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JULY 1973



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# FEDERAL RESERVE BULLETIN

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# Mortgage, Construction, and Real Estate Markets

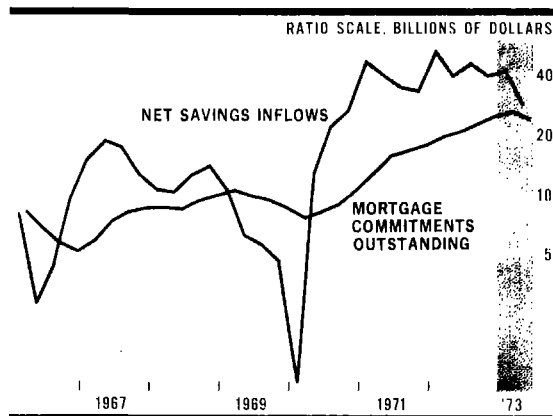
Outlays for new construction early this summer were continuing near the unprecedented level reached last spring. Construction expenditures for privately owned homes and apartment houses, which had dominated the recent expansion over most of the period since mid-1970, were tending downward in real terms from the record pace in March 1973. However, outlays for private nonresidential construction were up further, and expenditures for public construction remained high. Mortgage markets, which had been exceptionally easy in 1971 and 1972, have tightened this year as credit conditions have become more restrictive.

Although savings flows to depository institutions in 1973 have moderated considerably from earlier peaks, they were still holding up reasonably well in June, bolstered in part by large refunds of Federal income taxes in recent months. Mortgage repayment flows have remained large, and lenders' liquidity positions, which had been much improved earlier, have continued relatively strong. Nevertheless, given the exceptionally large volume of mortgage commitments already outstanding and the uncertainties about future net savings inflows, savings and loan associations, commercial banks, mutual savings banks, and other lenders in the primary market have cut back on new mortgage commitments. Moreover, increased reliance has been placed on supplementary support from the Federally sponsored housing credit agencies.

The over-all rise in costs of credit to borrowers on newly originated mortgages has been limited by comparatively low ceilings on conventional loans in some States, by maintenance of the fixed-contract interest rate on Government-underwritten mortgages through midyear, and by Government efforts to moderate increases in interest rates. However, as competition from corporate bonds and other long-term investment instruments has intensified, downpayment ratios and other nonrate terms on new commitments for home and other mortgages have also tightened further and lender selectivity among borrowers has increased.

## RESIDENTIAL MORTGAGE COMMITMENTS

1 turn down as SAVINGS FLOWS decline from earlier peaks



"Net savings inflows" are quarterly averages for savings and loan associations and mutual savings banks at seasonally adjusted annual rates. "Mortgage commitments outstanding," which are mainly residential, are seasonally adjusted end-of-quarter totals for all savings and loan associations and for New York mutual savings banks. Commitments data include loans in process. Latest data, Q2, preliminary (partly estimated).

### INSTITUTIONAL CHANGES

Over the past 3 years, both residential construction and mortgage activity have benefited considerably from changes in market practices initiated by such legislation as the Housing and Urban Development Act of 1968 and the Emergency Housing Act of 1970. At the same time, ongoing reconsideration of existing Government programs at both the national and the local level—involving issues ranging from depreciation allowances on real estate for Federal income tax purposes to environmental problems—has inevitably introduced more than usual uncertainty about the course of future institutional arrangements.

Particularly noteworthy in this connection has been the moratorium on new commitments for housing for families of low and moderate incomes under the interest- and rent-subsidy programs of the Department of Housing and Urban Development and the Farmers Home Administration in the Department of Agriculture. This moratorium became effective in most cases on January 5, 1973, pending completion by early autumn of a comprehensive re-evaluation of present programs and development of possibly revised or new programs. Also, administration proposals to Congress for new legislation based on the recommendations of the Hunt Commission on Financial Structure and Regulation are in the process of formulation.

Meanwhile, in late June Congress voted an extension of regulatory ceilings on rates payable for savings by depository institutions; and in early July the related regulatory agencies raised permitted maximum savings rates to improve the ability of depository institutions to compete for necessary funds against the appreciably higher

market rates that have developed. At the same time pending reinstatement by the Congress of provisions governing mortgage underwriting by the Federal Housing Administration and the Veterans Administration, which had temporarily lapsed, a rise in the regulatory contract rate permissible on FHA-insured and VA-guaranteed mortgages from 7 to 7 $\frac{3}{4}$  per cent was announced.

A number of changes have been instituted by the Federal Home Loan Bank Board in recent months to enhance the operating flexibility of Federal savings and loan associations. Beginning last October, for example, the FHLBB permitted such associations to sell subordinated debentures to improve their capital base. In April it raised the limits on out-of-State mortgage purchases by such associations from 10 to 15 per cent of total assets; and in early May it lowered the liquidity requirements for these associations from 7.0 to 6.5 per cent of total savings deposits, thus making an estimated \$1 billion potentially available for mortgage loans.

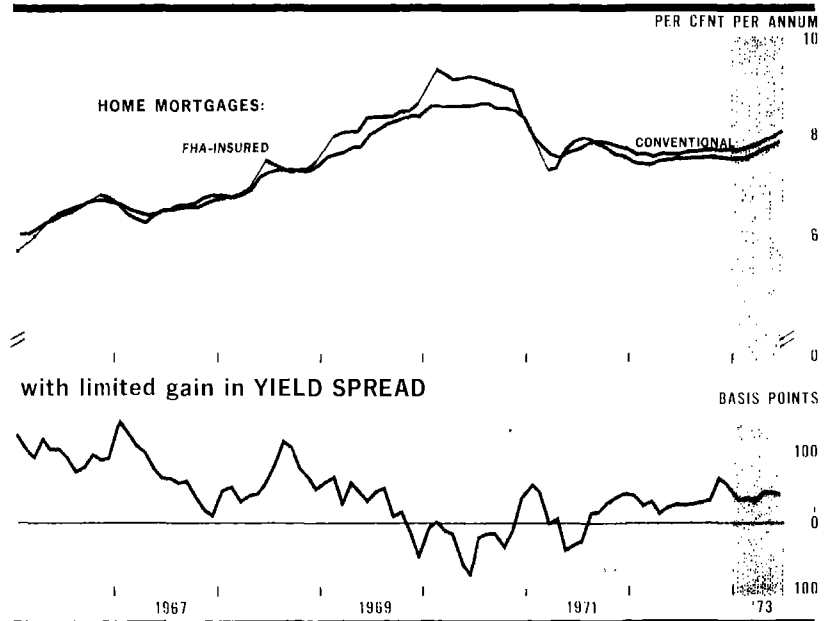
Other institutional changes that may result in further assistance to the residential mortgage market over the period ahead include the development since 1972 of arrangements for secondary market activity in eligible conventional home mortgages by the Federal National Mortgage Association and by the still relatively new Federal Home Loan Mortgage Corporation. While such activity has been moderate thus far, the further growth of private mortgage insurance facilities in recent years has broadened the potential scope for secondary market operations in conventional mortgages. Moreover, this development has come at a time when originations of regular and other FHA-insured mortgages have remained exceptionally limited.

## MORTGAGE MARKET DEVELOPMENTS

Mortgage commitments outstanding for residential and other properties have generally moved downward from earlier record highs. Yields required by mortgage lenders have continued to increase, nonprice rationing of new residential mortgage credit has broadened, and reliance on secondary support from FNMA, FHLMC, and other nondepository sources has expanded appreciably.

**Mortgage terms.** Contract interest rates for conventional first mortgages on new homes averaged 8.05 per cent in June. This average was 50 basis points above the recent low in March of 1972 and was the highest since late 1970. However, it was still some 55 basis points below the historic peak reached in mid-1970. For existing-home mortgages, the average rate of 8.10 per cent in June exhibited a similar pattern of change, based on data from HUD. Even so, in a number of States with comparatively low ceiling rates, mainly in the East and South, yields required by lenders on conventional home mortgages were already at the legal maxima.

## 2 | MORTGAGE YIELDS move upward with higher levels of BOND YIELDS, but



Mortgage data based on HUD(FHA) field-office reports. For "conventional," average interest rates are for first mortgages on new homes. For "FHA insured," weighted averages of private secondary market bid prices for certain new house mortgages converted to annual yield. Thin lines indicate months affected by adjustment in contract interest rate. For corporate bonds, average of yields on new issues (Moody's Aaa, Aa, and A adjusted to Aaa utility bond with 5 year call protection). Yield spread is for conventional mortgages. Latest data, June.

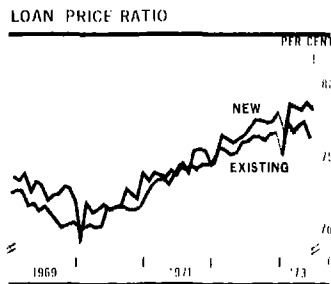
Moreover, although somewhat wider this spring, the differential favoring mortgage over corporate bond yields remained relatively unattractive to diversified investors.

The recent increase in mortgage rates has been associated with a record volume of mortgage commitments outstanding and a marked reduction in net savings inflows to thrift institutions from the highs reached in 1971-72. In those years, for a time, commercial banks—unlike thrift institutions—had generally adjusted rates to savers downward and had reduced emphasis on high-cost categories of consumer savings accounts. Since then, increased demands for all types of loans have been exerting greater pressure on all sectors of the capital market, and competition for funds has been growing.

In the secondary market for Government-underwritten mortgages, yields have also advanced. According to the HUD (FHA) series, such yields averaged 7.89 per cent in June, based on the 7 per cent contract rate then prevailing. This yield was 44 basis points more than in early 1972 and as much as 140 basis points lower than at the peak in early 1970, when the regulatory contract interest rate was 8½ per cent. However, discount points, which in large part are directly payable by sellers of either new or existing homes financed by such mortgages, exceeded 7 points in

June. Discounts in this range are particularly restrictive for many transactions, although purchases of eligible mortgages under the Government National Mortgage Association's special assistance programs for subsidizing large discounts had helped to ease this problem over the recent period.

In the July 9 FNMA auction of forward-purchase commitments of eligible Government-underwritten home mortgages—the first auction since the announced change in the regulatory contract rate—yields rose 29 basis points to 8.38 per cent. Moreover, offerings of these commitments to FNMA increased considerably in this transitional auction. In the concurrent auction based on forward commitments to purchase conventional (mainly low-downpayment) mortgages, the average yield accepted by FNMA was also up sharply. The yield required by FHLMC in early July on purchases of such mortgages from the savings and loan associations showed a similar rise.



Monthly data from FHLBB, with cooperation of the FDIC, are for conventional first mortgages at time of closing by major lender groups on single-family homes for purchase only. Data for 1973 are not strictly comparable with those for earlier years because of sampling and other changes. Latest data, June preliminary.

In early June average maturity and loan-to-value terms on conventional loans for single-family homes were generally holding close to the appreciably liberalized levels reached last winter; about 16 per cent of all such mortgages on new homes required a downpayment amounting to less than 10 per cent of the purchase price. These terms, which are reported to the FHLBB at the time of mortgage closing, often may reflect commitments made as much as 3 or more months earlier, particularly in the case of new units. Accelerated liberalization of such terms, usually with the provision of private mortgage insurance, had been a major feature of the market for conventional home mortgages during 1972. As a result, loan amounts—under conditions of rising home costs and upgrading—were also up considerably for both new and existing units.

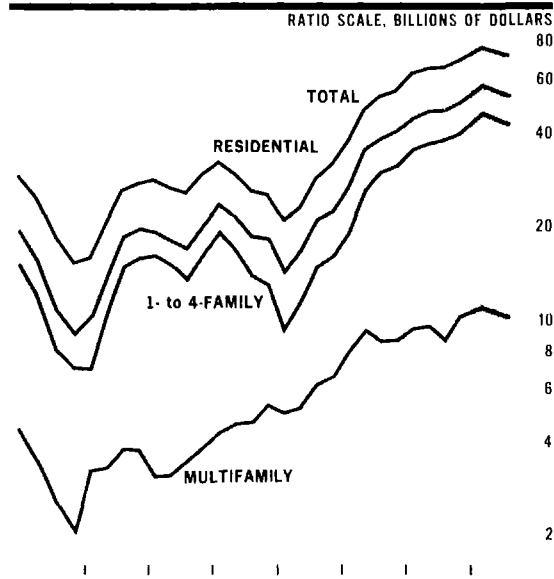
In the mortgage market for financing multifamily and other income properties, contract interest rates and other terms have apparently also tightened in recent months. While equity participation arrangements have not been a conspicuous feature of recent developments in this market, reliance on interim financing mainly from the growing real estate investment trusts is indicated to have increased.

**Mortgage debt expansion.** Seasonally adjusted net expansion in mortgage debt in the first half of this year apparently fluctuated moderately above the record annual rate of almost \$70 billion reached in the fourth quarter of last year. This pace was more than triple the recent low in the first quarter of 1970. For all of 1972, net mortgage debt formation had exceeded \$65 billion—a third above the previous high in 1971 and more than double the volume in other recent years.

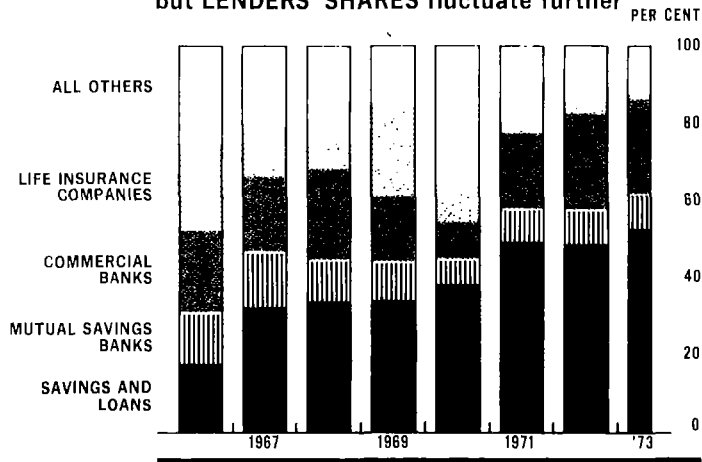
Mortgages on all types of properties shared in the further expansion of outstanding debt through the first quarter of 1973. Never-



**3** NET INCREASES in MORTGAGE DEBT  
still very high by type of property . . .



but LENDERS' SHARES fluctuate further



Quarterly data by type of property estimated (and converted to seasonally adjusted annual rates) by F.R. as required to supplement reports of Federal agencies and private sources. Firm mortgage debt net increases are included in net increases shown for "total." Distribution of net changes by type of holder based on annual totals except for 1973, H1. Latest data preliminary; top panel, Q2; bottom panel, H1.

theless, the net increase continued to be most conspicuous for loans on 1- to 4-family properties. This reflected, in part, the considerably increased number of mortgages and the enlarged average loan amount required to finance new or existing units, including those sold as condominiums in multifamily structures. While construction loans for residential properties appear to have expanded less than seasonally this spring, the larger number of units being completed has continued to require takedowns of mortgage commitments for permanent financing in great volume.

Among the major lender groups, the savings and loan associa-

tions through the first half of this year continued to account for by far the largest share of the increase in all types of residential mortgages. These associations remained relatively important in the financing of commercial properties as well. In contrast to other recent years, however, they considerably expanded their reliance on advances from the Federal home loan banks; in fact, such advances for the first half of 1973 exceeded \$3 billion—a record high for a semiannual period.

Net acquisitions by commercial banks—which, among other things, are especially active originators of construction loans—eclipsed earlier peaks in 1972 and continued to account for about a fourth of the total increase for all types of mortgages in the first half of 1973. Net mortgage debt formation by mutual savings banks was also comparatively high. That by life insurance companies, which had shown its smallest increase in more than two decades in 1971, advanced in 1972 and early 1973. However, as in other recent years, all of the increase was in loans on income properties.

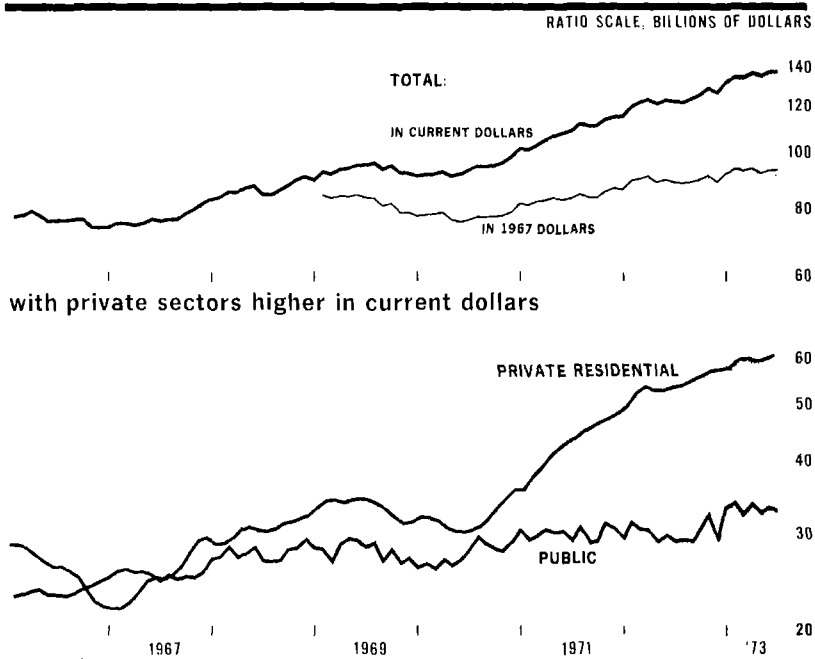
Among other mortgage holders, net purchases by FNMA rose in the first half of the year, reflecting in part attempts to moderate the upward pressures on mortgage rates that had begun to develop toward the end of 1972. Related activity by FHLMC also increased this spring. And mortgage holdings of the real estate investment trusts continued to expand.

## NEW CONSTRUCTION

Outlays for new construction in June were estimated at a seasonally adjusted annual rate of \$138 billion in current-dollar terms. This was up only slightly further from the previous high reached in May and was more than 50 per cent above the recent low in April of 1970.

**Construction costs.** Construction costs continued upward this spring, and in June they apparently equaled 148 per cent of their 1967 average, based on the Census Bureau's composite cost index. For the first 6 months of 1973 such increases accounted for about two-thirds of the year-over-year rise in current-dollar outlays for new construction. Wage settlements under the monitorship of the Construction Industry Stabilization Committee—which has been in operation since April 1971—have tended to be comparatively moderate so far this year and, on balance, have held within the general stabilization guidelines. Accordingly, prevailing policy with respect to wages in this industry, as in others, was not altered under the terms of either the President's price freeze initiated on June 13 or the Phase IV control program announced on July 18. However, the cost of land—which is not reflected directly in new construction outlays and which until recently was not under price controls—has apparently continued in a sharp rise, reflecting the exceptionally high level of demands by builders in recent years.

## 4 | Total NEW CONSTRUCTION OUTLAYS still near peak in real terms



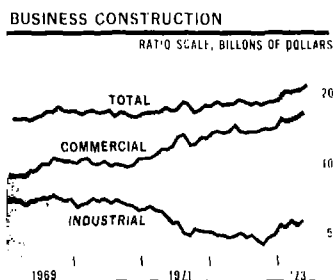
Census Bureau data on new construction put in place at seasonally adjusted annual rates. Recent data, preliminary; June, F.R. estimate.

and delays required to provide adequate sewerage facilities and to resolve related environmental problems in many areas.

Prices of building materials, which had turned sharply upward in 1971 as pressures on available supplies increased, moved even higher during 1972 and early 1973. By early spring, with new demands up less than seasonally, prices of lumber and certain related materials turned downward again. However, at the time of the recent price freeze they were still considerably above a year earlier.

**Nonresidential construction.** Seasonally adjusted outlays for new private nonresidential construction early this summer were still tending upward from their advanced pace in the first quarter of the year. While expansion in office building activity is indicated to have leveled off, outlays for shopping centers and related types of commercial buildings have continued to grow. Also, outlays for industrial plants, which had been low through most of 1972, have shown some recovery since then, with a further advance strongly suggested by reported plans for business investment in plant and related equipment for 1973. Expenditures for institutional buildings, including those for hospital, religious, and educational purposes, have also continued higher on balance.

During the second quarter, outlays for public construction remained somewhat below the peaks reached in early 1973. In the



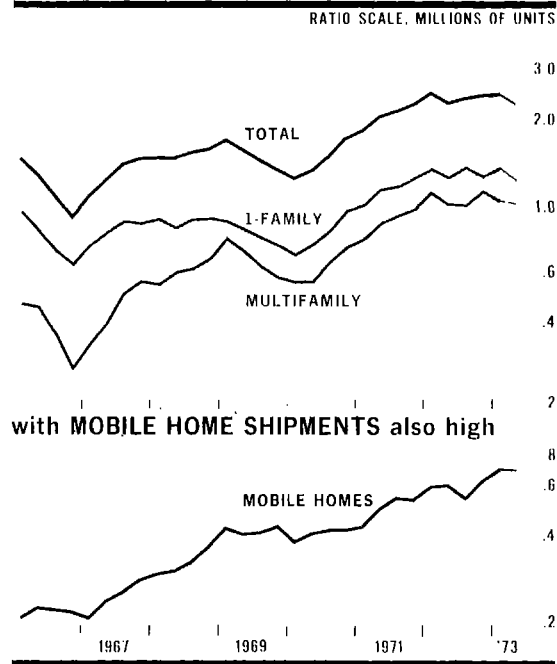
Census monthly data on current dollar value of new construction put in place at seasonally adjusted annual rates. Recent data preliminary. Last data, May.

case of State and local government expenditures, which account for the bulk of such outlays, environmental considerations and resistance in some areas to the further acceleration in construction costs have impeded implementation of some projects. Also, expansion in requirements for educational buildings at all levels has begun to slow as growth in school age population has eased. In addition, increases in expenditures for water and sewer systems and other improvements have been moderated temporarily, in line with administration attempts to reduce inflationary pressures on available resources.

**Residential construction.** Reflecting a drop in private housing starts from a near record pace earlier this winter, expenditures for private residential construction have tended downward since March, marking the end of a virtually unbroken expansion of 100 per cent—70 per cent in real terms—over a period of about 3 years. While the downtrend in housing starts since January has been appreciable, the first-quarter average was second only to the peak registered in the first quarter of 1972. Moreover, despite a decline in June, the second-quarter average was still one of the highest on record.

In 1972 as a whole, private housing starts—a particularly volatile

**5 PRIVATE HOUSING STARTS off somewhat as completions fluctuate upward**



Census data for private housing starts and completions and Mobile Home Manufacturers Association data for mobile home shipments converted to seasonally adjusted annual rates by Census and to quarterly averages by F.R. "Multifamily" includes 2 or more units. Latest data, April-May average, preliminary.

series -- changed relatively little at a seasonally adjusted annual rate approaching 2.4 million units in each of the two half-years. Altogether the annual total was more than 300,000 units above the previous high in 1971. Moreover, with mobile home shipments—mainly for residential purposes—also higher, the aggregate number of new shelter-units originated in 1972 approached 3 million. This marked the second consecutive year in which the average annual production level implicit in the 10-year goal established by Congress in 1968 had been exceeded.

Unlike most other expansions since the mid-1950's, starts of regular single-family structures--mainly for owner-occupancy--about matched the pace of multifamily starts from the low in the first quarter of 1970 through the first quarter of 1973. Moreover, an increasingly significant proportion of the multifamily units was designed expressly for owner-occupancy largely under condominium arrangements-- rather than for rental purposes.

Apart from the availability of mortgage funds, the marked improvement in demands for homeownership in all types of structures reflected a number of factors. One was the increased number of individuals and household heads entering the approximate age group --25 to 35 years-- with the highest potential for a first-home purchase. Another was the strengthened implementation of equal opportunity regulations affecting home-mortgage borrowing, based on civil rights legislation passed some time earlier. With incomes expanding, this implementation helped to broaden the potential for homeownership or for upgrading for a large segment of households previously bypassed on sex as well as other grounds.

Moreover, for qualified borrowers, the considerably liberalized loan-to-value and maturity terms available for conventional mortgages at relatively moderate interest rates during most of 1972 offered strong inducements to buy or build ahead of scheduled requirements. Such inducements were enhanced further by the rapid appreciation of real estate values during this period and the uncertainties, which still persist in many areas, about the near-term availability of suitable sites because of sewerage and related building problems.

While the recent expansion in private housing starts occurred in all major regions, it was most pronounced in the South. In 1972 as a whole, that region accounted for as much as 45 per cent of the total, compared with a previous high of 43 per cent in 1970.

During the first quarter of this year, subsidized housing starts, based mainly on contracts made before the moratorium on new commitments was instituted in early January, were running about a fifth below the reduced level in the first quarter of 1972. In 1972 as a whole, such starts had totaled nearly 340,000 units,

compared with a record 430,000 units in 1971 when the expansion in nonsubsidized starts was still in an early stage.

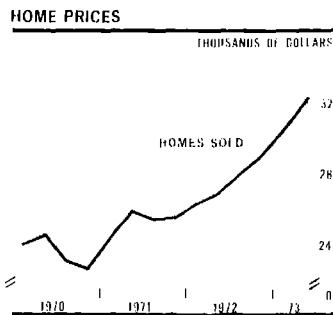
Reflecting in large part the demand for low-priced residential units, mobile home shipments, which had also increased substantially in 1972, advanced even further in the first quarter of 1973 to a seasonally adjusted annual rate of 676,000 units. Whereas these shipments have apparently tapered off this spring as money market conditions have become less easy, such units have continued to benefit from the further implementation of earlier legislation designed to encourage financing of a scope comparable with that for more conventional dwelling units. Recently, this has included the use of mobile home mortgages for GNMA-guaranteed pools and the development of a secondary market for mobile home paper. Also, upgrading and improvement of new mobile home units to meet more rigorous construction standards have continued.

The median price of new, conventionally built homes sold by merchant builders rose further in early 1973. While the rise reflected mainly higher costs of land and construction, it was also associated with a further reduction in transactions in subsidized units and a continued shift toward units with more floor space and related amenities. In May the median price of homes actually sold, at \$32,200, not only was about \$5,000 more than a year earlier, but also was maintaining an appreciable margin above the median price of homes being held for sale at that time.

Sales prices of existing homes, which also reflect changes in the mix of demands, were at a median of \$28,880 in May, based on reports of transactions from the National Association of Realtors. This was 6 per cent above a year earlier—only moderately less than the year-to-year increases that have prevailed in other recent years. While maintenance and related operating costs have risen, further increases in average rents for all types of residential units this spring were relatively modest. Partly for this reason, rents were exempted from the new controls initiated in June.

A feature of developments thus far has been the comparatively moderate level of average vacancy rates, despite trade reports of overbuilding in some areas. In fact, in the first quarter of this year, 67 per cent of new, privately financed, nonsubsidized apartment units intended for rental purposes and completed in the previous quarter had already been rented. This compared with 62 per cent a year earlier when the volume of new completions of comparable apartments had been considerably lower.

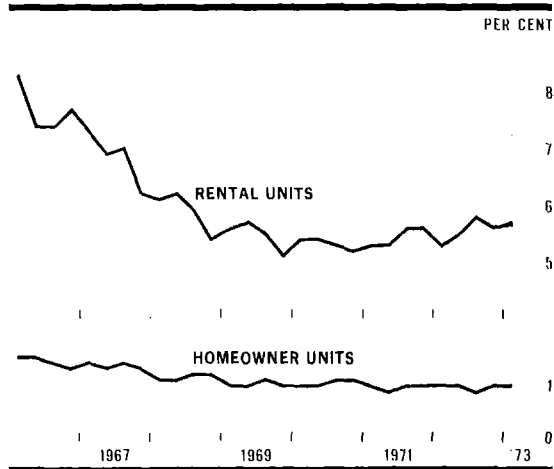
Altogether, vacancy rates for all types of rental dwelling units in the first quarter of the year averaged 5.7 per cent, little higher than in other recent years and lower than the average in 1968. While the increased merchandising of apartments under condomin-



Census data (under HUD contract) for 1 family homes available from merchant builders. Homes for sale or sold may be at any stage of construction. Prices shown are quarterly medians, except for most recent period, May, preliminary

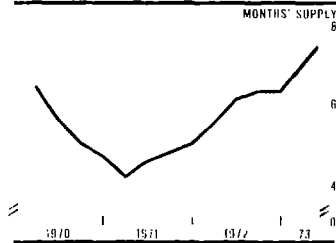
ium ownership arrangements has been a factor in this development, vacancy rates for homeowner properties have remained particularly low, at a level of no more than 1.0 per cent. Vacancy rates among the major census regions have also been well below earlier highs, although the levels have continued to show marked variation, ranging in the case of rental units from less than 4 per cent in the Northeast States to more than 7 per cent in the South.

**6 | RESIDENTIAL VACANCY RATES hold near recent lows**



Census quarterly data. Vacancy rates relate to vacant dwellings available for rent or sale. Latest data, Q1.

**HOME STOCKS AT BUILDERS**



Months' supply derived by F.R. from seasonally adjusted Census data for number of units available for sale at end of quarter and monthly average rate of sales within the quarter. Latest data, preliminary based on end of May for units available and April-May average rate of sales.

Removals from the stock of existing dwelling units and accelerated demands -partly speculative in nature- for second residences have contributed to the relatively low over-all level of vacancies. However, as mortgage markets have tightened, sales of single-family units by merchant builders have tended downward from the peaks reached last autumn. And inventories of units still held by such builders for sale have risen to successive highs both absolutely and in relation to sales. By the end of May, such inventories were almost three-tenths above those of a year earlier and were equal to over 7 months' supply at recent levels of sales. Moreover, completions of conventionally built dwellings, which- particularly for apartments- lag starts by a considerable margin, have been holding above the 2-million unit mark for the first time in the history of the series; and at midyear, such completions had yet to reach their peak. [ ]

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# Changes in Time and Savings Deposits at Commercial Banks

January-April 1973

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In the 3 months ending April 30, 1973, interest rates paid on time and savings deposits held by individuals, partnerships, and corporations (IPC) were increased at many commercial banks, according to a recent survey of time and savings deposits.<sup>1</sup> Thus, the upward movement begun in early 1972 continued, even though a sizable majority of banks had been paying ceiling interest rates on savings and small-denomination time deposits for many months. An appreciable number of the remaining banks, particularly the larger ones, moved rates to ceiling levels during the 3-month survey period. At the same time sharp increases occurred in rates offered by banks on large denomination time deposits—including negotiable and nonnegotiable certificates of deposit (CD's) and open-account time deposits in denominations of \$100,000 or more.

