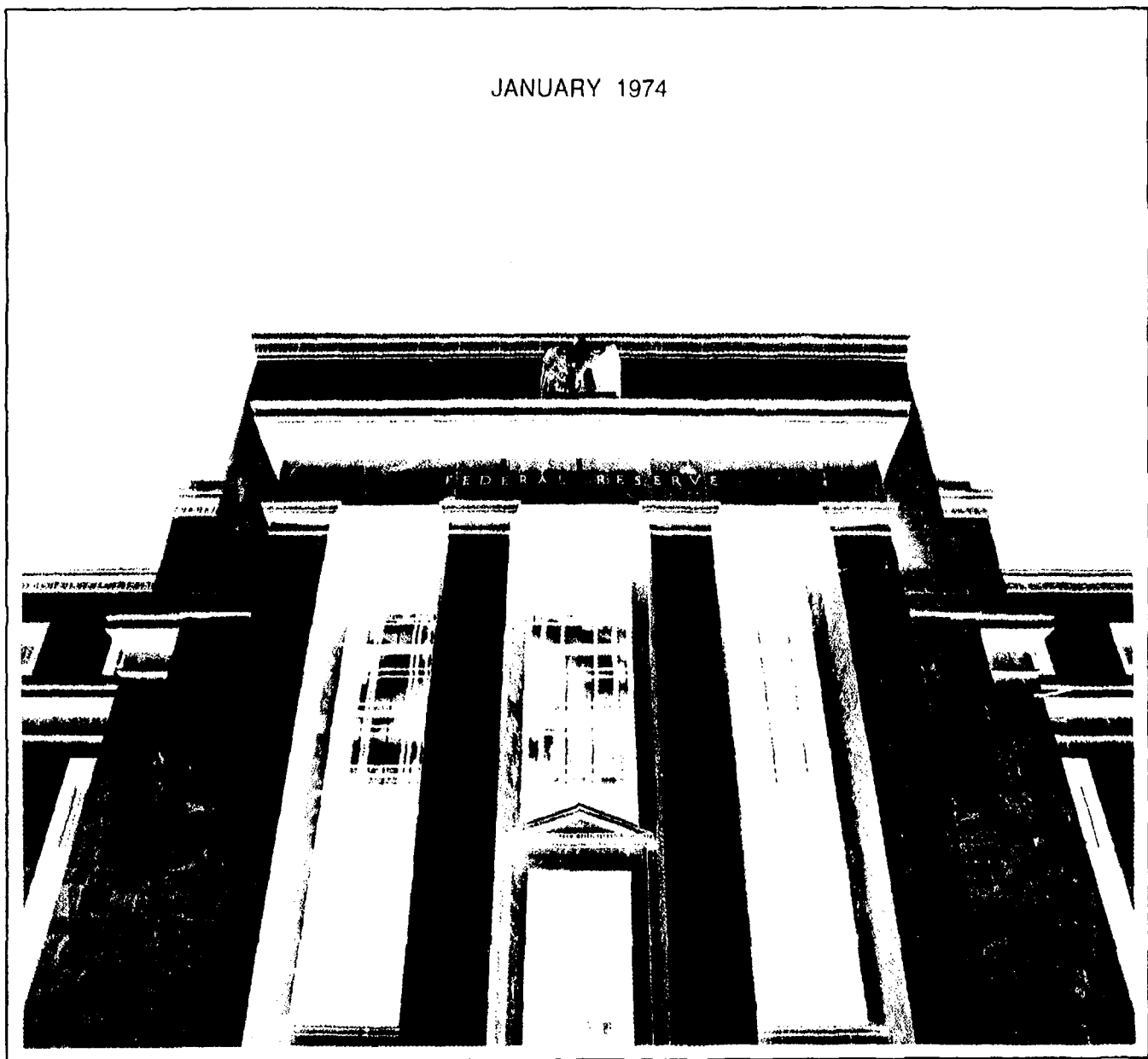


FEDERAL RESERVE BULLETIN

JANUARY 1974



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

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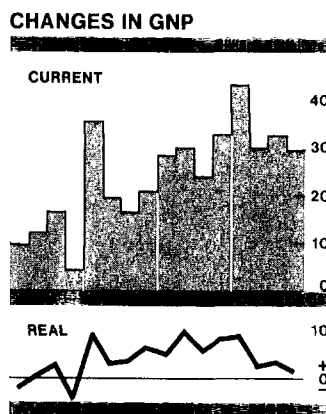
The Economy in 1973

The economy in 1973 was subject to exceptional strains, including shortages and capacity limitations on production, heavy inflationary pressures, and finally, late in the year, the impact of an energy shortage. To an unusual degree these problems were aggravated by international economic forces.

The year started on a very strong note, but activity thereafter slowed abruptly from the unsustainably high first-quarter pace; thus by the fourth quarter both real gross national product and industrial production were rising at only minimal rates. The increase in real GNP for the four quarters of 1973 averaged about 4 per cent—in line with the long-run growth potential, but well below the previous year's performance.

Strength early in the year reflected a broad range of forces—impressive gains in consumer demand (especially for durable goods) and in business fixed investment, significant improvement in the Nation's trade balance, and some further growth in residential construction activity. Capital outlays continued to rise at a brisk pace throughout the year. Net exports of goods and services increased dramatically, becoming strongly positive in the second half as earlier devaluations of the dollar and the more rapid price increases abroad made U.S. goods more competitive at a time of rapid expansion in world demands. But increasing shortages and capacity constraints were important in curbing the growth of output during the spring and summer, and a more restrictive credit market operated to reduce housing starts and thereby to reverse the sharp rise in residential construction activity after midyear. Growth in consumer demands also weakened after the exceptional first-quarter surge—mainly due to a leveling-off of auto sales at a high rate, but also reflecting in part the erosion of real income gains by inflation.

For much of 1973, basic materials-producing industries were operating at rates higher than at any other time in the post-war period. Shortages appear to have played a significant part in



Dept. of Commerce data, seasonally adjusted annual rates. "Real" is in terms of 1958 dollars.

curbing inventory investment, and such investment remained quite small until near the year-end. Even the realization of business plans to spend for new capital goods appears to have been delayed somewhat by the increasingly limited availability of such basic materials as steel, lumber, and petroleum, for which there was strong worldwide demand.

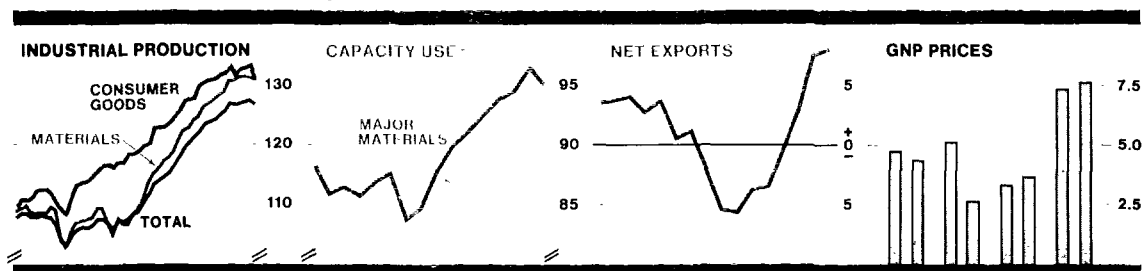
By year-end a growing awareness of the seriousness of fuel shortages had affected expectations and was beginning to affect demands and activity directly. The decline in auto sales that had begun in early autumn accelerated as buyer preferences shifted from full-size cars to compacts—for which production capacity was too small to meet growing consumer demands. Late in the year there were announcements of curtailed activity and layoffs in auto plants and related activities and in air transport.

Employment continued to move up vigorously throughout most of 1973 despite the slowdown in real growth, and the year witnessed a significant improvement in the labor market. Although the labor force rose substantially, the unemployment rate was cut to a 3½-year low of 4.5 per cent by October. In the closing months of the year, however, labor demand weakened, and the unemployment rate began to rise again.

Wages and the cost of fringe benefits increased somewhat faster than in 1972, but they rose less rapidly than consumer prices and real spendable earnings for nonfarm workers declined. Meanwhile, productivity gains slackened, reflecting in part the slowing in real growth, and unit labor costs increased much more sharply than the year before.

There were a number of other factors, however, that played an even more important part in accelerating price increases during 1973. Food prices began rising strongly early in the year as a result of a reduction in per capita meat supplies and increases in grain exports, and they continued to move up rapidly in subsequent months. Strong international demands for machinery and industrial

CHART 1
PRODUCTION growth slows; high rates of CAPACITY UTILIZATION and strong EXPORT demands keep pressure on PRICES



"Industrial production" and "Capacity use," Federal Reserve data; "Net exports" of goods and services (GNP basis) and "Prices" (the gross private product fixed-weight price index), Dept. of Commerce data.

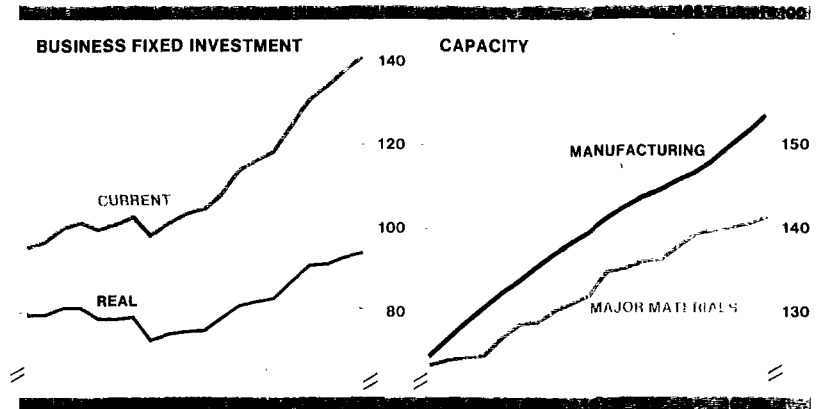
materials, and the easing in mid-January of the relatively strict Phase II controls, contributed to the substantial rise in other prices.

A freeze at midyear retarded the rise in prices somewhat. But nonfood prices increased more rapidly after mid-August when Phase IV controls replaced the freeze. In late 1973 an extraordinarily sharp increase in all fuel prices—especially pronounced for petroleum products—was superimposed on already widespread inflationary pressures.

BUSINESS FIXED INVESTMENT

Sustained, strong advances in capital spending continued to provide a major source of support for economic expansion in 1973. Business fixed investment increased 15 per cent, following a vigorous upswing in 1972. In real terms such outlays rose about 10 per cent. Moreover, had it not been for materials shortages, caused in part by increased demand from abroad, capital spending probably would have risen further. Manufacturers were especially hard hit by an inability to fulfill their demands for capital goods; as delivery times lengthened and unfilled orders increased sharply, manufacturers tended to spend less than their plans had indicated.

CHART 2 BUSINESS INVESTMENT continues strong



"Business fixed investment," Dept. of Commerce data, seasonally adjusted annual rates. "Real" is in terms of 1958 dollars. "Capacity," Federal Reserve data.

Although the current investment boom has resulted from a variety of factors, a significant source of the expansion last year was the approach to capacity constraints, after several years of relatively slow growth in capacity of key industries. This was particularly true of the major materials industries such as steel, petroleum, and paper. Producers of major materials have been very hard pressed to satisfy the expanding demands of their customers, and in 1973 their operating rates climbed to record levels. In addition, a sound corporate cash flow position, a continued response to the investment tax credit, and the dynamics of inflationary expectations all continued to provide stimuli for gains in business fixed investment during 1973.

Increases in capital expenditures were evenly balanced between equipment and construction; each component of investment recorded an increase of about 15 per cent over its 1972 level. Although replacement needs required approximately the same amount of funds as net expansion, many manufacturers were forced by environmental controls to modernize antiquated production facilities. Major materials producers, because of their particular technological requirements, had to bear a proportionately larger share of this responsibility.

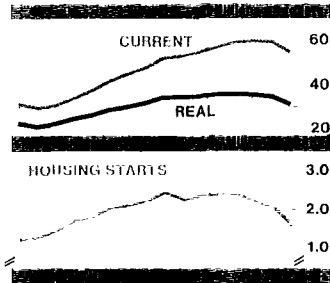
During 1973 plant and equipment expenditures in manufacturing industries rose much faster than in the nonmanufacturing sector. This was in contrast to the pattern of 1972. In manufacturing, investment was particularly strong for primary metals, paper, and stone, clay, and glass. Aside from manufacturing, mining and public utilities registered the strongest increases.

Toward year-end various plant and equipment spending surveys indicated further large increases in 1974, with manufacturers expected to continue the substantial advances made in 1973. Findings of the surveys are further buttressed by the expected shortage-induced carryover from 1973 of demands for capital goods into the first half of 1974. However, the surveys were conducted before the impact of the energy crisis could be fully evaluated. The production processes of many industries, particularly those of the shortage-plagued major materials producers, make intensive use of oil and petrochemical by-products. As a result, if the sizable investment gains being projected by the surveys are to be realized in 1974, the capital-goods-producing industries will have to make more efficient use of existing and alternative energy sources. Furthermore, as the year unfolds, revisions in plans would not be surprising as energy availability is clarified, allocation programs go into effect, and the response of the economy to energy problems is more fully appraised.

RESIDENTIAL CONSTRUCTION

Outlays for private residential construction, which had advanced steadily since early 1970, turned downward after the first quarter of 1973, reversing what had been a significant source of economic expansion. The decline reflected some slowing in demands in response to a substantial further rise in construction costs and—particularly after midyear—in financing costs as inflows into mortgage-lending institutions slowed, resulting in much less favorable interest-rate as well as nonrate terms on new mortgage commitments. Even so, outlays for the year were about 7 per cent higher in current dollars and down only slightly from the 1972 total in real terms.

Private housing starts held at a seasonally adjusted annual rate of 2.4 million units in the first quarter, virtually matching the record pace of a year earlier and almost doubling the low in the first quarter

RESIDENTIAL CONSTRUCTION

Dept. of Commerce data, seasonally adjusted annual rates. "Real" is in terms of 1958 dollars.

of 1970. Starts declined rapidly during the last three quarters of 1973, reaching an annual rate of about 1.6 million units in the last quarter. However, they totaled somewhat more than 2 million units for the year compared to the 2.36 million units registered in 1972.

Multifamily structures, including an increased number of condominiums, continued to account for nearly 45 per cent of total housing starts in 1973. Some of the emphasis on such structures was in response to further advances in the cost of land and related requirements. Unlike other recent years, nonsubsidized starts, which include the larger and more expensive units, increased substantially in 1973 and accounted for more than 90 per cent of the over-all total. Subsidized starts—new commitments for which remained largely under a moratorium instituted early in the year—were reduced to the lowest level since 1968.

Shipments of new mobile homes, which are not counted in residential construction outlays nor in housing starts and completions, also dropped appreciably during 1973 from a peak in the first quarter. Nevertheless, the annual total of such shipments at least matched the record 576,000 in 1972.

Completions of new dwelling units, which lag starts, reached a new high estimated at just over 2 million units in 1973. The total fell short of potential, however, in part because of shortages of some materials. As a result, while average vacancy rates for dwellings available for occupancy remained comparatively low, the overhang of units still under construction at the year-end continued above the advanced year-earlier level.

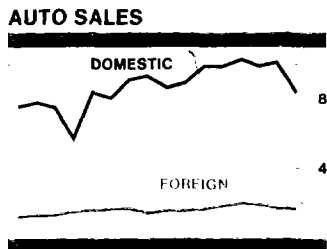
Even though mortgage markets were beginning to ease somewhat during the fourth quarter, new commitments continued to be restrained, especially in States where usury ceilings remained well below the exceptionally high level of mortgage rates elsewhere. Moreover, apart from the large flow of completions still in prospect and questions about the availability of materials, uncertainties about heating facilities and adequacy of transportation that were stemming from the energy crisis were forcing a re-evaluation of future plans by lenders, builders, real estate investors, and potential homebuyers alike.

**CONSUMER OUTLAYS:
AND INCOME**

A slowing in consumer spending during 1973 was also an important factor in the deceleration of over-all activity. For the year as a whole, in current dollars, outlays by consumers for goods and services rose almost in line with the strong gain in disposable income and considerably sharper than in the previous year. But in real terms the increase in consumer spending was substantially smaller—about 2½ per cent as compared with 7 per cent in 1972. After an unusually large surge in late 1972 and early 1973, real increases in spending moderated considerably in the

second and third quarters, and toward the year-end they weakened further under the impact of reduced gains in aggregate real incomes and the fuel crisis, which affected in particular the sale of larger cars.

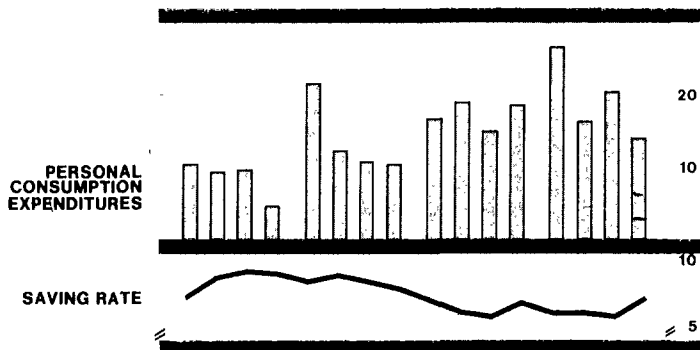
The large increase in spending for both durable and nondurable goods in the first quarter was stimulated by strong gains in wage and salary income associated with the rapid expansion of employment and earnings, and also by the anticipation of unusually large refunds of personal income taxes. Disposable income increased a remarkable 13 per cent, annual rate, in the 6 months ending in March, and a change in withholding schedules in early 1972 resulted in an extra \$7.5 billion refund in personal taxes in the first half of the year. This income growth apparently made consumers particularly willing to incur future liabilities, and there was a sharp increase in extensions of instalment credit. Continuation of the housing boom provided an impetus to sales of furniture and appliances, which increased almost 30 per cent in the first quarter, and unit sales of new autos reached a record 12¼ million, annual rate. Both domestic and foreign car sales were strong with some consumers buying foreign models in advance of anticipated price increases due to the dollar devaluation. The sharp increase in purchases of nondurable goods reflected in part an acceleration in food prices, but sales of other items such as apparel were even stronger.



Wards *Automotive Reports* data. Seasonal adjustment by Federal Reserve. Domestic-type autos include U.S. sales of cars produced in Canada.

Exceptionally vigorous quarters such as the first are frequently followed by slower growth because some needs have been temporarily satiated. This is very likely to be true when some purchases may have been in anticipation of rising prices. A moderation of demand at a high level in the next two quarters was therefore not surprising, particularly with a slowdown in the expansion of real disposable income. A lack of real growth in outlays for furniture and appliances probably also reflected to some extent the leveling-off in housing sales, and the demand for luxury items in the other durable goods category was adversely affected by the decline in the stock market. Real outlays for food were limited by sharply rising prices and reduced supplies of meat. Auto sales weakened slightly, but the annual rate was still a strong 11¾ million in the second and third quarters, possibly because some consumers bought in anticipation of expected higher prices and of anti-pollution controls announced for the next model year. The saving rate remained stable at a relatively low level during this period, ranging only between 5.7 and 5.9 per cent for the first three quarters.

Consumer attitudes toward business conditions and personal financial situations had become more pessimistic during the year and appeared to be a significant factor in further weakening consumer demand in the late fall. With the additional awareness of the energy crisis and associated shortages, consumers reacted by

CHART 3 Growth of PERSONAL SPENDING moderates

Dept. of Commerce data; expenditures are seasonally adjusted annual rates.

sharply curtailing further their purchases of automobiles and some other discretionary items at year-end. The personal saving rate rose sharply by more than a full percentage point to 6.9 per cent.

INVENTORY INVESTMENT**BUSINESS INVENTORIES/SALES**

Dept. of Commerce data. "Ratio," end-of-period inventories to quarterly average sales. Ratio for 1973 Q4 is November inventories to October-November average sales.

Inventory investment, which usually rises in a cyclical recovery, had shown little increase in 1972 and continued small until late in 1973. Indeed, in marked contrast to earlier postwar business cycles, inventory investment has made no significant contribution to growth in the current economic expansion.

As measured in the national income accounts, business inventories were accumulated at an average of only \$4.6 billion, annual rate, in the first three quarters of 1973. Inventory/sales ratios continued to decline, reaching their lowest levels since early in the Korean war. The low rate of nonfarm inventory accumulation throughout much of the year reflected in large part the growing shortages of many major materials resulting from near-capacity production in basic industries and generally strong business sales. Stocks of finished goods were drawn down in the primary metals and chemicals industries in order to meet shipping schedules. In the fourth quarter business inventories grew at a much more rapid pace. This growth was due in part to a back-up in auto stocks as the drop in auto sales resulted in a substantial involuntary accumulation of large cars and in part from the generally sluggish demands of consumers for nondurable goods. Nonetheless, year-end inventory/sales ratios for total manufacturing and trade were still quite low by historical standards.

FEDERAL GOVERNMENT

During 1973 the Federal budget moved into balance on a national-income-accounts basis, whereas in 1972 it had registered a deficit of nearly \$16 billion. This shift was the result both of curbs on expenditures and of increased revenues derived from rising incomes and prices.

Receipts increased by more than \$36 billion, a record for any calendar year. Corporate profits tax accruals contributed substan-

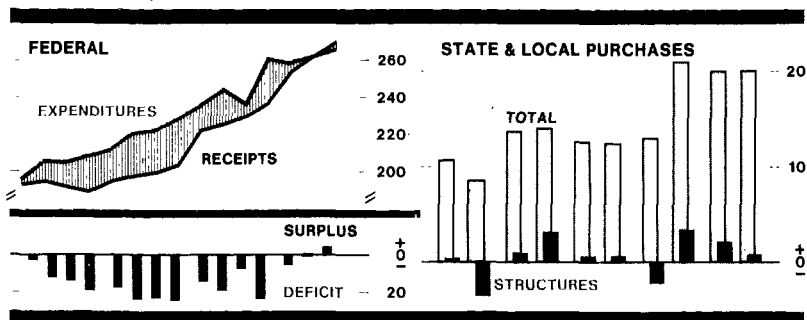
tially, increasing by about 30 per cent. Contributions for social insurance—about 25 per cent higher than in 1972—were the next largest revenue gainer; growth in such contributions reflected both higher tax rates and an increased wage base as well as appreciable gains in employment and payrolls. Personal tax receipts and indirect business taxes were only moderately higher.

Federal purchases of goods and services—which enter directly into GNP—rose less than 3 per cent from 1972; this was under half the rise registered in the previous year and was well below the increase in the GNP deflator. National defense outlays were virtually unchanged from 1972, representing a considerable cutback in real terms and in their share of total GNP. The Federal work force experienced a small decline during the year as a result of large reductions in civilian employment in the Department of Defense.

Federal nondefense purchases, which are relatively less important than defense spending, were held to a smaller increase than in 1972—due in large part to the agricultural sector, which registered large sales from grain and cotton inventories held by the Commodity Credit Corporation.

Among other Federal expenditures, total grants-in-aid to State and local governments increased as a result of the rise in general revenue sharing. Other grant-in-aid payments declined, in striking contrast to a rapid pace of expansion in previous years. Somewhat lower farm support payments were responsible for a reduction in subsidy payments. But outlays for interest and other transfer payments grew rapidly, reflecting the sharply higher interest rates payable on the Federal debt and higher outlays for social security benefits and other transfer payments.

**CHART 4 FEDERAL BUDGET is in balance;
STATE AND LOCAL PURCHASES are strong**



Dept. of Commerce national income and product data, seasonally adjusted annual rates.

STATE AND LOCAL GOVERNMENT

Purchases by State and local governments continued to be a strongly expansive force in 1973. Their total expenditures rose by approximately \$20 billion, an increase of 13 per cent; in real terms they grew by 6.5 per cent. Employee compensation and purchases of

goods and services accounted for the major portion of the total rise. State and local construction expenditures grew at an 8 per cent rate in 1973 but most of this gain can be attributed to higher prices.

Average earnings of State and local government employees rose by 6 per cent, and the employment level was up by 400,000 compared with a 500,000 increase in the previous year. The more moderate rise in employment reflected a reduction in the number of people hired under the provisions of the Public Employment Act of 1971.

During 1973, the State and local sector as a whole experienced a surplus of \$11.0 billion. The fiscal position of State and local governments was improved substantially by general revenue sharing, which permitted a significant accumulation of financial assets and a substantial reduction in the amount of long-term borrowing in 1973. Revenue-sharing funds also were used for tax relief, and it is expected that this trend will continue in 1974, though expenditures of these funds will probably also increase.

EXPORTS AND IMPORTS

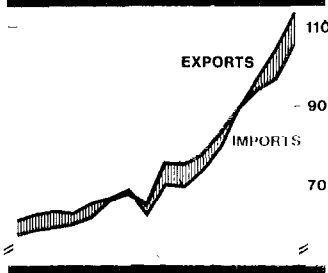
Both the balance of trade and the over-all balance of payments positions of the United States were dramatically transformed during 1973. Exports of goods and services rose by about 35 per cent from the previous year, while imports were up by slightly more than 20 per cent. As a result, the balance in goods and services shifted from a deficit of about \$4½ billion in 1972 to a surplus of about \$5 billion in 1973. Merchandise trade alone shifted from a deficit of \$7 billion in 1972 to a position of near balance.

Several factors were responsible, including a sharp reduction in foreign agricultural output in 1972, a strong economic expansion abroad, and the effects of the declining value of the U.S. dollar that resulted in a significant reduction in the prices of American goods and services in terms of foreign currencies.

The increase in agricultural exports was a particularly prominent element in the trade improvement last year, and accounted for about 40 per cent of the growth in total exports from 1972 to 1973. Such exports—mainly record shipments of wheat, feed grains, and soybeans, but also other commodities such as cotton, rice, and hides—nearly doubled in value. While the physical volume of agricultural exports peaked in the first quarter, their dollar value continued to rise during the year as prices moved up. Nonagricultural exports rose sharply during the entire year, on the other hand, reflecting stronger demand conditions in foreign markets.

In contrast, the physical volume of imports declined substantially after the first quarter—discouraged by the sharply higher import prices—although rising prices resulted in some further increase in aggregate value. The net export balance was further improved by the strong performance of the services sector, reflecting in large part increased receipts from investments abroad.

U.S. FOREIGN TRANSACTIONS GOODS AND SERVICES



Dept. of Commerce national income and product data, seasonally adjusted annual rates

While foreign trade developments during the final quarter were affected by higher oil prices, exports continued to do well, resulting in a sizable trade surplus. However, the continued escalation of prices for petroleum products suggests a significantly weaker trade picture for 1974.

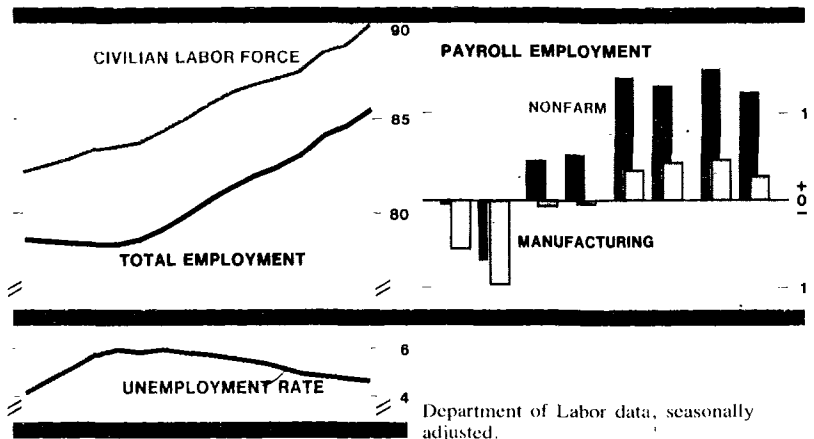
THE LABOR MARKET

Demand for labor remained generally strong throughout most of 1973, despite the slower growth of output after the first quarter. The unemployment rate averaged 4.7 per cent in the fourth quarter, down from 5.3 per cent a year earlier, and nonfarm payroll employment rose by 2¾ million over the four quarters of 1973, about the same increase as in the preceding year.

The employment advance was led by a vigorous increase of three-fourths of a million in manufacturing jobs—returning the factory employment total to near the peak level reached in mid-1969. Job gains were also strong in service-type industries. Manufacturing employment rose quite rapidly in the first half of the year, with gains concentrated in the metals and metal-using sector—those industries most affected by the strength of business investment and the high level of auto sales. But the pace of manufacturing employment growth slackened in the latter half of the year, and the factory workweek edged off slightly from the relatively high level reached earlier in 1973. Near year-end, energy shortages resulted in layoff announcements by a number of manufacturing and related industries and by many airlines.

The expansion in total employment was accompanied by an acceleration in the growth of the labor force. The increase of 2.7 million over the year—compared with 2 million in 1972—was substantially faster than the normal growth estimated on the basis of long-term demographic and participation rate trends. There were large increases among teenagers and young adult women (20–24

CHART 5 LABOR FORCE and EMPLOYMENT grow rapidly; UNEMPLOYMENT declines



years) and an acceleration in growth among women 25–54 years, reflecting both population growth and a sharp rise in their participation rates.

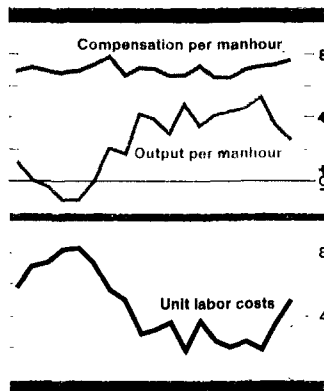
Employment gains about matched labor force increases in the first part of the year and unemployment remained near 5 per cent. It dropped to about 4¾ per cent at midyear where it stayed for several months. But after falling to 4½ per cent in October, the unemployment rate turned up near year-end.

Although the rate of increase in wages over the four quarters of 1973 was about the same as in 1972, the pace of earnings increases accelerated substantially after the first quarter. The hourly earnings index—the wage series that most closely approximates changes in wage rates—increased at a 7.2 per cent annual rate in the final three quarters of 1973 compared with 6.5 per cent for all of 1972. Nevertheless, the accelerating pace of price increases completely offset the purchasing power of gains in weekly take-home pay, and real spendable earnings at the end of 1973 were lower than they had been a year earlier. This suggests increased demands for improved cost-of-living clauses and other benefits during the heavily loaded 1974 collective bargaining schedule, which includes steel, aluminum, coal, and railroads.

In January 1973 the mandatory wage stabilization program of Phase II was abolished, as was the Pay Board that administered the program, and was replaced by self-administered stabilization programs under the control of the Cost of Living Council. The suggested guidelines of the program remained the same as under Phase II—a limit of 5.5 per cent on increases in wages and salaries plus 0.7 per cent in certain qualified fringe benefits. But mandatory reporting of wage adjustments was made a requirement only for large firms and all pre-notification requirements were eliminated.

Compensation per manhour, which includes the costs of fringe benefits and employers' contributions for social security in addition to wages, accelerated from about a 7 per cent average rise during the four quarters of 1972 to about 8 per cent in 1973, boosted in part by a considerably larger increase in social security taxes. At the same time, there was a weaker rate of productivity growth as expansion of output slowed. Output per manhour in the first quarter of 1973 continued the rapid growth of 1972, rising at about a 5 per cent annual rate in the private nonfarm sector. However, there was little change in productivity until the fourth quarter when there was a decline. The speed-up in compensation increases, combined with the poorer productivity performance, resulted in a much larger rise in unit labor costs; in the private nonfarm sector, these costs rose at a 6 per cent annual rate in the first three quarters, and even faster in the fourth quarter, compared with a 2.5 per cent rise in 1972.

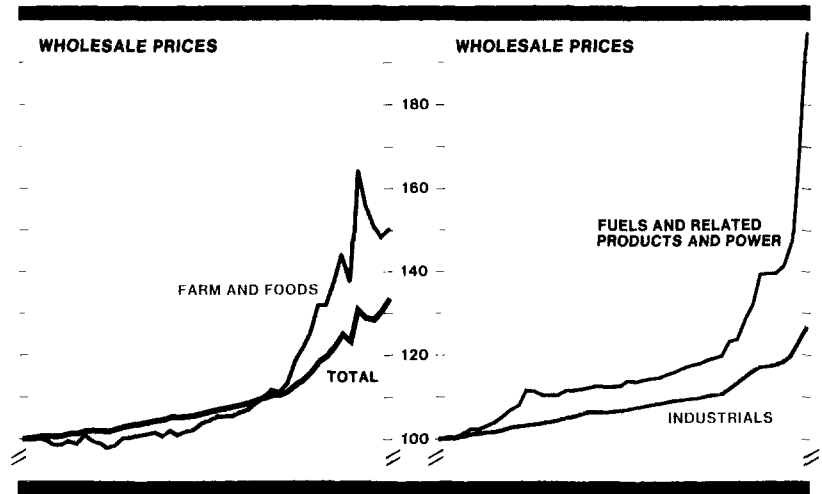
LABOR OUTPUT AND COST PRIVATE NONFARM ECONOMY



Dept. of Labor data, seasonally adjusted.

PRICES Inflation accelerated in 1973, fanned by a reduction in per capita food supplies, record exports of farm products, shortages of many basic materials, rising labor and other costs, and an energy crisis late in the year. In addition, the drop in the value of the dollar relative to other currencies and the high rates of activity in the industrial nations of the world raised import prices and stimulated exports. Relaxation of Phase II price and wage controls also added to price pressures early in the year. A broad measure of price developments, the fixed-weight index for the gross private product, rose more than 7 per cent in the year ending in the fourth quarter of 1973—more than double the rate in 1972.

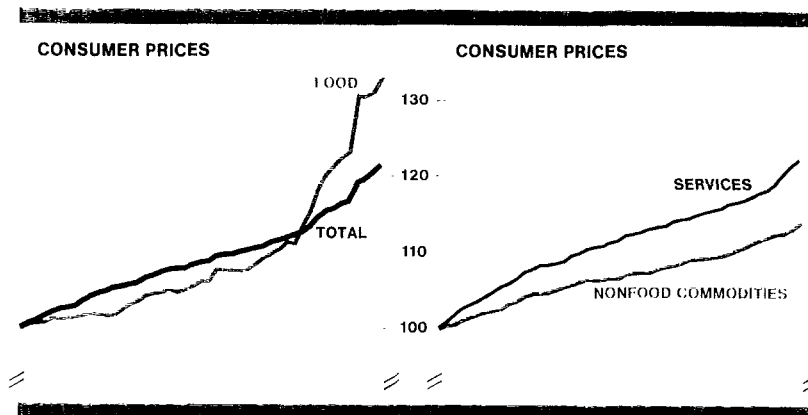
CHART 6 Wholesale prices rise sharply, particularly FOOD and FUEL



Dept. of Labor data, seasonally adjusted.

A surprisingly sharp and sustained price advance developed early in 1973. During the first few months meat prices rose dramatically as per capita output dropped. Although ceiling prices on meats were established at the end of March, food prices continued to rise. The price of nonfood commodities and services also accelerated sharply, with the result that the over-all consumer price index advanced at an 8 per cent annual rate in the first half of 1973—faster than the rapid rates in 1969 or 1970.

Wholesale prices advanced even more rapidly—at a 22 per cent annual rate in the first half of 1973. Prices of farm products increased most rapidly as poor grain harvests outside the United States in 1972 led to a sharp rise in farm exports and to record price advances. But industrial prices also rose at an annual rate of more than 12 per cent. Record output levels in most industrialized countries stimulated demands for raw materials, and prices of these goods were also increased by devaluation of the dollar. Wholesale prices of finished goods (excluding foods) advanced at a 10 per cent annual rate—four times as fast as in 1972.

CHART 7 FOOD PRICE increases spur strong rise in consumer prices

Dept. of Labor data, seasonally adjusted.

In an effort to slow the surge in prices, a 60-day price freeze was imposed in mid-June. Most food-price ceilings, however, were removed after a month to minimize cutbacks in food production resulting from a cost squeeze on producers; thus processors and distributors were allowed a dollar-for-dollar pass-through of rising farm prices. With foreign demands and speculative activity adding to the effects of decontrol, prices of farm products shot up by about one-fourth between mid-July and mid-August. Although these prices dropped back in the second half of the year, they remained much higher than before the midyear climb.

Consumers benefited very little from the drop in livestock prices as the spread between farm and grocery store prices widened appreciably. Moreover, other food prices moved up rapidly in the post-freeze relaxation, and the second-half rise in food prices at retail was almost as severe as in the first half of the year—about 20 per cent at an annual rate. Moreover, increases in service costs accelerated between June and December, with the result that the consumer price index advanced at an annual rate of about 10 per cent—somewhat faster than from January to June.

Wholesale prices of industrial commodities also increased rapidly in Phase IV. Prices of materials continued to soar, and a large spread developed between controlled domestic prices and higher foreign prices of nonferrous metals and other commodities. In part to curb exports of scarce goods, a process of selective decontrol was begun, and by year-end prices of several basic commodities had been decontrolled. Prices of new autos were also decontrolled following an agreement by major producers to limit increases.

In late 1973, fuel-price increases accelerated. When the freeze was lifted in August, a portion of domestic crude oil production—about one-fifth in the early months—was exempted from control, and this portion rapidly increased in price. Prices of imported crude and refined products soared even faster, especially after the Arab

states embargoed shipments of oil to the United States and reduced supplies to most of the rest of the world. Moreover, in early December, domestic producers of crude were granted a one-dollar-per-barrel price rise on the less-than-half of the supplies still under control.

Inflationary forces in 1974 are likely to continue strong—especially in view of the probable effects of the oil situation and continued high levels of grain prices. Distributors were permitted to raise prices of gasoline and fuel oil early in 1974 to compensate for reduced sales and other costs as well as for the rising price of petroleum products, and even larger increases are expected by March 1. Increases in gasoline and fuel costs alone may add 1 to 2 percentage points to the over-all rate of price rise this year. Continued selective decontrol may be needed to avoid further dislocations and this is likely to result in further general price increases, although reduced demand in some sectors may operate to moderate price rises as the year progresses. □

Revised Guidelines

For Banks and Nonbank Financial Institutions

The Board of Governors has issued amendments to its Voluntary Foreign Credit Restraint (VFCR) guidelines that will increase foreign lending and investment ceilings for banks and other financial institutions subject to the program and eliminate differences in the degrees of restraint on lending in developed countries.

The announcement was made in conjunction with actions by the Treasury and Commerce Departments to change the Interest Equalization Tax (IET) and the Foreign Direct Investment Regulations. The three programs constitute a set of restraints on capital outflow that have been part of an over-all Government program to help the U.S. balance of payments. The Federal Reserve has administered the VFCR program since early 1965 at the request of the President.

The VFCR amendments approved by the Board, effective January 1, 1974, are:

1. The present ceiling for each commercial bank is increased to \$10 million or to an amount 4 per cent above the ceiling in effect immediately prior to the present revision. Heretofore, ceilings have ranged upward in size from \$500,000, depending on the size of the bank or on its historical record in foreign lending. Banks without ceilings could hold foreign assets of types subject to restraint up to the lesser of (a) \$500,000 or (b) 2 per cent of their end-of-1970 total assets. The amendment raises the \$500,000 minimum figure for banks with ceilings to \$10 million. Banks previously without ceilings but adopting them under the amendment will be expected to observe the established principle that the ceilings are for loans generated directly by the "newcomer" bank and not for loans initiated by other U.S. banks.

2. The request that banks refrain from making nonexport loans with maturities of over 1 year to residents of the developed countries of continental Western Europe is eliminated. Such loans by a bank will be left to compete with loans to borrowers in other foreign areas within

the limits of the bank's available guideline ceiling. In general, such loans are, and will at this time remain, subject to the IET.

3. U.S. agencies and branches of foreign banks will have a ceiling of at least \$10 million for making foreign loans and other investments of types restrained under the program. The present minimum ceiling is \$1 million.

4. Agencies and branches will be able to recalculate the "base net foreign position," which determines the relationship between their foreign lending and foreign borrowing, by using 96 per cent of their foreign liabilities for June 30, 1973. They will thereby be allowed to increase foreign assets, or to decrease foreign liabilities, by approximately 4 per cent from amounts determined by the previous formula.

5. The restraint against term loans by agencies and branches to the developed countries of continental Western Europe will be dropped, as it is being dropped for banks.

6. The ceiling of each nonbank financial institution (which includes, among others, insurance companies, finance companies, and mutual funds) will be increased to an amount 5 per cent above that in effect at the end of 1972 or to \$2 million, whichever is higher.

7. The request that nonbank financial institutions refrain from increasing their loans and investments in the developed countries of continental Western Europe beyond the amount held at the end of 1968 is eliminated. Any increase in such investments is left to compete for available latitude with other foreign loans and investments under an institution's guideline ceiling. The IET will continue to apply to some of these loans and investments.

8. Periodic reports will continue to be filed by all banking institutions with \$500,000 or more in foreign assets and by all nonbank financial institutions with \$500,000 or more in foreign assets of types subject to restraint or with \$5 million or more of total foreign assets.

The VFCR guidelines, as amended, are reproduced in consolidated form below.

I. General Purpose

In order to help to strengthen the U.S. balance of payments, U.S. financial institutions are asked to restrain their foreign credit and investments, except credit that finances U.S. exports.

Within these restraints, they are asked to give priority to meeting the credit needs of developing countries.

II. Banks

A. CEILINGS FOR NONEXPORT FINANCING

1. Basic Restraint on Nonexport Financing

A bank is requested not to hold claims on foreigners or other foreign assets in excess of its ceiling.

2. Banks Previously with Ceilings

A bank that had a ceiling under the guidelines in force December 31, 1973 (hereinafter, "the previous guidelines"), shall have a ceiling equal to the greater of:

- a. 104 per cent of its ceiling under the previous guidelines, or
- b. \$10 million.

3. Banks Previously without Ceilings

a. A bank that did not have a ceiling under the previous guidelines may adopt a ceiling equal to (a) 2 per cent of its total assets, as of December 31, 1970, or (b) \$10 million, whichever is the larger. A bank established subsequent to December 31, 1973, may adopt a ceiling equal to 2 per cent of its total assets, month by month. A bank established between December 31, 1970, and December 31, 1973, may adopt a ceiling equal to 2 per cent of its total assets as of the end of the first year of operation.

b. The purpose of making a ceiling available to a bank that did not have one is to enable the bank to engage directly in foreign financing. The ceiling should not be used to purchase from other U.S. financial institutions loans that the latter have already extended to foreigners. The ceiling should be used only when the bank (a)

takes the initiative to arrange credit that it extends, (b) assumes the principal burden of judging the creditworthiness of the borrower, and (c) bears responsibility for the administrative details concerning the extension and the repayment of the credit.

c. Before adopting a ceiling under this subparagraph, a bank should consult with the Federal Reserve Bank in the district in which it is located to apprise itself of the guidelines and reporting requirements and to notify the Federal Reserve Bank of the amount of its ceiling.

4. Sales of Foreign Assets

a. SALES WITHOUT RECOURSE. Banks are requested not to sell foreign assets that are subject to the guideline ceilings, without recourse, to a U.S. resident other than a financial institution participating in the Federal Reserve Foreign Credit Restraint Program or other than a direct investor subject to the Foreign Direct Investment Program administered by the Department of Commerce.

b. SALES WITH RECOURSE. A bank that sells a foreign asset that is subject to its ceiling, with recourse, to a U.S. resident should continue to report that asset under its ceiling, unless the U.S. resident is a financial institution participating in the Federal Reserve Foreign Credit Restraint Program or is a direct investor subject to the Foreign Direct Investment Program administered by the Department of Commerce.

5. Foreign Borrowings

In principle, the restraints under these guidelines are imposed on gross foreign assets, including gross claims on foreigners. However, certain liabilities to foreigners may be counted

as offsets to foreign assets, provided that the liabilities arise from borrowings abroad that substitute for direct investment capital outflow from the United States. Such offsetting may be done in the manner described below.

a. **BANKS, BANK HOLDING COMPANIES, EDGE ACT CORPORATIONS, AND AGREEMENT CORPORATIONS.** A bank, a bank holding company, an "Edge Act" Corporation, or an "Agreement" Corporation may not count its borrowings from, or its other liabilities to, foreigners as offsets to its claims on foreigners and other foreign assets.

b. **DOMESTIC SUBSIDIARIES.** A domestically chartered nonbank subsidiary (for example, a so-called Delaware subsidiary) of a bank holding company, of an Edge Act Corporation, or of an Agreement Corporation may count the outstanding amount of its borrowings from foreigners as offsets to its claims on foreigners and to its other foreign assets, provided those borrowings are of an original maturity of 3 years or more. Such borrowings would include debentures, promissory notes, or other debt obligations of the domestic subsidiary to a foreigner. The amount of the offset at any time would be equal to the amount of the outstanding after deducting (i) any repayments of principal and (ii) in the case of convertible debt issues, any conversions. This offsetting principle may be used to reduce the value of foreign assets of the subsidiary in computing the value of foreign assets to be consolidated for reporting purposes with those of the parent institution; any excess of outstanding borrowings of the subsidiary over foreign assets of the subsidiary may not be used to reduce the reportable value of foreign assets of the parent institution.

6. Total Assets

For the purpose of calculating the ceiling, total assets are those shown in the Official Report of Condition submitted to the relevant supervisory agency as of December 31, 1970.

7. U.S. Agencies and Branches of Foreign Banks

a. An agency or branch of a foreign bank will be acting in accordance with the spirit of the guidelines if its holdings of foreign assets of types subject to restraint do not exceed \$10

million and if its foreign lending and investments otherwise correspond to the provisions of the guidelines that U.S. banks are requested to observe.

b. A U.S. agency or branch of a foreign bank holding more than \$10 million in foreign assets of types subject to restraint ("covered assets") should not incur a "net foreign position" greater than its "base net foreign position," as explained in "d" below.

c. The "base net foreign position" is the value resulting from subtracting from "covered assets," as of June 30, 1973, 96 per cent of total liabilities to non-U.S. residents as of June 30, 1973. However, for an agency or branch that started operating after June 30, 1973, the "base net foreign position" shall be zero.

d. An agency or branch with a "base net foreign position" that showed an excess of the respective liabilities over "covered assets" should maintain at least an equal excess of total foreign liabilities over "covered assets"; an agency or branch with a "base net foreign position" that showed an excess of "covered assets" over the respective liabilities should not hold a greater excess of "covered assets" over total foreign liabilities.

e. For the purpose of calculating liabilities under "a" through "d", residents of Puerto Rico, the Virgin Islands, and other territories and possessions included in the definition of the United States for Treasury Foreign Exchange Reports should be treated as U.S. residents.

B. EXCLUSIONS

1. Export Credits

a. **BASIC EXEMPTION.** Export credits, defined in Part IV-3, are exempted from restraint under these guidelines. These include credits of the type previously subject to General and Export Term-Loan Ceilings. Banks should maintain adequate information and otherwise take all reasonable measures to provide assurance that credits meet the definition before treating them as exempted.

b. **ACQUISITION OF PREVIOUS FOREIGN EXPORT CREDITS.** The purpose of the exemption for export credits is to ensure that, as of November 11, 1971, no restraint is applied to the granting of credit that will finance U.S.

exports. A bank should report under its ceiling any outstanding loans that it purchases or repurchases from a foreigner, including its own branch, if that loan financed U.S. exports shipped (or financed U.S. services performed abroad) prior to November 11, 1971.

2. Canada

The extension of credit to residents of Canada or other acquisition of Canadian assets is exempted from restraint under these guidelines.

3. Securities of Certain International Institutions

All direct obligations of international institutions of which the United States is a member are exempted from a bank's ceiling.

4. Insurance and Guaranty Settlements of OPIC

A foreign asset acquired directly or through purchase of a participation in a pool of foreign assets, provided the foreign asset or the participation is covered by a payment guarantee issued by the U.S. Overseas Private Investment Corporation (OPIC) under its insurance and guaranty claims settlement authority, is exempted from an institution's ceiling.

C. BANKS OVER CEILINGS

Banks are expected to observe their ceilings throughout the monthly reporting periods. Banks are not expected routinely to sell foreign assets immediately prior to the reporting date or otherwise engage in "window-dressing" activities.

A bank whose foreign assets are in excess of its ceiling or otherwise conflict with these restraints and that does not show improvement will be expected periodically to discuss with the Federal Reserve Bank in its district the steps it has taken or that it proposes to take to bring the amount of its foreign assets into conformity with these guidelines.

D. APPLICABILITY TO BANKS AND BANK-RELATED FINANCIAL INSTITUTIONS

1. General

The guidelines are applicable to all U.S. banks (exclusive of trust departments of com-

mercial banks, which should follow the guidelines for nonbank financial institutions in Part III), to their domestically chartered subsidiaries at any level, to bank holding companies and their domestically chartered subsidiaries at any level, except where those subsidiaries are covered by other U.S. capital restraint programs as noted in subparagraph 3b, and to U.S. agencies and branches of foreign banks.

2. Edge Act and Agreement Corporations

a. POLICY OF LIMITING AGGREGATE CEILINGS. It is intended that the establishment of new Edge Act Corporations or Agreement Corporations not result in the expansion of aggregate ceilings under these guidelines.

b. ONE-BANK-OWNED CORPORATIONS. An Edge Act or Agreement Corporation that is owned by one bank and that, under the previous guidelines, had a ceiling separate from that of its parent bank may continue to have a ceiling separate from that of its parent or may combine its ceiling with that of its parent.

i) The ceiling to which it would be entitled if it did not combine would be calculated as under Section A-2 for the corporation as a separate entity.

ii) An Edge Act or Agreement Corporation that is owned by one bank and that was established after March 3, 1965, should share the ceiling of its parent bank.

c. MULTIBANK-OWNED CORPORATIONS.

i) *Separate ceilings.* An Edge Act or Agreement Corporation that is owned by more than one bank or by a multibank holding company will have a ceiling separate from that of its parent and from those of the banks in its parent holding company. The corporation's ceiling is to be determined in accordance with Section A-2 or, as appropriate, A-3.

ii) *Transfer of parent's ceiling.* To acquire or to increase a ceiling, such an Edge Act or Agreement Corporation may receive from one or more of its parent banks (including banks of its parent holding company) a share of the ceilings of the parent or parents. Once transferred to the corporation, the ceiling should not be transferred in whole or in part back to the parent or parents, except to meet unforeseen and overriding devel-

opments. If any such exceptional need for transfer should arise, the corporation and its parent or parents should consult in advance with the Federal Reserve Banks in their respective districts.

d. **DOMESTIC SUBSIDIARIES OF EDGE ACT AND AGREEMENT CORPORATIONS.** The foreign assets of domestically chartered subsidiaries of Edge Act and Agreement Corporations (net of foreign borrowings offset under Section A-5b, above) should be consolidated with the foreign assets of the parent corporation for the purposes of the guidelines

3. Bank Holding Companies

a. **HOLDING COMPANIES AS BANKS.** A bank holding company is to be treated as a bank for the purpose of these guidelines.

b. **HOLDING COMPANIES WITH ONE BANK.** A holding company with one bank, which bank subsidiary has a ceiling under these guidelines, together with that bank subsidiary and any nonbank subsidiary should report on a consolidated basis. However, the ceiling is to be calculated on the basis of the ceiling of the bank subsidiary. Furthermore, to minimize changes from earlier established procedures, any nonbank subsidiary that was reporting prior to December 1, 1969, to the Department of Commerce under the Foreign Direct Investment Program or to a Federal Reserve Bank under the nonbank financial institution part of the guidelines should not report under these bank guidelines.

c. **HOLDING COMPANIES WITH MORE THAN ONE BANK.** A multibank holding company should share the ceiling of one or more of its banks.

d. **CONSOLIDATION OF CEILINGS OF BANK SUBSIDIARIES OF HOLDING COMPANIES.** A bank subsidiary (including a bank, Edge Act Corporation, or Agreement Corporation) of a bank holding company may elect to consolidate its ceiling with that of one or more of the holding company's other bank subsidiaries only if each bank subsidiary involved in the contemplated consolidation had a ceiling under the guidelines in effect prior to November 11, 1971. Such election should be made known in advance to the respective Federal Reserve Banks. Ceilings adopted under subsequent guidelines should not be consolidated. Ceilings

that were consolidated before March 9, 1972, in conformity with the guidelines may remain consolidated.

4. Foreign Branches and Foreign Subsidiaries of U.S. Banks and Banking Institutions

a. The guidelines are not intended to restrict the extension of foreign credit by foreign branches, or foreign subsidiaries, of (i) U.S. banks, (ii) Edge Act Corporations, or (iii) Agreement Corporations, except as the result of the restraints on banks, and on Edge and Agreement Corporations (and their domestic subsidiaries), with respect to foreign credit to, or foreign investment in, such foreign branches or foreign subsidiaries.

b. Claims of a bank's, or banking institution's, domestic offices on its foreign branches and foreign subsidiaries (including permanent capital invested in, as well as balances due from, such branches and subsidiaries) represent foreign assets subject to the guidelines.

E. CONFORMITY WITH OBJECTIVES OF GUIDELINES

1. Department of Commerce Program and Nonbank Financial Institution Guidelines

Banks should avoid making loans that would directly or indirectly enable borrowers to use funds abroad in a manner inconsistent with the Department of Commerce Foreign Direct Investment Program or with the guidelines for nonbank financial institutions.

2. Substitute Loans

Banks should not extend to U.S. resident subsidiaries, or branches, of foreign companies loans that otherwise might have been made by the banks to the foreign parent or other affiliate of the company or that normally would have been obtained abroad.

3. Management of Liquid Assets

A bank should not hold its own funds abroad in liquid form for short-term investment purposes whether such investments are payable in foreign currencies or in U.S. dollars. This is not intended to preclude its maintaining necessary working balances held with its own foreign branches or with foreign correspondents.

4. Transactions for Customers

While recognizing that it must follow a customer's instruction, a bank should discourage customers from placing liquid funds outside the United States. A bank should not place with a customer foreign obligations that, in the absence of the guidelines, it would have acquired or held for its own account.

5. U.S. Branches and Agencies of Foreign Banks

Branches and agencies of foreign banks located in the United States are requested to act in accordance with the spirit of these guidelines and, as they may be requested from time to time, to consult with the Federal Reserve Bank in the district in which they are located.

A U.S. agency or branch of a foreign bank that holds \$10 million or more of foreign assets of types subject to restraint should make every reasonable effort to ensure that its foreign assets and foreign liabilities are kept throughout the monthly reporting periods, as well as on the end-of-the-month reporting dates, at levels consistent with its "base net foreign position." Each agency and branch of a foreign bank may adopt an individual "base net foreign position." Alternatively, one or more agencies or branches of a particular foreign bank may consolidate

positions to which they would be entitled. Once consolidated, they should henceforth report as a unit under the guidelines.

6. Banks without Ceilings

A bank that has not adopted a ceiling will be acting in conformity with the objectives of the guidelines (a) if its foreign assets of types subject to restraint do not exceed the lesser of (i) \$500,000 or (ii) 2 per cent of its end-of-1970 total assets and (b) if those foreign assets are otherwise in conformity with the guidelines, for example, with the request against holding funds abroad in liquid form except for necessary working balances.

F. REPORTING

Each U.S. bank (whether or not it has a ceiling), and each U.S. agency and branch of a foreign bank, that on a reporting date had \$500,000 or more in foreign assets (whether or not subject to restraint under the guidelines) should file a Monthly Report on Foreign Assets (for U.S. Banks or for U.S. Agencies and Branches of Foreign Banks, as appropriate) with the Federal Reserve Bank in the district in which the institution is located within 15 days after the end of the reporting period. (Forms are available at the Federal Reserve Banks.)

III. Nonbank Financial Institutions

A. APPLICABILITY TO FINANCIAL INSTITUTIONS

This part of the guidelines applies to all U.S. nonbank financial institutions, including: trust companies, trust departments of commercial banks; mutual savings banks; insurance companies; investment companies; financial companies; employee retirement and pension funds; college endowment funds; charitable foundations; U.S. branches of foreign insurance companies and of other foreign nonbank financial corporations; and holding companies (other than bank holding companies) whose domestic assets consist primarily of the stock of operating nonbank financial institutions. Investment underwriting firms, securities brokers and dealers, and investment counseling firms also are cov-

ered with respect to foreign financial assets held for their own account and are requested to inform their customers of the program in those cases where it appears applicable.

Businesses whose principal activity is the leasing of property and equipment, and that are not owned or controlled by a financial institution, are not defined as financial institutions. Real estate investment trusts whose assets consist primarily of real property as contrasted with financial assets (such as mortgages) also are not covered by these guidelines.

B. CEILING AND PRIORITIES

1. Ceiling

Each institution is requested to limit its aggregate holdings of foreign assets covered by

the program to no more than its ceiling as described in Section C, except for special situations discussed in Section J, below.

2. Liquid Foreign Balances

Institutions generally are expected to hold no foreign deposits or foreign money market instruments, except such minimum working balances abroad as are needed for the efficient conduct of their foreign business activities.

3. Developing Countries

Among the foreign assets that are subject to the guideline ceiling (covered assets), institutions are asked to give priority to credits that directly benefit the economies of developing countries.

4. Conformity with Objectives of Guidelines

Institutions may invest in noncovered foreign assets generally as desired. However, they are requested to refrain from making any nonexport loans or investments, noncovered as well as covered, that appear to be inconsistent with other aspects of the U.S. balance of payments program. Among these are the following:

a. Noncovered credits under this program that substitute directly for loans that commercial banks would have made in the absence of that part of the program applicable to them.

b. Noncovered credits to developing country subsidiaries of U.S. corporations that would not have been permitted under the Department of Commerce Foreign Direct Investment Program if made by the U.S. parent directly.

c. Credits to U.S. borrowers that would enable them to make foreign loans and investments inconsistent with the Foreign Direct Investment Program.

d. Credits to U.S. subsidiaries and branches of foreign companies that otherwise would have been made to the foreign parent or that would substitute for funds normally obtained from foreign sources.

C. CALCULATION OF CEILING

The ceiling for each nonbank financial institution will be:

1. The greater of:

- a. 105 per cent of its ceiling as of December 31, 1972, or
- b. \$2 million.

2. Minus equity securities of companies established in developed countries (except Canada) that are included in Section C-1 but had been sold to American investors after December 31, 1972.

3. Plus, or minus, the difference between sales proceeds and "carrying" value of covered equities sold after December 31, 1972, to other than American investors or in other than U.S. markets. On each reporting date, "carrying" value should be the value reflected in the institution's report (on Form FR 392R-68) for December 31, 1967, in the case of equities held on that date, or it should be the cost in the case of equities purchased after that date.

D. COVERED ASSETS—SUBJECT TO CEILING

Foreign financial assets subject to the ceiling (covered assets) include investments of the following types (but see exclusions in Section E):

1. Liquid funds in all foreign countries. This category comprises foreign bank deposits, including deposits in foreign branches of U.S. banks, and liquid money market claims on foreign obligors, generally defined to include marketable negotiable instruments maturing in 1 year or less.

2. All other claims on foreign obligors written, at date of acquisition, to mature in 10 years or less. This category includes bonds, notes, mortgages, loans, and other credits.

3. Net financial investment in foreign branches, subsidiaries, and affiliates located in developed countries other than Canada. Such financial investment includes payments into equity and other capital accounts of, and net loans and advances to, any foreign business in which the U.S. institution has an ownership interest of 10 per cent or more. Excluded are earnings of such a foreign business if they are directly retained in its capital accounts.

4. Long-term credits entered into after November 11, 1971, to finance the construction

or operation of foreign-built vessels unless the financing involves a corresponding transfer of capital by a direct investor under the Foreign Direct Investment Program. Included in this category are bonds, notes, mortgages, loans, leases, and other credits. A credit is long-term if at least 10 per cent of the amount to be repaid to the lender is scheduled, at the time of acquisition, to be repaid after 10 years.

5. Long-term credits of foreign obligors established in developed countries other than Canada. (Long-term credits are as defined in paragraph 4.)

6. Equity securities (including American Depositary Receipts) of foreign corporations established in developed countries other than Canada, except those acquired after September 30, 1965, in U.S. markets from American investors. Exclusion from ceiling normally will be indicated if, in acquiring an equity security that otherwise would be covered, the purchasing institution receives a certificate of prior American ownership or brokerage confirmation thereof. Securities acquired from a broker who purchased them from a foreigner in anticipation of early resale are not deemed to be acquisitions from a prior American investor.

7. Investments made by trust departments of commercial banks or by trust companies with trust funds over which the trustee (or co-trustee) has at least some influence on investment policy and not separately reported by another financial institution.

E. NONCOVERED ASSETS—EXCLUSIONS

The following foreign financial assets are excluded from the guideline ceiling:

1. Export credits, as defined in Part IV-3. Institutions should maintain adequate information and otherwise take all reasonable measures to provide assurance that credits meet the definition before treating them as exempted.

2. All financial assets in, or claims on residents of, Canada.

3. All direct obligations of international institutions of which the United States is a member.

4. Long-term investments in all developing countries (except as noted in Section D-4), including direct investment in subsidiaries and affiliates, credit instruments of the types and maturity described in Section D-4, and all equity securities issued by firms established in these countries.

5. Equity securities of firms in developed countries other than Canada that have been acquired in U.S. markets from American investors. (See Section D-6.)

6. Foreign assets of types subject to ceiling but acquired after December 31, 1967, as "free delivery" items—that is, acquired as gifts or, in the case of trust companies or trust departments of commercial banks, deposited with the institution in new accounts.

7. A foreign asset acquired directly or through purchase of a participation in a pool of foreign assets, provided the foreign asset or the participation is covered by a payment guarantee issued by the U.S. Overseas Private Investment Corporation (OPIC) under its insurance and guaranty claims settlement authority, is exempted from an institution's ceiling.

F. CREDITS TO CERTAIN U.S. CORPORATIONS

1. Any loan or investment acquired by a nonbank financial institution after June 30, 1968, that involves the advance of funds to a domestic corporation that is simply a financing conduit (commonly known as a Delaware subsidiary) and that in turn will transmit the funds to a foreign business is a foreign asset if one or more foreigners own a majority of the domestic corporation. The amounts of such foreign loans or investments should be classified according to the country where the funds are actually to be used, not according to the residence of the owners of the domestic corporation.

2. If U.S. residents, other than the lending institution, hold a majority ownership interest in the domestic corporation, no part of a loan or of an investment in such a corporation is to be regarded as a foreign asset of the institution.

G. LEASING OF PHYSICAL GOODS

The foreign leasing activities of firms that engage primarily in the leasing of physical assets (e.g., computers, real property, ships, aircraft) and that are not owned or controlled by a U.S. financial institution are not subject to these guidelines. However, such activities are subject to these guidelines when they are undertaken by nonbank financial institutions.

H. INVESTMENT IN CERTAIN FOREIGN INSURANCE VENTURES

Net investment in foreign insurance ventures should be reported. In the case only of a foreign insurance venture in which a U.S. nonbank financial institution had an investment before 1965, if it is not feasible to segregate the net investment of the U.S. nonbank financial institution, the latter may exclude from its foreign assets subject to ceiling the aggregate of the larger of the following in each foreign country in which a foreign affiliate sells insurance: (a) 110 per cent of assets held in the foreign country as reserve against insurance sold to residents of that country by the foreign affiliate or (b) the minimum deposit of cash or securities required by foreign authorities as a condition of doing insurance business in that country.

I. REPORTING REQUIREMENT

Each nonbank financial institution holding, on any quarterly reporting date, covered assets of \$500,000 or more, or total foreign financial assets of \$5 million or more, should file a statistical report covering its total holdings on that date with the Federal Reserve Bank of the Federal Reserve district in which its principal office is located. The reports are due within 20 days following the close of each calendar quarter, and forms may be obtained from the Federal Reserve Bank. (See also Section J-2.)

J. COVERED ASSETS IN EXCESS OF CEILING

1. In view of the balance of payments objectives of the program, covered investments of nonbank financial institutions may be permitted to exceed the guideline ceiling to the extent that the funds for such investment are (a) borrowed abroad for investment in the same country or in countries that are subject to the same or more liberal guideline restraint or (b) derived from equity securities issued by the nonbank financial institution and sold to residents of foreign developed countries (other than Canada), provided that the nonbank financial institution promptly treats as a charge against its ceiling the amount of any such equity securities at any moment it is unable to assure itself fully that any such securities continue in the possession of such foreigners. (For reporting purposes, the amount of such securities held by foreigners should be included with borrowings in foreign countries.) Thus, for the purpose of the offset provision, funds borrowed in the developed countries may be used to finance investments in these countries and elsewhere, but funds borrowed in the developing countries should not be used to finance investment in the developed countries. Any institution desiring to offset foreign borrowing against foreign investment, however, should discuss its plans with the Federal Reserve Bank before entering into such an arrangement.

2. An institution without a guideline ceiling may hold covered assets up to \$2 million if its investments are consistent with guideline restraints (a) with respect to liquid funds and (b) concerning possible conflict with program objectives, as noted in Section III-B-2 and B-4.

The institution is expected to file an initial statement of its holdings with its Federal Reserve Bank and thereafter to file a statement with the Bank within 20 days after the end of any calendar quarter when its total holdings of covered foreign assets have changed by as much as \$100,000 since its previous report, even though its total holdings remain below the minimum reporting levels stipulated in the guidelines.

IV. Definitions

The following definitions apply to both the bank and nonbank financial institution parts of the guidelines.

1. "Claims on foreigners" are claims on foreigners held for an institution's own account. For banks, they include: foreign long-term securities; deferred payment letters of credit described in Treasury Department Supplemental Reporting Instruction No. 1 (Revised), Treasury Foreign Exchange Reports, Banking Forms, September 25, 1972; participations purchased in loans to foreigners; loans to financial conduits incorporated in the United States, 50 per cent or more owned by foreigners; and foreign assets sold, with recourse, to U.S. residents other than financial institutions participating in the Federal Reserve Foreign Credit Restraint Program or other than direct investors subject to the controls administered by the Department of Commerce. They also include foreign customers' liability for acceptances executed, whether or not the accepted drafts are held by the accepting bank. "Claims on foreigners" exclude: contingent claims; unutilized credits; claims held for accounts of customers; and acceptances executed by other U.S. banks.

2. "Foreigners" include: individuals, partnerships, and corporations domiciled outside the United States, irrespective of citizenship, except their agencies or branches located within the United States; branches, subsidiaries, and affiliates of U.S. banks and other U.S. corporations that are located in foreign countries; and any government of a foreign country or official agency thereof and any official international or regional institution created by intergovernmental agreement, irrespective of location.

3. "Export credit" means any claim on a foreigner for the demonstrable financing (a) of the export of U.S. goods or (b) of the performance abroad of U.S. services. (Items (a) and (b) are hereinafter referred to as exports.) To be demonstrable, the financing must relate to a specific, individual, identifiable export for which shipping documents or other documents evidencing the export are obtainable.

Export credit may be direct or indirect. Direct credit is a credit that results in the direct acquisition of a debt obligation of a foreign obligor. An indirect credit is a credit extended to a foreign financial institution which, in consequence, itself acquires debt obligations of obligors resident outside the United States. Therefore, credit extended by a U.S. financial institution to a foreign buyer of U.S. exports directly or through a foreign financial institution may be an export credit. Also, an export credit may be extended through purchase of documented loan paper.

The cost of freight in connection with exportation, the cost of transport insurance in connection with exportation, and the cost of export credit guarantees and export credit insurance borne by the foreign buyer or the foreign financial institution may be included in the cost of export for the purpose of determining the amount of credit that is to be considered export credit. Any element of foreign duty is to be excluded for this purpose.

U.S. goods are goods grown, produced, or manufactured in the United States.

U.S. services performed abroad should be services performed outside the United States by U.S. domiciled or U.S. incorporated companies or by U.S. nationals temporarily resident abroad.

A particular credit should be regarded as an export credit only if 85 per cent or more of its total amount finances U.S. exports. However, a single credit agreement exclusively for services may be broken down to exclude non-U.S. services. The export credit may thereby be identified as that portion of credit financing the performance of services by U.S. firms and U.S. nationals, as well as financing the purchase (or lease) of U.S. goods incidental to the performance of those services.

A participation in export credits should be regarded as export credit of the financial institution purchasing the participation. However, a participation in a pool of loans would not be considered export credit by the institution purchasing the participation.

A credit that has a substantially longer maturity than is customary in international export financing practice for the type of transaction in question should not be regarded as an export credit.

4. "Developing countries" are all foreign countries other than: Abu Dhabi, Australia, Austria, the Bahamas, Bahrain, Belgium, Bermuda, Canada, Denmark, France, Germany (Federal Republic), Hong Kong, Iran, Iraq, Ireland, Italy, Japan, Kuwait, Kuwait-Saudi Arabia Neutral Zone, Libya, Liechtenstein, Luxembourg, Monaco, Netherlands, New Zea-

land, Norway, Portugal, Qatar, Republic of South Africa, San Marino, Saudi Arabia, Spain, Sweden, Switzerland, and the United Kingdom; and other than: Albania, Bulgaria, the People's Republic of China, Cuba, Czechoslovakia, East Germany, Estonia, Hungary, Communist-controlled Korea, Latvia, Lithuania, Outer Mongolia, Poland (including any area under its provisional administration), Romania, Tibet, Union of Soviet Socialist Republics and the Kurile Islands, Southern Sakhalin, and areas in East Prussia that are under the provisional administration of the Union of Soviet Socialist Republics, and Communist-controlled Vietnam.

Record of Policy Actions

of the Federal Open Market Committee

MEETING HELD ON OCTOBER 16, 1973

Domestic policy directive

The information reviewed at this meeting suggested that growth in real output of goods and services— which was estimated to have picked up somewhat in the third quarter from an annual rate of about 2.5 per cent in the second quarter— would remain moderate in the current quarter. Staff projections continued to suggest that growth in real output would slacken in the first half of 1974 and that the rise in prices would remain rapid.

In September industrial production rose appreciably, owing to a partial recovery in output of motor vehicles— following a sharp reduction in August caused by shortages of parts and by other temporary influences— and to further gains in output of business equipment and industrial materials. Nonfarm payroll employment continued to rise, but expansion during the third quarter was well below the rapid pace earlier in the year, reflecting in large part a leveling-off in employment in manufacturing. The unemployment rate remained at 4.8 per cent. Retail sales declined in both August and September, but sales in the third quarter as a whole were moderately above the second-quarter level.

Wholesale prices of farm and food products declined substantially in September— for the most part because of sizable decreases in prices of meat, poultry, and eggs— but the decline was small in relation to the extraordinarily large increase in August. The rise in wholesale prices of industrial commodities, which had slowed for 2 months after mid-June when the freeze was imposed, accelerated in September. From mid-July to mid-August the consumer price index had risen sharply, reflecting not only a record increase in prices of foods following the relaxation of food price controls on July 18 but also exceptionally large advances in average prices of other consumer goods and of consumer services. The index of average hourly earnings of production workers on nonfarm payrolls

had advanced at a faster pace in recent months than it had earlier in the year.

Staff projections for the current quarter in general were similar to those of 4 weeks earlier. It was expected that both Federal and State and local government purchases of goods and services would rise appreciably, that consumption expenditures would expand at a moderate pace, and that business inventory investment would increase further. It was also anticipated, however, that residential construction outlays would decline substantially.

Exchange rates for the dollar against most foreign currencies had changed little since mid-August, following a significant strengthening earlier in the month. In September, as in August, the U.S. balance of payments on an official settlements basis was in surplus.

U.S. merchandise exports expanded substantially further in August, reflecting increases in both prices and the physical volume of agricultural commodities; however, imports rose even more—for the most part owing to a large increase in imports of fuels following a dip in July—and the trade balance slipped back into deficit. For July and August combined, the trade balance was close to zero. Net foreign purchases of U.S. equity securities, which had risen considerably in July, remained large in August.

At U.S. commercial banks, expansion in loans to business slowed in September to the lowest rate in more than a year, in part because business borrowers shifted to the commercial paper market in response to declines in market interest rates relative to effective rates on bank loans. Most other types of bank loans continued to expand rapidly, but banks again liquidated substantial amounts of their holdings of Government securities. Altogether, the increase in total bank credit was small.

The narrowly defined money stock (M_1)¹ declined in September for the second successive month; M_1 changed little over the third quarter, after having grown at a rate of about 10.5 per cent in the second quarter.² Inflows of time and savings deposits other

¹Private demand deposits plus currency in circulation.

²Growth rates cited are calculated on the basis of the daily-average level in the last month of the quarter relative to that in the last month preceding the quarter.

than large-denomination CD's were substantial in September—although well below the high rate of August—and the more broadly defined money stock (M_2)³ expanded slightly. The outstanding volume of large-denomination CD's continued to rise in early September, but the volume declined after midmonth as banks reduced the rates paid on such CD's in response to the weakening in business loan demand; over the whole month, the outstanding volume changed little, and growth in the bank credit proxy⁴ slowed markedly.

Nonbank thrift institutions experienced a net increase in savings deposits in September—even after adjustment for the crediting of interest and other seasonal influences—following net outflows of funds in August. Although outstanding borrowings by savings and loan associations from the Federal home loan banks rose substantially in September, the increase was below that in each of the two preceding months. Mortgage interest rates rose appreciably further.

Short-term market interest rates began to decline sharply soon after the Committee's meeting on September 18, in large part because of widespread market expectations that the recent weakness in the behavior of the monetary aggregates would lead to more aggressive System efforts to supply reserves and, consequently, to an easing in money market conditions. The market rate on 3-month Treasury bills was 7.19 per cent on the day before this meeting, compared with 8.70 per cent on the day before the September meeting and with an inter-meeting period low of 6.96 per cent on September 27.

Yields on long-term securities, which had turned down in early August, declined moderately further after the September meeting—although the decline, as usual, was not so sharp as that for short-term instruments. The volume of new public offerings of corporate bonds fell contraseasonally in September, following a more-than-seasonal reduction in August, but a substantial rise in the volume was in prospect for October.

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

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

The Treasury was expected to announce on October 24 the terms of its mid-November refunding. Of the maturing issues, \$3.6 billion were held by the public.

System open market operations since the meeting on September 18 had been guided by the Committee's decision to seek bank reserve and money market conditions consistent with moderate growth in monetary aggregates over the months ahead, while taking account of international and domestic financial market developments. Operations initially had been directed toward fostering growth in reserves available to support private nonbank deposits (RPD's) at an annual rate in a range of 15 to 18 per cent, while avoiding unduly sharp changes in money market conditions.

In late September incoming data suggested that in the September-October period growth in both M_1 and M_2 would fall short of acceptable ranges and that RPD's would grow at a rate well below the range that the Committee had specified, in part because of the decline in the outstanding volume of large-denomination CD's that began in late September. The System Open Market Account had been avoiding overly aggressive reserve-supplying operations because of the substantial declines in market interest rates that had occurred and a concern that such operations would contribute to further declines in interest rates. The Federal funds rate remained at about $10\frac{3}{4}$ per cent. On October 1 the Account Manager reported that significant inconsistencies existed among the Committee's various objectives and constraints, and the Committee held a telephone meeting on October 2.

Following the telephone meeting, at which the majority of the members concluded that money market conditions should be allowed to ease somewhat if such easing did not threaten to reinvigorate the sharp rally in markets for short-term securities, the System became somewhat more aggressive in supplying reserves. Short-term interest rates in general declined further, but the Federal funds rate on most days through October 8 remained close to $10\frac{3}{4}$ per cent. Moreover, incoming data indicated that growth in RPD's and the monetary aggregates would be even weaker in the September-October period than had been expected a week earlier.

On October 10 the Committee held another telephone meeting, at which the members agreed that in the few days remaining until this meeting, reserves should be supplied at a rate consistent with

some easing in money market conditions beyond that decided upon on October 2. In the days just before this meeting, the Federal funds rate was around 10 per cent. In the 4 weeks ending October 10, member bank borrowings averaged about \$1,690 million, down from an average of \$2,135 million in the preceding 4 weeks.

At this meeting the Committee agreed that the economic situation and prospects continued to call for moderate growth in monetary aggregates over the months ahead. A staff analysis indicated that, although the transactions demand for money would probably expand, the sharp rise in short-term interest rates that had occurred through early September would tend to dampen the demand for money in the months ahead. Consequently, achievement of moderate growth in monetary aggregates was likely to require some easing in money market conditions.

The staff analysis also indicated that growth of consumer-type time and savings deposits probably would strengthen and that expansion in the outstanding volume of large-denomination CD's would be resumed in response to moderate growth in business loan demand. However, because of the recent weakness in the aggregates in combination with lagged reserve accounting, relatively slow growth in RPD's in the October–November period—at an annual rate in a range of 2 to 4 per cent—was thought likely to be consistent with moderate growth in both the narrowly defined and the more broadly defined money stock over the months ahead.

In view of the weak behavior of the monetary aggregates in August and September, the Committee concluded that reserve-supplying operations should not become restrictive unless RPD's in the October–November period appeared to be growing at an annual rate of more than 5 per cent. Specifically, the members decided that operations should be directed at fostering RPD growth during that period within a range of 2 to 5 per cent, while avoiding unduly sharp changes in money market conditions. The members also agreed that, in the conduct of operations, account should be taken of international and domestic financial market developments, of the forthcoming Treasury financing, and of deviations in monetary growth from an acceptable range. It was understood that the Chairman might call upon the Committee to consider the need for supplementary instructions before the next scheduled meeting if

significant inconsistencies appeared to be developing among the Committee's various objectives and constraints.

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

The information reviewed at this meeting suggests that growth in real output of goods and services in the fourth quarter is likely to remain at about the moderate rate indicated for the third quarter. In recent months manufacturing employment has leveled off and total nonfarm employment has expanded less rapidly than earlier; the unemployment rate has remained at 4.8 per cent. The advance in wage rates has been somewhat faster than earlier. In September wholesale prices of industrial commodities rose appreciably; farm and food prices declined, but by far less than they had risen in August. The U.S. merchandise trade balance weakened slightly in August. Net foreign purchases of U.S. stocks continued large, however, and the balance of payments on an official settlements basis was in surplus in both August and September. Exchange rates for the dollar against most foreign currencies have changed little since mid-August.

The narrowly defined money stock, which had risen sharply during the second quarter, declined in September for the second successive month. The more broadly defined money stock expanded slightly in September as a result of net inflows at banks of consumer-type time deposits. The deposit experience at nonbank thrift institutions improved somewhat in September following a period of sizable outflows. Bank credit -which had been expanding rapidly- increased little as business loan growth slowed markedly, and after mid-September the outstanding volume of large-denomination CD's declined substantially. Short-term market interest rates fell sharply from mid-September to early October, partly as a result of a shift in market expectations regarding monetary policy, and rates on long-term market securities declined moderately further.

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

To implement this policy, while taking account of the forthcoming Treasury financing and of international and domestic financial market

developments, the Committee seeks to achieve bank reserve and money market conditions consistent with moderate growth in monetary aggregates over the months ahead.

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

* * * * *

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

Law Department

Statutes, regulations, interpretations, and decisions

RESERVES OF MEMBER BANKS

The Board has amended Regulation D to reduce to 8 per cent the marginal reserve requirement on those classes of time deposits currently subject to the 11 per cent marginal reserve requirement.

AMENDMENT TO REGULATION D

Effective December 13, 1973, section 204.5(a)(1)(ii) and 2(ii) of Regulation D is amended to read as follows:

SECTION 204.5—RESERVE REQUIREMENT

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

(1) If not in a reserve city—

* * * * *

(ii) 3 per cent of its other time deposits up to \$5 million, plus 5 per cent of such deposits in excess of \$5 million: *Provided, however,* That a member bank shall maintain a reserve balance equal to 8 per cent of the amount by which the daily average amount of time deposits of the types hereinafter specified exceeds either the daily average amount of such time deposits outstanding during the computation period ending May 16, 1973, or \$10 million, whichever is greater, and such 8 per cent reserve percentage shall apply with respect to time deposits of the following types:

- (a) time deposits of \$100,000 or more; and
- (b) time deposits represented by promissory notes, acknowledgments of advance, due bills, or similar obligations issued by a member bank's affiliate, as provided in § 204.1(f); and
- (c) time deposits represented by bank acceptances, as provided in § 204.1(f); and

* * *

(2) If in a reserve city (except as to any bank

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

* * * * *

(ii) 3 per cent of its other time deposits up to \$5 million, plus 5 per cent of such deposits in excess of \$5 million: *Provided, however,* That a member bank shall maintain a reserve balance equal to 8 per cent of the amount by which the daily average amount of time deposits of the types hereinafter specified exceeds either the daily average amount of such time deposits outstanding during the computation period ending May 16, 1973, or \$10 million, whichever is greater, and such 8 per cent reserve percentage shall apply with respect to time deposits of the following types:

- (a) time deposits of \$100,000 or more; and
- (b) time deposits represented by promissory notes, acknowledgments of advance, due bills, or similar obligations issued by a member bank's affiliate, as provided in § 204.1(f); and
- (c) time deposits represented by bank acceptances, as provided in § 204.1(f); and

* * *

MAXIMUM LOAN VALUE OF STOCKS

The Board of Governors has amended Regulations G, T, and U to change from 35 per cent to 50 per cent the maximum loan value of margin securities. This will have the effect of decreasing the amount of margin required for stock-secured loans and short sales.

SECURITIES CREDIT BY PERSONS OTHER THAN BANKS, BROKERS, OR DEALERS

1. Effective January 3, 1974, section 207.5 is amended to read as follows:

SECTION 207.5—SUPPLEMENT TO REGULATION G

(a) **Maximum loan value of margin securities.** For the purpose of § 207.1, the maximum

loan value of any margin security, except convertible securities subject to § 207.1(d) and any put, call, or combination thereof, shall be 50 per cent of its current market value, as determined by any reasonable method. No put, call, or combination thereof shall have any loan value for the purposes of this part.

* * * * *

CREDIT BY BROKERS AND DEALERS

2. Effective January 3, 1974, sections 220.8(a)(1) and (d) are amended to read as follows:

SECTION 220.8—SUPPLEMENT TO REGULATION T

(a) **Maximum loan value for general accounts.** The maximum loan value of securities in a general account subject to § 220.3 shall be:

(1) Of a registered nonequity security held in the account on March 11, 1968, and continuously thereafter, and of a margin equity security (except as provided in § 220.3(c) and paragraphs (b), (c) and (f) of this section) 50 per cent of the current market value of such securities.

* * * * *

(d) **Margin required for short sales.** The amount to be included in the adjusted debit balance of a general account, pursuant to § 220.3(d)(3), as margin required for short sales of securities (other than exempted securities) shall be 50 per cent of the current market value of each security.

* * * * *

CREDIT BY BANKS FOR THE PURPOSE OF PURCHASING OR CARRYING MARGIN STOCKS

3. Effective January 3, 1974, section 221.4(a) is amended to read as follows:

SECTION 221.4—SUPPLEMENT TO REGULATION U

(a) **Maximum loan value of stocks.** For the purpose of § 221.1, the maximum loan value of any stock except puts, calls, and combinations thereof, whether or not registered on a national securities exchange shall be 50 per cent of its current market value, as determined by any reasonable method. Puts, calls, and combinations thereof shall have no loan value.

* * * * *

MEMBERSHIP OF STATE BANKING INSTITUTIONS IN THE FEDERAL RESERVE SYSTEM

AMENDMENT TO REGULATION H

1. Effective December 21, 1973 sections 208(b) and (c) are amended to read as follows:

SECTION 208.9—PUBLICATION OF REPORTS OF MEMBER BANKS AND THEIR AFFILIATES

* * * * *

(b) **Reports of affiliates.**¹⁰ (1) If reports of affiliates are requested by the Board of Governors of the Federal Reserve System, each report of an affiliate of a member State bank, including a holding company affiliate, shall be published at the same time and in the same newspaper as the affiliated bank's own condition report submitted to the Federal Reserve Bank, unless an extension of time for submission of the report of the affiliate has been granted under authority of the Board of Governors of the Federal Reserve System. When such extension of time has been granted, the report of the affiliate must be submitted and published before the expiration of such extended period in the same newspaper as the condition report of the bank was published.

(2) The copy of the report for the use of the printer for publication should be prepared on Form F.R. 220a. The published information shall agree in every respect with that shown on the face of the report of the affiliate furnished to the Federal Reserve Bank by the affiliated member bank, except that any item appearing under the caption "Financial relations with bank" against which the word "none" appears on the report furnished to the Federal Reserve Bank may be omitted in the published statement of the affiliate: *Provided*, That if the word "none" is shown against all of the items appearing under such caption in the report furnished to the Federal Reserve Bank the caption

¹⁰Section 21 of the Federal Reserve Act, among other things, provides as follows: "Whenever member banks are required to obtain reports from affiliates, or whenever affiliates of member banks are required to submit to examination, the Board of Governors of the Federal Reserve System or the Comptroller of the Currency, as the case may be, may waive such requirements with respect to any such report or examination of any affiliate if in the judgment of the said Board or Comptroller, respectively, such report or examination is not necessary to disclose fully the relations between such affiliate and such bank and the effect thereof upon the affairs of such bank." In any case where the Board has waived the filing of a report of an affiliate, no publication of a report of an affiliate is required.

“Financial relations with bank” shall appear in the published statement followed by the word “none.” All signatures shall be the same in the published statement as in the original report submitted to the Federal Reserve Bank, but the signatures may be typewritten or otherwise copied on the report for publication.

(3) A copy of the printed report shall be submitted to the Federal Reserve Bank attached to the certificate on Form F.R. 220a.

(c) **Waiver of reports of affiliates.** Pursuant to section 21 of the Federal Reserve Act (12 U.S.C. 486), the Board of Governors of the Federal Reserve System waives the requirement for the submission of reports of affiliates of State bank members of the Federal Reserve System, unless such reports are specifically requested by the Board of Governors. The Board of Governors of the Federal Reserve System may require the submission of reports which are necessary to disclose fully relations between member banks and their affiliates and the effect thereof upon the affairs of member banks.

* * * * *

INTEREST ON DEPOSITS

The Board of Governors has amended its Regulation Q to prescribe rules governing the use of negotiable orders of withdrawal within Massachusetts and New Hampshire.

AMENDMENT TO REGULATION Q

Effective January 1, 1974, the Board's Regulation Q is amended in the following respects:

1. Section 217.1 is amended by adding a new subparagraph (3) to paragraph (c) of that section to read as follows:

SECTION 217.1 DEFINITIONS

* * * * *

(c) **Savings deposits.**

* * * * *

(3) In those States where banks are permitted to offer deposits subject to negotiable orders of withdrawal, such deposits may be maintained only by individuals and organizations permitted to maintain savings deposits under subparagraph (1) of this paragraph.

2. Section 217.5 is amended by amending paragraph (c) of that section to read as follows:

SECTION 217.5--WITHDRAWAL OF SAVINGS DEPOSITS

* * * * *

(c) **Manner of payment of savings deposits.**

(1) Subject to the provisions of subparagraphs (2) and (3) of this paragraph, * * *

* * * * *

(3) The provisions of this paragraph do not apply to deposits subject to negotiable orders of withdrawal authorized by Federal law to be issued in the States of Massachusetts and New Hampshire which shall be subject to the limitation that no member bank may accept more than 150 negotiable orders of withdrawal during any calendar year on any deposit subject to such orders.

