351.6	206.9	141.6	3.1	358.0	357.0	
Dec. 7	31.25	31.08	31.10	357.9	210.2	141.5	6.2	362.2	209.7	146.7	5.7	361.9	366.2	
1972—Jan. 7	31.80	31.68	31.57	361.0	213.7	141.1	6.2	366.4	213.4	147.0	6.0	365.0	370.4	

¹ Averages of daily figures. Member bank reserve series reflects actual reserve requirement percentages with no adjustment to eliminate the effect of changes in Regulations D and M. Required reserves were increased by \$660 million effective Apr. 16, 1969, and \$400 million, effective Oct. 16, 1969. Required reserves were reduced by \$500 million (net) effective Oct. 1, 1970.

² Averages of daily figures. Deposits subject to reserve requirements include total time and savings deposits and net demand deposits as defined by Regulation D. Private demand deposits include all demand deposits except those due to the U.S. Govt., less cash items in process of collection and demand balances due from domestic commercial banks. Data for

1968 are not comparable with later data due to the withdrawal from the System on Jan. 2, 1969, of a large member bank.

³ 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.—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.

GROSS LOANS AND INVESTMENTS

(In billions of dollars)

Date	Seasonally adjusted				Not seasonally adjusted				Loans ¹ plus loans sold to bank affiliates ³	
	Total ^{1, 2}	Securities			Total ^{1, 2}	Securities			S.A.	N.S.A.
		Loans ^{1, 2}	U.S. Govt.	Other ²		Loans ^{1, 2}	U.S. Govt.	Other ²		
1965—Dec. 31	300.1	198.2	57.1	44.8	307.6	203.2	59.5	44.9		
1966—Dec. 31	316.1	213.9	53.5	48.7	324.0	219.0	56.2	48.8		
1967—Dec. 30	352.0	231.3	59.3	61.4	360.8	236.8	62.5	61.5		
1968—Dec. 31	390.6	258.2	61.0	71.4	400.4	264.4	64.5	71.5		
1969—Dec. 31 ⁴	402.1	279.4	51.5	71.2	412.1	286.1	54.7	71.3		
1970—Dec. 31	435.9	292.0	58.0	85.9	446.8	299.0	61.7	86.1	294.9	301.9
1971—Jan. 27	440.7	293.7	58.9	88.1	439.5	290.9	61.5	87.1	296.6	293.8
Feb. 24	446.1	295.7	60.8	89.6	442.4	292.1	61.4	88.9	298.6	295.0
Mar. 31	449.5	296.5	61.1	91.9	447.7	294.6	61.6	91.5	299.3	297.5
Apr. 28	452.5	298.2	60.7	93.5	450.9	296.7	60.0	94.2	300.9	299.4
May 26	456.1	300.7	60.4	95.1	453.6	300.0	58.8	94.9	303.5	302.8
June 30	461.1	301.7	62.8	96.6	464.8	307.1	60.3	97.4	304.8	310.2
July 28	463.7	304.1	61.6	98.0	463.0	305.6	59.3	98.2	307.0	308.4
Aug. 25	468.4	309.7	60.9	97.8	466.1	309.3	58.7	98.1	312.4	312.0
Sept. 29	472.4	313.0	59.9	99.5	472.0	313.4	58.7	99.9	316.0	316.4
Oct. 27	476.5	316.4	59.1	101.0	475.8	314.5	60.0	101.3	319.3	317.4
Nov. 24	478.4	317.5	58.9	102.0	478.5	316.0	61.1	101.4	320.3	318.8
Dec. 31	482.9	318.6	60.3	103.9	494.9	326.3	64.6	104.1	321.5	329.2
1972—Jan. 26	489.8	324.3	59.8	105.7	488.5	321.2	62.8	104.5	327.3	324.2

¹ Adjusted to exclude domestic commercial interbank loans.

² Beginning June 9, 1966, about \$1.1 billion of balances accumulated for payment of personal loans were deducted as a result of a change in Federal Reserve regulations.

Beginning June 30, 1966, CCC certificates of interest and Export-Import Bank portfolio fund participation certificates totaling an estimated \$1 billion are included in "Other securities" rather than "Loans."

³ Includes loans sold outright by commercial banks to own subsidiaries, foreign branches, holding companies, and other affiliates.

⁴ Beginning June 30, 1969, data revised to include all bank-premises subsidiaries and other significant majority-owned domestic subsidiaries; earlier data include commercial banks only. Also, loans and investments are now reported gross, without valuation reserves deducted, rather than

net of valuation reserves as was done previously. For a description of the revision, see Aug. 1969 BULLETIN, pp. 642-46. Data shown in this table beginning January 1959 have been revised to include valuation reserves.

⁵ Beginning June 30, 1971, Farmers Home Administration insured notes totaling approximately \$700 million are included in "Other securities" rather than in "Loans."

Note.—Series revised. For monthly data 1959-70, see Dec. 1971 BULLETIN, pp. 974-75. For monthly data, 1948-58, see Aug. 1968 BULLETIN, pp. A-94-A-97. For a description of the seasonally adjusted series see the following Bulletins: July 1962, pp. 797-802; July 1966, pp. 950-55; Sept. 1967, pp. 151-17; and Dec. 1971, pp. 971-73. Data are for last Wed. of month except for June 30 and Dec. 31; data are partly or wholly estimated except when June 30 and Dec. 31 are call dates.

CONSOLIDATED CONDITION STATEMENT

(In millions of dollars)

Date	Assets										Liabilities and capital	
	Gold stock and SDR certificates ¹	Treasury currency outstanding	Bank credit							Total assets, net—Total liabilities and capital, net	Total deposits and currency	Capital and misc. accounts, net
			Total	Loans net ²	U.S. Treasury securities			Other ³	Other securities ⁴			
					Total	Coml. and savings banks	Federal Reserve Banks					
1947—Dec. 31	22,754	4,562	160,832	43,023	107,086	81,199	22,559	3,328	10,723	188,148	175,348	12,800
1950—Dec. 30	22,706	4,636	171,667	60,366	96,560	72,894	20,778	2,888	14,741	199,008	184,384	14,624
1967—Dec. 30	11,982	6,784	468,943	282,040	117,064	66,752	49,112	1,200	69,839	487,709	444,043	43,670
1968—Dec. 31	10,367	6,795	514,427	311,334	121,273	68,285	52,937	51	81,820	531,589	484,212	47,379
1969—Dec. 31 ⁵	10,367	6,849	532,663	335,127	115,129	57,952	57,154	23	82,407	549,879	485,545	64,337
1970—Dec. 31	11,132	7,149	580,899	354,447	127,207	64,814	62,142	251	99,245	599,180	535,157	64,020
1971—Jan. 27	11,100	7,200	574,100	346,300	127,000	64,700	62,000	300	100,800	592,400	527,200	65,200
Feb. 24	11,100	7,200	577,500	347,300	127,200	64,800	61,700	700	103,000	595,800	529,600	66,300
Mar. 31	11,100	7,300	586,700	350,100	129,900	65,000	64,200	800	106,600	605,100	539,100	66,000
Apr. 28	11,100	7,300	589,300	351,100	128,300	63,400	64,000	900	110,000	607,800	544,300	63,400
May 26	10,700	7,400	594,700	355,300	128,100	62,200	64,900	900	111,300	612,800	550,400	62,300
June 30	10,732	7,420	608,204	363,301	130,479	63,565	65,518	1,396	114,424	626,356	560,032	66,324
July 28	10,700	7,400	605,300	360,100	129,700	62,800	65,800	1,100	115,400	623,400	559,500	64,000
Aug. 25	10,500	7,500	611,300	365,700	130,000	62,200	66,400	1,400	115,600	629,300	563,500	65,800
Sept. 20	10,500	7,500	617,000	368,100	131,300	62,200	67,600	1,600	117,500	635,000	567,500	67,600
Oct. 27 ⁶	10,500	7,600	621,500	368,800	133,700	63,400	67,800	2,500	119,000	639,600	570,800	68,800
Nov. 24 ⁶	10,500	7,600	625,200	369,500	136,500	64,500	69,500	2,500	119,200	643,300	574,300	69,100
Dec. 29 ⁶	10,500	7,600	642,900	379,400	141,600	67,900	71,200	2,500	121,900	661,100	597,900	63,200
1972—Jan. 26 ⁶	10,500	7,700	639,900	378,300	138,700	66,200	69,900	2,500	123,000	658,100	590,100	68,000

DETAILS OF DEPOSITS AND CURRENCY

Date	Money stock						Related deposits (not seasonally adjusted)							
	Seasonally adjusted ⁶			Not seasonally adjusted			Time				U.S. Government			
	Total	Currency outside banks	Demand deposits adjusted ⁷	Total	Currency outside banks	Demand deposits adjusted ⁷	Total	Commercial banks ⁸	Mutual savings banks ⁹	Postal Savings System ³	Foreign net ¹⁰	Treasury cash holdings	At coml. and savings banks	At F.R. Banks
1947—Dec. 31	110,500	26,100	84,400	113,597	26,476	87,121	56,411	35,249	17,746	3,416	1,682	1,336	1,452	870
1950—Dec. 30	114,600	24,600	90,000	117,670	25,398	92,272	59,246	36,314	20,009	2,923	2,518	1,293	2,989	668
1967—Dec. 30	181,500	39,600	141,900	191,232	41,071	150,161	242,657	182,243	60,414	.....	2,179	1,344	5,508	1,123
1968—Dec. 31	199,600	42,600	157,000	207,347	43,527	163,820	267,627	202,786	64,841	.....	2,455	695	5,385	1,703
1969—Dec. 31 ⁵	206,800	45,400	161,400	214,689	46,358	168,331	260,992	193,533	67,459	.....	2,683	596	5,273	1,312
1970—Dec. 31	209,400	47,800	161,600	219,422	49,779	169,643	302,591	230,622	71,969	.....	3,148	431	8,409	1,156
1971—Jan. 27	203,300	48,300	155,000	205,900	47,600	158,300	307,600	235,000	72,600	.....	2,500	500	9,500	1,200
Feb. 24	204,900	48,500	156,400	203,800	47,900	155,900	313,900	240,400	73,500	.....	2,500	500	7,500	1,400
Mar. 31	214,100	49,300	164,800	208,200	48,800	159,400	322,100	247,000	75,100	.....	2,500	500	5,000	1,400
Apr. 28	207,200	48,900	158,300	207,400	48,500	158,800	324,200	248,300	75,900	.....	2,300	500	8,600	1,400
May 26	212,400	49,500	162,900	209,900	49,400	160,500	328,400	251,700	76,800	.....	2,300	500	8,500	900
June 30	217,900	50,000	167,900	215,010	50,491	164,519	331,873	253,651	78,222	.....	2,482	454	8,939	1,274
July 28	213,900	50,400	163,500	213,700	50,500	163,200	334,000	255,800	78,200	.....	2,500	500	7,400	1,400
Aug. 25	214,700	50,300	164,400	213,000	50,600	162,300	336,300	257,700	78,600	.....	2,500	500	10,000	1,400
Sept. 20	213,800	50,400	163,400	212,400	50,500	161,900	340,700	261,400	79,400	.....	2,400	500	9,500	2,000
Oct. 27 ⁶	215,400	51,000	164,400	216,300	50,900	165,400	343,400	263,600	79,800	.....	2,500	500	6,500	1,700
Nov. 24 ⁶	215,800	51,100	164,700	219,200	52,500	166,700	345,800	265,500	80,300	.....	2,600	500	4,700	1,400
Dec. 29 ⁶	223,200	51,100	172,100	230,100	52,200	177,800	351,300	270,000	81,300	.....	2,500	500	11,600	2,000
1972—Jan. 26 ⁶	216,100	51,800	164,300	218,900	51,100	167,800	355,600	273,900	81,700	.....	2,400	500	9,800	2,900

¹ Includes Special Drawing Rights certificates beginning January 1970.

² Beginning with data for June 30, 1966, about \$1.1 billion in "Deposits accumulated for payment of personal loans" were excluded from "Time deposits" and deducted from "Loans" at all commercial banks. These changes resulted from a change in Federal Reserve regulations. See table (and notes), *Deposits Accumulated for Payment of Personal Loans*, p. A-32. See footnote 1 on p. A-23.

³ After June 30, 1967, Postal Savings System accounts were eliminated from this Statement.

⁴ See second paragraph of note 2.

⁵ Figures for this and later dates take into account the following changes (beginning June 30, 1969) for commercial banks: (1) inclusion of consolidated reports (including figures for all bank-premises subsidiaries and other significant majority-owned domestic subsidiaries) and (2) reporting of figures for total loans and for individual categories of securities on a gross basis—that is, before deduction of valuation reserves. See also note 1.

⁶ Series began in 1946; data are available only for last Wed. of month.

⁷ Other than interbank and U.S. Govt., less cash items in process of collection.

⁸ See first paragraph of note 2.

⁹ Includes relatively small amounts of demand deposits. Beginning with June 1961, also includes certain accounts previously classified as other liabilities.

¹⁰ Reclassification of deposits of foreign central banks in May 1961 reduced this item by \$1,900 million (\$1,500 million to time deposits and \$400 million to demand deposits).

NOTE.—For back figures and descriptions of the consolidated condition statement and the seasonally adjusted series on currency outside banks and demand deposits adjusted, see "Banks and the Monetary System," Section 1 of *Supplement to Banking and Monetary Statistics*, 1962, and BULLETIN for Jan. 1948 and Feb. 1960. Except on call dates, figures are partly estimated and are rounded to the nearest \$100 million.

For description of substantive changes in official call reports of condition beginning June 1969, see BULLETIN for Aug. 1969, pp. 642-46.

PRINCIPAL ASSETS AND LIABILITIES AND NUMBER, BY CLASS OF BANK

(Amounts in millions of dollars)

Class of bank and date	Loans and investments					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		Total ³				
			U.S. Treasury	Other ²				Dem- and	Time	U.S. Govt.	Other					Time ⁵
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	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	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	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	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	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	19,375	42,958	13,686		
1971—Jan. 27...	454,250	305,600	61,520	87,130	83,860	559,200	462,730	25,360	2,030	9,250	190,810	20,500	42,730	13,692		
Feb. 24...	458,040	307,740	61,430	88,870	82,450	561,810	463,950	25,850	1,990	7,060	188,180	21,500	43,050	13,700		
Mar. 31...	463,500	310,380	61,620	91,500	94,350	580,930	483,470	30,640	1,990	4,520	198,860	22,130	43,530	13,713		
Apr. 28...	467,030	312,840	60,030	94,160	88,680	578,200	479,640	26,430	2,020	8,150	194,310	24,070	43,740	13,717		
May 26...	469,010	315,380	58,770	94,860	84,530	576,610	478,570	24,400	2,080	7,900	191,930	25,260	43,910	13,720		
June 30...	480,524	322,886	60,254	97,383	96,141	599,429	503,018	31,313	2,207	8,412	206,918	25,468	45,311	13,729		
July 28...	478,300	320,870	59,280	98,150	85,880	587,470	489,140	26,650	2,030	6,790	197,310	25,360	44,800	13,734		
Aug. 25...	482,230	325,450	58,720	98,060	85,300	591,080	491,180	26,380	2,110	9,390	195,020	25,280	44,980	13,739		
Sept. 29...	489,640	331,000	58,740	99,900	88,180	602,070	497,530	27,050	2,500	8,920	197,180	26,180	45,110	13,753		
Oct. 27...	491,270	329,910	60,020	101,340	95,590	610,880	505,960	28,950	2,610	5,940	204,350	26,410	45,530	13,768		
Nov. 24...	495,560	333,040	61,140	101,380	95,350	614,570	504,830	28,250	2,600	4,200	203,760	26,020	45,710	13,776		
Dec. 29...	511,670	343,530	64,550	103,590	95,830	632,780	524,890	27,020	2,650	11,120	213,610	27,090	46,080	13,784		
1972—Jan. 26...	506,410	339,100	62,810	104,500	91,860	622,090	519,020	28,550	2,820	9,240	203,950	27,460	46,560	13,784		
Member of F.R. System:																
1941—Dec. 31...	43,521	18,021	19,539	5,961	23,113	68,121	61,717	10,385	140	1,709	37,136	12,347	4	5,886	6,619	
1945—Dec. 31...	107,183	22,775	78,338	6,070	29,845	138,304	133,576	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—Jan. 27...	359,731	247,183	45,222	67,326	73,521	451,224	369,092	24,179	1,785	7,929	152,695	182,504	19,557	33,950	5,761	
Feb. 24...	362,488	248,916	44,840	68,732	72,296	452,887	369,632	24,680	1,744	5,730	150,712	186,766	20,440	34,213	5,754	
Mar. 31...	366,723	250,777	45,193	70,753	83,092	469,355	386,692	29,399	1,749	3,726	159,983	191,835	21,107	34,658	5,751	
Apr. 28...	368,539	252,040	43,704	72,795	78,152	465,677	382,149	25,278	1,776	6,957	155,728	192,410	22,983	34,799	5,747	
May 26...	369,182	253,513	42,601	73,068	73,902	462,599	379,887	23,243	1,838	6,663	153,227	194,916	22,237	34,944	5,742	
June 30...	378,233	259,530	44,038	74,665	84,743	482,225	400,973	29,965	1,980	6,984	165,827	196,218	21,700	35,822	5,736	
July 28...	376,133	257,988	42,844	75,301	75,342	471,089	388,088	25,436	1,804	5,496	157,436	197,916	23,131	35,555	5,730	
Aug. 25...	379,269	261,993	42,337	74,939	74,807	473,923	389,558	25,169	1,883	7,907	155,336	199,263	23,749	35,723	5,730	
Sept. 29...	385,391	266,575	42,369	76,447	77,361	483,064	394,598	25,829	2,274	7,369	157,000	202,126	25,843	35,827	5,724	
Oct. 27...	386,028	264,847	43,586	77,595	83,963	490,047	401,167	27,616	2,385	4,840	162,600	203,726	26,203	36,179	5,725	
Nov. 24...	389,468	267,287	44,630	77,551	83,788	492,995	399,678	26,941	2,372	3,317	161,905	205,143	29,776	36,303	5,729	
Dec. 29...	402,687	276,319	47,130	79,238	84,104	507,884	416,570	25,656	2,418	9,399	170,172	208,925	29,855	36,562	5,728	
1972—Jan. 26...	397,948	272,451	45,722	79,775	80,580	498,591	411,462	27,230	2,596	7,643	162,307	211,686	25,429	37,028	5,728	
Reserve city member: New York City:⁸																
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	5,175	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—Jan. 27...	60,658	45,791	6,011	8,856	21,274	87,437	64,712	11,270	950	1,985	29,761	20,746	4,997	6,449	12	
Feb. 24...	60,791	46,610	5,378	8,803	20,393	86,749	63,848	11,367	919	879	29,352	21,331	5,855	6,510	12	
Mar. 31...	59,912	45,457	5,683	8,772	21,111	83,161	71,345	14,672	846	573	33,114	22,140	5,741	6,723	12	
Apr. 28...	60,115	45,741	5,316	9,058	23,718	89,846	67,750	12,261	920	1,392	30,793	22,384	6,282	6,743	12	
May 26...	59,029	45,441	5,007	8,581	19,816	84,885	63,973	10,254	846	1,388	28,552	22,933	6,075	6,797	12	
June 30...	61,059	47,243	5,116	8,700	26,200	92,767	73,710	15,221	937	1,199	32,816	23,536	4,531	6,860	12	
July 28...	59,988	46,837	4,837	8,769	22,281	88,057	67,319	12,062	835	939	29,379	24,054	5,954	7,008	12	
Aug. 25...	60,886	47,659	4,793	8,434	21,431	88,217	67,392	11,918	939	1,564	28,578	24,393	6,201	7,078	12	
Sept. 29...	61,997	48,700	4,713	8,584	23,254	90,982	68,633	12,471	1,013	1,283	29,229	24,637	6,818	7,061	12	
Oct. 27...	61,734	47,971	5,088	8,675	24,405	91,671	68,923	13,005	1,086	710	29,561	24,561	6,748	7,207	12	
Nov. 24...	61,776	47,626	5,582	8,568	23,026	90,162	67,792	12,988	1,196	392	28,785	24,431	6,954	7,257	12	
Dec. 29...	63,429	49,219	5,231	8,979	23,043	92,432	70,247	11,618	1,117	1,977	31,106	24,429	7,908	7,180	12	
1972—Jan. 26...	62,539	48,337	5,405	8,797	23,684	91,726	71,017	13,443	1,258	1,395	30,660	24,261	5,854	7,253	12	

For notes see p. A-23.

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

(Amounts in millions of dollars)

Class of bank and date	Loans and investments					Total assets—Total liabilities and capital accounts ⁴	Deposits					Total capital accounts	Number of banks	
	Total	Loans ¹	Securities		Cash assets ³		Total ³	Interbank ³		Other				Borrowings
			U.S. Treasury	Other ²				Demand	Time ⁵					
							De-mand	Time	U.S. Govt.	Other				
Reserve city member (cont.):														
City of Chicago: 8, 9														
1941—Dec. 31	2,760	954	1,430	376	1,566	4,363	4,057	1,035	127	2,419	476	288	13	
1945—Dec. 31	5,931	1,333	4,213	385	1,489	7,459	7,046	1,312	1,552	3,462	719	377	12	
1947—Dec. 31	5,088	1,801	2,890	397	1,739	6,866	6,402	1,217	72	4,201	913	426	14	
1966—Dec. 31	11,802	8,756	1,545	1,502	2,638	14,935	12,673	1,433	310	6,008	4,898	484	11	
1967—Dec. 30	12,744	9,223	1,574	1,947	2,947	16,296	13,985	1,434	217	6,250	6,013	383	10	
1968—Dec. 31	14,274	10,286	1,863	2,125	3,008	18,099	14,526	1,535	21	6,542	6,171	682	9	
1969—Dec. 31	14,365	10,771	1,564	2,030	2,802	17,927	13,264	1,677	15	6,770	6,426	1,290	9	
1970—Dec. 31	15,745	11,214	2,105	2,427	3,074	19,892	15,041	1,930	49	6,663	6,117	1,851	9	
1971—Jan. 27	15,530	10,901	2,208	2,421	2,981	19,487	14,303	1,313	79	6,091	6,333	1,969	9	
Feb. 24	15,479	11,000	2,048	2,431	3,083	19,482	14,264	1,451	58	6,010	6,493	2,125	9	
Mar. 31	16,056	11,345	2,179	2,532	2,695	19,609	14,665	2,074	130	152	6,695	1,961	9	
Apr. 28	15,726	11,051	1,940	2,735	3,159	19,874	15,048	1,326	123	414	6,415	6,770	9	
May 26	15,853	11,293	1,677	2,883	3,011	19,741	14,951	1,300	143	419	6,181	6,908	9	
June 30	16,477	11,777	1,736	2,964	3,080	20,477	15,636	1,489	85	317	6,648	7,097	9	
July 28	16,128	11,724	1,565	2,839	3,199	20,233	15,413	1,448	150	277	6,389	7,149	9	
Aug. 25	16,346	12,113	1,528	2,705	3,089	20,364	15,234	1,365	142	380	5,997	7,350	9	
Sept. 29	16,704	12,273	1,671	2,760	2,756	20,438	15,571	1,339	191	374	6,028	7,639	9	
Oct. 27	16,526	11,938	1,732	2,856	3,576	21,049	15,933	1,553	228	240	6,386	7,526	9	
Nov. 24	16,651	11,948	1,780	2,926	3,856	21,333	15,364	1,431	219	102	6,097	7,515	9	
Dec. 29	17,032	12,203	1,772	3,057	3,601	21,646	16,340	1,403	226	463	6,706	7,542	9	
1972—Jan. 26	16,614	11,901	1,657	3,056	3,488	21,059	15,730	1,460	213	378	6,243	7,436	9	
Other reserve city: 8, 9														
1941—Dec. 31	15,347	7,105	6,467	1,776	8,518	24,430	22,313	4,356	104	491	12,557	4,806	351	
1945—Dec. 31	40,108	8,514	29,552	2,042	11,286	51,899	49,085	6,418	30	8,221	24,655	9,760	359	
1947—Dec. 31	36,040	13,449	20,196	2,396	13,066	49,859	46,467	5,627	22	405	28,990	11,423	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	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	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	161	
1969—Dec. 31	121,324	90,896	11,944	18,484	29,954	157,512	126,232	10,663	242	1,575	58,923	54,829	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	156	
1971—Jan. 27	130,725	92,805	14,490	23,430	26,930	164,214	133,018	8,875	675	3,141	52,663	67,864	156	
Feb. 24	131,751	92,932	14,498	24,321	26,701	164,992	133,375	9,169	686	2,262	52,063	69,195	156	
Mar. 31	134,204	94,302	14,636	25,266	29,361	170,513	138,409	9,791	692	1,592	55,594	70,740	156	
Apr. 28	134,119	94,416	13,830	25,873	28,581	169,509	136,752	9,036	652	3,066	53,519	70,436	156	
May 26	134,244	95,022	13,409	25,813	28,193	169,420	137,136	9,009	714	2,671	53,519	71,223	156	
June 30	137,326	97,061	14,552	25,713	30,901	175,607	142,776	10,166	735	2,954	57,622	71,299	156	
July 28	136,792	97,128	13,487	26,177	26,803	170,828	138,268	9,150	684	1,999	54,884	71,551	156	
Aug. 25	137,513	98,538	13,132	25,843	27,341	172,142	138,865	9,111	667	3,366	54,235	71,486	156	
Sept. 29	140,060	100,339	13,121	26,600	27,832	175,407	140,334	9,237	846	2,982	54,857	72,712	156	
Oct. 27	139,515	98,621	13,810	27,084	30,995	177,945	143,113	10,006	847	1,963	56,832	73,465	156	
Nov. 24	141,421	100,284	14,203	26,934	32,048	180,956	142,820	9,537	733	1,264	57,068	74,218	156	
Dec. 29	148,089	105,081	15,800	27,208	32,244	187,971	151,249	9,524	851	3,935	60,082	76,857	156	
1972—Jan. 26	145,436	103,311	14,796	27,329	29,154	182,373	147,352	9,306	901	3,057	56,144	77,944	156	
Country member: 8, 9														
1941—Dec. 31	12,518	5,890	4,377	2,250	6,402	19,466	17,415	792	30	225	10,109	6,258	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	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	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	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	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	5,796	
1969—Dec. 31	140,715	92,147	21,278	27,291	23,928	169,078	148,007	3,152	84	1,671	67,930	75,170	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	5,589	
1971—Jan. 27	152,818	97,686	22,513	32,619	22,336	180,086	157,059	2,721	81	2,316	64,380	87,561	5,584	
Feb. 24	154,467	98,374	22,916	33,177	22,119	181,664	158,145	2,693	81	2,337	63,287	89,747	5,577	
Mar. 31	156,551	99,673	22,695	34,183	23,925	186,072	162,273	2,862	81	1,393	65,677	92,260	5,574	
Apr. 28	158,579	100,832	22,618	35,129	22,694	186,808	162,599	2,655	81	2,085	64,958	92,802	5,570	
May 26	160,056	101,757	22,508	35,791	22,882	188,553	163,827	2,680	135	2,185	64,975	93,852	5,565	
June 30	163,371	103,449	22,634	37,289	24,563	193,374	168,852	3,087	224	2,512	68,742	94,286	5,559	
July 28	163,225	102,754	22,955	37,516	23,059	191,971	167,088	2,776	135	2,281	66,784	95,112	5,553	
Aug. 25	164,524	103,683	22,884	37,957	22,946	193,200	168,067	2,775	135	2,597	66,526	96,034	5,553	
Sept. 29	166,630	105,263	22,864	38,503	23,519	196,237	170,060	2,782	224	2,730	67,816	97,138	5,547	
Oct. 27	168,253	106,317	22,956	38,980	24,987	199,382	173,198	3,052	224	1,927	69,182	98,174	5,548	
Nov. 24	169,620	107,432	23,065	39,123	24,858	200,544	173,702	2,985	224	1,559	69,955	98,979	5,552	
Dec. 29	174,137	109,816	24,327	39,994	25,216	205,845	178,734	3,111	224	3,024	72,278	100,097	5,551	
1972—Jan. 26	173,359	108,902	23,864	40,593	24,254	203,433	177,363	3,021	224	2,813	69,260	102,045	5,551	

For notes see p. A-23.

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

(Amounts in millions of dollars)

Classification by FRS membership and FDIC insurance	Loans and investments						Deposits							Borrow- ings	Total capital accounts	Number of banks
	Total	Securities			Cash assets ³	Total assets— Total liabilities and capital accounts ⁴	Total ³	Interbank ³		Other						
		Loans 1	U.S. Treasury	Other ²				De- mand	Time	U.S. Govt.	Other	Time ⁵				
													Time			
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	13,297	13,297
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	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	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	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	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	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	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	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	13,481
1969—June 30 ⁷	408,620	283,199	53,723	71,697	87,311	513,960	423,957	24,889	800	5,624	192,357	200,287	14,450	38,321	13,464	13,464
Dec. 31..	419,746	294,638	54,399	70,709	89,090	527,598	434,138	26,858	695	5,038	207,311	194,237	18,024	39,450	13,464	13,464
1970—June 30..	421,141	294,963	51,248	74,929	84,885	526,484	431,094	26,017	829	8,040	191,752	204,456	18,215	41,159	13,478	13,478
Dec. 31..	458,919	312,006	61,438	85,475	92,708	572,682	479,174	30,233	1,874	7,898	208,037	231,132	19,149	42,427	13,502	13,502
1971—June 30..	478,302	321,575	59,991	96,735	95,181	595,819	501,283	30,953	2,166	8,391	205,736	254,036	22,297	44,816	13,547	13,547
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	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	5,107	5,107
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	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	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	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	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	4,799
1967—Dec. 31..	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	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	4,716
1969—June 30 ⁷	242,241	170,834	29,481	41,927	52,271	305,800	251,489	14,324	437	3,534	113,134	120,060	9,895	22,628	4,700	4,700
Dec. 31..	247,526	177,435	29,576	40,514	54,721	313,927	256,314	16,299	361	3,049	121,719	114,885	12,279	23,248	4,668	4,668
1970—June 30..	247,862	176,376	28,191	43,295	51,942	312,480	254,261	14,947	393	5,066	113,296	120,559	13,051	24,106	4,637	4,637
Dec. 31..	271,760	187,554	34,203	50,004	56,028	340,764	283,663	18,051	982	4,740	122,298	137,592	13,100	24,868	4,620	4,620
1971—June 30..	281,830	192,339	33,759	55,732	57,244	352,807	294,025	16,575	1,441	5,118	121,096	149,795	15,629	25,999	4,598	4,598
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	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	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	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	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	1,452
1965—Dec. 31..	74,972	51,262	12,645	11,065	15,934	93,640	81,557	5,390	382	1,606	39,598	34,680	1,607	7,492	1,406	1,406
1966—Dec. 31..	77,377	54,566	11,569	11,247	19,049	99,504	85,647	6,200	357	1,397	41,464	36,129	1,498	7,819	1,351	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	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	1,262
1969—June 30 ⁷	88,346	64,007	9,902	14,437	26,344	119,358	93,858	9,773	285	1,341	45,152	37,307	4,104	8,689	1,236	1,236
Dec. 31..	90,088	65,560	10,257	14,271	24,313	119,219	94,445	9,541	248	1,065	48,030	35,560	5,116	8,800	1,201	1,201
1970—June 30..	88,404	64,439	9,133	14,832	23,598	117,209	91,967	10,175	299	1,891	42,620	36,983	4,457	9,078	1,166	1,166
Dec. 31..	94,760	66,963	11,196	16,600	25,472	125,460	101,512	11,091	750	1,720	45,734	42,218	5,478	9,232	1,147	1,147
1971—June 30..	96,939	67,726	10,279	18,934	27,499	129,955	107,484	13,389	539	1,865	44,731	46,959	6,071	9,823	1,138	1,138
Nonmember:																
1941—Dec. 31..	5,776	3,241	1,509	1,025	2,668	8,708	7,702			53	4,162	3,360	6	959	6,810	6,810
1945—Dec. 31..	14,639	2,992	10,584	1,063	4,448	19,256	18,119			1,560	10,635	5,680	7	1,083	6,416	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	6,478
1963—Dec. 20..	42,464	23,550	13,391	5,523	9,942	49,275	44,280	559	61	726	23,140	19,793	72	4,234	7,173	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	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	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	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	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	7,504
1969—June 30 ⁷	78,032	48,358	14,341	15,333	8,696	88,802	78,610	791	78	749	34,070	42,921	451	7,004	7,528	7,528
Dec. 31..	82,133	51,643	14,565	15,925	10,056	94,453	83,380	1,017	85	924	37,561	43,792	629	7,403	7,595	7,595
1970—June 30..	84,875	54,149	13,924	16,802	9,346	96,794	84,865	894	137	1,083	35,837	46,913	708	7,975	7,675	7,675
Dec. 31..	92,399	57,489	16,039	18,871	11,208	106,457	93,998	1,091	141	1,438	40,005	51,322	571	8,326	7,735	7,735
1971—June 30..	99,532															

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

(Amounts in millions of dollars)

Classification by F.R.S. membership and FDIC insurance	Loans and investments					Total assets- Total li- abilities and capital ac- counts ⁴	Total ³	Deposits					Bor- row- ings	Total capital ac- counts	Num- ber of banks	
	Total	Securities			Cash assets ³			Interbank ³		Other						Bor- row- ings
		Loans ¹	U.S. Treasury	Other ²				De- mand	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		1,392	478	4	325	783	
1963—Dec. 20.....	1,571	745	463	362	374	2,029	1,463	190	83		17	832	341	93	389	285
1964—Dec. 31.....	2,312	1,355	483	474	578	3,033	2,057	273	86		23	1,141	534	99	406	274
1965—Dec. 31.....	2,455	1,549	418	489	572	3,200	2,113	277	85		17	1,121	612	147	434	263
1967—Dec. 30.....	2,638	1,735	370	533	579	3,404	2,172	285	58		15	1,081	733	246	457	211
1968—Dec. 31.....	2,901	1,875	429	597	691	3,789	2,519	319	56		10	1,366	767	224	464	197
1969—June 30 ⁷	2,809	1,800	321	688	898	3,942	2,556	298	81		15	1,430	731	290	502	209
Dec. 31.....	2,982	2,041	310	632	895	4,198	2,570	316	41		16	1,559	638	336	528	197
1970—June 30.....	3,043	2,073	321	650	746	4,140	2,280	321	69		36	1,247	606	331	549	193
Dec. 31.....	3,079	2,132	304	642	934	4,365	2,570	375	101		40	1,298	756	226	532	184
1971—June 30.....	2,968	2,057	263	648	960	4,356	2,480	360	41		20	1,182	877	250	495	182
Total nonmember:																
1941—Dec. 31.....	7,233	3,696	2,270	1,266	3,431	10,992	9,573	457			5,504	3,613	18	1,288	7,662	
1945—Dec. 31.....	16,849	3,310	12,277	1,262	4,962	22,024	20,571	425			14,101	6,045	11	1,362	7,130	
1947—Dec. 31.....	18,454	5,432	11,318	1,703	4,659	23,334	21,591	439	190		167	13,758	7,036	12	1,596	7,261
1963—Dec. 20.....	44,035	24,295	13,854	5,885	6,316	51,304	45,743	749	144		743	23,972	20,134	165	4,623	7,458
1964—Dec. 31.....	48,879	27,899	14,273	6,707	7,752	57,780	51,447	931	156		672	26,645	23,043	198	4,894	7,536
1965—Dec. 31.....	54,483	31,858	14,555	8,070	8,085	63,879	56,919	972	168		635	28,649	26,495	238	5,345	7,583
1967—Dec. 30.....	67,087	39,409	15,516	12,162	8,983	77,732	69,279	1,071	147		603	32,085	35,372	408	6,286	7,651
1968—Dec. 31.....	76,454	45,253	16,585	14,617	9,997	88,394	78,887	1,227	150		701	35,981	40,827	441	6,945	7,701
1969—June 30 ⁷	80,841	50,159	14,662	16,021	9,594	92,743	81,166	1,090	160		765	35,500	43,652	741	7,506	7,737
Dec. 31.....	85,115	53,683	14,875	16,556	10,950	98,651	85,949	1,333	126		940	39,120	44,430	965	7,931	7,792
1970—June 30.....	87,919	56,222	14,245	17,452	10,092	100,934	87,145	1,215	207		1,119	37,084	47,520	1,038	8,523	7,868
Dec. 31.....	95,478	59,621	16,342	19,514	12,143	110,822	96,568	1,466	243		1,478	41,303	52,078	796	8,858	7,919
1971—June 30.....	102,500	63,566	16,216	22,718	11,398	117,414	102,254	1,348	227		1,429	41,091	58,160	847	9,489	7,993

¹ Beginning June 30, 1966, loans to farmers directly guaranteed by CCC were reclassified as securities, and Export-Import Bank portfolio fund participations were reclassified from loans to securities. This reduced Total loans and increased "Other securities" by about \$1 billion. Total loans include Federal funds sold, and beginning with June 1967 securities purchased under resale agreements, figures for which are included in "Federal funds sold, etc." on p. A-24.

Beginning June 30, 1971, Farmers Home Administration notes are classified as "Other securities" rather than "Loans." As a result of this change, approximately \$700 million was transferred to "Other securities" for the period ending June 30, 1971, for all commercial banks.

See also table (and notes) at the bottom of p. A-32.

² See first two paragraphs of note 1.

³ Reciprocal balances excluded beginning with 1942.

⁴ Includes items not shown separately. See also note 1.

⁵ See last paragraph of note 1.

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 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.

⁹ Beginning Jan. 4, 1968, a country bank with deposits of \$321 million was reclassified as a reserve city bank. Beginning Feb. 29, 1968, a reserve city bank in Chicago with total deposits of \$190 million was reclassified as a country bank.

NOTE.—Data are for all commercial banks in the United States (including Alaska and Hawaii, beginning with 1959). Commercial banks represent all commercial banks, both member and nonmember; stock savings banks; and nondeposit trust companies.

For the period June 1941-June 1962 member banks include mutual savings banks as follows: three before Jan. 1960, two through Dec. 1960, and one through June 1962. Those banks are not included in insured commercial banks.

Beginning June 30, 1969, commercial banks and member banks exclude a small national bank in the Virgin Islands; also, member banks exclude, and noninsured commercial banks include, through June 30, 1970, a small member bank engaged exclusively in trust business.

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

Data for national banks for Dec. 31, 1965, have been adjusted to make them comparable with State bank data.

Figures are partly estimated except on call dates.

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

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						Time deposits				Borrowings	Capital accounts	
					Interbank		U.S. Govt.	State and local govt.	Certified and officers' checks, etc.	IPC	Interbank	U.S. Govt. and Postal Savings	State and local govt.	IPC ³			
					Domestic ⁷	Foreign ⁹											
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	
1970—Dec. 31....	23,319	7,046	23,136	173,912	27,442	3,166	7,938	17,763	8,540	183,032	1,975	463	23,225	208,201	19,375	42,958	
1971—June 30....	24,066	7,634	21,546	168,263	28,699	2,614	8,412	17,276	11,949	177,692	2,207	517	26,221	228,176	22,547	45,311	
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	
1970—Dec. 31....	23,319	7,028	22,332	172,351	27,235	2,998	7,898	17,636	8,352	182,048	1,874	462	23,150	207,519	19,149	42,427	
1971—June 30....	24,066	7,610	20,748	168,860	28,519	2,434	8,392	17,185	11,736	176,815	2,166	517	26,132	227,387	22,297	44,816	
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	
1970—Dec. 31....	23,319	5,445	13,744	133,169	26,260	2,882	6,460	13,250	7,309	147,473	1,733	406	18,406	160,998	18,578	34,100	
1971—June 30....	24,066	5,870	12,971	127,670	27,605	2,360	6,983	12,953	10,654	142,220	1,980	462	20,534	175,757	21,700	35,822	
New York City:																	
1941—Dec. 31....	5,105	93	141	10,761	3,595	607	866	319	450	11,282	6	.....	29	778	.....	1,648	
1945—Dec. 31....	4,015	111	78	15,065	3,535	1,105	6,940	237	1,338	15,712	17	10	20	1,206	195	2,120	
1947—Dec. 31....	4,639	151	70	16,653	3,236	1,217	267	290	1,105	17,646	12	12	14	1,418	30	2,259	
1969—Dec. 31 ¹⁰ ...	4,358	463	455	21,316	8,708	1,641	694	1,168	6,605	28,354	268	45	207	14,692	4,405	6,301	
1970—Dec. 31....	4,683	436	1,308	19,770	10,283	2,225	1,039	1,171	3,286	27,779	956	71	1,464	18,913	4,500	6,486	
1971—June 30....	4,716	466	1,193	15,264	13,504	1,717	1,199	789	6,032	25,994	937	68	1,896	21,572	4,531	6,860	
City of Chicago:																	
1941—Dec. 31....	1,021	43	298	2,215	1,027	8	127	233	34	2,152	.....	.....	.....	476	.....	288	
1945—Dec. 31....	942	36	200	3,153	1,292	20	1,552	237	66	3,160	.....	.....	.....	719	.....	377	
1947—Dec. 31....	1,070	30	175	3,737	1,196	21	72	285	63	3,853	.....	2	9	902	.....	426	
1969—Dec. 31 ¹⁰ ...	869	123	150	5,221	1,581	96	175	268	229	6,273	15	1	216	4,409	1,290	1,517	
1970—Dec. 31....	1,148	126	160	5,120	1,853	77	282	240	210	6,213	49	.....	568	5,549	1,851	1,586	
1971—June 30....	991	126	247	5,044	1,439	51	318	352	211	6,084	85	3	741	6,353	2,359	1,636	
Other reserve city:																	
1941—Dec. 31....	4,060	425	2,590	11,117	4,302	54	491	1,144	286	11,127	104	20	243	4,542	.....	1,967	
1945—Dec. 31....	6,326	494	2,174	22,372	6,307	110	8,221	1,763	611	22,281	30	38	160	9,563	2	2,566	
1947—Dec. 31....	7,095	562	2,125	25,714	5,497	131	405	2,282	705	26,003	22	45	332	11,045	1	2,844	
1969—Dec. 31 ¹⁰ ...	9,044	1,787	3,456	44,169	10,072	590	1,575	3,934	1,928	53,062	242	86	4,609	50,439	9,881	11,464	
1970—Dec. 31....	9,710	1,748	3,731	44,093	10,805	512	2,547	3,793	2,035	53,499	592	222	8,489	58,165	10,391	12,221	
1971—June 30....	10,394	1,822	4,069	43,872	9,631	535	2,954	3,716	2,455	51,451	735	249	8,863	62,312	12,153	12,826	
Country:																	
1941—Dec. 31....	2,210	526	3,216	9,661	790	2	225	1,370	239	8,500	30	31	146	6,082	11	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	4	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	
1970—Dec. 31....	7,778	3,135	8,544	64,185	3,319	68	2,592	8,045	1,779	59,982	135	112	7,885	78,370	1,836	13,807	
1971—June 30....	7,964	3,455	7,461	63,490	3,031	56	2,513	8,095	1,956	58,691	223	143	9,033	85,521	2,656	14,499	
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	
1970—Dec. 31....	.....	1,602	9,392	40,743	1,182	284	1,478	4,513	1,230	35,560	243	57	4,819	47,200	796	8,858	
1971—June 30....	.....	1,765	8,576	40,593	1,094	254	1,429	4,323	1,295	35,472	227	55	5,688	52,419	847	9,489	

⁷ Beginning with 1942, excludes reciprocal bank balances.
⁸ Through 1960 demand deposits other than interbank and U.S. Govt., less cash items in process of collection; beginning with 1961, demand deposits other than domestic commercial interbank and U.S. Govt., less cash items in process of collection.
⁹ For reclassification of certain deposits in 1961, see note 6, p. 589, May 1964 BULLETIN.
¹⁰ Beginning June 30, 1969, reflects (1) inclusion of consolidated reports (including figures for all bank-premises subsidiaries and other significant majority-owned domestic subsidiaries) and (2) reporting of figures for total loans and for individual categories of securities on a gross basis—that is, before deduction of valuation reserves. See also notes 1 and 6.

NOTE.—Data are for all commercial banks in the United States; member banks in U.S. possessions were included through 1968 and then excluded.
 For the period June 1941—June 1962 member banks include mutual savings banks as follows: three before Jan. 1960, two through Dec. 1960, and one through June 1962. Those banks are not included in all insured or total banks.
 A small noninsured member bank engaged exclusively in trust business is treated as a noninsured bank and not as a member bank for the period June 30, 1969—June 30, 1970.
 Comparability of figures for classes of banks is affected somewhat by changes in F.R. membership, deposit insurance status, and the reserve classifications of cities and individual banks, and by mergers, etc.
 For other notes see opposite page.

ASSETS AND LIABILITIES OF LARGE COMMERCIAL BANKS

(In millions of dollars)

Wednesday	Total loans and investments	Loans													
		Federal funds sold, etc. ¹					Other								
		Total	To commercial banks	To brokers and dealers involving—		To others	Total	Commercial and industrial	Agricultural	For purchasing or carrying securities		To nonbank financial institutions			
				U.S. Treasury securities	Other securities					To brokers and dealers	To others	U.S. Treasury securities	Other	Pers. and sales finan. cos., etc.	Other
<i>Large banks—</i>															
<i>Total</i>															
1971															
Jan. 6	261,122	9,495	7,761	1,119	387	228	177,779	81,512	2,051	1,521	3,770	130	2,347	7,072	6,080
13	258,253	8,994	7,467	1,127	282	118	175,604	81,024	2,016	1,066	3,513	129	2,354	6,712	5,997
20	255,976	7,715	6,695	631	238	151	174,768	80,947	2,017	886	3,133	140	2,364	6,692	6,031
27	255,534	7,872	6,505	1,009	230	128	174,433	80,055	2,016	1,377	3,466	142	2,311	6,558	6,059
Dec. 1	278,607	10,351	8,866	1,226	154	105	188,292	82,944	2,208	1,124	5,006	137	2,408	6,290	7,605
8	276,020	9,343	8,586	527	148	82	187,500	82,992	2,229	761	4,486	134	2,417	6,016	7,560
15	283,215	11,536	9,548	1,590	189	209	190,754	83,917	2,242	1,047	5,098	175	2,413	6,540	7,746
22	282,272	10,453	9,214	814	132	293	191,491	83,738	2,269	863	5,552	137	2,422	6,371	7,843
29	283,738	10,545	9,550	629	117	249	192,112	83,825	2,293	813	5,449	143	2,438	6,622	7,911
1972															
Jan. 5 ^p	285,925	12,929	11,695	869	170	195	191,413	83,284	2,334	914	5,079	154	2,474	6,256	7,982
12 ^p	282,703	11,140	9,912	718	254	256	190,543	82,848	2,326	912	4,839	149	2,493	6,215	7,974
19 ^p	280,606	10,323	9,152	752	248	171	190,047	82,616	2,308	864	4,940	153	2,468	6,175	7,923
26 ^p	279,662	10,501	9,263	829	246	163	189,004	81,825	2,322	878	5,021	158	2,484	6,087	7,803
<i>New York City</i>															
1971															
Jan. 6	58,793	1,168	1,019	45	.....	104	43,314	25,806	32	1,268	2,450	12	642	2,031	1,360
13	57,587	1,401	1,240	114	.....	47	42,331	25,687	13	882	2,293	15	641	1,865	1,354
20	56,378	935	865	35	.....	35	41,796	25,627	16	760	1,892	13	656	1,895	1,337
27	56,847	1,194	1,103	45	.....	46	41,936	25,237	16	1,113	2,156	13	625	1,941	1,355
Dec. 1	60,268	1,386	1,305	19	.....	62	44,895	25,788	26	856	3,393	44	574	1,874	1,695
8	58,668	1,137	1,026	84	10	17	44,344	25,818	25	603	2,963	43	581	1,792	1,688
15	60,954	1,148	1,043	29	.....	76	45,678	26,273	28	819	3,365	43	589	1,984	1,763
22	59,910	803	690	20	.....	93	45,523	25,961	30	662	3,776	44	588	1,751	1,730
29	59,635	940	918	.....	.....	22	45,378	25,685	28	666	3,684	45	598	1,854	1,783
1972															
Jan. 5 ^p	59,128	1,158	1,120	.....	29	9	44,442	25,350	28	694	3,384	48	609	1,650	1,731
12 ^p	58,868	1,384	1,280	10	24	70	44,191	25,236	28	745	3,227	42	604	1,695	1,795
19 ^p	58,486	1,115	1,043	15	24	33	44,011	25,196	27	672	3,276	45	595	1,717	1,740
26 ^p	58,802	1,663	1,604	.....	21	38	43,706	24,882	27	677	3,426	48	602	1,704	1,737
<i>Outside New York City</i>															
1971															
Jan. 6	202,329	8,327	6,742	1,074	387	124	134,465	55,706	2,019	253	1,320	118	1,705	5,041	4,720
13	200,666	7,593	6,227	1,013	282	71	133,273	55,337	2,003	184	1,220	114	1,713	4,847	4,643
20	199,598	6,780	5,830	596	238	116	132,972	55,320	2,001	126	1,241	127	1,708	4,797	4,694
27	198,687	6,678	5,402	964	230	82	132,497	54,818	2,000	264	1,310	129	1,686	4,617	4,704
Dec. 1	218,339	8,965	7,561	1,207	154	43	143,397	57,156	2,182	268	1,613	93	1,834	4,416	5,910
8	217,352	8,206	7,560	443	138	65	143,156	57,174	2,204	158	1,523	91	1,836	4,224	5,872
15	222,261	10,388	8,505	1,561	189	133	145,076	57,644	2,214	228	1,733	132	1,824	4,556	5,983
22	222,362	9,650	8,524	794	132	200	145,968	57,777	2,239	201	1,776	93	1,834	4,620	6,113
29	224,103	9,605	8,632	629	117	227	146,734	58,140	2,265	147	1,765	98	1,840	4,768	6,128
1972															
Jan. 5 ^p	226,797	11,771	10,575	869	141	186	146,971	57,934	2,306	220	1,695	106	1,865	4,606	6,251
12 ^p	223,835	9,756	8,632	708	230	186	146,352	57,612	2,298	167	1,612	107	1,889	4,520	6,179
19 ^p	222,120	9,208	8,109	737	224	138	146,036	57,420	2,281	192	1,664	108	1,873	4,458	6,183
26 ^p	220,860	8,838	7,659	829	225	125	145,298	56,943	2,295	201	1,595	110	1,882	4,383	6,066

For notes see p. A-30.

ASSETS AND LIABILITIES OF LARGE COMMERCIAL BANKS—Continued

(In millions of dollars)

Real estate	Loans (cont.)					Investments						Wednesday	
	Other (cont.)					U.S. Treasury securities							
	To commercial banks	Consumer instalment		Foreign govts. ²	All other	Total	Bills	Certificates	Notes and bonds maturing—				
Domestic	Foreign	Foreign	Within 1 yr.						1 to 5 yrs.	After 5 yrs.			
Large banks—													
Total													
1971													
34,293	669	1,528	21,788	814	14,204	28,631	6,514	4,240	15,070	2,807	Jan.	6	
34,266	627	1,531	21,772	814	13,783	28,329	6,247	4,265	14,998	2,819	.....	13	
34,229	660	1,508	21,717	798	13,646	28,349	6,239	4,386	15,005	2,719	.....	20	
34,269	619	1,557	21,709	786	13,509	28,268	5,946	4,637	14,916	2,769	.....	27	
38,042	855	2,400	23,695	792	14,786	28,298	3,732	3,437	16,719	4,410	.....	Dec.	1
38,061	841	2,536	23,728	854	14,885	27,312	2,936	3,478	16,608	4,290	.....	.....	8
38,221	886	2,718	23,846	897	15,008	28,280	3,948	3,659	16,514	4,159	.....	.....	15
38,366	936	2,920	23,922	900	15,252	28,018	3,628	3,768	16,414	4,208	.....	.....	22
38,371	903	3,002	24,058	923	15,361	28,946	4,339	3,766	16,622	4,219	.....	.....	29
1972													
38,491	918	2,928	24,172	899	15,528	28,970	4,368	3,890	16,598	4,114	.....	Jan.	5 ^p
38,614	873	2,847	24,127	929	15,397	28,150	3,675	3,948	16,467	4,060	.....	.....	12 ^p
38,731	757	2,857	24,100	892	15,263	27,845	3,873	3,893	16,250	3,829	.....	.....	19 ^p
38,801	813	2,669	24,108	917	15,118	27,823	3,877	3,879	16,245	3,822	.....	.....	26 ^p
New York City													
1971													
3,458	185	878	1,900	498	2,794	5,782	1,838	513	2,980	451	.....	Jan.	6
3,511	136	895	1,912	504	2,623	5,353	1,401	518	2,987	447	.....	.....	13
3,511	185	901	1,911	497	2,595	5,357	1,293	627	3,016	421	.....	.....	20
3,520	152	914	1,905	479	2,510	5,687	1,389	875	2,986	437	.....	.....	27
4,085	364	1,044	1,911	526	2,715	5,801	1,138	612	3,183	868	.....	Dec.	1
4,058	354	1,115	1,925	554	2,825	5,046	487	618	3,182	759	.....	.....	8
4,068	346	1,162	1,939	568	2,731	5,347	873	676	3,096	702	.....	.....	15
4,074	391	1,231	1,943	570	2,772	5,123	602	679	3,077	765	.....	.....	22
4,059	372	1,283	1,958	584	2,779	5,001	455	679	3,118	749	.....	.....	29
1972													
4,042	390	1,227	1,951	567	2,771	5,231	712	702	3,130	687	.....	Jan.	5 ^p
4,074	341	1,155	1,951	557	2,741	4,956	586	701	3,071	598	.....	.....	12 ^p
4,089	253	1,210	1,932	566	2,693	5,069	901	670	3,014	484	.....	.....	19 ^p
4,117	274	1,095	1,943	543	2,631	5,193	1,011	684	3,015	483	.....	.....	26 ^p
Outside New York City													
1971													
30,835	484	650	19,888	316	11,410	22,849	4,676	3,727	12,090	2,356	.....	Jan.	6
30,755	491	636	19,860	310	11,160	22,976	4,846	3,747	12,011	2,372	.....	.....	13
30,718	475	607	19,806	301	11,051	22,992	4,946	3,759	11,989	2,298	.....	.....	20
30,749	467	643	19,804	307	10,999	22,581	4,557	3,762	11,930	2,332	.....	.....	27
33,957	491	1,356	21,784	266	12,071	22,497	2,594	2,825	13,536	3,542	.....	Dec.	1
34,003	487	1,421	21,803	300	12,060	22,266	2,449	2,860	13,426	3,531	.....	.....	8
34,153	540	1,556	21,907	329	12,277	22,933	3,075	2,983	13,418	3,457	.....	.....	15
34,292	545	1,689	21,979	330	12,480	22,895	3,026	3,089	13,337	3,443	.....	.....	22
34,312	531	1,719	22,100	339	12,582	23,945	3,884	3,087	13,504	3,470	.....	.....	29
1972													
34,449	528	1,701	22,221	332	12,757	23,739	3,656	3,188	13,468	3,427	.....	Jan.	5 ^p
34,540	532	1,692	22,176	372	12,656	23,194	3,089	3,247	13,396	3,462	.....	.....	12 ^p
34,642	504	1,647	22,168	326	12,570	22,776	2,972	3,223	13,236	3,345	.....	.....	19 ^p
34,684	539	1,574	22,165	374	12,487	22,630	2,866	3,195	13,230	3,339	.....	.....	26 ^p

For notes see p. A-30.

ASSETS AND LIABILITIES OF LARGE COMMERCIAL BANKS—Continued

(In millions of dollars)

Wednesday	Investments (cont.)										Total assets/ total liabilities	
	Total	Other securities				Cash items in process of collection	Re- serves with F.R. Banks	Cur- rency and coin	Bal- ances with do- mestic banks	Invest- ments in sub- sidiar- ies not consol- idated		Other assets
		Obligations of State and political subdivisions		Other bonds, corp. stock, and securities								
		Tax war- rants ³	All other	Certif. of partici- pation ⁴	All other ⁵							
<i>Large banks - Total</i>												
1971												
Jan. 6	45,217	6,715	32,384	1,272	4,846	33,289	19,626	3,539	7,205	717	14,639	340,137
13	45,326	6,795	32,509	1,267	4,755	33,386	18,260	3,733	6,535	718	14,505	335,390
20	45,144	6,675	32,413	1,249	4,807	31,484	20,562	3,506	6,021	721	14,778	333,048
27	44,961	6,237	32,629	1,273	4,822	29,752	18,865	3,563	5,664	722	14,476	328,576
Dec. 1	51,666	8,106	36,194	1,516	5,850	35,306	16,899	3,744	8,417	833	15,661	359,467
8	51,865	8,289	36,302	1,504	5,770	31,358	19,190	3,696	7,735	848	15,825	354,672
15	52,645	8,452	36,855	1,548	5,790	37,591	17,706	3,867	8,187	849	15,614	367,029
22	52,310	8,322	36,663	1,525	5,800	34,895	18,592	3,838	7,528	849	16,175	364,149
29	52,135	8,076	36,656	1,547	5,856	32,565	22,465	4,173	7,304	857	16,262	367,364
1972												
Jan. 5 ^o	52,613	8,483	36,605	1,621	5,904	33,802	19,747	3,744	7,578	826	16,200	367,822
12 ^o	52,870	8,489	37,025	1,587	5,769	32,925	20,438	3,959	7,345	885	15,995	364,250
19 ^o	52,391	8,201	36,814	1,573	5,803	34,370	21,173	3,795	7,333	890	15,771	363,938
26 ^o	52,334	8,242	36,665	1,561	5,866	33,094	19,897	3,796	6,902	923	15,732	360,006
<i>New York City</i>												
1971												
Jan. 6	8,529	1,983	5,292	129	1,125	13,547	5,152	459	1,107	337	5,152	84,547
13	8,502	1,973	5,290	134	1,105	15,955	4,726	464	1,076	337	5,046	85,191
20	8,290	1,882	5,147	131	1,130	14,619	5,518	425	1,113	338	5,420	83,811
27	8,030	1,479	5,296	131	1,124	14,346	4,922	427	974	339	5,112	82,967
Dec. 1	8,186	1,473	5,433	271	1,009	15,806	4,752	448	1,506	378	5,103	88,171
8	8,141	1,454	5,376	279	1,032	13,664	5,145	469	1,648	378	5,355	85,327
15	8,781	1,814	5,641	293	1,033	16,801	4,608	475	1,809	378	5,188	90,213
22	8,461	1,620	5,524	256	1,061	14,275	4,613	468	1,605	378	5,486	86,735
29	8,316	1,484	5,464	263	1,105	13,909	6,227	494	1,601	379	5,519	87,764
1972												
Jan. 5 ^o	8,297	1,529	5,448	307	1,013	13,314	5,881	470	1,494	329	5,372	85,988
12 ^o	8,337	1,593	5,547	274	923	13,971	5,682	474	1,663	387	5,298	86,343
19 ^o	8,291	1,552	5,519	292	928	15,807	5,988	452	1,611	389	5,174	87,907
26 ^o	8,240	1,623	5,376	293	948	16,514	4,635	442	1,380	424	4,979	87,176
<i>Outside New York City</i>												
1971												
Jan. 6	36,688	4,732	27,092	1,143	3,721	19,742	14,474	3,080	6,098	380	9,487	255,590
13	36,824	4,822	27,219	1,133	3,650	17,431	13,534	3,269	5,459	381	9,459	250,199
20	36,854	4,793	27,266	1,118	3,677	16,865	15,044	3,081	4,908	383	9,358	249,237
27	36,931	4,758	27,333	1,142	3,698	15,406	13,943	3,136	4,690	383	9,364	245,609
Dec. 1	43,480	6,633	30,761	1,245	4,841	19,500	12,147	3,296	6,911	455	10,648	271,296
8	43,724	6,835	30,926	1,225	4,738	17,694	14,045	3,227	6,087	470	10,470	269,345
15	43,864	6,638	31,214	1,255	4,757	20,790	13,098	3,392	6,378	471	10,426	276,816
22	43,849	6,702	31,139	1,269	4,739	20,620	13,979	3,370	5,923	471	10,689	277,414
29	43,819	6,592	31,192	1,284	4,751	18,656	16,238	3,679	5,703	478	10,743	279,600
1972												
Jan. 5 ^o	44,316	6,954	31,157	1,314	4,891	20,488	13,866	3,274	6,084	497	10,828	281,834
12 ^o	44,533	6,896	31,478	1,313	4,846	18,954	14,756	3,485	5,682	498	10,697	277,907
19 ^o	44,100	6,649	31,295	1,281	4,875	18,563	15,185	3,343	5,722	501	10,597	276,031
26 ^o	44,094	6,619	31,289	1,268	4,918	16,580	15,262	3,354	5,522	499	10,753	272,830

For notes see p. A-30.