The upward movement in bank offering rates reflects in part the continued competitive pressure from higher yields on money market instruments. Yields on 3-month Treasury bills, for example, reached a level of 6.26 per cent in April, and offering rates on 4- to 6-month prime commercial paper exceeded 7.10 per cent, more than 1¼ percentage points higher than in January. With loan demand also very strong, banks actively bid for funds by offering increasingly higher rates on large-denomination time deposits. By March, offering rates on negotiable CD's with maturities of 90 days or over were close

NOTE.—Martha Strayhorn of the Board's Division of Research and Statistics prepared this article.

<sup>1</sup>Previous surveys of time and savings deposits at all member banks were conducted by the Board of Governors in late 1965, in early 1966, and quarterly beginning in 1967. In 1968 the surveys were expanded to provide figures for all insured commercial banks and were conducted jointly by the Board of Governors and the Federal Deposit Insurance Corporation. The results of earlier surveys have appeared in *BULLETINS* for 1966-73, the most recent being April 1973, pp. 261-75.

Appendix tables for this article appear on pp. 497-99.

to ceiling levels at the larger banks, which are the main issuers of these instruments. On the April 30 survey date, the average of the most common interest rates paid on large CD's was more than a percentage point higher than it had been 3 months earlier.

As banks raised their offering rates in the first quarter, aggregate inflows of time and savings deposits, IPC, increased by \$15.6 billion or 5.7 per cent, the fastest rate since the fourth quarter of 1970. The acceleration was almost entirely in large-denomination time deposits, which expanded by a record \$9.8 billion between January 31 and April 30. Negotiable CD's accounted for the major part of this increase, but other large-denomination time deposits also expanded rapidly. Large banks—those with total deposits of more than \$100 million—accounted for almost all of the net increase in CD's. On such deposits the majority of these larger institutions were offering rates of 6.75 per cent or more on April 30, and more than 40 per cent of their CD's were yielding as much as 7.25 per cent. On January 30 less than 9 per cent of the large banks had been paying rates as high as 6.5 per cent, and most were paying 5.5 to 6.0 per cent. In April small banks were generally paying much lower rates than the large banks, and they experienced a considerably smaller increase in large CD's during the survey period.

Growth in large-denomination deposits other than negotiable CD's was also concentrated at the large banks. Rates were increased on the majority of these deposits from 6 to 7 or 7.5 per cent in the 3-month survey period. Although a few of the small banks also were offering depositors a return of 7 per cent on these accounts, most were paying only 5.5 to 6.5 per cent on the large time deposits at the end of April.

While large-denomination time deposits expanded rapidly in the 3 months ending April,



TABLE 1

TYPES OF TIME AND SAVINGS DEPOSITS OF INDIVIDUALS, PARTNERSHIPS, AND CORPORATIONS HELD BY INSURED COMMERCIAL BANKS ON SURVEY DATES, JULY 1972-APRIL 1973

Type of deposit	Number of issuing banks				Amount (in millions of dollars)				Percentage change in deposits (quarterly rate)	
	1972		1973		1972		1973		Oct. 31, 1972- Jan. 31, 1973	Jan. 31- Apr. 30, 1973
	July 31	Oct. 31	Jan. 31	Apr. 30	July 31	Oct. 31	Jan. 31	Apr. 30		
<b>Total time and savings deposits</b> .....	13,461	13,567	13,589	13,813	259,705	268,734	275,611	291,216	2.6	5.7
<b>Savings</b> .....	13,127	13,175	13,252	13,508	116,644	119,686	121,453	122,936	1.5	1.2
<b>Time deposits in denominations of less than \$100,000—Total</b> ....	13,244	13,392	13,396	13,571	94,630	96,636	100,280	103,944	3.8	3.7
Accounts with original maturity of—										
Less than 1 year.....	12,459	12,643	12,798	13,044	46,334	46,091	46,693	46,633	1.3	..1
1 up to 2 years.....	12,433	12,559	12,647	11,885	21,539	22,137	22,791	23,451	3.0	2.9
2 years or more.....	10,840	11,033	11,117	11,408	26,757	28,407	30,796	33,860	8.4	9.9
All maturities:										
Open accounts—passbook or statement form <sup>1</sup> .....	3,514	3,384	3,518	3,626	28,457	27,410	28,637	29,065	4.5	1.5
<b>Time deposits in denominations of \$100,000 or more—Total</b> ....	5,916	6,255	6,131	6,275	42,028	46,009	48,206	58,212	4.8	20.8
Negotiable CD's.....	2,861	3,195	3,098	3,226	29,892	33,330	35,065	42,511	5.2	21.2
Nonnegotiable CD's and open account.....	3,670	3,725	3,690	3,738	12,136	12,679	13,141	15,701	3.6	19.5
<b>Christmas savings and other special funds</b> .....	8,396	7,969	8,257	8,606	6,403	6,403	5,672	6,124	11.4	8.0

<sup>1</sup> Includes time deposits, open account, issued in passbook, statement, or other forms that are direct alternatives for regular savings accounts. Most of these are believed to be in accounts totaling less than \$100,000. The figures shown on this line are included above in the appropriate maturity category.

NOTE.—Data were compiled jointly by the Board of Governors of the Federal System and the Federal Deposit Insurance Corporation. For July 31, 1972, and January 31 and April 30, 1973, the information

was reported by a probability sample of all insured commercial banks; for October 31, 1972, the data for member banks were reported by virtually all such banks and for insured nonmember banks by the same sample of these banks reporting in earlier surveys.

Some deposit categories include a small amount of deposits outstanding in a relatively few banks that no longer issue these types of deposits and are not included in the number of issuing banks. Dollar amounts may not add to totals because of rounding.

regular savings deposits continued the slowing trend observed in the January survey. Although most banks were continuing to pay the maximum 4.5 per cent rate on savings deposits in April that they had been paying in January, this rate was not so attractive to consumers as the higher yields on competing assets. Consequently, savings deposits increased only 1.2 per cent in the January–April period compared with 1.5 per cent in the preceding 3 months and 3.5 per cent in the January–April period of 1972. Smaller banks, which had experienced a small absolute decline in savings deposits in the period covered by the January survey, attracted approximately \$700 million of new savings deposits in the more recent survey period; this figure represented about half of the total inflows of savings deposits at all commercial banks during this period.

Consumer-type time deposits—all time deposits in denominations of less than \$100,000 (other than savings)—increased at close to the same rate between January and April as in the previous survey period. All of this increase,

however, was in accounts with maturities of 1 to 2 years or 2 years or more. The ceiling rates on these longer-term accounts—5.50 and 5.75 per cent, respectively—are higher than the maximum rates payable on savings deposits or on other consumer-type time deposits with maturities of less than 1 year. Short-maturity (less than 1 year) time deposits declined between January and April, and it is likely that some of the increase in deposits with maturities of 1 to 2 years and of 2 years and over represented shifts by depositors out of savings and short-term time accounts into these longer maturities to obtain the higher rates. More than nine-tenths of all banks, large and small, were paying ceiling rates on all maturities of consumer-type time deposits in both January and April. Reflecting this, the average most common rates paid on small-denomination time deposits at commercial banks were only 2 or 3 basis points below their regulatory levels.

On balance, the rate of growth in time and savings deposits over the survey period ending April 30 was almost twice as strong at large

**TABLE 2**

TIME AND SAVINGS DEPOSITS, IPC, HELD BY INSURED COMMERCIAL BANKS ON JANUARY 31 AND APRIL 30, 1973, BY TYPE OF DEPOSIT, BY MOST COMMON RATE PAID ON NEW DEPOSITS IN EACH CATEGORY, AND BY SIZE OF BANK

Group	All banks						All banks					
	Size of bank (total deposits in millions of dollars)						Size of bank (total deposits in millions of dollars)					
	Less than 100		100 and over		Less than 100		100 and over		Less than 100		100 and over	
Apr. 30	Jan. 31	Apr. 30	Jan. 31	Apr. 30	Jan. 31	Apr. 30	Jan. 31	Apr. 30	Jan. 31	Apr. 30	Jan. 31	
	Number of banks, or percentage distribution						Amount of deposits (in millions of dollars), or percentage distribution					
<b>Savings deposits:</b>												
Issuing banks.....	13,508	13,252	12,788	12,560	720	693	122,936	121,453	47,789	47,090	75,147	74,363
Percentage distribution by most common rate paid on new deposits:												
Total.....	100	100	100	100	100	100	100	100	100	100	100	100
3.50 or less.....	3.9	4.4	4.0	4.6	2.4	2.5	1.5	1.6	1.6	2.1	1.4	1.4
3.51-4.00.....	16.8	17.6	16.9	17.4	14.3	21.5	12.9	29.4	12.4	13.7	13.2	39.2
4.01-4.50.....	79.3	77.9	79.1	78.0	83.3	76.0	85.6	69.0	86.0	84.2	85.4	59.4
<b>Time deposits in denominations of less than \$100,000:</b>												
<b>Maturities less than 1 year:</b>												
Issuing banks.....	13,044	12,798	12,316	12,105	728	693	46,633	46,693	21,984	22,008	24,649	24,685
Percentage distribution by most common rate paid on new deposits:												
Total.....	100	100	100	100	100	100	100	100	100	100	100	100
4.50 or less.....	3.1	3.2	3.1	3.2	2.1	3.2	2.0	2.7	1.1	1.0	2.9	4.3
4.51-5.00.....	96.9	96.8	96.9	96.8	97.9	96.8	98.0	97.2	98.9	99.0	97.1	95.7
<b>Maturities of 1 up to 2 years:</b>												
Issuing banks.....	12,885	12,647	12,184	11,973	701	674	23,451	22,791	17,165	16,564	6,286	6,227
Percentage distribution by most common rate paid on new deposits:												
Total.....	100	100	100	100	100	100	100	100	100	100	100	100
4.50 or less.....	(1)	.6	(1)	.6	(1)	.4	.1	.1	.1	.1	(1)	(1)
4.51-5.00.....	5.7	6.6	5.7	6.5	5.8	8.2	5.2	7.6	5.2	8.1	5.3	6.5
5.01-5.25.....	1.0	1.1	1.0	1.1	1.9	2.2	8.1	1.1	6.6	7.7	1.2	2.3
5.26-5.50.....	93.3	91.8	93.3	91.9	92.3	89.0	94.0	91.2	94.2	91.2	93.5	91.2
<b>Maturities of 2 years and over:</b>												
Issuing banks.....	11,408	11,117	10,725	10,463	683	654	33,854	30,782	18,870	16,937	14,984	13,845
Percentage distribution by most common rate paid on new deposits:												
Total.....	100	100	100	100	100	100	100	100	100	100	100	100
4.50 or less.....	.3	.1	.3	.1	.3	.5	.1	.1	.1	.1	(1)	(1)
4.51-5.00.....	1.4	1.3	1.3	1.1	2.9	4.9	1.4	2.3	.6	.2	2.3	4.8
5.01-5.25.....	.1	.1	.1	.1	.4	(1)	.1	(1)	(1)	.1	.3	(1)
5.26-5.50.....	2.0	2.0	1.9	1.9	3.5	3.8	1.9	1.8	.4	.6	3.7	3.4
5.51-5.75.....	96.2	96.4	96.4	96.8	93.0	90.8	96.5	95.9	98.8	99.1	93.6	91.8
<b>Negotiable CD's in denominations of \$100,000 or more:</b>												
Issuing banks.....	3,226	3,098	2,752	2,652	474	446	42,508	35,046	3,258	3,044	39,250	32,002
Percentage distribution by most common rate paid on new deposits:												
Total.....	100	100	100	100	100	100	100	100	100	100	100	100
4.50 or less.....	.5	1.9	.6	1.9	.4	1.6	.2	.8	.6	4.0	.2	.4
4.51-5.00.....	8.6	14.0	9.1	14.3	5.7	12.6	1.9	4.0	4.8	7.3	1.6	3.7
5.01-5.50.....	15.1	29.8	16.6	29.0	6.5	34.8	2.2	19.2	9.9	25.8	1.6	18.5
5.51-6.00.....	27.2	39.2	29.5	38.7	13.7	42.6	5.9	56.6	36.6	54.1	3.3	56.8
6.01-6.50.....	20.2	9.2	20.8	9.6	16.5	7.2	8.7	17.2	18.7	6.5	7.9	18.2
6.51-7.00.....	22.4	5.0	19.3	5.7	40.3	.9	39.8	2.2	26.3	1.8	40.9	2.1
7.01-7.50.....	5.4	.8	3.5	.9	16.9	.4	41.3	.1	2.7	.4	44.5	(1)
7.51 and over.....	.6	.7	.7	.7	.7	.7	(1)	.3	.3	.3	.3	.3

1 Less than .05 per cent.  
For Note, see p. 500.

banks as at the small ones. This reflects the fact that almost 95 per cent of total time deposits, IPC, at small banks are in savings accounts or in small-denomination time deposits, in contrast to about 70 per cent at the large banks. As higher yields on other market instruments reduced the relative attractiveness of small-de-

nomination deposits subject to regulatory ceilings, large banks were successful in attracting inflows of large-denomination deposits by offering relatively high interest rates. Small banks, apparently more reluctant to pay the high rates, attracted fewer of the large-denomination funds. [ ]

TABLE 3

AVERAGE OF MOST COMMON INTEREST RATES PAID ON VARIOUS CATEGORIES OF TIME AND SAVINGS DEPOSITS, IPC, AT INSURED COMMERCIAL BANKS ON APRIL 30, 1973

Per cent per annum

Bank location and size of bank (total deposits in millions of dollars)	All time and savings deposits	Savings and small-de- nomina- tion time deposits	Savings	Time deposits in denominations of--					
				Less than \$100,000			\$100,000 or more		
				Total	Maturing in--			Nego- tiable CD's	All other
	Less than 1 year	1 up to 2 years	2 years or more						
<b>All banks:</b>									
All size groups.....	5.23	4.84	4.42	5.34	4.99	5.47	5.73	6.89	6.43
Less than 10.....	5.09	5.07	4.33	5.40	5.00	5.47	5.73	6.33	5.89
10-50.....	5.02	4.96	4.43	5.38	4.99	5.47	5.74	6.17	6.15
50-100.....	4.95	4.80	4.41	5.34	4.99	5.48	5.75	6.29	6.20
100-500.....	5.04	4.75	4.39	5.30	4.99	5.45	5.74	6.56	6.47
500 and over.....	5.51	4.75	4.44	5.28	4.98	5.48	5.71	6.99	6.51
<b>Banks in --</b>									
<b>Selected large SMSA's:<sup>1</sup></b>									
All size groups.....	5.36	4.76	4.44	5.30	4.98	5.47	5.72	6.94	6.47
Less than 10.....	4.92	4.88	4.38	5.40	5.00	5.48	5.74	6.07	5.74
10-50.....	4.89	4.80	4.43	5.35	4.98	5.46	5.73	6.15	6.10
50-100.....	4.92	4.76	4.41	5.32	4.99	5.46	5.74	6.25	6.33
100-500.....	5.08	4.72	4.38	5.30	4.99	5.45	5.74	6.64	6.53
500 and over.....	5.55	4.76	4.46	5.28	4.98	5.48	5.70	6.99	6.50
<b>All other SMSA's:</b>									
All size groups.....	5.02	4.80	4.35	5.34	5.00	5.47	5.74	6.61	6.37
Less than 10.....	4.94	4.89	4.32	5.40	4.98	5.45	5.73	6.60	5.63
10-50.....	4.99	4.91	4.40	5.39	5.00	5.47	5.75	6.04	6.48
50-100.....	4.99	4.84	4.37	5.35	5.00	5.50	5.75	6.46	6.11
100-500.....	4.99	4.77	4.39	5.30	4.99	5.46	5.74	6.50	6.38
500 and over.....	5.13	4.64	4.18	5.30	5.00	5.50	5.73	6.94	6.61
<b>Banks outside SMSA's:</b>									
All size groups.....	5.07	5.02	4.43	5.39	5.00	5.47	5.74	6.26	6.12
Less than 10.....	5.13	5.11	4.34	5.40	5.00	5.47	5.73	6.32	6.00
10-50.....	5.08	5.04	4.45	5.39	5.00	5.48	5.74	6.26	6.07
50-100.....	4.95	4.86	4.45	5.36	4.99	5.48	5.75	6.21	5.88
100-500.....	4.97	4.82	4.40	5.36	5.00	5.47	5.75	6.34	6.43
500 and over.....	5.08	4.95	4.50	5.31	5.00	5.50	5.75	6.08	6.50

<sup>1</sup> The selected large Standard Metropolitan Statistical Areas, as defined by the Office of Management and Budget and arranged by size of population in the 1970 Census, are as follows:

New York City	Minneapolis-St. Paul	San Jose	Albany-Schenectady-Troy	Richmond
Los Angeles-Long Beach	Seattle-Everett	New Orleans	Akron	Jacksonville
Chicago	Milwaukee	Tampa-St. Petersburg	Hartford	Flint
Philadelphia	Atlanta	Portland	Norfolk-Portsmouth	Tulsa
Detroit	Cincinnati	Phoenix	Syracuse	Orlando
San Francisco-Oakland	Paterson-Clifton-Passaic	Columbus	Gary-Hammond-E. Chicago	Charlotte
Washington, D. C.	Dallas	Rochester	Oklahoma City	Wichita
Boston	Buffalo	San Antonio	Honolulu	West Palm Beach
Pittsburgh	San Diego	Dayton	Ft. Lauderdale-Hollywood	Des Moines
St. Louis	Miami	Louisville	Jersey City	Ft. Wayne
Baltimore	Kansas City	Sacramento	Salt Lake City	Baton Rouge
Cleveland	Denver	Memphis	Omaha	Rockford
Houston	San Bernardino-Riverside	Ft. Worth	Nashville-Davidson	Jackson, Miss.
Newark	Indianapolis	Birmingham	Youngstown-Warren	

NOTE:--The average rates were calculated by weighting the most common rate reported on each type of deposit at each bank by the amount of that type of deposit outstanding. Christmas savings and other special funds, for which no rate information was collected, were excluded.

**APPENDIX TABLE 1—SAVINGS DEPOSITS**

Most common interest rates paid by insured commercial banks on new deposits on April 30, 1973

Group	Total	Most common rate paid (per cent)			Total	Most common rate paid (per cent)		
		3.50 or less	4.00	4.50		3.50 or less	4.00	4.50
NUMBER OF BANKS				MILLIONS OF DOLLARS				
All banks.....	13,508	532	2,263	10,712	122,936	1,876	15,832	105,229
<b>Size of bank (total deposits in millions of dollars):</b>								
Less than 10.....	5,802	387	1,309	4,106	5,563	234	1,167	4,162
10-50.....	6,232	107	747	5,377	29,825	292	3,169	26,363
50-100.....	754	20	104	629	12,401	268	1,582	10,553
100-500.....	544	11	76	456	25,512	348	4,991	20,173
500 and over.....	176	5	27	144	49,635	735	4,922	43,978
<b>Federal Reserve district:</b>								
Boston.....	342	5	51	285	5,008	56	1,224	3,727
New York.....	490	5	86	399	19,060	435	4,110	14,515
Philadelphia.....	425	37	151	236	3,065	507	2,921	4,637
Cleveland.....	772	63	93	616	11,553	108	820	10,625
Richmond.....	741	11	18	712	9,262	101	436	8,724
Atlanta.....	1,757	61	340	1,356	9,426	185	1,708	7,533
Chicago.....	2,615	112	481	2,021	22,354	281	2,617	19,456
St. Louis.....	1,288	65	274	948	4,322	118	646	3,558
Minneapolis.....	1,378	96	527	755	3,220	38	714	2,468
Kansas City.....	1,961	73	161	1,726	4,883	32	121	4,730
Dallas.....	1,339	4	66	1,270	4,331	15	155	4,160
San Francisco.....	400		14	386	21,454		358	21,096

**APPENDIX TABLE 2 TIME DEPOSITS, IPC, IN DENOMINATIONS OF LESS THAN \$100,000 MATURING IN LESS THAN 1 YEAR**

Most common interest rates paid by insured commercial banks on new deposits on April 30, 1973

Group	Total	Most common rate paid (per cent)		Total	Most common rate paid (per cent)	
		4.50 or less	5.00		4.50 or less	5.00
NUMBER OF BANKS			MILLIONS OF DOLLARS			
All banks.....	13,044	399	12,645	46,633	938	45,695
<b>Size of bank (total deposits in millions of dollars):</b>						
Less than 10.....	5,560	131	5,430	3,632	17	3,615
10-50.....	6,005	241	5,764	13,914	164	13,750
50-100.....	752	13	738	4,437	51	4,386
100-500.....	552	10	542	8,817	174	8,642
500 and over.....	176	4	171	15,833	531	15,302
<b>Federal Reserve district:</b>						
Boston.....	330	5	325	1,573	1	1,572
New York.....	497	37	460	5,244	94	5,150
Philadelphia.....	348	47	302	2,106	28	2,078
Cleveland.....	741	47	694	3,183	15	3,168
Richmond.....	654	52	603	2,781	50	2,731
Atlanta.....	1,698	93	1,604	5,052	54	4,999
Chicago.....	2,485	39	2,446	10,450	83	10,367
St. Louis.....	1,288	34	1,254	2,770	5	2,765
Minneapolis.....	1,283	20	1,262	2,285	43	2,242
Kansas City.....	1,992	12	1,980	2,701	2	2,699
Dallas.....	1,350	10	1,340	2,747	2	2,745
San Francisco.....	378	3	375	5,740	563	5,177

For notes to Appendix Tables 1-6, see p. 500.

**APPENDIX TABLE 3—TIME DEPOSITS, IPC, IN DENOMINATIONS OF LESS THAN \$100,000—MATURING IN 1 UP TO 2 YEARS**

Most common interest rates paid by insured commercial banks on new deposits on April 30, 1973

Group	Total	Most common rate paid (per cent)			Total	Most common rate paid (per cent)		
		5.00 or less	5.25	5.50		5.00 or less	5.25	5.50
NUMBER OF BANKS				MILLIONS OF DOLLARS				
All banks.....	12,885	738	131	12,016	23,451	1,233	180	22,039
<b>Size of bank (total deposits in millions of dollars):</b>								
Less than 10.....	5,486	297	65	5,125	5,219	305	42	4,872
10-50.....	5,954	360	47	5,547	10,264	516	51	9,698
50-100.....	743	39	7	697	1,682	80	8	1,594
100-500.....	533	25	11	498	2,622	241	14	2,367
500 and over.....	168	16	2	149	3,663	91	64	3,509
<b>Federal Reserve district:</b>								
Boston.....	228	7		221	162	2		160
New York.....	452	57	29	366	635	111	16	508
Philadelphia.....	374	72		302	1,422	185		1,237
Cleveland.....	704	99	1	604	1,278	(2)	(2)	1,110
Richmond.....	658	40	4	614	1,045	32	4	1,009
Atlanta.....	1,573	67	29	1,477	2,246	127	40	2,079
Chicago.....	2,511	94	28	2,389	5,059	207	107	4,745
St. Louis.....	1,340	173		1,167	2,969	305		2,664
Minneapolis.....	1,378	50	25	1,303	2,169	46	(1)	2,122
Kansas City.....	2,008	10	6	1,992	2,552	12	6	2,534
Dallas.....	1,285	52	5	1,228	1,753	35	2	1,716
San Francisco.....	374	18	2	354	2,162	(2)	(2)	2,154

**APPENDIX TABLE 4—TIME DEPOSITS, IPC, IN DENOMINATIONS OF LESS THAN \$100,000—MATURING IN 2 YEARS OR MORE**

Most common interest rates paid by insured commercial banks on new deposits on April 30, 1973

Group	Total	Most common rate paid (per cent)			Total	Most common rate paid (per cent)		
		5.00 or less	5.50	5.75		5.00 or less	5.50	5.75
NUMBER OF BANKS				MILLIONS OF DOLLARS				
All banks.....	11,408	197	241	10,969	33,854	493	688	32,674
<b>Size of bank (total deposits in millions of dollars):</b>								
Less than 10.....	4,556	85	130	4,342	3,387	60	45	3,282
10-50.....	5,444	70	73	5,302	12,382	71	36	12,275
50-100.....	724	21	12	690	3,101	4	4	3,093
100-500.....	515	8	16	491	5,470	47	92	5,331
500 and over.....	169	13	11	145	9,514	309	512	8,692
<b>Federal Reserve district:</b>								
Boston.....	226	2	2	221	408	(2)	(2)	403
New York.....	423	25	12	385	2,009	60	121	1,828
Philadelphia.....	297	6	3	288	2,750	246	214	2,291
Cleveland.....	665	1	39	625	2,621	(2)	52	2,569
Richmond.....	623	15	4	604	2,326	10	1	2,315
Atlanta.....	1,377	39	46	1,292	3,056	51	9	2,995
Chicago.....	2,279	14	38	2,226	7,606	3	101	7,502
St. Louis.....	1,011	21	1	989	2,414	(2)	(2)	2,380
Minneapolis.....	1,199	25	1	1,173	2,523	(2)	(2)	2,457
Kansas City.....	1,793	9	7	1,778	2,186	3	4	2,179
Dallas.....	1,152	38	82	1,033	1,755	49	67	1,639
San Francisco.....	364	1	7	356	4,198	(2)	(2)	4,116

For notes to Appendix Tables 1-6, see p. 500.

**APPENDIX TABLE 5—NEGOTIABLE CD's, IPC, IN DENOMINATIONS OF \$100,000 OR MORE**

Most common interest rates paid by insured commercial banks on new deposits on April 30, 1973

Group	Most common rate paid (per cent)							Most common rate paid (per cent)						
	Total	5.00 or less	5.50	6.00	6.50	7.00	7.50 and over	Total	5.00 or less	5.50	6.00	6.50	7.00	7.50 and over
	NUMBER OF BANKS							MILLIONS OF DOLLARS						
All banks.....	3,226	294	487	876	651	721	196	42,508	885	938	2,490	3,710	16,904	17,580
Size of bank (total deposits in millions of dollars):														
Less than 10.....	455	9	101	123	107	99	16	156	2	16	39	69	23	7
10-50.....	1,938	228	283	600	388	345	94	1,989	131	181	837	330	437	73
50-100.....	359	29	72	88	78	87	6	1,112	44	126	316	210	396	21
100-500.....	314	21	24	55	58	112	45	4,636	133	199	771	585	2,221	728
500 and over.....	160	7	7	10	20	79	36	34,614	566	415	528	2,516	13,928	10,752
Federal Reserve district:														
Boston.....	163	12	9	35	54	44	11	1,989	52	28	19	104	1,005	780
New York.....	264	36	18	58	33	93	25	14,984	11	236	418	849	3,904	9,565
Philadelphia.....	81	11	30	17	8	10	7	1,616	3	13	40	(2)	1,284	(2)
Cleveland.....	143	4	26	12	71	21	8	1,976	3	37	32	853	828	224
Richmond.....	146	10	28	32	11	56	9	1,456	50	94	104	142	758	309
Atlanta.....	548	14	79	253	101	81	19	2,264	41	146	622	156	926	372
Chicago.....	419	68	84	125	64	66	12	5,507	146	106	114	154	914	4,073
St. Louis.....	150	27	25	53	9	36	2	632	31	80	23	(2)	233	(2)
Minneapolis.....	152	16	25	33	9	36	33	798	188	5	73	19	63	450
Kansas City.....	442	50	91	100	94	74	34	1,258	24	49	227	153	622	183
Dallas.....	547	30	49	139	174	132	23	3,495	86	20	502	612	1,670	606
San Francisco.....	170	17	24	22	25	71	10	6,532	250	122	315	498	4,697	649

**APPENDIX TABLE 6—NONNEGOTIABLE CD's AND OPEN ACCOUNT DEPOSITS, IPC, IN DENOMINATIONS OF \$100,000 OR MORE**

Most common interest rates paid by insured commercial banks on new deposits on April 30, 1973

Group	Most common rate paid (per cent)							Most common rate paid (per cent)								
	Total	4.50 or less	5.00	5.50	6.00	6.50	7.00	7.50 and over	Total	4.50 or less	5.00	5.50	6.00	6.50	7.00	7.50 and over
	NUMBER OF BANKS							MILLIONS OF DOLLARS								
All banks.....	3,738	65	629	478	1,171	574	639	182	15,503	96	1,187	561	3,134	1,856	7,449	1,222
Size of bank (total deposits in millions of dollars):																
Less than 10.....	642	5	122	109	237	112	32	26	230	3	38	41	84	46	5	13
10-50.....	2,071	40	345	245	700	302	342	98	1,575	4	226	161	484	214	393	93
50-100.....	474	3	55	81	136	87	95	16	1,290	0	98	163	320	346	307	56
100-500.....	418	10	77	33	79	59	128	31	3,419	32	235	116	676	488	1,289	583
500 and over.....	133	6	30	9	19	13	42	13	8,989	56	590	81	1,569	762	5,455	476
Federal Reserve district:																
Boston.....	155	2	48	2	19	50	33	1	342	(2)	45	(2)	20	60	189	(2)
New York.....	247	5	54	16	62	15	75	20	4,345	7	107	98	853	310	2,413	557
Philadelphia.....	164	25	30	30	39	13	16	11	646	4	119	13	129	90	204	85
Cleveland.....	232	5	57	65	29	51	23	3	585	30	80	35	128	93	195	25
Richmond.....	273	9	17	10	123	46	52	14	1,001	5	69	23	192	252	409	53
Atlanta.....	648	2	125	64	261	108	73	15	1,435	(2)	132	53	533	205	342	(2)
Chicago.....	618	3	81	69	215	109	132	8	1,901	22	45	151	798	169	612	103
St. Louis.....	351	5	55	72	152	13	23	31	443	3	19	38	110	41	190	42
Minneapolis.....	134	3	27	22	31	16	32	3	118	.....	4	20	17	26	32	18
Kansas City.....	345	4	58	64	69	55	83	12	516	.....	27	76	122	87	179	24
Dallas.....	446	1	61	45	138	79	60	61	906	(2)	101	(2)	140	187	308	137
San Francisco.....	127	.....	14	18	33	20	38	3	3,264	.....	439	19	90	336	2,375	5

For notes to Appendix Tables 1-6, see p. 500.