(4) Where a savings deposit is evidenced by a passbook, every withdrawal made upon presentation of the passbook shall be entered in the passbook at the time of withdrawal, and every other withdrawal for such a deposit shall be entered in the passbook as soon as practicable after withdrawal is made.

3. Section 217.6 is amended by adding a new paragraph (i) to read as follows:

SECTION 217.6- ADVERTISING OF INTEREST ON DEPOSITS

* * * * *

(i) **Negotiable orders of withdrawal.** In addition to compliance with the other paragraphs of this section, member banks offering accounts subject to negotiable orders of withdrawal, to the extent practicable, shall limit every advertisement, announcement or solicitation made in any newspaper, magazine, radio, television or other media to such facilities directed toward residents of New Hampshire and Massachusetts. All other advertisements, announcements and solicitations of such accounts, including direct mailing, circulars, and notices, whether written or oral, to the extent practicable, shall be directed only to persons residing or employed in New Hampshire and Massachusetts and to persons who are customers of member banks in those states on the effective date of this amendment.

4. Section 217.7 is amended by amending paragraph (c) to read as follows:

SECTION 217.7- MAXIMUM RATES OF INTEREST PAYABLE BY MEMBER BANKS ON TIME AND SAVINGS DEPOSITS

* * * * *

(c) **Savings deposits.** No member bank shall pay interest at a rate in excess of 5 per cent on any savings deposit including savings deposits that are subject to negotiable orders of withdrawal, the issuance of which is authorized by Federal law.

CREDIT BY BROKERS AND DEALERS

AMENDMENT TO REGULATION T

Effective June 21, 1974, section 220.6 of Regulation T is amended to add paragraph (1) as set forth below:

SECTION 220.6—CERTAIN TECHNICAL DETAILS

* * * * *

(1) **Credit related to portion of a security.**

Credit for the purpose of purchasing or carrying any part of an investment contract security (for example, but not limited to, the cattle ownership portion of a program to own and feed cattle, or the condominium ownership part of a program to own and rent a unit through a rental pool or otherwise) shall be deemed to be credit on the entire security.

INTERPRETATION OF REGULATION Q

Nonbank participation in "Federal funds" market. The Board has recently considered whether the use of "interbank loan participations" ("IBLPs"), which involves participation by nonbank third parties in Federal funds transactions, comes within the exemption from "deposit" classification for certain obligations between banks contained in § 204.1(f) of Regulation D and § 217.1(f) of Regulation Q. An IBLP transaction is one through which a bank that has sold Federal funds to another bank, subsequently "sells" or participates out its loan contract to a nonbank third party without notifying the bank that has "purchased" its funds.

The Board's 1970 interpretation regarding Federal funds transactions (§ 217.137) clarifies the meaning of "bank" as that term is used in the exemption for liabilities to banks. Paragraph (b) of that interpretation states that the purpose of requiring that interbank transactions be issued to another bank for its own account, in order to come within the non-deposit exemption, is "to assure that the exemption for liabilities to banks is not used as a means by which nonbanks may arrange through a bank to 'sell' Federal funds to a member bank that are not subject to Regulations D and

Q". The Board regards transactions which result in third parties gaining access to the Federal funds interbank loan market as contrary to the interbank exemption contained in § 217.1(f) of Regulation Q, and § 204.1(f) of Regulation D regardless of whether the nonbank third party is a party to the initial interbank transaction or thereafter becomes a participant in the transaction through purchase of all or part of the obligation held by "selling" bank.

The Board regards the notice requirements set out in (§ 217.137) as applicable to IBLP-type transactions as described herein so that a bank "selling" Federal funds must provide to the purchasing bank (1) notice of its intention, at the time of the initial transaction, to sell or participate out its loan contract to a nonbank third party, and (2) full and prompt notice whenever it (the "selling" bank) subsequently sells or participates out its loan contract to a nonbank third party.

BANK HOLDING COMPANIES

MISCELLANEOUS INTERPRETATIONS

Issuance and sale of short-term debt obligations by bank holding companies. The opinion of the Board of Governors of the Federal Reserve System has been requested recently with respect to the proposed sale of "thrift notes" by a bank holding company for the purpose of supplying capital to its wholly-owned nonbanking subsidiaries.

The thrift notes would bear the name of the holding company, which in the case presented, was substantially similar to the name of its affiliated banks. It was proposed that they be issued in denominations of \$50 to \$100 and initially be of 12-month or less maturities. There would be no maximum amount of the issue. Interest rates would be variable according to money market conditions but would presumably be at rates somewhat above those permitted by Regulation Q ceilings. There would be no guarantee or indemnity of the notes by any of the banks in the holding company system and, if required to do so, the holding company would place on the face of the notes a negative representation that the purchase price was not a deposit, nor an indirect obligation of banks in the holding company system, nor covered by deposit insurance.

The notes would be generally available for sale to members of the public, but only at offices of the holding company and its nonbanking subsidiaries. Although offices of the holding company

may be in the same building or quarters as its banking offices, they would be physically separated from the banking offices. Sales would be made only by officers or employees of the holding company and its nonbanking subsidiaries. Initially, the notes would only be offered in the State in which the holding company was principally doing business, thereby complying with the exemption provided by section 3(a)(11) of the Securities Act of 1933 (15 U.S.C. 77c) for "intra-state" offerings. If it was decided to offer the notes on an interstate basis, steps would be taken to register the notes under the Securities Act of 1933. Funds from the sale of the notes would be used only to supply the financial needs of the nonbanking subsidiaries of the holding company. These nonbank subsidiaries are, at present, a small loan company, a mortgage banking company and a factoring company. In no instance, would the proceeds from the sale of the notes be used in the bank subsidiaries of the holding company nor to maintain the availability of funds in its bank subsidiaries.

The sale of the thrift notes, in the specific manner proposed, is an activity described in section 20 of the Banking Act of 1933 (12 U.S.C. 377), that is, "the issue, flotation, underwriting, public sale or distribution . . . of . . . notes, or other securities". Briefly stated, this statute prohibits a member bank to be affiliated with a company "engaged principally" in such activity. Since the continued issuance and sale of such securities would be necessary to permit maintenance of the holding company's activities without

substantial contraction and would be an integral part of its operations, the Board concluded that the issuance and sale of such notes would constitute a principal activity of a holding company within the spirit and purpose of the statute. (For prior Board decisions in this connection, see 1934 Federal Reserve BULLETIN 485, 12 CFR 218.104, 12 CFR 218.105 and 12 CFR 218.101.)

In reaching this conclusion, the Board distinguished the proposed activity from the sale of short-term notes commonly known as "commercial paper", which is a recognized form of financing for bank holding companies. For purposes of this interpretation, "commercial paper" may be defined as notes, with maturities not exceeding nine months, the proceeds of which are to be used for current transactions, which are usually sold to sophisticated institutional investors, rather than to members of the general public, in minimum denominations of \$10,000 (although sometimes they may be sold in minimum denominations of \$5,000). Commercial paper is exempt from registration under the Securities Act of 1933 by reason of the exemption provided by section 3(a)(3) thereof (15 U.S.C. 77c). That exemption is inapplicable where the securities are sold to the general public (17 CFR 231.4412). The reasons for such exemption, taken together with the abuses that gave rise to the passage of the Banking Act of 1933 ("the Glass-Steagall Act") have lead the Board to conclude that the issuance of commercial paper by a bank holding company is not an activity intended to be included within the scope of section 20.

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

ORDERS UNDER SECTION 3 OF BANK HOLDING COMPANY ACT

CEDAR HOLDINGS LIMITED, BANKERS
LONDON, ENGLAND

ORDER APPROVING FORMATION OF BANK HOLDING COMPANY

Cedar Holdings Limited, Bankers, London, England, 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 up to 51 per cent or more of the voting shares of The Chester National Bank, Chester, New York ("Bank").

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

Applicant, organized under British law, is engaged primarily in second mortgage lending through offices in London and Glasgow, Scotland and holds deposits of \$94.7 million.¹ Applicant also controls four nonbank subsidiaries; neither

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

Applicant nor its subsidiaries engage in business activity within the United States.

Bank, which controls deposits of \$45.3 million, operates in both the Middletown and Mid-Hudson markets. It is the sixth largest of 15 banks in the Middletown market and the nineteenth largest of 26 banks in the Mid-Hudson market. It controls 6.0 per cent and 1.1 per cent of total deposits in those two markets, respectively.

The proposed plan of acquisition includes a tender offer to all common shareholders of Bank to acquire up to 51 per cent of total outstanding shares of Bank. As British exchange controls restrict investments in a foreign bank by organizations such as Applicant (which is not considered a "bank" for exchange control purposes) to 20 per cent of a foreign bank's total shares outstanding, Applicant will divest all shares acquired over 20 per cent to its institutional shareholders. Applicant will then propose a rights offering, whereby all shareholders of Bank's common stock will be entitled to purchase an additional share for each share held. All unexercised rights will be publicly auctioned and Applicant and its institutional shareholders will be free to purchase rights so auctioned and therefore increase their combined holdings (Applicant would still hold 20 per cent; the overage to be assumed by the institutional shareholders).

Since Applicant does no business in the United States, it is clear that consummation of the proposal would eliminate no existing or likely potential competition between Applicant and Bank. Adequate banking services are presently offered in the relevant market area. Bank presently provides limited retail banking services and Applicant's proposal to offer its expertise in international financing would at best be of limited benefit to Bank and its customers. Thus, the convenience and needs of the community will be minimally served by approval of the application.

The managerial and financial resources of Applicant are generally satisfactory, while those of Bank are considered fair. Bank is somewhat undercapitalized and Applicant plans to meet its capital needs. Banking factor considerations lend only slight weight toward approval of the application.

On the basis of the record, the application is approved for the reasons set forth in the Board's Order of this date. The transaction shall not be made (a) before the thirtieth calendar day following the effective date of this Order or (b) later than three months after the effective date of this

Order, unless such period is extended for good cause by the Board or by the Federal Reserve Bank of New York pursuant to delegated authority.

By order of the Board of Governors, effective December 10, 1973.

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

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

DISSENTING STATEMENT OF
GOVERNOR BRIMMER

I would disapprove the application by Cedar Holdings Limited, Bankers, to acquire The Chester National Bank. I would do so because I see no public benefits to support approval while there are some risks that adverse effects may result.

The fact that Applicant will control only 20 per cent of the common stock of Bank makes it clear that the proposed acquisition is more an investment undertaking than a serious commitment to the business of managing and controlling banks. As I have previously stated (59 Federal Reserve BULLETIN 456 (1973)), such an undertaking is not an appropriate activity for a holding company, is contrary to the intent of the 1970 Amendments, and performs a disservice to the interest of stockholders of the acquired bank and to other holding companies. On this basis alone, the application should be denied.

Further, the Board generally has required that an Applicant demonstrate that it will be a source of strength for its subsidiary bank. It is improbable—given Applicant's investment orientation toward Bank and the circumstances of this application—that Applicant will be such a source of strength. While it is true that Applicant plans to alleviate Bank's immediate capital deficiency, there is little evidence that improvements in the overall condition of Bank are a reasonable prospect. Applicant has signed seven year employment contracts with two of the present senior officers of Bank. Applicant does not propose to allocate any of its managerial resources to Bank on a full-time basis. Instead, it will merely send representatives from London as necessary. Since the expertise which Applicant plans to make available to Bank is in the field of international finance, neither the representatives sent to aid Bank nor any other proposed assistance will be of more than minimal benefit to Bank. Therefore, it seems that

the overall condition and operation of Bank will in no way be improved by Applicant's plan of acquisition. Since I discern no public benefits in this application, I would not find approval to be in the public interest.

CENTRAL BANCSHARES OF THE SOUTH,
INC., BIRMINGHAM, ALABAMA

ORDER APPROVING ACQUISITION OF BANK

Central Bancshares of the South, Inc., Birmingham, Alabama, a bank holding company within the meaning of the Bank Holding Company Act, has applied for the Board's approval under § 3(a)(3) of the Act (12 U.S.C. 1842(a)(3)) to acquire all of the voting shares of The Sumiton Bank, Sumiton, Alabama ("Bank").

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

Applicant controls eight banks with aggregate deposits of about \$717 million, representing approximately 10 per cent of total commercial bank deposits in Alabama, and is the third largest banking organization in the State. (Banking data are as of June 30, 1973, adjusted to reflect holding company formations and acquisitions approved by the Board through November 30, 1973.) Acquisition of Bank (deposits of \$4.3 million) would increase Applicant's share of State deposits by less than one percentage point.

Bank, the only bank in the town of Sumiton, ranks as the sixth largest of seven banking organizations in the relevant market area (approximated by Walker County, Alabama) with 5.5 per cent of the market deposits. Applicant's closest banking subsidiary has a branch located 25 miles east of Bank, and there is no significant existing competition between the two institutions. Furthermore, it appears unlikely that any significant competition would develop in the future due to the distances separating the banking offices and the size of Bank. The Board concludes that consummation of the proposal would not have any adverse effects on existing or potential competition, nor on any competing bank.

The financial and managerial resources and prospects of Applicant and its subsidiary banks are satisfactory. Applicant has already supplied Bank

with management assistance in order to alleviate previously existing managerial problems, and the continued managerial assistance which Bank will receive as a subsidiary of Applicant should strengthen Bank and enhance its financial resources and future prospects. Therefore, banking factors lend weight toward approval of the application. In view of the fact that affiliation with Applicant will enable Bank to meet the borrowing needs of its larger commercial customers, considerations relating to the convenience and needs of the community to be served are consistent with approval of the application. It is the Board's judgment that consummation of the proposed transaction would be in the public interest and that the application should be approved.

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

By order of the Board of Governors, effective December 20, 1973.

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

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

[SEAL]

DISSENTING STATEMENT OF
GOVERNOR BRIMMER

I disagree with the action taken by the majority of the Board on this application by Central Bancshares of the South, Inc., to acquire The Sumiton Bank. In approving the proposed acquisition, the majority has sanctioned a covenant not to compete entered into by Applicant and the directors of Bank. The covenant, contained in an agreement by the directors to sell Applicant their Bank stock, restricts the directors from entering the banking business in Walker County, Alabama, or any contiguous county, for a period of two years. In effect, such action would preclude for a period of two years the possibility of these individuals undertaking to provide an alternative source of banking services in the relevant market (as well as contiguous markets) in which Applicant would offer such services through Bank. In my opinion, such agreements are anticompetitive and should not be

sanctioned by the Board. For this reason, I would deny this application.

D. H. BALDWIN COMPANY,
CINCINNATI, OHIO

ORDER APPROVING ACQUISITION OF BANKS

D. H. Baldwin Company, Cincinnati, 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 80 per cent or more of the voting shares of Central Colorado Bancorp, Inc., Colorado Springs, Colorado ("Bancorp"), and thereby indirectly to acquire State Bank of Greeley, Greeley, Colorado; Rocky Ford National Bank, Rocky Ford, Colorado; and Central Colorado Bank of Colorado Springs and The Academy Boulevard Bank of Colorado Springs, Colorado Springs, Colorado.

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

Applicant controls six banks with combined deposits of \$442.3 million, representing 7.4 per cent of the total commercial bank deposits in Colorado, and ranks as the fifth largest banking organization in the State. (All banking data are as of December 31, 1972, and reflect acquisitions approved through October 31, 1973, including five new acquisitions approved by the Board on September 28, 1973.) Bancorp, through its four banking subsidiaries, controls \$65.7 million in deposits in the State and ranks as the ninth largest banking organization in Colorado. The acquisition of Bancorp would increase Applicant's total deposits to \$508 million, or 8.4 per cent of the total commercial bank deposits in the State. Applicant would remain the fifth largest banking organization in Colorado, controlling a statewide network of ten banks.

Bancorp's two subsidiary banks in the Colorado Springs banking market control \$56.6 million in deposits which represents 12.7 per cent of the total commercial bank deposits in this market. Bancorp ranks as the fourth largest of 15 banking organizations in the market. Applicant's nearest banking or nonbank financial subsidiary is 70 miles away in Denver, and it does not appear that the proposed

acquisition will eliminate any significant existing competition between Applicant's subsidiaries and those of Bancorp. Nor will the proposed acquisition increase the concentration of the market.

The rapid growth of the Colorado Springs area has made the Colorado Springs banking market an attractive market for foothold or *de novo* entry. Applicant, as one of the few large banking organizations in the State which is not present in the market, appears to have the capability to enter the market *de novo*. Therefore, some potential competition will be eliminated by this proposed acquisition. In view of the expected growth of the market, the number of independent banks therein which might serve as a foothold entry, and the fact that two of the State's largest holding companies recently entered the market through acquisition of smaller banks, it does not appear that Applicant's indirect acquisition of Bancorp's two Colorado Springs banking subsidiaries would have a significantly adverse effect on future competition in the Colorado Springs area.

Bancorp has one banking subsidiary in the Rocky Ford market area. This subsidiary, Rocky Ford National Bank (deposits of \$6.7 million), ranks second of the four banks in the market with 21.5 per cent of total market deposits. Since Applicant's nearest banking or financial subsidiary is over 150 miles away, this proposed acquisition will result in no elimination of existing competition between Rocky Ford National Bank and any subsidiary of Applicant. The area's lack of growth and the distance involved make it unlikely that Applicant would seek *de novo* entry into the market. In the Board's judgment, there would be no elimination of substantial potential competition through Applicant's acquisition of Bancorp's Rocky Ford subsidiary.

Bancorp's fourth banking subsidiary is the State Bank of Greeley ("State Bank"), (deposits of \$2.8 million), the smallest of six banks in Greeley. Applicant's nearest banking subsidiary is located in Denver, 54 miles away; and there is no existing competition between Applicant's banking subsidiaries and the State Bank of Greeley. Since the other five banks in Greeley are subsidiaries of the State's three largest holding companies and since the area is still in large part agricultural, it is not a promising market for a *de novo* expansion.

Applicant's nonbank financial subsidiary, Empire Savings and Loan (assets of \$307.6 million), has a small office in Greeley. Empire's Greeley office has total savings deposits of \$13.2 million and ranks second of the savings and loan compa-

nies in Greeley. There is little direct competition between Empire and State Bank, however. State Bank's size and inability to extend real estate loans on a long term basis precludes it from any significant mortgage lending, which is Empire's main activity. Thus, the proposed indirect acquisition of State Bank will not result in the elimination of any significant existing competition.

State Bank may eventually increase in size and develop into an active mortgage lender, but Applicant must divest its interest in Empire by 1980 unless the Board approves retention of such interest prior to that date. It appears unlikely that any significant potential competition between State Bank and Empire will be eliminated through consummation of the proposal. Empire has no offices and does not compete in the other markets in which Bancorp's subsidiary banks are located.

The financial condition of Applicant and its subsidiaries is satisfactory. Bancorp's need for funds for debt servicing, however, has not permitted sufficient retention of earnings by Bancorp's two Colorado Springs banks to permit them to maintain capital at adequate levels. In view of Applicant's commitment to replace \$1.8 million of Bancorp's debt with equity capital and to provide an additional \$1.7 million to Bancorp to repay further indebtedness, the Board finds that financial factors lend weight to approval of this application.

There is no evidence indicating that the major banking needs of the Colorado Springs, Greeley, and Rocky Ford areas are not being adequately met by the existing institutions serving these markets. Applicant has the capability and has expressed the desire, however, to provide the capital for further improvements in the Bancorp subsidiaries, improvements which are presently limited by Bancorp's capital position. Both of Bancorp's Colorado Springs subsidiaries have expressed a need for building expansion programs which Applicant could provide. Applicant also intends to provide a unified and expanded computer program for all its subsidiaries. It should also be in position to provide the necessary expertise for such specialized services as trust services, agricultural leasing, and mortgage lending. In addition, Applicant can assist the smaller subsidiaries of Bancorp by handling an increased volume of overline participation loans. Considerations relating to the convenience and needs of the communities to be served lend weight to approval of the application. It is the Board's judgment that considerations relating to banking factors and convenience and needs of the communities to be served outweigh

the slight adverse competitive effects of the proposed acquisition and that the proposed transaction is in the public interest and should be approved.

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

By order of the Board of Governors, effective December 5, 1973.

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

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

DISSENTING STATEMENT OF
GOVERNOR MITCHELL

I would deny the application by D. H. Baldwin Company to acquire Central Colorado Bancorp, Inc. ("Bancorp"). It is my view that the proposed acquisition of Bancorp is without the positive public interest factors necessary to outweigh the transaction's adverse effects on competition. There is no showing that Bancorp's affiliation with Applicant would benefit the convenience and needs of the communities Bancorp serves in such a manner as to offset the elimination of one of the few local multibank organizations which competes effectively against the State's larger multibank holding companies.

The majority recognizes that Applicant has the capability, proximity, and interest to enter the attractive and expanding Colorado Springs market *de novo*; and, therefore, potential competition between Applicant and Bancorp's lead bank would be eliminated. In addition, the proposed acquisition will eliminate the ninth largest banking organization in the State, and one of the nine multibank organizations in Colorado, as an independent competitor.

Section 3(c)(2) of the Bank Holding Company Act (12 U.S.C. 1842(c)(2)) provides that the Board may approve a proposal having such substantial anticompetitive consequences only if the adverse effects are:

... clearly outweighed in the public interest by the probable

effect of the transaction in meeting the convenience and needs of the community to be served

In my opinion, the financial considerations relied upon by the majority as positive public interest factors are insufficient to counterbalance the adverse competitive effects of the proposed acquisition.

Growth and earnings by Bancorp indicate it is an able competitor. At the same time, the rapid growth of its lead bank has strained the capital position of that bank, and the cash purchase of its Rocky Ford subsidiary has forced Bancorp to incur significant debt. However, Bancorp recently issued a \$1.5 million, 10-year capital debenture to temporarily alleviate the need for capital funds, and its earnings appear sufficient to continue a satisfactory amortization of this debt.

Bancorp's earnings record over the past two years places it among the top 50 per cent of all similarly sized banking organizations in the Tenth Federal Reserve District. The net income performance of its lead bank in Colorado Springs over the same period places it in the upper 25 per cent of all Tenth District Banks of similar size. In addition, the strong management of Bancorp's smaller bank subsidiaries enhances the outlook for a more significant contribution to Bancorp's consolidated income from these subsidiaries.

Bancorp's strong earning record is evidence of its ability to manage its outstanding debt. It also is an indication that Bancorp, under favorable market conditions, could float an issue of equity securities to provide further capital. Thus, any financial difficulties which Bancorp might experience can be remedied through the bank supervisory process without resort to an acquisition such as proposed here under the Bank Holding Company Act.

The evidence indicates that Bancorp can continue to be a strong regional competitor without affiliation with a larger banking organization. It can be expected to enter additional Colorado markets. All of the advantages which Applicant claims it can provide through this acquisition can eventually be provided by Bancorp itself, perhaps on a somewhat slower timetable. I can find no overwhelming need for such improvements (a building expansion program or a greater volume of overline participation loans) on an immediate basis as the majority seems to contemplate.

In short, I conclude that the anticompetitive effects of this proposal are not outweighed by "the probable effect of the transaction in meeting the convenience and needs of the community to be

served." Accordingly, I would deny the application.

DISSENTING STATEMENT OF GOVERNOR BRIMMER

I would deny the application by D. H. Baldwin Company to acquire Central Colorado Bancorp, Inc. ("Bancorp") and, thereby, to acquire indirectly four additional banks in Colorado. My views with respect to the expansion of D. H. Baldwin Company as a multibank holding company while it remains a manufacturing conglomerate have been set forth in my dissenting statement to the Board's Order of September 28, 1973, wherein Applicant was permitted to acquire five additional banks in Colorado (1973 Federal Reserve BULLETIN 752). I have held consistently that the opportunities for holding companies to engage in non-banking activities authorized by Congress through the 1970 Amendments to the Bank Holding Company Act do not give Applicant the privilege to expand as a multibank holding company while retaining sizable nonbanking interests.

I dissented to the Board's determination of June 14, 1973, that Applicant's activities relating to its musical instruments business be accorded indefinite grandfather privileges (1973 Federal Reserve BULLETIN 536). I still believe the history of the Act indicates the intention of Congress to keep the business of banking separate from other commercial enterprises and that Applicant, therefore, should be required to decide whether it wants to be a bank holding company or whether it wishes to be in the manufacturing business. Since Applicant's further expansion as a multibank holding company through this proposed acquisition is contrary to the aim of Congress in passing the Act, I would deny this application.

In addition, I concur with Governor Mitchell's statement that the acquisition of Bancorp is without the positive public interest factors necessary to outweigh the transaction's adverse effects on competition. The proposed acquisition will result in the elimination of potential competition between Applicant and Bancorp's lead bank. It will mean the elimination of the ninth largest banking organization in the State and one of nine multibank organizations in Colorado as an independent competitor. It will also permit Applicant (the only banking organization in the State to have the strong competitive advantage of affiliation with a savings and loan association) to exploit this advantage through further expansion. [See my dissent to the

Board Order of September 28, 1973 (1973 Federal Reserve BULLETIN 752), for further discussion of this point.] In my opinion, the financial considerations relied upon by the majority as positive public interest factors under § 3(c)(2) of the Act are insufficient to counterbalance the adverse competitive effects of the proposed acquisition.

Although the rapid growth of Bancorp's lead bank has strained the capital position of that bank and the cash acquisition of its Rocky Ford subsidiary has forced Bancorp to incur significant debt, the favorable earnings record of Bancorp is an indication that it can manage these problems. Over the last two years, Bancorp's lead bank in Colorado Springs has ranked in the upper 25 per cent of all Tenth District Banks of similar size in terms of its net income performance. The strong management of Bancorp's other subsidiary banks gives every indication that they will be able to make a more significant contribution to Bancorp's consolidated income in the future.

Moreover, I have consistently held that it is not proper to use the Act as a means to acquire banks simply because they are experiencing some financial difficulties. I stated in my dissents to the applications of State Street Boston Financial Corporation to acquire Union National Bank (1973 Federal Reserve BULLETIN 526) and D. H. Baldwin Company to acquire five Colorado banks (1973 Federal Reserve BULLETIN 752) that I would look to other bank supervisory agencies to remedy such financial problems. Accordingly, any difficulties which Bancorp might experience in maintaining adequate capital levels or amortizing its debt can and should be handled by the bank supervisory process.

The evidence indicates that Bancorp can continue to be a strong regional competitor without affiliation with a larger holding company. It can be expected to enter other Colorado markets. I can find no advantages which Applicant would provide which would outweigh the adverse competitive effects of this proposal.

Since this proposed acquisition would permit the expansion of a multibank holding company which retains significant manufacturing and other non-banking interests in contravention of Congressional intent in enacting the 1970 Amendments to the Bank Holding Company Act and since the adverse competitive effects of the proposal are not outweighed by "the probable effect of the transaction in meeting the convenience and needs of the community to be served" as required by § 3(c)(2) of the Act, I would deny the application.

FIRST INTERNATIONAL BANCSHARES, INC., DALLAS, TEXAS

ORDER DENYING ACQUISITION OF BANK

First International Bancshares, Inc., Dallas, Texas, a bank holding company within the meaning of the Bank Holding Company Act, has applied for the Board's approval under § 3(a)(3) of the Act (12 U.S.C. 1842(a)(3)) to acquire all of the voting shares (less directors' qualifying shares) of the successor by merger to *Citizens First National Bank of Tyler, Tyler, Texas* ("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 shares of the successor organization is treated herein as the proposed acquisition of the shares of Bank.

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

Applicant is the largest banking organization and bank holding company in Texas, and has been following an aggressive program of expansion through the acquisition of subsidiary banks. The current phase of Applicant's expansion program involves entry into a number of the secondary SMSA markets¹ in Texas through acquisition of a major bank in each market it plans to enter. This pattern is evidenced by the recent acquisitions of Applicant as shown on the attached Table I.

Section 3(c) of the Act provides, in part, that the Board not approve any proposed acquisition, the effect of which, in any section of the country, *may be substantially to lessen competition or to tend to create a monopoly, or which in any other manner would be in restraint of trade, unless the Board finds that the anticompetitive effects of the transaction are clearly outweighed in the public interest by the probable effect of the transaction in meeting the convenience and needs of the community to be served.* [Emphasis added.]

In 1970, the five largest banking organizations

¹A secondary SMSA market in Texas is defined as an SMSA market other than Texas' four largest SMSA markets, i.e., other than the Dallas, Fort Worth, Houston, and San Antonio SMSA markets.

in Texas,² held aggregate deposits of approximately \$5.8 billion, or 22 per cent of the total commercial bank deposits in the State. Today, the five largest banking organizations in the State (each a multi-bank holding company)³ hold aggregate deposits approximating \$10.6 billion, or almost 31 per cent of the total commercial bank deposits in the State.⁴ This increase in the concentration of the State's commercial bank deposits held by the largest banking organizations in Texas represents a trend which, in the Board's view, has proceeded to an extent that is a cause for concern.

There are presently some 24 multi-bank holding companies in Texas, which together control \$17 billion in deposits, or 49 per cent of all commercial bank deposits in the State. The five largest of these banking organizations control almost two-thirds of all deposits controlled by the State's bank holding companies. The Board is concerned over the present size disparity among the State's bank holding companies and the likelihood that this disparity may become greater in the future by virtue of the present acquisition policy. The Board is not required to await the development of undue concentration among bank holding companies in Texas before it intervenes. Indeed, the underlying purpose of the Clayton Act, as incorporated in the Bank Holding Company Act, is to break the force of a trend toward undue concentration before it gathers momentum. (See *Brown Shoe Co. v. United States*, 370 U.S. 294, 317-18). It is, therefore, the tendency toward undue concentration the Board must guard against when viewing the probable effect of an acquisition upon future competition in a banking market.

Applicant's proposal would affiliate the largest commercial bank in the Tyler SMSA banking market with Applicant's 15 present subsidiary banks (with aggregate deposits of \$2.8 billion) and Applicant's four nonsubsidiary banks (with aggregate deposits of \$41.9 million). There is no significant existing competition between Bank and Applicant's present and prospective banking subsidiaries. Applicant's banking subsidiary closest to Bank is located in Dallas, about 104 miles from Tyler. Accordingly, the Board concludes that no

significant existing competition would be eliminated between Bank and Applicant's banking subsidiaries upon consummation of this proposal.

The three largest of the nine banks in the Tyler market hold 82 per cent of the area's total commercial bank deposits, and 75 per cent of the area's total IPC deposits in accounts of \$100,000 or less. Bank presently controls 30 per cent of the total commercial bank deposits in the Tyler market, while the second and third largest banks control, respectively, 29 and 23 per cent of such deposits. In addition, these three banks together control a sizable block of the voting shares of the fourth largest bank in the Tyler market.⁵ The future prospects of the Tyler market appear favorable in view of the facts of record, including the population growth in the market; Tyler's geographical position as the hub for an extensive oil and lumbering area; and healthy deposit gains in all five Tyler banks, with local economic conditions favoring a continuation of this trend. It is in this context of a favorable economic market that the potential competitive effects of Applicant's proposal must be considered.

The available evidence indicates clearly that entry into the smaller metropolitan areas by the State's largest banking organizations through acquisition of the larger independent commercial banks in these areas will increase present levels of deposit concentration. It is also apparent that these markets will only become less concentrated if the major holding companies enter *de novo* or via foothold acquisitions, thereby creating *additional competition in the markets*.

The Board concludes that this proposal, for this organization, in light of previous acquisitions, would have significant adverse effects on potential competition with respect to the Tyler SMSA banking market and throughout the State. Accordingly, it is the Board's view that the competitive factors weigh against approval of this application.

The financial and managerial resources and future prospects of Bank, and of Applicant and its present subsidiary banks, are regarded as satisfactory and consistent with approval of the application. However, these factors do not outweigh the anticompetitive effects connected with this proposal. There is no indication in the record that

²Republic National Bank of Dallas; First National Bank of Dallas; First City National Bank of Houston; Texas Commerce Bank, N.A.; Bank of the Southwest.

³First International Bancshares, Inc.; First City Bancorporation of Texas, Inc.; Republic of Texas Corporation; Texas Commerce Bancshares, Inc.; Southwest Bancshares, Inc.

⁴Deposit figures are as of December 31, 1972, and reflect approved and pending acquisitions as of November 15, 1973.

⁵Bank controlled 17.8 per cent of the voting shares of Southside State Bank, Tyler, Texas, through Bank's Employees Pension Trust Fund; however, Applicant and Bank were committed to the disposition of these shares by December 3, 1973.

the banking needs of the relevant market are not being met. Accordingly, although considerations relating to the convenience and needs of the communities to be served are consistent with approval, they do not outweigh the adverse competitive effects of the proposal. It is the Board's judgment that consummation of the proposed acquisition would not be in the public interest and that the application 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, effective December 28, 1973.

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

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

{SEAL}

TABLE 1*

Recent Acquisitions of First International Bancshares, Inc

Name of Bank (Date of Approval)	SMSA Market	Bank Size Total Deposits (\$ Millions)	Market Share (%)	Market Rank	Number of Banks in Market	Three Bank Con- cen- tration (%)
Temple National Bank, Temple Texas (5/25/73)	Killeen- Temple	56.1	21.4	1st	15	60
The State National Bank of Denison, Denison, Texas (6/25/73)	Sherman- Denison	37.0	16.4	3rd	13	63
The First National Bank of Odessa, Odessa, Texas (7/3/73)	Midland- Odessa	54.0	11.1	3rd	9	73
The First National Bank of Harlingen, Harlingen, Texas (7/3/73)	Brownsville- Harlingen San Benito	62.7	23	2nd	9	66
Citizens National Bank in Abilene, Abilene, Texas 9/17/73)	Abilene	88.1	26.4	2nd	15	73
First Hutchings- Sealy National Bank of Galveston, Galveston, Texas (9/18/73)	Galveston- Texas City	82.7	24.2	1st	13	57
Citizens First National Bank of Tyler, Tyler, Texas (present proposal)	Tyler	86	30	1st	9	82

* All banking data are as of December 31, 1972, and reflect acquisitions approved by the Board through September 30, 1973.

DISSENTING STATEMENT OF
GOVERNORS DAANE AND SHEEHAN

We would approve the application of First International Bancshares, Inc., to enter the Tyler SMSA banking market through acquisition of the Citizens First National Bank of Tyler.

While the instant proposal would give Applicant control of the largest bank in the Tyler banking market, we note that each of the three largest banks in this market are of near-equal size. Thus, approval would not give Applicant a dominant position in the market nor raise the barriers to entry for bank holding companies now outside this market. We believe the introduction of a strong and competitive holding company such as Applicant in the Tyler banking market will foster increased competition there. Furthermore, Citizens has divested a substantial block of shares in the fourth largest bank in order to eliminate a potentially adverse factor from the consideration of this application; we deem this action to be procompetitive.

There are significant benefits that would flow to the banking public through approval of this proposal. Applicant has specialized divisions within its organization which deal with data processing, international trade financing, and the unique problems of the petroleum industry. Bank and its customers would be able to draw upon Applicant's expertise in each of these areas. Moreover, the entire community would benefit from Bank's increased lending capacity. Thus, we conclude that the convenience and needs of the Tyler area would be significantly improved upon approval of this proposal, and that the benefits derived from the acquisition outweigh whatever anticompetitive effects that the majority find exist.

It is apparent from reviewing the recent growth of other banking organizations in Texas that Applicant's competitors have been equally active in the acquisition of banks in secondary SMSA's. However, none of the five largest bank holding companies in Texas has acquired a dominant position in a secondary SMSA, nor have their acquisitions to date foreclosed the opportunity for other State-wide or regional bank holding companies to develop in Texas.

Finally, the majority states: "There is no indication in the record that the banking needs of the relevant market are not being met." We believe, however, that approval would serve in a modest way—to foster the economic development of Texas, as well as the Southwest region of the

United States, by encouraging the development of "local" institutions which are capable of serving the growing domestic and international interests of Texas corporations *not now being met by Texas banking institutions*. The large industrial organizations in Texas have a strong need for the kind of financial services that can best be fulfilled by large wholesale banking organizations. The development in Texas, of large wholesale banking institutions, capable of competing with similar institutions in the major money centers, can only be fostered through acquisitions of smaller banks. Such acquisitions will not injure competition at the retail level in local markets. It is estimated that the State's banking industry is losing a billion dollars a year in potential business to out-of-State banks, primarily because Texas banks are not large enough to compete effectively with the major money center banks and cannot provide loans and services adequate to meet demand.¹ We believe that the continued growth of Texas banking organizations is necessary if they are to compete effectively in the nation's major money centers.

FLORIDA NATIONAL BANKS OF FLORIDA, JACKSONVILLE, FLORIDA

ORDER APPROVING ACQUISITION OF BANK

Florida National Banks of Florida, 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 90 per cent or more of the voting shares of Northside Bank of Miami, Miami, Florida ("Miami Bank").

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

Applicant, the fifth largest banking organization in Florida has deposits of \$1,186.1 million representing 6 per cent of total deposits in commercial banks in the State, and controls 32 banks located

throughout Florida.¹ Upon acquisition of Miami Bank (deposits of \$10.6 million), Applicant's share of deposits in the State would increase by 0.1 percentage point and its rank among banking organizations in the State would be unchanged.²

Miami Bank is located in the Greater Miami Banking Market which includes all of Dade County and portions of southern Broward County, Florida. Miami Bank controls approximately 0.3 per cent of the deposits in commercial banks in the market. Three of Applicant's subsidiary banks are located in this market and control a total of approximately \$227 million of deposits, representing approximately 4.6 per cent of deposits in commercial banks in the Miami market. Applicant's two subsidiary banks closest to Miami Bank are located, respectively, approximately three miles north and eight miles south of Miami Bank. Some direct competition exists between Miami Bank and all three of Applicant's Miami area subsidiary banks, some direct competition would be eliminated as a result of consummation of Applicant's proposal. Miami Bank derives more than 65 per cent of its total deposits and approximately 60 per cent of its total loans from the area served by Applicant's second largest subsidiary bank, Florida National Bank and Trust Company, Miami, Florida (deposits of about \$164 million).

In the circumstances of this matter, particularly Miami Bank's relatively small size, and the large number of competing banks located in the Miami area, elimination of Miami Bank as a competitor of Applicant would have only a slightly adverse effect on existing competition in this market and a minimal effect on the concentration of banking resources in this area. Moreover, acquisition of Miami Bank by Applicant may serve to increase future competition among the largest banking organizations in the Miami area where Applicant ranks seventh, with control of approximately 5 per cent of deposits. The largest banking organization in this market controls more than 23 per cent of

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

²By Notice dated July 5, 1973, the Board informed the Trustees of the Alfred I. duPont Testamentary Trust that the Board had made a preliminary determination that the Trust exercised control and/or a controlling influence over Applicant. Upon the Trust's failure to contest this determination, and after notice of its willingness to divest its share holdings in Applicant, the Board ordered the Trust to divest its holdings in Applicant (constituting approximately 24.7 per cent of Applicant's outstanding voting shares) as early as possible but in no case later than December 31, 1974. (Determination and Order for Divestiture of Control dated October 15, 1973.) Details of the Trust's divestiture plan have not yet been approved by the Board.

¹Federal Reserve Bank of Dallas *Business Review*, October 1973, p. 7.

bank deposits and each of the next two largest organizations controls approximately 9 per cent of bank deposits.

On the basis of the record before it, the Board concludes that consummation of the proposal herein would not substantially lessen competition nor have a significant adverse effect on competition and may, in fact, have a beneficial effect upon the development of future competition among banking organizations in the Miami area.

The financial condition and managerial resources and prospects of Applicant and its subsidiary banks are regarded as generally satisfactory. These factors as they relate to Miami Bank are regarded as consistent with approval. Affiliation with Applicant should enable Miami Bank to draw upon the additional financial and managerial resources of Applicant. Although there is no evidence in the record that the banking needs of the Miami area are going unserved, consummation of the proposed acquisition should enable Miami Bank to expand the quality and range of its banking services, including consumer finance, financial counseling, computer and trust services presently offered by Applicant's subsidiary banks. Considerations relating to the convenience and needs of the Miami area are consistent with approval.

In light of the Board's Determination and Order for Divestiture of Control of Florida National Banks of Florida, Inc., issued on October 15, 1973, requiring the Alfred I. duPont Trust to divest its share holdings of Applicant, an acquisition by Applicant would be regarded by the Board as an acquisition by the duPont Trust, a "company" engaged in nonpermissible activities under the provisions of the Bank Holding Company Act. However, the duPont Trust, through its Trustees, has formally committed itself to divest its holdings of shares of Applicant as soon as possible but in no event later than December 31, 1974; and pursuant to the Board's Determination and Order of October 15, 1973, the duPont Trustees are required to submit to the Board a plan of divestiture containing provisions to assure termination of the control and/or the controlling influence found to exist. In view of the duPont Trust commitment to divest control of Applicant and in light of the Board's requirement that an appropriate plan of divestiture be submitted to the Board, the Board concludes that the proposed acquisition may go forward, provided, however, that the transaction shall not be executed prior to approval by the Board of a plan of divestiture by the duPont Trust of control of Applicant.

On the basis of the record, the application is approved for the reasons summarized above and subject to prior approval by the Board of a plan of divestiture by the duPont Trust of control of Applicant. In addition to the condition so imposed, the transaction shall not be made (a) before the thirtieth calendar day following the effective date of this Order or (b) later than three months after the effective date of this Order, unless such period is extended for good cause by the Board, or by the Federal Reserve Bank of Atlanta pursuant to delegated authority.

By order of the Board of Governors, effective December 20, 1973.

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

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

CAPITAL NATIONAL CORPORATION,
HOUSTON, TEXAS

ORDER APPROVING MERGER OF BANK HOLDING
COMPANIES

Capital National Corporation ("Applicant"), Houston, Texas, a bank holding company within the meaning of the Bank Holding Company Act, has applied for the Board's approval under § 3(a)(5) of the Act (12 U.S.C. 1842(a)(5)) to merge with Federated Texas Bancorporation, ("Federated"), San Antonio, Texas, under the certificate of incorporation of Applicant. The name of the corporation will be changed to Federated Capital Corporation on the effective date of the merger.

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

Applicant, the twenty-third largest banking organization in Texas, controls one bank with deposits of about \$219 million, representing .6 per cent of total commercial bank deposits in the State.¹ Federated controls three banks with total deposits of approximately \$580 million and ranks

¹Deposit data are as of June 30, 1973, and reflect acquisitions approved through October 31, 1973.

as the ninth largest banking organization in Texas, controlling 1.7 per cent of the total commercial deposits in the State. Upon consummation of the proposal, the resulting holding company would control about 2.3 per cent of total commercial bank deposits in the State, making it the seventh largest holding company in Texas.

Applicant's one subsidiary bank, Capital National Bank, is located in Houston where it is the sixth largest bank in the market, controlling 2.3 per cent of the market deposits.² Federated's subsidiary banks operate in three distinct markets. Corpus Christi State National Bank is the largest of the 26 banks competing in the Corpus Christi market and holds about 31.2 per cent of the total deposits in the market. The Alamo National Bank of San Antonio, which controls about 10 per cent of the deposits in the San Antonio SMSA, is the third largest bank in that market. American National Bank of Austin is the fourth largest bank in its market and holds about 15.2 per cent of total deposits.

Consummation of the proposed merger would not appear to have an adverse effect on existing competition since the distance separating Applicant's subsidiary bank from Federated's closest subsidiary is about 160 miles. In addition, it does not appear that the proposal will have significantly adverse effects on potential competition. Applicant does not appear to possess the resources for meaningful entry into any of the markets now served by any of the banking subsidiaries of Federated. While Federated probably could gain access to the Houston market through means other than its combination with Applicant, this factor alone does not provide sufficient grounds for denial in view of the large number (over 130) of banks in the Houston market, as well as the fact that Applicant does not occupy a dominant position in that market. On the other hand, the proposed merger should result in the development of a new state-wide holding company with the financial resources to compete effectively with the State's largest bank holding companies. The Board con-

cludes, therefore, that the competitive factors are consistent with, and lend some weight toward, approval of the application.

The financial condition, managerial resources, and prospects of Applicant, Federated and their subsidiary banks are considered to be generally satisfactory. Applicant has committed itself to injecting an additional \$2 million in the capital account of Capital National Bank, which should have the effect of strengthening the overall financial condition of the resulting bank holding company. These factors, therefore, are regarded by the Board as being consistent with approval of the proposal.

There is no evidence in the record that the banking needs of the markets involved are not being adequately served. However, the international financial capabilities of Applicant will be expanded through the combination of Alamo National Bank's Latin American expertise and Capital National's European experience. Considerations relating to the convenience and needs of the communities to be served are, therefore, consistent with approval. It is the Board's judgment that execution of the proposed merger is in the public interest and that the application should be approved.

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

By order of the Board of Governors, effective December 28, 1973.

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

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

CONCURRING STATEMENT OF
GOVERNOR BRIMMER

I concur in the Board's action approving Capital National Corporation's application to merge with Federated Texas Bancorporation. However, I want to emphasize one of the factors relied upon by the Board which I feel strongly supports our approval of this application and distinguishes it from some other proposals which have arisen in Texas.

²Applicant also owns approximately 24 per cent of Northwest National Bank, Houston, Texas, (deposits approximately \$25 million). The Board's action herein does not constitute a determination that this bank is or may become a subsidiary of Applicant; nor does the action herein indicate that the Board would in the future permit Applicant to acquire directly or indirectly any additional shares of this bank. However, the determination herein does not preclude the Board from determining that Applicant exercises a controlling influence over the management or policies of the bank within the meaning of § 2(a)(2)(C) of the Act.

I refer specifically to the fact that the surviving corporation will be a medium-sized holding company formed by large—but by no means the largest—banks in a State where significantly larger banking organizations have been mainly responsible for expansion.

An examination of the deposit data for the State of Texas indicates that each of the four largest holding companies controls between 5 per cent and 7.5 per cent of the total commercial deposits. Each of the next five largest holding companies controls between 2 per cent and 3 per cent of total commercial deposits. This second group includes the new Federated Capital Corporation which will control approximately 2.3 per cent of total commercial deposits. The combination of Federated's financial resources and Capital National's location in the Houston market should enable the new holding company to compete vigorously with the larger banking organizations.

I would contrast this merger with the Board's approval of the application of First International Bancshares to become a bank holding company through the acquisition of the shares of the second largest bank in Dallas and the fifth largest bank in Houston. (1972 Federal Reserve BULLETIN 1028).

In my dissent from the Board's approval of that application I expressed my belief that any action cementing the ties among the large banks in the State's two largest financial centers would encourage a concentration of resources in the banking industry. I stated that I favored the continuing independence of banks with deposits of \$100 million or more or, alternatively, the formation of their own holding companies. Therefore, the approval of this application is consistent with the opinion expressed in my dissent.

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

**DOMINION BANKSHARES CORPORATION
ROANOKE, VIRGINIA**

ORDER DENYING ACQUISITION OF BANK

Dominion Bankshares Corporation, Roanoke, Virginia, a bank holding company within the meaning of the Bank Holding Company Act, has applied for the Board's approval under § 3(a)(3) of the Act (12 U.S.C. 1842(a)(3)) to acquire all of the voting shares of the successor by merger to The Bank of Fincastle ("Bank"), Fincastle, Virginia. 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 shares of the successor organization is treated herein as the proposed acquisition of the shares of Bank.

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

Applicant, the fifth largest banking organization in Virginia, controls nine banks with aggregate deposits of approximately \$840 million, representing 7.4 per cent of the total deposits of commercial banks in the State.¹ Approval of this application would not significantly increase Applicant's share of Statewide deposits or change Applicant's ranking among Virginia banking organizations.

Bank (\$5.6 million in deposits) is the ninth largest of 15 banks in the Roanoke banking market, which is approximated by the Roanoke SMSA, and controls .8 per cent of deposits in that market. Bank's main office and only branch are located in Botetourt County, which comprises the northeast part of the Roanoke SMSA. Although Applicant's acquisition of Bank would increase its share of market deposits by only .8 percentage points, this would aggravate the high level of deposit concentration in the market (the four largest banking organizations presently control over 85 per cent of market deposits). Furthermore, Applicant's lead bank, First National Exchange Bank ("Exchange Bank") controls 43.6 per cent of total market deposits and is clearly the predominant banking organization in the Roanoke SMSA. The second and third largest banks in the market are less than one-half and one-third the size of Exchange Bank, controlling 18.6 per cent and 13.6 per cent of market deposits, respectively. Exchange Bank is restricted from branching into Botetourt County; however, Exchange Bank has 15 banking offices within 20 miles of Bank's branch, with the closest office being 4.7 miles from Bank's Daleville branch with no other banking office intervening. It appears that Exchange Bank

¹All banking data are as of June 30, 1973, and reflect bank holding company formations and acquisitions approved by the Board through November 30, 1973.

derives a significant dollar volume of loans and deposits from Bank's primary service area. Although the loans and deposits derived from Bank's primary service area represent a relatively small percentage of Exchange Bank's total loans and deposits, they represent, respectively, approximately 110 and 87 per cent of the total loans and deposit dollar volume that Bank derives from its own primary service area. Further, Bank derives approximately 8 per cent of its deposits and 4 per cent of its loans from Exchange Bank's service area. Accordingly, on the basis of these and other facts of record, the Board concludes that significant existing competition would be eliminated upon consummation of this proposal.

The acquisition of Bank by a banking organization not presently represented in this part of the Roanoke SMSA banking market, without the percentage of deposits that Applicant controls in this market, could have a beneficial effect on competition in this area. The Board therefore finds that it is likely that the proposed acquisition would have significant adverse effects on the relevant banking market by increasing deposit concentration and removing a banking alternative therein, by eliminating existing competition, and by foreclosing the possibility that Bank could serve as a potential means of entry by other banking organizations not presently represented in the market. Accordingly, competitive considerations require denial of this application unless the anticompetitive effects of the proposal are outweighed by benefits to the public in meeting the convenience and needs of the communities to be served.

The financial and managerial resources of Applicant and its subsidiaries, and Bank, are satisfactory, and future prospects appear favorable. Thus, banking factors are consistent with approval but provide no significant support for such action. There is no evidence in the record to suggest that the banking needs of the communities to be served are not presently being met by existing financial institutions. Although Applicant proposes to assist Bank in expanding and improving its services, it appears that none of the proposed additions or improvements is of such import or benefit to the public that they would override the adverse effects this proposal would have on competition in the Roanoke area. It is the Board's judgment that consummation of the proposed acquisition would not be in the public interest and that the application 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, effective December 21, 1973.

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

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

FIRST NATIONAL CITY CORPORATION
NEW YORK, NEW YORK

ORDER DENYING RETENTION OF ADVANCE
MORTGAGE CORPORATION

First National City Corporation, New York, New York, a bank holding company within the meaning of the Bank Holding Company Act of 1956, has applied for the Board's approval, under § 4(c)(8) of the Act and § 225.4(b)(2) of the Board's Regulation Y, to retain all of the voting shares of Advance Mortgage Corporation, Southfield, Michigan ("Advance").¹ Advance engages in the origination and placement of 1-4 family residential mortgage loans, loans on apartments and other income-producing properties, and construction loans; Advance also services mortgage loans for institutional investors. Such activities have been determined by the Board to be closely related to the business of banking (12 CFR 225.4(a)(1) and (3)).

Notice of the application, affording opportunity for interested persons to submit comments and views on the public interest factors, has been duly published (38 Federal Register 8193). The time for filing comments and views has expired; and the Board has considered all comments received in light of the public interest factors set forth in § 4(c)(8) of the Act (12 U.S.C. 1843(c)).

Applicant, a multibank holding company, is the second largest banking organization in New York State, and the third largest nationally. Applicant controls the First National City Bank, New York, New York ("Bank"), and six other commercial banks which, collectively, hold \$15.5 billion of domestic deposits,² representing 14.1 per cent of total deposits in commercial banks in New York State. Applicant's total consolidated assets amount to \$34.4 billion; assets of Bank represent 97 per

¹Such shares were purchased by Applicant in July, 1970, and, under the provisions of § 4(a)(2) of the Act, may not be retained beyond December 31, 1980, without Board approval.

²Deposit data as of June 30, 1973.

cent (\$33.5 billion) of this total.³ During the 5-year period ending December 31, 1972, Applicant's consolidated assets increased by 76 per cent, consolidated net income by 96 per cent, domestic and foreign deposits by 123 per cent, and total equity capital by 21 per cent. Although much of this growth is attributable to Bank, Applicant has acquired a number of firms during this period, including six commercial banks and two consumer finance companies. Applicant's nonbanking activities include leasing, factoring, and commercial financing. It appears that Applicant is a well-managed, growing (through both external and internal expansion), profitable, and significant leader in commercial banking and finance in the United States.

Advance was and is a profitable enterprise and one of the nation's major mortgage banking companies. It maintains 32 offices in 11 States and the District of Columbia, and is represented in 20 local markets.⁴ However, its competitive influence extends to at least 35 States and the District of Columbia where its loans originate from. In addition, at offices in Chicago, Illinois, and Detroit, Michigan, Advance originated in 1969 (the last full year preceding acquisition) construction loans as well as loans on income-producing property not only in Illinois and Michigan, but also in California, Oklahoma, Texas, Montana, and other distant States. These same offices, in 1971, were brokering long-term loans on income-producing properties located throughout the United States and in Canada.

In 1969 Advance was the fourth largest mortgage company in the United States based upon a servicing volume of approximately \$1.2 billion. During that year it originated a total volume of mortgage loans of approximately \$282 million, of which \$31 million were mortgages on income-producing property, and \$22.6 million were construction loans. Also in 1969, Advance warehoused mortgage loans having a total volume of \$79.6 million. In 1971, the first full year following subject acquisition, Advance's originations of

mortgage loans totalled \$450 million. Its servicing volume had increased to \$1.5 billion and it was then warehousing mortgage loans totalling \$166.8 million. This increased activity elevated Advance to the rank of the third largest mortgage company in the United States. Moreover, based on data provided by Applicant, it appears that Advance enjoys a significant presence in each of the local markets in which it originates loans on 1-4 family residences as well as in the national markets for the origination of construction loans and loans on apartments and other income-producing properties.⁵

Applicant, through its banking subsidiaries, originates 1-4 family residential mortgage loans, primarily in New York State, and construction loans and loans on apartments and other income-producing properties in many parts of the country. Applicant does not service mortgage loans for others; nor does Applicant own a mortgage banking subsidiary other than Advance. At the time of subject acquisition, Bank was Applicant's only commercial banking subsidiary. In 1969, Bank originated \$47 million of 1-4 family residential mortgage loans, \$13.6 million of construction loans, and \$3.1 million of loans on income-producing properties. These figures increased to \$54 million, \$38.7 million, and \$6.3 million, respectively, for 1970, and to \$90 million, \$144.6 million, and \$18.1 million, respectively, for 1971. At the time of the acquisition, Bank originated no 1-4 family residential mortgage loans in areas in which offices of Advance were located; and such is the case at the present time. However, Applicant then originated construction loans and loans on income-producing property on a nationwide basis and continues to do so. Moreover, Applicant reports a substantial volume of business loans outstanding in 16 of the cities in which Advance is presently represented.⁶

³Data as of December 31, 1972.

⁴Such local markets are approximated by the various SMSA's in which Advance's offices are located. The local market concept is useful for analysis of competitive effects with respect to origination of 1-4 family residential mortgage loans. Said concept is not applicable, however, in analysis of competitive effects with respect to origination of construction loans and of loans on apartments and other income-producing property, where relevant markets tend to be nationwide in scope.

⁵It appears, for example, that Advance's volume of originations of 1-4 family residential mortgage loans, in those local markets for which figures are available, is comparable with the volumes enjoyed by those mortgage company competitors of Advance which Applicant lists among Advance's principal competitors; and that such volumes place Advance among the market leaders in most such areas.

⁶Based on figures provided by Applicant, the total of such loans, as of December 31, 1971, exceeded \$883 million. In addition, offices of Advance and of Acceptance Finance Corporation, Applicant's consumer finance subsidiary, coexist in six such cities. Moreover, Bank's San Francisco loan production office, established in 1972, is capable of originating certain mortgage loans that can also be originated by Advance's San Francisco area offices.

At the time of the acquisition, no significant direct competition existed between Applicant and Advance in the origination of 1-4 family residential mortgage loans, since 186 road miles separated Bank from Advance's closest office (Harrisburg, Pennsylvania). However, both Advance and Bank competed in the origination of construction loans and loans on income-producing properties in the national markets for such loans. In 1969, originations by Advance of loans on income-producing property amounted to about 1 per cent of the total of such originations by all mortgage companies in the United States. Advance also enjoyed about 1 per cent of the nationwide market for construction loans. Bank's loan volume was smaller than Advance's for both kinds of loans in 1969.⁷ These percentages, although relatively small, should be read in light of the fact that there are approximately 800 mortgage banking firms in the United States and only one such firm accounts for more than 2 per cent of the industry volume. Moreover, it is clear that the subject acquisition did eliminate some direct competition between Applicant and Advance in the origination of both construction loans and loans on income-producing property. The Board regards such loss of competition as an adverse factor weighing against approval of the application.

Applicant's resources gave it the capability to enter each of the local markets for 1-4 family residential mortgages served by Advance at the time of the acquisition.⁸ However, Applicant could have entered such markets either *de novo* or by acquisition of a firm less substantial in size than Advance. It appears likely that, absent subject

acquisition, Applicant would have entered some or all of the local mortgage banking markets served by Applicant either *de novo* or by the acquisition of a smaller firm. The loss of such probable future competition between a substantial potential entrant and a major competitor in various local markets as well as national markets for certain loans constitutes an adverse effect which weighs against approval of the application.⁹

The 1970 Amendments to the Bank Holding Company Act direct the Board to consider, among possible adverse effects that could arise from the affiliation of a bank holding company with a non-banking firm, the adverse effect stemming from an undue concentration of resources. This specific adverse effect is of particular concern to the Board in the instant application for, as noted, the acquisition combined the nation's third largest banking organization with the fourth largest mortgage company in the country. The affiliation created a financial organization with an immediate nationwide presence in both commercial banking and mortgage banking. The dangers which Congress feared might arise from an undue concentration of financial resources would appear to be present through the combination of one of the country's largest banking organizations with one of its largest mortgage bankers.

As noted in the Conference Report accompanying the 1970 Amendments, "the dangers of undue concentration of resources include, but are not limited to, specific competitive effects which are themselves relevant factors under the Act."¹⁰ The

⁷Since the acquisition, both Advance and Bank have substantially increased their volume of such loans; and Bank's volume of construction loans, in 1971, actually exceed that of Advance. Between 1969 and 1971, however, Advance accelerated its construction loan volume three times faster than the industry as a whole.

⁸Applicant maintains that Bank and Advance serve different product markets with respect to their originations of 1-4 family residential mortgage loans, since Advance originates primarily FHA and VA loans, whereas Bank's originations are, for the most part, conventional. We disagree. Available data indicate that the effective rates (all costs, including the cost of FHA insurance) for conventional and for FHA loans are almost identical, and the fluctuations in such rates tend to coincide. From the borrower's view point, the respective advantages and disadvantages of conventional, FHA and VA loans present competitive alternatives and, accordingly, all such loans should be regarded as reasonable substitutes for one another. This conclusion is confirmed by recent developments within the mortgage banking industry which, in early 1972, began to increase its volume of conventional loan originations by so great a factor that, in February, 1973, total industry originations of conventional loans exceeded all industry originations of either FHA or VA loans.

⁹The Conference Report accompanying the 1970 Amendments, in discussing this factor, states:

"Equally important will be adverse competitive effects which may result from a bank holding company's acquisition of a going concern with which it may not presently compete. One of the asserted justifications for permitting bank holding companies to engage in activities that the Board has determined independently to be closely related to banking, is to permit the introduction of new innovative and competitive vigor into these markets which could benefit therefrom. Where a bank holding company enters a market through acquisition of a major going concern, it may not have the incentive to compete vigorously, thereby bringing the possible benefits into play, as it would immediately succeed to what it might consider its fair share of the market. On the other hand, where a bank holding company enters a new market *de novo*, or through acquisition of a small firm, as opposed to acquisition of a substantial competitor, its desire to succeed in its new endeavor is more likely to be competitive. This legislation specifically emphasizes the importance of the manner in which a bank holding company may enter new activities. Such considerations will be particularly important in the context of expansion by bank holding companies into new geographic markets." H.R. Rep. No. 91-1747, 91st Cong., 2d Sess. 17 (1970).

¹⁰H.R. Rep. No. 91-1747, 91st Cong., 2d Sess. 17 (1970).

adverse competitive effects which are of concern to the Board have been previously noted. Another possible danger—though not the only one—arising from an undue concentration of financial resources lies in the potential for abuse of the power to grant credit, and thereby favor a holding company subsidiary over its nonbanking competitors. The record herein indicates that Applicant's loans to Advance increased by 1100 per cent between 1970 and 1972, and that such loans greatly exceeded those extended to any of Advance's competitors during the same period. This financial support following the subject acquisition permitted Advance, in no small part, to improve its position significantly within the mortgage banking industry. Consideration of the dangers of undue concentration of resources as may reasonably be found to arise from a consolidation of two financial institutions which, as here, have already achieved significant power in their respective industries, requires the Board to observe the Congressional mandate "to consider all reasonable ramifications of the concentration of resources in fulfilling its responsibilities under section 4."¹¹ It is the Board's judgment, upon consideration of the entire record, that the dangers which the Congress feared might arise from an undue concentration of resources are present in the instant application and constitute an adverse effect which weighs against approval.

Applicant has made an attempt to meet its burden of establishing public benefits which outweigh the adverse effects noted above. One such public benefit is said to be a substantial increase in the volume of Advance's origination of construction loans on apartment buildings in 1971, and that such increase was made possible largely because of "the availability of funds provided by [Applicant], primarily through use of commercial paper at lower rates than Advance could have obtained." However, construction loans made by Bank during the same period increased by an even greater margin than did those of Advance. Of equal importance, however, is the fact that originations made by Advance on 1-4 family residences during this period increased by a lesser margin than did such originations for the industry as a whole. In this respect, it would appear that whatever public benefits flowed from Advance's affiliation with Applicant were equally achievable by independent mortgage bankers in the country.

Applicant has also claimed public benefits through Applicant's recent authorization that permitted Advance to originate and warehouse \$30 million of mortgages without investor "take-out" commitments. Such a practice, Applicant maintains, has a counter-cyclical effect on the flow of funds into mortgage markets during tight money periods and is accordingly socially beneficial. However, both affiliated and independent mortgage bankers appear to warehouse an increased volume of mortgage loans during periods of tight money. Thus, the record does not permit an inference that Applicant caused Advance to originate a greater volume of mortgages during periods of tight money than it would have originated as an independent firm.

Applicant states that upon approval of this application Advance will open new offices before the end of 1974. However, considering the size and resources of Applicant, it appears that Applicant has the capability to enter all such proposed new markets without acquiring one of the nation's largest mortgage banking firms. In the Board's judgment, such entry could be accomplished either *de novo* or through the acquisition of a mortgage banking firm smaller in size than Advance. Where less anticompetitive means of entry are available and such entry is likely to increase the vigor of competition in either a local, regional, or national mortgage market, the public is likely to benefit thereby. Accordingly, the Board is unable to conclude that the overall public benefits ascribed to Advance's affiliation with Applicant are sufficient to outweigh the substantial adverse effects of the acquisition.

The Board is cognizant of the fact that Applicant, rather than await the eve of the statutory deadline of December 31, 1980, sought prompt Board approval of its retention of Advance through submission of this § 4 application. In so doing, Applicant may have denied itself the opportunity to present evidence relating to the public benefits aspect of the acquisition which could only be shown through a longer period of operation than Applicant afforded itself. Accordingly, the Board's issuance of an order herein denying Applicant's present application is without prejudice to any subsequent application Applicant may file with the Board at such time it believes more persuasive evidence is available which may tend to outweigh the anticompetitive effects of the proposal. The Board should caution Applicant, however, that its willingness to receive additional post-acquisition evidence does not imply that such

¹¹ *Ibid.*

evidence will be "given conclusive weight or allowed to override all probabilities." (See *F.T.C. v. Consolidated Foods Corp.*, 380 U.S. 592, 598.) Such post-acquisition evidence will only be deemed relevant to the extent that it is helpful in illuminating or filling in details that are otherwise difficult to evaluate at the present time.

Based upon the foregoing and other considerations reflected in the record, the Board concludes that the public interest factors the Board is required to consider under § 4(c)(8) do not outweigh the probable adverse effects, and that the application should be denied.

Accordingly, the application is herewith denied.

By order of the Board of Governors, effective December 26, 1973.

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

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

CONCURRING STATEMENT OF
GOVERNOR MITCHELL.

I have joined my colleagues in voting to deny First National City Corporation's application to retain Advance Mortgage Corporation because I agree that Applicant has not demonstrated public benefits which outweigh the adverse effects associated with this acquisition. However, my decision is based solely upon the absence of meaningful public benefits to offset the loss of present and future competition associated with the acquisition. In my view, the record does not reflect any undue concentration of resources.

It appears that Applicant was responding to a profit opportunity when it acquired Advance in July, 1970. Such a response, of course, is not improper and, other things being equal, should not be presumed to be prejudicial to the public interest. However, in enacting the 1970 Amendments to the Bank Holding Company Act, Congress determined that bank holding companies may engage in nonbanking activities pursuant to § 4(c)(8) only if such activities can reasonably be expected to produce public benefits that outweigh whatever adverse effects are associated with said activities. Thus, Congress appears to have required public benefits beyond those presumed to be associated with the pursuit of the corporate interest. Thus where adverse effects exist, Congress required something more: i.e., the public benefits emanating from the proposed activity must be discernible

and susceptible of judgment as to their significance.

Under these circumstances, it is not enough for Applicant to imply that it can make a strong mortgage company stronger, or to offer conjectural evidence regarding the effect of subject acquisition on a housing shortage perceived at the time of the acquisition. Applicant needs a stronger demonstration of lower cost, better service, or other public benefits to offset the loss of probable future competition associated with this particular acquisition. Applicant has not, in my opinion, made a sufficiently strong case for public benefits; Applicant is a competent competitor and certain of the benefits it claims as realizable would be more relevant to the issue were a differently circumstanced or smaller mortgage banking firm involved.

Since Applicant has not demonstrated public benefits needed to outweigh the adverse effects that appear from the record, I join in the Board's denial of the present application.

CONCURRING STATEMENT OF
GOVERNOR BRIMMER

I joined the majority in voting to deny First National City Corporation's application to retain Advance Mortgage Corporation; and, in general, I concur with the Board's analysis and with the language in its Order. In my view, however, the Board should not act "without prejudice to any subsequent application"; rather the Board should deny this application unequivocally and without reservation. The Board has, in effect, invited Applicant to reapply for retention if, and when, new evidence becomes available which adds credence to Applicant's claim of public benefits. Such an invitation is, in my view, inappropriate, since it is inconsistent with the purposes of the Act and encourages uncertainty regarding the meaning and effect of the Board's Order.

In denying Applicant permission to retain Advance Mortgage Corporation, the Board determined that the possible adverse effects associated with acquisition of the Nation's fourth largest mortgage company by its third largest banking organization were not outweighed by public benefits which might reasonably be expected therefrom. The legal standards applicable to this determination will be the same on December 31, 1980, the statutory deadline for retention. New data, reflecting changed economic circumstances, will not alter the fact that the acquisition, *when made*,

violated the standards of the Bank Holding Company Act.

DISSENTING STATEMENT OF
GOVERNOR SHEEHAN

I would approve the application by First National City Corporation to retain Advance Mortgage Corporation. I do not believe Applicant's size and past performance record form an adequate basis upon which the Board should bar its entry into nonbanking fields. This is particularly true where it can be shown, as here, that Applicant's operation of the acquired financial institution has permitted the latter to render superior service to the public.

Applicant and Advance, combined, hold but a small percentage of total national originations in construction loans and an equally small percentage of loans on income-producing property. For example, in 1971, Advance accounted for less than 1.1 per cent of total national originations by mortgage companies of loans on income properties and less than 0.3 per cent of all such originations by all mortgage lending institutions. Moreover, in the same year, Advance accounted for less than 0.5 per cent of total construction loan originations in the United States.¹ Originations in both of these product markets by Applicant's lead bank were similarly insubstantial. Thus the amount of direct competition actually foreclosed by this acquisition is far too minute to constitute a significant adverse effect.

The Board correctly notes that, at the time of the acquisition, Applicant and Advance did not compete in any of the same markets for the origination of 1-4 family residential mortgage loans. Moreover, in those markets in which Advance does compete, its largest share of originations of 1-4 family residential mortgages was but 5.2 per cent (Detroit, Michigan)² and 4.5 per cent (Indianapolis, Indiana).³ In Indianapolis Advance competes for such originations with approximately 30 savings and loan associations, 35 commercial banks, and 10 other mortgage companies. It faces an even greater number of competitors in Detroit.

¹Based upon Department of Housing and Urban Development data covering commercial banks, mutual savings banks, savings and loan associations, life insurance companies, mortgage investment trusts, Federal credit agencies and State and local retirement funds.

²Based upon 1969 data.

³Based upon 1971 data.

Among Advance's competitors in both cities—as well as in most other markets where Advance does business—are some of the Nation's largest mortgage bankers. Hence, it is unlikely that affiliation with Applicant would enable Advance to dominate any relevant market; and the record since acquisition indicates that no such dominance has occurred. Moreover, Advance's low market shares and the presence of so many strong competitors in each relevant market negate whatever effect the acquisition might have had on potential competition in any such market. Indeed, had Applicant sought to acquire only the Indianapolis office of Advance, I am confident that the Board would have approved the application without difficulty. Merely because additional offices were acquired in other markets does not, in my view, permit a finding of adverse competitive effects.

I have previously expressed the view—in defining the term “undue concentration of resources”—that Congress was “concerned with concentration in particular product lines and particular markets rather than generalized bigness *per se*.”¹ It appears from the legislative history of the 1970 Amendments to the Bank Holding Company Act that the legislators were not particularly concerned with the kind of “concentration” which results from acquisition of a large mortgage company by a large banking organization.

The debate on aggregate concentration of financial resources appears to have centered about a need, perceived by some in Congress, to prevent the concentration in a few hands of the power to grant credit. For this reason, concern was expressed, particularly in the House, that large banking organizations and large insurance companies might join forces to unduly concentrate control of available credit resources in the United States. For example, during debate on the House floor, Congressman Patman remarked:

In addition, serious questions were raised by several witnesses during our hearings on H.R. 6778, including leading economists, concerning the tremendous economic power that would be created by the concentration of giant insurance companies and large banks under a single holding company umbrella. The assets of commercial banks and insurance companies comprise most of the assets available for use by all the institutional investors in the United States. Insurance companies and banks combined control roughly \$865 billion or 77.2 percent of the \$1.1 trillion of institutional investors in the American economy. Commercial banks alone control \$646 billion, or 57.7 percent of this total. Various news media have

¹Concurring Statement of Governors Mitchell, Daane, and Sheehan in *BankAmerica Corporation*, 1973 Federal Reserve BULLETIN 692.

indicated possible mergers, through the holding company device, of several of the largest commercial banks and largest insurance companies in the country.⁵

In my view, mortgage banking companies differ fundamentally from insurance companies with regard to the nature and significance of their economic power. Mortgage companies, like Advance, serve merely as conduits for the dispersal of mortgage funds actually controlled by an institutional investor for whom they service loans. Insurance companies, on the other hand, are—like banks—themselves significant institutional investors who actually control credit granting resources. Therefore, I am not surprised to discover that Advance's year-end 1971 total assets were less than \$200 million.⁶ Applicant, in acquiring Advance, did not significantly increase its total financial power.⁷ Now, as before the acquisition, Advance must rely on the confidence of its institutional investors in order to maintain a competitive posture in the various markets that it serves. Moreover, the acquisition neither increased Applicant's ability to generate lendable funds nor gave Applicant control of any other investor of such funds. Congress did not express concern with the kind of forward integration reflected by the instant application. The Board, therefore, attributes too much financial power to Advance and is, for this reason, able to conclude that subject acquisition created an undue concentration of resources.

The record reflects that, since the acquisition, Advance has reduced the cost of financing FHA multifamily construction projects and has also reduced the discount on its FHA 1-4 family residential mortgages. In addition, Advance has significantly increased its total commitments, especially on construction loans, and has, in general, played a more active role in the housing market since its affiliation with Applicant. Such reduced costs and increased activity are possible because Appli-

cant, through use of its commercial paper, has provided Advance with funds at rates lower than Advance could otherwise have obtained. Affiliation thus satisfies Advance's need for funds and provides increased benefits to the public through Advance's contribution to the Nation's housing needs.

For each of the foregoing reasons, and based upon the entire record of this case, I would approve Applicant's retention of Advance Mortgage Corporation.

Governor Daane joins Governor Sheehan in voting to approve the retention application of First National City Corporation for reasons substantially as expressed in the above Dissenting Statement of Governor Sheehan.

NCNB CORPORATION,
CHARLOTTE, NORTH CAROLINA

ORDER APPROVING CONTINUATION OF CERTAIN
INSURANCE SALES ACTIVITIES

NCNB Corporation, Charlotte, North Carolina, a bank holding company within the meaning of the Bank Holding Company Act, has applied for the Board's approval, under section 4(c)(8) of the Act and § 225.4(b)(2) of the Board's Regulation Y, to continue to engage, indirectly through C. Douglas Wilson & Co. ("Wilson"), Greenville, South Carolina, in the sale, as agent, of credit life and credit health and accident insurance to mortgagors of its wholly-owned subsidiary, Wilson, which primarily engages in mortgage banking activities. Such insurance sales activities have been determined by the Board to be closely related to banking (12 CFR 225.4(a)(9)).

Notice of the application, affording opportunity for interested persons to submit comments and views on the public interest factors, has been duly published (38 Federal Register 23363). The time for filing comments and views has expired, and none has been received.

On August 1, 1972, the Board approved¹ Applicant's application to acquire Wilson. That application indicated that Wilson's activities were limited to mortgage banking and described an item entitled "Insurance Commissions" on Wilson's Consolidated Statement of Earnings as "servicing fees received by [Wilson] in connection with its collection, in conjunction with mortgage payments, of premiums on life, accident, and health policies." Furthermore it was expressly stated in

⁵115 Cong. Rec. 33134 (1969). See also, H.R. Rep. No. 91-387, 91st Cong., 1st Sess. 24 (1969). When hearings on the proposed amendments began in the House of Representatives on April 15, 1969, the news media had reported that four of the nation's largest banking organizations might acquire large insurance companies. *Hearings on H.R. 6778 Before the House Comm. on Banking and Currency*, 91st Cong., 1st Sess., pt. 1 at 26 (1969).

⁶In comparison, the four insurance companies that Congress feared would be acquired by banking organizations had total assets, respectively, of \$6.2 billion, \$4.1 billion, \$1.6 billion, and \$500 million. *Hearings on H.R. 6778 Before the House Comm. on Banking and Currency*, 91st Cong., 1st Sess., pt. 1 at 26 (1969).

⁷For example, as of June 30, 1973, Applicant held about 2.4 per cent of total deposits in commercial banks in the United States. The acquisition of Advance did not, of course, affect such deposit data.

¹58 Federal Reserve BULLETIN 844 (1972).

the application that "[Wilson] does not perform a sales role in connection with insurance involved." Accordingly, neither published notice of receipt of the application, nor the Board's Order of August 1, 1972, contained any reference to insurance sales activities as the Board only considered the mortgage banking activities of Wilson. However, the Order expressly subjected the Board's determination to the conditions set forth in section 225.4(c) of Regulation Y which provides, *inter alia*, "the activities involved shall not be altered in any significant respect from those considered by the Board in making the determination."

On August 16, 1972, Applicant acquired shares of Wilson, which, both prior and subsequent to that date, was a party to agency agreements with two different group credit underwriters, under which it sold, and received commission income for the sale of, credit life and credit health and accident insurance. On April 16, 1973, Applicant filed the instant application and, shortly thereafter, ceased the insurance sales activities of Wilson.

The Board has considered both whether Applicant has "knowingly and willfully" made a false statement to the Board within the meaning of section 1001 of Title 18 of the United States Code and whether Applicant has "willfully" violated the Bank Holding Company Act and Regulation Y, within the meaning of section 8 of the Act (12 U.S.C. 1847). In doing so, the Board has considered Applicant's asserted reliance on disclaimers made by officers of Wilson at the time of the Wilson application to the effect that Wilson's insurance activities did not constitute "acting as insurance agent or broker."² That reliance may have been misplaced, particularly in that the question whether certain activities constitute "acting as insurance agent or broker" for purposes of Regulation Y is a question of law, not of fact, and not susceptible to resolution by officers of Wilson. However, upon the basis of the facts presented, the Board concludes that Applicant did neither knowingly and willfully make a false statement in its application nor engage in a willful violation of the Act.

²That the sale of credit-related insurance coverage under a group policy is contemplated within the phrase "acting as insurance agent or broker" has been recognized by the Board virtually since the promulgation of section 225.4(a)(9) of Regulation Y (12 CFR 225.4(a)(9)) after enactment of the 1970 Amendments. For example, see Order of January 27, 1972 Approving Acquisition of IDS Credit Corporation by First Bank System, Inc., Minneapolis, Minnesota, 58 Federal Reserve BULLETIN 172, 173 (1972).

Applicant controls one bank with aggregate deposits of \$1.9 billion representing approximately 19 per cent of the total deposits of commercial banks in North Carolina. (All banking data are as of June 30, 1973.) Applicant has nonbanking subsidiaries which are engaged principally in consumer finance activities, mortgage activities, factoring activities, and insurance agency activities.

Wilson has previously engaged in the sale of insurance as agent in connection with its mortgage company activities. Wilson had gross commission income of approximately \$78 thousand for its fiscal year 1972. All of the commissions resulted from the sale, at Wilson's seven offices in South Carolina, of declining coverage term life insurance policies where the coverage was equal to the outstanding balance of a mortgage held or serviced by Wilson and of accident and health insurance policies where the coverage was equal to monthly mortgage payments. Thus, it appears all of Wilson's gross commission income is directly related to an extension of credit by Wilson or directly related to provision of other financial services by Wilson.

Although Applicant engages in certain insurance agency activities through some of its existing subsidiaries, approval of the proposed acquisition would not eliminate any significant existing competition between Applicant's subsidiaries and Wilson in the area of insurance sales because of the limited nature of the respective insurance activities. Applicant's subsidiaries do not derive income from the sale of credit life or credit accident and health insurance to mortgage customers in South Carolina, nor does Wilson receive income from the sale of any such insurance in North Carolina.

It is anticipated that the provision of insurance by Wilson will provide a convenient alternative source of insurance agency services for its mortgage customers. There is no evidence in the record indicating that continuation of Wilson's insurance sales activities would result in any undue concentration of resources, unfair competition, conflicts of interests, unsound banking practices or other adverse effects.

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. The insurance sales activities shall resume not later than three months after the effective date of this Order, unless such period

is extended for good cause by the Board, or by the Federal Reserve Bank of Richmond. This determination is also subject to the conditions set forth in § 225.4(c) of Regulation Y (12 CFR 225.4(c)) and to the Board's authority to require such modification or termination of the activities of a holding company or any of its subsidiaries as the Board finds necessary to assure compliance with the provisions and purposes of the Act and the Board's regulations and orders issued thereunder, or to prevent evasion thereof.

By order of the Board of Governors, effective December 28, 1973.

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

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

**ORDER UNDER SECTION 4(c)(9)
OF BANK HOLDING COMPANY ACT**

THE ROYAL TRUST COMPANY,
MONTREAL, QUEBEC, CANADA

ORDER DENYING ACQUISITION OF INFORMATION
SYSTEMS DESIGN, INC.

The Royal Trust Company, Montreal, Quebec, Canada ("Royal"), a foreign bank holding company within the meaning of § 225.4(g)(1)(iii) of Regulation Y, has applied for the Board's approval under § 4(c)(9) of the Bank Holding Company Act ("Act") to indirectly acquire Information Systems Design, Inc. ("ISD"), Oakland, California.

Royal proposes to acquire Computel Systems, Ltd. ("Computel"), a Canadian corporation that is primarily engaged in the business of selling computer time.¹ Royal proposes to acquire Computel in order to obtain an internal source of computer services that may increase efficiency and reduce Royal's cost of obtaining such services.

ISD is a wholly-owned subsidiary of Computel that is also primarily engaged in selling computer time. ISD provides other related services, including storage of information and programs on magnetic recording devices, leasing remote terminal computer devices and telephone lines, and writing

and developing computer programs. Royal proposes to indirectly acquire ISD contemporaneously with and as an incident to its acquisition of Computel. Pursuant to § 225.4(g)(3) of Regulation Y and § 4(c)(9) of the Act, Royal has requested the Board to exempt its indirect acquisition of ISD from the prohibition against nonbanking interests contained in § 4 of the Act.

Section 4(c)(9) of the Act provides that the prohibitions of § 4 shall not apply to the investments or activities of foreign bank holding companies that conduct the greater part of their business outside the United States if the Board by regulation or order determines that, under the circumstances and subject to the conditions set forth in the regulation or order, the exemption would not be substantially at variance with the purposes of the Act and would be in the public interest. Royal has applied for a special exemption for its acquisition of ISD under § 225.4(g)(3) of Regulation Y, contending that such acquisition would be consistent with the purposes of the Act and would be in the public interest.

In support of its request for an exemption pursuant to § 4(c)(9), Royal states that the acquisition of ISD is merely an incident to an essentially foreign transaction which would have no adverse effects in the United States. Although Royal's indirect acquisition of ISD is part of an essentially foreign transaction, a domestic bank holding company would be prohibited from acquiring a company engaged in the range of data processing activities of ISD.² The Board believes that the acquisition of a data processing company engaged in the range of activities of ISD could give a foreign bank holding company a competitive advantage over a domestic bank holding company and that the acquisition of such a company is inappropriate for a foreign bank holding company. Royal has not presented arguments that would support a contrary conclusion. On the basis of the foregoing and other considerations reflected in the record, the Board hereby denies Royal's request for an exemption pursuant to § 4(c)(9) to permanently acquire ISD. Since Royal proposes to indirectly acquire ISD simultaneously with its acquisition of Computel and as an incident to an essen-

¹Although the data processing activities of Computel are broader than those permissible for a domestic bank holding company under § 4(c)(8) of the Act, § 225.4(g)(2)(i) of Reg. Y provides that a foreign bank holding company may engage in direct activities of any kind outside the United States.

²Selling more than excess computer time, storing and processing information that is not financial in nature, and developing programs that are not financial in nature are not permitted by the Board's data processing regulation and interpretation unless such data processing services are requested by a customer and are not otherwise reasonably available in the relevant market area (§ 225.4(a)(8) of Reg. Y and 12 CFR § 225.123).

tially foreign transaction, the Board finds that it would be consistent with the standards of § 4(c)(9) to permit Royal to temporarily acquire ISD and to grant Royal a reasonable period of time in which to effect an orderly divestiture of ISD. On this basis, the Board hereby permits Royal to temporarily acquire ISD subject to the condition that Royal shall use its best efforts to divest ISD as soon as practicable after its acquisition of Computel, but in no event shall Royal retain any interest

in ISD after two years from the date of its acquisition of Computel.

By order of the Board of Governors, effective December 6, 1973.

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

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

[SEAL]

ORDERS NOT PRINTED IN THIS ISSUE

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

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

<i>Applicant</i>	<i>Bank(s)</i>	<i>Board action (effective date)</i>	<i>Federal Register citation</i>
Lloyds Bank Limited, London, England and Lloyds First Western Corporation, Wilmington, Delaware	First Western Bank and Trust Company, Los Angeles, California	12/10/73	38 F.R. 31691 12/17/73
Victoria Bankshares, Inc., Victoria, Texas	Victoria Bank and Trust Company, Victoria; Farmers State Bank and Trust Co., Cuero; The First National Bank of Nordheim, Nordheim, Home State Bank, Westhoff; Community State Bank, Runge; and Smiley State Bank, Smiley, all in Texas	12/27/73	39 F.R. 1323 1/7/74

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

<i>Applicant</i>	<i>Bank(s)</i>	<i>Board action (effective date)</i>	<i>Federal Register citation</i>
Austin Bancshares Corporation, Austin, Texas	Oak Hill National Bank, Oak Hill, Texas	12/12/73	38 F.R. 34834 12/19/73
Boatmen's Bancshares, Inc., St. Louis, Missouri	Boatmen's National Bank of North St. Louis County, St. Louis County, Missouri	12/21/73	39 F.R. 1120 1/4/74
Boatmen's Bancshares, Inc., St. Louis, Missouri	Bank of Pevely, Pevely, Missouri	12/6/73	38 F.R. 34510 12/14/73
Charter New York Corporation, New York, New York	The First National Bank of Hancock, Hancock, New York	12/4/73	38 F.R. 34511 12/14/73

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

<i>Applicant</i>	<i>Bank(s)</i>	<i>Board action (effective date)</i>	<i>Federal Register citation</i>
Fidelity American Bankshares, Inc., Lynchburg, Virginia	The Peoples Bank of Buena Vista, Virginia, Inc., Buena Vista, Virginia	12/6/73	38 F.R. 34512 12/14/73
First Amtenn Corporation, Nashville, Tennessee	City National Bank of Memphis, Memphis, Tennessee	12/21/73	39 F.R. 1123 1/4/74
First Bancorp of N.H., Inc., Exeter, New Hampshire	Laconia Peoples National Bank and Trust Company, Laconia, New Hampshire	12/3/73	38 F.R. 34027 12/10/73
First Bancorp of N.H., Inc., Exeter, New Hampshire	The Merchants National Bank of Manchester, Manchester, New Hampshire	12/12/73	38 F.R. 34834 12/19/73
First Financial Corporation, Tampa, Florida	Gadsden State Bank, Chattahoochee, Florida	12/27/73	38 F.R. 1397 1/8/74
FrostBank Corporation, San Antonio, Texas	Colonial National Bank, San Antonio, Texas	12/13/73	38 F.R. 35054 12/21/73
Mercantile Bankshares Corporation, Baltimore, Maryland	The Fidelity Bank, Frostburg, Maryland	12/28/73	39 F.R. 1400 1/8/74
Mercantile Bancorporation, Inc., St. Louis, Missouri	High Ridge Bank, High Ridge, Missouri	12/13/73	38 F.R. 35055 12/21/73
Mercantile Bancorporation Inc., St. Louis, Missouri	Rozier Bank, Ste. Genevieve, Missouri	12/4/73	38 F.R. 34514 12/14/73
PanNational Group Inc., El Paso, Texas	Franklin National Bank, El Paso, Texas	12/7/73	38 F.R. 35055 12/21/73
Southeast Banking Corporation, Miami, Florida	Bank of Wildwood, Wildwood, Florida	12/12/73	38 F.R. 34835 12/19/73
Southeast Banking Corporation, Miami, Florida	First Citizens Bank and Trust Company, Titusville, Florida	12/27/73	39 F.R. 1402 1/8/74
Southwest Florida Banks, Inc., Fort Myers, Florida	North First Bank, North Fort Myers, Florida, and South First Bank, Fort Myers, Florida	12/28/73	39 F.R. 1403 1/8/74
Tennessee Valley Bancorp, Inc., Nashville, Tennessee	First Trust & Savings Bank, Clarksville, Tennessee	12/7/73	38 F.R. 34093 12/17/73
Northern States Bancorporation, Inc., Detroit, Michigan and Twin Gates Corporation, Wilmington, Delaware	Union National Bank and Trust Company of Marquette, Marquette, Michigan	12/28/73	39 F.R. 1402 1/8/74

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

<i>Applicant</i>	<i>Nonbanking Company (or activity)</i>	<i>Board action (effective date)</i>	<i>Federal Register citation</i>
BankAmerica Corporation, San Francisco, California	BA Insurance Company, Inc., San Francisco, California	12/27/73	39 F.R. 1396 1/8/74
Fidelity Corporation of Pennsylvania, Rosemont, Pennsylvania	Local Finance Corporation of Florida	12/27/73	39 F.R. 1397 1/8/74

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

<i>Applicant</i>	<i>Bank(s)</i>	<i>Board action (effective date)</i>	<i>Federal Register citation</i>
New Victoria Bank and Trust Company, Victoria, Texas	Victoria Bank and Trust Company, Victoria, Texas	12/27/73	39 F.R. 1404 1/8/74

ORDERS ISSUED BY FEDERAL RESERVE BANKS

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

<i>Applicant</i>	<i>Bank(s)</i>	<i>Reserve Bank</i>	<i>Effective date</i>	<i>Federal Register citation</i>
State Street Boston Financial Corporation, Boston, Mass- achusetts	Chatham Trust Company, Chatham, Massachusetts	Boston	12/10/73	38 F.R. 34836 12/19/73
Central Bancorporation, Inc., Cincinnati, Ohio	The Commercial Banking & Trust Company, Wooster, Ohio	Cleveland	12/6/73	38 F.R. 34690 12/17/73
American Banks of Florida, Inc., Jacksonville, Florida	American Beach Boulevard Bank, American Arlington Bank, and American Mandarin Bank, in Jacksonville, Florida	Atlanta	12/21/73	39 F.R. 1395 1/8/74
Community Banks of Florida, Seminole, Florida	Clearwater Mall Community Bank, Clearwater, Florida	Atlanta	11/28/73	38 F.R. 34156 12/11/73
Twin Gates Corporation, Wilmington, Delaware and Northern States Bancorpor- ation, Inc., Detroit, Michigan	First Citizens Bank, Troy Michigan	Chicago	11/30/73	38 F.R. 34692 12/17/73

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

<i>Applicant</i>	<i>Bank</i>	<i>Reserve Bank</i>	<i>Board action (effective date)</i>	<i>Federal Register citation</i>
Brownsburg State Bank, Brownsburg, Indiana	Hendricks County Bank and Trust Company, Plainfield, Indiana	Chicago	12/10/73	38 F.R. 35053 12/21/73

Announcements

CHANGES IN BOARD STAFF

The Board of Governors of the Federal Reserve System has announced, effective January 1, 1974, the following promotions: Samuel B. Chase, Jr., from Associate Director, Division of Research and Statistics, to Adviser to the Board, Office of Managing Director for Research and Economic Policy; and Edward C. Irtin and Eleanor J. Stockwell from Assistant Advisers to Associate Advisers in the Division of Research and Statistics. Effective January 6, 1974, Griffith L. Garwood, Adviser, Division of Supervision and Regulation, has been named Adviser in the Legal Division.