ASSETS AND LIABILITIES OF LARGE COMMERCIAL BANKS—Continued

(In millions of dollars)

Deposits																	
Demand											Time and savings						
Total	IPC	States and political subdivisions	U.S. Govt.	Domestic interbank		Foreign		Certified and officers' checks	Total ¹⁶	IPC		States and political subdivisions	Domestic interbank	Foreign govts. ²	Wednesday		
				Commer- cial	Mutual sav- ings	Govts., etc. ²	Commer- cial banks			Sav- ings	Other				Jan.		
<i>Large banks Total</i>																	
1971																	
147,457	102,549	6,996	4,075	22,982	788	780	2,359	6,928	120,820	48,801	52,500	13,387	1,280	4,372	.....	Jan. 6
142,363	99,355	6,307	2,994	21,967	763	826	2,411	7,740	121,964	48,835	53,302	13,504	1,521	4,331	.....	13
139,596	97,053	6,114	4,968	20,396	662	850	2,483	7,070	122,749	48,974	53,625	13,813	1,570	4,299	.....	20
138,251	94,887	6,460	6,563	19,649	636	872	2,286	6,898	123,078	49,145	53,765	13,905	1,576	4,253	.....	27
149,106	103,293	7,196	2,237	24,308	622	898	2,755	7,797	138,217	54,124	60,901	15,588	2,072	5,095	.....	Dec. 1
142,761	100,478	6,262	1,770	22,777	665	777	2,533	7,499	138,861	54,034	61,486	15,717	2,124	5,064	.....	8
155,695	107,563	6,960	5,021	23,747	611	851	2,322	8,620	138,813	54,167	60,561	16,562	2,080	5,010	.....	15
152,295	105,978	6,913	6,313	21,904	585	789	2,387	7,426	139,921	54,214	60,935	17,229	2,098	5,000	.....	22
152,699	106,885	6,563	7,571	20,880	636	962	2,402	6,800	140,932	54,542	61,295	17,550	2,114	4,970	.....	29
1972																	
152,453	106,524	7,083	4,120	22,819	834	764	2,549	7,760	141,316	55,191	61,075	17,483	2,125	4,977	.....	Jan. 5 ^u
148,690	104,767	6,761	3,443	22,270	798	750	2,495	7,406	142,098	55,387	61,462	17,565	2,268	4,986	.....	12 ^u
149,096	103,490	6,500	4,584	21,816	663	756	2,454	8,833	142,432	55,604	61,590	17,549	2,276	4,928	.....	19 ^u
146,780	99,505	6,492	5,854	22,417	688	701	2,411	8,712	142,834	55,718	61,726	17,634	2,281	4,985	.....	26 ^u
<i>New York City</i>																	
1971																	
41,945	24,139	635	875	9,599	451	627	1,656	3,963	19,480	4,587	10,636	979	680	2,461	.....	Jan. 6
42,603	23,061	572	678	10,189	433	653	1,781	5,236	19,836	4,603	10,813	1,000	886	2,397	.....	13
41,109	22,911	460	1,069	9,121	370	690	1,856	4,632	19,776	4,631	10,771	1,014	884	2,341	.....	20
41,476	22,631	504	1,931	9,156	350	723	1,670	4,511	19,765	4,667	10,694	1,035	885	2,350	.....	27
43,906	23,553	586	579	11,721	325	738	1,992	4,412	23,643	5,265	12,712	1,647	1,123	2,780	.....	Dec. 1
40,676	22,455	407	282	10,495	364	606	1,797	4,270	23,872	5,272	12,930	1,637	1,138	2,780	.....	8
46,200	25,105	895	1,443	11,151	322	700	1,587	4,997	23,159	5,276	12,391	1,514	1,064	2,799	.....	15
42,933	24,019	643	1,754	9,609	315	640	1,657	4,296	23,350	5,268	12,465	1,649	1,066	2,795	.....	22
42,960	24,746	423	1,935	9,496	355	818	1,645	3,542	23,529	5,313	12,621	1,654	1,057	2,773	.....	29
1972																	
41,398	23,648	637	872	9,308	485	617	1,721	4,110	23,301	5,367	12,385	1,583	1,073	2,774	.....	Jan. 5 ^u
41,344	22,927	697	789	10,050	461	587	1,730	4,103	23,588	5,429	12,550	1,587	1,174	2,758	.....	12 ^u
43,214	23,597	659	978	9,877	349	607	1,702	5,445	23,609	5,464	12,552	1,593	1,200	2,716	.....	19 ^u
43,811	22,217	585	1,345	11,245	388	545	1,689	5,797	23,620	5,481	12,526	1,631	1,196	2,698	.....	26 ^u
<i>Outside New York City</i>																	
1971																	
105,512	78,410	6,361	3,200	13,383	337	153	703	2,965	101,340	44,214	41,864	12,408	600	1,911	.....	Jan. 6
99,760	76,294	5,735	2,316	11,778	330	173	630	2,504	102,128	44,232	42,489	12,504	635	1,934	.....	13
98,487	74,142	5,654	3,899	11,275	292	160	627	2,438	102,973	44,343	42,854	12,799	686	1,958	.....	20
96,775	72,256	5,956	4,632	10,493	286	149	616	2,387	103,313	44,478	43,071	12,870	691	1,903	.....	27
105,200	79,740	6,610	1,658	12,587	297	160	763	3,385	114,574	48,859	48,189	13,941	949	2,315	.....	Dec. 1
102,085	78,023	5,855	1,488	12,282	301	171	736	3,229	114,989	48,762	48,556	14,080	986	2,284	.....	8
109,495	82,458	6,065	3,578	12,596	289	151	735	3,623	115,654	48,891	48,170	15,048	1,016	2,211	.....	15
109,362	81,959	6,270	4,559	12,295	270	149	730	3,130	116,571	48,946	48,470	15,580	1,032	2,205	.....	22
109,739	82,139	6,140	5,636	11,384	281	144	757	3,258	117,403	49,229	48,674	15,896	1,057	2,197	.....	29
1972																	
111,055	82,876	6,446	3,248	13,511	349	147	828	3,650	118,015	49,824	48,690	15,900	1,052	2,203	.....	Jan. 5 ^u
107,346	81,840	6,064	2,654	12,220	337	163	765	3,303	118,510	49,958	48,912	15,978	1,094	2,228	.....	12 ^u
105,882	79,893	5,841	3,606	11,939	314	149	752	3,388	118,823	50,140	49,038	15,956	1,076	2,212	.....	19 ^u
102,969	77,288	5,907	4,509	11,172	300	156	722	2,915	119,214	50,237	49,200	16,003	1,085	2,287	.....	26 ^u

For notes see p. A-30.

A 30 WEEKLY REPORTING BANKS □ FEBRUARY 1972

ASSETS AND LIABILITIES OF LARGE COMMERCIAL BANKS—Continued

(In millions of dollars)

Wednesday	Federal funds purchased, etc. ⁷	Borrowings from—		Other liabilities etc. ⁸	Reserves for—		Total capital accounts	Total loans (gross) adjusted ⁹	Total loans and investments (gross) adjusted ⁹	Demand deposits adjusted ¹⁰	Memoranda			Gross liabilities of banks to their foreign branches
		F.R. Banks	Others		Loans	Securities					Total	Large negotiable time CD's included in time and savings deposits ¹¹	Issued to IPC's		Issued to others
<i>Large banks—Total</i>														
1971														
Jan. 6	20,013	258	1,364	21,392	4,012	75	24,746	178,844	252,692	87,111	26,285	17,195	9,040	7,438
13	19,011	245	1,329	21,638	4,059	72	24,709	176,504	250,159	84,016	27,035	17,695	9,340	7,861
20	17,903	1,445	1,216	21,321	4,059	77	24,682	175,128	248,621	82,748	27,267	17,803	9,464	7,823
27	16,698	674	1,157	19,900	4,062	77	24,679	175,181	248,410	82,287	27,198	17,725	9,473	6,535
Dec. 1	23,698	24	1,034	16,547	4,024	76	26,741	188,922	268,886	87,255	33,950	21,373	12,577	2,408
8	25,305	66	1,053	15,741	4,003	90	26,792	187,416	265,593	86,856	34,386	21,769	12,617	1,867
15	25,158	8	1,040	15,520	4,009	77	26,709	191,856	272,781	89,336	33,359	20,915	12,444	1,386
22	23,644	793	1,038	15,769	3,995	76	26,618	191,794	272,122	89,183	33,815	21,258	12,557	1,544
29	26,046	1,249	1,020	14,762	3,895	77	26,684	192,204	273,285	91,683	34,018	21,334	12,684	909
1972														
Jan. 5 ^p	27,085	16	1,052	14,857	4,072	76	26,895	191,729	273,312	91,712	33,383	20,690	12,693	1,208
12 ^p	26,208	2	1,071	15,005	4,097	77	27,002	190,898	271,918	90,052	33,783	20,999	12,784	1,721
19 ^p	24,752		1,046	15,288	4,098	76	27,150	190,461	270,697	88,326	33,816	21,079	12,737	1,561
26 ^p	22,795		1,034	15,163	4,103	76	27,221	189,429	269,586	85,415	33,931	21,083	12,848	1,416
<i>New York City</i>														
1971														
Jan. 6	5,571		168	9,994	1,169		6,220	43,278	57,589	17,924	7,989	5,736	2,253	4,571
13	4,886		182	10,316	1,203		6,165	42,356	56,211	15,781	8,314	5,934	2,380	4,796
20	4,476	602	163	10,318	1,202		6,165	41,681	55,328	16,300	8,326	5,924	2,402	4,808
27	4,413	184	157	9,622	1,204		6,146	41,875	55,592	16,043	8,224	5,822	2,402	4,206
Dec. 1	5,652		205	6,622	1,189		6,954	44,612	58,599	15,800	11,497	7,605	3,892	1,539
8	6,346		200	6,081	1,184		6,968	44,101	57,288	16,235	11,667	7,761	3,906	1,069
15	6,399		225	6,090	1,186		6,954	45,437	59,565	16,805	10,964	7,299	3,665	884
22	5,576	537	229	6,077	1,185		6,848	45,245	58,829	17,295	11,161	7,384	3,777	939
29	6,869	515	212	5,700	1,145		6,834	45,028	58,345	17,620	11,234	7,456	3,778	578
1972														
Jan. 5 ^p	7,009		210	5,990	1,171		6,909	44,090	57,618	17,904	10,929	7,165	3,764	822
12 ^p	6,877		193	6,247	1,189		6,905	43,954	57,247	16,534	11,220	7,351	3,869	1,195
19 ^p	6,651		178	6,190	1,190		6,875	43,830	57,190	16,552	11,306	7,441	3,865	962
26 ^p	5,347		177	6,121	1,190		6,910	43,491	56,924	14,707	11,294	7,410	3,884	1,042
<i>Outside New York City</i>														
1971														
Jan. 6	14,442	258	1,196	11,398	2,843	75	18,526	135,566	195,103	69,187	18,296	11,459	6,837	2,867
13	14,125	245	1,147	11,322	2,856	72	18,544	134,148	193,948	68,235	18,721	11,761	6,960	3,065
20	13,427	843	1,053	11,003	2,857	77	18,517	133,447	193,293	66,448	18,941	11,879	7,062	3,015
27	12,285	490	1,000	10,278	2,858	77	18,533	133,306	192,818	66,244	18,974	11,903	7,071	2,329
Dec. 1	18,046	24	829	9,925	2,835	76	19,787	144,310	210,287	71,455	22,453	13,768	8,685	869
8	18,959	66	853	9,660	2,819	90	19,824	143,315	209,305	70,621	22,719	14,008	8,711	798
15	18,759	8	815	9,430	2,823	77	19,755	146,419	213,216	72,531	22,395	13,616	8,779	502
22	18,068	256	809	9,692	2,810	76	19,770	146,549	213,293	71,888	22,654	13,874	8,780	605
29	19,177	734	808	9,062	2,750	77	19,850	147,176	214,940	74,063	22,784	13,878	8,906	331
1972														
Jan. 5 ^p	20,076	16	842	8,867	2,901	76	19,986	147,639	215,694	73,808	22,454	13,525	8,929	386
12 ^p	19,331	2	878	8,758	2,908	77	20,097	146,944	214,671	73,518	22,563	13,648	8,915	526
19 ^p	18,101		868	9,098	2,908	76	20,275	146,631	213,507	71,774	22,510	13,638	8,872	599
26 ^p	17,448		857	9,042	2,913	76	20,311	145,938	212,662	70,708	22,637	13,673	8,964	374

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—							
	1972					1972	1971			1971		1971	
	Jan. 26	Jan. 19	Jan. 12	Jan. 5	Dec. 29*	Jan.	Dec.†	Nov.†	IV	III	II	2nd half	1st half
Durable goods manufacturing:													
Primary metals.....	1,995	1,991	1,990	2,019	2,010	-15	-46	-104	-162	-123	-20	-285	149
Machinery.....	4,182	4,280	4,259	4,186	4,382	-200	-58	-290	-600	-238	38	-838	-209
Transportation equipment.....	2,566	2,572	2,588	2,581	2,663	-97	10	-44	-100	25	-99	-75	-191
Other fabricated metal products.....	1,615	1,640	1,654	1,671	1,717	-102	-2	-163	-259	-132	132	-391	200
Other durable goods.....	2,443	2,456	2,493	2,493	2,497	-54	-130	-110	-327	9	112	-318	261
Nondurable goods manufacturing:													
Food, liquor, and tobacco.....	2,793	2,839	2,815	2,824	2,895	-102	58	*105	201	290	-163	491	-700
Textiles, apparel, and leather.....	2,181	2,181	2,170	2,201	2,294	-113	-142	-40	-273	-32	115	-305	281
Petroleum refining.....	1,129	1,121	1,118	1,150	1,175	-46	92	-73	56	.....	-64	56	-407
Chemicals and rubber.....	2,091	2,132	2,155	2,160	2,256	-165	-93	-167	-437	-163	44	-600	76
Other nondurable goods.....	1,698	1,732	1,719	1,732	1,824	-126	28	-71	-96	57	-30	-39	-135
Mining, including crude petroleum and natural gas.....	3,670	3,779	3,743	3,764	3,808	-138	17	-68	-17	208	-278	191	-386
Trade: Commodity dealers.....	1,630	1,647	1,679	1,648	1,677	-47	165	*167	460	69	-174	529	-231
Other wholesale.....	4,372	4,390	4,366	4,369	4,440	-68	128	-41	136	387	206	523	216
Retail.....	4,077	4,085	4,065	4,057	4,123	-46	-498	30	-341	72	185	-269	347
Transportation.....	5,558	5,578	5,618	5,710	5,655	-97	-22	80	-77	-248	-306	-325	-20
Communication.....	1,326	1,355	1,456	1,461	1,315	11	-51	1	-249	23	184	-226	233
Other public utilities.....	2,629	2,747	2,794	2,802	2,729	-100	44	41	176	347	185	523	-142
Construction.....	3,741	3,767	3,745	3,711	3,820	-79	46	-6	78	88	71	166	202
Services.....	7,911	7,875	7,912	7,957	7,880	31	227	57	276	19	387	295	187
All other domestic loans.....	5,614	5,629	5,543	5,641	5,657	-43	238	30	305	309	*297	614	117
Bankers' acceptances.....	1,928	2,063	2,151	2,259	2,295	-367	484	*129	696	458	-386	1,154	-550
Foreign commercial and industrial loans.....	3,215	3,270	3,266	3,259	3,229	-14	246	*27	254	327	*99	581	239
Total classified loans.....	68,364	69,129	69,299	69,655	70,341	-1,977	741	*510	-300	1,752	535	1,452	-463
Total commercial and industrial loans.....	81,825	82,616	82,848	83,284	83,825	-2,000	1,190	-435	*337	1,217	1,070	*1,554	*578

See NOTE to table below.

"TERM" COMMERCIAL AND INDUSTRIAL LOANS OF LARGE COMMERCIAL BANKS

(In millions of dollars)

Industry	Outstanding										Net change during—				
	1972		1971								1971				1971
	Jan. 26	Dec. 29*	Nov. 24	Oct. 27	Sept. 29	Aug. 25	July 28	June 30	May 26	IV†	III	II	I	2nd half†	
Durable goods manufacturing:															
Primary metals.....	1,315	1,362	1,406	1,496	1,525	1,482	1,535	1,587	1,667	-163	-62	-43	103	-225	
Machinery.....	2,179	2,285	2,397	2,478	2,481	2,507	2,514	2,539	2,594	-196	-58	-52	-90	-254	
Transportation equipment.....	1,605	1,620	1,592	1,626	1,689	1,582	1,552	1,559	1,440	-69	130	-54	-20	61	
Other fabricated metal products.....	699	713	709	744	776	807	804	815	805	-63	-39	82	-9	-102	
Other durable goods.....	1,117	1,135	1,162	1,203	1,213	1,266	1,237	1,231	1,201	-78	-18	15	127	-96	
Nondurable goods manufacturing:															
Food, liquor, and tobacco.....	987	1,021	1,012	975	988	941	948	972	919	33	16	-2	-11	49	
Textiles, apparel, and leather.....	567	576	577	585	607	610	598	597	609	-31	10	-20	-40	-21	
Petroleum refining.....	848	892	867	900	857	841	902	892	920	35	-35	-23	-298	.....
Chemicals and rubber.....	1,330	1,441	1,534	1,661	1,792	1,815	1,828	1,824	1,726	-351	-32	-26	1	-383	
Other nondurable goods.....	1,010	1,024	1,018	1,048	1,018	1,006	1,008	1,021	1,058	6	-3	-79	-71	3	
Mining, including crude petroleum and natural gas.....	2,927	3,039	2,998	3,023	2,936	3,002	3,019	2,992	3,058	103	-56	-131	-203	47	
Trade: Commodity dealers.....	119	115	104	116	109	117	101	97	88	6	12	17	1	18	
Other wholesale.....	915	894	865	868	852	839	850	842	809	42	10	60	26	52	
Retail.....	1,349	1,383	1,433	1,482	1,477	1,456	1,423	1,421	1,423	-94	56	4	18	-38	
Transportation.....	4,397	4,440	4,467	4,478	4,588	4,488	4,612	4,614	4,681	-148	-26	-253	303	-174	
Communication.....	432	427	427	418	420	422	471	468	439	7	-48	66	-13	-41	
Other public utilities.....	1,305	1,316	1,293	1,304	1,273	1,181	1,141	1,095	1,038	43	178	122	-45	221	
Construction.....	1,257	1,244	1,255	1,245	1,197	1,208	1,229	1,192	1,178	47	5	85	63	52	
Services.....	3,539	3,488	3,448	3,408	3,357	3,320	3,247	3,269	3,192	131	88	127	-67	219	
All other domestic loans.....	1,570	1,431	1,413	1,388	1,388	1,360	1,309	1,247	1,259	43	141	-21	-17	184	
Foreign commercial and industrial loans.....	1,995	2,076	1,956	1,940	1,892	1,950	1,908	1,892	1,882	184	.....	100	76	184
Total loans.....	31,462	31,922	31,933	32,369	32,435	32,200	32,236	32,166	31,986	-513	269	-26	-166	-244	

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

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

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

GROSS DEMAND DEPOSITS OF INDIVIDUALS, PARTNERSHIPS, AND CORPORATIONS¹

(In billions of dollars)

Class of bank, and quarter or month	Type of holder					Total deposits, 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	86.1	54.1	1.4	10.4	170.3
June.....	17.9	89.9	56.0	1.3	10.7	175.8
Sept.....	17.9	91.5	57.5	1.2	9.7	177.9
Dec.....	18.5	97.9	58.6	1.2	10.7	186.9
Weekly reporting banks:						
1970—Dec.....	13.5	56.1	23.3	1.2	5.6	99.7
1971—Jan.....	13.9	54.4	24.1	1.2	5.6	99.3
Feb.....	13.9	52.2	23.1	1.2	5.5	95.8
Mar.....	14.1	52.4	23.9	1.3	5.7	97.3
Apr.....	14.1	53.4	25.3	1.3	5.7	99.8
May.....	13.7	52.9	24.1	1.2	5.5	97.4
June.....	14.0	54.2	24.4	1.2	6.0	99.8
July.....	14.1	54.7	24.8	1.2	5.4	100.3
Aug.....	13.5	53.4	24.1	1.2	5.1	97.2
Sept.....	13.8	54.6	24.5	1.2	5.5	99.6
Oct.....	13.9	55.5	24.5	1.1	5.4	100.4
Nov.....	13.7	55.8	24.6	1.1	5.4	100.7
Dec.....	14.3	58.6	24.9	1.2	5.9	104.9

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, 1968	Dec. 31, 1969	Dec. 31, 1970	June 30, 1971	Class of bank	Dec. 31, 1968	Dec. 31, 1969	Dec. 31, 1970	June 30, 1971
All commercial.....	1,216	1,131	804	746	All member—Cont.				
Insured.....	1,216	1,129	803	745	Other reserve city.....	332	304	143	125
National member.....	730	688	433	407	Country.....	605	571	437	411
State member.....	207	188	147	129	All nonmember.....	278	255	224	210
All member.....	937	876	580	536	Insured.....	278	253	223	209
					Noninsured.....		2	1	1

NOTE.—These hypothecated deposits are excluded from Time deposits and Loans at all commercial banks beginning with June 30, 1966, as shown in the tables on pp. A-20, A-21, and A-26—A-30 (consumer installment loans), and in the table at the bottom of p. A-18. These changes

resulted from a change in Federal Reserve regulations. See June 1966 BULLETIN, p. 808.

These deposits have not been deducted from Time deposits and Loans for commercial banks as shown on pp. A-22 and A-23 and on pp. A-24 and A-25 (IPC only for time deposits).

LOANS SOLD OUTRIGHT BY COMMERCIAL BANKS

(Amounts outstanding; in millions of dollars)

Date	To own subsidiaries, foreign branches, holding companies, and other affiliates			To all others except banks		
	Total	By type of loan		Total	By type of loan	
		Commercial and industrial	All other		Commercial and industrial	All other
1971—Oct. 6.....	2,884	1,799	1,085	1,588	409	1,179
13.....	2,879	1,801	1,077	1,571	402	1,169
20.....	2,904	1,832	1,072	1,572	393	1,180
27.....	2,928	1,804	1,124	1,572	393	1,179
Nov. 3.....	2,880	1,695	1,185	1,575	393	1,183
10.....	2,866	1,710	1,157	1,576	391	1,185
17.....	2,809	1,740	1,069	1,597	412	1,185
24.....	2,845	1,757	1,088	1,596	398	1,198
Dec. 1.....	2,934	1,723	1,211	1,592	400	1,192
8.....	2,852	1,675	1,177	1,634	398	1,236
15.....	2,744	1,619	1,125	1,635	395	1,240
22.....	2,871	1,655	1,217	1,590	387	1,203
29.....	2,870	1,632	1,238	1,631	378	1,254
1972—Jan. 5.....	2,858	1,596	1,263	1,623	371	1,252
12.....	2,827	1,603	1,225	1,597	362	1,235
19.....	2,773	1,583	1,191	1,589	362	1,227
26.....	2,999	1,729	1,270	1,568	351	1,217

NOTE.—Amounts sold under repurchase agreement are excluded. Figures include small amounts sold by banks other than large weekly reporting banks.

COMMERCIAL AND FINANCE COMPANY PAPER AND BANKERS' ACCEPTANCES OUTSTANDING

(In millions of dollars)

End of period	Commercial and finance company paper				Dollar acceptances										
	Total	Placed through dealers		Placed directly		Total	Held by					Others	Based on		
		Bank related	Other ¹	Bank related	Other ²		Accepting banks			F.R. Banks			Imports into United States	Exports from United States	All other
							Total	Own bills	Bills bought	Own acct.	Foreign corr.				
1964.....	8,361	2,223	6,138	3,385	1,671	1,301	370	94	122	1,498	667	999	1,719		
1965.....	9,058	1,903	7,155	3,392	1,223	1,094	129	187	144	1,837	792	974	1,626		
1966.....	13,279	3,089	10,190	3,603	1,198	983	215	193	191	2,022	997	829	1,778		
1967.....	16,535	4,901	11,634	4,317	1,906	1,447	459	164	156	2,090	1,086	989	2,241		
1968.....	20,497	7,201	13,296	4,428	1,544	1,344	200	58	109	2,717	1,423	952	2,053		
1969.....	31,709	1,216	10,601	3,078	16,814	5,451	1,567	1,318	249	64	146	3,674	1,889	1,153	2,408
1970—Dec.....	31,765	409	12,262	1,940	17,154	7,058	2,694	1,960	735	57	250	4,057	2,601	1,561	2,895
1971—Jan.....	32,295	362	13,071	1,668	17,194	6,912	2,742	2,058	684	59	270	3,841	2,589	1,555	2,768
Feb.....	32,506	383	13,538	1,518	17,067	6,984	3,089	2,306	784	54	266	3,575	2,618	1,520	2,847
Mar.....	31,223	355	13,215	1,337	16,316	7,174	2,953	2,276	678	138	255	3,827	2,681	1,519	2,974
Apr.....	31,367	431	13,058	1,363	16,515	7,301	2,893	2,320	573	56	236	4,115	2,748	1,510	3,043
May.....	31,115	392	12,608	1,356	16,759	7,494	2,927	2,382	545	112	253	4,203	2,889	1,479	3,126
June.....	29,472	448	11,288	1,285	16,451	7,645	2,807	2,355	451	62	230	4,546	3,028	1,467	3,150
July.....	29,746	469	11,001	1,339	16,937	7,454	2,594	2,168	426	55	228	4,577	3,118	1,388	2,948
Aug.....	30,057	454	11,494	1,338	16,771	8,377	2,612	2,131	481	107	245	5,413	3,405	1,505	3,467
Sept.....	29,946	395	11,909	1,505	16,137	8,148	2,803	2,227	575	51	259	5,036	3,286	1,470	3,391
Oct.....	31,205	454	11,897	1,527	17,327	7,811	3,000	2,350	650	52	261	4,499	3,148	1,366	3,296
Nov.....	31,164	406	11,825	1,624	17,309	7,479	2,852	2,204	648	58	258	4,312	2,848	1,392	3,239
Dec.....	29,934	495	10,923	1,478	17,038	7,889	3,480	2,689	791	261	254	3,894	2,834	1,546	3,509

¹ As reported by dealers; includes finance company paper as well as other commercial paper sold in the open market.

² As reported by finance companies that place their paper directly with investors.

PRIME RATE CHARGED BY BANKS

(Per cent per annum)

In effect during—	Rate	Effective date	Rate	Effective date	Rate	Effective date	Rate
1929.....	5½-6	1954—Mar. 17.....	3	1967—Jan. 26-27...	5½-5¾	1971—Feb. 16.....	5¾
1930.....	3½-6	1955—Aug. 4.....	3¼	Mar. 27.....	5½	Mar. 11.....	5¼-5½
1931.....	2¾-5	Oct. 14.....	3½	Nov. 20.....	6	Mar. 19.....	5¼
1932.....	3¼-4	1956—Apr. 13.....	3¾	1968—Apr. 19.....	6½	Apr. 23.....	5¼-5½
1933.....	1½-4	Aug. 21.....	4	Sept. 25.....	6 -6¼	May 11.....	5½
1934—		1957—Aug. 6.....	4½	Nov. 13.....	6¼	July 6.....	5½-6
1947 (Nov.).....	1½	1958—Jan. 22.....	4	Dec. 2.....	6½	7.....	6
		Apr. 21.....	3½	18.....	6¾	Oct. 20.....	5¾
		Sept. 11.....	4	1969—Jan. 7.....	7	Nov. 1.....	5¾-5¾
Effective date		1959—May 18.....	4½	Mar. 17.....	7½	4.....	5½-5¾
1947—Dec. 1.....	1¾	Sept. 1.....	5	June 9.....	8½	22.....	5½
1948—Aug. 1.....	2	1960—Aug. 23.....	4½	1970—Mar. 25.....	8	29.....	5¾-5½
1950—Sept. 22.....	2¼	1965—Dec. 6.....	5	Sept. 21.....	7½	Dec. 6.....	5¼-5¾
1951—Jan. 8.....	2½	1966—Mar. 10.....	5½	Nov. 12.....	7¼	27.....	5½
Oct. 17.....	2¾	June 29.....	5¾	23.....	7	31.....	5¼
Dec. 19.....	3	Aug. 16.....	6	Dec. 22.....	6¾	1972—Jan. 3.....	5-5½-
1953—Apr. 27.....	3¼			1971—Jan. 6.....	6½	17.....	5¼
				15.....	6¼	24.....	4¾-5
				18.....	6	31.....	4½-4¾

1 Date of change not available.

RATES ON BUSINESS LOANS OF BANKS

Center	All sizes		Size of loan (in thousands of dollars)									
			1-9		10-99		100-499		500-999		1,000 and over	
	Nov. 1971	Aug. 1971	Nov. 1971	Aug. 1971	Nov. 1971	Aug. 1971	Nov. 1971	Aug. 1971	Nov. 1971	Aug. 1971	Nov. 1971	Aug. 1971
Short-term												
35 centers.....	6.18	6.51	7.51	7.68	7.05	7.27	6.51	6.88	6.26	6.58	5.93	6.27
New York City.....	5.86	6.25	7.33	7.49	6.79	7.00	6.17	6.64	5.99	6.37	5.78	6.17
7 other Northeast.....	6.40	6.77	7.75	7.88	7.31	7.52	6.73	7.07	6.46	6.81	6.00	6.42
8 North Central.....	6.13	6.46	7.13	7.37	6.89	7.17	6.45	6.83	6.13	6.45	5.95	6.27
7 Southeast.....	6.47	6.77	7.72	7.75	7.16	7.36	6.65	6.87	6.39	6.62	6.01	6.46
8 Southwest.....	6.43	6.64	7.38	7.62	6.83	7.06	6.44	6.79	6.27	6.74	6.31	6.31
4 West Coast.....	6.21	6.54	7.93	8.06	7.29	7.43	6.64	7.11	6.65	6.55	5.92	6.31
Revolving credit												
35 centers.....	5.98	6.31	7.24	7.40	6.74	7.08	6.16	6.49	6.01	6.36	5.94	6.28
New York City.....	5.94	6.31	6.78	6.74	6.52	6.74	6.02	6.33	5.85	6.28	5.94	6.30
7 other Northeast.....	6.16	6.64	8.17	8.25	7.20	7.67	6.15	6.62	6.30	6.86	6.11	6.58
8 North Central.....	6.10	6.37	7.21	7.63	6.79	7.12	6.22	6.47	5.93	6.61	6.09	6.30
7 Southeast.....	6.04	6.18	6.52	6.52	6.56	6.57	6.30	6.26	6.25	6.09	5.81	6.14
8 Southwest.....	6.70	6.92	7.54	7.77	6.72	6.90	6.57	7.31	6.63	6.71	6.77	6.86
4 West Coast.....	5.88	6.20	7.65	8.03	6.69	7.13	6.10	6.41	5.94	6.17	5.84	6.17
Long-term												
35 centers.....	6.44	6.67	7.55	7.54	6.95	7.46	6.79	7.10	6.57	6.92	6.35	6.54
New York City.....	6.36	6.31	6.39	6.12	6.24	6.80	6.40	6.60	6.50	6.65	6.35	6.26
7 other Northeast.....	6.64	6.78	8.36	8.41	7.00	7.48	7.08	7.27	7.50	6.67	6.27	6.59
8 North Central.....	6.58	6.99	7.69	7.08	7.38	7.74	6.79	6.85	6.32	6.82	6.53	7.00
7 Southeast.....	7.28	7.73	6.97	7.34	6.29	7.60	7.78	8.71	7.78	7.27	7.05	7.00
8 Southwest.....	6.44	7.12	6.85	7.47	6.93	7.48	6.63	7.47	6.11	8.02	6.46	6.68
4 West Coast.....	6.20	6.55	8.16	7.72	7.19	7.35	6.64	7.04	6.16	6.60	6.12	6.45

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.

The weights in computing weighted average interest rates on business loans have been revised.

MONEY MARKET RATES

(Per cent per annum)

Period	Prime coml. paper 4- to 6-months ¹	Finance co. paper placed directly, 3- to 6-months ²	Prime bankers' acceptances, 90 days ¹	Federal funds rate ³	U.S. Government securities (taxable) ⁴						
					3-month bills ⁵		6-month bills ⁵		9- to 12-month issues		3- to 5-year issues ⁷
					Rate on new issue	Market yield	Rate on new issue	Market yield	Bills (market yield) ⁵	Other ⁶	
1964.....	3.97	3.83	3.77	3.50	3.549	3.54	3.686	3.68	3.74	3.76	4.06
1965.....	4.38	4.27	4.22	4.07	3.954	3.95	4.055	4.05	4.06	4.09	4.22
1966.....	5.55	5.42	5.36	5.11	4.881	4.85	5.082	5.06	5.07	5.17	5.16
1967.....	5.10	4.89	4.75	4.22	4.321	4.30	4.630	4.61	4.71	4.84	5.07
1968.....	5.90	5.69	5.75	5.66	5.339	5.33	5.470	5.48	5.45	5.62	5.59
1969.....	7.83	7.16	7.61	8.22	6.677	6.64	6.853	6.84	6.77	7.06	6.85
1970.....	7.72	7.23	7.31	7.17	6.458	6.42	6.562	6.55	6.53	6.90	7.37
1971.....	5.11	4.91	4.85	4.66	4.348	4.33	4.511	4.51	4.67	4.75	5.77
1971—Jan.....	5.11	5.07	4.77	4.14	4.494	4.44	4.510	4.47	4.39	4.29	5.72
Feb.....	4.47	4.37	4.09	3.72	3.773	3.69	3.806	3.78	3.84	3.80	5.31
Mar.....	4.19	4.05	3.80	3.71	3.323	3.38	3.431	3.50	3.61	3.66	4.74
Apr.....	4.57	4.27	4.36	4.15	3.780	3.85	3.927	4.03	4.09	4.21	5.42
May.....	5.10	4.69	4.91	4.63	4.139	4.13	4.367	4.34	4.64	4.93	6.02
June.....	5.45	5.24	5.33	4.91	4.699	4.74	4.890	4.95	5.32	5.57	6.36
July.....	5.75	5.54	5.60	5.31	5.405	5.39	5.586	5.62	5.73	5.89	6.77
Aug.....	5.73	5.57	5.57	5.57	5.078	4.93	5.363	5.22	5.52	5.67	6.39
Sept.....	5.75	5.44	5.49	5.55	4.668	4.69	4.934	4.97	5.20	5.31	5.96
Oct.....	5.54	5.30	5.05	5.20	4.489	4.46	4.626	4.60	4.75	4.74	5.68
Nov.....	4.92	4.81	4.78	4.91	4.191	4.22	4.338	4.38	4.49	4.50	5.50
Dec.....	4.74	4.60	4.45	4.14	4.023	4.01	4.199	4.23	4.40	4.38	5.42
1972—Jan.....	4.08	3.95	3.92	3.50	3.403	3.38	3.656	3.66	3.78	3.99	5.33
Week ending—											
1971—Oct. 2.....	5.75	5.44	5.40	5.43	4.676	4.65	4.973	4.95	5.17	5.26	5.91
9.....	5.75	5.44	5.23	5.32	4.534	4.51	4.743	4.72	5.00	4.91	5.84
16.....	5.63	5.39	5.03	5.29	4.486	4.45	4.595	4.58	4.73	4.73	5.68
23.....	5.45	5.24	4.98	5.14	4.494	4.47	4.635	4.56	4.67	4.70	5.62
30.....	5.25	5.06	4.88	5.11	4.443	4.36	4.530	4.47	4.49	4.51	5.53
Nov. 6.....	5.03	4.97	4.78	5.16	4.233	4.18	4.346	4.34	4.41	4.37	5.41
13.....	4.88	4.88	4.75	4.93	4.174	4.18	4.340	4.37	4.47	4.40	5.47
20.....	4.93	4.80	4.75	4.88	4.122	4.15	4.255	4.31	4.42	4.46	5.47
27.....	4.88	4.66	4.81	4.86	4.236	4.33	4.411	4.49	4.61	4.69	5.63
Dec. 4.....	4.88	4.73	4.75	4.68	4.324	4.28	4.431	4.42	4.60	4.63	5.52
11.....	4.88	4.70	4.58	4.59	4.091	4.11	4.207	4.28	4.53	4.54	5.48
18.....	4.75	4.63	4.50	4.20	3.944	4.04	4.144	4.27	4.50	4.40	5.45
25.....	4.75	4.50	4.40	3.89	4.023	4.02	4.263	4.25	4.38	4.30	5.43
1972—Jan. 1.....	4.50	4.50	4.18	4.05	3.731	3.73	3.952	4.03	4.09	4.15	5.27
8.....	4.38	4.20	4.10	3.57	3.735	3.59	4.043	3.92	4.03	4.11	5.31
15.....	4.10	3.98	3.88	3.71	3.109	3.16	3.375	3.43	3.65	3.92	5.20
22.....	3.98	3.85	3.88	3.54	3.276	3.31	3.452	3.58	3.64	3.94	5.32
29.....	3.88	3.80	3.85	3.43	3.493	3.46	3.754	3.71	3.79	4.00	5.47

¹ Averages of daily offering rates of dealers.
² Averages of daily rates, published by finance companies, for varying maturities in the 90-179 day range.
³ Seven-day average for week ending Wednesday.

⁴ Except for new bill issues, yields are averages computed from daily closing bid prices.
⁵ Bills quoted on bank discount rate basis.
⁶ Certificates and selected note and bond issues.
⁷ Selected note and bond issues.

BOND AND STOCK YIELDS

(Per cent per annum)

Period	Government bonds					Corporate bonds					Stocks		
	United States (long-term)	State and local			Total ¹	By selected rating		By group			Dividend/price ratio		Earnings/price ratio
		Total ¹	Aaa	Baa		Aaa	Baa	Industrial	Railroad	Public utility	Preferred	Common	Common
1962	3.95	3.30	3.03	3.67	4.62	4.33	5.02	4.47	4.86	4.51	4.50	3.37	6.06
1963	4.00	3.28	3.06	3.58	4.50	4.26	4.86	4.42	4.65	4.41	4.30	3.17	5.68
1964	4.15	3.28	3.09	3.54	4.57	4.40	4.83	4.52	4.67	4.53	4.32	3.01	5.54
1965	4.21	3.34	3.16	3.57	4.64	4.49	4.61	4.61	4.72	4.60	4.33	3.00	5.87
1966	4.66	3.90	3.67	4.21	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	5.51	6.23	5.74	5.89	5.81	5.34	3.20	5.71
1968	5.25	4.48	4.20	4.88	6.51	6.18	6.94	6.41	6.77	6.49	5.78	3.07	5.84
1969	6.10	5.73	5.45	6.07	7.36	7.03	7.81	7.22	7.46	7.49	6.41	3.24	6.05
1970	6.59	6.42	6.12	6.75	8.51	8.04	9.11	8.26	8.77	8.68	7.22	3.83	6.28
1971	5.74	5.62	5.22	5.89	7.94	7.39	8.56	7.57	8.38	8.13	6.69	3.14	
1971—Jan.	5.91	5.34	5.08	5.65	8.04	7.36	8.74	8.57	8.70	8.17	6.53	3.32	
Feb.	5.84	5.28	4.92	5.73	7.75	7.08	8.39	7.24	8.39	7.94	6.32	3.18	
Mar.	5.71	5.26	5.00	5.56	7.84	7.21	8.46	7.36	8.39	8.08	6.48	3.10	5.52
Apr.	5.75	5.49	5.22	5.85	7.86	7.25	8.45	7.43	8.37	8.05	6.59	2.99	
May	5.96	5.99	5.71	6.36	8.03	7.53	8.62	7.68	8.40	8.23	6.82	3.04	
June	5.94	5.98	5.65	6.36	8.14	7.64	8.75	7.80	8.43	8.39	6.99	3.10	5.74
July	5.91	6.12	5.75	6.58	8.14	7.64	8.76	7.85	8.46	8.34	7.03	3.13	
Aug.	5.78	5.84	5.56	6.21	8.12	7.59	8.76	7.80	8.48	8.30	7.04	3.18	
Sept.	5.56	5.45	5.09	5.86	7.97	7.44	8.59	7.64	8.39	8.12	6.90	3.09	5.65
Oct.	5.46	5.05	4.75	5.38	7.88	7.39	8.48	7.58	8.25	8.04	6.75	3.16	
Nov.	5.44	5.20	4.94	5.53	7.77	7.26	8.38	7.46	8.13	7.96	6.78	3.31	
Dec.	5.62	5.24	4.99	5.55	7.75	7.25	8.38	7.42	8.12	7.92	6.81	3.10	
1972—Jan.	5.62	5.13	4.84	5.49	7.66	7.19	8.23	7.34	7.98	7.85	6.57	2.96	
Week ending:													
1971—Nov. 6	5.33	4.98	4.75	5.25	7.78	7.25	8.43	7.46	8.15	7.97	6.76	3.24	
13	5.37	5.15	4.90	5.45	7.77	7.24	8.37	7.43	8.13	7.96	6.66	3.29	
20	5.46	5.25	4.95	5.65	7.77	7.27	8.36	7.46	8.10	7.95	6.83	3.31	
27	5.56	5.41	5.15	5.75	7.78	7.28	8.39	7.48	8.11	7.94	6.85	3.39	
Dec. 4	5.58	5.50	5.20	5.85	7.79	7.28	8.42	7.47	8.14	7.96	6.78	3.21	
11	5.59	5.25	5.00	5.55	7.79	7.27	8.42	7.46	8.15	7.97	6.76	3.17	
18	5.63	5.21	5.00	5.35	7.76	7.24	8.39	7.43	8.14	7.92	6.87	3.12	
25	5.68	5.18	5.00	5.40	7.74	7.23	8.36	7.41	8.12	7.89	6.83	3.02	
1972—Jan. 1	5.60	5.04	4.75	5.40	7.70	7.22	8.31	7.37	8.06	7.88	6.79	2.99	
8	5.61	5.05	4.75	5.40	7.67	7.19	8.27	7.36	8.02	7.86	6.68	2.97	
15	5.57	5.00	4.65	5.40	7.65	7.17	8.21	7.33	8.00	7.84	6.52	2.95	
22	5.61	5.16	4.90	5.50	7.63	7.16	8.18	7.31	7.95	7.82	6.49	2.94	
29	5.67	5.31	5.05	5.65	7.67	7.22	8.24	7.36	7.95	7.87	6.57	2.99	
Number of issues ²	8	20	5	5	119	20	30	40	29	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, Aaa-rated railroad bonds are no longer a component of the railroad average or the Aaa composite 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. (2) State and local govt.: General obligations only, based on Thurs. figures. (3) Corporate: Averages of daily figures. (2) and (3) are from Moody's Investors Service series.

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

Notes to tables on opposite page:

Security Prices:

¹ Begins June 30, 1965, at 10.90. On that day the average price of a share of stock listed on the American Stock Exchange was \$10.90.

NOTE.—Annual data are averages of monthly figures. Monthly and weekly data are averages of daily figures unless otherwise noted and are computed as follows: U.S. Govt. bonds, derived from average market yields in table on preceding page on basis of an assumed 3 per cent, 20-year bond. Municipal and corporate bonds, derived from average yields as computed by Standard and Poor's Corp., on basis of a 4 per cent, 20-year bond; Wed. closing prices. Common stocks, derived from component common stock prices. Average daily volume of trading, normally conducted 5 days per week for 5½ hours per day, or 27½ hours per week. In recent years shorter days and/or weeks have cut total weekly trading to the following number of hours: 1967—Aug. 8–20, 20; 1968—Jan. 22–Mar. 1, 20; June 30–Dec. 31, 22; 1969—Jan. 3–July 3, 20; July 7–Dec. 31–22.5; 1970—Jan. 2–May 1, 25.

Terms on Mortgages:

¹ Fees and charges—related to principal mortgage amount—include loan commissions, fees, discounts, and other charges, which provide added income to the lender and are paid by the borrower. They exclude any closing costs related solely to transfer of property ownership.

NOTE.—Compiled by Federal Home Loan Bank Board in cooperation with Federal Deposit Insurance Corporation. Data are weighted averages based on probability sample survey of characteristics of mortgages originated by major institutional lender groups (including mortgage companies) for purchase of single-family homes. Data exclude loans for refinancing, reconditioning, or modernization; construction loans to homebuilders; and permanent loans that are coupled with construction loans to owner-builders. Series beginning 1965, not strictly comparable with earlier data. See also the table on Home-Mortgage Yields, p. A-55.

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		
	Total	By source		Regulated ²						Unregulated ³				
		Brokers	Banks	Margin stock		Convertible bonds		Subscription issues						Nonmargin stock credit at banks
				Brokers	Banks	Brokers	Banks	Brokers	Banks					
1970—June.....	4,954	4,054	900	3,860	826	158	60	36	14	1,145	1,221			
1971—Jan.....	5,044	4,224	820	4,000	734	188	69	36	17	1,104	1,220	433	2,080	
Feb.....	5,174	4,311	863	4,090	776	186	70	35	17	1,121	1,205	484	2,259	
Mar.....	5,392	4,531	861	4,300	772	193	72	38	18	1,137	1,183	465	2,333	
Apr.....	5,598	4,776	822	4,530	739	206	67	40	16	1,122	1,206	445	2,216	
May.....	5,701	4,874	827	4,620	754	213	57	41	16	1,122	1,235	431	2,084	
June.....	5,783	4,976	807	4,720	733	213	58	43	16	1,228	1,263	415	2,023	
July.....	5,860	5,050	810	4,790	737	215	56	45	17	1,091	1,183	410	1,841	
Aug.....	5,917	5,121	796	4,850	723	227	58	44	15	1,208	1,206	405	1,838	
Sept.....	5,990	5,208	782	4,930	713	230	54	48	15	1,182	1,237	364	1,734	
Oct.....	6,016	5,238	778	4,950	711	239	53	49	14	1,194	1,204	393	1,765	
Nov.....	5,995	5,198	797	4,910	731	242	51	46	15	1,193	1,209	412	1,758	
Dec.....	6,520	5,700	820	5,400	750	258	56	42	14	1,409	1,288	387	1,837	

¹ Margin credit includes all credit extended to purchase or carry stocks or related equity instruments and secured at least in part by stock (see Dec. 1970 BULLETIN). Credit extended by brokers is end-of-month data for member firms of the NYSE. June data for banks are universe totals; all other data for banks represent estimates for all commercial banks based on reports by a reporting sample, which accounted for 60 per cent of security credit outstanding at banks on June 30, 1971.

² In addition to assigning a current loan value to margin stock generally, Regulations T and U permit special loan values for convertible bonds and stock acquired through exercise of subscription rights.

³ Nonmargin stocks are those not listed on a national securities exchange and not included on the Board of Governors of the Federal Reserve System's list of OTC margin stocks. At banks, loans to purchase or carry nonmargin stocks are unregulated; at brokers, such stocks have no loan value.

⁴ Includes loans to purchase or carry margin stock if these are unsecured or secured entirely by unrestricted collateral (see Dec. 1970 BULLETIN).

⁵ Free credit balances are in accounts with no unfulfilled commitments to the brokers and are subject to withdrawal by customers on demand.

EQUITY STATUS OF MARGIN ACCOUNT DEBT AT BROKERS

(Per cent of total debt, except as noted)

End of period	Total debt (millions of dollars) ¹	Equity class (per cent)					
		80 or more	70-79	60-69	50-59	40-49	Under 40
1970—Dec..	4,030	11.0	16.1	27.1	16.8	13.5	15.5
1971—Jan..	4,000	12.1	19.6	28.3	17.1	10.0	12.8
Feb..	4,090	11.4	19.5	31.1	16.3	9.3	12.3
Mar..	4,300	11.8	20.0	33.0	16.2	7.2	11.8
Apr..	4,530	11.8	20.3	35.0	15.0	6.2	11.7
May..	4,620	10.6	15.7	36.7	18.0	7.4	11.6
June..	4,720	9.6	14.4	34.9	20.1	8.6	12.2
July..	4,790	8.3	12.2	29.1	25.2	11.0	14.1
Aug..	4,850	9.3	14.4	35.4	19.6	8.9	12.6
Sept..	4,930	8.7	13.1	34.3	20.7	9.9	13.3
Oct..	4,950	7.5	10.9	28.7	24.4	12.1	16.3
Nov..	4,910	7.3	10.7	25.9	26.2	13.1	16.8
Dec..	5,400	8.6	12.7	27.1	29.9	10.2	11.5

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	
1970—Dec.....	48.2	42.3	9.4	4,030
1971—Jan.....	49.2	43.6	7.2	4,260
Feb.....	49.1	44.2	6.7	4,380
Mar.....	48.6	45.5	5.9	4,400
Apr.....	46.8	48.1	5.1	4,500
May.....	46.5	47.1	6.4	4,360
June.....	45.1	47.8	7.0	4,250
July.....	45.2	46.7	8.1	4,190
Aug.....	44.6	48.0	7.4	4,230
Sept.....	44.2	47.0	8.8	4,160
Oct.....	45.5	45.2	9.3	4,060
Nov.....	44.6	45.1	10.2	4,000
Dec.....	35.0	55.7	9.4	7,300

NOTE.—Special miscellaneous accounts contain credit balances that may be used by customers as the margin deposit required for additional purchases. Balances may arise as transfers based on loan values of other collateral in the customer's margin account or deposits of cash (usually sales proceeds) occur.

MUTUAL SAVINGS BANKS

(In millions of dollars)

End of period	Loans		Securities			Cash	Other assets	Total assets— Total liabilities and general reserve accts.	Deposits ²	Other liabilities	General reserve ac- counts	Mortgage loan commitments ³ classified by maturity (in months)						
	Mortgage	Other	U.S. Govt.	State and local govt.	Corpo- rate and other ¹							3 or less	3-6	6-9	Over 9	Total		
1963.....	36,007	607	5,863	440	5,074	912	799	49,702	44,606	943	4,153							2,549
1964.....	40,328	739	5,791	391	5,099	1,004	886	54,238	48,849	989	4,400							2,820
1965.....	44,433	862	5,485	320	5,170	1,017	944	58,232	52,443	1,124	4,665							2,697
1966.....	47,193	1,078	4,764	251	5,719	953	1,024	60,982	55,006	1,114	4,863							2,010
1967.....	50,311	1,203	4,319	219	8,183	993	1,138	66,365	60,121	1,260	4,984	742				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—Nov....	57,473	2,332	3,219	205	12,378	1,112	1,483	78,202	70,361	2,111	5,730	564	315	311	662			1,852
Dec.....	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—Jan....	58,014	2,365	3,196	206	13,457	1,129	1,564	79,930	72,441	1,739	5,750	638	322	285	705			1,950
Feb....	58,194	2,592	3,328	222	13,919	1,270	1,575	81,100	73,366	1,926	5,809	723	352	283	790			2,148
Mar....	58,540	2,636	3,356	246	14,882	1,287	1,635	82,581	75,002	1,746	5,832	840	413	322	864			2,439
Apr....	58,796	2,727	3,340	278	15,519	1,254	1,656	83,570	75,824	1,882	5,863	993	445	360	1,005			2,804
May....	59,111	2,813	3,441	330	16,070	1,261	1,659	84,686	76,656	2,116	5,914	1,152	470	385	1,171			3,178
June....	59,546	2,696	3,409	319	16,649	1,281	1,665	85,565	77,683	1,956	5,926	1,118	517	343	1,244			3,222
July....	59,935	2,545	3,558	326	16,969	1,198	1,750	86,282	78,130	2,198	5,924	1,015	582	347	1,260			3,204
Aug....	60,350	2,685	3,517	338	17,159	1,151	1,692	86,892	78,437	2,423	6,031	978	557	374	1,246			3,155
Sept....	60,622	2,782	3,467	339	17,282	1,177	1,742	87,410	79,236	2,129	6,045	1,086	509	422	1,196			3,213
Oct....	61,036	2,840	3,382	343	17,292	1,250	1,712	87,856	79,648	2,150	6,059	1,125	415	484	1,230			3,253
Nov....	61,473	2,891	3,346	357	17,452	1,280	1,695	88,495	80,165	2,218	6,112	1,129	554	461	1,231			3,375

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

² See note 8, p. A-19.

³ Commitments outstanding of banks in New York State as reported to the Savings Banks Assn. of the State of New York. Data include building loans beginning with Aug. 1967.

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

LIFE INSURANCE COMPANIES

(In millions of dollars)

End of period	Total assets	Government securities				Business securities			Mortgages	Real estate	Policy loans	Other assets
		Total	United States	State and local	Foreign ¹	Total	Bonds	Stocks				
Statement value:												
1963.....	141,121	12,438	5,813	3,852	2,773	60,780	53,645	7,135	50,544	4,319	6,655	6,385
1964.....	149,470	12,322	5,594	3,774	2,954	63,579	55,641	7,938	55,152	4,528	7,140	6,749
1965.....	158,884	11,679	5,119	3,530	3,030	67,599	58,473	9,126	60,013	4,681	7,678	7,234
1966.....	167,022	10,837	4,823	3,114	2,900	69,816	61,061	8,755	64,609	4,883	9,117	7,760
1967.....	177,832	10,573	4,683	3,145	2,754	76,070	65,193	10,877	67,516	5,187	10,059	8,427
1968.....	188,636	10,509	4,456	3,194	2,859	82,127	68,897	13,230	69,973	5,571	11,306	9,150
Book value:												
1966.....	167,022	10,864	4,824	3,131	2,909	68,677	61,141	7,536	64,661	4,888	9,911	8,801
1967.....	177,361	10,530	4,587	2,993	2,950	73,997	65,015	8,982	67,575	5,188	10,060	11,011
1968.....	187,695	10,483	4,365	3,036	3,082	79,403	68,575	10,828	70,071	5,573	11,284	10,881
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—Nov....	205,905	11,187	4,714	3,293	3,180	88,153	73,757	14,396	73,893	6,284	15,950	10,438
Dec.....	206,193	10,967	4,494	3,285	3,188	88,183	73,123	15,060	74,345	6,362	16,025	10,311
1971—Jan....	208,206	11,027	4,557	3,298	3,172	90,127	74,326	15,801	74,370	6,341	16,109	10,232
Feb....	209,885	11,126	4,632	3,319	3,175	91,038	74,696	16,342	74,437	6,453	16,220	10,611
Mar....	211,500	11,023	4,540	3,335	3,148	92,629	75,192	17,437	74,516	6,485	16,293	10,554
Apr....	212,698	10,946	4,454	3,375	3,117	93,756	75,604	18,152	74,536	6,535	16,370	10,555
May....	213,414	10,954	4,433	3,403	3,118	94,197	76,096	18,101	74,552	6,591	16,433	10,687
June....	214,279	10,786	4,242	3,412	3,132	95,031	76,644	18,387	74,535	6,644	16,516	10,767
July....	215,284	11,031	4,466	3,430	3,135	95,683	77,333	18,350	74,583	6,729	16,590	10,668
Aug....	216,436	11,076	4,475	3,452	3,149	96,429	77,581	18,848	74,707	6,749	16,679	10,796
Sept....	217,489	11,000	4,345	3,484	3,171	97,199	78,121	19,078	74,799	6,811	16,782	10,898
Oct....	218,257	11,016	4,331	3,485	3,200	97,778	78,890	18,888	74,864	6,876	16,850	10,873
Nov....	219,353	11,150	4,473	3,484	3,193	98,443	79,384	19,059	74,903	6,949	16,948	10,960

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

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

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

SAVINGS AND LOAN ASSOCIATIONS

(In millions of dollars)

End of period	Assets				Total assets— Total liabilities	Liabilities					Mortgage loan commitments ⁴	
	Mortgages	Investment securities ¹	Cash	Other ²		Savings capital	Reserves and undivided profits	Borrowed money ³	Loans in process	Other	Made during period	Outstanding at end of period
1961.....	68,834	5,211	3,315	4,775	82,135	70,885	5,708	2,856	1,550	1,136	.....	1,872
1962.....	78,770	5,563	3,926	5,346	93,605	80,236	6,520	3,629	1,999	1,221	.....	2,193
1963.....	90,944	6,445	3,979	6,191	107,559	91,308	7,209	5,015	2,528	1,499	.....	2,572
1964.....	101,333	6,966	4,015	7,041	119,355	101,887	7,899	5,601	2,239	1,729	.....	2,549
1965.....	110,306	7,414	3,900	7,960	129,580	110,385	8,704	6,444	2,198	1,849	.....	2,707
1966.....	114,427	7,762	3,366	8,378	133,933	113,969	9,096	7,462	1,270	2,136	.....	1,482
1967.....	121,805	9,180	3,442	9,107	143,534	124,531	9,546	4,738	2,257	2,462	.....	3,004
1968.....	130,802	11,116	2,962	9,571	152,890	131,618	10,315	5,705	2,449	2,803	.....	3,584
1969 ⁵	140,232	10,873	2,438	8,606	162,149	135,538	11,228	9,728	2,455	3,200	807	2,812
1970 ⁵ —Dec.....	150,331	13,020	3,506	9,326	176,183	146,404	11,991	10,911	3,078	3,799	1,602	4,393
1971—Jan.....	151,503	15,506	2,930	9,386	179,325	149,298	12,056	10,494	3,055	4,422	1,665	4,565
Feb.....	152,665	16,805	3,249	9,524	182,243	151,742	12,062	10,097	3,161	5,181	2,069	5,225
Mar.....	154,430	18,335	3,376	9,668	185,809	155,845	12,044	9,838	3,500	4,577	3,130	6,445
Apr.....	156,574	18,302	3,146	9,831	187,853	158,061	12,031	8,631	3,877	5,253	3,370	7,359
May.....	158,747	18,650	3,000	10,087	190,484	160,221	12,035	7,774	4,336	6,118	3,505	8,300
June.....	161,440	18,609	2,783	10,110	192,942	163,313	12,357	7,903	4,734	4,635	3,537	8,545
July.....	163,951	19,319	2,153	10,192	195,615	164,864	12,358	8,039	4,953	5,401	3,144	8,555
Aug.....	166,342	19,010	2,091	10,420	197,863	165,973	12,350	8,231	5,032	6,277	2,880	8,311
Sept.....	168,464	18,701	2,070	10,582	199,817	168,643	12,360	8,417	5,004	5,393	2,639	8,004
Oct.....	170,106	18,971	2,166	10,603	201,846	169,796	12,327	8,353	5,001	6,369	2,537	7,806
Nov.....	172,047	19,096	2,284	10,811	204,238	171,358	12,325	8,439	4,960	7,156	2,511	7,759
Dec.....	174,382	18,284	2,781	10,864	206,311	174,493	13,133	9,005	5,061	4,619	2,355	7,258

¹ U.S. Govt. securities only through 1967. Beginning 1968 the total reflects liquid assets and other investment securities. Included are U.S. Govt. obligations, Federal agency securities, State and local govt. securities, time deposits at banks, and miscellaneous securities, except FHLBB stock. Compensating changes have been made in "Other assets."