## NOTE TO TABLE 2:

NOTE.- The most common interest rate for each instrument refers to the basic stated rate per annum (before compounding) in effect on the survey date that was generating the largest dollar volume of deposit inflows. If the posted rates were unchanged during the 30-day period just preceding the survey date, the rate reported as the most common rate was the rate in effect on the largest dollar volume of deposit inflows during the 30-day period. If the rate changed during that period, the rate reported was the rate prevailing on the largest dollar volume of inflows from the time of the last rate change to the survey date.

While rate ranges of  $\frac{1}{4}$  or  $\frac{1}{2}$  of a percentage point are shown in this and other tables, the most common rate reported by most banks was the top rate in the range; for example, 4.00, 4.50, etc. On negotiable CD's in denominations of \$100,000 and over, however, some large banks have had rates at intervals of  $\frac{1}{4}$  of a percentage point. Some deposit categories exclude a small amount of deposits outstanding in a relatively few banks that no longer issue these types of deposits and are not included in the number of issuing banks.

Figures may not add to totals because of rounding.

## NOTES TO APPENDIX TABLES 1-6:

<sup>1</sup> Less than \$500,000.

<sup>2</sup> Omitted to avoid individual bank disclosure.

NOTE.- In the April 30 survey, data were compiled from information reported by a probability sample of all insured commercial banks.

Figures exclude banks that reported no interest rate paid and that held no deposits on the survey date, and they also exclude a few banks that had discontinued issuing these instruments but still had some deposits outstanding on the survey date. Time deposits, open account,

exclude Christmas savings and other special accounts. Dollar amounts may not add to totals because of rounding.

In the headings of these tables under "Most common rate paid (per cent)" the rates shown are those being paid by nearly all reporting banks. However, for the relatively few banks that reported a rate in between those shown, the bank was included in the next higher rate. In the lowest rate categories, almost all banks reported rates at the upper end of the range.

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# Changes in Bank Lending Practices, 1972

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Since late 1964 the Federal Reserve has conducted surveys of changes in bank lending practices among large commercial banks. These surveys—taken in February, May, August, and November of each year—are designed to obtain information on nonprice terms of lending and on bankers' appraisals of current and anticipated demands for business loans. This article, as an annual review of these surveys, discusses the responses made during 1972.

The 3 months preceding the February 1972 survey were characterized by strong growth in real economic activity, by moderate expansion of the narrowly defined money stock (demand deposits and currency), and by sharp decreases in short-term interest rates.

Although anticipating stronger business loan demands in the future, banks reporting in that survey noted that demands, on balance, had weakened over the three previous months. As evidence of this, and the decline in other short-term rates, the bank prime rate had been reduced from 5½ per cent at the previous survey date in mid-November 1971 to a split rate of 4½ and 4¾ per cent in mid-February 1972. In fact, nearly three-fourths of the 125 respondent banks had adopted easier interest rate policies on business loans. However, there had been no marked alteration in nonprice terms of lending to commercial and industrial customers, although there was evidence of easier policies with respect to compensating balances and of somewhat greater willingness to make term loans.

In response to weaker demands for business loans, bankers became more receptive to new loan applications and more liberal in reviewing credit lines—particularly credit lines to finance companies. Banks also showed significantly

greater aggressiveness in seeking consumer instalment loans, mortgage loans, participation loans with correspondents, and loans to brokers.

Over the 3-month interval from the February 15 to the May 15, 1972 survey, the pace of real economic growth quickened. The rate of increase in demand deposits and currency accelerated, and short-term interest rates began to rise rapidly.

In this context, nearly 60 per cent of the respondents noted a strengthening in business loan demands, and nearly 75 per cent anticipated further strengthening in the near future. Over the 3-month interval from the previous survey, the prime rate had been raised by one-fourth of a percentage point, and more than 36 per cent of the respondents reported firmer interest rate policies on loans to nonfinancial business. Other policies concerning business loans were essentially unchanged, except that banks were somewhat more willing to make term loans.

Nonetheless, there was somewhat greater scrutiny of the intended use of loans and of the value of loan applicants as depositors or as a source of collateral business. Interest rates on loans to finance companies were raised. On the other hand, banks were more eager to make consumer instalment loans and mortgages—particularly mortgages on single-family properties.

Moving further into the year, between the May 15 to August 15 surveys, economic expansion continued, the monetary aggregates advanced at a significant pace, and short-term interest rates rose substantially.

In the August survey about 55 per cent of the respondent banks reported increases in demands for commercial and industrial loans, and more than 70 per cent expected further expansions in the future. As had occurred in previous surveys, respondents adopted tighter policies concerning interest rates as the prime rate was

NOTE. This article was prepared by Richard H. Puckett of the Board's Division of Research and Statistics.



raised this time by one-fourth of a percentage point. Just as in preceding surveys, there was relatively little adjustment in nonprice terms of lending, though some banks raised compensating balance requirements. Yet, there was evidence again of an increased willingness to make term loans to business, which may have resulted from adequate liquidity and the fact that customers were using capital market financing as an alternative to bank borrowing. As they had previously, banks also evidenced a desire to add to their consumer instalment loans.

During the 3-month interval up to the November 15 survey date, the monetary aggregates

grew at a somewhat more moderate rate, while short-term interest rates continued to climb and growth in real economic activity accelerated.

Repeating the pattern of earlier surveys, banks reported stronger business loan demands—with approximately 60 per cent of the respondents noting heavier demands this time. Moreover, nearly two-thirds of those reporting expected further growth in commercial and industrial demands. An increase of one-half percentage point in the prime rate was one reason why nearly 60 per cent of the banks in the survey reported firmer interest rate policies on lending to nonfinancial business. In this instance

### QUARTERLY SURVEY—FEBRUARY 1972

#### CHANGES IN BANK LENDING PRACTICES AT SELECTED LARGE BANKS: POLICY ON FEBRUARY 15, 1972, COMPARED WITH POLICY 3 MONTHS EARLIER

Number of banks; figures in parentheses indicate percentage distribution of total banks reporting

Item	Total	Much stronger	Moderately stronger	Essentially unchanged	Moderately weaker	Much weaker
<b>Strength of demand for commercial and industrial loans:<sup>1</sup></b>						
Compared with 3 months earlier.....	125 (100.0)	1 (.8)	23 (18.4)	61 (48.8)	39 (31.2)	1 (.8)
Anticipated in next 3 months.....	125 (100.0)	2 (1.6)	57 (45.6)	52 (41.6)	14 (11.2)	.....
	Total	Much firmer policy	Moderately firmer policy	Essentially unchanged	Moderately easier policy	Much easier policy
<b>Loans to nonfinancial businesses:</b>						
<b>Terms and conditions:</b>						
Interest rates charged.....	125 (100.0)	1 (.8)	2 (1.6)	31 (24.8)	73 (58.4)	18 (14.4)
Compensating or supporting balances.....	125 (100.0)	1 (.8)	4 (3.2)	99 (79.2)	21 (16.8)	.....
Standards of creditworthiness.....	125 (100.0)	1 (.8)	3 (2.4)	116 (92.8)	5 (4.0)	.....
Maturity of term loans.....	125 (100.0)	.....	2 (1.6)	108 (86.4)	13 (10.4)	2 (1.6)
<b>Practice concerning review of credit lines or loan applications:</b>						
Established customers.....	125 (100.0)	.....	2 (1.6)	102 (81.6)	18 (14.4)	3 (2.4)
New customers.....	125 (100.0)	1 (.8)	1 (.8)	94 (75.2)	27 (21.6)	2 (1.6)
Local service area customers.....	125 (100.0)	.....	1 (.8)	106 (84.8)	15 (12.0)	3 (2.4)
Nonlocal service area customers.....	125 (100.0)	1 (.8)	5 (4.0)	100 (80.0)	17 (13.6)	2 (1.6)
<b>Factors relating to applicant:<sup>2</sup></b>						
Value as depositor or source of collateral business.....	125 (100.0)	2 (1.6)	7 (5.6)	102 (81.6)	14 (11.2)	.....
Intended use of the loan.....	125 (100.0)	3 (2.4)	1 (.8)	111 (88.8)	9 (7.2)	1 (.8)
<b>Loans to independent finance companies:<sup>3</sup></b>						
<b>Terms and conditions:</b>						
Interest rate charged.....	125 (100.0)	.....	.....	70 (56.0)	46 (36.8)	9 (7.2)
Compensating or supporting balances.....	125 (100.0)	.....	1 (.8)	118 (94.4)	6 (4.8)	.....
Enforcement of balance requirements.....	125 (100.0)	.....	2 (1.6)	115 (92.0)	8 (6.4)	.....
Establishing new or larger credit lines.....	125 (100.0)	1 (.8)	4 (3.2)	87 (69.6)	32 (25.6)	1 (.8)
	Total	Considerably less willing	Moderately less willing	Essentially unchanged	Moderately more willing	Considerably more willing
<b>Willingness to make other types of loans:</b>						
Term loans to businesses.....	125 (100.0)	.....	3 (2.4)	82 (65.6)	38 (30.4)	2 (1.6)
Consumer instalment loans.....	124 (100.0)	.....	.....	71 (57.2)	44 (35.5)	9 (7.3)
Single-family mortgage loans.....	122 (100.0)	1 (.8)	1 (.8)	82 (67.3)	38 (31.1)	.....
Multifamily mortgage loans.....	121 (100.0)	1 (.8)	3 (2.5)	100 (82.7)	17 (14.0)	.....
All other mortgage loans.....	123 (100.0)	.....	4 (3.3)	89 (72.3)	30 (24.4)	.....
Participation loans with correspondent banks.....	123 (100.0)	.....	2 (1.6)	94 (76.5)	26 (21.1)	1 (.8)
Loans to brokers.....	123 (100.0)	1 (.8)	1 (.8)	99 (80.5)	21 (17.1)	1 (.8)

<sup>1</sup> After allowance for bank's usual seasonal variation.

<sup>2</sup> For these factors, firmer means the factors were considered to be more important in making decisions for approving credit requests, and easier means they were considered to be less important.

<sup>3</sup> "Independent," or "noncaptive," finance companies are finance companies other than those organized by a parent company mainly for the purpose of financing dealer inventory and carrying instalment loans generated through the sale of the parent company's products.

the shift toward higher rates on business loans was reinforced by significantly firmer requirements with respect to compensating balances supporting such loans. On the other hand, banks continued to be somewhat more lenient perhaps for the reasons indicated earlier concerning term loans to business.

Respondents, in addition, became noticeably firmer in reviewing credit lines or loan applica-

tions, particularly from new customers or customers from nonlocal service areas. Greater weight was given to the value of applicants as depositors or as a source of collateral business. Despite tightening in other areas, the data showed a greater willingness on the part of banks to make consumer instalment loans, nonresidential mortgages, and participation loans to correspondents.

**QUARTERLY SURVEY—MAY 1972**

**CHANGES IN BANK LENDING PRACTICES AT SELECTED LARGE BANKS: POLICY ON MAY 15, 1972, COMPARED WITH POLICY 3 MONTHS EARLIER**

Number of banks; figures in parentheses indicate percentage distribution of total banks reporting

Item	Total	Much stronger	Moderately stronger	Essentially unchanged	Moderately weaker	Much weaker
<b>Strength of demand for commercial and industrial loans:<sup>1</sup></b>						
Compared with 3 months earlier.....	125 (100.0)	2 (1.6)	71 (56.8)	44 (35.2)	8 (6.4)	
Anticipated in next 3 months.....	125 (100.0)		93 (74.4)	31 (24.8)	1 (.8)	
	Total	Much firmer policy	Moderately firmer policy	Essentially unchanged	Moderately easier policy	Much easier policy
<b>Loans to nonfinancial businesses:</b>						
<b>Terms and conditions:</b>						
Interest rates charged.....	125 (100.0)	1 (.8)	45 (36.0)	77 (61.6)	2 (1.6)	
Compensating or supporting balances.....	125 (100.0)		8 (6.4)	113 (90.4)	4 (3.2)	
Standards of creditworthiness.....	125 (100.0)	2 (1.6)	6 (4.8)	116 (92.8)	1 (.8)	
Maturity of term loans.....	125 (100.0)	1 (.8)	8 (6.4)	101 (80.8)	15 (12.0)	
<b>Practice concerning review of credit lines or loan applications:</b>						
Established customers.....	125 (100.0)	1 (.8)	3 (2.4)	118 (94.4)	2 (1.6)	
New customers.....	125 (100.0)	3 (2.4)	6 (4.8)	107 (85.6)	9 (7.2)	
Local service area customers.....	125 (100.0)	1 (.8)	3 (2.4)	117 (93.6)	4 (3.2)	
Nonlocal service area customers.....	125 (100.0)	2 (1.6)	10 (8.0)	101 (80.8)	12 (9.6)	
<b>Factors relating to applicant:<sup>2</sup></b>						
Value as depositor or source of collateral business.....	125 (100.0)	2 (1.6)	12 (9.6)	108 (86.4)	3 (2.4)	
Intended use of the loan.....	125 (100.0)	2 (1.6)	1 (.8)	121 (96.8)	1 (.8)	
<b>Loans to independent finance companies:<sup>3</sup></b>						
<b>Terms and conditions:</b>						
Interest rate charged.....	125 (100.0)	2 (1.6)	28 (22.4)	92 (73.6)	3 (2.4)	
Compensating or supporting balances.....	125 (100.0)	1 (.8)	4 (3.2)	116 (92.8)	4 (3.2)	
Enforcement of balance requirements.....	125 (100.0)	2 (1.6)	6 (4.8)	114 (91.2)	3 (2.4)	
Establishing new or larger credit lines.....	125 (100.0)	2 (1.6)	11 (8.8)	93 (74.4)	19 (15.2)	
	Total	Considerably less willing	Moderately less willing	Essentially unchanged	Moderately more willing	Considerably more willing
<b>Willingness to make other types of loans:</b>						
Term loans to businesses.....	124 (100.0)	1 (.8)	3 (2.4)	100 (80.7)	20 (16.1)	
Consumer instalment loans.....	124 (100.0)		2 (1.6)	86 (69.4)	34 (27.4)	2 (1.6)
Single-family mortgage loans.....	123 (100.0)		2 (1.6)	96 (78.1)	23 (18.7)	2 (1.6)
Multifamily mortgage loans.....	123 (100.0)	1 (.8)	8 (6.5)	102 (82.9)	12 (9.8)	
All other mortgage loans.....	123 (100.0)		6 (4.9)	100 (81.3)	15 (12.2)	2 (1.6)
Participation loans with correspondent banks.....	123 (100.0)		3 (2.4)	107 (87.0)	13 (10.6)	
Loans to brokers.....	122 (100.0)	2 (1.6)	3 (2.5)	102 (83.6)	13 (10.7)	2 (1.6)

<sup>1</sup> After allowance for bank's usual seasonal variation.  
<sup>2</sup> For these factors, firmer means the factors were considered to be more important in making decisions for approving credit requests, and easier means they were considered to be less important.

<sup>3</sup> "Independent," or "noncaptive," finance companies are finance companies other than those organized by a parent company mainly for the purpose of financing dealer inventory and carrying instalment loans generated through the sale of the parent company's products.

## QUARTERLY SURVEY—AUGUST 1972

## CHANGES IN BANK LENDING PRACTICES AT SELECTED LARGE BANKS: POLICY ON AUGUST 15, 1972, COMPARED WITH POLICY 3 MONTHS EARLIER

Number of banks; figures in parentheses indicate percentage distribution of total banks reporting

Item	Total	Much stronger	Moderately stronger	Essentially unchanged	Moderately weaker	Much weaker
<b>Strength of demand for commercial and industrial loans:<sup>1</sup></b>						
Compared with 3 months earlier.....	125 (100.0)	3 (2.4)	65 (52.0)	51 (40.8)	6 (4.8)	
Anticipated in next 3 months.....	125 (100.0)	4 (3.2)	86 (68.8)	35 (28.0)		
	Total	Much firmer policy	Moderately firmer policy	Essentially unchanged	Moderately easier policy	Much easier policy
<b>Loans to nonfinancial businesses:</b>						
Terms and conditions:						
Interest rates charged.....	125 (100.0)	2 (1.6)	49 (39.2)	71 (56.8)	3 (2.4)	
Compensating or supporting balances.....	125 (100.0)	1 (.8)	13 (10.4)	104 (83.2)	7 (5.6)	
Standards of creditworthiness.....	125 (100.0)		10 (8.0)	114 (91.2)	1 (.8)	
Maturity of term loans.....	124 (100.0)		6 (4.8)	95 (76.7)	23 (18.5)	
Practice concerning review of credit lines or loan applications:						
Established customers.....	125 (100.0)		3 (2.4)	116 (92.8)	6 (4.8)	
New customers.....	124 (100.0)	1 (.8)	12 (9.7)	104 (83.9)	7 (5.6)	
Local service area customers.....	125 (100.0)		3 (2.4)	117 (93.6)	5 (4.0)	
Nonlocal service area customers.....						
Factors relating to applicant: <sup>2</sup>						
Value as depositor or source of collateral business.....	125 (100.0)	3 (2.4)	11 (8.8)	103 (82.4)	8 (6.4)	
Intended use of the loan.....	125 (100.0)	4 (3.2)	10 (8.0)	108 (86.4)	3 (2.4)	
	125 (100.0)	1 (.8)	4 (3.2)	119 (95.2)	1 (.8)	
<b>Loans to independent finance companies:<sup>3</sup></b>						
Terms and conditions:						
Interest rate charged.....	125 (100.0)		33 (26.4)	90 (72.0)	2 (1.6)	
Compensating or supporting balances.....	125 (100.0)		3 (2.4)	118 (94.4)	4 (3.2)	
Enforcement of balance requirements.....	125 (100.0)		8 (6.4)	114 (91.2)	3 (2.4)	
Establishing new or larger credit lines.....	125 (100.0)	3 (2.4)	10 (8.0)	98 (78.4)	14 (11.2)	
	Total	Considerably less willing	Moderately less willing	Essentially unchanged	Moderately more willing	Considerably more willing
<b>Willingness to make other types of loans:</b>						
Term loans to businesses.....	125 (100.0)		8 (6.4)	95 (76.0)	22 (17.6)	
Consumer instalment loans.....	123 (100.0)	1 (.8)		98 (79.7)	23 (18.7)	1 (.8)
Single-family mortgage loans.....	122 (100.0)		6 (4.9)	103 (84.4)	13 (10.7)	
Multifamily mortgage loans.....	121 (100.0)	2 (1.7)	8 (6.6)	106 (87.6)	5 (4.1)	
All other mortgage loans.....	121 (100.0)	3 (2.5)	5 (4.1)	99 (81.8)	14 (11.6)	
Participation loans with correspondent banks.....	123 (100.0)		2 (1.6)	114 (92.7)	7 (5.7)	
Loans to brokers.....	121 (100.0)	1 (.8)	3 (2.5)	109 (90.1)	8 (6.6)	

<sup>1</sup> After allowance for bank's usual seasonal variation.<sup>2</sup> For these factors, firmer means the factors were considered to be more important in making decisions for approving credit requests, and easier means they were considered to be less important.<sup>3</sup> "Independent," or "noncaptive," finance companies are finance companies other than those organized by a parent company mainly for the purpose of financing dealer inventory and carrying instalment loans generated through the sale of the parent company's products.

## QUARTERLY SURVEY—NOVEMBER 1972

## CHANGES IN BANK LENDING PRACTICES AT SELECTED LARGE BANKS: POLICY ON NOVEMBER 15, 1972, COMPARED WITH POLICY 3 MONTHS EARLIER

Number of banks; figures in parentheses indicate percentage distribution of total banks reporting

Item	Total	Much stronger	Moderately stronger	Essentially unchanged	Moderately weaker	Much weaker
<b>Strength of demand for commercial and industrial loans:<sup>1</sup></b>						
Compared with 3 months earlier.....	125 (100.0)	4 (3.2)	68 (54.4)	49 (39.2)	4 (3.2)	
Anticipated in next 3 months.....	125 (100.0)	2 (1.6)	80 (64.0)	42 (33.6)	1 (.8)	
	Total	Much firmer policy	Moderately firmer	Essentially unchanged	Moderately easier	Much easier
<b>Loans to nonfinancial businesses:</b>						
<b>Terms and conditions:</b>						
Interest rates charged.....	125 (100.0)	4 (3.2)	68 (54.4)	50 (40.0)	3 (2.4)	
Compensating or supporting balances.....	124 (100.0)	1 (.8)	17 (13.7)	99 (79.9)	7 (5.6)	
Standards of creditworthiness.....	124 (100.0)	3 (2.4)	9 (7.3)	111 (89.5)	1 (.8)	
Maturity of term loans.....	124 (100.0)	2 (1.6)	6 (4.8)	92 (74.2)	24 (19.4)	
<b>Practice concerning review of credit lines or loan applications:</b>						
Established customers.....	125 (100.0)		9 (7.2)	113 (90.4)	2 (1.6)	1 (.8)
New customers.....	125 (100.0)	2 (1.6)	18 (14.4)	99 (79.2)	5 (4.0)	1 (.8)
Local service area customers.....	125 (100.0)		8 (6.4)	114 (91.2)	2 (1.6)	1 (.8)
Nonlocal service area customers.....	125 (100.0)	4 (3.2)	19 (15.2)	94 (75.2)	8 (6.4)	
<b>Factors relating to applicant:<sup>2</sup></b>						
Value as depositor or source of collateral business.....	125 (100.0)	2 (1.6)	18 (14.4)	103 (82.4)	2 (1.6)	
Intended use of the loan.....	125 (100.0)	2 (1.6)	8 (6.4)	113 (90.4)	2 (1.6)	
<b>Loans to independent finance companies:<sup>3</sup></b>						
<b>Terms and conditions:</b>						
Interest rate charged.....	125 (100.0)	1 (.8)	37 (29.6)	86 (68.8)	1 (.8)	
Compensating or supporting balances.....	125 (100.0)		4 (3.2)	117 (93.6)	4 (3.2)	
Enforcement of balance requirements.....	125 (100.0)	1 (.8)	8 (6.4)	113 (90.4)	3 (2.4)	
Establishing new or larger credit lines.....	125 (100.0)	1 (.8)	12 (9.6)	101 (80.8)	11 (8.8)	
	Total	Considerably less willing	Moderately less willing	Essentially unchanged	Moderately more willing	Considerably more willing
<b>Willingness to make other types of loans:</b>						
Term loans to businesses.....	125 (100.0)	1 (.8)	10 (8.0)	96 (76.8)	17 (13.6)	1 (.8)
Consumer instalment loans.....	123 (100.0)	1 (.8)	1 (.8)	93 (75.6)	27 (22.0)	1 (.8)
Single-family mortgage loans.....	123 (100.0)		11 (8.9)	96 (78.1)	16 (13.0)	
Multifamily mortgage loans.....	122 (100.0)		11 (9.0)	104 (85.3)	7 (5.7)	
All other mortgage loans.....	123 (100.0)		5 (4.1)	102 (82.9)	16 (13.0)	
Participation loans with correspondent banks.....	123 (100.0)		1 (.8)	105 (85.4)	17 (13.8)	
Loans to brokers.....	121 (100.0)		3 (2.5)	109 (90.0)	7 (5.8)	2 (1.7)

<sup>1</sup> After allowance for bank's usual seasonal variation.<sup>2</sup> For these factors, firmer means the factors were considered to be more important in making decisions for approving credit requests, and easier means they were considered to be less important.<sup>3</sup> "Independent," or "noncaptive," finance companies are finance companies other than those organized by a parent company mainly for the purpose of financing dealer inventory and carrying instalment loans generated through the sale of the parent company's products.

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# Treasury and Federal Reserve Foreign Exchange Operations

## Interim Report

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*This interim report, covering the period March through May 1973, is the first of a series providing information on Treasury and System foreign exchange operations to supplement the regular series of semiannual reports that are usually issued each March and September. It was prepared by Charles A. Coombs, Special Manager of the System Open Market Account, and Senior Vice President in charge of the Foreign Department of the Federal Reserve Bank of New York.*

After an unprecedented rush into foreign currencies on March 1, all major European exchange markets were officially closed and a series of emergency meetings were called to resolve the crisis. On March 11, six of the members of the European Community (EC) and, later, Norway and Sweden agreed to maintain fixed exchange-rate relationships among themselves within 2¼ per cent margins, which would be permitted to float as a bloc against the dollar. In conjunction with the decision to establish a fixed-rate bloc, the German authorities revalued the mark by 3 per cent. In addition, to guard against large new inflows of funds, most countries participating in the joint float tightened and extended their existing exchange controls. The Japanese yen, Swiss franc, sterling, and Italian lira each continued to float independently.

The markets were officially reopened on March 19 and, after a brief burst of trading as the backlog of commercial orders was cleared away, activity thinned as dealers paused to assess the radically altered market trading arrangements. Through the first week in May the dollar improved hesitantly as earlier adverse leads and lags were partially reversed. The February devaluation and subsequent flight from the dollar had been a shattering blow to confidence, however, and there was no large sustained covering of short dollar positions or re-

flow of funds. Despite an improving trend in the U.S. balance of payments and the frequently voiced view that the dollar was, if anything, now undervalued, the market became increasingly concerned over the worsening inflation in the United States, forecasts of vastly higher energy imports, and possible ramifications of the Watergate affair. Consequently, the tendency to shift out of dollars continued.

In early May, the dollar began to depreciate once more against most of the European currencies. By midmonth a new speculative attack had broken out in which soaring gold prices, sliding U.S. equity prices, and a weakening dollar interacted to reinforce each other. Movements in exchange rates were abnormally large and erratic, with spot rates fluctuating as much as 2 per cent during a single day. The German mark advanced the most sharply in response to progressive tightening of Germany's anti-inflationary fiscal and monetary policies. After moving from the bottom to the top of the European band, the mark began by early June to exert upward pressure on the entire band.

The dollar was driven down in sporadic bouts of nervous and, at times, heavy trading to levels unjustified and undesirable on any reasonable assessment of the longer-run outlook for the U.S. payments position. By June 28 the dollar had dropped 16½ per cent against the mark, some 8 to 13 per cent against most other continental currencies, and the gold price in London had shot up from \$90 to a peak of \$127. The dollar also weakened against sterling and the Italian lira, though by much smaller amounts. Sterling advanced along with continental currencies in May but, as British interest rates eased, held steady during most of June. The Italian lira, which had fluctuated widely in response to domestic political developments, was advancing by the end of June. Dollar rates for the currencies of Japan and Canada, two

major trading partners of the United States, in contrast, were little affected by developments elsewhere in the exchanges and at the end of June were still at March levels. Indeed, the Japanese authorities sold considerable amounts of dollars to prevent a depreciation of the yen.

During the 3 months to the end of May, there were no Federal Reserve operations in the exchange markets. Debt outstanding under swap lines remained unchanged at \$1,555 million. There were no Treasury exchange market operations in this period, apart from small purchases of foreign exchange to meet scheduled expenditures.

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## FEDERAL RESERVE SYSTEM DRAWINGS AND REPAYMENTS UNDER RECIPROCAL CURRENCY ARRANGEMENTS

In millions of dollars equivalent

Transactions with	System swap drawings, Mar. 9, 1973	Subsequent drawings, or repayments, ( ) through May 31, 1973	System swap drawings, May 31, 1973
National Bank of Belgium ..	390		390
Swiss National Bank .....	565		565
Bank for International Settlements (Swiss francs) ..	600		600
<b>Total</b> .....	<b>1,555</b>		<b>1,555</b>

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# Statement to Congress

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*Statement by Arthur F. Burns, Chairman, Board of Governors of the Federal Reserve System, before the Subcommittee on International Economics of the Joint Economic Committee, June 27, 1973.*

I am pleased to appear before this committee to comment on recent developments in foreign exchange markets and their implications.

In assessing the exchange-rate arrangements that have prevailed since mid-March of this year, it is useful to recall a few historical facts. Starting in the mid-1960's, the balance of payments of the United States deteriorated with only minor interruptions. A trade surplus per year averaging more than \$5 billion in the mid-1960's vanished by 1969 and was converted to a deficit at an annual rate of more than \$3 billion by the second quarter of 1971. For a time, particularly during 1968 and 1969, capital inflows offset the decline in the trade balance and kept the official settlements balance from reflecting the underlying deterioration. By the late spring of 1971, however, the growing weakness of our balance of payments was already widely recognized. A little later, a massive movement of dollars into foreign currencies finally forced the United States in August 1971 to suspend the convertibility of the dollar into gold and other reserve assets.

The actions taken by the United States that August culminated in a realignment of the par values of major currencies at the Smithsonian meeting in December of 1971. No quick improvement of our trade position was anticipated in view of the lags with which exchange-rate changes affect international trade, and also because our economy was advancing with some rapidity at a time when the economies of our trading partners were generally sluggish. In fact, our foreign trade performance during 1972 turned out to be much poorer than had been expected, with the trade deficit soaring to about \$7 billion. By early February of this year, after

some renewed disturbances in exchange markets, foreign governmental authorities agreed with our conclusion that the Smithsonian realignment had not gone far enough and that a further devaluation of the dollar was needed to restore equilibrium in international payments.

This second realignment of currency parities was agreed to on February 12. In contrast to the Smithsonian realignment, under which virtually all countries established new par values for their currencies, Italy and Japan now chose to float their currencies, thus joining the Canadian dollar, British pound, and Swiss franc—all of which were already floating.