The Board also has announced the following official staff appointments, effective January 14, 1974.

James L. Kichline has been appointed an Assistant Adviser in the Division of Research and Statistics. On the Board's staff since 1966, Mr. Kichline holds a Ph.D. degree from the University of Maryland.

Thomas D. Thomson has been named an Assistant Adviser in the Division of Research and Statistics. Mr. Thomson, who has been on the Board's staff since 1965, holds a Ph.D. degree from the Graduate School of Business at the University of Chicago.

Helmuth F. Wendel has been appointed an Assistant Adviser in the Division of Research and Statistics. Mr. Wendel, who joined the Board's staff in 1951, holds M.A. and Ph.D. degrees from Columbia University.

Charles W. Wood has been appointed Assistant Director in the Division of Personnel. Mr. Wood, a graduate of the College of William and Mary, joined the Board's staff in 1960.

In addition, Pauline B. Heller, Assistant General Counsel in the Legal Division, has retired, and Jerold E. Slocum, Director, Division of Data Processing, has resigned.

CHANGE IN MARGIN REQUIREMENTS

The Board of Governors lowered its margin requirement for purchasing or carrying stocks from 65 per cent to 50 per cent, effective January 3, 1974.

The action covers new extensions of credit for the purpose of purchasing or carrying stocks that are registered on a national stock exchange or are included in the Board's over-the-counter margin list. As a result of the action, persons buying such stocks on credit will be required to put up a minimum of 50 per cent of the purchase price instead of 65 per cent at the time of the transaction. Credit may be obtained for the remaining 50 per cent. This action was taken under the authority granted to the Board in the Securities Exchange Act of 1934 to prevent the excessive use of credit to finance securities transactions.

In announcing the change, the Board noted the sharp reduction that has occurred in stock market credit since margin requirements were increased from 55 to 65 per cent effective November 24, 1972. Margin credit extended by brokers and dealers declined last November for the eleventh consecutive month. The level of margin debt at broker-dealers on November 30 was about \$5.5 billion, or 31 per cent below the peak of \$7.9 billion in December 1972.

In line with the new margin requirement, the required deposit on short sales was lowered from 65 to 50 per cent, also effective January 3, 1974. The 50 per cent margin requirement for purchasing or carrying convertible bonds and the 70 per cent "retention requirement" that applies to undermargined accounts remain the same. This latter requirement relates to that portion of the proceeds of a sale of securities that must be retained in an account if the account's equity does not meet the initial margin requirement—50 per cent.

The action applies specifically to new extensions of credit by brokers and dealers (Regulation T) and loans by banks and other lenders (Regulations U and G, respectively) for the purpose of purchasing or carrying margin stocks.

AMENDMENT TO REGULATION T

The Board of Governors has announced an amendment to its Regulation T—extension of credit on securities by brokers or dealers—withdrawing permission for brokers or dealers to sell certain kinds of investment contract securities on credit.

The amendment, to become effective June 21, 1974, will provide uniform treatment of every security, for credit purposes, as an indivisible whole. The amendment was published for comment July 5, 1973.

The amendment relates to, but is not limited to, the arrangement for credit by securities brokers or dealers in the sale of investment contract securities such as a program to own and feed cattle, or to own and rent, through a related rental arrangement, a condominium unit. In general, the combination, in one package, of both property ownership and provision for services such as cattle feeding or rental management makes such an investment a "security" subject to securities credit regulation.

The Board has held that, in most cases, securities brokers and dealers are not permitted, under Regulation T, to arrange credit for the sale of such investment contract securities. However, the Board had made an exception where the property sale and the management contract were separate items and the credit involved was connected only with the property. The current amendment negates that exception, and makes the extension of credit on any part of such an investment an extension of credit on the whole. This makes it impermissible for securities brokers and dealers to arrange for such credit unless collateral is supplied that meets the requirements of the regulation. Others may continue to sell such investment programs on credit.

EARNINGS AND EXPENSES OF THE FEDERAL RESERVE BANKS IN 1973

Preliminary figures from the Federal Reserve Banks indicate that their 1973 gross current earnings amounted to \$5,017 million. Expenses totaled \$495 million, leaving net current earnings of \$4,522 million. With an \$81 million net deduction from profit and loss account (due to losses of \$35 million on the sale of U.S. Government securities and \$46 million on foreign exchange transactions), net earnings before payments to the U.S. Treasury were \$4,441 million. Payments to the Treasury as interest on Federal Reserve notes amounted to \$4,341 million; statutory dividends to member banks, \$49 million; and additions to surplus accounts, \$51 million.

Under the policy adopted by the Board of Governors at the end of 1964, all net earnings after the statutory dividend to member banks and additions to surplus to bring it to the level of paid-in capital were paid to the U.S. Treasury as interest on Federal Reserve notes.

EARNINGS, EXPENSES, AND DISTRIBUTION OF NET EARNINGS OF FEDERAL RESERVE BANKS, 1973 AND 1972

In thousands of dollars

Item	1973	1972
Current earnings	5,016,769	3,792,334
Current expenses	495,117	414,606
Current net earnings	4,521,652	3,377,728
Net deduction from current net earnings	80,654	49,616
Net earnings before payments to U. S. Treasury	4,440,998	3,328,112
Dividends paid	49,140	46,183
Payments to U. S. Treasury (interest on F. R. notes)	4,340,680	3,231,268
Transferred to surplus	51,178	50,661

Compared with 1972, gross earnings were up \$1,225 million, or 32 per cent. The principal changes in earnings were as follows: on U.S. Government securities, an increase of \$1,125 million; on discounts and advances, an increase of \$95 million.

NEW PUBLICATION

Joint Treasury-Federal Reserve Study of the U.S. Government Securities Market: Staff Studies—Part 3 is available for distribution. It consists of the following three papers: "New Techniques in Debt Management from the Late 1950's Through 1966" by Lawrence Banyas; "Dealer Profits and Capital Availability in the U.S. Government Securities Industry, 1955-65" by William G. Colby, Jr.; and "Automating Operations in the Government Securities Market" by Felix T. Davis and Matthew J. Hoey. Copies may be obtained from Publications Services, Division of Administrative Services, Board of Governors of the Federal Reserve System, Washington, D.C. 20551. The price is \$1.00 per copy; in quantities of 10 or more sent to one address, 85 cents each.

REVISED CHARTS FOR STAFF STUDY ON ENERGY

Three charts appearing in "U.S. Energy Supplies and Uses" published in the December 1973 Federal Reserve BULLETIN have been revised and are included in the reprint.

Revised Charts 13 and 14 provide more appropriate subdivisions of annual energy data between end-product and processing uses in the period immediately after World War II. At that time total coal shipments for rail, vessel, and space-heating purposes were still large, and this was not ade-

quately illustrated by the data used for the original charts.

Chart 17 has been amended to show an approximate adjustment for the quantity of Btu's "lost" in the conversion of fossil fuels in the generation of electricity.

The three revised charts are available, either separately or in the reprint, from Publications Services, Division of Administrative Services, Board of Governors of the Federal Reserve System, Washington, D.C. 20551.

PUBLISHED INTERPRETATIONS OF THE BOARD

Supplement No. 20 to the looseleaf compilation of "Published Interpretations of the Board of Governors of the Federal Reserve System," con-

taining the published interpretations as of June 30 1973, is now available.

ADMISSION OF STATE BANKS TO MEMBERSHIP IN THE FEDERAL RESERVE SYSTEM

The following banks were admitted to membership in the Federal Reserve System during the period December 16, 1973, through January 15, 1974:

Florida

Hillsborough County American Guaranty
Bank

Michigan

Livonia Manufacturers Bank of Livonia

New York

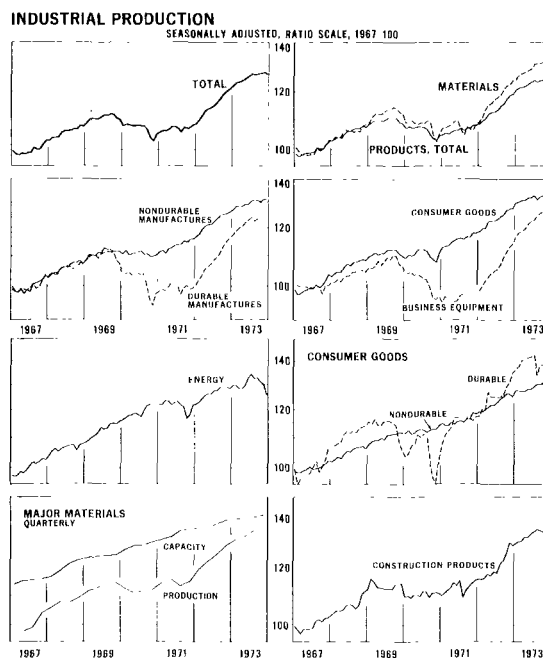
Syracuse Chemical Bank of Syracuse

Industrial Production

Released for publication January 16

Total industrial production declined 0.5 per cent in December, reflecting a sharp drop in automobile output and reduced use of electricity and gas mainly by residential and commercial users. Excluding motor vehicles and parts and electric and gas utilities, the index rose slightly. The total index, at 126.6 per cent of the 1967 average, was 4.5 per cent above a year earlier.

Auto assemblies in December were at an annual rate of 8.2 million units, down 14.6 per cent from November. Preliminary January output schedules indicate a further decline of about 15 per cent. Production of other consumer durable goods was off slightly in December, as output of some household appliances declined. Nondurable consumer goods, excluding the decline in electric and gas utilities, also edged off. Output of business equipment, however, rose 0.4 per cent to a new high. Production of construction products and steel and other durable and nondurable materials was maintained at about their previous advanced levels.



F.R. indexes, seasonally adjusted. Latest figures, December

Industrial production	Seasonally adjusted 1967 = 100			Per cent changes from		Per cent changes, annual rate		
	1973			Month ago	Year ago	1973		
	Oct.	Nov. ^a	Dec. ^a			QII	QIII	QIV
Total	127.0	127.3	126.6	.5	4.5	5.5	6.1	.9
Products, total	124.4	124.9	123.9	.8	4.0	5.3	3.9	1.0
Final products	122.8	123.2	122.0	1.0	4.5	5.0	4.3	2.3
Consumer goods	132.8	133.2	130.7	1.9	2.3	3.7	1.8	.3
Durable goods	138.2	138.9	134.4	3.2	.4	9.3	8.8	-2.8
Nondurable goods	130.8	130.9	129.4	1.1	3.5	1.3	6.6	1.8
Business equipment	126.2	127.1	127.6	.4	11.5	10.9	11.2	8.0
Intermediate products	130.5	131.2	131.0	.2	2.6	4.6	4.0	3.2
Construction products	134.3	135.0	135.0	..	4.9	7.4	6.9	.4
Materials	131.5	131.3	131.0	.2	5.3	7.0	8.4	.9

^aPreliminary. ^cEstimated

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 govt." also includes municipalities, special districts, and other political subdivisions.

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

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

TABLES PUBLISHED SEMIANNUALLY OR ANNUALLY, WITH LATEST BULLETIN REFERENCE

<i>Quarterly</i>	<i>Issue</i>	<i>Page</i>	<i>Annually - Continued</i>	<i>Issue</i>	<i>Page</i>
Sales, revenue, profits, and dividends of large manufacturing corporations	Dec 1973	A-96	Banks and branches, number, by class and State	Apr. 1973	A-96-A-97
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Banking offices: Analysis of changes in number	Aug 1973	A-96	Flow of funds. Assets and liabilities: 1961-72	Sept. 1973	A-71.14 -A-71.28
On, and not on, Federal Reserve Par List, number	Aug. 1973	A-97	Flows: 1961-72	Sept. 1973	A-70 -A-71.13
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			Stock market credit	Jan 1974	A-96- -A-97

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	<i>Issue</i>	<i>Page</i>
Anticipated schedule of release dates for individual releases	Dec. 1973	A-104

A 4 BANK RESERVES AND RELATED ITEMS □ JANUARY 1974

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	.....	142	1,117	.....	21,606	22,879	.....	4,629
1960—Dec.....	27,248	27,170	.....	78	1,665	.....	29,060	17,954	.....	5,396
1968—Dec.....	52,529	52,454	.....	75	3,251	.....	56,610	10,367	.....	6,810
1969—Dec.....	57,500	57,295	.....	205	3,235	2,204	64,100	10,367	.....	6,841
1970—Dec.....	61,688	61,310	.....	378	3,570	1,032	66,708	11,105	400	7,145
1971—Dec.....	69,158	68,868	.....	290	3,905	982	74,255	10,132	400	7,611
1972—Dec.....	71,094	70,790	.....	304	1,049	1,138	76,851	10,410	400	8,293
1973—Jan.....	72,194	71,711	.....	483	1,165	1,329	78,063	10,410	400	8,321
Feb.....	72,307	72,082	.....	225	1,593	1,004	77,600	10,410	400	8,353
Mar.....	74,019	73,624	.....	395	1,858	839	79,219	10,410	400	8,406
Apr.....	75,353	74,914	.....	439	1,721	1,043	80,542	10,410	400	8,444
May.....	76,758	76,205	.....	553	1,786	960	81,889	10,410	400	8,478
June.....	75,355	75,047	.....	308	1,789	942	80,546	10,410	400	8,518
July.....	77,448	76,875	.....	573	2,051	1,180	83,880	10,410	400	8,538
Aug.....	76,653	76,475	.....	178	2,143	1,018	82,445	10,410	400	8,549
Sept.....	76,073	75,712	.....	361	1,861	889	81,809	10,410	400	8,584
Oct.....	78,042	77,500	.....	542	1,467	1,122	83,643	10,933	400	8,613
Nov.....	78,457	77,937	.....	520	1,399	1,078	83,755	11,567	400	8,642
Dec. ^p	79,701	78,833	.....	868	1,298	1,079	85,554	11,567	400	8,668
Week ending—										
1973—Oct. 3.....	77,917	76,503	1,414	1,519	2,551	990	83,110	10,410	400	8,598
10.....	77,376	76,360	1,016	1,351	3,096	1,041	82,981	10,410	400	8,599
17.....	78,053	77,692	361	1,169	3,482	1,109	83,884	10,410	400	8,614
24.....	78,419	78,267	152	1,912	3,120	1,198	84,705	11,567	400	8,622
31.....	78,325	78,072	253	1,455	2,251	1,198	83,284	11,567	400	8,627
Nov. 7.....	78,007	78,007	.....	1,170	2,194	1,281	82,701	11,567	400	8,626
14.....	77,154	76,867	287	1,521	2,526	1,378	82,633	11,567	400	8,629
21.....	79,692	78,365	1,327	1,572	2,877	826	85,044	11,567	400	8,650
28.....	78,886	78,404	482	1,287	3,339	871	84,438	11,567	400	8,659
Dec. 5.....	79,532	78,232	1,300	1,475	2,500	942	84,569	11,567	400	8,661
12.....	78,727	78,036	691	1,303	2,580	963	83,673	11,567	400	8,666
19 ^p	79,571	78,752	819	1,489	3,255	1,037	85,480	11,567	400	8,668
26 ^p	80,087	79,242	845	1,042	4,697	1,229	87,276	11,567	400	8,672
End of month										
1973—Oct.....	80,378	8 78,606	1,772	2,198	2,654	1,265	86,602	11,567	400	8,649
Nov.....	79,107	78,203	904	1,915	2,124	916	84,133	11,567	400	8,684
Dec. ^p	80,495	80,395	100	1,257	2,799	1,152	85,771	11,567	400	8,677
Wednesday										
1973—Oct. 3.....	78,766	8 76,657	2,109	1,205	3,474	1,028	84,612	10,410	400	8,599
10.....	73,802	9 73,802	.....	705	4,561	1,117	80,228	10,410	400	8,599
17.....	78,952	8 77,849	1,103	1,536	3,770	1,170	85,558	10,410	400	8,619
24.....	79,371	8 78,302	1,069	3,367	3,281	1,215	87,329	11,567	400	8,623
31.....	80,378	8 78,606	1,772	2,198	2,654	1,265	86,602	11,567	400	8,649
Nov. 7.....	77,207	9 77,207	.....	840	2,997	1,315	82,406	11,567	400	8,626
14.....	79,417	9 77,406	2,011	3,992	3,146	1,375	88,036	11,567	400	8,630
21.....	80,862	8 78,441	2,421	1,385	3,649	859	86,873	11,567	400	8,656
28.....	79,466	8 78,507	959	1,486	3,750	923	85,685	11,567	400	8,661
Dec. 5 ^p	79,639	8 78,203	1,436	686	3,819	970	85,292	11,567	400	8,664
12 ^p	78,206	9 77,590	616	1,580	2,879	1,056	83,820	11,567	400	8,668
19 ^p	81,965	8 79,223	2,742	1,568	4,689	1,063	89,525	11,567	400	8,668
26 ^p	76,740	9 76,740	.....	485	5,593	1,964	84,843	11,567	400	8,675

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

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

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

⁴ Includes industrial loans and acceptances until Aug. 21, 1959, when

industrial loan program was discontinued. For holdings of acceptances on Wed. and end-of-month dates, see tables on F.R. Banks on following pages. See also note 2.

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

Notes continued on opposite page.

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

(In millions of dollars)

Cur- rency in cir- cu- la- tion	Treas- ury cash hold- ings	Factors absorbing reserve funds							Period or date	
		Deposits, other than member bank reserves, with F.R. Banks			Other F.R. ac- counts ³	Other F.R. lia- bil- ities and capital ³	Member bank reserves			
		Treas- ury	For- eign	Other ^{2, 5}			With F.R. Banks	Cur- rency and coin ⁶		Total ⁷
Averages of daily figures										
7,609	2,402	616	739		248		11,473		11,473	1939—Dec.
10,985	2,189	592	1,531		292		12,812		12,812	1941—Dec.
28,452	2,269	625	1,247		493		16,027		16,027	1945—Dec.
27,806	1,290	615	920	353	739		17,391		17,391	1950—Dec.
33,019	408	522	250	495	1,029		16,688	2,595	19,283	1960—Dec.
50,609	756	360	225	458	-1,105		22,484	4,737	27,221	1968—Dec.
53,591	656	1,194	146	458		2,192	23,071	4,960	28,031	1969—Dec.
57,013	427	849	145	735		2,265	23,925	5,340	29,265	1970—Dec.
61,060	453	1,926	290	728		2,287	25,653	5,676	31,329	1971—Dec.
66,060	350	1,449	272	631		2,362	24,830	6,095	31,353	1972—Dec.
65,274	364	2,033	294	644		2,365	26,220	6,463	32,962	1973—Jan.
64,564	382	2,956	302	645		2,482	25,432	6,031	31,742	Feb.
65,072	384	3,598	338	666		2,530	25,848	5,856	31,973	Mar.
66,068	414	3,471	275	666		2,622	26,281	5,824	32,277	Apr.
66,726	413	4,121	330	652		2,721	26,214	6,007	32,393	May
67,609	386	2,408	266	698		2,732	25,776	6,086	32,028	June
68,382	346	3,375	341	782		2,846	27,156	6,274	33,542	July
68,394	344	1,674	300	838		2,877	27,377	6,296	33,785	Aug.
68,592	349	792	332	781		2,848	27,509	6,402	34,019	Sept.
68,909	622	1,718	266	5 752		2,866	28,457	6,371	34,912	Oct.
69,927	340	1,772	522	5 689		2,854	28,260	6,383	34,727	Nov.
71,646	323	1,892	406	5 717		2,942	28,264	6,639	34,984	Dec. ²
Week ending—										
68,366	371	1,771	252	713		2,972	28,073	6,515	34,672	1973—Oct. 3
68,886	350	1,362	270	682		2,735	28,105	6,606	34,795	10
69,156	354	1,439	276	764		2,802	28,518	6,413	35,015	17
68,970	1,522	1,566	254	5 950		2,904	29,128	5,899	35,111	24
68,787	365	2,422	279	5 655		3,004	28,368	6,496	34,948	31
69,061	364	2,087	332	5 662		2,726	28,062	6,479	34,625	Nov. 7
69,834	338	1,120	580	5 696		2,738	27,924	6,720	34,728	14
70,181	333	1,946	557	5 722		2,913	29,009	5,997	35,090	21
70,502	329	1,853	651	5 684		2,986	28,058	6,286	34,428	28
70,493	334	1,884	440	5 670		2,958	28,418	6,400	34,902	Dec. 5
71,229	315	1,597	297	5 651		2,769	27,448	6,912	34,444	12
71,682	307	1,654	397	5 674		2,923	28,477	6,567	35,128	19 ^P
72,233	328	2,228	531	5 694		3,047	28,854	6,508	35,446	26 ^P
End of month										
69,043	342	1,837	426	5 719		3,065	31,787	6,496	38,367	1973—Oct.
70,296	317	1,945	420	5 672		3,025	28,108	6,400	34,592	Nov.
72,444	332	2,542	251	5 1,419		2,669	26,759	6,780	33,606	Dec. ²
Wednesday										
68,703	367	1,594	239	5 612		3,101	29,405	6,515	36,004	1973—Oct. 3
69,331	355	2,638	265	5 654		2,742	23,652	6,606	30,342	10
69,188	381	1,124	286	5 743		2,846	30,419	6,413	36,916	17
69,077	1,537	1,252	272	5 673		2,986	32,122	5,899	38,105	24
69,043	342	1,837	426	5 719		3,065	31,787	6,496	38,367	31
69,626	353	1,557	413	5 654		2,679	27,717	6,479	34,280	Nov. 7
70,156	343	1,530	552	5 697		2,808	32,547	6,745	39,376	14
70,522	333	1,404	759	5 662		2,988	30,828	5,997	36,909	21
70,655	333	2,001	516	5 645		3,029	29,133	6,286	35,503	28
70,977	333	1,705	369	5 716		2,720	29,104	6,400	35,588	Dec. 5 ^P
71,711	335	1,524	297	5 632		2,801	27,155	6,912	34,151	12 ^P
72,123	303	2,092	283	5 670		2,986	31,702	6,567	38,353	19 ^P
72,743	321	2,716	729	5 593		3,021	25,361	6,508	31,953	26 ^P

⁶ Part allowed as reserves Dec. 1, 1959—Nov. 23, 1960; all allowed thereafter. Beginning with Jan. 1963, figures are estimated except for weekly averages. Beginning Sept. 12, 1968, amount is based on close-of-business figures for reserve period 2 weeks previous to report date.
⁷ Beginning with week ending Nov. 15, 1972, includes \$450 million of reserve deficiencies on which F.R. Banks are allowed to waive penalties for a transition period in connection with bank adaptation to Regulation J as amended effective Nov. 9, 1972. Beginning 1973, allowable deficiencies

included are (beginning with first statement week of quarter): Q1, \$279 million; Q2, \$172 million; Q3, \$112 million; Q4, \$84 million.
⁸ Includes securities loaned—fully secured by U.S. Govt. securities pledged with F.R. Banks.
⁹ Includes securities loaned—fully secured by U.S. Govt. securities pledged with F.R. Banks. Also reflects securities sold, and scheduled to be bought back, under matched sale/purchase transactions.

For other notes see opposite page.

RESERVES AND BORROWINGS OF MEMBER BANKS

(In millions of dollars)

Period	All member banks						Large banks ²						All other banks	
	Reserves			Borrowings			New York City		City of Chicago		Other		Excess	Borrowings
	Total held ¹	Re-quired	Excess ¹	Total	Seasonal	Excess	Borrowings	Excess	Borrowings	Excess	Borrowings			
1939—Dec.	11,473	6,462	5,011	3		2,611		540		1,188		671	3	
1941—Dec.	12,812	9,422	3,390	5		989		295		1,303		804	4	
1945—Dec.	16,027	14,536	1,491	334		48	192	14		418	96	1,011	46	
1950—Dec.	17,391	16,364	1,027	142		125	58	8	5	232	50	663	29	
1960—Dec.	19,283	18,527	756	87		29	19	4	8	100	20	623	40	
1965—Dec.	22,719	22,267	452	454		41	111	15	23	67	228	330	92	
1967—Dec.	25,260	24,915	345	238		18	40	8	13	50	105	267	80	
1968—Dec.	27,221	26,766	455	765		100	230	15	85	90	270	250	180	
1969—Dec.	28,031	27,774	257	1,086		56	259	18	27	6	479	177	321	
1970—Dec.	29,265	28,993	272	321		34	25	7	4	42	264	189	28	
1971—Dec.	31,329	31,164	165	107		25	35	1	8	-35	22	174	42	
1972—Dec.	31,353	31,134	219	1,049		-20	301	13	55	-42	429	-160	264	
1973—Jan.	32,962	32,620	342	1,165		95	193	2	108	-33	578	-1	286	
Feb.	31,742	31,537	205	1,593		-13	324		105	-33	693	-28	471	
Mar.	31,973	31,678	295	1,858		72	176	-6	102	7	857	-47	723	
Apr.	32,277	32,125	152	1,721	5	38	146	8	9	-111	828	45	738	
May	32,393	32,275	118	1,786	30	-35	110	6	12	-65	881	40	783	
June	32,028	31,969	59	1,789	77	-62	145	-4	28	-78	904	37	712	
July	33,542	33,199	343	2,051	124	144	135	22	67	-23	855	88	994	
Aug.	33,785	33,539	246	2,143	163	37	109	-7	53	6	754	98	1,222	
Sept.	34,019	33,782	237	1,861	147	-7	115	24	62	31	712	81	972	
Oct.	34,912	34,712	200	1,467	126	11	74	1	54	-11	589	115	750	
Nov.	34,727	34,523	204	1,399	84	27	180	-24	28	-19	593	136	598	
Dec. ^a	34,984	34,791	193	1,298	41	-11	74	29	29	-24	763	118	432	
Week ending—														
1972—Dec. 6.	31,009	30,673	336	589		21	43	33	75	-42	118	-126	353	
13.	31,068	30,824	244	805		24	206	-24	13	-34	300	-172	286	
20.	31,408	31,202	206	1,221		17	422	34	21	-80	514	-215	264	
27.	31,441	31,252	189	1,118		-37	278	1		-81	654	-144	186	
1973—June 6.	32,218	31,817	401	1,664	64	62	200	34	47	88	689	45	728	
13.	31,597	31,595	2	1,700	67	-78	31	-1	18	-102	953	11	698	
20.	32,302	32,121	181	1,930	71	92	262	-24	9	-113	965	54	694	
27.	32,224	32,000	224	1,848	93	-42	107	-7		60	1,028	41	713	
July 4.	33,328	32,697	631	2,402	111	190	454	57	195	103	917	169	836	
11.	32,507	32,527	-20	1,680	117	-131	115	-51	28	-52	759	102	778	
18.	33,723	33,262	461	1,720	117	232		-2	13	10	851	109	856	
25.	33,827	33,793	34	2,081	128	-150	50	56	24	-26	842	42	1,165	
Aug. 1.	34,051	33,552	499	2,095	141	266		12	88	-5	785	114	1,222	
8.	33,455	33,381	74	2,006	158	-40	90	24	41	-68	741	46	1,134	
15.	33,827	33,511	316	1,914	148	24	50	-3	54	21	656	162	1,154	
22.	33,600	33,558	42	2,133	163	-24	172	2	36	-84	712	36	1,213	
29.	33,796	33,673	123	2,561	185	-47	137	-21	68	2	948	77	1,408	
Sept. 5.	34,121	33,644	477	2,363	168	201	143	29	117	29	799	106	1,304	
12.	33,525	33,401	124	1,488	145	-46	32	-5	20	-38	590	101	846	
19.	33,860	33,724	136	1,704	139	-4	91	3	15	-40	758	65	840	
26.	34,144	34,070	74	2,189	150	-21	217	27	127	-80	855	36	990	
Oct. 3.	34,672	34,220	452	1,519	144	88	43	7	41	130	463	143	972	
10.	34,795	34,395	400	1,351	131	128	43	1	9	10	535	177	764	
17.	35,015	35,106	-91	1,169	120	-158	26	-9	58	-81	520	73	565	
24.	35,111	34,741	370	1,912	125	131	185	7	66	40	901	108	760	
31.	34,948	34,817	131	1,455	119	-69	72	30	81	1	473	85	829	
Nov. 7.	34,625	34,360	265	1,170	93	102	192	-54	12	-8	383	141	583	
14.	34,728	34,707	21	1,521	80	-109	262	-23	61	-29	763	98	435	
21.	35,090	34,706	384	1,572	85	111	224	2	15	65	625	122	708	
28.	34,428	34,343	85	1,287	84	-56	94	-13	28	-33	541	103	624	
Dec. 5.	34,902	34,456	446	1,475	57	168		15	11	29	889	150	575	
12.	34,444	34,472	-28	1,303	45	-139	102	-23	11	-37	769	87	421	
19. ^b	35,128	34,865	263	1,489	40	136	163	-20		-35	843	98	483	
26. ^b	35,446	34,949	497	1,042	35	212		24		-17	681	194	361	

¹ Beginning with week ending Nov. 15, 1972, includes \$450 million of reserve deficiencies on which F.R. Banks are allowed to waive penalties for a transition period in connection with bank adaptation to Regulation J as amended effective Nov. 9, 1972. Beginning 1973, allowable deficiencies included are (beginning with first statement week of quarter): Q1, \$279 million; Q2, \$172 million; Q3, \$112 million; Q4, \$84 million.

² Beginning Nov. 9, 1972, designation of banks as reserve city banks for reserve requirement purposes has been based on size of bank (net demand deposits of more than \$400 million), as described in the *Bulletin* for July 1972, p. 626. Categories shown here as "Large" and "All other"

parallel the previous "Reserve city" and "Country" categories, respectively (hence the series are continuous over time).

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

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

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

BASIC RESERVE POSITION, AND FEDERAL FUNDS AND RELATED TRANSACTIONS

(In millions of dollars, except as noted)

Reporting banks and week ending—	Basic reserve position				Interbank Federal funds transactions					Related transactions with U.S. Govt. securities dealers			
	Excess reserves ¹	Less—		Net—		Gross transactions		Total two-way transactions ²	Net transactions		Loans to dealers ³	Borrowings from dealers ⁴	Net loans
		Borrowings at F.R. Banks	Net inter-bank Federal funds trans.	Surplus or deficit	Per cent of avg. required reserves	Purchases	Sales		Purchases of net buying banks	Sales of net selling banks			
<i>Total—46 banks</i>													
Nov. 7.....	54	256	11,833	12,034	78.7	18,939	7,106	4,871	14,068	2,235	2,463	683	1,780
14.....	53	627	12,949	13,628	87.3	19,861	6,912	5,020	14,842	1,893	2,560	774	1,786
21.....	167	487	12,584	12,904	84.0	19,131	6,547	5,108	14,022	1,439	1,911	1,004	908
28.....	88	270	11,773	11,955	79.8	18,265	6,492	5,304	12,962	1,189	1,890	765	1,125
Dec. 5.....	178	322	12,076	12,219	80.5	18,089	6,013	5,041	13,048	972	1,801	669	1,132
12.....	9	531	14,409	14,732	98.0	20,065	5,655	4,936	15,129	720	2,067	523	1,545
19.....	40	768	14,949	15,677	100.5	20,537	5,588	5,028	15,509	561	2,322	503	1,819
26.....	333	180	14,190	14,037	90.8	19,890	5,700	4,987	14,903	713	2,660	446	2,214
<i>8 in New York City</i>													
Nov. 7.....	74	170	5,072	5,168	85.7	5,679	607	607	5,072	.....	1,656	383	1,272
14.....	27	247	4,781	5,056	81.1	5,707	926	926	4,781	.....	1,664	421	1,243
21.....	87	189	4,044	4,147	67.9	5,093	1,048	1,048	4,044	.....	1,354	421	933
28.....	12	76	3,692	3,756	63.3	4,787	1,095	1,095	3,692	.....	1,273	395	878
Dec. 5.....	149	.....	3,774	3,625	58.7	4,686	912	912	3,774	.....	1,198	351	847
12.....	19	102	4,759	4,881	79.8	5,589	830	830	4,759	.....	1,429	334	1,096
19.....	86	163	4,940	5,017	78.7	5,788	848	848	4,940	.....	1,674	329	1,344
26.....	188	.....	4,944	4,757	76.1	5,843	899	899	4,944	.....	1,669	273	1,395
<i>38 outside New York City</i>													
Nov. 7.....	-20	86	6,761	6,867	74.1	13,260	6,499	4,264	8,996	2,235	807	300	507
14.....	-25	379	8,168	8,572	91.5	14,154	5,886	4,093	10,061	1,893	896	353	543
21.....	80	298	8,539	8,757	94.6	14,038	5,499	4,060	9,978	1,439	557	583	246
28.....	76	195	8,081	8,199	90.6	13,478	5,397	4,208	9,270	1,189	618	370	248
Dec. 5.....	29	322	8,302	8,594	95.4	13,403	5,101	4,129	9,274	972	603	318	285
12.....	28	429	9,650	10,051	110.1	14,476	4,825	4,106	10,370	720	638	189	449
19.....	-46	606	10,009	10,661	115.4	14,749	4,740	4,180	10,570	561	649	174	475
26.....	145	180	9,246	9,281	100.7	14,047	4,801	4,088	9,959	713	991	172	819
<i>5 in City of Chicago</i>													
Nov. 7.....	-25	.....	3,518	3,543	216.2	4,254	736	652	3,602	84	509	95	414
14.....	-1	51	3,983	4,035	247.4	4,504	521	466	4,038	55	600	95	505
21.....	-2	.....	4,142	4,144	263.6	4,943	801	717	4,225	84	316	54	261
28.....	11	.....	3,448	3,437	226.2	4,371	924	847	3,525	77	330	.....	330
Dec. 5.....	14	.....	3,455	3,442	232.7	4,386	931	859	3,527	72	356	.....	356
12.....	-7	11	3,838	3,856	247.3	4,570	732	732	3,838	.....	405	.....	405
19.....	-23	.....	4,085	4,108	251.3	4,766	681	681	4,084	.....	366	.....	366
26.....	57	.....	3,208	3,151	206.1	4,007	799	727	3,281	72	364	.....	364
<i>33 others</i>													
Nov. 7.....	5	86	3,243	3,324	43.6	9,006	5,763	3,612	5,394	2,152	298	205	93
14.....	-24	328	4,185	4,537	58.6	9,650	5,466	3,628	6,023	1,838	297	258	39
21.....	82	298	4,398	4,614	60.0	9,095	4,698	3,343	5,753	1,355	241	528	-287
28.....	65	195	4,633	4,763	63.3	9,107	4,474	3,362	5,745	1,112	287	370	-82
Dec. 5.....	16	322	4,847	5,153	68.4	9,018	4,171	3,270	5,747	901	247	318	-71
12.....	35	418	5,812	6,196	81.8	9,906	4,094	3,374	6,532	720	233	189	44
19.....	-23	606	5,924	6,553	86.2	9,983	4,059	3,498	6,485	561	283	174	109
26.....	89	180	6,038	6,130	79.7	10,040	4,002	3,361	6,679	641	627	172	455

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 Dec. 31, 1973	Effective date	Previous rate
	Rate on Dec. 31, 1973	Effective date	Previous rate	Rate on Dec. 31, 1973	Effective date	Previous rate			
Boston.....	7½	Aug. 23, 1973	7	8	Aug. 23, 1973	7½	49½	Aug. 23, 1973	9
New York.....	7½	Aug. 14, 1973	7	8	Aug. 14, 1973	7½	9½	Aug. 14, 1973	9
Philadelphia.....	7½	Aug. 14, 1973	7	8	Aug. 14, 1973	7½	9½	Aug. 14, 1973	9
Cleveland.....	7½	Aug. 14, 1973	7	8	Aug. 14, 1973	7½	9½	Aug. 14, 1973	9
Richmond.....	7½	Aug. 14, 1973	7	8	Aug. 14, 1973	7½	49½	Aug. 14, 1973	9
Atlanta.....	7½	Aug. 16, 1973	7	8	Aug. 16, 1973	7½	49½	Aug. 16, 1973	9
Chicago.....	7½	Aug. 14, 1973	7	8	Aug. 14, 1973	7½	49½	Aug. 14, 1973	9
St. Louis.....	7½	Aug. 14, 1973	7	8	Aug. 14, 1973	7½	49½	Aug. 14, 1973	9
Minneapolis.....	7½	Aug. 14, 1973	7	8	Aug. 14, 1973	7½	49½	Aug. 14, 1973	9
Kansas City.....	7½	Aug. 14, 1973	7	8	Aug. 14, 1973	7½	49½	Aug. 14, 1973	9
Dallas.....	7½	Aug. 14, 1973	7	8	Aug. 14, 1973	7½	49½	Aug. 14, 1973	9
San Francisco.....	7½	Aug. 14, 1973	7	8	Aug. 14, 1973	7½	9½	Aug. 14, 1973	9

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

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

³ Advances to individuals, partnerships, or corporations other than member banks secured by direct obligations of, or obligations fully

guaranteed as to principal and interest by, the U.S. Govt. or any agency thereof. Maximum maturity: 90 days.

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

SUMMARY OF EARLIER CHANGES

(Per cent per annum)

Effective date	Range (or level) All F.R. Banks	F.R. Bank of N.Y.	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	1970—Nov. 11.....	5¼-6	6
1955—Apr. 14.....	1½-1¾	1½	16.....	3	3	13.....	5¾-6	5¾
15.....	1½-1¾	1¾	May 29.....	3-3½	3½	16.....	5¾	5¾
May 2.....	1¾	1¾	June 12.....	3½	3½	Dec. 1.....	5½-5¾	5¾
Aug. 4.....	1¾-2¼	1¾	Sept. 11.....	3½-4	4	4.....	5½-5¾	5½
5.....	1¾-2¼	2	18.....	4	4	11.....	5½	5½
12.....	2-2¼	2	1960—June 3.....	3½-4	4	1971—Jan. 8.....	5¼-5½	5¼
Sept. 9.....	2-2¼	2¼	10.....	3½-4	3½	15.....	5½	5¼
13.....	2¼	2¼	14.....	3½	3½	19.....	5-5¼	5¼
Nov. 18.....	2¼-2½	2½	Aug. 12.....	3-3½	3	22.....	5-5¼	5
23.....	2½	2½	Sept. 9.....	3	3	29.....	5	5
1956—Apr. 13.....	2½-3	2¾	1963—July 17.....	3-3½	3½	Feb. 13.....	4¾-5	5
20.....	2¾-3	2¾	26.....	3½	3½	19.....	4¾	4¾
Aug. 24.....	2¾-3	3	1964—Nov. 24.....	3½-4	4	July 16.....	4¾-5	5
31.....	3	3	30.....	4	4	23.....	5	5
1957—Aug. 9.....	3-3½	3	1965—Dec. 6.....	4-4½	4½	Nov. 11.....	4¾-5	5
23.....	3½	3½	13.....	4½	4½	19.....	4¾	4¾
Nov. 15.....	3-3½	3	1967—Apr. 7.....	4-4½	4	Dec. 13.....	4½-4¾	4¾
Dec. 2.....	3	3	14.....	4	4	17.....	4½-4¾	4½
1958—Jan. 22.....	2¾-3	3	Nov. 20.....	4-4½	4½	24.....	4½	4½
24.....	2¾-3	2¾	27.....	4½	4½	1973—Jan. 15.....	5	5
Mar. 7.....	2¼-3	2¼	1968—Mar. 15.....	4½-5	4½	Feb. 26.....	5-5½	5½
13.....	2¼-2¾	2¼	22.....	5	5	Mar. 2.....	5½	5½
21.....	2¼	2¼	Apr. 19.....	5-5½	5½	Apr. 23.....	5½-5¾	5½
Apr. 18.....	1¾-2¼	1¾	26.....	5½	5½	May 4.....	5¾	5¾
May 9.....	1¾	1¾	Aug. 16.....	5½-5½	5½	11.....	5¾-6	6
Aug. 15.....	1¾-2	1¾	30.....	5½	5½	18.....	6	6
Sept. 12.....	1¾-2	2	Dec. 18.....	5½-5½	5½	June 11.....	6-6½	6½
23.....	2	2	20.....	5½	5½	15.....	6½	6½
Oct. 24.....	2-2½	2	1969—Apr. 4.....	5½-6	6	July 2.....	7	7
Nov. 7.....	2½	2½	8.....	6	6	Aug. 14.....	7-7½	7½
						In effect Dec. 31, 1973....	7½	7½

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

RESERVE REQUIREMENTS ON DEPOSITS OF MEMBER BANKS

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

Effective date ¹	Net demand ²				Time ³ (all classes of banks)			Effective date	Net demand ^{2,4}					Time ³		
	Reserve city		Other		Savings	Other time			0-2	2-10	10-100	100-400	Over 400 ⁵	Savings	Other time	
	0-5	Over 5	0-5	Over 5		0-5	Over 5								0-5	Over 5 ⁶
In effect Jan. 1, 1963.....	16½		12		4			1972—Nov. 9.....	8	10	12	7 16½	17½	8 3	8 3	8 5
1966—July 14, 21.....					4	4	5	Nov. 16.....				13				
Sept. 8, 15.....							6	1973—July 19.....		10½	12½	13½	18			
1967—Mar. 2.....					3½	3½		In effect								
Mar. 16.....					3	3		Dec. 31, 1973	8	10½	12½	13½	18	3	3	5
1968—Jan. 11, 18.....	16½	17	12	12½												
1969—Apr. 17.....	17	17½	12½	13												
1970—Oct. 1.....							5									
	Present legal requirement:											Minimum	Maximum			
	Net demand deposits, reserve city banks.....											10	22			
	Net demand deposits, other banks.....											7	14			
	Time deposits.....											3	10			

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

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

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

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

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

⁴ Effective Nov. 9, 1972, a new criterion was adopted to designate reserve cities, and on the same date requirements for reserves against net demand deposits of member banks were restructured to provide that each member bank will maintain reserves related to the size of its net demand deposits. The new reserve city designations are as follows: A bank having net demand deposits of more than \$400 million is considered to have the

character of business of a reserve city bank, and the presence of the head office of such a bank constitutes designation of that place as a reserve city. Cities in which there are F.R. Banks or branches are also reserve cities. Any banks having net demand deposits of \$400 million or less are considered to have the character of business of banks outside of reserve cities and are permitted to maintain reserves at ratios set for banks not in reserve cities. For details, see Regulation D and appropriate supplements and amendments.

⁵ Reserve city banks.

⁶ Except as noted below, effective Dec. 27, 1973, member banks are subject to an 8 per cent marginal reserve requirement against increases in the aggregate of (a) outstanding time deposits of \$100,000 and over, (b) outstanding funds obtained by the bank through issuance by a bank's affiliate of obligations subject to the existing reserve requirements on time deposits, and (c) funds from sales of finance bills. The 8 per cent requirement applies to balances above a specified base, but is not applicable to banks that have obligations of these types aggregating less than \$10 million. For the period June 21 to Aug. 30, 1973, (a) included only single-maturity time deposits. Previous requirements have been: 8 per cent for (a) and (b) from June 21 to Sept. 19, 1973, and for (c) from July 12 to Sept. 19, 1973; and 11 per cent from Sept. 20 to Dec. 26, 1973. For details, see Regulation D and appropriate supplements and amendments.

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

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

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

MAXIMUM INTEREST RATES PAYABLE ON TIME AND SAVINGS DEPOSITS

(Per cent per annum)

Rates July 20, 1966 June 30, 1973					Rates beginning July 1, 1973			
Type of deposit	Effective date				Type of deposit	Effective date		
	July 20, 1966	Sept. 26, 1966	Apr. 19, 1968	Jan. 21, 1970		July 1, 1973	Nov. 1, 1973	
Savings deposits.....	4	4	4	4½	Savings deposits.....	5	5	
Other time deposits— ¹					Other time deposits (multiple- and single-maturity)			
Multiple maturity: ²					Less than \$100,000:			
30-89 days.....	4	4	4	4½	30-89 days.....	5	5	
90 days to 1 year.....	5	5	5	5	90 days to 1 year.....	5½	5½	
1 year to 2 years.....				5½	1 year to 2½ years.....	6	6	
2 years or more.....				5¾	2½ years or more.....	6½	6½	
Single-maturity:					4 years or more in minimum denomination of \$1,000.....	(4)	7¼	
Less than \$100,000—					\$100,000 or more.....	(3)	(3)	
30 days to 1 year.....	5½	5	5	5				
1 year to 2 years.....				5½				
2 years and over.....				5¾				
\$100,000 or more—								
30-59 days.....	5½	5½	5½	(3)				
60-89 days.....			5¾	(3)				
90-179 days.....			6	(1)				
180 days to 1 year.....			6¼	(3)				
1 year or more.....			(3)	(3)				

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

² Multiple-maturity time deposits include deposits that are automatically renewable at maturity without action by the depositor and deposits that are payable after written notice of withdrawal.

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

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

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

⁴ Between July 1 and Oct. 31, 1973, there was no ceiling for 4-year

certificates with minimum denomination of \$1,000. The amount of such certificates that a bank could issue was limited to 5 per cent of its total time and savings deposits. Sales in excess of that amount were subject to the 6½ per cent ceiling that applies to time deposits maturing in 2½ years or more.

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

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

For previous changes, see earlier issues of the BULLETIN.

MARGIN REQUIREMENTS

(Per cent of market value)

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

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

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

TRANSACTIONS OF THE SYSTEM OPEN MARKET ACCOUNT

(In millions of dollars)

Outright transactions in U.S. Govt. securities, by maturity (excluding matched sale-purchase transactions)															
Period	Treasury bills ¹			Others within 1 year ²			1-5 years			5-10 years			Over 10 years		
	Gross purchases	Gross sales	Redemptions	Gross purchases	Gross sales	Exch., maturity shifts, or redemptions	Gross purchases	Gross sales	Exch. or maturity shifts	Gross purchases	Gross sales	Exch. or maturity shifts	Gross purchases	Gross sales	Exch. or maturity shifts
1970.....	11,074	5,214	2,160	99	.....	3,483	848	.....	5,430	249	.....	1,845	93	.....	102
1971.....	8,896	3,642	1,064	1,036	.....	-6,462	1,338	.....	4,672	933	.....	685	311	.....	150
1972.....	8,522	6,467	2,545	125	.....	2,933	789	.....	-1,405	539	.....	2,094	167	.....	250
1972-Nov....	393	635	300	.....	.....	360	.....	.....	-411	.....	.....	.....	.....	.....	.....
1972-Dec....	941	498	.....	.....	.....	-135	.....	.....	.....	.....	.....	.....	.....	.....	.....
1973-Jan....	1,855	530	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
1973-Feb....	1,558	695	200	25	.....	-1,408	61	.....	3,476	79	.....	2,068	32	.....	.....
1973-Mar....	1,569	260	200	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
1973-Apr....	1,377	.....	51	50	.....	.....	127	.....	.....	19	.....	.....	11	.....	.....
1973-May....	717	623	600	.....	.....	1,316	.....	.....	-1,316	.....	.....	.....	.....	.....	.....
1973-June....	1,047	218	163	17	.....	.....	123	.....	.....	37	.....	78	51	.....	-78
1973-July....	1,640	495	60	.....	.....	.....	27	.....	.....	.....	.....	.....	.....	.....	.....
1973-Aug....	655	945	456	351	.....	-919	.....	.....	468	.....	.....	.....	.....	.....	100
1973-Sept....	480	401	564	836	.....	-813	.....	.....	23	.....	.....	.....	.....	.....	.....
1973-Oct....	2,117	153	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
1973-Nov....	583	489	1,101	41	.....	1,515	125	.....	680	331	.....	2,220	35	.....	25

Period	Total outright ¹			Matched sale-purchase transactions (Treasury bills)		Repurchase agreements (U.S. Govt. securities)		Net change in U.S. Govt. securities	Federal agency obligations			Bankers' acceptances, net		Net change ³
	Gross purchases	Gross sales	Redemptions	Gross sales	Gross purchases	Gross purchases	Gross sales		Outright	Repurchase agreements, net	Outright	Repurchase agreements		
1970.....	12,362	5,214	2,160	12,177	12,177	33,859	33,859	4,988	.....	.....	.....	.....	-6	4,982
1971.....	12,515	3,642	2,019	16,205	16,205	44,741	43,519	8,076	485	.....	101	.....	22	8,866
1972.....	10,142	6,467	2,862	23,319	23,319	31,103	32,228	-312	1,197	370	-88	.....	-9	272
1972-Nov....	393	635	351	2,245	2,245	3,547	3,547	-593	166	9	.....	.....	-6	-442
1972-Dec....	941	498	135	4,142	4,142	4,863	4,765	405	149	14	13	.....	7	596
1973-Jan....	1,855	530	.....	1,205	1,205	9,719	8,928	2,116	.....	.....	48	.....	11	2,197
1973-Feb....	1,754	695	200	4,521	4,521	2,774	3,034	599	18	-28	.....	.....	-3	644
1973-Mar....	1,569	260	200	1,941	1,941	6,024	5,478	1,656	14	61	.....	.....	-1	1,636
1973-Apr....	1,584	.....	51	2,101	2,101	5,664	5,978	1,218	19	65	.....	.....	7	1,406
1973-May....	717	623	600	1,105	1,105	7,379	8,240	1,367	.....	21	29	.....	1	-1,470
1973-June....	1,274	218	163	4,630	4,630	5,621	5,621	893	229	19	.....	.....	-17	1,085
1973-July....	1,666	495	60	3,405	3,405	7,651	6,686	2,076	174	6	106	.....	-12	2,416
1973-Aug....	1,006	945	807	9,632	9,632	2,234	2,492	-1,005	20	157	.....	.....	-7	-915
1973-Sept....	1,316	401	1,400	6,981	6,981	3,309	2,752	72	30	30	.....	.....	-9	69
1973-Oct....	2,117	153	.....	4,735	4,735	8,220	7,859	2,325	176	4	20	.....	8	2,440
1973-Nov....	1,116	489	1,101	2,089	2,089	6,637	7,525	1,360	74	3	20	.....	2	1,307

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

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

³ Net change in U.S. Govt. securities, Federal agency obligations, and bankers' acceptances.

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

CONVERTIBLE FOREIGN CURRENCIES HELD BY FEDERAL RESERVE BANKS

(In millions of U.S. dollar equivalent)

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

CONSOLIDATED STATEMENT OF CONDITION OF ALL FEDERAL RESERVE BANKS

(In millions of dollars)

Item	Wednesday					End of month		
	1973					1973		1972
	Dec. 26	Dec. 19	Dec. 12	Dec. 5	Nov. 28	Dec. 31	Nov. 30	Dec. 31
Assets								
Gold certificate account.....	11,460	11,460	11,460	11,460	11,460	11,460	11,460	10,303
Special Drawing Rights certificate account.....	400	400	400	400	400	400	400	400
Cash.....	278	289	293	294	297	271	305	313
Loans:								
Member bank borrowings.....	485	1,568	1,580	686	1,486	1,257	1,915	1,981
Other.....								
Acceptances:								
Bought outright.....	61	53	48	43	43	68	45	70
Held under repurchase agreements.....		187	51	135	17		26	36
Federal agency obligations:								
Bought outright.....	1,798	1,798	1,725	1,810	1,810	1,937	1,810	1,311
Held under repurchase agreements.....		419	79	215	79	42	168	13
U.S. Govt. securities:								
Bought outright:								
Bills.....	33,484	36,017	34,530	35,058	35,362	36,897	35,058	29,664
Certificates—Special.....								
Other.....								
Notes.....	38,309	38,259	38,186	38,186	38,186	38,412	38,186	36,681
Bonds.....	3,149	3,149	3,149	3,149	3,149	3,149	3,149	3,463
Total bought outright.....	1 2 74,942	1 77,425	1 2 75,865	1 76,393	1 76,697	1 78,458	1 76,393	1 69,808
Held under repurchase agreements.....		2,323	537	1,221	880	58	736	98
Total U.S. Govt. securities.....	74,942	79,748	76,402	77,614	77,577	78,516	77,129	69,906
Total loans and securities.....	77,286	83,773	79,885	80,503	81,012	81,820	81,093	73,317
Cash items in process of collection.....	[#] 10,849	[#] 10,865	[#] 8,516	[#] 9,470	[#] 9,286	[#] 7,868	[#] 6,810	[#] 9,172
Bank premises.....	222	222	221	221	221	223	221	194
Other assets:								
Denominated in foreign currencies.....	9	4	4	4	4	4	4	192
All other.....	1,733	837	831	745	698	925	691	874
Total assets.....	[#] 102,237	[#] 107,850	[#] 101,610	[#] 103,097	103,378	[#] 102,971	100,984	94,765
Liabilities								
F.R. notes.....	64,561	63,941	63,564	62,832	62,518	64,262	62,128	58,757
Deposits:								
Member bank reserves.....	[#] 25,361	[#] 31,702	[#] 27,155	[#] 29,104	29,133	[#] 26,759	28,108	25,647
U.S. Treasurer—General account.....	2,716	2,092	1,524	1,705	2,001	2,542	1,945	1,855
Foreign.....	729	283	297	369	516	251	420	325
Other:								
All other ³	593	670	632	716	645	1,633	672	840
Total deposits.....	[#] 29,399	[#] 34,747	[#] 29,608	[#] 31,894	32,295	[#] 31,185	31,145	28,667
Deferred availability cash items.....	5,256	6,176	5,637	5,651	5,536	4,855	4,686	5,198
Other liabilities and accrued dividends.....	978	1,048	959	975	973	981	942	557
Total liabilities.....	[#] 100,194	[#] 105,912	[#] 99,768	[#] 101,352	101,322	[#] 101,283	98,901	93,179
Capital accounts								
Capital paid in.....	838	838	838	837	838	844	838	793
Surplus.....	793	793	793	793	793	844	793	793
Other capital accounts.....	412	307	211	115	425		452	
Total liabilities and capital accounts.....	[#] 102,237	[#] 107,850	[#] 101,610	[#] 103,097	103,378	[#] 102,971	100,984	94,765
Contingent liability on acceptances purchased for foreign correspondents.....	609	616	613	607	605	581	604	179
Marketable U.S. Govt. securities held in custody for foreign and international accounts.....	26,752	26,955	27,136	27,489	26,958	26,365	27,354	30,858

Federal Reserve Notes—Federal Reserve Agents' Accounts

F.R. notes outstanding (issued to Bank).....	67,680	67,359	67,680	66,388	66,084	68,161	66,229	62,492
Collateral held against notes outstanding:								
Gold certificate account.....	2,555	2,535	2,555	2,485	2,455	2,555	2,485	2,561
U.S. Govt. securities.....	66,245	65,940	66,245	65,225	64,930	66,335	65,130	61,015
Total collateral.....	68,800	68,475	68,800	67,710	67,385	68,890	67,615	63,576

¹ See note 8 on p. A-5.

² See note 9 on p. A-5.

³ See note 5 on p. A-4.

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

(In millions of dollars)

Item	Total	Boston	New York	Philadelphia	Cleveland	Richmond	Atlanta	Chicago	St. Louis	Minneapolis	Kansas City	Dallas	San Francisco
Assets													
Gold certificate account	11,460	391	3,231	817	827	1,283	847	1,595	359	114	416	253	1,327
Special Drawing Rights certificate account	400	23	93	23	33	36	22	70	15	7	15	14	49
F.R. notes of other banks	1,208	96	198	63	89	109	189	69	27	62	86	171	171
Other cash	271	15	19	2	32	28	39	33	19	10	32	14	28
Loans:													
Secured by U.S. Govt. and agency obligations	385	9	63	18	95	6	59	38	3	10	16	15	53
Other	872	2	422	1	47	50	158	18	11	23	140	140	140
Acceptances:													
Bought outright	68		68										
Held under repurchase agreements													
Federal agency obligations:													
Bought outright	1,937	91	477	106	149	147	111	316	72	40	76	89	263
Held under repurchase agreements	42		42										
U.S. Govt. securities:													
Bought outright	78,458	3,680	19,314	4,296	6,016	5,959	4,506	12,781	2,935	1,631	3,091	3,593	10,656
Held under repurchase agreements	58		58										
Total loans and securities	81,820	3,782	20,444	4,421	6,260	6,159	4,726	13,293	3,028	1,681	3,194	3,720	11,112
Cash items in process of collection	9,852	361	2,575	394	445	790	759	1,288	463	400	602	562	1,213
Bank premises	223	44	10	10	27	14	15	16	14	36	17	12	8
Other assets:													
Denominated in foreign currencies	4		21		1		1						1
All other	925	39	207	48	65	67	59	132	32	50	32	38	156
Total assets	106,163	4,751	26,778	5,778	7,779	8,486	6,656	16,497	3,979	2,325	4,370	4,699	14,065
Liabilities													
F.R. notes	65,470	3,257	16,082	4,092	5,243	5,844	3,560	10,926	2,602	1,171	2,544	2,489	7,660
Deposits:													
Member bank reserves	26,759	771	7,780	1,029	1,701	1,350	1,819	3,516	771	619	1,067	1,496	4,840
U.S. Treasurer—General account	2,542	188	394	139	151	365	237	208	178	89	114	130	349
Foreign	251	11	59	13	24	13	18	41	9	6	11	14	32
Other:													
All other ⁵	1,633	21	674	39	31	50	247	438	15	9	16	22	71
Total deposits	31,185	991	8,907	1,220	1,907	1,778	2,321	4,203	973	723	1,208	1,662	5,292
Deferred availability cash items	6,839	391	1,118	331	407	701	584	953	311	368	511	413	751
Other liabilities and accrued dividends	981	44	241	51	74	69	67	151	35	23	37	43	146
Total liabilities	104,475	4,683	26,348	5,694	7,631	8,392	6,532	16,233	3,921	2,285	4,300	4,607	13,849
Capital accounts													
Capital paid in	844	34	215	42	74	47	62	132	29	20	35	46	108
Surplus	844	34	215	42	74	47	62	132	29	20	35	46	108
Other capital accounts													
Total liabilities and capital accounts	106,163	4,751	26,778	5,778	7,779	8,486	6,656	16,497	3,979	2,325	4,370	4,699	14,065
Contingent liability on acceptances purchased for foreign correspondents													
	581	24	152	29	53	30	41	91	20	13	24	31	73

Federal Reserve Notes—Federal Reserve Agents' Accounts

F.R. notes outstanding (issued to Bank)	68,161	3,393	16,698	4,174	5,464	6,033	3,799	11,242	2,728	1,222	2,660	2,638	8,110
Collateral held against notes outstanding:													
Gold certificate account	2,555	175		400	350	750		700	175			5	
U.S. Govt. securities	66,335	3,230	16,850	3,800	5,200	5,340	3,900	10,600	2,620	1,240	2,700	2,655	8,200
Total collateral	68,890	3,405	16,850	4,200	5,550	6,090	3,900	11,300	2,795	1,240	2,700	2,660	8,200

¹ See note 8 on p. A-5.
² After deducting \$3 million participations of other Federal Reserve Banks.
³ After deducting \$192 million participations of other Federal Reserve Banks.

⁴ After deducting \$429 million participations of other Federal Reserve Banks.
⁵ See note 5 on p. A-4.

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

(In millions of dollars)

Item	Wednesday					End of month		
	1973					1973		1972
	Dec. 26	Dec. 19	Dec. 12	Dec. 5	Nov. 28	Dec. 31	Nov. 30	Dec. 31
Loans—Total.....	485	1,568	1,580	686	1,486	1,257	1,914	1,982
Within 15 days.....	475	1,499	1,507	645	1,428	1,250	1,849	1,980
16 days to 90 days.....	10	69	73	41	58	7	65	2
91 days to 1 year.....								
Acceptances—Total.....	61	240	99	178	60	68	71	106
Within 15 days.....	19	200	60	143	25	19	31	53
16 days to 90 days.....	42	40	39	35	35	49	40	53
91 days to 1 year.....								
U.S. Government securities—Total.....	74,942	79,748	76,402	77,614	77,577	78,516	77,129	69,906
Within 15 days ¹	2,215	7,345	5,661	6,895	5,895	4,495	4,018	3,838
16 days to 90 days.....	19,372	19,374	19,007	18,297	19,139	20,352	20,689	17,833
91 days to 1 year.....	21,099	20,773	19,550	20,238	20,359	21,369	20,238	16,097
Over 1 year to 5 years.....	22,991	22,991	22,953	22,953	22,953	22,035	22,953	24,484
Over 5 years to 10 years.....	7,503	7,503	7,469	7,469	7,469	7,503	7,469	6,108
Over 10 years.....	1,762	1,762	1,762	1,762	1,762	1,762	1,762	1,546
Federal agency obligations—Total.....	1,798	2,217	1,804	2,025	1,889	1,980	1,978	1,324
Within 15 days ¹	18	436	79	299	163	60	252	13
16 days to 90 days.....	114	115	133	89	85	115	85	32
91 days to 1 year.....	282	282	282	276	280	282	280	207
Over 1 year to 5 years.....	733	733	659	665	665	787	665	612
Over 5 years to 10 years.....	424	424	424	469	469	497	469	269
Over 10 years.....	227	227	227	227	227	239	227	191

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

BANK DEBITS AND DEPOSIT TURNOVER

(Seasonally adjusted annual rates)

Period	Debits to demand deposit accounts ¹ (billions of dollars)					Turnover of demand deposits				
	Total 233 SMSA's	Leading SMSA's		Total 232 SMSA's (excl. N.Y.)	226 other SMSA's	Total 233 SMSA's	Leading SMSA's		Total 232 SMSA's (excl. N.Y.)	226 other SMSA's
		N.Y.	6 others ²				N.Y.	6 others ²		
1972—Nov.....	15,154.7	6,979.3	3,411.9	8,175.3	4,763.5	93.5	229.2	93.9	62.1	50.0
Dec.....	14,783.7	6,604.8	3,495.4	8,178.9	4,683.5	90.7	215.7	95.6	61.8	48.9
1973—Jan.....	15,444.5	6,855.4	3,631.7	8,589.1	4,957.3	93.8	224.0	97.9	64.1	51.2
Feb.....	16,069.5	7,227.0	3,804.8	8,842.4	5,037.6	97.9	238.0	103.1	66.1	52.0
Mar.....	15,954.5	6,844.8	3,868.7	9,109.7	5,241.0	97.1	228.3	104.4	67.8	53.9
Apr.....	15,966.3	6,297.5	3,852.6	9,038.8	5,186.2	95.7	228.9	101.8	66.2	52.5
May.....	16,447.0	7,177.0	3,913.4	9,270.1	5,356.7	97.8	235.1	103.6	67.3	53.6
June.....	16,634.4	7,244.6	4,046.6	9,409.8	5,363.3	99.9	245.0	107.5	68.7	54.0
July.....	17,218.8	7,381.4	4,277.8	9,837.4	5,559.5	102.6	247.5	111.5	71.3	55.8
Aug.....	17,885.3	7,744.6	4,315.3	10,140.6	5,825.3	106.1	252.5	113.5	73.6	58.4
Sept.....	17,914.5	8,025.3	4,192.1	9,889.1	5,697.1	107.4	266.4	111.5	72.4	57.5
Oct.....	18,388.6	8,137.2	4,413.5	10,251.3	5,837.8	109.5	265.3	116.3	74.7	58.8
Nov.....	19,091.1	8,437.9	4,550.7	10,653.2	6,102.5	113.4	274.9	119.5	77.4	61.3

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

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

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

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

DENOMINATIONS IN CIRCULATION

(In millions of dollars)

End of period	Total in circulation ¹	Coin and small denomination currency						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
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	11,305	9,983	2,990	6,448	240	293	3	10
1963.....	37,692	26,807	3,030	1,722	103	2,469	7,373	12,109	10,885	3,221	7,110	249	298	3	4
1964.....	39,619	28,100	3,405	1,806	111	2,517	7,543	12,717	11,519	3,381	7,590	248	293	2	4
1965.....	42,056	29,842	4,027	1,908	127	2,618	7,794	13,369	12,214	3,540	8,135	245	288	3	4
1966.....	44,663	31,695	4,480	2,051	137	2,756	8,070	14,201	12,969	3,700	8,735	241	286	3	4
1967.....	47,226	33,468	4,918	2,035	136	2,850	8,366	15,162	13,758	3,915	9,311	240	285	3	4
1968.....	50,961	36,163	5,691	2,049	136	2,993	8,786	16,508	14,798	4,186	10,068	244	292	3	4
1969.....	53,950	37,917	6,021	2,213	136	3,092	8,989	17,466	16,033	4,499	11,016	234	276	3	5
1970.....	57,093	39,639	6,281	2,310	136	3,161	9,170	18,581	17,454	4,896	12,084	215	252	3	4
1971.....	61,068	41,831	6,775	2,408	135	3,273	9,348	19,893	19,237	5,377	13,414	203	237	2	4
1972—Nov.....	65,137	44,208	7,237	2,437	135	3,305	9,602	21,491	20,928	5,714	14,789	194	225	2	4
Dec.....	66,516	45,105	7,287	2,523	135	3,449	9,827	21,883	21,411	5,868	15,118	193	225	2	4
1973—Jan.....	64,312	43,133	7,274	2,380	135	3,218	9,243	20,883	21,179	5,742	15,013	192	224	2	4
Feb.....	64,696	43,431	7,290	2,370	135	3,213	9,330	21,091	21,266	5,755	15,089	192	224	2	4
Mar.....	65,180	43,699	7,320	2,368	135	3,209	9,352	21,314	21,482	5,787	15,274	191	223	2	4
Apr.....	66,094	44,313	7,382	2,406	135	3,234	9,447	21,707	21,781	5,887	15,476	190	222	2	4
May.....	67,161	45,074	7,446	2,439	135	3,302	9,613	22,138	22,088	5,974	15,697	189	221	2	4
June.....	67,771	45,428	7,498	2,433	135	3,309	9,648	22,405	22,343	6,024	15,903	189	220	2	4
July.....	68,223	45,564	7,542	2,440	135	3,301	9,602	22,544	22,659	6,116	16,130	188	219	2	4
Aug.....	68,376	45,553	7,577	2,430	135	3,288	9,566	22,557	22,822	6,149	16,261	188	219	2	4
Sept.....	68,217	45,398	7,597	2,435	135	3,288	9,505	22,437	22,819	6,112	16,296	187	218	2	4
Oct.....	69,043	45,927	7,644	2,480	135	3,333	9,616	22,718	23,116	6,182	16,524	186	217	2	4
Nov.....	70,296	46,799	7,696	2,528	135	3,418	9,819	23,204	23,497	6,290	16,799	186	217	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, Nov. 30, 1973	Held in the Treasury			Held by F.R. Banks and Agents	Currency in circulation ¹		
		As security against gold certificates	Treasury cash	For F.R. Banks and Agents		1973		1972
						Nov. 30	Oct. 31		Nov. 30
Gold.....	11,567	(11,460)	107					
Gold certificates.....	(11,460)			2 11,459	1			
Federal Reserve notes.....	66,229		138		4,100	61,991	60,790	57,289
Treasury currency—Total.....	8,684		73		306	8,305	8,253	7,848
Dollars.....	767		9		31	727	722	665
Fractional Coin.....	7,306		62		275	6,969	6,922	6,573
United States notes.....	323		1			321	321	320
In process of retirement ³	288					288	288	291
Total—Nov. 30, 1973.....	4 86,481	(11,460)	317	11,459	4,408	70,296		
Oct. 31, 1973.....	4 85,336	(11,460)	342	11,459	4,492		69,043	
Nov. 30, 1972.....	4 79,579	(10,303)	333	10,302	3,807			65,137

¹ Outside Treasury and F.R. Banks. Includes any paper currency held outside the United States and currency and coin held by banks. Estimated totals for Wed. dates shown in table on p. A-5.

² Consists of credits payable in gold certificates, the Gold Certificate Fund—Board of Governors, FRB.

³ Redeemable from the general fund of the Treasury.

⁴ Does not include all items shown, as gold certificates are secured by gold. Duplications are shown in parentheses.

NOTE.—Prepared from Statement of United States Currency and Coin and other data furnished by the Treasury. For explanation of currency reserves and security features, see the Circulation Statement or the Aug. 1961 BULLETIN, p. 936.

MEASURES OF THE MONEY STOCK

(In billions of dollars)

Month or week	Seasonally adjusted			Not seasonally adjusted		
	M ₁	M ₂	M ₃	M ₁	M ₂	M ₃
Composition of measures is described in the NOTE below.						
1969—Dec.....	208.8	392.3	594.0	214.9	397.0	598.4
1970—Dec.....	221.3	425.2	641.3	227.7	430.0	645.6
1971—Dec.....	236.0	473.8	727.7	242.8	478.7	731.9
1972—Dec.....	255.5	525.1	822.0	262.9	530.3	826.5
1973—Jan.....	255.4	527.9	828.7	262.6	534.1	834.6
Feb.....	256.7	530.5	834.9	254.0	527.8	831.6
Mar.....	256.6	532.6	839.7	254.1	531.4	838.8
Apr.....	258.2	536.2	845.6	259.5	539.5	849.8
May.....	260.5	540.6	852.0	256.0	538.2	850.2
June.....	263.2	545.3	859.4	261.2	544.7	859.9
July.....	264.3	547.6	863.5	263.2	546.6	863.7
Aug.....	263.9	550.5	866.5	260.7	547.0	862.9
Sept.....	263.4	552.3	868.8	261.9	550.3	866.4
Oct.....	*264.6	557.1	875.4	264.0	555.8	873.4
Nov.....	*266.6	*562.4	882.6	*268.4	*561.0	879.8
Dec. ^p	268.6	566.5	889.1	276.3	571.9	893.7
Week ending—						
1973—Dec. 5.....	266.6	563.3	.....	271.3	565.2	.....
12.....	267.9	564.3	.....	274.5	568.6	.....
19.....	268.8	567.4	.....	276.3	572.7	.....
26 ^p	269.0	567.7	.....	276.8	573.2	.....
1974 Jan. 2 ^p	269.2	567.7	.....	282.0	579.1	.....

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

M₁: Averages of daily figures for (1) demand deposits of commercial banks other than domestic interbank and U.S. Govt., less cash items in process of collection and F.R. float; (2) foreign demand balances at F.R. Banks; and (3) currency outside the Treasury, F.R. Banks, and vaults of commercial banks.

M₂: Averages of daily figures for M₁ plus savings deposits, time de-

posits open account, and time certificates other than negotiable CD's of \$100,000 of large weekly reporting banks.

M₃: M₂ plus the average of the beginning- and end-of-month figures for deposits of mutual savings banks and for savings capital of savings and loan associations.

For description and back data, see "Revision of the Money Stock Measures and Member Bank Reserves and Deposits" on pp. 61-79 of the Feb. 1973 BULLETIN.

COMPONENTS OF MONEY STOCK MEASURES AND RELATED ITEMS

(In billions of dollars)

Month or week	Seasonally adjusted						Not seasonally adjusted						U.S. Govt. deposits ³
	Currency	Commercial banks			Non-bank thrift institutions ²	Currency	Commercial banks			Non-bank thrift institutions ²			
		Demand deposits	Time and savings deposits				Demand deposits	Time and savings deposits					
		CD's ¹	Other	Total		CD's ¹	Other	Total					
1969—Dec.....	46.1	162.7	10.9	183.5	194.4	201.7	46.9	167.9	11.1	182.1	193.2	201.4	5.6
1970—Dec.....	49.1	172.2	25.3	203.9	229.2	216.1	50.0	177.8	25.8	202.3	228.1	215.6	7.3
1971—Dec.....	52.6	183.4	33.0	237.9	270.9	253.8	53.5	189.2	33.8	236.0	269.8	253.2	6.9
1972—Dec.....	56.8	198.7	43.2	269.6	312.8	296.9	57.8	205.0	44.3	267.5	311.7	296.1	7.3
1973—Jan.....	57.0	198.4	44.4	272.5	316.9	300.8	56.7	205.9	45.1	271.5	316.6	300.5	8.0
Feb.....	57.5	199.3	48.8	273.8	322.6	304.4	56.7	197.3	48.6	273.8	322.5	303.8	9.6
Mar.....	57.9	198.7	54.9	276.0	330.9	307.0	57.3	196.7	54.0	277.3	331.4	307.4	10.1
Apr.....	58.7	199.5	58.7	278.0	336.7	309.4	58.2	201.3	56.1	280.0	336.1	310.3	8.2
May.....	59.0	201.6	61.7	280.1	341.8	311.4	58.7	197.3	58.8	282.2	340.9	312.0	8.4
June.....	59.4	203.9	62.0	282.0	344.1	314.2	59.4	201.8	59.3	283.4	342.7	315.3	6.9
July.....	59.5	204.9	64.5	283.3	347.7	315.9	59.9	203.2	62.3	283.5	345.8	317.0	6.3
Aug.....	59.7	204.2	67.0	286.6	353.6	315.9	60.0	200.8	68.4	286.3	354.7	315.9	4.0
Sept.....	60.1	203.3	66.8	288.9	355.6	316.6	60.1	201.8	68.8	288.4	357.2	316.1	5.1
Oct.....	60.3	204.0	63.4	292.8	356.1	*318.3	60.3	203.6	66.3	291.8	358.2	317.6	5.8
Nov.....	60.8	*205.8	61.1	295.8	356.8	*320.2	*61.3	*207.1	64.1	292.6	356.7	*318.9	4.2
Dec. ^p	61.4	207.2	62.5	297.9	360.5	322.6	62.5	213.8	64.1	295.6	359.7	321.8	6.0
Week ending—													
1973—Dec. 5.....	60.8	205.9	61.1	296.7	357.8	.....	61.8	209.6	63.5	293.8	357.3	.....	4.2
12.....	61.4	206.4	62.8	296.4	359.2	.....	62.5	211.9	64.4	294.2	358.6	.....	3.1
19.....	61.4	207.3	62.0	298.7	360.7	.....	62.6	213.6	63.4	296.4	359.8	.....	5.4
26 ^p	62.1	207.0	62.9	298.7	361.6	.....	63.2	213.5	64.4	296.5	360.9	.....	8.2
1974—Jan. 2 ^p	62.0	207.2	64.1	298.5	362.6	.....	62.0	220.0	64.7	297.1	361.8	.....	9.6

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

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

³ At all commercial banks.

See also NOTE above.

AGGREGATE RESERVES AND MEMBER BANK DEPOSITS
(In billions of dollars)

Period	Member bank reserves, S.A. ¹				Deposits subject to reserve requirements ³								Total member bank deposits plus nondeposit items ⁴	
	Total	Non-borrowed	Re-quired	Avail-able ²	S.A.				N.S.A.					
					Total	Time and savings	Demand		Total	Time and savings	Demand			
							Private	U.S. Govt.			Private	U.S. Govt.		
1969—Dec.	27.96	26.70	27.73	25.34	287.7	150.4	131.9	5.3	291.2	149.7	136.9	4.6	307.7	311.1
1970—Dec.	29.12	28.73	28.91	26.98	321.3	178.8	136.0	6.5	325.2	178.1	141.1	6.0	332.9	336.8
1971—Dec.	31.21	31.06	31.06	28.91	360.3	210.4	143.8	6.1	364.6	209.7	149.2	5.7	364.3	368.7
1972—Nov.	31.88	31.30	31.54	29.50	397.6	237.9	152.8	6.9	396.4	237.6	153.7	5.1	401.9	400.7
Dec.	31.31	30.06	31.07	28.86	402.0	241.2	154.3	6.5	406.8	240.7	160.1	6.1	406.4	411.2
1973—Jan.	32.24	30.85	31.98	29.41	404.7	243.7	153.9	7.1	410.4	243.8	160.0	6.6	409.2	414.9
Feb.	31.65	29.79	31.44	29.30	410.2	248.5	154.5	7.2	409.0	248.5	152.4	8.1	414.8	413.5
Mar.	32.00	29.53	31.77	29.62	416.7	256.0	153.2	7.5	416.3	256.2	151.6	8.5	421.6	421.2
Apr.	32.33	30.17	32.08	29.86	421.1	261.8	153.4	5.8	422.3	260.5	154.9	6.8	426.2	427.5
May	32.45	30.20	32.28	30.10	425.1	265.8	154.7	4.6	423.0	264.5	151.4	7.0	430.5	428.4
June	32.46	30.80	32.21	30.51	428.9	267.4	156.4	5.1	426.3	265.9	154.8	5.7	434.5	431.9
July	33.57	32.33	33.30	31.32	431.2	270.4	157.3	3.4	429.9	268.5	156.2	5.1	437.7	436.4
Aug.	33.90	32.00	33.74	31.96	436.7	275.6	156.9	4.2	433.7	276.6	154.0	3.1	443.9	440.8
Sept.	34.15	32.60	33.96	32.31	438.6	277.3	156.2	5.1	437.7	279.0	154.7	4.1	445.9	445.0
Oct.	34.97	33.55	34.71	32.76	439.7	276.7	156.4	6.6	439.7	278.8	156.1	4.8	446.5	446.5
Nov.	34.80	33.54	34.58	32.57	449.5	276.2	157.4	5.9	438.2	276.6	158.3	3.3	446.6	445.3
Dec.	34.94	33.24	34.71	32.61	442.3	278.6	158.3	5.4	447.6	278.4	164.3	4.9	449.7	455.0

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

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

³ Averages of daily figures. Deposits subject to reserve requirements include total time and savings deposits and net demand deposits as defined by Regulation D. Private demand deposits include all demand deposits

except those due to the U.S. Govt., less cash items in process of collection and demand balances due from domestic commercial banks.

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

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

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

LOANS AND INVESTMENTS AT ALL COMMERCIAL BANKS
(In billions of dollars)

Date	Seasonally adjusted						Not seasonally adjusted							
	Total loans and investments ¹	Loans				Securities		Total loans and investments ¹	Loans				Securities	
		Total ¹	Plus loans sold ²	Commercial and industrial ³		U.S. Treasury	Other ⁴		Total ¹	Plus loans sold ²	Commercial and industrial ³		U.S. Treasury	Other ⁴
				Total	Plus loans sold ²						Total	Plus loans sold ²		
1968—Dec. 31	390.2	258.2	95.9	60.7	71.3	400.4	264.4	98.4	64.5	71.5				
1969—Dec. 31 ⁵	401.7	279.1	105.7	51.5	71.1	412.1	286.1	111.0	54.7	71.3				
1970—Dec. 31	435.5	291.7	110.0	57.9	85.9	446.8	299.0	112.5	61.7	86.1				
1971—Dec. 31	484.8	320.3	115.9	60.1	104.4	497.9	328.3	118.5	64.9	104.7				
1972—Dec. 31	556.4	377.8	129.7	61.9	116.7	571.4	387.3	134.4	67.0	117.1				
1973—Jan. 31	564.7	385.8	133.3	61.8	117.1	565.6	383.5	133.7	65.6	116.5				
Feb. 28	575.4	397.2	138.1	60.6	117.6	571.1	392.6	136.6	61.6	116.8				
Mar. 28	583.6	405.8	141.8	60.4	117.4	580.6	401.7	143.7	61.2	117.7				
Apr. 25	589.6	411.1	143.9	61.0	117.5	587.3	408.3	146.7	60.4	118.6				
May 30	597.7	417.4	146.8	61.0	119.3	594.8	416.6	148.6	58.3	119.9				
June 30	602.0	420.3	148.2	61.6	120.1	605.6	426.6	150.4	57.9	121.1				
July 25 ⁶	608.2	427.3	151.4	59.6	121.3	606.8	429.1	151.8	56.4	121.4				
Aug. 29 ⁶	616.0	435.3	153.6	57.7	123.0	612.0	434.6	152.2	54.7	122.8				
Sept. 26 ⁶	618.2	438.1	154.0	56.3	123.8	617.9	439.1	154.1	54.8	123.9				
Oct. 31 ⁶	621.7	440.0	154.0	54.9	126.8	621.4	439.9	153.3	55.6	125.9				
Nov. 28 ⁶	624.6	443.6	155.5	54.5	126.5	624.5	446.4	154.6	57.3	125.1				
Dec. 31 ⁶	625.4	444.5	156.3	53.2	127.7	642.3	455.6	159.9	58.6	128.1				

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

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

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

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

⁵ Beginning June 30, 1969, data revised to include all bank-premises subsidiaries and other significant majority-owned domestic subsidiaries; earlier data include commercial banks only. Also, loans and investments are now reported gross, without valuation reserves deducted, rather than

net of valuation reserves as was done previously. For a description of the revision, see Aug. 1969 BULLETIN, pp. 642–46. Data shown in above table have been revised to include valuation reserves.

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

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

(Amounts in millions of dollars)

Classification by F.R.S. membership and F.DIC insurance	Loans and investments					Total assets— Total liabilities and capital accounts ⁴	Total ³	Deposits					Bor- row- ings	Total capital ac- counts	Num- ber of banks
	Total	Loans ¹	Securities		Cash assets ³			Interbank ³		Other					
			U.S. Treas- ury	Other ²				Demand	Time	Demand		Time ⁵			
										U.S. Govt.	Other				
Noninsured nonmember:															
1941—Dec. 31.....	1,457	455	761	241	763	2,283	1,872	329		1,291		253	13	329	852
1945—Dec. 31.....	2,211	318	1,693	200	514	2,768	2,452	181		1,905		365	4	279	714
1947—Dec. 31.....	2,009	474	1,280	255	576	2,643	2,251	177	185	18	1,392	478	4	325	783
1963—Dec. 20.....	1,571	745	463	362	374	2,029	1,463	190	83	17	832	341	93	389	285
1964—Dec. 31.....	2,312	1,355	483	474	578	3,033	2,057	273	86	23	1,141	534	99	406	274
1965—Dec. 31.....	2,455	1,549	418	489	572	3,200	2,113	277	85	17	1,121	612	147	434	263
1967—Dec. 30.....	2,638	1,735	370	533	579	3,404	2,172	285	58	15	1,081	733	246	457	211
1968—Dec. 31.....	2,901	1,875	429	597	691	3,789	2,519	319	56	10	1,366	767	224	464	197
1969—June 30 ⁷	2,809	1,800	321	688	898	3,942	2,556	298	81	15	1,430	731	290	502	209
Dec. 31.....	2,982	2,041	310	632	895	4,198	2,570	316	41	16	1,559	638	336	528	197
1971—Dec. 31.....	3,147	2,224	239	684	1,551	5,130	2,923	380	116	19	1,273	1,134	283	480	181
1972—Dec. 31.....	4,865	3,731	349	785	1,794	7,073	3,775	488	81	55	1,530	1,620	527	491	206
1973—June 30.....	5,915	4,732	345	838	1,892	8,196	4,438	488	145	26	1,779	2,000	885	500	204
Total nonmember:															
1941—Dec. 31.....	7,233	3,696	2,270	1,266	3,431	10,992	9,573	457		5,504		3,613	18	1,288	7,662
1945—Dec. 31.....	16,849	3,310	12,277	1,262	4,962	22,024	20,571	425		14,101		6,045	11	1,362	7,130
1947—Dec. 31.....	18,454	5,432	11,318	1,703	4,659	23,334	21,591	439	190	167	13,758	7,036	12	1,596	7,261
1963—Dec. 20.....	44,035	24,295	13,854	5,885	6,316	51,304	45,743	749	144	743	23,972	20,134	165	4,623	7,458
1964—Dec. 31.....	48,879	27,899	14,273	6,707	7,752	57,780	51,447	931	156	672	26,645	23,043	198	4,894	7,536
1965—Dec. 31.....	54,483	31,858	14,555	8,070	8,085	63,879	56,919	972	168	635	28,649	26,495	238	5,345	7,583
1967—Dec. 30.....	67,087	39,409	15,516	12,162	8,983	77,732	69,279	1,071	147	603	32,085	35,372	408	6,286	7,651
1968—Dec. 31.....	76,454	45,253	16,585	14,617	9,997	88,394	78,887	1,227	150	701	35,981	40,827	441	6,945	7,701
1969—June 30 ⁷	80,841	50,159	14,662	16,021	9,594	92,743	81,166	1,090	160	765	35,500	43,652	741	7,506	7,737
Dec. 31.....	85,115	53,683	14,875	16,556	10,950	98,651	85,949	1,333	126	940	39,120	44,430	965	7,931	7,792
1971—Dec. 31.....	111,674	69,411	17,297	24,966	13,643	129,100	112,764	1,592	359	1,742	45,990	63,081	866	9,932	8,056
1972—Dec. 31.....	133,198	85,325	18,313	29,559	16,562	154,085	134,091	1,895	633	1,850	54,406	75,305	1,726	11,429	8,223
1973—June 30.....	145,386	96,036	16,797	32,554	15,381	165,657	142,608	1,736	712	2,267	54,514	83,379	2,770	12,643	8,341

¹ Beginning June 30, 1966, loans to farmers directly guaranteed by CCC were reclassified as securities, and Export-Import Bank portfolio fund participations were reclassified from loans to securities. This reduced "Total loans" and increased "Other securities" by about \$1 billion. "Total loans" include Federal funds sold, and beginning with June 1967 securities purchased under resale agreements, figures for which are included in "Federal funds sold, etc.," on p. A-22.