² Includes other loans, stock in the Federal home loan banks, other investments, real estate owned and sold on contract, and office buildings and fixtures. See also note 1.

³ Consists of advances from FHLBB and other borrowing.

⁴ Insured savings and loan assns. only. Data on outstanding commit-

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

⁵ Balance sheet data for all operating savings and loan associations were revised by the Federal Home Loan Bank Board for 1969 and 1970.

NOTE.—Federal Home Loan Bank Board data; figures are estimates for all savings and loan assns. in the United States. Data are based on monthly reports of insured assns. and annual reports of noninsured assns. Data for current and preceding year are preliminary even when revised.

MAJOR BALANCE SHEET ITEMS OF SELECTED FEDERALLY SPONSORED CREDIT AGENCIES

(In millions of dollars)

End of period	Federal home loan banks					Federal National Mortgage Assn. (secondary market operations)		Banks for cooperatives		Federal intermediate credit banks		Federal land banks		
	Assets		Liabilities and capital			Mortgage loans (A)	Debentures and notes (L)	Loans to cooperatives (A)	Debentures (L)	Loans and dis-counts (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
1970—Dec.....	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—Jan.....	10,326	4,101	112	9,836	2,751	1,599	15,619	15,311	2,119	1,786	5,055	4,845	7,210	6,395
Feb.....	9,926	4,187	105	9,182	3,094	1,619	15,552	15,111	2,164	1,819	5,177	4,959	7,258	6,645
Mar.....	9,689	4,322	116	8,756	3,425	1,628	15,420	15,122	2,153	1,819	5,380	5,077	7,347	6,645
Apr.....	8,269	4,235	192	7,876	2,828	1,627	15,308	15,477	2,113	1,900	5,568	5,336	7,426	6,700
May.....	7,268	4,400	96	7,419	2,379	1,620	15,242	15,142	2,056	1,830	5,729	5,468	7,502	6,640
June.....	7,241	3,718	132	7,329	2,112	1,602	15,363	14,795	2,041	1,770	5,909	5,639	7,579	6,640
July.....	7,338	3,211	85	7,297	1,699	1,600	15,674	15,638	1,997	1,726	5,905	5,712	7,650	6,884
Aug.....	7,513	2,744	86	7,218	1,532	1,603	16,204	15,260	1,942	1,791	5,866	5,742	7,709	6,884
Sept.....	7,637	2,584	117	7,190	1,522	1,600	16,732	16,241	1,942	1,791	5,841	5,713	7,767	6,884
Oct.....	7,640	2,740	99	7,390	1,450	1,603	17,202	16,984	2,030	1,745	5,763	5,680	7,826	7,063
Nov.....	7,708	2,545	101	7,139	1,548	1,607	17,535	17,138	2,076	1,763	5,633	5,606	7,870	7,063
Dec.....	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

NOTE.—Data from Federal Home Loan Bank Board, Federal National Mortgage Assn., and Farm Credit Admin. Among omitted balance sheet items are capital accounts of all agencies, except for stock of FHLB's. Bonds, debentures, and notes are valued at par. They include only publicly

offered securities (excluding, for FHLB's bonds held within the FHLB System) and are not guaranteed by the U.S. Govt.; for a listing of these securities, see table below. Loans are gross of valuation reserves and represent cost for FNMA and unpaid principal for other agencies.

GROSS PUBLIC DEBT, BY TYPE OF SECURITY

(In billions of dollars)

End of period	Total gross public debt ¹	Public issues									Special issues ⁴
		Total	Marketable					Convertible bonds	Nonmarketable		
			Total	Bills	Certificates	Notes	Bonds ²		Total ³	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	50.3	46.3	
1966—Dec.	329.3	273.0	218.0	64.7	5.9	48.3	2.7	52.3	50.8	52.0	
1967—Dec.	344.7	284.0	226.5	69.9	61.4	95.2	2.6	54.9	51.7	57.2	
1968—Dec.	358.0	296.0	236.8	75.0	76.5	85.3	2.5	56.7	52.3	59.1	
1969—Dec.	368.2	295.2	235.9	80.6	85.4	69.9	2.4	56.9	52.2	71.0	
1970—Dec.	389.2	309.1	247.7	87.9	101.2	58.6	2.4	59.1	52.5	78.1	
1971—Jan.	388.3	308.8	247.7	87.9	101.2	58.5	2.4	58.7	52.6	77.7	
Feb.	390.7	309.8	248.1	89.3	104.3	54.5	2.4	59.3	52.8	78.9	
Mar.	391.7	309.7	247.5	89.0	104.3	54.2	2.4	59.9	53.0	80.0	
Apr.	391.9	310.4	245.9	87.5	104.3	54.1	2.4	62.1	53.2	79.7	
May	396.8	313.2	245.6	89.1	102.5	54.0	2.3	65.2	53.4	81.7	
June	398.1	313.5	245.5	86.7	104.8	54.0	2.3	65.7	53.6	82.8	
July	405.3	318.9	247.6	88.9	104.8	53.9	2.3	68.9	53.8	84.7	
Aug.	414.6	325.8	249.7	89.6	108.2	51.9	2.3	73.8	54.0	87.0	
Sept.	412.3	324.5	249.9	88.6	109.5	51.8	2.3	72.2	54.2	86.0	
Oct.	411.9	325.8	252.2	89.0	111.5	51.8	2.3	71.3	54.4	84.3	
Nov.	414.6	328.4	254.5	89.8	114.0	50.7	2.3	71.6	54.7	84.4	
Dec.	424.1	336.7	262.0	97.5	114.0	50.6	2.3	72.3	54.9	85.7	
1972—Jan.	422.9	336.9	261.9	97.5	114.0	50.4	2.3	72.7	55.1	84.2	

¹ Includes non-interest-bearing debt (of which \$624 million on Jan. 31, 1972, 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 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	Com-mercial banks	Mutual savings banks	Insur-ance companies	Other corporations	State and local govts.	Individuals		Foreign and inter-national 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	13.3	25.4	51.8	29.1	11.4	24.1
1970—Dec.	389.2	97.1	62.1	229.9	62.7	2.8	7.0	10.5	23.1	52.1	29.8	20.6	21.4
1971—Jan.	388.3	96.7	61.8	229.9	61.7	2.7	7.3	11.1	23.2	52.1	29.1	20.9	21.6
Feb.	390.7	98.0	62.5	230.2	61.3	2.8	7.2	10.2	24.0	52.3	28.3	22.9	21.1
Mar.	391.7	98.8	64.2	228.7	61.8	2.8	6.8	10.7	22.8	52.5	26.9	25.4	18.9
Apr.	391.9	99.1	63.7	229.1	60.5	2.8	6.8	9.9	21.8	52.8	26.2	29.2	19.1
May	396.8	101.8	64.8	230.2	59.4	2.9	6.8	9.6	21.8	53.0	25.0	33.8	18.1
June	398.1	102.9	65.5	229.7	61.0	2.9	6.6	10.1	21.4	53.2	24.8	32.7	17.2
July	405.3	104.9	65.8	234.6	60.5	2.9	6.7	11.6	21.9	53.4	24.8	35.4	17.3
Aug.	414.6	107.3	66.9	240.4	59.5	2.8	6.7	10.9	21.1	53.6	24.5	42.7	18.6
Sept.	412.3	106.5	67.6	238.2	60.0	2.8	6.5	10.0	21.0	53.7	24.1	42.4	17.7
Oct.	411.9	104.7	67.2	240.0	60.9	2.8	6.5	11.1	20.8	54.0	23.7	42.8	17.4
Nov.	414.6	104.7	67.8	242.1	61.5	2.7	6.5	12.0	20.6	54.2	23.4	44.1	17.1
Dec.	424.1	106.0	70.2	247.9	65.3	2.7	6.6	12.6	20.4	54.4	23.0	46.9	16.0

¹ Consists of investments of foreign and international accounts in the United States.

² Consists of savings and loan assns., nonprofit institutions, corporate pension trust funds, and dealers and brokers. Also included are certain Govt. deposit accounts and Govt.-sponsored agencies.

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

The debt and ownership concepts were altered beginning with the Mar. 1969 BULLETIN. The new concepts (1) exclude guaranteed securities and (2) remove from U.S. Govt. agencies and trust funds and add to other miscellaneous investors the holdings of certain Govt.-sponsored but privately owned agencies and certain Govt. deposit accounts.

OWNERSHIP OF MARKETABLE SECURITIES, BY MATURITY

(Par value, in millions of dollars)

Type of holder and date	Total	Within 1 year			1-5 years	5-10 years	10-20 years	Over 20 years
		Total	Bills	Other				
All holders:								
1968—Dec. 31	236,812	108,611	75,012	33,599	68,260	35,130	8,396	16,415
1969—Dec. 31	235,863	118,124	80,571	37,553	73,301	20,026	8,358	16,054
1970—Dec. 31	247,713	123,423	87,923	35,500	82,318	22,554	8,556	10,863
1971—Nov. 30	254,456	108,911	89,829	19,082	96,204	29,321	9,566	10,454
Dec. 31	262,038	119,141	97,505	21,636	93,648	29,321	9,530	10,397
U.S. Govt. agencies and trust funds:								
1968—Dec. 31	15,402	2,438	1,034	1,404	4,503	2,964	2,060	3,438
1969—Dec. 31	16,295	2,321	812	1,509	6,006	2,472	2,059	3,437
1970—Dec. 31	17,092	3,005	708	2,297	6,075	3,877	1,748	2,387
1971—Nov. 30	18,439	1,230	633	597	7,751	4,690	2,311	2,456
Dec. 31	18,444	1,380	605	775	7,614	4,676	2,319	2,456
Federal Reserve Banks:								
1968—Dec. 31	52,937	28,503	18,756	9,747	12,880	10,943	203	408
1969—Dec. 31	57,154	36,023	22,265	13,758	12,810	7,642	224	453
1970—Dec. 31	62,142	36,338	25,965	10,373	19,089	6,046	229	440
1971—Nov. 30	67,817	33,887	29,082	4,805	25,209	7,597	534	589
Dec. 31	70,218	36,032	31,033	4,999	25,299	7,702	584	601
Held by private investors:								
1968—Dec. 31	168,473	77,670	55,222	22,448	50,877	21,223	6,133	12,569
1969—Dec. 31	162,414	79,780	57,494	22,286	54,485	9,912	6,075	12,164
1970—Dec. 31	168,479	84,080	61,250	22,830	57,154	12,631	6,579	8,036
1971—Nov. 30	168,200	73,794	60,114	13,680	63,244	17,034	6,721	7,409
Dec. 31	173,376	81,729	65,867	15,862	60,735	16,943	6,627	7,340
Commercial banks:								
1968—Dec. 31	53,174	18,894	9,040	9,854	23,157	10,035	611	477
1969—Dec. 31	45,173	15,104	6,727	8,377	24,692	4,399	564	414
1970—Dec. 31	50,917	19,208	10,314	8,894	26,609	4,474	367	260
1971—Nov. 30	47,894	11,108	5,026	6,082	29,399	6,578	580	230
Dec. 31	51,363	14,920	8,287	6,633	28,823	6,847	555	217
Mutual savings banks:								
1968—Dec. 31	3,524	696	334	362	1,117	709	229	773
1969—Dec. 31	2,931	501	149	352	1,251	263	203	715
1970—Dec. 31	2,745	525	171	354	1,168	339	329	385
1971—Nov. 30	2,714	346	180	166	1,243	493	293	339
Dec. 31	2,742	416	235	181	1,221	499	281	326
Insurance companies:								
1968—Dec. 31	6,857	903	498	405	1,892	721	1,120	2,221
1969—Dec. 31	6,152	868	419	449	1,808	253	1,197	2,028
1970—Dec. 31	6,066	893	456	437	1,723	849	1,369	1,231
1971—Nov. 30	5,633	501	228	273	1,668	981	1,367	1,115
Dec. 31	5,679	720	325	395	1,499	993	1,366	1,102
Nonfinancial corporations:								
1968—Dec. 31	5,915	4,146	2,848	1,298	1,163	568	12	27
1969—Dec. 31	5,007	3,157	2,082	1,075	1,766	63	12	8
1970—Dec. 31	3,057	1,547	1,194	353	1,260	242	2	6
1971—Nov. 30	5,478	3,263	2,410	853	1,893	280	17	24
Dec. 31	6,021	4,191	3,280	911	1,492	301	16	20
Savings and loan associations:								
1968—Dec. 31	4,724	1,184	680	504	1,675	1,069	346	450
1969—Dec. 31	3,851	808	269	539	1,916	357	329	441
1970—Dec. 31	3,263	583	220	363	1,899	281	243	258
1971—Nov. 30	3,180	636	368	268	1,565	612	171	196
Dec. 31	3,002	629	343	286	1,449	587	162	175
State and local governments:								
1968—Dec. 31	13,426	5,323	4,231	1,092	2,347	805	1,404	3,546
1969—Dec. 31	13,909	6,416	5,200	1,216	2,853	524	1,225	2,893
1970—Dec. 31	11,204	5,184	3,803	1,381	2,458	774	1,191	1,598
1971—Nov. 30	9,691	4,329	3,709	620	2,372	793	933	1,263
Dec. 31	9,823	4,592	3,832	760	2,268	783	918	1,263
All others:								
1968—Dec. 31	80,853	46,524	37,591	8,933	19,526	7,316	2,411	5,075
1969—Dec. 31	85,391	52,926	42,648	10,278	20,199	4,053	2,545	5,665
1970—Dec. 31	91,227	56,140	45,092	11,048	22,037	5,672	3,078	4,298
1971—Nov. 30	93,610	53,611	48,193	5,418	25,104	7,297	3,360	4,242
Dec. 31	94,746	56,261	49,565	6,696	23,983	6,933	3,329	4,237

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

Beginning with Dec. 1968, certain Govt.-sponsored but privately owned agencies and certain Govt. deposit accounts have been removed from U.S. Govt. agencies and trust funds and added to "All others." Comparable data are not available for earlier periods.

Data complete for U.S. Govt. agencies and trust funds and F.R. Banks but for other groups are based on Treasury Survey data. Of total mar-

ketable 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 5,662 commercial banks, 486 mutual savings banks, and 740 insurance companies combined; (2) about 50 per cent by the 466 nonfinancial corporations and 487 savings and loan assns.; and (3) about 70 per cent by 502 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.

DEALER TRANSACTIONS

(Par value, in millions of dollars)

Period	U.S. Government securities									U.S. Govt. agency securities
	Total	By maturity				By type of customer				
		Within 1 year	1-5 years	5-10 years	Over 10 years	Dealers and brokers		Commercial banks	All other	
						U.S. Govt. securities	Other			
1970—Dec.	2,590	2,043	343	153	52	949	123	1,025	493	428
1971—Jan.	3,482	2,629	564	248	40	1,346	130	1,364	642	671
Feb.	3,316	2,291	579	397	49	1,178	145	1,232	760	679
Mar.	3,072	2,122	506	388	57	1,036	143	1,204	688	567
Apr.	2,458	1,881	328	216	33	828	116	878	636	516
May	2,322	1,695	406	192	29	837	100	742	643	480
June	2,195	1,802	273	92	28	727	110	687	672	418
July	2,484	2,103	280	74	28	814	131	837	702	471
Aug.	2,482	1,848	512	97	25	859	129	855	640	462
Sept.	2,115	1,598	271	219	26	759	99	725	532	482
Oct.	2,646	1,905	438	268	36	988	117	906	634	659
Nov.	2,691	1,668	523	418	81	906	157	940	687	547
Dec.	3,139	2,317	497	266	58	1,006	214	1,190	730	569
Week ending—										
1971—Dec. 1	3,138	2,454	416	210	58	1,055	152	1,096	836	611
8	3,121	2,277	492	278	74	1,020	245	1,064	793	463
15	3,095	2,323	501	239	32	956	239	1,190	710	516
22	2,681	1,991	396	252	43	884	177	956	664	683
29	3,973	2,839	710	345	79	1,263	247	1,675	787	680
Jan. 5	3,289	2,579	375	261	72	918	257	1,299	815	565
12	4,046	2,843	771	374	57	1,132	483	1,446	985	754
19	2,675	1,840	475	321	39	730	317	924	705	513
26	2,343	1,778	368	162	36	675	324	783	561	595

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.

DEALER POSITIONS

(Par value, in millions of dollars)

Period	U.S. Government securities, by maturity					U.S. Govt. agency securities
	All maturities	Within 1 year	1-5 years	5-10 years	Over 10 years	
1970—Dec.	5,571	4,399	612	485	76	1,049
1971—Jan.	5,634	4,626	525	403	80	966
Feb.	4,655	3,320	569	691	75	946
Mar.	4,421	3,511	437	404	70	981
Apr.	4,870	4,019	415	416	20	1,118
May	2,646	2,115	189	331	11	818
June	2,735	2,477	116	130	12	776
July	3,011	3,018	-23	26	-11	771
Aug.	2,897	2,473	344	70	11	698
Sept.	3,856	3,089	355	377	36	926
Oct.	4,353	3,612	394	310	37	903
Nov.	5,846	3,725	914	943	265	1,063
Dec.	5,335	3,877	626	600	232	1,101
Week ending—						
1971—Nov. 3	5,666	4,782	469	341	75	1,059
10	5,522	3,351	668	1,189	314	1,006
17	6,033	3,452	1,279	1,016	284	905
24	5,808	3,611	1,069	873	255	1,215
Dec. 1	6,120	4,379	746	751	244	1,153
8	5,213	3,702	636	640	235	1,123
15	5,157	3,781	576	567	232	1,056
22	5,097	3,625	674	555	243	1,059
29	5,775	4,328	623	592	231	1,163

NOTE.—The figures include all securities sold by dealers under repurchase contracts regardless of the maturity date of the contract, unless the contract is matched by a reverse repurchase (resale) agreement or delayed delivery sale with the same maturity and involving the same amount of securities. Included in the repurchase contracts are some that more clearly represent investments by the holders of the securities rather than dealer trading positions.

Average of daily figures based on number of trading days in the period.

DEALER FINANCING

(In millions of dollars)

Period	All sources	Commercial banks		Corporations ¹	All other
		New York City	Elsewhere		
1970—Dec.	5,949	1,868	1,960	379	1,742
1971—Jan.	6,198	1,888	1,695	527	2,088
Feb.	5,684	1,673	1,318	369	2,324
Mar.	4,543	1,356	926	399	1,862
Apr.	5,700	1,759	1,415	724	1,802
May	3,389	1,095	475	517	1,301
June	3,163	1,061	523	435	1,145
July	3,516	1,151	391	721	1,254
Aug.	3,071	894	390	821	967
Sept.	4,146	1,049	856	811	1,430
Oct.	4,511	1,188	704	921	1,699
Nov.	6,455	1,877	932	1,564	2,082
Dec.	5,516	1,374	912	1,659	1,571
Week ending—					
1971—Nov. 3	6,027	1,920	937	1,260	1,910
10	6,688	2,043	1,071	1,670	1,904
17	6,565	1,994	819	1,436	2,316
24	6,628	1,812	937	1,673	2,207
Dec. 1	5,852	1,547	901	1,552	1,852
8	5,852	1,558	968	1,713	1,614
15	5,277	1,419	777	1,646	1,434
22	5,382	1,318	1,034	1,627	1,404
29	5,326	1,126	841	1,662	1,696

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.

TOTAL NEW ISSUES

(In millions of dollars)

Period	Gross proceeds, all issues ¹										
	Total	Noncorporate				Total	Corporate			Stock	
		U.S. Govt. ²	U.S. Govt. agency ³	State and local (U.S.) ⁴	Other ⁵		Bonds	Publicly offered	Privately placed	Preferred	Common
						Total					
1963.....	35,199	10,827	1,168	10,107	887	12,211	10,856	4,713	6,143	343	1,011
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.....	88,664	14,831	16,180	17,762	949	38,944	30,264	25,384	4,880	1,388	7,292
1970—Nov.....	9,040	2,414	750	1,684	10	4,182	3,283	3,001	283	124	774
1970—Dec.....	7,651	401	924	2,245	100	3,980	3,270	2,436	834	168	541
1971—Jan.....	7,438	436	1,050	2,614	223	3,115	2,627	2,033	594	76	413
1971—Feb.....	6,522	431	1,224	1,823	44	3,000	2,476	2,201	275	100	424
1971—Mar.....	11,069	517	1,300	2,104	1,073	6,075	4,782	4,135	647	311	982
1971—Apr.....	7,244	467	700	1,859	177	4,042	2,623	2,116	507	537	882
1971—May.....	6,969	466	1,000	2,114	118	3,271	2,638	2,148	491	54	579
1971—June.....	10,994	2,779	1,812	1,988	40	4,375	3,042	2,283	760	104	1,228
1971—July.....	9,316	1,153	2,049	1,951	17	4,147	1,951	1,331	619	1,527	669
1971—Aug.....	9,346	3,228	1,500	1,850	237	2,532	1,844	1,428	416	270	418
1971—Sept.....	9,445	1,698	1,774	2,044	161	3,768	2,573	1,966	607	165	1,031
1971—Oct.....	9,392	2,455	1,876	1,679	12	3,369	2,645	1,942	703	86	638
1971—Nov.....	10,525	3,249	1,300	2,286	24	3,665	2,393	2,003	390	270	1,002

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
1963.....	3,202	313	676	150	948	9	2,259	418	953	152	2,818	313
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.....	9,191	1,322	1,949	2,545	2,188	92	8,016	3,001	5,059	83	3,861	1,636
1970—Nov.....	927	180	147	129	170	7	845	505	693	.....	502	78
1970—Dec.....	932	124	207	147	307	58	725	230	277	5	822	146
1971—Jan.....	647	69	259	239	167	.....	608	68	391	.....	555	112
1971—Feb.....	644	17	72	112	89	1	752	317	672	11	248	66
1971—Mar.....	2,123	294	289	186	160	1	895	557	481	52	834	204
1971—Apr.....	819	316	198	243	268	67	607	660	247	26	484	107
1971—May.....	631	158	143	131	250	89	447	141	403	2	763	113
1971—June.....	1,031	175	497	290	182	115	616	439	204	14	513	300
1971—July.....	383	200	159	188	157	62	520	212	232	1,390	500	144
1971—Aug.....	262	212	76	175	76	12	687	162	359	.....	385	126
1971—Sept.....	991	154	123	295	120	29	578	492	235	46	525	179
1971—Oct.....	571	93	138	172	185	5	703	230	432	.....	615	224
1971—Nov.....	654	174	68	237	102	6	657	545	256	9	657	301

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
1966.....	19,799	7,541	12,258	15,629	4,542	11,088	4,169	3,000	1,169
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
1970—III.....	9,385	2,089	7,297	7,598	1,546	6,051	1,788	542	1,245
1970—IV.....	11,936	2,577	9,359	9,034	2,069	6,964	2,902	508	2,394
1971—I.....	11,241	2,015	9,226	8,765	1,776	6,989	2,476	239	2,237
1971—II.....	13,212	2,979	10,233	8,974	2,681	6,294	4,238	299	3,939
1971—III.....	10,746	1,992	8,754	6,159	1,649	4,510	4,586	343	4,244

Period	Type of issuer											
	Manu- facturing		Commercial and other ²		Transpor- tation ³		Public utility		Communi- cation		Real estate and financial ¹	
	Bonds & notes	Stocks	Bonds & notes	Stocks	Bonds & notes	Stocks	Bonds & notes	Stocks	Bonds & notes	Stocks	Bonds & notes	Stocks
1966.....	4,324	32	616	-598	956	718	2,659	533	1,668	575	864	-90
1967.....	7,237	832	1,104	282	1,158	165	3,444	652	1,716	467	1,302	-130
1968.....	4,418	1,842	2,242	821	987	149	3,669	892	1,579	120	1,069	-741
1969.....	3,747	69	1,075	1,558	946	186	4,464	1,353	1,834	241	1,687	866
1970.....	6,641	870	853	1,778	1,104	36	6,861	2,917	4,806	94	2,564	1,107
1970—III.....	2,169	39	263	326	21	15	1,917	750	991	6	691	139
1970—IV.....	2,054	374	407	404	428	58	1,777	1,189	1,135	51	1,165	318
1971—I.....	2,076	520	201	416	271	33	1,897	948	1,194	66	1,349	255
1971—II.....	2,296	885	446	757	461	374	1,347	1,261	919	38	825	624
1971—III.....	852	676	10	678	195	230	1,493	814	832	1,442	1,148	404

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 trans- actions only. As contrasted with data shown on opposite page, new issues

exclude foreign sales and include sales of securities held by affiliated com- panies, 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 in- ternal funds or with proceeds of issues for that purpose.

OPEN-END INVESTMENT COMPANIES

(In millions of dollars)

Year	Sales and redemption of own shares			Assets (market value at end of period)			Month	Sales and redemption of own shares			Assets (market value at end of period)		
	Sales ¹	Redemp- tions	Net sales	Total ²	Cash position ³	Other		Sales ¹	Redemp- tions	Net sales	Total ²	Cash position ³	Other
1958.....	1,620	511	1,109	13,242	634	12,608	1970—Dec...	467	307	160	47,618	3,649	43,969
1959.....	2,280	786	1,494	15,818	860	14,958	1971—Jan...	487	242	245	50,251	3,663	46,588
1960.....	2,097	842	1,255	17,026	973	16,053	Feb...	349	322	27	51,300	3,600	47,700
1961.....	2,951	1,160	1,791	22,789	980	21,809	Mar...	468	425	43	53,618	3,328	50,290
1962.....	2,699	1,123	1,576	21,271	1,315	19,956	Apr...	547	394	153	55,883	3,046	52,837
1963.....	2,460	1,504	952	25,214	1,341	23,873	May...	307	428	-121	53,610	2,607	51,003
1964.....	3,404	1,875	1,528	29,116	1,329	27,787	June...	434	467	-33	53,560	2,830	50,730
1965.....	4,359	1,962	2,395	35,220	1,803	33,417	July...	371	444	-73	51,424	2,856	48,568
1966.....	4,671	2,005	2,665	34,829	2,971	31,858	Aug...	432	394	38	53,798	3,016	50,782
1967.....	4,670	2,745	1,927	44,701	2,566	42,135	Sept...	304	471	-167	53,291	2,511	50,780
1968.....	6,820	3,841	2,979	52,677	3,187	49,490	Oct...	596	419	177	51,160	2,885	48,275
1969.....	6,717	3,661	3,056	48,291	3,846	44,445	Nov...	397	334	63	50,958	3,172	47,786
							Dec...	453	411	42	55,045	3,038	52,007

¹ Includes contractual and regular single purchase sales, voluntary and contractual accumulation plan sales, and reinvestment of investment in- come 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 mem- bers, 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

SALES, PROFITS, AND DIVIDENDS OF LARGE CORPORATIONS

(In millions of dollars)

Industry	1965	1966	1967	1968	1969	1968				1969 ¹			
						I	II	III	IV	I	II	III	IV
Manufacturing													
Total (177 corps.):	177,237	195,738	201,399	225,740	243,449	53,633	57,732	53,987	60,388	57,613	61,392	61,061	63,383
Sales	177,237	195,738	201,399	225,740	243,449	53,633	57,732	53,987	60,388	57,613	61,392	61,061	63,383
Profits before taxes	22,046	23,487	20,898	25,375	25,622	5,985	6,878	5,580	6,932	6,565	6,887	5,851	6,319
Profits after taxes	12,461	13,307	12,664	13,787	14,090	3,298	3,609	3,030	3,850	3,579	3,750	3,244	3,517
Dividends	6,527	6,920	6,989	7,271	7,757	1,716	1,731	1,746	2,078	1,838	1,916	1,885	2,118
Nondurable goods industries (78 corps.):²													
Sales	64,897	73,643	77,969	84,861	92,033	20,156	21,025	21,551	22,129	21,764	23,198	23,445	23,626
Profits before taxes	7,846	9,181	9,039	9,866	10,333	2,387	2,492	2,545	2,442	2,524	2,664	2,641	2,504
Profits after taxes	4,786	5,473	5,379	5,799	6,103	1,428	1,411	1,471	1,489	1,492	1,559	1,529	1,523
Dividends	2,527	2,729	3,027	3,082	3,289	743	751	763	825	812	808	820	849
Durable goods industries (99 corps.):³													
Sales	112,341	122,094	123,429	140,879	151,416	33,477	36,707	32,435	38,259	35,849	38,195	37,616	39,756
Profits before taxes	14,200	14,307	11,822	15,510	15,290	3,598	4,386	3,036	4,490	4,041	4,224	3,210	3,815
Profits after taxes	7,675	7,834	6,352	7,989	7,989	1,871	2,198	1,559	2,361	2,087	2,190	1,715	1,997
Dividends	4,000	4,191	3,964	4,189	4,469	972	981	983	1,253	1,026	1,108	1,065	1,270
Selected industries:													
Foods and kindred products (25 corps.):													
Sales	16,427	19,038	20,134	22,139	24,593	5,184	5,389	5,737	5,799	5,714	5,923	6,631	6,325
Profits before taxes	1,710	1,916	1,967	2,227	2,425	498	563	590	576	534	581	666	644
Profits after taxes	896	1,008	1,041	1,093	1,171	255	260	285	293	261	275	314	321
Dividends	509	564	583	616	661	150	155	155	156	162	165	164	170
Chemical and allied products (20 corps.):													
Sales	18,158	20,007	20,561	22,808	24,494	5,436	5,697	5,782	5,893	5,845	6,230	6,236	6,183
Profits before taxes	2,891	3,073	2,731	3,117	3,258	760	807	806	744	844	875	818	721
Profits after taxes	1,630	1,737	1,579	1,618	1,773	390	419	412	398	448	473	441	411
Dividends	926	948	960	1,002	1,031	236	236	243	287	252	251	254	274
Petroleum refining (16 corps.):													
Sales	17,828	20,887	23,258	24,218	25,586	5,890	6,013	6,100	6,214	6,107	6,610	6,264	6,605
Profits before taxes	1,962	2,681	3,004	2,866	2,941	767	692	740	667	726	728	750	737
Profits after taxes	1,541	1,898	2,038	2,206	2,224	592	520	561	534	562	558	554	550
Dividends	737	817	1,079	1,039	1,123	253	255	258	273	282	273	282	286
Primary metals and products (34 corps.):													
Sales	26,548	28,558	26,532	30,171	33,674	7,150	8,427	7,461	7,133	7,671	8,612	8,448	8,943
Profits before taxes	2,931	3,277	2,487	2,921	3,052	669	915	601	735	691	828	715	818
Profits after taxes	1,689	1,903	1,506	1,750	1,912	376	550	343	482	431	504	435	542
Dividends	818	924	892	952	987	224	230	233	264	242	245	247	253
Machinery (24 corps.):													
Sales	25,364	29,512	32,721	35,660	38,719	8,371	8,864	8,907	9,517	8,957	9,757	10,542	9,463
Profits before taxes	3,107	3,612	3,482	4,134	4,377	936	1,008	1,112	1,079	1,071	1,167	1,141	998
Profits after taxes	1,626	1,875	1,789	2,014	2,147	448	499	537	531	526	576	568	477
Dividends	774	912	921	992	1,128	247	248	248	249	270	271	293	294
Automobiles and equipment (14 corps.):													
Sales	42,712	43,641	42,306	50,526	52,290	12,343	13,545	9,872	14,767	13,328	13,638	11,300	14,024
Profits before taxes	6,253	5,274	3,906	5,916	5,268	1,507	1,851	640	1,918	1,663	1,542	652	1,411
Profits after taxes	3,294	2,877	1,999	2,903	2,604	783	847	330	943	806	750	342	706
Dividends	1,890	1,775	1,567	1,642	1,723	364	364	364	550	365	436	366	556
Public utility													
Railroad:													
Operating revenue	10,208	10,661	10,377	10,859	11,451	2,611	2,758	2,708	2,782	2,741	2,916	2,836	2,958
Profits before taxes	979	1,094	385	678	683	127	206	149	196	128	220	149	186
Profits after taxes	815	906	319	565	461	112	174	110	169	98	173	98	92
Dividends	468	502	538	515	488	117	132	100	166	116	136	100	136
Electric power:													
Operating revenue	15,816	16,959	17,954	19,421	21,075	5,106	4,553	4,869	4,892	5,480	4,913	5,370	5,312
Profits before taxes	4,213	4,414	4,547	4,789	4,938	1,351	1,040	1,271	1,125	1,384	1,065	1,366	1,123
Profits after taxes	2,586	2,749	2,908	3,002	3,186	863	641	764	733	873	707	827	779
Dividends	1,838	1,938	2,066	2,201	2,299	539	555	543	565	580	577	561	581
Telephone:													
Operating revenue	11,320	12,420	13,311	14,430	16,057	3,486	3,544	3,629	3,771	3,853	3,975	4,044	4,185
Profits before taxes	3,185	3,537	3,694	3,951	4,098	971	989	990	1,001	1,070	1,043	979	1,006
Profits after taxes	1,718	1,903	1,997	1,961	2,080	525	441	493	502	540	523	497	520
Dividends	1,153	1,248	1,363	1,428	1,493	351	318	396	363	368	371	373	381

¹Manufacturing figures reflect changes by a number of companies in accounting methods and other reporting procedures.

²Includes 17 corporations in groups not shown separately.

³Includes 27 corporations in groups not shown separately.

NOTE.—Manufacturing corporations: Data are obtained primarily from published reports of companies.

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

Electric power: Federal Power Commission data for Class A and B electric utilities, except that quarterly figures on operating revenue and

profits before taxes are partly estimated by the Federal Reserve to include affiliated nonelectric operations.

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

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

Back data available from the Division of Research and Statistics.

Series have been temporarily discontinued.

CORPORATE PROFITS, TAXES, AND DIVIDENDS

(In billions of dollars)

Year	Profits before taxes	Income taxes	Profits after taxes	Cash dividends	Undistributed profits	Corporate capital consumption allowances ¹	Quarter	Profits before taxes	Income taxes	Profits after taxes	Cash dividends	Undistributed profits	Corporate capital consumption allowances ¹
1964.....	66.8	28.3	38.4	17.8	20.6	33.9	1970—I....	75.6	34.1	41.5	25.0	16.6	54.4
1965.....	77.8	31.3	46.5	19.8	26.7	36.4	II....	75.8	34.5	41.3	24.9	16.4	55.7
1966.....	84.2	34.3	49.9	20.8	29.1	39.5	III....	78.5	35.6	42.9	25.2	17.7	56.7
1967.....	79.8	33.2	46.6	21.4	25.3	43.0	IV....	71.6	32.3	39.2	25.0	14.3	58.0
1968.....	87.6	39.9	47.8	23.6	24.2	46.8	1971—I....	83.0	38.3	44.8	25.6	19.2	59.4
1969.....	84.2	39.7	44.5	24.4	20.0	51.3	II....	86.9	39.1	47.8	25.4	22.4	61.0
1970.....	75.4	34.1	41.2	25.0	16.2	36.2	III....	85.8	37.5	48.2	25.7	22.5	62.7
1971 ¹	85.2	37.7	47.4	25.5	21.9	61.9							

¹ Includes depreciation, capital outlays charged to current accounts, and accidental damages.

NOTE: -Dept. of Commerce estimates. Quarterly data are at seasonally adjusted annual rates.

CURRENT ASSETS AND LIABILITIES OF CORPORATIONS

(In billions of dollars)

End of period	Net working capital	Current assets							Current liabilities				
		Total	Cash	U.S. Govt. securities	Notes and accts. receivable		Inventories	Other	Total	Notes and accts. payable		Accrued Federal income taxes	Other
					U.S. Govt. ¹	Other				U.S. Govt. ¹	Other		
1964.....	170.0	372.2	47.3	18.6	3.4	169.9	113.5	19.6	202.2	2.7	140.3	17.0	42.2
1965.....	180.7	410.2	49.9	17.0	3.9	190.2	126.9	22.3	229.6	3.1	160.4	19.1	46.9
1966.....	188.2	442.6	49.3	15.4	4.5	205.2	143.1	25.1	254.4	4.4	179.0	18.3	52.8
1967.....	198.9	470.4	54.1	12.7	5.1	216.0	153.4	29.0	271.4	5.8	190.6	14.1	60.8
1968.....	212.0	513.8	58.0	14.2	5.1	237.1	165.8	33.6	301.8	6.4	209.8	16.4	69.1
1969.....	213.2	555.9	54.9	12.7	4.8	261.0	184.8	37.8	342.7	7.3	238.1	16.6	80.6
1970—I....	213.3	561.0	52.9	12.5	4.7	264.5	188.0	38.5	347.7	7.2	238.4	18.0	84.2
II....	213.6	566.3	52.5	10.7	4.4	268.7	190.2	39.9	352.7	7.0	244.1	14.6	87.1
III....	214.0	567.6	53.7	9.3	4.2	270.0	191.8	38.5	353.6	6.8	243.0	15.4	88.3
IV....	217.0	572.1	56.9	9.7	4.2	268.1	194.4	38.8	355.2	6.6	244.5	15.9	88.1
1971—I....	220.4	576.9	55.8	10.1	4.2	269.8	196.8	40.1	356.5	6.1	240.3	18.6	91.4
II....	226.3	582.6	58.6	10.3	3.9	273.2	197.4	39.3	356.3	5.3	241.2	16.8	93.0
III....	231.3	591.9	59.8	10.6	3.9	276.9	199.5	41.2	360.6	5.2	242.2	18.7	94.7

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

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

BUSINESS EXPENDITURES ON NEW PLANT AND EQUIPMENT

(In billions of dollars)

Period	Total	Manufacturing			Mining	Transportation			Public utilities		Communi- cations	Other ¹	Total (S.A. A.R.)
		Durable	Non-durable			Rail- road	Air	Other	Electric	Gas and other			
1965.....	54.42	11.50	11.94	1.46	1.99	1.22	1.68	4.43	1.70	5.30	13.19		
1966.....	63.51	14.06	14.14	1.62	2.37	1.74	1.64	5.38	2.05	6.02	14.48		
1967.....	65.47	14.06	14.45	1.65	1.86	2.29	1.48	6.75	2.00	6.34	14.59		
1968.....	67.76	14.12	14.25	1.63	1.45	2.56	1.59	7.66	2.54	6.83	15.14		
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 ²	81.47	14.29	15.92	2.13	1.67	1.87	1.37	12.80	2.40	10.89	18.11		
1972 ²	88.90	15.02	16.40	2.37	1.88	2.50	1.43	14.86	2.72	31.73			
1970—III....	20.26	3.87	4.12	.46	.46	.74	.30	2.79	.78	2.56	4.16	81.88	
IV....	21.66	4.26	4.40	.50	.43	.76	.33	3.12	.63	2.81	4.42	78.63	
1971—I....	17.68	3.11	3.58	.49	.34	.34	.28	2.70	.41	2.50	3.94	79.32	
II....	20.60	3.52	4.03	.54	.47	.60	.36	3.20	.63	2.81	4.44	81.61	
III....	20.14	3.40	3.91	.55	.42	.39	.37	3.35	.71	2.62	4.42	80.75	
IV ²	23.04	4.26	4.40	.56	.45	.54	.36	3.54	.65	8.28		84.02	
1972—12.....	19.48	3.50	3.38	.50	.50	.57	.33	3.05	.43	7.24		87.14	

¹ Includes trade, service, construction, finance, and insurance.

² Anticipated by business.

NOTE.—Dept. of Commerce and Securities and Exchange Commission estimates for corporate and noncorporate business; excludes agriculture, real estate operators, medical, legal, educational, and cultural service, and nonprofit organizations.

MORTGAGE DEBT OUTSTANDING

(In billions of dollars)

End of period	All properties				Farm			Nonfarm								
	All holders	Financial institutions ¹	Other holders ²		All holders	Financial institutions ¹	Other holders ³	All holders	1- to 4-family houses ⁴			Multifamily and commercial properties ⁵			Mortgage type ⁶	
			U.S. agencies	Individuals and others					Total	Finan. institutions ¹	Other holders	Total	Finan. institutions ¹	Other holders	FHA—VA—underwritten	Conventional
1941.....	37.6	20.7	4.7	12.2	6.4	1.5	4.9	31.2	18.4	11.2	7.2	12.9	8.1	4.8	3.0	28.2
1945.....	35.5	21.0	2.4	12.1	4.8	1.3	3.4	30.8	18.6	12.2	6.4	12.2	7.4	4.7	4.3	26.5
1964.....	300.1	241.0	11.4	47.7	18.9	7.0	11.9	281.2	197.6	170.3	27.3	83.6	63.7	19.9	77.2	204.0
1965.....	325.8	264.6	12.4	48.7	21.2	7.8	13.4	304.6	212.9	184.3	28.7	91.6	72.5	19.1	81.2	223.4
1966.....	347.4	280.8	15.8	50.9	23.3	8.4	14.9	324.1	223.6	192.1	31.5	100.5	80.2	20.3	84.1	240.0
1967.....	370.2	298.8	18.4	53.0	25.5	9.1	16.3	344.8	236.1	201.8	34.2	108.7	87.9	20.9	88.2	256.6
1968.....	397.5	319.9	21.7	55.8	27.5	9.7	17.8	370.0	251.2	213.1	38.1	118.7	97.1	21.6	93.4	276.6
1969—I....	403.7	324.7	22.6	56.4	28.1	9.8	18.3	375.7	254.8	216.0	38.8	120.9	98.9	21.9	94.5	281.2
II....	411.7	331.0	23.4	57.1	28.8	10.1	18.7	382.9	259.5	219.9	39.5	123.4	101.0	22.4	96.6	286.2
III....	418.7	335.7	24.9	58.1	29.2	10.1	19.1	389.5	263.4	222.5	40.9	126.0	103.1	22.9	98.5	291.0
IV....	425.3	339.1	26.8	59.4	29.5	9.9	19.6	395.9	266.8	223.6	43.2	129.0	105.5	23.5	100.2	295.7
1970—I....	429.4	340.7	28.6	60.1	29.8	9.8	20.0	399.6	268.5	223.8	44.7	131.1	107.1	23.9	101.9	297.6
II....	435.6	344.5	30.0	61.1	30.3	9.8	20.5	405.2	271.7	225.7	46.0	133.5	109.1	24.5	103.2	302.0
III....	443.4	349.7	31.7	61.9	30.8	10.0	20.8	412.5	276.0	228.5	47.5	136.5	111.4	25.1	106.8	305.7
IV....	451.7	355.9	33.0	62.8	31.2	10.1	21.1	420.5	280.2	231.4	48.8	140.3	114.6	25.7	109.2	311.3
1971—I....	459.0	361.8	33.6	63.6	31.8	10.1	21.7	427.2	283.6	234.5	49.4	143.6	117.5	26.1	111.0	316.2
II....	471.1	372.0	35.2	63.9	31.9	9.7	22.2	439.3	290.8	240.7	49.5	148.5	121.9	26.6	114.4	324.9

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

² U.S. agencies include former FNMA and, beginning fourth quarter 1968, new GNMA as well as FHA, VA, PHA, Farmers Home Admin., and in earlier years, RIC, HOLC, and FMC. They also include U.S. sponsored agencies—new FNMA, Federal land banks, GNMA (Pools), and the FHLIC. Other agencies (amounts small or current separate data not readily available) included with "individuals and others."

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

⁴ For multifamily and total residential properties, see p. A-54.

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 on p. A-54.

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

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

MORTGAGE LOANS HELD BY BANKS

(In millions of dollars)

End of period	Commercial bank holdings ¹						Mutual savings bank holdings ²							
	Total	Residential			Other non-farm	Farm	Total	Residential			Other non-farm	Farm		
		Total	FHA-insured	VA-guaranteed				Conventional	Total	FHA-insured			VA-guaranteed	Conventional
1941.....	4,906	3,292			1,048	566	4,812	3,884			900	28		
1945.....	4,772	3,395			856	521	4,208	3,387			797	24		
1964.....	43,976	28,933	7,315	2,742	18,876	12,405	2,638	40,556	36,487	12,287	11,121	13,079	4,016	53
1965.....	49,675	32,387	7,702	2,688	21,997	14,377	2,911	44,617	40,096	13,791	11,408	14,897	4,469	52
1966.....	54,380	34,876	7,544	2,599	24,733	16,366	3,138	47,337	42,242	14,500	11,471	16,272	5,041	53
1967.....	59,019	37,642	7,709	2,696	27,237	17,931	3,446	50,490	44,641	15,074	11,795	17,772	5,732	117
1968.....	65,696	41,433	7,926	2,708	30,800	20,505	3,758	53,456	46,748	15,569	12,033	19,146	6,592	117
1968—III....	63,779	40,251	7,768	2,657	29,826	19,771	3,757	52,496	46,051	15,367	11,945	18,739	6,329	116
IV....	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—I....	67,146	42,302	7,953	2,711	31,638	20,950	3,894	54,178	47,305	15,678	12,097	19,530	6,756	117
II....	69,079	43,532	8,060	2,743	32,729	21,459	4,088	54,844	47,818	15,769	12,151	19,898	6,908	117
III....	70,336	44,331	8,065	2,793	33,470	21,924	4,081	55,359	48,189	15,813	12,169	20,207	7,053	117
IV....	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—I....	70,854	44,568	7,888	2,496	34,184	22,248	4,038	56,394	48,874	15,865	12,105	20,904	7,413	107
II....	71,291	44,845	7,800	2,575	34,469	22,392	4,054	56,880	49,260	15,931	12,092	21,237	7,519	101
III....	72,393	45,318	7,885	2,583	34,850	22,825	4,250	57,402	49,628	16,017	12,127	21,654	7,671	103
IV....	73,275	45,640	7,919	2,589	35,131	23,284	4,351	57,948	49,937	16,087	12,008	21,842	7,893	119
1971—I....	74,424	46,343	7,971	2,595	35,777	23,595	4,486	58,680	50,553	16,157	12,010	22,386	8,014	113
II....	76,639	48,163	8,146	2,636	37,381	24,477	3,999	59,643	51,362	16,281	12,011	23,069	8,174	107

¹ Includes loans held by nondeposit trust companies, but not bank trust depts.

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

NOTE.—Second and fourth quarters, Federal Deposit Insurance Corporation series for all commercial and mutual savings banks in the United

States and possessions. First and third quarters, estimates based on special F.R. interpolations after 1963 or beginning 1964. For earlier years, the basis for first- and third-quarter estimates included F.R. commercial bank call report data and data from the National Assn. of Mutual Savings Banks.

MORTGAGE ACTIVITY OF LIFE INSURANCE COMPANIES

(In millions of dollars)

Period	Loans acquired						Loans outstanding (end of period)					
	Total	Nonfarm				Farm	Total	Nonfarm				Farm
		Total	FHA-insured	VA-guaranteed	Other ¹			Total	FHA-insured	VA-guaranteed	Other	
1945.....	976						6,637	5,860	1,394		4,466	766
1963.....	9,172	8,306	1,598	678	6,030	866	50,544	46,752	10,756	6,401	29,595	3,792
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	755	346	6,052	722	69,973	64,172	12,469	5,954	45,749	5,801
1969.....	7,531	6,943	663	220	6,108	537	72,027	66,254	12,271	5,701	48,282	5,773
1970.....	7,127	6,763	401	82	6,280	314	74,345	68,693	11,325	5,390	51,978	5,652
1970—Nov.....	553	533	37	6	490	20	73,848	68,189	11,436	5,416	51,337	5,659
Dec.....	1,143	1,099	44	8	1,047	44	74,345	68,693	11,325	5,390	51,978	5,652
1971—Jan.....	448	423	17	7	399	25	74,370	68,779	11,383	5,368	52,028	5,591
Feb.....	449	425	17	5	407	24	74,437	68,871	11,338	5,346	52,187	5,566
Mar.....	623	579	33	5	541	44	74,516	68,973	11,302	5,316	52,355	5,543
Apr.....	578	533	18	8	507	45	74,536	68,993	11,237	5,284	52,472	5,543
May.....	491	442	24	8	410	49	74,552	68,425	11,186	5,254	51,985	5,554
June.....	537	494	29	9	456	42	74,535	68,973	11,123	5,219	52,631	5,562
July.....	590	551	20	8	523	39	74,583	69,017	11,048	5,180	52,789	5,566
Aug.....	735	684	23	8	601	51	74,707	69,121	10,975	5,142	52,438	5,586
Sept.....	672	636	73	10	515	36	74,799	69,209	10,950	5,104	52,590	5,590
Oct.....	607	568	28	11	487	39	74,864	69,270	10,884	5,071	52,749	5,594
Nov.....	607	565	20	9	492	42	74,903	69,302	10,843	5,047	52,854	5,596

¹ Includes mortgage loans secured by land on which oil drilling or extracting operations are in process.

NOTE: Institute of Life Insurance data. For loans acquired, the monthly figures may not add to annual totals; and for loans outstanding

the end-of-Dec. figures may differ from end-of-year figures because (1) monthly figures represent book value of ledger assets, whereas year-end figures represent annual statement asset values, and (2) data for year-end adjustments are more complete. Beginning 1970 monthly and year-earlier data are on a statement balance basis.

MORTGAGE ACTIVITY OF SAVINGS AND LOAN ASSOCIATIONS

(In millions of dollars)

Period	Loans made			Loans outstanding (end of period)			
	Total ¹	New home construction	Home purchase	Total ²	FHA-insured	VA-guaranteed	Conventional
1945.....	1,913	181	1,358	5,376			
1963.....	25,173	7,185	10,055	90,944	4,696	6,960	79,288
1964.....	24,913	6,638	10,538	101,333	4,894	6,683	89,756
1965.....	24,192	6,013	10,830	110,306	5,145	6,398	98,763
1966.....	16,924	3,653	7,828	114,427	5,269	6,157	103,001
1967.....	20,122	4,243	9,604	121,805	5,791	6,351	109,663
1968.....	21,983	4,916	11,215	130,802	6,658	7,012	117,132
1969.....	21,847	4,757	11,254	140,347	7,917	7,658	124,772
1970.....	21,387	4,150	10,239	150,562	10,195	8,507	131,860
1970—Nov.....	1,972	355	919	148,896	9,226	8,336	130,794
Dec.....	2,474	416	968	150,560	10,195	8,507	131,860
1971—Jan.....	1,667	307	752	151,503	10,473	8,673	132,357
Feb.....	1,887	346	818	152,665	10,810	8,766	133,089
Mar.....	2,795	521	1,143	154,430	12,123	8,922	134,320
Apr.....	3,168	597	1,306	156,574	11,560	9,128	135,886
May.....	3,438	620	1,451	158,747	11,885	9,299	137,563
June.....	4,301	718	2,109	161,440	12,273	9,580	139,587
July.....	4,151	686	2,087	163,951	12,592	9,784	141,575
Aug.....	4,111	641	2,225	166,342	12,852	10,034	143,456
Sept.....	3,672	628	1,951	168,464	13,130	10,232	145,102
Oct.....	3,405	609	1,717	170,106	13,278	10,374	146,454
Nov.....	3,265	583	1,643	172,040	13,520	10,576	147,944

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

² Beginning with 1958, includes shares pledged against mortgage loans; beginning with 1966, includes junior liens and real estate sold on contract; and beginning with 1967, includes downward structural adjustment for change in universe.

NOTE—Federal Home Loan Bank Board data.

FEDERAL HOME LOAN BANKS

(In millions of dollars)

Period	Advances	Repayments	Advances outstanding (end of period)			Members' deposits
			Total	Short-term ¹	Long-term ²	
1945.....	278	213	195	176	19	46
1963.....	5,601	4,296	4,784	2,863	1,921	1,151
1964.....	5,565	5,025	5,325	2,846	2,479	1,199
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
1970—Dec.....	224	134	10,615	3,081	7,534	2,331
1971—Jan.....	43	331	10,326	2,924	7,403	2,750
Feb.....	27	428	9,926	2,697	7,230	3,093
Apr.....	71	1,492	8,269	2,226	6,043	2,828
May.....	151	1,151	7,267	2,322	4,945	2,376
June.....	238	264	7,241	2,397	4,844	2,111
July.....	309	213	7,338	2,544	4,794	1,696
Aug.....	358	183	7,514	2,812	4,702	1,528
Sept.....	327	203	7,637	2,844	4,793	1,522
Oct.....	306	303	7,640	2,874	4,766	1,450
Nov.....	364	296	7,709	2,829	4,880	1,549
Dec.....	490	262	7,936	3,002	4,934	1,789

¹ Secured or unsecured loans maturing in 1 year or less.
² Secured loans, amortized quarterly, having maturities of more than 1 year but not more than 10 years.

NOTE.—Federal Home Loan Bank Board data.

MORTGAGE DEBT OUTSTANDING ON RESIDENTIAL PROPERTIES

(In billions of dollars)

End of period	All residential			Multifamily ¹		
	Total	Financial institutions	Other holders	Total	Financial institutions	Other holders
1941.....	24.2	14.9	9.4	5.9	3.6	2.2
1945.....	24.3	15.7	8.6	5.7	3.5	2.2
1963.....	211.2	176.7	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 ^p	280.0	236.6	43.4	43.9	34.7	9.2
1968 ^p	298.6	250.8	47.8	47.3	37.7	9.6
1969—III....	314.1	262.7	51.4	50.6	40.2	10.4
IV.....	319.0	265.0	54.0	52.2	41.3	10.9
1970—I.....	321.7	265.9	55.8	53.2	42.9	10.3
II.....	326.3	268.9	57.4	54.5	43.2	11.3
III.....	332.2	272.8	59.4	56.1	44.3	11.8
IV.....	338.2	277.2	61.0	58.0	45.8	12.2
1971—I.....	343.3	281.6	61.7	59.7	47.2	12.5
II.....	353.1	290.1	63.0	62.3	49.4	12.9

¹ Structures of five or more units.

NOTE.—Based on data from same source as for "Mortgage Debt Outstanding" table (second preceding page).

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	
1954.....	18.6	4.3	4.1	.2	14.3
1963.....	182.2	65.9	35.0	30.9	116.3
1964.....	197.6	69.2	38.3	30.9	128.3
1965.....	212.9	73.1	42.0	31.1	139.8
1966.....	223.6	76.1	44.8	31.3	147.6
1967 ^p	236.1	79.9	47.4	32.5	156.1
1968 ^p	251.2	84.4	50.6	33.8	166.8
1969—I.....	254.8	85.3	51.4	33.9	169.6
II.....	259.5	87.1	52.2	34.9	172.3
III.....	*263.4	88.8	*53.3	35.5	174.6
IV.....	*267.0	90.2	54.5	*35.6	176.6
1970—I.....	268.5	91.6	55.6	36.0	*177.1
II.....	271.7	92.2	56.1	36.0	*179.9
III.....	*275.8	95.1	58.1	37.0	*180.7
IV.....	*279.7	97.3	59.9	37.3	*182.5
1971—I.....	283.6	98.2	61.0	37.3	185.3
II.....	*290.9	*100.4	62.8	*37.6	*190.5

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.

GOVERNMENT-UNDERWRITTEN RESIDENTIAL LOANS MADE

(In millions of dollars)

Period	FHA-insured				VA-guaranteed		
	Total	Mortgages		Property improvements ²	Total ³	Mortgages	
		New homes	Existing homes			New homes	Existing homes
1945.....	665	257	217	20	171	192	.....
1964.....	8,130	1,608	4,965	895	663	2,846	1,023 1,821
1965.....	8,689	1,705	5,760	591	634	2,652	876 1,774
1966.....	7,320	1,729	4,366	583	641	2,600	980 1,618
1967.....	7,150	1,369	4,516	642	623	3,405	1,143 2,259
1968.....	8,275	1,572	4,924	1,123	656	3,774	1,430 2,343
1969.....	9,129	1,551	5,570	1,316	693	4,072	1,493 2,579
1970.....	11,981	2,667	5,447	3,250	617	3,442	1,311 2,131
1970—Oct...	1,218	304	564	292	57	341	117 224
Nov...	1,063	273	497	248	45	318	106 212
Dec...	1,351	280	472	549	50	316	109 207
1971—Jan...	999	295	476	187	41	297	102 195
Feb...	951	284	450	185	32	256	90 166
Mar...	1,097	318	531	202	46	303	98 205
Apr...	1,136	293	467	330	46	350	98 252
May...	1,203	290	504	354	55	417	111 306
June...	1,372	322	629	399	21	.....	.....
July...	1,340	338	646	304	53	.....	.....
Aug...	1,393	407	710	216	60	577	146 431
Sept...	1,242	320	543	290	89	693	188 506
Oct...	1,202	318	504	276	105	.....	.....

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

² Not ordinarily secured by mortgages.

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

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

DELINQUENCY RATES ON HOME MORTGAGES

(Per 100 mortgages held or serviced)

End of period	Loans not in foreclosure but delinquent for—				Loans in foreclosure
	Total	30 days	60 days	90 days or more	
1963.....	3.30	2.32	.60	.38	.34
1964.....	3.21	2.35	.55	.31	.38
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
1967—I.....	3.04	2.17	.56	.31	.38
II.....	2.85	2.14	.45	.26	.34
III.....	3.15	2.36	.52	.27	.31
IV.....	3.47	2.66	.54	.27	.32
1968—I.....	2.84	2.11	.49	.24	.32
II.....	2.89	2.23	.44	.22	.28
III.....	2.93	2.23	.48	.22	.26
IV.....	3.17	2.43	.51	.23	.26
1969—I.....	2.77	2.04	.49	.24	.26
II.....	2.68	2.06	.41	.21	.25
III.....	2.91	2.18	.47	.26	.25
IV.....	3.22	2.43	.52	.27	.27
1970—I.....	2.96	2.14	.52	.30	.31
II.....	2.83	2.10	.45	.28	.31
III.....	3.10	2.26	.53	.31	.25
IV.....	3.64	2.67	.61	.36	.33
1971—I.....	3.21	2.26	.56	.39	.40
II.....	3.27	2.36	.53	.38	.38

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 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	Out standing
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	1,130
1970.....	5,184	4,634	550	621	.....	897	738
1970-Oct....	5,132	4,573	559	46	.....	42	775
Nov....	5,141	4,587	554	35	.....	42	776
Dec....	5,184	4,634	550	70	.....	37	738
1971-Jan....	5,188	4,641	546	35	.....	27	705
Feb....	5,213	4,670	543	38	.....	21	682
Mar....	5,241	4,703	538	56	.....	100	707
Apr....	5,244	4,710	534	39	.....	120	786
May....	5,261	4,731	530	40	.....	171	906
June....	5,275	4,751	524	43	43	424	1,247
July....	5,282	4,761	520	25	25	487	1,586
Aug....	5,279	.....	.....	.....	.....	.....	.....
Sept....	5,259	4,749	510	.....	.....	.....	.....
Oct....	5,245	.....	.....	.....	.....	.....	.....