Once faith in a national currency is shaken, the process of rebuilding confidence is never an easy matter. The monetary authorities of the leading countries were confident that the exchange-rate pattern established on February 12 was realistic and that it would in time restore equilibrium in world payments. Nevertheless, the dollar once more came under severe pressure in late February and early March. Countries still committed to maintaining par values for their currencies were therefore forced once again to purchase large amounts of dollars in the course of their intervention, and then ultimately to close their exchange markets.

The disorder that prevailed in currency markets during this crisis period prompted international discussions that resulted in a further extension of floating among the major currencies. Most countries within the European Economic Community—West Germany, France, the Netherlands, Belgium, Luxembourg, and Denmark—chose, however, to maintain exchange rates among their own currencies within narrow margins but to permit them to fluctuate more or less freely against the dollar. This European bloc was soon joined formally by Sweden and Norway and informally by Austria.

After the mid-March Paris meeting of finance ministers and central bank governors, exchange markets reopened. In the next few days the

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volume of activity was light, and exchange rates moved within a rather narrow range. Over the following weeks, markets continued to be calm as the volume of trading moved closer to normal levels. Fluctuations in market exchange rates differed little from those that had normally prevailed under the previous regime of fixed parities. In fact, the dollar did not move outside the range of 2¼ per cent on either side of the central rates established in the February-March period. Thus, during April and early May, the average dollar price of 10 major currencies (those of Japan, Canada, and 8 European nations) appeared to have stabilized at a level some 19 per cent above the exchange parities that had prevailed in the spring of 1970—that is, prior to the Canadian float and the subsequent currency realignments.

In mid-May, however, the relative calm that characterized exchange markets during the preceding weeks ended abruptly. Movements of exchange rates became larger, and the dollar began to decline sharply further against the major European currencies. Over the 6-week period from May 9 to June 20, the dollar price of the mark, the French franc, and the Swiss franc rose by 10, 7, and 6 per cent, respectively. The average appreciation during this period of the 10 major currencies previously mentioned was smaller—about 4½ per cent; the main reasons were that the dollar price of sterling rose little, while the Japanese and Canadian currencies remained quite stable and the price of the Italian lira actually declined.

The causes of the widespread further depreciation of the dollar in this recent 6-week period have been discussed extensively. I doubt if they can be identified with any great precision. My own impression is that the most important factor was the accumulating evidence of the erosion of the moderate success that the United States had achieved in curbing inflation during 1972. Other factors undoubtedly played their role—among them, the tightening of monetary policies abroad, the new restrictive fiscal policy in Germany, the spread of uncertainty abroad about the ability of our Government to handle economic problems effectively, and wild rumors that another devaluation of the dollar was contemplated. Not the least important, there was a sharp speculative run-up in the market price

of gold, which reflected, and in turn generated, a growing distrust of currencies generally. This development was bound to focus particularly on the dollar, in view of the worldwide fears caused by the sudden discovery that its stability could no longer be taken for granted.

There may be some economists who view the recent decline in the international value of the dollar with satisfaction. I am not one of them. When a currency depreciates, a nation's effort to curb inflation becomes more difficult. For in such a case, the prices of imported goods rise, and their rise is transmitted to domestic substitutes as well as to finished products based on imported raw materials. Meanwhile, exports are stimulated; and if direct controls are simultaneously being applied to domestic prices, as is now the case with us, some troublesome shortages may develop in domestic commodity markets. In contrast to the earlier devaluations, which were needed to restore equilibrium to our international transactions, the May-June depreciation is unfortunate. It certainly cannot be justified on any realistic evaluation of international price levels or underlying economic trends.

Nor is that all. To the extent that excessive depreciation of the dollar should persist, the United States would in time develop an undesirably large trade surplus. In other words, we would then be transferring real resources on cheap terms to the rest of the world instead of putting them to use here at home. Such a development, besides being senseless from our viewpoint, could cause difficulties for other countries, most of which depend far more on foreign trade than does the United States. Still another consideration to bear in mind is that persistent depreciation of our currency would in time undermine confidence in the dollar's role as a transactions currency, and thereby weaken the international role of our highly developed financial system.

Although the decline in the international value of the dollar since mid-May is unwarranted by the condition of our economy or of our balance of payments, there has as yet been no intervention by our Government in the exchange markets. Those who are selling the dollar short—whether out of a desire for safety or quick profits—will probably be punished by the



market itself. In any event, the central banks of the leading countries will not remain aloof indefinitely. The situation is being watched closely. As agreed at the March 16 meeting in Paris, we and the monetary authorities of other countries stand prepared to intervene to facilitate the maintenance of orderly conditions in exchange markets.

Under present circumstances, with many financial, commercial, and political issues still unresolved among the nations of the world, the present exchange-rate arrangements—which I hope will involve little central bank intervention—are bound to continue. These arrangements have their advantages. The impact on exchange markets of speculative purchases and sales of currencies can be reflected in rate movements that are eventually self-limiting. In recent weeks, we have in fact been able to avoid the crisis atmosphere that would have emerged if the monetary authorities were still committed to maintaining a particular set of exchange rates through unlimited official intervention. There has been no need to close exchange markets to shut off massive international movements of funds. In addition, several countries have found that the present floating arrangements enable them to keep a firmer grasp on the expansion of their money supply and domestic indebtedness.

Limited experience is always an ambiguous teacher, but it can still generate strong opinions. Many of our businessmen and bankers now view floating exchange rates as a desirable development, or at least as necessary or entirely acceptable in current circumstances. Many regard the uncertainty associated with these arrangements as inconsequential, or as no more serious in their business calculations than other sources of price or cost variation. Many believe that a return to a par-value system will bring further episodic crises or new controls that would impede world commerce more than floating exchange rates. These attitudes contrast dramatically with the views held by most businessmen and financiers only a few years ago. Even some of my central bank colleagues—who traditionally, as you know, have been the staunchest defenders of fixed exchange rates—now seem to be accepting floating exchange rates with equanimity.

Thus, there is fairly broad agreement among businessmen, bankers, and political leaders—that the present exchange-rate arrangements have been helpful or at least tolerable. Thoughtful and prudent men recognize, however, that the present arrangements have not been in operation very long, and I believe that not a few of the businessmen and bankers who were enthusiastic about floating exchange rates in April have developed doubts since then. Any judgments of the future based on recent experience must therefore be quite tentative.

For the longer run, thinking of a reformed international monetary system, I remain skeptical about the desirability of a general system of floating exchange rates. I hold this view even though I recognize the usefulness of floating rates in particular situations, such as the present. Some reasons for my skepticism are as follows:

First, in my judgment, the floating exchange-rate system that has figured so heavily in academic discussions is a dream that will continue to elude us. Even for a country with as low a ratio of international trade to gross national product as that of the United States, the repercussions of exchange-rate changes on the domestic economy can be substantial. Under a floating exchange-rate system, governments are always apt to be subject to political pressure by business, agricultural, and labor interests for protection against large movements of exchange rates—which may mean new controls or central bank intervention or both. So-called “clean” floating is not a politically viable arrangement over the long run.

Second, a system of floating exchange rates may lead to political friction and competitive national economic policies. From time to time suspicions will be generated that this or that country has been manipulating its exchange rate at the expense of the interests of its trading partners. In such an atmosphere, whether for defensive or retaliatory reasons, governments may impose controls on capital flows or on current transactions. It is true, of course, that suspicion and political friction may be present under any type of exchange-rate regime. And we know from experience that governments often imposed controls on international transactions when they were trying to defend fixed exchange rates that were unrealistic. Nonethe-

less, I fear that such problems would be greater with widespread permanent floating of the major currencies.

Third, the uncertainties associated with floating exchange rates may lead in time to some erosion of international trade, particularly in the case of equipment purchases that require long-term financing and when profit margins are slim. These uncertainties may also weaken private foreign investment especially in long-term bond issues.

Fourth, exchange-rate fluctuations under a floating regime may add further to the difficulties that some governments already have in carrying out suitable fiscal and monetary policies. There is danger, for example, that a temporary exchange-rate depreciation will get translated into permanent price level increases through upward revisions of nominal wages. Moreover, floating exchange rates may themselves become a tool of business cycle policy, and thereby lead at times to neglect of appropriate domestic policies.

While I have such misgivings about floating exchange rates as the basis for a reformed international monetary system, I realize that international rules may be developed to minimize their undesirable effects. In any event, I do not approach the question of long-run reform in a dogmatic frame of mind. The objective of the negotiations currently under way should be to adopt the set of institutional arrangements that, in the balanced judgment of financial experts, is most likely to promote the orderly expansion of international economic transactions among countries each of which will be pursuing the goals of high employment, improvement in productivity, and general price stability. The exchange-rate regime is not an end in itself.

I also recognize that the Bretton Woods arrangements, despite their great contribution to the international economy of the postwar period, failed to achieve timely adjustments of exchange rates. In the future, exchange parities must not be allowed to become so rigid or unrealistic. Many changes take place in the world economy—for example, in national rates of growth in productivity—that require some change in currency parities. Furthermore, while we all hope that at least the major countries will pursue sound, noninflationary policies in the future, we

know that mistakes will at times be made. These mistakes, too, may modify the pattern of exchange rates that is appropriate for maintaining balance of payments equilibrium. Hence, I fully endorse the objective of developing an exchange-rate regime that will be more flexible than the Bretton Woods system.

The approach of our Government to international monetary reform was outlined by Secretary Shultz last September in his address at the International Monetary Fund meetings, and is embodied in the U.S. proposals to the Committee of Twenty. This approach assumes that in the new international monetary system most nations will maintain established parities for their exchange rates. A similar view was expressed by the Committee of Twenty in the communique issued at the close of their meeting this March. The communique stated that exchange rates must be a matter for international concern and consultation; that in the reformed system the exchange-rate regime should be based on stable but adjustable par values; but that floating rates could provide a useful technique in particular situations.

The U.S. approach to international monetary reform does not envision a par value regime of the Bretton Woods character. The U.S. proposals provide for rather prompt corrective actions, including par-value changes where they are deemed appropriate. The proposals recognize, moreover, that a realistic framework for a reformed international monetary system must permit a country to float its currency for a temporary and possibly for a prolonged period. In the latter case, however, internationally accepted rules of behavior would still need to be observed.

Under the U.S. plan, movements in a nation's reserves are assigned a central role in establishing the need for corrective action. We do not, however, propose a system of automatic responses to reserve movements. On the contrary, each country would retain a substantial degree of freedom in choosing the corrective measures that appear most appropriate in its circumstances.

An essential feature of the U.S. plan is that it would evenhandedly encourage adjustments by countries whose reserves were out of line, whether on the high or low side. The plan would

operate on a principle analogous to that of workmen's compensation and no-fault accident insurance; in other words, remedial action would be expected of a country whose reserves either rose excessively or declined excessively, without attempting to allocate blame or fix responsibility for the remedial action on a "guilty" party.

Before concluding, I would like to comment briefly on the prospects for the U.S. balance of payments. For I believe that, as a result of the exchange rate realignments of 1970-71 and early 1973, the outlook for our balance of payments has greatly improved. Altogether, by April of this year the dollar had been effectively devalued against other currencies by about 16 per cent since mid-1970, and by substantially more against some of our strongest competitors such as Japan and Germany. This is a large adjustment and has substantially improved the international competitiveness of U.S. goods.

The exchange-rate changes of recent years are already beginning to have perceptible effects on both our exports and our imports. So far this year, there has been a marked improvement in the trade balance. The trade deficit in the period from March through May, the latest 3 months for which data are available, was at an annual rate of about \$1.3 billion, compared with \$6.8 billion for 1972 as a whole. Much of this recent improvement reflects a bulge in agricultural exports, which is likely to prove temporary, so that the underlying gain is not so large as the raw figures suggest. We should be prepared for some temporary setback during the months ahead. But there have been solid gains. The value of nonagricultural exports in the March-May period was 18 per cent larger than it had been 6 months earlier. New foreign orders for machinery in the first quarter of this year were 16 per cent higher than in the third quarter of last year. Meanwhile, the growth of total imports appears to have moderated, although a sharp spurt did occur in May—probably a result in large part of the recent rise in the prices of imported foods and raw materials.

Later this year and in 1974, we may expect to see further gains in our foreign trade balance, not only because of the cumulating effects of

our strengthened competitive position, but also because business cycle conditions are likely to change in our favor. The growth of real output in the United States has begun to slow to a more moderate and sustainable rate, which should dampen the growth of our imports. On the other hand, economic activity abroad, which is the main determinant of our exports, is continuing to expand at a vigorous pace. The improvement in our trade balance this year is therefore likely to gather momentum in 1974 and 1975, by which time we should be experiencing a sizable trade surplus for the first time since the late 1960's.

The improvement in the trade balance may well be accompanied by some improvement in other international transactions—particularly capital movements. With the dollar so much cheaper than it was 2 or 3 years ago, foreign investors are likely to develop a greater interest in acquiring American assets—business firms, real estate, or securities. There are already numerous indications of such a widening foreign interest. On the other hand, the higher prices that Americans must now pay for foreign currencies tend to diminish their incentive to build plants abroad or to acquire foreign securities.

This favorable outlook for the U.S. balance of trade and payments is, of course, contingent upon containing domestic inflationary pressures. I am greatly troubled by the high rates of inflation that we have experienced in recent months. No exchange-rate regime or international monetary system can work well if the major industrial nations, particularly the United States, fail to gain better control over inflation than we have as yet achieved.

A stable dollar is vital to the well-being of American workers and consumers. It is also essential to the continuing progress of our domestic and foreign business, to a healthier investment climate in our country, and to the maintenance of our international political standing. I therefore hope that this influential committee, while immediately concerned with the problem of floating currencies, will keep in mind the overriding importance of restoring stability to the domestic purchasing power of the dollar. ! !

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# Record of Policy Actions

## of the Federal Open Market Committee

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

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

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

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

The records for the first three meetings held in 1973 were published in the BULLETINS for April, pages 286-92; May, pages 345-51; and June, pages 435-44. The record for the meeting held on April 17, 1973, follows:

## MEETING HELD ON APRIL 17, 1973

### 1. Domestic policy directive

The information reviewed at this meeting suggested that in the first quarter of 1973 expansion in consumption expenditures had been substantially larger than estimated 4 weeks earlier and that real output of goods and services had continued to grow rapidly. Moreover, the rise in prices had accelerated sharply. Staff projections for the current quarter suggested that growth in real output, while slowing from the high rate in the preceding two quarters, would continue relatively high.

Retail sales expanded substantially in March, according to the advance report, and sales for February were now reported to have risen appreciably rather than to have declined; for the first quarter as a whole, the gain was exceptionally large. Industrial production continued to expand in March, reflecting substantial increases in output of consumer goods, business equipment, and materials. Nonfarm payroll employment rose considerably further, and for the first quarter as a whole the advance was rapid. However, the civilian labor force also increased substantially in the quarter, and the unemployment rate remained at around 5.0 per cent.

The advance in average hourly earnings of production workers on nonfarm payrolls moderated in the first quarter of the year from the rapid rate in the final months of 1972. However, total payroll costs per manhour rose sharply, reflecting the increase in social security taxes at the beginning of the year. In March, as in February, wholesale price increases were reported for many industrial materials and finished goods -- including metals, lumber, petroleum products, motor vehicles, machinery, and clothing. The rise in prices of farm products and foods remained rapid, in large part because of continuing increases in prices of livestock, poultry, and meats.

The latest staff projection of growth in real output in the second quarter of 1973 was about the same as that of 4 weeks earlier. Now, however, the projected increase in business inventory investment was larger -- following a reduction in the estimated rate at which businesses had added to inventories in the first quarter -- while the expansion in final purchases was smaller. Expectations were that Federal purchases of goods and services would change

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little, after apparently increasing somewhat more in the first quarter than projected, and that consumption expenditures would rise less sharply, following the exceptional advance in the first quarter. It was still anticipated that expansion in business fixed investment and in State and local government purchases of goods and services would remain strong and that outlays for residential construction would turn down.

According to staff projections, growth in real GNP would moderate in the second half of the year. It was expected that residential construction outlays would decline further from the second-quarter rate; that both fixed investment and inventory investment by businesses would expand less rapidly; and that the rise in disposable income and consumption expenditures would slow substantially.

Foreign exchange markets in Europe and Japan which had officially closed on March 1 and 2 reopened on March 19, but trading volume remained considerably below normal. There was a moderate flow of funds into dollars following the enormous outflows that had occurred in February and early March and the dollar strengthened against most major foreign currencies. In recent weeks the over-all U.S. balance of payments had been in surplus.

Merchandise exports in the first 2 months of 1973 were up sharply from the rate in the fourth quarter of 1972, reflecting substantial gains among agricultural commodities, industrial materials, and machinery. The rise in imports was not quite so large, and the trade deficit for the 2 months was below the rate of the fourth quarter.

At U.S. commercial banks, expansion in business loans moderated somewhat in March, but it remained very strong by historical standards. Growth in real estate and consumer loans remained rapid, and bank holdings of U.S. Government securities which had declined sharply in February increased by a moderate amount. To accommodate the strong demand for loans, banks continued to expand rapidly their outstanding volume of large-denomination CD's. Since interest rates on CD's with maturities of more than 90 days had reached Regulation Q ceilings, the great bulk of CD's issued in March had maturities between 30 and 89 days.

The narrowly defined money stock ( $M_1$ )<sup>1</sup> changed little in March.

<sup>1</sup>Private demand deposits plus currency in circulation.

and although inflows of time and savings deposits other than large-denomination CD's increased from a sharply reduced rate in February, growth in the more broadly defined money stock ( $M_2$ )<sup>2</sup> moderated slightly further. Over the first quarter of 1973 as a whole, growth in  $M_1$  and  $M_2$ —at annual rates of about 2 and 6 per cent, respectively—was markedly below the high rates that had prevailed toward the end of 1972.<sup>3</sup> However, the bank credit proxy<sup>4</sup> grew rapidly both in March and over the first quarter as a whole, reflecting the sharp expansion in the outstanding volume of large-denomination CD's.

Short-term interest rates continued to rise until early April, but then rates declined—especially those for Treasury bills—in part because of market expectations that a stronger wage-price control program was about to be introduced and that money market conditions would not soon tighten further. On the day before this meeting, the market rate on 3-month Treasury bills was 6.19 per cent, down from 6.55 per cent on April 3 but about the same as on the day before the March meeting. Over the inter-meeting period, on balance, rates declined for Treasury bills and for Federal agency issues with maturities of 6 months to a year, and rates advanced for large-denomination CD's not subject to Regulation Q ceilings.

Since the last meeting of the Committee, yields on intermediate- and long-term securities had declined on balance—changing little while short-term rates were rising and then declining along with short-term rates. As in the period between the February and March meetings, markets for these securities had been strengthened by foreign official buying of Treasury coupon issues and by light corporate demands for funds in the capital market. The volume of new offerings of corporate bonds, which had been unusually small in February, was moderate in March and appeared likely to change little in April. For State and local government bonds,

<sup>2</sup> $M_2$  plus commercial bank time and savings deposits other than large denomination CD's.

<sup>3</sup>Growth 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 of the preceding quarter.

<sup>4</sup>Daily average member bank deposits, adjusted to include funds from nondeposit sources.

the volume of new issues was large in March but seemed likely to decline moderately in April.

The Treasury was expected to announce on April 25 the terms of its mid May refunding. Of the maturing issues, \$4.3 billion were held by the public.

Contract interest rates on conventional mortgages and yields in the secondary market for Federally insured mortgages both rose somewhat in March. Inflows of savings funds to nonbank thrift institutions remained at around the slower pace to which they had fallen in February.

System open market operations since the meeting on March 19-20 had been guided by the Committee's decision to seek bank reserve and money market conditions that would support somewhat slower growth in monetary aggregates over the months ahead than had occurred on the average in the preceding 6 months. Operations had been directed toward fostering growth in reserves available to support private nonbank deposits (RPD's) at an annual rate in a range of 12 to 16 per cent in the March-April period, while avoiding marked changes in money market conditions.

Toward the end of March, incoming data began to suggest that RPD's might grow at a rate below the specified range because of weaker-than-expected expansion in private demand deposits, and System operations were directed toward somewhat less tautness in bank reserve and money market conditions. In early April, available data continued to suggest that growth in RPD's in the March-April period would be below the specified range, but on April 11 a majority of the Committee members agreed that bank reserve and money market conditions should not be eased further in the few days before the next meeting. In those remaining days, the Federal funds rate was about 7 per cent, down slightly from the level prevailing in the days before the March meeting. In the 4 weeks ending April 11, member bank borrowings averaged about \$1,850 million, compared with an average of \$1,665 million in the preceding 5 weeks.

The Committee agreed that the economic situation and prospects called for moderate growth in the monetary aggregates over the months ahead, continuing the policy course agreed upon at the preceding meeting. The members took note of a staff analysis suggesting that the demand for money was likely to be stronger

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over the near term than it had been in the first quarter of the year, reflecting the unusually large Federal tax refunds which would add to demand deposits temporarily and continued strong expansion in economic activity. Although it was likely that expansion in the outstanding volume of large-denomination CD's would slow from the rapid pace in February and March, the increase was still expected to be large. Therefore, a relatively rapid rate of growth in RPD's in the April-May period was projected to be consistent with moderate growth in the monetary aggregates over the months ahead. The analysis also suggested that such a rate of growth in RPD's might be associated with little change in money market conditions and short-term interest rates in general.

The Committee decided that operations should be directed at fostering RPD growth during the April-May period at an annual rate within a range of 10 to 12 per cent, while continuing to avoid marked changes in money market conditions. The members also agreed that, in the conduct of operations, account should be taken of the forthcoming Treasury financing and of deviations in monetary growth from an acceptable range. It was understood that the Chairman might consider calling upon the Committee to appraise the need for supplementary instructions before the next scheduled meeting.

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

The information reviewed at this meeting suggests continued rapid growth in real output of goods and services in the first quarter, spurred by an extraordinary increase in consumption expenditures. Over the first 3 months of this year, employment rose strongly but the unemployment rate remained about 5 per cent. The recent advance in wage rates has been more moderate than in the latter part of 1972, but the increase in social security taxes in January added significantly to payroll costs. The rate of increase in prices stepped up very sharply in the first quarter. Prices of foods have continued to rise at wholesale and retail, and in both February and March increases in wholesale prices of industrial commodities were large and widespread. Foreign exchange markets have been relatively quiet since mid March, and there has been a moderate reflow into dollars. The U.S. merchandise trade balance improved a little in January-February, when both exports and imports were sharply higher than in the fourth quarter of 1972.

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Growth in both the narrowly and more broadly defined money stock slowed markedly in the first quarter following a bulge toward the close of last year. However, in the face of strong loan demand—especially from businesses—banks sharply increased their issuance of large-denomination CD's, and the bank credit proxy expanded very rapidly. Short-term market interest rates continued to rise until the beginning of April, but since then some rates—particularly those on Treasury bills—have declined. Rates on long-term market securities have moved down on balance in recent weeks.

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

To implement this policy, while taking account of forthcoming Treasury financing, 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, Mitchell, Morris, Robertson, Sheehan, and Winn.  
Votes against this action: None.

Absent and not voting: Mr. Mayo. (Mr. Winn voted as his alternate.)

## **2. Revision of guidelines for operations in Federal agency issues**

At this meeting the Committee revised the third and fourth of the guidelines for the conduct of System operations in securities issued by Federal agencies. Initial guidelines had been approved on August 24, 1971, with the understanding that they would be subject to review and revision, and guidelines 5 and 6 had been revised on February 15 and April 17, 1972, respectively. Prior to today's action, guidelines 3 and 4 had contained references to "initial" activities. Thus, number 3 read "As an initial objective, the System would aim at building up a modest portfolio of agency issues, with the amount and timing dependent on the ability to make net acquisitions without undue market effect," and number 4 read "System holdings of maturing agency issues will be allowed to run off at maturity, at least initially." The revision of guideline

3 consisted of eliminating the outdated reference to building up a portfolio, and the revision in guideline 4 consisted of deletion of the phrase "at least initially."

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

Absent and not voting: Mr. Mayo. (Mr. Winn voted as his alternate.)

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# Law Department

Statutes, regulations, interpretations, and decisions

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## RESERVES OF MEMBER BANKS

The Board of Governors has increased reserve requirements on all but the first \$2 million of net demand deposits at member banks by one-half of one percentage point.

### AMENDMENT TO REGULATION D

Effective July 19, 1973, Section 204.5(a)(1)(iii) and (2)(iii) of the Board's Regulation D is amended to read as follows:

#### SECTION 204.5 RESERVE REQUIREMENTS

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

(1) If not in a reserve city

\* \* \* \* \*

(iii)(a) 8 per cent of its net demand deposits if its aggregate net demand deposits are \$2 million or less, (b) \$160,000 plus 10½ per cent of its net demand deposits in excess of \$2 million if its aggregate net demand deposits are in excess of \$2 million but less than \$10 million, (c) \$1 million plus 12½ per cent of its net demand deposits in excess of \$10 million if its aggregate net demand deposits are in excess of \$10 million but less than \$100 million, or (d) \$12,250,000 plus 13½ per cent of its net demand deposits in excess of \$100 million.

\* \* \* \* \*

(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)

\* \* \* \* \*

(iii) \$52,750,000 plus 18 per cent of its net demand deposits in excess of \$400 million.

\* \* \* \* \*

## INTEREST ON DEPOSITS

The Board of Governors has amended its rules on the payment of time deposits by member banks prior to maturity. Under the new rules, a member bank is permitted to pay a time deposit before maturity, but in such event the bank can pay interest on the amount withdrawn at a rate not to exceed the maximum rate prescribed for a savings deposit during the period the funds have remained on deposit, less three months.

The Board of Governors has increased the maximum rates of interest that a member bank may pay on time and savings deposits. The Board also suspended, for the time being, the limitations on the rates of interest which may be paid by a member bank on a single maturity time deposit of \$1,000 or more with a maturity of 4 years or more.

### AMENDMENTS TO REGULATION Q

Effective immediately, the Board has amended section 217.4(d) of its Regulation Q (12 CFR Part 217) to read as follows:

#### SECTION 217.4 PAYMENT OF TIME DEPOSITS BEFORE MATURITY

\* \* \* \* \*

(d) **Penalty for early withdrawals.** Where a time deposit, or any portion thereof, is paid before maturity, a member bank may pay interest on the amount withdrawn at a rate not to exceed that currently prescribed in § 217.7 for a savings deposit: *Provided*, That the depositor shall forfeit three months of interest payable at such rate. If, however, the amount withdrawn has remained on deposit for three months or less, all interest shall be forfeited. Where necessary to comply with the requirements of this paragraph, any interest already paid to or for the account of the depositor

shall be deducted from the amount requested to be withdrawn.

\* \* \* \* \*

Effective July 1, 1973, section 217.7 is amended to read as follows:

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

Pursuant to the provisions of section 19 of the Federal Reserve Act and § 217.3, the Board of Governors of the Federal Reserve System hereby prescribes the following maximum rates<sup>1</sup> of interest per annum payable by member banks of the Federal Reserve System on time and savings deposits:

**(a) Single maturity time deposits.**

**(1) Deposits of \$100,000 or more.** There is no maximum rate of interest presently prescribed on any single maturity time deposit of \$100,000 or more.

**(2) Deposits of less than \$100,000.** Except as provided in subparagraph (3) of this paragraph, no member bank shall pay interest on any single maturity time deposit of less than \$100,000 at a rate in excess of the applicable rate under the following schedule:

<i>Maturity</i>	<i>Maximum per cent</i>
30 days or more but less than 90 days	5
90 days or more but less than 1 year	5½
1 year or more but less than 30 months	6
30 months or more	6½

**(3) Deposits of \$1,000 or more with maturities of 4 years or more.** There is no maximum rate of interest presently prescribed on any single maturity time deposit of \$1,000 or more with a maturity of 4 years or more.

**(b) Multiple maturity time deposits.** No member bank shall pay interest on a multiple

<sup>1</sup>The limitations on rates of interest payable by member banks of the Federal Reserve System on time and savings deposits, as prescribed herein, are not applicable to any deposit which is payable only at an office of a member bank located outside the States of the United States and the District of Columbia.

maturity time deposit at a rate in excess of the applicable rate under the following schedule:

<i>Maturity intervals</i>	<i>Maximum per cent</i>
30 days or more but less than 90 days	5
90 days or more but less than 1 year	5½
1 year or more but less than 30 months	6
30 months or more	6½

**(c) Savings deposits.** No member bank shall pay interest at a rate in excess of 5 per cent on any savings deposit.

**TRUTH IN LENDING**

The Board of Governors has amended its Regulation Z. The amendments will, in large part, simplify and clarify the advertising restrictions of the Regulation.

**AMENDMENT TO REGULATION Z**

1. Effective November 1, 1973, §§ 226.2(u), 226.6(a), 226.10(c) and 226.10(d) of Regulation Z are amended to read as set forth below:

**SECTION 226.2 DEFINITIONS AND RULES OF CONSTRUCTION**

\* \* \* \* \*

**(u) "Periodic rate"** means a percentage rate of finance charge which is or may be imposed by a creditor against a balance for a period. (See also § 226.5(a)(3).)\*\*\*

**SECTION 226.6 GENERAL DISCLOSURE REQUIREMENTS**

**(a) Disclosures; general rule.** The disclosures required to be given by this Part shall be made clearly, conspicuously, in meaningful sequence, in accordance with the further requirements of this section, and at the time and in the terminology prescribed in applicable sections. Except with respect to the requirements of § 226.10, where the terms "finance charge" and "annual percentage

rate" are required to be used, they shall be printed more conspicuously than other terminology required by this Part and all numerical amounts and percentages shall be stated in figures and shall be printed in not less than the equivalent of 10 point type, .075 inch computer type, or elite size typewritten numerals, or shall be legibly hand-written.\*\*\*

#### SECTION 226.10 ADVERTISING CREDIT TERMS

\* \* \* \* \*

(c) **Advertising of open end credit.** No advertisement to aid, promote, or assist directly or indirectly the extension of open end credit may set forth any of the terms described in paragraph (a) of § 226.7, the *Comparative Index of Credit Cost*, or that a specified downpayment or periodic payment is required (either in dollars or as a percentage), the period of repayment or any of the following items, unless it also clearly and conspicuously sets forth all the following items in terminology prescribed under paragraph (b) of § 226.7:

(1) An explanation of the time period, if any, within which any credit extended may be paid without incurring a finance charge.