² Beginning June 30, 1971, Farmers Home Administration notes are classified as "Other securities" rather than "Loans." As a result of this change, approximately \$300 million was transferred to "Other securities" for the period ending June 30, 1971, for all commercial banks.

See also table (and notes) at the bottom of p. A-30.

³ See first two paragraphs of note 1.

⁴ Reciprocal balances excluded beginning with 1942.

⁵ Includes items not shown separately. See also note 1.

⁶ See third paragraph of note 1 above.

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

⁸ Figure takes into account the following changes 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.

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

⁹ Regarding reclassification as a reserve city, see Aug. 1962 BULLETIN, p. 993. For various changes between reserve city and country status in 1960-63, see note 6, p. 587, May 1964 BULLETIN. (See also note 8.)

¹⁰ Beginning May 6, 1972, two New York City country banks, with deposits of \$1,412 million, merged and were reclassified as a reserve city bank. (See also note 8.)

NOTE.—Data are for all commercial banks in the United States (including Alaska and Hawaii, beginning with 1959). Commercial banks represent all commercial banks, both member and nonmember; stock savings banks; and nondeposit trust companies.

For the period June 1941–June 1962 member banks include mutual savings banks as follows: three before Jan. 1960, two through Dec. 1960, and one through June 1962. Those banks are not included in insured commercial banks.

Beginning June 30, 1969, commercial banks and member banks exclude a small national bank in the Virgin Islands; also, member banks exclude, and noninsured commercial banks include, through June 30, 1970, a small member bank engaged exclusively in trust business; beginning 1973, excludes one national bank in Puerto Rico.

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.

ASSETS AND LIABILITIES OF LARGE COMMERCIAL BANKS

(In millions of dollars)

Wednesday	Total loans and investments	Loans													
		Federal funds sold, etc. ¹						Other							
		Total	To commercial banks	To brokers and dealers involving—		To others	Total	Commercial and industrial	Agricultural	For purchasing or carrying securities				To nonbank financial institutions	
				U.S. Treasury securities	Other securities					To brokers and dealers		To others		Pers. and sales finan. cos., etc.	Other
								U.S. Treasury secs.	Other secs.	U.S. Treasury secs.	Other secs.				
<i>Large banks—Total</i>															
1972															
Dec. 6.....	316,846	12,817	11,571	791	295	160	220,018	88,794	2,737	1,649	7,790	205	2,843	6,617	11,842
13.....	318,315	13,212	12,054	658	348	152	220,695	89,374	2,781	887	7,715	207	2,858	6,992	12,155
20.....	322,157	12,778	11,230	827	464	257	225,178	90,794	2,788	1,154	8,767	220	2,890	7,481	12,513
27.....	325,375	13,356	11,054	1,424	541	337	227,414	91,103	2,841	1,663	8,615	264	2,911	7,753	12,697
1973															
Nov. 7.....	363,207	16,290	14,400	1,312	349	229	263,271	107,041	3,406	1,445	6,012	138	2,903	8,612	17,041
14.....	360,150	15,811	14,163	1,206	258	184	261,638	107,124	3,402	613	5,752	135	2,874	8,450	17,094
21.....	358,562	13,487	12,059	924	289	215	261,566	107,381	3,403	628	5,632	143	2,852	7,991	16,832
28.....	359,766	14,447	12,843	1,100	321	183	262,469	107,411	3,428	623	5,564	142	2,865	8,348	16,981
Dec. 5 th	363,957	15,410	13,771	1,144	332	163	263,541	107,959	3,419	760	5,340	144	2,841	8,529	17,187
12 th	366,024	13,951	12,253	1,128	401	169	265,410	108,222	3,475	902	6,090	150	2,840	8,464	17,084
19 th	368,702	15,015	13,581	831	402	201	267,945	109,119	3,477	1,020	5,572	148	2,843	8,818	17,612
26 th	374,617	18,248	16,187	1,371	502	188	270,633	109,821	3,535	1,739	6,225	153	2,825	8,950	17,732
<i>New York City</i>															
1972															
Dec. 6.....	66,212	439	432	4	.....	3	51,010	25,011	44	1,494	4,888	38	684	1,783	3,298
13.....	66,740	923	914	4	.....	5	50,430	25,122	47	761	4,746	37	709	1,999	3,462
20.....	68,218	914	879	4	.....	31	52,491	25,780	45	992	5,564	36	726	2,248	3,573
27.....	69,270	1,354	1,317	4	.....	33	53,204	25,739	46	1,443	5,355	36	732	2,262	3,554
1973															
Nov. 7.....	79,250	1,060	940	120	.....	.....	63,271	30,783	107	1,318	3,781	30	685	2,934	5,868
14.....	78,054	1,845	1,725	120	.....	.....	61,585	30,737	108	543	3,447	31	662	2,835	5,914
21.....	77,988	1,760	1,640	120	.....	.....	61,346	30,851	109	534	3,360	31	653	2,542	5,772
28.....	78,616	2,298	2,178	120	.....	.....	61,839	30,935	112	514	3,296	31	652	2,766	5,900
Dec. 5 th	79,386	1,439	1,398	40	.....	1	62,091	31,084	111	671	3,077	30	647	2,801	5,969
12 th	80,632	1,164	1,134	10	.....	20	62,795	30,928	125	764	3,776	41	638	2,763	5,872
19 th	81,081	1,354	1,323	10	.....	21	63,530	31,238	127	901	3,250	40	647	2,929	6,086
26 th	83,249	2,213	2,163	50	.....	.....	64,990	31,439	131	1,598	3,890	41	633	2,918	6,107
<i>Outside New York City</i>															
1972															
Dec. 6.....	250,634	12,378	11,139	787	295	157	169,008	63,783	2,693	155	2,902	167	2,159	4,834	8,544
13.....	251,575	12,289	11,140	654	348	147	170,265	64,252	2,734	126	2,969	170	2,149	4,993	8,693
20.....	253,939	11,864	10,351	823	464	226	172,687	65,014	2,743	162	3,203	184	2,164	5,233	8,940
27.....	256,105	12,002	9,737	1,420	541	304	174,210	65,364	2,795	220	3,260	228	2,179	5,491	9,143
1973															
Nov. 7.....	283,957	15,230	13,460	1,192	349	229	200,000	76,258	3,299	127	2,231	108	2,218	5,678	11,173
14.....	282,096	13,966	12,438	1,086	258	184	200,053	76,387	3,294	70	2,305	104	2,212	5,615	11,180
21.....	280,574	11,727	10,419	804	289	215	200,220	76,530	3,294	94	2,272	112	2,199	5,449	11,060
28.....	281,150	12,149	10,665	980	321	183	200,630	76,476	3,316	109	2,268	111	2,213	5,582	11,081
Dec. 5 th	284,571	13,971	12,373	1,104	332	162	201,450	76,875	3,308	89	2,263	114	2,194	5,728	11,218
12 th	285,392	12,787	11,119	1,118	401	149	202,615	77,294	3,350	138	2,314	109	2,202	5,701	11,212
19 th	287,621	13,661	12,258	821	402	180	204,415	77,881	3,350	119	2,322	108	2,196	5,889	11,526
26 th	291,368	16,035	14,024	1,321	502	188	205,643	78,382	3,404	141	2,335	112	2,192	6,032	11,625

For notes see p. A-28.

ASSETS AND LIABILITIES OF LARGE COMMERCIAL BANKS—Continued

(In millions of dollars)

Real estate	Loans (cont.)					Total	Investments					Wednesday	
	Other (cont.)		Consumer instalment	Foreign govts. ¹	All other		U.S. Treasury securities			Notes and bonds maturing—			
	To commercial banks	Domestic					Foreign	Bills	Certificates	Within 1 yr.	1 to 5 yrs.		After 5 yrs.
<i>Large banks—Total</i>													
1972													
45,566	2,043	3,094	27,836	1,146	18,054	28,357	6,110	.....	4,495	15,042	2,710	..... Dec. 6
45,748	2,126	3,068	27,813	1,146	17,825	28,185	5,957	.....	4,514	15,005	2,709	..... 13
45,860	2,313	3,164	27,963	1,158	18,123	28,201	6,343	.....	4,335	14,958	2,565	..... 20
45,967	2,376	3,222	28,115	1,161	18,726	28,645	6,808	.....	4,413	14,874	2,550	..... 27
1973													
53,965	3,463	4,422	32,298	1,354	21,171	24,180	5,052	.....	4,416	11,908	2,804	..... Nov. 7
54,208	3,526	4,495	32,391	1,408	20,166	24,129	5,114	.....	4,429	11,865	2,721	..... 14
54,416	3,790	4,365	32,450	1,403	20,280	24,872	4,837	.....	4,075	12,354	3,606	..... 21
54,509	3,806	4,543	32,536	1,435	20,278	24,257	4,434	.....	3,911	12,416	3,496	..... 28
54,473	3,987	4,678	32,591	1,427	20,206	25,974	6,076	.....	4,033	12,491	3,374	..... Dec. 5 ^p
54,723	3,992	4,883	32,698	1,538	20,349	26,201	6,452	.....	4,174	12,216	3,359	..... 12 ^p
54,894	4,021	5,099	32,838	1,589	20,895	25,441	5,764	.....	4,013	12,199	3,465	..... 19 ^p
54,933	4,022	5,166	32,942	1,580	21,010	25,527	5,779	.....	4,109	12,228	3,411	..... 26 ^p
<i>New York City</i>													
1972													
4,956	528	1,569	2,063	736	3,918	5,228	1,437	.....	754	2,756	281	..... Dec. 6
4,990	516	1,482	2,086	739	3,734	5,100	1,265	.....	744	2,764	327	..... 13
5,007	543	1,509	2,117	732	3,619	4,803	1,259	.....	720	2,630	194	..... 20
5,015	635	1,563	2,131	734	3,959	5,029	1,486	.....	720	2,620	203	..... 27
1973													
6,171	1,368	1,930	2,411	685	5,200	4,890	1,734	.....	687	1,719	750	..... Nov. 7
6,217	1,468	2,066	2,419	748	4,390	4,834	1,797	.....	711	1,659	667	..... 14
6,265	1,647	1,972	2,432	722	4,456	5,029	1,443	.....	759	1,634	1,193	..... 21
6,271	1,661	2,090	2,443	728	4,440	4,719	1,188	.....	664	1,681	1,186	..... 28
6,287	1,698	2,085	2,446	701	4,484	5,869	2,162	.....	783	1,769	1,155	..... Dec. 5 ^p
6,332	1,667	2,188	2,449	763	4,489	6,081	2,489	.....	712	1,703	1,177	..... 12 ^p
6,358	1,735	2,304	2,466	768	4,681	5,614	2,120	.....	615	1,678	1,201	..... 19 ^p
6,343	1,705	2,359	2,480	762	4,584	5,588	2,095	.....	565	1,768	1,160	..... 26 ^p
<i>Outside New York City</i>													
1972													
40,610	1,515	1,525	25,575	410	14,136	23,129	4,673	.....	3,741	12,286	2,429	..... Dec. 6
40,758	1,610	1,586	25,727	407	14,091	23,085	4,692	.....	3,770	12,241	2,382	..... 13
40,853	1,770	1,655	25,836	426	14,504	23,398	5,084	.....	3,615	12,328	2,371	..... 20
40,952	1,741	1,659	25,984	427	14,767	23,616	5,322	.....	3,693	12,254	2,347	..... 27
1973													
47,794	2,095	2,492	29,887	669	15,971	19,290	3,318	.....	3,729	10,189	2,054	..... Nov. 7
47,991	2,058	2,429	29,972	660	15,776	19,295	3,317	.....	3,718	10,206	2,054	..... 14
48,151	2,143	2,393	30,018	681	15,824	19,843	3,394	.....	3,316	10,720	2,413	..... 21
48,238	2,145	2,453	30,093	707	15,838	19,538	3,246	.....	3,247	10,735	2,310	..... 28
48,186	2,289	2,593	30,145	726	15,722	20,105	3,914	.....	3,250	10,722	2,219	..... Dec. 5 ^p
48,391	2,325	2,695	30,249	775	15,860	20,120	3,963	.....	3,462	10,513	2,182	..... 12 ^p
48,536	2,286	2,795	30,372	821	16,214	19,827	3,644	.....	3,398	10,521	2,264	..... 19 ^p
48,590	2,317	2,807	30,462	818	16,426	19,939	3,684	.....	3,544	10,460	2,251	..... 26 ^p

For notes see p. A-28.

ASSETS AND LIABILITIES OF LARGE COMMERCIAL BANKS—Continued

(In millions of dollars)

Wednesday	Investments (cont.)					Cash items in process of collection	Re-serves with F.R. Banks	Currency and coin	Bal-ances with do-mestic banks	Invest-ments in sub-sidiar-ies not con-sol-idated	Other assets	Total assets/total liabil-ities
	Other securities											
	Total	Obligations of State and political subdivisions		Other bonds, corp. stock, and securities								
		Tax warrants ¹	All other	Certif. of partici-pation ⁴	All other ⁵							
<i>Large banks--</i>												
<i>Total</i>												
1972												
Dec. 6.....	55,654	8,898	37,907	1,771	7,078	28,841	18,423	3,837	10,309	1,084	17,295	396,635
13.....	56,223	8,969	38,382	1,800	7,072	28,178	21,174	4,275	9,766	1,084	17,239	400,031
20.....	56,000	9,039	38,100	1,766	7,095	31,299	19,927	4,184	10,535	1,094	17,379	406,575
27.....	55,960	8,971	38,142	1,760	7,087	34,192	16,452	4,689	11,291	1,096	17,493	410,588
1973												
Nov. 7.....	59,466	7,749	39,187	2,212	10,318	36,848	20,940	3,955	14,314	1,355	20,599	461,218
14.....	58,572	7,348	38,666	2,230	10,328	36,059	25,990	4,360	12,417	1,360	19,883	460,219
21.....	58,637	7,180	38,970	2,193	10,294	31,700	23,570	4,021	10,576	1,363	20,033	449,825
28.....	58,593	7,152	38,907	2,298	10,236	31,361	22,713	4,745	12,228	1,368	20,016	452,197
Dec. 5 th	59,032	7,152	39,411	2,278	10,191	32,576	22,285	4,064	11,865	1,367	20,773	456,887
12 th	60,462	7,603	39,999	2,341	10,519	34,479	20,303	4,601	14,083	1,364	20,553	461,407
19 th	60,301	7,385	40,121	2,327	10,468	34,915	24,720	4,538	12,696	1,381	20,885	467,837
26 th	60,209	7,405	39,940	2,351	10,513	29,772	18,052	4,846	7,480	1,396	21,139	457,302
<i>New York City</i>												
1972												
Dec. 6.....	9,535	2,485	5,451	545	1,054	10,236	4,751	492	4,262	544	5,282	91,779
13.....	10,287	2,710	5,896	578	1,103	9,314	5,603	501	3,690	544	5,201	91,593
20.....	10,010	2,829	5,582	543	1,056	11,064	4,847	480	4,219	542	5,441	94,811
27.....	9,683	2,672	5,462	540	1,009	11,986	3,260	512	4,431	544	5,463	95,466
1973												
Nov. 7.....	10,029	2,311	5,070	611	2,037	16,504	5,719	508	7,972	663	5,945	116,561
14.....	9,790	2,368	4,803	601	2,018	13,296	7,197	511	6,431	662	5,636	111,787
21.....	9,853	2,247	4,975	590	2,041	9,870	5,358	454	4,328	665	5,909	104,572
28.....	9,760	2,248	4,878	594	2,040	11,711	5,387	539	6,308	668	5,804	109,033
Dec. 5 th	9,987	2,214	5,114	588	2,071	10,872	6,024	516	5,306	664	5,991	108,759
12 th	10,592	2,392	5,473	608	2,119	12,511	5,106	533	7,713	667	5,942	113,104
19 th	10,583	2,266	5,622	590	2,105	11,992	7,053	517	5,863	666	6,123	113,295
26 th	10,458	2,264	5,526	599	2,069	7,613	3,805	546	1,512	670	6,118	103,513
<i>Outside New York City</i>												
1972												
Dec. 6.....	46,119	6,413	32,456	1,226	6,024	18,605	13,672	3,345	6,047	540	12,013	304,856
13.....	45,936	6,259	32,486	1,222	5,969	18,864	15,571	3,774	6,076	540	12,038	308,438
20.....	45,990	6,210	32,518	1,223	6,039	20,235	15,080	3,704	6,316	552	11,938	311,764
27.....	46,277	6,299	32,680	1,220	6,078	22,206	13,192	4,177	6,860	552	12,030	315,122
1973												
Nov. 7.....	49,437	5,438	34,117	1,601	8,281	20,344	15,221	3,447	6,342	692	14,654	344,657
14.....	48,782	4,980	33,863	1,629	8,310	22,763	18,793	3,849	5,986	698	14,247	348,432
21.....	48,784	4,933	33,995	1,603	8,253	21,830	18,212	3,567	6,248	698	14,124	345,253
28.....	48,833	4,904	34,029	1,704	8,196	19,650	17,326	4,206	5,920	700	14,212	343,164
Dec. 5 th	49,045	4,938	34,297	1,690	8,120	21,704	16,261	3,548	6,559	703	14,782	348,128
12 th	49,870	5,211	34,526	1,733	8,400	21,968	15,197	4,068	6,370	697	14,611	348,303
19 th	49,718	5,119	34,499	1,737	8,363	22,923	17,667	4,021	6,833	715	14,762	354,542
26 th	49,751	5,141	34,414	1,752	8,444	22,159	14,247	4,300	5,968	726	15,021	353,789

For notes see p. A-28.

ASSETS AND LIABILITIES OF LARGE COMMERCIAL BANKS—Continued

(In millions of dollars)

Deposits															Wednesday
Demand										Time and savings					
Total	IPC	States and political subdivisions	U.S. Govt.	Domestic interbank		Foreign		Certified and officers' checks	Total ⁶	IPC		States and political subdivisions	Domestic interbank	Foreign govts. ²	
				Commercial	Mutual sav-ings	Govts., etc. ²	Com-mercial banks			Sav-ings	Other				
<i>Large banks—Total</i>															
1972															
154,028	109,290	6,505	4,384	22,542	724	1,018	3,205	6,360	158,633	58,259	72,878	17,875	2,985	6,017	..... Dec. 6
152,099	111,905	6,751	1,615	20,698	662	983	3,078	6,407	159,867	58,162	73,162	18,767	2,997	6,161	..... 13
160,530	114,452	6,718	5,980	21,062	695	932	3,284	7,407	160,440	58,091	73,199	19,253	3,050	6,226	..... 20
166,145	119,052	7,043	5,073	22,652	744	1,005	3,486	7,090	161,395	58,284	73,567	19,512	3,067	6,329	..... 27
1973															
164,691	112,458	6,800	2,200	28,248	820	1,021	3,999	9,145	187,077	56,257	94,097	22,079	5,622	8,525	..... Nov. 7
159,601	112,884	6,410	1,494	23,768	685	888	4,011	9,461	186,338	56,262	93,622	21,886	5,795	8,278	..... 14
153,280	111,914	6,450	2,424	21,189	629	954	3,835	5,885	186,468	56,315	93,872	21,670	5,815	8,310	..... 21
156,083	112,459	6,173	2,138	22,406	604	1,055	3,777	7,471	186,481	56,278	94,014	21,568	5,849	8,267	..... 28
159,314	113,193	6,406	2,449	23,532	683	1,164	4,155	7,732	186,071	56,383	93,822	21,617	5,690	7,973	..... Dec. 5 ^p
163,856	115,463	6,416	1,503	25,090	623	1,246	4,151	9,368	187,609	56,304	94,678	22,250	5,521	8,302	..... 12 ^p
167,002	116,870	6,390	5,600	23,278	670	1,163	4,180	8,851	187,036	56,241	93,738	22,769	5,538	8,319	..... 19 ^p
161,824	121,364	6,714	5,152	16,767	639	1,024	4,670	5,494	188,273	56,305	94,858	22,738	5,643	8,295	..... 26 ^p
<i>New York City</i>															
1972															
41,466	23,115	373	809	10,681	360	863	2,363	2,902	27,022	5,628	14,963	1,695	1,707	2,931	..... Dec. 6
39,421	23,579	361	233	9,029	340	823	2,222	2,834	27,236	5,921	15,066	1,712	1,694	3,047	..... 13
43,916	25,072	561	1,527	9,462	338	762	2,376	3,818	27,187	5,596	14,897	1,750	1,762	3,128	..... 20
45,892	26,466	554	1,048	10,501	385	831	2,568	3,539	27,426	5,603	15,046	1,833	1,722	3,102	..... 27
1973															
52,027	25,728	464	477	15,684	400	863	2,981	5,430	34,056	4,966	19,110	2,074	3,736	4,091	..... Nov. 7
45,954	23,752	366	150	12,030	346	731	2,949	5,630	34,558	4,977	19,456	2,143	3,934	3,969	..... 14
40,924	23,851	433	458	9,890	323	804	2,763	2,402	34,952	4,961	19,699	2,148	4,039	4,028	..... 21
44,706	24,566	344	363	11,561	311	895	2,777	3,889	34,913	4,961	19,694	2,140	4,044	3,998	..... 28
44,601	23,794	443	558	11,283	367	966	3,158	4,032	34,682	4,965	19,599	2,156	3,936	3,933	..... Dec. 5 ^p
48,456	24,722	338	206	13,305	308	1,059	3,084	5,434	34,995	4,958	19,993	2,110	3,736	4,104	..... 12 ^p
47,368	24,812	360	1,510	11,399	368	973	3,060	4,886	34,445	4,949	19,336	2,210	3,733	4,144	..... 19 ^p
40,692	27,034	513	1,176	5,144	350	825	3,554	2,096	34,475	4,958	19,407	2,131	3,722	4,179	..... 26 ^p
<i>Outside New York City</i>															
1972															
112,562	86,175	6,132	3,575	11,861	364	155	842	3,458	131,611	52,631	57,915	16,180	1,278	3,086	..... Dec. 6
112,678	88,326	6,390	1,382	11,669	322	160	856	3,573	132,631	52,541	58,096	17,055	1,303	3,114	..... 13
116,614	89,380	6,157	4,453	11,600	357	170	908	3,589	133,253	52,495	58,302	17,503	1,324	3,098	..... 20
120,253	92,586	6,489	4,025	12,151	359	174	918	3,551	133,969	52,681	58,521	17,679	1,345	3,227	..... 27
1973															
112,664	86,730	6,336	1,723	12,564	420	158	1,018	3,715	153,021	51,291	74,987	20,005	1,886	4,434	..... Nov. 7
113,647	89,132	6,044	1,344	11,738	339	157	1,062	3,831	151,780	51,285	74,166	19,743	1,861	4,309	..... 14
112,356	88,063	6,017	1,966	11,299	306	150	1,072	3,483	151,516	51,354	74,173	19,522	1,776	4,282	..... 21
111,377	87,893	5,829	1,775	10,845	293	160	1,000	3,582	151,568	51,317	74,320	19,428	1,805	4,269	..... 28
114,713	89,399	5,963	1,891	12,249	316	198	997	3,700	151,389	51,418	74,223	19,461	1,754	4,040	..... Dec. 5 ^p
115,400	90,741	6,078	1,297	11,785	315	187	1,067	3,930	152,614	51,346	74,685	20,140	1,785	4,198	..... 12 ^p
119,634	92,058	6,030	4,090	11,879	302	190	1,120	3,965	152,591	51,292	74,402	20,559	1,805	4,175	..... 19 ^p
121,132	94,330	6,201	3,976	11,623	289	199	1,116	3,398	153,798	51,347	75,451	20,607	1,921	4,116	..... 26 ^p

For notes see p. A-28.

ASSETS AND LIABILITIES OF LARGE COMMERCIAL BANKS—Continued

(In millions of dollars)

Wednesday	Federal funds purchased, etc. ⁷	Borrowings from—		Other liabilities, etc. ⁸	Reserves for—		Total capital accounts	Memoranda						
		F.R. Banks	Others		Loans	Securities		Total loans (gross) adjusted ⁹	Total loans and investments (gross) adjusted ⁹	Demand deposits adjusted ¹⁰	Large negotiable time CD's included in time and savings deposits ¹¹			Gross liabilities of banks to their foreign branches
											Total	Issued to IPC's	Issued to others	
<i>Large banks—</i>														
<i>Total</i>														
<i>1972</i>														
Dec. 6	32,768	150	2,237	15,201	4,207	72	29,339	219,221	303,232	98,261	43,665	28,300	15,365	1,618
13	36,026	898	2,128	15,372	4,202	72	29,367	219,727	304,135	101,608	44,173	28,554	15,619	1,705
20	32,866	1,238	2,023	15,922	4,170	71	29,315	224,413	308,614	102,189	44,355	28,520	15,835	1,807
27	31,085	1,293	1,878	15,151	4,139	71	29,431	227,340	311,945	104,228	44,911	28,822	16,089	1,400
<i>1973</i>														
Nov. 7	49,546	531	5,894	17,488	4,613	65	31,313	261,698	345,344	97,395	64,470	42,554	21,916	1,692
14	51,676	3,699	5,645	17,223	4,613	65	31,359	259,760	342,461	98,280	63,814	41,979	21,835	1,826
21	48,791	975	5,653	18,678	4,606	65	31,309	259,204	342,713	97,967	64,117	42,257	21,860	2,428
28	48,407	1,025	5,533	18,598	4,606	65	31,399	260,267	343,117	100,178	64,042	42,377	21,665	2,479
Dec. 5 ^p	50,823	370	5,818	18,227	4,615	65	31,584	261,193	346,199	100,757	63,429	42,194	21,235	1,946
12 ^p	48,232	1,350	5,795	18,344	4,585	65	31,571	263,116	349,779	102,784	64,442	43,044	21,398	1,973
19 ^p	52,315	1,267	5,588	18,596	4,547	66	31,520	265,358	351,100	103,209	63,366	41,999	21,367	2,432
26 ^p	47,759	274	5,274	17,759	4,513	66	31,560	268,672	354,408	110,133	64,390	42,986	21,404	1,759
<i>New York City</i>														
<i>1972</i>														
Dec. 6	8,268		610	5,659	1,238		7,516	50,489	65,252	19,740	14,364	9,810	4,554	1,174
13	9,560	250	574	5,791	1,237		7,524	49,923	65,310	20,845	14,495	9,927	4,568	1,349
20	7,948	487	510	6,038	1,222		7,503	51,983	66,796	21,863	14,447	9,748	4,699	1,487
27	6,878	430	422	5,711	1,214		7,493	52,606	67,318	22,357	14,704	9,913	4,791	1,169
<i>1973</i>														
Nov. 7	13,092		2,417	5,744	1,324		7,901	62,023	76,942	19,362	20,026	12,443	7,583	1,200
14	12,536	1,491	2,405	5,503	1,323		8,017	60,237	74,861	20,478	20,428	12,724	7,704	1,389
21	10,286	325	2,482	6,274	1,320		8,009	59,819	74,701	20,706	20,850	12,964	7,886	1,715
28	11,097	258	2,524	6,214	1,320		8,001	60,298	74,777	21,071	20,830	12,985	7,845	1,687
Dec. 5 ^p	11,544		2,819	5,706	1,321		8,086	60,434	76,290	21,888	20,510	12,827	7,683	1,242
12 ^p	10,715	715	2,950	5,870	1,306		8,097	61,158	77,831	22,434	20,871	13,184	7,687	1,220
19 ^p	13,311	90	2,834	5,879	1,289		8,079	61,826	78,023	22,567	20,377	12,585	7,792	1,569
26 ^p	10,900		2,536	5,571	1,273		8,066	63,335	79,381	26,759	20,436	12,708	7,728	1,316
<i>Outside New York City</i>														
<i>1972</i>														
Dec. 6	24,500	150	1,627	9,542	2,969	72	21,823	168,732	237,980	78,521	29,301	18,490	10,811	444
13	26,466	648	1,554	9,581	2,965	72	21,843	169,804	238,825	80,763	29,678	18,627	11,051	356
20	24,918	751	1,513	9,884	2,948	71	21,812	172,430	241,818	80,326	29,908	18,772	11,136	320
27	24,207	863	1,456	9,440	2,925	71	21,938	174,734	244,627	81,871	30,207	18,909	11,298	231
<i>1973</i>														
Nov. 7	36,454	531	3,477	11,744	3,289	65	23,412	199,675	268,402	78,033	44,444	30,111	14,333	492
14	39,140	2,208	3,240	11,720	3,290	65	23,342	199,523	267,600	77,802	43,386	29,255	14,131	437
21	38,505	650	3,171	12,404	3,286	65	23,300	199,385	268,012	77,261	43,267	29,293	13,974	713
28	37,310	767	3,009	12,384	3,286	65	23,398	199,969	268,340	79,107	43,212	29,392	13,820	792
Dec. 5 ^p	39,279	370	2,999	12,521	3,294	65	23,498	200,759	269,909	78,869	42,919	29,367	13,552	704
12 ^p	37,517	635	2,845	12,474	3,279	65	23,474	201,958	271,948	80,350	43,571	29,860	13,711	753
19 ^p	38,904	1,177	2,754	12,717	3,258	66	23,441	203,532	273,077	80,742	42,989	29,414	13,575	863
26 ^p	36,859	274	2,738	12,188	3,240	66	23,494	205,337	275,027	83,374	43,954	30,278	13,676	443

¹ Includes securities purchased under agreements to resell.

² Includes official institutions and so forth.

³ Includes short-term notes and bills.

⁴ Federal agencies only.

⁵ Includes corporate stock.

⁶ Includes U.S. Govt. and foreign bank deposits, not shown separately.

⁷ Includes securities sold under agreements to repurchase.

⁸ Includes minority interest in consolidated subsidiaries.

⁹ Exclusive of loans and Federal funds transactions with domestic commercial banks.

¹⁰ All demand deposits except U.S. Govt. and domestic commercial banks, less cash items in process of collection.

¹¹ Certificates of deposit issued in denominations of \$100,000 or more.

COMMERCIAL AND INDUSTRIAL LOANS OF LARGE COMMERCIAL BANKS

(In millions of dollars)

Industry	Outstanding					Net change during—							
	1973					1973			1973			1973	
	Dec. 26	Dec. 19	Dec. 12	Dec. 5	Nov. 28	Dec.	Nov.	Oct.	IV	III	II	2nd half	1st half
Durable goods manufacturing:													
Primary metals.....	1,809	1,886	1,908	1,997	1,957	-148	-21	-78	-247	18	-102	-229	20
Machinery.....	6,671	6,548	6,353	6,244	6,231	440	119	-423	136	479	645	615	1,453
Transportation equipment.....	2,520	2,513	2,444	2,360	2,364	156	3	-69	90	272	32	362	64
Other fabricated metal products.....	2,333	2,372	2,334	2,324	2,326	7	18	-10	15	56	267	71	503
Other durable goods.....	3,703	3,763	3,763	3,718	3,735	-32	-120	-211	-363	290	323	-73	872
Nondurable goods manufacturing:													
Food, liquor, and tobacco.....	4,157	4,103	4,015	3,977	3,888	269	211	-140	340	393	-194	733	23
Textiles, apparel, and leather.....	3,219	3,295	3,326	3,330	3,356	-137	-119	-184	-440	235	275	-205	730
Petroleum refining.....	1,391	1,101	1,114	1,089	1,097	294	-84	-26	184	19	-7	203	211
Chemicals and rubber.....	2,516	2,437	2,416	2,425	2,468	48	-91	155	-198	48	63	-150	809
Other nondurable goods.....	2,145	2,179	2,182	2,176	2,170	-25	-15	25	-65	156	157	91	360
Mining, including crude petroleum and natural gas.....	3,804	3,775	3,816	3,801	3,810	-6	-79	-148	-233	77	.....	-156	331
Trade: Commodity dealers.....	1,842	1,810	1,826	1,794	1,743	99	318	213	630	-42	-603	588	-540
Other wholesale.....	5,415	5,318	5,337	5,341	5,321	94	-27	84	151	43	183	194	567
Retail.....	6,073	6,340	6,312	6,522	6,467	-394	64	146	184	165	457	-19	1,092
Transportation.....	5,964	5,951	5,879	5,857	5,803	161	-21	-126	14	66	283	80	294
Communication.....	2,026	1,992	1,927	1,902	1,888	138	-119	-97	-78	-13	79	91	258
Other public utilities.....	5,877	5,786	5,675	5,695	5,525	352	328	-84	596	734	670	1,330	961
Construction.....	5,553	5,582	5,697	5,588	5,579	-26	-69	156	-251	212	624	-39	928
Services.....	11,056	10,944	10,748	10,815	10,705	351	190	24	565	362	455	927	997
All other domestic loans.....	8,271	8,146	8,042	7,977	7,863	408	28	-134	302	380	782	682	1,754
Bankers' acceptances.....	1,274	1,270	1,153	1,223	1,212	62	-21	158	199	-322	76	-123	-154
Foreign commercial and industrial loans.....	4,073	4,058	4,015	3,991	4,056	17	60	-54	23	-384	-18	-361	554
Total classified loans.....	91,692	91,169	90,282	90,146	89,564	2,128	553	-1,495	1,186	3,244	4,447	4,430	12,041
Total commercial and industrial loans of large commercial banks.....	109,821	109,119	107,959	107,411	107,411	2,410	712	-1,534	1,588	3,370	4,998	4,958	13,760

See NOTE to table below.

"TERM" COMMERCIAL AND INDUSTRIAL LOANS OF LARGE COMMERCIAL BANKS

(In millions of dollars)

Industry	Outstanding									Net change during—				
	1973									1973			1973	
	Dec. 26	Nov. 28	Oct. 31	Sept. 26	Aug. 29	July 25	June 27	May 30	Apr. 25	IV	III	II	I	2nd half
Durable goods manufacturing:														
Primary metals.....	1,106	1,240	1,260	1,311	1,294	1,293	1,328	1,314	1,315	-205	-17	7	67	-222
Machinery.....	2,868	2,729	2,734	2,680	2,638	2,664	2,641	2,560	2,555	188	39	328	159	227
Transportation equipment.....	1,280	1,251	1,233	1,261	1,226	1,193	1,189	1,168	1,180	19	72	15	-31	91
Other fabricated metal products.....	885	902	891	863	846	861	869	833	842	22	6	84	65	16
Other durable goods.....	1,758	1,741	1,782	1,777	1,730	1,720	1,690	1,592	1,614	-19	87	170	281	68
Nondurable goods manufacturing:														
Food, liquor, and tobacco.....	1,491	1,466	1,465	1,472	1,405	1,410	1,393	1,372	1,355	19	79	43	116	98
Textiles, apparel, and leather.....	1,001	1,036	1,030	1,026	1,021	1,003	969	942	978	-25	57	77	169	32
Petroleum refining.....	933	839	883	920	925	947	876	885	858	13	44	34	144	57
Chemicals and rubber.....	1,561	1,509	1,535	1,553	1,494	1,486	1,481	1,441	1,459	8	72	2	326	80
Other nondurable goods.....	1,071	1,058	1,076	1,092	1,069	1,050	1,063	1,063	1,108	21	29	-37	206	8
Mining, including crude petroleum and natural gas.....	2,960	2,950	2,958	2,990	2,921	3,022	2,846	2,908	2,895	-30	144	-26	187	114
Trade: Commodity dealers.....	127	135	120	116	115	178	123	139	136	11	-7	-27	29	4
Other wholesale.....	1,191	1,171	1,224	1,178	1,149	1,118	1,066	1,051	1,068	13	112	11	161	125
Retail.....	2,204	2,226	2,179	2,145	2,136	2,066	2,006	1,979	1,947	59	139	183	231	198
Transportation.....	4,307	4,199	4,214	4,272	4,287	4,255	4,305	4,161	4,202	35	-33	71	54	2
Communication.....	861	828	819	857	835	814	785	760	738	4	72	39	64	76
Other public utilities.....	3,253	3,114	2,853	2,829	2,671	2,548	2,409	2,328	2,343	424	420	175	259	844
Construction.....	1,904	1,935	1,952	1,992	2,000	2,009	1,896	1,852	1,800	-88	96	187	151	8
Services.....	5,029	4,899	4,752	4,701	4,646	4,568	4,562	4,402	4,417	328	139	223	313	467
All other domestic loans.....	2,603	2,616	2,552	2,585	2,458	2,389	2,201	2,180	2,061	18	384	330	274	402
Foreign commercial and industrial loans.....	2,334	2,306	2,308	2,186	2,292	2,497	2,585	2,647	2,410	148	399	18	201	-251
Total loans.....	40,727	40,150	39,820	39,806	39,158	39,091	38,283	37,577	37,281	921	1,523	1,893	3,426	2,444

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—Sept.....	17.0	88.0	51.4	1.4	10.0	167.9
Dec.....	17.3	92.7	53.6	1.3	10.3	175.1
1971—Mar.....	18.3	86.3	54.4	1.4	10.5	170.9
June.....	18.1	89.6	56.2	1.3	10.5	175.8
Sept.....	17.9	91.5	57.5	1.2	9.7	177.9
Dec.....	18.5	98.4	58.6	1.3	10.7	187.5
1972—June.....	17.9	97.6	60.5	1.4	11.0	188.4
Sept.....	18.0	101.5	63.1	1.4	11.4	195.4
Dec.....	18.9	109.9	65.4	1.5	12.3	208.0
1973—Mar.....	18.6	102.8	65.1	1.7	11.8	200.0
June.....	18.6	106.6	67.3	2.0	11.8	206.3
Sept.....	18.2	108.4	69.2	2.1	11.9	210.4
Weekly reporting banks:						
1971—Dec.....	14.4	58.6	24.6	1.2	5.9	104.8
1972—Nov.....	14.5	60.5	26.7	1.3	6.2	109.2
Dec.....	14.7	64.4	27.1	1.4	6.6	114.3
1973—Jan.....	15.0	63.1	27.8	1.4	6.8	114.1
Feb.....	14.3	60.3	26.3	1.6	6.5	109.0
Mar.....	14.4	59.0	26.5	1.6	6.4	107.9
Apr.....	14.3	59.4	28.6	1.8	6.4	110.4
May.....	13.8	59.1	26.9	1.9	6.4	108.0
June.....	14.2	60.8	27.1	1.9	6.3	110.2
July.....	14.8	61.1	27.3	1.9	6.6	111.7
Aug.....	14.3	59.5	27.3	1.9	6.1	109.1
Sept.....	14.5	60.6	27.2	1.9	6.5	110.8
Oct.....	15.0	61.7	27.3	2.0	6.6	112.5
Nov.....	14.8	62.9	27.5	2.1	6.7	113.9

¹ Including cash items in process of collection.

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

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

DEPOSITS ACCUMULATED FOR PAYMENT OF PERSONAL LOANS

(In millions of dollars)

Class of bank	Dec. 31, 1971	Dec. 31, 1972	June 30, 1973	Oct. 17, 1973	Class of bank	Dec. 31, 1971	Dec. 31, 1972	June 30, 1973	Oct. 17, 1973
Insured.....	677	554	533	505	Other large banks ¹	112	69	63	59
National member.....	387	311	304	281	All other member ¹	371	313	312	291
State member.....	95	71	71	70	All nonmember.....	197	177	163	.....
All member.....	482	381	375	350	Insured.....	195	172	158	155
					Noninsured.....	2	5	5	.....

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

NOTE.—These hypothecated deposits are excluded from "Time deposits" and "Loans" at commercial banks, as shown in the tables on pp. A-18, A-19, and A-24-A-28 (consumer instalment loans), and in the table at the bottom of p. A-17. These changes resulted from a change in Federal Reserve regulations. See June 1966 BULLETIN, p. 808.

These deposits have not been deducted from "Time deposits" and "Loans" for commercial banks as shown on pp. A-20 and A-21 and on pp. A-22 and A-23 (IPC only for time deposits).

LOANS SOLD OUTRIGHT BY COMMERCIAL BANKS

(Amounts outstanding; in millions of dollars)

Date	To own subsidiaries, foreign branches, holding companies, and other affiliates			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
1973—Sept. 5.....	4,672	2,816	1,856	1,743	326	1,417
12.....	4,453	2,713	1,740	1,783	355	1,428
19.....	4,748	2,841	1,907	1,777	356	1,421
26.....	4,637	2,877	1,760	1,764	353	1,411
Oct. 3.....	4,723	2,893	1,830	1,760	356	1,404
10.....	4,606	2,784	1,822	1,806	351	1,455
17.....	4,538	2,782	1,756	1,788	351	1,437
24.....	4,518	2,825	1,693	1,774	338	1,436
31.....	4,645	2,857	1,788	1,768	333	1,435
Nov. 7.....	4,317	2,591	1,726	1,772	343	1,429
14.....	4,315	2,540	1,775	1,779	333	1,446
21.....	4,336	2,656	1,680	1,783	331	1,452
28.....	4,342	2,655	1,687	1,809	354	1,455
Dec. 5.....	4,407	2,669	1,738	1,808	346	1,462
12.....	4,393	2,620	1,773	1,790	337	1,453
19.....	4,297	2,580	1,717	1,790	332	1,458
26.....	4,300	2,603	1,697	1,792	331	1,461

NOTE.—Amounts sold under repurchase agreement are excluded. Figures include small amounts sold by banks other than large weekly reporting banks.

COMMERCIAL AND FINANCE COMPANY PAPER AND BANKERS' ACCEPTANCES OUTSTANDING

(In millions of dollars)

End of period	Commercial and finance company paper				Dollar acceptances										
	Total	Placed through dealers		Placed directly		Total	Held by—					Based on—			
		Bank related	Other ¹	Bank related	Other ²		Accepting banks			F.R. Banks		Others	Imports into United States	Exports from United States	All other
							Total	Own bills	Bills bought	Own acct.	Foreign corr.				
1965.....	9,300	.....	1,903	.....	7,397	3,392	1,223	1,094	129	187	144	1,837	792	974	1,626
1966.....	13,645	.....	3,089	.....	10,556	3,603	1,198	983	215	193	191	2,022	997	829	1,778
1967.....	17,085	.....	4,901	.....	12,184	4,317	1,906	1,447	459	164	156	2,090	1,086	989	2,241
1968.....	21,173	.....	7,201	.....	13,972	4,428	1,544	1,344	200	58	109	2,717	1,423	952	2,053
1969.....	32,600	1,216	10,601	3,078	17,705	5,451	1,567	1,318	249	64	146	3,674	1,889	1,153	2,408
1970.....	33,071	409	12,262	1,940	18,460	7,058	2,694	1,960	735	57	250	4,057	2,601	1,561	2,895
1971.....	32,126	495	10,923	1,478	19,230	7,889	3,480	2,689	791	261	254	3,894	2,834	1,546	3,509
1972—Nov.....	35,775	876	12,345	1,709	20,845	6,864	2,529	1,995	535	63	199	4,073	2,621	1,844	2,400
Dec.....	34,721	930	11,242	1,707	20,842	6,898	2,706	2,006	700	106	179	3,907	2,531	1,909	2,458
1973—Jan.....	35,727	911	11,641	1,795	21,380	6,564	2,384	1,825	560	141	198	3,841	2,337	1,948	2,279
Feb.....	35,196	956	9,968	2,160	22,112	6,734	2,328	1,765	563	233	239	3,934	2,311	2,113	2,310
Mar.....	34,052	993	8,366	2,463	22,230	6,859	2,269	1,777	492	165	282	4,143	2,091	2,399	2,368
Apr.....	34,404	1,044	8,290	2,767	22,303	6,713	2,068	1,641	427	136	344	4,165	1,996	2,359	2,359
May.....	35,672	1,148	8,288	2,922	23,314	6,888	2,197	1,763	433	83	384	4,225	2,009	2,509	2,371
June.....	35,786	1,173	8,316	3,110	23,187	7,237	2,185	1,746	439	66	395	4,591	2,053	2,755	2,428
July.....	35,463	1,207	7,954	3,307	22,995	7,693	2,254	1,803	452	132	496	4,810	2,222	2,954	2,517
Aug.....	37,149	1,350	7,676	3,758	24,365	7,734	1,968	1,598	370	84	522	5,159	2,268	2,945	2,520
Sept.....	37,641	1,353	8,845	3,878	23,565	8,170	2,099	1,629	470	145	548	5,379	2,296	3,289	2,585
Oct.....	41,602	1,319	11,727	3,549	25,007	8,237	2,042	1,731	311	107	589	5,499	2,345	3,222	2,670
Nov.....	42,945	1,317	12,824	3,655	25,149	8,493	2,566	2,129	437	71	604	5,252	2,320	3,340	2,833

¹ As reported by dealers; includes finance company paper as well as other commercial paper sold in the open market.

² As reported by finance companies that place their paper directly with investors.

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

PRIME RATE CHARGED BY BANKS

(Per cent per annum)

Effective date	Rate	Effective date	Rate	Effective date	Rate	Effective date	Rate
1969—Jan. 7.....	7	1972—Jan. 3.....	5-5½-5¼	1972—Sept. 4.....	5¼-5½	1973—June 8.....	7½
Mar. 17.....	7½	17.....	4¾-5-5¼	5.....	5½	19.....	7½-7¾
June 9.....	8½	24.....	4¾-4¾-5	11.....	5½-5¾	25.....	7¾
		31.....	4½-4¾-5	25.....	5½-5¾-5¾		
1970—Mar. 25.....	8	Feb. 28.....	4¾-4½-4¾	Oct. 2.....	5½-5¾	July 2.....	7¾-8
Sept. 21.....	7½		4¾	4.....	5½-5¾	3.....	7¾-8
Nov. 12.....	7¼	Mar. 13.....	4½-4¾	11.....	5¾	9.....	8-8¼
Dec. 23.....	7	23.....	4¾	16.....	5¾-5¾	17.....	8¼-8½
	6¾	27.....	4¾-4¾-5	Nov. 6.....	5¾	18.....	8¼-8½
1971—Jan. 6.....	6½	Apr. 3.....	4¾-5	20.....	5¾-5¾	23.....	8½
15.....	6¼	5.....	5	Dec. 26.....	5¾-6	30.....	8½-8¾
18.....	6	17.....	5-5¼	27.....	5¾-6	Aug. 6.....	8¾-9
Feb. 16.....	5¾	May 1.....	5-5½-5¼	1973—Jan. 4.....	6	7.....	9
Mar. 11.....	5¼-5½	30.....	5	Feb. 2.....	6-6¼	13.....	9-9¼
19.....	5¼	June 12.....	5-5½	14.....	6	21.....	9¼-9½
		26.....	5-5¼	26.....	6-6¼	22.....	9¼
Apr. 23.....	5¼-5½	July 3.....	5¼-5¾	27.....	6¼	28.....	9½-9¾
May 11.....	5½	10.....	5½-5¾-5½	Mar. 19.....	6¼-6¾	29.....	9¾
July 6.....	5½-6	17.....	5¼-5½	26.....	6½	Sept. 14.....	9¾-10
6.....	6	31.....	5½-5¾-5½	Apr. 18.....	6½-6¾	18.....	10
Oct. 20.....	5¾	Aug. 11.....	5¼-5¾	19.....	6¾	27.....	9¾-10
		14.....	5¼	May 4.....	6¾-7	Oct. 22.....	9½-9¾-10
Nov. 1.....	5¾-5¾	21.....	5¼-5¾	7.....	7	24.....	9½-9¾-10
4.....	5½-5¾	25.....	5¼-5¾-5½	24.....	7-7¼		
8.....	5½	29.....	5¼-5¾-5½	25.....	7-7¼		
22.....	5¾-5¼						
29.....	5¼-5½						
Dec. 6.....	5¼-5¾						
27.....	5¼-5½						
31.....	5¼						

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

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

RATES ON BUSINESS LOANS OF BANKS

Center	Size of loan (in thousands of dollars)											
	All sizes		1-9		10-99		100-499		500-999		1,000 and over	
	Aug. 1973	May 1973	Aug. 1973	May 1973	Aug. 1973	May 1973	Aug. 1973	May 1973	Aug. 1973	May 1973	Aug. 1973	May 1973
Short-term												
35 centers.....	9.24	7.35	8.95	8.05	9.25	7.85	9.50	7.61	9.31	7.35	9.14	7.19
New York City.....	9.08	7.04	8.93	8.05	9.32	7.76	9.37	7.38	9.20	7.14	9.03	6.97
7 Other Northeast.....	9.49	7.71	9.30	8.36	9.51	8.08	9.95	7.89	9.72	7.77	9.22	7.52
8 North Central.....	9.24	7.44	8.21	7.70	9.02	7.70	9.44	7.58	9.28	7.34	9.21	7.40
7 Southeast.....	9.25	7.37	8.85	8.03	9.07	7.80	9.23	7.53	9.02	7.11	9.48	7.16
8 Southwest.....	9.16	7.33	9.10	7.98	9.18	7.74	9.34	7.48	9.18	7.28	9.03	7.08
4 West Coast.....	9.25	7.25	9.67	8.31	9.48	7.98	9.46	7.71	9.33	7.28	9.17	7.06
Revolving credit												
35 centers.....	9.22	7.14	9.48	7.89	9.46	7.82	9.34	7.45	9.32	7.25	9.19	7.17
New York City.....	9.25	7.07	8.97	7.82	9.11	7.36	9.18	7.28	9.34	7.18	9.25	7.06
7 Other Northeast.....	9.72	7.45	9.90	8.43	9.98	7.63	10.35	7.55	10.30	7.33	9.59	7.45
8 North Central.....	9.44	7.40	9.55	8.15	9.34	7.85	9.17	7.57	9.42	7.24	9.48	7.39
7 Southeast.....	8.90	7.19	9.57	7.53	9.41	7.73	9.39	7.03	7.48	7.13	9.14	7.11
8 Southwest.....	9.72	7.79	8.78	7.75	9.34	7.83	9.54	8.11	10.11	7.54	9.64	7.79
4 West Coast.....	9.00	7.17	9.36	7.97	9.51	7.95	9.28	7.36	9.10	7.23	8.95	7.12
Long-term												
35 centers.....	9.82	7.66	9.43	8.14	9.60	7.77	9.45	7.93	9.48	7.74	9.94	7.60
New York City.....	9.96	7.30	8.75	7.20	9.69	7.45	9.27	7.55	9.63	7.70	10.03	7.25
7 Other Northeast.....	9.87	8.17	9.68	8.55	9.79	7.68	9.56	8.12	8.68	7.95	10.24	8.28
8 North Central.....	9.70	7.73	9.60	8.04	9.54	8.04	9.99	8.22	10.00	7.57	9.63	7.65
7 Southeast.....	8.44	8.39	9.16	7.18	8.97	6.92	6.12	8.50	11.25	9.39	9.37	8.58
8 Southwest.....	10.12	7.79	10.19	8.39	9.61	8.20	9.76	7.66	9.71	7.68	10.40	7.82
4 West Coast.....	9.71	7.69	9.97	8.73	9.58	7.95	9.57	7.66	9.25	7.57	9.80	7.71

NOTE.—Beginning Feb. 1971 the Quarterly Survey of Interest Rates on Business Loans was revised. For description of revised series see pp. 468-77 of the June 1971 BULLETIN.

MONEY MARKET RATES

(Per cent per annum)

Period	Prime commercial paper ¹		Finance co. paper placed directly, 3- to 6-months ²	Prime bankers' acceptances, 90 days ¹	Federal funds rate ³	U.S. Government securities ⁴						
	90-119 days	4- to 6-months				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	1-year bill (market yield) ⁵	Other ⁶	
1967.....		5.10	4.89	4.75	4.22	4.321	4.29	4.630	4.61	4.71	4.84	5.07
1968.....		5.90	5.69	5.75	5.66	5.339	5.34	5.470	5.47	5.46	5.62	5.59
1969.....		7.83	7.16	7.61	8.22	6.677	6.67	6.853	6.86	6.79	7.06	6.85
1970.....		7.72	7.23	7.31	7.17	6.458	6.39	6.562	6.51	6.49	6.90	7.37
1971.....		5.11	4.91	4.85	4.66	4.348	4.33	4.511	4.52	4.67	4.75	5.77
1972.....		4.66	4.69	4.52	4.44	4.071	4.07	4.466	4.49	4.77	4.86	5.85
1973.....		8.20	8.15	7.40	8.08	7.041	7.03	7.178	7.20	7.01	7.30	6.92
1972—Dec.....		5.40	5.45	5.24	5.16	5.061	5.07	5.287	5.30	5.28	5.46	6.07
1973—Jan.....		5.76	5.78	5.56	5.60	5.307	5.41	5.527	5.62	5.58	5.78	6.29
Feb.....		6.17	6.22	5.97	6.14	5.558	5.60	5.749	5.83	5.93	6.07	6.61
Mar.....		6.76	6.85	6.45	6.82	6.054	6.09	6.430	6.51	6.53	6.81	6.85
Apr.....		7.13	7.14	6.76	6.97	7.12	6.289	6.26	6.525	6.52	6.51	6.74
May.....		7.26	7.27	6.85	7.15	7.84	6.348	6.36	6.615	6.62	6.63	6.78
June.....		8.00	7.99	7.45	7.98	8.49	7.188	7.19	7.234	7.23	7.05	7.27
July.....		9.26	9.18	8.09	9.19	10.40	8.015	8.01	8.081	8.12	7.97	8.37
Aug.....		10.26	10.21	8.90	10.18	10.50	8.672	8.67	8.700	8.65	8.32	8.82
Sept.....		10.31	10.23	8.90	10.19	10.78	8.478	8.29	8.537	8.45	8.07	8.44
Oct.....		9.14	8.92	7.84	9.07	10.01	7.155	7.22	7.259	7.32	7.17	7.42
Nov.....		9.11	8.94	7.94	8.73	10.03	7.866	7.83	7.823	7.96	7.40	7.66
Dec.....		9.28	9.08	8.16	8.94	9.95	7.364	7.45	7.444	7.56	7.01	7.38
Week ending—												
1973—Sept. 1.....	10.48	10.45	9.00	10.25	10.79	8.668	8.62	8.577	8.58	8.22	8.53	7.35
8.....	10.50	10.38	9.09	10.25	10.79	8.778	8.80	8.735	8.75	8.19	8.51	7.27
15.....	10.50	10.48	9.00	10.35	10.74	9.016	8.94	8.921	8.97	8.45	8.78	7.45
22.....	10.43	10.45	9.00	10.43	10.80	8.786	8.38	8.832	8.52	8.10	8.59	7.10
29.....	9.85	9.65	8.60	9.75	10.84	7.331	7.13	7.661	7.63	7.57	7.90	6.85
Oct. 6.....	9.58	9.38	8.10	9.50	10.72	7.149	7.42	7.584	7.59	7.52	7.66	6.89
13.....	9.47	9.13	8.00	9.28	9.87	7.323	7.14	7.259	7.32	7.26	7.46	6.77
20.....	9.25	9.03	7.80	9.00	10.07	7.188	7.16	7.242	7.24	7.15	7.40	6.80
27.....	8.66	8.56	7.66	8.81	9.98	6.959	7.07	6.951	7.09	6.85	7.26	6.80
Nov. 3.....	8.55	8.28	7.50	8.50	9.90	7.196	7.38	7.263	7.43	6.99	7.32	6.83
10.....	8.88	8.69	7.63	8.75	9.71	8.098	8.12	7.987	8.06	7.42	7.85	7.03
17.....	9.18	9.08	8.10	8.75	10.03	8.636	8.11	8.381	8.30	7.64	8.01	7.16
24.....	9.28	9.09	8.16	8.75	10.23	7.704	7.72	7.805	7.85	7.37	7.50	6.88
Dec. 1.....	9.25	9.10	8.05	8.75	10.09	7.695	7.52	7.679	7.77	7.29	7.36	6.78
8.....	9.43	9.20	8.25	9.10	10.17	7.358	7.47	7.766	7.94	7.39	7.53	6.89
15.....	9.35	9.10	8.18	9.15	10.04	7.386	7.51	7.530	7.52	7.01	7.37	6.75
22.....	9.15	9.00	8.20	8.75	10.18	7.366	7.35	7.164	7.32	6.75	7.22	6.74
29.....	9.19	9.00	8.00	8.75	9.52	7.346	7.50	7.315	7.46	6.84	7.41	6.83

¹ Averages of the most representative daily offering rate quoted by dealers.

² Averages of the most representative daily offering rate published by finance companies, for varying maturities in the 90-179 day range.

³ Seven-day averages for week ending Wednesday. Beginning with statement week ending July 25, 1973, weekly averages are based on the daily average of the range of rates on a given day weighted by the volume of transactions at these rates. For earlier statement weeks, the averages were based on the daily effective rate—the rate considered most repre-

sentative of the day's transactions, usually the one at which most transactions occurred.

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

⁵ Bills quoted on bank-discount-rate basis.

⁶ Certificates and selected note and bond issues.

⁷ Selected note and bond issues.

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

BOND AND STOCK YIELDS

(Per cent per annum)

Period	Government bonds						Corporate bonds					Stocks			
	United States (long-term)	State and local			Aaa utility		Total ¹	By selected rating		By group			Dividend/price ratio		Earnings/price ratio
		Total ¹	Aaa	Baa	New issue	Recently offered		Aaa	Baa	Industrial	Railroad	Public utility	Preferred	Common	Common
1963.....	4.00	3.28	3.06	3.58	4.21	.....	4.50	4.26	4.86	4.42	4.65	4.41	4.30	3.17	5.68
1964.....	4.15	3.28	3.09	3.54	4.34	.....	4.57	4.40	4.83	4.52	4.67	4.53	4.32	3.01	5.54
1965.....	4.21	3.34	3.16	3.57	4.50	4.51	4.64	4.49	4.87	4.61	4.72	4.60	4.33	3.00	5.87
1966.....	4.66	3.90	3.67	4.21	5.43	5.38	5.34	5.13	5.67	5.30	5.37	5.36	4.97	3.40	6.72
1967.....	4.85	3.99	3.74	4.30	5.82	5.79	5.82	5.51	6.23	5.74	5.89	5.81	5.34	3.20	5.71
1968.....	5.25	4.48	4.20	4.88	6.50	6.47	6.51	6.18	6.94	6.41	6.77	6.49	5.78	3.07	5.64
1969.....	6.10	5.73	5.45	6.07	7.71	7.64	7.36	7.03	7.81	7.22	7.46	7.49	6.41	3.24	6.08
1970.....	6.59	6.42	6.12	6.75	8.68	8.71	8.51	8.04	9.11	8.26	8.77	8.68	7.22	3.83	6.46
1971.....	5.74	5.62	5.22	5.89	7.62	7.66	7.94	7.39	8.56	7.57	8.38	8.13	6.75	3.14	5.41
1972.....	5.63	5.30	5.04	5.60	7.31	7.34	7.63	7.21	8.16	7.35	7.99	7.74	7.27	2.84	5.50
1972—Dec.....	5.63	5.13	4.91	5.39	7.15	7.21	7.47	7.08	7.93	7.22	7.91	7.48	6.92	2.70	5.44
1973—Jan.....	5.94	5.13	4.90	5.39	7.38	7.37	7.49	7.15	7.90	7.27	7.87	7.51	6.85	2.69	.....
Feb.....	6.14	5.17	4.95	5.44	7.40	7.42	7.57	7.22	7.97	7.34	7.92	7.61	6.91	2.80	.....
Mar.....	6.20	5.30	5.07	5.58	7.49	7.54	7.62	7.29	8.03	7.43	7.94	7.64	7.03	2.83	6.10
Apr.....	6.11	5.17	4.95	5.42	7.46	7.47	7.62	7.26	8.09	7.43	7.98	7.64	7.11	2.90	.....
May.....	6.22	5.13	4.90	5.41	7.51	7.50	7.62	7.29	8.06	7.41	8.01	7.63	7.13	3.01	.....
June.....	6.32	5.25	5.05	5.51	7.64	7.64	7.69	7.37	8.13	7.49	8.07	7.69	7.25	3.06	6.93
July.....	6.53	5.44	5.21	5.71	8.01	7.97	7.80	7.45	8.24	7.59	8.17	7.81	7.35	3.04	.....
Aug.....	6.81	5.51	5.26	5.80	8.36	8.22	8.04	7.68	8.53	7.91	8.32	8.06	7.43	3.16	.....
Sept.....	6.42	5.13	4.90	5.41	7.88	7.99	8.06	7.63	8.63	7.89	8.37	8.09	7.38	3.13	7.06
Oct.....	6.26	5.03	4.76	5.31	7.90	7.94	7.96	7.60	8.41	7.76	8.24	8.04	7.18	3.05	.....
Nov.....	6.31	5.21	5.03	5.46	7.90	7.94	8.02	7.67	8.42	7.81	8.28	8.11	7.40	3.36	.....
Dec.....	6.35	5.14	4.90	5.43	8.00	8.03	8.05	7.68	8.48	7.84	8.28	8.17	7.76	3.70	.....
Week ending—															
1973—Nov. 3..	6.27	5.15	4.95	5.40	7.76	7.97	7.99	7.65	8.43	7.79	8.24	8.10	7.24	3.10	.....
10..	6.33	5.24	5.05	5.50	8.00	8.03	8.01	7.67	8.43	7.80	8.27	8.11	7.31	3.17	.....
17..	6.35	5.29	5.10	5.55	7.98	7.99	8.03	7.69	8.42	7.82	8.29	8.12	7.35	3.31	.....
24..	6.29	5.20	5.05	5.45	7.86	7.86	8.02	7.68	8.42	7.81	8.29	8.12	7.44	3.41	.....
Dec. 1..	6.27	5.16	5.00	5.40	7.85	7.87	8.01	7.64	8.42	7.81	8.30	8.09	7.51	3.55	.....
8..	6.31	5.20	5.00	5.45	8.06	7.98	8.02	7.65	8.43	7.81	8.25	8.13	7.61	3.77	.....
15..	6.30	5.13	4.90	5.45	7.97	7.98	8.04	7.67	8.48	7.83	8.26	8.17	7.70	3.72	.....
22..	6.34	5.11	4.85	5.40	7.98	8.05	8.06	7.68	8.50	7.85	8.31	8.18	7.82	3.67	.....
29..	6.47	5.11	4.85	5.40	.....	8.10	8.08	7.73	8.52	7.87	8.31	8.21	7.90	3.64	.....
Number of issues ²	12	20	5	5	.....	.....	121	20	30	41	30	40	14	500	500

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

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

NOTE.—Annual yields are averages of monthly or quarterly data. Bonds: Monthly and weekly yields are computed as follows: (1) U.S. Govt.: Averages of daily figures for bonds maturing or callable in 10 years or more; from Treasury Dept. (2) State and local gov't.: General obligations

only, based on Thurs. figures; from Moody's Investor Service. (3) Corporate: Rates for "New issue" and "Recently offered" Aaa utility bonds are weekly averages compiled by the Board of Governors of the Federal Reserve System. Rates for seasoned issues are averages of daily figures from Moody's Investors Service.

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

Notes to tables on opposite page:

Security Prices:

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

NOTE.—Annual data are averages of monthly figures. Monthly and weekly data are averages of daily figures unless otherwise noted and are computed as follows: U.S. Govt. bonds, derived from average market yields in table on p. A-34 on basis of an assumed 3 per cent, 20-year bond. Municipal and corporate bonds, derived from average yields as computed by Standard and Poor's Corp., on basis of a 4 per cent, 20-year bond; Wed. closing prices. Common stocks, derived from component common stock prices. Average daily volume of trading, normally conducted 5 days per week for 5½ hours per day, or 27½ hours per week. In recent years shorter days and/or weeks have cut total weekly trading to the following number of hours: 1967—Aug. 8–20, 20; 1968—Jan. 22–Mar. 1, 20; June 30–Dec. 31, 22; 1969—Jan. 3–July 3, 20; July 7–Dec. 31–22½; 1970—Jan. 2–May 1, 25.

Terms on Mortgages:

¹ Fees and charges—related to principal mortgage amount—include loan commissions, fees, discounts, and other charges, which provide added income to the lender and are paid by the borrower. They exclude any closing costs related solely to transfer of property ownership.

NOTE.—Compiled by Federal Home Loan Bank Board in cooperation with Federal Deposit Insurance Corporation. Data are weighted averages based on probability sample survey of characteristics of mortgages originated by major institutional lender groups (including mortgage companies) for purchase of single-family homes. Data exclude loans for refinancing, reconditioning, or modernization; construction loans to homebuilders; and permanent loans that are coupled with construction loans to owner-builders. Series revised beginning Jan. 1973; hence data are not strictly comparable with earlier figures. See also the table on Home-Mortgage Yields, p. A-53.

SECURITY PRICES

Period	Bond prices (per cent of par)			Common stock prices										Volume of trading in stocks (thousands of shares)		
	U.S. Govt. (long-term)	State and local	Corporate AAA	New York Stock Exchange								American Stock Exchange total index 1	NYSE			AMEX
				Standard and Poor's index (1941-43=10)				New York Stock Exchange index (Dec. 31, 1965=50)								
				Total	Industrial	Rail-road	Public utility	Total	Industrial	Transportation	Utility			Finance		
1963	86.31	111.3	96.8	69.87	73.39	37.58	64.99							8.52	4,573	1,269
1964	84.46	111.5	95.1	81.37	86.19	45.46	69.91							9.81	4,888	1,570
1965	83.76	110.6	93.9	88.17	93.48	46.78	76.08							12.05	6,174	2,120
1966	78.63	102.6	86.1	85.26	91.09	46.34	68.21	44.16	43.79	48.23	44.77	44.43	14.67	7,538	2,752	
1967	76.55	100.5	81.8	91.93	99.18	46.72	68.10	50.77	51.97	53.51	45.43	49.82	19.67	10,143	4,508	
1968	72.33	93.5	76.4	98.70	107.49	48.84	66.42	55.37	58.00	50.58	44.19	65.85	27.72	12,971	6,353	
1969	64.49	79.0	68.5	97.84	107.13	45.95	62.64	54.67	57.45	46.96	42.80	70.49	28.73	11,403	5,001	
1970	60.52	72.3	61.6	83.22	91.29	32.13	54.48	45.72	48.03	32.14	37.24	54.64	22.59	10,532	3,376	
1971	67.73	80.0	65.0	98.29	108.35	41.94	59.33	54.22	57.92	44.35	39.53	70.38	25.22	17,429	4,234	
1972	68.71	84.4	65.9	109.20	121.79	44.11	56.90	60.29	65.73	50.17	38.48	78.35	27.00	16,487	4,447	
1972—Dec.	68.68	87.1	66.0	117.50	131.08	45.23	61.73	64.26	69.96	48.44	42.28	83.45	26.50	18,146	4,775	
1973—Jan.	65.89	86.9	66.0	118.42	132.55	42.87	60.01	64.38	70.55	45.14	41.72	81.62	25.35	18,752	4,046	
Feb.	64.09	86.1	65.5	114.16	128.50	40.80	57.52	61.52	67.67	42.34	39.95	74.47	25.34	16,753	3,690	
Mar.	63.59	84.1	65.2	112.42	126.05	39.29	55.94	60.15	66.20	40.92	39.13	72.32	24.59	15,564	2,966	
Apr.	64.39	85.7	64.9	110.27	123.56	35.88	55.34	58.67	64.41	40.57	38.97	69.42	24.02	13,900	2,981	
May	63.43	86.1	64.7	107.22	119.95	36.14	55.43	56.74	62.22	36.66	39.01	65.33	23.12	15,329	3,043	
June	62.61	85.8	64.4	104.75	117.20	34.35	54.37	55.14	60.52	33.72	37.95	63.52	22.44	12,796	2,316	
July	60.87	83.2	63.8	105.83	118.65	35.22	53.31	56.12	61.53	34.22	37.68	68.95	22.89	14,655	2,522	
Aug.	58.71	82.2	61.0	103.80	116.75	33.76	50.14	55.33	61.09	33.48	35.40	68.26	23.03	14,761	1,796	
Sept.	61.81	86.2	61.3	105.61	118.52	35.49	52.31	56.71	62.25	35.82	36.79	72.23	101.88	17,320	2,055	
Oct.	63.13	86.9	62.1	109.84	123.42	38.24	53.22	59.26	65.29	39.03	37.47	74.98	107.97	18,387	3,388	
Nov.	62.71	85.6	62.1	102.03	114.64	39.74	48.30	54.59	60.15	36.31	34.73	67.85	99.91	19,044	3,693	
Dec.	62.37	86.1	62.9	94.78	106.16	41.48	45.73	50.39	55.12	34.69	33.47	62.49	88.39	19,227	3,553	
Week ending—																
1973—Dec. 1	63.01	85.8	62.2	96.64	108.50	39.60	45.74	51.53	56.61	34.66	33.40	63.98	93.46	18,764	3,281	
8	62.74	85.6	63.1	94.12	105.60	39.85	44.64	50.10	55.05	33.66	32.60	61.76	90.63	20,525	3,456	
15	62.75	86.7	62.9	94.65	106.01	40.46	45.88	50.38	55.17	34.12	33.32	62.45	89.32	19,003	3,250	
22	62.46	86.3	62.8	94.08	105.31	41.14	45.78	49.96	54.51	34.28	33.69	62.05	85.78	17,849	3,225	
29	61.35	85.9	62.8	95.98	107.36	44.14	46.58	50.94	55.53	36.51	34.23	63.53	87.19	18,548	3,715	

For notes see opposite page.

TERMS ON CONVENTIONAL FIRST MORTGAGES

Period	New homes						Existing homes					
	Contract rate (per cent)	Fees & charges (per cent) ¹	Maturity (years)	Loan/price ratio (per cent)	Purchase price (thous. of dollars)	Loan amount (thous. of dollars)	Contract rate (per cent)	Fees & charges (per cent) ¹	Maturity (years)	Loan/price ratio (per cent)	Purchase price (thous. of dollars)	Loan amount (thous. of dollars)
1965	5.74	.49	25.0	73.9	25.1	18.3	5.87	.55	21.8	72.7	21.6	15.6
1966	6.14	.71	24.7	73.0	26.6	19.2	6.30	.72	21.7	72.0	22.2	15.9
1967	6.33	.81	25.2	73.6	28.0	20.4	6.40	.76	22.5	72.7	24.1	17.4
1968	6.83	.89	25.5	73.9	30.7	22.4	6.90	.83	22.7	73.0	25.6	18.5
1969	7.66	.91	25.5	72.8	34.1	24.5	7.68	.88	22.7	71.5	28.3	19.9
1970	8.27	1.03	25.1	71.7	35.5	25.2	8.20	.92	22.8	71.1	30.0	21.0
1971	7.60	.87	26.2	74.3	36.3	26.5	7.54	.77	24.2	73.9	31.7	23.1
1972	7.45	.88	27.2	76.8	37.3	28.1	7.38	.81	25.7	76.0	33.4	25.0
1972—Dec.	7.51	.92	27.5	78.0	37.9	29.0	7.45	.86	26.4	76.8	34.0	25.7
1973—Jan.	7.52	1.03	25.7	76.6	35.8	27.0	7.53	.94	23.2	75.2	30.5	22.6
Feb.	7.52	1.15	26.8	78.6	35.9	27.6	7.55	1.03	23.6	77.5	29.2	22.0
Mar.	7.51	1.09	26.6	78.4	36.7	28.3	7.54	.95	23.3	76.9	29.3	22.0
Apr.	7.53	1.11	26.6	78.2	36.9	28.2	7.55	.96	23.9	77.3	30.1	22.8
May	7.55	1.05	25.9	77.7	35.6	27.2	7.62	.93	23.5	77.5	30.0	22.3
June	7.62	1.08	26.3	78.0	35.8	27.5	7.64	.92	23.4	75.9	31.7	23.5
July	7.69	1.11	26.3	78.1	37.0	28.3	7.70	.91	24.1	75.5	33.3	24.6
Aug.	7.77	1.08	26.7	76.7	38.6	28.9	7.87	.92	23.4	75.6	32.0	23.6
Sept.	7.98	1.19	26.6	77.3	37.2	28.2	8.10	.97	23.1	74.1	32.8	23.5
Oct.	8.12	1.20	26.1	76.9	38.5	29.0	8.35	.92	22.5	72.7	31.8	22.6
Nov.	8.22	1.08	26.0	75.5	38.9	28.8	8.42	.94	22.2	71.2	32.3	22.6
Dec.	8.28	1.13	26.4	75.7	38.9	29.0	8.45	.92	22.3	72.9	30.8	22.1

For notes see opposite page.

STOCK MARKET CUSTOMER FINANCING

(In millions of dollars)

End of period	Margin credit at brokers and banks ¹										Free credit balances at brokers ⁴	
	Regulated ²								Unregu- lated ³	Nonmargin stock credit at banks		
	By source			By type								
	Total	Brokers	Banks	Margin stock		Convertible bonds		Subscription issues			Margin accts.	Cash accts.
Brokers				Banks	Brokers	Banks	Brokers	Banks				
1972—Oct.....	9,024	8,081	943	7,800	872	250	53	31	18	1,875	389	1,708
Nov.....	9,068	8,166	902	7,890	831	249	52	27	19	1,871	390	1,828
Dec.....	9,045	8,180	865	7,900	798	254	50	26	17	1,896	414	1,957
1973—Jan.....	8,840	7,975	865	7,700	796	249	48	26	21	1,940	413	1,883
Feb.....	8,640	7,773	867	7,480	800	248	50	25	17	1,954	431	1,770
Mar.....	8,347	7,468	879	7,197	813	244	48	24	18	1,917	442	1,719
Apr.....	8,165	7,293	872	7,040	804	232	49	21	19	1,969	389	1,536
May.....	7,650	6,784	866	6,540	802	224	47	20	18	2,010	413	1,564
June.....	7,301	6,416	885	6,180	817	215	53	21	15	1,973	396	1,472
July.....	7,347	6,243	1,104	6,010	1,020	216	67	17	17	2,072	379	1,542
Aug.....	7,129	6,056	1,073	5,830	993	210	63	16	16	2,065	348	1,462
Sept.....	6,981	5,949	1,052	5,730	973	204	63	15	16	2,027	379	1,632
Oct.....	7,142	5,912	1,230	5,690	1,150	203	62	19	18	1,998	419	1,713

¹ Margin credit includes all credit extended to purchase or carry stocks or related equity instruments and secured at least in part by stock (see Dec. 1970 BULLETIN). Credit extended by brokers is end-of-month data for member firms of the New York Stock Exchange. June data for banks are universe totals; all other data for banks represent estimates for all commercial banks based on reports by a reporting sample, which accounted for 60 per cent of security credit outstanding at banks on June 30, 1971.

² In addition to assigning a current loan value to margin stock generally,

Regulations T and U permit special loan values for convertible bonds and stock acquired through exercise of subscription rights.

³ Nonmargin stocks are those not listed on a national securities exchange and not included on the Federal Reserve System's list of Over the Counter margin stocks. At banks, loans to purchase or carry nonmargin stocks are unregulated; at brokers, such stocks have no loan value.

⁴ Free credit balances are in accounts with no unfulfilled commitments to the brokers and are subject to withdrawal by customers on demand.

EQUITY STATUS OF MARGIN ACCOUNT DEBT AT BROKERS

(Per cent of total debt, except as noted)

End of period	Total debt (millions of dollars) ¹	Equity class (per cent)					
		80 or more	70-79	60-69	50-59	40-49	Under 40
1972—Oct...	7,800	5.5	8.1	13.6	30.8	25.0	17.0
Nov...	7,890	6.0	9.4	16.6	35.1	20.5	12.4
Dec...	7,900	6.5	8.6	17.6	31.9	20.3	15.0
1973—Jan.....	7,700	5.8	8.2	16.8	27.8	21.2	20.0
Feb.....	7,500	5.3	7.8	14.7	23.9	22.5	25.6
Mar.....	7,200	5.7	7.5	15.9	23.1	22.7	25.1
Apr.....	7,040	4.8	7.3	13.4	19.8	22.4	32.4
May.....	6,540	4.9	7.2	12.7	18.7	21.9	34.9
June.....	6,180	4.9	7.1	13.2	17.5	22.1	35.3
July.....	6,010	5.8	8.8	17.7	22.7	25.3	19.7
Aug.....	5,830	5.0	8.4	16.4	19.6	24.2	26.4
Sept.....	5,730	5.0	13.9	18.9	23.9	23.5	16.8
Oct.....	5,690	7.2	10.0	19.9	22.6	22.1	18.2

¹ See note 1 to table above.

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

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

(Per cent of total, except as noted)

End of period	Net credit status	Equity class of accounts in debit status		Total balance (millions of dollars)
		60 per cent or more	Less than 60 per cent	
1972—Oct.....	33.3	53.4	13.3	5,950
Nov.....	33.6	54.5	11.8	6,140
Dec.....	34.4	52.9	12.7	6,100
1973—Jan.....	35.1	51.7	13.1	5,850
Feb.....	35.8	49.8	14.4	5,770
Mar.....	36.3	47.9	15.7	5,790
Apr.....	35.3	46.9	18.0	5,660
May.....	35.8	45.0	19.1	5,670
June.....	35.8	43.5	20.7	5,750
July.....	35.9	46.7	17.4	5,740
Aug.....	35.9	45.6	18.5	5,650
Sept.....	37.4	53.1	9.4	5,740
Oct.....	38.5	46.7	14.8	5,860

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.

SAVINGS AND LOAN ASSOCIATIONS

(In millions of dollars)

End of period	Assets				Total assets— Total liabilities	Liabilities					Mortgage loan commitments outstanding at end of period ⁵
	Mortgages	Investment securities ¹	Cash	Other ²		Savings capital	Net worth ³	Borrowed money ⁴	Loans in process	Other	
1967.....	121,805	9,180	3,442	7,788	143,534	124,493	9,916	4,775	2,257	2,093	3,042
1968.....	130,802	11,116	2,962	8,010	152,890	131,618	10,691	5,705	2,449	2,427	3,631
1969.....	140,232	10,873	2,438	8,606	162,149	135,538	11,620	9,728	2,455	2,808	2,824
1970.....	150,331	13,020	3,506	9,326	176,183	146,404	12,401	10,911	3,078	3,389	4,452
1971.....	174,385	21,076		10,842	206,303	174,472	13,657	9,048	5,072	4,054	7,378
1972—Nov.....	203,266	24,750		12,689	240,705	203,889	15,992	8,503	6,067	6,254	12,274
Dec.....	206,387	24,491		12,693	243,571	207,305	15,326	9,847	6,225	4,868	11,578
1973—Jan.....	208,132	23,460		15,660	247,252	210,589	15,557	9,171	6,076	5,859	12,469
Feb.....	210,260	24,220		16,214	250,694	212,493	15,925	9,415	6,095	6,766	13,538
Mar.....	213,259	24,019		17,104	254,382	216,195	15,825	9,958	6,326	6,078	14,508
Apr.....	216,250	23,943		17,605	257,798	217,026	16,133	11,336	6,548	6,755	15,009
May.....	219,500	24,072		17,990	261,562	218,906	16,505	11,756	6,727	7,668	15,139
June.....	222,801	23,362		18,038	264,201	222,183	16,315	12,766	6,770	6,167	14,776
July.....	225,490	22,769		18,416	266,675	221,958	16,640	14,295	6,702	7,080	13,778
Aug.....	228,006	21,139		18,826	267,971	220,800	16,986	15,703	6,464	8,018	12,314
Sept.....	229,413	20,161		19,131	268,705	222,645	16,872	16,324	6,078	6,786	10,861
Oct.....	230,425	20,756		19,421	270,602	223,594	17,131	16,505	5,548	7,824	9,970
Nov. ^p	231,319	21,362		19,578	272,259	224,855	17,411	16,400	5,013	8,580	9,761

¹ Investment securities included U.S. Govt. securities only through 1967. Beginning 1968 the total reflects liquid assets and other investment securities. Included are U.S. Govt. obligations, Federal agency securities, State and local govt. securities, time deposits at banks, and miscellaneous securities, except stock of the Federal Home Loan Bank Board. Compensating changes have been made in "Other assets."

² Includes other loans, stock in the Federal home loan banks, other investments, real estate owned and sold on contract, and office buildings and fixtures. See also notes 1, 5, and 6.

³ Includes net undistributed income, which is accrued by most, but not all, associations.

⁴ Consists of advances from FHLBB and other borrowing.

⁵ Data comparable with those shown for mutual savings banks (on preceding page) except that figures for loans in process are not included above but are included in the figures for mutual savings banks.

⁶ Beginning Jan. 1973, participation certificates guaranteed by the Federal Home Loan Mortgage Corporation, loans and notes insured by the Farmers Home Administration and certain other Government-insured mortgage-type investments, previously included in mortgage loans, are included in other assets. The effect of this change was to reduce the mortgage total by about \$0.6 billion.

Also, GNMA-guaranteed, mortgage-backed securities of the pass-through type, previously included in cash and investment securities are included in other assets. These amounted to about \$2.4 billion at the end of 1972.

NOTE.—FHLBB data; figures are estimates for all savings and loan assns. in the United States. Data are based on monthly reports of insured assns. and annual reports of noninsured assns. Data for current and preceding year are preliminary even when revised.

MAJOR BALANCE SHEET ITEMS OF SELECTED FEDERALLY SPONSORED CREDIT AGENCIES

(In millions of dollars)

End of period	Federal home loan banks						Federal National Mortgage Assn. (secondary market operations)		Banks for cooperatives		Federal intermediate credit banks		Federal land banks	
	Assets			Liabilities and capital			Mortgage loans (A)	Debentures and notes (L)	Loans to cooperatives (A)	Debentures (L)	Loans and discounts (A)	Debentures (L)	Mortgage loans (A)	Bonds (L)
	Advances to members	Investments	Cash and deposits	Bonds and notes	Member deposits	Capital stock								
1967.....	4,386	2,598	127	4,060	1,432	1,395	5,348	4,919	1,506	1,253	3,411	3,214	5,609	4,904
1968.....	5,259	2,375	126	4,701	1,383	1,402	6,872	6,376	1,577	1,334	3,654	3,570	6,126	5,399
1969.....	9,289	1,862	124	8,422	1,041	1,478	10,541	10,511	1,732	1,473	4,275	4,116	6,714	5,949
1970.....	10,614	3,864	105	10,183	2,332	1,607	15,502	15,206	2,030	1,755	4,974	4,799	7,186	6,395
1971.....	7,936	2,520	142	7,139	1,789	1,618	17,791	17,701	2,076	1,801	5,669	5,503	7,917	7,063
1972—Nov.....	7,245	2,850	107	6,971	1,380	1,741	19,619	19,041	2,313	1,905	6,048	5,872	8,972	8,012
Dec.....	7,979	2,225	129	6,971	1,548	1,756	19,791	19,238	2,298	1,944	6,094	5,804	9,107	8,012
1973—Jan.....	7,831	2,264	91	6,971	1,306	1,821	19,980	19,252	2,876	1,950	6,087	5,891	9,251	8,280
Feb.....	7,944	2,421	106	7,220	1,323	1,891	20,181	19,402	2,936	2,188	6,179	5,969	9,387	8,280
Mar.....	8,420	1,938	108	7,220	1,291	1,943	20,571	19,985	2,896	2,188	6,414	6,076	9,591	8,280
Apr.....	9,429	2,087	111	8,415	1,143	1,981	20,791	20,056	2,859	2,465	6,555	6,314	9,767	8,836
May.....	10,155	2,702	95	9,615	1,261	1,991	21,087	20,225	2,765	2,370	6,777	6,460	9,953	8,836
June.....	11,145	2,516	108	10,215	1,453	2,008	21,413	20,364	2,725	2,316	6,958	6,645	10,117	8,836
July.....	12,365	2,126	103	11,213	1,183	2,035	21,772	20,843	2,811	2,365	6,981	6,745	10,256	9,377
Aug.....	13,511	2,016	111	12,562	1,091	2,064	22,319	21,186	2,865	2,310	7,899	6,727	10,441	9,390
Sept.....	14,298	2,908	102	14,062	1,178	2,089	22,826	21,537	2,811	2,560	7,789	6,833	10,256	9,388
Oct.....	14,799	3,498	106	15,362	1,270	2,107	23,348	22,243	2,738	2,728	8,016	6,901	10,592	9,704
Nov.....	14,867	3,649	77	15,362	1,545	2,112	23,912	22,404	2,711	2,704	7,961	6,890	10,781	9,838

NOTE.—Data from Federal Home Loan Bank Board, Federal National Mortgage Assn., and Farm Credit Admin. Among omitted balance sheet items are capital accounts of all agencies, except for stock of FHLB's. Bonds, debentures, and notes are valued at par. They include only publicly

offered securities (excluding, for FHLB's, bonds held within the FHLB System) and are not guaranteed by the U.S. Govt.; for a listing of these securities, see table on opposite page. Loans are gross of valuation reserves and represent cost for FNMA and unpaid principal for other agencies.