NOTE.—Government National Mortgage Assn. data. Data prior to Sept. 1968 relate to Special Assistance and Management and Liquidating portfolios of former FNMA and include mortgages subject to participation pool of Government Mortgage Liquidation Trust, but exclude conventional mortgage loans acquired by former FNMA from the RFC Mortgage Co., the Defense Homes Corp., the Public Housing Admin., and Community Facilities Admin.

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	Out standing
1967.....	5,522	4,048	1,474	1,400	12	1,736	501
1968.....	7,167	5,121	2,046	1,944	.....	2,697	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
1970-Oct....	15,152	10,780	4,372	397	.....	535	4,805
Nov....	15,396	10,981	4,416	294	.....	541	4,930
Dec....	15,502	11,071	4,431	165	.....	600	5,203
1971-Jan....	15,520	11,092	4,428	75	4	139	5,092
Feb....	15,448	11,061	4,391	60	72	80	4,865
Mar....	15,420	11,012	4,408	76	46	33	4,380
Apr....	15,308	10,933	4,375	58	105	457	4,381
May....	15,242	10,893	4,349	91	92	871	920
June....	15,363	10,970	4,393	239	10	1,294	5,750
July....	15,674	11,184	4,490	407	.....	576	5,709
Aug....	16,304	11,662	4,642	659	.....	1,219	5,146
Sept....	16,732	.....	.....	635	.....	572	5,327
Oct....	17,202	.....	.....	.....	.....	.....	.....

NOTE.—Federal National Mortgage Assn. data. Data prior to Sept. 1968 relate to secondary market portfolio of former FNMA. Mortgage commitments made during the period include some multifamily and non-profit 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).

HOME-MORTGAGE YIELDS

(In per cent)

Period	Primary market (conventional loans)			Secondary market
	FHLBB series (effective rate)		FHA series	Yield on FHA-insured new home loans
	New homes	Existing homes	New homes	
1967.....	6.46	6.52	6.53	6.55
1968.....	6.97	7.03	7.12	7.21
1969.....	7.81	7.82	7.99	8.26
1970.....	8.44	8.35	8.52	9.05
1970-Dec....	8.38	8.26	8.30	8.40
1971-Jan....	8.18	8.08	7.95	.....
Feb....	7.91	7.80	7.75	.....
Mar....	7.66	7.60	7.60	7.32
Apr....	7.49	7.47	7.55	7.37
May....	7.47	7.45	7.65	7.75
June....	7.50	7.50	7.70	7.89
July....	7.66	7.63	7.80	7.97
Aug....	7.74	7.71	7.85	7.92
Sept....	7.83	7.76	7.85	7.84
Oct....	7.84	7.75	7.80	7.75
Nov....	7.79	7.71	7.75	7.62
Dec....	7.63	7.51	7.70	7.59

NOTE.—Annual data are averages of monthly figures. The FHA data are based on opinion reports submitted by field offices on prevailing local conditions as of the first of the succeeding month. Yields on FHA-insured mortgages are derived from weighted averages of private secondary market prices for Sec. 203, 30-year mortgages with minimum downpayment and an assumed prepayment at the end of 15 years. Gaps in data are due to periods of adjustment to changes in maximum permissible contract interest rates. The FHA series on average contract interest rates on conventional first mortgages in primary markets are unweighted and are rounded to the nearest 5 basis points. The FHLBB effective rate series reflects fees and charges as well as contract rates (as shown in the table on conventional first-mortgage terms, p. A-37) and an assumed prepayment at end of 10 years.

FEDERAL NATIONAL MORTGAGE ASSOCIATION ACTIVITY UNDER FREE MARKET SYSTEM

Date of auction	Mortgage amounts						Implicit yield, by commitment period (in months)		
	Offered	Accepted					3-4	6	12-18
		Total	By commitment period (in months)						
			3-4	6	12-18				
In millions of dollars									
In per cent									
1971-June 1..	322.4	146.6	77.1	57.8	11.6	8.05	8.18	8.16	
14..	638.2	191.2	133.7	47.3	10.2	7.91	8.15	8.22	
28..	539.0	262.6	191.8	60.3	10.4	7.92	8.22	8.28	
July 12..	606.0	241.1	161.8	60.3	10.4	7.98	8.23	8.31	
28..	686.2	183.4	183.3	58.2	21.1	8.07	.....	.....
Aug. 25..	634.6	153.5	153.5	.....	.....	7.97	.....	.....
Sept. 8..	445.2	188.6	188.6	.....	.....	7.88	.....	.....
20..	437.5	193.0	193.0	.....	.....	7.86	.....	.....
Oct. 4..	365.1	194.8	194.8	.....	.....	7.85	.....	.....
18..	219.8	103.6	103.6	.....	.....	7.83	.....	.....
Nov. 1..	126.0	56.4	56.4	.....	.....	7.77	.....	.....
15..	145.2	102.0	102.0	.....	.....	7.70	.....	.....
29..	210.6	101.1	101.1	.....	.....	7.66	.....	.....
Dec. 12..	232.5	70.2	70.2	.....	.....	7.63	.....	.....
27..	222.7	148.1	148.1	.....	.....	7.62	.....	.....
1972-Jan. 10..	136.9	72.9	72.9	.....	.....	7.61	.....	.....
Jan. 24..	103.6	54.9	54.9	.....	.....	7.61	.....	.....

NOTE.—Implicit secondary market yields are gross—before deduction of 38-basis-point fee paid for mortgage servicing. They reflect the average accepted bid yield for Govt.-underwritten mortgages after adjustment by Federal Reserve to allow for FNMA commitment fees and FNMA stock purchase and holding requirements, assuming a prepayment period of 15 years for 30-year loans. Commitments for 12-18 months are for new homes only. Beginning Oct. 18, 1971, the maturity on new short-term commitments was extended from 3 to 4 months.

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
1939.....	7,222	4,503	1,497	1,620	298	1,088	2,719	787	1,414	518
1941.....	9,172	6,085	2,458	1,929	376	1,322	3,087	845	1,645	597
1945.....	5,665	2,462	455	816	182	1,009	3,203	746	1,612	845
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.....	90,314	71,324	28,619	18,565	3,728	20,412	18,990	7,671	6,430	4,889
1966.....	97,543	77,539	30,556	20,978	3,818	22,187	20,004	7,972	6,686	5,346
1967.....	102,132	80,926	30,724	22,395	3,789	24,018	21,206	8,428	6,968	5,810
1968.....	113,191	89,890	34,130	24,899	3,925	26,936	23,301	9,138	7,755	6,408
1969.....	122,469	98,169	36,602	27,609	4,040	29,918	24,300	9,096	8,234	6,970
1970.....	126,802	101,161	35,490	29,949	4,110	31,612	25,641	9,484	8,850	7,307
1971.....	137,237	109,545	38,310	32,447	4,356	34,432	27,692	10,300	9,818	7,574
1970—Dec.....	126,802	101,161	35,490	29,949	4,110	31,612	25,641	9,484	8,850	7,307
1971—Jan.....	125,077	100,101	35,004	29,575	4,067	31,455	24,976	9,480	8,094	7,402
Feb.....	123,815	99,244	34,869	28,928	4,051	31,396	24,571	9,506	7,353	7,712
Mar.....	123,604	99,168	35,028	28,591	4,045	31,504	24,436	9,557	7,207	7,672
Apr.....	125,047	100,028	35,496	28,682	4,077	31,773	25,019	9,676	7,689	7,654
May.....	126,025	100,692	35,819	28,706	4,126	32,041	25,333	9,765	8,004	7,564
June.....	127,388	101,862	36,349	28,976	4,186	32,351	25,526	9,862	8,214	7,450
July.....	128,354	102,848	36,763	29,165	4,240	32,680	25,506	9,854	8,271	7,381
Aug.....	129,704	104,060	37,154	29,477	4,295	33,134	25,644	9,997	8,305	7,342
Sept.....	130,644	104,973	37,383	29,840	4,330	33,420	25,671	10,061	8,305	7,305
Oct.....	131,606	105,763	37,759	30,072	4,357	33,575	25,843	10,097	8,435	7,311
Nov.....	133,263	107,097	38,164	30,586	4,370	33,977	26,166	10,182	8,634	7,350
Dec.....	137,237	109,545	38,310	32,447	4,356	34,432	27,692	10,300	9,818	7,574

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 house-

hold, 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 pp. 983-1003 of the BULLETIN for Dec. 1968.

INSTALMENT CREDIT

(In millions of dollars)

End of period	Total	Financial institutions					Retail outlets		
		Total	Com- mercial banks	Finance cos. ¹	Credit unions	Mis- cellaneous lenders ¹	Total	Auto- mobile dealers ²	Other retail outlets
1939.....	4,503	3,065	1,079	1,836	132	18	1,438	123	1,315
1941.....	6,085	4,480	1,726	2,541	198	15	1,605	188	1,417
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.....	71,324	61,533	28,962	24,282	7,324	965	9,791	315	9,476
1966.....	77,539	66,724	31,319	26,091	8,255	1,059	10,815	277	10,538
1967.....	80,926	69,490	32,700	26,734	8,972	1,084	11,436	285	11,151
1968.....	89,890	77,457	36,952	29,098	10,178	1,229	12,433	320	12,113
1969.....	98,169	84,982	40,305	31,734	11,594	1,349	13,187	336	12,851
1970.....	101,161	87,064	41,895	31,123	12,500	1,546	14,097	327	13,770
1971.....	109,545	94,086	45,976	32,140	14,191	1,779	15,459	360	15,099
1970—Dec.....	101,161	87,064	41,895	31,123	12,500	1,546	14,097	327	13,770
1971—Jan.....	100,101	86,308	41,611	30,791	12,353	1,553	13,793	324	13,469
Feb.....	99,244	85,914	41,446	30,511	12,351	1,602	13,334	323	13,011
Mar.....	99,168	86,015	41,563	30,326	12,509	1,617	13,153	325	12,828
Apr.....	100,028	86,805	42,094	30,369	12,686	1,656	13,223	330	12,893
May.....	100,692	87,491	42,482	30,441	12,874	1,694	13,201	334	12,867
June.....	101,862	88,544	43,011	30,609	13,206	1,718	13,318	339	12,979
July.....	102,848	89,458	43,509	30,906	13,296	1,747	13,390	344	13,046
Aug.....	104,060	90,536	44,112	31,098	13,570	1,756	13,524	347	13,177
Sept.....	104,973	91,279	44,603	31,133	13,780	1,763	13,694	349	13,345
Oct.....	105,763	91,943	44,947	31,331	13,875	1,790	13,820	354	13,466
Nov.....	107,097	92,901	45,396	31,643	14,052	1,810	14,196	359	13,837
Dec.....	109,545	94,086	45,976	32,140	14,191	1,779	15,459	360	15,099

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.

INSTALMENT CREDIT HELD BY COMMERCIAL BANKS

(In millions of dollars)

End of period	Total	Automobile paper		Other consumer goods paper	Repair and modernization loans	Personal loans
		Purchased	Direct			
1939.....	1,079	237	178	166	135	363
1941.....	1,726	447	338	309	161	471
1945.....	745	66	143	114	110	312
1950.....	5,798	1,177	1,294	1,456	834	1,037
1955.....	10,601	3,243	2,062	2,042	1,338	1,916
1960.....	16,672	5,316	2,820	2,759	2,200	3,577
1965.....	28,962	10,209	5,659	4,166	2,571	6,357
1966.....	31,319	11,024	5,956	4,681	2,647	7,011
1967.....	32,700	10,927	6,267	5,126	2,629	7,751
1968.....	36,952	12,213	7,105	6,060	2,719	8,855
1969.....	40,305	12,784	7,620	7,415	2,751	9,735
1970.....	41,895	12,433	7,587	8,633	2,760	10,482
1971.....	45,976	13,003	8,752	9,805	2,864	11,552
1970—Dec....	41,895	12,433	7,587	8,633	2,760	10,482
1971—Jan....	41,611	12,253	7,530	8,613	2,727	10,488
Feb....	41,446	12,165	7,561	8,535	2,704	10,481
Mar....	41,563	12,147	7,667	8,499	2,692	10,558
Apr....	42,094	12,268	7,825	8,595	2,702	10,704
May....	42,482	12,361	7,942	8,676	2,729	10,774
June....	43,011	12,484	8,098	8,821	2,765	10,843
July....	43,509	12,614	8,220	8,931	2,803	10,941
Aug....	44,112	12,753	8,318	9,074	2,838	11,129
Sept....	44,603	12,831	8,380	9,235	2,860	11,297
Oct....	44,947	12,932	8,509	9,301	2,874	11,331
Nov....	45,396	13,015	8,680	9,412	2,875	11,414
Dec....	45,976	13,003	8,752	9,805	2,864	11,552

See NOTE to first table on preceding page.

INSTALMENT CREDIT HELD BY FINANCE COMPANIES

(In millions of dollars)

End of period	Total	Auto- mobile paper	Other con- sumer goods paper	Repair and modern- ization loans	Per- sonal loans
1941.....	2,541	1,438	194	204	705
1945.....	910	202	40	62	606
1950.....	5,315	3,157	692	80	1,386
1955.....	11,838	7,108	1,448	42	3,240
1960.....	15,435	7,703	2,553	173	5,006
1965.....	24,282	9,400	4,425	224	10,233
1966.....	26,091	9,889	5,171	191	10,840
1967.....	26,734	9,538	5,479	154	11,563
1968.....	29,098	10,279	5,999	113	12,707
1969.....	31,734	11,053	6,514	106	14,061
1970.....	31,123	9,941	6,648	94	14,440
1971.....	32,140	10,279	6,521	107	15,233
1970—Dec....	31,123	9,941	6,648	94	14,440
1971—Jan....	30,791	9,754	6,605	93	14,339
Feb....	30,511	9,672	6,493	93	14,253
Mar....	30,326	9,674	6,363	93	14,196
Apr....	30,369	9,781	6,280	98	14,210
May....	30,441	9,810	6,236	100	14,295
June....	30,609	9,918	6,224	101	14,366
July....	30,906	10,037	6,230	101	14,538
Aug....	31,098	10,077	6,249	103	14,669
Sept....	31,133	10,077	6,268	104	14,684
Oct....	31,331	10,177	6,306	105	14,743
Nov....	31,643	10,248	6,325	106	14,964
Dec....	32,140	10,279	6,521	107	15,233

NOTE.—Finance companies consist of those institutions formerly classified as sales finance, consumer finance, and other finance companies.

INSTALMENT CREDIT HELD BY OTHER FINANCIAL LENDERS

(In millions of dollars)

End of period	Total	Auto- mobile paper	Other con- sumer goods paper	Repair and modern- ization loans	Per- sonal loans
1941.....	213	47	9	11	146
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.....	9,314	3,410	588	980	4,336
1967.....	10,056	3,707	639	1,006	4,704
1968.....	11,407	4,213	727	1,093	5,374
1969.....	12,943	4,809	829	1,183	6,122
1970.....	14,046	5,202	898	1,256	6,690
1971.....	15,970	5,916	1,022	1,385	7,647
1970—Dec....	14,046	5,202	898	1,256	6,690
1971—Jan....	13,906	5,143	888	1,247	6,628
Feb....	13,953	5,148	889	1,254	6,662
Mar....	14,126	5,215	901	1,260	6,750
Apr....	14,342	5,292	914	1,277	6,859
May....	14,568	5,372	927	1,297	6,972
June....	14,924	5,510	952	1,320	7,142
July....	15,043	5,548	958	1,336	7,201
Aug....	15,326	5,659	977	1,354	7,336
Sept....	15,543	5,746	992	1,366	7,439
Oct....	15,665	5,787	999	1,378	7,501
Nov....	15,862	5,862	1,012	1,389	7,599
Dec....	15,970	5,916	1,022	1,385	7,647

NOTE.—Other financial lenders consist of credit unions and miscellaneous lenders.

NONINSTALMENT CREDIT

(In millions of dollars)

End of period	Total	Single- payment loans		Charge accounts		Service credit
		Com- mer- cial banks	Other finan- cial insti- tutions	Retail outlets	Credit cards ¹	
1939.....	2,719	625	162	1,414	.....	518
1941.....	3,087	693	152	1,645	.....	597
1945.....	3,203	674	72	1,612	.....	845
1950.....	6,768	1,576	245	3,291	.....	76
1955.....	9,924	2,635	367	4,579	.....	216
1960.....	13,173	3,884	623	4,893	.....	436
1965.....	18,990	6,690	981	5,724	.....	706
1966.....	20,004	6,946	1,026	5,812	.....	874
1967.....	21,206	7,340	1,088	5,939	.....	1,029
1968.....	23,301	7,975	1,163	6,450	.....	1,305
1969.....	24,300	7,900	1,196	6,650	.....	1,584
1970.....	25,641	8,205	1,279	6,932	.....	1,918
1971.....	27,692	8,916	1,384	7,597	.....	2,221
1970—Dec....	25,641	8,205	1,279	6,932	.....	1,918
1971—Jan....	24,976	8,196	1,284	6,144	.....	1,950
Feb....	24,571	8,205	1,301	5,435	.....	1,918
Mar....	24,436	8,249	1,308	5,316	.....	1,891
Apr....	25,019	8,350	1,326	5,774	.....	1,915
May....	25,333	8,425	1,340	6,046	.....	1,958
June....	25,526	8,512	1,350	6,199	.....	2,015
July....	25,506	8,498	1,356	6,173	.....	2,098
Aug....	25,644	8,633	1,364	6,120	.....	2,185
Sept....	25,671	8,694	1,367	6,101	.....	2,204
Oct....	25,843	8,722	1,375	6,269	.....	2,166
Nov....	26,166	8,795	1,387	6,482	.....	2,152
Dec....	27,692	8,916	1,384	7,597	.....	2,221

¹Service station and miscellaneous credit-card accounts and home-heating-oil accounts. Bank credit card accounts outstanding are included in estimates of instalment credit outstanding.

See also NOTE to first table on preceding page.

INSTALMENT CREDIT EXTENDED AND REPAID, BY TYPE OF CREDIT

(In millions of dollars)

Period	Total		Automobile paper		Other consumer goods paper		Repair and modernization loans		Personal loans	
	S.A. ¹	N.S.A.	S.A. ¹	N.S.A.	S.A. ¹	N.S.A.	S.A. ¹	N.S.A.	S.A. ¹	N.S.A.
Extensions										
1965		78,586		27,227		22,750		2,266		26,343
1966		82,335		27,341		25,591		2,200		27,203
1967		84,693		26,667		26,952		2,113		28,961
1968		97,053		31,424		30,593		2,268		32,768
1969		102,888		32,354		33,079		2,278		35,177
1970		104,130		29,831		36,781		2,145		35,373
1971		117,638		34,638		40,979		2,550		39,471
1970—Dec.	8,536	10,194	2,170	2,045	3,281	4,562	177	149	2,908	3,438
1971—Jan.	8,916	7,545	2,461	1,997	3,252	2,868	177	122	3,026	2,558
Feb.	9,081	7,489	2,687	2,336	3,204	2,431	197	155	2,993	2,567
Mar.	9,533	9,575	2,897	3,074	3,210	3,076	209	197	3,217	3,228
Apr.	9,751	10,079	2,872	3,100	3,415	3,363	205	219	3,259	3,397
May	9,690	9,562	2,756	2,883	3,295	3,148	200	235	3,439	3,296
June	9,715	10,667	2,838	3,301	3,433	3,538	224	263	3,220	3,565
July	9,675	10,098	2,773	3,032	3,399	3,415	218	248	3,285	3,403
Aug.	10,049	10,300	3,004	3,066	3,465	3,465	222	253	3,358	3,516
Sept.	10,156	9,849	3,147	2,927	3,462	3,454	227	237	3,320	3,231
Oct.	10,031	9,797	2,992	3,037	3,467	3,423	229	225	3,343	3,112
Nov.	10,572	10,711	3,162	3,105	3,595	3,737	214	215	3,601	3,654
Dec.	10,130	11,966	2,973	2,780	3,604	5,061	217	181	3,336	3,944
Repayments										
1965		69,957		23,543		20,518		2,116		23,780
1966		76,120		25,404		23,178		2,110		25,428
1967		81,306		26,499		25,535		2,142		27,130
1968		88,089		28,018		28,089		2,132		29,850
1969		94,609		29,882		30,369		2,163		32,195
1970		101,138		30,943		34,441		2,075		33,679
1971		109,254		31,818		38,481		2,304		36,651
1970—Dec.	8,515	8,823	2,618	2,566	2,945	2,991	175	172	2,777	3,094
1971—Jan.	8,829	8,605	2,623	2,483	3,145	3,242	175	165	2,886	2,715
Feb.	8,979	8,346	2,636	2,471	3,212	3,078	188	171	2,943	2,626
Mar.	9,038	9,651	2,696	2,915	3,164	3,413	196	203	2,982	3,120
Apr.	9,088	9,219	2,566	2,632	3,249	3,272	184	187	3,089	3,128
May	9,197	8,898	2,640	2,560	3,211	3,124	188	186	3,158	3,028
June	9,190	9,497	2,678	2,771	3,233	3,268	192	203	3,087	3,255
July	8,914	9,112	2,565	2,618	3,203	3,226	188	194	2,958	3,074
Aug.	9,222	9,088	2,697	2,675	3,262	3,153	196	198	3,067	3,062
Sept.	9,157	8,936	2,732	2,698	3,172	3,091	199	202	3,054	2,945
Oct.	9,107	9,007	2,634	2,661	3,219	3,191	197	198	3,057	2,957
Nov.	9,306	9,377	2,662	2,700	3,254	3,223	199	202	3,191	3,252
Dec.	9,230	9,518	2,696	2,634	3,188	3,200	198	195	3,148	3,489
Net change in credit outstanding ²										
1965		8,629		3,684		2,232		150		2,563
1966		6,215		1,937		2,413		90		1,775
1967		3,387		168		1,417		-29		1,831
1968		8,964		3,406		2,504		136		2,918
1969		8,279		2,472		2,710		115		2,982
1970		2,992		-1,112		2,340		70		1,694
1971		8,384		2,820		2,498		246		2,820
1970—Dec.	21	1,371	-448	-521	336	1,571	2	-23	131	344
1971—Jan.	87	-1,060	-162	-486	107	-374	2	-43	140	-157
Feb.	102	-857	51	-135	-8	-647	9	-16	50	-59
Mar.	495	-76	201	159	46	-337	13	-6	235	108
Apr.	663	860	306	468	166	91	21	32	170	269
May	493	664	116	323	84	24	12	49	281	268
June	525	1,170	160	530	200	270	32	60	133	310
July	761	986	208	414	196	189	30	54	327	329
Aug.	827	1,212	307	391	203	312	26	55	291	454
Sept.	999	913	415	229	290	363	28	35	266	286
Oct.	924	790	358	376	248	232	32	27	286	155
Nov.	1,266	1,334	500	405	341	514	15	13	410	402
Dec.	900	2,448	277	146	416	1,861	19	-14	188	455

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 pp. 983-1003 of the *BULLETIN* for Dec. 1968.

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.....		78,586		29,528		25,192		9,436		14,430
1966.....		82,335		30,073		25,406		10,362		16,494
1967.....		84,693		30,850		25,496		10,911		17,436
1968.....		97,053		36,332		28,836		12,850		19,035
1969.....		102,888		38,533		30,854		14,245		19,256
1970.....		104,130		39,136		29,662		14,619		20,713
1971.....		117,638		45,099		32,036		17,312		23,191
1970—Dec.....	8,536	10,194	3,326	3,390	2,240	2,795	1,187	1,206	1,783	2,803
1971—Jan.....	8,916	7,545	3,338	2,885	2,411	1,961	1,288	1,055	1,879	1,644
Feb.....	9,081	7,489	3,478	2,988	2,513	2,121	1,282	1,117	1,808	1,263
Mar.....	9,533	9,575	3,646	3,783	2,681	2,686	1,394	1,418	1,812	1,688
Apr.....	9,751	10,079	3,676	3,948	2,624	2,672	1,475	1,552	1,976	1,907
May.....	9,690	9,562	3,600	3,671	2,798	2,655	1,441	1,493	1,851	1,743
June.....	9,715	10,667	3,806	4,207	2,490	2,832	1,513	1,724	1,906	1,904
July.....	9,675	10,098	3,644	3,917	2,676	2,791	1,423	1,506	1,932	1,884
Aug.....	10,049	10,300	3,919	4,062	2,699	2,729	1,452	1,582	1,979	1,927
Sept.....	10,156	9,849	3,989	3,032	2,718	2,549	1,488	1,439	1,961	1,929
Oct.....	10,031	9,797	3,832	3,752	2,733	2,655	1,490	1,414	1,976	1,976
Nov.....	10,572	10,711	4,140	3,931	2,853	3,015	1,564	1,535	2,015	2,230
Dec.....	10,130	11,966	3,939	4,023	2,760	3,370	1,454	1,477	1,977	3,096
Repayments										
1965.....		69,957		25,663		22,551		8,310		13,433
1966.....		76,120		27,716		23,597		9,337		15,470
1967.....		81,306		29,469		24,853		10,169		16,815
1968.....		88,089		32,080		26,472		11,499		18,038
1969.....		94,609		35,180		28,218		12,709		18,502
1970.....		101,138		37,961		29,858		13,516		19,803
1971.....		109,254		41,018		31,019		15,388		21,829
1970—Dec.....	8,515	8,823	3,262	3,235	2,465	2,753	1,113	1,159	1,675	1,676
1971—Jan.....	8,829	8,605	3,385	3,169	2,486	2,293	1,199	1,195	1,759	1,948
Feb.....	8,979	8,346	3,369	3,153	2,656	2,401	1,186	1,070	1,768	1,722
Mar.....	9,038	9,651	3,387	3,666	2,674	2,871	1,207	1,245	1,770	1,869
Apr.....	9,088	9,219	3,332	3,417	2,580	2,629	1,315	1,336	1,861	1,837
May.....	9,197	8,898	3,375	3,283	2,698	2,583	1,323	1,267	1,801	1,765
June.....	9,190	9,497	3,541	3,678	2,550	2,664	1,299	1,368	1,800	1,787
July.....	8,914	9,112	3,351	3,419	2,485	2,494	1,293	1,387	1,785	1,812
Aug.....	9,222	9,088	3,456	3,459	2,590	2,537	1,288	1,299	1,888	1,793
Sept.....	9,157	8,936	3,460	3,441	2,614	2,514	1,266	1,222	1,817	1,759
Oct.....	9,107	9,007	3,439	3,408	2,495	2,457	1,319	1,292	1,854	1,850
Nov.....	9,306	9,377	3,470	3,482	2,579	2,703	1,360	1,338	1,897	1,854
Dec.....	9,230	9,518	3,451	3,443	2,596	2,873	1,324	1,369	1,859	1,833
Net change in credit outstanding ²										
1965.....		8,629		3,865		2,641		1,126		997
1966.....		6,215		2,357		1,809		1,025		1,024
1967.....		3,387		1,381		643		742		621
1968.....		8,964		4,252		2,364		1,351		997
1969.....		8,279		3,353		2,636		1,536		754
1970.....		2,992		1,590		-61		1,103		910
1971.....		8,384		4,081		1,017		1,924		1,362
1970—Dec.....	21	1,371	64	155	-225	42	74	47	108	1,127
1971—Jan.....	87	-1,060	-47	-284	-75	-332	89	-140	120	-304
Feb.....	102	-857	109	-165	-143	-280	96	47	40	-459
Mar.....	495	-76	259	117	7	-185	187	173	42	-181
Apr.....	663	860	344	531	44	43	160	216	115	70
May.....	493	664	225	388	100	72	118	226	50	-22
June.....	525	1,170	265	529	-60	168	214	356	106	117
July.....	761	986	293	498	191	297	130	119	147	72
Aug.....	827	1,212	463	603	109	192	164	283	91	134
Sept.....	999	913	529	491	104	35	222	217	144	170
Oct.....	924	790	393	344	238	198	171	122	122	126
Nov.....	1,266	1,334	670	449	274	312	204	197	118	376
Dec.....	900	2,448	488	580	164	497	130	108	118	1,263

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 Note 1 at bottom of p. A-56.

MARKET GROUPINGS

(1967 = 100)

Grouping	1967 pro-portion	1970 average ^a	1971												
			Dec.	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec. ^b
Total index.....	100.00	106.7	104.6	105.3	105.7	105.5	106.2	107.0	107.2	106.1	105.3	106.2	106.4	107.0	107.6
Products, total.....	62.21	106.0	104.2	104.6	105.0	104.5	105.5	105.9	106.1	106.8	106.2	106.2	106.9	107.6	107.8
Final products.....	48.95	104.4	102.2	102.9	103.0	102.5	103.6	103.9	104.5	104.9	105.0	104.6	105.3	105.9	105.8
Consumer goods.....	28.53	110.3	110.8	112.8	112.9	112.7	114.6	115.7	116.1	116.0	116.0	115.0	116.9	118.0	118.1
Equipment.....	20.42	96.2	90.3	88.9	89.3	88.4	88.1	87.8	88.2	89.3	89.6	90.2	89.0	88.9	88.7
Intermediate products.....	13.26	111.9	112.1	110.9	112.5	112.0	112.4	113.5	112.4	113.8	110.7	112.5	113.0	114.0	115.3
Materials.....	37.79	107.8	105.4	106.5	106.8	107.1	107.5	108.9	109.0	105.3	104.0	106.2	105.6	105.9	107.5
Consumer goods															
Durable consumer goods.....	7.86	104.8	102.9	108.1	110.6	111.6	112.2	117.2	116.1	115.8	115.8	113.6	115.3	115.5	115.6
Automotive products.....	2.84	99.9	100.0	110.9	117.8	117.8	113.7	123.1	121.2	120.1	121.1	118.0	119.6	119.6	119.3
Autos.....	1.87	86.6	88.6	104.1	112.8	112.2	103.2	108.3	107.9	107.9	108.5	108.0	107.8	109.2	109.4
Auto parts and allied goods.....	.97	125.6	122.2	124.1	127.4	128.6	133.9	151.4	146.8	143.6	145.2	153.4	142.2	139.7	138.3
Home goods.....	5.02	107.6	104.6	106.5	106.5	108.2	111.4	113.9	113.3	113.5	112.9	111.1	112.9	113.2	113.5
Appliances, TV, and radios.....	1.41	103.4	104.5	104.9	102.5	107.9	116.4	120.7	116.9	115.0	112.1	105.7	110.7	113.3	115.7
Appliances and A/C.....	.92	122.1	120.6	122.6	117.6	124.9	126.0	132.1	129.3	126.0	128.0	121.7	131.1	135.4	133.9
TV and home audio.....	.49	68.2	74.3	71.8	74.0	76.1	98.6	99.4	93.9	94.5	82.4	75.6	72.6	71.8	81.3
Carpeting and furniture.....	1.08	108.4	106.3	106.4	110.1	108.3	110.7	111.7	113.6	114.8	114.7	116.1	115.3	116.9	116.2
Misc. home goods.....	2.53	109.7	104.1	107.5	107.5	108.1	109.0	111.1	111.2	112.0	112.5	112.1	113.1	111.5	110.9
Nondurable consumer goods.....	20.67	112.5	113.8	114.6	113.8	113.1	115.5	115.1	116.1	116.1	116.1	115.6	117.5	119.0	119.0
Clothing.....	4.32	101.2	99.1	99.7	97.3	96.9	101.0	102.6	101.9	102.4	100.3	102.5	103.5	100.7	.....
Consumer staples.....	16.34	115.4	117.7	118.5	118.1	117.4	119.4	118.5	119.9	119.8	120.2	119.1	121.2	123.7	123.0
Consumer foods and tobacco.....	8.37	110.6	112.8	114.0	112.6	111.8	112.7	113.2	113.5	112.0	112.6	110.4	113.9	117.4	116.3
Nonfood staples.....	7.98	120.4	122.9	123.2	123.9	123.2	126.4	124.2	126.5	128.0	128.4	128.2	128.9	130.2	130.0
Consumer chemical products.....	2.64	126.1	132.5	131.8	131.8	131.6	134.0	133.2	130.9	133.1	133.1	133.5	131.7	136.9	138.7
Consumer paper products.....	1.91	103.9	102.6	104.4	104.6	103.0	108.2	105.0	109.9	106.9	106.2	109.2	110.3	112.0	114.8
Consumer fuel and lighting.....	3.43	125.2	126.9	127.0	128.9	127.9	130.5	128.0	132.5	135.9	137.2	134.7	137.1	135.2	131.9
Residential utilities.....	2.25	131.3	131.9	132.0	135.2	133.2	136.4	135.1	140.6	145.1	146.2	144.2	147.0	144.5	137.8
Equipment															
Business equipment.....	12.74	101.1	95.6	94.2	96.0	95.0	95.1	94.4	95.0	96.3	96.8	97.8	97.4	97.1	97.1
Industrial equipment.....	6.77	98.8	94.0	91.5	93.4	92.4	92.4	90.9	90.9	91.8	92.0	92.4	92.6	93.2	92.9
Building and mining equip.....	1.45	95.9	93.6	90.6	94.3	92.4	91.2	91.5	88.8	88.9	96.4	96.6	95.5	95.2	93.4
Manufacturing equipment.....	3.85	91.9	84.2	82.9	82.2	81.3	82.1	79.5	80.1	81.1	79.9	80.5	81.1	81.4	81.5
Power equipment.....	1.47	119.9	119.8	115.0	121.7	121.5	120.5	120.2	121.3	122.7	119.7	119.5	119.7	122.1	122.1
Commercial, transit, farm eq*.....	5.97	103.7	97.9	97.2	99.0	98.0	98.2	98.4	99.6	101.5	102.2	103.8	102.8	101.5	101.9
Commercial equipment.....	3.30	110.6	105.3	105.5	107.0	106.6	107.1	107.6	107.6	109.9	109.9	112.0	111.0	109.4	109.4
Transit equipment.....	2.00	94.4	87.4	88.6	89.1	87.2	87.3	87.3	90.5	88.4	90.2	90.2	90.4	88.6	92.7
Farm equipment.....	.67	97.7	92.4	82.0	88.8	88.0	86.6	86.6	87.7	99.9	100.0	103.9	99.5	100.9	92.4
Defense and space equipment.....	7.68	87.9	81.2	80.0	78.1	77.5	76.5	76.9	77.1	77.7	77.9	77.7	75.1	75.3	74.7
Military products.....	5.15	89.7	82.9	82.6	80.4	79.8	79.1	79.5	80.5	81.4	82.2	82.3	79.0	78.7	78.3
Intermediate products															
Construction products.....	5.93	110.6	112.5	111.1	111.9	112.6	113.4	115.5	113.5	115.3	109.4	111.3	112.7	112.9	115.4
Misc. intermediate products.....	7.34	113.0	111.9	110.8	113.1	111.4	111.6	111.9	111.6	112.7	111.7	113.4	113.4	114.9	115.3
Materials															
Durable goods materials.....	20.91	103.4	99.4	101.5	101.6	101.9	102.2	104.8	103.0	98.7	94.9	98.7	100.4	99.4	99.8
Consumer durable parts.....	4.75	96.5	95.8	99.4	101.4	103.2	102.8	105.1	104.8	98.8	100.4	100.7	101.8	99.0	99.1
Equipment parts.....	5.41	95.1	86.6	88.4	87.6	86.4	86.0	88.9	87.1	87.0	82.1	86.0	86.9	86.3	85.1
Durable materials nec.....	10.75	110.5	107.5	109.0	108.8	109.2	110.2	112.8	110.2	104.6	99.0	104.1	106.6	106.2	107.5
Nondurable goods materials.....	13.99	112.5	112.1	111.7	112.1	112.0	112.7	112.8	115.5	112.3	114.8	114.7	114.6	116.0	116.5
Textile, paper, and chem. mat.....	8.58	113.0	111.8	111.2	111.7	111.9	113.2	113.7	117.5	113.4	117.8	118.8	118.8	121.6	122.2
Nondurable materials n.e.c.....	5.41	111.5	112.7	112.5	112.7	112.3	111.9	111.3	112.0	110.5	109.9	108.2	108.3	107.1	107.4
Fuel and power, industrial.....	2.89	117.0	117.6	117.8	118.6	121.1	121.0	119.7	121.1	119.7	117.2	119.3	99.4	104.4	119.0
Supplementary groups															
Home goods and clothing.....	9.34	104.7	102.0	103.4	102.3	102.9	106.6	108.7	108.0	108.3	107.1	107.1	108.5	107.4	109.1
Containers.....	1.82	119.5	117.4	119.2	119.6	108.1	113.5	117.8	115.5	118.2	117.2	115.0	116.8	119.1	121.4
Gross value of products in market structure															
(In billions of 1963 dollars)															
Products, total.....		386.8	380.9	386.2	388.6	385.9	390.2	391.6	392.6	395.2	393.0	392.8	395.3	395.7	395.2
Final products.....		298.0	292.1	297.7	298.5	297.4	300.4	301.3	303.2	304.6	305.4	302.9	305.2	305.6	303.8
Consumer goods.....		202.6	203.3	209.1	209.5	209.6	212.6	213.4	214.8	216.4	215.5	212.1	215.7	216.8	216.0
Equipment.....		95.5	88.7	88.7	89.2	87.9	87.9	87.6	88.5	88.1	90.1	90.7	89.4	88.8	88.0
Intermediate products.....		89.0	89.0	88.4	89.9	88.5	89.3	90.2	89.6	90.8	87.7	89.7	90.1	90.2	91.1

For NOTE see p. A-63.

* Referred to as "nonindustrial equipment" in the article published in the July 1971 BULLETIN, pp. 551-76.

INDUSTRY GROUPINGS

(1967 = 100)

Grouping	1967 pro- portion	1970 aver- age ^a	1971													
			Dec.	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec. ^b	
Manufacturing	88.55	105.2	102.4	103.3	103.9	103.2	104.4	105.7	105.6	104.9	103.6	104.9	105.4	105.2	105.7	
Durable.....	52.33	101.5	97.3	98.1	98.6	98.3	99.1	100.5	100.1	99.4	96.6	98.5	99.1	98.0	98.4	
Nondurable.....	36.22	110.6	110.0	110.9	111.7	110.4	112.1	113.3	113.7	113.0	113.8	114.2	114.6	115.8	116.5	
Mining and utilities.....	11.45	118.0	120.1	119.3	119.9	120.2	120.6	119.0	120.7	120.3	120.0	120.3	116.1	118.7	120.5	
Mining.....	6.37	109.7	112.1	111.1	110.1	111.4	110.4	108.6	108.9	105.7	106.5	106.0	97.7	102.0	107.3	
Utilities.....	5.08	128.5	130.2	129.6	132.2	131.5	133.2	132.1	135.6	138.7	137.0	138.4	139.3	139.6	137.1	
Durable manufactures																
Primary and fabricated metals	12.55	108.1	105.1	106.8	106.0	105.8	108.6	111.5	108.3	104.2	93.8	99.5	100.9	98.7	101.1	
Primary metals.....	6.61	106.9	104.3	108.1	105.5	106.6	108.7	114.3	108.1	98.2	81.0	93.9	95.7	91.4	94.7	
Iron and steel, subtotal.....	4.23	105.3	101.4	106.9	104.8	105.2	109.1	112.9	105.3	99.0	66.2	85.9	88.7	81.9	85.4	
Fabricated metal products.....	5.94	109.4	106.2	105.4	106.6	104.9	108.5	108.5	108.5	110.8	108.0	105.7	106.9	106.8	108.2	
Machinery and allied goods	32.44	97.6	92.4	93.0	93.5	93.0	92.7	93.8	94.4	94.7	94.5	95.2	95.3	94.5	94.2	
Machinery.....	17.39	100.5	94.8	93.4	94.2	94.0	94.2	95.3	95.2	97.4	95.6	96.3	97.0	96.3	96.3	
Nonelectrical machinery.....	9.17	99.6	92.4	90.1	92.3	91.1	91.4	90.9	91.6	94.9	94.1	95.0	95.3	93.3	93.8	
Electrical machinery.....	8.22	101.4	97.4	97.1	96.3	97.1	97.4	100.2	99.2	100.2	97.3	97.8	98.9	99.6	99.1	
Transportation equipment.....	9.29	90.3	86.8	91.1	92.6	91.3	89.5	90.9	91.7	88.5	91.1	91.7	92.4	91.2	90.8	
Motor vehicles and parts.....	4.56	96.9	88.5	107.7	113.0	112.2	108.4	110.2	111.7	106.7	111.6	111.8	112.9	112.5	113.3	
Aerospace and misc. trans. eq.....	4.73	83.9	75.8	75.2	72.9	71.2	71.4	72.3	72.4	71.0	71.5	72.4	72.6	70.7	69.2	
Instruments.....	2.07	110.8	104.9	106.5	105.3	105.5	106.7	108.0	108.5	110.9	109.1	110.5	111.2	110.2	109.6	
Ordnance, private and Govt.....	3.69	95.3	88.5	87.9	85.5	85.7	85.2	86.0	88.8	88.8	90.0	90.2	85.6	85.1	84.6	
Lumber, clay, and glass	4.44	106.3	107.5	106.9	109.8	110.8	113.0	112.3	111.0	111.2	110.4	111.1	112.7	113.0	113.3	
Lumber and products.....	1.65	106.3	106.8	109.7	110.8	110.3	112.5	110.0	111.0	115.4	113.1	113.9	117.3	117.9	117.8	
Clay, glass, and stone products.....	2.79	106.3	107.9	105.3	109.2	111.1	113.3	113.7	111.1	108.7	108.8	109.4	109.9	110.1	110.6	
Furniture and miscellaneous	2.90	108.8	104.9	105.2	107.1	105.6	109.5	109.9	111.3	113.5	111.3	112.0	112.1	111.5	111.4	
Furniture and fixtures.....	1.38	99.4	95.5	94.2	96.0	95.0	98.7	97.6	100.9	99.9	99.6	100.8	100.3	101.6	100.5	
Miscellaneous manufactures.....	1.52	117.3	113.4	115.2	117.2	115.4	119.3	121.2	120.7	126.1	122.0	122.2	122.6	120.5	121.4	
Nondurable manufactures																
Textiles, apparel, and leather	6.90	100.2	97.1	98.6	98.0	97.3	99.8	101.5	102.4	100.2	100.1	102.5	102.2	101.1	102.7	
Textile mill products.....	2.69	106.3	103.3	103.1	105.4	105.3	106.3	107.5	109.1	108.5	110.5	111.0	110.1	109.6	111.5	
Apparel products.....	3.33	97.8	94.9	97.4	94.5	94.0	97.3	99.7	97.1	97.0	96.0	99.5	100.0	99.1	.....
Leather and products.....	.88	90.8	86.7	89.5	89.0	85.4	89.9	89.8	89.3	86.7	84.1	87.6	87.2	82.9	86.4	
Paper and printing	7.92	107.8	105.0	107.1	108.1	104.6	106.9	106.9	106.0	106.8	108.2	108.3	109.0	110.7	110.9	
Paper and products.....	3.18	113.3	110.6	116.9	116.0	111.0	114.4	115.1	113.4	115.5	117.8	116.4	116.1	119.8	120.1	
Printing and publishing.....	4.74	104.1	101.2	100.5	102.8	100.2	101.8	101.4	101.0	101.0	101.7	102.9	104.3	104.4	104.8	
Chemicals, petroleum, and rubber	11.92	118.2	118.9	118.2	120.9	120.5	122.4	124.2	125.3	124.0	126.2	127.3	126.5	127.8	128.8	
Chemicals and products.....	7.86	120.2	121.2	119.3	121.7	121.0	123.4	123.7	126.8	125.0	127.6	129.7	128.2	130.8	131.0	
Petroleum products.....	1.80	112.6	118.1	117.2	117.1	116.3	115.8	112.7	115.0	114.8	115.8	113.7	115.7	116.0	119.8	
Rubber and plastics products.....	2.26	115.7	111.8	115.5	120.6	122.7	124.5	127.2	129.1	128.0	129.9	129.6	129.0	127.6	128.2	
Foods and tobacco	9.48	110.8	112.5	113.9	113.1	112.2	112.9	113.6	113.7	113.8	112.8	111.1	113.2	116.0	116.0	
Foods.....	8.81	111.7	113.5	114.6	114.1	113.8	114.1	114.6	115.4	115.2	114.0	111.9	114.3	117.2	117.3	
Tobacco products.....	.67	100.0	99.5	106.6	100.1	90.3	96.9	100.3	92.1	96.6	98.2	100.3	98.5	98.2	.....
Mining																
Metal, stone, and earth minerals	1.26	112.0	116.4	113.6	113.6	111.6	106.5	104.6	104.9	91.6	96.8	98.1	102.0	110.6	109.3	
Metal mining.....	.51	131.3	144.7	140.1	139.0	135.1	124.7	122.6	117.3	93.5	104.8	109.7	117.1	135.5	134.4	
Stone and earth minerals.....	.75	98.8	97.3	95.6	96.3	95.6	94.2	92.4	96.4	90.2	91.4	90.1	91.7	93.6	92.2	
Coal, oil, and gas	5.11	109.2	111.0	110.6	109.3	111.4	111.4	109.6	109.9	109.2	108.9	108.0	96.7	99.9	106.8	
Coal.....	.69	105.8	103.6	112.3	108.8	116.2	115.5	110.2	109.4	109.4	109.4	109.7	29.1	55.2	109.1	
Oil and gas extraction.....	4.42	109.7	112.3	110.3	109.3	110.6	114.3	109.6	110.0	109.2	108.8	107.7	107.3	106.9	106.4	
Utilities																
Electric.....	3.91	130.8	132.5	131.5	134.9	133.6	135.5	133.8	138.3	142.0	139.7	141.5	142.3	142.3	138.8	
Gas.....	1.17	121.0	122.4	123.0	123.6	124.3	.....	.....	.....	.....	.....	.....	.....	.....	.....

For Nore see p. A-63.

MARKET GROUPINGS

(1967 = 100)

Grouping	1967 proportion	1970 average ^a	1971												
			Dec.	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec. ^a
Total index.....	100.00	106.7	102.0	103.2	106.1	106.0	106.5	107.3	109.7	102.1	105.5	109.8	109.8	107.2	104.2
Products, total.....	62.21	106.0	100.7	101.8	104.7	104.5	105.0	105.1	109.0	103.9	107.5	111.7	111.2	107.4	103.1
<i>Final products.....</i>	<i>48.95</i>	<i>104.4</i>	<i>98.9</i>	<i>101.0</i>	<i>103.4</i>	<i>103.0</i>	<i>102.9</i>	<i>107.2</i>	<i>107.2</i>	<i>101.6</i>	<i>105.6</i>	<i>110.0</i>	<i>109.3</i>	<i>105.6</i>	<i>101.2</i>
Consumer goods.....	28.53	110.3	105.4	110.3	113.2	112.9	113.6	113.5	119.3	111.9	118.4	123.1	122.9	117.3	110.5
Equipment.....	20.42	96.2	89.8	88.1	89.6	89.1	88.0	90.4	87.1	87.6	91.8	90.3	89.2	88.2	
Intermediate products.....	13.26	111.9	107.3	104.7	109.5	110.2	112.6	113.8	115.5	112.4	114.5	118.1	118.1	114.1	110.1
Materials.....	37.79	107.8	104.1	105.4	108.3	108.4	109.0	110.8	110.9	99.2	102.3	106.8	107.6	106.9	105.9
Consumer goods															
Durable consumer goods.....	7.86	104.8	100.8	107.3	113.8	114.8	114.7	117.3	120.5	101.9	108.6	121.5	125.7	118.8	106.9
Automotive products.....	2.84	99.9	100.0	115.6	125.1	125.3	121.9	127.2	130.5	94.9	102.0	128.6	135.8	123.7	102.0
Autos.....	1.87	86.6	92.4	113.5	124.1	123.4	112.5	120.2	120.8	69.4	76.5	112.0	124.0	115.6	87.5
Auto parts and allied goods.....	.97	125.6	114.6	119.6	127.0	128.9	139.9	140.8	149.0	144.0	151.0	160.5	158.6	139.4	129.7
Home goods.....	5.02	107.6	101.3	102.6	107.4	108.8	110.7	111.7	114.9	105.8	112.4	117.5	120.0	116.0	109.6
Appliances, TV, and radios.....	1.41	103.4	90.9	102.5	108.9	113.6	116.1	117.1	117.3	102.5	104.1	113.4	125.3	116.1	100.5
Appliances and A/C.....	.92	122.1	100.3	120.1	124.7	133.6	133.1	132.2	136.1	122.3	114.4	128.0	142.8	131.5	111.4
TV and home audio.....	.49	68.2	73.2	69.5	79.3	76.2	84.3	88.8	81.9	65.4	84.8	86.2	92.5	87.4	80.1
Carpeting and furniture.....	1.08	108.4	108.6	108.0	114.7	111.4	111.1	108.6	112.6	97.9	114.9	119.5	116.6	120.1	118.8
Misc. home goods.....	2.53	109.7	103.9	100.4	103.4	105.1	107.5	110.0	114.4	111.0	116.0	118.9	118.5	114.2	110.7
Nondurable consumer goods.....	20.67	112.5	107.1	111.4	113.0	112.2	113.2	112.1	118.8	115.7	122.1	123.7	121.8	116.7	111.9
Clothing.....	4.32	101.2	85.5	95.0	102.0	102.5	102.6	101.4	105.5	93.6	105.6	107.0	110.7	100.2	.....
Consumer staples.....	16.34	115.4	112.8	115.7	115.9	114.8	116.0	114.9	122.3	121.6	126.5	128.1	124.7	121.1	117.8
Consumer foods and tobacco.....	8.37	110.6	106.6	108.1	108.5	108.7	110.0	110.8	116.6	112.6	118.6	120.0	120.5	115.9	109.7
Nonfood staples.....	7.98	120.4	119.3	123.7	123.7	121.2	122.3	119.1	128.3	131.2	134.7	136.5	129.2	126.6	126.2
Consumer chemical products.....	2.64	126.1	123.2	123.9	125.7	125.7	131.2	132.4	142.2	131.8	139.4	145.2	139.1	136.8	129.0
Consumer paper products.....	1.91	103.9	97.4	99.6	101.8	100.1	107.1	102.0	110.2	109.6	113.9	116.0	113.9	111.2	108.9
Consumer fuel and lighting.....	3.43	125.2	120.3	137.0	134.3	129.6	123.8	118.4	127.6	142.7	142.6	141.2	130.0	127.4	133.6
Residential utilities.....	2.25	131.3	132.7	146.7	143.0	137.1	129.2	122.3	132.4	154.4	153.2	153.0	136.6	132.5	138.6
Equipment															
Business equipment.....	12.74	101.1	94.3	92.7	96.6	96.0	95.3	94.2	98.0	93.3	93.9	100.3	99.4	97.3	95.7
Industrial equipment.....	6.77	98.8	93.2	90.8	93.9	92.8	92.4	90.3	92.6	90.4	90.1	94.9	94.3	93.6	92.4
Building and mining equip.....	1.45	95.9	95.3	89.8	93.3	90.3	91.7	90.9	91.6	87.0	90.5	98.2	97.0	99.0	95.1
Manufacturing equipment.....	3.85	91.9	83.5	81.9	84.3	82.9	82.0	79.1	81.5	79.3	78.5	83.3	81.9	81.2	80.8
Power equipment.....	1.47	119.9	116.3	115.1	119.6	120.9	120.3	119.2	122.6	122.7	119.8	122.0	124.0	120.8	119.8
Commercial, transit, farm eq.*.....	5.97	103.7	95.6	94.8	99.7	99.7	98.5	98.6	104.2	96.6	98.3	106.5	105.2	101.4	99.5
Commercial equipment.....	3.30	110.6	103.4	101.8	105.3	104.7	105.3	106.0	112.4	112.6	110.7	115.6	112.0	109.7	107.4
Transit equipment.....	2.00	94.4	85.2	87.1	91.5	91.0	88.9	89.0	93.8	75.1	82.6	92.3	95.3	91.0	90.4
Farm equipment.....	.67	97.7	88.0	83.4	96.7	100.9	93.7	90.9	94.3	81.7	83.8	103.7	101.2	91.9	88.0
Defense and space equipment.....	7.68	87.9	82.3	80.5	78.1	77.7	76.0	76.7	77.8	76.7	77.1	77.8	75.2	75.8	75.7
Military products.....	5.15	89.7	82.9	82.8	80.3	80.1	78.9	79.7	81.8	80.8	81.6	82.2	78.7	78.9	78.8
Intermediate products															
Construction products.....	5.93	110.6	105.4	103.3	109.9	111.6	115.8	118.0	118.6	112.3	111.9	115.9	117.5	112.6	108.1
Misc. intermediate products.....	7.34	113.0	108.8	105.8	109.1	109.1	110.0	110.4	113.0	112.4	116.6	119.8	118.6	115.4	111.8
Materials															
Durable goods materials.....	20.91	103.4	98.0	99.8	103.2	104.2	104.1	107.2	106.3	92.1	92.0	99.9	102.3	100.1	98.4
Consumer durable parts.....	4.75	96.5	100.4	102.9	104.6	104.5	102.0	106.4	104.5	88.3	92.0	100.1	104.2	103.4	103.9
Equipment parts.....	5.41	95.1	86.7	87.8	88.9	89.0	87.0	89.4	89.4	81.7	80.1	86.9	86.6	85.5	85.2
Durable materials n.e.c.....	10.75	110.5	102.7	104.4	109.8	111.8	113.7	116.6	115.6	99.1	98.0	106.3	109.4	106.0	102.7
Nondurable goods materials.....	13.99	112.5	110.0	110.9	113.3	112.0	113.7	114.3	115.8	107.2	114.5	114.8	117.4	117.5	114.1
Textile, paper, and chem. mat.....	8.58	113.0	108.3	110.4	114.3	112.8	115.6	116.0	118.0	106.5	116.9	118.7	121.3	122.9	118.4
Nondurable materials n.e.c.....	5.41	111.5	112.7	111.6	111.6	110.8	110.8	111.6	112.4	108.2	110.6	108.6	111.2	108.9	107.4
Fuel and power, industrial.....	2.89	117.0	119.5	119.9	120.5	121.9	121.4	119.5	120.4	111.4	117.7	118.3	98.5	105.2	120.5
Supplementary groups															
Home goods and clothing.....	9.34	104.7	94.0	99.1	104.9	105.9	106.9	106.9	110.6	100.2	109.3	112.6	115.7	108.7	100.4
Containers.....	1.82	119.5	108.6	112.6	119.2	108.1	113.8	119.6	119.1	113.0	121.2	120.1	123.5	118.0	112.3

FOR NOTE see p. A-63.

* Referred to as "Nonindustrial equipment" in the article published in the July 1971 BULLETIN, pp. 551-76.