(2) The method of determining the balance upon which a finance charge may be imposed.

(3) The method of determining the amount of the finance charge, including the determination of any minimum, fixed, check service, transaction, activity, or similar charge, which may be imposed as a finance charge.

(4) Where one or more periodic rates may be used to compute the finance charge, each corresponding annual percentage rate determined by multiplying the periodic rate by the number of periods in a year and, where there is more than one corresponding annual percentage rate, the range of balances to which each is applicable.<sup>19</sup>

(d) **Advertising of credit other than open end.** No advertisement to aid, promote, or assist directly or indirectly any credit sale including the sale of residential real estate, loan, or other extension of credit, other than open end credit, subject

<sup>19</sup>A creditor imposing minimum charges is not required to adjust the disclosure of the range of balances to which each rate would apply in order to reflect the range of the balances below which the minimum charge applies. If a creditor does not impose a finance charge when the outstanding balance is less than a certain amount, the creditor is not required to disclose that fact or the balance below which no such charge will be imposed.

to the provisions of this Part, shall state

(1) The rate of the finance charge except as an "annual percentage rate," using that term. No other rate of finance charge may be stated, except that:

(i) where the total finance charge includes, as a component, interest computed at a simple annual rate, the simple annual rate may be stated in conjunction with, but not more conspicuously than, the annual percentage rate, or

(ii) where the finance charge is computed solely by the application of a periodic rate to an unpaid balance, the periodic rate may be stated in conjunction with, but not more conspicuously than, the annual percentage rate.

(2) That no downpayment is required, or the amount of the downpayment or of any instalment payment required (either in dollars or as a percentage), the dollar amount of any finance charge, the number of instalments or the period of repayment, or that there is no charge for credit, unless it also clearly and conspicuously sets forth all of the following items in terminology prescribed under § 226.8:

(i) the cash price or the amount of the loan, as applicable.

(ii) in a credit sale, the amount of the downpayment required or that no downpayment is required, as applicable.

(iii) the number, amount, and due dates or period of payments scheduled to repay the indebtedness if the credit is extended.

(iv) the amount of the finance charge expressed as an annual percentage rate. The exemptions from disclosure of an annual percentage rate permitted in paragraph (b)(2) of § 226.8 shall not apply to this subdivision.

(v) except in the case of the sale of a dwelling or a loan secured by a first lien on a dwelling to purchase that dwelling, the deferred payment price in a credit sale, or the total of payments in a loan or other extension of credit which is not a credit sale, as applicable.

#### INTERPRETATION OF REGULATION D

A number of questions have recently arisen concerning reserves against commercial paper of member banks and their affiliates, under § 204.1(f) of the Board's Regulation D, and concerning the Board's recently adopted marginal reserve requirements.

The question has been presented whether the commercial paper issued by an "operations subsidiary" of a member bank is subject to the provi-

sions of the last sentence of § 204.1(f) which is applicable to "affiliates" of member banks — or whether it is subject to the same regulatory provisions to which a member bank is subject. In 1968, the Board published an interpretation on "operations subsidiaries", which defines such subsidiaries as "separately incorporated departments of the bank, performing, at locations at which the bank is authorized to engage in business, functions that the bank is empowered to perform directly." 1968 BULLETIN 681; 12 CFR 250.141. The Board indicated that the incidental powers clause of the National Bank Act permits the establishment of such a subsidiary, since "a wholly owned subsidiary corporation engaged in activities that the bank itself may perform is simply a convenient alternative organizational arrangement" to department organization. Also in 1968, the Comptroller revised his ruling on "operating subsidiaries" to state that "[e]xcept as otherwise permitted by statute or regulation, all provisions of Federal banking laws applicable to the operations of the parent bank shall be equally applicable to the operations of its operating subsidiaries." *Comptroller's Manual* ¶ 7.7376. Accordingly, it is the Board's view that the provisions of Regulation D applicable to a member bank are equally applicable to any of its "operations subsidiaries." The liability of any other "affiliate" of a member bank (as such term is defined in section 2 of the Banking Act of 1933) on commercial paper obligations is subject to the provisions of the last sentence of § 204.1(f).

The question has also been presented whether the original maturity on the commercial paper of a member bank's affiliate is determinative of the status of the proceeds supplied to the bank as a demand deposit or time deposit. For example, suppose the affiliate issues promissory notes with an original maturity of 35 days, and after a delay of 15 days channels the funds to the bank through the purchase of loans from the bank. In this situation, the bank has use of the funds for only 20 days, and, accordingly, demand deposit reserve requirements should apply. (Proceeds channeled to the bank in the form of a deposit would be subject either to demand deposit or time deposit reserve requirements, depending on the form the deposit takes. See 12 CFR 204.115(c).) Thus, in determining demand deposit or time deposit status, the operative consideration is the period remaining to maturity at the time the proceeds are supplied to the bank, rather than the original maturity on the promissory notes issued by the affiliate.

A question has also been raised concerning the proper method of calculation of the base for purposes of the marginal reserve requirement under § 204.5(a)(1)(ii) and (2)(ii) of Regulation D, in the event two banks merge. If two member banks merge, or if a member bank merges with a nonmember bank that is voluntarily cooperating with the Board's marginal reserve program, then the base for the resulting member bank is the total of the two bases of the two formerly independent banks. If a member bank merges with a nonmember bank that is not cooperating with the marginal reserves program, the resulting member bank will be asked to provide a reasonable estimate of the base the nonmember bank would have had if it had been cooperating with the marginal reserves program, and the base for the resulting bank is the total of the base of the merging member bank and the estimated base of the nonmember. If a nonmember bank that is not cooperating with the marginal reserves program converts to member bank status, a reasonable estimate of the base should be provided in that event as well.

#### INTERPRETATION OF REGULATION Q

Paragraph (a) of § 217.137 is amended to read as follows:

Effective February 12, 1970, the Board of Governors has amended § 217.1(f) to narrow the category of "Federal funds" transactions entered into by member banks that may be classified as nondeposit borrowings rather than as deposits. One question that arose in connection with such amendment is the meaning of "bank" as such term is used in the exemption from Regulation Q for obligations in nondeposit form to another bank. Such an exemption has been included in § 217.1(f) since its adoption in 1966. As used in such exemption, "bank" includes a member bank, a nonmember commercial bank, a savings bank (mutual or stock), a building or savings and loan association or cooperative bank, the Export Import Bank of the United States, Minbanc Capital Corp., or a foreign bank. It also includes bank subsidiaries that engage in business in which their parents are authorized to engage and subsidiaries the stock of which is by statute explicitly eligible for purchase by national banks.

#### INTERPRETATION OF REGULATION T

The Board has been asked numerous questions regarding the use of the same day substitution

privilege in section 220.3(h) of Regulation T in connection with accounts subject to section 220.8(g), generally, accounts having less than 40% equity. Prior to the Board's amendments, effective September 18, 1972, (37 Federal Register 13972), a customer whose account was undermarginated to any extent was allowed to substitute one security for another on the same day, usually through a sale and purchase for like amounts, without being required to improve his equity in the account. The 1972 amendments limit this privilege to accounts with an equity of 40% or more, as presently set by the Board. Accordingly, if a customer's equity is below 40%, he is not eligible for the same-day substitution privilege, but is required to put up margin on any new commitment, and retention requirements are applied to any liquidation, even though the transactions are effected on the same day.

The questions raised with the Board touch upon other provisions of Regulation T that are affected by the September 1972 amendment to the same-day substitution rule. In making computations in similar situations it should be borne in mind that the examples are based on a current loan value of 35% for margin securities (margin requirements of 65%), and 50% loan value for exchange listed convertible bonds, while the retention requirement for all accounts is 70% (release 30%).

Copies of the questions and answers have been published in the Federal Register (38 Federal Register 16652) and are available upon request to the Reserve Banks.

#### INTERPRETATION OF REGULATIONS T AND U

The Board has been asked several questions about the treatment of put and call options and combinations thereof ("puts and calls") under Regulation T (Part 220). These questions involve § 220.3(d) Adjusted debit balance, § 220.3(h) Unissued securities, § 220.4(c) Special cash account and § 220.4(d) Special arbitrage account.

The special cash account under § 220.4(c) may be used only for those *bona fide* transactions in securities in which the creditor accepts in good faith the customer's agreement, if he is a purchaser, that (if he does not already have sufficient funds in the account) he will promptly make full cash payment for the security and does not contemplate selling it prior to making such payment, and if he is a seller, that he or his principal owns the security and (if it is not already held in the account) it will be promptly deposited therein. It

is the Board's view that subject to these requirements, a creditor may effect in a special cash account (1) the purchase or sale for cash of a put or call; (2) the exercise of a call, provided that full cash payment for the purchased stock is deposited in the account promptly and in any event prior to the release of the proceeds of any resale of such security; and (3) the endorsement, guarantee or issuance of a put or call if (in the case of a put) sufficient funds to purchase the underlying stock or (in the case of a call) the underlying stock itself are held in the account.

Generally a put or call option refers to an agreement to sell a security or to purchase a security, at some future time. Although the agreement may itself be deemed to be a security, it cannot be an "unissued" security, under § 220.3(h) or § 220.4(c)(3), for the reasons set forth by the Board in discussing a similar question in regard to mutual fund shares (1962 BULLETIN 1427; 12 C.F.R. 220.118). Accordingly, in respect of a transaction involving puts or calls, payment is required within the period of time provided by § 220.3(b)(1) if the transaction occurs in the general account (or if the transaction occurs in a special cash account, by § 220.4(c)(2)) without regard to whether there has been a delay in obtaining the endorsement, or for any other reason the option has not yet technically been issued.

A question has been asked whether puts and calls may be considered to be securities which are exchangeable or convertible into other securities, within 90 calendar days, without restriction other than the payment of money. If held in a general account, such exchangeable or convertible securities are acceptable in lieu of the margin required in respect of a short sale under § 220.3(d)(3). If held in a special arbitrage account under § 220.4(d), exchangeable or convertible securities will support the sale, for purposes of *bona fide* arbitrage, of the security into which they are so exchangeable or convertible. The Board concludes that puts and calls may not be considered, for either purpose, as securities that are exchangeable or convertible into other securities. The Board's view stems from the policies underlying the sections in question.

The margin restrictions in respect of short sales were imposed in order that

... traders on the short side of the market should not be in a position, with a given amount of funds, to exert a greater influence on the market than they could with the same amount of funds if they were trading on the long side. (*Annual Report*, Board of Governors, 1937, p. 208)

Permitting call options to be used in lieu of the



margin required in respect of a short sale would be inconsistent with that general policy (parallel considerations would apply in the case of puts).

The use of the special arbitrage account under § 220.4(d) is limited to the simultaneous purchase and sale of the same or equivalent securities for the purpose of taking advantage of a difference in price. Arbitrage is permitted to be carried on without additional deposit of margin because it tends to equalize prices between markets and between equivalent securities. Because the relatively high initial cost of a put or call option must be deducted from the potential profit due to the disparity in price between the two securities, it is not likely that true arbitrage would take place between an option and an underlying security. Such options would be used, rather, for purposes of "hedging," that is to say, to protect an investor against loss while he holds a security in the hope of profiting by changes in its price. Such market strategies may be beneficial to individual investors. However, they do not perform a comparable market function.

Section 221.2 of this chapter provides that "a bank may extend and may maintain any credit for the purpose specified in § 221.1, without regard to the limitations prescribed therein, or in § 221.3(f), if the credit comes within any of the following descriptions." Subsection (j) contains the following description: "(j) Any credit extended to a member of a national securities exchange for the purpose of financing his or his customers' *bona fide* arbitrage transactions in securities." The Board has concluded that a purchase of a put or call is not embraced within the term in § 220.4(d) "a purchase of a security which is, without restriction other than the payment of money exchangeable or convertible . . . into a second security" so as to qualify such purchase, when effected together with an offsetting sale of the second security, as a *bona fide* arbitrage trans-

action, and the Board's conclusion is also applicable to subsection (j) of § 221.2.

#### INTERPRETATION OF REGULATION Z

Under § 226.1(a)(2), a stated purpose of the Truth in Lending Act and Regulation Z is to assure that every customer who has need for consumer credit is given meaningful information with respect to the cost of that credit so that he may readily compare the various credit terms available to him from different sources and avoid the uninformed use of credit. Under § 226.6(a), a creditor is required to make disclosures using certain prescribed terminology, including the "annual percentage rate." The question arises as to the propriety of a creditor quoting annual rates other than "annual percentage rate" in response to consumer inquiries about the cost of credit, where such other rates could not be used in an advertisement under the proscriptions of § 226.10.

The Truth in Lending Act and Regulation Z are intended to facilitate "shopping" between competitive credit plans. If a customer inquires about the cost of credit and the creditor responds by quoting an add on or discount rate, he may mislead the customer since the use of such rates is prohibited in consumer credit advertising and such rates are significantly lower than the annual percentage rate which must be shown on the creditor's disclosure statement. The quotation of these rates can frustrate the stated purpose of the Act and prevent the customer from making an informed use of credit.

In response to any oral inquiry by a customer about the cost of credit, a creditor when quoting annual rates should use only those rates permitted to be used in advertisements under § 226.10. Irrespective of the method used by the creditor to compute finance charges, the annual rate of the creditor's total finance charges should be quoted only in terms of the "annual percentage rate."

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

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

STATE STREET BOSTON FINANCIAL  
CORPORATION, BOSTON,  
MASSACHUSETTS

ORDER APPROVING ACQUISITION OF BANK

State Street Boston Financial Corporation, Boston, Massachusetts, a bank holding company

within the meaning of the Bank Holding Company Act, has applied for the Board's approval under § 3(a)(3) of the Act (12 U.S.C. 1842(a)(3)) to acquire 100 per cent of the voting shares (less directors' qualifying shares) of the successor by merger to Union National Bank, Lowell, Massachusetts ("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 the Board has considered the application and all comments received in light of the factors set forth in § 3(c) of the Act (12 U.S.C. 1842(c)).

Applicant is a one bank holding company and is the fourth largest banking organization and bank holding company in Massachusetts, with aggregate deposits of \$988 million representing 8.5 per cent of total deposits of commercial banks in the State.<sup>1</sup> Consummation of the proposed acquisition of Bank (deposits of approximately \$153 million) would increase Applicant's share of commercial bank deposits in Massachusetts by only 1.3 percentage points and its ranking would be unchanged. The proposed acquisition represents Applicant's initial move outside Suffolk County.

Bank is the largest of ten banks competing in the Lowell banking market which includes the Lowell SMSA and several surrounding towns, and controls 67.7 per cent of market deposits. Bank has six offices in the City of Lowell and an additional ten branches are scattered throughout its banking market. Bank's dominant share of deposits overstates its competitive position in the market. The second and third largest bank holding companies in the State have banking subsidiaries in the market accounting for ten banking offices. One of these, Baystate Corporation, has branch offices of two subsidiary banks represented in the market controlling in the aggregate 17 per cent of market deposits. Each of these banks is larger than Bank and the holding company subsidiaries in the market are clearly competitive with Bank. Additionally, taking into account particular product lines, Bank's competitive position is also overstated. For example, taking into account the savings banks in the market, Bank's market share of deposits is only approximately 29 per cent. Finally, as discussed later, considerations related to the financial and managerial resources of Bank diminish its competitive ability.

Applicant's present subsidiary bank's closest banking office to Bank is about 18 miles away.

Applicant's present subsidiary operates 18 banking offices in the separate but adjoining Boston SMSA banking market. There is no significant existing competition between Bank and any of Applicant's subsidiary offices. Applicant's banking subsidiary, State Street Bank and Trust Company ("State Street"), is primarily a wholesale bank, as evidenced by the fact that of its commercial and industrial loan accounts, 90 per cent are accounts over \$100,000 and 70 per cent of its total deposits and 67 per cent of its total IPC demand deposits were comprised of accounts in excess of \$100,000. Bank, on the other hand, is primarily a retail bank. State Street derives 2.6 per cent of its IPC demand deposits and 0.5 per cent of its savings deposits from the Lowell market. A similar insignificant amount of Bank's deposits are derived from the Boston SMSA. Accordingly, it is the Board's opinion that consummation of this proposal will not eliminate significant existing competition.

In its consideration of this matter, the Board has taken into account the comments of the United States Department of Justice, which concluded that the proposal would have a significantly adverse effect on potential competition in the Lowell banking market and in Massachusetts generally. This recommendation was due to the Department's view that the Lowell market is attractive for entry either *de novo* or by a foothold entry. The Department was also of the view that consummation of the proposal would eliminate the possibility that Bank would be a significant participant in a new Statewide holding company.

While the population of the Lowell market increased 30 per cent between 1960 and 1970 it is presently experiencing high levels of unemployment. This is due to a decline in the textile and aerospace industries and is expected to remain a problem in the near future. In view of this, the Board cannot conclude that the area is attractive enough for *de novo* entry so that Applicant is a probable *de novo* entrant. However, it does appear that there are two smaller organizations in the market which could provide foothold entry either for Applicant or the largest banking organization in the State and in the absence of the considerations related to Bank discussed below, the Board would consider the proposal as having an adverse effect on potential competition in the market. With respect to the effect on probable future competition in the Commonwealth of Massachusetts, the Board does not regard Bank, because of its condition, as a likely significant participant in a newly formed holding company.

<sup>1</sup>All banking data are as of June 30, 1972, and reflect bank holding company formations and acquisitions approved by the Board through May 31, 1973.

The financial and managerial resources and prospects of Applicant and its existing subsidiary bank are satisfactory and consistent with approval of the application. The financial and managerial resources of Bank are considered to be poor. Bank has experienced substantial loan losses since 1967 and in every year except 1969 these losses have increased. Due to these losses and deposit growth over the five year period, Bank's capital to deposit ratio has declined and it is presently in need of capital. Bank's President is beyond retirement age and there does not appear to be a likely successor. Further, in view of Bank's recent difficulties, management is in need of strengthening. In view of Bank's present situation and the economic decline of the Lowell area, the Board regards Bank's prospects, absent the acquisition, as poor. The Comptroller of the Currency has advised that:

It is clear that if Union National Bank is to solve its present problems it must merge or associate with a banking organization substantially larger than itself.

Applicant proposes to strengthen Bank's equity capital base by a minimum of \$2.0 to \$2.5 million within six months of consummation. Further, it will immediately strengthen management. Prospects of Bank with Applicant's assistance appear to be favorable and these considerations provide strong weight toward approval of the application.

There is no evidence on the record that any major banking needs of the market are presently going unserved. However, Bank is not presently competitive in providing many services. Bank has limited hours, does not offer credit cards, free checking accounts and certain forms of deposit accounts. It also does not seem to be seeking new business accounts. Applicant will update Bank's services, making them more responsive to the needs of its customers. These considerations provide weight toward approval. It is the Board's judgment that the proposed transaction is in the public interest and should be approved.

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

By order of the Board of Governors, effective June 29, 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,  
[SEAL] Assistant Secretary of the Board.

#### DISSENTING STATEMENT OF GOVERNOR BRIMMER

The Board's approval of this application allows the fourth largest banking organization in Massachusetts and the third largest organization in the Boston SMSA to enter an adjacent market through the acquisition of the dominant bank in that market. Applicant will acquire almost 68 per cent of commercial bank deposits in the Lowell market where the next largest organization holds only 15 per cent and the third largest less than 5 per cent. It is clear that Applicant has the managerial and financial resources to enter the market *de novo*. Despite the area's temporary, relatively static economic condition, the Lowell SMSA was the fastest growing metropolitan area in Massachusetts during the 1960's, with an increase in population of over 30 per cent, and it appears relatively attractive for *de novo* entry.

Even if, as Applicant contends, the area is not attractive for *de novo* entry, certainly there are smaller entry vehicles through which Applicant could establish a competitive presence in the market. In fact, in view of Bank's dominant position, such an entry would be procompetitive. Furthermore, approval of the application eliminates a sizable independent bank as a possible participant in a newly formed holding company. The Board should not countenance the acquisition of such banks by any of the five organizations which together control 62 per cent of commercial bank deposits in the State. I therefore conclude, as did the United States Department of Justice, that the proposal would have a significantly adverse effect on potential competition in the Lowell SMSA and in Massachusetts generally.

The Bank Holding Company Act maintains that the Board may approve a proposal having such serious 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.

The majority finds that the adverse effects— which it recognizes in this case— are outweighed by considerations relating to the financial and managerial resources of Bank and by the convenience and needs of the community to be served.

Yet, as the Supreme Court stated in the *Phillipsburg* case:

... before a merger injurious to the public interest is approved, a showing [must] be made that the gain expected from the merger cannot reasonably be expected through other means. Thus, before approving such a merger, a District Court must reliably establish the unavailability of alternative solutions to the woes faced by the merging banks.<sup>1</sup>

The same statutory standards apply with respect to the Board's deliberations under the Bank Holding Company Act. I agree that the managerial and financial resources of Bank are in distinct need of strengthening. However, in my judgment, there has been no showing that only through such an anticompetitive transaction may this result be accomplished. There is no indication on the record that there are no other banking organizations within Massachusetts that could offer assistance and whose acquisition of Bank would not have such anticompetitive results. Rather, the record merely reflects that Applicant was the choice due to its correspondent relationships with Bank.

Further, the bank supervisory process provides a means if used with determination through which many of Bank's problems may be remedied. By following that route, the present anticompetitive transaction would be avoided, and the overall benefits to the Massachusetts public would be enhanced rather than diminished.

I conclude that the anticompetitive effects of this proposal are not outweighed in the public interest by any considerations reflected in the record. So I would deny the application.

FIRST INTERNATIONAL  
BANCSHARES, INC.,  
DALLAS, TEXAS

ORDER APPROVING 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 American Bank & Trust Company ("Bank"), Dallas, Texas. 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)).

By Order dated November 30, 1972, the Board approved the formation of Applicant<sup>1</sup> and stated:

First National [Bank in Dallas, applicant's lead bank] now holds certain minority interests in fourteen banks ("Other Banks") located in Dallas County, Texas, as follows: 24 per cent of the shares of American Bank and Trust Company; 21.34 per cent of the shares of Citizens State Bank, Irving; 20 per cent of the shares of The Dallas County State Bank, Carrollton; 24.76 per cent of the shares of DeSoto State Bank; 24.52 per cent of the shares of East Dallas Bank & Trust Company; 24 per cent of the shares of First National Bank of Richardson; 24 per cent of the shares of Grove State Bank; 22.42 per cent of the shares of North Dallas Bank and Trust Company; 24.9 per cent of the shares of Northpark National Bank; 19.47 per cent of the shares of Park City's Bank and Trust Company; 24.5 per cent of the shares of Southwest Bank and Trust Company, Irving; 24 per cent of the shares of Texas National Bank; 10.67 per cent of the shares of White Rock National Bank; and 26.41 per cent of the shares of Guaranty Bank, formerly South Oak Cliff Bank.

Board approval of Applicant's proposal to become a bank holding company does not signify Board approval of the retention or acquisition of the above-referred to minority interests in Other Banks. It is the Board's understanding, from representations by Applicant, that Applicant will file separate applications for prior approval by the Board for each of such minority holdings it seeks to retain and cause its minority interests in all Other Banks, other than those for which such applications are filed, to be completely and permanently divested by it. It is further understood that in this manner any such applications so filed by Applicant will be subject to the ordinary regulatory and legal process, subject to statutory standards as set forth in both section 3 of the Bank Holding Company Act and section 7 of the Clayton Act.

This application has been filed pursuant to that understanding but encompasses all of the voting shares of Bank rather than Applicant's presently existing minority interest in Bank. Similar applications have been filed to acquire shares of Grove State Bank, Park Cities Bank & Trust Company, and Southwest Bank & Trust Company. The Board understands that an application will be filed promptly, but, in any event, not later than August 1, 1973, for shares of the Dallas County State Bank and further understands that Applicant's indirect minority interest in Guaranty Bank, formerly South Oak Cliff Bank, was completely and permanently divested by sale on January 9, 1973. The Board further understands and expects that Applicant's indirect minority interests in the eight other banks mentioned above will be completely and permanently divested as noted in the Board's earlier Statement.

Bank is the fifteenth largest of 110 banks in the

<sup>1</sup>U. S. v. *Phillipsburg National Bank*, 399 U. S. 350 (1970)

<sup>1</sup>1972 Federal Reserve Bulletin 1028

Dallas banking market which is approximated by the Dallas RMA<sup>2</sup> and controls 0.74 per cent of market deposits. Applicant's lead bank is the second largest bank in the market and holds 23.4 per cent of market deposits. In view of the close affiliation of Applicant's lead bank and Bank, which affiliation has existed in various forms since 1945 and presently manifests itself in the ownership of 24 per cent of Bank's shares by Applicant's trustee affiliate and in the ownership of an additional 31.2 per cent of the shares of Bank by six shareholders of Applicant, it appears that there is no meaningful present competition between any of Applicant's subsidiary banks and Bank. Furthermore, it appears unlikely that any significant competition would develop between any of Applicant's subsidiaries and Bank in the future. Irrespective of the affiliation of Bank with Applicant, consummation of the proposed transaction is unlikely to have a significant adverse effect on existing or future competition in the Dallas market in view of the small size of Bank's market share and the difference in principal functions between Bank and Applicant's lead bank, the former serving primarily as a source of individual or retail banking services, the latter as a source of corporate or wholesale banking services. The Board concludes that consummation of the proposal would not eliminate existing or future competition, nor would it have significantly adverse effects on any competing bank.

Considerations relating to the financial and managerial resources and future prospects of Applicant, its subsidiary banks, and Bank are generally satisfactory and consistent with approval of the application. While it appears that major banking needs in the area are being met, considerations relating to the convenience and needs of the communities to be served are consistent with approval of the application. It is the Board's judgment that the proposed transaction would be in the public interest, and that the application should be approved.

During its consideration of this application, the Board received the views of a shareholder of Applicant objecting to the fact that shareholders of Applicant do not have cumulative voting rights and urging the Board to deny all future applications by Applicant until such rights are afforded.

<sup>2</sup>RMA refers to *Randally Metro Area* which is defined as the central city plus every community, 8 per cent or more of the total population of which, or 15 per cent or more of the labor force of which, commutes to the central city, based on the Census of Population. No community, 35 per cent or more of the labor force of which is engaged in agriculture, is included in an RMA.

The Board has consistently opposed various bills considered by Congress in 1954, 1955, 1957, and 1964, that would have either repealed or limited the existing requirement of section 61 of Title 12 of the United States Code that national banks afford their shareholders cumulative voting. Conversely, the Board supported the objectives of bills considered by Congress in 1968 and 1969 that would have broadened the applicability of the cumulative voting requirement. The Board believes that cumulative voting rights are desirable as a means of permitting minority representation on bank boards and thereby a means for the promotion of corporate democracy.

However, the Board, in acting upon bank holding company applications to acquire banks has been directed by Congress in section 1842(c) of Title 12 of the United States Code to consider the competitive effects of a proposed acquisition and "the financial and managerial resources and future prospects of the company or companies and the banks concerned, and the convenience and needs of the community to be served." It is doubtful that, under this standard, the Board could deny an application by a bank holding company on the basis that the company does not provide cumulative voting rights to its shareholders.

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

By order of the Board of Governors, effective June 21, 1971.

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

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

UNITED TENNESSEE BANCSHARES  
CORPORATION,  
MEMPHIS, TENNESSEE

ORDER DENYING MERGER OF BANK HOLDING  
COMPANIES

United Tennessee Bancshares Corporation, Memphis, Tennessee ("United Tennessee"), 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 American National Corporation, Chattanooga, Tennessee ("American"), under the certificate of incorporation and title of United Tennessee.

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

United Tennessee controls five banks, with aggregate deposits of \$470 million, representing about 5 per cent of deposits of commercial banks in Tennessee, and is the seventh largest banking organization in the State.<sup>1</sup> American controls one bank, American National Bank and Trust Company, Chattanooga, Tennessee ("Chattanooga Bank"), with total deposits of \$289.8 million, representing about 3 per cent of deposits of commercial banks in the State, and is Tennessee's eighth largest banking organization. Consummation of the proposed merger would result in United Tennessee controlling approximately 8 per cent of total deposits in the State and would result in its being the third largest banking organization in Tennessee.

The Department of Justice ("Justice") has commented on this application and concluded that it should be denied. Justice indicated that, in its opinion, the proposed merger would not eliminate significant existing competition; Justice is of the opinion, however, that United Tennessee and American are potential entrants into each other's markets and that potential competition would be eliminated by the merger. Additionally, Justice states that the merger would have a significant adverse effect on the development of a competitive banking structure for Tennessee. Justice states there are only seven major bank holding companies in the State and that there are few opportunities for development of other large ones. In Justice's view, this makes it particularly important that organizations of the size of United Tennessee and American be kept separate.

United Tennessee responded to Justice's comments by declaring that it would not consider entry into American's market area other than through acquisition of American nor did it consider Ame-

ican to be a viable, potential competitor as a Statewide holding company. Applicant indicates its belief that, instead of harming competition, this merger would help it by increasing American's effectiveness in its present market area and through the strengthening of United Tennessee's ability to compete with the larger holding companies in the State.