FEDERAL FISCAL OPERATIONS: SUMMARY

(In millions of dollars)

Period	U.S. budget					Means of financing							Other means of financing, net ⁴	
	Receipt-expenditure account		Net lending	Budget outlays ¹	Budget surplus or deficit (-)	Borrowings from the public ²				Less: Cash and monetary assets				
	Budget receipts	Net expenditures				Public debt securities	Plus: Agency securities	Less: Investments by Govt. accounts		Less: Special notes ³	Equals: Total borrowing	Treasury operating balance		Other
							Special issues	Other						
Fiscal year:														
1970.....	193,743	194,456	2,131	196,588	-2,845	17,198	-1,739	9,386	676	.....	5,397	2,151	-581	-982
1971.....	188,392	210,318	1,107	211,425	-23,033	27,211	-347	6,616	800	.....	19,448	710	-979	3,586
1972.....	208,649	.....	.....	231,876	-23,227	29,131	-1,269	6,813	1,607	.....	19,442	1,362	1,108	6,255
1973.....	*232,225	.....	.....	*246,526	*-14,301	30,881	216	12,029	-207	.....	19,275	2,459	*-1,613	*-4,128
Half year:														
1971—July—Dec.	93,180	110,608	948	111,554	-18,374	26,001	-1,117	2,803	523	.....	21,561	973	80	-2,122
1972—Jan.—June....	115,549	.....	.....	120,319	-4,850	3,130	-150	4,010	1,089	.....	-2,114	389	1,028	8,377
1973—Jan.—June....	*106,061	.....	.....	*118,586	*-12,525	22,037	876	*6,239	-861	.....	17,386	*956	*1,525	*-5,430
1973—Jan.—June....	*126,164	.....	.....	*127,940	*-1,776	8,844	-660	5,790	654	.....	1,889	1,503	*-88	*1,302
Month:														
1972—Nov.....	*16,746	.....	.....	*21,234	*4,488	4,300	*374	-659	42	.....	*5,292	305	*28	*-420
Dec.....	18,972	.....	.....	19,721	-750	5,051	-93	1,104	-343	.....	4,197	2,795	57	-595
1973—Jan.....	21,130	.....	.....	23,631	-2,501	770	18	-900	168	.....	1,519	302	99	1,383
Feb.....	18,067	.....	.....	20,227	-2,160	4,770	-9	780	119	.....	3,863	408	-212	-1,507
Mar.....	15,987	.....	.....	20,806	-4,820	3,768	27	584	206	.....	3,005	1,152	-83	2,883
Apr.....	25,860	.....	.....	22,306	3,554	-1,543	-721	-56	-49	.....	-2,159	1,220	1,164	988
May.....	16,584	.....	.....	20,157	-3,573	275	-43	1,968	234	.....	-1,970	-5,924	-1,141	-1,522
June.....	28,504	.....	.....	20,892	7,612	803	68	3,414	-174	.....	-2,369	4,344	414	-485
July.....	18,121	.....	.....	22,627	-4,486	862	9	1,258	325	.....	-713	-5,398	-544	-743
Aug.....	21,291	.....	.....	22,139	-847	2,842	301	3,137	568	.....	-563	-4,105	151	-2,544
Sept.....	25,007	.....	.....	20,736	4,271	-406	40	-756	-173	.....	564	5,207	346	718
Oct.....	17,637	.....	.....	23,092	-5,455	1,037	29	-306	-22	.....	1,395	-2,588	-43	1,431
Nov.....	20,208	.....	.....	22,099	-1,891	1,561	273	-3,510	3,141	.....	2,202	-1,010	-48	-1,368

End of period	Selected balances										Memo: Debt of Govt.-sponsored corps.—Now private ⁶
	Treasury operating balance				Federal securities						
	F.R. Banks	Tax and loan accounts	Other depositaries ⁵	Total	Public debt securities	Agency securities	Less: Investments of Govt. accounts		Less: Special notes ³	Equals: Total held by public	
						Special issues	Other				
Fiscal year:											
1970.....	1,005	6,929	111	8,045	370,919	12,510	76,124	21,599	825	284,880	35,789
1971.....	1,274	7,372	109	8,755	398,130	12,163	82,740	22,400	825	304,328	36,886
1972.....	2,344	7,934	5139	10,117	427,260	10,894	89,539	24,023	825	323,770	41,044
1973.....	4,038	8,433	106	12,576	458,142	11,109	101,738	24,093	825	343,045	51,325
Calendar year:											
1971.....	2,020	9,173	113	11,306	424,131	11,044	85,544	22,922	825	325,884	39,860
1972.....	1,856	8,907	310	11,073	449,298	11,770	95,924	23,164	825	341,155	42,640
Month:											
1972—Nov.....	1,182	6,786	310	8,278	444,247	11,863	94,821	23,506	825	336,958	43,217
Dec.....	1,856	8,907	310	11,073	449,298	11,770	95,924	23,164	825	341,155	43,459
1973—Jan.....	2,749	8,317	310	11,376	450,068	11,787	95,024	23,332	825	342,674	43,993
Feb.....	2,073	9,401	310	11,784	454,838	11,779	95,804	23,451	825	346,537	45,400
Mar.....	2,882	9,744	309	12,935	458,606	11,806	96,413	23,632	825	349,542	45,566
Apr.....	4,162	9,683	311	14,156	457,063	11,084	96,356	23,583	825	347,383	47,905
May.....	3,242	4,679	311	8,232	457,338	11,041	98,324	23,817	825	345,414	49,731
June.....	4,038	8,433	106	12,576	458,142	11,109	101,738	24,093	825	343,045	51,325
July.....	2,867	4,203	108	7,178	459,003	11,118	102,996	23,968	825	342,332	52,780
Aug.....	847	2,217	8	3,072	461,845	11,419	106,133	24,536	825	341,769	54,409
Sept.....	1,626	6,582	71	8,279	461,439	11,459	105,378	24,362	825	342,333	56,691
Oct.....	1,839	3,781	71	5,691	462,476	11,488	105,071	24,341	823	343,727	59,330
Nov.....	1,945	2,666	70	4,681	464,037	11,760	101,561	27,482	825	345,930	.....

¹ Equals net expenditures plus net lending.
² The decrease in Federal securities resulting from conversion to private ownership of Govt.-sponsored corporations (totaling \$9,853 million) is not included here. In the bottom panel, however, these conversions decrease the outstanding amounts of Federal securities held by the public mainly by reductions in agency securities. The Federal National Mortgage Association (FNMA) was converted to private ownership in Sept. 1968 and the Federal intermediate credit banks (FICB) and banks for cooperatives in Dec. 1968.
³ Represents non-interest-bearing public debt securities issued to the International Monetary Fund and international lending organizations. New obligations to these agencies are handled by letters of credit.
⁴ Includes accrued interest payable on public debt securities, deposit funds, miscellaneous liability and asset accounts, and seigniorage.
⁵ As of Jan. 3, 1972, the Treasury operating balance was redefined to exclude the gold balance and to include previously excluded "Other depositaries" (deposits in certain commercial depositories that have been converted from a time to a demand basis to permit greater flexibility in Treasury cash management).
⁶ Includes debt of Federal home loan banks, Federal land banks, R.F.K. Stadium Fund, FNMA (beginning Sept. 1968), and FICB and banks for cooperatives (both beginning Dec. 1968).
NOTE.—Half years may not add to fiscal year totals due to revisions in series that are not yet available on a monthly basis.

FEDERAL FISCAL OPERATIONS: DETAIL

(In millions of dollars)

Period	Budget receipts															
	Total	Individual income taxes				Corporation income taxes		Social insurance taxes and contributions					Excise taxes	Cus-toms	Estate and gift	Misc. receipts ³
		With-held	Non-with-held	Re-funds	Net total	Gross receipts	Re-funds	Employment taxes and contributions ¹		Un-empl. insur.	Other net receipts ²	Net total				
								Pay-roll taxes	Self-empl.							
Fiscal year:																
1970.....	193,743	77,416	26,236	13,240	90,412	35,037	2,208	37,190	1,942	3,465	2,700	45,298	15,705	2,430	3,644	3,424
1971.....	188,392	76,490	24,262	14,522	86,230	30,320	3,535	39,751	1,948	3,673	3,206	48,578	16,614	2,591	3,735	3,858
1972.....	208,649	83,200	25,679	14,143	94,737	34,926	2,760	44,088	2,032	4,357	3,437	53,914	15,477	3,287	5,436	3,633
1973.....	232,225	98,093	27,019	21,866	103,246	39,045	2,893	52,505	2,371	6,051	3,614	64,542	16,260	3,188	4,917	3,921
Half year:																
1971—July—Dec.....	93,180	38,449	5,589	574	43,465	13,262	1,448	19,643	155	1,518	1,673	22,989	8,961	1,838	2,395	1,718
1972—Jan.—June.....	115,469	44,751	20,090	13,569	51,272	21,664	1,312	24,445	1,877	4,736	1,764	30,925	6,516	1,449	3,041	1,915
1973—Jan.—June.....	126,165	52,034	21,235	21,179	52,091	23,730	1,434	30,013	2,206	3,616	1,841	37,675	8,016	1,637	2,584	1,865
Month:																
1972—Nov.....	16,746	8,509	257	69	8,697	853	294	4,044	.....	637	287	4,969	1,452	284	487	298
1972—Dec.....	18,974	7,915	353	61	8,206	5,772	140	2,601	5	92	277	2,975	1,286	234	364	276
1973—Jan.....	21,130	8,254	4,671	27	12,897	1,539	158	3,833	139	174	340	4,486	1,437	289	396	244
1973—Feb.....	18,067	8,404	768	1,104	8,067	865	193	5,900	167	684	278	7,029	1,186	255	568	289
1973—Mar.....	15,987	8,748	1,494	6,833	3,409	5,208	342	4,771	186	63	320	5,340	1,244	278	489	360
1973—Apr.....	25,860	8,648	9,124	6,185	11,587	5,915	258	4,297	1,316	444	302	6,359	1,318	262	330	348
1973—May.....	16,584	8,813	1,444	6,433	3,825	1,219	296	6,662	253	2,156	308	9,380	1,446	280	466	264
1973—June.....	28,537	9,168	3,735	597	12,306	8,983	188	4,548	145	95	293	5,081	1,386	273	335	360
1973—July.....	18,121	8,487	681	354	8,814	1,552	202	4,608	.....	382	346	5,336	1,538	276	398	409
1973—Aug.....	21,291	9,085	451	257	9,279	904	209	7,087	.....	1,357	333	8,778	1,434	303	494	308
1973—Sept.....	25,007	7,940	3,903	135	11,707	5,477	230	4,812	177	103	317	5,409	1,436	238	373	597
1973—Oct.....	17,637	8,752	550	71	9,230	1,515	462	4,119	24	217	351	4,712	1,459	291	454	437
1973—Nov.....	20,209	9,811	261	66	10,006	939	287	5,578	.....	825	321	6,724	1,563	301	462	501

Period	Budget outlays														
	Total	National defense	Intl. affairs	Space research	Agriculture	Natural resources	Commerce and transp.	Com. develop. and housing	Education and manpower	Health and welfare	Vet-erans	Inter-est	General govt.	General revenue sharing	Intra-govt. trans-act-ions ⁴
Fiscal year:															
1971.....	211,425	77,661	3,095	3,381	5,096	2,716	11,310	3,357	8,226	70,607	9,776	19,608	3,970	.....	-7,376
1972.....	231,876	78,336	3,786	3,422	7,061	3,759	11,197	4,216	10,198	81,536	10,747	20,584	4,889	.....	-7,858
1973.....	246,526	76,027	3,182	3,311	6,051	556	12,520	4,162	10,821	91,230	12,004	22,785	5,619	6,636	-8,378
1974.....	268,665	81,974	3,811	3,135	5,572	3,663	11,580	4,931	10,110	103,709	11,732	24,672	6,025	6,035	-9,131
Half year:															
1971—July—Dec.....	111,557	35,755	1,752	1,777	5,999	1,952	6,030	2,181	4,355	38,131	5,003	10,050	2,392	.....	-3,822
1972—Jan.—June.....	120,319	42,583	2,034	1,645	1,062	1,807	5,167	2,035	5,843	43,405	5,744	10,534	2,497	.....	-4,036
1973—Jan.—June.....	118,586	35,350	1,640	1,676	4,616	329	6,200	2,637	5,133	43,212	5,740	10,604	2,870	6,217	-4,039
1973—Jan.—June.....	127,940	40,677	1,542	1,635	1,435	227	6,320	1,525	5,688	48,018	6,264	12,181	2,749	4,019	4,339
Month:															
1972—Nov.....	21,234	6,536	350	272	329	354	981	384	851	7,851	1,279	1,926	1,481	.....	352
1972—Dec.....	19,721	6,135	221	284	-146	-40	829	414	960	7,710	989	1,809	415	6,217	-2,474
1973—Jan.....	23,630	6,633	82	271	994	-1,053	1,546	483	808	8,130	1,157	1,777	586	2,514	-297
1973—Feb.....	20,227	6,265	280	241	431	230	567	368	904	7,907	1,046	2,002	374	9	-397
1973—Mar.....	20,806	6,963	323	301	-77	310	1,072	270	786	7,565	1,064	2,097	462	.....	-329
1973—Apr.....	22,306	6,417	237	265	368	324	793	243	788	8,058	1,114	2,120	409	1,493	-324
1973—May.....	20,157	6,401	136	255	-155	298	907	-148	1,066	8,124	1,017	2,165	466	3	-377
1973—June.....	20,814	8,015	486	301	-126	118	1,434	309	1,336	8,234	866	2,004	452	.....	-2,616
1973—July.....	22,607	4,878	308	278	2,011	942	2,104	911	777	7,792	1,099	2,184	563	1,495	-850
1973—Aug.....	22,139	6,772	327	262	440	573	1,090	779	954	7,935	1,054	2,159	466	3	670
1973—Sept.....	20,736	6,095	205	246	-35	422	957	712	661	8,302	970	2,392	643	16	849
1973—Oct.....	23,092	6,607	282	248	503	416	1,260	561	955	8,040	1,058	2,135	479	1,494	-850
1973—Nov.....	22,099	6,900	276	246	782	424	912	36	805	8,373	1,194	2,401	438	29	-717

¹ Old-age, disability, and hospital insurance (including premiums for uninsured effective July 1, 1973, as provided for in Public Law 92-603), and Railroad Retirement accounts.

² Supplementary medical insurance premiums (including premiums for disabled effective July 1, 1973, as provided for in Public Law 92-603), and Federal employee retirement contributions.

³ Deposits of earnings by Federal Reserve Banks and other miscellaneous receipts.

⁴ Consists of Government contributions for employee retirement and of interest received by trust funds.

⁵ Estimates presented in the Jan. 1974 Budget Document. Breakdowns do not add to totals because special allowances for contingencies, and Federal pay increase (excluding Department of Defense), totaling \$1,750 million for fiscal 1974, are not included.

⁶ Outlays of \$6,786 million in fiscal 1973 contain retroactive payments of \$2,600 million for fiscal 1972.

NOTE.—Half years may not add to fiscal year totals due to revisions in series that are not yet available on a monthly basis.

GROSS PUBLIC DEBT, BY TYPE OF SECURITY

(In billions of dollars)

End of period	Total gross public debt ¹	Public issues										Special issues ⁵
		Total	Marketable					Convertible bonds	Nonmarketable			
			Total	Bills	Certificates	Notes	Bonds ²		Total ³	Foreign issues ⁴	Savings bonds & notes	
1941—Dec.....	57.9	50.5	41.6	2.0	.....	6.0	33.6	.....	8.9	.....	6.1	7.0
1946—Dec.....	259.1	233.1	176.6	17.0	30.0	10.1	119.5	.....	56.5	.....	49.8	24.6
1965—Dec.....	320.9	270.3	214.6	60.2	.....	50.2	104.2	2.8	52.9	2.4	50.3	46.3
1966—Dec.....	329.3	273.0	218.0	64.7	5.9	48.3	99.2	2.7	52.3	1.5	50.8	52.0
1967—Dec.....	344.7	284.0	226.5	69.9	.....	61.4	95.2	2.6	54.9	3.1	51.7	57.2
1968—Dec.....	358.0	296.0	236.8	75.0	.....	76.5	85.3	2.5	56.7	4.3	52.3	59.1
1969—Dec.....	368.2	295.2	235.9	80.6	.....	85.4	69.9	2.4	56.9	3.8	52.2	71.0
1970—Dec.....	389.2	309.1	247.7	87.9	.....	101.2	58.6	2.4	59.1	5.7	52.5	78.1
1971—Dec.....	424.1	336.7	262.0	97.5	.....	114.0	50.6	2.3	72.3	16.8	54.9	85.7
1972—Dec.....	449.3	351.4	269.5	103.9	.....	121.5	44.1	2.3	79.5	20.6	58.1	95.9
1973—Jan.....	450.1	353.2	271.1	104.9	.....	121.5	44.7	2.3	79.7	20.5	58.4	95.0
Feb.....	454.8	357.1	269.9	105.0	.....	120.2	44.6	2.3	84.9	25.4	58.7	95.8
Mar.....	458.6	360.4	269.8	105.0	.....	120.2	44.6	2.3	88.3	28.3	59.0	96.4
Apr.....	457.1	358.9	267.8	103.2	.....	120.2	44.5	2.3	88.7	28.5	59.3	96.4
May.....	457.3	357.1	265.9	103.0	.....	117.8	45.1	2.3	88.9	28.3	59.7	98.3
June.....	458.1	354.6	263.0	100.1	.....	117.8	45.1	2.3	89.4	28.5	59.9	101.7
July.....	459.0	354.2	262.7	99.9	.....	117.8	45.0	2.3	89.2	28.2	60.2	103.0
Aug.....	461.8	353.8	262.4	101.8	.....	118.7	42.0	2.3	89.1	27.9	60.3	106.1
Sept.....	461.4	354.1	262.4	99.8	.....	120.7	41.9	2.3	89.5	28.2	60.3	105.4
Oct.....	462.5	355.5	264.0	101.6	.....	120.7	41.8	2.3	89.2	27.8	60.5	105.1
Nov.....	464.0	360.5	270.2	107.7	.....	124.6	37.8	2.3	88.0	26.1	60.8	101.6
Dec.....	469.9	360.7	270.2	107.8	.....	124.6	37.8	2.3	88.2	26.0	60.8	107.1

¹ Includes non-interest-bearing debt (of which \$618 million on Dec. 31, 1973, was not subject to statutory debt limitation).

² Includes Treasury bonds and minor amounts of Panama Canal and postal savings bonds.

³ Includes (not shown separately): depository bonds, retirement plan bonds, and Rural Electrification Administration bonds; before 1954, Armed Forces leave bonds; before 1956, tax and savings notes; and before Oct. 1965, Series A investment bonds.

⁴ Nonmarketable certificates of indebtedness, notes, and bonds in the Treasury foreign series and foreign currency series issues.

⁵ Held only by U.S. Govt. agencies and trust funds and the Federal home loan banks.

NOTE.—Based on Daily Statement of U.S. Treasury. See also second paragraph in NOTE to table below.

OWNERSHIP OF PUBLIC DEBT

(Par value, in billions of dollars)

End of period	Total gross public debt	Held by—		Held by private investors												
		U.S. Govt. agencies and trust funds	F.R. Banks	Total	Commercial banks	Mutual savings banks	Insurance companies	Other corporations	State and local govts.	Individuals		Foreign and international ¹	Other misc. investors ²			
										Savings bonds	Other securities					
1939—Dec.....	41.9	6.1	2.5	33.4	12.7	2.7	5.7	2.0	.....	4	1.9	7.5	.....	.....	.....	.....
1946—Dec.....	259.1	27.4	23.4	208.3	74.5	11.8	24.9	15.3	.....	6.3	44.2	20.0	.....	.....	.....	.....
1965—Dec.....	320.9	59.7	40.8	220.5	60.7	5.3	10.3	15.8	.....	22.9	49.7	22.4	.....	.....	.....	.....
1966—Dec.....	329.3	65.9	44.3	219.2	57.4	4.6	9.5	14.9	.....	24.3	50.3	24.3	.....	.....	.....	.....
1967—Dec.....	344.7	73.1	49.1	222.4	63.8	4.1	8.6	12.2	.....	24.1	51.2	22.8	.....	.....	.....	.....
1968—Dec.....	358.0	76.6	52.9	228.5	66.0	3.6	8.0	14.2	.....	24.4	51.9	23.9	.....	.....	.....	.....
1969—Dec.....	368.2	89.0	57.2	222.0	56.8	2.9	7.1	11.7	.....	25.9	51.8	29.6	.....	.....	.....	.....
1970—Dec.....	389.2	97.1	62.1	229.9	62.7	2.8	7.0	9.4	.....	25.2	52.1	29.8	.....	.....	.....	.....
1971—Dec.....	424.1	106.0	70.2	247.9	65.3	2.7	6.6	12.4	.....	25.0	54.4	19.6	.....	.....	.....	.....
1972—Dec.....	449.3	116.9	69.9	262.5	67.0	2.6	6.0	11.7	.....	28.3	57.7	17.0	.....	.....	.....	.....
1973—Jan.....	450.1	116.2	72.0	261.8	66.0	2.6	6.1	12.3	.....	29.5	58.0	16.8	.....	.....	.....	.....
Feb.....	454.8	117.1	72.6	265.1	62.4	2.6	5.8	12.7	.....	29.0	58.3	16.6	.....	.....	.....	.....
Mar.....	458.6	117.9	74.3	266.4	61.6	2.5	5.9	13.0	.....	28.9	58.6	16.6	.....	.....	.....	.....
Apr.....	457.1	117.9	75.5	263.7	60.1	2.5	5.7	12.5	.....	28.7	58.9	16.5	.....	.....	.....	.....
May.....	457.3	120.1	74.1	263.1	57.9	2.4	5.7	13.3	.....	28.1	59.2	16.4	.....	.....	.....	.....
June.....	458.1	123.4	75.0	259.7	57.9	2.4	5.7	12.0	.....	28.3	59.5	16.4	.....	.....	.....	.....
July.....	459.0	125.0	77.1	256.9	55.5	2.2	5.8	12.8	.....	27.9	59.7	16.5	.....	.....	.....	.....
Aug.....	461.8	128.7	76.1	257.1	54.1	2.1	5.7	14.0	.....	27.2	59.8	16.8	.....	.....	.....	.....
Sept.....	461.4	127.8	76.2	257.4	55.0	2.0	5.7	12.5	.....	28.5	59.8	16.9	.....	.....	.....	.....
Oct.....	462.5	127.4	78.5	256.5	55.4	2.0	5.6	13.5	.....	28.0	60.0	16.9	.....	.....	.....	.....
Nov.....	464.0	127.1	77.1	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....

¹ Consists of investments of foreign and international accounts in the United States.

² Consists of savings and loan assns., nonprofit institutions, corporate pension trust funds, and dealers and brokers. Also included are certain Govt. deposit accounts and Govt.-sponsored agencies.

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

The debt and ownership concepts were altered beginning with the Mar. 1969 BULLETIN. The new concepts (1) exclude guaranteed securities and (2) remove from U.S. Govt. agencies and trust funds and add to other miscellaneous investors the holdings of certain Govt.-sponsored but privately owned agencies and certain Govt. deposit accounts.

OWNERSHIP OF MARKETABLE SECURITIES, BY MATURITY

(Par value, in millions of dollars)

Type of holder and date	Total	Within 1 year			1-5 years	5-10 years	10-20 years	Over 20 years
		Total	Bills	Other				
All holders:								
1970—Dec. 31.....	247,713	123,423	87,923	35,500	82,318	22,554	8,556	10,863
1971—Dec. 31.....	262,038	119,141	97,505	21,636	93,648	29,321	9,530	10,397
1972—Dec. 31.....	269,509	130,422	103,870	26,552	88,564	29,143	15,301	6,079
1973—Oct. 31.....	264,047	130,940	101,577	29,363	80,535	31,102	15,269	6,201
Nov. 30.....	270,234	139,433	107,749	31,684	83,817	25,136	15,679	6,169
U.S. Govt. agencies and trust funds:								
1970—Dec. 31.....	17,092	3,005	708	2,297	6,075	3,877	1,748	2,387
1971—Dec. 31.....	18,444	1,380	605	775	7,614	4,676	2,319	2,456
1972—Dec. 31.....	19,360	1,609	674	935	6,418	5,487	4,317	1,530
1973—Oct. 31.....	20,840	1,878	466	1,412	7,005	5,448	4,888	1,620
Nov. 30.....	23,984	5,161	3,570	1,591	7,789	4,405	5,008	1,620
Federal Reserve Banks:								
1970—Dec. 31.....	62,142	36,338	25,965	10,373	19,089	6,046	229	440
1971—Dec. 31.....	70,218	36,032	31,033	4,999	25,299	7,702	584	601
1972—Dec. 31.....	69,906	37,750	29,745	8,005	24,497	6,109	1,414	136
1973—Oct. 31.....	78,491	44,571	36,647	7,924	22,821	9,376	1,530	192
Nov. 30.....	77,129	44,709	35,471	9,239	23,109	7,543	1,584	184
Held by private investors:								
1970—Dec. 31.....	168,479	84,080	61,250	22,830	57,154	12,631	6,579	8,036
1971—Dec. 31.....	173,376	81,729	65,867	15,862	60,735	16,943	6,627	7,340
1972—Dec. 31.....	180,243	91,063	73,451	17,612	57,649	17,547	9,570	4,413
1973—Oct. 31.....	164,716	84,491	64,464	20,027	50,709	16,278	8,851	4,389
Nov. 30.....	169,121	89,563	68,708	20,854	52,919	13,188	9,087	4,365
Commercial banks:								
1970—Dec. 31.....	50,917	19,208	10,314	8,894	26,609	4,474	367	260
1971—Dec. 31.....	51,363	14,920	8,287	6,633	28,823	6,847	555	217
1972—Dec. 31.....	52,440	18,077	10,289	7,788	27,765	5,654	864	80
1973—Oct. 31.....	42,782	14,130	5,518	8,612	22,943	4,640	805	265
Nov. 30.....	44,135	15,048	6,336	8,712	24,027	3,909	900	252
Mutual savings banks:								
1970—Dec. 31.....	2,745	525	171	354	1,168	339	329	385
1971—Dec. 31.....	2,742	416	235	181	1,221	499	281	326
1972—Dec. 31.....	2,609	590	309	281	1,152	469	274	124
1973—Oct. 31.....	2,021	493	194	299	805	289	292	142
Nov. 30.....	1,968	526	231	295	777	220	308	138
Insurance companies:								
1970—Dec. 31.....	6,066	893	456	437	1,723	849	1,369	1,231
1971—Dec. 31.....	5,679	720	325	395	1,499	993	1,366	1,102
1972—Dec. 31.....	5,220	799	448	351	1,190	976	1,593	661
1973—Oct. 31.....	4,878	689	223	466	1,075	1,278	1,309	527
Nov. 30.....	4,803	681	238	443	1,058	1,232	1,306	526
Nonfinancial corporations:								
1970—Dec. 31.....	3,057	1,547	1,194	353	1,260	242	2	6
1971—Dec. 31.....	6,021	4,191	3,280	911	1,492	301	16	20
1972—Dec. 31.....	4,948	3,604	1,198	2,406	1,198	121	25	1
1973—Oct. 31.....	4,911	3,480	1,594	1,886	1,228	105	68	29
Nov. 30.....	5,637	3,623	1,850	1,773	1,622	292	72	28
Savings and loan associations:								
1970—Dec. 31.....	3,263	583	220	363	1,899	281	243	258
1971—Dec. 31.....	3,002	629	343	286	1,449	587	162	175
1972—Dec. 31.....	2,873	820	498	322	1,140	605	226	81
1973—Oct. 31.....	2,315	552	116	436	963	513	211	77
Nov. 30.....	2,240	583	143	440	1,045	325	212	76
State and local governments:								
1970—Dec. 31.....	11,204	5,184	3,803	1,381	2,458	774	1,191	1,598
1971—Dec. 31.....	9,823	4,592	3,832	760	2,268	783	918	1,263
1972—Dec. 31.....	10,904	6,159	5,203	956	2,033	816	1,298	598
1973—Oct. 31.....	9,779	5,723	4,563	1,160	1,774	896	1,036	350
Nov. 30.....	9,838	5,890	4,743	1,147	1,771	790	1,036	350
All others:								
1970—Dec. 31.....	91,227	56,140	45,092	11,048	22,037	5,672	3,078	4,298
1971—Dec. 31.....	94,746	56,261	49,565	6,696	23,983	6,933	3,329	4,237
1972—Dec. 31.....	101,249	61,014	55,506	5,508	23,171	8,906	5,290	2,868
1973—Oct. 31.....	98,030	59,424	52,256	7,168	21,921	8,557	5,130	2,999
Nov. 30.....	100,500	63,212	55,167	8,044	22,619	6,420	5,253	2,995

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

Data complete for U.S. Govt. agencies and trust funds and F.R. Banks, but data for other groups include only holdings of those institutions that report. The following figures show, for each category, the number and proportion reporting: (1) 5,610 commercial banks, 479 mutual savings

banks, and 736 insurance companies combined, each about 90 per cent; (2) 464 nonfinancial corporations and 485 savings and loan assns., each about 50 per cent; and (3) 505 State and local govts., about 40 per cent.

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

DAILY-AVERAGE DEALER TRANSACTIONS

(Par value, in millions of dollars)

Period	U.S. Government securities									U.S. Govt. agency securities
	Total	By maturity				By type of customer				
		Within 1 year	1-5 years	5-10 years	Over 10 years	U.S. Govt. securities dealers	U.S. Govt. securities brokers	Commercial banks	All other ¹	
1972—Nov.....	3,397	2,397	709	168	123	835	498	1,228	837	731
Dec.....	3,184	2,640	361	118	65	757	352	1,215	860	472
1973—Jan.....	3,158	2,445	443	148	122	793	470	1,113	781	463
Feb.....	4,155	2,975	721	370	89	888	808	1,360	1,099	645
Mar.....	3,077	2,311	508	201	57	713	585	987	792	664
Apr.....	3,185	2,535	440	165	46	709	636	1,075	766	714
May.....	3,187	2,390	322	323	153	661	543	1,057	927	687
June.....	2,969	2,335	289	228	118	593	622	975	778	732
July.....	2,993	2,330	367	226	72	581	632	982	798	700
Aug.....	3,366	2,403	706	172	85	566	874	1,044	881	771
Sept.....	3,884	3,021	644	158	61	583	1,182	1,142	977	1,048
Oct.....	3,384	2,798	374	163	48	568	954	1,073	789	810
Nov.....	4,024	3,002	485	447	89	655	1,188	1,174	1,007	810
Week ending—										
1973—Nov. 7.....	4,008	2,716	610	559	123	590	1,206	1,180	1,032	506
14.....	4,078	3,024	478	513	63	675	1,226	1,166	1,012	751
21.....	4,402	3,339	510	446	107	729	1,315	1,295	1,063	1,105
28.....	3,179	2,425	374	316	64	567	911	887	814	569
Dec. 5.....	4,007	3,305	353	278	69	631	1,094	1,230	1,050	989
12.....	4,528	3,724	388	378	39	776	1,502	1,215	1,036	852
19.....	4,321	3,528	374	327	94	772	1,108	1,252	1,191	1,223
26.....	3,029	2,460	285	240	44	527	686	911	906	716

¹ Since Jan. 1972 has included transactions of dealers and brokers in securities other than U.S. Govt.

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.

NOTE.—The transactions data combine market purchases and sales of U.S. Govt. securities dealers reporting to the F.R. Bank of New York.

DAILY-AVERAGE DEALER POSITIONS

(Par value, in millions of dollars)

Period	U.S. Government securities, by maturity					U.S. Govt. agency securities
	All maturities	Within 1 year	1-5 years	5-10 years	Over 10 years	
1972—Nov.....	4,522	4,113	335	8	66	834
Dec.....	4,973	4,903	73	-41	37	556
1973—Jan.....	4,744	4,959	-53	-259	97	281
Feb.....	3,394	3,365	-9	-1	39	202
Mar.....	2,702	3,130	-274	-143	-11	180
Apr.....	2,795	3,105	-159	-143	-9	274
May.....	2,626	2,596	-324	179	175	356
June.....	2,976	2,818	-165	91	232	744
July.....	1,901	2,062	-250	-43	131	511
Aug.....	1,788	1,977	-94	-107	12	273
Sept.....	3,201	2,958	316	-111	38	799
Oct.....	3,073	2,858	93	56	67	904
Nov.....	3,618	3,034	95	350	139	1,185
Week ending—						
1973—Oct. 3.....	2,645	2,422	178	-23	67	848
10.....	3,247	3,069	114	2	62	912
17.....	2,805	2,629	77	33	65	912
24.....	3,084	2,864	90	59	72	838
31.....	3,469	3,183	49	169	69	989
Nov. 7.....	4,300	3,295	327	521	157	1,163
14.....	3,851	3,237	60	391	161	1,197
21.....	3,211	2,836	-50	291	135	1,125
28.....	3,022	2,583	76	246	117	1,188

NOTE.—The figures include all securities sold by dealers under repurchase contracts regardless of the maturity date of the contract, unless the contract is matched by a reverse repurchase (resale) agreement or delayed delivery sale with the same maturity and involving the same amount of securities. Included in the repurchase contracts are some that more clearly represent investments by the holders of the securities rather than dealer trading positions.

Average of daily figures based on number of trading days in the period.

DAILY-AVERAGE DEALER FINANCING

(In millions of dollars)

Period	All sources	Commercial banks		Corporations ¹	All other
		New York City	Elsewhere		
1972—Nov.....	4,198	1,538	617	709	1,334
Dec.....	4,848	1,695	808	944	1,399
1973—Jan.....	4,520	1,346	794	932	1,449
Feb.....	3,415	1,063	455	490	1,408
Mar.....	2,799	903	292	281	1,323
Apr.....	3,032	935	513	311	1,273
May.....	2,667	674	452	252	1,291
June.....	3,769	1,242	690	431	1,406
July.....	2,826	725	544	510	1,047
Aug.....	2,318	829	327	386	777
Sept.....	4,244	1,620	877	441	1,306
Oct.....	3,721	1,253	918	328	1,223
Nov.....	4,469	1,809	900	570	1,190
Week ending—					
1973—Oct. 3...	4,088	1,313	969	258	1,549
10.....	3,732	1,125	992	291	1,324
17.....	3,696	1,381	1,006	272	1,037
24.....	3,489	1,258	842	283	1,106
31.....	3,970	1,353	847	492	1,278
Nov. 7...	4,919	2,213	1,067	559	1,081
14.....	4,841	1,951	862	624	1,403
21.....	4,149	1,554	864	489	1,242
28.....	4,103	1,595	835	572	1,101

¹ All business corporations, except commercial banks and insurance companies.

NOTE.—Averages of daily figures based on the number of calendar days in the period. Both bank and nonbank dealers are included. See also NOTE to the table on the left.

U.S. GOVERNMENT MARKETABLE AND CONVERTIBLE SECURITIES, DECEMBER 31, 1973

(In millions of dollars)

Issue and coupon rate	Amount	Issue and coupon rate	Amount	Issue and coupon rate	Amount	Issue and coupon rate	Amount
Treasury bills		Treasury bills—Cont.		Treasury notes—Cont.		Treasury bonds	
Jan. 3, 1974	4,302	May 30, 1974	1,798	May 15, 1975	1,776	Feb. 15, 1974	2,466
Jan. 10, 1974	4,304	June 4, 1974	1,801	May 15, 1975	6,760	May 15, 1974	2,848
Jan. 15, 1974	1,804	June 6, 1974	1,801	Aug. 15, 1975	7,679	Nov. 15, 1974	1,214
Jan. 17, 1974	4,303	June 13, 1974	1,801	Sept. 30, 1975	2,043	May 15, 1975-85	1,202
Jan. 24, 1974	4,301	June 20, 1974	1,799	Oct. 1, 1975	30	June 15, 1978-83	1,483
Jan. 31, 1974	4,312	June 21, 1974	2,000	Nov. 15, 1975	3,115	Feb. 15, 1980	2,575
Feb. 7, 1974	4,303	June 27, 1974	1,802	Dec. 31, 1975	1,731	Nov. 15, 1980	1,897
Feb. 12, 1974	1,801	July 2, 1974	1,802	Feb. 15, 1976	3,739	Aug. 15, 1981	807
Feb. 14, 1974	4,309	July 30, 1974	1,804	Feb. 15, 1976	4,945	Feb. 15, 1982	2,702
Feb. 21, 1974	4,254	Aug. 27, 1974	1,805	Apr. 1, 1976	27	Aug. 15, 1984	2,353
Feb. 28, 1974	4,303	Sept. 24, 1974	1,802	May 15, 1976	2,802	May 15, 1985	954
Mar. 7, 1974	4,320	Oct. 22, 1974	1,802	May 15, 1976	2,697	Nov. 15, 1986	1,216
Mar. 12, 1974	1,790	Nov. 19, 1974	1,801	Aug. 15, 1976	4,194	Aug. 15, 1987-92	3,695
Mar. 14, 1974	4,304	Dec. 17, 1974	1,803	Aug. 15, 1976	3,883	Feb. 15, 1988-93	2,300
Mar. 21, 1974	4,305			Oct. 1, 1976	11	May 15, 1989-94	1,470
Mar. 28, 1974	4,327			Nov. 15, 1976	4,325	Feb. 15, 1990	4,018
Apr. 4, 1974	1,801	Treasury notes		Feb. 15, 1977	5,163	Feb. 15, 1993	627
Apr. 9, 1974	1,802	Feb. 15, 1974	2,960	Apr. 1, 1977	5	Aug. 15, 1993	1,364
Apr. 11, 1974	1,803	Apr. 1, 1974	34	Aug. 15, 1977	4,918	Feb. 15, 1995	851
Apr. 18, 1974	1,802	May 15, 1974	4,334	Oct. 1, 1977	17	May 15, 1993-98	692
Apr. 19, 1974	3,009	Aug. 15, 1974	10,284	Feb. 15, 1978	8,389	Nov. 15, 1998	3,132
Apr. 25, 1974	1,802	Sept. 30, 1974	2,060	Apr. 1, 1978	15		
May 2, 1974	1,801	Oct. 1, 1974	42	Oct. 1, 1978	1		
May 7, 1974	1,800	Nov. 15, 1974	5,442	Nov. 15, 1978	8,207		
May 9, 1974	1,801	Dec. 31, 1974	2,102	Aug. 15, 1979	4,559	Convertible bonds	
May 16, 1974	1,801	Feb. 15, 1975	4,015	Nov. 15, 1979	1,604	Investment Series B	
May 23, 1974	1,800	Feb. 15, 1975	1,222	Nov. 15, 1979	2,244	Apr. 1, 1975-80	2,273
		Apr. 1, 1975	8	May 15, 1980	7,265		

† Tax-anticipation series.

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

NEW ISSUES OF STATE AND LOCAL GOVERNMENT SECURITIES

(In millions of dollars)

Period	All issues (new capital and refunding)								Total amount delivered ³	Issues for new capital						
	Total	Type of issue				Type of issuer				Total	Use of proceeds					
		General obligations	Revenue	HAA ¹	U.S. Govt. loans	State	Special district and stat. auth.	Other ²			Education	Roads and bridges	Utilities ⁴	Housing ⁵	Veterans' aid	Other purposes
1964	10,847	6,417	3,585	637	208	1,628	3,812	5,407	10,069	10,201	3,392	688	2,437	727	120	2,838
1965	11,329	7,177	3,517	464	170	2,401	3,784	5,144	11,538	10,471	3,619	900	1,965	626	50	3,311
1966	11,405	6,804	3,955	325	312	2,590	4,110	4,695	11,303	3,738	1,476	1,880	533	.....	.....	3,667
1967	14,766	8,985	5,013	477	334	2,842	4,810	7,115	14,643	4,473	1,254	2,404	645	.....	.....	5,867
1968	16,596	9,269	6,517	528	282	2,774	5,946	7,884	16,489	4,820	1,526	2,833	787	.....	.....	6,523
1969	11,881	7,725	3,556	402	197	3,359	3,596	4,926	11,838	3,252	1,432	1,734	543	.....	.....	4,884
1970	18,164	11,850	6,082	131	103	4,174	5,595	8,399	18,110	5,062	1,532	3,525	466	.....	.....	7,526
1971	24,962	15,220	8,681	1,000	62	5,999	8,714	10,246	24,495	5,278	2,642	5,214	2,068	.....	.....	9,293
1972	23,652	13,305	9,332	959	57	4,991	9,496	9,165	22,073	4,981	1,689	4,638	1,910	.....	.....	6,741
1972—Oct.	2,200	1,662	533	.....	5	487	689	1,025	2,147	444	162	409	52	.....	.....	1,082
Nov.	1,862	1,147	711	.....	5	425	572	866	1,762	312	215	365	56	.....	.....	814
Dec.	1,797	872	653	268	4	147	754	895	1,507	351	21	204	332	.....	.....	599
1973—Jan.	1,974	1,149	822	.....	3	602	454	919	1,806	369	215	418	117	.....	.....	1,689
Feb.	1,500	768	731	.....	1	47	561	782	1,399	365	766	406	10	.....	.....	1,551
Mar.	2,451	1,227	916	303	6	613	914	924	2,194	373	153	497	347	.....	.....	1,823
Apr.	1,817	866	794	.....	9	159	730	926	1,751	306	12	448	88	.....	.....	1,897
May	1,920	789	1,093	.....	8	291	793	768	1,756	299	232	422	222	.....	.....	1,580
June	2,138	1,016	856	261	5	189	1,076	874	2,130	538	102	639	334	.....	.....	1,517
July	2,003	1,455	542	.....	6	516	349	1,138	1,982	392	231	360	31	.....	.....	996
Aug.	1,528	951	575	.....	2	452	477	600	1,475	263	29	331	290	.....	.....	563
Sept.	1,675	698	682	293	2	236	794	645	1,608	306	64	371	390	.....	.....	277

¹ Only bonds sold pursuant to 1949 Housing Act, which are secured by contract requiring the Housing Assistance Administration to make annual contributions to the local authority.

² Municipalities, counties, townships, school districts.

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

⁴ Water, sewer, and other utilities.

⁵ Includes urban redevelopment loans.

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

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

Components may not add to totals due to rounding.

TOTAL NEW ISSUES

(In millions of dollars)

Period	Gross proceeds, all issues ¹										
	Total	Noncorporate				Corporate					
		U.S. Govt. ²	U.S. Govt. agency ³	State and local (U.S.) ⁴	Other ⁵	Total	Bonds			Stock	
							Total	Publicly offered	Privately placed	Preferred	Common
1964.....	37,122	10,656	1,205	10,544	760	13,957	10,865	3,623	7,243	412	2,679
1965.....	40,108	9,348	2,731	11,148	889	15,992	13,720	5,570	8,150	725	1,547
1966.....	45,015	8,231	6,806	11,089	815	18,074	15,561	8,018	7,542	574	1,939
1967.....	68,514	19,431	8,180	14,288	1,817	24,798	21,954	14,990	6,964	885	1,959
1968.....	65,562	18,025	7,666	16,374	1,531	21,966	17,383	10,732	6,651	637	3,946
1969.....	52,496	4,765	8,617	11,460	961	26,744	18,347	12,734	5,613	682	7,714
1970.....	88,666	14,831	16,181	17,762	949	38,945	30,315	25,384	4,931	1,390	7,240
1971.....	105,233	17,325	16,283	24,370	2,165	45,090	32,123	24,775	7,354	3,670	9,291
1972—Nov.....	10,987	3,590	2,134	1,816	70	3,377	2,343	1,361	982	154	880
Dec.....	8,210	2,553	200	1,760	302	3,396	2,625	1,024	1,601	272	498
1973—Jan.....	6,523	1,199	993	1,889	116	2,327	1,276	989	287	137	913
Feb.....	7,325	1,603	2,261	1,445	53	1,962	957	641	316	172	832
Mar.....	9,029	606	1,826	2,304	359	3,933	2,116	1,315	802	833	984
Apr.....	6,567	564	1,640	1,688	178	2,497	1,739	938	801	200	558
May.....	11,225	3,353	3,442	1,870	17	2,543	1,721	1,049	672	187	635
June.....	7,943	559	1,706	2,046	53	3,578	2,757	1,358	1,398	216	606
July.....	7,643	490	2,471	1,992	48	2,631	1,870	857	1,013	226	536
Aug.....	8,019	3,097	1,600	1,414	22	1,806	1,382	792	590	330	330
Sept.....	8,091	2,432	2,100	1,630	15	1,915	1,366	684	682	119	430
Oct.....	8,901	485	2,612	2,232	195	3,377	2,514	1,807	507	355	707
Nov.....	12,311	4,521	2,200	2,165	45	3,380	2,106	1,669	437	630	644

Period	Gross proceeds, major groups of corporate issuers											
	Manufacturing		Commercial and miscellaneous		Transportation		Public utility		Communication		Real estate and financial	
	Bonds	Stocks	Bonds	Stocks	Bonds	Stocks	Bonds	Stocks	Bonds	Stocks	Bonds	Stocks
1964.....	2,819	228	902	220	944	38	2,139	620	669	1,520	3,391	466
1965.....	4,712	704	1,153	251	953	60	2,332	604	808	139	3,762	514
1966.....	5,861	1,208	1,166	257	1,856	116	3,117	549	1,814	189	1,747	193
1967.....	9,894	1,164	1,950	117	1,859	466	4,217	718	1,786	193	2,247	186
1968.....	5,668	1,311	1,759	116	1,665	1,579	4,407	873	1,724	43	2,159	662
1969.....	4,448	1,904	1,888	3,022	1,899	247	5,409	1,326	1,963	225	2,739	1,671
1970.....	9,192	1,320	1,963	2,540	2,213	47	8,016	3,001	5,053	83	3,878	1,638
1971.....	9,426	2,152	2,272	2,390	1,998	420	7,605	4,195	4,227	1,592	6,601	2,212
1972—Nov.....	346	79	429	271	61	8	322	472	657	1	528	202
Dec.....	486	103	343	149	214	25	491	370	34	17	1,057	107
1973—Jan.....	113	63	89	105	120	1	529	371	30	3	395	509
Feb.....	178	35	118	111	96	4	319	277	58	117	290	461
Mar.....	772	125	177	327	317	6	1,076	1,351	548	668	1,462	1,397
Apr.....	772	22	237	139	91	1	150	369	258	.....	743	228
May.....	387	12	30	143	236	8	361	410	355	19	351	231
June.....	703	25	133	89	183	.....	1,099	497	303	29	337	181
July.....	364	169	139	112	250	1	651	269	244	60	223	151
Aug.....	230	49	149	129	83	15	419	90	320	5	182	136
Sept.....	270	78	149	96	140	2	334	252	228	16	244	106
Oct.....	462	72	54	147	98	.....	337	608	633	46	731	192
Nov.....	343	68	51	91	226	4	584	489	296	499	605	123

¹ Gross proceeds are derived by multiplying principal amounts or number of units by offering price.

² Includes guaranteed issues.

³ Issues not guaranteed.

⁴ See NOTE to table at bottom of preceding page.

⁵ Foreign governments and their instrumentalities, International Bank for Reconstruction and Development, and domestic nonprofit organizations.

NOTE.—Securities and Exchange Commission estimates of new issues maturing in more than 1 year sold for cash in the United States.

NET CHANGE IN OUTSTANDING CORPORATE SECURITIES

(In millions of dollars)

Period	Derivation of change, all issuers ¹								
	All securities			Bonds and notes			Common and preferred stocks		
	New issues	Retirements	Net change	New issues	Retirements	Net change	New issues	Retirements	Net change
1967.....	25,964	7,735	18,229	21,299	5,340	15,960	4,664	2,397	2,267
1968.....	25,439	12,377	13,062	19,381	5,418	13,962	6,057	6,959	-900
1969.....	28,841	10,813	18,027	19,523	5,767	13,755	9,318	5,045	4,272
1970.....	38,707	9,079	29,628	29,495	6,667	22,825	9,213	2,411	6,801
1971.....	46,687	9,507	37,180	31,917	8,190	23,728	14,769	1,318	13,452
1972—III.....	9,776	2,212	7,564	6,118	1,603	4,515	3,659	609	3,049
IV.....	10,944	2,932	8,012	6,998	2,207	4,790	3,946	725	3,220
1973—I.....	8,219	2,806	5,412	4,198	1,781	2,417	4,020	1,025	2,995
II.....	9,418	2,470	6,947	5,769	1,664	4,106	3,648	806	2,842
III.....	6,638	2,150	4,488	4,521	1,579	2,941	2,118	571	1,547

Period	Type of issues											
	Manufacturing		Commercial and other ²		Transportation ³		Public utility		Communication		Real estate and financial ¹	
	Bonds & notes	Stocks	Bonds & notes	Stocks	Bonds & notes	Stocks	Bonds & notes	Stocks	Bonds & notes	Stocks	Bonds & notes	Stocks
1968.....	4,418	-1,842	2,242	821	987	-149	3,669	892	1,579	120	1,069	-741
1969.....	3,747	69	1,075	1,558	946	186	4,464	1,353	1,834	241	1,687	866
1970.....	6,641	870	853	1,778	1,104	36	6,861	2,917	4,806	94	2,564	1,107
1971.....	6,585	2,534	827	2,290	900	800	6,486	4,206	3,925	1,600	5,005	2,017
1972—III.....	479	530	459	673	138	28	1,410	1,061	573	305	1,456	453
IV.....	116	290	575	479	179	47	1,056	1,735	944	89	1,920	580
1973—I.....	135	63	-174	377	127	-43	844	1,170	520	185	965	1,244
II.....	632	-2	119	327	327	7	1,136	1,276	842	562	1,049	673
III.....	165	450	108	247	414	-44	1,217	557	752	77	284	260

¹ Excludes investment companies.
² Extractive and commercial and miscellaneous companies.
³ Railroad and other transportation companies.

NOTE.—Securities and Exchange Commission estimates of cash transactions only. As contrasted with data shown on opposite page, new issues

exclude foreign sales and include sales of securities held by affiliated companies, special offerings to employees, and also new stock issues and cash proceeds connected with conversions of bonds into stocks. Retirements are defined in the same way and also include securities retired with internal funds or with proceeds of issues for that purpose.

OPEN-END INVESTMENT COMPANIES

(In millions of dollars)

Year	Sales and redemption of own shares			Assets (market value at end of period)			Month	Sales and redemption of own shares			Assets (market value at end of period)		
	Sales ¹	Redemptions	Net sales	Total ²	Cash position ³	Other		Sales ¹	Redemptions	Net sales	Total ²	Cash position ³	Other
1960.....	2,097	842	1,255	17,026	973	16,053	1972—Nov...	387	645	-258	59,854	3,549	56,305
1961.....	2,951	1,160	1,791	22,789	980	21,809	Dec...	449	619	-170	59,831	3,035	56,796
1962.....	2,699	1,123	1,576	21,271	1,315	19,956	1973—Jan...	535	666	-131	56,946	3,015	53,931
1963.....	2,460	1,504	952	25,214	1,341	23,873	Feb...	327	530	-203	54,083	3,375	50,708
1964.....	3,404	1,875	1,528	29,116	1,329	27,787	Mar...	519	531	-12	53,377	3,774	49,603
1965.....	4,359	1,962	2,395	35,220	1,803	33,417	Apr...	300	452	-120	50,837	3,837	46,464
1966.....	4,671	2,005	2,665	34,829	2,971	31,858	May...	285	446	-161	48,588	4,154	44,434
1967.....	4,670	2,745	1,927	44,701	2,566	42,135	June...	303	349	-46	48,127	4,164	43,963
1968.....	6,820	3,841	2,979	52,677	3,187	49,490	July...	364	357	-7	50,933	4,594	46,339
1969.....	6,717	3,661	3,056	48,291	3,846	44,445	Aug...	239	432	-193	49,553	4,567	44,986
1970.....	4,624	2,987	1,637	47,618	3,649	43,969	Sept...	330	395	-65	52,322	4,641	47,681
1971.....	5,145	4,751	774	56,694	3,163	53,531	Oct...	305	559	-254	51,952	4,168	47,784
							Nov...	502	542	-40	45,814	4,126	41,688

¹ Includes contractual and regular single-purchase sales, voluntary and contractual accumulation plan sales, and reinvestment of investment income dividends; excludes reinvestment of realized capital gains dividends.
² Market value at end of period less current liabilities.

³ Cash and deposits, receivables, all U.S. Govt. securities, and other short-term debt securities, less current liabilities.

NOTE.—Investment Company Institute data based on reports of members, which comprise substantially all open-end investment companies registered with the Securities and Exchange Commission. Data reflect newly formed companies after their initial offering of securities.

CORPORATE PROFITS, TAXES, AND DIVIDENDS

(In billions of dollars)

Year	Profits before taxes	Income taxes	Profits after taxes	Cash dividends	Undistributed profits	Corporate capital consumption allowances ¹	Quarter	Profits before taxes	Income taxes	Profits after taxes	Cash dividends	Undistributed profits	Corporate capital consumption allowances ¹
1966.....	84.2	34.3	49.9	20.8	29.1	39.5	1971—III....	87.0	38.0	49.0	25.2	23.7	61.0
1967.....	79.8	33.2	46.6	21.4	25.3	43.0	IV.....	86.9	36.4	50.6	24.9	25.7	62.1
1968.....	87.6	39.9	47.8	23.6	24.2	46.8	1972—I.....	92.8	40.6	52.2	25.7	26.5	63.4
1969.....	84.9	40.1	44.8	24.3	20.5	51.9	II.....	94.8	41.4	53.4	25.9	27.5	66.2
1970.....	74.0	34.8	39.3	24.7	14.6	56.0	III.....	98.4	42.9	55.6	26.2	29.4	66.0
1971.....	85.1	37.4	47.6	25.1	22.5	60.4	IV.....	106.1	45.9	60.3	26.4	33.9	68.0
1972.....	98.0	42.7	55.4	26.0	29.3	65.9	1973—I.....	119.6	52.7	66.9	26.9	40.0	69.3
							II.....	128.9	57.4	71.6	27.3	44.2	70.5
							III.....	129.0	57.6	71.5	28.1	43.4	71.7

¹ Includes depreciation, capital outlays charged to current accounts, and accidental damages.

NOTE.—Dept. of Commerce estimates. Quarterly data are at seasonally adjusted annual rates.

CURRENT ASSETS AND LIABILITIES OF NONFINANCIAL CORPORATIONS

(In billions of dollars)

End of period	Net working capital	Current assets							Current liabilities				
		Total	Cash	U.S. Govt. securities	Notes and accts. receivable		Inventories	Other	Total	Notes and accts. payable		Accrued Federal income taxes	Other
					U.S. Govt. ¹	Other				U.S. Govt. ¹	Other		
1968.....	182.3	426.5	48.2	11.5	5.1	168.8	166.0	26.9	244.2	6.4	162.4	14.3	61.0
1969.....	185.7	473.6	47.9	10.6	4.8	192.2	186.4	31.6	287.9	7.3	196.9	12.6	76.0
1970—IV.....	187.8	490.4	49.7	7.6	4.2	200.6	196.0	32.4	302.6	6.6	200.5	11.8	83.7
1971—I.....	192.0	494.1	48.5	7.8	4.2	201.3	198.5	33.8	302.1	6.1	195.7	13.7	86.6
II.....	196.5	498.2	51.1	7.7	3.9	203.3	199.2	33.1	301.7	5.3	195.8	12.4	88.3
III.....	200.9	507.2	52.4	7.8	3.9	206.5	201.6	34.9	306.3	5.0	197.4	13.8	90.1
IV.....	204.9	516.7	55.3	10.4	3.5	207.5	203.1	36.8	311.8	4.9	202.8	14.5	89.7
1972—I.....	209.6	526.0	55.3	9.9	3.4	211.4	207.2	38.9	316.4	4.9	202.5	15.7	93.3
II.....	215.2	534.3	55.7	8.7	2.8	216.3	210.7	40.1	319.1	4.9	204.0	13.4	96.8
III.....	219.3	545.5	57.3	7.6	2.9	222.5	215.2	39.8	326.2	4.7	207.6	15.0	98.9
IV.....	224.3	561.1	60.3	9.7	3.4	228.9	218.2	40.7	336.8	4.0	216.9	16.7	99.2
1973—I.....	231.4	577.1	61.0	10.4	3.2	234.0	225.9	42.5	345.7	4.1	218.1	18.6	104.9
II.....	237.8	594.7	62.2	9.4	2.9	243.7	233.5	43.0	356.9	4.5	227.6	16.5	108.3
III.....	241.8	611.4	62.0	9.2	3.0	252.2	241.5	43.5	369.6	4.4	235.7	18.1	111.4

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

NOTE: Based on Securities and Exchange Commission estimates.

BUSINESS EXPENDITURES ON NEW PLANT AND EQUIPMENT

(In billions of dollars)

Period	Total	Manufacturing			Mining	Transportation			Public utilities		Communications	Other ¹	Total (S. A. A. R.)
		Durable	Non-durable	Railroad		Air	Other	Electric	Gas and other				
1969.....	75.56	15.96	15.72	1.86	1.86	2.51	1.68	8.94	2.67	8.30	16.05	.....
1970.....	79.71	15.80	16.15	1.89	1.78	3.03	1.23	10.65	2.49	10.10	16.59	.....
1971.....	81.21	14.15	15.84	2.16	1.67	1.88	1.38	12.86	2.44	10.77	18.05	.....
1972.....	88.44	15.64	15.72	2.45	1.80	2.46	1.46	14.48	2.52	11.89	20.07	.....
1973 ²	100.08	19.39	18.61	2.76	1.94	2.41	1.60	16.25	2.84	13.03	21.24	.....
1971—III.....	20.14	3.40	3.91	.55	.42	.39	.37	3.35	.71	2.62	4.42	80.75	
IV.....	22.79	4.12	4.32	.59	.45	.56	.37	3.60	.69	2.84	5.26	83.18	
1972—I.....	19.38	3.29	3.32	.58	.48	.50	.32	3.19	.44	2.72	4.55	86.79	
II.....	22.01	3.71	3.92	.61	.48	.73	.39	3.61	.62	2.95	4.98	87.12	
III.....	21.86	3.86	3.87	.59	.38	.61	.35	3.67	.72	2.84	4.97	87.67	
IV.....	25.20	4.77	4.61	.63	.47	.63	.40	4.01	.73	3.39	5.57	91.94	
1973—I.....	21.50	3.92	3.88	.63	.46	.52	.32	3.45	.50	2.87	4.94	96.19	
II.....	24.73	4.65	4.51	.71	.46	.72	.43	3.91	.68	3.27	5.40	97.76	
III.....	25.04	4.84	4.78	.69	.48	.57	.44	4.04	.77	3.19	5.24	100.90	
IV ²	28.81	5.97	5.45	.73	.54	.60	.41	4.85	.89	9.37	.....	104.94
1974—1 ²	24.19	4.87	4.56	.70	.54	.51	.38	4.14	.52	7.98	.....	108.16

¹ Includes trade, service, construction, finance, and insurance.² Anticipated by business.

NOTE.—Dept. of Commerce and Securities and Exchange Commission estimates for corporate and noncorporate business; excludes agriculture, real estate operators, medical, legal, educational, and cultural service, and nonprofit organizations.

MORTGAGE DEBT OUTSTANDING

(In billions of dollars)

End of period	All properties				Farm			Nonfarm								
	All holders	Financial institutions ¹	Other holders ²		All holders	Financial institutions ¹	Other holders ³	All holders	1- to 4-family houses ⁴			Multifamily and commercial properties ⁵			Mortgage type ⁶	
			U.S. agencies	Individuals and others					Total	Finan. institutions ¹	Other holders	Total	Finan. institutions ¹	Other holders	FHA-VA-underwritten	Conventional
1964.....	300.1	241.0	11.4	47.7	18.9	7.0	11.9	281.2	197.6	170.3	27.3	83.6	63.7	19.9	77.2	204.0
1965.....	325.8	264.6	12.4	48.7	21.2	7.8	13.4	304.6	212.9	184.3	28.7	91.6	72.5	19.1	81.2	223.4
1966.....	347.4	280.8	15.8	50.9	23.3	8.4	14.9	324.1	223.6	192.1	31.5	100.5	80.2	20.3	84.1	240.0
1967.....	370.2	298.8	18.4	53.0	25.5	9.1	16.3	344.8	236.1	201.8	34.2	108.7	87.9	20.9	88.2	256.6
1968.....	397.5	319.9	21.7	55.8	27.5	9.7	17.8	370.0	251.2	213.1	38.1	118.7	97.1	21.6	93.4	276.6
1969.....	425.3	339.1	26.8	59.4	29.5	9.9	19.6	395.9	266.8	223.7	43.2	129.0	105.5	23.5	100.2	295.7
1970.....	451.7	355.9	33.0	62.8	31.2	10.1	21.1	420.5	280.2	231.3	48.9	140.3	114.5	25.8	109.2	311.3
1971.....	499.9	394.4	39.4	66.2	32.9	9.9	23.0	467.0	307.8	254.2	53.7	159.2	130.3	28.9	120.7	346.3
1972.....	565.4	450.6	45.8	69.0	35.4	10.5	24.9	530.0	346.1	288.7	57.4	183.9	151.3	32.6	131.1	398.9
1971—III..	485.6	383.5	37.4	64.6	32.4	9.8	22.6	453.2	299.7	248.0	51.7	153.5	125.8	27.7	117.5	335.7
1971—IV..	499.9	394.4	39.4	66.2	32.9	9.9	23.0	467.0	307.8	254.2	53.7	159.2	130.3	28.9	120.7	346.3
1972—I....	511.7	404.2	41.2	66.4	33.5	9.9	23.6	478.2	314.1	259.6	54.5	164.1	134.6	29.4	123.7	354.5
1972—II..	529.1	418.9	42.7	67.5	34.4	10.2	24.2	494.8	324.6	268.8	55.8	170.2	140.0	30.3	126.6	368.2
1972—III..	547.3	434.6	44.3	68.3	35.0	10.3	24.7	512.3	335.8	279.2	56.6	176.5	145.1	31.3	129.0	383.3
1972—IV..	565.4	450.6	45.8	69.0	35.4	10.5	24.9	530.0	346.1	288.7	57.4	183.9	151.3	32.6	131.1	398.9
1973—I....	580.1	463.3	47.3	69.5	36.5	10.7	25.8	543.6	353.9	296.3	57.6	189.7	156.4	33.4	132.5	411.1
1973—II..	600.4	480.5	49.0	71.0	37.7	11.0	26.7	562.7	365.7	306.9	58.8	197.0	162.5	34.5	.....	.....
1973—III..	619.8	494.9	53.0	71.9	38.7	11.4	27.3	581.2	376.6	315.0	61.6	204.5	168.5	36.0	.....	.....

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

² U.S. agencies include former Federal National Mortgage Assoc. and, beginning fourth quarter 1968, new Government National Mortgage Assoc. as well as Federal Housing Admin., Veterans Admin., Public Housing Admin., Farmers Home Admin. They also include U.S. sponsored agencies—new FNMA, Federal land banks, GNMA (Pools), and the Federal Home Loan Mortgage Corp. Other U.S. agencies (amounts small or separate data not readily available) included with "individuals and others."

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

⁴ For multifamily and total residential properties, see tables below.

⁵ Derived figures; includes small amounts of farm loans held by savings and loan assns.

⁶ Data by type of mortgage on nonfarm 1- to 4-family properties alone are shown in table below.

NOTE.—Based on data from Federal Deposit Insurance Corp., Federal Home Loan Bank Board, Institute of Life Insurance, Depts. of Agriculture and Commerce, FNMA, FHA, PHA, VA, GNMA, FHLMC, and Comptroller of the Currency.

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

MORTGAGE DEBT OUTSTANDING ON RESIDENTIAL PROPERTIES

(In billions of dollars)

End of period	All residential			Multifamily ¹		
	Total	Financial institutions	Other holders	Total	Financial institutions	Other holders
1964.....	231.1	195.4	35.7	33.6	25.1	8.5
1965.....	250.1	213.2	36.9	37.2	29.0	8.2
1966.....	264.0	223.7	40.3	40.3	31.5	8.8
1967.....	280.0	236.6	43.4	43.9	34.7	9.2
1968.....	298.6	250.8	47.8	47.3	37.7	9.7
1969.....	319.0	265.0	54.0	52.2	41.3	10.8
1970.....	338.2	277.1	61.1	58.0	45.8	12.2
1971.....	374.7	306.1	68.5	66.8	52.0	14.9
1972.....	422.5	347.9	74.6	76.4	59.1	17.3
1971—III..	364.0	298.4	65.6	64.3	50.4	13.9
1971—IV..	374.7	306.1	68.5	66.8	52.0	14.9
1972—I....	382.9	312.9	70.0	68.8	53.3	15.4
1972—II..	395.8	324.1	71.7	71.3	55.3	16.0
1972—III..	409.3	336.1	73.2	73.5	56.9	16.6
1972—IV..	422.5	347.9	74.6	76.4	59.1	17.3
1973—I....	432.8	357.4	75.5	79.0	61.1	17.9
1973—II..	447.9	370.4	77.5	82.2	63.5	18.7
1973—III..	461.6	380.0	81.6	85.0	65.0	20.0

¹ Structures of five or more units.

NOTE.—Based on data from same source as for "Mortgage Debt Outstanding" table above.

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

(In billions of dollars)

End of period	Total	Government-underwritten			Conventional
		Total	FHA-insured	VA-guaranteed ¹	
1964.....	197.6	69.2	38.3	30.9	128.3
1965.....	212.9	73.1	42.0	31.1	139.8
1966.....	223.6	76.1	44.8	31.3	147.6
1967.....	236.1	79.9	47.4	32.5	156.1
1968.....	251.2	84.4	50.6	33.8	166.8
1969.....	266.8	90.2	54.5	35.7	176.6
1970.....	280.2	97.3	59.9	37.3	182.9
1971.....	307.8	105.2	65.7	39.5	202.6
1972.....	346.1	113.0	68.2	44.7	233.1
1971—III..	299.7	102.9	64.4	38.5	196.8
1971—IV..	307.8	105.2	65.7	39.5	202.6
1972—I....	314.1	107.5	66.8	40.7	206.6
1972—II..	324.6	109.6	67.6	42.0	215.0
1972—III..	335.8	111.5	68.4	43.1	224.3
1972—IV..	346.1	113.0	68.2	44.7	233.1
1973—I....	353.9	113.7	67.9	45.8	240.2
1973—II..	365.7	.....	.....	.....	.....
1973—III..	376.6	.....	.....	.....	.....

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

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

Based on data from FHLBB, Federal Housing Admin., and Veterans Admin.

MORTGAGE LOANS HELD BY BANKS

(In millions of dollars)

End of period	Commercial bank holdings ¹						Mutual savings bank holdings							
	Total	Residential			Other non-farm	Farm	Total	Residential			Other non-farm	Farm		
		Total	FHA-insured	VA-guaranteed				Conventional	Total	FHA-insured			VA-guaranteed	Conventional
1965.....	49,675	32,387	7,702	2,688	21,997	14,377	2,911	44,617	40,096	13,791	11,408	14,897	4,469	52
1966.....	54,380	34,876	7,544	2,599	24,733	16,366	3,138	47,337	42,242	14,500	11,471	16,272	5,041	53
1967.....	59,019	37,642	7,709	2,696	27,237	17,931	3,446	50,490	44,641	15,074	11,795	17,772	5,732	117
1968.....	65,696	41,433	7,926	2,708	30,800	20,505	3,758	53,456	46,748	15,569	12,033	19,146	6,592	117
1969.....	70,705	44,573	7,960	2,663	33,950	22,113	4,019	56,138	48,682	15,862	12,166	20,654	7,342	114
1970.....	73,275	45,640	7,919	2,589	35,131	23,284	4,351	57,948	49,937	16,087	12,008	21,842	7,893	119
1971.....	82,515	52,004	8,310	3,980	40,714	26,306	4,205	61,978	53,027	16,141	12,074	24,812	8,901	50
1972.....	99,314	62,782	8,495	3,203	51,084	31,751	4,781	67,556	57,140	16,013	12,622	28,505	10,354	62
1971—IV.....	82,515	52,004	8,310	2,980	40,714	26,306	4,205	61,978	53,027	16,141	12,074	24,812	8,901	50
1972—I.....	85,614	53,937	8,360	2,999	42,578	27,353	4,324	62,978	53,733	16,184	12,144	25,405	9,195	50
1972—II.....	90,114	56,782	8,477	3,141	45,163	28,785	4,547	64,404	54,758	16,256	12,325	26,178	9,586	60
1972—III.....	95,048	59,976	8,515	3,118	48,343	30,415	4,657	65,901	55,889	16,130	12,463	27,296	9,951	61
1972—IV.....	99,314	62,782	8,495	3,203	51,084	31,751	4,781	67,556	57,140	16,013	12,622	28,505	10,354	62
1973—I.....	103,548	65,236	8,482	3,211	56,957	33,342	4,970	68,920	58,169	16,130	12,622	28,505	10,354	62
1973—II.....	109,114	68,650	8,482	3,211	56,957	35,224	5,240	70,634	59,397	16,130	12,622	28,505	10,354	62
1973—III.....	114,414	71,852	8,482	3,211	56,957	37,070	5,492	72,006	60,282	16,130	12,622	28,505	10,354	62

¹ Includes loans held by nondeposit trust companies but not bank trust depts.

NOTE.—Second and fourth quarters, FDIC series for all commercial and mutual savings banks in the United States and possessions. First and third quarters, estimates based on special F.R. interpolations.

MORTGAGE ACTIVITY OF LIFE INSURANCE COMPANIES

(In millions of dollars)

Period	Loans acquired					Loans outstanding (end of period)						
	Total	Nonfarm			Farm	Total	Nonfarm			Farm		
		Total	FHA-insured	VA-guaranteed			Other ¹	Total	FHA-insured		VA-guaranteed	Other
1945.....	976					6,637	5,860	1,394		4,466	766	
1964.....	10,433	9,386	1,812	674	6,900	1,047	55,152	50,848	11,484	6,403	32,961	4,304
1965.....	11,137	9,988	1,738	553	7,697	1,149	60,013	55,190	12,068	6,286	36,836	4,823
1966.....	10,217	9,223	1,300	467	7,456	994	64,609	59,369	12,351	6,201	40,817	5,240
1967.....	8,470	7,633	757	444	6,432	837	67,516	61,947	12,161	6,122	43,664	5,569
1968.....	7,925	7,153	733	346	6,074	772	69,973	64,172	11,961	5,954	46,257	5,801
1969.....	7,531	6,991	594	220	6,177	540	72,027	66,254	11,715	5,701	48,838	5,773
1970.....	7,181	6,867	386	88	6,393	314	74,375	68,726	11,419	5,394	51,913	5,649
1971.....	7,573	7,070	322	101	6,647	503	75,496	69,895	10,767	5,004	54,124	5,601
1972.....	8,696	7,996	331	182	7,483	700	76,948	71,270	9,962	4,660	56,648	5,678
1972—Oct.....	708	663	14	14	635	45	75,692	70,065	10,079	4,712	55,274	5,627
1972—Nov.....	786	730	25	10	695	56	75,904	70,266	10,017	4,681	55,568	5,638
1972—Dec.....	1,890	1,784	23	17	1,744	106	76,948	71,270	9,962	4,660	56,648	5,678
1973—Jan.....	711	649	16	20	613	62	77,481	71,856	9,901	4,630	57,325	5,625
1973—Feb.....	603	542	27	24	491	61	77,510	71,892	9,806	4,613	57,473	5,618
1973—Mar.....	670	573	37	24	512	97	77,587	71,953	9,735	4,594	57,624	5,634
1973—Apr.....	702	624	20	22	582	78	77,258	71,611	9,708	4,572	57,331	5,647
1973—May.....	774	694	22	21	651	80	77,400	71,721	9,627	4,549	57,545	5,679
1973—June.....	1,101	1,009	24	27	958	92	77,914	72,187	9,544	4,524	58,119	5,727
1973—July.....	933	849	26	19	804	84	78,243	72,474	9,464	4,496	58,514	5,769
1973—Aug.....	1,034	947	11	20	916	87	78,657	72,839	9,388	4,471	58,980	5,818
1973—Sept.....	944	862	23	17	822	82	79,040	73,182	9,330	4,447	59,405	5,858
1973—Oct.....	972	899	13	18	868	73	79,516	73,619	9,270	4,428	59,921	5,897

¹ Includes mortgage loans secured by land on which oil drilling or extracting operations are in process.

COMMITMENTS OF LIFE INSURANCE COMPANIES FOR INCOME PROPERTY MORTGAGES

Period	Number of loans	Total amount committed (millions of dollars)	Averages						
			Loan amount (thousands of dollars)	Contract interest rate (per cent)	Maturity (yrs./mos.)	Loan-to-value ratio (per cent)	Capitalization rate (per cent)	Debt coverage ratio	Per cent constant
1968.....	2,569	3,244.3	1,263	7.66	22/11	73.6	9.0	1.30	9.5
1969.....	1,788	2,920.7	1,633	8.69	21/8	73.3	9.6	1.29	10.2
1970.....	912	2,341.1	2,567	9.93	22/8	74.7	10.8	1.32	11.1
1971.....	1,664	3,982.5	2,393	9.07	22/10	74.9	10.0	1.29	10.4
1972.....	2,132	4,986.5	2,339	8.57	23/3	75.2	9.6	1.29	9.8
1971—Nov.....	136	288.2	2,119	9.01	23/5	75.6	9.9	1.27	10.2
Dec.....	133	290.0	2,181	8.96	23	74.4	9.9	1.30	10.2
1972—Jan.....	107	198.6	1,856	8.78	22/1	73.3	10.0	1.31	10.2
Feb.....	122	423.5	3,471	8.62	22/6	73.3	9.7	1.31	10.0
Mar.....	220	530.4	2,411	8.50	24/2	76.3	9.5	1.29	9.7
Apr.....	200	381.1	1,906	8.44	24/6	76.3	9.5	1.29	9.6
May.....	246	399.6	1,624	8.48	23/4	76.0	9.5	1.26	9.6
June.....	268	683.2	2,549	8.55	23/0	75.4	9.5	1.29	9.8
July.....	170	421.2	2,478	8.56	23/0	74.5	9.5	1.31	9.8
Aug.....	178	515.7	2,897	8.54	23/0	74.9	9.5	1.27	9.9
Sept.....	152	354.1	2,329	8.58	23/4	75.7	9.5	1.28	9.8
Oct.....	159	343.5	2,161	8.65	23/0	75.8	9.6	1.29	9.9
Nov.....	180	371.7	2,065	8.63	23/2	74.7	9.6	1.28	9.9
Dec.....	130	363.9	2,799	8.64	22/8	74.4	9.8	1.37	9.9

NOTE.—American Life Insurance Association data for new commitments of \$100,000 and over each on mortgages for multifamily and non-residential nonfarm properties located largely in the United States. The 15 companies account for a little more than one-half of both the total assets and the nonfarm mortgages held by all U.S. life insurance companies. Averages, which are based on number of loans, vary in part with loan composition by type and location of property, type and purpose of loan, and loan amortization and prepayment terms. Data for the following are

limited to cases where information was available or estimates could be made: capitalization rate (net stabilized property earnings divided by property value); debt coverage ratio (net stabilized earnings divided by debt service); and per cent constant (annual level payment, including principal and interest, per \$100 of debt). All statistics exclude construction loans, increases in existing loans in a company's portfolio, reapprovals, and loans secured by land only.

MORTGAGE ACTIVITY OF SAVINGS AND LOAN ASSOCIATIONS

(In millions of dollars)

Period	Loans made			Loans outstanding (end of period)			
	Total 1	New home construction	Home purchase	Total 2	FHIA-insured 3	VA-guaranteed 3	Conventional
1965.....	24,192	6,013	10,830	110,306	5,145	6,398	98,763
1966.....	16,924	3,653	7,828	114,427	5,269	6,157	103,001
1967.....	20,122	4,243	9,604	121,805	5,791	6,351	109,663
1968.....	21,983	4,916	11,215	130,802	6,658	7,012	117,132
1969.....	21,847	4,757	11,254	140,347	7,917	7,658	124,772
1970.....	21,383	4,150	10,237	150,331	10,178	8,494	131,659
1971.....	39,472	6,835	18,811	174,385	13,798	10,848	149,739
1972.....	51,408	8,553	26,615	206,387	29,391	.....	176,996
1972—Nov....	4,393	714	2,307	203,266	15,490	13,544	174,232
Dec....	4,591	667	2,167	206,387	15,639	13,764	176,964
1973—Jan....	3,702	590	1,970	208,132	29,581	.....	178,551
Feb....	3,710	614	2,019	210,260	29,751	.....	180,509
Mar....	4,990	887	2,685	213,259	30,045	.....	183,214
Apr....	4,989	886	2,762	216,250	30,182	.....	186,068
May....	5,477	931	3,141	219,500	30,296	.....	189,204
June....	5,738	903	3,469	222,801	30,381	.....	192,420
July....	5,059	851	3,079	225,490	30,270	.....	195,220
Aug....	4,971	801	3,059	228,006	30,268	.....	197,738
Sept....	3,177	572	1,838	229,413	30,632	.....	198,781
Oct....	2,788	532	1,548	230,425	30,328	.....	200,097
Nov....	2,372	446	1,367	231,319	30,286	.....	201,033

1 Includes loans for repairs, additions and alterations, refinancing, etc., not shown separately.
 2 Includes shares pledged against mortgage loans; beginning 1966, also includes junior liens and real estate sold on contract; beginning 1967, also includes downward structural adjustment for change in universe; and beginning 1973, excludes participation certificates guaranteed by the FHLMC and certain other related items.
 3 Beginning 1973, data for these groups available only on a combined basis.

FEDERAL HOME LOAN BANKS

(In millions of dollars)

Period	Advances	Repayments	Advances outstanding (end of period)			Members' deposits (end of period)
			Total	Short-term 1	Long-term 2	
1965.....	5,007	4,335	5,997	3,074	2,923	1,043
1966.....	3,804	2,866	6,935	5,006	1,929	1,036
1967.....	1,527	4,076	4,386	3,985	401	1,432
1968.....	2,734	1,861	5,259	4,867	392	1,382
1969.....	5,531	1,500	9,289	8,434	855	1,041
1970.....	3,256	1,929	10,615	3,081	7,534	2,331
1971.....	2,714	5,392	7,936	3,002	4,934	1,789
1972.....	4,790	4,749	7,979	2,961	5,018	2,104
1972—Nov....	445	246	7,245	2,520	4,725	1,371
Dec....	984	251	7,979	2,961	5,018	2,104
1973—Jan....	332	480	7,830	2,805	5,025	1,306
Feb....	415	302	7,944	2,774	5,170	1,321
Mar....	764	288	8,421	2,975	5,446	1,290
Apr....	1,187	178	9,429	3,428	5,979	1,142
May....	916	189	10,156	3,428	6,728	1,261
June....	1,093	104	11,145	4,016	7,129	1,453
July....	1,373	153	12,365	4,583	7,782	1,183
Aug....	1,380	235	13,510	4,737	8,773	1,091
Sept....	999	212	14,298	4,834	9,464	1,178
Oct....	728	226	14,799	4,805	9,994	1,264
Nov....	295	228	14,866	.....	.....	1,534

1 Secured or unsecured loans maturing in 1 year or less.
 2 Secured loans, amortized quarterly, having maturities of more than 1 year but not more than 10 years.

NOTE.—FHLBB data.

FEDERAL NATIONAL MORTGAGE ASSOCIATION ACTIVITY

(In millions of dollars)

End of period	Mortgage holdings			Mortgage transactions (during period)		Mortgage commitments	
	Total	FHA-insured	VA-guaranteed	Purchases	Sales	Made during period	Out standing
1968.....	7,167	5,122	2,046	1,944	.....	2,696	1,287
1969.....	10,945	7,676	3,269	4,120	.....	6,630	3,539
1970.....	15,492	11,063	4,429	5,079	20	8,047	5,203
1971.....	17,791	12,681	5,110	3,574	336	9,828	6,497
1972.....	19,791	14,624	5,112	3,699	211	8,797	8,124
1972-Nov...	19,619	14,558	5,016	322	6	447	7,452
Dec...	19,791	14,624	5,112	306	12	1,237	8,124
1973-Jan...	19,982	14,746	5,170	348	29	458	8,034
Feb...	20,181	14,872	5,222	334	.....	478	7,972
Mar...	20,571	15,201	5,259	522	.....	933	8,139
Apr...	20,791	15,390	5,269	355	.....	1,211	8,742
May...	21,087	15,581	5,335	472	.....	1,180	9,312
June...	21,413	15,768	5,411	516	1	1,191	9,778
July...	21,772	15,877	5,574	516	.....	1,102	9,859
Aug...	22,319	16,085	5,761	699	.....	1,019	9,809
Sept...	22,831	16,293	5,937	633	.....	724	9,602
Oct. 7...	23,348	16,510	6,101	659	.....	264	8,918
Nov...	23,912	16,734	6,294	656	.....	200	8,690

NOTE.—FNMA data. Total holdings include conventional loans. Data prior to Sept. 1968 relate to secondary market portfolio of former FNMA. Mortgage holdings include loans used to back bond issues guaranteed by GNMA. Mortgage commitments made during the period include some multifamily and nonprofit hospital loan commitments in addition to 1- to 4-family loan commitments accepted in FNMA's free market auction system, and through the FNMA-GNMA Tandem Plan (Program 18).

FEDERAL NATIONAL MORTGAGE ASSOCIATION AUCTIONS

Date of auction	Government-underwritten home loans			Conventional home loans		
	Mortgage amounts		Average yield (short-term commitments)	Mortgage amounts		Average yield (short-term commitments)
	Offered	Accepted		Offered	Accepted	
	In millions of dollars		In per cent	In millions of dollars		In per cent
1972—Dec. 26.....	108.7	66.3	7.69	.....	.....	.....
1973—Apr. 30....	261.2	185.9	7.92	128.9	88.2	8.23
May 14....	258.3	187.7	7.96	117.6	84.4	8.31
28....	212.4	140.0	8.00	113.3	73.9	8.39
June 11....	184.5	142.2	8.04	110.1	74.1	8.44
25....	199.3	118.7	8.09	95.0	69.4	8.51
July 9....	539.3	244.8	8.38	108.4	72.5	8.67
23....	351.4	181.4	8.54	119.0	61.7	8.79
Aug. 6....	458.5	201.9	8.71	154.3	77.4	8.98
20....	525.0	223.8	8.95	171.3	77.2	9.27
Sept. 4....	551.0	288.9	9.27	118.6	61.5	9.53
17....	138.1	107.9	9.37	48.6	46.8	9.68
Oct. 1....	32.5	24.1	9.11	9.1	7.1	9.43
15....	24.8	16.6	8.97	18.6	16.2	9.10
29....	28.2	21.6	8.94	17.4	9.4	9.01
Nov. 12....	29.3	23.1	8.87	24.1	16.7	8.94
26....	24.9	20.9	8.81	31.0	22.1	8.90
Dec. 17....	38.6	36.2	8.78	51.4	32.2	8.82

NOTE.—Average secondary market yields are gross—before deduction of 38 basis-point fee paid for mortgage servicing. They reflect the average accepted bid yield for home mortgages assuming a prepayment period of 12 years for 30-year loans, without special adjustment for FNMA commitment fees and FNMA stock purchase and holding requirements. Since Oct. 18, 1971, the maturity on new short-term commitments has been 4 months. Mortgage amounts offered by bidders are total bids received.

GOVERNMENT NATIONAL MORTGAGE ASSOCIATION ACTIVITY

(In millions of dollars)

End of period	Mortgage holdings			Mortgage transactions (during period)		Mortgage commitments	
	Total	FHA-insured	VA-guaranteed	Purchases	Sales	Made during period	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	1,131
1970.....	5,184	4,634	550	621	.....	897	738
1971.....	5,294	4,777	517	393	.....	.....	1,494
1972.....	5,113	.....	.....	.....	.....	.....	.....
1972—Nov...	5,152	.....	.....	.....	.....	.....	.....
Dec...	5,113	.....	.....	.....	.....	.....	.....
1973—Jan...	5,117	.....	.....	.....	.....	.....	.....
Feb...	4,984	.....	.....	.....	.....	.....	.....
Mar...	4,663	.....	.....	.....	.....	.....	.....
Apr...	4,439	.....	.....	.....	.....	.....	.....
May...	3,980	.....	.....	.....	.....	.....	.....
June...	3,908	.....	.....	.....	.....	.....	.....
July...	4,156	.....	.....	.....	.....	.....	.....
Aug...	4,455	.....	.....	.....	.....	.....	.....
Sept...	4,429	.....	.....	.....	.....	.....	.....
Oct...	4,338	.....	.....	.....	.....	.....	.....
Nov...	4,172	.....	.....	.....	.....	.....	.....

NOTE.—GNMA data. Total holdings include a small amount of conventional loans. Data prior to Sept. 1968 relate to Special Assistance and Management and Liquidating portfolios of former FNMA and include mortgages subject to participation pool of Government Mortgage Liquidation Trust, but exclude conventional mortgage loans acquired by former FNMA.

GNMA MORTGAGE-BACKED SECURITY PROGRAM

(In millions of dollars)

Period	Pass-through securities		Bonds sold
	Applications received	Securities issued	
1970.....	1,126.2	452.4	1,315.0
1971.....	4,373.6	2,701.9	300.0
1972.....	3,854.5	2,661.7	.....
1972—Nov...	226.4	138.2	.....
Dec...	440.9	299.8	.....
1973—Jan...	515.7	323.3	.....
Feb...	167.2	216.8	.....
Mar...	339.4	139.9	.....
Apr...	467.8	182.1	.....
May...	563.3	338.8	.....
June...	243.1	315.3	.....
July...	215.7	384.7	.....
Aug...	174.0	191.3	.....
Sept...	533.8	380.0	.....
Oct. 7...	825.7	240.8	.....
Nov...	923.3	210.4	.....

NOTE.—GNMA data. Under the Mortgage-Backed Security Program, GNMA guarantees the timely payment of principal and interest on both pass-through and bond-type securities, which are backed by a pool of mortgages insured by FHA or Farmers Home Admin. or guaranteed by VA and issued by an approved mortgage. To date, bond-type securities have been issued only by FNMA and FHLMC.

HOME-MORTGAGE YIELDS

(In per cent)

Period	Primary market (conventional loans)		Secondary market	
	FHLLBB series (effective rate)		HUD series	Yield on FHA- insured new- home loans
	New homes	Ex- isting homes	New homes	
1968.....	6.97	7.03	7.12	7.21
1969.....	7.81	7.82	7.99	8.29
1970.....	8.44	8.35	8.52	9.03
1971.....	7.74	7.67	7.75	7.70
1972.....	7.60	7.52	7.64	7.52
1972—Dec.....	7.66	7.59	7.70	7.56
1973—Jan.....	7.68	7.68	7.70	7.55
Feb.....	7.70	7.72	7.75	7.56
Mar.....	7.68	7.69	7.80	7.63
Apr.....	7.71	7.70	7.90	7.73
May.....	7.71	7.77	7.95	7.79
June.....	7.79	7.79	8.05	7.89
July.....	7.87	7.84	8.40	8.19
Aug.....	7.94	8.01	8.85	.....
Sept.....	8.17	8.26	8.95	9.18
Oct.....	8.31	8.50	8.80	8.97
Nov.....	8.39	8.58	8.75	8.86
Dec.....	8.46	8.60	.....	.....

NOTE.—Annual data are averages of monthly figures. The Housing and Urban Development (FHA) data are based on opinion reports submitted by field offices on prevailing local conditions as of the first of the succeeding month. Yields on FHA-insured mortgages are derived from weighted averages of private secondary market prices for Sec. 203, 30-year mortgages with minimum downpayment and an assumed prepayment at the end of 15 years. Any gaps in data are due to periods of adjustment to changes in maximum permissible contract interest rates. The HUD (FHA) interest rates on conventional first mortgages in primary markets are unweighted and are rounded to the nearest 5 basis points. The FHLLBB effective rate series reflects fees and charges as well as contract rates (as shown in the table on conventional first-mortgage terms, p. A-35) and an assumed prepayment at end of 10 years.