INDUSTRY GROUPINGS

(1967 = 100)

Grouping	1967 pro- por- tion	1970 aver- age ^a	1971												
			Dec.	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec. ^b
Manufacturing, total	88.55	105.2	99.7	100.9	104.3	104.4	105.0	106.0	108.3	99.7	103.1	108.1	109.2	106.2	102.2
Durable.....	52.33	101.5	95.9	96.8	100.2	100.6	100.4	101.7	102.7	93.2	93.6	100.6	101.6	98.9	95.9
Nondurable.....	36.22	110.6	105.2	106.8	110.2	109.8	111.7	112.1	116.3	109.2	116.8	119.0	120.1	116.8	111.2
Mining and utilities.....	11.45	118.0	119.5	120.6	119.7	119.4	117.9	117.0	120.7	121.9	124.2	123.8	114.9	115.1	119.8
Mining.....	6.37	109.7	112.0	108.7	108.6	109.7	110.4	110.9	111.0	103.0	107.7	106.4	98.0	101.5	107.2
Utilities.....	5.08	128.5	128.9	135.6	133.7	131.5	127.3	124.6	132.8	145.7	144.9	145.7	136.1	132.3	135.7
Durable manufactures															
Primary and fabricated metals	12.55	108.1	102.2	105.7	110.0	111.0	112.0	114.6	111.1	95.8	90.0	99.0	101.5	98.8	98.3
Primary metals.....	6.61	106.9	99.0	106.6	111.6	115.2	115.8	119.8	112.6	87.9	76.2	91.1	94.5	90.2	89.7
Iron and steel, subtotal.....	4.23	105.3	96.4	105.2	110.7	114.3	117.1	119.1	109.0	90.4	62.4	81.9	86.2	80.7	81.2
Fabricated metal products.....	5.94	109.4	105.8	104.7	108.2	106.3	107.7	108.8	109.5	104.7	105.3	107.7	109.3	108.3	107.8
Machinery and allied goods.....	32.44	97.6	91.9	92.8	95.1	94.9	93.4	94.4	96.7	88.8	90.3	97.6	98.1	95.5	92.1
Machinery.....	17.39	100.5	92.6	92.4	96.0	95.8	94.9	94.8	97.0	92.2	92.6	99.5	99.4	96.8	93.9
Nonelectrical machinery.....	9.17	99.6	90.4	88.9	94.3	93.6	92.5	91.4	94.2	91.8	90.6	97.2	95.5	93.4	91.7
Electrical machinery.....	8.22	101.4	95.0	96.3	97.8	98.3	97.5	98.6	100.2	92.6	94.9	102.0	103.8	100.6	96.3
Transportation equipment.....	9.29	90.3	88.9	93.1	95.4	94.6	91.6	94.2	96.1	77.8	81.7	93.2	97.2	93.6	87.5
Motor vehicles and parts.....	4.56	96.9	102.0	112.9	118.9	117.7	112.0	116.9	120.5	86.1	93.5	114.4	122.4	117.5	105.9
Aerospace and misc. trans. eq.....	4.73	83.9	76.3	74.1	72.8	72.3	72.0	72.4	72.6	69.7	70.4	72.8	73.0	70.6	69.7
Instruments.....	2.07	110.8	104.8	103.4	102.2	103.7	103.4	106.9	110.8	110.9	111.4	114.9	114.4	110.8	109.5
Ordnance, private and Govt.....	3.69	95.3	88.9	88.4	86.3	86.2	85.2	86.2	89.2	88.1	88.9	89.8	85.0	85.2	85.0
Lumber, clay, and glass	4.44	106.3	100.9	97.7	104.5	108.7	113.2	114.5	116.6	110.4	116.0	116.5	118.1	113.0	106.2
Lumber and products.....	1.65	106.3	97.0	98.8	110.6	112.1	114.5	112.5	117.5	112.2	117.6	119.5	121.6	115.3	107.0
Clay, glass, and stone products.....	2.79	106.3	103.2	97.0	100.9	106.7	112.5	115.7	116.1	109.4	115.1	114.7	116.1	111.6	105.7
Furniture and miscellaneous	2.90	108.8	105.7	102.3	107.4	106.6	108.7	107.6	112.3	104.2	112.0	115.9	115.3	115.6	112.2
Furniture and fixtures.....	1.38	99.4	98.4	96.2	100.7	98.5	98.6	95.8	99.3	86.8	98.0	101.8	100.6	104.6	103.5
Miscellaneous manufactures.....	1.52	117.3	112.3	107.9	113.6	114.0	117.9	118.4	124.1	120.0	124.8	128.8	128.7	125.6	120.2
Nondurable manufactures															
Textiles, apparel, and leather	6.90	100.2	87.3	95.7	101.8	101.7	101.6	101.3	104.6	90.8	104.4	104.9	107.8	100.9	91.8
Textile mill products.....	2.69	106.3	93.5	102.0	107.6	108.2	108.5	110.4	114.0	96.9	114.5	113.6	113.8	110.4	100.9
Apparel products.....	3.33	97.8	83.5	92.3	99.4	99.4	99.3	97.4	100.8	89.9	100.4	102.4	107.3	97.7	.....
Leather and products.....	.88	90.8	82.6	88.8	92.7	90.4	88.8	87.9	89.8	75.2	88.7	88.0	91.3	83.5	82.3
Paper and printing	7.92	107.8	99.5	101.3	105.4	103.2	107.4	106.8	108.5	103.5	111.6	113.4	114.8	112.2	105.0
Paper and products.....	3.18	113.3	102.3	115.5	118.9	113.6	117.8	116.2	116.6	105.7	117.6	116.1	122.1	120.8	111.1
Printing and publishing.....	4.74	104.1	97.6	91.7	96.4	96.2	100.4	100.5	103.1	102.1	107.5	111.5	109.9	106.4	101.0
Chemicals, petroleum, and rubber	11.92	118.2	117.1	114.7	119.4	119.7	122.2	123.2	128.6	121.6	126.7	130.7	129.9	129.0	126.7
Chemicals and products.....	7.86	120.2	118.7	115.1	118.9	119.5	124.3	125.3	131.1	124.2	128.6	133.1	130.8	131.3	128.2
Petroleum products.....	1.80	112.6	116.3	112.4	113.5	112.0	110.9	111.7	119.1	118.9	120.9	118.9	117.8	115.2	118.0
Rubber and plastics products.....	2.26	115.7	112.0	115.3	125.8	126.4	124.0	125.0	127.7	114.8	124.7	131.9	136.6	132.2	128.5
Foods and tobacco	9.48	110.8	107.9	109.5	108.8	108.8	109.6	110.5	115.9	112.0	117.7	119.4	121.2	117.0	111.1
Foods.....	8.81	111.7	109.8	109.7	109.2	110.2	110.9	111.4	117.2	114.0	118.6	120.4	122.3	118.4	113.2
Tobacco products.....	.67	100.0	83.5	106.4	103.0	90.5	92.7	99.3	98.5	86.2	105.7	106.5	106.1	99.0	.....
Mining															
Metal, stone, and earth minerals	1.26	112.0	105.5	97.7	98.7	101.0	107.2	116.9	118.3	97.3	104.1	104.1	105.8	103.7	99.1
Metal mining.....	.51	131.3	116.9	115.0	118.3	117.9	126.1	145.7	147.7	106.8	116.9	118.7	117.9	113.8	108.6
Stone and earth minerals.....	.75	98.8	97.7	86.0	85.3	89.5	94.4	97.4	98.3	90.9	95.4	94.2	97.6	96.8	92.6
Coal, oil, and gas	5.11	109.2	113.6	111.4	111.0	111.8	111.2	109.4	109.2	104.4	108.6	107.0	96.0	100.9	109.2
Coal.....	.69	105.8	103.0	111.1	109.1	114.7	117.6	112.4	111.6	82.7	116.5	112.6	31.1	56.4	108.4
Oil and gas extraction.....	4.42	109.7	115.2	111.4	111.3	111.3	114.1	108.9	108.8	107.8	107.4	106.1	106.2	107.9	109.3
Utilities															
Electric	3.91	130.8	130.8	139.3	136.7	133.6	128.0	124.2	134.6	151.3	150.0	150.8	138.0	132.8	137.0
Gas	1.17	121.0	122.4	123.0	123.6	124.3	.....	.....	.....	.....	.....	.....	.....	.....	.....

NOTE.—Published groupings include some series and subtotals not shown separately. A description and historical data will be available at a later date. Figures for individual series and subtotals are published in the monthly Business Indexes release.

SELECTED BUSINESS INDEXES

(1967=100, except as noted)

Period	Industrial production										Capacity utilization in mfg. (1967 output = 100)	Construction contracts	Nonagricultural employment-Total ¹	Manufacturing ²		Total retail sales ³	Prices ⁴		
	Total	Market						In-dustry	Employment	Payrolls				Consumer	Wholesale commodity				
		Products					Manu-facturing												
		Final products			Inter-mediate products	Materials													
Total	Con-sumer goods	Equip-ment	Inter-mediate products	Materials			Manu-facturing												
1952																			
1953																			
1954	51.9	51.8	50.8	53.3	47.9	55.1	52.0	51.5	84.1		74.1	93.4	54.5	52	79.5	88.6	87.4	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	87.8	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	90.7	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	93.3	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	94.6	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	94.8	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	94.9	94.9	
1961	66.2	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	94.5	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	94.8	94.8	
1963	76.5	76.2	74.9	82.0	65.6	81.1	77.0	75.8	83.0		86.1	87.8	76.0	79	91.7	94.5	94.5	94.5	
1964	81.7	81.2	79.6	86.8	70.1	87.3	82.6	81.2	85.5		89.4	89.3	80.1	83	92.9	94.7	94.7	94.7	
1965	89.2	88.1	86.8	93.0	78.7	93.0	91.0	89.1	89.0		93.2	92.3	93.9	91	94.5	96.6	96.6	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	97.8	97	97.2	99.8	99.8	99.8	
1967	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	87.9		100.0	100.0	100.0	100	100.0	100.0	100.0	100.0	
1968	105.7	105.8	105.0	106.6	104.7	105.7	105.7	105.7	87.7		113.2	103.1	101.4	109	104.2	102.5	102.5	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	114	109.8	106.5	106.5	106.5	
1970	106.7	106.0	104.4	110.3	96.1	111.9	107.8	105.2	78.2		107.3	98.1	114.2	120	116.3	110.4	110.4	110.4	
1970—Dec.	104.6	104.2	102.2	110.8	90.3	112.1	105.4	102.4	574.1		132.0	106.8	94.9	122	119.1	111.0	111.0	111.0	
1971—Jan.	105.3	104.6	102.9	112.8	88.9	110.9	106.5	103.3	89.0		117.0	107.0	94.7	124	119.2	111.8	111.8	111.8	
Feb.	105.7	105.0	103.0	112.9	89.3	112.5	106.8	103.9	74.7		126.0	106.9	94.4	126	119.4	112.8	112.8	112.8	
Mar.	105.5	104.5	102.5	112.7	88.4	112.0	107.1	103.2			141.0	107.0	94.0	127	119.8	113.0	113.0	113.0	
Apr.	105.2	105.5	103.6	114.6	88.1	112.4	107.5	104.4			161.0	107.2	94.4	128	120.2	113.3	113.3	113.3	
May	107.0	105.9	103.9	115.7	87.8	113.5	108.9	105.7	75.4		141.0	107.5	94.8	128	120.8	113.8	113.8	113.8	
June	107.2	106.1	104.5	116.1	88.2	112.4	109.0	105.6			147.0	107.3	94.3	129	121.5	114.3	114.3	114.3	
July	106.1	106.8	104.9	116.0	89.3	113.8	105.3	104.9			151.0	107.1	93.9	129	121.8	114.6	114.6	114.6	
Aug.	105.3	106.2	105.0	116.0	89.6	110.7	104.0	103.6	73.9		153.0	107.1	93.5	133	122.1	114.9	114.9	114.9	
Sept.	106.2	106.2	104.6	116.0	90.2	112.5	106.2	104.9			156.0	107.6	94.5	135	122.2	114.5	114.5	114.5	
Oct.	106.4	106.9	105.3	116.9	89.0	113.0	105.6	105.4			137.0	107.6	94.1	134	122.4	114.4	114.4	114.4	
Nov.	107.0	107.6	105.9	118.0	88.9	114.0	105.9	105.2	73.9		155.0	107.9	94.4	136	122.6	114.5	114.5	114.5	
Dec.	107.6	107.8	105.8	118.1	88.7	115.3	107.5	105.7			160.0	108.1	94.3	132	123.1	115.4	115.4	115.4	
1972—Jan. ⁵	107.9	107.8	105.8	118.2	88.5	115.4	108.0	106.1			108.4	94.6	121.8	133					

1 Employees only; excludes personnel in the Armed Forces, Production workers only.

2 F.R. index based on Census Bureau figures.

3 Prices are not seasonally adjusted.

4 Figure is for 4th quarter 1970.

NOTE.—All series: Data are seasonally adjusted unless otherwise noted.

Capacity utilization: Based on data from Federal Reserve, McGraw-Hill Economics Department, and Department of Commerce.

Construction contracts: F. W. Dodge Co. monthly index of dollar value of total construction contracts, including residential, nonresidential, and heavy engineering; does not include data for Alaska and Hawaii.

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

Prices: Bureau of Labor Statistics data.

CONSTRUCTION CONTRACTS AND PRIVATE HOUSING PERMITS

(In millions of dollars, except as noted)

Type of ownership and type of construction	1969	1970	1971												
			1971												
			Dec.	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.
Total construction ¹	67,425	67,097	4,974	4,383	4,993	6,386	7,743	7,555	8,077	7,670	7,712	6,814	6,568	6,405	6,286
By type of ownership:															
Public	22,656	23,362	1,688	1,464	1,578	1,722	2,074	2,065	2,795	2,683	2,299	2,010	1,837	1,960	1,696
Private ¹	44,769	45,058	3,286	2,919	3,415	4,663	5,669	5,489	5,489	4,987	5,413	4,804	4,731	4,445	4,590
By type of construction:															
Residential building ¹	25,219	24,910	2,045	1,631	1,819	2,729	3,168	3,310	3,485	3,357	3,255	3,196	3,170	3,001	
Nonresidential building	25,667	24,180	1,693	1,711	1,654	2,199	2,080	2,264	2,800	2,621	2,120	2,246	2,064	2,128	
Nonbuilding	16,539	18,489	1,235	1,041	1,520	1,458	2,495	1,981	1,792	1,691	2,337	1,371	1,332	1,274	
Private housing units authorized ¹ (In thousands, S.A., A.R.)	1,299	1,324	1,768	1,635	1,563	1,627	1,638	1,927	1,849	2,052	2,006	1,900	2,173	1,961	2,231

¹ Because of improved collection procedures, data for 1-family homes beginning Jan. 1968 are not strictly comparable with those for earlier periods. To improve comparability, earlier levels may be raised by approximately 3 per cent for total and private construction, in each case, and by 8 per cent for residential building.

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

Private housing units authorized are Census Bureau series for 13,000 reporting areas with local building permit systems.

VALUE OF NEW CONSTRUCTION ACTIVITY

(In millions of dollars)

Period	Total	Private							Public				
		Total	Residential	Nonresidential				Total	Military	Highway	Conservation & development	Other ²	
				Total	Buildings								Other
					Industrial	Commercial	Other buildings ¹						
1962 ³	59,965	42,096	25,150	19,443	2,842	5,144	3,631	5,052	17,869	1,266	6,365		
1963 ⁴	64,563	45,206	27,874	21,735	2,906	4,995	3,745	5,376	19,357	1,179	7,084		
1964	67,413	47,030	28,010	21,786	3,565	5,396	3,994	5,727	20,383	910	7,133		
1965	73,412	51,350	27,934	21,714	5,118	6,739	4,735	6,491	22,062	830	7,550		
1966	76,002	51,995	25,715	19,352	6,679	6,879	5,037	7,517	24,007	727	8,405		
1967	77,503	51,967	25,568	18,985	6,131	6,982	4,993	8,356	25,536	695	8,591		
1968	86,626	59,021	30,565	24,030	6,021	7,761	4,382	9,719	27,605	808	9,321		
1969	93,347	65,384	33,200	25,941	6,783	9,401	4,971	10,288	27,963	879	9,252		
1970	94,265	66,147	31,748	24,156	6,538	9,754	5,125	12,036	28,118	719	9,986		
1970—Nov.	98,285	69,248	34,096	35,152	6,282	9,348	4,983	14,539	29,037	733	9,772	2,043	
Dec.	102,628	110,729	35,104	35,625	6,088	10,001	5,205	14,241	31,899	683	11,776	2,075	
1971—Jan.	100,645	70,637	35,629	35,008	6,169	10,262	5,334	13,243	30,008	856		1,620	
Feb.	102,340	70,743	36,509	34,234	6,258	10,106	5,009	12,861	31,597	812		1,566	
Mar.	103,027	72,961	37,678	35,283	6,072	10,734	5,099	13,378	30,066	863		1,676	
Apr.	105,875	76,263	39,589	36,674	6,110	11,262	5,355	13,947	29,612	824		1,756	
May	107,591	77,880	41,500	36,380	5,766	11,038	5,289	14,287	29,711	848		1,702	
June	109,210	79,941	42,326	37,615	5,508	11,795	5,815	14,497	29,269	865		1,614	
July	109,957	80,484	42,689	37,795	5,428	12,690	5,499	14,178	29,473	1,142		2,150	
Aug.	111,910	82,071	43,927	38,144	4,852	13,069	5,482	14,741	29,839	900		1,609	
Sept.	110,031	81,442	44,739	36,703	4,597	11,702	5,591	14,813	28,573	786		1,570	
Oct.	113,680	81,837	45,067	36,770	4,993	11,510	5,372	14,895	31,843	881		1,540	
Nov.	113,633	83,156	45,233	37,923	4,885	12,188	5,670	15,180	30,477	943		1,709	
Dec.	115,143	84,977	46,146	38,831	4,979	12,678	5,953	15,203	30,166	922		1,482	

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.)
	Total	Private (S.A., A.R.)				Private and public (N.S.A.)			Government underwritten (N.S.A.)						
		Region				Type of structure			Total	Private	Public	Total	FHA	VA	
		North-east	North Central	South	West	1-family	2- to 4-family	5- or more-family							
1962	1,463	264	290	531	378	991	471	589	1,492	1,463	30	339	261	78	118
1963	1,610	261	328	591	431	1,021	589		1,642	1,610	32	292	221	71	151
1964	1,529	253	339	582	355	972	108	450	1,562	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	207	288	473	198	779	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	619	294	900	81	527	1,548	1,508	40	283	227	56	318
1969	1,467	206	349	588	323	810	87	571	1,500	1,467	33	288	237	51	413
1970	1,434	218	294	612	310	813	85	536	1,467	1,434	33	479	418	61	401
1970—Nov.	1,693	262	355	737	339	934	111	648	128	127	1	39	34	5	30
Dec.	2,054	234	427	916	477	1,240	102	712	124	121	3	69	63	6	27
1971—Jan.	1,725	238	320	724	435	946	110	669	115	111	4	37	32	5	25
Feb.	1,754	238	292	745	479	985	110	659	105	102	3	32	27	5	28
Mar.	1,959	257	442	803	457	1,048	121	790	169	168	1	40	33	7	36
Apr.	1,912	233	457	814	408	1,098	109	705	204	201	3	53	45	8	43
May	1,975	271	362	855	487	1,124	111	740	204	199	5	49	41	8	41
June	2,000	231	393	868	508	1,177	120	703	197	194	3	55	46	9	47
July	2,229	303	401	879	586	1,187	137	905	196	194	3	52	43	9	45
Aug.	2,258	274	518	986	480	1,212	145	901	203	205	2	55	46	9	50
Sept.	2,002	222	426	877	477	1,187	171	644	176	174	2	58	50	9	53
Oct.	2,031	220	429	908	474	1,159	104	768	182	180	2	47	39	8	50
Nov.	2,303	317	503	970	513	1,283	107	913	175	172	3	57	48	9	40
Dec.	2,517	397	505	1,047	568	1,411	127	979	153	150	3	92	85	7	

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 non-institutional 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		
1966 ^r	131,180	52,288	78,899	75,777	72,899	68,920	3,979	2,878	3.8
1967 ^{3r}	133,319	52,527	80,796	77,350	74,373	70,529	3,844	2,977	3.8
1968 ^r	135,562	53,291	82,271	78,737	75,921	72,104	3,817	2,816	3.6
1969 ^r	137,841	53,602	84,240	80,734	77,902	74,296	3,606	2,832	3.5
1970 ^r	140,182	54,280	85,903	82,715	78,627	75,165	3,462	4,088	4.9
1971 ^r	142,596	55,666	86,929	84,113	79,119	75,732	3,387	4,994	5.9
1971—Jan. ^r	141,500	55,872	86,706	83,730	78,718	75,312	3,406	5,012	6.0
Feb. ^r	141,670	56,017	86,311	83,361	78,475	75,190	3,285	4,886	5.9
Mar. ^r	141,885	56,286	86,385	83,455	78,446	75,059	3,387	5,009	6.0
Apr. ^r	142,088	56,308	86,670	83,788	78,732	75,192	3,540	5,056	6.0
May ^r	142,285	56,331	86,836	83,986	78,830	75,418	3,412	5,156	6.1
June ^r	142,482	54,698	86,217	83,401	78,600	75,299	3,301	4,801	5.8
July ^r	142,685	53,877	86,727	83,930	79,014	75,640	3,374	4,916	5.9
Aug. ^r	142,886	54,433	87,088	84,313	79,199	75,792	3,407	5,114	6.1
Sept. ^r	143,104	56,220	87,240	84,491	79,451	76,088	3,363	5,040	6.0
Oct. ^r	143,321	55,968	87,467	84,750	79,832	76,416	3,416	4,918	5.8
Nov. ^r	143,517	55,802	87,812	85,116	80,020	76,601	3,419	5,096	6.0
Dec. ^r	143,723	56,181	87,883	85,225	80,098	76,698	3,400	5,127	6.0
1972—Jan. ^r	144,697	57,550	88,301	85,707	80,636	77,243	3,393	5,071	5.9

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

² Per cent of civilian labor force.

³ Beginning 1967, data not strictly comparable with previous data. Description of changes available from Bureau of Labor Statistics.

NOTE.—Bureau of Labor Statistics. Information relating to persons 16 years of age and over is obtained on a sample basis. Monthly data relate to the calendar week that contains the 12th day; annual data are averages of monthly figures.

EMPLOYMENT IN NONAGRICULTURAL ESTABLISHMENTS, BY INDUSTRY DIVISION

(In thousands of persons)

Period	Total	Manufacturing	Mining	Contract construction	Transportation & public utilities	Trade	Finance	Service	Government
1965.....	60,815	18,062	632	3,186	4,036	12,716	3,023	9,087	10,074
1966.....	63,955	19,214	627	3,275	4,151	13,245	3,100	9,551	10,792
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.....	70,616	19,369	622	3,345	4,504	14,922	3,690	11,630	12,535
SEASONALLY ADJUSTED									
1971—Jan. ^r	70,454	18,747	625	3,271	4,507	15,039	3,746	11,800	12,719
Feb. ^r	70,391	18,684	622	3,198	4,526	15,059	3,749	11,809	12,744
Mar. ^r	70,480	18,609	622	3,264	4,520	15,074	3,758	11,841	12,792
Apr. ^r	70,599	18,639	623	3,282	4,505	15,107	3,769	11,843	12,831
May ^r	70,769	18,702	622	3,275	4,518	15,148	3,788	11,858	12,858
June ^r	70,657	18,608	619	3,255	4,500	15,135	3,807	11,895	12,838
July ^r	70,531	18,533	597	3,228	4,476	15,158	3,806	11,921	12,812
Aug. ^r	70,529	18,457	609	3,219	4,428	15,223	3,804	11,946	12,843
Sept. ^r	70,853	18,616	616	3,250	4,460	15,273	3,821	11,962	12,855
Oct. ^r	70,848	18,560	521	3,290	4,442	15,270	3,834	11,996	12,935
Nov. ^r	71,042	18,603	525	3,320	4,434	15,278	3,851	12,044	12,987
Dec. ^r	71,167	18,574	606	3,228	4,464	15,325	3,851	12,083	13,036
1972—Jan. ^r	71,407	18,619	611	3,305	4,492	15,359	3,861	12,098	13,062
NOT SEASONALLY ADJUSTED									
1970—Dec. ^r	71,151	18,823	621	3,233	4,454	15,706	3,712	11,717	12,885
1971—Jan. ^r	69,527	18,579	611	2,921	4,435	14,862	3,709	11,611	12,799
Feb. ^r	69,450	18,532	606	2,846	4,454	14,721	3,715	11,667	12,909
Mar. ^r	69,782	18,488	608	2,967	4,466	14,789	3,735	11,758	12,971
Apr. ^r	70,309	18,482	617	3,164	4,469	14,974	3,758	11,867	12,978
May ^r	70,738	18,554	622	3,265	4,500	15,071	3,780	11,953	12,993
June ^r	71,355	18,746	634	3,414	4,549	15,192	3,837	12,050	12,933
July ^r	70,452	18,448	613	3,480	4,534	15,132	3,867	12,040	12,338
Aug. ^r	70,542	18,651	625	3,509	4,486	15,151	3,865	11,994	12,261
Sept. ^r	71,184	18,840	623	3,471	4,509	15,242	3,829	11,986	12,684
Oct. ^r	71,379	18,709	522	3,478	4,455	15,327	3,826	12,020	13,042
Nov. ^r	71,638	18,693	524	3,410	4,447	15,537	3,836	12,032	13,159
Dec. ^r	72,030	18,602	604	3,160	4,468	16,100	3,832	12,023	13,241
1972—Jan. ^r	70,467	18,448	598	2,951	4,420	15,179	3,822	11,904	13,145

NOTE.—Bureau of Labor Statistics; data include all full- and part-time employees who worked during, or received pay for, the pay period that includes the 12th of the month. Proprietors, self-employed

persons, domestic servants, unpaid family workers, and members of the Armed Forces are excluded.

Beginning with 1969, series has been adjusted to Mar. 1970 benchmark.

PRODUCTION WORKER EMPLOYMENT IN MANUFACTURING INDUSTRIES

(In thousands of persons)

Industry group	Seasonally adjusted ¹				Not seasonally adjusted ¹			
	1971			1972	1971			1972
	Jan.	Nov.	Dec. ^o	Jan. ^o	Jan.	Nov.	Dec. ^o	Jan. ^o
Total	13,551	13,505	13,489	13,537	13,400	13,605	13,528	13,388
Durable goods	7,665	7,614	7,602	7,645	7,619	7,660	7,636	7,598
Ordnance and accessories.....	108	92	90	91	109	93	91	91
Lumber and wood products.....	483	519	518	525	466	516	510	506
Furniture and fixtures.....	370	388	390	395	369	393	395	395
Stone, clay, and glass products.....	496	504	502	509	478	507	498	490
Primary metal industries.....	997	922	924	937	992	910	919	932
Fabricated metal products.....	1,007	1,018	1,013	1,023	1,005	1,031	1,026	1,021
Machinery.....	1,198	1,177	1,176	1,173	1,198	1,162	1,171	1,173
Electrical equipment and supplies.....	1,183	1,189	1,190	1,192	1,185	1,205	1,203	1,194
Transportation equipment.....	1,245	1,230	1,220	1,221	1,258	1,250	1,245	1,235
Instruments and related products.....	260	261	259	258	259	261	261	258
Miscellaneous manufacturing industries.....	318	314	320	321	300	332	317	303
Nondurable goods	5,886	5,891	5,887	5,892	5,781	5,945	5,892	5,790
Food and kindred products.....	1,187	1,177	1,180	1,191	1,124	1,202	1,168	1,128
Tobacco manufactures.....	65	58	57	59	65	63	61	59
Textile-mill products.....	845	851	856	860	838	855	859	853
Apparel and related products.....	1,187	1,198	1,184	1,172	1,171	1,207	1,183	1,157
Paper and allied products.....	531	530	530	527	527	533	533	524
Printing, publishing, and allied industries.....	672	661	661	662	669	665	667	659
Chemicals and allied products.....	588	581	581	581	582	578	579	576
Petroleum refining and related industries.....	116	116	117	117	112	116	115	113
Rubber and misc. plastic products.....	431	458	461	464	429	463	465	462
Leather and leather products.....	264	261	260	259	264	263	262	259

¹ Data adjusted to 1970 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.)			
	1971			1972	1971			1972	1971			1972
	Jan.	Nov.	Dec. ^o	Jan. ^o	Jan.	Nov.	Dec. ^o	Jan. ^o	Jan.	Nov.	Dec. ^o	Jan. ^o
Total	39.8	40.1	40.3	39.9	138.60	144.72	150.18	146.89	3.50	3.60	3.69	3.70
Durable goods	40.3	40.6	40.9	40.5	149.17	155.88	162.70	158.38	3.72	3.83	3.93	3.93
Ordnance and accessories.....	41.1	41.9	41.9	41.7	156.83	162.96	167.93	170.07	3.77	3.88	3.97	4.03
Lumber and wood products.....	39.8	40.8	40.9	40.8	117.09	129.92	130.47	126.48	3.01	3.20	3.19	3.17
Furniture and fixtures.....	39.5	40.0	39.9	40.3	110.09	118.37	121.47	118.31	2.83	2.93	2.97	2.98
Stone, clay, and glass products.....	41.2	41.9	41.6	41.6	141.86	155.45	155.17	152.22	3.52	3.71	3.73	3.74
Primary metal industries.....	40.3	40.1	41.1	40.2	164.83	173.96	185.36	181.75	4.08	4.36	4.51	4.51
Fabricated metal products.....	40.4	40.4	40.9	40.2	147.17	153.47	159.42	153.62	3.67	3.78	3.86	3.85
Machinery.....	40.2	41.1	41.3	40.6	155.57	166.04	174.30	168.49	3.87	4.04	4.16	4.15
Electrical equipment and supplies.....	39.7	40.1	40.3	39.8	135.83	142.21	147.24	143.32	3.43	3.52	3.60	3.61
Transportation equipment.....	41.3	40.5	41.9	41.3	181.69	182.48	196.85	188.70	4.41	4.44	4.61	4.58
Instruments and related products.....	39.8	40.2	40.4	40.4	137.02	144.18	147.29	145.12	3.46	3.56	3.61	3.61
Miscellaneous manufacturing industries.....	38.6	39.1	39.1	39.2	112.22	117.32	120.17	119.81	2.93	2.97	3.05	3.08
Nondurable goods	39.2	39.5	39.4	39.3	124.09	130.28	133.39	131.82	3.19	3.29	3.36	3.38
Food and kindred products.....	40.7	40.0	40.2	40.2	134.13	136.34	142.16	140.45	3.32	3.40	3.51	3.52
Tobacco manufactures.....	39.1	35.6	35.8	34.2	115.28	109.96	119.10	109.55	3.01	3.08	3.29	3.27
Textile-mill products.....	40.4	41.1	40.9	41.3	101.60	107.23	108.47	109.34	2.54	2.59	2.62	2.68
Apparel and related products.....	35.2	36.2	36.0	35.6	85.61	91.48	91.44	90.11	2.46	2.52	2.54	2.56
Paper and allied products.....	41.7	42.3	42.4	42.0	147.74	158.15	163.02	159.26	3.56	3.73	3.80	3.81
Printing, publishing, and allied industries.....	37.6	37.6	37.5	37.2	151.03	160.55	165.30	159.34	4.06	4.27	4.35	4.33
Chemicals and allied products.....	41.5	41.4	41.6	41.7	158.18	166.40	170.13	170.57	3.83	4.00	4.07	4.11
Petroleum refining and related industries.....	42.5	41.8	42.6	42.3	186.06	195.77	196.65	199.39	4.43	4.65	4.66	4.77
Rubber and misc. plastic products.....	40.1	40.6	41.0	41.0	132.47	141.17	145.38	144.02	3.32	3.46	3.52	3.53
Leather and leather products.....	37.1	38.3	37.8	37.7	95.23	100.22	102.29	101.19	2.56	2.61	2.65	2.67

¹ Data adjusted to 1970 benchmark.

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

CONSUMER PRICES

(1967 = 100)

Period	All items	Food	Housing						Apparel and upkeep	Transportation	Health and recreation				
			Total	Rent	Home-ownership	Fuel oil and coal	Gas and electricity	Furnishings and operation			Total	Medical care	Personal care	Reading and recreation	Other goods and services
1929	51.3	48.3		76.0				48.5							
1933	38.8	30.6		54.1				36.9							
1941	44.1	38.4	53.7	57.2		40.5	81.4	44.8	44.2		37.0	41.2	47.7	49.2	
1945	53.9	50.7	59.1	58.8		48.0	79.6	61.5	47.8		42.1	55.1	62.4	56.9	
1960	88.7	88.0	90.2	91.7	86.3	89.2	98.6	93.8	89.6	89.6	85.1	79.1	90.1	87.3	87.8
1961	89.6	89.1	90.9	92.9	86.9	91.0	99.4	93.7	90.4	90.6	86.7	81.4	90.6	89.3	88.5
1962	90.6	89.9	91.7	94.0	87.9	91.5	99.4	93.8	90.9	92.5	88.4	83.5	92.2	91.3	89.1
1963	91.7	91.2	92.7	95.0	89.0	93.2	99.4	94.6	91.9	93.0	90.0	85.6	93.4	92.8	90.6
1964	92.9	92.4	93.8	95.9	90.8	92.7	99.4	95.0	92.7	94.3	91.8	87.3	94.5	95.0	92.0
1965	94.5	94.4	94.9	96.9	92.7	94.6	99.4	95.3	93.7	95.9	93.4	89.5	95.2	95.9	94.2
1966	97.2	99.1	97.2	98.2	96.3	97.0	99.6	97.0	96.1	97.2	96.1	93.4	97.1	97.5	97.2
1967	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
1968	104.2	103.6	104.2	102.4	105.7	103.1	100.9	104.4	105.4	103.2	105.0	106.1	104.2	104.7	104.6
1969	109.8	108.9	110.8	105.7	116.0	105.6	102.8	109.0	111.5	107.2	110.3	113.4	109.3	108.7	109.1
1970	116.3	114.9	118.9	110.1	128.5	110.1	107.3	113.4	116.1	112.7	116.2	120.6	113.2	113.4	116.0
1970—Dec.	119.1	115.3	122.6	112.6	133.4	114.9	110.7	115.3	119.2	116.9	119.1	124.2	115.0	116.2	118.5
1971—Jan.	119.2	115.5	122.7	112.9	133.4	116.7	111.5	115.4	117.6	117.5	119.8	124.9	115.3	117.3	118.9
Feb.	119.4	115.9	122.6	113.6	132.3	117.2	112.8	115.9	118.1	117.5	120.2	125.8	115.4	117.5	119.1
Mar.	119.8	117.0	122.4	113.9	131.2	117.4	113.3	116.4	118.6	117.8	120.6	126.8	115.8	117.7	119.4
Apr.	120.2	117.8	122.5	114.4	130.9	117.3	113.9	117.0	119.1	118.1	121.2	127.5	116.3	118.4	119.7
May	120.8	118.2	123.2	114.7	131.6	117.2	114.4	118.1	120.2	118.8	121.6	128.1	116.5	118.9	119.9
June	121.5	119.2	124.0	115.2	133.0	117.4	114.6	118.7	120.1	119.6	122.1	128.6	116.8	119.3	120.3
July	121.8	119.8	124.5	115.4	133.5	117.5	114.7	118.9	119.3	119.5	122.6	129.3	117.1	119.6	121.2
Aug.	122.1	120.0	125.1	115.8	134.4	117.8	115.7	119.1	119.0	119.3	123.1	130.0	117.5	119.7	121.8
Sept.	122.2	119.1	125.5	116.1	135.1	117.8	115.7	119.4	120.6	118.6	123.6	130.4	117.6	120.5	122.4
Oct.	122.4	118.9	125.9	116.4	135.7	117.8	115.7	119.5	121.6	119.3	123.5	129.6	117.9	120.5	122.6
Nov.	122.6	119.0	126.4	116.6	136.7	118.1	116.2	119.5	121.9	118.8	123.7	129.7	117.9	120.8	122.8
Dec.	123.1	120.3	126.8	116.9	137.0	118.1	118.2	119.6	121.8	118.6	123.9	130.1	117.9	121.1	123.0

NOTE.—Bureau of Labor Statistics index for city wage-earners and clerical workers.
 † Reflects effect of refund of Federal excise tax on new cars.

WHOLESALE PRICES: SUMMARY

(1967 = 100)

Period	All commodities	Farm products	Processed foods and feeds	Industrial commodities													
				Total	Textiles, etc.	Hides, etc.	Fuel, etc.	Chemicals, etc.	Rubber, etc.	Lumber, etc.	Paper, etc.	Metals, etc.	Machinery and equipment	Furniture, etc.	Non-metallic 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	109.9	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
1970—Dec.	111.0	107.1	110.7	111.7	106.7	110.4	112.8	103.3	109.4	111.1	108.5	116.2	113.8	108.7	115.1	108.9	111.9
1971—Jan.	111.8	108.9	111.8	112.2	106.9	111.7	113.5	103.8	108.4	112.2	109.0	116.5	114.2	109.3	118.8	109.5	112.3
Feb.	112.8	113.9	113.3	112.5	106.7	112.4	113.0	104.2	109.1	117.5	109.3	116.4	114.6	109.7	119.0	109.7	112.6
Mar.	113.0	113.0	113.7	112.8	106.9	112.5	112.8	104.5	109.1	123.4	109.3	116.5	114.9	109.6	120.9	109.5	112.8
Apr.	113.3	113.0	113.5	113.3	107.5	114.0	113.0	104.5	109.0	124.6	109.6	117.8	115.0	109.7	121.6	109.7	112.7
May	113.8	114.0	114.5	113.7	107.8	114.4	114.2	104.3	108.7	124.9	109.9	118.5	115.3	109.8	121.8	109.8	112.5
June	114.3	116.0	114.9	113.9	108.5	114.2	114.4	104.4	108.7	126.1	110.2	118.5	115.5	109.8	122.2	110.0	112.6
July	114.6	113.4	116.0	114.5	109.2	114.2	114.4	104.4	109.7	130.6	110.5	119.4	115.7	110.0	123.3	110.3	112.8
Aug.	114.9	113.2	115.4	115.1	109.7	114.4	114.8	104.3	109.8	134.6	110.6	121.1	116.1	110.2	124.2	110.5	113.0
Sept.	114.5	110.5	114.6	115.0	109.7	114.7	115.3	104.3	109.7	134.3	110.6	121.1	116.0	110.2	124.2	109.6	113.0
Oct.	114.4	111.3	114.1	115.0	109.6	114.7	114.8	104.2	109.5	131.8	110.6	121.0	116.0	110.2	124.1	110.7	113.0
Nov.	114.5	112.2	114.4	114.9	109.8	115.1	114.7	103.8	109.5	131.3	110.6	120.9	115.9	110.2	124.0	110.8	113.1
Dec.	115.4	115.8	115.9	115.3	110.6	116.2	115.0	103.4	109.4	132.7	110.7	120.8	116.2	110.2	124.2	112.9	113.2

¹ For transportation equipment, Dec. 1968 = 100.

WHOLESALE PRICES: DETAIL

(1967=100)

Group	1970				1971				Group	1970				1971										
	Dec.	Oct.	Nov.	Dec.	Dec.	Oct.	Nov.	Dec.		Dec.	Oct.	Nov.	Dec.	Dec.	Oct.	Nov.	Dec.							
<i>Farm products:</i>																								
Fresh and dried produce.....	111.3	115.8	127.1	126.3					<i>Pulp, paper, and allied products:</i>															
Grains.....	108.0	88.3	87.8	95.3					Pulp, paper and products, excluding building paper and board.....	108.8	110.9	110.9	111.0											
Livestock.....	99.5	120.9	121.0	124.7					Woodpulp.....	111.8	111.5	111.5	111.5											
Live poultry.....	80.5	93.5	92.3	87.2					Wastepaper.....	108.5	117.2	117.2	124.6											
Plant and animal fibers.....	86.7	96.3	97.3	102.5					Paper.....	112.1	114.7	114.7	114.7											
Fluid milk.....	117.6	119.2	118.8	119.0					Paperboard.....	99.5	102.9	102.9	102.7											
Eggs.....	127.3	92.4	88.5	114.4					Converted paper and paperboard.....	108.6	110.1	110.1	110.1											
Hay and seeds.....	106.8	107.9	109.0	109.2					Building paper and board.....	100.3	104.6	104.7	104.6											
Other farm products.....	120.0	115.4	111.8	117.3					<i>Metals and metal products:</i>															
<i>Processed foods and feeds:</i>																								
Cereal and bakery products.....	110.9	111.3	111.5	111.6					Iron and steel.....	116.5	125.5	125.3	125.3											
Meat, poultry, and fish.....	104.3	116.9	117.1	120.4					Steelmill products.....	116.6	128.1	128.2	128.2											
Dairy products.....	112.8	116.4	116.3	117.4					Nonferrous metals.....	116.7	116.3	116.0	114.9											
Processed fruits and vegetables.....	111.0	115.3	115.4	115.8					Metal containers.....	115.8	124.2	124.2	124.2											
Sugar and confectionery.....	117.8	118.7	119.1	120.2					Hardware.....	114.8	117.7	117.7	117.7											
Beverages and beverage materials.....	114.3	116.4	116.6	116.4					Plumbing equipment.....	113.2	118.3	118.3	118.4											
Animal fats and oils.....	129.0	132.1	130.1	122.3					Heating equipment.....	112.7	116.3	116.5	116.3											
Crude vegetable oils.....	130.8	128.9	128.6	118.2					Fabricated structural metal products.....	114.2	120.3	120.3	120.4											
Refined vegetable oils.....	132.8	127.9	130.4	122.7					Miscellaneous metal products.....	117.6	119.7	119.7	120.9											
Vegetable oil end products.....	117.5	122.8	122.8	122.0					<i>Machinery and equipment:</i>															
Miscellaneous processed foods.....	112.5	112.7	113.0	113.1					Agricultural machinery and equip.....	116.3	117.5	117.5	118.6											
Manufactured animal feeds.....	109.3	98.7	100.3	104.5					Construction machinery and equip.....	119.6	121.8	122.0	123.2											
<i>Textile products and apparel:</i>																								
Cotton products.....	106.9	112.2	112.5	113.6					Metalworking machinery and equip.....	115.1	118.1	118.2	118.4											
Wool products.....	96.8	92.4	92.3	91.5					General purpose machinery and equipment.....	117.0	120.2	120.2	120.5											
Manmade fiber textile products.....	97.5	102.5	103.2	104.3					Special industry machinery and equipment.....	118.8	122.0	122.0	122.1											
Apparel.....	111.9	113.8	113.8	113.8					Electrical machinery and equip.....	108.2	109.6	109.3	109.3											
Textile housefurnishings.....	103.3	104.1	104.1	106.1					Miscellaneous machinery.....	115.6	117.8	117.8	117.9											
Miscellaneous textile products.....	107.7	120.8	121.2	136.2					<i>Furniture and household durables:</i>															
<i>Hides, skins, leather, and products:</i>																								
Hides and skins.....	101.9	117.2	123.1	128.6					Household furniture.....	112.7	115.6	115.4	115.5											
Leather.....	107.3	113.4	113.5	117.0					Commercial furniture.....	117.5	118.2	118.2	118.2											
Footwear.....	113.9	117.1	117.1	117.1					Floor coverings.....	99.7	97.6	97.6	97.9											
Other leather products.....	106.8	109.0	109.1	109.8					Household appliances.....	106.4	107.5	107.6	107.4											
<i>Fuels and related products, and power:</i>																								
Coal.....	175.8	182.9	182.9	190.2					Home electronic equipment.....	94.2	93.8	93.4	93.4											
Coke.....	145.9	150.5	150.5	150.5					Other household durable goods.....	117.6	121.9	122.0	122.1											
Gas fuels.....	107.5	108.8	108.8	107.9					<i>Nonmetallic mineral products:</i>															
Electric power.....	108.7	116.3	116.2	116.3					Flat glass.....	116.6	124.3	123.1	123.6											
Crude petroleum.....	113.2	113.2	113.2	113.2					Concrete ingredients.....	112.7	124.1	124.3	124.2											
Petroleum products, refined.....	107.5	106.3	106.2	106.1					Concrete products.....	114.5	122.6	122.6	122.9											
<i>Chemicals and allied products:</i>																								
Industrial chemicals.....	101.4	102.4	101.7	101.1					Structural clay products excluding refractories.....	111.3	114.9	114.9	114.9											
Prepared paint.....	112.8	115.9	115.9	115.9					Refractories.....	126.4	127.1	127.1	127.1											
Paint materials.....	102.0	99.7	99.7	101.9					Asphalt roofing.....	107.0	131.2	131.2	131.2											
Drugs and pharmaceuticals.....	101.8	102.6	102.4	102.5					Gypsum products.....	95.1	113.6	112.1	114.1											
Fats and oils, inedible.....	150.9	129.0	125.3	115.9					Glass containers.....	124.3	131.5	131.5	131.5											
Agricultural chemicals and products.....	89.4	90.4	90.3	90.3					Other nonmetallic minerals.....	117.4	125.7	125.6	125.6											
Plastic resins and materials.....	90.6	89.9	89.2	89.0					<i>Transportation equipment:</i>															
Other chemicals and products.....	109.5	112.5	112.5	112.4					Motor vehicles and equipment.....	113.4	115.2	115.3	117.5											
<i>Rubber and plastic products:</i>																								
Crude rubber.....	100.0	99.0	98.5	98.5					Railroad equipment.....	116.8	122.5	122.5	122.6											
Tires and tubes.....	112.0	110.8	110.8	110.8					<i>Miscellaneous products:</i>															
Miscellaneous rubber products.....	116.8	119.2	119.2	119.2					Toys, sporting goods, small arms, ammunition.....	110.5	112.6	112.8	113.1											
Plastic construction products (Dec. 1969=100).....	95.2	94.6	94.1	93.8					Tobacco products.....	117.0	116.8	116.8	116.7											
Unsupported plastic film and sheeting (Dec. 1970=100).....	100.0	100.0	100.1	100.0					Notions.....	109.4	111.7	111.7	111.7											
Laminated sheets, high pressure (Dec. 1970=100).....	100.0	98.2	98.0	97.9					Photographic equipment and supplies.....	105.7	106.3	106.5	106.5											
<i>Lumber and wood products:</i>																								
Lumber.....	111.1	142.7	141.9	143.8					Other miscellaneous products.....	110.8	112.9	112.9	113.0											
Millwork.....	114.0	123.7	123.7	124.3																				
Plywood.....	104.6	116.2	115.9	117.8																				
Other wood products.....	117.8	118.8	119.5	119.1																				

NOTE.—Bureau of Labor Statistics indexes.

A 70 NATIONAL PRODUCT AND INCOME □ FEBRUARY 1972

GROSS NATIONAL PRODUCT

(In billions of dollars)

Item	1929	1933	1941	1950	1967	1968	1969	1970	1971 ^p	1970	1971 ^r			
										IV	I	II	III	IV ^p
Gross national product.....	103.1	55.6	124.5	284.8	793.9	864.2	929.1	974.1	1,046.8	988.4	1,020.8	1,040.0	1,053.4	1,073.0
Final purchases.....	101.4	57.2	120.1	278.0	785.7	857.1	921.7	971.3	1,044.7	984.7	1,017.7	1,035.4	1,054.6	1,071.2
Personal consumption expenditures.....	77.2	45.8	80.6	191.0	492.1	536.2	579.6	615.8	662.2	624.7	644.9	657.4	668.8	677.7
Durable goods.....	9.2	3.5	9.6	30.5	73.1	84.0	89.9	88.6	100.4	84.9	96.6	99.1	102.8	103.2
Nondurable goods.....	37.7	22.3	42.9	98.1	215.0	230.8	247.6	264.7	278.8	270.9	273.2	277.8	280.2	283.9
Services.....	30.3	20.1	28.1	62.4	204.0	221.3	242.1	262.5	283.0	268.9	275.0	280.5	285.8	290.6
Gross private domestic investment.....	16.2	1.4	17.9	54.1	116.6	126.0	137.8	135.3	150.8	137.3	143.3	152.9	150.8	156.5
Fixed investment.....	14.5	3.0	13.4	47.3	108.4	118.9	130.4	132.5	148.7	133.6	140.2	148.3	152.0	154.6
Nonresidential.....	10.6	2.4	9.5	27.9	83.3	88.8	98.6	102.1	108.2	100.8	104.7	108.3	109.3	110.4
Structures.....	5.0	.9	2.9	9.2	28.0	30.3	34.5	36.8	38.1	37.1	36.7	38.5	38.7	38.6
Producers' durable equipment.....	5.6	1.5	6.6	18.7	55.3	58.5	64.1	65.4	70.1	63.7	68.1	69.8	70.6	71.8
Residential structures.....	4.0	.6	3.9	19.4	25.1	30.1	31.8	30.4	40.6	32.8	35.4	40.0	42.7	44.2
Nonfarm.....	3.8	.5	3.7	18.6	24.5	29.5	31.2	29.7	40.1	32.2	35.0	39.5	42.1	43.6
Change in business inventories.....	1.7	-1.6	4.5	6.8	8.2	7.1	7.4	2.8	2.1	3.7	3.1	4.6	-1.2	1.9
Nonfarm.....	1.8	-1.4	4.0	6.0	7.5	6.9	7.3	2.5	1.5	3.3	2.9	4.1	-2.0	1.0
Net exports of goods and services.....	1.1	.4	1.3	1.8	5.2	2.5	2.0	3.6	.7	2.7	4.7	.1	.....	-2.0
Exports.....	7.0	2.4	5.9	13.8	46.2	50.6	55.6	62.9	65.5	63.2	66.2	66.5	68.2	61.2
Imports.....	5.9	2.0	4.6	12.0	41.0	48.1	53.6	59.3	64.8	60.5	61.5	66.4	68.2	63.2
Government purchases of goods and services..	8.5	8.0	24.8	37.9	180.1	199.6	209.7	219.4	233.1	223.7	227.9	229.6	233.8	240.9
Federal.....	1.3	2.0	16.9	18.4	90.7	98.8	99.2	97.2	97.6	95.9	96.4	96.0	97.6	100.6
National defense.....	.....	.....	13.8	14.1	72.4	78.3	78.4	75.4	71.4	73.2	72.6	71.4	70.2	71.5
Other.....	.....	.....	3.1	4.3	18.4	20.5	20.7	21.9	26.2	22.7	23.7	24.6	27.4	29.2
State and local.....	7.2	6.0	7.9	19.5	89.4	100.8	110.6	122.2	135.4	127.9	131.6	133.6	136.2	140.3
Gross national product in constant (1958) dollars.....	203.6	141.5	263.7	355.3	675.2	706.6	724.7	720.0	739.5	715.9	729.7	735.8	740.7	751.7

NOTE.—Dept. of Commerce estimates. Quarterly data are seasonally adjusted totals at annual rates. For back data and explanation of series, see the *Survey of Current Business*, July 1968, July 1969, July 1970, July 1971, and Supplement, Aug. 1966.

NATIONAL INCOME

(In billions of dollars)

Item	1929	1933	1941	1950	1967	1968	1969	1970	1971 ^p	1970	1971 ^r			
										IV	I	II	III	IV ^p
National income.....	86.8	40.3	104.2	241.1	653.6	711.1	763.7	795.9	850.8	802.1	831.7	847.3	855.2	.....
Compensation of employees.....	51.1	29.5	64.8	154.6	467.2	514.6	565.5	601.9	641.8	609.3	627.3	638.0	645.6	656.5
Wages and salaries.....	50.4	29.0	62.1	146.8	423.1	464.9	509.6	541.4	574.2	547.2	561.4	571.0	577.3	586.9
Private.....	45.5	23.9	51.9	124.4	337.3	369.2	405.5	426.6	450.3	429.9	440.3	448.4	452.3	460.2
Military.....	.3	.3	1.9	5.0	16.2	17.9	19.0	19.4	18.6	18.6	19.2	18.6	18.0	18.6
Government civilian.....	4.6	4.9	8.3	17.4	69.5	77.8	85.1	95.5	105.2	98.6	101.8	104.0	106.9	108.1
Supplements to wages and salaries.....	.7	.5	2.7	7.8	44.2	49.7	56.0	60.5	67.7	62.1	65.9	67.0	68.3	69.6
Employer contributions for social insurance.....	.1	.1	2.0	4.0	21.9	24.3	27.8	29.6	34.0	30.1	33.3	33.6	34.2	35.0
Other labor income.....	.6	.4	.7	3.8	22.3	25.4	28.2	30.8	33.7	32.0	32.6	33.4	34.1	34.6
Proprietors' income.....	15.1	5.9	17.5	37.5	62.1	64.2	67.0	66.9	68.3	65.9	66.4	67.2	69.2	70.5
Business and professional.....	9.0	3.3	11.1	24.0	47.3	49.5	50.3	51.0	52.1	51.5	51.6	51.9	52.3	52.5
Farm.....	6.2	2.6	6.4	13.5	14.8	14.7	16.8	15.8	16.3	14.4	14.8	15.2	17.0	18.1
Rental income of persons.....	5.4	2.0	3.5	9.4	21.1	21.2	22.6	23.3	24.3	23.7	23.8	24.2	24.5	24.6
Corporate profits and inventory valuation adjustment.....	10.5	-1.2	15.2	37.7	78.7	84.3	78.6	70.8	80.7	69.0	79.5	82.5	80.0	.....
Profits before tax.....	10.0	1.0	17.7	42.6	79.8	87.6	84.2	75.4	85.2	71.6	83.0	86.9	85.8	.....
Profits tax liability.....	1.4	.5	7.6	17.8	33.2	39.9	39.7	34.1	37.7	32.3	38.3	39.1	37.5	.....
Profits after tax.....	8.6	.4	10.1	24.9	46.6	47.8	44.5	41.2	47.4	39.2	44.8	47.8	48.2	.....
Dividends.....	5.8	2.0	4.4	8.8	21.4	23.6	24.4	25.0	25.5	25.0	25.6	25.4	25.7	25.3
Undistributed profits.....	2.8	-1.6	5.7	16.0	25.3	24.2	20.0	16.2	21.9	14.3	19.2	22.4	22.5	.....
Inventory valuation adjustment.....	.5	-2.1	-2.5	-5.0	-1.1	-3.3	-5.5	-4.5	-4.4	-2.6	-3.5	-4.4	-5.8	-4.0
Net interest.....	4.7	4.1	3.2	2.0	24.4	26.9	29.9	33.0	35.6	34.2	34.8	35.4	35.9	36.4

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	1967	1968	1969	1970	1971 ^p	1970		1971 ^r			
										IV	I	II	III	IV ^p	
Gross national product	103.1	55.6	124.5	284.8	793.9	864.2	929.1	974.1	1,046.8	988.4	1,020.8	1,040.0	1,053.4	1,073.0	
Less: Capital consumption allowances	7.9	7.0	8.2	18.3	68.9	74.5	81.1	87.6	95.2	89.8	92.0	93.9	96.2	98.7	
Indirect business tax and nontax liability	7.0	7.1	11.3	23.3	70.4	78.6	85.7	92.9	102.1	95.8	99.0	100.2	103.0	106.3	
Business transfer payments	.6	.7	.5	.8	3.1	3.4	3.7	3.9	4.3	4.1	4.2	4.2	4.3	4.4	
Statistical discrepancy	.7	.6	.4	1.5	-7.7	-2.7	-4.1	-4.5	-4.7	-1.6	-4.3	-4.9	-4.7		
Plus: Subsidies less current surplus of government enterprises	-1		.1	.2	1.4	.7	1.1	1.7	.9	1.7	1.8	.7	.7	.5	
Equals: National income	86.8	40.3	104.2	241.1	653.6	711.1	763.7	795.9	850.8	802.1	831.7	847.3	855.2		
Less: Corporate profits and inventory valuation adjustment	10.5	-1.2	15.2	37.7	78.7	84.3	78.6	70.8	80.7	69.0	79.5	82.5	80.0		
Contributions for social insurance	.2	.3	2.8	6.9	42.4	47.1	54.0	57.6	65.2	58.5	64.0	64.6	65.4	66.6	
Excess of wage accruals over disbursements															
Plus: Government transfer payments	.9	1.5	2.6	14.3	48.7	56.1	62.2	75.6	90.5	80.7	83.7	92.2	92.5	93.3	
Net interest paid by government and consumers	2.5	1.6	2.2	7.2	23.6	26.1	29.0	31.7	31.9	32.4	31.8	31.4	32.2	32.3	
Dividends	5.8	2.0	4.4	8.8	21.4	23.6	24.4	25.0	25.5	25.0	25.6	25.4	25.7	25.3	
Business transfer payments	.6	.7	.5	.8	3.1	3.4	3.7	3.9	4.3	4.1	4.2	4.2	4.3	4.4	
Equals: Personal income	85.9	47.0	96.0	227.6	629.3	688.9	750.3	803.6	857.0	816.7	833.5	853.4	864.6	876.6	
Less: Personal tax and nontax payments	2.6	1.5	3.3	20.7	83.0	97.9	116.2	115.9	115.8	115.2	111.6	113.8	116.0	121.8	
Equals: Disposable personal income	83.3	45.5	92.7	206.9	546.3	591.0	634.2	687.8	741.2	701.5	722.0	739.6	748.5	754.8	
Less: Personal outlays	79.1	46.5	81.7	193.9	506.0	551.2	596.3	633.7	680.8	643.0	663.3	676.0	687.6	696.5	
Personal consumption expenditures	77.2	45.8	80.6	191.0	492.1	536.2	579.6	615.8	662.2	624.7	644.9	657.4	668.8	677.7	
Consumer interest payments	1.5	.5	.9	2.4	13.2	14.3	15.8	16.9	17.7	17.4	17.6	17.7	17.8	17.9	
Personal transfer payments to foreigners	.3	.2	.2	.5	.7	.8	.9	.9	.9	.9	.9	.9	1.0	.9	
Equals: Personal saving	4.2	-9	11.0	13.1	40.4	39.8	37.9	54.1	60.4	58.5	58.6	63.6	61.0	58.4	
Disposable personal income in constant (1958) dollars	150.6	112.2	190.3	249.6	477.5	499.0	513.5	531.5	550.6	532.5	542.7	550.5	553.2	556.0	

NOTE.—Dept. of Commerce estimates. Quarterly data are seasonally adjusted totals at annual rates. See also NOTE to table opposite.

PERSONAL INCOME

(In billions of dollars)

Item	1970	1971 ^p	1971 ^r												
			Dec.	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec. ^p
Total personal income	803.6	857.0	820.9	829.9	832.4	838.3	843.0	848.6	868.6	857.7	866.1	869.9	871.2	874.9	883.8
Wage and salary disbursements	541.4	574.2	551.5	558.7	560.6	564.8	567.7	572.0	573.2	572.9	579.2	579.8	581.3	584.8	594.6
Commodity-producing industries	200.7	205.7	202.1	202.4	201.8	203.3	204.4	206.1	206.4	205.0	205.3	206.7	207.4	208.1	211.5
Manufacturing only	158.3	160.8	158.4	159.0	158.5	159.2	159.6	161.1	161.4	160.2	160.2	161.1	162.0	162.2	165.0
Distributive industries	129.1	138.8	131.4	134.1	135.2	136.5	137.2	138.3	138.1	138.0	140.0	140.7	140.9	141.6	144.4
Service industries	96.7	105.9	100.4	101.9	102.4	103.3	103.9	105.0	105.7	106.3	107.4	107.7	108.1	108.7	109.8
Government	114.8	123.8	117.7	120.3	121.2	121.6	122.1	122.6	123.0	123.6	126.6	124.7	124.9	126.4	128.9
Other labor income	30.8	33.7	32.2	32.4	32.6	32.8	33.1	33.4	33.7	33.9	34.1	34.3	34.4	34.6	34.8
Proprietors' income	66.8	68.4	66.1	66.3	66.3	66.6	66.9	67.1	67.4	68.3	69.3	70.1	70.4	70.6	70.7
Business and professional	51.0	52.1	51.5	51.6	51.5	51.7	51.8	51.9	52.1	52.2	52.3	52.3	52.4	52.5	52.6
Farm	15.8	16.3	14.6	14.7	14.8	14.9	15.1	15.2	15.3	16.1	17.0	17.8	18.0	18.1	18.1
Rental income	23.3	24.3	23.8	23.9	23.5	24.0	24.1	24.2	24.3	24.4	24.5	24.5	24.5	24.6	24.6
Dividends	25.0	25.5	23.9	25.6	25.7	25.5	25.5	25.6	25.2	25.6	25.7	25.7	25.7	25.7	24.3
Personal interest income	64.7	67.5	66.8	66.7	66.6	66.4	66.6	66.7	66.9	67.4	68.1	68.8	68.7	68.6	68.5
Transfer payments	79.6	94.7	85.1	86.8	87.8	89.1	89.8	90.5	109.0	96.2	96.5	97.9	97.4	97.6	98.2
Less: Personal contributions for social insurance	28.0	31.2	28.6	30.5	30.7	30.9	30.9	31.0	31.1	31.1	31.4	31.4	31.4	31.6	32.0
Nonagricultural income	781.4	834.0	800.5	808.6	810.8	816.6	821.1	826.5	846.5	834.8	842.4	845.3	846.4	850.1	859.0
Agricultural income	22.2	23.0	20.4	21.3	21.5	21.7	21.9	22.1	22.2	22.9	23.7	24.6	24.7	24.7	24.8

NOTE.—Dept. of Commerce estimates. Monthly data are seasonally adjusted totals at annual rates. See also NOTE to table opposite.