There is no significant existing competition between United Tennessee and American. The closest subsidiary of United Tennessee to Chattanooga Bank is approximately 130 miles distant. Though Chattanooga Bank does originate some loans in the market area of one of United Tennessee's subsidiaries, the amount appears to be minimal. On the other hand, United Tennessee does not have any deposits or loans from Chattanooga Bank's banking market.<sup>2</sup>

In the Board's opinion, however, approval of this application would have significantly adverse effects on potential competition in the banking market of Chattanooga Bank. Chattanooga Bank is the second largest banking organization in the relevant market, controlling about 39 per cent of deposits, and, together with the leading bank in the area, controls about 80 per cent of market deposits. United Tennessee's acquisition of Chattanooga Bank would tend to solidify this market dominance by the two largest banking organizations and would hinder the emergence of new competitive forces in that market. If United Tennessee entered the Chattanooga banking market, either through acquisition of one of the two smaller banks located in Tennessee or by *de novo* entry, there is a reasonable probability that a trend toward deconcentration would result. United Tennessee must be considered one of the more likely entrants into the Chattanooga market in light of its aggressive acquisition policy and its capabilities for entry. The Chattanooga banking market also appears attractive for *de novo* entry. For example, the newest bank in the market, established in 1971, has already obtained \$21.6 million in deposits in the approximately 18 months it has been opened. Additionally, the population and deposits per banking office ratios and deposits per capita figures for the Chattanooga banking market are all above comparable Statewide ratios. These factors tend to demonstrate the attractiveness of the market for *de novo* entry. United Tennessee's assertion that it would not enter the relevant market other than

<sup>1</sup> Banking data are as of June 30, 1972 and reflect holding company formations and acquisitions approved by the Board through April 30, 1973.

<sup>2</sup> The relevant banking market is approximated by the Chattanooga banking market, which consists of Hamilton County, Tennessee, and Walker County, Georgia.

through acquisition of American must be viewed against this background. As the Supreme Court stated in the case of *United States v. Falstaff Brewing Corporation, et. al.* 41 L.W 4343. "This does not mean that the testimony of company officials about actual intentions of the company [Falstaff] is irrelevant or is to be looked upon with suspicion; but it does mean that theirs is not necessarily the last word in arriving at a conclusion about how Falstaff should be considered in terms of its status as a potential entrant into the market in issue." pp. 4344, 4345. The Board believes that the aforementioned factors do indicate United Tennessee as a potential entrant into the Chattanooga banking market. Given the concentration of the Chattanooga banking market, the probability of United Tennessee as a potential entrant into such market and the opportunities for *de novo* or "foothold" entry, the Board concludes that approval of the merger would have a significantly adverse effect on potential competition.<sup>3</sup>

Another consideration is the fact that acquisition of American by United Tennessee would eliminate the probability that American would develop into a Statewide bank holding company. It certainly would appear to have the resources to so develop since its lead bank is approximately the same size as the lead bank of United Tennessee and also that of the lead bank of Hamilton Bankshares, another multibank holding company in Tennessee. American has numerous correspondent relationships with banks throughout Tennessee, some of which are likely prospects for acquisition by American. Additional weight must be given this probability since there are only a limited number of large banks in Tennessee that are potential lead banks for new holding companies. Besides Chattanooga Bank there are only two other banks in the State who would be likely candidates for lead banks for additional holding companies.<sup>4</sup> The Board believes that the competitive situation in individual local markets in Tennessee would be enhanced by requiring United Tennessee and American to remain separate potential entrants into such local markets. On the basis of the facts of record, the Board concludes that the competitive factors of this application weigh against approval of the application.

<sup>3</sup>This is to be contrasted with the Board's decision in the application of First Florida Bancorporation (59 Federal Reserve Bulletin 183) where the Board found that the elimination of First Florida Bancorporation as a potential entrant into Dade County did not pose substantially adverse effects due to the banking structure of that market.

<sup>4</sup>An application by Hamilton Bankshares, Inc. to acquire one of these two other banks is presently pending. (48 Federal Register 12628)

The financial condition and managerial resources and future prospects of United Tennessee and American and their subsidiary banks are generally satisfactory and consistent with approval of the application. However, these factors do not off-set the adverse competitive considerations raised by the application. American has full capabilities in these areas and does not need affiliation with United Tennessee to enable it to be a viable entity. There is no indication that in any of the communities served by either United Tennessee or American banking needs 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 substantial adverse factors cited above. It is the Board's judgment that the proposed transaction is not in the public interest and 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 June 20, 1973.<sup>5</sup>

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

(Signed) TYNAN SMITH,  
Secretary of the Board.

[SEAL]

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

MANUFACTURERS HANOVER  
CORPORATION,  
DOVER, DELAWARE

**ORDER DENYING ACQUISITION OF CITIZENS  
MORTGAGE CORPORATION**

Manufacturers Hanover Corporation, Dover, Delaware, a bank holding company within the meaning of the Bank Holding Company Act, has applied for the Board's approval, under § 4(c)(8) of the Act and § 225.4(b)(2) of the Board's Regulation Y, to acquire substantially all of the assets of Citizens Mortgage Corporation, Southfield, Michigan, a company that engages in the activities of a mortgage banking company and in acting as an investment advisor to a real estate investment trust. Such activities have been determined by the Board to be closely related to the business of banking (12 CFR 225.4(a)(1), (3) and (5)).

Notice of the application, affording opportunity for interested persons to submit comments and

<sup>5</sup>Board action was taken before Governor Holland was a Board Member.

views on the public interest factors, has been duly published (38 Federal Register 10048). The time for filing comments and views has expired, and none has been timely received.

On the basis of the record, the application is denied for the reasons set forth in the Board's Statement to be issued subsequently.

By order of the Board of Governors, effective June 25, 1973.

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

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

#### STATEMENT

Manufacturers Hanover Corporation, Dover, Delaware, 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 acquire substantially all of the assets of Citizens Mortgage Corporation ("Citizens"), Southfield, Michigan. Citizens engages in the activities of a mortgage banking company and acts as an investment adviser to a real estate investment trust. Such activities have been determined by the Board to be closely related to the business of banking (12 CFR 225.4(a)(1), (3) and (5)). 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 10048). The time for filing comments and views has expired and none has been timely received.

Applicant controls five banks, with aggregate deposits of \$10.2 billion, representing 9.4 per cent of the total deposits in commercial banks in New York.<sup>1</sup> Applicant's lead bank, Manufacturers Hanover Trust Company ("Bank") has deposits of \$10.1 billion and is the fourth largest bank in the United States. Bank services a mortgage loan portfolio of \$172 million for the account of others, placing it fourteenth among all commercial banks in the country engaged in servicing mortgages. In addition, Bank originates mortgage loans on one-to-four family residences in local markets within New York State and loans on income-producing property as well as construction loans in the national market for such loans. During 1971, Bank originated \$3.4 million in loans on income-

producing property and produced a volume of \$121 million in construction loans. Its \$8.2 million volume of loans on one-to-four family residences in 1971 were primarily conventional loans, as only \$100,000 of that total volume were of the FHA/VA category.

Citizens has been engaged in the mortgage banking business since its inception in 1946. Headquartered in Southfield, Michigan, its primary service area is comprised of Michigan, Ohio, and Illinois, where it operates nine offices. In 1972, it established an office in Louisville, Kentucky, and in early 1973 additional offices were established in Clearwater, Florida, and Birmingham, Alabama. All of Citizens' outstanding shares were acquired by U.S. Industries, Inc., New York, New York, in December 1968. Since then, it has operated under the ownership and control of this large multinational manufacturing firm.

Citizens' mortgage originations on one-to-four family residences in 1971 totaled \$126 million, of which \$101 million were represented by FHA/VA mortgages. In this period, Citizens' share of the total FHA/VA loans originated in various local markets was significant. For example, it originated 7 per cent of all FHA/VA mortgages in Detroit, Michigan, 5.5 per cent of all such mortgages in Dayton, Ohio, and 4.9 per cent in Cincinnati, Ohio. Its mortgages on income-producing property amounted to \$15.7 million in 1971, and its construction loans totaled \$67 million during the same period. Since the market for both construction loans and loans on income-producing property extends throughout many regional areas, and may encompass the entire nation, it is apparent that both Applicant and Citizens compete in the same market for such loans, although neither has to date originated such loans in the primary service area of the other. Thus, considerations relating to the elimination of existing competition would not, standing alone, bar approval of the proposed transaction.

However, both Applicant and Citizens have the capability and appear to have the incentive to expand into geographic markets in which neither has offices. Applicant, owning the fourth largest bank in the country, clearly has the resources and expertise to expand *de novo* into many of the regional mortgage markets beyond those it presently serves. It would appear to have the capability to increase the volume of its present mortgage originations as well. Each institution is a potential competitor to the other in local, regional, and

<sup>1</sup>All banking data are as of December 31, 1972.



national mortgage banking markets. The Board therefore believes that the likelihood for competition between Applicant and Citizens in new markets is substantial, and that more favorable competitive results would ensue if the Applicant should enter those markets either by the establishment of new offices or, perhaps, through the acquisition of a smaller going concern.

The Board views unfavorably a covenant not to compete which the parties have entered into whereby U.S. Industries, Inc., is prohibited from engaging, directly or indirectly, in a business substantially similar to that now conducted by Citizens for a period of five years at any place in the United States. The geographic area covered is broader than that encompassed by the service area of Citizens' present offices. It is also, in the Board's view, wider than that to which the parties may fairly anticipate Citizens' business may expand during the term of the covenant. Such a covenant represents an unreasonable restraint of trade, and would deny the public the benefits of competition by U.S. Industries, Inc., in areas of the country beyond those in which Citizens' business is likely to expand. Since the broad geographical restriction contained in the covenant serves no public purpose, and is anticompetitive in nature, it represents, in the Board's view, an adverse factor weighing against approval of the proposed transaction.

Given this record, and the foregoing anticompetitive effects, under the provisions of the 1970 Amendments to the Act, the Board is required to find that the performance by Citizens as an affiliate of Applicant "can reasonably be expected to produce benefits to the public, such as greater convenience, increased competition, or gains in efficiency that outweigh possible adverse effects such as undue concentration of resources, decreased or unfair competition, conflicts of interests, or unsound banking practices."<sup>2</sup>

In commenting on this balancing test which the Board is to apply under § 4(c)(8), the Department of Justice, in its memorandum on mortgage banking filed with the Board on December 3, 1971, referred to the Congressional concern over economic power enjoyed by banks which might adversely affect the public interest when released in nonbanking areas. Accordingly, the Department

took the position that the basic balancing test of § 4(c)(8) requires a showing of positive public benefits, which, in this sense, imposes a generally stricter standard than traditional antitrust laws. Thus, bank holding companies bear the burden of demonstrating that their proposed nonbanking activity will be in the public interest. We concur.

To meet the burden of establishing that benefits to the public outweigh any adverse effects of the proposed acquisition, Applicant has claimed that consummation of the proposal would produce the following benefits:

(1) Expansion of the geographic scope of Citizens' operations, thus benefiting new regions, and

(2) Lower interest rates or origination fees for borrowers. The advantages claimed are essentially conjectural and lack factual support. As pointed out above, Citizens opened new offices in Florida and Alabama in 1973. Under the ownership of a large multinational firm, such as U.S. Industries, Inc., it would appear to be capable of expanding further into those areas where its interests lie. Since its acquisition by U.S. Industries, Inc., Citizens has grown from an institution with assets of \$23 million to one with assets of approximately \$111 million. Its revenues have also risen steadily (\$4.8 million at year-end 1968 to \$11.2 million at year-end 1972), and all earnings have been retained by Citizens. Accordingly, net worth has risen steadily. Based upon a servicing portfolio of \$712 million,<sup>3</sup> it now ranks twenty second among all mortgage companies in the United States. The Board questions whether Citizens' performance during the past four years would have been significantly greater as an affiliate of Applicant than of U.S. Industries, Inc. Citizens' future performance as an affiliate of Applicant compared to its present affiliation can only be conjectural. Applicant's claim that the public will benefit from lower interest rates on mortgages originated by Citizens does not appear well supported. The record in this case gives no indication that institutional investors would be willing to purchase mortgage loans from Citizens made at interest rates below those available for purchase elsewhere. In short, Applicant's claims of public benefits to be derived from consummation of the proposal lack support either in the form of objective evidence or in the form of firm policy commitments on the part of Applicant.

Accordingly, based upon the foregoing and other considerations reflected in the record, the Board concludes that the evidence of adverse ef-

<sup>2</sup> The House Conference Report (91-1471) states at page 19: "In connection with the overall application of the public benefits test, it is important to emphasize that the bank holding company making application under section 4(c)(8) must bear the burden of proof in showing that its carrying on of a particular nonbank activity would produce benefits to the public that outweigh any adverse effects."

<sup>3</sup> As of June 30, 1972.

fects that would flow from approval of Applicant's proposal has not been outweighed by evidence of likely benefits to the public. The Application should be denied.

DISSENTING STATEMENT OF  
GOVERNORS DAANE AND SHEEHAN

We dissent from the majority's denial of this application since denial will deprive the public of important benefits. Such benefits would arise from the expansion of Citizens' operations in the various mortgage markets as a result of Applicant's strengthening of Citizens' equity base. Citizens is presently in clear need of increased capital in order to support a higher volume of financing of residential and commercial real estate loans.

Although Citizens has grown under the ownership of its present parent, its rate of growth has been substantially below its potential and the average growth of the top 300 mortgage banking firms in the U.S. in recent years. For example, during a recent two year period while the mortgage industry averaged a growth rate of about 30 per cent, Citizens grew 11 per cent. Moreover, future growth of Citizens is dependent upon an infusion of additional capital, and U.S. Industries has indicated an unwillingness to provide additional capital, a fact which has recently deprived Citizens of an available opportunity for growth, and impedes its potential for future growth.

Thus, affiliation with Applicant which has indicated its willingness to provide to Citizens substantial additional equity capital should be a significantly pro-competitive move. These larger resources will enable Citizens to increase the volume of its loan originations, expand the size of its development and construction loans, and increase its ability to "warehouse" a larger volume of mortgages pending sale to permanent investors, all of which would obviously strengthen its competitive posture.

The financial expertise and managerial experience of Applicant, one of the nation's leading lenders, should assist Citizens in the expansion of its business of mortgage origination. In turn, the growth of Citizens' operations, both in size and scope, would enhance its ability to obtain funds thus aiding the flow of funds into mortgages of all types during periods of financial strain—a most worthy objective which we are certain the majority would favor. Furthermore, the affiliation of banks and mortgage companies should be fostered as it is likely to stimulate continuing bank interest in mortgage lending, thereby dampening cyclical

changes in the flow of funds into mortgage markets.

The majority concedes that competition is not an important issue in this case. This is patently the case inasmuch as Citizens operates primarily in the midwest with 10 offices in four states (Michigan, Ohio, Illinois, and Kentucky). The closest of these offices to an office of Applicant is about 500 miles distant. In view of the local nature of markets for originating mortgages on 1-4 family dwellings, the two organizations do not compete for this type of business.

Both Applicant and Citizens originate mortgages on income-producing property, but the volume of the mortgages originated by Applicant and Citizens, respectively, is very small in relation to the total volume of mortgages on income-producing properties originated by all mortgage companies. Further, almost all of Citizens' construction loans are on properties located in Michigan (77 per cent) and Ohio (20 per cent) while Applicant does not originate any construction loans in Citizens' service areas. It should be noted that the combination of Applicant and Citizens' market shares is not more than 1/2 of 1 per cent of the total construction loans in the nation which is the relevant market.

Although the acquisition would eliminate the possibility for increased competition between Applicant and Citizens in the future, the loss is not considered serious relative to the total volume of mortgage and construction loans made by major institutional lenders in the relevant local and national markets. No serious reduction either in existing or potential competition would occur for any of the product lines in mortgage banking as a result of the proposed acquisition.

The majority seems to place great weight on the covenant not to compete involved in this proposal. Perhaps this covenant should be modified to some extent but the positive step represented by this proposal should not be precluded on the basis of an objection to this covenant or some modification of it. Without appropriate covenants of this type, most transactions of the kind proposed would never take place and the public benefits associated with them would not be realized. Such covenants have a long history of use in connection with the sale of basically owner operated businesses, and their validity has been sustained by the courts so long as they are reasonable in scope, duration, and geographic area. Such covenants perform a useful economic function by rendering the goodwill of a business salable. They assure to the buyer the continuing value of what he has

bought for the period of the covenant. Applicant would place at risk about \$16 million if this acquisition were consummated. For this sum, Applicant would purchase a business heavily—if not totally—dependent on the management team of Citizens. To protect this investment, it is entirely reasonable for Applicant to receive binding assurances that this management team will not become instant competitors—and the courts have so ruled in other similar cases.

We have considered the question of undue concentration of resources and have concluded that approval of this acquisition would not produce such results. It is easy to overestimate the financial resources of a mortgage banking company. These firms process large amounts of money, but resources under their control are in fact much smaller. The assets of Citizens at year end 1972 were \$111 million and the company earned during 1972 \$.8 million after tax income. Applicant had assets at the same time of \$16.3 billion and earnings of \$76.5 million dollars. Thus, Applicant's assets would be increased by less than one per cent and its net income would be increased by about one per cent if this application were approved.

We would approve this application because we believe the proposed affiliation would be in the public interest.

**BOARD REVIEW UNDER THE  
GRANDFATHER PROVISIO IN SECTION 4(a)(2)  
OF BANK HOLDING COMPANY ACT**

D. H. BALDWIN COMPANY,  
CINCINNATI, OHIO

DETERMINATION REGARDING "GRANDFATHER"  
PRIVILEGES UNDER BANK HOLDING COMPANY  
ACT

Section 4 of the Bank Holding Company Act (12 U.S.C. 1843) provides certain privileges ("grandfather" privileges) with respect to non-banking activities of a company that, by virtue of the 1970 Amendments of the Bank Holding Company Act, became subject to the Bank Holding Company Act. Pursuant to § 4(a)(2) of the Act, a "company covered in 1970" may continue to engage, either directly or through a subsidiary, in nonbanking activities that such a company was lawfully engaged in on June 30, 1968 (or on a date subsequent to June 30, 1968, in the case of activities carried on as a result of the acquisition by such company or subsidiary, pursuant to a binding written contract entered into on or before

June 30, 1968, of another company engaged in such activities at the time of the acquisition), and has been continuously engaged in since June 30, 1968 (or such subsequent date).

Section 4(a)(2) of the Act provides, *inter alia*, that the Board of Governors of the Federal Reserve System may terminate such grandfather privileges if, having due regard to the purposes of the Act, the Board determines that such action is necessary to prevent an undue concentration of resources, decreased or unfair competition, conflicts of interest, or unsound banking practices. With respect to a company that controls a bank with assets in excess of \$60 million on or after December 31, 1970, the Board is required to make such a determination within a two year period.

Notice of the Board's proposed review of the grandfather privileges of D. H. Baldwin Company, Cincinnati, Ohio, and an opportunity for interested persons to submit comments and views or request a hearing, has been given (37 F.R. 22414 and 25204). The time for filing comments, views, and requests has expired, and all those received have been considered by the Board in light of the factors set forth in § 4(a)(2) of the Act.

On the evidence before it, the Board makes the following findings. D. H. Baldwin Company ("Registrant"), Cincinnati, Ohio, became a bank holding company on December 31, 1970, as a result of the 1970 Amendments to the Act, by virtue of Registrant's indirect ownership of almost all of the voting shares of Central Bank and Trust Company ("Bank"), Denver, Colorado (assets of about \$279 million, as of December 31, 1970). Bank, control of which was acquired by Registrant in June, 1968, had total deposits of approximately \$300 million as of June 30, 1972, representing about 9 per cent of the total deposits in commercial banks in the Denver banking market, and is the fourth largest bank in that market.

Bank's management, financial condition, and prospects are regarded as satisfactory. During the course of its review of the grandfather privileges of Registrant, the Board noted with concern that Bank maintained correspondent balances with banks designated by Registrant and at which Registrant maintained lines of credit. In view of the Board's concern in this area, Registrant has discontinued the practice and committed itself to refraining from such practice in the future.

Registrant, a diversified corporation with about \$619 million in assets as of December 31, 1970, is engaged (either directly or through subsidiaries)

in three principal areas of activity, namely, (1) the manufacture and sale of musical instruments; (2) manufacture and sale of electronic components; and (3) providing financial services.

Registrant has been engaged in the music business for over 100 years and has six subsidiaries engaged in various facets of the musical instrument business. Baldwin Piano and Organ Company, headquartered in Cincinnati, is engaged in the manufacture, sale, and sales financing of musical instruments and related accessories. The Baldwin Piano Company (Canada) Ltd., headquartered in Toronto, purchases musical instruments manufactured by other subsidiaries of Registrant and sells such instruments through independent dealers located in principal cities throughout Canada. Baldwin Export Corporation, headquartered in Cincinnati, sells musical instruments in the Western Hemisphere outside the United States. C. Bechstein Pianofortefabrik, A.G., West Berlin, Germany (about 74 per cent of whose shares are owned by Registrant) manufactures pianos in West Germany for sale throughout the world with Europe as its principal market. Canyon Press, Inc., Cincinnati, a wholly-owned subsidiary of Registrant, is engaged in the production and sale of sheet music. Fabricantes Tecnico, S.A., a wholly-owned subsidiary located in Juarez, Mexico, is engaged in the manufacture and assembly of components for use in Baldwin pianos and organs. The D. H. Baldwin Trust, established by Registrant in December 1967, assists in the sale of the musical instruments manufactured by Registrant. The sole function of the trust is to hold title to and finance dealer consignment inventory. Registrant's net sales from the musical instrument business amounted to about \$47 million in 1971, representing about 5 per cent of the total sales of the musical instrument industry in the United States. Registrant's piano sales that year amounted to about 19 per cent of the total sales by members of the National Piano Manufacturers Association, which accounts for 90 per cent of the piano and piano parts sales in the United States. Registrant's organ sales (for 1971) amounted to about 8 per cent of the sales in the United States by members of the National Association of Electronic Organ Manufacturers. All of Registrant's activities relating to the musical instrument business were commenced prior to June 30, 1968, have been engaged in continuously since that date, and appear to be eligible for retention on the basis of grandfather privileges.

The activities of Registrant relating to elec-

tronics are conducted through subsidiaries with total assets of about \$14 million as of December 31, 1970. Total sales from the subsidiaries engaged in the electronics business amounted to about \$5 million in 1971. Baldwin Electronics, Inc., a wholly owned subsidiary acquired by Registrant in April 1958, and headquartered in Little Rock, Arkansas, is engaged in the manufacture and sale of photoelectric shaft position encoders for government and civilian uses; electronic components for use primarily in Registrant's electronic organs and amplifiers; and rocket motors. Baldwin Electronics is also engaged in research, development, and manufacturing of other electronic ordnance and timing devices. Quantrol Electronics, Inc., a wholly-owned subsidiary of Baldwin Electronics, was formed in June 1968, for the purpose of manufacturing photoelectric and photovoltaic devices. Another subsidiary of Baldwin Electronics, Electron Emission Systems, Inc., Tucson, Arizona, was formed in November 1969, and engages in research, development, manufacture and sale of nuclear hardened electronics and integrated vacuum circuits. Since Electron Emission Systems was formed after June 30, 1968, it is not entitled to indefinite grandfather benefits, and must be disposed of by December 31, 1980. Siliconix Incorporated, headquartered in Santa Clara, California (about 28 per cent of whose shares are held by Registrant) was formed in 1962 and is engaged in the design, development, manufacture and sale of specialty semiconductor components and integrated circuits. Siliconix has three wholly owned subsidiaries operating, respectively, in the United Kingdom, Germany, and France. Siliconix also has direct or indirect interests in three other electronics companies: I.P.T. Corporation of California, and Ledel Semiconductor, Inc., a California corporation which owns 100 per cent of the stock of Ledel Semiconductor (H.K.), Ltd., a Hong Kong corporation.

Registrant has committed itself to divestment of its electronics business (not related to the music business) with reasonable speed and in any event by December 31, 1980. Registrant has already initiated efforts to divest its interests in Quantrol Electronics and Electron Emissions Systems. In view of the fact that Registrant has committed itself to divestiture of its electronic interests at a date earlier than would be required under an order for termination of grandfather privileges, no further analysis of the grandfather privileges with respect to the electronics business is deemed necessary.

Registrant's financially related activities are conducted through several nonbank subsidiaries. The Baldwin Company, Cincinnati, Ohio ("Baldwin"), was originally formed in 1966 as a real estate holding company, but its only significant present activity appears to be the long-term lease of a warehouse to the Kroger Company. D. E. Pedlow & Company, Cincinnati, Ohio ("Pedlow"), was acquired pursuant to a contract entered into prior to June 30, 1968, to engage in various types of financing transactions but, as of December 31, 1971, its lending activities consisted solely of making home improvement loans, mainly for kitchen remodeling and swimming pools, where a second mortgage is taken as security. Wobro Leasing Corp. ("Wobro"), was organized by principals of Registrant in April 1966, for the purpose of leasing buildings and equipment to a piano actions manufacturer. The buildings have been sold and the company continues to engage in the leasing of machinery to a manufacturer of piano actions. Since the activities of Baldwin, Pedlow, and Wobro were engaged in, prior to June 30, 1968, Registrant may continue such activities, but this determination is not authority to enter into any new activities that were not engaged in on June 30, 1968, and continuously thereafter, nor any activity that is not the subject of this determination.

Baldwin-Central, Inc., is a holding company owning almost all the outstanding shares of Bank. Through Baldwin-Central, Inc., Registrant acquired after June 30, 1968, a convertible bond of National Farmer Union Service Corporation, ("NFUSC"), Denver, Colorado, which bond is convertible into voting shares of that company. If the bond is converted, Baldwin-Central would hold about 90 per cent of the voting shares of NFUSC. NFUSC and its five subsidiaries are engaged in the underwriting of various types of insurance, all noncredit related. Since Registrant's interest in NFUSC was acquired after June 30, 1968, indefinite grandfather benefits are not available with respect to NFUSC or its subsidiaries, and Registrant must reduce its interest in NFUSC to less than 5 per cent of the outstanding voting shares by December 31, 1980. Baldwin Central also holds 99 per cent of the voting shares of Empire Savings and Loan Association ("Empire"), Denver, Colorado (\$252 million in assets, as of December 31, 1971). The interest in Empire was acquired after June 30, 1968, and must be reduced to less than 5 per cent of the outstanding voting shares by December 31, 1980. Registrant

(through Baldwin Piano & Organ Company) acquired about 96 per cent of the shares of Anchor Savings and Loan Association ("Anchor"), Kansas City, Kansas (\$122 million in assets, as of September 30, 1971) in December, 1971, in apparent violation of the Bank Holding Company Act since such acquisition took place without the prior approval of the Board. On the day following that acquisition, Registrant sold about 62 per cent of the shares to the public while continuing to hold about 34 per cent of non-voting shares.<sup>1</sup> Registrant has entered into an agreement for the sale of the remaining shares that it holds in the saving and loan association, and no Board action with respect to the divestment of Anchor appears to be necessary at this time. Central Bank Building Corporation, a wholly-owned subsidiary of Bank, is engaged in holding the premises occupied by Bank. The activities of this subsidiary appear to be permissible, on the basis of § 4(c)(1)(A) of the Act, and no grandfather benefits are needed for Registrant to continue such activities.

On the basis of the foregoing and all the facts before the Board, it appears that the volume, scope, and nature of the activities of Registrant and its grandfathered subsidiaries do not demonstrate an undue concentration of resources, decreased or unfair competition, conflicts of interest, nor unsound banking practices.

There appears to be no reason to require Registrant to terminate its grandfather interests. It is the Board's judgment that, at this time, termination of the grandfather privileges of Registrant is not necessary in order to prevent an undue concentration of resources, decreased or unfair competition, conflicts of interest, or unsound banking practices. However, this determination is not authority to enter into any activity that was not engaged in on June 30, 1968, and continuously thereafter, nor any activity that is not the subject of this determination.

A significant alteration in the nature or extension of Registrant's activities or a change in location thereof (significantly different from any described in this determination) will be cause for a re-evaluation by the Board of Registrant's activities under the provisions of § 4(a)(2) of the Act, that is, whenever the alteration or change is such that the Board finds that a termination of the grandfather privileges is necessary to prevent an undue concentration of resources or any of the other evils at which the Act is directed. No merger, consoli-

<sup>1</sup>Registrant states that the shares in Anchor were converted to non-voting prior to their acquisition by Registrant.

dation, acquisition of assets other than in the ordinary course of business, nor acquisition of any interest in a going concern, to which the Registrant or any nonbank subsidiary thereof is a party, may be consummated without prior approval of the Board. Further, the provision of any credit, property, or service by the Registrant or any subsidiary thereof shall not be subject to any condition which, if imposed by a bank, would constitute an unlawful tie in arrangement under § 106 of the Bank Holding Company Act Amendments of 1970.

The determination herein does not preclude a later review by the Board of Registrant's nonbank activities and a future determination by the Board in favor of termination of grandfather benefits of Registrant. The determination herein is subject to the Board's authority to require modification or termination of the activities of Registrant or any of its nonbanking 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 evasions thereof.

By determination of the Board of Governors, effective June 14, 1973.<sup>2</sup>

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

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

[SEAL]

DISSENTING STATEMENT OF  
GOVERNOR BRIMMER

I favor a termination of the grandfather privileges of the D. H. Baldwin Company with respect to the musical instrument business. On this basis, under the provisions of § 4(a)(2) of the Act, D. H. Baldwin would have ten years to divest itself of its musical instrument manufacturing activities. In my view, the company should decide now whether it wants to be a bank holding company, and thus limit itself to activities that the Board has determined to be closely related to banking, or whether it wants to be in the manufacturing business, in which event, it should cease to be a bank holding company.

The history of the Bank Holding Company Act makes it abundantly clear that Congress wanted the business of banking to be separate from other commercial enterprises in view of the abuses that

may arise as a result of such a combination. The evidence before the Board with respect to the activities of D. H. Baldwin supports the wisdom of that decision. As noted in the Board's statement, D. H. Baldwin Company has followed the practice of requiring its subsidiary bank to maintain correspondent balances at banks that lend to D. H. Baldwin and its other subsidiaries. It seems to me that this practice is indicative of an attitude on the part of D. H. Baldwin to use the resources of its subsidiary bank to further its nonbank activities at the possible expense of its banking subsidiary.