GOVERNMENT-UNDERWRITTEN RESIDENTIAL LOANS MADE

(In millions of dollars)

Period	FHA-insured					VA-guaranteed		
	Total	Mortgages		Pro- jects ¹	Prop- erty im- prove- ments ²	Total ³	Mortgages	
		New homes	Ex- isting homes				New homes	Ex- isting homes
1965.....	8,689	1,705	5,760	591	634	2,652	876	1,776
1966.....	7,320	1,729	4,366	583	641	2,600	980	1,618
1967.....	7,150	1,369	4,516	642	623	3,405	1,143	2,259
1968.....	8,275	1,572	4,924	1,123	656	3,774	1,430	2,343
1969.....	9,129	1,551	5,570	1,316	693	4,072	1,493	2,579
1970.....	11,982	2,667	5,447	3,251	617	3,440	1,311	2,129
1971.....	14,689	3,900	6,475	3,641	674	5,961	1,694	4,267
1972.....	12,320	3,459	4,608	3,448	805	8,293	2,539	5,754
1972—Nov.....	985	261	331	296	97	790	246	544
Dec.....	964	190	245	444	85	715	220	495
1973—Jan.....	834	254	324	197	59	681	218	463
Feb.....	710	162	235	262	52	592	187	405
Mar.....	969	195	268	440	65	596	185	411
Apr.....	620	151	223	172	74	621	187	434
May.....	589	158	228	122	81	634	198	436
June.....	650	153	229	207	61	646	182	464
July.....	559	143	250	100	66	666	204	462
Aug.....	537	100	195	167	75	569	193	376
Sept.....	485	90	177	134	84	565	184	381
Oct.....	549	113	246	119	72	652	121	431
Nov.....	602	100	257	169	76	.....	.....	.....

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

² Not ordinarily secured by mortgages.

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

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

DELINQUENCY RATES ON HOME MORTGAGES

(Per 100 mortgages held or serviced)

End of period	Loans not in foreclosure but delinquent for—				Loans in fore- closure
	Total	30 days	60 days	90 days or more	
1965.....	3.29	2.40	.55	.34	.40
1966.....	3.40	2.54	.54	.32	.36
1967.....	3.47	2.66	.54	.27	.32
1968.....	3.17	2.43	.51	.23	.26
1969.....	3.22	2.43	.52	.27	.27
1970.....	3.64	2.67	.61	.36	.33
1971.....	3.93	2.82	.65	.46	.46
1972.....	4.65	3.42	.78	.45	.48
1971—II.....	3.27	2.36	.53	.38	.38
III.....	3.59	2.54	.62	.43	.41
IV.....	3.93	2.82	.65	.46	.46
1972—I.....	3.16	2.21	.58	.37	.50
II.....	3.27	2.38	.53	.36	.48
III.....	3.82	2.74	.65	.43	.52
IV.....	(4.66)	3.41	.79	.46	.50
.....	(4.65)	3.42	.78	.45	.48
1973—I.....	3.63	2.52	.68	.43	.....
II.....	3.84	2.81	.64	.39	.....
III.....	4.36	3.10	.78	.48	.....

¹ First line is old series; second line is new series.

NOTE.—Mortgage Bankers Association of America data from reports on 1- to 4-family FHA-insured, VA-guaranteed, and conventional mortgages held by more than 400 respondents, including mortgage bankers (chiefly), commercial banks, savings banks, and savings and loan associations.

FEDERAL HOME LOAN MORTGAGE CORPORATION ACTIVITY

(In millions of dollars)

End of period	Mortgage holdings			Mortgage transactions (during period)		Mortgage commitments	
	Total	FHA- VA	Con- ven- tional	Pur- chases	Sales	Made during period	Out- stand- ing
1970.....	325	325	.....	325	.....	.....	.....
1971.....	968	821	147	778	64	.....	182
1972.....	1,789	1,503	286	1,298	408	1,606	198
1972—Oct.....	1,631	1,439	192	102	9	189	371
Nov.....	1,743	1,491	253	128	10	89	293
Dec.....	1,789	1,503	286	143	87	93	198
1973—Jan.....	1,761	1,517	244	76	99	142	226
Feb.....	1,677	1,535	142	76	150	166	300
Mar.....	1,718	1,589	128	119	68	141	295
Apr.....	1,784	1,646	138	126	51	193	343
May.....	1,906	1,695	211	147	57	187	344
June.....	2,029	1,716	313	154	21	159	316
July.....	2,158	1,714	444	140	.....	139	278
Aug.....	2,307	1,728	579	161	.....	208	291
Sept.....	2,423	1,729	694	126	.....	143	288
Oct.....	2,527	1,742	785	113	.....	63	218

NOTE.—FHLMC data. Data for 1970 include only the period beginning Nov. 26 when the FHLMC first became operational. Holdings, purchases, and sales include participations as well as whole loans. Mortgage holdings include loans used to back bond issues guaranteed by GNMA. Commitment data cover the conventional and Govt.-underwritten loan programs.

TOTAL CREDIT

(In millions of dollars)

End of period	Total	Instalment				Noninstalment				
		Total	Auto- mobile paper	Other consumer goods paper	Home improve- ment loans ¹	Personal loans	Total	Single- payment loans	Charge accounts	Service credit
1940.....	8,338	5,514	2,071	1,827	371	1,245	2,824	800	1,471	553
1945.....	5,665	2,462	455	816	182	1,009	3,203	746	1,612	845
1950.....	21,471	14,703	6,074	4,799	1,016	2,814	6,768	1,821	3,367	1,580
1955.....	38,830	28,906	13,460	7,641	1,693	6,112	9,924	3,002	4,795	2,127
1960.....	56,141	42,968	17,658	11,545	3,148	10,617	13,173	4,507	5,329	3,337
1965.....	89,883	70,893	28,437	18,483	3,736	20,237	18,990	7,671	6,430	4,889
1966.....	96,239	76,245	30,010	20,732	3,841	21,662	19,994	7,972	6,686	5,336
1967.....	100,783	79,428	29,796	22,389	4,008	23,235	21,355	8,558	7,070	5,727
1968.....	110,770	87,745	32,948	24,626	4,239	25,932	23,025	9,532	7,193	6,300
1969.....	121,146	97,105	35,527	28,313	4,613	28,652	24,041	9,747	7,373	6,921
1970.....	127,163	102,064	35,184	31,465	5,070	30,345	25,099	9,675	7,968	7,456
1971.....	138,394	111,295	38,664	34,353	5,413	32,865	27,099	10,585	8,350	8,164
1972.....	157,564	127,332	44,129	40,080	6,201	36,922	30,232	12,256	9,002	8,974
1972—Nov.....	152,968	124,325	43,674	38,064	6,174	36,413	28,643	11,917	8,010	8,716
Dec.....	157,564	127,332	44,129	40,080	6,201	36,922	30,232	12,256	9,002	8,974
1973—Jan.....	157,227	127,368	44,353	39,952	6,193	36,870	29,859	12,204	8,357	9,298
Feb.....	157,582	127,959	44,817	39,795	6,239	37,108	29,623	12,409	7,646	9,568
Mar.....	159,320	129,375	45,610	39,951	6,328	37,486	29,945	12,540	7,702	9,703
Apr.....	161,491	131,022	46,478	40,441	6,408	37,695	30,469	12,686	8,036	9,747
May.....	164,277	133,531	47,518	41,096	6,541	38,376	30,746	12,817	8,319	9,610
June.....	167,083	136,018	48,549	41,853	6,688	38,928	31,065	12,990	8,555	9,520
July.....	169,148	138,212	49,352	42,575	6,845	39,440	30,936	12,968	8,479	9,489
Aug.....	171,978	140,810	50,232	43,505	7,009	40,064	31,168	13,111	8,605	9,452
Sept.....	173,035	142,093	50,557	44,019	7,120	40,397	30,942	13,088	8,335	9,519
Oct.....	174,840	143,610	51,092	44,632	7,235	40,651	31,230	13,145	8,590	9,495
Nov.....	176,969	145,400	51,371	45,592	7,321	41,116	31,569	13,161	8,785	9,623

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

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 *BULLETINS* for Dec. 1968 and Oct. 1972.

NOTE.—Consumer credit estimates cover loans to individuals for house-

INSTALMENT CREDIT

(In millions of dollars)

End of period	Total	Financial institutions				Retail outlets			
		Total	Com- mercial banks	Finance compa- nies ¹	Credit unions	Mis- cellaneous lenders ¹	Total	Auto- mobile dealers ²	Other retail outlets
1940.....	5,514	3,918	1,452	2,278	171	17	1,596	167	1,429
1945.....	2,462	1,776	745	910	102	19	2,686	28	658
1950.....	14,703	11,895	5,798	5,315	590	102	2,898	287	2,611
1955.....	28,906	24,398	10,601	11,838	1,678	281	4,508	487	4,021
1960.....	42,968	36,673	16,672	15,435	3,923	643	6,295	359	5,936
1965.....	70,893	61,102	28,962	23,851	7,324	965	9,791	315	9,476
1966.....	76,245	65,430	31,319	24,796	8,255	1,060	10,815	277	10,538
1967.....	79,428	67,944	33,152	24,576	9,003	1,213	11,484	287	11,197
1968.....	87,745	75,727	37,936	26,074	10,300	1,417	12,018	281	11,737
1969.....	97,105	83,989	42,421	27,846	12,028	1,694	13,116	250	12,866
1970.....	102,064	88,164	45,398	27,678	12,986	2,102	13,900	218	13,682
1971.....	111,295	97,144	51,240	28,883	14,770	2,251	14,151	226	13,925
1972.....	127,332	111,382	59,783	32,088	16,913	2,598	15,950	261	15,689
1972—Nov.....	124,325	109,673	58,878	31,427	16,742	2,626	14,652	259	14,393
Dec.....	127,332	111,382	59,783	32,088	16,913	2,598	15,950	261	15,689
1973—Jan.....	127,368	111,690	60,148	32,177	16,847	2,518	15,678	263	15,415
Feb.....	127,959	112,630	60,582	32,431	16,973	2,644	15,329	266	15,063
Mar.....	129,375	114,190	61,388	32,750	17,239	2,813	15,185	272	14,913
Apr.....	131,022	115,727	62,459	33,078	17,455	2,735	15,295	278	15,017
May.....	133,531	118,165	63,707	33,859	17,832	2,767	15,366	284	15,082
June.....	136,018	120,450	64,999	34,367	18,269	2,815	15,568	289	15,279
July.....	138,212	122,479	66,065	35,020	18,517	2,877	15,733	293	15,440
Aug.....	140,810	124,823	67,381	35,634	18,961	2,847	15,987	296	15,691
Sept.....	142,093	126,040	67,918	35,993	19,207	2,922	16,053	297	15,756
Oct.....	143,610	127,307	68,627	36,365	19,339	2,976	16,303	300	16,003
Nov.....	145,400	128,553	69,161	36,887	19,517	2,988	16,847	302	16,545

¹ Finance companies consist of those institutions formerly classified as sales finance, consumer finance, and other finance companies. Miscellaneous lenders include savings and loan associations and mutual savings banks.

² Automobile paper only; other instalment credit held by automobile dealers is included with "Other retail outlets."

See also NOTE to table above.

MAJOR HOLDERS OF INSTALMENT CREDIT

(In millions of dollars)

End of period	Commercial banks							Finance companies ¹						
	Total	Automobile paper		Other consumer goods paper			Home improvement loans	Personal loans	Total	Automobile paper	Other consumer goods paper		Home improvement loans	Personal loans
		Purchased	Direct	Mobile homes	Credit cards	Other					Mobile homes	Other		
1940.....	1,452	339	276		232		165	440	2,278	1,253	159		193	673
1945.....	745	66	143		114		110	312	910	202	40		62	606
1950.....	5,798	1,177	1,294		1,456		834	1,037	5,315	3,157	692		80	1,386
1955.....	10,601	3,243	2,062		2,042		1,338	1,916	11,838	7,108	1,448		42	3,240
1960.....	16,672	5,316	2,820		2,759		2,200	3,577	15,435	7,703	2,553		173	5,006
1965.....	28,962	10,209	5,659		4,166		2,571	6,357	23,851	9,218	4,343		232	10,058
1966.....	31,319	11,024	5,956		4,681		2,647	7,011	24,796	9,342	4,925		214	10,315
1967.....	33,152	10,972	6,232		5,469		2,731	7,748	24,576	8,627	5,069		192	10,688
1968.....	37,936	12,324	7,102		1,307	5,387	2,858	8,958	26,074	9,003	5,424		166	11,481
1969.....	42,421	13,133	7,791		2,639	6,082	2,996	9,780	27,846	9,412	5,775		174	12,485
1970.....	45,398	12,918	7,888		3,792	7,113	3,071	10,616	27,678	9,044	2,464	3,237	199	12,734
1971.....	51,240	13,837	9,277		4,423	4,419	4,501	3,236	11,547	9,577	2,561	3,052	247	13,446
1972.....	59,783	16,320	10,776		5,786	5,288	5,122	3,544	12,947	10,174	2,916	3,589	497	14,912
1972—Nov.	58,878	16,180	10,674		5,690	4,868	5,063	3,557	12,846	10,026	2,899	3,476	452	14,574
Dec.	59,783	16,320	10,776		5,786	5,288	5,122	3,544	12,947	10,174	2,916	3,589	497	14,912
1973—Jan.	60,148	16,464	10,889		5,839	5,311	5,135	3,527	12,983	10,177	2,928	3,644	528	14,900
Feb.	60,582	16,680	10,977		5,932	5,283	5,158	3,515	13,037	10,267	2,909	3,752	562	14,941
Mar.	61,388	16,951	11,216		6,035	5,243	5,289	3,538	13,116	10,419	2,943	3,796	581	15,011
Apr.	62,459	17,327	11,436		6,163	5,290	5,401	3,581	13,261	10,617	2,991	3,831	611	15,028
May.	63,707	17,716	11,680		6,321	5,360	5,538	3,635	13,457	10,872	3,025	3,985	656	15,321
June.	64,999	18,138	11,866		6,473	5,502	5,688	3,700	13,632	11,121	3,081	4,002	694	15,469
July.	66,065	18,439	12,023		6,629	5,603	5,815	3,774	13,812	11,365	3,132	4,103	733	15,687
Aug.	67,381	18,771	12,190		6,825	5,792	5,923	3,863	14,017	11,583	3,187	4,194	771	15,899
Sept.	67,918	18,886	12,160		6,956	5,909	5,978	3,903	14,126	11,721	3,235	4,265	809	15,963
Oct.	68,627	19,123	12,262		7,106	5,991	6,012	3,950	14,183	11,859	3,269	4,316	847	16,074
Nov.	69,161	19,198	12,306		7,208	6,171	6,035	3,979	14,264	11,949	3,310	4,371	886	16,371

¹ Finance companies consist of those institutions formerly classified as sales finance, consumer finance, and other finance companies.

See also NOTE to table at top of preceding page.

INSTALMENT CREDIT HELD BY OTHER FINANCIAL LENDERS

(In millions of dollars)

End of period	Total	Automobile paper	Other consumer goods paper	Home improvement loans	Personal loans
1940.....	188	36	7	13	132
1945.....	121	16	4	10	91
1950.....	692	159	40	102	391
1955.....	1,959	560	130	313	956
1960.....	4,566	1,460	297	775	2,034
1965.....	8,289	3,036	498	933	3,822
1966.....	9,315	3,411	588	980	4,336
1967.....	10,216	3,678	654	1,085	4,799
1968.....	11,717	4,238	771	1,215	5,493
1969.....	13,722	4,941	951	1,443	6,387
1970.....	15,088	5,116	1,177	1,800	6,995
1971.....	17,021	5,747	1,472	1,930	7,872
1972.....	19,511	6,598	1,690	2,160	9,063
1972—Nov.	19,368	6,535	1,675	2,165	8,993
Dec.	19,511	6,598	1,690	2,160	9,063
1973—Jan.	19,365	6,560	1,680	2,138	8,987
Feb.	19,617	6,627	1,698	2,162	9,130
Mar.	20,052	6,752	1,732	2,209	9,359
Apr.	20,190	6,820	1,748	2,216	9,406
May.	20,599	6,966	1,785	2,250	9,598
June.	21,084	7,135	1,828	2,294	9,827
July.	21,394	7,232	1,853	2,338	9,971
Aug.	21,808	7,392	1,893	2,375	10,148
Sept.	22,129	7,493	1,920	2,408	10,308
Oct.	22,315	7,548	1,935	2,438	10,394
Nov.	22,505	7,616	1,952	2,456	10,481

NOTE.—Other financial lenders consist of credit unions and miscellaneous lenders. Miscellaneous lenders include savings and loan associations and mutual savings banks.

NONINSTALMENT CREDIT

(In millions of dollars)

End of period	Total	Single-payment loans		Charge accounts		Service credit
		Commercial banks	Other financial institutions	Retail outlets	Credit cards ¹	
1940.....	2,824	636	164	1,471		553
1945.....	3,203	674	72	1,612		845
1950.....	6,768	1,576	245	3,291		1,580
1955.....	9,924	2,635	367	4,579		2,127
1960.....	13,173	3,884	623	4,893		3,337
1965.....	18,990	6,690	981	5,724		4,889
1966.....	19,994	6,946	1,026	5,812		5,336
1967.....	21,355	7,478	1,080	6,041		5,727
1968.....	23,025	8,374	1,158	5,966		6,300
1969.....	24,041	8,553	1,194	5,936		6,921
1970.....	25,099	8,469	1,206	6,163		7,456
1971.....	27,099	9,316	1,269	6,397		8,164
1972.....	30,232	10,857	1,399	7,055		8,974
1972—Nov.	28,643	10,527	1,390	6,081		8,716
Dec.	30,232	10,857	1,399	7,055		8,974
1973—Jan.	29,859	10,825	1,379	6,402		9,298
Feb.	29,623	10,989	1,420	5,735		9,568
Mar.	29,945	11,074	1,466	5,825		9,703
Apr.	30,469	11,237	1,449	6,129		9,747
May.	30,746	11,359	1,458	6,387		9,610
June.	31,065	11,520	1,470	6,544		9,520
July.	30,936	11,491	1,477	6,424		9,489
Aug.	31,168	11,655	1,456	6,475		9,452
Sept.	30,942	11,608	1,480	6,229		9,519
Oct.	31,230	11,654	1,491	6,554		9,495
Nov.	31,569	11,669	1,492	6,761		9,623

¹ Service station and miscellaneous credit-card accounts and home-heating-oil accounts. Bank-credit-card accounts outstanding are included in estimates of instalment credit outstanding.

See also NOTE to table at top of preceding page.

INSTALMENT CREDIT EXTENDED AND REPAYED, BY TYPE OF CREDIT

(In millions of dollars)

Period	Total		Automobile paper		Other consumer goods paper		Home improvement loans		Personal loans	
	S.A. ¹	N.S.A.	S.A. ¹	N.S.A.	S.A. ¹	N.S.A.	S.A. ¹	N.S.A.	S.A. ¹	N.S.A.
Extensions										
1965.....		78,661		27,208		22,857		2,270		26,326
1966.....		82,832		27,192		26,329		2,223		27,088
1967.....		87,171		26,320		29,504		2,369		28,978
1968.....		99,984		31,083		33,507		2,534		32,860
1969.....		109,146		32,553		38,332		2,831		35,430
1970.....		112,158		29,794		43,873		2,963		35,528
1971.....		124,281		34,873		47,821		3,244		38,343
1972.....		142,951		40,194		55,599		4,006		43,152
1972—Nov.....	12,846	12,806	3,620	3,505	5,118	5,202	327	321	3,781	3,778
Dec.....	12,627	13,643	3,763	3,195	4,876	6,171	351	280	3,637	3,997
1973—Jan.....	13,304	11,923	4,006	3,393	5,282	4,949	329	259	3,687	3,322
Feb.....	13,434	11,214	3,972	3,407	5,245	4,252	364	300	3,853	3,255
Mar.....	13,852	13,681	4,001	4,164	5,349	5,169	406	377	4,096	3,971
Apr.....	13,465	13,661	3,822	4,101	5,563	5,378	365	372	3,715	3,810
May.....	13,932	14,792	3,989	4,409	5,504	5,698	374	431	4,065	4,254
June.....	13,646	14,608	3,762	4,313	5,505	5,678	400	450	3,979	4,167
July.....	14,542	14,812	3,930	4,177	5,943	5,753	433	472	4,236	4,410
Aug.....	14,294	15,099	3,968	4,252	5,961	6,065	408	471	3,957	4,311
Sept.....	13,691	12,624	3,939	3,476	5,537	5,217	410	420	3,805	3,511
Oct.....	14,149	14,454	3,912	4,196	5,911	5,894	415	439	3,911	3,925
Nov.....	14,275	14,098	3,819	3,693	5,978	5,980	402	389	4,076	4,036
Repayments										
1965.....		70,463		23,706		20,707		2,112		23,938
1966.....		77,480		25,619		24,080		2,118		25,663
1967.....		83,988		26,534		27,847		2,202		27,405
1968.....		91,667		27,931		31,270		2,303		30,163
1969.....		99,786		29,974		34,645		2,457		32,710
1970.....		107,199		30,137		40,721		2,506		33,835
1971.....		115,050		31,393		44,933		2,901		35,823
1972.....		126,914		34,729		49,872		3,218		39,095
1972—Nov.....	11,128	10,986	3,023	2,993	4,444	4,354	271	271	3,390	3,368
Dec.....	10,964	10,636	2,977	2,740	4,341	4,155	263	253	3,383	3,488
1973—Jan.....	11,355	11,887	3,097	3,169	4,649	5,077	267	267	3,342	3,374
Feb.....	11,437	10,623	3,145	2,943	4,627	4,409	275	254	3,390	3,017
Mar.....	11,808	12,265	3,225	3,371	4,755	5,013	286	288	3,542	3,593
Apr.....	12,061	12,014	3,218	3,233	4,963	4,888	294	292	3,586	3,601
May.....	11,941	12,283	3,261	3,369	4,917	5,043	290	298	3,473	3,573
June.....	12,034	12,121	3,253	3,282	4,955	4,921	300	303	3,526	3,615
July.....	12,544	12,618	3,334	3,374	5,141	5,031	308	315	3,761	3,898
Aug.....	12,399	12,501	3,293	3,372	5,168	5,135	298	307	3,640	3,687
Sept.....	12,332	11,341	3,406	3,151	5,072	4,703	322	309	3,532	3,178
Oct.....	12,449	12,937	3,427	3,661	5,149	5,281	308	324	3,565	3,671
Nov.....	12,549	12,308	3,471	3,414	5,154	5,020	301	303	3,623	3,571
Net change in credit outstanding ²										
1965.....		8,198		3,502		2,150		158		2,388
1966.....		5,352		1,573		2,249		105		1,425
1967.....		3,183		-214		1,657		167		1,573
1968.....		8,317		3,152		2,237		231		2,697
1969.....		9,360		2,579		3,687		374		2,720
1970.....		4,959		-343		3,152		457		1,693
1971.....		9,231		3,480		2,888		343		2,520
1972.....		16,037		5,465		5,727		788		4,057
1972—Nov.....	1,718	1,820	597	512	674	848	56	50	391	410
Dec.....	1,663	3,007	786	455	535	2,016	88	27	254	509
1973—Jan.....	1,949	36	909	224	633	-128	62	-8	345	-52
Feb.....	1,997	591	827	464	618	-157	89	46	463	238
Mar.....	2,044	1,416	776	793	594	156	120	89	554	378
Apr.....	1,404	1,647	604	868	600	490	71	80	129	209
May.....	1,991	2,509	728	1,040	587	655	84	133	592	681
June.....	1,612	2,487	509	1,031	550	757	100	147	453	552
July.....	1,998	2,194	596	803	802	722	125	157	475	512
Aug.....	1,895	2,598	675	880	793	930	110	164	317	624
Sept.....	1,359	1,283	533	325	465	514	88	111	273	333
Oct.....	1,700	1,517	485	535	762	613	107	115	346	254
Nov.....	1,726	1,790	348	279	824	960	101	86	453	465

¹ Includes adjustments for differences in trading days.² Net changes in credit outstanding are equal to extensions less repayments.

NOTE.—Estimates are based on accounting records and often include financing charges. Renewals and refinancing of loans, purchases and

sales of instalment paper, and certain other transactions may increase the amount of extensions and repayments without affecting the amount outstanding.

For back figures and description of the data, see "Consumer Credit," Section 16 (New) of *Supplement to Banking and Monetary Statistics*, 1965, and BULLETINS for Dec. 1968 and Oct. 1972.

INSTALMENT CREDIT EXTENDED AND REPAYED, BY HOLDER

(In millions of dollars)

Period	Total		Commercial banks		Finance companies		Other financial lenders		Retail outlets	
	S.A. ¹	N.S.A.	S.A. ¹	N.S.A.	S.A. ¹	N.S.A.	S.A. ¹	N.S.A.	S.A. ¹	N.S.A.
Extensions										
1965		78,661		29,528		25,265		9,438		14,430
1966		82,832		30,073		25,897		10,368		16,494
1967		87,171		31,382		26,461		11,238		18,090
1968		99,984		37,395		30,261		13,206		19,122
1969		109,146		40,955		32,753		15,198		20,240
1970		112,158		42,960		31,952		15,720		21,526
1971		124,281		51,237		32,935		17,966		22,143
1972		142,951		59,339		38,464		20,607		24,541
1972—Nov.	12,846	12,806	5,413	5,059	3,434	3,581	1,792	1,704	2,207	2,462
Dec.	12,627	13,643	5,313	5,096	3,355	3,766	1,791	1,642	2,168	3,139
1973—Jan.	13,304	11,923	5,762	5,246	3,517	3,033	1,706	1,509	2,319	2,135
Feb.	13,434	11,214	5,664	4,826	3,557	2,972	1,964	1,711	2,249	1,705
Mar.	13,852	13,681	5,853	5,890	3,654	3,598	2,131	2,083	2,214	2,110
Apr.	13,465	13,661	5,644	5,973	3,555	3,576	1,792	1,832	2,474	2,280
May	13,932	14,792	5,859	6,356	3,820	4,027	1,868	2,060	2,385	2,349
June	13,646	14,608	5,684	6,219	3,584	3,817	1,978	2,211	2,400	2,361
July	14,542	14,812	5,976	6,232	3,824	3,931	2,110	2,233	2,632	2,416
Aug.	14,294	15,099	6,195	6,518	3,685	3,877	1,943	2,194	2,471	2,510
Sept.	13,691	12,624	5,809	5,376	3,602	3,189	2,019	1,912	2,261	2,147
Oct.	14,149	14,454	6,060	6,169	3,623	3,765	1,951	1,968	2,515	2,552
Nov.	14,275	14,098	6,222	5,697	3,564	3,722	2,029	1,929	2,460	2,750
Repayments										
1965		70,463		25,663		23,056		8,311		13,433
1966		77,480		27,716		24,952		9,342		15,470
1967		83,988		29,549		26,681		10,337		17,421
1968		91,667		32,611		28,763		11,705		18,588
1969		99,786		36,470		30,981		13,193		19,142
1970		107,199		40,398		31,705		14,354		20,742
1971		115,050		45,395		31,730		16,033		21,892
1972		126,914		50,796		35,259		18,117		22,742
1972—Nov.	11,128	10,986	4,531	4,447	3,061	3,124	1,578	1,505	1,958	1,910
Dec.	10,964	10,636	4,485	4,191	2,952	3,105	1,561	1,499	1,966	1,841
1973—Jan.	11,355	11,887	4,734	4,881	3,033	2,944	1,532	1,655	2,056	2,407
Feb.	11,437	10,623	4,684	4,392	3,030	2,718	1,625	1,459	2,098	2,054
Mar.	11,808	12,265	4,870	5,084	3,141	3,279	1,665	1,648	2,132	2,254
Apr.	12,061	12,014	4,919	4,902	3,251	3,248	1,693	1,694	2,198	2,170
May	11,941	12,283	4,976	5,108	3,100	3,246	1,612	1,651	2,253	2,278
June	12,034	12,121	4,890	4,927	3,241	3,309	1,694	1,726	2,209	2,159
July	12,544	12,618	5,112	5,166	3,312	3,278	1,771	1,923	2,349	2,251
Aug.	12,399	12,501	5,146	5,202	3,241	3,263	1,738	1,780	2,274	2,256
Sept.	12,332	11,341	5,167	4,839	3,144	2,830	1,757	1,591	2,264	2,081
Oct.	12,449	12,937	5,212	5,460	3,287	3,393	1,703	1,782	2,247	2,302
Nov.	12,549	12,308	5,345	5,163	3,143	3,200	1,814	1,739	2,247	2,206
Net change in credit outstanding ²										
1965		8,198		3,865		2,209		1,127		997
1966		5,352		2,357		945		1,026		1,024
1967		3,183		1,833		-220		901		669
1968		8,317		4,784		1,498		1,501		534
1969		9,360		4,485		1,772		2,005		1,098
1970		4,959		2,977		-168		1,366		784
1971		9,231		5,842		1,205		1,933		251
1972		16,037		8,543		3,205		2,490		1,799
1972—Nov.	1,718	1,820	882	612	373	457	214	199	249	552
Dec.	1,663	3,007	828	905	403	661	230	143	202	1,298
1973—Jan.	1,949	36	1,028	365	484	89	174	-146	263	-272
Feb.	1,997	591	980	434	527	254	339	252	151	-349
Mar.	2,044	1,416	983	806	513	319	466	435	82	-144
Apr.	1,404	1,647	725	1,071	304	328	99	138	276	110
May	1,991	2,509	883	1,248	720	781	256	409	132	71
June	1,612	2,487	794	1,292	343	508	284	485	191	202
July	1,998	2,194	864	1,066	512	653	339	310	283	165
Aug.	1,895	2,598	1,049	1,316	444	614	205	414	197	254
Sept.	1,359	1,283	642	537	458	359	262	321	-3	66
Oct.	1,700	1,517	848	709	336	372	248	186	268	250
Nov.	1,726	1,790	877	534	421	522	215	190	213	544

¹ Includes adjustments for differences in trading days.

² Net changes in credit outstanding are equal to extensions less repayments, except in certain months when data for extensions and repayments have been adjusted to eliminate duplication resulting from large transfers of paper. In those months the differences between extensions and repayments for some particular holders do not equal the changes in

their outstanding credit. Such transfers do not affect total instalment credit extended, repaid, or outstanding.

NOTE.—Other financial lenders include credit unions and miscellaneous lenders. See also NOTE to preceding table and footnote 1 at bottom of p. A-54.

INDUSTRY GROUPINGS

(1967 = 100)

Grouping	1967 pro- por- tion	1972 aver- age	1972		1973										
			Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.
<i>Manufacturing</i>	88.55	114.0	119.5	120.4	121.4	122.7	123.4	123.8	124.9	125.6	126.5	126.1	126.3	126.3	126.9
<i>Durable</i>	52.33	108.4	115.3	116.3	117.5	118.7	119.9	120.6	121.8	123.0	123.8	122.6	123.3	123.6	124.1
Nondurable.....	36.22	122.1	125.6	126.2	127.0	128.4	128.6	128.4	129.3	129.3	130.5	130.9	130.7	130.3	131.2
<i>Mining and utilities</i>	11.45	124.1	126.7	126.1	127.3	128.0	127.3	126.6	127.0	128.2	130.4	130.7	131.3	131.1	129.5
Mining.....	6.37	108.8	109.7	108.2	108.5	110.2	109.5	109.0	109.1	109.5	111.0	111.5	111.8	111.3	110.4
Utilities.....	5.08	143.4	148.2	148.5	151.0	150.5	149.6	148.7	149.5	151.5	154.8	154.8	155.8	156.2	153.5
Durable manufactures															
<i>Primary and fabricated metals</i>	12.55	113.9	122.6	124.0	124.3	125.4	125.8	127.3	128.1	128.7	130.6	129.5	129.5	131.7	131.3
Primary metals.....	6.61	113.1	122.9	125.4	123.1	124.7	123.5	125.8	126.1	124.5	128.1	125.6	127.8	130.8	130.0
Iron and steel, subtotal.....	4.23	107.1	119.2	120.0	118.6	120.0	117.5	119.7	119.8	119.9	120.9	118.5	122.7	123.6	123.1
Fabricated metal products.....	5.94	114.8	122.2	122.3	125.7	126.2	128.4	128.9	130.3	133.4	133.5	133.8	131.5	132.6	132.9
<i>Machinery and allied goods</i>	32.44	103.5	110.1	111.2	112.5	113.7	115.1	115.7	117.3	118.8	119.3	117.7	118.9	118.6	119.4
Machinery.....	17.39	107.5	115.7	116.8	118.4	119.1	121.4	122.6	124.7	126.9	127.6	128.5	130.0	128.5	130.5
Nonelectrical machinery.....	9.17	105.7	115.3	114.4	116.3	117.3	119.0	121.5	124.0	126.1	127.1	128.9	130.0	128.4	130.4
Electrical machinery.....	8.22	109.6	116.1	119.6	120.8	121.2	123.9	123.8	125.4	127.8	128.0	128.2	129.8	128.8	130.9
Transportation equipment.....	9.29	99.0	105.0	106.6	107.6	110.0	110.3	110.0	111.0	112.2	112.1	105.7	107.3	108.9	108.3
Motor vehicles and parts.....	4.56	123.1	132.3	135.9	139.3	141.5	141.0	140.1	140.9	143.3	144.1	131.0	133.9	136.5	134.8
Aerospace and misc. trans. eq.....	4.73	75.8	78.7	78.3	77.1	79.7	80.8	81.1	82.2	82.2	81.3	81.3	81.7	82.3	82.8
Instruments.....	2.07	120.2	125.1	126.6	130.1	131.9	133.8	134.7	138.9	140.2	140.8	140.9	141.5	141.0	141.8
Ordnance, private and Govt.....	3.69	86.0	87.3	87.8	87.0	87.6	87.1	86.4	85.4	86.7	86.7	83.8	83.7	83.9	82.3
<i>Lumber, clay, and glass</i>	4.44	120.0	124.5	123.7	126.4	127.3	129.1	129.9	130.3	129.2	129.8	129.2	128.8	129.7	130.7
Lumber and products.....	1.65	122.4	126.8	122.7	125.8	128.5	129.5	129.1	127.5	126.6	125.4	128.4	128.9	127.4	132.6
Clay, glass, and stone products.....	2.79	118.6	123.1	124.3	126.8	126.6	128.9	130.4	132.0	130.5	132.3	129.6	128.8	131.2	129.6
<i>Furniture and miscellaneous</i>	2.90	122.7	126.6	127.7	130.3	132.8	133.4	133.1	136.0	135.4	135.9	137.5	138.2	136.1	135.4
Furniture and fixtures.....	1.38	113.5	118.5	120.3	119.1	122.3	122.8	123.8	126.5	126.5	127.5	129.5	130.4	128.8	128.4
Miscellaneous manufactures.....	1.52	131.1	134.0	134.5	140.5	142.4	143.0	141.6	144.5	143.6	143.5	144.9	145.3	142.9	141.8
Nondurable manufactures															
<i>Textiles, apparel, and leather</i>	6.90	108.1	113.0	113.2	113.4	114.4	114.6	114.0	113.3	115.0	114.5	115.4	117.5	116.2	116.2
Textile mill products.....	2.69	117.4	125.7	124.2	125.3	126.1	127.1	126.1	127.2	129.2	128.9	129.0	130.2	129.3	129.3
Apparel products.....	3.33	105.7	110.1	111.1	112.3	112.6	112.4	111.7	110.0	111.0	112.1	113.6	115.4	114.3	.....
Leather and products.....	.88	88.9	85.9	87.4	81.3	85.1	85.0	86.8	83.0	86.6	79.2	81.0	86.4	83.1	82.3
<i>Paper and printing</i>	7.92	116.1	120.0	120.3	120.0	121.5	122.4	120.8	122.0	122.8	123.8	124.5	122.1	121.3	121.7
Paper and products.....	3.18	128.2	131.3	133.6	131.8	134.1	137.1	133.6	135.1	134.6	135.3	137.0	134.8	135.3	135.3
Printing and publishing.....	4.74	107.9	112.6	111.3	112.1	113.0	112.4	112.2	113.2	114.8	116.0	116.2	113.6	112.1	112.7
<i>Chemicals, petroleum, and rubber</i>	11.92	137.8	142.0	143.8	145.5	146.3	146.3	147.9	150.2	149.8	151.8	151.0	150.9	151.1	151.0
Chemicals and products.....	7.86	139.6	143.2	144.7	146.4	147.2	146.8	147.8	150.2	150.4	152.0	151.4	153.0	153.2	152.4
Petroleum products.....	1.80	120.6	124.4	125.5	127.3	124.1	123.5	126.9	128.5	129.7	129.3	128.2	126.0	129.2	129.0
Rubber and plastics products.....	2.26	145.5	151.5	154.7	157.1	160.4	163.4	165.1	166.8	163.9	168.8	167.9	163.6	161.4	163.4
<i>Food and tobacco</i>	9.48	117.6	119.0	118.5	119.6	122.0	121.5	120.7	121.5	119.5	121.3	122.0	122.2	121.9	124.8
Foods.....	8.81	118.6	119.4	119.7	120.5	122.9	121.8	121.3	122.4	120.3	122.4	122.9	123.2	122.5	125.7
Tobacco products.....	.67	103.7	112.5	102.5	107.9	110.3	118.1	112.9	111.2	108.1	105.3	110.1	109.1	113.7	.....
Mining															
<i>Metal, stone, and earth minerals</i>	1.26	107.3	112.6	113.7	116.4	117.6	117.0	116.8	116.2	111.8	116.9	120.6	120.4	120.9	122.4
Metal mining.....	.51	120.9	124.7	128.1	130.3	131.9	127.8	128.5	127.0	121.6	128.4	131.4	136.6	138.3	138.2
Stone and earth minerals.....	.75	98.1	104.4	104.0	106.9	107.8	109.4	108.8	108.8	105.2	109.1	113.1	109.5	109.2	111.7
<i>Coal, oil, and gas</i>	5.11	109.2	109.0	106.8	106.5	108.4	107.6	107.1	107.3	108.9	109.5	109.2	109.5	108.9	107.5
Coal.....	.69	104.2	102.6	98.6	99.1	103.9	105.7	109.9	100.9	108.0	109.0	104.0	109.8	103.0	104.1
Oil and gas extraction.....	4.42	110.0	110.0	108.2	107.7	109.1	107.9	108.3	108.4	109.1	109.5	110.0	109.7	109.8	107.9
Utilities															
Electric.....	3.91	149.4	155.2	155.6	159.1	158.3	157.4	156.2	156.8	159.7	164.0	163.8	165.1	165.3	162.0
Gas.....	1.17	123.4	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....

For NOTE see p. A-61.

MARKET GROUPINGS

(1967 = 100)

Grouping	1967 proportion	1972 average	1972		1973										
			Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept. r	Oct. r	Nov.
Total index.....	100.0	115.2	120.4	117.3	118.9	123.6	124.6	124.5	125.6	128.9	122.4	126.7	131.0	130.6	127.6
Products, total.....	62.21	113.8	118.5	114.2	116.6	120.6	121.8	121.2	122.4	127.3	121.6	125.1	130.6	129.2	125.2
Final products.....	48.95	111.9	116.1	112.0	115.3	119.1	120.0	118.9	120.0	125.1	118.9	122.2	128.6	127.2	123.1
Consumer goods.....	28.53	123.6	126.8	120.2	125.3	129.2	130.8	129.2	130.3	136.4	128.6	134.1	141.8	139.4	133.1
Equipment.....	20.42	95.5	101.1	100.5	101.4	104.9	105.0	104.6	105.5	109.2	105.2	105.7	110.3	110.2	109.2
Intermediate products.....	13.26	121.1	127.5	122.2	121.2	126.1	128.5	129.6	131.4	135.2	131.8	135.5	137.6	136.1	132.8
Materials.....	37.9	117.4	123.5	122.5	122.8	128.6	129.2	129.9	130.9	131.4	123.7	129.2	131.8	132.9	131.7
Consumer goods															
Durable consumer goods.....	7.86	125.7	134.8	125.1	133.3	140.6	143.5	141.3	142.7	147.5	129.2	126.9	146.2	150.6	144.3
Automotive products.....	2.84	127.7	141.9	123.9	138.5	149.1	151.5	147.6	147.4	154.4	124.3	100.5	136.6	146.1	140.5
Autos.....	1.87	112.7	132.9	109.8	134.8	144.6	143.9	135.8	138.2	148.5	108.5	69.1	121.9	140.3	135.4
Auto parts and allied goods.....	.97	156.5	159.0	150.9	145.7	157.7	166.0	170.2	165.0	165.8	154.5	160.8	164.9	157.2	150.5
Home goods.....	5.02	124.5	130.8	125.8	130.3	135.8	138.9	137.7	140.1	143.6	132.0	141.8	151.7	153.1	146.6
Appliances, TV, and home audio.....	1.41	124.6	129.1	122.0	139.7	142.6	149.0	148.2	148.5	146.8	130.1	135.0	161.6	171.9	154.7
Appliances and A/C.....	.92	144.5	143.5	134.6	153.7	157.0	166.2	165.6	166.1	162.7	150.5	134.1	168.7	176.6	155.3
TV and home audio.....	.49	87.5	102.2	98.4											
Carpeting and furniture.....	1.08	132.6	140.8	140.0	141.0	150.2	149.1	146.1	146.3	151.1	134.4	156.5	159.1	156.2	156.9
Misc. home goods.....	2.53	121.0	127.6	121.9	120.4	125.9	129.0	128.2	132.7	138.6	132.1	139.3	143.0	141.2	137.6
Nondurable consumer goods.....	20.67	122.8	123.7	118.4	122.2	124.9	126.0	124.6	125.6	132.2	128.4	136.8	140.1	135.1	128.7
Clothing.....	4.32	109.7	112.5	103.0	105.9	116.6	120.0	119.3	115.3	122.4	104.3	121.7	124.3	121.1	
Consumer staples.....	16.34	126.2	126.7	122.5	126.5	127.1	127.6	126.0	128.3	134.8	134.8	140.8	144.3	138.8	132.3
Consumer foods and tobacco.....	8.37	117.5	119.3	111.6	113.8	117.0	118.4	117.8	120.7	123.8	120.2	128.0	133.2	130.1	124.7
Nonfood staples.....	7.98	135.3	134.4	134.0	139.9	137.8	137.2	134.7	136.2	146.3	150.1	154.3	156.0	147.9	140.2
Consumer chemical products.....	1.41	124.6	145.0	133.8	139.9	140.2	147.3	146.9	154.0	164.2	157.6	157.5	166.4	164.9	154.1
Consumer paper products.....	1.91	114.8	118.5	113.2	112.4	116.2	115.5	117.8	117.0	125.1	130.1	133.2	132.1	126.5	122.7
Consumer fuel and lighting.....	3.43	139.5	135.1	145.8	155.3	148.0	141.6	134.6	133.2	144.4	159.5	163.6	161.4	146.8	139.2
Residential utilities.....	2.25	147.8	139.4	154.5	168.5	160.1	151.8	140.4	135.5	148.7	177.3	178.9	177.5	154.9	144.3
Equipment															
Business equipment.....	12.74	106.1	113.7	112.0	114.4	119.6	119.8	119.7	121.1	126.4	120.3	121.9	128.6	128.3	126.4
Industrial equipment.....	6.77	102.5	111.2	110.6	111.6	116.4	116.8	116.8	117.9	122.6	117.4	121.0	126.1	126.0	123.9
Building and mining equip.....	1.45	104.8	113.0	114.3	112.0	118.6	117.2	115.7	115.6	120.2	115.9	119.3	128.3	126.7	126.2
Manufacturing equipment.....	3.85	92.7	102.3	101.7	103.4	108.9	109.6	109.3	111.4	116.2	108.8	111.7	118.6	118.5	117.0
Power equipment.....	1.47	125.6	132.9	130.2	132.7	133.9	135.3	137.3	137.1	141.8	141.3	136.7	143.7	145.1	139.5
Commercial, transit, farm eq.....	5.97	110.3	116.5	113.6	117.6	123.3	123.2	122.9	124.7	130.7	123.5	122.9	131.5	130.8	129.3
Commercial equipment.....	3.30	118.4	125.2	122.3	123.0	127.8	126.9	129.1	131.6	140.1	139.3	140.4	144.7	140.8	139.4
Transit equipment.....	2.00	96.8	104.6	99.2	108.1	114.8	114.9	110.8	112.0	113.8	102.6	96.8	108.0	115.6	114.0
Farm equipment.....	.67	110.5	109.0	113.2	118.9	126.2	129.7	128.2	128.6	134.9	108.2	113.9	136.3	126.5	125.3
Defense and space equipment.....	7.68	77.9	80.2	81.5	79.8	80.5	80.4	79.5	79.6	80.7	80.0	78.8	79.9	80.1	80.6
Military products.....	5.15	80.1	81.7	82.4	81.2	81.9	81.8	80.8	80.3	81.3	80.5	78.4	79.0	79.1	78.6
Intermediate products															
Construction products.....	5.93	120.8	128.3	121.9	120.5	128.0	131.9	135.0	136.4	140.7	131.6	136.0	139.8	140.1	137.6
Misc. intermediate products.....	7.34	121.3	126.9	122.5	121.7	124.5	125.7	125.2	127.4	130.7	131.9	135.0	135.9	132.9	129.0
Materials															
Durable goods materials.....	20.91	113.5	121.0	121.8	121.6	128.8	130.7	131.2	132.2	132.8	124.4	128.9	133.4	133.7	133.0
Consumer durable parts.....	4.75	113.8	122.1	126.8	126.8	129.3	129.4	130.0	128.8	130.5	120.4	122.9	128.7	130.1	129.6
Equipment parts.....	5.41	99.3	108.7	111.0	110.8	114.7	117.5	117.4	118.7	120.7	116.3	119.4	123.3	122.3	123.9
Durable materials n.e.c.....	10.75	120.6	126.7	125.1	124.7	135.7	137.9	138.7	140.6	139.9	130.3	136.3	140.6	141.0	139.0
Nondurable goods materials.....	13.99	122.5	127.1	123.9	124.5	129.2	128.2	129.4	130.7	130.8	123.4	130.1	130.4	132.9	131.2
Textile, paper, and chem. mat.....	8.58	129.2	135.6	131.8	133.7	139.6	139.0	140.9	142.2	142.2	132.1	141.3	141.8	144.5	143.6
Nondurable materials n.e.c.....	5.41	111.9	113.7	111.4	110.0	112.8	111.2	111.1	112.6	112.7	109.7	112.4	112.4	114.4	111.6
Fuel and power, industrial.....	2.89	120.9	123.6	120.3	122.6	124.5	123.2	122.3	122.7	123.9	119.9	126.6	127.3	127.1	128.4
Supplementary groups															
Home goods and clothing.....	9.34	117.7	122.3	115.3	119.0	126.9	130.2	129.2	128.6	133.8	119.2	132.5	139.1	138.2	132.0
Containers.....	1.82	129.7	133.3	125.0	129.4	140.5	142.6	139.4	140.9	145.8	131.2	144.6	142.9	149.8	141.1

For NOTE see p. A-61.

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	16,946	2,842	5,144	3,631	5,329	17,869	1,266	6,365	1,523	8,715
1963 4	64,563	45,206	27,874	17,332	2,906	4,995	3,745	5,686	19,357	1,179	7,084	1,694	9,400
1964	67,413	47,030	28,010	19,020	3,565	5,396	3,994	6,065	20,383	910	7,133	1,750	10,590
1965	73,412	51,350	27,934	23,416	5,118	6,739	4,735	6,824	22,062	830	7,550	2,019	11,663
1966	76,002	51,995	25,715	26,280	6,679	6,879	5,037	7,685	24,007	727	8,405	2,194	12,681
1967	77,503	51,967	25,568	26,399	6,131	6,982	4,993	8,293	25,536	695	8,591	2,124	14,126
1968	86,626	59,021	30,565	28,456	6,021	7,761	4,382	10,292	27,605	808	9,321	1,973	15,503
1969	93,368	65,404	33,200	32,204	6,783	9,401	4,971	11,049	27,964	879	9,250	1,783	4,822
1970	94,167	66,071	31,864	34,207	6,538	9,754	5,125	12,790	28,096	718	9,981	1,908	4,832
1971	109,238	79,367	43,268	36,099	5,423	11,619	5,423	13,620	29,871	901	10,658	2,095	4,820
1972	123,836	93,640	54,186	39,454	4,676	13,462	5,898	13,418	30,196	1,080	10,448	2,172	4,996
1972—Oct.	128,513	96,201	56,361	39,840	4,345	13,720	6,197	15,578	32,312	1,076	10,642	2,205	18,389
Nov.	126,831	97,506	57,167	40,339	4,617	13,607	6,235	15,880	29,325	1,200	10,585	2,042	15,498
Dec.	131,550	98,450	57,545	40,905	4,765	13,865	6,220	16,055	33,100	1,188	11,045	2,065	18,802
1973—Jan.	135,748	102,046	59,357	42,689	5,292	15,001	6,002	16,394	33,702	1,221	11,330	2,446	19,899
Feb.	136,416	104,128	61,487	42,641	5,180	14,873	6,145	16,443	32,288	1,422	11,330	2,446	19,899
Mar.	137,467	103,838	60,747	43,091	5,479	15,071	6,179	16,362	33,629	1,303	11,330	2,446	19,899
Apr.	133,794	101,234	58,047	43,187	5,287	15,474	6,282	16,144	32,560	1,158	11,330	2,446	19,899
May	134,139	101,790	57,453	44,337	5,338	16,118	6,252	16,629	32,349	1,277	11,330	2,446	19,899
June	133,775	102,803	58,178	44,625	5,928	15,704	6,383	16,610	30,972	1,162	11,330	2,446	19,899
July	136,863	105,368	59,439	45,929	6,340	16,110	6,492	16,987	31,495	1,341	11,330	2,446	19,899
Aug.	136,867	105,815	59,829	45,986	6,687	15,800	6,122	17,377	31,052	1,048	11,330	2,446	19,899
Sept.	136,863	103,689	58,966	44,723	6,324	15,111	5,742	17,546	33,174	962	11,330	2,446	19,899
Oct.	134,856	102,665	56,268	46,397	6,573	15,561	5,883	18,380	32,191	1,032	11,330	2,446	19,899
Nov.	134,019	101,764	54,570	47,194	6,826	15,555	5,907	18,906	32,255	1,027	11,330	2,446	19,899

1 Includes religious, educational, hospital, institutional, and other buildings.

2 Sewer and water, formerly shown separately, now included in "Other."

3 Beginning July 1962, reflects inclusion of new series affecting most private nonresidential groups.

4 Beginning 1963, reflects inclusion of new series under "Public" (for State and local govt. activity only).

NOTE.—Census Bureau data; monthly series at seasonally adjusted annual rates.

NEW HOUSING UNITS

(In thousands)

Period	Units started													Mobile home shipments (N.S.A.)	
	Private (S.A., A.R.)								Private and public (N.S.A.)			Government-underwritten (N.S.A.)			
	Total	Region				Type of structure			Total	Private	Public	Total	FHA		VA
		North-east	North Central	South	West	1- family	2- to 4- family	5- or more- family							
1963	1,603	261	328	591	430	1,012	589	1,635	1,603	32	292	221	71	151	
1964	1,529	254	340	578	357	970	108	1,561	1,529	32	264	205	59	191	
1965	1,473	270	362	575	266	964	87	1,510	1,473	37	246	197	49	216	
1966	1,165	206	288	472	198	778	61	1,196	1,165	31	195	158	37	217	
1967	1,292	215	337	520	220	844	72	1,322	1,292	30	232	180	53	240	
1968	1,508	227	369	618	294	900	81	1,546	1,508	38	283	227	56	318	
1969	1,467	206	349	588	324	814	85	1,500	1,467	33	284	233	51	413	
1970	1,434	218	294	612	310	813	85	1,469	1,434	35	482	421	61	401	
1971	2,052	264	434	869	482	1,151	120	2,084	2,052	32	621	528	93	497	
1972	2,357	330	443	1,057	527	1,309	141	2,379	2,357	22	475	371	104	576	
1972—Nov.	2,395	353	400	1,106	536	1,324	134	2,379	2,357	22	475	371	104	576	
Dec.	2,369	486	330	1,080	473	1,207	128	1,034	153	186	151	2	48	38	
1973—Jan.	2,497	348	599	1,086	464	1,450	163	1,47	147	1	19	12	7	41	
Feb.	2,456	366	571	1,087	432	1,372	123	961	140	138	2	21	14	43	
Mar.	2,260	297	415	1,142	406	1,245	123	892	201	200	1	27	19	8	
Apr.	2,123	292	387	890	554	1,202	131	790	205	205	1	27	18	9	
May	2,413	267	595	999	552	1,271	162	980	234	234	1	29	18	11	
June	2,128	370	474	837	447	1,124	129	875	203	203	1	25	17	8	
July	2,191	225	487	1,063	416	1,247	151	793	203	203	1	20	12	8	
Aug.	2,094	287	481	841	485	1,125	111	858	200	197	1	23	14	9	
Sept.	1,804	283	410	748	363	982	98	724	149	148	1	15	10	6	
Oct.	1,636	250	384	671	331	951	71	614	149	146	2	15	10	6	
Nov.	1,698	249	315	772	362	945	83	670	133	131	1	15	10	6	

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 non-agricultural industries		In agriculture	
1967	133,319	52,527	80,793	77,347	74,372	70,527	3,844	2,975	3.8
1968	135,562	53,291	82,272	78,737	75,920	72,103	3,817	2,817	3.6
1969	137,841	53,602	84,240	80,734	77,902	74,296	3,606	2,832	3.5
1970	140,182	54,280	85,903	82,715	78,627	75,165	3,462	4,088	4.9
1971	142,596	55,666	86,929	84,113	79,120	75,732	3,387	4,993	5.9
1972	145,775	56,785	88,991	86,542	81,702	78,230	3,472	4,840	5.6
1972—Dec.	146,923	57,486	89,707	87,267	82,780	79,130	3,650	4,487	5.1
1973—Jan.	147,129	59,008	89,325	86,921	82,555	79,054	3,501	4,366	5.0
Feb.	147,313	58,238	89,961	87,569	83,127	79,703	3,424	4,442	5.1
Mar.	147,541	57,856	90,629	88,268	83,889	80,409	3,480	4,379	5.0
Apr.	147,729	57,906	90,700	88,350	83,917	80,606	3,311	4,433	5.0
May	147,940	58,050	90,739	88,405	84,024	80,749	3,275	4,381	5.0
June	148,147	55,417	91,247	88,932	84,674	81,271	3,403	4,258	4.8
July	148,361	55,133	91,121	88,810	84,614	81,098	3,516	4,196	4.7
Aug.	148,565	56,129	90,958	88,651	84,434	80,991	3,443	4,217	4.8
Sept.	148,782	57,484	91,694	89,403	85,127	81,757	3,370	4,276	4.8
Oct.	149,001	56,955	92,053	89,764	85,695	82,224	3,471	4,069	4.5
Nov.	149,208	57,040	92,235	89,952	85,688	82,052	3,636	4,264	4.7
Dec.	149,436	57,453	92,303	90,021	85,586	81,858	3,728	4,435	4.9

¹ Includes self-employed, unpaid family, and domestic service workers.
² Per cent of civilian labor force.

NOTE.—Bureau of Labor Statistics. Information relating to persons 16 years of age and over is obtained on a sample basis. Monthly data relate

to the calendar week that contains the 12th day; annual data are averages of monthly figures. Description of changes in series beginning 1967 is available from Bureau of Labor Statistics.

EMPLOYMENT IN NONAGRICULTURAL ESTABLISHMENTS, BY INDUSTRY DIVISION

(In thousands of persons)

Period	Total	Manufacturing	Mining	Contract construction	Transportation & public utilities	Trade	Finance	Service	Government
1967	65,857	19,447	613	3,208	4,261	13,606	3,225	10,099	11,398
1968	67,915	19,781	606	3,285	4,310	14,084	3,382	10,623	11,845
1969	70,284	20,167	619	3,435	4,429	14,639	3,564	11,229	12,202
1970	70,593	19,349	623	3,381	4,493	14,914	3,688	11,612	12,535
1971	70,645	18,529	602	3,411	4,442	15,142	3,796	11,669	12,858
1972	72,764	18,933	607	3,521	4,495	15,683	3,927	12,309	13,290
SEASONALLY ADJUSTED									
1972—Dec.	74,002	19,402	607	3,459	4,558	15,946	3,991	12,537	13,502
1973—Jan.	74,252	19,463	610	3,498	4,574	16,013	3,995	12,621	13,478
Feb.	74,715	19,586	612	3,594	4,580	16,114	4,014	12,682	13,533
Mar.	74,914	19,643	610	3,604	4,580	16,163	4,024	12,716	13,574
Apr.	75,105	19,727	608	3,571	4,591	16,217	4,031	12,746	13,614
May	75,321	19,782	608	3,620	4,593	16,256	4,044	12,776	13,642
June	75,526	19,856	629	3,654	4,597	16,262	4,049	12,820	13,659
July	75,493	19,804	631	3,680	4,598	16,294	4,048	12,828	13,610
Aug.	75,747	19,861	634	3,676	4,617	16,352	4,064	12,906	13,637
Sept.	75,961	19,882	633	3,700	4,629	16,388	4,078	12,995	13,656
Oct.	76,363	20,016	639	3,694	4,671	16,465	4,088	13,044	13,746
Nov.	76,642	20,087	643	3,707	4,651	16,529	4,093	13,122	13,810
Dec.	76,677	20,113	646	3,753	4,633	16,456	4,099	13,127	13,850
NOT SEASONALLY ADJUSTED									
1972—Dec.	74,778	19,423	603	3,373	4,558	16,669	3,971	12,474	13,707
1973—Jan.	73,343	19,279	598	3,155	4,510	15,865	3,959	12,406	13,571
Feb.	73,724	19,420	598	3,184	4,507	15,776	3,978	12,530	13,731
Mar.	74,255	19,521	598	3,294	4,539	15,880	4,000	12,627	13,796
Apr.	74,861	19,586	603	3,442	4,559	16,088	4,019	12,771	13,793
May	75,404	19,667	608	3,616	4,593	16,200	4,040	12,865	13,815
June	76,308	20,002	642	3,837	4,661	16,335	4,089	12,999	13,743
July	75,384	19,729	644	3,934	4,653	16,262	4,113	12,982	13,067
Aug.	75,686	20,018	648	3,981	4,659	16,279	4,121	13,009	12,971
Sept.	76,238	20,132	641	3,944	4,671	16,367	4,082	12,982	13,419
Oct.	76,914	20,168	640	3,923	4,680	16,515	4,076	13,057	13,855
Nov.	77,284	20,194	642	3,818	4,656	16,789	4,077	13,096	14,012
Dec.	77,449	20,136	642	3,659	4,633	17,173	4,079	13,061	14,066

NOTE.—Bureau of Labor Statistics; data include all full- and part-time employees who worked during, or received pay for, the pay period that includes the 12th of the month. Proprietors, self-employed

persons, domestic servants, unpaid family workers, and members of Armed Forces are excluded.

Beginning with 1970, series has been adjusted to Mar. 1971 benchmark.

PRODUCTION WORKER EMPLOYMENT IN MANUFACTURING INDUSTRIES

(In thousands of persons)

Industry group	Seasonally adjusted ¹				Not seasonally adjusted ¹			
	1972		1973		1972		1973	
	Dec.	Oct.	Nov. ^a	Dec. ^b	Dec.	Oct.	Nov. ^a	Dec. ^b
Total	14,256	14,720	14,767	14,799	14,282	14,866	14,879	14,826
Durable goods	8,266	8,674	8,708	8,717	8,290	8,725	8,760	8,743
Ordnance and accessories.....	102	97	93	94	103	97	95	96
Lumber and wood products.....	538	546	546	549	529	553	546	540
Furniture and fixtures.....	421	434	434	430	426	441	441	435
Stone, clay, and glass products.....	538	562	563	567	533	570	567	561
Primary metal industries.....	1,033	1,093	1,095	1,099	1,021	1,073	1,079	1,086
Fabricated metal products.....	1,082	1,131	1,134	1,127	1,092	1,142	1,147	1,138
Machinery.....	1,314	1,411	1,443	1,445	1,315	1,403	1,433	1,446
Electrical equipment and supplies.....	1,306	1,412	1,417	1,422	1,318	1,424	1,436	1,435
Transportation equipment.....	1,305	1,331	1,324	1,320	1,326	1,347	1,341	1,341
Instruments and related products.....	289	314	318	317	290	315	320	319
Miscellaneous manufacturing industries.....	338	343	341	347	337	363	356	346
Nondurable goods	5,990	6,046	6,059	6,082	5,992	6,141	6,119	6,083
Food and kindred products.....	1,175	1,171	1,179	1,191	1,162	1,239	1,203	1,178
Tobacco manufactures.....	59	59	62	62	63	69	68	65
Textile-mill products.....	894	902	903	908	898	902	908	913
Apparel and related products.....	1,172	1,161	1,155	1,152	1,170	1,175	1,168	1,150
Paper and allied products.....	547	563	563	563	551	563	567	567
Printing, publishing, and allied industries.....	660	662	664	671	666	665	668	677
Chemicals and allied products.....	590	610	608	608	588	608	607	606
Petroleum refining and related industries.....	119	120	120	121	117	121	120	119
Rubber and misc. plastic products.....	517	543	550	550	520	547	555	553
Leather and leather products.....	257	255	255	256	257	253	256	256

¹ Data adjusted to 1971 benchmark.

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

HOURS AND EARNINGS OF PRODUCTION WORKERS IN MANUFACTURING INDUSTRIES

Industry group	Average hours worked ¹ (per week; S.A.)				Average weekly earnings ¹ (dollars per week; N.S.A.)				Average hourly earnings ¹ (dollars per hour; N.S.A.)			
	1972		1973		1972		1973		1972		1973	
	Dec.	Oct.	Nov. ^a	Dec. ^b	Dec.	Oct.	Nov. ^a	Dec. ^b	Dec.	Oct.	Nov. ^a	Dec. ^b
Total	40.7	40.6	40.7	40.7	162.74	168.50	170.14	173.86	3.95	4.14	4.16	4.22
Durable goods	41.5	41.3	41.4	41.4	177.24	181.75	183.43	188.58	4.21	4.39	4.42	4.49
Ordnance and accessories.....	42.5	42.4	42.1	42.7	179.32	185.27	188.21	193.52	4.18	4.38	4.46	4.49
Lumber and wood products.....	39.8	40.3	40.5	41.8	134.52	149.37	146.65	154.24	3.38	3.67	3.63	3.69
Furniture and fixtures.....	40.0	39.4	39.5	39.5	128.52	133.27	133.27	135.41	3.15	3.34	3.34	3.36
Stone, clay, and glass products.....	41.6	41.9	42.2	42.6	166.83	180.62	181.47	182.33	4.02	4.27	4.29	4.29
Primary metal industries.....	42.4	42.7	43.4	43.3	203.94	216.91	223.94	230.45	4.81	5.14	5.22	5.31
Fabricated metal products.....	41.6	41.5	41.7	41.4	173.87	179.71	181.41	182.68	4.13	4.32	4.34	4.36
Machinery.....	42.6	42.6	42.4	42.6	192.70	196.78	197.63	205.28	4.44	4.63	4.65	4.73
Electrical equipment and supplies.....	40.5	40.0	40.3	40.0	155.77	157.18	159.56	161.59	3.79	3.91	3.93	3.98
Transportation equipment.....	42.4	41.5	41.0	40.7	219.44	214.34	213.11	223.86	5.01	5.14	5.16	5.33
Instruments and related products.....	40.6	40.8	40.9	40.9	157.03	160.74	163.55	165.60	3.83	3.93	3.96	4.00
Miscellaneous manufacturing industries.....	39.1	38.6	39.0	38.9	125.69	128.43	131.20	131.32	3.19	3.31	3.33	3.35
Nondurable goods	39.6	39.7	39.8	39.7	142.84	149.27	151.20	152.00	3.58	3.76	3.78	3.80
Food and kindred products.....	40.4	40.6	40.9	41.0	151.40	157.93	160.31	163.14	3.72	3.89	3.91	3.95
Tobacco manufactures.....	37.9	39.2	40.9	38.5	135.41	151.44	157.41	154.05	3.49	3.73	3.83	3.91
Textile-mill products.....	41.2	40.5	40.5	40.7	118.01	123.02	124.75	125.77	2.83	3.03	3.05	3.06
Apparel and related products.....	35.7	35.8	35.8	36.1	96.03	102.03	103.25	103.61	2.69	2.85	2.86	2.87
Paper and allied products.....	42.9	42.6	42.7	42.8	175.80	182.76	184.04	186.19	4.06	4.27	4.29	4.31
Printing, publishing, and allied industries.....	37.7	37.9	38.0	37.8	175.34	180.03	181.74	183.46	4.59	4.75	4.77	4.79
Chemicals and allied products.....	41.9	41.9	42.0	41.9	182.73	190.23	191.88	193.70	4.33	4.54	4.56	4.59
Petroleum refining and related industries.....	42.2	42.2	43.1	42.6	210.76	224.08	228.53	223.34	5.03	5.26	5.29	5.28
Rubber and misc. plastic products.....	41.3	40.8	41.2	40.4	154.75	157.87	161.07	158.32	3.72	3.86	3.90	3.89
Leather and leather products.....	36.5	38.0	37.9	37.5	101.93	107.16	109.06	109.63	2.74	2.85	2.87	2.87

¹ Data adjusted to 1971 benchmark.

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

WHOLESALE PRICES: DETAIL

(1967=100)

Group	1972				1973			
	Dec.	Oct.	Nov.	Dec.	Dec.	Oct.	Nov.	Dec.
<i>Farm products:</i>								
Fresh and dried produce.....	134.6	162.1	168.2	171.6				
Grains.....	137.6	229.0	220.8	248.7				
Livestock.....	152.6	185.5	180.0	171.0				
Live poultry.....	103.6	189.2	154.4	144.5				
Plant and animal fibers.....	120.9	266.5	234.0	259.3				
Fluid milk.....	123.6	168.2	177.2	177.2				
Eggs.....	143.9	177.7	181.2	190.6				
Hay and seeds.....	141.6	211.1	194.3	210.5				
Other farm products.....	135.3	154.7	152.6	149.1				
<i>Processed foods and feeds:</i>								
Cereal and bakery products.....	120.1	150.5	156.2	160.1				
Meat, poultry, and fish.....	136.3	170.2	165.0	164.9				
Dairy products.....	123.0	139.6	139.9	142.3				
Processed fruits and vegetables.....	124.7	135.0	136.3	137.8				
Sugar and confectionery.....	122.1	139.8	143.8	142.0				
Beverages and beverage materials.....	119.7	123.0	123.8	124.4				
Animal fats and oils.....	122.9	308.8	247.8	264.8				
Crude vegetable oils.....	99.2	223.0	164.7	232.5				
Refined vegetable oils.....	108.8	180.5	159.1	208.6				
Vegetable oil end products.....	119.2	167.6	164.8	168.7				
Miscellaneous processed foods.....	115.8	129.3	129.4	130.7				
Manufactured animal feeds.....	163.6	184.5	183.3	201.0				
<i>Textile products and apparel:</i>								
Cotton products.....	124.8	155.5	161.2	165.2				
Wool products.....	108.8	130.2	128.9	128.7				
Manmade fiber textile products.....	110.3	127.7	128.6	129.7				
Apparel.....	116.0	121.5	121.9	122.2				
Textile housefurnishings.....	109.9	115.2	119.1	126.4				
Miscellaneous textile products.....	119.9	127.0	132.0	131.9				
<i>Hides, skins, leather, and products:</i>								
Hides and skins.....	255.2	256.3	239.8	227.3				
Leather.....	162.2	160.7	160.4	156.1				
Footwear.....	128.7	131.0	131.9	132.5				
Other leather products.....	128.4	130.5	130.1	130.3				
<i>Fuels and related products, and power:</i>								
Coal.....	205.5	224.1	239.0	240.7				
Coke.....	159.9	167.3	167.3	170.0				
Gas fuels.....	119.2	133.4	133.1	137.6				
Electric power.....	122.9	132.1	133.5	135.9				
Crude petroleum.....	114.7	133.3	139.3	146.2				
Petroleum products, refined.....	112.0	156.6	210.9	252.0				
<i>Chemicals and allied products:</i>								
Industrial chemicals.....	101.0	105.3	105.4	105.9				
Prepared paint.....	118.2	126.0	128.1	128.6				
Paint materials.....	106.3	116.8	117.1	123.6				
Drugs and pharmaceuticals.....	103.7	104.7	104.9	105.1				
Fats and oils, inedible.....	128.2	273.0	241.8	286.0				
Agricultural chemicals and products.....	92.5	95.9	104.9	106.1				
Plastic resins and materials.....	89.3	92.4	93.1	93.0				
Other chemicals and products.....	114.0	121.2	122.1	124.6				
<i>Rubber and plastic products:</i>								
Rubber and rubber products.....	114.6	120.2	121.2	123.5				
Crude rubber.....	101.2	111.4	113.9	125.8				
Tires and tubes.....	109.7	115.1	116.3	116.3				
Miscellaneous rubber products.....	122.0	126.4	126.8	128.2				
Plastic construction products (Dec. 1969=100).....	93.3	94.7	94.4	94.8				
Unsupported plastic film and sheeting (Dec. 1970=100).....	98.6	101.1	101.4	102.2				
Laminated sheets, high pressure (Dec. 1970=100).....	97.9	97.7	99.5	99.9				
<i>Lumber and wood products:</i>								
Lumber.....	167.9	214.5	211.1	214.8				
Millwork.....	130.7	149.4	149.5	150.4				
Plywood.....	132.3	134.6	169.9	166.0				
Other wood products.....	130.5	158.2	159.0	159.1				
<i>Pulp, paper, and allied products:</i>								
Pulp, paper and products, excluding building paper and board.....	115.4	126.1	127.9	129.1				
Woodpulp.....	111.5	145.7	146.2	149.3				
Wastepaper.....	133.6	252.9	293.2	304.9				
Paper.....	117.5	122.3	124.7	125.2				
Paperboard.....	107.1	118.0	119.7	120.7				
Converted paper and paperboard.....	115.8	123.8	124.4	125.3				
Building paper and board.....	107.2	117.7	118.8	120.1				
<i>Metals and metal products:</i>								
Iron and steel.....	129.5	138.6	141.6	142.4				
Steelmill products.....	130.2	135.3	135.3	135.3				
Nonferrous metals.....	117.4	140.7	144.9	155.6				
Metal containers.....	131.1	134.8	134.8	134.8				
Hardware.....	121.4	127.7	128.2	129.1				
Plumbing equipment.....	120.8	127.8	129.1	130.2				
Heating equipment.....	119.2	120.8	121.1	121.6				
Fabricated structural metal products.....	123.3	129.6	130.9	131.8				
Miscellaneous metal products.....	124.8	132.2	133.8	134.7				
<i>Machinery and equipment:</i>								
Agricultural machinery and equip.....	122.9	127.5	128.9	129.4				
Construction machinery and equip.....	126.3	132.5	132.7	134.1				
Metalworking machinery and equip.....	121.3	127.5	128.0	128.9				
General purpose machinery and equipment.....	123.4	128.4	130.3	130.7				
Special industry machinery and equipment.....	124.6	132.9	133.3	134.9				
Electrical machinery and equip.....	110.6	113.0	113.3	114.0				
Miscellaneous machinery.....	121.0	125.2	125.6	126.3				
<i>Furniture and household durables:</i>								
Household furniture.....	118.5	125.2	126.6	127.1				
Commercial furniture.....	123.4	133.6	133.9	134.0				
Floor coverings.....	99.2	103.3	103.4	103.6				
Household appliances.....	107.9	109.1	109.5	109.8				
Home electronic equipment.....	92.3	91.5	91.5	91.1				
Other household durable goods.....	127.0	131.3	132.0	132.9				
<i>Nonmetallic mineral products:</i>								
Flat glass.....	122.5	118.2	120.6	123.6				
Concrete ingredients.....	128.5	131.9	132.0	132.1				
Concrete products.....	127.5	133.6	134.1	134.5				
Structural clay products excluding refractories.....	118.9	124.6	124.6	124.8				
Refractories.....	132.1	136.3	136.3	136.3				
Asphalt roofing.....	131.2	136.8	139.7	139.7				
Gypsum products.....	114.8	122.4	122.0	123.3				
Glass containers.....	136.4	143.5	143.5	143.5				
Other nonmetallic minerals.....	127.3	127.3	127.7	131.7				
<i>Transportation equipment:¹</i>								
Motor vehicles and equipment.....	118.4	120.0	120.1	121.4				
Railroad equipment.....	131.1	136.2	136.7	138.6				
<i>Miscellaneous products:</i>								
Toys, sporting goods, small arms, ammunition.....	115.1	119.2	119.9	120.0				
Tobacco products.....	117.5	122.7	122.8	123.0				
Notions.....	112.9	115.5	117.1	118.0				
Photographic equipment and supplies.....	107.0	108.6	108.7	109.2				
Other miscellaneous products.....	117.2	127.8	128.2	128.5				

¹ Dec. 1968 = 100.

NOTE.—Bureau of Labor Statistics indexes.

GROSS NATIONAL PRODUCT

(In billions of dollars)

Item	1929	1933	1941	1950	1968	1969	1970	1971	1972	1972		1973		
										III	IV	I	II	III
Gross national product.....	103.1	55.6	124.5	284.8	864.2	930.3	977.1	1,055.5	1,155.2	1,166.5	1,199.2	1,242.5	1,272.0	1,304.5
Final purchases.....	101.4	57.2	120.1	278.0	857.1	922.5	972.6	1,049.4	1,149.1	1,157.8	1,191.0	1,237.8	1,267.6	1,299.8
Personal consumption expenditures.....	77.2	45.8	80.6	191.0	536.2	579.5	617.6	667.2	726.5	734.1	752.6	779.4	795.6	816.0
Durable goods.....	9.2	3.5	9.6	30.5	84.0	90.8	91.3	103.6	117.4	120.2	122.9	132.2	132.8	132.8
Nondurable goods.....	37.7	22.3	42.9	98.1	230.8	245.9	263.8	278.7	299.9	302.3	310.7	322.2	330.3	341.6
Services.....	30.3	20.1	28.1	62.4	221.3	242.7	262.6	284.9	309.2	311.6	319.0	325.0	332.6	341.6
Gross private domestic investment.....	16.2	1.4	17.9	54.1	126.0	139.0	136.3	153.2	178.3	181.5	189.4	194.5	198.2	202.0
Fixed investment.....	14.5	3.0	13.4	47.3	118.9	131.1	131.7	147.1	172.3	172.9	181.2	189.9	193.7	197.3
Nonresidential.....	10.6	2.4	9.5	27.9	88.8	98.5	100.6	104.4	118.2	118.3	124.3	130.9	134.1	138.0
Structures.....	5.0	.9	2.9	9.2	30.3	34.2	36.1	37.9	41.7	41.3	43.0	45.3	47.2	49.5
Producers' durable equipment.....	5.6	1.5	6.6	18.7	58.5	64.3	64.4	66.5	76.5	77.0	81.2	85.5	86.9	88.6
Residential structures.....	4.0	.6	3.9	19.4	30.1	32.6	31.2	42.7	54.0	54.5	56.9	59.0	59.6	59.2
Nonfarm.....	3.8	.5	3.7	18.6	29.5	32.0	30.7	42.2	53.5	53.9	56.4	58.4	59.1	58.6
Change in business inventories.....	1.7	-1.6	4.5	6.8	7.1	7.8	4.5	6.1	6.0	8.7	8.2	4.6	4.5	4.7
Nonfarm.....	1.8	-1.4	4.0	6.0	6.9	7.7	4.3	4.5	5.6	8.4	7.9	4.4	4.4	3.2
Net exports of goods and services.....	1.1	.4	1.3	1.8	2.5	1.9	3.6	.8	-4.6	-3.8	-3.5	.0	2.8	7.6
Exports.....	7.0	2.4	5.9	13.8	50.6	55.5	62.9	66.3	73.5	74.0	79.7	89.7	97.2	104.5
Imports.....	5.9	2.0	4.6	12.0	48.1	53.6	59.3	65.5	78.1	77.7	83.2	89.7	94.4	97.0
Government purchases of goods and services..	8.5	8.0	24.8	37.9	199.6	210.0	219.5	234.3	255.0	254.7	260.7	268.6	275.3	279.0
Federal.....	1.3	2.0	16.9	18.4	98.8	96.2	98.7	104.4	102.3	102.7	105.5	107.3	106.8	106.8
National defense.....			13.8	14.1	78.3	78.4	74.6	71.6	74.4	71.9	72.4	74.3	74.2	74.2
Other.....			3.1	4.3	20.5	20.4	21.6	26.5	30.1	30.4	30.3	31.2	33.1	32.7
State and local.....	7.2	6.0	7.9	19.5	100.8	111.2	123.3	136.2	150.5	152.4	158.0	163.0	168.0	172.2
Gross national product in constant (1958) dollars.....	203.6	141.5	263.7	355.3	706.6	725.6	722.5	745.4	790.7	796.7	812.3	829.3	834.3	841.3

NOTE.—Dept. of Commerce estimates. Quarterly data are seasonally adjusted totals at annual rates. For back data and explanation of series, see the *Survey of Current Business*, (generally the July issue) and the Aug. 1966 Supplement to the *Survey*.

NATIONAL INCOME

(In billions of dollars)

Item	1929	1933	1941	1950	1968	1969	1970	1971	1972	1972		1973		
										III	IV	I	II	III
National income.....	86.8	40.3	104.2	241.1	711.1	766.0	800.5	859.4	941.8	949.2	978.6	1,015.0	1,038.2	1,067.4
Compensation of employees.....	51.1	29.5	64.8	154.6	514.6	566.0	603.9	644.1	707.1	713.1	731.2	757.4	774.9	794.0
Wages and salaries.....	50.4	29.0	62.1	146.8	464.9	509.7	542.0	573.8	627.3	632.5	648.7	666.7	682.3	699.3
Private.....	45.5	23.9	51.9	124.4	369.2	405.6	426.9	449.7	493.3	497.5	510.9	525.1	538.7	553.2
Military.....	.3	.3	1.9	5.0	17.9	19.0	19.6	19.4	20.3	20.0	20.1	20.9	20.5	20.4
Government civilian.....	4.6	4.9	8.3	17.4	77.8	85.1	95.5	104.7	113.8	115.1	117.7	120.7	123.1	125.7
Supplements to wages and salaries.....	.7	.5	2.7	7.8	49.7	56.3	61.9	70.3	79.7	80.5	82.5	90.8	92.6	94.7
Employer contributions for social insurance.....	.1	.1	2.0	4.0	24.3	27.8	29.7	33.7	39.0	39.3	40.2	47.4	48.3	49.4
Other labor income.....	.6	.4	.7	3.8	25.4	28.4	32.2	36.6	40.7	41.3	42.3	43.3	44.2	45.3
Proprietors' income.....	15.1	5.9	17.5	37.5	64.2	67.2	66.9	68.7	74.2	74.1	77.1	80.6	81.5	85.0
Business and professional.....	9.0	3.3	11.1	24.0	49.5	50.5	50.0	51.9	54.0	54.3	55.3	56.3	57.1	57.9
Farm.....	6.2	2.6	6.4	13.5	14.7	16.7	16.9	16.8	20.2	19.8	21.8	24.3	24.4	27.1
Rental income of persons.....	5.4	2.0	3.5	9.4	21.2	22.6	23.9	24.5	24.1	24.9	24.9	24.7	24.6	25.3
Corporate profits and inventory valuation adjustment.....	10.5	-1.2	15.2	37.7	84.3	79.8	69.2	80.1	91.1	91.5	98.8	104.3	107.9	112.0
Profits before tax.....	10.0	1.0	17.7	42.6	87.6	84.9	74.0	85.1	98.0	98.4	106.1	119.6	128.9	129.0
Profits tax liability.....	1.4	.5	7.6	17.8	39.9	40.1	34.8	37.4	42.7	42.9	45.9	52.7	57.4	57.6
Profits after tax.....	8.6	.4	10.1	24.9	47.8	44.8	39.3	47.6	55.4	55.6	60.3	66.9	71.6	71.5
Dividends.....	5.8	2.0	4.4	8.8	23.6	24.3	24.7	25.1	26.0	26.2	26.4	26.9	27.3	28.1
Undistributed profits.....	2.8	-1.6	5.7	16.0	24.2	20.5	14.6	22.5	29.3	29.4	33.9	40.0	44.2	43.4
Inventory valuation adjustment.....	.5	-2.1	-2.5	-5.0	-3.3	-5.1	-4.8	-4.9	-6.9	-6.9	-7.3	-15.4	-21.1	-17.0
Net interest.....	4.7	4.1	3.2	2.0	26.9	30.5	36.5	42.0	45.2	45.7	46.6	47.9	49.4	51.1

NOTE.—Dept. of Commerce estimates. Quarterly data are seasonally adjusted totals at annual rates. See also NOTE to table above.

RELATION OF GROSS NATIONAL PRODUCT, NATIONAL INCOME, AND PERSONAL INCOME AND SAVING

(In billions of dollars)

Item	1929	1933	1941	1950	1968	1969	1970	1971	1972	1972		1973		
										III	IV	I	II	III
Gross national product	103.1	55.6	124.5	284.8	864.2	930.3	977.1	1,055.5	1,155.2	1,166.5	1,199.2	1,242.5	1,272.0	1,301.5
Less: Capital consumption allowances	7.9	7.0	8.2	18.3	74.5	81.6	87.3	93.8	102.4	102.3	105.1	106.9	109.0	110.5
Indirect business tax and nontax liability	7.0	7.1	11.3	23.3	78.6	85.9	93.5	102.4	109.5	110.5	112.8	115.6	117.2	118.5
Business transfer payments	.6	.7	.5	.8	3.4	3.8	4.0	4.3	4.6	4.7	4.7	4.8	4.9	5.0
Statistical discrepancy	.7	.6	.4	1.5	-2.7	-6.1	-6.4	-3.4	1.5	1.6	0.2	1.1	3.2	3.7
Plus: Subsidies less current surplus of government enterprises	-.1	.....	.1	.2	.7	1.0	1.7	1.2	1.7	1.8	2.2	.9	.4	.6
Equals: National income	86.8	40.3	104.2	241.1	711.1	766.0	800.5	859.4	941.8	949.2	978.6	1,015.0	1,038.2	1,067.4
Less: Corporate profits and inventory valuation adjustment	10.5	-1.2	15.2	37.7	84.3	79.8	69.2	80.1	91.1	91.5	98.8	104.3	107.9	112.0
Contributions for social insurance	.2	.3	2.8	6.9	47.1	54.2	57.7	64.6	73.7	74.5	75.8	89.3	90.9	93.0
Excess of wage accruals over disbursements	.....	.....	.....	.....	.....	.....	.0	.6	.5	-.2	.0	.0	-.3	.0
Plus: Government transfer payments	.9	1.5	2.6	14.3	56.1	61.9	75.1	88.9	98.3	96.4	107.3	108.8	110.8	113.7
Net interest paid by government and consumers	2.5	1.6	2.2	7.2	26.1	28.7	31.0	31.0	32.7	32.9	33.7	34.7	36.1	38.0
Dividends	5.8	2.0	4.4	8.8	23.6	24.3	24.7	25.1	26.0	26.2	26.4	26.9	27.3	28.1
Business transfer payments	.6	.7	.5	.8	3.4	3.8	4.0	4.3	4.6	4.7	4.7	4.8	4.9	5.0
Equals: Personal income	85.9	47.0	96.0	227.6	688.9	750.9	808.3	863.5	939.2	943.7	976.1	996.6	1,019.0	1,047.1
Less: Personal tax and nontax payments	2.6	1.5	3.3	20.7	97.9	116.5	116.6	117.5	142.2	142.8	147.4	145.1	149.3	156.0
Equals: Disposable personal income	83.3	45.5	92.7	206.9	591.0	634.4	691.7	746.0	797.0	800.9	828.7	851.5	869.7	891.1
Less: Personal outlays	79.1	46.5	81.7	193.9	551.2	596.2	635.5	685.8	747.2	755.1	774.3	801.5	818.7	840.1
Personal consumption expenditures	77.2	45.8	80.6	191.0	536.2	579.5	617.6	667.2	726.5	734.1	752.6	779.4	795.6	816.0
Consumer interest payments	1.5	.5	.9	2.4	14.3	15.8	16.8	17.7	19.7	20.0	20.7	21.2	22.0	23.0
Personal transfer payments to foreigners	.3	.2	.2	.5	.8	.9	1.0	1.0	1.0	1.0	1.1	.9	1.0	1.1
Equals: Personal saving	4.2	.9	11.0	13.1	39.8	38.2	56.2	60.2	49.7	45.8	54.4	50.0	51.0	51.1
Disposable personal income in constant (1958) dollars	150.6	112.2	190.3	249.6	499.0	513.6	534.8	554.9	577.9	579.3	595.1	603.9	604.8	609.5

NOTE.—Dept. of Commerce estimates. Quarterly data are seasonally adjusted totals at annual rates. See also NOTE to table at top of opposite page.

PERSONAL INCOME

(In billions of dollars)

Item	1971	1972	1972				1973								
			Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov. ^a
Total personal income	863.5	939.2	977.6	983.6	989.1	997.4	1,003.3	1,011.6	1,018.7	1,026.6	1,035.6	1,047.3	1,058.5	1,067.5	1,076.2
Wage and salary disbursements	573.3	627.8	648.4	654.0	661.7	667.2	671.1	677.6	682.0	688.2	693.2	698.9	706.0	711.2	716.8
Commodity-producing industries	206.3	226.0	235.0	236.8	239.2	242.2	243.5	245.9	248.3	251.7	253.4	254.8	257.8	259.5	261.6
Manufacturing only	160.5	175.9	183.8	185.6	187.1	189.6	190.6	192.9	194.7	197.0	197.9	198.7	200.8	202.5	203.9
Distributive industries	138.3	151.5	155.6	157.2	158.7	159.3	160.6	162.2	163.2	164.5	165.3	167.1	168.7	169.6	171.0
Service industries	104.7	116.1	119.8	121.3	122.9	124.1	124.9	126.4	126.8	127.7	129.4	130.8	132.5	132.9	133.9
Government	123.9	134.2	138.1	138.7	140.9	141.6	142.2	143.1	143.7	144.4	145.1	146.2	147.0	149.2	150.4
Other labor income	36.6	40.7	42.3	42.7	43.0	43.3	43.6	43.9	44.2	44.5	44.8	45.3	45.8	46.2	46.7
Proprietors' income	68.7	74.2	77.5	77.9	80.1	80.6	81.0	81.0	81.5	81.9	83.7	85.1	86.4	87.4	88.1
Business and professional	51.9	54.0	55.1	55.6	56.1	56.3	56.4	56.8	57.1	57.3	57.8	58.0	58.1	58.5	58.7
Farm	16.8	20.2	22.4	22.3	24.0	24.3	24.6	24.2	24.4	24.6	25.9	27.1	28.3	28.9	29.4
Rental income	24.5	24.1	24.7	24.9	24.8	24.8	24.6	24.3	24.6	24.9	25.0	25.3	25.5	25.6	25.7
Dividends	25.1	26.0	26.3	26.5	26.8	26.9	27.0	27.3	27.3	27.4	27.6	28.2	28.3	28.5	28.7
Personal interest income	73.0	78.0	80.4	81.1	81.9	82.6	83.4	84.5	85.7	86.5	87.8	89.0	90.3	91.5	92.5
Transfer payments	93.2	103.0	113.7	112.6	112.5	113.8	114.5	115.3	115.9	116.0	116.9	119.0	120.2	121.1	121.9
Less: Personal contributions for social insurance	30.9	34.7	35.7	35.9	41.7	41.9	42.0	42.4	42.5	42.8	43.4	43.6	43.9	44.0	44.2
Nonagricultural income	839.8	911.5	947.7	953.6	957.4	965.3	970.9	979.5	986.4	994.2	1,001.8	1,012.1	1,021.8	1,030.0	1,037.9
Agricultural income	23.7	27.7	29.9	30.0	31.8	32.1	32.4	32.0	32.2	32.4	33.8	35.2	36.7	37.5	38.2

NOTE.—Dept. of Commerce estimates. Monthly data are seasonally adjusted totals at annual rates. See also NOTE to table at top of opposite page.