SUMMARY OF FUNDS RAISED AND ADVANCED IN U.S. CREDIT MARKETS

(Seasonally adjusted annual rates; in billions of dollars)

Transaction category, or sector	1966	1967	1968	1969	1970	1969		1970				1971			
						III	IV	I	II	III	IV	I	II	III	
Funds raised, by type and sector															
1 Total funds raised by nonfinancial sectors	68.5	83.5	96.9	90.4	97.5	88.4	86.8	81.4	103.7	94.6	110.6	112.8	173.7	167.5	1
2 U.S. Government.....	3.5	13.0	13.4	-3.6	12.8	-7	1.2	3.0	16.0	12.2	20.0	-7	45.6	24.6	2
3 Public debt securities.....	2.3	8.9	10.3	-1.3	12.9	4.9	4.9	3.5	18.1	11.4	18.5	2.2	45.8	24.7	3
4 Budget agency issues.....	1.2	4.1	3.1	-2.4	-1	-5.6	-3.7	-5	-2.0	8	1.5	-2.9	-2	*	4
5 All other nonfinancial sectors	64.9	70.5	83.5	94.1	84.7	89.1	85.7	78.3	87.7	82.4	90.6	113.5	128.1	142.9	5
6 Corporate equity shares.....	2.4	2.4	-7	4.8	6.8	6.0	9.2	5.9	6.0	5.4	9.9	9.2	15.3	17.0	6
7 Debt instruments.....	64.0	68.1	84.2	89.3	77.9	83.2	76.4	72.4	81.7	77.1	80.7	104.2	112.9	125.9	7
8 Debt capital instruments.....	39.0	46.6	50.9	49.1	58.8	45.2	42.5	45.6	54.6	60.0	74.7	82.0	85.7	84.4	8
9 State and local govt. secs.....	5.7	8.7	9.6	8.1	11.8	5.6	4.7	8.9	10.2	8.9	19.3	25.3	16.6	18.0	9
10 Corporate and fgn. bonds.....	11.0	15.9	14.0	13.1	21.1	12.1	11.1	15.0	22.4	22.2	24.8	25.0	24.1	14.1	10
11 Mortgages.....	22.3	22.0	27.3	27.9	25.8	27.5	26.7	21.7	22.0	28.9	30.7	31.7	45.1	52.3	11
12 Home mortgages.....	11.4	11.6	15.2	15.7	12.8	15.7	13.9	10.7	11.1	15.2	14.2	14.9	25.2	28.8	12
13 Other residential.....	3.1	3.6	3.5	4.8	5.9	4.8	5.6	4.6	5.4	6.5	6.9	7.1	9.8	10.2	13
14 Commercial.....	5.7	4.7	6.6	5.5	5.4	5.3	5.8	4.8	4.2	5.2	7.5	7.5	8.8	11.0	14
15 Farm.....	2.1	2.1	2.1	1.9	1.8	1.8	1.5	1.5	1.4	2.1	2.1	2.2	1.2	2.3	15
16 Other private credit.....	25.0	21.6	33.3	40.2	19.2	38.0	33.9	26.7	27.0	17.0	6.0	22.2	27.2	41.5	16
17 Bank loans n.e.c.....	10.3	9.6	13.4	15.7	2.7	11.7	14.2	7.6	9.0	1.9	-7.6	4.2	13.4	22.6	17
18 Consumer credit.....	7.2	4.6	11.1	9.3	4.3	8.9	7.5	4.8	6.1	6.2	2	4.1	9.2	13.9	18
19 Open market paper.....	1.0	2.1	1.6	3.3	3.8	2.7	1.0	5.0	2.2	5	7.5	2.9	-3.7	2.7	19
20 Other.....	6.4	5.2	7.3	11.8	8.4	14.6	11.2	9.4	9.8	8.4	5.9	10.9	8.3	2.3	20
21 By borrowing sector	64.9	70.5	83.5	94.1	84.7	89.1	85.7	78.3	87.7	82.4	90.6	113.5	128.1	142.9	21
22 Foreign.....	1.5	4.1	3.0	3.7	2.6	2.3	2.4	2.6	1.7	2.2	4.0	4.3	6.7	7.2	22
23 State and local governments.....	6.4	8.8	9.9	8.5	12.2	5.8	5.1	9.4	10.4	9.7	19.5	25.7	16.7	18.1	23
24 Households.....	23.2	19.7	31.8	32.2	21.6	31.5	28.2	22.8	21.5	24.8	17.2	23.3	40.8	41.2	24
25 Nonfinancial business.....	33.8	37.9	38.8	49.7	48.3	49.4	49.9	43.4	54.2	45.7	50.0	60.2	63.9	76.3	25
26 Corporate.....	24.9	29.3	30.3	39.1	38.8	37.4	41.0	36.9	45.2	33.6	39.2	47.2	49.9	59.4	26
27 Nonfarm noncorporate.....	5.3	5.0	5.8	7.4	6.3	8.7	6.4	3.5	5.2	8.7	7.7	8.2	9.4	12.7	27
28 Farm.....	3.5	3.5	2.7	3.2	3.2	3.3	2.5	3.0	3.8	3.3	3.1	4.8	4.6	4.2	28
Funds advanced directly in credit markets															
1 Total funds raised	68.5	83.5	96.9	90.4	97.5	88.4	86.8	81.4	103.7	94.6	110.6	112.8	173.7	167.5	1
2 Advanced directly by—															
3 U.S. Government.....	4.9	4.6	4.9	2.5	3.2	3.7	2.3	3.9	3.6	3.5	1.8	4.3	4.3	2.3	2
4 U.S. Govt. credit agencies, net.....	3	5	2	2	1.2	1.5	-7	1.6	9	3.0	2.4	-6.3	-1.5	3	
5 Funds advanced.....	5.1	-1	3.2	9.0	9.9	10.5	14.1	13.7	7.1	8.7	10.1	3	-5.7	6.5	4
6 Less funds raised in cr. mkt.....	4.8	-6	3.5	8.8	8.7	10.6	12.5	14.4	5.5	7.8	7.0	-2.0	6	7.9	5
7 Federal Reserve System.....	3.5	4.8	3.7	4.2	5.0	-5	9.3	1.2	5.5	7.7	5.5	16.1	1.4	7.6	6
8 Commercial banks, net.....	16.7	36.6	39.5	12.2	31.3	-9	12.1	1.0	23.3	63.6	37.3	37.6	59.2	44.0	7
9 Funds advanced.....	16.8	36.9	39.7	16.5	29.5	4.2	18.9	10.1	27.4	52.1	28.4	35.9	59.8	44.9	8
10 Less funds raised.....	1	2	2	4.3	-1.8	5.0	6.8	9.1	4.1	-11.6	-8.9	-1.7	6	9	9
11 Private nonbank finance.....	25.9	34.4	34.2	30.1	38.9	25.6	24.4	25.3	42.4	42.0	45.8	71.3	81.9	59.8	10
12 Savings institutions, net.....	7.8	16.8	14.6	10.4	14.7	6.8	5.6	4.7	15.3	18.0	20.7	45.5	49.9	35.1	11
13 Insurance.....	19.3	18.7	22.0	21.8	24.9	20.6	19.5	23.2	27.1	24.1	25.3	29.9	33.9	27.2	12
14 Finance n.e.c., net.....	-1.3	-1.1	-2.5	-2.1	-7	-1.8	-7	-2.6	*	*	-3	-4.0	-1.9	-2.6	13
15 Foreign.....	-1.8	2.8	2.5	1.3	10.9	5.1	-1.1	9.4	9.5	4.9	19.6	27.5	30.1	32.1	14
16 Private domestic nonfinancial.....	19.1	-2	12.3	39.8	7.1	55.5	38.4	41.2	17.9	-27.9	-2.5	-46.4	3.1	23.3	15
17 Business.....	3.6	-2	7.4	13.8	-1.0	18.1	7.0	15.1	12.3	28.5	-2.9	-1.8	9.7	10.2	16
18 State and local governments.....	3.4	2.1	4	6.1	-3.8	7.7	5.6	-2.5	-5.3	-7.8	4	1.8	3.0	2.9	17
19 Households.....	11.9	*	5.8	18.3	10.6	26.4	25.3	24.8	8.8	8.1	5	-46.3	-5.2	14.6	18
20 Less: Net security credit.....	-2	2.2	1.4	-1.6	-1.4	-3.2	-4	-3.8	-2.1	-2	6	1	4.5	4.4	19
Sources of funds supplied to credit markets															
1 Total borrowing by nonfinancial sectors	68.5	83.5	96.9	90.4	97.5	88.4	86.8	81.4	103.7	94.6	110.6	112.8	173.7	167.5	1
2 Supplied directly and indirectly by pvt. domestic nonfin. sectors:															
3 Total.....	42.8	51.3	60.8	44.5	68.2	47.6	44.3	55.1	72.0	69.2	76.6	81.5	94.5	93.6	2
4 Deposits.....	23.7	51.5	48.5	4.7	61.1	-7.9	5.9	13.9	54.1	97.1	79.2	127.9	91.4	70.2	3
5 Demand dep. and currency.....	4.0	12.4	14.8	7.1	6.1	7.6	8.2	2.0	7.0	7.3	8.3	15.5	23.1	4.6	4
6 Time and svgs. accounts.....	19.7	39.1	33.7	-2.4	54.9	-15.5	-2.3	11.9	47.1	89.9	70.8	112.4	68.3	65.6	5
7 At commercial banks.....	12.5	22.5	20.8	10.5	38.4	-21.3	-3.4	7.4	31.9	68.2	46.3	61.9	26.5	31.5	6
8 At savings institutions.....	7.2	16.6	12.9	8.1	16.5	5.8	4.2	4.4	15.2	21.7	24.5	50.4	41.9	34.1	7
9 Credit market instr., net.....	19.1	-2	12.3	39.8	7.1	55.5	38.4	41.2	17.9	-27.9	-2.5	-46.4	3.1	23.3	8
10 U.S. Govt. securities.....	8.5	1.7	7.7	15.0	-6.9	23.2	14.1	6.5	-8.0	-19.2	-49.5	8	4.7	9	
11 Pvt. credit market instr.....	11.4	7.8	13.4	27.0	15.2	29.6	27.5	37.6	23.9	-2.1	21.5	15.4	11.6	22.7	10
12 Corporate equities.....	-1.0	4.1	-7.4	-3.8	-2.6	-6	-3.7	-6.7	-1	7	-4.3	-12.3	-4.9	4	11
13 Less security debt.....	-2	2.2	1.4	-1.6	-1.4	-3.2	-4	-3.8	-2.1	-2	6	1	4.5	4.4	12
14 Other sources:															
15 Foreign funds.....	7	4.6	4.3	9.6	2.4	10.4	-6	10.8	2.7	-4.5	7	9.7	27.1	37.4	13
16 At banks.....	2.5	1.7	1.8	8.3	-8.4	5.3	5	1.3	-6.8	-9.4	-18.9	-17.8	-3.0	5.3	14
17 Direct.....	-1.8	2.8	2.5	1.3	10.9	5.1	-1.1	9.4	9.5	4.9	19.6	27.5	30.1	32.1	15
18 Chg. in U.S. Govt. cash balance.....	-4	1.2	-1.1	4	2.6	1.6	3.9	1.0	2.1	1.4	6.1	-18.8	17.4	6	16
19 U.S. Government loans.....	4.9	4.6	4.9	2.5	3.2	3.7	2.3	3.9	3.6	3.5	1.8	4.3	4.3	2.3	17
20 Pvt. insur. and pension reserves.....	16.7	17.5	18.5	18.7	21.0	18.7	18.9	18.7	22.7	19.8	22.8	25.3	24.2	19.7	18
21 Sources n.e.c.....	3.8	4.3	9.5	14.7	1	6.4	18.1	-8.1	7	5.3	2.5	10.7	6.1	13.9	19

PRINCIPAL FINANCIAL TRANSACTIONS
(Seasonally adjusted annual rates; in billions of dollars)

Transaction category, or sector	1966	1967	1968	1969	1970	1969		1970				1971			
						III	IV	I	II	III	IV	I	II	III	
Demand deposits and currency															
1 Net incr. in banking system liability...	2.6	14.8	14.8	8.5	10.1	11.0	13.2	5.1	9.8	8.9	16.9	-1.9	39.9	6.2	1
2 U.S. Government deposits.....	-.4	1.1	-1.2	.6	2.5	1.9	4.2	1.1	2.0	.7	6.0	-19.2	17.3	.6	2
3 Money supply.....	3.0	13.7	16.0	7.9	7.7	9.1	9.0	4.0	7.8	8.2	10.8	17.3	22.6	5.6	3
4 Domestic sectors.....	3.9	13.4	15.7	7.6	7.4	8.5	9.0	2.6	8.2	8.6	10.3	17.5	22.8	5.7	4
5 Households.....	3.1	9.4	11.1	5.9	4.7	7.5	5.1	5.4	7.4	5.0	1.0	7.3	16.2	10.0	5
6 Nonfinancial business.....	.7	.8	1.8	.8	.9	-4.3	3.0	-2.3	-2.7	.7	.9	1.2	2.9	-1.7	6
7 State and local governments.....	-.1	-1.0	.7	3.2	1.2	3.9	2.9	.3	1.0	1.1	3.1	2.5	1.1	1.1	7
8 Financial sectors.....	-.1	1.0	.9	.5	1.3	.9	.8	.5	1.2	1.4	2.0	1.9	-.3	4.1	8
9 Mail float.....	.3	3.2	1.2	-1.2	1.1	-1.5	-2.8	-.7	1.3	.5	3.3	6.9	2.9	-4.8	9
10 Rest of the world.....	-1.0	.3	.3	.3	.3	.6	*	1.4	-.4	-.5	.5	-.1	-.2	-.2	10
Time and savings accounts															
1 Net increase—Total.....	20.2	40.8	33.3	-1.6	53.9	-15.4	3.4	16.8	44.3	87.5	67.1	113.3	72.9	68.0	1
2 At commercial banks—Total.....	13.3	23.8	20.6	-9.7	36.7	-21.2	-1.1	11.6	28.5	65.6	41.3	61.1	29.5	33.1	2
3 Corporate business.....	-.7	2.9	1.9	9.8	12.8	-11.0	-4.2	-.5	6.1	32.3	12.2	9.0	1.5	1.1	3
4 State and local governments.....	1.3	2.4	3.2	5.9	9.9	-10.3	-4.6	6.4	10.3	13.4	9.6	12.1	3.5	11.9	4
5 Foreign.....	.8	1.2	-.3	1.0	-.9	-.4	5.7	4.3	-3.5	-3.2	-5.1	-1.4	2.6	1.6	5
6 Households.....	11.9	17.1	15.7	5.2	15.8	*	2.4	5.5	15.5	22.5	24.5	40.8	21.5	18.4	6
7 At savings institutions.....	7.0	17.0	12.8	8.1	17.2	5.7	4.5	5.2	15.8	21.9	25.8	52.2	43.4	34.9	7
8 Liabilities.....															
9 Savings and loan assns.....	3.6	10.6	7.5	4.1	11.1	2.9	.7	2.0	9.8	15.6	16.9	36.7	28.6	25.3	8
10 Mutual savings banks.....	2.6	5.1	4.2	2.6	4.4	1.5	2.2	1.6	4.4	4.7	7.0	12.4	11.6	6.6	9
11 Credit unions.....	.8	1.2	1.1	1.4	1.7	1.3	1.5	1.6	1.7	1.5	1.9	3.1	3.1	3.0	10
12 Assets.....															
13 Households.....	7.2	16.6	12.9	8.1	16.5	5.8	4.2	4.4	15.2	21.7	24.5	50.4	41.9	34.1	11
14 Cr. union depts. at S & L's.....	-.2	.3	-.1	*	.7	-.1	.3	.8	.6	.2	1.3	1.8	1.5	.8	12
U.S. Government securities															
1 Total net issues.....	8.7	12.5	16.7	5.5	21.6	10.0	13.8	17.5	21.6	20.1	27.0	-2.6	46.3	32.7	1
2 Household savings bonds.....	.6	1.0	1.4	-.4	3	-.8	.1	-.9	-.2	.5	1.7	1.9	2.7	2.4	2
3 Direct excluding savings bonds.....	1.8	7.9	9.9	-.9	12.6	5.6	4.8	4.4	18.3	10.9	16.8	.3	43.1	22.2	3
4 Budget agency issues.....	*	.1	1.5	-.4	1.3	-.8	-.2	2.1	-.2	1.0	1.7	.8	.4	*	4
5 Sponsored agency issues.....	5.1	-.6	3.2	9.1	8.7	10.6	12.5	14.4	5.5	7.8	7.0	-2.0	.6	7.9	5
6 Loan participations.....	1.3	4.0	1.7	1.9	1.3	-4.8	-3.3	-2.6	2.2	1	-.2	3.6	-.5	.1	6
7 Net acquisitions, by sector.....	8.7	12.5	16.7	5.5	21.6	10.0	13.8	17.5	21.6	20.1	27.0	-2.6	46.3	32.7	7
8 U.S. Government (agency sec.).....	1.3	-.1	.1	1.3	-.1	-.8	1.0	.1	.1	.1	-.6	*	*	*	8
9 Sponsored credit agencies.....	1.0	*	-.1	.2	1.7	-.5	1.2	2.0	.5	1.0	4.4	1.8	2.7	2.8	9
10 Direct marketable.....	.3	.9	-.1	.5	1.9	-.8	.4	2.8	-.8	1.2	4.3	3.9	-.2	2.8	10
11 FHLB special issue.....	.6	.9	-.3	.3	-.2	.3	.8	.8	-.2	.2	.1	2.0	-2.6	.1	11
12 Federal Reserve System.....	3.5	4.8	3.8	4.2	5.0	4	9.2	1.1	5.4	7.9	5.6	15.8	1.7	7.6	12
13 Foreign.....	2.4	2.1	-.5	-1.8	9.1	2.7	-3.7	8.0	8.2	4.7	15.5	26.3	28.7	29.0	13
14 Commercial banks.....	3.6	9.3	3.4	-9.5	9.0	-9.5	-5.2	.5	6.8	11.0	17.6	2.2	14.7	-5.2	14
15 Direct.....	3.4	6.3	2.2	9.3	5.8	-7.6	-6.2	.7	6.8	8.9	8.0	.1	11.3	-8.2	15
16 Agency issues.....	.2	3.0	1.3	3	3.2	-1.9	1.0	1.3	*	2.1	9.6	2.1	3.4	3.0	16
17 Nonbank finance.....	.4	-1.9	2.2	.8	3.7	-4.7	-.8	.7	9.8	2.2	3.7	4.4	3.1	-.6	17
18 Direct.....	-.2	-2.2	.4	-2.4	1.5	-7.3	-.6	3.2	7.6	-.7	2.5	-7.3	2.5	-3.7	18
19 Agency issues.....	.5	.3	1.8	1.6	2.2	2.6	.2	2.6	2.2	2.9	1.2	11.8	.6	3.1	19
20 Pvt. domestic nonfinancial.....	8.5	-1.7	7.7	15.0	-6.9	23.2	14.1	6.5	-8.0	-6.8	19.2	-49.5	.8	4.7	20
21 Savings bonds—Households.....	.6	1.0	.4	.4	.3	.8	.1	.9	-.2	.5	1.7	1.9	2.7	2.4	21
22 Direct excl. savings bonds.....	3.3	-3.0	4.1	8.7	-10.5	18.8	5.0	-2.7	-9.2	-10.8	-19.2	-32.7	1.7	4.4	22
23 Agency issues.....	4.7	.4	3.2	6.7	3.4	5.2	9.1	10.1	1.4	3.5	-1.7	-18.7	-3.6	1.8	23
Private securities															
1 Total net issues, by sector.....	18.5	28.2	23.9	27.7	42.3	25.1	26.3	31.3	41.0	39.3	57.7	65.0	58.8	53.0	1
2 State and local governments.....	5.7	8.7	9.6	8.1	11.8	5.6	4.7	8.9	10.2	8.9	19.3	25.3	16.6	18.0	2
3 Nonfinancial corporations.....	11.4	17.0	12.1	16.4	27.0	16.1	19.8	20.2	28.9	25.7	33.4	32.8	37.8	30.2	3
4 Finance companies.....	.8	1.0	.8	1.6	2.5	1.4	1.3	2.3	2.8	3.8	4.5	2.5	3.7	4	
5 Commercial banks.....	.1	-.2	-.2	.1	.1	.1	.1	-.2	*	*	.9	.4	.2	5	
6 Rest of the world.....	.5	1.3	1.3	1.5	.9	2.0	.5	.7	-.4	2.0	1.3	1.4	1.6	.9	6
7 Net purchases.....	18.5	28.2	23.9	27.7	42.3	25.1	26.3	31.3	41.0	39.3	57.7	65.0	58.8	53.0	7
8 Households.....	3.2	1.8	-1.2	3.0	8.1	5.2	5.3	6.9	9.8	2.5	13.3	-3.3	4.2	13.0	8
9 Nonfinancial corporations.....	1.0	-.2	-1.1	5.1	1.4	5.5	5.0	.6	2.0	1.6	1.2	6.1	3.2	.7	9
10 State and local governments.....	1.1	1.9	.4	2.6	.2	.9	1.4	.4	.7	-.8	.6	2.8	2.7	2.6	10
11 Commercial banks.....	1.9	9.8	8.9	.3	10.8	-1.1	-1.7	5.0	8.9	14.5	14.7	20.1	14.9	7.8	11
12 Mutual savings banks.....	.3	2.3	1.6	.6	1.7	*	.2	1.2	2.0	1.2	2.5	8.3	6.7	1.5	12
13 Insurance and pension funds.....	12.9	16.6	17.6	16.8	18.7	15.0	15.4	17.0	20.6	13.9	23.2	26.7	33.0	25.5	13
14 Finance n.e.c.....	2.2	.9	3.6	2.8	.1	-1.1	-2.2	.3	3.5	4.3	-.1	3.3	-.5	.4	14
15 Security brokers and dealers.....	.1	-.2	.9	.2	.7	2.3	2.6	*	*	5.2	2.7	1.4	6.1	-.7	15
16 Investment companies, net.....	2.4	-1.1	-2.8	3.0	.6	-3.4	.3	.3	-3.7	-1.0	2.5	1.9	.6	1.1	16
17 Portfolio purchases.....	1.4	1.5	1.9	2.7	1.8	2.7	4.6	1.3	-1.0	2.4	4.5	2.1	.4	.9	17
18 Net issues of own shares.....	3.7	2.6	4.7	5.7	2.4	6.1	4.2	1.6	2.7	3.4	2.1	-.2	-.2	-.1	18
19 Rest of the world.....	.3	.6	2.3	2.1	1.4	.7	2.9	.6	.5	2.1	2.3	1.0	-.5	1.5	19
Bank loans n.e.c.															
1 Total net borrowing.....	9.0	7.5	15.7	17.8	2.1	11.1	17.6	5.2	10.3	5.0	-11.8	11.1	15.6	20.0	1
2 Households.....	.4	2.1	3.1	2.4	.8	.9	1.5	2.3	-1.1	1.2	1.0	2.7	5.4	-1.4	2
3 Nonfinancial business.....	10.1	7.7	10.6	13.5	2.3	12.3	12.8	4.6	10.4	.9	-6.7	1.8	5.4	18.8	3
4 Rest of the world.....	-.2	-.2	-.3	-.2	-.4	-1.5	-.1	.6	-.3	-.2	-1.9	-.2	2.7	5.2	4
5 Financial sectors.....	1.3	-2.1	2.3	2.1	-.5	-.6	3.4	-2.3	1.2	3.0	-4.1	6.9	2.1	-2.7	5

1. U.S. BALANCE OF PAYMENTS

(In millions of dollars)

Line	Credits + ; debits -	1969	1970	1970			1971		
				II	III	IV	I	II	III ^P
Summary—Seasonally adjusted									
1	Merchandise trade balance ¹	660	2,110	751	704	142	269	-1,040	-537
2	Exports.....	36,490	41,980	10,582	10,696	10,461	11,030	10,720	11,481
3	Imports.....	-35,830	-39,870	-9,831	-9,992	-10,319	-10,761	-11,760	12,018
4	Military transactions, net.....	-3,341	-3,371	-808	-884	-770	-667	-669	-715
5	Travel and transportation, net.....	-1,780	-1,979	-500	-553	-478	-427	-610	-601
6	Investment income, net ²	5,975	6,242	1,469	1,571	1,626	1,783	2,169	1,670
7	U.S. direct investments abroad.....	7,340	7,906	1,905	1,973	1,988	2,033	2,409	2,053
8	Other U.S. investments abroad.....	3,199	3,503	886	882	851	864	832	845
9	Foreign investments in the United States.....	-4,564	-5,167	-1,322	-1,284	-1,213	-1,114	-1,072	-1,228
10	Other services, net.....	497	588	133	157	150	212	176	177
11	Balance on goods and services ³	2,011	3,592	1,045	995	670	1,170	26	-6
12	Remittances, pensions, and other transfers.....	-1,266	-1,410	-362	-359	-351	-342	-355	-388
13	Balance on goods, services, and remittances.....	745	2,182	683	636	319	828	-329	-394
14	U.S. Government grants (excluding military).....	-1,644	-1,739	-391	-444	-485	-428	-483	-527
15	Balance on current account.....	-899	444	292	192	-166	400	-812	-921
16	U.S. Government capital flows excluding nonscheduled repayments, net ⁴	-2,106	-1,837	-480	-396	-450	-602	-679	-428
17	Nonscheduled repayments of U.S. Government assets.....	-87	244	114	2	40	4	102	72
18	U.S. Government nonliquid liabilities to other than foreign official reserve agencies.....	263	-436	-224	82	-263	-82	-53	-176
19	Long-term private capital flows, net.....	-50	-1,453	-272	-220	7	-1,003	-1,795	-1,648
20	U.S. direct investments abroad.....	-3,254	-4,445	-1,257	-897	-934	-1,370	-1,393	-1,399
21	Foreign direct investments in the United States.....	832	969	105	218	160	92	-16	-319
22	Foreign securities.....	-1,494	-942	93	-488	-337	-353	-388	-224
23	U.S. securities other than Treasury issues.....	3,112	2,190	374	720	792	559	196	564
24	Other, reported by U.S. banks.....	477	199	68	44	56	-121	-236	-289
25	Other, reported by U.S. nonbanking concerns.....	277	576	345	183	270	190	42	19
26	Balance on current account and long-term capital ⁴	-2,879	-3,038	-570	-340	-832	-1,283	-3,237	-3,101
27	Nonliquid short-term private capital flows, net.....	-602	-545	-140	-115	-175	-384	-394	-1,167
28	Claims reported by U.S. banks.....	-658	-1,015	-268	-189	-396	-73	-171	-991
29	Claims reported by U.S. nonbanking concerns.....	-35	-360	-23	-50	-171	-125	-138	-248
30	Liabilities reported by U.S. nonbanking concerns.....	91	830	151	124	392	-186	-85	72
31	Allocations of special drawing rights (SDR's).....	867	217	217	217	216	180	179	179
32	Errors and omissions, net.....	-2,603	-1,104	-375	-437	-233	-1,017	-2,330	-5,204
33	Net liquidity balance.....	-6,084	-3,821	-868	-675	-1,024	-2,504	-5,782	-9,293
34	Liquid private capital flows, net.....	8,786	-6,000	-536	-1,400	-2,454	-3,029	51	-2,828
35	Liquid claims.....	124	242	-160	-17	157	-315	90	-520
36	Reported by U.S. banks.....	-209	-119	-127	-53	-79	-90	35	-405
37	Reported by U.S. nonbanking concerns.....	333	361	-33	36	236	-225	55	-115
38	Liquid liabilities.....	8,662	-6,242	-376	-1,383	-2,611	-2,714	-39	-2,308
39	To foreign commercial banks.....	9,166	-6,507	-441	-1,315	-2,888	-3,065	-92	-2,092
40	To international and regional organizations.....	-63	179	-124	82	79	279	198	155
41	To other foreigners.....	-441	86	189	-150	198	72	-145	-371
42	Official reserve transactions balance.....	2,702	-9,821	-1,404	-2,075	-3,478	-5,533	-5,731	-12,121
43	Financed by changes in—								
44	Nonliquid liabilities to foreign official reserve agencies reported by U.S. Government.....	-162	535	735	-12	77	-8	-8	-9
45	Nonliquid liabilities to foreign official agencies reported by U.S. banks.....	-836	-810	-235	-233	-188	-202	-160	-173
46	Liquid liabilities to foreign official agencies.....	-517	7,619	99	1,736	2,765	5,061	5,240	11,109
47	U.S. official reserve assets, net.....	-1,187	2,477	805	584	824	682	659	1,194
48	Gold.....	-967	787	14	395	422	109	456	300
49	SDR's.....	-81	-254	-251	-76	-55	17	-29	-29
50	Convertible currencies.....	814	2,152	818	34	469	373	-66	72
50	Gold tranche position in IMF.....	-1,034	389	227	406	9	255	252	851
51	Memoranda:								
51	Transfers under military grant programs, (excluded from lines 2, 4, and 14).....	756	613	191	116	169	191	162	256
52	Reinvested earnings of foreign incorporated affiliates of U.S. firms (excluded from lines 7 and 20).....	2,532	2,885	(⁵)	(⁵)	(⁵)	(⁵)	(⁵)	(⁵)
53	Reinvested earnings of U.S. incorporated affiliates of foreign firms (excluded from lines 9 and 21).....	431	434	(⁵)	(⁵)	(⁵)	(⁵)	(⁵)	(⁵)

For notes see end of table.

1. U.S. BALANCE OF PAYMENTS—Continued

(In millions of dollars)

Credits +, debits --	1969	1970	1970			1971		
			II	III	IV	I	II	III ^a
Balances excluding allocations of SDR's--Seasonally adjusted								
Net liquidity balance.....	-6,084	-4,688	-1,085	-892	-1,240	-2,684	-5,961	-9,472
Official reserve transactions balance.....	2,702	-10,688	-1,621	-2,292	-3,694	-5,713	-5,910	-12,300
Balances not seasonally adjusted								
Balance on goods and services (line 11).....	2,011	3,592	1,300	-291	1,349	1,513	228	-1,400
Balance on goods, services, and remittances (line 13).....	745	2,182	925	-657	1,002	1,188	-140	-1,795
Balance on current account (line 15).....	-899	444	487	-1,060	552	732	-670	-2,282
Balance on current account and long-term capital ⁴ (line 26)...	-2,879	-3,038	-899	-1,535	706	-1,256	-3,615	-4,428
Balances including allocations of SDR's:								
Net liquidity (line 33).....	-6,084	-3,821	-1,704	-1,454	-152	1,843	-6,596	-10,112
Official reserve transactions (line 42).....	2,702	-9,821	-2,069	-2,612	-3,174	-4,718	-6,462	-12,679
Balances excluding allocations of SDR's:								
Net liquidity.....	-6,084	-4,688	-1,704	-1,454	-152	-2,560	-6,596	-10,112
Official reserve transactions.....	2,702	-10,688	-2,069	-2,612	-3,174	-5,435	-6,462	-12,679

¹ Adjusted to balance of payments basis; excludes transfers under military grants, exports under U.S. military agency sales contracts and imports of U.S. military agencies.

² Includes fees and royalties from U.S. direct investments abroad or from foreign direct investments in the United States.

³ Equal to net exports of goods and services in national income and product accounts of the United States.

⁴ Includes some short-term U.S. Govt. assets.

⁵ Not available.

NOTE.—Data are from U.S. Department of Commerce, Office of Business Economics. Details may not add to totals because of rounding.

2. MERCHANDISE EXPORTS AND IMPORTS

(Seasonally adjusted; in millions of dollars)

Period	Exports ¹				Imports ²				Trade balance			
	1968	1969	1970	1971 ^r	1968	1969 ^r	1970	1971 ^r	1968	1969	1970	1971 ^r
Month:												
Jan.....	2,814	³ 2,161	3,406	3,733	2,687	³ 2,002	3,223	3,683	127	159	183	50
Feb.....	2,775	³ 2,266	3,547	3,691	2,592	³ 2,672	3,278	3,550	184	406	269	141
Mar.....	³ 2,439	³ 3,188	3,376	3,815	³ 2,589	³ 2,982	3,218	3,565	-150	206	158	250
Apr.....	³ 2,855	³ 3,318	3,409	3,521	³ 2,604	³ 3,183	3,263	3,754	251	135	146	-232
May.....	2,740	³ 3,268	3,661	3,783	2,755	³ 3,257	3,338	3,983	-15	11	323	-201
June.....	2,870	³ 3,179	3,730	3,661	2,792	³ 3,152	3,266	4,019	78	27	465	-358
July.....	2,858	3,182	3,699	3,493	2,725	3,074	3,255	3,790	133	108	444	-297
Aug.....	³ 2,950	3,366	3,592	3,678	2,872	3,163	3,346	3,934	78	203	246	-256
Sept.....	³ 3,211	3,341	3,553	4,511	2,951	3,078	3,428	4,245	261	263	125	-265
Oct.....	³ 2,631	3,342	3,689	2,710	2,736	3,192	3,501	3,531	-105	150	188	-821
Nov.....	2,972	3,398	3,499	3,160	2,883	3,180	3,428	3,387	89	218	71	-227
Dec.....	2,977	3,280	3,570	3,859	2,908	3,078	3,404	4,132	70	202	166	-274
Quarter:												
I.....	8,028	7,615	10,328	11,239	7,867	7,655	9,719	10,798	161	-40	609	441
II.....	8,465	9,765	10,800	10,965	8,151	9,591	9,867	11,755	314	174	933	-790
III.....	9,019	9,889	10,845	11,681	8,548	9,315	10,029	11,969	471	574	816	-288
IV.....	8,580	10,020	10,758	9,728	8,527	9,450	10,333	11,051	53	570	425	-1,323
Year ⁴	34,063	37,332	42,662	43,555	33,226	36,043	39,963	45,602	837	1,289	2,699	-2,047

¹ Exports of domestic and foreign merchandise; excludes Dept. of Defense shipments of grant-aid military equipment and supplies under Mutual Security Program.

² General imports including imports for immediate consumption plus entries into bonded warehouses.

³ Significantly affected by strikes.

⁴ Sum of unadjusted figures.

NOTE.—Bureau of the Census data. 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)

Area and country	1962	1963	1964	1965	1966	1967	1968	1969	1970	1970		1971			
										III	IV	I	II	III	
Western Europe:															
Austria	-143	-82	-55	-100	-25		-58	4							
Belgium	-63		-40	-83										-110	
France	-456	-518	-405	-884	-601		600	325	-129		-129			-282	-191
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	-20	-30	-25			
Spain	-146	-130	-32	-180					51	51					
Switzerland	102		-81	-50	-2	-30	-50	-25	-50	-50		-75	-50	-50	
United Kingdom	-387	329	618	150	80	-879	-835								
Bank for Intl. Settlements								200							
Other	-12	1	-6	-35	-49	16	-47	11	-29	-8	-21	15	-6	-22	
Total	-1,105	-399	-88	-1,299	-659	-980	-669	969	-204	-27	-180	-85	-448	-263	
Canada	190				200	150	50								
Latin American republics:															
Argentina	85	-30			-39	-1	-25	-25	-28		-23				
Brazil	57	72	54	25	-3	-1	*		-23		-23				
Colombia	38		10	29	7			*	-1						
Venezuela				-25								*	-4	*	
Other	-5	-11	-9	-13	-6	11	-40	-29	-80	-4	-66				
Total	175	32	56	17	-41	9	-65	-54	-131	-4	-111	*	-4	*	
Asia:															
Iraq				-10	-4	-21	-42								
Japan					-6				-119		-119				
Lebanon	-32		-11		-11	-1	-95					-35			
Malaysia	-1						-34						-10		
Philippines	*	25	20	*	-1		9	40	-4	3	-8	-1	-1	-1	
Saudi Arabia	-13						-50								
Singapore							-81	11						-30	
Other	-47	-13	-6	-14	-14	-22	-75	-9	2-91	-41	-71	21	21	-1	
Total	-93	12	3	-24	-86	-44	-366	42	-213	-39	-197	-15	10	-32	
All other	-1	-36	-7	-16	-22	3-166	3-68	-1	-81	-4	-75	-1	-4	*	
Total foreign countries	-833	-392	-36	-1,322	-608	-1,031	-1,118	957	4-631	-73	4-563	-102	-445	-296	
Intl. Monetary Fund⁵				6-225	177	22	-3	10	-156	-322	4142	-7	-11	-4	
Grand total	-833	-392	-36	-1,547	-431	-1,009	-1,121	967	-787	-395	-422	-109	-457	-300	

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, amounting to \$17 million, was made in June 1968.

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. Govt. securities. In Sept. 1970 IMF repurchased \$400 million.

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.

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, and to \$6,700 million in Dec. 1970. 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			
1958...	22,540	20,582	20,534	.....	1,958	.....	1971						
1959...	21,504	19,507	19,456	.....	1,997	.....	Jan....	14,699	11,040	10,732	491	1,700	1,468
1960...	19,359	17,804	17,767	.....	1,555	.....	Feb....	14,534	11,039	10,732	327	1,700	1,468
1961...	18,753	16,947	16,889	116	1,690	.....	Mar....	14,342	10,963	10,732	256	1,680	1,443
1962...	17,220	16,057	15,978	99	1,064	.....	Apr....	14,307	10,925	10,732	257	1,682	1,443
1963...	16,843	15,596	15,513	212	1,035	.....	May....	13,811	10,568	10,332	318	1,678	1,247
1964...	16,672	15,471	15,388	432	769	.....	June...	13,504	10,507	10,332	322	1,428	1,247
1965...	15,450	13,806	13,733	781	863	.....	July...	13,283	10,453	10,332	250	1,433	1,147
1966...	14,882	13,235	13,159	1,321	326	.....	Aug....	12,128	10,209	10,132	248	574	1,097
1967...	14,830	12,065	11,982	2,345	420	.....	Sept...	12,131	10,207	10,132	250	577	1,097
1968...	15,710	10,892	10,367	3,528	1,290	.....	Oct....	12,146	10,207	10,132	259	580	1,100
1969...	16,964	11,859	10,367	72,781	2,324	.....	Nov....	12,131	10,206	10,132	243	582	1,100
1970...	14,487	11,072	10,732	629	1,935	851	Dec....	8 12,167	10,206	10,132	8 276	585	1,100
1971...	8 12,167	10,206	10,132	8 276	585	1,100	1972						
							Jan....	12,879	10,206	10,132	276	587	1,810

¹ Includes (a) gold sold to the United States by the International Monetary Fund 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: (in millions of dollars) 867 on Jan. 1, 1970; 717 on Jan. 1, 1971; and 710 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.

NOTE.— See Table 23 for gold held under earmark at F.R. Banks for foreign and international accounts. Gold under earmark is not included in the gold stock of the United States.

5. U.S. POSITION IN THE INTERNATIONAL MONETARY FUND

(In millions of dollars)

Period	Transactions affecting IMF holdings of dollars (during period)							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	Re-purchases in dollars				
1946—1957.....	2,063	600	.....	45	-2,670	827	775	775	28	1,975
1958—1963.....	1,031	150	.....	60	1,666	2,740	2,315	3,090	75	1,035
1964—1966.....	776	.....	1,640	45	-723	6	1,744	4,834	94	5326
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
1971—Jan.....	250	-3	-23	11	235	5,000	75	1,700
Feb.....	*	*	*	5,000	75	1,700
Mar.....	*	20	20	5,020	75	1,680
Apr.....	-3	.....	1	-2	5,018	75	1,682
May.....	-2	.....	7	4	5,022	75	1,678
June.....	250	-1	.....	1	250	5,272	79	1,428
July.....	-5	.....	.....	-5	5,267	79	1,433
Aug.....	862	-3	.....	.....	859	6,126	91	574
Sept.....	-3	.....	.....	-3	6,123	91	577
Oct.....	-3	.....	.....	-3	6,120	91	580
Nov.....	-2	.....	.....	-2	6,118	91	582
Dec.....	-3	.....	.....	-3	6,115	91	585
1972—Jan.....	-2	.....	.....	-2	6,113	91	587

For notes see opposite page.

6. U.S. LIQUID LIABILITIES TO FOREIGNERS

(In millions of dollars)

End of period	Total	Liabilities to Intl. Monetary Fund arising from gold transactions			Liabilities to foreign countries						Liabilities to non-monetary intl. and regional organizations ⁵			
		Total	Gold deposit ¹	Gold investment ²	Official institutions ³			Banks and other foreigners			Total	Short-term liabilities reported by banks in U.S. ⁶	Marketable U.S. Govt. bonds and notes ⁴	
					Total	Short-term liabilities reported by banks in U.S.	Marketable U.S. Govt. bonds and notes ⁴	Non-marketable convertible U.S. Treasury bonds and notes	Total	Short-term liabilities reported by banks in U.S.				Marketable U.S. Govt. bonds and notes ⁴
1957.....	7 15,825	200	.....	200	.....	7,917	.....	.....	.....	5,724	.....	.....	542	.....
1958.....	7 16,845	200	.....	200	.....	8,665	.....	.....	.....	5,950	.....	.....	552	.....
1959.....	19,428	500	.....	500	10,120	9,154	966	.....	7,618	7,077	541	1,190	530	660
1960 ⁸	(20,994 21,027)	800	.....	800	11,078 11,088	10,212 10,212	866 876	.....	7,591 7,598	7,048 7,048	543 550	1,525 1,541	750 750	775 791
1961 ⁸	(22,853 22,936)	800	.....	800	11,830 11,830	10,940 10,940	890 890	.....	8,275 8,357	7,759 7,841	516 516	1,948 1,949	703 704	1,245 1,245
1962 ⁸	(24,068 24,068)	800	.....	800	12,748 12,714	11,997 11,963	751 751	.....	8,359 8,359	7,911 7,911	448 448	2,161 2,195	1,250 1,284	911 911
1963 ⁸	(26,361 26,322)	800	.....	800	14,387 14,353	12,467 12,467	1,217 1,183	703 703	9,214 9,204	8,863 8,863	351 341	1,960 1,965	808 808	1,152 1,157
1964 ⁸	(28,951 29,002)	800	.....	800	15,428 15,424	13,224 13,220	1,125 1,125	1,079 1,079	11,001 11,056	10,625 10,680	376 376	1,722 1,722	818 818	904 904
1965.....	29,115	834	34	800	15,372	13,066	1,105	1,201	11,478	11,006	472	1,431	679	752
1966 ⁸	(29,904 29,779)	1,011	211	800	13,600 13,655	12,484 12,539	860 860	256 256	14,387 14,208	13,859 13,680	528 528	906 905	581 580	325 325
1967 ⁸	(33,271 33,119)	1,033	233	800	15,653 15,646	14,034 14,027	908 908	711 711	15,894 15,763	15,336 15,205	558 558	691 677	487 473	204 204
1968 ⁸	(33,828 33,614)	1,030	230	800	12,548 12,481	11,318 11,318	529 462	701 701	19,525 19,381	18,916 18,916	609 465	725 722	683 683	42 39
1969 ⁸	(41,735 41,894)	1,019	219	800	11,955 11,978	11,054 11,077	346 346	⁹ 555 ⁹ 555	28,102 28,234	27,577 27,709	525 525	659 663	609 613	50 50
1970-Nov... Dec. ⁸	44,509 43,291 43,238	579 566 566	179 166 166	400 400 400	19,957 20,068 20,057	19,239 19,333 19,333	289 306 295	429 429 429	23,186 21,813 21,768	22,596 21,166 21,203	590 647 565	787 844 847	741 820 821	46 24 26
1971-Jan... Feb... Mar... Apr... May... June... July... Aug... Sept... Oct... Nov. ⁹	43,660 44,065 45,481 47,663 51,815 51,393 53,288 59,909 60,794 62,186 62,642	559 559 559 548 548 548 544 544 544 544 544	159 159 159 148 148 148 144 144 144 144 144	400 400 400 400 400 400 400 400 400 400 400	20,490 22,321 24,841 27,253 32,091 30,640 32,953 40,672 42,150 43,390 45,058	19,774 21,600 24,120 26,532 31,347 26,809 26,869 34,017 35,081 36,063 37,256	287 292 292 292 292 379 632 870 1,015 1,272 1,747	429 429 429 429 452 3,452 5,452 5,785 6,054 6,055 6,055	21,543 20,192 18,955 18,573 17,838 18,881 18,401 17,196 16,620 16,819 15,577	20,931 19,583 18,357 17,970 17,269 18,308 17,822 16,653 16,105 16,309 15,096	612 609 598 603 569 573 579 543 515 510 481	1,068 993 1,126 1,289 1,338 1,324 1,390 1,497 1,480 1,433 1,463	1,043 951 985 1,148 1,196 1,181 1,247 1,343 1,325 1,278 1,308	25 42 141 141 142 143 143 154 155 155 155

¹ Represents liability on gold deposited by the International Monetary Fund 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.

² U.S. Govt. 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. Upon termination of investment, the same quantity of gold can be reacquired by the IMF.

³ Includes Bank for International Settlements and European Fund.

⁴ Derived by applying reported transactions to benchmark data; breakdown of transactions by type of holder estimated for 1960-63. Includes securities issued by corporations and other agencies of the U.S. Govt. that are guaranteed by the United States.

⁵ Principally the International Bank for Reconstruction and Development and the Inter-American Development Bank.

⁶ Includes difference between cost value and face value of securities in IMF gold investment account. Liabilities data reported to the Treasury include the face value of these securities, but in this table the cost value of

the securities is included under "Gold investment." The difference, which amounted to \$19 million at the end of 1970, is included in this column.

⁷ Includes total foreign holdings of U.S. Govt. bonds and notes, for which breakdown by type of holder is not available.

⁸ 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.

⁹ Includes \$17 million increase in dollar value of foreign currency liabilities resulting from revaluation of the German mark in Oct. 1969.

NOTE.—Based on Treasury Dept. data and on data reported to the Treasury Dept. by banks and brokers in the United States. Data correspond to statistics following in this section, except for 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 United States notes held by other international and regional organizations.

7. U.S. LIQUID 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.....	15,646	9,872	996	1,131	3,145	249	253
1968 ³	12,548	7,009	533	1,354	3,168	259	225
	12,481	7,001	532	1,354	3,122	248	224
1969 ³	11,955	5,823	495	1,679	3,190	546	222
	11,978	5,823	495	1,702	3,190	546	222
1970—Nov.....	19,957	13,231	637	1,661	3,639	449	340
Dec. ³	20,068	13,021	662	1,562	4,060	407	356
	20,057	13,016	662	1,562	4,054	407	356
1971—Jan.....	20,490	13,680	678	1,388	4,040	381	323
Feb.....	22,321	15,374	727	1,389	4,163	325	343
Mar.....	24,841	17,151	801	1,236	4,998	242	413
Apr.....	27,253	19,119	818	1,244	5,285	257	530
May.....	32,091	22,720	865	1,213	6,396	286	611
June.....	30,640	20,676	843	1,262	6,895	271	693
July.....	32,953	22,447	921	1,286	7,253	285	761
Aug.....	40,672	25,460	1,185	1,348	11,546	312	821
Sept.....	42,150	26,035	1,173	1,229	12,631	296	786
Oct.....	43,390	26,550	1,241	1,298	13,235	276	790
Nov. ⁴	45,058	27,539	1,345	1,277	13,776	248	873

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 8 to Table 6.

⁴ Includes \$17 million increase in dollar value of foreign currency liabilities resulting from revaluation of the German mark in Oct. 1969.

NOTE.—Data represent short-term liabilities to the official institutions of foreign countries, as reported by banks in the United States, and foreign official holdings of marketable and convertible nonmarketable U.S. Govt. securities with an original maturity of more than 1 year.

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							IMF gold investment ⁴	To nonmonetary international and regional organizations ⁵				
	Total ¹	Payable in dollars					Payable in foreign currencies		Total	Deposits		U.S. Treasury bills and certificates	Other short-term liab. ³
		Total	Demand	Time ²	U.S. Treasury bills and certificates	Other short-term liab. ³				Demand	Time ²		
1968.....	31,717	31,081	14,387	5,484	6,797	4,413	636	800	683	68	113	394	108
1969 ⁶	40,040	39,611	20,430	6,834	5,015	7,332	429	800	609	57	83	244	224
	40,199	39,770	20,460	6,959	5,015	7,336	429	800	613	62	83	244	223
1970—Dec. ⁶	41,719	41,351	15,785	5,924	14,123	5,519	368	400	820	69	159	211	381
	41,757	41,389	15,785	5,961	14,123	5,520	368	400	821	69	159	211	381
1971—Jan.....	42,148	41,770	14,758	5,673	14,453	6,886	378	400	1,043	115	155	273	499
Feb.....	42,534	42,124	13,516	5,474	16,390	6,744	410	400	951	64	149	279	459
Mar.....	43,862	43,210	11,846	5,159	18,703	7,502	652	400	985	73	166	242	503
Apr.....	46,050	45,413	10,447	4,953	22,356	7,657	637	400	1,148	62	202	206	678
May.....	50,212	49,593	9,991	4,901	26,961	7,740	619	400	1,196	49	221	209	716
June.....	46,698	46,038	10,855	4,969	22,763	7,451	660	400	1,181	60	232	164	724
July.....	46,338	45,686	10,262	4,957	23,439	7,028	652	400	1,247	79	224	170	774
Aug.....	52,413	51,763	9,284	5,026	30,198	7,255	650	400	1,343	61	202	269	810
Sept.....	52,911	52,514	10,605	5,073	29,772	7,064	397	400	1,325	92	212	146	875
Oct.....	54,050	53,670	11,860	5,199	29,758	6,853	380	400	1,278	78	175	168	856
Nov. ⁶	54,060	53,690	10,973	5,331	30,723	6,663	370	400	1,308	69	201	157	881
Dec. ⁶	55,557	55,171	10,698	5,072	33,025	6,376	386	400	1,365	73	185	210	896

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 ⁷					
	Total	Payable in dollars				Payable in foreign currencies	Total	Payable in dollars				Payable in foreign currencies
		Deposits		U.S. Treasury bills and certificates	Other short-term liab. ³			Deposits		U.S. Treasury bills and certificates	Other short-term liab. ³	
		Demand	Time ²					Demand	Time ²			
1968.....	30,234	14,320	5,371	5,602	4,304	636	11,318	2,149	1,899	5,486	1,321	463
1969 ⁶	38,631 38,786	20,372 20,397	6,751 6,876	3,971 3,971	7,109 7,113	429 429	11,054 11,077	1,918 1,930	2,951 2,942	3,844 3,844	2,139 2,159	202 202
1970—Dec. ⁶	40,499 40,536	15,716 15,716	5,745 5,802	13,511 13,511	5,138 5,138	368 368	19,333 19,333	1,652 1,652	2,554 2,554	13,367 13,367	1,612 1,612	148 148
1971—Jan.....	40,705	14,643	5,518	13,781	6,386	378	19,774	1,743	2,490	13,638	1,755	148
Feb.....	41,183	13,452	5,325	15,711	6,285	410	21,600	1,688	2,434	15,550	1,778	150
Mar.....	42,477	11,773	4,993	18,061	6,998	652	24,120	1,579	2,244	17,916	1,981	400
Apr.....	44,502	10,385	4,751	21,750	6,978	637	26,532	1,628	2,205	20,119	2,180	400
May.....	48,616	9,941	4,680	26,352	7,024	619	31,347	1,643	2,205	24,702	2,377	8420
June.....	45,117	10,795	4,737	22,199	6,726	660	26,809	1,462	2,252	20,097	2,578	420
July.....	44,691	10,183	4,733	22,869	6,254	652	26,869	1,469	2,308	19,605	3,067	420
Aug.....	50,670	9,223	4,824	29,529	6,443	650	34,017	1,264	2,372	26,674	3,286	421
Sept.....	51,186	10,513	4,862	29,226	6,189	397	35,081	1,450	2,392	27,855	3,226	158
Oct.....	52,372	11,781	5,023	29,190	5,997	380	36,063	1,231	2,480	28,982	3,212	158
Nov. ⁸	52,352	10,904	5,129	30,166	5,782	370	37,256	1,263	2,500	30,071	3,264	158
Dec. ⁹	53,792	10,625	4,886	32,415	5,480	386	39,543	1,620	2,366	32,311	3,088	158

End of period	To banks ⁹						To other foreigners						
	Total	Payable in dollars				Total	Payable in dollars				Total		
		Total	Deposits		U.S. Treasury bills and certificates		Other short-term liab. ³	Total	Deposits			U.S. Treasury bills and certificates	Other short-term liab. ³
			Demand	Time ²					Demand	Time ²			
1968.....	18,916	14,299	10,374	1,273	30	2,621	4,444	1,797	2,199	86	362	173	
1969 ⁶	27,577 27,709	23,412 23,419	16,745 16,756	1,988 1,999	20 20	4,658 4,644	3,939 4,064	1,709 1,711	1,811 1,935	107 107	312 312	226 226	
1970—Dec. ⁶	21,166 21,203	16,917 16,945	12,376 12,376	1,326 1,354	14 14	3,202 3,202	4,029 4,038	1,688 1,688	1,886 1,895	131 131	325 325	220 220	
1971—Jan.....	20,931	16,663	11,210	1,185	13	4,255	4,038	1,689	1,843	130	376	230	
Feb.....	19,583	15,220	10,037	1,016	12	4,155	4,103	1,727	1,875	148	353	260	
Mar.....	18,357	14,027	8,468	879	10	4,670	4,077	1,726	1,870	135	347	253	
Apr.....	17,970	13,604	6,952	654	1,516	4,482	4,128	1,805	1,892	116	315	238	
May.....	17,269	13,029	6,561	590	1,518	4,359	4,041	1,737	1,885	131	287	199	
June.....	18,308	14,111	7,572	649	2,016	3,874	3,957	1,760	1,835	86	276	240	
July.....	17,822	13,696	7,018	600	3,168	2,910	3,894	1,696	1,825	96	277	232	
Aug.....	16,653	12,584	6,275	665	2,769	2,876	3,839	1,684	1,787	87	280	230	
Sept.....	16,105	12,221	7,486	758	1,286	2,690	3,645	1,577	1,712	85	272	239	
Oct.....	16,309	12,353	8,845	883	120	2,504	3,734	1,705	1,660	89	281	222	
Nov. ⁸	15,096	11,152	7,961	959	8	2,223	3,733	1,680	1,670	87	295	211	
Dec. ⁹	14,249	10,342	7,344	873	8	2,118	3,679	1,661	1,648	96	273	228	

¹ Data exclude "holdings of dollars" of the International Monetary Fund.

² Excludes negotiable time certificates of deposit, which are included in "Other."

³ Principally bankers' acceptances, commercial paper, and negotiable time certificates of deposit.

⁴ 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 can be re-acquired by the IMF.

⁵ Principally the International Bank for Reconstruction and Development and the Inter-American Development Bank.

⁶ 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 Foreign central banks and foreign central govts. and their agencies, and Bank for International Settlements and European Fund.

⁹ Increase in valuation resulting from revaluation of Swiss franc.

¹⁰ Excludes central banks, which are included in "Official institutions."

NOTE:—"Short-term" refers to obligations payable on demand or having an original maturity of 1 year or less. For data on long-term liabilities reported by banks, see Table 10. Data exclude the "holdings of dollars" of the International Monetary Fund; these obligations to the IMF constitute contingent liabilities, since they represent essentially the amount of dollars available for drawings from the IMF by other member countries. Data exclude also U.S. Treasury letters of credit and non-negotiable, non-interest-bearing special U.S. notes held by the Inter-American Development Bank and the International Development Association.

**9. SHORT-TERM LIABILITIES TO FOREIGNERS REPORTED BY BANKS
IN THE UNITED STATES, BY COUNTRY**

(End of period. Amounts outstanding; in millions of dollars)

Area and country	1970		1971							
	Dec.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov. ¹	Dec. ²
Europe:										
Austria.....	185	191	185	203	274	244	244	255	246	254
Belgium-Luxembourg.....	597	780	903	761	781	916	901	875	736	691
Denmark.....	189	219	148	175	201	164	173	171	168	168
Finland.....	117	115	107	110	131	116	116	136	134	160
France.....	2,267	2,297	2,275	2,467	3,242	3,663	3,302	2,842	2,858	3,150
Germany.....	7,520	10,318	12,472	7,268	5,446	5,082	5,339	5,606	5,733	6,601
Greece.....	184	145	146	152	159	160	179	184	175	170
Italy.....	1,330	1,903	1,833	1,760	1,777	2,032	2,286	2,231	1,953	1,886
Netherlands.....	762	620	661	609	461	283	302	315	289	270
Norway.....	324	403	465	506	574	649	655	658	714	685
Portugal.....	274	298	280	270	271	295	314	307	308	303
Spain.....	198	201	232	200	208	204	185	202	185	203
Sweden.....	503	631	625	681	718	723	729	729	757	792
Switzerland.....	1,948	2,145	2,312	2,093	1,914	3,355	3,268	3,306	3,275	3,254
Turkey.....	46	25	43	21	27	26	27	48	67	68
United Kingdom.....	5,509	5,087	5,162	6,126	6,214	6,129	6,367	7,321	7,868	7,534
Yugoslavia.....	37	33	38	33	39	31	41	34	40	34
Other Western Europe ¹	594	339	795	1,000	1,417	1,517	1,446	1,404	1,371	1,369
U.S.S.R.....	15	22	9	9	10	10	11	12	8	14
Other Eastern Europe.....	54	45	50	66	61	45	61	56	67	53
Total.....	22,653	25,817	28,742	24,511	23,926	25,644	25,945	26,691	26,951	27,661
Canada.....	4,056	3,256	3,136	3,292	3,250	3,316	3,472	3,803	3,590	3,439
Latin America:										
Argentina.....	539	507	505	447	501	499	419	415	437	441
Brazil.....	346	336	335	361	428	418	358	360	383	343
Chile.....	266	260	256	257	235	252	247	211	189	191
Colombia.....	247	191	169	183	178	168	178	181	179	188
Cuba.....	7	7	7	6	7	7	6	6	6	6
Mexico.....	821	863	800	790	705	728	672	680	708	713
Panama.....	147	177	165	166	147	149	127	150	150	154
Peru.....	225	181	190	200	162	146	162	163	163	164
Uruguay.....	118	121	112	116	116	127	117	116	108	108
Venezuela.....	735	684	729	786	782	787	806	915	874	963
Other Latin American republics.....	620	601	582	582	624	623	597	608	615	654
Bahamas and Bermuda.....	745	980	940	960	1,074	885	661	346	389	657
Netherlands Antilles and Surinam.....	98	105	105	101	97	101	87	94	85	87
Other Latin America.....	39	48	56	46	46	49	44	42	46	38
Total.....	4,952	5,062	4,953	5,002	5,100	4,940	4,482	4,285	4,333	4,706
Asia:										
China Mainland.....	33	34	33	35	35	34	34	34	35	39
Hong Kong.....	258	281	313	306	301	316	296	316	336	311
India.....	302	211	245	255	222	193	150	154	142	89
Indonesia.....	73	73	60	71	67	59	57	69	65	63
Israel.....	135	155	125	132	128	115	108	130	133	150
Japan.....	5,150	6,815	8,192	8,673	8,691	13,136	13,793	14,014	13,919	14,294
Korea.....	199	184	193	201	195	187	189	216	216	201
Philippines.....	285	338	340	321	333	328	322	294	304	302
Taiwan.....	275	296	293	291	300	281	268	294	248	258
Thailand.....	508	381	306	281	237	177	144	131	107	126
Other.....	708	601	585	558	622	542	568	631	579	595
Total.....	7,926	9,366	10,685	11,123	11,123	15,366	15,936	16,255	16,082	16,428
Africa:										
Congo (Kinshasa).....	14	19	15	16	19	44	25	16	12	12
Morocco.....	11	9	9	9	7	10	11	8	9	9
South Africa.....	83	74	64	61	71	74	81	74	74	78
U.A.R. (Egypt).....	17	15	14	15	19	13	25	16	13	24
Other.....	395	268	291	285	299	303	321	331	314	474
Total.....	521	384	392	385	415	444	463	445	422	597
Other countries:										
Australia.....	389	576	668	757	830	914	854	854	922	919
All other.....	39	41	40	46	47	46	34	39	51	42
Total.....	428	617	708	803	877	960	888	893	973	961
Total foreign countries.....	40,536	44,502	48,616	45,117	44,691	50,670	51,186	52,372	52,352	53,792
International and regional:										
International ²	975	1,225	1,256	1,230	1,242	1,342	1,309	1,276	1,280	1,330
Latin American regional.....	131	185	201	210	237	262	279	266	285	298
Other regional ³	115	138	139	141	168	139	137	136	143	137
Total.....	1,221	1,548	1,596	1,581	1,647	1,743	1,725	1,678	1,708	1,765
Grand total.....	41,757	46,050	50,212	46,698	46,338	52,413	52,911	54,050	54,060	55,557

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 ⁴

Area or country	1969		1970		1971	Area or country	1969		1970		1971
	Apr.	Dec.	Apr.	Dec.	Apr.		Apr.	Dec.	Apr.	Dec.	Apr.
Other Western Europe:						Other Asia—Cont.:					
Cyprus.....	2	11	15	10	7	Jordan.....	4	17	30	14	3
Iceland.....	4	9	10	10	10	Kuwait.....	40	46	66	54	36
Ireland, Rep. of.....	20	38	32	41	29	Laos.....	4	3	4	5	2
Other Latin American republics:						Lebanon.....	82	83	82	54	60
Bolivia.....	65	68	76	69	59	Malaysia.....	41	30	48	22	29
Costa Rica.....	61	52	43	41	43	Pakistan.....	24	35	34	38	27
Dominican Republic.....	59	78	96	99	90	Ryukyu Islands (incl. Okinawa).....	20	25	26	18	(5)
Ecuador.....	62	76	72	79	72	Saudi Arabia.....	48	106	166	106	41
El Salvador.....	89	69	79	75	80	Singapore.....	40	17	25	57	3
Guatemala.....	90	84	110	100	97	Syria.....	4	4	6	7	3
Haiti.....	18	17	19	16	19	Vietnam.....	40	94	91	179	161
Honduras.....	37	29	29	34	44	Other Africa:					
Jamaica.....	29	17	17	19	19	Algeria.....	6	14	13	17	13
Nicaragua.....	78	63	76	59	47	Ethiopia (incl. Eritrea).....	15	20	33	19	12
Paraguay.....	18	13	17	16	15	Ghana.....	8	10	7	8	6
Trinidad & Tobago.....	8	8	11	10	14	Kenya.....	34	43	47	38	13
Other Latin America:						Liberia.....	28	23	41	22	21
British West Indies.....	25	30	38	33	38	Libya.....	68	288	430	195	91
Other Asia:						Nigeria.....	10	11	11	17	(5)
Afghanistan.....	8	16	15	26	15	Southern Rhodesia.....	2	2	2	1	1
Burma.....	5	2	5	4	3	Sudan.....	3	3	1	1	1
Cambodia.....	2	1	1	2	2	Tanzania.....	23	10	18	9	10
Ceylon.....	5	3	4	4	4	Tunisia.....	2	6	7	7	6
Iran.....	44	35	41	32	50	Uganda.....	9	5	7	8	5
Iraq.....	77	26	6	11	(5)	Zambia.....	19	20	38	10	(5)
						All other:					
						New Zealand.....	20	16	18	25	22

¹ Includes Bank for International Settlements and European Fund.