While Registrant has committed itself to refraining from the practice of having its bank maintain compensating balances in the future, the continued involvement of Registrant in the musical instrument business presents Registrant with the opportunity to misuse its relationship with Bank through other means that may be of detriment to the financial condition of Bank. In order to prevent this possibility, I would require Registrant to divest itself of the musical instrument, as well as the electronics, manufacturing business. In the alternative, Registrant could continue such activities, but the price for doing so would be to cease to be a bank holding company. In my view, such a decision is more in keeping with the purposes and intent of the Act than is the majority's decision.

PATAGONIA CORPORATION,  
TUCSON, ARIZONA

DETERMINATION REGARDING "GRANDFATHER"  
PRIVILEGES UNDER BANK HOLDING COMPANY  
ACT

Section 4 of the Bank Holding Company Act (12 U.S.C. 1843) provides certain privileges ("grandfather" privileges) with respect to nonbanking activities of a company that, by virtue of the 1970 Amendments of the Bank Holding Company Act, became subject to the Bank Holding Company Act. Pursuant to § 4(a)(2) of the Act, a "company covered in 1970" may continue to engage, either directly or through a subsidiary, in nonbanking activities that such a company was lawfully engaged in on June 30, 1968 (or on a date subsequent to June 30, 1968, in the case of activities carried on as a result of the acquisition by such company or subsidiary, pursuant to a binding written contract entered into on or before June 30, 1968, of another company engaged in such activities at the time of the acquisition), and

<sup>2</sup>Board action was taken before Governor Holland became a Board Member.

has been continuously engaged in since June 30, 1968 (or such subsequent date).

Section 4(a)(2) of the Act provides, *inter alia*, that the Board of Governors of the Federal Reserve System may terminate such grandfather privileges if, having due regard to the purpose of the Act, the Board determines that such action is necessary to prevent an undue concentration of resources, decreased or unfair competition, conflicts of interest, or unsound banking practices. With respect to a company that controls a bank with assets in excess of \$60 million on or after December 31, 1970, the Board is required to make such a determination within a two-year period.

Notice of the Board's proposed review of the grandfather privileges of Patagonia Corporation, Tucson, Arizona, and an opportunity for interested persons to submit comments and views or request a hearing, has been given (37 F.R. 22414). The time for filing comments, views, and requests has expired, and all those received have been considered by the Board in light of the factors set forth in § 4(a)(2) of the Act.

On the evidence before it, the Board makes the following findings. Patagonia Corporation ("Registrant"), Tucson, Arizona, became a bank holding company on December 31, 1970, as a result of the 1970 Amendments to the Act, by virtue of Registrant's ownership of all of the voting shares of Great Western Bank & Trust, ("Bank"), Phoenix, Arizona (assets of about \$164 million, as of December 31, 1970). Registrant was a one-bank holding company prior to June 30, 1968. Bank had total deposits of approximately \$177 million as of June 30, 1972, representing about 4 per cent of the total deposits in commercial banks in Arizona and, in view of its size, Bank is not regarded as a significant competitor in the markets it serves.

Bank's management, financial condition, and prospects are regarded as satisfactory and the Board has found no evidence of unsound banking practices.

Registrant, a bank holding company with about \$312 million in assets as of December 31, 1971, is engaged directly in no activity other than holding stock in its banking subsidiary and in non-banking companies.<sup>1</sup> Registrant owns 100 per cent of the Navajo Insurance Agency, Inc. ("Agency"), Phoenix, Arizona, (acquired in October 1968, pursuant to a binding written agree-

ment entered into on February 28, 1968) a company offering insurance primarily in connection with loans made by Bank. As of December 31, 1970, Agency had \$38,000 in assets and a net income of \$1,600; and its present activities appear to be limited to servicing previously issued policies. The insurance activities of Agency appear to be eligible for grandfather benefits.

Registrant acquired (in December 1969) 100 per cent of the voting shares of Pioneer Bancorporation ("Pioneer"), Phoenix, Arizona, a company engaged in acting as fire and casualty insurance underwriter and a lessor of office equipment to Bank. Since the interest in Pioneer was not acquired until after June 30, 1968, Registrant must reduce its holdings in Pioneer to 5 per cent or less of the outstanding voting shares by December 31, 1980, or secure Board approval under § 4(c)(8) to retain those shares.<sup>2</sup>

Registrant now owns 100 per cent of Pima Savings and Loan Association ("Pima"), Tucson, Arizona, the fifth largest savings and loan association in Arizona with savings deposits of about \$101 million as of May 31, 1972. However, on June 30, 1968, Registrant held only 20.005 per cent of the stock of Pima; Registrant purchased the remaining shares of Pima during the period from June 30, 1968, to December 31, 1970. Accordingly, on the basis of grandfather benefits, Registrant may retain indefinitely its 20.005 per cent interest in Pima, and must reduce its holdings in Pima to that level by December 31, 1980, or secure Board approval under § 4(c)(8) of the Act to retain the additional shares of Pima.<sup>3</sup>

Registrant owns also 6.9 per cent of the voting shares of UB Financial Corporation, Phoenix, Arizona, a one-bank holding company that controls the United Bank of Arizona, Phoenix, Arizona, and was acquired after June 30, 1968. The activities of the company are limited to those of managing or controlling banks and other subsidiaries authorized under the Act or of furnishing services to or performing services for its subsidiaries. Registrant is not required to divest its interest in UB Financial.

Two indirect subsidiaries of Registrant, namely, Great Western Insurance Company, and Great Western Insurance Agency, both of Phoenix, are wholly-owned subsidiaries of Bank, but were acquired after June 1968. On this basis, the com-

<sup>1</sup>The discussion herein relates only to Registrant's interests as of December 31, 1970, and does not include acquisitions that may have been consummated pursuant to a Board order under § 4(c)(8) of the Act.

<sup>2</sup>Leasing office equipment to Bank appears to be permissible on the basis of § 4(c)(1)(C) of the Act.

<sup>3</sup>Operation of a savings and loan association is not currently on the Board's list of permissible activities for a bank holding company.

panies are not entitled to indefinite grandfather benefits, but may be eligible for retention on the basis of being operation subsidiaries of the bank and § 225.4(c) of the Board's Regulation Y, provided they meet the definition of operation subsidiary.<sup>4</sup>

On the basis of the foregoing and all the facts before the Board, it appears that the volume, scope, and nature of the activities of Registrant and its grandfathered subsidiaries do not demonstrate an undue concentration of resources, decreased or unfair competition, conflicts of interest, nor unsound banking practices; and, accordingly, there appears to be no reason to require Registrant to terminate its grandfather interests. However, this determination is not authority to enter into any activity that was not engaged in on June 30, 1968, and continuously thereafter, nor any activity that is not the subject of this determination.

A significant alteration in the nature or extension of Registrant's activities or a change in location thereof (significantly different from any described in this determination) will be cause for a re-evaluation by the Board of Registrant's activities under the provisions of § 4(a)(2) of the Act, that is, whenever the alteration or change is such that the Board finds that a termination of the grandfather privileges is necessary to prevent an undue concentration of resources or any of the other evils at which the Act is directed. No merger, consolidation, acquisition of assets other than in the ordinary course of business, nor acquisition of any interest in a going concern, to which the Registrant or any nonbank subsidiary thereof is a party, may be consummated without prior approval of the Board. Further, the provision of any credit, property, or service by the Registrant or any subsidiary thereof shall not be subject to any condition which, if imposed by a bank, would constitute an unlawful tie-in arrangement under § 106 of the Bank Holding Company Act Amendments of 1970.

The determination herein does not preclude a later review by the Board of Registrant's nonbank

activities and a future determination by the Board in favor of termination of grandfather benefits of Registrant. The determination herein is subject to the Board's authority to require modification or termination of the activities of Registrant or any of its nonbanking 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 evasions thereof.

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

Voting for this action: Chairman Burns and Governors Mitchell, Daame, Sheehan, Bucher, and Holland. Concurring in part and Dissenting in Part: Governor Brimmer.

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

#### STATEMENT OF GOVERNOR BRIMMER CONCURRING IN PART AND DISSENTING IN PART

I agree with the Board that Patagonia Corporation is entitled to grandfather benefits with respect to its interest in the Navajo Insurance Agency and the 20.005 per cent interest in Pima Savings and Loan Association; and that no termination of these interests should be required at this time. However, I would require Registrant to divest down to 5 per cent or less of the voting shares of UB Financial Corporation before January 1, 1981.

Registrant acquired 6.9 per cent of the voting shares of UB Financial during the period from June 30, 1968, to December 31, 1970. A company that was brought under the Act by the enactment of the 1970 Amendments to the Bank Holding Company Act may not retain, beyond December 31, 1980, shares in a nonbank company acquired during the period from June 30, 1968, to December 31, 1970. Accordingly, Patagonia should be required to divest down to 5 per cent or less of the voting shares of UB Financial before January 1, 1981.

#### ERRATA

The statement of policy on availability of information to facilitate supervision of foreign operations of member banks is an interpretation of Regulations K and M rather than Regulations D and M as published in last month's BULLETIN.

<sup>4</sup>Section 225.4(c) of Regulation Y provides in part that, so far as Federal law is concerned, a State bank or a subsidiary thereof may "... acquire or retain all (but, except for directors' qualifying shares, not less than all) of the shares of a company that engages solely in activities in which the parent bank may engage, at locations at which the bank may engage in the activity, and subject to the same limitations as if the bank were engaging in the activity directly."



### ORDERS NOT PRINTED IN THIS ISSUE

During June 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 UNDERS 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>
First Bancgroup-Alabama, Inc. Mobile, Alabama	The First National Bank of Mobile, Mobile, Alabama, and The Henderson National Bank of Hunts- ville, Huntsville, Alabama	6/15/73	38 F.R. 16675 6/25/73
First Georgia Bancshares, Inc. Atlanta, Georgia	Bank of Fulton County, East Point, Georgia	6/25/73	38 F.R. 17768 7/3/73
First Pioneer Bancorp, Inc.	First National Bank of Franklin County, Greenfield, Massa- chusetts	6/12/73	38 F.R. 16109 6/20/73
First York Ban Corp. York, Nebraska	The First National Bank of York, York, Nebraska	6/8/73	38 F.R. 16110 6/20/73
Michigan Financial Corporation Marquette, Michigan	The First National Bank and Trust Company, Marquette, Michigan; The Miner's First National Bank and Trust Company, Escanaba, Michigan; The Gwinn State Savings Bank, Gwinn, Mich- igan; The First National Bank of Hermansville, Michigan; and Trenary State Bank, Trenary, Michigan	6/8/73	38 F.R. 15887 6/18/73
Stockgrowers State Bank Company Inc., Worland, Wyoming	The Stockgrowers State Bank Worland, Wyoming	6/26/73	38 F.R. 19163 7/18/73
Surveo Bancorp, Inc. Sugar Creek, Missouri	Sugar Creek National Bank Sugar Creek, Missouri and Surco Company, Sugar Creek Missouri	6/18/73	38 F.R. 16680 6/25/73
United Ohio Bancorp Ashland, Ohio	The Medina County Bank, Lodi, Ohio; The First National Bank of Ashland, Ashland, Ohio	6/12/73	38 F.R. 16112 6/20/73
Whitmore Bancorporation, Inc. Corning, Iowa	The Page County State Bank Clarinda, Iowa	6/1/73	38 F.R. 15551 6/13/73

**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>
The Alabama Financial Group, Inc. Birmingham, Alabama	Baldwin County Bank, Bay Minette, Alabama	6/26/73	38 F.R. 17781 7/5/73
Bancorporation of Montana Great Falls, Montana	First Security Bank of Glasgow, N. A., Glasgow, Montana	6/26/73	38 F.R. 15885 6/18/73
BancOhio Corporation Columbus, Ohio	The Imperial State Bank, Vandalia, Ohio	6/26/73	38 F.R. 17782 7/5/73
Bankers Trust New York Corporation New York, New York	The Farmers National Bank of Malone, Malone, New York	6/12/73	38 F.R. 15886 6/18/73
Central Bancshares of the South, Inc., Birmingham, Alabama	Planters & Merchants Bank, Uniontown, Alabama	6/12/73	38 F.R. 16109 6/20/73
Dominion Bankshares Corporation Roanoke, Virginia	The First National Exchange Bank of Washington County, Washington County, Virginia	6/21/73	38 F.R. 17285 6/29/73
First City Bancorporation of Texas, Inc., Houston, Texas	Texas Bank & Trust Company of Dallas, Dallas, Texas	6/29/73	38 F.R. 18408 7/10/73
First Financial Corporation Tampa, Florida	The Lewis State Bank, Talla- hassee, Florida, and The Gulf National Bank, Tallahassee, Florida	6/26/73	38 F.R. 17882 7/3/73
First Florida Bancorporation Tampa, Florida	Peoples Bank in North Fort Myers, Fort Myers, Florida	6/25/73	38 F.R. 17883 7/3/73
First Florida Bancorporation Tampa, Florida	United National Bank, Cocoa Beach, Florida	6/20/73	38 F.R. 17039 6/28/73
First International Bancshares, Inc., Dallas, Texas	The Bank of El Paso, El Paso, Texas	6/25/73	38 F.R. 17769 7/3/73
First International Bancshares, Inc., Dallas, Texas	The State National Bank of Denison, Denison, Texas	6/25/73	38 F.R. 17768 7/3/73
First International Bancshares, Inc., Dallas, Texas	Temple National Bank, Temple, Texas	6/1/73	38 F.R. 17884 7/3/73
The First National Bancorporation, Inc., Denver, Colorado	Republic National Bank of Pueblo, Pueblo, Colorado	6/1/73	38 F.R. 15396 6/11/73
First Security National Corporation Beaumont, Texas	Colonial National Bank of Gar- land, Garland, Texas	6/12/73	38 F.R. 16110 6/20/73
First Security National Corporation Beaumont, Texas	The Village State Bank, Beaumont, Texas	6/15/73	38 F.R. 16676 6/25/73
First Union, Incorporated St. Louis, Missouri	Chesterfield Bank, Chesterfield, Missouri	6/8/73	38 F.R. 15886 6/18/73
First United Bancorporation, Inc. Fort Worth, Texas	First State Bank of Odessa, Odessa, Texas	6/20/73	38 F.R. 17040 6/28/73
Greater Jersey Bancorp Clifton, New Jersey	Provident Bank of New Jersey, Willingboro, New Jersey	6/20/73	38 F.R. 17040 6/28/73
Landmark Banking Corporation of Florida, Fort Lauderdale, Florida	Orange State Bank of Orlando, Orlando, Florida	6/18/73	38 F.R. 16111 6/20/73
Manufacturers Hanover Corporation Dover, Delaware	The First National Bank of Olean, Olean, New York	6/18/73	38 F.R. 16921 6/27/73

**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>
Old Kent Financial Corporation Grand Rapids, Michigan	First National Bank of Cadillac, Cadillac, Michigan	6/27/73	38 F.R. 18592 7/12/73
PanNational Group Inc. El Paso, Texas	Metro Bank of Dallas, Dallas, Texas	6/28/73	38 F.R. 18593 7/12/73
State Street Boston Financial Cor- poration, Boston, Massachusetts	Union National Bank, Lowell, Massachusetts	6/29/73	38 F.R. 18413 7/10/73
United Jersey Banks Hackensack, New Jersey	Par-Troy State Bank, Parsippany-Troy Hills, New Jersey	6/1/73	38 F.R. 15397 6/11/73
Virginia National Bankshares, Inc. Norfolk, Virginia	Virginia National Bank/Henry County, Henry County, Vir- ginia	6/21/73	38 F.R. 17545 7/2/73

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

<i>Applicant</i>	<i>Bank(s)</i>	<i>Board action (effective date)</i>	<i>Federal Register citation</i>
American Fletcher Corporation Indianapolis, Indiana	Chapple Loan Company, Muskegon, Michigan	6/8/73	38 F.R. 15885 6/18/73
Centran Bancshares Corporation Cleveland, Ohio	Major Finance Corporation, Silver Spring, Maryland	6/20/73	38 F.R. 17039 6/28/73
First Tennessee National Corp., Memphis, Tennessee	Crown Finance Corporation, St. Louis, Missouri	6/21/73	38 F.R. 17542 7/2/73
Greater Jersey Bancorp. Clifton, New Jersey	New Jersey Mortgage and Title Company, Passaic, New Jer- sey	6/20/73	38 F.R. 17040 6/28/73
American Bancorporation, Inc. Kansas City, Missouri	Linwood Mortgage Company Kansas City, Missouri and Homestead Homes, Inc. Kansas City, Missouri	6/15/73	38 F.R. 16674 6/25/73
BankAmerica Corporation San Francisco, California	BA Cheque Corporation, San Francisco, California	6/14/73	38 F.R. 16280 6/21/73
First Pennsylvania Corporation Philadelphia, Pennsylvania	Aliquippa Finance Corporation, Aliquippa, Pennsylvania; Beaver Falls Consumer Discount Company Inc., Beaver Falls, Pennsylvania; and Ellwood Finance Corporation, Ellwood City, Pennsylvania	6/29/73	38 F.R. 18410 7/10/73
Hamilton Bancshares, Inc. Chattanooga, Tennessee	Bankshares Life Insurance Com- pany, Phoenix, Arizona	6/18/73	38 F.R. 16677 6/25/73
Patagonia Corporation Tucson, Arizona	Tucson Finance Company Tucson, Arizona	6/1/73	38 F.R. 15397 6/11/73
Patagonia Corporation, Tucson, Arizona	Western American Mortgage Company, Phoenix, Arizona	6/29/73	38 F.R. 18412 7/10/73

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

<i>Applicant</i>	<i>Bank(s)</i>	<i>Board action (effective date)</i>	<i>Federal Register citation</i>
Philadelphia National Corporation Philadelphia, Pennsylvania	Signet Corporation Pittsburgh, Pennsylvania	6/18/73	38 F.R. 16679 6/25/73
Surveco Bancorp, Inc., Sugar Creek, Missouri	Sugar Creek National Bank, Sugar Creek, Missouri, and Surco Company, Sugar Creek Missouri	6/18/73	38 F.R. 16680 6/25/73

**ORDERS UNDER BANK MERGER ACT—  
APPLICATIONS TO MERGE, CONSOLIDATE, OR ACQUIRE ASSETS**

<i>Applicants</i>	<i>Bank</i>	<i>Effective date</i>	<i>Federal Register citation</i>
Bank of Fulton County, East Point, Georgia	First Georgia Bank, Atlanta, Georgia	6/25/73	38 F.R. 17768 7/3/73
Montana Street State Bank, El Paso, Texas	The Bank of El Paso, El Paso, Texas	6/25/73	38 F.R. 17770 7/3/73
Texas Bank & Trust Company of Dallas, Dallas, Texas	New Texas Bank & Trust Company of Dallas, Dallas, Texas	6/29/73	38 F.R. 18414 7/10/73

**ORDERS ISSUED BY FEDERAL RESERVE BANKS**

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

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

<i>Applicant</i>	<i>Bank(s)</i>	<i>Reserve Bank</i>	<i>Effective date</i>	<i>Federal Register citation</i>
First Baneshares of Florida, Boca Raton, Florida	Fidelity National Bank, South Miami, Florida		6/14/73	38 F.R. 16675 6/25/73
United Alabama Baneshares, Inc., Dothan, Alabama	The Bank of Huntsville, Huntsville, Alabama; First National Bank of Eufaula, Eufaula, Ala- bama; and First Western Bank, Bessemer, Ala- bama	Atlanta	6/20/73	38 F.R. 17543 7/2/73

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

<i>Applicant</i>	<i>Bank</i>	<i>Reserve Bank</i>	<i>Effective date</i>	<i>Federal Register citation</i>
Citizens Bank of Poquoson, Poquoson, Virginia	First Virginia Bank of the Peninsula, Hamp- ton, Virginia	Richmond	6/28/73	38 F.R. 19163 7/18/73

# Announcements

## AMENDMENTS TO REGULATION Q

The Board of Governors of the Federal Reserve System has announced an increase in the maximum rates of interest that member banks may pay on passbook savings and other types of consumer deposits, retroactive to July 1.

The actions amending the Board's Regulation Q will:

- Permit member banks to increase from 4.5 per cent to 5 per cent the maximum rate of interest they may pay on passbook savings deposits.

- Authorize member banks to increase by one-fourth to three-fourths of a percentage point the maximum interest rate payable on consumer-type time deposits—those of less than \$100,000.

- Establish a new category of consumer time deposit on which member banks are not limited as to the amount of interest they wish to pay. To be eligible, the deposit must mature in 4 years or more with a minimum denomination of \$1,000.

The Board's actions, along with changes in interest rate ceilings being made by other regulatory agencies, have a twofold objective: They are designed to provide room within the ceilings for a greater measure of equity in the payment of interest to consumers, in an environment where interest rates generally have been rising. They also should enable member banks, and other financial institutions, to bid more effectively for consumer deposits in competition with the yields available to savers on market securities.

Revisions in the interest rate ceilings were made by the Board after consultation with the Federal Deposit Insurance Corporation and the Federal Home Loan Bank Board. These agencies have parallel regulatory authority over the maximum rates of interest that may be paid by insured State-chartered banks that are not members of the Federal Reserve System, Federally insured mutual savings banks, and savings and loan associations. These agencies also announced changes in ceiling interest rates for the institutions they regulate.

In its actions, the Board of Governors approved the following maximum rate structure (in per cent) for consumer deposits at banks that are members of the Federal Reserve System, namely all national banks and State member banks:

<i>Maturity</i>	<i>New ceiling</i>	<i>Old ceiling</i>
Passbook accounts	5.0	4.5
90 days to 1 year	5.5	5.0
1 year to 2½ years	6.0	5.5 (for deposits of 1 year to 2 years) 5.75 (for deposits of 2 years and over)
2½ years and over	6.5	5.75 (for deposits of 2 years and over)
4 years and over	No ceiling with mini- mum denom- ination of \$1,000	5.75 (for deposits of 2 years and over)

The new schedule of ceilings, which member banks may make effective with the interest-crediting period beginning July 1, will apply to both single- and multiple-maturity deposits. Single-maturity deposits have one expiration date. Multiple-maturity time deposits include deposits that are renewed automatically at maturity without action by the depositor and deposits that are payable after written notice of withdrawal.

Ceilings on single-maturity time deposits of \$100,000 and over that mature in 90 days or more were suspended by the Board on May 16 as part of a series of actions designed to curb the rapid expansion in bank credit and to help moderate inflationary pressures. Ceilings on large time deposits maturing in less than 90 days were suspended in 1970.

Ceilings on consumer-type deposits were last increased on January 21, 1970. Such ceilings represent only the maximum amount of interest that banks may pay on deposits. Member banks are free to pay a lesser rate of interest if they so desire.

In a related action, the Board announced a change in that part of its regulation that permits the payment of a time deposit prior to maturity. Under the present regulation, a bank may pay a time deposit before maturity only "in an emergency where it is necessary to prevent great hardship to the depositor." Under the new rule, a bank may pay a time deposit at any time before maturity but only at a reduced rate of interest to the depositor. In such cases, a bank may pay the depositor interest at no more than the passbook rate for the

period held, less 3 months. Banks are permitted to pay a rate of interest on time deposits higher than that allowed on passbook savings accounts because of the underlying agreement that the time account money will remain on deposit for a specified period of time. Normally, a passbook account provides a depositor with greater liquidity because he can withdraw funds at any time, although the bank may require 30 days written notice of an intended withdrawal.

### CHANGE IN DISCOUNT RATE AND RESERVE REQUIREMENTS

The Board of Governors on June 29, 1973, took two actions designed to restrain continuing excessive expansion in money and credit.

The Board:

Approved actions by the Directors of the Federal Reserve Banks of Boston, New York, Philadelphia, Cleveland, Richmond, Atlanta, Chicago, St. Louis, Minneapolis, Kansas City, Dallas, and San Francisco increasing the discount rate of those banks from 6½ per cent to 7 per cent, effective July 2.

Increased reserve requirements on all but the first \$2 million of net demand deposits at member banks by one-half of a percentage point. This action became effective in the reserve computation period beginning July 19 and is applicable to the average net demand deposits held in the week beginning July 5 and ending July 11.

The increase in reserve requirements will remove some \$800 million from the reserves that support the deposit and loan structure of banks.

The new reserve requirement structure is:

<i>On net demand deposits of</i>	<i>Reserve percentage applicable</i>
First \$2 million or less .....	8 (unchanged)
Over \$2 million to \$10 million .....	10½
Over \$10 million to \$100 million .....	12½
Over \$100 million to \$400 million .....	13½
Over \$400 million .....	18

### INCREASE IN SWAP ARRANGEMENTS

The Federal Reserve announced on July 10, 1973, an increase of \$6.25 billion in the reciprocal currency ("swap") arrangements that it maintains with 14 foreign central banks and the Bank for International Settlements. The increase raises the total of the System's swap network to \$17.98 billion.

As in the past, the present expansion of the swap network was worked out in full consultation with the Treasury.

A swap arrangement is a short-term facility under which the Federal Reserve and another central bank mutually agree to exchange dollars for the currency of the other country up to a maximum amount over a limited period of time.

This announcement reflects arrangements that are being carried out in conformity with the policy that was agreed to at the March 16th Paris meeting of finance ministers and central bank governors.

The increases and the new totals of the swap lines are as follows (in millions of dollars):

<i>Foreign bank</i>	<i>Increase</i>	<i>Total</i>
Austrian National Bank .....	50	250
National Bank of Belgium ..	400	1,000
Bank of Canada .....	1,000	2,000
National Bank of Denmark ..	50	250
Bank of England .....	...	2,000
Bank of France .....	1,000	2,000
German Federal Bank .....	1,000	2,000
Bank of Italy .....	750	2,000
Bank of Japan .....	1,000	2,000
Bank of Mexico .....	50	180
Netherlands Bank .....	200	500
Bank of Norway .....	50	250
Bank of Sweden .....	50	300
Swiss National Bank .....	400	1,400
Bank for International Settlements:		
Swiss francs/dollars .....	...	600
Other European currencies/ dollars .....	250	1,250
TOTAL .....	6,250	17,980

### FOMC APPOINTMENTS

The following staff appointments have been made by the Federal Open Market Committee:

Arthur L. Broida, formerly Deputy Secretary to the Committee, as Secretary, succeeding Robert C. Holland who became a Committee Member by virtue of his appointment as a Member of the Board of Governors.

Thomas J. O'Connell, General Counsel of the Board of Governors and formerly Assistant General Counsel of the Committee, as General Counsel of the Committee, succeeding Howard H. Hackley who retired.

Edward G. Guy, Vice President and General Counsel of the Federal Reserve Bank of New York, as Deputy General Counsel of the Committee, a new post.

John Nicoll, Assistant General Counsel of the Board, as Assistant General Counsel of the Committee.

**AMENDMENT TO REGULATION D**

The Board of Governors announced on June 18, 1973, that reserve requirements will be applied to funds raised by member banks through the sale of finance bills. There was no reserve requirement on this type of instrument, which is sometimes called a working capital acceptance or an "ineligible" acceptance.

By its action the Board amended its Regulation D governing the reserves of member banks to apply a basic 5 per cent reserve requirement on all outstanding finance bills. An additional 3 per cent reserve requirement will apply to the total of funds raised through finance bills, large (\$100,000 and over) certificates of deposit (or other single maturity time deposits of like size), and commercial paper issued by an affiliate of a bank, to the extent the total exceeds the level outstanding during the week ended May 16 or \$10 million, whichever is larger.

Under the amendment, member banks will be required to include finance bills in their reserve calculations for the week beginning June 28. Member banks will be required to hold the reserves in the week beginning July 12. At present, about \$1.6 billion in finance bills is outstanding.

The amendment is the same as the proposal made by the Board on May 16, as part of a series of actions designed to curb rapid expansion of bank credit, help moderate inflationary pressures, and also assure the availability of credit on a reasonable scale. The Board's actions at that time included: (1) imposition of the above mentioned 8 per cent reserve requirements on large certificates of deposits and on outstanding funds obtained by banks through issuance by an affiliate of obligations subject to the existing reserve requirements, and (2) suspension of the ceilings then applicable to the rate of interest commercial banks may pay on large certificates of deposit.

The amendment adopted by the Board will apply to funds obtained by a bank for use in its banking business through bank acceptances that are not eligible for discount by a Federal Reserve Bank. The traditional type of bank acceptances that apply to specific transactions in goods are exempt from reserve requirements and are eligible for discount by a Federal Reserve Bank.

**AMENDMENTS TO REGULATION Z**

The Board of Governors announced on July 3, 1973, an amendment of its Regulation Z, Truth in Lending, primarily intended to encourage advertising of open end credit terms.

The amendment reduces the amount of information a creditor must furnish in advertising open end credit plans (including revolving retail credit accounts and bank card plans). In their advertising, creditors are still required to include certain minimum Truth in Lending disclosures—the annual percentage rate, any free ride period, the method of determining finance charges, and balances on which finance charges are imposed. Advertising of the period of repayment (for instance, "up to 24 months to pay") is added as a term requiring the same minimum disclosures with respect to an open end plan, but advertising of "no down payment" is eliminated as a specific term triggering such requirements.

The amendment would also require full disclosure in an advertisement when a downpayment is advertised in percentage terms, as well as in dollar amounts. The advertised term "10% down" (or alternatively, "90% financing"), for example, would require a creditor to include a full disclosure of typical terms in the advertisement.

The Board of Governors announced on July 13, 1973, an additional amendment to Regulation Z regarding disclosure of unearned finance charge rebates.

The new rule, proposed for comment by the Board on May 3, goes into effect January 1, 1974. It requires creditors who do not provide rebates of the unearned portion of a finance charge in the event of prepayment in full of an instalment contract to disclose this fact to consumers on the Truth-in Lending disclosure form.

**TRANSFER OF FEDERAL RESERVE TERRITORY**

Effective August 2, 1973, the territory of the Cincinnati Branch of the Federal Bank of Cleveland will be extended to include the counties of Auglaize, Mercer, and Shelby, and the territory of the Pittsburgh Branch will be extended to include the counties of Belmont, Jefferson, and Monroe. These six counties are currently in the territory served by the Head Office at Cleveland.