SUMMARY OF FUNDS RAISED AND ADVANCED IN U.S. CREDIT MARKETS

(Seasonally adjusted annual rates; in billions of dollars)

Transaction category, or sector	1966	1967	1968	1969	1970	1971	1972	1971		1972		1973	
								H1	H2	H1	H2		
Funds raised, by type and sector													
1 Total funds raised by nonfinancial sectors.....	67.7	82.2	94.6	91.4	97.5	146.7	166.1	134.7	158.7	145.2	187.3	201.0	1
2 Excluding equities.....	66.9	80.0	95.9	88.0	92.6	135.0	156.1	123.8	146.1	134.7	177.8	192.1	2
3 U.S. Government.....	3.6	13.0	13.4	-3.6	12.8	25.5	17.3	22.7	28.4	12.4	22.2	17.1	3
4 Public debt securities.....	2.3	8.9	10.3	-1.3	12.9	26.0	13.9	24.2	27.8	10.5	17.2	15.8	4
5 Budget agency issues.....	1.3	4.1	3.1	-2.4	-1	-5	3.4	-1.6	.5	1.9	4.9	1.3	5
6 All other nonfinancial sectors.....	64.1	69.2	81.2	95.0	84.7	121.2	148.8	112.0	130.4	132.8	165.1	183.9	6
7 Corporate equities.....	.8	2.2	-1.4	3.4	4.9	11.7	10.0	10.9	12.6	10.4	9.5	8.8	7
8 Debt instruments.....	63.3	67.0	82.6	91.6	79.8	109.5	138.8	101.1	117.8	122.3	155.6	175.1	8
9 Debt capital instruments.....	38.9	45.7	50.6	50.6	57.7	83.2	92.4	79.5	86.9	87.3	97.6	92.3	9
10 State and local government securities.....	5.6	7.8	9.5	9.9	11.3	16.6	11.9	17.9	15.4	12.0	11.9	7.4	10
11 Corporate and foreign bonds.....	11.0	15.9	14.0	13.0	20.6	19.7	13.2	22.3	17.2	14.4	12.0	10.0	11
12 Mortgages.....	22.3	22.0	27.1	27.7	25.7	46.8	67.3	39.3	54.3	60.9	73.7	74.9	12
13 Home mortgages.....	11.7	11.5	15.1	15.7	12.8	26.0	39.7	20.6	31.5	35.6	43.7	41.4	13
14 Other residential.....	3.1	3.6	3.4	4.7	5.8	8.8	10.3	8.5	9.1	9.1	11.5	14.1	14
15 Commercial.....	5.7	4.7	6.4	5.3	5.3	10.0	14.8	8.5	11.5	13.5	16.0	15.1	15
16 Farm.....	1.8	2.3	2.2	1.9	1.8	2.0	2.6	1.7	2.3	2.7	2.5	4.3	16
17 Other private credit.....	24.4	21.3	32.0	41.0	22.1	26.3	46.4	21.7	30.9	35.0	58.0	82.8	17
18 Bank loans n.e.c.....	10.7	9.5	13.1	15.3	6.4	9.3	21.8	5.1	13.5	14.5	29.3	54.0	18
19 Consumer credit.....	6.4	4.5	10.0	10.4	6.0	11.2	19.2	8.9	13.6	15.8	22.5	24.7	19
20 Open-market paper.....	1.0	2.1	1.6	3.3	3.8	-9	-1.6	-1.0	-8	-3	-2.8	-3.4	20
21 Other.....	6.2	5.1	7.2	12.0	5.9	6.6	7.0	8.7	4.6	5.0	9.0	7.6	21
22 By borrowing sector.....	64.1	69.2	81.2	95.0	84.7	121.2	148.8	112.0	130.4	132.8	165.1	183.9	22
23 Debt instruments.....	63.3	67.0	82.6	91.6	79.8	109.5	138.8	101.1	117.8	122.3	155.6	175.1	23
24 Foreign.....	1.6	4.0	2.9	2.9	3.0	5.7	3.8	5.3	6.1	3.4	4.3	11.2	24
25 State and local governments.....	6.3	7.9	9.8	10.7	11.4	17.0	12.3	17.9	16.1	11.9	12.7	7.5	25
26 Households.....	22.6	19.0	29.6	32.2	22.9	38.3	63.2	30.0	46.6	56.2	70.5	71.9	26
27 Nonfinancial business.....	32.8	36.0	40.2	45.9	42.5	48.5	59.5	47.9	49.0	50.9	68.2	84.5	27
28 Farm.....	3.1	3.6	2.8	3.2	3.2	4.1	4.9	4.0	4.2	4.4	5.3	7.3	28
29 Nonfarm noncorporate.....	5.4	5.0	5.6	7.4	5.3	8.7	10.4	9.3	8.1	9.5	11.6	13.4	29
30 Corporate.....	24.3	27.4	31.8	35.4	33.9	35.7	44.2	34.6	36.8	37.0	51.2	63.8	30
31 Corporate equities.....	.8	2.2	-1.4	3.4	4.9	11.7	10.0	10.9	12.6	10.4	9.5	8.8	31
32 Foreign.....	-3	1.1	2	.5	1	*	-4	.4	-3	-2	-6	-4	32
33 Corporate business.....	1.1	2.2	-1.5	2.9	4.8	11.7	10.4	10.5	12.9	10.7	10.1	9.2	33
Totals including equities.....													
34 Foreign.....	1.3	4.0	3.1	3.3	3.0	5.7	3.4	5.7	5.8	3.2	3.7	10.8	34
35 Nonfinancial business.....	33.9	38.2	38.7	48.8	47.3	60.2	69.9	58.4	61.9	66.6	78.3	93.7	35
36 Corporate.....	25.4	29.6	30.3	38.3	38.8	47.4	54.6	45.1	49.7	47.7	61.3	73.0	36
37 Memo: U.S. Govt. cash balance.....	-4	1.2	-1.1	.4	2.8	3.2	.5	-2	6.6	-3.0	4.0	3.6	37
Totals net of changes in U.S. Govt. cash balances.....													
38 Total funds raised.....	68.1	81.1	95.7	91.0	94.7	143.5	165.6	134.9	152.1	148.1	183.3	197.4	38
39 By U.S. Government.....	4.0	11.8	14.5	-4.0	10.0	22.3	16.8	22.9	21.7	15.4	18.1	13.5	39
Private domestic net investment and borrowing in credit markets													
Total, households and business.....													
1 Total capital outlays ¹	190.6	188.1	207.6	226.7	224.2	252.5	291.1	246.3	258.7	279.9	302.3	323.8	1
2 Capital consumption ²	118.5	128.4	140.4	154.3	166.0	179.0	193.4	175.8	182.2	190.3	196.6	205.5	2
3 Net physical investment.....	72.2	59.7	67.2	72.4	58.2	73.5	97.7	70.5	76.6	89.7	105.7	118.3	3
4 Net funds raised.....	56.5	57.3	68.3	81.0	70.2	98.5	133.1	88.4	108.5	117.7	148.8	165.6	4
5 Excess net investment ³	15.7	2.4	-1.1	-8.6	-12.0	-25.0	-35.4	-17.9	-32.0	-28.0	-43.1	-47.4	5
Total business.....													
6 Total capital outlays.....	96.4	93.4	97.9	108.9	108.0	116.6	133.3	115.8	117.3	127.4	139.3	145.6	6
7 Capital consumption.....	54.2	58.5	63.2	69.5	74.6	80.3	87.6	78.8	81.7	86.2	88.9	92.7	7
8 Net physical investment.....	42.3	35.0	34.7	39.4	33.5	36.3	45.8	37.0	35.5	41.2	50.4	53.0	8
9 Net debt funds raised.....	32.8	36.0	40.2	45.9	42.5	48.5	59.5	47.9	49.0	50.9	68.2	84.5	9
10 Corporate equity issues.....	1.1	2.2	-1.5	2.9	4.8	11.7	10.4	10.5	12.9	10.7	10.1	9.2	10
11 Excess net investment ³	8.4	-3.2	-4.0	-9.4	-13.8	-23.9	-24.1	-21.4	-26.4	-20.4	-27.9	-40.7	11
Corporate business.....													
12 Total capital outlays.....	76.5	71.4	75.0	83.7	84.0	86.7	100.7	86.5	87.0	96.0	105.4	108.6	12
13 Capital consumption.....	38.2	41.5	45.1	49.8	53.6	57.7	62.8	56.7	58.7	61.8	63.8	66.5	13
14 Net physical investment.....	38.3	29.9	29.9	33.9	30.4	29.1	37.8	29.8	28.3	34.1	41.5	42.1	14
15 Net debt funds raised.....	24.3	27.4	31.8	35.4	33.9	35.7	44.2	34.6	36.8	37.0	51.2	63.8	15
16 Corporate equity issues.....	1.1	2.2	-1.5	2.9	4.8	11.7	10.4	10.5	12.9	10.7	10.1	9.2	16
17 Excess net investment ³	12.9	.3	-4	-4.4	-8.4	-18.3	-16.8	-15.3	-21.4	-13.5	-19.8	-30.9	17
Households.....													
18 Total capital outlays.....	94.2	94.6	109.7	117.8	116.2	135.9	157.8	130.4	141.4	152.6	163.0	178.2	18
19 Capital consumption.....	64.3	69.9	77.2	84.8	91.4	98.7	105.9	97.0	100.4	104.1	107.7	112.9	19
20 Net physical investment.....	29.9	24.7	32.5	33.0	24.7	37.2	51.9	33.5	41.0	48.5	55.3	65.3	20
21 Net funds raised.....	22.6	19.0	29.6	32.2	22.9	38.3	63.2	30.0	46.6	56.2	70.5	71.9	21
22 Excess net investment ³	7.3	5.7	2.9	.8	1.8	-1.1	-11.3	3.5	-5.6	-7.6	-15.2	-6.6	22

¹ Capital outlays are totals for residential and nonresidential fixed capital, net change in inventories, and consumer durables, except outlays by financial business.

² Capital consumption includes amounts for consumer durables and excludes financial business capital consumption.

³ Excess of net investment over net funds raised.

NOTE.—Full statements for sectors and transaction types are available on a quarterly basis and annually for flows and for amounts outstanding. Requests for these statements should be addressed to the Flow of Funds Section, Division of Research and Statistics, Board of Governors of the Federal Reserve System, Washington, D.C., 20551.

Funds raised by type and sector. Credit flows included here are the net amounts raised by households, nonfinancial business, governments, and foreigners. All funds raised by financial sectors are excluded. U.S. Government budget issues (line 4) are loan participation certificates issued by CCC, Export-Import Bank, FNMA, and GNMA, together with security issues by FHA, Export-Import Bank, and TVA. Issues by Federally sponsored credit agencies are excluded as borrowing by financial institutions. Such issues are in U.S. Government securities on p. A-71, line 11. Corporate share issues are net cash issues by nonfinancial and foreign corporations. Mortgages exclude loans in process. Open-market paper is commercial paper issued by nonfinancial corporations plus bankers' acceptances.

DIRECT AND INDIRECT SOURCES OF FUNDS TO CREDIT MARKETS

(Seasonally adjusted annual rates; in billions of dollars)

Transaction category, or sector	1966	1967	1968	1969	1970	1971	1972	1971		1972		1973	
								III	II2	III	II2	III	
1 Total funds advanced in credit markets to nonfinancial sectors	66.9	80.0	95.9	88.0	92.6	135.0	156.1	123.8	146.1	134.7	177.8	192.1	1
By public agencies and foreign													
2 Total net advances	11.9	11.3	12.2	15.8	28.0	41.3	16.9	38.6	44.0	19.7	14.1	42.6	2
3 U.S. Government securities	3.4	6.8	3.4	.9	15.7	33.4	7.3	32.9	34.0	12.7	2.0	21.4	3
4 Residential mortgages	2.8	2.1	2.8	4.6	5.7	5.7	5.2	4.2	7.1	6.2	4.3	5.0	4
5 FHLB advances to S&L's	.9	-2.5	.9	4.0	1.3	-2.7	*	-5.5	.2	-2.4	2.5	7.8	5
6 Other loans and securities	4.8	4.9	5.1	6.3	5.2	4.9	4.3	7.1	2.7	3.2	5.4	8.5	6
By agency													
7 U.S. Government	4.9	4.6	4.9	2.9	2.8	3.2	2.3	4.3	2.2	1.5	3.1	.5	7
8 Sponsored credit agencies	5.1	-1.	3.2	9.0	9.9	2.8	6.0	-1.4	7.0	7.5	4.5	18.7	8
9 Monetary authorities	3.5	4.8	3.7	4.2	5.0	8.8	.2	8.4	9.3	4.5	-4.1	12.0	9
10 Foreign	-1.6	2.0	.3	-3	10.3	26.4	8.4	27.3	25.5	6.2	10.6	11.5	10
11 Agency borrowing not included in line 1	4.8	-6	3.5	8.8	8.2	4.3	6.2	.9	7.7	7.4	5.0	17.6	11
Private domestic funds advanced													
12 Total net advances	59.8	68.1	87.2	80.9	72.8	98.0	145.4	86.1	109.9	122.4	168.6	167.1	12
13 U.S. Government securities	5.4	5.7	13.3	4.6	5.4	-3.5	16.3	-9.2	2.1	7.1	25.3	13.4	13
14 State and local obligations	5.6	7.8	9.5	9.9	11.3	16.6	11.9	17.9	15.4	12.0	11.9	7.4	14
15 Corporate and foreign bonds	10.3	16.0	13.8	12.5	20.0	19.5	13.2	22.1	16.8	14.2	12.1	9.7	15
16 Residential mortgages	12.0	13.0	15.5	15.7	12.8	29.1	44.6	24.8	33.4	38.4	50.8	50.4	16
17 Other mortgages and loans	27.4	23.1	35.9	42.2	24.6	33.7	59.5	25.0	42.3	48.3	71.0	94.0	17
18 Less: FHLB advances	.9	-2.5	.9	4.0	1.3	-2.7	*	-5.5	.2	-2.4	2.5	7.8	18
Private financial intermediation													
19 Credit market funds advanced by private financial institutions	45.4	63.5	75.3	54.9	74.9	111.4	150.2	112.2	110.6	130.5	170.1	188.0	19
20 Commercial banking	17.5	35.9	38.7	18.2	35.1	50.6	69.7	53.2	48.0	57.2	82.4	100.8	20
21 Savings institutions	7.9	15.0	15.6	14.5	16.9	41.5	48.7	45.4	37.5	48.2	48.9	49.9	21
22 Insurance and pension funds	15.5	12.9	14.0	12.3	17.3	14.1	16.0	12.5	15.7	14.1	17.8	23.1	22
23 Other finance	4.5	-3	7.0	9.9	5.7	5.3	15.8	1.2	9.4	10.6	21.0	14.2	23
24 Sources of funds	45.4	63.5	75.3	54.9	74.9	111.4	150.2	112.2	110.6	130.5	170.1	188.0	24
25 Private domestic deposits	22.5	50.0	45.9	2.6	63.2	90.8	97.8	107.7	73.9	97.9	97.0	103.0	25
26 Credit market borrowing	3.2	-4	8.5	19.1	-4	9.2	20.2	2.6	15.9	16.4	24.9	36.9	26
27 Other sources	19.8	13.9	21.0	33.3	12.1	11.3	32.2	1.9	20.8	16.2	48.2	48.1	27
28 Foreign funds	3.7	2.3	2.6	9.3	-8.5	-3.2	5.1	-7.2	.8	5.5	4.7	5.0	28
29 Treasury balances	-5	2	2	*	2.9	2	7	-8	5.3	-3.6	5.1	-1.4	29
30 Insurance and pension reserves	13.6	12.0	11.4	10.4	13.1	9.6	11.3	7.7	11.5	8.4	14.1	16.5	30
31 Other, net	3.0	-6	7.2	13.5	4.5	2.7	15.1	2.2	3.2	5.9	24.3	28.0	31
Private domestic nonfinancial investors													
32 Direct lending in credit markets	17.6	4.2	20.3	45.0	-2.4	-4.2	15.4	-23.5	15.2	8.3	22.5	16.0	32
33 U.S. Government securities	8.2	-1.4	8.0	16.8	-8.3	-13.0	4.1	-22.4	-3.5	-3.3	11.5	11.3	33
34 State and local obligations	2.6	-2.5	-2	8.7	-1.1	-1	2.3	-2.7	2.6	.9	3.4	1.3	34
35 Corporate and foreign bonds	2.1	4.6	4.7	7.4	10.1	8.2	4.9	8.6	7.7	4.5	5.2	1.6	35
36 Commercial paper	2.3	1.9	5.8	10.2	-4.4	-6	3.7	-7.3	6.0	6.7	.8	-4	36
37 Other	2.3	1.7	2.1	2.0	1.4	1.3	.6	.3	2.3	-1.4	1.7	2.2	37
38 Deposits and currency	24.4	52.1	48.3	5.4	66.6	94.2	102.2	110.6	77.9	103.3	101.3	109.0	38
39 Time and savings accounts	20.3	39.3	33.9	-2.3	56.1	81.2	85.7	92.6	69.8	88.8	82.6	99.0	39
40 Large negotiable CDs	-2	4.3	3.5	-13.7	15.0	7.7	8.7	3.4	12.0	2.1	15.3	27.3	40
41 Other at commercial banks	13.3	18.3	17.5	3.4	24.2	32.9	31.0	44.0	21.9	38.9	23.2	33.9	41
42 At savings institutions	7.3	16.7	12.9	8.0	16.9	40.6	46.0	45.3	35.9	47.8	44.1	37.9	42
43 Money	4.1	12.8	14.5	7.7	10.5	13.0	16.5	17.9	8.1	14.5	18.7	10.0	43
44 Demand deposits	2.1	10.6	12.1	4.8	7.1	9.6	12.1	15.1	4.1	9.1	15.3	3.9	44
45 Currency	2.0	2.1	2.4	2.8	3.5	3.4	4.4	2.8	3.9	5.5	3.4	6.0	45
46 Total of credit market instr., deposits, and currency	42.0	56.3	68.7	50.5	64.2	90.0	117.7	87.1	93.0	111.7	123.8	125.1	46
47 Public support rate (in per cent)	17.9	14.1	12.7	18.0	30.2	30.6	10.8	31.2	30.1	14.6	7.9	22.2	47
48 Private financial intermediation (in per cent)	75.9	93.2	86.4	67.9	102.8	113.7	103.3	130.3	100.7	106.6	100.9	112.5	48
49 Total foreign funds	2.1	4.3	2.9	9.1	1.8	23.2	13.5	20.1	26.3	11.6	15.3	16.4	49

Corporate equities not included above

1 Total net issues	4.6	5.3	5.1	9.5	9.5	14.7	12.0	13.0	16.3	12.4	11.5	9.6	1
2 Mutual fund shares	3.7	3.0	5.8	4.8	2.6	1.2	-6	.3	2.1	-8	4	-1.7	2
3 Other equities	.9	2.3	-.7	4.7	6.9	13.5	12.6	12.7	14.2	13.3	12.0	11.3	3
4 Acquisitions by financial institutions	6.0	9.1	10.8	12.2	11.4	19.2	15.6	23.4	15.0	17.6	13.6	12.4	4
5 Other net purchases	-1.4	-3.8	-5.8	-2.7	-1.9	-4.6	-3.6	-10.4	1.3	-5.1	-2.1	-2.8	5

Notes

- Line
- 1. Line 2 of p. A-70.
- 2. Sum of lines 3-6 or 7-10.
- 6. Includes farm and commercial mortgages.
- 11. Credit market funds raised by Federally sponsored credit agencies. Included below in lines 13 and 33. Includes all GNMA-guaranteed security issues backed by mortgage pools.
- 12. Line 1 less line 2 plus line 11. Also line 19 less line 26 plus line 32. Also sum of lines 27, 32, 39, and 44.
- 17. Includes farm and commercial mortgages.
- 25. Lines 39 + 44.
- 26. Excludes equity issues and investment company shares. Includes line 18.
- 28. Foreign deposits at commercial banks, bank borrowings from foreign branches, and liabilities of foreign banking agencies to foreign affiliates.
- 29. Demand deposits at commercial banks.
- 30. Excludes net investment of these reserves in corporate equities.
- 31. Mainly retained earnings and net miscellaneous liabilities.
- 32. Line 12 less line 19 plus line 26.
- 33-37. Lines 13-17 less amounts acquired by private finance. Line 37 includes mortgages.
- 39-44. See line 25.
- 45. Mainly an offset to line 9.
- 46. Lines 32 plus 38 or line 12 less line 27 plus line 45.
- 47. Line 2/line 1.
- 48. Line 19/line 12.
- 49. Lines 10 plus 28.

Corporate equities

Line 1 and 3. Includes issues by financial institutions.

1. U.S. BALANCE OF PAYMENTS

(In millions of dollars)

Line	Credits+, debits—	1970	1971	1972 ^r	1972		1973		
					III	IV ^r	I ^r	II	III ^p
Summary—Seasonally adjusted									
1	Merchandise trade balance ¹	2,176	-2,698	-6,912	-1,573	-1,745	-960	-244	714
2	Exports.....	41,964	42,768	48,769	12,362	13,213	15,320	16,778	18,153
3	Imports.....	-39,788	-45,466	-55,681	-13,935	-14,958	-16,280	-17,022	-17,439
4	Military transactions, net.....	-3,374	-2,918	-3,558	-846	-864	-825	-730	-576
5	Travel and transportation, net.....	-2,013	-2,288	-2,853	-679	-730	-608	-703	-526
6	Investment income, net ²	6,260	7,972	7,863	1,950	2,232	2,309	2,111	2,311
7	U.S. direct investments abroad.....	7,920	9,456	10,433	2,600	2,991	3,152	3,223	3,449
8	Other U.S. investments abroad.....	3,506	3,443	3,492	876	875	1,006	1,088	1,187
9	Foreign investments in the United States.....	-5,166	-4,927	-6,062	-1,526	-1,634	-1,849	-2,200	-2,325
10	Other services, net.....	581	739	851	209	237	234	240	225
11	Balance on goods and services ³	3,630	807	-4,610	-939	-870	150	674	2,148
12	Remittances, pensions, and other transfers.....	-1,481	-1,553	-1,570	-373	-429	-397	-389	-422
13	Balance on goods, services, and remittances.....	2,150	-745	-6,180	-1,312	-1,299	-247	285	1,726
14	U.S. Government grants (excluding military).....	-1,734	-2,045	-2,174	-581	-452	-345	-652	-509
15	Balance on current account.....	416	-2,790	-8,353	-1,893	-1,751	-592	-367	1,217
16	U.S. Government capital flows excluding nonscheduled repayments, net ⁴	-1,829	-2,117	-1,714	-542	-627	-671	-583	-554
17	Nonscheduled repayments of U.S. Government assets.....	244	225	137	7	26	111	174	4
18	U.S. Government nonliquid liabilities to other than foreign official reserve agencies.....	-433	-467	238	169	15	224	484	187
19	Long-term private capital flows, net.....	-1,429	-4,401	-152	-393	781	-16	-317	1,685
20	U.S. direct investments abroad.....	-4,410	-4,943	-3,404	-1,148	-771	-2,025	-946	-228
21	Foreign direct investments in the United States.....	1,030	-115	160	178	160	273	534	720
22	Foreign securities.....	-942	-966	-614	209	-40	51	-126	-204
23	U.S. securities other than Treasury issues.....	2,190	2,269	4,335	553	1,768	1,745	496	1,159
24	Other, reported by U.S. banks.....	178	-862	-1,120	-426	-442	-103	-257	243
25	Other, reported by U.S. nonbanking concerns.....	526	216	492	241	106	43	-18	-5
26	Balance on current account and long-term capital ⁴	-3,031	-9,550	-9,843	-2,652	-1,556	-944	-609	2,539
27	Nonliquid short-term private capital flows, net.....	-482	-2,347	-1,637	-430	-982	-1,822	-1,404	234
28	Claims reported by U.S. banks.....	-1,023	-1,802	-1,495	-267	-859	-1,809	-1,362	199
29	Claims reported by U.S. nonbanking concerns.....	-361	-530	-315	-122	-250	-48	-18	-233
30	Liabilities reported by U.S. nonbanking concerns.....	902	-15	173	-41	127	35	-24	268
31	Allocations of Special Drawing Rights (SDR's).....	867	717	710	177	177	.....	.....	.....
32	Errors and omissions, net.....	-1,205	-10,784	-3,112	-1,626	-1,490	-3,891	425	-1,355
33	Net liquidity balance.....	-3,851	-21,965	-13,882	-4,531	-3,851	-6,657	-1,588	1,418
34	Liquid private capital flows, net.....	-5,988	-7,788	3,542	7	2,367	-3,842	1,923	690
35	Liquid claims.....	252	-1,097	-1,234	-410	-131	-1,966	818	-290
36	Reported by U.S. banks.....	-99	-566	-742	-274	-77	-1,351	905	-342
37	Reported by U.S. nonbanking concerns.....	351	-331	-492	-136	-54	-615	-87	52
38	Liquid liabilities.....	-6,240	-6,691	4,776	417	2,498	-1,876	1,105	980
39	To foreign commercial banks.....	-6,508	-6,908	3,862	295	1,995	-1,896	710	866
40	To international and regional organizations.....	181	682	104	-32	181	12	31	-52
41	To other foreigners.....	87	-465	810	154	322	8	364	166
42	Official reserve transactions balance.....	-9,839	-29,753	-10,340	-4,524	-1,484	-10,499	335	2,108
43	Financed by changes in:								
44	Liquid liabilities to foreign official agencies.....	7,637	27,615	9,720	4,467	1,645	9,120	-778	-1,654
45	Other readily marketable liabilities to foreign official agencies ⁵	-810	-551	399	34	117	1,202	259	11
46	Nonliquid liabilities to foreign official reserve agencies reported by U.S. Govt.....	535	341	189	78	-167	-43	167	-452
47	U.S. official reserve assets, net.....	2,477	2,348	32	-55	-111	220	17	-13
48	Gold.....	787	866	547	3	.....	.....	.....	.....
49	SDR's.....	-851	-249	-703	-177	-177	.....	9	.....
50	Convertible currencies.....	2,152	381	35	134	82	233	.....	.....
51	Gold tranche position in IMF.....	389	1,350	153	-15	-16	-13	8	.....
52	Memoranda:								
51	Transfers under military grant programs (excluded from lines 2, 4, and 14).....	2,586	3,153	4,200	1,189	949	716	833	521
52	Reinvested earnings of foreign incorporated affiliates of U.S. firms (excluded from lines 7 and 20).....	2,948	3,192	4,521	(6)	(6)	(6)	(6)	(6)
53	Reinvested earnings of U.S. incorporated affiliates of foreign firms (excluded from lines 9 and 21).....	434	498	548	(6)	(6)	(6)	(6)	(6)

For notes see end of table.

1. U.S. BALANCE OF PAYMENTS—Continued

(In millions of dollars)

Credits +, debits -	1970	1971	1972 ^r	1972		1973		
				III	IV	I ^r	II	III ^r
Balances excluding allocations of SDR's—Seasonally adjusted								
Net liquidity balance.....	-4,718	-22,682	-14,592	-4,708	-4,028	-6,657	-1,588	1,418
Official reserve transactions balance.....	-10,706	-30,470	-11,050	-4,701	-1,661	-10,499	335	2,108
Balances not seasonally adjusted								
Balance on goods and services.....	3,630	807	-4,610	-2,409	168	819	787	251
Balance on goods, services, and remittances.....	2,150	-745	-6,180	-2,796	-263	448	390	185
Balance on current account.....	416	-2,790	-8,353	-3,333	-698	74	-295	-649
Balance on current account and long-term capital ⁴	-3,031	-9,550	-9,843	-4,052	343	-862	-784	712
Balances including allocations of SDR's:								
Net liquidity.....	-3,851	-21,965	-13,882	-5,299	-3,197	-6,282	-1,981	537
Official reserve transactions.....	-9,839	-29,753	-10,340	-5,590	-1,503	-9,995	772	933
Balances excluding allocations of SDR's:								
Net liquidity.....	-4,718	-22,682	-14,592	-5,299	-3,197	-6,282	-1,981	537
Official reserve transactions.....	-10,706	-30,470	-11,050	-5,590	-1,503	-9,995	772	933

¹ Adjusted to balance of payments basis; excludes transfers under military grants, exports under U.S. military agency sales contracts and imports of U.S. military agencies.

² Includes fees and royalties from U.S. direct investments abroad or from foreign direct investments in the United States.

³ Equal to net exports of goods and services in national income and product accounts of the United States.

⁴ Includes some short-term U.S. Govt. assets.

⁵ Includes changes in long-term liabilities reported by banks in the United States and in investments by foreign official agencies in debt securities of U.S. Federally-sponsored agencies and U.S. corporations.

⁶ Not available.

NOTE.—Data are from U.S. Department of Commerce, Bureau of Economic Analysis. Details may not add to totals because of rounding.

2. MERCHANDISE EXPORTS AND IMPORTS

(Seasonally adjusted; in millions of dollars)

	Exports ¹				Imports ²				Trade balance			
	1970	1971	1972	1973	1970	1971	1972	1973	1970	1971	1972	1973
Month:												
Jan.....	3,406	3,601	4,074	4,977	3,222	3,599	4,415	5,281	184	2	-341	-304
Feb.....	3,546	3,695	3,824	5,065	3,279	3,564	4,473	5,541	267	130	649	-476
Mar.....	3,375	3,790	3,869	5,380	3,219	3,628	4,515	5,432	156	160	-647	-53
Apr.....	3,410	3,631	3,820	5,487	3,262	3,774	4,417	5,291	148	-143	-596	196
May.....	3,661	3,746	3,882	5,603	3,367	3,908	4,486	5,761	324	-161	-604	-158
June.....	3,727	3,672	3,971	5,778	3,265	4,037	4,468	5,794	462	-365	-497	-16
July.....	3,704	3,573	4,074	5,869	3,254	3,832	4,565	5,762	450	-259	-491	106
Aug.....	3,591	3,667	4,197	6,004	3,346	3,913	4,726	6,021	245	-247	-530	-17
Sept.....	3,553	4,487	4,176	6,448	3,423	4,179	4,612	5,575	130	308	-436	873
Oct.....	3,688	2,669	4,316	6,432	3,498	3,469	4,738	5,905	190	-800	-421	527
Nov.....	3,499	3,196	4,473	6,819	3,428	3,456	5,148	6,733	71	-260	-675	86
Dec.....	3,569	3,881	4,558	.....	3,401	4,169	5,002	.....	168	-288	-444	.....
Quarter:												
I.....	10,327	11,086	11,767	15,421	9,720	10,792	13,403	16,254	607	294	-1,637	-833
II.....	10,798	11,049	11,673	16,868	9,864	11,719	13,370	16,846	933	-670	-1,697	22
III.....	10,848	11,727	12,447	18,321	10,023	11,924	13,903	17,358	816	-197	-1,456	963
IV.....	10,756	9,746	13,347	.....	10,327	11,094	14,888	.....	425	-1,348	-1,540	.....
Year ³	42,659	43,549	49,208	.....	39,952	45,563	55,555	.....	2,707	-2,014	-6,347	.....

¹ Exports of domestic and foreign merchandise; excludes Dept. of Defense shipments of grant-aid military equipment and supplies under Mutual Security Program.

² General imports including imports for immediate consumption plus entries into bonded warehouses.

³ Sum of unadjusted figures.

NOTE.—Bureau of the Census data. Details may not add to totals because of rounding.

3. U.S. NET MONETARY GOLD TRANSACTIONS WITH FOREIGN COUNTRIES AND INTERNATIONAL ORGANIZATIONS

(Net sales [—] or net acquisitions; in millions of dollars at \$35 per fine troy ounce until May 8, 1972, and at \$38 per fine troy ounce thereafter)

Area and country	1963	1964	1965	1966	1967	1968	1969	1970	1971	1972	1973								
											IV	I	II	III					
Western Europe:																			
Austria.....	-82	-55	-100	-25			4												
Belgium.....		-40	-83			-58			-110										
France.....	-518	-405	-884	-601		600	325	-129	-473										
Germany, Fed. Rep. of.....		-225	-2	-2	-2	-52	41	500	2										
Ireland.....		-1	-80	-60	-85	-209	-76												
Italy.....		200	-60	-35		-19		-50	-25										
Netherlands.....		-130	-32	-180	-2			51											
Spain.....		-81	-50	-2	-30	-50	-25	-50	-175										
Switzerland.....	329	618	150	80	-879	-835		200											
United Kingdom.....		1	-6	-35	-49	16	-47	11	-29	-13									
Bank for Intl. Settlements.....																			
Other.....																			
Total.....	-399	-88	-1,299	-659	-980	-669	969	-204	-796										
Canada.....				200	150	50													
Latin American republics:																			
Argentina.....	-30			-39	-1	-25	-25	-28											
Brazil.....	72	54	25	3	-1	*		-23											
Colombia.....		10	29	7		*		-1											
Venezuela.....			-25																
Other.....	-11	-9	-13	-6	11	-40	-29	-80	-5										
Total.....	32	56	17	-41	9	-65	-54	-131	-5										
Asia:																			
Iraq.....			-10	-4	-21	-42													
Japan.....				-56				-119											
Lebanon.....		-11		-11	-1	-95			-35										
Malaysia.....						-34			-10										
Philippines.....	25	20	*	-1		9	40	-4	-2										
Saudi Arabia.....						-50													
Singapore.....						-81	11		-30										
Other.....	-13	-6	-14	-14	-22	-75	-9	2-91	39	-3									
Total.....	12	3	-24	-86	-44	-366	42	-213	-38	-3									
All other.....	-36	-7	-16	-22	3-166	3-68	-1	-81	-6										
Total foreign countries.....	-392	-36	-1,322	-608	-1,031	-1,118	957	4-631	-845	-3									
Intl. Monetary Fund⁵.....			6-225	177	22	-3	10	-156	-22	-544									
Grand total.....	-392	-36	-1,547	-431	-1,009	-1,121	967	-787	-867	-547									

¹ Includes purchase from Denmark of \$25 million.

² Includes purchase from Kuwait of \$25 million.

³ Includes sales to Algeria of \$150 million in 1967 and \$50 million in 1968.

⁴ Data for IMF include the U.S. payment of \$385 million increase in its gold subscription to the IMF and gold sold by the IMF to the United States in mitigation of U.S. sales to other countries making gold payments to the IMF. The country data include U.S. gold sales to various countries in connection with the IMF quota payments. Such U.S. sales to countries and resales to the United States by the IMF total \$548 million each.

⁵ Includes IMF gold sales to and purchases from the United States,

U.S. payment of increases in its gold subscription to IMF, gold deposits by the IMF (see note 1 (b) to Table 4), and withdrawal of deposits. The first withdrawal (\$17 million) was made in June 1968 and the last withdrawal (\$144 million) was made in Feb. 1972.

IMF sold to the United States a total of \$800 million of gold (\$200 million in 1956, and \$300 million in 1959 and in 1960) with the right of repurchase; proceeds from these sales invested by IMF in U.S. Treasury securities. IMF repurchased \$400 million in Sept. 1970 and the remaining \$400 million in Feb. 1972.

⁶ Payment to the IMF of \$259 million increase in U.S. gold subscription less gold deposits by the IMF.

Notes to Table 5 on opposite page:

¹ Represents net IMF sales of gold to acquire U.S. dollars for use in IMF operations. Does not include transactions in gold relating to gold deposit or gold investment (see Table 6).

² Positive figures represent purchases from the IMF of currencies of other members for equivalent amounts of dollars; negative figures represent repurchase of dollars, including dollars derived from charges on purchases and from other net dollar income of the IMF. The United States has a commitment to repurchase within 3 to 5 years, but only to the extent that the holdings of dollars of the IMF exceed 75 per cent of the U.S. quota. Purchases of dollars by other countries reduce the U.S. commitment to repurchase by an equivalent amount.

³ Includes dollars obtained by countries other than the United States from sales of gold to the IMF.

⁴ Represents the U.S. gold tranche position in the IMF (the U.S. quota minus the holdings of dollars of the IMF), which is the amount that the United States could purchase in foreign currencies automatically if needed. Under appropriate conditions, the United States could purchase additional amounts equal to its quota.

⁵ Includes \$259 million gold subscription to the IMF in June 1965 for a U.S. quota increase, which became effective on Feb. 23, 1966. In figures published by the IMF from June 1965 through Jan. 1966, this gold subscription was included in the U.S. gold stock and excluded from the reserve position.

⁶ Includes \$30 million of Special Drawing Rights.

⁷ Represents amount payable in dollars to the IMF to maintain the value of IMF holdings of U.S. dollars.

NOTE.—The initial U.S. quota in the IMF was \$2,750 million. The U.S. quota was increased to \$4,125 million in 1959, to \$5,160 million in Feb. 1966, to \$6,700 million in Dec. 1970, and revalued to \$7,274 million in May 1972 and \$8,083 million in Oct. 1973 as a result of changes in par value of the U.S. dollar. Under the Articles of Agreement subscription payments equal to the quota have been made 25 per cent in gold and 75 per cent in dollars.

4. U.S. RESERVE ASSETS

(In millions of dollars)

End of year	Total	Gold stock ¹		Con-vertible foreign currencies	Reserve position in IMF ³	SDR's ⁴	End of month	Total	Gold stock		Con-vertible foreign currencies ⁵	Reserve position in IMF ³	SDR's ⁴
		Total ²	Treasury						Total ²	Treasury			
1960...	19,359	17,804	17,767	.....	1,555	.....	1972						
1961...	18,753	16,947	16,889	116	1,690	.....	Dec....	13,151	10,487	10,410	241	465	1,958
1962...	17,220	16,057	15,978	99	1,064	.....	1973						
1963...	16,843	15,596	15,513	212	1,035	.....	Jan....	13,054	10,487	10,410	140	469	1,958
1964...	16,672	15,471	15,388	432	769	.....	Feb....	12,926	10,487	10,410	8	473	1,958
1965...	15,450	6 13,806	6 13,733	781	6 863	.....	Mar....	12,931	10,487	10,410	8	478	1,958
1966...	14,882	13,235	13,159	1,321	326	.....	Apr....	12,904	10,487	10,410	8	460	1,949
1967...	14,830	12,065	11,982	2,345	420	.....	May....	12,916	10,487	10,410	16	464	1,949
1968...	15,710	10,892	10,367	3,528	1,290	.....	June...	12,914	10,487	10,410	8	470	1,949
1969...	7 16,964	11,859	10,367	7 2,781	2,324	.....	July....	12,918	10,487	10,410	8	474	1,949
1970...	14,487	11,072	10,732	629	1,935	851	Aug....	12,923	10,487	10,410	8	479	1,949
1971...	8 12,167	10,206	10,132	8 276	585	1,100	Sept....	12,927	10,487	10,410	8	483	1,949
1972 ⁹ ...	13,151	10,487	10,410	241	465	1,958	Oct....	10 14,367	10 11,652	10 11,567	8	10 541	10 2,166
1973...	14,378	11,652	11,567	8	552	2,166	Nov....	14,373	11,652	11,567	8	547	2,166
							Dec....	14,378	11,652	11,567	8	552	2,166

¹ Includes (a) gold sold to the United States by the IMF with the right of repurchase, and (b) gold deposited by the IMF to mitigate the impact on the U.S. gold stock of foreign purchases for the purpose of making gold subscriptions to the IMF under quota increases. For corresponding liabilities, see Table 6.

² Includes gold in Exchange Stabilization Fund.

³ The United States has the right to purchase foreign currencies equivalent to its reserve position in the IMF automatically if needed. Under appropriate conditions the United States could purchase additional amounts equal to the U.S. quota. See Table 5.

⁴ Includes allocations by the IMF of Special Drawing Rights as follows: \$867 million on Jan. 1, 1970; \$717 million on Jan. 1, 1971; and \$710 million on Jan. 1, 1972; plus net transactions in SDRs.

⁵ For holdings of F.R. Banks only, see pp. A-12 and A-13.

⁶ Reserve position includes, and gold stock excludes, \$259 million gold subscription to the IMF in June 1965 for a U.S. quota increase which became effective on Feb. 23, 1966. In figures published by the IMF from June 1965 through Jan. 1966, this gold subscription was included in the U.S. gold stock and excluded from the reserve position.

⁷ Includes gain of \$67 million resulting from revaluation of the German mark in Oct. 1969, of which \$13 million represents gain on mark holdings at time of revaluation.

⁸ Includes \$28 million increase in dollar value of foreign currencies revalued to reflect market exchange rates as of Dec. 31, 1971.

⁹ Total reserve assets include an increase of \$1,016 million resulting from change in par value of the U.S. dollar on May 8, 1972; of which, total gold stock is \$828 million (Treasury gold stock \$822 million), reserve position in IMF \$33 million, and SDR's \$155 million.

¹⁰ Total reserve assets include an increase of \$1,436 million resulting from change in par value of the U.S. dollar on Oct. 18, 1973; consisting of \$1,165 million total gold stock, \$1,157 million Treasury gold stock, \$54 million reserve position in IMF, and \$217 million special drawing rights.

NOTE.—See Table 24 for gold held under earmark at F.R. Banks for foreign and international accounts. Gold under earmark is not included in the gold stock of the United States.

5. U.S. POSITION IN THE INTERNATIONAL MONETARY FUND

(In millions of dollars)

Period	Transactions affecting IMF holdings of dollars (during period)							IMF holdings of dollars (end of period)		U.S. reserve position in IMF (end of period) ⁴	
	U.S. transactions with IMF ¹				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	326
1967—1969.....	.....	22	-84	59	-2,263	268	1,998	2,836	55	2,324
1970.....	1,155	6 712	150	25	-854	741	1,929	4,765	71	1,935	
1971.....	.....	*	1,362	-28	-24	40	1,350	6,115	91	585
1972.....	7 541	.....	200	-47	.....	.....	694	6,810	94	465
1973.....	7 754	.....	.....	-33	.....	.....	721	7,531	93	552
1972--Dec.....	.....	.....	.....	-6	.....	.....	-6	6,810	94	465
1973-Jan.....	.....	.....	.....	-4	.....	.....	-4	6,806	94	469
Feb.....	.....	.....	.....	-5	.....	.....	-5	6,801	93	473
Mar.....	.....	.....	.....	-5	.....	.....	-5	6,796	93	478
Apr.....	.....	.....	.....	18	.....	.....	18	6,814	94	460
May.....	.....	.....	.....	-4	.....	.....	-4	6,810	94	464
June.....	.....	.....	.....	-6	.....	.....	-6	6,804	94	470
July.....	.....	.....	.....	-4	.....	.....	-4	6,800	93	474
Aug.....	.....	.....	.....	-5	.....	.....	-5	6,795	93	479
Sept.....	.....	.....	.....	-4	.....	.....	-4	6,791	93	483
Oct.....	7 754	.....	.....	-4	.....	.....	750	7,541	93	541
Nov.....	.....	.....	.....	-5	.....	.....	-5	7,536	93	547
Dec.....	.....	.....	.....	-5	.....	.....	-5	7,531	93	552

For notes see opposite page.

6. U.S. LIQUID AND OTHER LIABILITIES TO FOREIGN OFFICIAL INSTITUTIONS, AND LIQUID LIABILITIES TO ALL OTHER FOREIGNERS

(In millions of dollars)

End of period	Total	Liquid liabilities to IMF arising from gold transactions ¹	Liabilities to foreign countries										
			Official institutions ²						Liquid liabilities to other foreigners			Liquid liabilities to non-monetary intl. and regional organizations ⁸	
			Total	Liquid		Nonmarketable nonconvertible U.S. Treas. bonds and notes ⁴	Other readily marketable liabilities ⁵	Liquid liabilities to commercial banks abroad ⁶	Total	Short-term liabilities reported by banks in U.S.	Marketable U.S. Treas. bonds and notes ^{3,7}		
				Short-term liabilities reported by banks in U.S.	Marketable U.S. Treas. bonds and notes ³								
1962 9.....	24,268	800	12,914	11,963	751	.....	200	.....	5,346	3,013	2,565	448	2,195
1963 9.....	26,433 26,394	800 800	14,459 14,425	12,467 12,467	1,217 1,183	703 703	63 63	9 9	5,817 5,817	3,397 3,387	3,046 3,046	351 341	1,960 1,965
1964 9.....	29,313 29,364	800 800	15,790 15,786	13,224 13,220	1,125 1,125	1,079 1,079	204 204	158 158	7,271 7,303	3,730 3,753	3,354 3,377	376 376	1,722 1,722
1965.....	29,569	834	15,826	13,066	1,105	1,201	334	120	7,419	4,059	3,587	472	1,431
1966 9.....	31,145 31,020	1,011 1,011	14,841 14,896	12,484 12,539	860 860	256 256	328 328	913 913	10,116 9,936	4,271 4,272	3,743 3,744	528 528	906 905
1967 9.....	35,819 35,667	1,033 1,033	18,201 18,194	14,034 14,027	908 908	711 711	741 741	1,807 1,807	11,209 11,085	4,685 4,678	4,127 4,120	558 558	691 677
1968 9.....	38,687 38,473	1,030 1,030	17,407 17,340	11,318 11,318	529 462	701 701	2,518 2,518	2,341 2,341	14,472 14,472	5,053 4,909	4,444 4,444	609 465	725 722
1969 9.....	45,755 45,914	1,019 1,019	15,975 15,998	11,054 11,077	346 346	555 555	1,055 2,515	1,505 1,505	23,638 23,645	4,464 4,589	3,939 4,064	525 525	659 663
1970—Dec. 9.....	47,009 46,960	566 566	23,786 23,775	19,333 19,333	306 295	429 429	3,023 3,023	695 695	17,137 17,169	4,676 4,604	4,029 4,039	647 565	844 846
1971—Dec. 11.....	67,681 67,808	544 544	51,209 50,651	39,679 39,018	1,955 1,955	6,060 6,093	3,371 3,441	144 144	10,262 10,949	4,138 4,141	3,691 3,694	447 447	1,528 1,523
1972—Nov.....	82,373	.....	61,127	40,045	4,834	12,098	3,651	499	14,776	4,745	4,322	423	1,725
1972—Dec.....	82,883	.....	61,520	39,994	5,236	12,108	3,639	543	14,785	4,952	4,527	425	1,626
1973—Jan.....	82,048	.....	60,796	38,534	5,798	12,110	3,780	574	14,767	4,892	4,467	425	1,593
1973—Feb.....	87,854	.....	68,475	45,413	6,377	12,110	3,627	948	12,971	4,968	4,596	372	1,620
1973—Mar.....	290,884	.....	171,331	46,924	6,917	12,128	3,617	1,745	12,955	4,960	4,584	376	1,638
1973—Apr.....	190,580	.....	70,748	45,949	6,934	12,245	3,631	1,989	13,052	5,149	4,750	399	1,631
1973—May.....	92,085	.....	70,915	46,112	6,934	12,245	3,628	1,996	14,274	5,147	4,763	384	1,749
1973—June.....	92,185	.....	70,693	45,705	6,934	12,245	3,805	2,004	14,500	5,323	4,940	383	1,669
1973—July.....	93,212	.....	71,019	46,129	6,934	12,245	3,705	2,006	15,420	5,257	4,883	374	1,516
1973—Aug.....	92,569	.....	70,513	45,714	6,906	12,319	3,555	2,019	15,204	5,322	4,987	335	1,530
1973—Sept.....	92,072	.....	69,775	45,172	6,914	12,319	3,355	2,015	15,199	5,479	5,132	347	1,619
1973—Oct.....	93,171	.....	69,701	45,211	6,929	12,319	3,233	2,009	16,131	5,519	5,145	374	1,820
1973—Nov.....	92,558	.....	67,366	43,756	6,207	12,319	3,233	1,851	17,496	5,689	5,279	410	2,007

¹ Includes (a) liability on gold deposited by the IMF to mitigate the impact on the U.S. gold stock of foreign purchases for gold subscriptions to the IMF under quota increases, and (b) U.S. Treasury obligations at cost value and funds awaiting investment obtained from proceeds of sales of gold by the IMF to the United States to acquire income-earning assets.

² Includes BIS and European Fund.
³ Derived by applying reported transactions to benchmark data; breakdown of transactions by type of holder estimated 1959-63.

⁴ Excludes notes issued to foreign official nonreserve agencies.
⁵ Includes long-term liabilities reported by banks in the United States and debt securities of U.S. Federally-sponsored agencies and U.S. corporations.

⁶ Includes short-term liabilities payable in dollars to commercial banks abroad and short-term liabilities payable in foreign currencies to commercial banks abroad and to "other foreigners."

⁷ Includes marketable U.S. Treasury bonds and notes held by commercial banks abroad.

⁸ Principally the International Bank for Reconstruction and Development and the Inter-American and Asian Development Banks. From Dec. 1957 through Jan. 1972 includes difference between cost value and face value of securities in IMF gold investment account.

⁹ Data on the two lines shown for this date differ because of changes in reporting coverage. Figures on first line are comparable with those shown for the preceding date; figures on second line are comparable with those shown for the following date.

¹⁰ Includes \$101 million increase in dollar value of foreign currency

liabilities resulting from revaluation of the German mark in Oct. 1969 as follows: liquid, \$17 million, and other, \$84 million.

¹¹ Data on the second line differ from those on first line because certain accounts previously classified as "official institutions" are included with "banks"; a number of reporting banks are included in the series for the first time; and U.S. Treasury securities payable in foreign currencies issued to official institutions of foreign countries have been increased in value to reflect market exchange rates as of Dec. 31, 1971.

¹² Includes \$15 million increase in dollar value of foreign currency liabilities revalued to reflect market exchange rates.

¹³ Includes \$147 million increase in dollar value of foreign currency liabilities to official institutions of foreign countries revalued to reflect market exchange rates as follows: short-term liabilities, \$15 million; nonmarketable convertible U.S. Treasury bonds and notes, \$113 million; and nonmarketable nonconvertible U.S. Treasury bonds and notes, \$19 million.

NOTE.—Based on Treasury Dept. data and on data reported to the Treasury Dept. by banks and brokers in the United States. Data correspond generally to statistics following in this section, except for the exclusion of nonmarketable, nonconvertible U.S. Treasury notes issued to foreign official reserve agencies; the inclusion of investments by foreign official nonreserve agencies in debt securities of U.S. Federally-sponsored agencies and U.S. corporations, and minor rounding differences. Table excludes IMF "holdings of dollars," and holdings of U.S. Treasury letters of credit and non-negotiable, non-interest-bearing special U.S. notes held by other international and regional organizations.

7. U.S. LIQUID AND OTHER LIABILITIES TO OFFICIAL INSTITUTIONS OF FOREIGN COUNTRIES, BY AREA

(Amounts outstanding; in millions of dollars)

End of period	Total foreign countries	Western Europe ¹	Canada	Latin American republics	Asia	Africa	Other countries ²
1967.....	18,194	10,321	1,310	1,582	4,428	250	303
1968 ³	17,407	8,070	1,867	1,865	5,043	259	303
.....	17,340	8,062	1,866	1,865	4,997	248	302
1969 ³	15,975	7,074	1,624	1,888	4,552	546	291
.....	15,998	7,074	1,624	1,911	4,552	546	291
1970 ³	23,786	13,620	2,951	1,681	4,713	407	414
.....	23,775	13,615	2,951	1,681	4,708	407	413
1971 ⁵	51,209	30,010	3,980	1,414	14,519	415	871
.....	50,651	30,134	3,980	1,429	13,823	415	870
1972—Nov.....	61,127	34,608	4,289	1,444	17,372	694	2,720
Dec.....	61,520	34,197	4,279	1,731	17,573	777	2,963
1973—Jan.....	60,796	34,146	4,201	1,728	17,033	673	3,015
Feb.....	68,475	40,773	4,290	1,895	17,907	809	2,801
Mar.....	71,331	45,229	4,221	1,749	16,564	823	2,745
Apr.....	70,748	45,608	4,157	1,915	15,415	839	2,814
May.....	70,915	46,646	4,104	1,903	14,425	940	2,897
June.....	70,693	46,967	4,111	1,998	13,727	992	2,898
July.....	71,019	47,140	4,043	2,072	13,686	928	3,150
Aug.....	70,513	47,260	3,836	2,014	13,631	738	3,034
Sept.....	69,775	47,099	3,759	1,860	13,289	769	2,999
Oct. ⁶	69,701	47,515	3,851	1,937	12,601	735	3,062
Nov. ⁷	67,366	46,002	3,820	2,212	11,475	771	3,086

¹ Includes Bank for International Settlements and European Fund.
² Includes countries in Oceania and Eastern Europe, and Western European dependencies in Latin America.
³ See note 9 to Table 6.
⁴ Includes \$101 million increase in dollar value of foreign currency liabilities resulting from revaluation of the German mark in Oct. 1969.
⁵ Data on second line differ from those on the first line because certain accounts previously classified as "Official institutions" are included in "Banks"; a number of reporting banks are included in the series for the first time; and U.S. Treasury liabilities payable in foreign currencies to official institutions of foreign countries have been increased in value by \$110 million to reflect market exchange rates as of Dec. 31, 1971.
⁶ Includes \$15 million increase in dollar value of foreign currency liabilities revalued to reflect market exchange rates.
⁷ Includes \$147 million increase in dollar value of foreign currency liabilities revalued to reflect market exchange rates.

NOTE: Data represent short- and long-term liabilities to the official institutions of foreign countries, as reported by banks in the United States; foreign official holdings of marketable and nonmarketable U.S. Treasury securities with an original maturity of more than 1 year, except for nonmarketable notes issued to foreign official nonreserve agencies; and investments by foreign official reserve agencies in debt securities of U.S. Federally-sponsored agencies and U.S. corporations.

8. SHORT-TERM LIABILITIES TO FOREIGNERS REPORTED BY BANKS IN THE UNITED STATES, BY TYPE

(Amounts outstanding; in millions of dollars)

End of period	To all foreigners							IMF gold investment ⁵	To nonmonetary international and regional organizations ⁶				
	Total ¹	Payable in dollars				Payable in foreign currencies	Total		Deposits		U.S. Treasury bills and certificates	Other short-term liab. ⁴	
		Total	Demand	Time ²	U.S. Treasury bills and certificates ³				Demand	Time ²			
1969.....	40,199	39,770	20,460	6,959	5,015	7,336	429	800	613	62	83	244	223
.....	41,719	41,351	15,785	5,924	14,123	5,519	368	400	820	69	159	211	381
1970 ⁷	41,761	41,393	15,795	5,961	14,123	5,514	368	400	820	69	159	211	381
.....	55,404	55,018	10,399	5,209	33,025	6,385	386	400	1,372	73	192	210	896
1971 ⁸	55,428	55,036	6,459	4,217	33,025	11,335	392	400	1,367	73	192	210	892
1972—Nov.....	60,654	60,112	7,011	5,379	32,774	14,948	543	.....	1,512	95	242	380	794
Dec.....	60,719	60,222	8,288	5,629	31,850	14,455	496	.....	1,412	86	202	326	799
1973—Jan.....	59,148	58,622	7,452	5,533	30,134	15,504	526	.....	1,380	118	172	279	811
Feb.....	64,218	63,705	7,786	5,595	36,522	13,801	513	.....	1,418	133	144	287	854
Mar.....	65,889	65,341	7,606	5,612	37,947	14,175	548	.....	1,426	114	134	260	918
Apr.....	65,180	64,596	8,118	5,654	36,440	14,383	584	.....	1,429	119	112	221	976
May.....	66,729	66,157	8,364	5,714	35,965	16,114	572	.....	1,579	141	119	148	1,172
June.....	66,714	66,070	9,113	5,829	34,931	16,197	644	.....	1,569	155	134	169	1,110
July.....	67,919	67,312	8,988	5,876	34,556	17,892	607	.....	1,486	206	114	116	1,049
Aug.....	67,389	66,779	8,435	6,139	34,257	17,948	611	.....	1,485	178	116	61	1,129
Sept.....	67,056	66,395	8,754	6,130	33,702	17,809	660	.....	1,552	80	100	62	1,311
Oct. ⁹	68,254	67,678	9,108	6,770	32,869	18,930	577	.....	1,767	70	93	173	1,430
Nov. ⁹	68,490	67,883	9,860	6,857	31,977	19,189	607	.....	1,959	73	95	373	1,419

For notes see the following page.

**8. SHORT-TERM LIABILITIES TO FOREIGNERS REPORTED BY BANKS
IN THE UNITED STATES, BY TYPE—Continued**

(Amounts outstanding; in millions of dollars)

End of period	To residents of foreign countries						To official institutions ¹⁰					
	Total	Payable in dollars				Payable in foreign currencies	Total	Payable in dollars				Payable in foreign currencies
		Deposits		U.S. Treasury bills and certificates ³	Other short-term liab. ⁴			Deposits		U.S. Treasury bills and certificates ³	Other short-term liab. ⁴	
		Demand	Time ²					Demand	Time ²			
1969.....	38,786	20,397	6,876	3,971	7,113	429	11,077	1,930	2,942	3,844	2,159	202
1970 ⁷	40,499	15,716	5,765	13,511	5,138	368	19,333	1,652	2,554	13,367	1,612	148
1971 ⁸	40,541	15,726	5,802	13,511	5,133	368	19,333	1,652	2,554	13,367	1,612	148
	53,632	10,326	5,017	32,415	5,489	386	39,679	1,620	2,504	32,311	3,086	158
	53,661	6,386	4,025	32,415	10,443	392	39,018	1,327	2,039	32,311	3,177	165
1972—Nov.....	59,143	6,915	5,137	32,394	14,154	543	40,045	1,271	2,643	32,315	3,645	171
Dec.....	59,306	8,203	5,427	31,523	13,657	496	39,994	1,589	2,876	31,453	3,905	171
1973—Jan.....	57,768	7,333	5,361	29,855	14,693	526	38,534	1,405	2,875	29,779	4,303	171
Feb.....	62,800	7,653	5,450	36,235	12,948	513	45,413	1,756	2,841	36,147	4,497	172
Mar.....	64,463	7,492	5,478	37,687	13,257	548	46,924	1,543	2,832	37,620	4,757	172
Apr.....	63,751	7,999	5,542	36,219	13,407	584	45,949	1,719	2,916	36,137	4,996	187
May.....	65,149	8,223	5,596	35,817	14,942	572	46,112	1,719	2,945	35,736	5,525	187
June.....	65,145	8,958	5,695	34,762	15,087	644	45,705	1,940	3,117	34,684	5,777	187
July.....	66,432	8,781	5,761	34,440	16,843	607	46,129	1,934	3,185	34,360	6,461	189
Aug.....	65,905	8,257	6,023	34,196	16,819	611	45,714	1,575	3,348	34,118	6,545	127
Sept.....	65,503	8,674	6,030	33,640	16,498	660	45,172	1,631	3,226	33,554	6,634	127
Oct. ⁹	66,487	9,038	6,677	32,696	17,500	577	45,211	1,810	3,846	32,613	6,815	127
Nov. ⁹	66,531	9,788	6,762	31,604	17,770	607	43,756	2,020	3,780	31,529	6,300	127

End of period	To banks ¹¹						To other foreigners					
	Total	Payable in dollars				Total	Payable in dollars				Total	
		Deposits		U.S. Treasury bills and certificates	Other short-term liab. ⁴		Deposits		U.S. Treasury bills and certificates	Other short-term liab. ⁴		
		Demand	Time ²				Demand	Time ²				
1969.....	27,709	23,419	16,756	1,999	20	4,644	4,064	1,711	1,935	107	312	226
1970 ⁷	21,166	16,917	12,376	1,326	14	3,202	4,029	1,688	1,886	131	325	220
1971 ⁸	21,208	16,949	12,385	1,354	14	3,197	4,039	1,688	1,895	131	325	220
	13,953	10,034	7,047	850	8	2,130	3,691	1,660	1,663	96	274	228
	14,643	10,721	3,399	320	8	6,995	3,694	1,660	1,666	96	271	228
1972—Nov.....	19,097	14,404	3,938	481	5	9,981	4,322	1,706	2,014	75	528	372
Dec.....	19,312	14,460	4,659	525	5	9,270	4,527	1,954	2,026	65	481	325
1973—Jan.....	19,234	14,413	4,155	415	7	9,835	4,467	1,773	2,070	69	555	355
Feb.....	17,387	12,449	4,084	483	5	7,877	4,596	1,813	2,127	83	573	341
Mar.....	17,539	12,579	4,144	518	5	7,912	4,584	1,805	2,128	63	588	376
Apr.....	17,803	12,654	4,335	514	7	7,799	4,751	1,951	2,113	75	611	398
May.....	19,037	13,889	4,645	535	8	8,701	4,764	1,859	2,116	73	716	385
June.....	19,440	14,042	5,053	404	8	8,577	4,941	1,965	2,174	70	732	457
July.....	20,303	15,003	4,957	432	8	9,605	4,883	1,890	2,144	72	776	418
Aug.....	20,191	14,720	4,806	491	10	9,413	4,987	1,876	2,183	68	861	483
Sept.....	20,331	14,666	5,071	603	8	8,983	5,132	1,972	2,201	77	881	533
Oct. ⁹	21,276	15,681	5,251	651	7	9,772	5,145	1,977	2,179	76	912	449
Nov. ⁹	22,775	17,016	5,761	693	8	10,554	5,279	2,007	2,289	67	915	480

¹ Data exclude "holdings of dollars" of the IMF.
² Excludes negotiable time certificates of deposit, which are included in "Other."
³ Includes nonmarketable certificates of indebtedness issued to official institutions of foreign countries.
⁴ Principally bankers' acceptances, commercial paper, and negotiable time certificates of deposit. See also note 8(a).
⁵ U.S. Treasury bills and certificates obtained from proceeds of sales of gold by the IMF to the United States to acquire income-earning assets. Upon termination of investment, the same quantity of gold was re-acquired by the IMF.
⁶ Principally the International Bank for Reconstruction and Development and the Inter-American Development Bank.
Includes difference between cost value and face value of securities in IMF gold investment account.
⁷ Data on the two lines shown for this date differ because of changes in reporting coverage. Figures on the first line are comparable in coverage with those shown for the preceding date; figures on the second line are comparable with those shown for the following date.
⁸ Data on second line differ from those on first line because (a) those liabilities of U.S. banks to their foreign branches and those liabilities of

U.S. agencies and branches of foreign banks to their head offices and foreign branches, which were previously reported as deposits, are included in "Other short-term liabilities"; (b) certain accounts previously classified as "Official institutions" are included in "Banks"; and (c) a number of reporting banks are included in the series for the first time.
⁹ Includes \$15 million increase in foreign currency liabilities to official institutions of foreign countries revalued to reflect market exchange rates.
¹⁰ Foreign central banks and foreign central govts. and their agencies, and Bank for International Settlements and European Fund.
¹¹ Excludes central banks, which are included in "Official institutions."
NOTE: "Short term" refers to obligations payable on demand or having an original maturity of 1 year or less. For data on long-term liabilities reported by banks, see Table 10. Data exclude the "holdings of dollars" of the International Monetary Fund; these obligations to the IMF constitute contingent liabilities, since they represent essentially the amount of dollars available for drawings from the IMF by other member countries. Data exclude also U.S. Treasury letters of credit and non-negotiable, non-interest-bearing special U.S. notes held by the Inter-American Development Bank and the International Development Association.

**9. SHORT-TERM LIABILITIES TO FOREIGNERS REPORTED BY BANKS
IN THE UNITED STATES, BY COUNTRY**

(End of period. Amounts outstanding; in millions of dollars)

Area and country	1972		1973								
	Dec.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct. ¹	Nov. ²
Europe:											
Austria.....	272	267	281	292	301	297	305	302	292	204	172
Belgium-Luxembourg.....	1,092	1,165	1,253	1,245	1,373	1,376	1,456	1,378	1,377	1,410	1,457
Denmark.....	284	364	400	406	502	489	477	437	409	470	527
Finland.....	163	158	142	168	244	194	165	153	145	135	135
France.....	4,441	4,483	5,000	5,167	5,327	5,406	5,452	5,246	5,296	4,143	3,416
Germany.....	5,346	10,494	12,900	12,701	12,161	12,003	12,837	12,912	13,236	14,180	14,227
Greece.....	238	224	223	175	219	219	240	236	215	280	236
Italy.....	1,338	1,041	968	1,020	1,171	1,072	870	1,506	1,140	1,095	1,224
Netherlands.....	1,468	1,762	2,532	2,543	2,427	2,369	2,029	1,945	2,022	2,534	2,866
Norway.....	978	995	1,018	1,035	1,046	1,049	1,082	1,055	1,024	999	980
Portugal.....	416	498	518	502	511	500	477	472	459	467	470
Spain.....	256	222	256	250	325	334	282	237	259	284	319
Sweden.....	1,184	1,403	1,483	1,682	1,787	1,905	1,951	1,871	1,835	1,787	1,807
Switzerland.....	2,857	2,845	2,901	2,959	3,272	3,268	3,310	3,226	3,309	3,316	3,081
Turkey.....	97	94	105	118	71	75	102	115	72	83	82
United Kingdom.....	5,011	4,546	4,657	4,741	5,899	6,317	6,457	5,943	5,593	6,416	6,487
Yugoslavia.....	117	78	58	69	73	66	66	57	58	61	76
Other Western Europe ¹	1,483	1,502	1,619	1,772	2,164	2,360	2,965	3,015	3,099	3,427	2,930
U.S.S.R.....	11	21	14	8	9	11	18	17	16	40	20
Other Eastern Europe.....	81	65	71	71	66	74	81	90	114	96	101
Total.....	27,134	32,227	36,488	36,924	38,949	39,383	40,621	40,212	39,970	41,425	40,611
Canada.....	3,467	3,306	3,293	3,600	3,796	3,327	3,392	3,786	3,721	3,812	3,967
Latin America:											
Argentina.....	631	689	687	694	730	727	750	800	889	779	734
Bahamas ²	539	263	200	228	502	462	796	563	594	456	804
Brazil.....	605	648	671	703	768	770	920	732	700	745	816
Chile.....	137	136	143	140	137	140	134	126	127	137	142
Colombia.....	210	218	184	197	219	200	200	168	167	207	221
Cuba.....	6	7	6	7	7	10	7	7	7	7	6
Mexico.....	831	800	788	853	843	925	919	975	1,044	1,029	1,132
Panama.....	167	201	171	168	192	186	194	217	204	231	282
Peru.....	225	167	172	167	170	180	190	177	178	152	124
Uruguay.....	140	138	132	143	150	180	128	126	114	115	112
Venezuela.....	1,077	1,051	948	1,044	967	1,054	1,066	1,078	941	1,130	1,420
Other Latin American republics.....	860	827	804	818	778	783	744	791	791	742	769
Netherlands Antilles and Surinam.....	86	84	76	72	64	68	78	61	65	70	63
Other Latin America.....	44	237	216	243	269	648	408	402	461	532	556
Total.....	5,558	5,463	5,197	5,478	5,796	6,323	6,532	6,224	6,283	6,332	7,181
Asia:											
China, People's Rep. of (China Mainland).....	39	37	49	43	44	41	38	43	40	37	42
China, Republic of (Taiwan).....	675	783	816	831	832	846	790	810	802	779	764
Hong Kong.....	318	319	337	330	368	341	289	356	349	363	383
India.....	98	134	114	125	145	110	141	103	99	105	71
Indonesia.....	108	96	89	90	117	155	176	140	254	169	160
Israel.....	177	146	137	144	142	161	159	146	173	279	330
Japan.....	15,843	14,733	12,344	10,415	9,056	8,458	8,126	8,003	7,680	7,061	6,726
Korea.....	192	210	227	214	231	226	219	217	213	198	210
Philippines.....	438	453	513	520	575	544	545	541	482	479	497
Thailand.....	171	187	170	166	177	175	146	140	143	163	180
Other.....	1,071	897	869	940	873	883	958	1,139	1,165	1,139	1,138
Total.....	19,131	17,995	15,665	13,818	12,560	11,940	11,588	11,640	11,401	10,771	10,501
Africa:											
Egypt.....	24	28	17	33	67	29	29	41	34	34	63
Morocco.....	12	8	13	9	8	11	15	10	11	10	14
South Africa.....	115	104	125	125	120	155	169	100	132	103	109
Zaire.....	21	23	22	28	45	17	21	27	19	26	24
Other.....	768	728	739	798	786	904	803	683	765	747	822
Total.....	939	891	917	992	1,025	1,118	1,037	862	962	919	1,032
Other countries:											
Australia.....	3,027	2,861	2,489	2,882	2,961	2,985	3,202	3,124	3,106	3,169	3,184
All other.....	51	57	54	57	60	71	61	57	62	59	55
Total.....	3,077	2,918	2,903	2,939	3,022	3,056	3,263	3,181	3,168	3,228	3,239
Total foreign countries.....	59,306	62,800	64,463	63,751	65,149	65,145	66,432	65,905	65,503	66,487	66,531
International and regional:											
International ³	952	958	980	983	1,132	1,149	1,097	1,123	1,183	1,402	1,609
Latin American regional.....	307	318	320	337	345	329	309	289	298	299	288
Other regional ⁴	154	141	126	109	102	89	81	72	70	66	62
Total.....	1,412	1,418	1,426	1,429	1,579	1,569	1,486	1,485	1,552	1,767	1,959
Grand total.....	60,719	64,218	65,889	65,180	66,729	66,714	67,919	67,389	67,056	68,254	68,490

For notes see the following page.

9. SHORT-TERM LIABILITIES TO FOREIGNERS REPORTED BY BANKS IN THE UNITED STATES, BY COUNTRY—Continued

(End of period. Amounts outstanding; in millions of dollars)

Supplementary data ⁵

Area and country	1971		1972		1973	Area and country	1971		1972		1973
	Apr.	Dec.	Apr.	Dec.	Apr.		Apr.	Dec.	Apr.	Dec.	Apr.
Other Western Europe:						Other Asia—Cont.:					
Cyprus.....	7	2	2	3	9	Kuwait.....	36	20	16	39	36
Iceland.....	10	11	9	9	12	Laos.....	2	3	3	2	3
Ireland, Rep. of.....	29	16	15	17	22	Lebanon.....	60	46	60	55	55
Other Latin American republics:						Malaysia.....	28	23	25	54	59
Bolivia.....	59	55	53	87	65	Pakistan.....	28	33	58	59	93
Costa Rica.....	43	62	70	92	75	Ryukyu Islands (incl. Okinawa) ⁶	39	29	53		
Dominican Republic.....	90	123	91	114	104	Saudi Arabia.....	41	79	80	344	236
Ecuador.....	72	57	62	121	109	Singapore.....	43	35	45	77	53
El Salvador.....	80	78	83	76	86	Sri Lanka (Ceylon).....	4	4	6	5	6
Guatemala.....	97	117	123	132	127	Syria.....	3	4	6	4	39
Haiti.....	19	18	23	27	25	Vietnam.....	161	159	185	135	98
Honduras.....	44	42	50	58	64	Other Africa:					
Jamaica.....	19	19	32	41	32	Algeria.....	13	23	31	32	51
Nicaragua.....	47	50	66	61	79	Ethiopia (incl. Eritrea).....	12	11	29	57	75
Paraguay.....	15	17	17	22	26	Ghana.....	6	8	11	10	28
Trinidad & Tobago.....	14	10	15	20	17	Kenya.....	13	9	14	23	19
Other Latin America:						Liberia.....	21	23	25	30	31
Bermuda.....	(2)	(2)	(2)	(2)	127	Libya.....	91	274	296	393	(7)
British West Indies.....	38	32	23	36	100	Nigeria.....	25	46	56	85	(7)
Other Asia:						Southern Rhodesia.....	2	2	2	2	1
Afghanistan.....	15	19	17	25	19	Sudan.....	1	1	5	3	3
Bahrain.....	35	21	18	24	(7)	Tanzania.....	10	6	6	11	16
Burma.....	3	10	5	2	(7)	Tunisia.....	6	9	7	10	11
Cambodia.....	2	5	2	3	3	Uganda.....	5	3	10	7	19
Iran.....	67	59	88	93	114	Zambia.....	14	13	7	28	(7)
Iraq.....	7	10	9	10	(7)	All other:					
Jordan.....	3	2	2	4	4	New Zealand.....	22	23	27	30	34

¹ Includes Bank for International Settlements and European Fund.² Bermuda included with Bahamas through Dec. 1972.³ Data exclude "holdings of dollars" of the International Monetary Fund but include IMF gold investment until Feb. 1972, when investment was terminated.⁴ Asian, African, and European regional organizations, except BIS and European Fund, which are included in "Europe."⁵ Represent a partial breakdown of the amounts shown in the "other" categories (except "Other Eastern Europe").⁶ Included in Japan after Apr. 1972.⁷ Not available.

10. LONG-TERM LIABILITIES TO FOREIGNERS REPORTED BY BANKS IN THE UNITED STATES

(Amounts outstanding; in millions of dollars)

End of period	Total	To intl. and regional	To foreign countries			Country or area							
			Total	Official institutions	Banks ¹	Other foreigners	Germany	United Kingdom	Other Europe	Total Latin America	Japan	Other Asia	All other countries
1969.....	2,490	889	1,601	1,505	56	40	*	46	7	239	655	582	70
1970.....	1,703	789	914	695	165	53	110	42	26	152	385	137	62
1971.....	902	446	457	144	257	56	164	52	30	111	3	87	9
1972—Nov.....	1,051	600	450	94	269	88	165	68	37	134	1	32	14
Dec. ²	1,000	562	439	93	259	87	165	63	32	136	1	32	10
	1,018	580	439	93	259	87	165	63	32	136	1	32	10
1973—Jan.....	1,044	617	427	74	257	96	165	61	30	127	1	30	13
Feb.....	1,276	613	663	304	258	100	164	59	233	118	1	71	16
Mar.....	1,406	697	709	328	269	112	164	66	234	133	1	96	16
Apr.....	1,399	686	713	329	274	111	164	68	239	128	1	98	16
May.....	1,379	688	691	313	274	104	164	68	231	115	1	96	16
June.....	1,467	769	697	311	274	113	164	68	233	125	2	94	10
July.....	1,527	770	757	311	305	141	164	68	265	145	2	93	19
Aug.....	1,532	777	755	322	305	127	165	68	265	143	2	95	17
Sept.....	1,502	758	744	318	302	123	165	68	263	145	2	84	18
Oct. ²	1,473	735	738	312	305	122	165	68	265	140	2	81	18
Nov. ²	1,476	758	719	315	287	117	165	67	246	138	2	80	21

¹ Excludes central banks, which are included with "Official institutions."² Data on the two lines shown for this date differ because of changes in reporting coverage. Figures on the first line are comparable in coverage with those shown for the preceding date; figures on the second line are comparable with those shown for the following date.

11. ESTIMATED FOREIGN HOLDINGS OF MARKETABLE U.S. TREASURY BONDS AND NOTES

(End of period; in millions of dollars)

	1972		1973										
	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct. ^a	Nov. ^a
Europe:													
Belgium-Luxembourg.....	6	6	6	6	6	6	6	6	6	6	7	7	7
Sweden.....	85	85	110	135	135	135	135	135	135	135	165	165	165
Switzerland.....	45	45	45	44	43	44	43	43	42	37	37	37	38
United Kingdom.....	326	327	327	276	278	300	281	280	275	236	247	290	400
Other Western Europe.....	79	79	79	79	79	79	85	85	85	85	85	85	85
Eastern Europe.....	5	5	5	5	5	5	5	5	5	5	5	5	5
Total.....	545	547	572	544	546	569	555	554	547	504	546	588	700
Canada.....	559	558	558	559	561	561	560	560	560	560	560	560	567
Latin America:													
Latin American republics.....	1	1	1	1	1	1	1	1	4	8	9	9	11
Other Latin America.....	6	6	6	6	6	6	6	6	3	3	3	3	3
Total.....	7	7	7	7	7	7	7	7	7	11	12	12	14
Asia:													
Japan.....	4,003	4,380	4,867	5,421	5,961	5,978	5,978	5,977	5,977	5,949	5,950	5,950	5,143
Other Asia.....	10	10	10	10	10	10	10	10	9	9	11	11	11
Total.....	4,013	4,391	4,877	5,431	5,971	5,988	5,988	5,988	5,987	5,959	5,961	5,961	5,154
Africa.....	133	133	183	183	183	183	183	183	183	183	158	158	158
All other.....	*	25	25	25	25	25	25	25	25	25	25	25	25
Total foreign countries.....	5,257	5,661	6,223	6,749	7,293	7,333	7,318	7,317	7,308	7,241	7,261	7,303	6,617
International and regional:													
International.....	186	186	186	176	186	176	142	72	1	1	21	6	1
Latin American regional.....	28	28	28	26	26	27	27	27	28	45	45	47	47
Total.....	214	214	214	202	212	202	169	100	29	46	66	53	48
Grand total.....	5,471	5,874	6,436	6,951	7,505	7,535	7,487	7,417	7,337	7,287	7,327	7,356	6,665

NOTE.—Data represent estimated official and private holdings of marketable U.S. Treasury securities with an original maturity of more than 1 year, and are based on benchmark surveys of holdings and regular monthly reports of securities transactions (see Table 16).

12. NONMARKETABLE U.S. TREASURY BONDS AND NOTES ISSUED TO OFFICIAL INSTITUTIONS OF FOREIGN COUNTRIES

(In millions of dollars or dollar equivalent)

End of period	Total	Payable in dollars							Payable in foreign currencies				
		Total	Belgium	Canada ¹	China, Rep. of (Taiwan)	Germany	Italy ²	Korea	Thailand	Total	Germany ³	Italy	Switzerland
1969.....	43,181	1,431	32	1,129	20	.....	135	15	100	41,750	41,084	125	541
1970.....	3,563	2,480	32	2,289	20	.....	25	15	100	1,083	542	.....	541
1971.....	59,657	7,829	32	2,640	20	5,000	22	15	100	51,827	612	.....	1,215
1972—Dec.....	15,872	14,333	20	2,840	20	11,315	22	15	100	1,539	306	.....	1,233
1973—Jan.....	16,016	14,474	20	2,840	20	11,471	22	.....	100	1,542	306	.....	1,236
Feb.....	15,863	14,474	20	2,840	20	11,471	22	.....	100	1,389	153	.....	1,236
Mar.....	15,870	14,464	20	2,840	10	11,471	22	.....	100	61,407	153	.....	1,254
Apr.....	16,015	14,459	20	2,840	5	11,471	22	.....	100	61,556	172	.....	1,384
May.....	16,012	14,456	20	2,840	2	11,471	22	.....	100	1,556	172	.....	1,384
June.....	16,189	14,633	.....	2,840	.....	11,670	22	.....	100	1,556	172	.....	1,384
July.....	16,089	14,533	.....	2,840	.....	11,670	22	.....	.....	1,556	172	.....	1,384
Aug.....	16,015	14,383	.....	2,690	.....	11,670	22	.....	.....	1,631	172	.....	1,458
Sept.....	15,813	14,183	.....	2,490	.....	11,670	22	.....	.....	1,631	172	.....	1,458
Oct.....	15,691	14,233	.....	2,540	.....	11,670	22	.....	.....	1,458	.....	.....	1,458
Nov.....	15,692	14,233	.....	2,540	.....	11,670	22	.....	.....	1,459	.....	.....	1,459
Dec.....	15,669	14,210	.....	2,540	.....	11,670	.....	.....	.....	1,459	.....	.....	1,459

¹ Includes bonds issued in 1964 to the Government of Canada in connection with transactions under the Columbia River treaty. Amounts outstanding end of 1967 through Oct. 1968, \$114 million; Nov. 1968 through Sept. 1969 \$84 million; Oct. 1969 through Sept. 1970, \$54 million; and Oct. 1970 through Oct. 1971, \$24 million.

² Notes issued to the Government of Italy in connection with military purchases in the United States.

³ In addition, nonmarketable U.S. Treasury notes amounting to \$125 million equivalent were held by a group of German commercial banks from

June 1968 through Nov. 1972. The dollar value of these notes was increased by \$10 million in Oct. 1969 and by \$18 million as of Dec. 31, 1971.

⁴ Includes an increase in dollar value of \$84 million resulting from revaluation of the German mark in Oct. 1969.

⁵ Includes \$106 million increase in dollar value of foreign currency obligations revalued to reflect market exchange rates as of Dec. 31, 1971.

⁶ Includes \$15 million increase in Mar. and \$145 million increase in Apr. in dollar value of foreign currency obligations revalued to reflect market exchange rates.

13. SHORT-TERM CLAIMS ON FOREIGNERS REPORTED BY BANKS IN THE UNITED STATES, BY COUNTRY

(End of period. Amounts outstanding; in millions of dollars)

Area and country	1971	1972		1973							
	Dec.	Dec. ¹	Apr.	May	June	July	Aug.	Sept.	Oct. ²	Nov. ²	
Europe:											
Austria.....	11	8	8	9	9	12	10	18	14	15	14
Belgium-Luxembourg.....	57	120	120	87	73	94	96	107	190	150	145
Denmark.....	49	59	59	63	69	69	56	67	52	50	53
Finland.....	135	118	118	134	140	141	134	125	114	97	89
France.....	263	330	330	451	447	389	434	368	413	461	525
Germany.....	235	321	321	345	356	399	349	281	313	371	392
Greece.....	30	29	29	32	19	19	28	20	16	26	23
Italy.....	160	255	255	288	327	326	278	278	242	282	362
Netherlands.....	105	108	108	129	115	109	101	155	144	132	172
Norway.....	67	69	69	66	67	65	79	70	67	74	82
Portugal.....	12	19	19	30	17	19	18	14	18	23	22
Spain.....	70	207	207	238	360	387	272	251	183	183	189
Sweden.....	118	156	164	246	267	234	224	184	166	155	177
Switzerland.....	145	125	125	186	190	245	208	206	234	242	202
Turkey.....	3	6	6	5	6	6	7	6	6	8	16
United Kingdom.....	559	849	967	918	984	999	1,061	1,346	1,304	1,236	1,162
Yugoslavia.....	19	22	22	20	13	12	12	10	10	8	19
Other Western Europe.....	12	20	20	29	21	29	20	21	26	34	26
U.S.S.R.....	28	41	41	61	50	56	56	42	46	49	51
Other Eastern Europe.....	37	49	49	60	69	73	84	83	97	87	72
Total.....	2,114	2,911	3,037	3,396	3,599	3,684	3,526	3,654	3,654	3,682	3,793
Canada.....	1,627	1,897	1,914	2,305	2,400	2,034	2,168	2,186	1,909	2,210	1,977
Latin America:											
Argentina.....	305	379	379	396	408	408	431	442	455	469	485
Bahamas.....	262	476	476	505	409	399	495	454	617	696	581
Brazil.....	435	649	649	759	851	891	965	915	879	837	826
Chile.....	139	52	52	45	40	43	36	50	40	80	125
Colombia.....	380	418	418	401	398	412	420	422	423	423	413
Cuba.....	13	13	13	13	13	14	13	13	13	15	13
Mexico.....	934	1,202	1,202	1,343	1,343	1,399	1,376	1,338	1,329	1,388	1,355
Panama.....	125	244	244	183	190	218	223	262	252	273	255
Peru.....	176	145	145	143	147	169	180	176	178	208	212
Uruguay.....	41	40	40	36	31	34	34	35	39	45	47
Venezuela.....	268	383	383	401	440	454	454	441	430	436	469
Other Latin American republics.....	374	388	388	382	383	380	373	394	409	431	469
Netherlands Antilles and Surinam.....	18	14	14	24	35	38	48	38	31	23	17
Other Latin America.....	26	36	36	85	74	66	71	89	91	137	120
Total.....	3,494	4,437	4,437	4,715	4,762	4,925	5,119	5,069	5,185	5,462	5,387
Asia:											
China, People's Rep. of (China Mainland)	1	1	1	2	5	3	7	6	7	22	36
China, Republic of (Taiwan).....	109	194	194	238	216	200	198	183	141	128	117
Hong Kong.....	70	93	93	122	132	204	218	116	128	121	124
India.....	21	14	14	14	19	21	18	17	19	14	16
Indonesia.....	41	87	87	127	97	94	91	77	81	89	96
Israel.....	129	105	105	126	116	111	133	133	145	145	152
Japan.....	4,280	4,158	4,158	5,665	5,536	5,756	5,753	5,791	5,801	5,745	6,032
Korea.....	348	296	296	331	338	347	348	336	348	372	368
Philippines.....	138	149	149	150	139	144	134	129	121	105	118
Thailand.....	172	191	191	197	194	173	188	185	179	206	225
Other.....	252	300	300	296	324	354	352	350	361	349	377
Total.....	5,560	5,589	5,589	7,269	7,116	7,407	7,441	7,321	7,330	7,295	7,660
Africa:											
Egypt.....	10	21	21	22	25	34	44	41	43	38	35
Morocco.....	4	4	4	5	4	4	5	5	11	4	12
South Africa.....	156	143	143	151	166	163	150	151	157	150	147
Zaire.....	21	13	13	13	13	42	43	49	48	51	61
Other.....	96	124	124	137	136	145	149	173	146	163	155
Total.....	288	304	304	327	343	388	391	419	405	406	410
Other countries:											
Australia.....	158	291	291	249	232	260	271	230	218	223	251
All other.....	28	40	40	50	47	46	40	41	36	36	36
Total.....	186	330	330	299	280	305	310	271	254	259	287
Total foreign countries.....	13,269	15,468	15,611	18,311	18,501	18,744	18,956	18,921	18,737	19,314	19,516
International and regional.....	3	3	3	2	2	1	2	1	1	1	1
Grand total.....	13,272	15,471	15,614	18,312	18,502	18,745	18,957	18,922	18,737	19,316	19,517

¹ Data in the two columns shown for this date differ because of changes in reporting coverage. Figures in the first column are comparable in coverage with those shown for the preceding date; figures in the second column are comparable with those shown for the following date.

² Includes Bermuda through Dec. 1972.

NOTE.—Short-term claims are principally the following items payable on demand or with a contractual maturity of not more than 1 year: loans

made to, and acceptances made for, foreigners; drafts drawn against foreigners, where collection is being made by banks and bankers for their own account or for account of their customers in the United States; and foreign currency balances held abroad by banks and bankers and their customers in the United States. Excludes foreign currencies held by U.S. monetary authorities.