² Data exclude "holdings of dollars" of the International Monetary Fund but include IMF gold investment.

³ Asian, African, and European regional organizations, except BIS and European Fund, which are included in "Europe."

⁴ Represent a partial breakdown of the amounts shown in the "other" categories (except "Other Eastern Europe").

⁵ Not available.

10. LONG-TERM LIABILITIES TO FOREIGNERS REPORTED BY BANKS IN THE UNITED STATES

(Amounts outstanding; in millions of dollars)

End of period	Total	To intl. and regional	To foreign countries				Country or area						
			Total	Official institutions	Banks ¹	Other foreigners	Argentina	Other Latin America	Israel	Japan	Thailand	Other Asia	All other countries
1967.....	2,560	698	1,863	1,807	15	40	251	234	126	443	218	502	89
1968.....	3,166	777	2,389	2,341	8	40	284	257	241	658	201	651	97
1969.....	2,490	889	1,601	1,505	55	41	64	175	41	655	70	472	124
1970—Dec.....	1,698	789	909	695	160	54	13	138	6	385	8	122	236
1971—Jan.....	1,562	713	849	637	157	54	13	139	6	341	8	109	233
Feb.....	1,464	687	777	573	154	51	13	109	6	317	1	101	230
Mar.....	1,344	630	714	493	161	60	13	91	6	262	1	95	246
Apr.....	1,181	577	605	406	142	57	13	92	7	186	1	84	220
May.....	1,136	548	588	392	139	57	13	94	8	182	1	82	208
June.....	1,122	557	566	333	184	49	13	87	8	129	1	79	247
July.....	1,008	501	507	273	184	51	13	88	8	83	1	80	234
Aug.....	889	480	409	171	185	53	13	66	8	12	1	91	218
Sept.....	870	473	397	158	184	55	15	59	8	12	1	90	212
Oct.....	935	483	452	159	236	57	15	84	8	12	1	92	240
Nov. ^p	916	448	469	174	236	59	15	101	7	8	*	88	250
Dec. ^p	909	445	465	156	253	56	2	109	6	3	*	83	261

¹ Excludes central banks, which are included with "Official institutions."

11. ESTIMATED FOREIGN HOLDINGS OF MARKETABLE U.S. GOVERNMENT BONDS AND NOTES

(End of period; in millions of dollars)

	1970	1971											
	Dec. ¹	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov. ²	Dec. ²
Europe:													
Belgium-Luxembourg.....	7	6	6	6	6	6	6	6	6	6	6	6	6
Norway.....	* ³	*	*	*	*	*	*	*	*	*	*	*	*
Switzerland.....	34	33	34	34	31	30	29	29	29	29	29	60	60
United Kingdom.....	472	520	518	510	519	485	490	496	460	432	427	362	323
Other Western Europe.....	27	20	24	25	25	25	25	25	25	49	71	82	85
Eastern Europe.....	6	6	6	6	6	6	6	6	6	5	5	5	5
Total.....	547	586	589	582	587	552	557	562	525	521	538	516	480
Canada.....	178	178	177	174	173	175	174	175	175	175	175	179	181
Latin America:													
Latin American republics.....	2	2	2	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.....	8	8	8	7	7	7	7	7	7	7	7	7	7
Asia:													
India.....	20	20	20	20	20	20	20	20	20	20	20	20	.....
Japan.....	56	56	55	55	55	55	142	395	633	755	1,009	1,488	1,717
Other Asia.....	10	10	10	10	10	10	10	10	10	10	10	10	10
Total.....	85	85	85	85	85	85	172	425	663	784	1,038	1,518	1,727
Africa.....	43	43	43	43	43	43	43	43	43	43	25	8	8
All other.....	*	*	*	*	*	*	*	*	*	*	*	*	*
Total foreign countries.....	860	899	901	890	895	861	952	1,211	1,413	1,530	1,782	2,228	2,402
International and regional:													
International.....	2	.....	17	115	115	115	115	115	126	126	126	126	126
Latin American regional.....	24	25	25	26	26	27	27	28	28	29	29	30	30
Total.....	26	25	42	141	141	142	142	143	154	155	155	156	156
Grand total.....	886	923	943	1,031	1,036	1,003	1,095	1,354	1,567	1,685	1,937	2,383	2,558

¹ Based on Jan. 31, 1971, benchmark survey.

Note.—Data represent estimated official and private holdings of mar-

ketable U.S. Govt. 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	Germany	Italy ²	Korea	Taiwan	Thailand	Total	Germany ³	Italy	Switzerland
1969.....	43,181	1,431	32	1,129	.....	135	15	20	100	41,750	41,084	125	541
1970.....	3,563	2,480	32	2,289	.....	25	15	20	100	1,083	542	.....	541
1971—Jan.....	3,563	2,480	32	2,289	.....	25	15	20	100	1,083	542	.....	541
Feb.....	3,563	2,480	32	2,289	.....	25	15	20	100	1,083	542	.....	541
Mar.....	3,563	2,480	32	2,289	.....	25	15	20	100	1,083	542	.....	541
Apr.....	3,563	2,480	32	2,289	.....	25	15	20	100	1,083	542	.....	541
May.....	6,592	2,480	32	2,289	.....	25	15	20	100	8,111	542	.....	569
June.....	6,592	5,480	32	2,289	3,000	25	15	20	100	1,111	542	.....	569
July.....	8,592	7,480	32	2,289	5,000	25	15	20	100	1,111	542	.....	569
Aug.....	8,924	7,479	32	2,289	5,000	23	15	20	100	1,444	542	.....	902
Sept.....	9,193	7,479	32	2,289	5,000	23	15	20	100	1,714	542	.....	1,172
Oct.....	9,195	7,479	32	2,289	5,000	23	15	20	100	1,716	542	.....	1,174
Nov.....	9,271	7,554	32	2,365	5,000	22	15	20	100	1,716	542	.....	1,174
Dec.....	60,657	7,829	32	2,640	5,000	22	15	20	100	61,827	612	.....	1,215
1972—Jan.....	9,658	7,829	32	2,640	5,000	22	15	20	100	1,828	612	.....	1,216

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, \$14 million; Nov. 1968 through Sept. 1969, \$84 million; Oct. 1969 through Sept. 1970, \$54 million; and Oct. 1970 through Oct. 1971, \$24 million.

² Bonds 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 issued to a group of German commercial banks in June 1968. 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 Increase in valuation resulted from redemption of outstanding Swiss franc securities at old exchange rate and reissue of securities at new exchange rate with same maturity dates, at time of revaluation of Swiss franc. The new issues include some certificates of indebtedness issued to replace notes which were within a year of maturity.

⁶ Includes \$106 million increase in dollar value of foreign currency obligations revalued to reflect market exchange rates as of Dec. 31, 1971. Dollar costs of repayment will be subject to negotiation as to settlement terms after prospective action on devaluation of the dollar.

**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	1970	1971								
	Dec.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov. ^p	Dec. ^p
Europe:										
Austria.....	6	17	6	5	5	8	5	4	10	11
Belgium-Luxembourg.....	50	57	73	58	48	95	60	53	63	57
Denmark.....	40	54	54	51	46	47	47	50	48	49
Finland.....	66	128	139	133	129	117	114	113	116	135
France.....	113	102	120	106	124	155	148	132	179	266
Germany.....	186	214	358	250	230	256	252	197	227	240
Greece.....	26	22	24	22	21	22	21	24	23	30
Italy.....	101	108	131	120	133	140	130	114	139	155
Netherlands.....	61	76	85	87	84	92	82	70	90	105
Norway.....	54	54	64	67	61	71	68	66	66	65
Portugal.....	11	15	20	18	13	11	12	10	12	12
Spain.....	52	65	70	61	64	66	64	58	68	70
Sweden.....	97	124	129	135	138	117	116	113	120	118
Switzerland.....	100	137	163	148	162	253	145	136	143	150
Turkey.....	9	8	30	14	11	26	20	4	3	3
United Kingdom.....	379	580	808	536	480	785	467	506	681	724
Yugoslavia.....	35	33	36	37	38	37	29	27	22	19
Other Western Europe.....	13	12	15	17	18	16	16	16	11	12
U.S.S.R.....	3	3	2	2	2	2	2	4	10	28
Other Eastern Europe.....	45	51	50	44	48	37	39	33	33	37
Total.....	1,449	1,859	2,379	1,913	1,855	2,353	1,837	1,732	2,064	2,286
Canada.....	1,085	972	1,021	1,003	980	994	1,126	1,165	1,170	1,580
Latin America:										
Argentina.....	326	321	322	316	334	329	337	327	316	304
Brazil.....	325	400	403	430	422	442	418	418	410	434
Chile.....	200	165	158	155	157	151	143	138	142	139
Colombia.....	284	303	294	299	315	335	353	353	378	380
Cuba.....	13	13	13	13	13	13	13	13	13	13
Mexico.....	909	898	886	879	943	977	908	808	845	936
Panama.....	95	105	104	109	99	113	102	95	109	125
Peru.....	147	150	153	156	173	169	190	198	201	176
Uruguay.....	63	53	52	43	44	41	31	32	39	41
Venezuela.....	283	243	232	230	239	249	243	251	249	268
Other Latin American republics.....	342	330	313	314	309	303	319	326	337	373
Bahamas and Bermuda.....	179	190	239	212	261	252	255	242	260	264
Netherlands Antilles and Surinam.....	19	21	20	19	18	15	17	21	14	18
Other Latin America.....	22	22	22	27	31	36	27	32	29	25
Total.....	3,204	3,214	3,210	3,201	3,359	3,423	3,356	3,253	3,342	3,495
Asia:										
China Mainland.....	2	1	1	1	1	1	1	1	1	1
Hong Kong.....	39	60	56	60	69	71	78	77	71	72
India.....	13	21	20	19	18	18	20	22	17	21
Indonesia.....	56	48	34	30	63	60	57	39	40	41
Israel.....	120	110	112	117	123	116	125	103	132	129
Japan.....	3,890	3,358	3,607	3,502	3,222	4,078	4,046	3,738	3,885	4,295
Korea.....	178	228	231	259	252	252	217	286	329	348
Philippines.....	137	128	115	125	126	119	110	111	129	136
Taiwan.....	95	117	127	130	127	123	113	105	94	109
Thailand.....	109	118	114	116	123	127	147	145	148	173
Other.....	157	187	211	200	203	239	249	235	235	252
Total.....	4,797	4,376	4,629	4,559	4,326	5,204	5,163	4,862	5,079	5,576
Africa:										
Congo (Kinshasa).....	4	5	6	6	18	22	21	22	21	21
Morocco.....	6	5	6	5	6	8	5	5	4	4
South Africa.....	77	93	103	97	128	132	142	146	152	154
U.A.R. (Egypt).....	13	17	16	14	12	11	12	11	9	10
Other.....	79	103	104	110	108	110	108	105	93	103
Total.....	180	223	235	232	272	284	287	289	281	293
Other countries:										
Australia.....	64	73	81	94	105	118	134	140	140	159
All other.....	16	18	17	20	21	22	23	22	24	27
Total.....	80	91	98	114	126	140	158	162	164	186
Total foreign countries.....	10,796	10,735	11,571	11,022	10,918	12,398	11,927	11,463	12,101	13,416
International and regional.....	3	2	2	3	3	2	3	3	4	3
Grand total.....	10,799	10,736	11,572	11,024	10,921	12,400	11,930	11,466	12,104	13,419

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, com. and finance paper	Other
			Total	Official institutions	Banks ¹	Others							
1968.....	8,711	8,261	3,165	247	1,697	1,221	1,733	2,854	509	450	336	40	73
1969 ²	9,578 9,667	9,063 9,151	3,281 3,278	262 262	1,946 1,943	1,073 1,073	1,954 2,015	3,169 3,202	658 656	518 516	352 352	84 89	79 74
1970—Dec.....	10,799	10,148	3,051	119	1,720	1,212	2,389	3,968	740	651	393	92	166
1971—Jan.....	10,409	9,903	2,867	110	1,575	1,182	2,363	3,950	724	506	308	79	120
Feb.....	10,561	10,026	2,955	88	1,594	1,273	2,353	3,973	745	535	334	111	90
Mar.....	10,687	10,124	3,008	100	1,598	1,311	2,335	4,033	747	564	365	102	96
Apr.....	10,736	10,203	3,116	107	1,754	1,255	2,279	4,098	710	534	339	92	103
May.....	11,572	10,937	3,383	156	1,929	1,299	2,349	4,136	1,069	636	449	78	109
June.....	11,024	10,459	3,409	147	1,969	1,292	2,378	3,960	712	565	374	102	89
July.....	10,921	10,382	3,570	200	2,052	1,318	2,364	3,638	810	539	382	62	94
Aug.....	12,400	11,767	4,296	191	2,680	1,425	2,357	4,121	992	633	497	46	90
Sept.....	11,930	11,248	3,857	187	2,255	1,415	2,371	4,048	972	682	481	104	97
Oct.....	11,466	10,770	3,617	135	2,153	1,329	2,307	3,877	969	696	473	111	112
Nov. ^p	12,104	11,426	4,175	167	2,579	1,429	2,306	3,898	1,047	679	487	89	103
Dec. ^p	13,419	12,535	4,698	222	2,793	1,684	2,473	4,260	1,104	884	591	119	174

¹ Excludes central banks which are included with "Official institutions." with those shown for the preceding date; figures on the second line are comparable with those shown for the following date.
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

**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												
1968.....	3,567	3,158	528	237	2,393	394	16	68	479	428	1,375	122	617	479	
1969.....	3,250	2,806	502	209	2,096	426	18	67	411	408	1,329	88	568	378	
1970—Dec.....	3,075	2,698	504	236	1,958	352	25	71	411	312	1,325	115	548	292	
1971—Jan.....	2,962	2,615	485	213	1,917	323	24	70	412	278	1,281	117	523	280	
Feb.....	2,957	2,643	484	213	1,946	289	26	77	420	266	1,257	121	521	295	
Mar.....	3,044	2,737	501	226	2,011	277	30	111	424	268	1,271	125	548	297	
Apr.....	3,082	2,778	504	227	2,047	271	33	117	439	275	1,273	120	554	304	
May.....	3,246	2,935	523	251	2,161	279	32	107	498	277	1,264	208	548	343	
June.....	3,218	2,915	475	242	2,197	277	26	112	519	266	1,229	225	514	353	
July.....	3,279	2,986	489	253	2,244	273	20	118	530	266	1,263	219	515	370	
Aug.....	3,387	3,084	513	265	2,305	276	28	120	546	259	1,331	221	539	371	
Sept.....	3,433	3,115	514	269	2,332	289	28	126	570	264	1,346	225	536	365	
Oct.....	3,494	3,181	533	266	2,382	286	26	127	580	261	1,323	240	565	397	
Nov. ^p	3,536	3,238	555	286	2,396	275	23	138	583	244	1,360	240	564	406	
Dec. ^p	3,616	3,319	563	309	2,447	275	22	128	590	219	1,435	246	571	426	

¹ Excludes central banks, which are included with "Official institutions."

16. PURCHASES AND SALES BY FOREIGNERS OF LONG-TERM SECURITIES, BY TYPE

(In millions of dollars)

Period	Marketable U.S. Govt. bonds and notes ¹					U.S. corporate securities ²			Foreign bonds			Foreign stocks		
	Net purchases or sales					Purchases	Sales	Net purchases or sales	Purchases	Sales	Net purchases or sales	Purchases	Sales	Net purchases or sales
	Total	Intl. and regional	Foreign											
			Total	Official	Other									
1969.....	-45	11	-56	-115	59	15,483	12,795	2,688	1,552	2,581	-1,029	1,519	2,037	-517
1970.....	56	-25	82	-41	123	11,426	9,844	1,582	1,490	2,441	-951	1,033	997	37
1971 ^p	1,672	130	1,542	1,661	-119	14,523	13,134	1,389	1,685	2,561	-876	1,385	1,431	-46
1970—Dec.....	52	-22	74	17	57	1,321	1,030	291	140	277	-137	83	87	-4
1971—Jan.....	37	-1	38	-8	46	1,242	1,022	220	116	424	-307	90	95	-5
Feb.....	19	17	2	5	-3	1,516	1,411	105	126	107	19	68	111	-44
Mar.....	88	99	-11	*	-11	1,411	1,314	97	176	190	-14	85	121	-36
Apr.....	5	*	5	*	4	1,383	1,412	-29	174	234	-60	117	179	-63
May.....	-33	1	-33	*	-33	1,163	1,126	37	118	218	-100	94	120	-26
June.....	92	*	91	87	4	1,004	1,019	-15	121	239	-118	98	130	-32
July.....	260	1	259	253	6	1,038	1,002	36	112	137	-26	102	144	-42
Aug.....	212	11	202	238	-36	1,152	1,013	139	110	306	-196	124	102	22
Sept.....	118	1	117	145	-28	1,043	795	249	131	138	-7	118	96	22
Oct.....	252	*	252	257	-5	965	972	-7	163	257	-95	157	104	52
Nov. ^p	446	1	445	474	-29	940	845	95	152	135	17	137	76	61
Dec. ^p	175	1	175	209	-34	1,664	1,202	462	185	174	11	195	151	44

¹ Excludes nonmarketable U.S. Treasury bonds and notes issued to official institutions of foreign countries; see Table 12.

² Includes State and local gov. securities, and securities of U.S. Govt. agencies and corporations that are not guaranteed by the United States.

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
1969.....	1,487	150	216	189	490	-245	295	1,094	125	136	90	7	-1	36
1970.....	626	58	195	128	110	-33	24	482	-9	47	85	-1	1	22
1971 ^p	730	86	131	219	166	-50	71	624	-93	39	108	*	-2	54
1970—Dec.....	216	39	27	8	39	14	11	137	40	32	4	*	*	3
1971—Jan.....	130	-13	27	14	26	7	46	107	11	6	-3	*	-1	11
Feb.....	-32	-23	28	9	-6	-23	21	7	-34	-5	*	*	*	*
Mar.....	-26	-26	11	2	-27	-11	-8	-59	1	18	9	*	*	6
Apr.....	-5	8	-10	8	-4	-18	-8	-24	-7	11	11	*	-1	6
May.....	10	9	*	13	10	-6	-3	24	-17	-4	1	-1	*	7
June.....	-11	3	3	12	9	-19	-24	-17	-11	-4	7	*	*	14
July.....	-4	12	-6	15	-10	6	-13	4	-24	2	15	*	*	-2
Aug.....	79	10	7	38	24	-33	-7	38	11	13	16	1	*	*
Sept.....	155	24	33	9	38	11	17	132	10	7	4	*	*	2
Oct.....	-47	8	-4	2	4	-30	*	-21	-21	-17	5	*	-1	7
Nov. ^p	*	9	-9	22	1	-1	20	42	-14	-38	6	*	*	4
Dec. ^p	480	66	51	76	101	67	31	392	2	49	39	*	*	-2

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
1969.....	1,202	97	200	14	176	251	83	822	32	14	-11	-1	10	336
1970.....	956	35	48	37	134	118	91	464	128	25	28	1	-12	324
1971 ^p	659	15	35	-1	171	327	39	586	37	19	-2	*	-21	39
1970—Dec.....	75	2	7	-3	9	28	18	61	1	1	3	*	1	8
1971—Jan.....	89	*	-6	*	15	2	*	12	28	-4	*	*	*	52
Feb.....	137	4	3	2	16	21	39	85	-4	1	1	*	-12	65
Mar.....	123	10	14	-1	32	32	5	92	11	6	3	*	*	11
Apr.....	-23	3	-3	*	7	7	5	19	-2	4	-6	*	*	-39
May.....	27	-1	27	*	-5	19	-6	33	*	3	-1	*	-2	-6
June.....	-4	-1	-1	*	-2	-4	*	-8	11	2	-3	*	-2	-3
July.....	40	-2	-1	1	3	20	1	22	-10	3	*	*	*	24
Aug.....	60	-3	-1	-1	*	49	-3	42	*	1	1	*	*	17
Sept.....	94	*	-1	*	21	69	-3	86	16	5	*	*	*	-14
Oct.....	40	5	1	*	53	24	2	83	-8	-2	-1	*	2*	-33
Nov. ^p	94	*	4	-1	42	70	6	122	7	-1	2	*	-5	-31
Dec. ^p	-18	-1	-1	-2	-11	18	-6	-3	-13	*	1	*	-	-3

NOTE.—Statistics include State and local govt. securities, and securities of U.S. Govt. agencies and corporations that are not guaranteed by the United States. 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
1969.....	-1,547	66	-1,613	74	-1,128	-98	-474	-6	20
1970.....	-914	-254	-660	50	-584	-11	-129	-6	20
1971 ^p	-922	-310	-611	48	-304	-46	-345	3	32
1970—Dec.....	-141	4	-145	-22	-90	-5	-31	-1	4
1971—Jan.....	-312	-197	-116	2	-90	-1	-29	*	2
Feb.....	-24	-4	-20	-24	27	4	-29	*	1
Mar.....	-50	11	-61	6	-34	11	-44	-1	1
Apr.....	-122	-46	-77	-34	29	5	-79	*	1
May.....	-126	4	-130	-4	-62	-13	-52	*	2
June.....	-150	13	-163	-3	-111	5	-72	6	14
July.....	-67	7	-74	-16	-6	-2	-53	*	2
Aug.....	-174	-152	-22	23	-23	-10	-14	1	1
Sept.....	15	8	6	1	-7	3	8	*	1
Oct.....	-43	32	-75	22	-111	-13	24	1	2
Nov. ^p	78	11	67	51	32	-28	8	1	3
Dec. ^p	55	2	53	23	52	-9	-11	-4	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)
1968.....	636	508
1969—Mar.....	553	393
June.....	566	397
Sept.....	467	297
Dec.....	434	278
1970—Mar.....	368	220
June.....	334	182
Sept.....	291	203
Dec.....	349	279
1971—Mar.....	511	314
June.....	419	300
Sept. ^p	332	320

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.

21. 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	Wednesday	Liabilities ¹	Liab. plus sec. 2	Wednesday	Liabilities ¹	Liab. plus sec. 2
1966		1970			1971—Cont.		
Mar. 30.....	1,879	Jan. 28...	13,605		Aug. 4...	1,905	5,055
June 29.....	1,951	Feb. 25...	13,086		11.....	1,110	4,296
Sept. 28.....	3,472	Mar. 25...	11,885		18.....	1,376	4,562
Dec. 28.....	4,036	Apr. 29...	11,944		25.....	1,405	4,075
		May 27...	12,346		Sept. 1...	1,233	3,403
		June 24...	12,172		8.....	1,239	3,409
		July 29...	10,469		15.....	1,701	3,355
1967		Aug. 26...	10,629		22.....	2,153	3,807
Mar. 29.....	3,412	Sept. 30...	9,663		29.....	2,475	3,578
June 28.....	3,166	Oct. 28...	9,297		Oct. 6.....	2,222	3,325
Sept. 27.....	4,059	Nov. 25...	8,435		13.....	2,723	3,275
Dec. 27.....	4,241	Dec. 30...	7,676		20.....	2,601	3,153
					27.....	2,917	2,917
		1971			Nov. 3...	2,467	2,467
1968		Jan. 27...	6,536	7,536	10.....	2,964	2,964
Mar. 27.....	4,920	Feb. 24...	5,666	6,666	17.....	3,358	3,358
June 26.....	6,202	Mar. 31...	2,858	4,358	24.....	3,342	3,342
Sept. 25.....	7,104	Apr. 28...	2,158	5,166	Dec. 1...	2,408	2,408
Dec. 31 (1/1/69)	6,039	May 26...	1,579	4,587	8.....	1,867	1,867
		June 2...	1,877	4,885	15.....	1,867	1,386
		9.....	1,938	4,946	22.....	1,544	1,544
1969		16.....	2,323	5,331	29.....	1,909	1,909
Mar. 26.....	9,621	23.....	2,313	5,321	1972		
June 25.....	13,269	30.....	1,492	4,500	Jan. 5...	1,208	1,208
Sept. 24.....	14,349	July 7...	2,189	5,197	12.....	1,721	1,721
Dec. 31.....	12,805	14.....	1,740	4,787	19.....	1,568	1,568
		21.....	1,880	4,927	26.....	1,413	1,413
		28.....	1,495	4,645			

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 Euro-dollar Series and special Export-Import Bank securities held by foreign branches. Beginning July 28, 1971, all of the securities held are U.S. Treasury Certificates Eurodollar Series.

22. MATURITY OF EURO-DOLLAR DEPOSITS IN FOREIGN BRANCHES OF U.S. BANKS

(End of month; in billions of dollars)

Maturity of liability	1971		
	Sept.	Oct.	Nov.
Overnight.....	2.38	1.77	1.49
Call.....	1.43	1.58	1.73
Other liabilities, maturing in following calendar months after report date:			
1st.....	9.27	8.50	9.33
2nd.....	5.03	5.68	6.26
3rd.....	4.55	4.97	3.67
4th.....	2.39	2.06	1.94
5th.....	1.77	1.76	2.00
6th.....	1.49	1.77	1.96
7th.....	.44	.35	.30
8th.....	.34	.27	.44
9th.....	.27	.42	.24
10th.....	.38	.21	.25
11th.....	.20	.24	.29
12th.....	.22	.25	.21
Maturities of more than 1 year.....	.74	.78	.87
Total.....	30.90	30.65	30.99

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.

23. DEPOSITS, U.S. GOVT. 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. Govt. securities ¹	Earmarked gold
1969.....	134	7,030	12,311
1970.....	148	16,226	12,926
1971—Jan....	129	16,206	12,958
Feb....	147	18,033	12,981
Mar....	201	20,534	13,057
Apr....	162	22,879	13,095
May....	208	28,126	13,447
June....	199	26,544	13,509
July....	162	28,574	13,559
Aug....	122	35,914	13,821
Sept....	166	36,921	13,819
Oct....	135	38,207	13,819
Nov....	177	39,980	13,820
Dec....	294	43,195	13,815
1972—Jan....	147	44,359	13,815

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.

NOTE.—Excludes deposits and U.S. Govt. securities held for international and regional organizations. Earmarked gold is gold held for foreign and international accounts and is not included in the gold stock of the United States.

24. SHORT-TERM LIQUID CLAIMS ON FOREIGNERS REPORTED BY NONBANKING CONCERNS

(Amounts outstanding; in millions of dollars)

End of period	Total	Payable in dollars		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
	1,454	1,025	161	183	86	663	519
1970—Nov....	1,485	955	189	175	166	664	472
Dec.....	1,095	651	150	173	121	372	417
1971—Jan....	1,252	815	144	177	116	520	363
Feb....	1,312	805	173	190	144	548	401
Mar....	1,450	965	165	175	145	706	377
Apr....	1,468	952	178	200	138	687	390
May....	1,532	917	160	293	161	622	424
June....	1,462	918	183	240	122	634	367
July....	1,475	938	197	238	101	579	393
Aug....	1,666	1,089	208	241	128	645	488
Sept.....	1,552	961	204	280	107	514	482
Oct.....	1,576	996	205	270	106	535	525
Nov.....	1,570	986	203	238	143	612	488

¹ Negotiable and other readily transferable foreign obligations payable on demand or having a contractual maturity of not more than 1 year from the date on which the obligation was incurred by the foreigner.

² Data on the two lines for this date differ because of changes in reporting coverage. Figures on the first line are comparable in coverage with those shown for the preceding date; figures on the second line are comparable with those shown for the following date.

NOTE.—Data represent the liquid assets abroad of large nonbanking concerns in the United States. They are a portion of the total claims on foreigners reported by nonbanking concerns in the United States and are included in the figures shown in Tables 25 and 26.

25. SHORT-TERM LIABILITIES TO AND CLAIMS ON FOREIGNERS REPORTED BY NONBANKING CONCERNS

(End of period, Amounts outstanding; in millions of dollars)

Area and country	Liabilities to foreigners					Claims on foreigners				
	1970		1971			1970		1971		
	Sept.	Dec.	Mar.	June	Sept. ^a	Sept.	Dec.	Mar.	June	Sept. ^a
Europe:										
Austria.....	6	8	11	12	10	9	10	10	10	13
Belgium-Luxembourg.....	66	46	47	58	60	54	47	49	61	59
Denmark.....	3	2	9	3	3	16	17	16	17	14
Finland.....	1	2	2	2	2	13	11	8	15	16
France.....	141	126	112	117	142	154	150	159	181	182
Germany, Fed. Rep. of.....	166	139	122	105	126	192	209	191	228	209
Greece.....	3	4	4	5	6	28	28	34	27	40
Italy.....	69	77	71	69	74	161	163	175	172	177
Netherlands.....	124	128	115	102	85	62	62	65	74	66
Norway.....	6	5	4	5	5	13	16	15	14	17
Portugal.....	10	13	14	18	18	14	15	13	20	11
Spain.....	48	24	27	35	37	73	81	93	91	92
Sweden.....	35	34	28	31	28	25	40	53	40	37
Switzerland.....	185	159	122	85	100	45	47	38	62	95
Turkey.....	3	4	3	5	3	13	8	17	9	11
United Kingdom.....	661	819	704	647	662	1,055	698	1,020	961	840
Yugoslavia.....	1	2	1	1	1	17	17	16	16	21
Other Western Europe.....	21	11	1	2	2	9	9	12	11	14
Eastern Europe.....	5	4	4	3	3	24	24	16	16	16
Total.....	1,556	1,605	1,403	1,304	1,366	1,977	1,652	1,997	2,027	1,928
Canada.....	215	215	201	188	178	703	751	715	708	783
Latin America:										
Argentina.....	10	11	14	17	19	61	61	65	66	66
Brazil.....	17	19	15	17	13	107	120	105	118	129
Chile.....	11	11	13	8	14	42	48	40	44	48
Colombia.....	6	6	6	6	6	37	37	36	31	40
Cuba.....	*	*	*	*	*	1	1	1	1	1
Mexico.....	28	22	20	20	21	149	156	143	151	146
Panama.....	5	5	6	6	6	18	18	21	17	20
Peru.....	6	4	4	4	5	29	36	35	36	34
Uruguay.....	5	4	4	4	4	5	6	7	6	6
Venezuela.....	14	18	17	17	14	70	68	70	69	73
Other L.A. republics.....	35	37	29	29	33	97	100	96	96	104
Bahamas and Bermuda.....	94	154	158	152	228	153	160	210	263	340
Neth. Antilles and Surinam.....	24	23	5	7	4	10	9	8	9	9
Other Latin America.....	5	6	5	6	8	23	29	21	25	22
Total.....	260	320	296	293	376	801	848	858	931	1,036
Asia:										
Hong Kong.....	8	9	8	8	9	19	17	19	25	25
India.....	41	38	25	22	26	42	34	39	39	36
Indonesia.....	7	9	5	6	11	14	21	20	21	24
Israel.....	21	24	28	19	21	21	23	24	25	21
Japan.....	135	144	165	158	177	314	323	348	372	411
Korea.....	1	1	11	10	10	29	42	48	54	52
Philippines.....	7	7	7	7	6	32	30	31	56	43
Taiwan.....	8	9	10	11	17	27	33	32	38	43
Thailand.....	4	4	4	3	4	13	11	12	13	16
Other Asia.....	47	50	59	122	140	145	145	155	159	201
Total.....	281	296	322	366	420	657	678	728	802	872
Africa:										
Congo (Kinshasa).....	15	2	2	2	2	4	3	5	6	4
South Africa.....	24	34	31	45	45	29	30	32	38	38
U.A.R. (Egypt).....	2	1	2	1	1	11	9	10	9	9
Other Africa.....	51	41	19	33	32	48	50	53	67	70
Total.....	90	78	54	82	80	92	92	100	120	122
Other countries:										
Australia.....	74	75	81	81	68	70	80	86	82	85
All other.....	5	7	8	8	9	15	15	13	17	24
Total.....	79	82	89	89	77	84	94	99	99	109
International and regional.....	*	*	*	*	1	1	1	3	4	4
Grand total.....	2,482	2,597	2,365	2,322	2,498	4,316	4,117	4,499	4,692	4,854

NOTE.—Reported by exporters, importers, and industrial and commercial concerns and other nonbanking institutions in the United States. Data exclude claims held through U.S. banks, and intercompany accounts between U.S. companies and their foreign affiliates.

26. SHORT-TERM LIABILITIES TO AND CLAIMS ON FOREIGNERS REPORTED BY NONBANKING CONCERNS, BY TYPE

(Amounts outstanding; in millions of dollars)

End of period	Liabilities			Claims			
	Total	Payable in dollars	Payable in foreign currencies	Total	Payable in dollars	Payable in foreign currencies	
						Deposits with banks abroad in reporter's name	Other
1967—Sept.....	1,353	1,029	324	2,555	2,116	192	246
Dec. 1.....	1,371	1,027	343	2,946	2,529	201	216
	1,386	1,039	347	3,011	2,599	203	209
1968—Mar.....	1,358	991	367	3,369	2,936	211	222
June.....	1,473	1,056	417	3,855	3,415	210	229
Sept.....	1,678	1,271	407	3,907	3,292	422	193
Dec. 1.....	1,608	1,225	382	3,783	3,173	368	241
1969—Mar.....	1,576	1,185	391	4,014	3,329	358	327
June.....	1,613	1,263	350	4,023	3,316	429	278
Sept.....	1,797	1,450	346	3,874	3,222	386	267
Dec. 1.....	1,786	1,399	387	3,710	3,124	221	365
	2,090	1,654	436	4,124	3,495	244	385
1970—Mar.....	2,202	1,724	478	4,238	3,699	219	320
June.....	2,356	1,843	513	4,417	3,825	234	358
Sept.....	2,482	1,955	526	4,316	3,710	301	306
Dec. 1.....	2,597	2,165	432	4,117	3,534	234	349
1971—Mar.....	2,365	1,946	419	4,499	3,890	232	377
June.....	2,322	1,927	395	4,692	4,037	303	352
Sept. 1.....	2,498	2,082	416	4,854	4,146	377	332

¹ Data on the two lines shown for this date differ because of changes in reporting coverage. Figures on the first line are comparable with those shown for the preceding date; figures on the second line are comparable with those shown for the following date.

27. LONG-TERM LIABILITIES TO AND CLAIMS ON FOREIGNERS REPORTED BY NONBANKING CONCERNS

(Amounts outstanding; in millions of dollars)

End of period	Total liabilities	Claims										
		Total	Country or area									All other
			United Kingdom	Other Europe	Canada	Brazil	Mexico	Other Latin America	Japan	Other Asia	Africa	
1967—Sept.....	411	1,452	40	212	309	212	84	283	109	103	87	13
Dec. 1.....	414	1,537	43	257	311	212	85	278	128	117	89	16
	428	1,570	43	263	322	212	91	274	128	132	89	16
1968—Mar.....	582	1,536	41	265	330	206	61	256	128	145	84	21
June.....	747	1,568	32	288	345	205	67	251	129	134	83	33
Sept.....	767	1,625	43	313	376	198	62	251	126	142	82	32
Dec. 1.....	1,129	1,790	147	306	419	194	73	230	128	171	83	38
1969—Mar.....	1,285	1,872	175	342	432	194	75	222	126	191	72	43
June.....	1,325	1,952	168	368	447	195	76	216	142	229	72	40
Sept.....	1,418	1,965	167	369	465	179	70	213	143	246	71	42
Dec. 1.....	1,725	2,215	152	433	496	172	73	388	141	249	69	42
	2,300	2,335	152	442	542	174	77	415	142	269	75	46
1970—Mar.....	2,353	2,716	159	735	554	178	74	453	158	286	71	47
June.....	2,585	2,729	161	712	571	175	65	472	166	286	76	54
Sept.....	2,768	2,858	157	720	601	177	63	582	144	283	73	58
Dec. 1.....	3,087	2,912	146	708	650	181	60	603	140	290	71	64
1971—Mar.....	3,154	2,945	154	687	652	179	63	600	161	299	78	72
June.....	3,147	2,953	151	692	656	177	64	615	138	310	75	75
Sept. 1.....	2,922	2,899	135	675	666	175	63	533	133	319	76	74

¹ Data on the two lines shown for this date differ because of changes in reporting coverage. Figures on the first line are comparable with those shown for the preceding date; figures on the second line are comparable with those shown for the following date.

FOREIGN EXCHANGE RATES

(In cents per unit of foreign currency)

Period	Argentina (peso)	Australia (dollar)	Austria (schilling)	Belgium (franc)	Canada (dollar)	Ceylon (rupee)	Denmark (krone)	Finland (markka)	France (franc)
1968.....	28.473	111.25	3.8675	2.0026	92.801	16.678	13.362	23.761	20.191
1969.....	28.492	111.10	3.8654	1.9942	92.855	16.741	13.299	23.774	19.302
1970.....	26.589	111.36	3.8659	2.0139	95.802	16.774	13.334	23.742	18.087
1971.....	22.502	113.61	4.0009	2.0598	99.021	16.800	13.508	23.758	18.148
1970—Dec.....	24.836	111.12	3.8681	2.0137	98.276	16.792	13.354	23.722	18.107
1971—Jan.....	24.829	111.82	3.8665	2.0145	98.831	16.792	13.361	23.722	18.119
Feb.....	24.831	112.38	3.8651	2.0148	99.261	16.792	13.359	23.722	18.122
Mar.....	24.835	112.42	3.8670	2.0145	99.367	16.792	13.368	23.722	18.129
Apr.....	24.673	112.38	3.8696	2.0144	99.237	16.792	13.353	23.727	18.126
May.....	24.156	112.42	3.9676	2.0164	99.138	16.792	13.334	23.735	18.094
June.....	23.602	112.43	4.0021	2.0109	97.913	16.792	13.342	23.735	18.092
July.....	22.642	112.42	4.0040	2.0133	97.912	16.792	13.334	23.735	18.136
Aug.....	20.757	113.17	4.0264	2.0351	98.670	16.792	13.435	23.735	18.130
Sept.....	19.919	114.78	4.0844	2.0921	98.717	16.839	13.672	23.830	18.112
Oct.....	19.923	115.76	4.1261	2.1353	99.537	16.820	13.768	23.800	18.073
Nov.....	19.925	115.89	4.1280	2.1572	99.607	16.806	13.773	23.773	18.096
Dec.....	19.928	117.48	4.2041	2.1986	100.067	16.797	13.994	23.852	18.549
1972—Jan.....	19.960	119.10	4.2516	2.2514	99.411	16.653	14.219	24.077	19.329

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
1970—Dec.....	27.437	13.229	239.06	.16039	.27959	32.382	8.0056	27.763
1971—Jan.....	27.496	13.269	240.58	.16045	.27932	32.515	8.0056	27.820
Feb.....	27.594	13.311	241.78	.16036	.27969	32.615	8.0056	27.814
Mar.....	27.538	13.304	241.87	.16063	.27971	32.616	8.0056	27.816
Apr.....	27.516	13.315	241.79	.16070	.27972	32.604	8.0056	27.776
May.....	28.144	13.330	241.87	.16059	.27979	32.642	8.0056	28.135
June.....	28.474	13.346	241.87	.16009	.27979	32.720	8.0056	28.065
July.....	28.728	13.347	241.85	.16048	.27980	32.733	8.0056	28.097
Aug.....	29.277	13.345	243.46	.16157	.28113	32.737	8.0056	28.693
Sept.....	29.794	13.401	246.94	.16292	.29583	33.354	8.0056	29.308
Oct.....	30.065	13.349	249.06	.16332	.30202	33.573	8.0056	29.772
Nov.....	30.005	13.353	249.33	.16324	.30418	33.627	8.0056	30.006
Dec.....	30.593	13.388	252.66	.16652	.31249	34.135	8.0056	30.503
1972—Jan.....	30.956	13.415	257.05	.16923	.31978	34.737	8.0002	31.072

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
1970—Dec.....	111.23	14.021	3.4919	138.93	1.4290	19.340	23.187	239.06
1971—Jan.....	111.94	14.003	3.5000	139.81	1.4290	19.365	23.227	240.58
Feb.....	112.50	14.001	3.5031	140.51	1.4290	19.332	23.266	241.78
Mar.....	112.54	14.010	3.5019	140.56	1.4290	19.369	23.254	241.87
Apr.....	112.50	14.028	3.5000	140.51	1.4291	19.368	23.263	241.79
May.....	112.54	13.556	3.5013	140.56	1.4291	19.357	24.253	241.87
June.....	112.55	14.062	3.5027	140.57	1.4290	19.370	24.409	241.87
July.....	112.53	14.073	3.5016	140.55	1.4292	19.371	24.423	241.85
Aug.....	113.28	14.244	3.5289	141.46	1.4335	19.502	24.813	243.46
Sept.....	114.95	14.494	3.5970	140.88	1.4415	19.732	25.118	246.94
Oct.....	115.88	14.599	3.6275	140.43	1.4457	19.914	25.157	249.06
Nov.....	116.01	14.578	3.6342	140.40	1.4533	19.989	25.104	249.33
Dec.....	117.31	14.816	3.6494	137.22	1.4822	20.434	25.615	252.66
1972—Jan.....	119.36	14.913	3.6474	131.27	1.5162	20.731	25.693	257.09

¹ A new Argentine peso, equal to 100 old pesos, was introduced on Jan. 1, 1970. Since Apr. 6, 1971, the official exchange rate is set daily by the Government of Argentina.

² On June 1, 1970, the Canadian Government announced that, for the time being, Canada will not maintain the exchange rate of the Canadian dollar within the margins required by IMF rules.

³ Effective May 9, 1971, the Austrian schilling was revalued to 24.75 per U.S. dollar.

⁴ Effective Aug. 10, 1969, the French franc was devalued from 4.94 to 5.55 francs per U.S. dollar.

⁵ Effective Oct. 26, 1969, the new par value of the German mark was set at 3.66 per U.S. dollar.

⁶ Effective May 10, 1971, the German mark and Netherlands guilder have been floated.

⁷ Effective May 10, 1971, the Swiss franc was revalued to 4.08 per U.S. dollar.

⁸ Effective Oct. 20, 1971, the Spanish peseta was revalued to 68.455 per U.S. dollar.

NOTE.—Effective Aug. 16, 1971, the U.S. dollar convertibility to gold was suspended; as from that day foreign central banks did not have to support the dollar rate in order to keep it within IMF limits.

During December 1971, certain countries established central rates against the U.S. dollar in place of former IMF parities.

Averages of certified noon buying rates in New York for cable transfers, for description of rates and back data, see "International Finance," Section 15 of Supplement to Banking and Monetary Statistics, 1962.

CENTRAL BANK RATES FOR DISCOUNTS AND ADVANCES TO COMMERCIAL BANKS

(Per cent per annum)

Country	Rate as of Jan. 31, 1971		Changes during the last 12 months												Rate as of Jan. 31, 1972		
	Per cent	Month effective	1971														
			Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.			
Argentina	6.0	Dec. 1957															6.0
Austria	5.0	Jan. 1970															5.0
Belgium	6.5	Dec. 1970		6.0							5.5					5.0	5.0
Brazil	20.0	July 1969															20.0
Canada	6.0	Nov. 1970	5.25									4.75					4.75
Ceylon	6.5	Jan. 1970															6.5
Chile	14.0	July 1969						8.0								7.0	7.0
Colombia	8.0	May 1963															8.0
Costa Rica	4.0	June 1966															4.0
Denmark	8.0	Jan. 1971			7.5											7.0	7.0
Ecuador	8.0	Jan. 1970															8.0
Egypt, Arab Rep. of	5.0	May 1962															5.0
El Salvador	4.0	Aug. 1964															4.0
Ethiopia	6.50	Aug. 1970															6.50
Finland	7.0	Apr. 1962						8.50								7.75	7.75
France	6.5	Jan. 1971				6.75					6.5					6.0	6.0
Germany, Fed. Rep. of	6.0	Dec. 1970			5.0							4.5		4.0			4.0
Ghana	5.5	Mar. 1968						8.0									8.0
Greece	6.5	Sept. 1969															6.5
Honduras	4.0	Feb. 1966															4.0
Iceland	5.25	Jan. 1966															5.25
India	6.0	Jan. 1971															6.0
Indonesia	6.0	May 1969															6.0
Iran	8.0	Aug. 1969										7.0					7.0
Ireland	7.25	Jan. 1971			6.19	6.06	6.00	5.94	6.12	5.12	5.12	4.94	4.81				4.81
Italy	5.5	Mar. 1970			5.0							4.5					4.5
Jamaica	6.0	May 1969			5.5								5.0				5.0
Japan	5.75	Jan. 1971				5.5		5.25					4.75				4.75
Korea	23.0	Dec. 1970					20.0					5.0				3.5	3.5
Mexico	4.5	June 1942															4.5
Morocco	3.50	Nov. 1951															3.50
Netherlands	6.0	Aug. 1969			5.5						5.0					4.5	4.5
New Zealand	7.0	Mar. 1961															7.0
Nigeria	4.50	June 1968															4.50
Norway	4.5	Sept. 1969															4.5
Pakistan	5.0	June 1965															5.0
Peru	9.5	Nov. 1959															9.5
Philippine Republic	10.0	June 1969															10.0
Portugal	3.5	Apr. 1970	3.75														3.75
South Africa	5.5	Aug. 1968		6.5													6.5
Spain	6.25	Jan. 1971			6.0						5.0						5.0
Sweden	7.0	July 1969		6.5	6.0						5.5		5.0				5.0
Switzerland	3.75	Sept. 1969															3.75
Taiwan	9.8	Dec. 1970					9.25										9.25
Thailand	5.0	Oct. 1959															5.0
Tunisia	5.0	Sept. 1966															5.0
Turkey	9.0	Sept. 1970															9.0
United Kingdom	7.0	Apr. 1970			6.0						5.0						5.0
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 gov't 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

Venezuela—2 per cent for rediscounts of certain agriculture paper, 4½ per cent for advances against government bonds, and 5½ per cent for rediscounts of certain industrial paper and on advances against promissory notes or securities of first-class Venezuelan companies.

Vietnam—10 per cent for export paper; treasury bonds are rediscounted at a rate 4 percentage points above the rate carried by the bond; and there is a penalty rate of 24 per cent for banks whose loans exceed quantitative ceilings.

OPEN MARKET RATES

(Per cent per annum)

Month	Canada		United Kingdom			France	Germany, Fed. Rep. of		Netherlands		Switzerland	
	Treasury bills, 3 months ¹	Day-to-day money ²	Prime bank bills, 3 months ³	Treasury bills, 3 months	Day-to-day money	Clearing banks' deposit rates ⁴	Day-to-day money ⁵	Treasury bills, 60-90 days ⁶	Day-to-day money ⁷	Treasury bills, 3 months	Day-to-day money	Private discount rate
1970.....	6.12	6.22	8.26	6.70	5.73	5.23	8.67	6.54	8.67	5.97	6.47	5.14
1971.....	3.62	3.76	6.41	5.57	4.93	3.84	.....	4.54	6.10	4.34	3.76	5.24
1971—Jan.....	4.59	5.25	8.06	6.79	5.84	5.00	6.46	5.75	7.61	5.60	4.46	5.25
Feb.....	4.51	4.90	8.06	6.75	6.08	5.00	6.00	5.75	7.32	5.05	5.41	5.25
Mar.....	3.30	3.48	8.06	6.66	6.12	5.00	5.77	5.75	7.36	4.49	3.27	5.25
Apr.....	3.04	2.65	7.06	5.75	5.15	4.00	5.53	4.75	4.23	3.59	1.13	5.25
May.....	3.06	2.76	7.06	5.65	5.36	4.00	5.84	4.75	2.31	3.88	1.84	5.25
June.....	3.15	3.01	6.74	5.60	4.71	4.00	6.45	4.25	6.95	4.39	2.91	5.25
July.....	3.58	3.64	6.42	5.57	5.00	4.00	5.62	4.25	6.33	4.03	2.69	5.25
Aug.....	3.88	3.94	5.99	5.75	5.05	4.00	5.69	4.25	6.18	4.24	5.53	5.25
Sept.....	3.93	4.16	5.42	4.83	4.39	4.00	5.99	4.25	7.01	4.34	3.80	5.25
Oct.....	3.79	4.16	4.90	4.63	4.29	4.00	2.88	5.95	7.50	4.47	5.35	5.25
Nov.....	3.31	3.60	4.74	4.48	3.75	2.70	5.51	3.75	4.58	4.06	3.79	5.25
Dec.....	3.25	3.63	4.42	4.36	3.46	2.50	.....	3.25	5.78	3.90	4.91	5.12
1972—Jan.....	3.29	3.71	4.48	4.36	3.94	2.50	.....	.....	.....	.....	.....	.....

¹ Based on average yield of weekly tenders during month.
² Based on weekly averages of daily closing rates.
³ Data for 1968 through Sept. 1971 are for bankers' acceptances, 3 months.
⁴ Data for 1968 through Sept. 1971 are for bankers' allowance on deposits.
⁵ Rate shown is on private securities.
⁶ Rate in effect at end of month.
⁷ Monthly averages based on daily quotations.
⁸ Bill rates in table are buying rates for prime paper.
 NOTE.—For description and back data, see "International Finance," Section 15 of Supplement to Banking and Monetary Statistics, 1962.

ARBITRAGE ON TREASURY BILLS

(Per cent per annum)

Date	United States and United Kingdom					United States and Canada					
	Treasury bill rates				Premium (+) or discount (-) on forward pound	Net incentive (favor of London)	Treasury bill rates			Premium (+) or discount (-) on forward Canadian dollars	Net incentive (favor of Canada)
	United Kingdom (adj. to U.S. quotation basis)	United States	Spread (favor of London)	United States			Canada	United States	Spread (favor of Canada)		
						As quoted in Canada	Adj. to U.S. quotation basis	United States			
1971											
Aug. 6.....	5.53	5.23	.30	-.48	-.18	3.92	3.83	5.23	-1.40	1.22	-.18
13.....	5.63	5.10	.53	-.40	-.93	3.98	3.92	5.10	-1.18	1.34	.16
20.....	5.73	4.49	1.24	-.24	1.00	3.84	3.75	4.49	-.74	1.13	.39
27.....	5.70	4.55	1.15	-.91	2.06	3.79	3.70	4.55	-.85	1.13	.28
Sept. 3.....	4.89	4.42	.47	1.71	2.18	3.89	3.80	4.42	-.62	1.22	.60
10.....	4.72	4.59	.16	1.47	1.63	3.79	3.70	4.59	-.89	1.26	.37
17.....	4.72	4.68	.04	1.64	1.68	3.88	3.77	4.68	-.91	1.14	.23
24.....	4.77	4.67	.10	3.30	3.40	3.99	3.90	4.67	-.77	1.05	.28
Oct. 1.....	4.77	4.52	.25	1.88	2.13	4.05	3.95	4.52	-.57	.75	.18
8.....	4.73	4.45	.28	1.97	2.25	4.00	3.81	4.45	-.54	.42	-.12
15.....	4.63	4.35	.28	1.93	2.21	3.92	3.83	4.35	-.52	.26	-.26
22.....	5.53	4.38	1.15	-.44	1.59	3.71	3.63	4.38	-.75	.04	-.71
29.....	4.53	4.30	.23	-.66	-.43	3.47	3.39	4.30	-.91	.04	-.87
Nov. 5.....	4.51	4.06	.45	-.26	.71	3.35	3.28	4.06	-.78	.12	-.66
12.....	4.51	4.11	.40	-.48	.88	3.31	3.24	4.11	-.87	.24	-.63
19.....	4.49	4.06	.43	1.09	1.52	3.33	3.26	4.06	-.80	.44	-.36
26.....	4.47	4.36	.11	2.13	2.24	3.30	3.23	4.36	-1.13	.60	-.59
Dec. 3.....	4.29	4.21	.08	2.56	2.64	3.40	3.33	4.21	-.88	.58	-.30
10.....	4.19	4.01	.18	1.75	1.93	3.30	3.23	4.01	-.78	.62	-.16
17.....	4.35	3.98	.37	2.37	2.74	3.17	3.10	3.98	-.88	.64	-.24
24.....	4.41	3.78	.63	1.10	1.73	3.18	3.09	3.78	-.69	.56	-.13
31.....	4.41	3.70	.71	-.81	1.52	3.20	3.14	3.70	-.56	.72	.16
1972											
Jan. 7.....	4.32	3.45	.87	-.93	1.80	3.33	3.26	3.45	-.19	.52	.33
14.....	4.29	3.09	1.20	1.76	2.96	3.24	3.17	3.09	.08	.40	.48
21.....	4.31	3.29	1.02	-.61	1.63	3.24	3.17	3.29	-.12	.32	.20
28.....	4.29	3.34	.95	-.06	.89	3.38	3.31	3.34	-.03	.20	.17

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)

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
1964	43,015	2,179	15,471	25,365	6	71	226	600	1,451	92	84	1,026	43
1965	243,230	31,869	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—Dec.	41,275	4,339	11,072	25,865	191	140	239	714	1,470	45	63	791	47
1971—Jan.	4,380	11,040	.....	.....	191	140	240	714	1,470	45	63	791	47
Feb.	4,400	11,039	.....	.....	191	140	240	714	1,468	45	42	791	47
Mar.	41,240	4,404	10,963	25,875	191	140	239	714	1,466	45	42	791	47
Apr.	4,338	10,925	.....	.....	191	140	253	728	1,502	46	42	791	47
May	4,448	10,568	.....	.....	191	140	254	747	1,592	46	22	792	47
June	41,250	4,523	10,507	26,220	191	140	254	747	1,584	46	22	792	47
July	4,479	10,453	.....	.....	192	140	259	746	1,600	46	22	792	47
Aug.	4,695	10,209	.....	.....	192	140	259	752	1,584	46	22	792	47
Sept.	41,210	4,722	10,207	26,280	192	140	259	722	1,572	46	22	792	.....
Oct.	4,724	10,207	.....	.....	192	140	259	722	1,564	46	22	792	.....
Nov.	4,726	10,206	.....	.....	192	140	259	722	1,564	46	22	792	.....
Dec. ^p	4,732	10,206	.....	.....	192	.....	259	729	1,544	.....	22	792	.....
End of period	Colombia	Denmark	Finland	France	Germany, Fed. Rep. of	Greece	India	Iran	Iraq	Ireland	Israel	Italy	Japan
1964	58	92	85	3,729	4,248	77	247	141	112	19	56	2,107	304
1965	35	97	84	4,706	4,410	78	281	146	110	21	56	2,404	328
1966	26	108	45	5,238	4,292	120	243	130	106	23	46	2,414	329
1967	31	107	45	5,234	4,228	130	243	144	115	25	46	2,400	338
1968	31	114	45	3,877	4,539	140	243	158	193	79	46	2,923	356
1969	26	89	45	3,547	4,079	130	243	158	193	39	46	2,956	413
1970—Dec.	17	64	29	3,532	3,980	117	243	131	144	16	43	2,887	532
1971—Jan.	17	64	29	3,532	3,979	114	243	131	144	16	43	2,886	532
Feb.	17	64	29	3,531	3,978	99	243	131	144	16	43	2,885	534
Mar.	16	64	29	3,527	3,977	99	243	131	144	16	43	2,884	539
Apr.	16	64	29	3,527	4,029	99	243	131	143	16	43	2,884	636
May	16	64	29	3,523	4,035	99	243	130	143	16	43	2,884	641
June	16	64	29	3,523	4,046	99	243	131	143	16	43	2,884	641
July	16	64	29	3,523	4,077	99	243	131	143	16	43	2,884	670
Aug.	14	64	49	3,523	4,076	99	243	131	143	16	43	2,884	679
Sept.	14	64	49	3,523	4,077	98	243	131	143	16	43	2,884	679
Oct.	14	64	49	3,523	4,077	98	243	131	143	16	43	2,884	679
Nov.	14	64	49	3,523	4,077	98	243	131	143	16	43	2,884	679
Dec. ^p	14	64	49	3,523	4,077	98	243	131	144	16	.....	2,884	679
End of period	Kuwait	Lebanon	Libya	Malaysia	Mexico	Morocco	Netherlands	Norway	Pakistan	Peru	Philippines	Portugal	Saudi Arabia
1964	48	183	17	7	169	34	1,688	31	53	67	23	523	78
1965	52	182	68	2	158	21	1,756	31	53	67	38	576	73
1966	67	193	68	1	109	21	1,730	18	53	65	44	643	69
1967	136	193	68	31	166	21	1,711	18	53	20	60	699	69
1968	122	288	85	66	165	21	1,697	24	54	20	62	856	119
1969	86	288	85	63	169	21	1,720	25	54	25	62	876	119
1970—Dec.	86	288	85	48	176	21	1,787	23	54	40	56	902	119
1971—Jan.	86	288	85	48	176	21	1,812	23	54	40	58	902	119
Feb.	86	322	85	48	176	21	1,812	23	54	40	59	902	119
Mar.	86	322	85	48	176	21	1,812	23	54	40	60	902	119
Apr.	86	322	85	48	182	21	1,863	31	54	40	61	902	119
May	87	322	85	53	182	21	1,867	32	54	40	62	902	119
June	87	322	85	58	182	21	1,867	32	55	40	63	902	119
July	87	322	85	58	184	21	1,888	34	55	40	64	895	119
Aug.	87	322	85	58	184	21	1,889	34	55	40	65	907	127
Sept.	87	322	85	58	184	21	1,889	34	55	40	66	911	127
Oct.	87	322	85	58	.....	21	1,889	34	55	40	67	911	127
Nov.	87	322	85	58	.....	21	1,889	34	55	40	67	918	128
Dec. ^p	87	322	85	58	.....	21	1,909	33	55	.....	67	921	128

For notes see end of table.

GOLD RESERVES OF CENTRAL BANKS AND GOVERNMENTS—Continued

(In millions of dollars)

End of period	South Africa	Spain	Sweden	Switzerland	Taiwan	Thailand	Turkey	U.A.R. (Egypt)	United Kingdom	Uruguay	Venezuela	Yugoslavia	Bank for Intl. Settlements ⁴
1964.....	574	616	189	2,725	55	104	104	139	2,136	171	401	17	-50
1965.....	425	810	202	3,042	55	96	116	139	2,265	155	401	19	-558
1966.....	637	785	203	2,842	62	92	102	93	1,940	146	401	21	-424
1967.....	583	785	203	3,089	81	92	97	93	1,291	140	401	22	-624
1968.....	1,243	785	225	2,624	81	92	97	93	1,474	133	403	50	-349
1969.....	1,115	784	226	2,642	82	92	117	93	1,471	165	403	51	-480
1970—Dec.....	666	498	200	2,732	82	92	126	85	1,349	162	384	52	-282
1971—Jan.....	632	498	200	2,731	82	92	126	85	1,246	162	384	32	-173
Feb.....	632	498	200	2,731	82	82	126	85	1,224	162	384	32	-173
Mar.....	634	498	200	2,806	82	82	127	85	1,123	162	384	32	-73
Apr.....	630	498	200	2,806	84	81	127	85	1,022	152	389	52	13
May.....	630	498	200	2,807	82	81	127	85	905	152	389	52	118
June.....	551	498	200	2,857	82	81	127	85	804	151	389	52	213
July.....	481	498	200	2,909	82	81	127	85	803	148	391	52	225
Aug.....	486	498	200	2,909	81	81	127	85	777	148	391	52	210
Sept.....	479	498	200	2,909	81	82	127	85	777	148	391	52	215
Oct.....	460	498	200	2,909	80	82	127	.....	.....	148	391	52	227
Nov.....	443	498	200	2,909	80	82	122	.....	.....	148	391	30	249
Dec. ^a	410	498	200	2,909	80	82	130	.....	.....	148	391	30	310

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 at \$35 per fine troy ounce)

Period	World production ¹	Africa			North and South America					Asia			Other	
		South Africa	Ghana	Congo (Kinshasa)	United States	Canada	Mexico	Nicaragua	Colombia	India	Japan	Philippines	Australia	All other
1965.....	1,440.0	1,069.4	26.4	2.3	58.6	125.6	7.6	5.4	11.2	4.6	18.1	15.3	30.7	64.8
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 ^a	1,450.0	1,128.0	24.8	6.2	63.5	81.8	6.9	3.8	7.1	3.7	24.8	21.1	21.7	56.6
1970—Nov.....	.....	94.4	.....	.....	.....	6.5	.....	.....	.....	.....	.....	.....	1.7	.....
Dec.....	.....	89.7	.....	.....	.....	6.8	.....	.....	.....	.....	.....	.....	2.0	.....
1971—Jan.....	.....	91.3	.....	.....	.....	7.0	.....	.....	.....	.....	.....	.....	1.7	.....
Feb.....	.....	89.6	.....	.....	.....	6.6	.....	.....	.....	.....	.....	.....	1.6	.....
Mar.....	.....	94.3	.....	.....	.....	6.7	.....	.....	.....	.....	.....	.....	2.3	.....
Apr.....	.....	91.9	.....	.....	.....	6.5	.....	.....	.....	.....	.....	.....	1.8	.....
May.....	.....	91.5	.....	.....	.....	6.7	.....	.....	.....	.....	.....	.....	1.8	.....
June.....	.....	92.0	.....	.....	.....	6.7	.....	.....	.....	.....	.....	.....	1.8	.....
July.....	.....	93.4	.....	.....	.....	5.8	.....	.....	1.1	.....	.....	.....	.....	.....
Aug.....	.....	92.3	.....	.....	.....	6.3	.....	.....	.....	.....	.....	.....	.....	.....
Sept.....	.....	91.3	.....	.....	.....	6.1	.....	.....	.....	.....	.....	.....	.....	.....
Oct.....	.....	93.4	.....	.....	.....	6.3	.....	.....	.....	.....	.....	.....	.....	.....
Nov.....	.....	91.7	.....	.....	.....	6.6	.....	.....	.....	.....	.....	.....	.....	.....

¹ Estimated; excludes U.S.S.R., other Eastern European countries, China Mainland, and North Korea.

EARNINGS AND EXPENSES

(In

Item	Total	Boston	New York	Philadelphia	Cleveland	Richmond	Atlanta
Current earnings							
Discounts and advances	20,785,310	1,621,592	4,926,126	591,732	602,930	968,532	1,120,367
Acceptances	4,017,310		4,017,310				
U.S. Govt. securities	3,694,676,122	178,996,770	948,998,950	192,791,951	284,093,700	270,720,510	185,193,555
Foreign currencies	2,648,052	124,890	696,980	135,077	237,964	135,076	176,638
All other	1,243,127	31,448	592,373	27,018	67,431	34,681	74,526
Total	3,723,369,921	180,774,700	959,231,739	193,545,778	285,002,025	271,858,799	186,565,086
Current expenses							
Salaries:							
Officers	14,802,481	929,259	3,086,718	986,454	854,151	1,248,156	1,171,194
Employees	171,901,456	10,978,342	44,158,859	7,830,591	10,778,588	13,490,323	12,614,779
Retirement and other benefits	34,193,811	2,312,721	8,088,689	1,575,149	2,296,178	2,749,093	2,529,595
Fees—Directors and others	3,594,882	126,130	1,308,553	195,809	157,019	173,024	348,413
Traveling expenses	4,511,495	292,822	705,391	157,653	313,790	360,770	581,967
Postage and expressage	39,994,681	2,538,146	4,916,748	1,447,744	3,379,861	4,726,117	3,942,585
Telephone and telegraph	4,031,183	208,652	875,947	163,518	177,032	351,196	519,131
Printing and supplies	14,448,240	823,513	2,681,730	736,512	841,039	1,429,139	1,382,155
Insurance	638,896	40,476	146,746	21,136	47,034	44,938	56,882
Taxes on real estate	8,347,964	940,578	1,349,216	202,716	490,388	343,465	485,857
Depreciation (buildings)	5,246,584	171,664	825,755	76,596	214,529	520,510	780,812
Light, heat, power, and water	3,365,213	216,254	617,874	129,380	337,312	295,347	298,581
Repairs and alterations	2,173,458	63,439	248,054	119,858	122,903	365,002	123,500
Rent	2,694,100	424,546	1,852,027	55,727	32,384	102,850	138,304
Furniture and equipment:							
Purchases	12,188,682	328,556	2,317,296	222,764	440,038	792,399	841,194
Rentals	19,328,125	1,158,212	2,666,867	1,078,089	883,016	1,883,694	1,511,669
All other	6,662,779	410,623	1,529,582	389,835	521,325	277,877	296,361
Inter-Bank expenses	7,295	110,028	-1,440,054	115,670	207,342	-197,998	171,412
Subtotal	348,124,031	22,073,961	75,935,998	15,505,201	22,093,929	28,955,902	27,794,392
F.R. currency	24,942,528	1,473,226	5,176,618	1,508,467	1,495,287	2,203,948	1,956,256
Assessment for expenses of Board of Governors	32,634,002	1,518,000	8,560,400	1,679,798	2,946,100	1,674,400	2,190,200
Total	405,700,561	25,065,187	89,673,016	18,693,466	26,535,316	32,834,250	31,940,848
Less reimbursement for certain fiscal agency and other expenses	28,515,761	1,431,540	6,002,321	1,264,157	2,609,734	1,671,533	2,252,481
Net expenses	377,184,800	23,633,647	83,670,695	17,429,309	23,925,582	31,162,717	29,688,367
Profit and loss							
Current net earnings	3,346,185,122	157,141,053	875,561,044	176,116,469	261,076,444	240,696,083	156,876,719
Additions to current net earnings:							
Profits on sales of U.S. Govt. securities	101,969,630	5,079,942	26,059,947	5,217,742	7,866,249	7,629,142	5,071,922
All other	7,599,394	100,663	46,386	2,445	470,646	117,202	16,400
Total additions	109,569,024	5,180,605	26,106,333	5,220,187	8,336,895	7,746,343	5,088,322
Deductions from current net earnings:							
Losses on foreign exchange transactions	8,118,845	384,531	2,151,738	417,257	736,336	417,257	548,161
All other	7,184,102	32,960	58,665	3,143	96,102	53,180	55,749
Total deductions	15,302,947	417,491	2,210,403	420,400	832,438	470,437	603,910
Net addition to current net earnings	94,266,076	4,763,114	23,895,930	4,799,787	7,504,457	7,275,906	4,484,412
Net earnings before payments to U.S. Treasury	3,440,451,196	161,904,167	899,456,974	180,916,256	268,580,901	247,971,989	161,361,130
Dividends paid	43,488,074	2,004,027	11,341,925	2,237,610	3,957,512	2,261,033	2,951,631
Payments to U.S. Treasury (interest on F.R. notes)	3,356,559,873	159,040,740	880,050,249	176,241,396	259,851,138	243,122,856	154,897,299
Transferred to surplus	40,403,250	859,400	8,064,800	2,437,250	4,772,250	2,588,100	3,512,200
Surplus, January 1	701,780,800	32,777,350	184,789,650	35,971,650	63,109,650	35,700,550	46,865,800
Surplus, December 31	742,184,050	33,636,750	192,854,450	38,408,900	67,881,900	38,288,650	50,378,000

NOTE.—Details may not add to totals because of rounding.

OF FEDERAL RESERVE BANKS

dollars)

Chicago	St. Louis	Minneapolis	Kansas City	Dallas	San Francisco	Item
						Current earnings
8,733,021	73,777	87,784	326,985	398,419	1,334,045	Discounts and advances
600,673,056	136,656,592	72,376,648	144,523,731	169,726,271	509,924,388	Acceptances
395,960	90,051	60,509	111,240	148,319	335,348	U.S. Govt. securities
145,150	36,041	70,693	53,090	44,793	65,883	Foreign currencies
						All other
609,947,187	136,856,461	72,595,634	145,015,046	170,317,802	511,659,664	Total
						Current expenses
						Salaries:
1,356,750	1,223,904	777,642	1,006,007	883,114	1,279,132	Officers
23,301,248	9,593,667	6,606,427	9,962,016	7,712,050	14,874,566	Employees
4,363,985	2,021,137	1,315,621	2,046,057	1,585,403	3,310,183	Retirement and other benefits
249,329	146,379	344,147	157,576	156,620	231,883	Fees—Directors and others
512,804	290,713	329,825	298,724	245,067	421,969	Traveling expenses
4,961,391	2,736,394	1,763,778	2,599,748	2,325,536	4,656,633	Postage and expressage
468,018	245,800	149,781	310,754	265,776	295,578	Telephone and telegraph
1,948,924	1,022,559	603,655	1,061,977	690,638	1,225,104	Printing and supplies
56,371	44,957	26,527	36,678	33,072	84,079	Insurance
1,494,045	333,200	999,328	579,533	372,585	757,053	Taxes on real estate
662,271	254,494	62,957	850,290	379,528	447,178	Depreciation (buildings)
461,093	217,637	136,492	302,951	160,467	191,825	Light, heat, power, and water
235,588	353,985	50,475	132,566	215,413	142,675	Repairs and alterations
68,779	11,130	582	4,269	1,863	1,639	Rent
						Furniture and equipment:
1,048,000	960,414	145,847	4,155,797	413,621	522,756	Purchases
3,060,847	1,371,848	864,356	2,065,912	1,160,988	1,622,627	Rentals
1,377,149	348,400	264,938	477,478	515,823	253,388	All other
347,942	91,015	59,582	106,950	139,520	289,886	Inter-Bank expenses
45,974,534	21,267,633	14,501,960	26,155,283	17,257,084	30,608,154	Subtotal
3,611,569	1,262,547	688,853	1,035,019	1,437,203	3,093,535	F.R. currency
4,893,000	1,112,700	737,700	1,381,700	1,820,004	4,120,000	Assessment for expenses of Board of Governors
54,479,103	23,642,880	15,928,513	28,572,002	20,514,291	37,821,689	Total
5,076,057	1,730,477	848,145	1,911,651	953,323	2,764,342	Less reimbursement for certain fiscal agency and other expenses
49,403,046	21,912,403	15,080,368	26,660,351	19,560,968	35,057,347	Net expenses
						Profit and loss
560,544,140	114,944,059	57,515,266	118,354,694	150,756,834	476,602,317	Current net earnings
						Additions to current net earnings:
16,418,733	3,766,685	2,032,385	3,983,060	4,646,106	14,197,717	Profits on sales of U.S. Govt. securities
30,270	2,975	6,766,167	21,422	8,287	16,531	All other
16,449,003	3,769,661	8,798,552	4,004,482	4,654,393	14,214,248	Total additions
						Deductions from current net earnings:
1,227,227	215,503	188,175	343,624	458,165	1,030,871	Losses on foreign exchange transactions
79,291	3,020	6,763,515	9,236	6,847	22,394	All other
1,306,518	218,523	6,951,690	352,860	465,012	1,053,265	Total deductions
15,142,485	3,551,138	1,846,862	3,651,622	4,189,381	13,160,982	Net addition to current net earnings
575,686,625	118,495,196	59,362,128	122,006,316	154,946,215	489,763,299	Net earnings before payments to U.S. Treasury
6,485,409	1,474,167	991,349	1,844,745	2,418,835	5,519,831	Dividends paid
563,996,366	115,887,429	57,273,629	118,376,272	150,657,531	477,164,968	Payments to U.S. Treasury (interest on F.R. notes)
5,204,850	1,133,600	1,097,150	1,785,300	1,869,850	7,078,500	Transferred to surplus
105,455,600	24,042,500	15,798,000	29,742,150	39,144,850	88,383,050	Surplus, January 1
110,660,450	25,176,100	16,895,150	31,527,450	41,014,700	95,461,550	Surplus, December 31

NUMBER OF BANKING OFFICES IN THE UNITED STATES

Type of office and type of change	All banks	Commercial banks						Mutual savings banks		
		Total	Member			Nonmember			Insured ¹	Non-insured
			Total	National	State	Total	Insured	Non-insured		
Banks (head office):										
Dec. 31, 1934	16,063	15,484	6,442	5,462	980	9,042	7,699	1,343	68	511
Dec. 31, 1941	14,826	14,278	6,619	5,117	1,502	7,662	6,810	852	52	496
Dec. 31, 1947 ²	14,714	14,181	6,923	5,005	1,918	7,261	6,478	783	194	339
Dec. 31, 1951	14,618	14,089	6,840	4,939	1,901	7,252	6,602	650	202	327
Dec. 31, 1956	14,167	13,640	6,462	4,651	1,811	7,181	6,737	444	223	304
Dec. 31, 1960	13,986	13,472	6,174	4,530	1,644	7,300	6,948	352	325	189
Dec. 31, 1961	13,946	13,432	6,113	4,513	1,600	7,320	6,997	323	330	184
Dec. 31, 1962	13,938	13,427	6,047	4,503	1,544	7,380	7,072	308	331	180
Dec. 31, 1963	14,078	13,569	6,108	4,615	1,493	7,461	7,177	284	330	179
Dec. 31, 1964	14,266	13,761	6,225	4,773	1,452	7,536	7,262	274	327	178
Dec. 31, 1965	14,309	13,804	6,221	4,815	1,406	7,583	7,320	263	328	177
Dec. 31, 1966	14,274	13,770	6,150	4,779	1,351	7,620	7,385	235	330	174
Dec. 31, 1967	14,222	13,721	6,071	4,758	1,313	7,650	7,439	211	331	170
Dec. 31, 1968	14,179	13,679	5,978	4,716	1,262	7,701	7,504	197	333	167
Dec. 31, 1969	14,158	13,662	5,871	4,669	1,202	7,791	7,595	196	330	166
Dec. 31, 1970	14,181	13,688	5,768	4,621	1,147	7,920	7,735	185	328	165
Dec. 31, 1971	14,273	13,784	5,728	4,600	1,128	8,056	7,875	181	326	163
Branches, additional offices, and facilities:										
Dec. 31, 1934	3,133	3,007	2,224	1,243	981	783	783		126	
Dec. 31, 1941	3,699	3,564	2,580	1,565	1,015	984	932	52	32	103
Dec. 31, 1947 ²	4,332	4,161	3,051	1,870	1,181	1,110	1,043	67	124	47
Dec. 31, 1951	5,383	5,153	3,837	2,370	1,467	1,316	1,275	41	165	65
Dec. 31, 1956	7,955	7,589	5,886	3,809	2,077	1,703	1,666	37	257	109
Dec. 31, 1960	10,969	10,483	8,133	5,509	2,624	2,350	2,303	47	381	105
Dec. 31, 1961	11,896	11,353	8,899	6,044	2,855	2,454	2,410	44	427	116
Dec. 31, 1962	12,932	12,345	9,649	6,640	3,009	2,696	2,646	50	466	121
Dec. 31, 1963	14,122	13,498	10,613	7,420	3,193	2,885	2,835	50	502	122
Dec. 31, 1964	15,275	14,601	11,457	8,156	3,301	3,144	3,094	50	549	125
Dec. 31, 1965	16,471	15,756	12,298	8,964	3,334	3,458	3,404	54	583	132
Dec. 31, 1966	17,665	16,908	13,129	9,611	3,518	3,779	3,717	62	614	143
Dec. 31, 1967	18,757	17,928	13,856	10,183	3,673	4,072	4,026	46	669	160
Dec. 31, 1968	19,911	19,013	14,553	10,985	3,568	4,460	4,414	46	729	169
Dec. 31, 1969	21,196	20,208	15,204	11,727	3,477	5,004	4,957	47	810	178
Dec. 31, 1970	22,727	21,643	16,191	12,536	3,655	5,452	5,404	48	891	193
Dec. 31, 1971	24,299	23,104	17,085	13,272	3,813	6,019	5,979	40	983	212
Changes Jan.-Dec. 31, 1971										
Banks:										
New banks	203	201	46	37	9	155	149	6	2	
Suspensions	-4	-4	-1	-1		-3	-2	-1		
Reopening of suspended banks	1	1				1		1		
Consolidations and absorptions:										
Banks converted into branches	-87	-83	-45	-39	-6	-38	-37	-1	-2	-2
Ceased banking operations	-1	-1				-1		-1		
Other	-15	-13	-8	-5	-3	-5	-5		-2	
Voluntary liquidations ³	-3	-3				-3	-1	-2		
Interclass changes:										
Nonmember to national			7	7		-7	-7			
Nonmember to State member			4		4	-4	-4			
State member to national				3	-3					
State member to nonmember			-20		-20	20	20			
National to nonmember			-21	-21		21	21			
Noninsured to insured						6	6	-6		
Net change	92	96	-40	-21	-19	136	140	-4	-2	-2
Number of banks, Dec. 31, 1971	14,273	13,784	5,728	4,600	1,128	8,056	7,875	181	326	163
Branches and additional offices:										
De novo	1,602	1,493	947	743	204	546	546		90	19
Banks converted	90	86	65	51	14	21	21		3	1
Discontinued	-97	-96	-73	-53	-20	-23	-22	-1	-1	
Sale of branch	-1	-1	-4		-4	3	4	-1		
Interclass changes:										
Nonmember to national			21	21		-21	-21			
Nonmember to State member			16		16	-16	-16			
State member to national				20	-20					
State member to nonmember			-24		-24	24	24			
National to State member				-2	2					
National to nonmember			-26	-26		26	26			
Noninsured to insured						7	7	-7		
Noninsured mutual savings to insured mutual savings									1	-1
Facilities reclassified as branches	3	3	3	3						
Other	-25	-24	-31	-21	-10	7	6	1	-1	
Net change	1,572	1,461	894	736	158	567	575	-8	92	19
Number of branches and additional offices, Dec. 31, 1971	24,083	22,888	16,902	13,102	3,800	5,986	5,946	40	983	212
Banking facilities:⁴										
Established	6	6	6	5	1					
Discontinued	-2	-2	-2	-2						
Other	-4	-4	-4	-4						
Facilities reclassified as branches	-3	-3	-3	-3						
Net change	-3	-3	-3	-4	1					
Number of facilities, Dec. 31, 1971	216	216	183	170	13	33	33			

¹ Insured mutual savings banks figures include one to three member mutual savings banks, 1941 to 1962 inclusive, not reflected in total commercial bank figures.

² Series revised as of June 30, 1947. The revision resulted in an addition of 115 banks and nine branches.

³ Exclusive of liquidations incident to succession, conversion, and absorption of banks.

⁴ Provided at military and other Govt. establishments through arrangements made by the Treasury Dept.

NOTE.—Beginning with 1959, figures include all banks in Alaska and Hawaii, but nonmember banks in territories and possessions are excluded.

NUMBER OF PAR AND NONPAR BANKING OFFICES

F.R. district, State, or other area	Total		Par						Nonpar (nonmember)	
			Total		Member		Nonmember			
	Banks	Branches and offices	Banks	Branches and offices	Banks	Branches and offices	Banks	Branches and offices	Banks	Branches and offices
Total, including Puerto Rico and Virgin Islands: ¹										
Dec. 31, 1970.....	13,600	21,848	13,099	21,670	5,768	16,227	7,331	5,443	501	178
Dec. 31, 1971.....	13,702	23,296	13,440	23,126	5,728	17,121	7,712	6,005	262	170
F.R. districts, Dec. 31, 1971:										
Boston.....	373	1,685	373	1,685	227	1,229	146	456		
New York ¹	477	3,650	477	3,650	340	3,210	137	440		
Philadelphia.....	441	1,691	441	1,691	306	1,211	135	480		
Cleveland.....	789	2,074	789	2,074	468	1,707	321	367		
Richmond.....	735	3,244	702	3,201	360	1,967	342	1,234	33	43
Atlanta.....	1,691	1,641	1,582	1,560	562	1,039	1,020	521	109	81
Chicago.....	2,591	2,435	2,591	2,435	941	1,594	1,650	841		
St. Louis.....	1,517	935	1,453	903	458	490	995	413	64	32
Minneapolis.....	1,370	301	1,370	301	490	145	880	156		
Kansas City.....	1,969	321	1,969	321	796	201	1,173	120		
Dallas.....	1,358	270	1,302	256	633	135	669	121	56	14
San Francisco.....	391	5,049	391	5,049	147	4,193	244	856		
State or area, Dec. 31, 1971:										
Alabama.....	273	303	216	281	108	226	108	55	57	22
Alaska.....	11	65	11	65	5	58	6	7		
Arizona.....	13	347	13	347	4	248	9	99		
Arkansas.....	252	175	188	143	81	104	107	39	64	32
California.....	144	3,171	144	3,171	66	2,810	78	361		
Colorado.....	235	28	235	28	140	20	95	8		
Connecticut.....	62	469	62	469	29	363	33	106		
Delaware.....	18	99	18	99	7	47	11	52		
District of Columbia.....	14	108	14	108	12	101	2	7		
Florida.....	534	41	534	41	240	13	294	28		
Georgia.....	434	412	434	412	70	282	364	130		
Hawaii.....	7	141	7	141	1	9	6	132		
Idaho.....	24	165	24	165	13	144	11	21		
Illinois.....	1,132	122	1,132	122	493	80	639	42		
Indiana.....	407	671	407	671	183	420	224	251		
Iowa.....	665	328	665	328	148	91	517	237		
Kansas.....	603	73	603	73	199	42	404	31		
Kentucky.....	343	361	343	361	94	212	249	149		
Louisiana.....	235	414	235	414	59	223	86	118	90	73
Maine.....	40	238	40	238	25	174	15	64		
Maryland.....	112	568	112	568	46	348	66	220		
Massachusetts.....	158	780	158	780	98	604	60	176		
Michigan.....	330	1,254	330	1,254	205	1,028	125	226		
Minnesota.....	731	17	731	17	223	8	508	9		
Mississippi.....	183	369	183	369	45	160	138	209		
Missouri.....	669	99	669	99	169	41	500	58		
Montana.....	143	10	143	10	92	8	51	2		
Nebraska.....	439	45	439	45	135	27	304	18		
Nevada.....	8	89	8	89	5	78	3	11		
New Hampshire.....	73	69	73	69	49	57	24	12		
New Jersey.....	209	1,096	209	1,096	153	949	56	147		
New Mexico.....	68	140	68	140	40	88	28	52		
New York.....	305	2,553	305	2,553	239	2,402	66	2,151		
North Carolina.....	93	1,222	72	1,183	24	610	48	573	21	39
North Dakota.....	168	72	168	72	46	14	122	58		
Ohio.....	514	1,368	514	1,368	336	1,150	178	218		
Oklahoma.....	436	71	436	71	213	51	223	20		
Oregon.....	46	358	46	358	8	259	38	99		
Pennsylvania.....	451	1,823	451	1,823	309	1,350	142	473		
Rhode Island.....	13	179	13	179	5	97	8	82		
South Carolina.....	99	457	87	453	25	261	62	192	12	4
South Dakota.....	159	100	159	100	57	66	102	34		
Tennessee.....	309	527	309	527	91	331	218	196		
Texas.....	1,214	86	1,196	86	579	29	617	57	18	
Utah.....	50	148	50	148	15	108	35	40		
Vermont.....	41	89	41	89	26	50	15	39		
Virginia.....	245	885	245	885	146	645	99	240		
Washington.....	91	587	91	587	31	499	60	88		
West Virginia.....	199	6	199	6	119	2	80	4		
Wisconsin.....	608	285	608	285	166	89	442	196		
Wyoming.....	71	2	71	2	55	1	16	1		
Puerto Rico ¹	13	186	13	186		19	13	167		
Virgin Islands ¹	8	25	8	25	1	25	7			

¹ Puerto Rico and the Virgin Islands assigned to the New York District for purposes of Regulation J, "Check Clearing and Collection." Member branches in Puerto Rico and all except eight in the Virgin Islands are branches of New York City banks. Certain branches of Canadian banks (two in Puerto Rico and five in Virgin Islands) are included above in the table as nonmember banks; and nonmember branches in Puerto Rico include eight branches of Canadian banks.

² Includes fifteen New York City branches of three insured nonmember Puerto Rican banks.

NOTE.—Includes all commercial banking offices in the United States, Puerto Rico, and the Virgin Islands on which checks are drawn, including 216 banking facilities. Number of banks and branches differs from that in the preceding table because this table includes banks in Puerto Rico and the Virgin Islands but excludes banks and trust companies on which no checks are drawn.

MONEY MARKET RATES

(Per cent per annum)

	Prime coml. paper 4- to 6-months 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 (taxable) ⁴							
					3-month bills ⁵		6-month bills ⁵		9- to 12-month issues		3- to 5-year issues ⁶	
					Rate on new issue	Market yield	Rate on new issue	Market yield	Bills (market yield) ⁵	Other ⁶		
1971—Jan.	5.11	5.07	4.77	4.14	4.494	4.44	4.510	4.47	4.39	4.29	5.72	
Feb.	4.47	4.37	4.09	3.72	3.773	3.69	3.806	3.78	3.84	3.80	5.31	
Mar.	4.19	4.05	3.80	3.71	3.323	3.38	3.431	3.50	3.61	3.66	4.74	
Apr.	4.57	4.27	4.36	4.15	3.780	3.85	3.927	4.03	4.09	4.21	5.42	
May.	5.10	4.69	4.91	4.63	4.139	4.13	4.367	4.34	4.64	4.93	6.02	
June.	5.45	5.24	5.33	4.91	4.699	4.74	4.890	4.95	5.32	5.57	6.36	
July.	5.75	5.54	5.60	5.31	5.405	5.39	5.586	5.62	5.73	5.89	6.77	
Aug.	5.73	5.57	5.57	5.57	5.078	4.93	5.363	5.22	5.52	5.67	6.39	
Sept.	5.75	5.44	5.49	5.55	4.668	4.69	4.934	4.97	5.20	5.31	5.96	
Oct.	5.54	5.30	5.05	5.20	4.489	4.46	4.626	4.60	4.75	4.74	5.68	
Nov.	4.92	4.81	4.78	4.91	4.191	4.22	4.338	4.38	4.49	4.50	5.50	
Dec.	4.74	4.60	4.45	4.14	4.023	4.01	4.199	4.23	4.40	4.38	5.42	
Week ending—												
1970—Dec. 26.	5.75	5.45	5.25	4.84	4.727	4.82	4.765	4.87	4.88	4.85	5.96	
1971—Jan. 2.	5.75	5.44	5.25	4.82	4.830	4.87	4.836	4.88	4.86	4.85	5.94	
9.	5.68	5.41	5.23	3.82	4.921	4.84	4.927	4.89	4.71	4.76	5.99	
16.	5.38	5.25	4.88	4.27	4.640	4.51	4.633	4.55	4.48	4.40	5.78	
23.	4.85	4.93	4.48	4.13	4.213	4.20	4.243	4.22	4.19	3.87	5.58	
30.	4.53	4.69	4.45	4.23	4.201	4.19	4.235	4.24	4.18	4.11	5.54	
Feb. 6.	4.63	4.63	4.35	4.09	4.110	4.06	4.114	4.11	4.11	4.03	5.49	
13.	4.63	4.53	4.13	3.59	3.845	3.71	3.839	3.75	3.80	3.82	5.33	
20.	4.38	4.31	4.03	4.14	3.640	3.56	3.679	3.65	3.72	3.70	5.24	
27.	4.25	4.03	3.85	3.46	3.497	3.43	3.590	3.57	3.68	3.64	5.15	
Mar. 6.	4.25	3.88	3.75	3.41	3.347	3.35	3.467	3.44	3.64	3.69	5.07	
13.	4.25	4.08	3.70	3.29	3.307	3.28	3.359	3.39	3.52	3.56	4.75	
20.	4.20	4.13	3.83	3.93	3.307	3.39	3.416	3.51	3.57	3.59	4.55	
27.	4.05	4.13	3.80	3.70	3.331	3.37	3.481	3.54	3.63	3.68	4.56	
Apr. 3.	4.23	4.08	4.00	4.02	3.521	3.61	3.695	3.72	3.70	3.89	4.85	
10.	4.28	4.13	4.13	3.98	3.703	3.78	3.754	3.85	3.79	4.02	5.08	
17.	4.58	4.28	4.38	4.20	4.039	3.96	4.140	4.09	4.10	4.16	5.37	
24.	4.70	4.34	4.45	4.27	3.770	3.81	3.960	4.02	4.14	4.19	5.59	
May 1.	4.80	4.39	4.60	4.14	3.865	3.93	4.087	4.22	4.44	4.53	5.77	
8.	5.00	4.50	4.83	4.41	3.865	3.84	4.182	4.20	4.46	4.69	5.92	
15.	5.00	4.51	4.88	4.59	3.861	3.96	4.178	4.23	4.58	4.75	5.98	
22.	5.15	4.79	4.95	4.55	4.352	4.36	4.530	4.49	4.79	5.20	6.20	
29.	5.25	4.98	5.00	4.68	4.478	4.38	4.578	4.46	4.73	5.08	5.97	
June 5.	5.38	5.13	5.00	4.82	4.344	4.28	4.508	4.52	4.78	4.99	5.92	
12.	5.38	5.13	5.18	4.77	4.510	4.58	4.720	4.79	5.13	5.37	6.22	
19.	5.48	5.19	5.43	4.89	4.989	4.94	5.200	5.16	5.43	5.76	6.54	
26.	5.50	5.39	5.50	4.96	4.953	4.86	5.133	5.06	5.56	5.74	6.46	
July 3.	5.65	5.45	5.60	5.07	5.080	5.17	5.277	5.37	5.77	6.06	6.70	
10.	5.75	5.48	5.63	5.18	5.467	5.40	5.614	5.53	5.65	5.96	6.70	
17.	5.75	5.56	5.50	5.13	5.376	5.38	5.483	5.52	5.61	5.70	6.64	
24.	5.75	5.56	5.63	5.46	5.546	5.45	5.724	5.73	5.77	5.85	6.82	
31.	5.75	5.58	5.63	5.38	5.554	5.39	5.833	5.77	5.87	6.00	6.92	
Aug. 7.	5.75	5.60	5.63	5.57	5.273	5.28	5.618	5.67	5.90	6.02	6.85	
14.	5.83	5.68	5.63	5.59	5.372	5.24	5.770	5.66	5.92	6.06	6.81	
21.	5.78	5.58	5.55	5.59	4.921	4.71	5.202	4.89	5.24	5.41	6.05	
28.	5.63	5.46	5.53	5.48	4.747	4.69	4.860	4.87	5.19	5.39	6.06	
Sept. 4.	5.70	5.44	5.50	5.59	4.549	4.47	4.771	4.79	5.13	5.20	5.89	
11.	5.75	5.44	5.50	5.73	4.538	4.62	4.846	4.92	5.17	5.23	5.94	
18.	5.75	5.44	5.50	5.59	4.834	4.79	5.085	5.02	5.22	5.35	6.00	
25.	5.75	5.45	5.50	5.46	4.743	4.74	4.993	5.04	5.26	5.41	6.01	
Oct. 2.	5.75	5.44	5.40	5.43	4.676	4.65	4.973	4.95	5.17	5.26	5.91	
9.	5.75	5.44	5.23	5.32	4.534	4.51	4.743	4.72	5.00	4.91	5.84	
16.	5.63	5.39	5.03	5.29	4.486	4.45	4.595	4.58	4.73	4.73	5.68	
23.	5.45	5.24	4.98	5.14	4.494	4.47	4.635	4.56	4.67	4.70	5.62	
30.	5.25	5.06	4.88	5.11	4.443	4.36	4.530	4.47	4.49	4.51	5.53	
Nov. 6.	5.03	4.97	4.78	5.16	4.233	4.18	4.346	4.34	4.41	4.37	5.41	
13.	4.88	4.88	4.75	4.93	4.174	4.18	4.340	4.37	4.47	4.40	5.47	
20.	4.93	4.80	4.75	4.88	4.122	4.15	4.255	4.31	4.42	4.46	5.47	
27.	4.88	4.66	4.81	4.86	4.236	4.33	4.411	4.49	4.61	4.69	5.63	
Dec. 4.	4.88	4.73	4.75	4.68	4.324	4.28	4.431	4.42	4.60	4.63	5.52	
11.	4.88	4.70	4.58	4.59	4.091	4.11	4.207	4.28	4.53	4.54	5.48	
18.	4.75	4.63	4.50	4.20	3.944	4.04	4.144	4.27	4.50	4.40	5.45	
25.	4.75	4.50	4.40	3.89	4.023	4.02	4.263	4.25	4.38	4.30	5.43	
1972—Jan. 1.	4.50	4.50	4.18	4.05	3.731	3.73	3.952	4.03	4.09	4.15	5.27	

¹ Averages of daily offering rates of dealers.

² Averages of daily rates, published by finance companies, for varying maturities in the 90-179 day range.

³ Seven-day average for week ending Wednesday.

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

⁵ Bills quoted on bank discount rate basis.

⁶ Selected note and bond issues.

BOND AND STOCK YIELDS

(Per cent per annum)

Period	Government bonds				Corporate bonds						Stocks		
	United States (long-term)	State and local			Total	By selected rating		By group			Dividend/price ratio		Earnings/price ratio
		Total ¹	Aaa	Baa		Aaa	Baa	Industrial	Railroad	Public utility	Preferred	Common	Common
1971—Jan.	5.91	5.34	5.08	5.65	8.04	7.36	8.74	8.57	8.70	8.17	6.53	3.32	
Feb.	5.84	5.28	4.92	5.73	7.75	7.08	8.39	7.24	8.39	7.94	6.32	3.18	
Mar.	5.71	5.26	5.00	5.56	7.84	7.21	8.46	7.36	8.39	8.08	6.48	3.10	5.52
Apr.	5.75	5.49	5.22	5.85	7.86	7.25	8.45	7.43	8.37	8.05	6.59	2.99	
May	5.96	5.99	5.71	6.36	8.03	7.53	8.62	7.68	8.40	8.23	6.82	3.04	
June	5.94	5.98	5.65	6.36	8.14	7.64	8.75	7.80	8.43	8.39	6.99	3.10	5.74
July	5.91	6.12	5.75	6.58	8.14	7.64	8.76	7.85	8.46	8.34	7.03	3.13	
Aug.	5.78	5.84	5.56	6.21	8.12	7.59	8.76	7.80	8.48	8.30	7.04	3.18	
Sept.	5.56	5.45	5.09	5.86	7.97	7.44	8.59	7.64	8.39	8.12	6.90	3.09	5.65
Oct.	5.46	5.05	4.75	5.38	7.88	7.39	8.48	7.58	8.25	8.04	6.75	3.16	
Nov.	5.44	5.20	4.94	5.53	7.77	7.26	8.38	7.46	8.13	7.96	6.78	3.31	
Dec.	5.62	5.24	4.99	5.55	7.75	7.25	8.38	7.42	8.12	7.92	6.81	3.10	
Week ending—													
1971—Jan. 2	6.16	5.49	5.25	5.75	8.19	7.48	8.97	7.75	8.86	8.31	6.92	3.36	
9	6.09	5.59	5.40	5.80	8.16	7.45	8.90	7.71	8.84	8.26	6.79	3.36	
16	5.96	5.30	5.00	5.60	8.10	7.42	8.82	7.66	8.76	8.22	6.62	3.35	
23	5.83	5.24	4.95	5.60	8.02	7.36	8.69	7.54	8.63	8.19	6.33	3.30	
30	5.78	5.24	4.95	5.60	7.87	7.19	8.54	7.38	8.57	8.01	6.38	3.26	
Feb. 6	5.80	5.39	5.10	5.75	7.79	7.10	8.47	7.26	8.52	7.96	6.30	3.20	
13	5.78	5.16	4.75	5.65	7.74	7.06	8.40	7.20	8.41	7.94	6.34	3.17	
20	5.83	5.24	4.85	5.75	7.72	7.07	8.34	7.22	8.32	7.93	6.24	3.15	
27	5.92	5.35	5.00	5.80	7.74	7.10	8.34	7.25	8.32	7.95	6.41	3.19	
Mar. 6	5.94	5.46	5.15	5.85	7.78	7.13	8.40	7.27	8.37	8.00	6.43	3.18	
13	5.77	5.24	4.95	5.60	7.84	7.20	8.47	7.32	8.40	8.11	6.53	3.11	
20	5.65	5.14	4.90	5.40	7.88	7.26	8.50	7.38	8.40	8.13	6.44	3.05	
27	5.54	5.18	5.00	5.40	7.86	7.25	8.47	7.42	8.38	8.07	6.46	3.10	
Apr. 3	5.64	5.24	5.00	5.60	7.85	7.22	8.46	7.42	8.38	8.03	6.53	3.07	
10	5.66	5.33	5.10	5.70	7.84	7.23	8.45	7.42	8.35	8.02	6.54	3.02	
17	5.73	5.45	5.20	5.80	7.85	7.24	8.45	7.42	8.38	8.03	6.54	2.98	
24	5.82	5.61	5.30	6.00	7.86	7.24	8.42	7.43	8.37	8.05	6.62	2.99	
May 1	5.81	5.80	5.50	6.15	7.89	7.30	8.47	7.46	8.38	8.10	6.64	2.95	
8	5.92	5.96	5.65	6.25	7.95	7.43	8.52	7.57	8.37	8.14	6.69	2.98	
15	5.96	6.08	5.80	6.40	7.99	7.48	8.59	7.64	8.38	8.17	6.74	3.01	
22	6.04	6.00	5.70	6.40	8.08	7.57	8.69	7.75	8.44	8.28	6.82	3.06	
29	5.90	6.00	5.70	6.40	8.12	7.66	8.68	7.77	8.43	8.35	7.03	3.11	
June 5	5.79	5.83	5.50	6.20	8.15	7.69	8.71	7.80	8.40	8.41	6.98	3.07	
12	5.89	5.90	5.60	6.25	8.13	7.66	8.73	7.79	8.37	8.42	7.03	3.09	
19	6.06	5.99	5.70	6.35	8.13	7.63	8.77	7.79	8.42	8.38	6.96	3.08	
26	5.98	6.19	5.80	6.65	8.14	7.62	8.78	7.79	8.49	8.37	6.99	3.14	
July 3	5.97	6.35	5.90	7.00	8.14	7.63	8.78	7.82	8.47	8.35	7.01	3.10	
10	5.92	6.09	5.70	6.60	8.14	7.65	8.75	7.83	8.43	8.35	7.06	3.09	
17	5.82	6.09	5.70	6.60	8.14	7.64	8.77	7.84	8.43	8.34	7.07	3.12	
24	5.91	5.98	5.65	6.30	8.14	7.63	8.75	7.85	8.47	8.32	6.96	3.12	
31	5.96	6.08	5.80	6.40	8.16	7.66	8.78	7.86	8.47	8.34	7.04	3.18	
Aug. 7	5.93	6.13	5.85	6.45	8.21	7.69	8.85	7.89	8.53	8.41	7.10	3.28	
14	5.90	6.09	5.80	6.45	8.22	7.71	8.88	7.89	8.55	8.44	7.06	3.25	
21	5.64	5.42	5.15	5.75	8.02	7.49	8.66	7.72	8.31	8.23	6.99	3.12	
28	5.70	5.71	5.45	6.20	8.07	7.50	8.69	7.76	8.48	8.19	7.02	3.06	
Sept. 4	5.58	5.59	5.30	6.10	8.03	7.45	8.65	7.67	8.54	8.15	6.94	3.10	
11	5.51	5.40	5.00	5.80	7.97	7.42	8.62	7.62	8.45	8.11	6.87	3.03	
18	5.59	5.50	5.10	5.90	7.97	7.44	8.63	7.64	8.39	8.13	6.87	3.07	
25	5.59	5.51	5.15	5.90	7.96	7.44	8.57	7.65	8.32	8.12	6.85	3.11	
Oct. 2	5.52	5.25	4.90	5.60	7.95	7.46	8.52	7.64	8.32	8.10	6.95	3.13	
9	5.47	5.15	4.80	5.50	7.93	7.44	8.49	7.62	8.32	8.05	6.81	3.07	
16	5.44	4.98	4.65	5.30	7.90	7.42	8.48	7.61	8.26	8.04	6.75	3.09	
23	5.47	4.95	4.65	5.25	7.87	7.37	8.47	7.56	8.21	8.03	6.70	3.20	
30	5.43	5.13	4.90	5.45	7.82	7.31	8.44	7.51	8.18	8.00	6.74	3.26	
Nov. 6	5.33	4.98	4.75	5.25	7.78	7.25	8.43	7.46	8.15	7.97	6.76	3.24	
13	5.37	5.15	4.90	5.45	7.77	7.24	8.37	7.43	8.13	7.96	6.66	3.29	
20	5.46	5.25	4.95	5.65	7.77	7.27	8.36	7.46	8.10	7.95	6.83	3.31	
27	5.56	5.41	5.15	5.75	7.78	7.28	8.39	7.48	8.11	7.94	6.85	3.39	
Dec. 4	5.58	5.50	5.20	5.85	7.79	7.28	8.42	7.47	8.14	7.96	6.78	3.21	
11	5.59	5.25	5.00	5.55	7.79	7.27	8.42	7.46	8.15	7.97	6.76	3.17	
18	5.63	5.21	5.00	5.35	7.76	7.24	8.39	7.43	8.14	7.92	6.87	3.12	
25	5.68	5.18	5.00	5.40	7.74	7.23	8.36	7.41	8.12	7.89	6.83	3.02	
1972—Jan. 1	5.60	5.04	4.75	5.40	7.70	7.22	8.31	7.37	8.06	7.88	6.79	2.99	

¹ Includes bonds rated Aa and A, data for which are not shown separately. Because of a limited number of suitable issues, the number of corporate bonds in some groups has varied somewhat.

NOTE.—Computed as follows: U.S. Govt. bonds: Averages of daily figures for bonds maturing or callable in 10 years or more. State and local govt. bonds: General obligations only, based on Thurs. figures.

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

SECURITY CREDIT REPORTED BY LENDERS SUBJECT TO MARGIN REGULATIONS, JUNE 30, 1971

(In millions of dollars)

Type of credit	Regulation T			Regulation U ¹			Regulation G	Total
	NYSE members	Other brokers and dealers ²	Total	Commercial banks	Other banks ³	Total		
Margin credit:								
Subject to margin requirements:								
Margin stock ⁴	4,732	66	4,798	723	10	733	161	5,692
Convertible bonds.....	207	4	211	57	1	58	45	314
Subscription issues.....	41		41	16		16		57
"Plan lenders" ⁵							60	60
Total.....	4,980	70	5,050	796	11	807	266	6,123
Not subject to margin requirements:								
Nonmargin stock ⁶				1,225	3	1,228		1,228
Total.....	4,980	70	5,050	2,021	14	2,035	266	7,351
Other security credit.....				1,249	14	1,263		1,263
At banks reporting less than \$250,000 n.e.c. ⁷				197	2	199		199
Total.....	4,980	70	5,050	3,467	30	3,497	266	8,813

¹ Excludes loans to brokers and dealers.

² Includes data for firms that are members of the American Stock Exchange but not of the New York Stock Exchange that report directly to the Board of Governors of the Federal Reserve System and for other broker-dealers reporting voluntarily to the National Association of Securities Dealers.

³ Includes U.S. agencies of foreign banks and mutual savings banks.

⁴ Includes bank loans for which part of the collateral was not restricted. Such loans may contain some credit to purchase or carry convertible bonds.

⁵ Credit extended to finance purchases through qualified stock option and employee stock purchase plans.

⁶ Loans to purchase or carry over-the-counter (OTC) stock not on the Federal Reserve Board's OTC margin stock list and secured by restricted collateral in whole or in part.

⁷ Security credit extended under Regulation U by banks reporting less than \$250,000 of such loans, not included in detail above.

NOTE.—Details may not add to totals due to rounding.

MARGIN CREDIT BY SOURCE

(In millions of dollars)

Outstanding on June 30	Brokers	Banks	Others	Total
1968.....	6,334			
1969.....	5,233			
1970.....	4,117	2,046	245	6,408
1971.....	5,050	2,035	266	7,351

NOTE.—See footnotes to table above.

SECURITY CREDIT AT BANKS BY TYPE ¹

(In millions of dollars)

Category	June 30	
	1970	1971
Loans to purchase or carry margin stock, secured by—		
a. Stocks (except as described in (c) below).....	750	678
b. Convertible bonds.....	60	58
c. Stocks acquired with subscription rights.....	14	16
d. Restricted collateral, in part.....	77	55
Total.....	901	807
Loans to purchase or carry nonmargin stock, secured by restricted collateral:		
a. Entirely.....	952	1,016
b. In part.....	194	212
Total.....	1,146	1,228
All other loans to purchase or carry securities.....	1,222	1,263
Total.....	3,267	3,298

¹ Includes all banks reporting total security credit of \$250,000 or more. NOTE.—Details may not add to totals due to rounding.

DETAILED DEBIT AND CREDIT BALANCES AND RELATED ITEMS AT BROKERS CARRYING MARGIN ACCOUNTS, JUNE 30, 1964-71 ¹

(In millions of dollars)

Item	1964	1965	1966	1967	1968	1969	1970	1971
DEBIT BALANCES								
Cash on hand and in banks.....	466	515	601	686	879	1,003	746	633
Securities—								
Borrowed.....	201	255	515	805	1,361	1,247	668	888
Sold, delivery pending (failed to deliver).....	369	448	823	1,588	3,843	2,268	804	1,413
Net debit balances due from member firms of national securities exchanges.....	224	221	257	291	507	524	224	318
Debit balances due from all other customers, exclusive of exchange members or allied exchange members in reporting firms—Total.....	5,384	5,173	5,846	6,232	² 9,287	8,356	5,615	7,142
<i>In stock margin accounts.....</i>					6,150	5,002	3,836	4,743
<i>In convertible bond margin accounts.....</i>					101	162	198	208
<i>In subscription accounts.....</i>					105	85	48	41
<i>In cash accounts.....</i>					2,690	2,682	1,162	1,842
<i>In other accounts.....</i>					241	424	372	308
Net debit balances in individual investment and trading accounts of exchange members or allied exchange members in reporting firms.....	78	84	90	109	102	133	81	120
Debit balances in—								
Firm investment accounts.....	264	325	358	477	682	743	665	647
Firm trading and underwriting accounts.....	959	1,445	1,240	1,618	1,801	2,471	2,651	3,615
Commodity margins on deposit with banks, and commodity guaranty funds on deposit.....	28	41	55	49	67	83	74	83
All other debit balances.....	389	410	519	1,024	1,112	1,429	1,313	1,313
Total.....	8,364	8,917	10,304	12,880	19,640	18,258	12,841	16,172
CREDIT BALANCES								
Money borrowed—Total ³	4,499	4,541	3,969	3,690	4,144	4,394	3,872	4,995
From banks and trust companies:								
<i>In New York City.....</i>	2,273	2,662	2,518	2,215	2,460	2,780	2,083	2,924
<i>Elsewhere in the United States.....</i>	1,353	1,180	859	903	966	825	892	989
From U.S. agencies of foreign banks.....	859	711	552	494	601	517	303	337
From other lenders (not including members of national securities exchanges).....	14	28	39	79	117	272	594	746
Securities—								
Loaned.....	268	340	664	674	1,544	1,357	704	931
Bought, delivery pending (failed to receive).....	393	433	851	1,660	4,127	2,485	894	1,548
Net credit balances due to member firms of national securities exchanges.....	206	199	231	309	446	396	203	288
Credit balances due to other customers exclusive of exchange members or allied exchange members in reporting firms—Total.....	1,531	1,775	2,479	3,363	5,499	5,398	3,642	3,925
<i>In free credit balances in cash accounts.....</i>					2,932	2,563	1,761	2,045
<i>In free credit balances in stock and convertible bond margin accounts.....</i>					619	718	512	401
<i>In credit balances in short accounts.....</i>					1,072	931	633	585
<i>In other net credit balances.....</i>					1,100	1,186	736	895
Credit balances and money borrowed which are subordinated to general creditors under approved agreements.....	111	141	154	190	248	381	454	504
Net credit balances in the individual investment and trading accounts of exchange members or allied exchange members in reporting firms.....	37	48	59	81	112	134	121	87
Credit balances in firm investment and trading accounts.....	173	214	270	556	616	752	595	769
Net balance in capital accounts ⁴ and profit and loss accounts and general partners' or voting stockholders' drawing accounts.....	866	919	1,125	1,353	1,748	1,987	1,639	2,023
All other credit balances.....	279	306	504	704	1,052	973	717	1,103
Total.....	8,364	8,917	10,304	12,880	19,471	18,258	12,841	16,172
MEMO:								
Money borrowed, according to collateral:								
Secured by customers' collateral:								
Entirely by obligations of U.S. Govt. or its agencies.....	10	12	18	13	63	127	31	25
Entirely by bonds other than convertible bonds and U.S. Govt. securities.....	156	104	100	103	30	56	53	50
By nonexempt securities or mixed collateral.....	3,616	3,301	2,919	2,184	2,817	2,868	1,971	2,215
Secured by collateral of the firm or of exchange members or allied exchange members in reporting firms:								
Entirely by obligations of U.S. Govt. or its agencies.....	166	320	136	336	142	302	805	1,514
Entirely by bonds other than convertible bonds and U.S. Govt. securities.....	125	116	147	127	102	109	283	296
By nonexempt securities or mixed collateral.....	425	686	645	926	972	903	709	874
Unsecured borrowing other than subordinated to general creditors.....	*	2	3	1	16	30	19	21
Total.....	4,499	4,541	3,969	3,690	4,144	4,394	3,872	4,995
Amount to be repaid for securities sold under repurchase agreements.....	134	137	122	326	450	550	1,223	1,197
Number of firms.....	331	331	328	326	365	371	363	313

¹ Member firms of either NYSE or AMEX. Prior to 1968, annual totals do not include data for firms which were members of AMEX but not NYSE.

² Because of a change in reporting format in 1968, the items "debit balances due from all other customers exclusive of general partners or voting stockholders" and "credit balances due to other customers exclusive of general partners or voting stockholders" for prior years are not comparable with those for 1968. The difference results essentially from a change in the procedure of netting credit balances against debit balances for customers with more than one account at a brokerage firm. The sub-item of debit balances "in stock margin accounts" is conceptually equivalent to credit extended to margin customers by brokers, as reported

monthly in the table on Stock Market Credit, page A-38, but the data differ somewhat because of sampling error in the monthly series, statistical discrepancies in reporting, and differences in the date of reporting.

³ Excluding subordinated borrowing.

⁴ Excluding subordinated indebtedness included in the item "Credit balances and money borrowed, etc.," above.

NOTE.—End-of-month figures. For a discussion of customer debit balances and other figures in this table, see, respectively, "Margin Account Credit," June 1968 BULLETIN, and "Statistics on Margin Accounts," Sept. 1936 BULLETIN.

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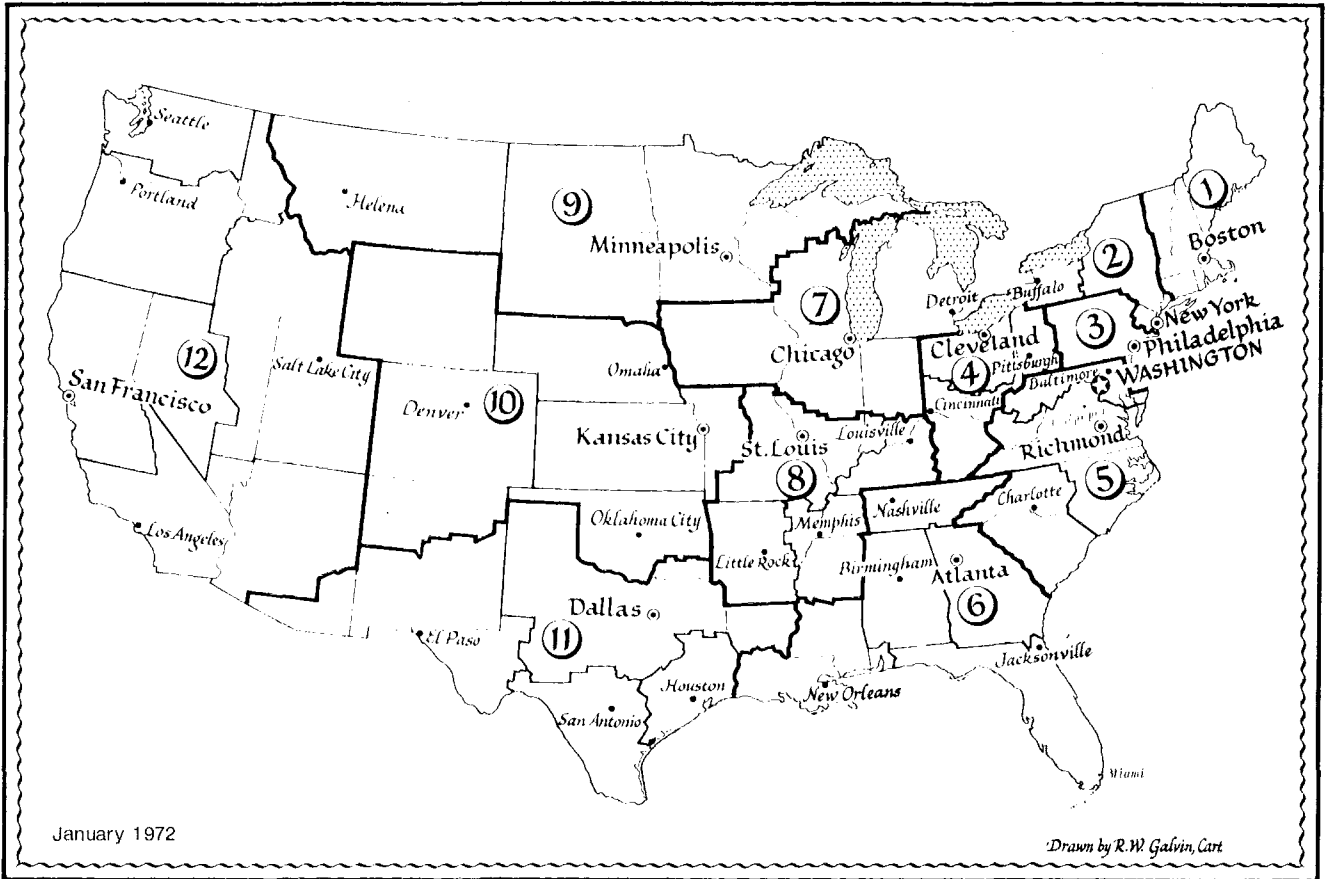
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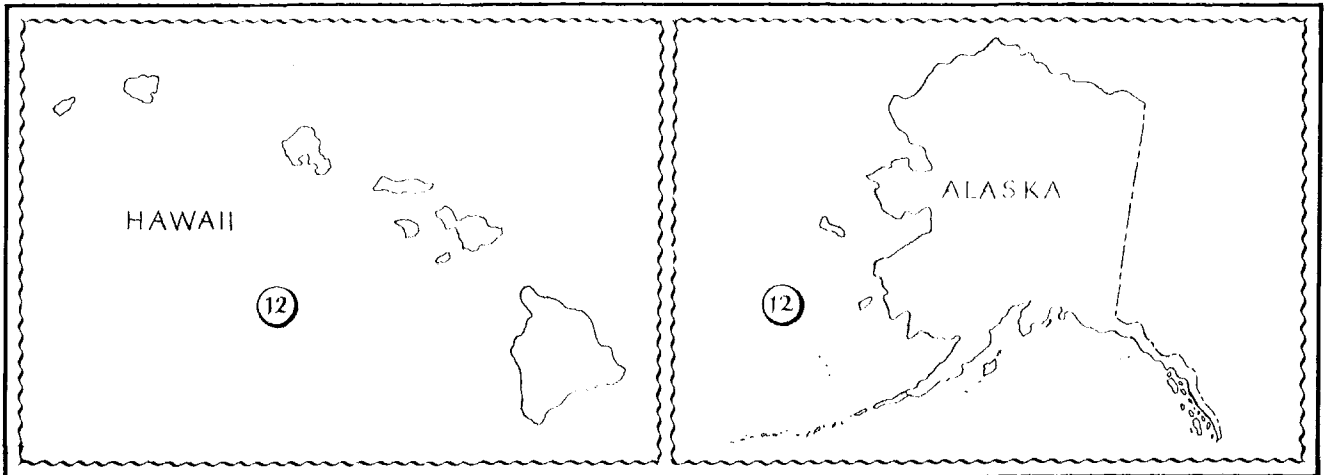
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BOUNDARIES OF FEDERAL RESERVE DISTRICTS AND THEIR BRANCH TERRITORIES



☆ (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