**14. SHORT-TERM CLAIMS ON FOREIGNERS REPORTED BY BANKS
IN THE UNITED STATES, BY TYPE**

(Amounts outstanding; in millions of dollars)

End of period	Total	Payable in dollars							Payable in foreign currencies				
		Total	Loans to—			Collections outstanding	Acceptances made for acct. of foreigners	Other	Total	Deposits with foreigners	Foreign govt. securities, coml. and finance paper	Other	
			Total	Official institutions	Banks ¹								Others
1969.....	9,680	9,165	3,278	262	1,943	1,073	2,015	3,202	670	516	352	89	74
1970.....	10,802	10,192	3,051	119	1,720	1,212	2,389	3,985	766	610	352	92	166
1971 ²	13,170	12,328	4,503	223	2,613	1,667	2,475	4,243	1,107	842	549	119	174
	13,272	12,377	3,969	231	2,080	1,658	2,475	4,254	1,679	895	548	173	174
1972—Nov.....	14,419	13,649	5,306	157	2,700	2,448	3,130	3,129	2,085	770	412	219	139
Dec. ³	15,471	14,625	5,674	163	2,975	2,535	3,269	3,204	2,478	846	441	223	182
	15,614	14,768	5,682	163	2,975	2,543	3,298	3,204	2,584	846	441	223	182
1973—Jan.....	15,172	14,347	5,437	142	2,814	2,480	3,280	3,103	2,527	825	443	253	128
Feb.....	17,973	16,902	6,460	162	3,674	2,624	3,608	3,283	3,551	1,071	596	313	162
Mar.....	18,324	17,374	6,534	141	3,683	2,711	3,751	3,464	3,624	951	524	262	165
Apr.....	18,312	17,494	6,842	146	3,931	2,765	3,834	3,464	3,354	819	460	207	152
May.....	18,502	17,649	6,931	163	3,812	2,956	3,844	3,602	3,271	854	499	237	118
June.....	18,745	17,907	7,285	205	4,037	3,043	3,901	3,963	2,758	838	552	140	147
July.....	18,957	18,095	7,015	162	3,916	2,936	3,891	3,899	3,290	862	561	151	151
Aug.....	18,922	18,036	6,964	176	4,021	2,767	3,967	3,694	3,411	886	488	151	247
Sept.....	18,737	17,961	6,827	155	3,920	2,752	4,088	3,700	3,345	777	459	143	175
Oct. ⁴	19,316	18,455	7,007	216	3,989	2,802	4,099	3,774	3,575	861	510	187	163
Nov. ⁴	19,517	18,741	7,078	250	4,093	2,736	4,287	3,788	3,588	775	496	131	148

¹ Excludes central banks, which are included with "Official institutions."
² Data on second line differ from those on first line because (a) those claims of U.S. banks on their foreign branches and those claims of U.S. agencies and branches of foreign banks on their head offices and foreign branches, which were previously reported as "Loans", are included in

"Other short-term claims"; and (b) a number of reporting banks are included in the series for the first time.

³ Data on the two lines shown for this date differ because of changes in reporting coverage. Figures on the first line are comparable in coverage with those shown for the preceding date; figures on the second line are comparable with those shown for the following date.

**15. LONG-TERM CLAIMS ON FOREIGNERS REPORTED BY BANKS
IN THE UNITED STATES**

(Amounts outstanding; in millions of dollars)

End of period	Total	Type					Country or area							
		Payable in dollars				Payable in foreign currencies	United Kingdom	Other Europe	Canada	Latin America	Japan	Other Asia	All other countries	
		Total	Official institutions	Banks ¹	Other foreigners									Other long-term claims
1969.....	3,250	2,806	502	209	2,096	426	18	67	411	408	1,329	88	568	378
1970.....	3,075	2,698	504	236	1,958	352	25	71	411	312	1,325	115	548	292
1971.....	3,667	3,345	575	315	2,455	300	22	130	593	228	1,458	246	583	429
1972—Nov.....	4,702	4,378	819	432	3,127	291	33	143	658	360	1,880	305	863	493
Dec. ²	4,954	4,539	833	430	3,276	375	40	145	704	406	1,996	319	881	503
	5,014	4,539	835	430	3,274	436	40	145	701	406	2,006	348	901	509
1973—Jan.....	5,017	4,536	835	442	3,258	440	41	144	724	403	1,967	353	918	508
Feb.....	5,126	4,625	836	477	3,311	449	52	135	763	434	1,987	342	930	535
Mar.....	5,270	4,763	883	496	3,384	460	47	121	851	453	1,978	336	987	544
Apr.....	5,413	4,917	903	544	3,469	448	49	122	904	477	2,000	337	1,031	544
May.....	5,514	5,010	932	545	3,532	456	48	131	923	511	2,000	331	1,059	558
June.....	5,605	5,096	978	550	3,568	464	45	131	980	523	2,003	311	1,096	561
July.....	5,626	5,116	957	554	3,605	456	54	128	1,029	517	1,983	310	1,123	535
Aug.....	5,521	5,009	1,002	514	3,492	466	46	137	1,007	404	1,964	304	1,158	548
Sept.....	5,385	4,859	1,010	507	3,342	457	70	131	975	418	1,921	252	1,187	501
Oct. ³	5,565	5,009	1,041	537	3,432	476	80	130	1,031	493	1,958	258	1,203	514
Nov. ³	5,766	5,221	1,127	554	3,540	463	82	138	1,058	484	2,071	251	1,246	516

¹ Excludes central banks, which are included with "Official institutions."
² Data on the two lines shown for this date differ because of changes in reporting coverage. Figures on the first line are comparable in coverage

with those shown for the preceding date; figures on the second line are comparable with those shown for the following date.

16. PURCHASES AND SALES BY FOREIGNERS OF LONG-TERM SECURITIES, BY TYPE

(In millions of dollars)

Period	Marketable U.S. Treas. bonds and notes ¹					U.S. corporate securities ²			Foreign bonds			Foreign stocks		
	Net purchases or sales					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									
1970.....	56	-25	82	-41	123	11,426	9,844	1,582	1,490	2,441	-951	1,033	998	35
1971.....	1,672	130	1,542	1,661	-119	14,573	13,158	1,415	1,687	2,621	-935	1,385	1,439	-57
1972.....	3,316	57	3,258	3,281	-23	19,073	15,015	4,058	1,901	2,961	-1,060	2,532	2,123	409
1973—Jan.—Nov. ^p	791	-165	957	970	-13	17,222	12,461	4,761	1,319	2,233	-913	1,570	1,410	160
1972—Nov.....	395	1	395	377	18	1,927	1,295	632	136	171	-35	192	110	82
Dec.....	404	.....	404	403	1	2,014	1,375	639	243	465	-222	233	178	55
1973—Jan.....	562	.....	562	562	*	1,852	1,116	736	191	323	-132	161	158	3
Feb.....	515	-12	527	579	-52	1,761	1,045	716	145	144	1	194	145	49
Mar.....	554	10	544	540	3	2,220	1,111	1,109	144	125	19	211	114	97
Apr.....	31	-9	40	16	23	1,564	1,040	523	117	292	-175	121	112	9
May.....	-48	-33	-15	*	-15	1,141	1,101	40	139	150	-11	137	125	12
June.....	-71	-69	-1	.....	-1	1,097	899	198	125	103	22	123	111	12
July.....	-79	-71	-9	.....	-9	1,320	898	422	94	194	-100	107	107	*
Aug.....	-51	17	-68	-28	-39	1,343	864	479	96	157	-61	117	125	-8
Sept.....	40	20	20	8	12	1,173	963	210	67	101	-34	115	105	10
Oct. ^p	29	-13	42	15	27	1,804	1,735	70	97	336	-238	129	131	-2
Nov. ^p	-691	-5	-686	-722	36	1,946	1,689	257	103	305	-202	156	178	-22

¹ Excludes nonmarketable U.S. Treasury bonds and notes issued to official institutions of foreign countries; see Table 12.

² Includes State and local govt. securities, and securities of U.S. Govt. agencies and corporations. Also includes issues of new debt securities

sold abroad by U.S. corporations organized to finance direct investments abroad.

NOTE.—Statistics include transactions of international and regional organizations.

17. NET PURCHASES OR SALES BY FOREIGNERS OF U.S. CORPORATE STOCKS, BY COUNTRY

(In millions of dollars)

Period	Purchases	Sales	Net purchases or sales (-)	France	Germany	Netherlands	Switzerland	United Kingdom	Other Europe	Total Europe	Canada	Latin America	Asia	Other.
1970.....	8,927	8,301	626	58	195	128	110	-33	24	482	-9	47	85	21
1971.....	11,626	10,894	731	87	131	219	168	-49	71	627	-93	37	108	52
1972.....	14,361	12,173	3,188	372	-51	297	642	561	137	1,958	-78	-32	256	83
1973—Jan.—Nov. ^p	11,879	9,081	2,797	409	-8	306	748	386	281	2,123	107	3	543	21
1972—Nov.....	1,560	1,070	490	85	44	55	61	150	53	449	13	25	-8	12
Dec.....	1,464	1,114	350	48	-3	42	59	132	19	297	-1	8	42	4
1973—Jan.....	1,401	924	477	32	29	46	143	108	21	380	25	-20	85	8
Feb.....	1,282	835	446	25	5	67	150	82	42	371	37	-11	44	5
Mar.....	1,144	793	350	35	8	47	148	21	29	288	25	5	21	11
Apr.....	866	728	139	21	9	-8	53	-16	46	105	34	-10	5	4
May.....	777	898	-121	-2	-43	-14	-22	-39	3	-117	-7	-16	11	9
June.....	766	632	134	2	-23	7	52	15	21	74	8	-2	55	-2
July.....	880	564	316	67	-19	25	80	28	28	210	19	11	71	5
Aug.....	972	631	341	53	1	60	57	40	34	245	10	11	81	-6
Sept.....	947	734	212	63	6	18	52	15	14	167	*	27	21	-3
Oct. ^p	1,366	1,271	94	6	-7	5	-34	66	24	60	-26	17	41	4
Nov. ^p	1,480	1,071	409	106	27	54	69	66	20	342	-18	-9	108	-14

¹ Includes international and regional organizations.

18. NET PURCHASES OR SALES BY FOREIGNERS OF U.S. CORPORATE BONDS, BY COUNTRY

(In millions of dollars)

Period	Total	France	Germany	Netherlands	Switzerland	United Kingdom	Other Europe	Total Europe	Canada	Latin America	Asia	Africa	Other countries	Intl. and regional
1970.....	956	35	48	37	134	118	91	464	128	25	28	1	-12	324
1971.....	684	15	35	-1	197	327	39	612	37	19	-2	*	-21	39
1972.....	1,871	336	77	74	135	357	315	1,293	82	22	323	2	*	148
1973—Jan.—Nov. ¹	1,964	192	43	-23	270	241	443	1,080	49	28	771	*	10	25
1972—Nov.....	142	2	30	27	-1	46	42	147	-6	1	1	*	*	47
Dec.....	289	56	30	*	14	49	60	210	8	3	29	1	*	38
1973—Jan.....	260	12	*	2	29	49	73	161	1	6	31	*	*	60
Feb.....	270	6	4	2	30	46	60	149	36	1	110	*	*	-26
Mar.....	759	45	3	-22	-7	-3	158	174	*	4	623	*	*	-42
Apr.....	385	33	2	*	65	-96	94	98	16	4	199	*	*	68
May.....	161	1	-4	-1	76	120	22	215	7	1	*	*	*	-63
June.....	64	6	-3	*	-3	-9	-2	-10	7	-1	2	*	10	59
July.....	106	*	-57	*	13	-15	7	52	3	4	1	*	*	150
Aug.....	138	31	1	1	5	72	10	109	-1	4	2	*	*	24
Sept.....	-2	2	*	*	-1	14	12	26	-1	1	11	*	*	-39
Oct.....	-25	53	*	1	46	-14	1	87	4	1	1	*	*	-118
Nov.....	-151	4	11	-2	28	76	7	124	-21	3	-209	*	*	-48

NOTE.— Statistics include State and local govt. securities, and securities of U.S. Govt. agencies and corporations. Also includes issues of new debt securities sold abroad by U.S. corporations organized to finance direct investments abroad.

19. NET PURCHASES OR SALES BY FOREIGNERS OF LONG-TERM FOREIGN SECURITIES, BY AREA

(In millions of dollars)

Period	Total	Intl. and regional	Total foreign countries	Europe	Canada	Latin America	Asia	Africa	Other countries
1970.....	-915	-254	-662	50	-586	-11	-129	-6	20
1971.....	-992	-310	-682	31	-275	-46	-366	-57	32
1972.....	-651	-90	-561	492	-651	-69	-296	-66	29
1973—Jan.—Nov. ¹	-753	88	-842	97	-555	-92	-134	1	35
1972—Nov.....	47	11	36	39	4	8	8	*	*
Dec.....	-167	9	-176	7	-158	-26	-2	2	1
1973—Jan.....	-129	9	-138	7	-67	-70	-9	*	*
Feb.....	49	-2	51	-3	41	-16	29	*	*
Mar.....	116	23	93	24	34	8	27	*	1
Apr.....	-166	16	-182	22	-193	-6	-5	*	*
May.....	1	11	-10	-22	-13	6	6	-1	14
June.....	34	7	27	10	6	13	-13	1	9
July.....	-100	3	-103	-14	-100	*	9	*	3
Aug.....	-69	5	-75	21	-44	4	-8	*	3
Sept.....	-25	4	-28	-28	8	-8	-1	*	2
Oct.....	-240	4	-243	-25	-148	-8	-64	1	1
Nov.....	-225	9	-234	-47	78	-6	-104	*	*

20. FOREIGN CREDIT AND DEBIT BALANCES IN BROKERAGE ACCOUNTS

(Amounts outstanding; in millions of dollars)

End of period	Credit balances (due to foreigners)	Debit balances (due from foreigners)
1970—Sept.....	291	203
Dec.....	349	281
1971—Mar.....	511	314
June.....	419	300
Sept.....	333	320
Dec.....	311	314
1972—Mar.....	325	379
June.....	312	339
Sept.....	286	336
Dec.....	372	405
1973—Mar.....	310	364
June.....	316	243
Sept.....	290	255

NOTE.— Data represent the money credit balances and money debit balances appearing on the books of reporting brokers and dealers in the United States, in accounts of foreigners with them, and in their accounts carried by foreigners.

Notes to Tables 21a and 21b on following pages:

¹ Total assets and total liabilities payable in U.S. dollars amounted to \$16,795 million and \$17,037 million, respectively, on Sept. 30, 1973.

NOTE.—Components may not add to totals due to rounding.

For a given month, total assets may not equal total liabilities because some branches do not adjust the parent's equity in the branch to reflect unrealized paper profits and paper losses caused by changes in exchange rates, which are used to convert foreign currency values into equivalent dollar values.

21a. ASSETS OF FOREIGN BRANCHES OF U.S. BANKS

(In millions of dollars)

Location and currency form	Month-end	Total	Claims on U.S.			Claims on foreigners					Other
			Total	Parent bank	Other	Total	Other branches of parent bank	Other banks	Official institutions	Non-bank foreigners	
IN ALL FOREIGN COUNTRIES											
Total, all currencies	1970—Dec.	47,363	9,740	7,248	2,491	36,221	6,887	16,997	695	11,643	1,403
	1971—Dec.	61,334	4,798	2,311	2,486	54,752	11,211	24,550	1,167	17,823	1,785
	1972—Sept.	74,906	4,952	2,243	2,709	67,607	11,335	33,395	1,539	21,338	2,346
	Oct.	74,796	4,967	2,239	2,728	67,599	11,343	33,098	1,549	21,610	2,230
	Nov.	76,241	4,456	1,824	2,632	69,425	11,350	34,203	1,577	22,295	2,360
	Dec.	80,034	4,735	2,124	2,611	73,031	11,717	36,738	1,665	22,910	2,268
	1973—Jan.	81,199	4,926	2,327	2,600	74,006	11,945	36,797	1,621	23,643	2,267
	Feb.	87,901	4,325	1,565	2,760	81,067	12,272	42,203	1,747	24,846	2,509
	Mar.	91,646	4,296	1,988	2,308	84,370	12,458	44,268	1,965	25,679	2,980
	Apr.	90,987	3,917	1,672	2,244	84,091	12,787	42,976	2,081	26,247	2,787
	May	92,994	4,218	1,926	2,292	85,577	13,490	42,746	2,004	27,337	3,199
	June	98,802	4,956	2,333	2,622	90,252	13,528	46,319	1,900	28,504	3,995
	July	103,793	5,404	2,505	2,899	94,584	15,316	47,555	2,035	29,678	3,806
	Aug.	105,131	5,157	2,289	2,868	95,946	15,667	47,411	2,102	30,766	4,029
	Sept.	110,673	4,853	1,917	2,936	101,022	17,194	49,312	2,242	32,274	4,797
Payable in U.S. dollars	1970—Dec.	34,619	9,452	7,233	2,219	24,642	4,213	13,265	362	6,802	525
	1971—Dec.	40,182	4,541	2,305	2,236	35,064	6,659	18,006	864	9,536	577
	1972—Sept.	48,704	4,685	2,222	2,463	43,141	7,048	23,840	1,105	11,148	879
	Oct.	48,986	4,669	2,126	2,453	43,556	7,391	23,555	1,084	11,526	761
	Nov.	49,631	4,173	1,803	2,371	44,664	7,439	24,123	1,083	12,019	793
	Dec.	54,058	4,473	2,102	2,371	48,768	8,083	26,907	1,128	12,651	817
	1973—Jan.	54,196	4,592	2,303	2,289	48,828	8,093	26,764	1,063	12,908	777
	Feb.	57,567	3,985	1,534	2,451	52,692	8,550	29,829	1,097	13,215	891
	Mar.	58,745	3,988	1,957	2,031	53,752	8,438	30,568	1,124	13,622	1,005
	Apr.	57,515	3,589	1,645	1,944	52,871	8,426	29,498	1,108	13,839	1,055
	May	58,019	3,930	1,899	2,031	52,871	8,548	28,677	1,140	14,506	1,218
	June	61,880	4,602	2,285	2,317	55,921	8,493	31,294	1,129	15,005	1,357
	July	64,146	4,799	2,469	2,330	57,867	9,229	31,903	1,220	15,615	1,480
	Aug.	65,434	4,521	2,231	2,290	59,458	10,033	31,387	1,278	16,760	1,455
	Sept.	68,114	4,415	1,866	2,549	62,015	10,718	32,458	1,281	17,558	1,685
IN UNITED KINGDOM											
Total, all currencies	1970—Dec.	28,451	6,729	5,214	1,515	21,121	3,475	11,095	316	6,235	601
	1971—Dec.	34,552	2,694	1,230	1,464	30,996	5,690	16,211	476	8,619	862
	1972—Sept.	42,053	2,350	1,253	1,097	38,606	5,651	22,559	650	9,745	1,097
	Oct.	41,649	2,409	1,386	1,023	38,201	5,751	22,157	630	9,662	1,040
	Nov.	41,600	1,939	907	1,032	38,643	5,490	22,671	584	9,898	1,018
	Dec.	43,684	2,234	1,138	1,096	40,430	5,659	23,983	609	10,179	1,020
	1973—Jan.	44,347	2,585	1,466	1,118	40,796	5,637	24,333	574	10,252	966
	Feb.	48,533	1,945	848	1,097	45,487	5,887	28,473	585	10,542	1,102
	Mar.	49,696	2,052	1,130	922	46,520	5,783	29,148	663	10,926	1,124
	Apr.	49,181	1,662	794	868	46,332	5,437	29,255	651	10,989	1,188
	May	49,080	1,744	912	864	46,001	5,725	28,394	614	11,268	1,336
	June	51,460	1,876	1,012	864	48,075	5,279	30,390	607	11,800	1,509
	July	54,265	2,500	1,492	1,008	50,189	6,274	30,826	649	12,440	1,576
	Aug.	53,153	1,878	937	942	49,692	6,849	29,696	685	12,462	1,583
	Sept.	56,127	1,473	604	870	52,771	8,022	30,967	660	13,123	1,882
Payable in U.S. dollars	1970—Dec.	22,574		6,596		15,655	2,223	9,420		4,012	323
	1971—Dec.	24,428		2,585		21,493	4,135	12,762		4,596	350
	1972—Sept.	28,204		2,264		25,463	4,004	16,609		4,851	476
	Oct.	27,978		2,307		25,244	4,169	16,249		4,827	427
	Nov.	27,865		1,846		25,579	4,049	16,399		5,132	439
	Dec.	30,381		2,146		27,787	4,326	17,976		5,485	447
	1973—Jan.	30,652		2,468		27,778	4,184	18,069		5,526	405
	Feb.	32,746		1,814		30,423	4,568	20,219		5,637	508
	Mar.	32,658		1,953		30,183	4,324	20,033		5,827	522
	Apr.	31,833		1,539		29,778	4,034	20,119		5,625	515
	May	30,906		1,654		28,666	3,943	18,848		5,874	587
	June	32,900		1,784		30,421	3,900	20,447		6,075	694
	July	33,486		2,193		30,569	4,042	20,209		6,319	724
	Aug.	32,935		1,540		30,694	4,887	19,224		6,584	701
	Sept.	34,401		1,348		32,210	5,399	19,873		6,939	842
IN THE BAHAMAS											
Total, all currencies	1970—Dec.	4,815	1,173	455	717	3,583		2,119		1,464	59
	1971—Dec.	8,493	1,282	505	778	7,119		3,798		3,320	92
	1972—Sept.	11,914	1,612	221	1,391	10,150		5,929		4,221	152
	Oct.	12,017	1,739	251	1,489	10,120		5,836		4,284	157
	Nov.	12,330	1,586	221	1,365	10,577		6,209		4,368	167
	Dec.	13,091	1,496	225	1,272	11,419		6,965		4,454	175
	1973—Jan.	13,064	1,387	182	1,206	11,495		6,753		4,742	181
	Feb.	13,559	1,461	83	1,378	11,860		7,189		4,671	238
	Mar.	13,764	1,211	90	1,121	12,283		7,520		4,764	271
	Apr.	13,653	1,407	293	1,113	11,988		6,726		5,262	258
	May	14,730	1,498	272	1,227	12,888		7,242		5,647	343
	June	16,184	1,917	410	1,507	14,002		8,206		5,796	265
	July	17,086	1,929	350	1,579	14,862		8,802		6,060	295
	Aug.	18,501	2,206	567	1,639	15,426		9,001		6,424	419
	Sept.	18,665	2,217	469	1,748	15,995		9,420		6,575	454

21b. LIABILITIES OF FOREIGN BRANCHES OF U.S. BANKS

(In millions of dollars)

Total	To U.S.			To foreigners					Other	Month-end	Location and currency form
	Total	Parent bank	Other	Total	Other branches of parent bank	Other banks	Official institutions	Non-bank foreigners			
IN ALL FOREIGN COUNTRIES											
47,354	2,575	716	1,859	42,812	6,426	24,829	4,180	7,377	1,967	..... 1970—Dec.	..... Total, all currencies
61,336	3,114	669	2,445	56,124	10,773	31,081	5,513	8,756	2,098	..... 1971—Dec.	
74,905	3,303	728	2,575	69,340	11,123	39,328	8,208	10,680	2,263	..... 1972—Sept.	
74,795	3,255	716	2,539	69,198	11,204	38,470	8,236	11,287	2,342	..... Oct.	
76,239	3,233	802	2,432	70,513	11,146	39,324	8,401	11,642	2,493	..... Nov.	
80,035	3,559	1,000	2,559	73,842	11,344	42,531	8,486	11,483	2,634	..... Dec.	
81,199	3,414	836	2,578	75,272	11,746	42,259	9,236	12,032	2,513	..... 1973—Jan.	
87,901	3,967	1,132	2,835	80,848	11,868	46,370	9,387	13,223	3,086	..... Feb.	
91,646	4,137	1,218	2,919	84,066	12,219	48,520	9,454	13,873	3,443	..... Mar.	
90,987	4,095	1,044	3,051	83,345	12,638	47,874	9,538	13,294	3,547	..... Apr.	
92,994	4,548	1,122	3,426	84,655	13,284	48,536	9,331	13,505	3,792	..... May	
98,802	4,580	1,010	3,570	90,177	13,315	53,428	9,593	13,840	4,045	..... June	
103,793	4,491	1,213	3,279	94,940	15,040	55,705	9,676	14,519	4,362	..... July	
105,130	4,710	1,085	3,625	95,868	16,002	56,152	8,585	15,128	4,552	..... Aug.	
110,673	4,815	1,178	3,636	100,742	17,017	58,734	8,769	16,221	5,116	..... Sept.	
36,086	2,334	657	1,677	32,509	4,079	19,816	3,737	4,877	1,243	..... 1970—Dec.	..... Payable in U.S. dollars
42,033	2,674	511	2,163	38,083	6,653	22,069	4,433	4,928	1,276	..... 1971—Dec.	
51,092	2,833	605	2,227	47,055	7,401	27,133	6,490	6,031	1,204	..... 1972—Sept.	
51,326	2,789	582	2,207	47,305	7,706	26,770	6,567	6,262	1,232	..... Oct.	
52,139	2,753	651	2,102	48,082	7,741	27,241	6,734	6,365	1,305	..... Nov.	
56,375	3,104	848	2,256	51,811	8,178	30,253	6,913	6,467	1,459	..... Dec.	
56,404	2,995	693	2,302	52,113	8,400	29,233	7,680	6,800	1,297	..... 1973—Jan.	
60,814	3,466	954	2,511	55,780	8,750	32,023	7,808	7,200	1,568	..... Feb.	
62,430	3,613	1,038	2,575	57,127	8,735	33,131	7,771	7,489	1,691	..... Mar.	
60,915	3,562	886	2,676	55,604	8,657	31,970	7,743	7,234	1,750	..... Apr.	
61,427	4,005	955	3,050	55,636	8,810	32,275	7,361	7,190	1,786	..... May	
64,697	4,036	868	3,167	58,816	8,774	35,503	7,354	7,185	1,845	..... June	
66,335	3,893	1,046	2,847	60,482	9,626	36,271	7,092	7,493	1,961	..... July	
67,357	4,158	943	3,215	61,041	10,612	36,616	6,242	7,572	2,157	..... Aug.	
70,314	4,233	1,022	3,211	63,705	11,036	37,874	6,366	8,429	2,376	..... Sept.	
IN UNITED KINGDOM											
28,451	1,339	116	1,222	26,520	2,320	16,533	3,119	4,548	592	..... 1970—Dec.	..... Total, all currencies
34,552	1,660	111	1,550	32,128	3,401	19,137	4,464	5,126	763	..... 1971—Dec.	
42,053	1,497	137	1,360	39,517	3,139	23,739	6,272	6,367	1,039	..... 1972—Sept.	
41,649	1,465	136	1,329	39,225	3,060	23,001	6,309	6,854	959	..... Oct.	
41,600	1,481	132	1,349	39,149	2,928	22,769	6,340	7,112	969	..... Nov.	
43,684	1,456	113	1,343	41,232	2,961	24,776	6,453	7,042	997	..... Dec.	
44,347	1,501	107	1,394	41,933	3,277	23,959	7,285	7,412	913	..... 1973—Jan.	
48,533	1,844	264	1,580	45,623	3,157	27,038	7,517	7,915	1,062	..... Feb.	
49,696	1,858	235	1,624	46,750	3,164	28,119	7,388	8,078	1,088	..... Mar.	
49,181	1,970	165	1,805	46,075	3,397	27,796	7,509	7,373	1,136	..... Apr.	
49,080	2,028	170	1,857	45,792	3,614	27,168	7,324	7,685	1,260	..... May	
51,460	1,958	123	1,835	48,189	3,321	29,372	7,585	7,910	1,313	..... June	
54,265	1,875	164	1,711	50,973	3,883	31,029	7,817	8,245	1,418	..... July	
53,153	2,080	171	1,909	49,562	3,731	30,502	6,753	8,575	1,512	..... Aug.	
56,127	2,125	161	1,964	52,238	4,118	32,210	6,952	8,957	1,764	..... Sept.	
23,005	1,208	98	1,110	21,495	1,548	13,684	2,859	3,404	302	..... 1970—Dec.	..... Payable in U.S. dollars
24,845	1,412	23	1,389	23,059	2,164	14,038	3,676	3,181	374	..... 1971—Dec.	
28,589	1,269	86	1,184	26,788	1,926	15,959	5,117	3,787	531	..... 1972—Sept.	
28,477	1,245	80	1,165	26,759	1,942	15,597	5,216	4,004	473	..... Oct.	
28,558	1,270	92	1,178	26,778	1,959	15,383	5,280	4,155	510	..... Nov.	
30,933	1,276	72	1,203	29,121	2,008	17,478	5,349	4,287	536	..... Dec.	
30,926	1,335	72	1,264	29,091	2,234	16,205	6,162	4,490	500	..... 1973—Jan.	
33,966	1,661	226	1,436	31,714	2,188	18,360	6,394	4,771	591	..... Feb.	
33,929	1,676	195	1,481	31,655	2,128	18,334	6,251	4,942	598	..... Mar.	
33,050	1,735	119	1,616	30,782	2,318	17,672	6,245	4,546	533	..... Apr.	
32,148	1,809	138	1,671	29,730	2,225	16,982	5,897	4,626	608	..... May	
33,620	1,731	102	1,629	31,313	2,234	18,424	5,990	4,665	575	..... June	
33,901	1,661	148	1,513	31,645	2,316	18,723	5,868	4,739	595	..... July	
33,077	1,846	148	1,698	30,549	2,213	18,671	5,005	4,660	682	..... Aug.	
35,017	1,866	137	1,729	32,342	2,245	19,949	5,126	5,022	809	..... Sept.	
IN THE BAHAMAS											
4,815	542			4,183		488	2,872	823	90	..... 1970—Dec.	..... Total, all currencies
8,495	750			7,557	1,649		4,784	1,124	188	..... 1971—Dec.	
11,913	1,137			10,620	1,935		7,192	1,493	156	..... 1972—Sept.	
12,017	1,053			10,793	1,928		7,415	1,450	171	..... Oct.	
12,329	934			11,230	1,982		7,862	1,386	166	..... Nov.	
13,091	1,220			11,703	1,964		8,395	1,344	168	..... Dec.	
13,064	1,137			11,760	1,875		8,502	1,383	167	..... 1973—Jan.	
13,559	1,186			12,144	2,223		8,394	1,527	230	..... Feb.	
13,765	1,303			12,195	1,855		8,803	1,537	267	..... Mar.	
13,653	1,126			12,138	1,977		8,505	1,656	389	..... Apr.	
14,730	1,404			12,981	2,238		9,259	1,483	345	..... May	
16,184	1,480			14,370	2,579		10,410	1,381	334	..... June	
17,086	1,374			15,381	3,002		10,762	1,616	331	..... July	
18,050	1,458			16,196	3,499		11,064	1,633	395	..... Aug.	
18,665	1,535			16,561	3,640		10,923	1,999	569	..... Sept.	

22. LIABILITIES OF U.S. BANKS TO THEIR FOREIGN BRANCHES AND FOREIGN BRANCH HOLDINGS OF SPECIAL U.S. GOVERNMENT SECURITIES

(Amounts outstanding; in millions of dollars)

Wednesday	Liabilities ¹	Liab. plus sec.2	Wednesday	Liabilities ¹	Wednesday	Liabilities ¹
1968			1972		1973	
Mar. 27.....	4,920		Apr. 26...	1,374	July 3...	1,766
June 26.....	6,202		May 31...	1,465	11...	1,664
Sept. 25.....	7,104		June 28...	1,443	18...	2,146
Dec. 31 (1/1/69).....	6,039				25...	2,086
1969			July 26...	1,345	Aug. 1...	2,226
Mar. 26.....	9,621		Aug. 30...	1,270	8...	2,276
June 25.....	13,269		Sept. 27...	2,023	15...	1,900
Sept. 24.....	14,349				22...	2,440
Dec. 31.....	12,805		Oct. 25...	1,415	29...	2,793
1970			Nov. 29...	1,745		
Mar. 25.....	11,885		Dec. 27...	1,406	Sept. 5...	1,512
June 24.....	12,172		1973		12...	1,942
Sept. 30.....	9,663		Jan. 31...	1,413	19...	1,801
Dec. 30.....	7,676		Feb. 28...	790	26...	1,731
1971			Mar. 28...	1,127	Oct. 3...	1,695
Mar. 31.....	2,858	4,358			10...	1,790
June 30.....	1,492	4,500	Apr. 25...	1,123	17...	1,814
Sept. 29.....	2,475	3,578			24...	1,642
Dec. 29.....	909		May 2...	1,238	31...	1,768
1972			9...	1,073	Nov. 7...	1,779
Jan. 26.....	1,419		16...	1,721	14...	1,870
Feb. 23.....	1,068		23...	1,492	21...	2,496
Mar. 29.....	1,532		30...	1,351	28...	2,486
			June 6...	940	Dec. 5...	1,946
			13...	1,266	12...	1,973
			20...	1,242	19...	2,438
			27...	1,521	26...	1,759

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 were U.S. Treasury Certificates Eurodollar Series.

23. DEPOSITS, U.S. TREAS. SECURITIES, AND GOLD HELD AT F.R. BANKS FOR FOREIGN OFFICIAL ACCOUNT

(In millions of dollars)

End of period	Deposits	Assets in custody	
		U.S. Treas. securities ¹	Earmarked gold
1970.....	148	16,226	12,926
1971.....	294	43,195	13,815
1972—Dec....	325	50,934	15,530
1973—Jan....	310	50,118	15,526
Feb....	455	56,914	15,522
Mar....	327	359,389	15,519
Apr....	328	358,255	15,513
May....	289	58,015	15,511
June....	334	57,545	15,486
July....	280	57,054	15,464
Aug....	259	55,855	15,455
Sept....	250	55,407	15,437
Oct....	426	54,766	17,122
Nov....	420	52,998	17,104
Dec....	251	52,070	17,068

¹ Marketable U.S. Treasury bills, certificates of indebtedness, notes, and bonds and nonmarketable U.S. Treasury securities payable in dollars and in foreign currencies.

² Increase reflects principally change in par value of the U.S. dollar in May 1972.

³ Includes \$15 million increase in Mar. and \$160 million increase in Apr. in dollar value of foreign currency obligations revalued to reflect market exchange rates.

⁴ Increase reflects change in par value of the U.S. dollar in Oct. 1973.

NOTE.—Excludes deposits and U.S. Treas. securities held for international and regional organizations. Earmarked gold is gold held for foreign and international accounts and is not included in the gold stock of the United States.

24. SHORT-TERM LIQUID CLAIMS ON FOREIGNERS REPORTED BY NONBANKING CONCERNS

(Amounts outstanding; in millions of dollars)

End of period	Total	Payable in dollars		Payable in foreign currencies		United Kingdom	Canada
		Deposits	Short-term investments ¹	Deposits	Short-term investments ¹		
1969 ²	{ 1,319	952	116	174	76	610	469
	{ 1,491	1,062	161	183	86	663	534
1970.....	1,141	697	150	173	121	372	443
1971—Dec. ² ...	{ 1,648	1,092	203	234	120	577	587
	{ 1,507	1,078	127	234	68	580	443
1972—Oct.....	2,033	1,472	171	332	57	681	551
Nov.....	2,058	1,493	167	343	55	635	587
Dec. ²	{ 1,965	1,446	169	307	42	702	485
	{ 2,250	1,789	55	338	68	869	535
1973—Jan. ² ...	2,458	1,929	92	344	93	921	704
Feb....	2,989	2,218	170	378	224	1,012	1,088
Mar....	3,068	2,276	156	412	225	1,100	957
Apr....	3,037	2,268	118	416	234	1,042	878
May....	3,186	2,412	130	433	211	1,008	1,005
June....	3,199	2,538	74	453	134	1,062	874
July....	3,257	2,479	136	475	167	1,068	952
Aug....	3,345	2,570	82	484	209	1,061	931
Sept....	3,200	2,490	78	471	161	1,080	879
Oct....	2,860	2,194	66	448	152	969	865

¹ Negotiable and other readily transferable foreign obligations payable on demand or having a contractual maturity of not more than 1 year from the date on which the obligation was incurred by the foreigner.

² Data on the two lines for this date differ because of changes in reporting coverage. Figures on the first line are comparable in coverage with those shown for the preceding date; figures on the second line are comparable with those shown for the following date.

NOTE.—Data represent the liquid assets abroad of large nonbanking concerns in the United States. They are a portion of the total claims on foreigners reported by nonbanking concerns in the United States and are included in the figures shown in Tables 25 and 26.

25. SHORT-TERM LIABILITIES TO AND CLAIMS ON FOREIGNERS REPORTED BY NONBANKING CONCERNS

(End of period, Amounts outstanding; in millions of dollars)

Area and country	Liabilities to foreigners					Claims on foreigners				
	1972		1973			1972		1973		
	Sept.	Dec. ¹	Mar.	June ²	Sept.	Dec. ¹	Mar.	June ²		
Europe:										
Austria.....	2	2	3	2	15	20	19	14	17	
Belgium-Luxembourg.....	82	75	83	75	63	62	73	106	93	
Denmark.....	5	9	7	8	19	28	29	26	20	
Finland.....	3	4	4	4	16	23	25	21	21	
France.....	145	163	167	161	165	188	220	230	318	
Germany, Fed. Rep. of.....	130	145	156	146	165	200	176	194	242	
Greece.....	14	24	15	19	24	30	35	36	40	
Italy.....	108	118	121	107	103	174	194	202	199	
Netherlands.....	79	102	109	100	110	71	78	83	96	
Norway.....	5	9	14	14	13	19	17	16	19	
Portugal.....	3	4	4	5	4	20	21	19	25	
Spain.....	63	79	81	82	72	130	137	157	140	
Sweden.....	14	12	12	22	23	45	56	57	45	
Switzerland.....	119	122	106	127	85	57	79	82	85	
Turkey.....	2	3	4	3	3	8	47	47	23	
United Kingdom.....	943	949	1,009	857	702	992	1,044	1,155	1,385	
Yugoslavia.....	5	7	7	16	17	11	12	14	18	
Other Western Europe.....	2	2	2	2	3	11	14	12	9	
Eastern Europe.....	9	3	3	6	21	47	42	40	91	
Total.....	1,733	1,830	1,905	1,758	1,617	2,117	2,309	2,489	2,831	
Canada.....	183	209	211	267	246	996	899	930	1,308	
Latin America:										
Argentina.....	16	19	29	30	24	52	59	78	74	
Brazil.....	24	35	35	42	47	163	175	168	170	
Chile.....	17	18	18	17	13	33	33	34	31	
Colombia.....	6	8	7	8	7	39	41	40	36	
Cuba.....	1	1	1	*	*	1	1	1	1	
Mexico.....	21	27	27	34	38	154	180	183	195	
Panama.....	5	8	18	17	18	20	19	67	72	
Peru.....	5	5	4	4	6	36	40	36	33	
Uruguay.....	2	6	7	5	3	7	4	4	5	
Venezuela.....	17	17	21	23	23	74	89	92	106	
Other I.A. republics.....	30	35	45	46	47	96	91	94	95	
Bahamas ²	293	319	366	288	382	519	520	547	534	
Neth. Antilles and Surinam.....	9	10	10	10	11	11	12	13	12	
Other Latin America.....	6	7	4	8	19	23	23	35	44	
Total.....	453	514	589	532	638	1,226	1,289	1,390	1,410	
Asia:										
China, People's Republic of (China Mainland).....	28	32	32	32	31	1	*	*	1	
China, Rep. of (Taiwan).....	26	28	26	33	35	51	67	65	61	
Hong Kong.....	12	12	12	12	12	22	24	32	31	
India.....	7	7	7	7	7	36	33	34	31	
Indonesia.....	6	12	16	16	15	32	33	33	38	
Israel.....	11	12	13	16	9	18	31	31	34	
Japan.....	223	149	160	194	234	452	456	467	509	
Korea.....	16	20	20	19	18	57	63	63	47	
Philippines.....	5	15	15	25	19	63	49	48	47	
Thailand.....	5	5	5	5	6	14	15	22	25	
Other Asia.....	112	117	152	156	140	171	201	203	188	
Total.....	451	410	458	513	525	918	972	999	1,012	
Africa:										
Egypt.....	1	25	32	37	20	7	7	16	25	
South Africa.....	17	7	8	6	6	45	53	52	55	
Zaire.....	2	1	1	12	12	7	5	8	16	
Other Africa.....	37	59	61	66	67	64	75	79	78	
Total.....	57	92	103	121	105	122	140	155	173	
Other countries:										
Australia.....	46	47	46	54	72	92	94	84	82	
All other.....	11	13	13	11	11	18	20	21	22	
Total.....	57	60	59	64	82	110	114	105	104	
International and regional.....	*	*	*	*	*	5	1	1	1	
Grand total.....	2,933	3,115	3,324	3,256	3,213	5,495	5,723	6,068	6,839	

¹ Data in the two columns shown for this date differ because of changes in reporting coverage. Figures in the first column are comparable in coverage with those shown for the preceding date; figures in the second column are comparable with those shown for the following date.

² Includes Bermuda.

NOTE.—Reported by exporters, importers, and industrial and commercial concerns and other nonbanking institutions in the United States. Data exclude claims held through U.S. banks, and intercompany accounts between U.S. companies and their foreign affiliates.

26. SHORT-TERM LIABILITIES TO AND CLAIMS ON FOREIGNERS REPORTED BY NONBANKING CONCERNS, BY TYPE

(Amounts outstanding; in millions of dollars)

End of period	Liabilities			Claims			
	Total	Payable in dollars	Payable in foreign currencies	Total	Payable in dollars	Payable in foreign currencies	
						Deposits with banks abroad in reporter's name	Other
1969—June.....	1,613	1,263	350	4,023	3,316	429	278
Sept.....	1,797	1,450	346	3,874	3,222	386	267
Dec. ¹	1,786	1,399	387	3,710	3,124	221	365
	2,124	1,654	471	4,159	3,532	244	383
1970—June.....	2,387	1,843	543	4,457	3,868	234	355
Sept.....	2,512	1,956	557	4,361	3,756	301	305
Dec.....	2,677	2,281	496	4,160	3,579	234	348
1971—Mar.....	2,437	1,975	462	4,515	3,909	232	374
June.....	2,375	1,937	438	4,708	4,057	303	348
Sept.....	2,564	2,109	454	4,894	4,186	383	326
Dec. ¹	2,704	2,229	475	5,185	4,535	318	333
	2,763	2,301	463	5,004	4,467	290	247
1972—Mar.....	2,844	2,407	437	5,177	4,557	318	302
June.....	2,925	2,452	472	5,331	4,685	376	270
Sept.....	2,933	2,435	498	5,495	4,833	432	230
Dec. ¹	3,115	2,630	484	5,723	5,074	411	238
	3,324	2,825	499	6,068	5,394	393	281
1973—Mar.....	3,256	2,743	513	6,839	5,945	458	436
June ²	3,213	2,652	561	7,106	6,249	502	355

¹ Data on the two lines shown for this date differ because of changes in reporting coverage. Figures on the first line are comparable with those shown for the

preceding date; figures on the second line are comparable with those shown for the following date.

27. LONG-TERM LIABILITIES TO AND CLAIMS ON FOREIGNERS REPORTED BY NONBANKING CONCERNS

(Amounts outstanding; in millions of dollars)

End of period	Total liabilities	Claims										
		Total	Country or area									
			United Kingdom	Other Europe	Canada	Brazil	Mexico	Other Latin America	Japan	Other Asia	Africa	All other
1969—June.....	1,325	1,952	168	368	447	195	76	216	142	229	72	40
Sept.....	1,418	1,965	167	369	465	179	70	213	143	246	71	42
Dec. ¹	1,725	2,215	152	433	496	172	73	388	141	249	69	42
	2,304	2,363	152	442	562	177	77	420	142	271	75	46
1970—Mar.....	2,358	2,744	159	735	573	181	74	458	158	288	71	47
June.....	2,587	2,757	161	712	580	177	65	477	166	288	76	54
Sept.....	2,785	2,885	157	720	620	180	63	586	144	284	73	58
Dec.....	3,102	2,950	146	708	669	183	60	618	140	292	71	64
1971—Mar.....	3,177	2,983	154	688	670	182	63	615	161	302	77	72
June.....	3,172	2,982	151	687	677	180	63	625	138	312	75	74
Sept.....	2,939	3,019	135	672	765	178	60	597	133	319	85	75
Dec. ¹	3,159	3,118	128	705	761	174	60	652	141	327	86	85
	3,138	3,118	128	705	767	174	60	653	136	325	86	84
1972—Mar.....	3,093	3,191	129	713	787	175	60	665	137	359	81	85
June.....	3,300	3,255	108	713	797	188	61	671	161	377	86	93
Sept.....	3,448	3,235	128	695	805	177	63	661	132	389	89	96
Dec. ¹	3,540	3,369	162	715	833	184	60	659	156	406	87	109
	3,858	3,472	179	755	870	187	63	698	134	394	80	111
1973—Mar.....	3,988	3,604	144	808	884	165	62	783	124	409	102	125
June ²	3,963	3,662	157	819	894	146	64	797	138	412	105	131

¹ Data on the two lines shown for this date differ because of changes in reporting coverage. Figures on the first line are comparable with those

shown for the preceding date; figures on the second line are comparable with those shown for the following date.

FOREIGN EXCHANGE RATES

(In cents per unit of foreign currency)

Period	Australia (dollar)	Austria (schilling)	Belgium (franc)	Canada (dollar)	Denmark (krone)	Finland (markka)	France (franc)	Germany (Deutsche mark)
1969.....	111.10	3,8654	1,9942	92,855	13,299	23,774	19,302	25,491
1970.....	111.36	3,8659	2,0139	95,802	13,334	23,742	18,087	27,424
1971.....	113.61	4,0009	2,0598	99,021	13,508	23,758	18,148	28,768
1972.....	119.23	4,3228	2,2716	100,937	14,384	24,022	19,825	31,364
1972—Dec.....	120.74	4,3172	2,2670	100,326	14,601	24,000	19,657	31,262
1973—Jan.....	127.16	4,3203	2,2665	100,071	14,536	23,986	19,671	31,288
Feb.....	135.46	4,8582	2,3981	100,440	15,386	24,728	20,987	33,273
Mar.....	141.29	4,8759	2,5378	100,333	16,275	25,628	22,191	35,548
Apr.....	141.50	4,8330	2,4895	99,928	16,099	25,872	21,959	35,252
May.....	141.50	4,9082	2,5356	99,916	16,241	25,277	22,341	35,841
June.....	141.58	5,2408	2,6643	100,160	17,130	26,731	23,472	38,786
July.....	141.78	5,8124	2,8151	100,049	18,041	27,202	24,655	42,821
Aug.....	141.48	5,5917	2,7035	99,605	17,521	27,314	23,527	41,219
Sept.....	146.83	5,5695	2,7089	99,181	17,480	27,042	23,466	41,246
Oct.....	148.22	5,5871	2,7328	99,891	17,692	27,202	23,718	41,428
Nov.....	148.22	5,2670	2,5882	100,092	16,744	26,894	22,687	38,764
Dec.....	148.33	5,1150	2,4726	100,058	16,089	26,104	21,757	37,629

Period	India (rupee)	Ireland (pound)	Italy (lira)	Japan (yen)	Malaysia (dollar)	Mexico (peso)	Neth- erlands (guilder)	New Zealand (dollar)
1969.....	13,230	239.01	1,5940	2,7903	32,623	8,0056	27,592	111,21
1970.....	13,233	239.59	1,5945	2,7921	32,396	8,0056	27,651	111,48
1971.....	13,338	244.42	1,6174	2,8779	32,989	8,0056	28,650	113,71
1972.....	13,246	250.08	1,7132	3,2995	35,610	8,0000	31,153	119,35
1972—Dec.....	12,467	234.48	1,7146	3,3196	35,531	8,0000	30,962	119,53
1973—Jan.....	12,494	235.62	1,7079	3,3136	35,523	8,0000	31,084	119,52
Feb.....	12,910	242.75	1,7421	3,6041	37,679	8,0000	33,119	126,87
Mar.....	13,260	247.24	1,7604	3,8190	39,922	8,0000	34,334	132,21
Apr.....	13,255	248.37	1,6971	3,7666	40,307	8,0000	33,890	132,99
May.....	13,340	253.05	1,7100	3,7786	40,333	8,0000	34,488	132,34
June.....	13,753	257.62	1,6792	3,7808	40,865	8,0000	36,582	132,40
July.....	13,605	253.75	1,7200	3,7801	43,121	8,0000	38,700	135,02
Aug.....	13,220	247.57	1,7423	3,7704	43,859	8,0000	37,596	135,33
Sept.....	12,987	241.83	1,7691	3,7668	43,361	8,0000	38,542	145,07
Oct.....	12,938	242.92	1,7656	3,7547	43,641	8,0000	40,011	148,64
Nov.....	12,767	238.70	1,6904	3,5941	41,838	8,0000	37,267	147,74
Dec.....	12,328	231.74	1,6458	3,5692	41,405	8,0000	35,615	144,34

Period	Norway (krone)	Portugal (escudo)	South Africa (rand)	Spain (poseta)	Sri Lanka ¹ (rupee)	Sweden (krona)	Switz- erland (franc)	United King- dom (pound)
1969.....	13,997	3,5013	138,90	1,4266	16,741	19,342	23,186	239,01
1970.....	13,992	3,4978	139,24	1,4280	16,774	19,282	23,199	239,59
1971.....	14,205	3,5456	140,29	1,4383	16,800	19,592	24,325	244,42
1972.....	15,180	3,7023	129,43	1,5559	16,057	21,022	26,193	250,08
1972—Dec.....	15,187	3,7248	127,57	1,5753	14,936	21,080	26,526	234,48
1973—Jan.....	15,128	3,7280	127,55	1,5755	14,904	21,092	26,820	235,62
Feb.....	16,038	3,8562	134,91	1,6355	15,407	21,935	29,326	242,75
Mar.....	16,954	4,1005	141,43	1,7183	15,774	22,582	31,084	247,24
Apr.....	16,428	3,9563	141,70	1,7217	15,777	22,161	30,821	248,37
May.....	17,196	4,0050	141,65	1,7224	15,883	22,567	31,494	253,05
June.....	18,192	4,2175	148,07	1,7229	16,538	23,746	32,757	257,62
July.....	18,932	4,4624	148,63	1,7385	16,431	24,732	35,428	253,75
Aug.....	18,145	4,3243	148,52	1,7553	15,948	24,070	33,656	247,57
Sept.....	18,048	4,2784	148,50	1,7610	15,768	23,769	33,146	241,83
Oct.....	18,285	4,3014	148,54	1,7576	15,481	23,942	33,019	242,92
Nov.....	17,872	4,1155	148,45	1,7479	15,503	23,019	31,604	238,70
Dec.....	17,651	3,9500	148,66	1,7571	15,044	22,026	31,252	231,74

¹ Ceylon renamed Sri Lanka under new constitution, 1972.

NOTE.—Averages of certified noon buying rates in New York for cable transfers. For description of rates and back data, see "International Finance," Section 15 of *Supplement to Banking and Monetary Statistics*, 1962.

CENTRAL BANK RATES FOR DISCOUNTS AND ADVANCES TO COMMERCIAL BANKS

(Per cent per annum)

Country	Rate as of Dec. 31, 1972		Changes during the last 12 months											Rate as of Dec. 31, 1973			
	Per cent	Month effective	1973														
			Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.		Dec.		
Argentina.....	18.0	Feb. 1972															18.0
Austria.....	5.5	Nov. 1972								6.0							6.0
Belgium.....	5.0	Dec. 1972						5.50		6.0	6.5		7.75				7.75
Brazil.....	18.0	Feb. 1972															18.0
Canada.....	4.75	Oct. 1971					5.25	5.75	6.25		6.75						6.75
Chile.....	7.0	Jan. 1972															7.0
China, Rep. of (Taiwan).....	9.25	May 1971								10.5			10.75				10.75
Colombia.....	14.0	May 1970															8.0
Costa Rica.....	5.0	June 1966															5.0
Denmark.....	7.0	Oct. 1972								8.0						9.00	9.00
Ecuador.....	8.0	Jan. 1970															8.0
Egypt.....	5.0	May 1962															5.0
El Salvador.....	4.0	Aug. 1964															4.0
Ethiopia.....	6.50	Aug. 1970															6.50
Finland.....	7.75	Jan. 1972								9.25							9.25
France.....	7.5	Nov. 1972								8.50	9.5	11.0					11.0
Germany, Fed. Rep. of.....	4.5	Nov. 1972	5.0					6.0	7.0								7.0
Ghana.....	8.0	July 1971															8.0
Greece.....	6.5	Sept. 1969															6.5
Honduras.....	4.0	Feb. 1966															4.0
Iceland.....	5.25	Jan. 1966															5.25
India.....	6.0	Jan. 1971						7.0									7.0
Indonesia.....	6.0	May 1969															6.0
Iran.....	7.0	Oct. 1969															7.0
Ireland.....	8.0	Dec. 1972															7.44
Italy.....	4.0	Apr. 1972															4.0
Jamaica.....	6.0	June 1972	7.0														7.0
Japan.....	4.25	June 1972				5.0	5.5			6.0	7.0					9.00	9.00
Korea.....	13.0	Jan. 1972															13.0
Mexico.....	4.5	June 1972															4.5
Morocco.....	3.50	Nov. 1951															3.50
Netherlands.....	4.0	Nov. 1972							5.0	6.0	6.5		7.0			8.00	8.00
New Zealand.....	6.0	Mar. 1972															6.0
Nigeria.....	4.50	June 1968															4.50
Norway.....	4.5	Sept. 1969															4.5
Pakistan.....	6.0	May 1972									8.0						8.0
Peru.....	9.5	Nov. 1959															9.5
Philippine Republic.....	10.0	June 1969															10.0
Portugal.....	4.0	Dec. 1972				5.5										5.00	5.00
South Africa.....	6.0	Aug. 1972															5.5
Spain.....	5.0	Oct. 1971								6.0							6.0
Sri Lanka ¹	6.5	Jan. 1970															6.5
Sweden.....	5.0	Nov. 1971															5.0
Switzerland.....	3.75	Sept. 1969	4.50														4.50
Thailand.....	5.0	Oct. 1959															5.0
Tunisia.....	5.0	Sept. 1966															5.0
Turkey.....	9.0	Sept. 1970				8.0									8.75		8.75
United Kingdom.....	9.0	Dec. 1972	8.75		8.5			7.75	7.50	11.50							11.50
Venezuela.....	5.0	Oct. 1970															5.0
Vietnam.....	18.0	Sept. 1970															18.0

¹ Ceylon renamed Sri Lanka under new constitution, 1972.

NOTE.—Rates shown are mainly those at which the central bank either discounts or makes advances against eligible commercial paper and/or 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—3 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

¹ *United Kingdom*—On Oct. 9, 1972, the Bank of England announced: "With effect from Friday October 13th the Bank's minimum lending rate will until further notice be the average rate of discount for Treasury bills established at the most recent tender plus one half percent rounded to the nearest one quarter percent above. Although the rate will therefore be automatically determined by this formula it will for convenience be made known each Friday afternoon concurrently with and in the same manner as the results of the Treasury bill tender. The regular weekly bank rate announcement will be discontinued from now on." Therefore, the minimum lending rate as of last Friday of the month will be carried in place of Bank rate.

Venezuela—2 per cent for rediscounts of certain agriculture paper, 4½ per cent for advances against government bonds, and 5½ per cent for rediscounts of certain industrial paper and on advances against promissory notes or securities of first-class Venezuelan companies.

Vietnam—10 per cent for export paper; treasury bonds are rediscounted at a rate 4 percentage points above the rate carried by the bond; and there is a penalty rate of 24 per cent for banks whose loans exceed quantitative ceilings.

OPEN MARKET RATES

(Per cent per annum)

Month	Canada		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
1972.....	3.55	3.65	6.06	5.02	4.83	3.84	.....	3.04	4.30	2.15	1.97	4.81
1973.....	5.43	5.27	10.45	9.40	8.27	7.96	.....	.....	.....	.....	.....	.....
1972—Dec.....	3.66	3.71	8.08	7.76	6.23	5.57	7.32	4.25	6.69	3.12	3.20	4.75
1973—Jan.....	3.79	3.72	8.76	8.49	7.66	6.55	7.23	4.75	5.58	3.16	2.78	5.00
Feb.....	3.91	3.93	9.34	8.14	8.31	7.30	7.71	5.75	2.18	2.33	1.55	5.00
Mar.....	4.28	4.21	9.76	8.16	7.52	7.50	7.49	5.75	11.37	1.53	.61	5.00
Apr.....	4.73	4.53	8.64	7.87	7.20	7.25	7.46	5.75	14.84	1.22	.77	5.00
May.....	5.08	4.67	8.35	7.45	8.29	7.11	7.71	5.75	7.40	2.89	3.88	5.00
June.....	5.40	5.00	8.14	7.12	6.66	6.55	7.46	7.00	10.90	3.59	4.28	5.00
July.....	5.67	5.28	9.06	8.35	5.89	6.25	7.89	7.00	15.78	5.58	5.65	5.00
Aug.....	6.47	5.87	12.78	10.98	9.70	8.99	8.87	.....	10.63	5.92	7.24	5.25
Sept.....	6.41	6.31	12.12	11.37	9.13	9.50	9.73	.....	9.76	5.67	7.97	.....
Oct.....	6.56	6.34	11.37	10.75	10.53	9.50	.....	.....	10.57	5.25	7.93	.....
Nov.....	6.48	6.36	13.38	11.76	8.80	9.50	.....	.....	11.30	5.29	7.88	.....
Dec.....	6.39	6.58	13.74	12.41	9.57	9.46	.....	.....	.....	.....	.....	.....

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			Canada		United States			Spread (favor of) Canada
					As quoted in Canada	Adj. to U.S. quotation basis					
1973											
July 6.....	6.76	7.87	-1.11	-2.36	-3.47	5.62	5.47	7.87	-2.40	1.70	-.70
13.....	6.85	7.59	-.74	-2.22	-2.96	5.62	5.47	7.59	-2.12	1.68	-.44
20.....	8.26	8.05	.21	-2.13	-1.92	5.71	5.55	8.05	-2.50	2.27	-.23
27.....	10.74	8.15	2.59	-3.55	-.96	5.74	5.59	8.15	-2.56	2.48	-.08
Aug. 3.....	10.63	8.18	2.45	-2.97	-.52	5.82	5.66	8.18	-2.52	2.64	.12
10.....	10.76	8.76	2.00	-4.60	-2.60	5.99	5.82	8.76	-2.94	2.88	-.06
17.....	10.78	8.47	2.31	-4.55	-2.24	6.05	5.82	8.47	-2.65	2.69	-.04
24.....	10.83	8.45	2.38	-4.88	-2.50	6.12	5.95	8.45	-2.50	2.64	.14
31.....	10.82	8.53	2.29	-4.45	-2.16	8.38	6.00	8.53	-2.53	2.58	.05
Sept. 7.....	10.84	8.77	2.07	-4.55	-2.48	6.22	6.04	8.77	-2.73	2.26	-.47
14.....	10.80	8.75	2.05	-5.49	-3.44	6.42	6.25	8.75	-2.50	2.06	-.44
21.....	10.83	8.00	2.83	-4.84	-2.01	6.48	6.26	8.00	-1.74	1.89	.15
28.....	10.79	6.94	3.85	-4.52	-.67	6.50	6.29	6.94	-0.65	1.37	.72
Oct. 5.....	10.74	7.36	3.38	-3.73	-.35	6.68	6.26	7.36	-1.11	1.41	.30
12.....	10.67	7.08	3.59	-3.56	-.03	6.51	6.29	7.08	-.79	.46	-.33
19.....	10.56	6.98	3.58	-3.68	-.10	6.53	6.30	6.98	-.68	.08	-.60
26.....	10.54	6.99	3.55	-4.08	-.53	6.51	6.30	6.99	-.69	-.70	-1.39
Nov. 2.....	10.46	7.39	3.07	-3.79	-.72	6.53	6.30	7.39	-1.09	-.28	-1.37
9.....	10.57	8.01	2.56	-3.54	-.98	6.52	6.33	8.01	-1.68	-.06	-1.74
16.....	12.24	7.51	4.73	-5.11	-.38	6.47	6.25	7.51	-1.26	.18	-1.08
23.....	12.31	7.74	4.57	-5.92	-1.35	6.47	6.23	7.74	-1.51	.22	-1.29
30.....	12.28	7.32	4.96	-5.50	-.54	6.43	6.22	7.32	-1.10	.30	-.80
Dec. 7.....	12.32	7.55	4.77	-5.47	-0.70	6.43	6.23	7.55	-1.32	0.48	-0.84
14.....	12.29	7.49	4.80	-7.62	-2.82	6.38	6.17	7.49	-1.32	0.04	-1.28
21.....	12.29	7.21	5.08	-6.76	-1.68	8.38	6.17	7.21	-1.04	-0.10	-1.14
28.....	12.25	7.36	4.89	-6.65	-1.76	6.36	6.15	7.36	-1.21	-0.24	-1.45

NOTE.—Treasury bills: All rates are on the latest issue of 91-day bills. U.S. and Canadian rates are market offer rates 11 a.m. Friday; U.K. rates are Friday opening market offer rates in London.
 Premium or discount on forward pound and on forward Canadian dollar: Rates per annum computed on basis of midpoint quotations (between bid and offer) at 11 a.m. Friday in New York for both spot and forward pound sterling and for both spot and forward Canadian dollars.

All series: Based on quotations reported to F.R. Bank of New York by market sources.
 For description of series and for back figures, see Oct. 1964 BULLETIN, pp. 1241-60. For description of adjustments to U.K. and Canadian Treasury bill rates, see notes to Table 1, p. 1257, and to Table 2, p. 1260, Oct. 1964 BULLETIN.

GOLD RESERVES OF CENTRAL BANKS AND GOVERNMENTS

(In millions of dollars; valued at \$35 per fine ounce through Apr. 1972, at \$38 from May 1972–Sept. 1973, and at \$42.22 thereafter)

End of period	Estimated total world ¹	Intl. Monetary Fund	United States	Estimated rest of world	Algeria	Argentina	Australia	Austria	Belgium	Brazil	Burma	Canada	Chile
1965.....	243,230	1,869	13,806	27,285	6	66	223	700	1,558	63	84	1,151	44
1966.....	43,185	2,652	13,235	27,300	6	84	224	701	1,525	45	84	1,046	45
1967.....	41,600	2,682	12,065	26,855	155	84	231	701	1,480	45	84	1,015	45
1968.....	40,905	2,288	10,892	27,725	205	109	257	714	1,524	45	84	863	46
1969.....	41,015	2,310	11,859	26,845	205	135	263	715	1,520	45	84	872	47
1970.....	41,275	4,339	11,072	25,865	191	140	239	714	1,470	45	63	791	47
1971.....	41,160	4,732	10,206	26,220	192	90	259	729	1,544	46	22	792	47
1972—Nov.....		5,778	10,487		208	152	282	792	1,642	50	16	834	
Dec.....	44,890	5,830	10,487	28,575	208	152	281	792	1,638	50	12	834	
1973—Jan.....		5,830	10,487		208	152	281	793	1,621	50	12	834	
Feb.....		5,830	10,487		208	152	281	793	1,603	50	12	834	
Mar.....	44,880	5,830	10,487	28,565	208	152	282	793	1,603	50	12	834	
Apr.....		5,830	10,487		208	152	281	793	1,603	50	12	834	
May.....		5,826	10,487		208	152	281	793	1,603	50	12	834	
June.....	44,865	5,831	10,487	28,545	208	152	281	793	1,603	50	12	834	
July.....		5,826	10,487		208		281	793	1,603	50	12	834	
Aug.....		5,826	10,487		208		281	793	1,603	50	11	834	
Sept.....	44,880	5,826	10,487	28,565	208		282	793	1,603	50		834	
Oct.....		6,474	11,652		231		312	881	1,781			927	
Nov.....		6,476	11,652		231		312	881	1,781			927	

End of period	China, Rep. of (Taiwan)	Co-lombia	Denmark	Egypt	Finland	France	Germany, Fed. Rep. of	Greece	India	Iran	Iraq	Ireland	Israel
1965.....	55	35	97	139	84	4,706	4,410	78	281	146	110	21	56
1966.....	62	26	108	93	45	5,238	4,292	120	243	130	106	23	46
1967.....	81	31	107	93	45	5,234	4,228	130	243	144	115	25	46
1968.....	81	31	114	93	45	3,877	4,539	140	243	158	193	79	46
1969.....	82	26	89	93	45	3,547	4,079	130	243	158	193	39	46
1970.....	82	17	64	85	29	3,532	3,980	117	243	131	144	16	43
1971.....	80	14	64	85	49	3,523	4,077	98	243	131	144	16	43
1972—Nov.....	87	16	69	92	53	3,826	4,436	132	264	142	156	17	44
Dec.....	87	16	69	92	53	3,826	4,459	133	264	142	156	17	43
1973—Jan.....	87	16	69	92	53	3,834	4,468	133	264	142	156	17	41
Feb.....	87	16	69	92	53	3,834	4,468	133	264	142	156	17	41
Mar.....	87	16	69	92	53	3,834	4,468	133	264	142	156	17	41
Apr.....	87	16	69	92	53	3,834	4,468	133	264	142	156	17	41
May.....	87	16	69	92	53	3,834	4,469	133	264	142	156	17	41
June.....	87	16	69	92	53	3,841	4,462	133	264	142	156	17	41
July.....	87	16	69	92	53	3,835	4,469	133	264	142	156	17	41
Aug.....	87	16	69	92	53	3,835	4,469	133		142	156	17	41
Sept.....	87	16	69	92	53	3,835	4,469	133		142	156	16	41
Oct.....	97	18	77		59	4,261	4,966	148		158	173	19	
Nov.....		18	77			4,261	4,966	148		158	173	18	

End of period	Italy	Japan	Kuwait	Lebanon	Libya	Malaysia	Mexico	Morocco	Netherlands	Norway	Pakistan	Peru	Philippines
1965.....	2,404	328	52	182	68	2	158	21	1,756	31	53	67	38
1966.....	2,414	329	67	193	68	1	109	21	1,730	18	53	65	44
1967.....	2,400	338	136	193	68	31	166	21	1,711	18	53	20	60
1968.....	2,923	356	122	288	85	66	165	21	1,697	24	54	20	62
1969.....	2,956	413	86	288	85	63	169	21	1,720	25	54	25	45
1970.....	2,887	532	86	288	85	48	176	21	1,787	23	54	40	56
1971.....	2,884	679	87	322	85	58	184	21	1,909	33	55	40	67
1972—Nov.....	3,130	801	94	350	93	63	188	23	2,059	36	60	41	71
Dec.....	3,130	801	94	350	93	63	188	23	2,059	37	60	41	71
1973—Jan.....	3,134	801	94	350	93	63	188	23	2,059	37	60	41	71
Feb.....	3,134	801	94	350	93	63	188	23	2,059	37	60	41	71
Mar.....	3,134	801	94	350	93	63	188	23	2,059	37	60	41	71
Apr.....	3,134	801	94	350	93	63	188	23	2,059	37	60	41	50
May.....	3,134	802		350	93	63	188	23	2,059	37	60	41	50
June.....	3,134	802		350	93	63	186	23	2,063	37	60	41	40
July.....	3,134	802		350	93	63	184	23	2,063	37	60	41	40
Aug.....	3,134	802		350	93	63	182	23	2,065	37	60	41	40
Sept.....	3,134	802		350	93	63		23	2,065	37	60	41	40
Oct.....	3,483	891		388	103	70		29	2,294	41	67		45
Nov.....	3,483	891		390	103				2,294	41	67		45

For notes see end of table.

GOLD RESERVES OF CENTRAL BANKS AND GOVERNMENTS—Continued

(In millions of dollars; valued at \$35 per fine ounce through Apr. 1972, at \$38 from May 1972–Sept. 1973, and at \$42.22 thereafter)

End of period	Portugal	Saudi Arabia	South Africa	Spain	Sweden	Switzerland	Thailand	Turkey	United Kingdom	Uruguay	Venezuela	Yugoslavia	Bank for Intl. Settlements ⁴
1965.....	576	73	425	810	202	3,042	96	116	2,265	155	401	19	-558
1966.....	643	69	637	785	203	2,842	92	102	1,940	146	401	21	-424
1967.....	699	69	583	785	203	3,089	92	97	1,291	140	401	22	-624
1968.....	856	119	1,243	785	225	2,624	92	97	1,474	133	403	50	-349
1969.....	876	119	1,115	784	226	2,642	92	117	1,471	165	403	51	-480
1970.....	902	119	666	498	200	2,732	92	126	1,349	162	384	52	-282
1971.....	921	108	410	498	200	2,909	82	130	775	148	391	51	310
1972—Nov.....	1,021	117	662	541	217	3,158	89	122	800	169	425	56	255
Dec.....	1,021	117	681	541	217	3,158	89	136	800	133	425	56	218
1973—Jan.....	1,022	117	706	542	220	3,162	89	136	810	133	425	56	218
Feb.....	1,022	117	711	542	220	3,162	89	136	810	133	425	56	214
Mar.....	1,022	117	714	542	220	3,162	89	136	810	133	425	56	214
Apr.....	1,022	117	720	542	220	3,162	89	136	810	133	425	56	214
May.....	1,022	117	721	542	220	3,162	89	136	810	133	425	56	199
June.....	1,022	117	724	542	220	3,162	89	136	810	133	425	56	205
July.....	1,022	117	734	542	220	3,162	89	136	810	133	425	56	204
Aug.....	1,035	117	740	542	220	3,162	89	136	797	133	425	56	205
Sept.....	1,036	116	738	542	220	3,162	89	136	797	133	425	56	213
Oct.....	1,154	129	820	602	244	3,512	99	151	.....	148	472	61	227
Nov.....	.....	129	809	602	244	3,513	99	.....	.....	.....	472	61	237

¹ Includes reported or estimated gold holdings of international and regional organizations, central banks and govts. of countries listed in this table, and also of a number not shown separately here, and gold to be distributed by the Tripartite Commission for the Restitution of Monetary Gold; excludes holdings of the U.S.S.R., other Eastern European countries, and China Mainland.

The figures included for the Bank for International Settlements are the Bank's gold assets net of gold deposit liabilities. This procedure avoids the overstatement of total world gold reserves since most of the gold deposited with the BIS is included in the gold reserves of individual countries.

² Adjusted to include gold subscription payments to the IMF made by

some member countries in anticipation of increase in Fund quotas, except those matched by gold mitigation deposits with the United States and United Kingdom; adjustment is \$270 million.

³ Excludes gold subscription payments made by some member countries in anticipation of increase in Fund quotas; for most of these countries the increased quotas became effective in Feb. 1966.

⁴ Net gold assets of BIS, i.e., gold in bars and coins and other gold assets minus gold deposit liabilities.

NOTE.—For back figures and description of the data in this and the following tables on gold (except production), see "Gold," Section 14 of *Supplement to Banking and Monetary Statistics*, 1962.

GOLD PRODUCTION

(In millions of dollars; valued at \$35 per fine ounce through 1971, at \$38 through Sept. 1973, and at \$42.22 thereafter)

Period	World production ¹	Africa			North and South America					Asia			Other	
		South Africa	Ghana	Zaire	United States	Canada	Mexico	Nicaragua	Colombia	India	Japan	Philippines	Australia	All other ¹
1966.....	1,445.0	1,080.8	24.0	5.6	63.1	114.6	7.5	5.2	9.8	4.2	19.4	15.8	32.1	62.9
1967.....	1,410.0	1,068.7	26.7	5.4	53.4	103.7	5.8	5.2	9.0	3.4	23.7	17.2	28.4	59.4
1968.....	1,420.0	1,088.0	25.4	5.9	53.9	94.1	6.2	4.9	8.4	4.0	21.5	18.5	27.6	61.6
1969.....	1,420.0	1,090.7	24.8	6.0	60.1	89.1	6.3	3.7	7.7	3.4	23.7	20.0	24.5	60.0
1970.....	1,450.0	1,128.0	24.6	6.2	63.5	84.3	6.9	4.0	7.1	3.7	24.8	21.1	21.7	54.1
1971 ².....	.....	1,098.7	24.4	6.0	52.3	79.1	5.3	3.7	6.6	4.1	27.0	22.2	23.5	.....
1972 ².....	.....	1,109.8	27.5	5.3	54.3	77.2	5.6	3.0	7.1	4.0	32.2	23.0	28.7	.....
1972—Oct.....	.....	94.2	.....	.....	.....	6.3	.4	.....	.5	.3	.....	.....	.....	2.1
Nov.....	.....	91.5	.....	.....	.....	6.0	.5	.....	.7	.4	2.7	.....	.....	2.0
Dec.....	.....	84.3	.....	.....	.....	6.3	.....	.....	.5	.3	.....	.....	.....	1.9
1973—Jan.....	.....	88.2	.....	.....	.....	6.2	.....	.....	.8	.3	.....	.....	.....	2.4
Feb.....	.....	86.5	.....	.....	.....	6.1	.....	.....	.5	.3	.....	.....	.....	1.8
Mar.....	.....	88.5	.....	.....	.....	6.3	.....	.....	.5	.4	.....	.....	.....	.....
Apr.....	.....	86.6	.....	.....	.....	6.2	.....	.....	.6	.2	.....	.....	.....	.....
May.....	.....	86.0	.....	.....	.....	6.8	.....	.....	.6	.....	.....	.....	.....	.....
June.....	.....	87.6	.....	.....	.....	6.4	.....	.....	.6	.....	.....	.....	.....	.....
July.....	.....	88.3	.....	.....	.....	5.7	.....	.....	.....	.....	.....	.....	.....	.....
Aug.....	.....	90.2	.....	.....	.....	5.7	.....	.....	.....	.....	.....	.....	.....	.....
Sept.....	.....	88.2	.....	.....	.....	5.7	.....	.....	.....	.....	.....	.....	.....	.....
Oct.....	.....	.....	.....	.....	.....	7.0	.....	.....	.....	.....	.....	.....	.....	.....

¹ Estimated; excludes U.S.S.R., other Eastern European countries, China Mainland, and North Korea.

SECURITY CREDIT REPORTED BY LENDERS SUBJECT TO MARGIN REGULATIONS, JUNE 30, 1973

(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	6,119	76	6,195	876	9	885	160	7,240
Convertible bonds	212	4	216	52	1	53	1	270
Subscription issues	20	1	21	15		15		36
"Plan lenders" ⁵							52	52
Total	(6,351)	(81)	(6,432)	(943)	(10)	(953)	(213)	(7,598)
Not subject to margin requirements:								
Nonmargin stock ⁶				1,971	3	1,973		1,973
Total	(6,351)	(81)	(6,432)	(2,914)	(13)	(2,926)	(213)	(9,571)
At banks reporting less than \$250,000 n.e.c. ⁷				212	1	213		213
Total	6,351	81	6,432	3,126	14	3,139	213	9,784

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
1972	8,061	2,552	254	10,867
1973	6,432	2,926	213	9,571

NOTE.—See footnotes to table above.

SECURITY CREDIT AT BANKS BY TYPE ¹

(In millions of dollars)

Category	June 30		
	1971	1972	1973
Loans to purchase or carry margin stock, secured by—			
a. Stocks (except as described in (c) below)	678	840	885
b. Convertible bonds	58	51	53
c. Stocks acquired with subscription rights	16	15	15
d. Restricted collateral, in part	55	49	61
Total	807	955	1,014
Loans to purchase or carry nonmargin stock, secured by			
a. Bank stock, entirely or in part ²		958	1,262
b. Other restricted collateral, entirely	1,016	528	542
c. Other restricted collateral, in part	212	158	169
Total	1,228	1,644	1,973
All other loans to purchase or carry securities ³	1,263	1,274	
Total	3,298	3,873	2,987

¹ Includes all banks reporting total security credit of \$250,000, or more.

² Series available beginning June 1972.

³ Series discontinued June 1973.

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, 1966-73¹

(In millions of dollars)

Item	1966	1967	1968	1969	1970	1971	1972	1973
DEBIT BALANCES								
Cash on hand and in banks.....	601	686	879	1,003	746	633	591	582
Securities—								
Borrowed.....	515	805	1,361	1,247	668	888	1,030	840
Sold, delivery pending (failed to deliver).....	823	1,588	3,843	2,268	804	1,413	1,089	745
Net debit balances due from member firms of national securities exchanges.....	257	291	507	524	224	318	344	253
Debit balances due from all other customers, exclusive of exchange members or allied exchange members in reporting firms—Total.....	5,846	6,232	9,287	8,356	5,615	7,142	10,438	8,567
<i>In stock margin accounts.....</i>			6,150	5,002	3,836	4,743	7,689	6,131
<i>In convertible bond margin accounts.....</i>			101	162	198	208	243	212
<i>In subscription accounts.....</i>			105	85	48	41	36	20
<i>In cash accounts.....</i>			2,690	2,682	1,162	1,842	1,866	1,558
<i>In other accounts.....</i>			241	424	372	308	604	645
Net debit balances in individual investment and trading accounts of exchange members or allied exchange members in reporting firms.....	90	109	102	133	81	120	144	81
Debit balances in—								
Firm investment accounts.....	358	477	682	743	665	647	642	490
Firm trading and underwriting accounts.....	1,240	1,618	1,801	2,471	2,651	3,615	5,225	4,149
Commodity margins on deposit with banks, and commodity guaranty funds on deposit.....	55	49	67	83	74	83	80	157
All other debit balances.....	519	1,024	1,112	1,429	1,313	1,313	1,380	1,648
Total.....	10,304	12,880	19,640	18,258	12,841	16,172	20,963	17,522
CREDIT BALANCES								
Money borrowed—Total ³	3,969	3,690	4,144	4,394	3,872	4,995	9,145	7,139
From banks and trust companies:								
<i>In New York City.....</i>	2,518	2,215	2,460	2,780	2,083	2,924	5,463	4,117
<i>Elsewhere in the United States.....</i>	859	903	966	825	892	989	2,393	2,163
From U.S. agencies of foreign banks.....	552	494	601	517	303	337	411	197
From other lenders (not including members of national securities exchanges).....	39	79	117	272	594	746	878	662
Securities—								
Loaned.....	664	674	1,544	1,357	704	931	1,071	800
Bought, delivery pending (failed to receive).....	851	1,660	4,127	2,485	894	1,548	1,161	789
Net credit balances due to member firms of national securities exchanges.....	231	309	446	396	203	288	423	252
Credit balances due to other customers exclusive of exchange members or allied exchange members in reporting firms—Total.....	2,479	3,363	5,499	5,398	3,642	3,925	3,640	3,370
<i>In free credit balances in cash accounts.....</i>			2,932	2,563	1,761	2,045	1,870	1,443
<i>In free credit balances in stock and convertible bond margin accounts.....</i>			619	718	512	401	312	299
<i>In credit balances in short accounts.....</i>			1,072	931	633	585	603	593
<i>In other net credit balances.....</i>			1,100	1,186	736	895	855	1,035
Credit balances and money borrowed which are subordinated to general creditors under approved agreements.....	154	190	248	381	454	504	634	729
Net credit balances in the individual investment and trading accounts of exchange members or allied exchange members in reporting firms.....	59	81	112	134	121	87	74	84
Credit balances in firm investment and trading accounts.....	270	556	616	752	595	769	1,020	1,064
Net balance in capital accounts ⁴ and profit and loss accounts and general partners' or voting stockholders' drawing accounts.....	1,125	1,353	1,748	1,987	1,639	2,023	2,530	2,257
All other credit balances.....	504	704	1,052	973	717	1,103	1,266	1,040
Total.....	10,304	12,880	19,471	18,258	12,841	16,172	21,963	17,522
MEMO:								
Money borrowed according to collateral:								
Secured by customers' collateral:								
Entirely by obligations of U.S. Govt. or its agencies.....	18	13	63	127	31	25	60	66
Entirely by bonds other than convertible bonds and U.S. Govt. securities.....	100	103	30	56	53	50	199	101
By nonexempt securities or mixed collateral.....	2,919	2,184	2,817	2,868	1,971	2,215	4,922	3,729
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.....	136	336	142	302	805	1,514	1,884	1,609
Entirely by bonds other than convertible bonds and U.S. Govt. securities.....	147	127	102	109	283	296	598	368
By nonexempt securities or mixed collateral.....	645	926	972	903	709	874	1,414	1,166
Unsecured borrowing other than subordinated to general creditors.....	3	1	16	30	19	21	67	99
Total.....	3,969	3,690	4,144	4,394	3,872	4,995	9,145	7,139
Amount to be repaid for securities sold under repurchase agreements.....	122	326	450	550	1,223	1,197	1,926	1,585
Number of firms.....	328	326	365	371	363	313	310	279

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 Customer Financing, page A-36, 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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THE ECONOMETRICS OF PRICE DETERMINATION CONFERENCE, October 30–31, 1970, Washington, D.C. Oct. 1972, 397 pp. Cloth ed. \$5.00 each; 10 or more to one address, \$4.50 each. Paper ed. \$4.00 each; 10 or more to one address, \$3.60 each.

FEDERAL RESERVE STAFF STUDY: WAYS TO MODERATE FLUCTUATIONS IN HOUSING CONSTRUCTION, Dec. 1972, 487 pp. \$4.00 each; 10 or more to one address, \$3.60 each.

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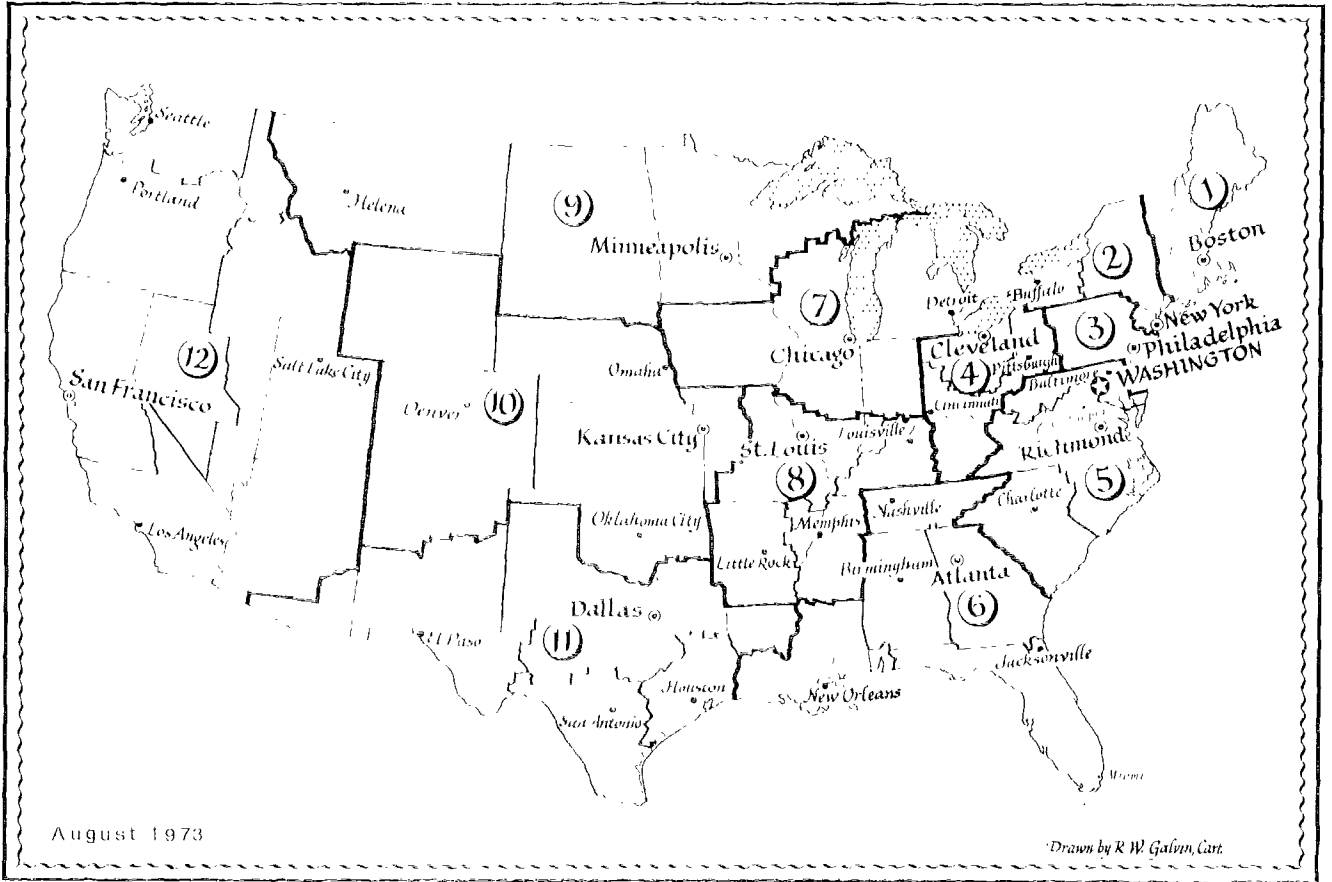
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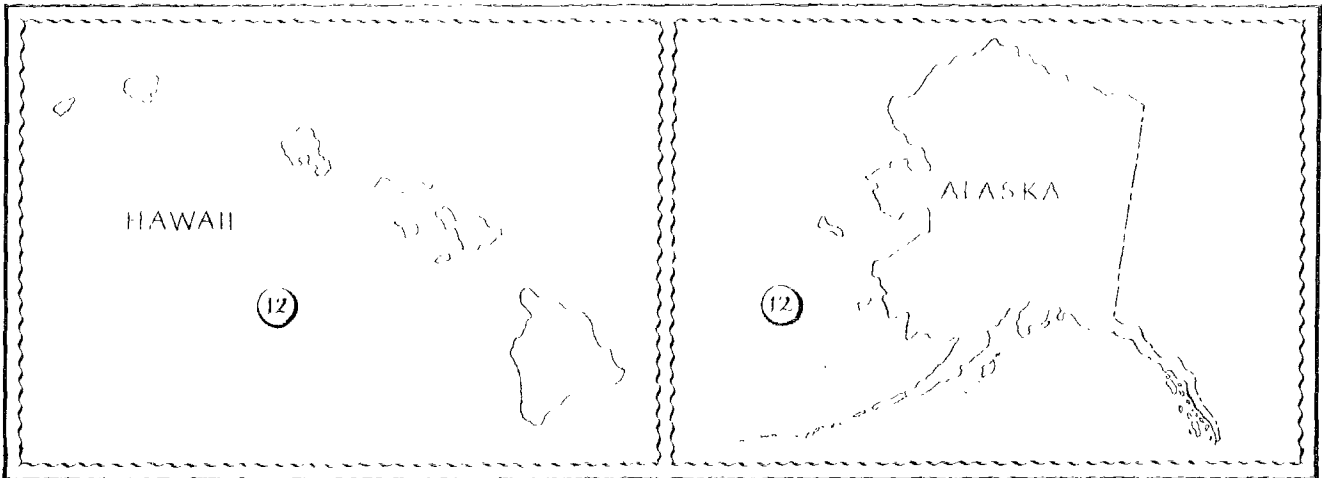
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BOUNDARIES OF FEDERAL RESERVE DISTRICTS AND THEIR BRANCH TERRITORIES



☆ (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