**ADMISSION OF STATE BANK TO MEMBERSHIP IN THE FEDERAL RESERVE SYSTEM**

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

*South Dakota*

Rapid City ..... American State  
Bank of Rapid City



# Industrial Production

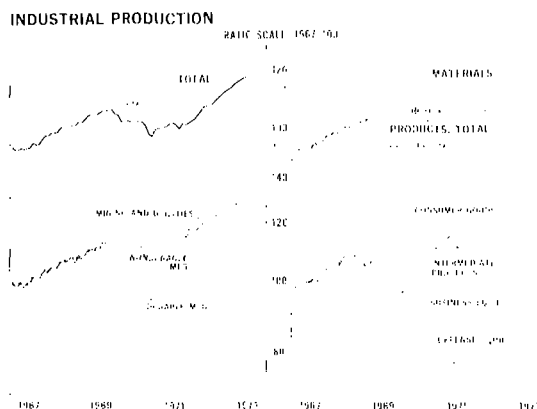
Released for publication July 16

Industrial production rose by an estimated 0.3 per cent in June, following an increase of 0.7 per cent in May. At 123.9 per cent of the 1967 average, the June index was 9.3 per cent above a year earlier. Output of business equipment and industrial materials advanced further, but production of consumer goods dipped.

Auto assemblies in June were at an annual rate of 10.2 million units compared to a 10.0 million rate in May. Production of carpeting and furniture rose further in June, but output of some appliances, other household durable goods, and consumer nondurable goods declined. Production of business equipment rose 0.4 per cent following a 1.4 per cent advance in May.

Output of construction products increased in June. Steel production also rose, following a decline in May. Output of most other durable materials and the textile, paper, and chemical industrial materials sector increased.

For the second quarter as a whole, the rise in the total index was substantial, with particularly



I.R. indexes, seasonally adjusted. Latest figures: June.

large increases in business equipment and materials. The annual rate of increase, however, has been diminishing over the past 3 quarters, as can be seen in the table, from a rise of 11.8 per cent in the fourth quarter of 1972 to 7.9 per cent in the second quarter of 1973.

Industrial production	Seasonally adjusted 1967=100			Percentage change from		Per cent changes, annual rates			
	1972		1973	Month ago	Year ago	Year ending 1973 II <sup>a</sup>	1972 IV <sup>a</sup>	1973 I	1973 II <sup>a</sup>
	June	May	June						
<b>Total index</b>	113.4	123.5	123.9	.3	9.3	9.1	11.8	8.8	7.9
Market groupings:									
Final products	110.1	119.6	119.2	.3	8.3	8.5	12.2	9.1	6.1
Consumer goods	122.1	130.6	129.7	.7	6.2	6.5	10.1	7.3	4.4
Business equipment	102.4	119.1	119.6	.4	16.8	16.3	20.3	18.6	12.9
Materials	116.1	126.6	127.8	.9	10.1	9.8	10.9	8.6	10.7
Industry groupings:									
Manufacturing	112.5	123.1	123.3	.2	9.6	9.3	11.6	9.9	8.0
Durables	106.8	119.1	119.7	.5	12.1	11.9	14.7	12.4	10.0
Nondurables	121.3	128.8	128.4	.3	5.9	6.1	7.5	6.4	5.1
Mining and utilities	122.7	127.1	126.8	.2	3.3	3.2	7.1	2.5	2.0

<sup>a</sup>Preliminary

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# 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,		S	Sources of funds
III, IV	Quarters	U	Uses of funds
n.e.c.	Not elsewhere classified		Amounts insignificant in terms of the particular unit (e.g., less than 500,000 when the unit is millions)
A.R.	Annual rate		(1) Zero, (2) no figure to be expected, or (3) figure delayed
S.A.	Monthly (or quarterly) figures adjusted for seasonal variation		

### 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

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

(In millions of dollars)

Period or date	Factors supplying reserve funds								
	Reserve Bank credit outstanding						Gold stock	Special Drawing Rights certificate account	Treasury currency outstanding
	U.S. Govt. securities <sup>1</sup>			Loans	Float <sup>2</sup>	Other F.R. assets <sup>3</sup>			
Total	Bought outright	Held under repurchase agreement							
<b>Averages of daily figures</b>									
1939—Dec.....	2,510	2,510	.....	8	81	.....	2,612	17,518	2,956
1941—Dec.....	2,219	2,219	.....	5	170	.....	2,404	22,759	3,239
1945—Dec.....	23,708	23,708	.....	381	652	.....	24,744	20,047	4,322
1950—Dec.....	20,345	20,336	9	142	1,117	.....	21,606	22,879	4,639
1960—Dec.....	27,248	27,170	78	94	1,665	.....	29,060	17,954	5,396
1968—Dec.....	52,529	52,454	75	765	3,251	.....	56,610	10,367	6,810
1969—Dec.....	57,500	57,295	205	1,086	3,235	2,204	64,100	10,367	6,841
1970—Dec.....	61,688	61,310	378	321	3,570	1,032	66,708	11,105	7,145
1971—Dec.....	69,158	68,868	290	107	3,905	982	74,255	10,132	7,611
1972—June.....	71,632	71,624	8	94	3,370	933	76,108	10,410	8,043
July.....	72,089	71,972	117	202	3,548	1,111	77,035	10,410	8,080
Aug.....	71,858	71,732	126	438	3,345	957	76,676	10,410	8,137
Sept.....	70,252	70,135	117	514	3,723	894	75,451	10,410	8,183
Oct.....	71,359	71,194	165	574	4,112	1,202	77,331	10,410	8,230
Nov.....	71,112	70,815	297	606	2,966	1,170	75,959	10,410	8,278
Dec.....	71,094	70,790	304	1,049	3,479	1,138	76,851	10,410	8,293
1973—Jan.....	72,194	71,711	483	1,165	3,267	1,329	78,063	10,410	8,321
Feb.....	72,307	72,082	225	1,593	2,556	1,004	77,600	10,410	8,353
Mar.....	74,019	73,624	395	1,858	2,387	839	79,219	10,410	8,406
Apr.....	75,353	74,914	439	1,721	2,319	1,043	80,542	10,410	8,444
May.....	76,758	76,205	553	1,786	2,247	960	81,889	10,410	8,478
June.....	75,355	75,047	308	1,788	2,364	943	80,541	10,410	8,518
<b>Week ending—</b>									
1973—Apr. 4.....	75,223	74,404	819	1,754	1,860	938	79,908	10,410	8,427
11.....	74,700	74,586	114	1,502	2,352	968	79,602	10,410	8,437
18.....	75,420	74,866	554	1,845	2,330	1,025	80,726	10,410	8,444
25.....	75,654	74,907	747	1,646	2,813	1,139	81,388	10,410	8,448
May 2.....	76,149	75,830	319	1,875	2,166	1,120	81,419	10,410	8,461
9.....	76,501	76,027	474	1,484	2,361	1,195	81,698	10,410	8,464
16.....	77,020	76,296	724	1,814	2,418	1,059	82,484	10,410	8,468
23.....	77,534	76,477	1,057	1,689	2,159	760	82,283	10,410	8,487
30.....	76,231	76,231	.....	2,401	1,825	793	81,338	10,410	8,494
June 6.....	76,049	75,328	721	1,664	2,347	853	81,043	10,410	8,500
13.....	73,953	73,953	.....	1,700	2,344	887	78,954	10,410	8,515
20.....	74,898	74,543	355	1,928	2,506	940	80,365	10,410	8,520
27.....	75,871	75,832	39	1,849	2,618	999	81,408	10,410	8,526
<b>End of month</b>									
1973—Apr.....	76,785	75,895	890	1,716	1,195	1,128	80,960	10,410	8,455
May.....	75,368	75,368	.....	1,225	2,716	809	80,201	10,410	8,498
June.....	76,471	76,471	.....	1,771	2,027	1,135	81,470	10,410	8,537
<b>Wednesday</b>									
1973—Apr. 4.....	74,493	74,493	.....	1,082	3,268	949	79,867	10,410	8,436
11.....	74,350	74,350	.....	1,241	2,943	1,010	79,619	10,410	8,440
18.....	76,953	75,033	1,920	3,159	3,403	1,088	84,768	10,410	8,445
25.....	75,393	74,714	679	1,522	3,090	1,134	81,252	10,410	8,453
May 2.....	76,464	75,890	574	817	3,457	1,177	82,059	10,410	8,462
9.....	76,814	76,296	518	2,778	2,729	1,226	83,710	10,410	8,466
16.....	77,663	76,296	1,367	2,445	3,341	739	84,378	10,410	8,471
23.....	77,940	76,506	1,434	1,455	2,514	787	82,864	10,410	8,493
30.....	75,187	75,187	.....	1,771	2,134	820	79,996	10,410	8,498
June 6.....	75,957	75,196	761	881	3,291	870	81,160	10,410	8,502
13.....	72,641	72,641	.....	1,689	2,796	948	78,139	10,410	8,515
20.....	76,253	75,277	976	1,760	3,391	990	82,517	10,410	8,520
27.....	75,865	75,865	.....	1,587	2,497	1,081	81,097	10,410	8,535

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

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

<sup>3</sup> 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."

<sup>4</sup> 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.

Notes continued on opposite page.

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

(In millions of dollars)

Factors absorbing reserve funds										Period or date
Currency in circulation	Treasury cash holdings	Deposits, other than member bank reserves, with F.R. Banks			Other F.R. accounts <sup>3</sup>	Other F.R. liabilities and capital <sup>3</sup>	Member bank reserves		Total <sup>6</sup>	
		Treasury	Foreign	Other <sup>2</sup>			With F.R. Banks	Currency and coin <sup>5</sup>		
<b>Averages of daily figures</b>										
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.
61,874	356	2,673	153	598		2,304	27,002	5,537	32,539	1972—June
62,669	342	2,398	209	617		2,329	27,361	5,660	33,021	July
62,726	319	2,025	171	604		2,324	27,454	5,694	33,148	Aug.
62,913	320	1,938	190	619		2,240	27,224	5,779	33,003	Sept.
63,385	362	1,369	200	631		2,336	28,088	5,715	33,803	Oct.
64,543	375	1,321	195	604		2,378	25,631	5,813	31,444	Nov. <sup>6</sup>
66,060	350	1,449	272	631		2,362	24,830	6,095	31,353	Dec.
65,274	364	2,033	294	644		2,365	26,220	6,463	32,962	1973—Jan.
64,564	382	2,956	302	645		2,482	25,432	6,031	31,742	Feb.
65,072	384	3,598	338	666		2,530	25,848	5,856	31,973	Mar.
66,068	414	3,471	275	666		2,622	26,281	5,824	32,277	Apr.
66,726	413	4,121	330	652		2,721	26,214	6,007	32,393	May
67,609	386	2,408	266	698		2,732	25,770	6,085	32,021	June <sup>6</sup>
<b>Week ending—</b>										
65,381	409	3,117	318	672		2,662	26,586	5,861	32,619	1973—Apr. 4
65,906	413	3,438	279	646		2,639	25,527	6,060	31,759	11
66,335	413	3,104	272	687		2,529	26,641	5,811	32,624	18
66,296	416	3,641	258	663		2,624	26,749	5,477	32,398	25
66,133	419	4,084	313	660		2,703	26,380	5,952	32,504	May 2
66,450	421	4,497	332	648		2,734	25,894	6,180	32,246	9
66,851	417	4,393	314	637		2,622	26,528	6,263	32,963	16
66,768	409	4,097	343	654		2,717	26,591	5,539	32,302	23
66,890	402	3,564	321	666		2,787	26,012	6,042	32,226	30
67,220	398	3,026	264	656		2,882	25,906	6,140	32,218	June 6
67,734	388	1,401	253	663		2,641	25,199	6,230	31,601	13 <sup>6</sup>
67,760	385	1,653	246	768		2,659	26,225	5,893	32,290	20 <sup>6</sup>
67,580	381	3,062	277	693		2,732	26,021	6,021	32,214	27 <sup>6</sup>
<b>End of month</b>										
66,094	415	4,163	328	773		2,753	25,700	5,952	31,824	1973—Apr.
67,161	394	3,243	289	692		2,839	24,892	6,140	31,204	May
67,775	372	4,039	334	717		2,783	24,798	6,231	31,141	June <sup>6</sup>
<b>Wednesday</b>										
65,832	421	3,596	271	636		2,691	25,665	5,861	31,698	1973—Apr. 4
66,348	414	3,533	267	703		2,453	25,152	6,060	31,384	11
66,519	421	2,787	263	658		2,574	30,801	5,811	36,784	18
66,339	424	3,696	240	682		2,632	26,502	5,477	32,151	25
66,359	428	4,414	342	666		2,754	26,368	5,952	32,492	May 2
66,872	428	4,685	352	631		2,533	27,486	6,180	33,838	9
67,003	414	4,925	313	644		2,708	27,631	6,263	34,066	16
66,872	419	4,984	290	613		2,752	27,236	5,539	32,947	23
67,272	411	3,932	290	669		2,783	23,947	6,042	30,161	30
67,654	397	1,324	251	642		2,896	27,306	6,140	33,618	June 6 <sup>6</sup>
67,969	396	1,522	261	624		2,600	24,092	6,230	30,494	13 <sup>6</sup>
67,821	385	2,063	274	659		2,696	27,949	5,893	34,014	20 <sup>6</sup>
67,855	381	3,583	378	701		2,769	24,775	6,021	30,968	27 <sup>6</sup>

<sup>5</sup> 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.  
<sup>6</sup> 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.

<sup>2</sup> Includes securities loaned fully secured by U.S. Govt. securities pledged with F.R. Banks.

<sup>3</sup> 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 <sup>2</sup>						All other banks	
	Reserves		Borrowings			New York City		City of Chicago		Other			
	Total held <sup>1</sup>	Re-quired	Excess <sup>1</sup>	Total	Seasonal	Excess	Borrow-ings	Excess	Borrow-ings	Excess	Borrow-ings	Excess	Borrow-ings
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	5	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- June	32,539	32,335	204	94		34	6	1		7	40	164	48
July	33,021	32,874	147	202		32	15	8	6	41	64	138	117
Aug.	33,148	32,893	255	438		6	116	10	11	72	134	167	177
Sept.	33,003	32,841	162	514		29	136	1	12	2	195	136	171
Oct.	33,803	33,556	247	574		61	59	22	45	24	240	140	230
Nov.	31,774	31,460	314	606		4	64	14	19	1	248	5	275
Dec.	31,353	31,134	219	1,049		20	301	13	55	42	429	160	264
1973- Jan.	32,962	32,620	342	1,165		95	193		108	31	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		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	32,021	31,969	52	1,788	77	65	145	3	28	66	905	20	710
Week ending:													
1972- June 7	32,677	32,346	331	58		89		1		76	20	167	38
14	32,417	32,308	109	94		31		15		20	44	145	50
21	32,896	32,384	212	59		72	18	5		6	12	139	29
28	32,301	32,177	124	129		16	6	4		3	67	133	56
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- Jan. 3	32,604	32,044	560	1,751		149	713	10	279	83	525	39	234
10	32,506	32,380	126	688		21	66	10	19	107	420	15	183
17	34,009	33,668	341	1,298		46	201	17	189	24	635	23	273
24	32,511	32,545	34	1,097		82	260	26	19	165	511	-40	307
31	32,556	32,103	453	1,309		204		15	110	10	806	-35	393
Feb. 7	31,834	31,687	147	1,232		78	221	7	16	23	584	24	411
14	31,813	31,625	188	1,991		1	709	17	178	75	664	-32	440
21	32,042	31,537	505	1,672		156	155	11	104	47	928	12	485
28	31,286	31,300	14	1,482		128	211	-21	121	4	599	-70	551
Mar. 7	32,058	31,717	341	1,688		92	242	43	99	58	695	15	652
14	31,555	31,532	23	1,491		48	178	25	113	112	623	-71	577
21	31,962	31,713	249	2,139		56	225	3	104	3	1,077	86	733
28	31,671	31,578	93	2,013		46	28	1	130	-66	951	75	904
Apr. 4	32,619	32,082	537	1,754		169	144	18	8	99	865	79	737
11	31,759	31,845	-86	1,502		184	24	14	13	90	775	30	690
18	32,624	32,390	234	1,845		146	306	2	2	104	841	18	696
25	32,398	32,062	336	1,646	9	80	45	20	18	11	795	53	788
May 2	32,504	32,271	233	1,875	16	56	222	19	6	63	868	49	779
9	32,246	32,327	-81	1,484	18	75	182	50	33	137	580	9	689
16	32,963	32,600	363	1,814	23	49	123	42	9	6	993	94	689
23	32,302	32,178	124	1,689	32	33	30	27		49	815	5	844
30	32,226	32,060	166	2,401	46	7	144	27	11	89	1,283	49	963
June 6	32,218	31,817	401	1,664	64	62	200	34	47	88	689	45	728
13	31,601	31,594	7	1,700	67	75	31	1	18	101	698	12	953
20	32,290	32,130	160	1,928	73	85	262	9	9	120	967	32	690
27	32,214	32,002	212	1,849	96	41	106	3		69	1,025	15	718

<sup>1</sup> 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.

<sup>2</sup> 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 <sup>1</sup>	Less		Net		Gross transactions		Net transactions			Loans to dealers <sup>3</sup>	Borrowings from dealers <sup>4</sup>	Net loans
		Borrowings at F.R. Banks	Net inter-bank Federal funds trans.	Surplus or deficit	Per cent of avp. required reserves	Purchases	Sales	Total (two-way) transactions <sup>2</sup>	Purchases of net buying banks	Sales of net selling banks			
<b>Total—46 banks</b>													
May 2.....	197	516	6,892	7,232	51.5	12,841	5,949	4,267	8,574	1,682	1,178	443	735
9.....	39	514	8,232	8,784	62.0	14,445	6,214	4,417	10,029	1,797	1,188	404	784
16.....	126	572	9,040	9,487	65.6	14,466	5,426	3,924	10,542	1,502	1,374	459	915
23.....	103	252	8,481	8,630	61.3	14,054	5,573	3,917	10,137	1,657	1,376	844	533
30.....	119	795	8,511	9,186	66.0	13,481	4,971	4,052	9,429	919	1,704	376	1,377
June 6.....	281	31	8,555	8,705	62.6	14,219	5,664	4,128	10,090	1,536	1,455	386	1,068
13.....	38	396	10,653	11,011	79.8	16,093	5,041	4,283	11,411	758	2,399	400	1,999
20.....	85	676	9,835	10,456	73.9	15,351	5,516	4,475	10,894	1,059	2,055	403	1,652
27.....	22	480	9,015	9,473	68.2	14,335	5,320	4,323	10,012	998	1,565	349	1,217
<b>8 in New York City</b>													
May 2.....	105	182	1,753	1,831	32.5	3,163	1,410	1,094	2,069	316	711	240	473
9.....	21	174	3,081	3,275	57.2	4,342	1,261	959	3,383	303	754	274	480
16.....	8	89	3,577	3,658	62.1	4,426	849	677	3,748	171	865	293	572
23.....	51	.....	2,818	2,767	49.1	4,245	1,427	1,047	3,198	350	841	344	497
30.....	35	129	2,655	2,749	49.8	4,069	1,413	1,167	2,902	247	971	306	665
June 6.....	78	171	3,840	2,934	52.9	4,176	1,336	1,100	3,076	236	949	288	651
13.....	18	18	4,146	4,181	76.5	5,079	933	860	4,219	73	1,455	349	1,106
20.....	70	262	3,683	3,875	67.4	5,132	1,449	1,273	3,359	176	1,081	356	725
27.....	18	99	2,816	2,932	53.2	3,981	1,165	1,053	2,928	112	960	259	701
<b>38 outside New York City</b>													
May 2.....	92	354	5,139	5,401	64.3	9,679	4,539	3,173	6,506	1,367	467	203	261
9.....	18	340	5,151	5,509	65.3	10,104	4,952	3,458	6,646	1,494	434	131	304
16.....	118	483	5,464	5,829	67.9	10,040	4,577	3,246	6,794	1,331	509	166	343
23.....	52	252	5,663	5,863	69.5	9,809	4,146	2,869	6,940	1,277	845	500	36
30.....	85	666	5,855	6,437	76.6	9,413	3,557	2,886	6,527	672	733	70	662
June 6.....	203	260	5,715	5,772	69.0	10,042	4,328	3,028	7,014	1,300	515	98	418
13.....	55	378	6,507	6,829	82.1	10,614	4,107	3,422	7,192	685	944	51	893
20.....	15	414	6,152	6,581	78.3	10,219	4,067	3,184	7,035	883	973	47	977
27.....	39	381	6,199	6,541	78.1	10,354	4,155	3,270	7,084	885	605	90	515
<b>5 in City of Chicago</b>													
May 2.....	37	.....	2,064	2,027	139.7	2,721	657	657	2,064	.....	211	24	487
9.....	16	33	2,218	2,266	154.3	2,856	638	638	2,218	.....	215	10	205
16.....	20	.....	2,233	2,213	146.6	2,919	685	685	2,233	.....	232	10	312
23.....	7	.....	2,159	2,166	149.3	2,759	600	600	2,159	.....	268	25	344
30.....	22	.....	1,992	1,970	134.6	2,611	619	619	1,992	.....	332	10	322
June 6.....	52	36	1,961	1,945	132.2	2,651	690	606	2,045	85	258	6	252
13.....	20	6	2,444	2,429	168.0	3,113	670	670	2,444	.....	254	.....	254
20.....	7	.....	2,313	2,306	155.2	3,032	719	709	2,323	11	265	.....	265
27.....	18	.....	2,264	2,282	155.8	2,949	685	590	2,359	95	332	30	302
<b>33 others</b>													
May 2.....	55	354	3,075	3,374	48.5	6,958	3,883	2,516	4,442	1,367	256	180	77
9.....	3	307	2,933	3,243	46.6	7,248	4,315	2,820	4,428	1,494	219	121	99
16.....	97	483	3,230	3,616	51.1	7,122	3,892	2,561	4,561	1,331	287	156	131
23.....	59	252	3,504	3,697	52.9	7,049	3,546	2,269	4,780	1,277	267	475	208
30.....	63	666	3,864	4,467	64.4	6,802	2,938	2,267	4,535	672	401	60	341
June 6.....	151	224	3,754	3,827	55.5	7,392	3,638	2,433	4,969	1,215	257	92	166
13.....	35	372	4,063	4,400	64.0	7,501	3,438	2,753	4,748	685	691	51	640
20.....	21	414	3,840	4,275	61.7	7,187	3,347	2,476	4,712	872	709	47	662
27.....	57	381	3,935	4,259	61.7	7,405	3,470	2,680	4,725	790	273	60	213

<sup>1</sup> 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.

<sup>2</sup> 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.

<sup>3</sup> 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.

<sup>4</sup> 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 <sup>3</sup>		
	Under Secs. 13 and 13a <sup>1</sup>			Under Sec. 10(b) <sup>2</sup>			Rate on June 30, 1973	Effective date	Previous rate
	Rate on June 30, 1973	Effective date	Previous rate	Rate on June 30, 1973	Effective date	Previous rate			
Boston	6½	June 11, 1973	6	7	June 11, 1973	6½	48½	June 11, 1973	8
New York	6½	June 11, 1973	6	7	June 11, 1973	6½	8½	June 11, 1973	8
Philadelphia	6½	June 11, 1973	6	7	June 11, 1973	6½	8½	June 11, 1973	8
Cleveland	6½	June 11, 1973	6	7	June 11, 1973	6½	8½	June 11, 1973	8
Richmond	6½	June 12, 1973	6	7	June 12, 1973	6½	48½	June 12, 1973	8
Atlanta	6½	June 11, 1973	6	7	June 11, 1973	6½	48½	June 11, 1973	8
Chicago	6½	June 11, 1973	6	7	June 11, 1973	6¼	48½	June 11, 1973	8
St. Louis	6½	June 11, 1973	6	7	June 11, 1973	6½	48½	June 11, 1973	8
Minneapolis	6½	June 11, 1973	6	7	June 11, 1973	6½	48½	June 11, 1973	8
Kansas City	6½	June 15, 1973	6	7	June 15, 1973	6½	48½	June 15, 1973	8
Dallas	6½	June 11, 1973	6	7	June 11, 1973	6½	48½	June 11, 1973	8
San Francisco	6½	June 11, 1973	6	7	June 11, 1973	6½	8½	June 11, 1973	8

<sup>1</sup> 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.

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

<sup>3</sup> 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.

<sup>4</sup> Also effective on the same dates as the other rates shown above for the eight Reserve Banks so designated, a rate of 6½ 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	1969—Apr. 4	5½-6	6
1955—Apr. 14	1½-1¾	1½	16	3	3	8	6	6
15	1½-1¾	1¾	May 29	3	3½	1970—Nov. 11	5¾-6	6
May 2	1¾	1¾	June 12	3½	3½	13	5¾-6	5¾
Aug. 4	1¾-2¼	1¾	Sept. 11	3½-4	4	16	5¾	5¾
5	1¾-2¼	2	18	4	4	Dec. 1	5½-5¾	5¾
12	2-2¼	2	1960—June 3	3½-4	4	4	5½-5¾	5½
Sept. 9	2-2¼	2¼	10	3½-4	3½	11	5½	5½
13	2¼	2¼	14	3½	3½	1971—Jan. 8	5½-5½	5½
Nov. 18	2¼-2½	2½	Aug. 12	3-3½	3	15	5½	5½
23	2½	2½	Sept. 9	3	3	19	5-5¼	5¼
1956—Apr. 13	2½-3	2¾	1963—July 17	3-3½	3½	22	5-5¼	5
20	2¾-3	2¾	26	3½	3½	29	5	5
Aug. 24	2¾-3	3	1964—Nov. 24	3½-4	4	Feb. 13	4¾-5	5
31	3	3	30	4	4	19	4¾	4¾
1957—Aug. 9	3-3½	3	1965—Dec. 6	4-4½	4½	July 16	4¾-5	5
23	3½	3½	13	4½	4½	23	5	5
Nov. 15	3-3½	3	1967—Apr. 7	4-4½	4	Nov. 11	4¾-5	5
Dec. 2	3	3	14	4	4	19	4¾	4¾
1958—Jan. 22	2¼-3	3	27	4-4½	4½	Dec. 13	4½-4¾	4¾
24	2¾-3	2¾	1968—Mar. 15	4½-5	4½	17	4½-4¾	4½
Mar. 7	2¼-3	2¼	22	5	5	24	4½	4½
13	2¼-2¾	2¼	Apr. 19	5	5½	1973—Jan. 15	5	5
21	2¼	2¼	26	5½	5½	Feb. 26	5-5½	5½
Apr. 18	1¾-2¼	1¾	Aug. 16	5¼-5½	5¼	Mar. 2	5½	5½
May 9	1¾	1¾	30	5¼	5¼	Apr. 23	5½-5¾	5½
Aug. 15	1¾-2	1¾	Dec. 18	5¼-5½	5¼	May 4	5¾	5¾
Sept. 12	1¾-2	2	20	5½	5½	11	5¾-6	6
23	2	2	In effect June 30, 1973	6½	6½	18	6	6
Oct. 24	2-2½	2				June 11	6-6½	6½
Nov. 7	2½	2½				15	6½	6½

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 <sup>1</sup>	Net demand <sup>2</sup>				Time 3 (all classes of banks)			Net demand <sup>2,4</sup>						Time 3		
	Reserve city		Other		Savings	Other time		0-2	2-10	10-100	100-400	Over 400 <sup>5</sup>	Savings	Other time		
	0-5	Over 5	0-5	Over 5		0-5	Over 5							0-5	Over 5 <sup>6</sup>	
In effect Jan. 1, 1963.....	16½		12		4			1972 Nov. 9.....	8	10	12	16½	17½	8.3	8.3	5
1966- July 14, 21.....					4	4	5	In effect June 30, 1973: <sup>9</sup>	8	10	12	13	17½	3	3	5
Sept. 8, 15.....																
1967- Mar. 2.....					3½	3½	6									
Mar. 16.....					3	3										
1968- Jan. 11, 18.....	16½	17	12	12½												
1969- Apr. 17.....	17	17½	12½	13												
1970- Oct. 1.....							5									
<b>Present legal requirement:</b>												<b>Minimum</b>	<b>Maximum</b>			
Net demand deposits, reserve city banks.....												10	22			
Net demand deposits, other banks.....												7	14			
Time deposits.....												3	10			

<sup>1</sup> 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*.

<sup>2</sup> (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. For the latest change, see the May 1973 *BULLETIN*, beginning on p. 375.

<sup>3</sup> 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.

<sup>4</sup> 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 announcements on Regulation D in 1972 *BULLETIN*: July, pp. 649, 679; Oct., p. 942; Nov., p. 994.

<sup>5</sup> Reserve city banks.

<sup>6</sup> Effective June 21, 1973, member banks became subject to an 8 per cent marginal reserve requirement against increases in the aggregate of (a) outstanding single-maturity time deposits of \$100,000 and over and (b) outstanding funds obtained by the bank through issuance by a bank's affiliate of obligations subject to the existing reserve requirement on time deposits. Beginning July 17, 1973, reserves will be held on 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 details, see amendments to Regulation D under "Bank Credit Actions" beginning on p. 375 of the May 1973 *BULLETIN*.

<sup>7</sup> 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.

<sup>8</sup> See preceding columns for earliest effective date of this rate.

<sup>9</sup> For changes effective July 19, 1973, see "Announcements."

**NOTE:** All required reserves were held on deposit with F.R. Banks June 21, 1973, 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 Jan. 1, 1962—July 19, 1966					Rates beginning July 20, 1966					
Type of deposit	Effective date				Type of deposit	Effective date				
	Jan. 1, 1962	July 17, 1963	Nov. 24, 1964	Dec. 6, 1965		July 20, 1966	Sept. 26, 1966	Apr. 19, 1968	Jan. 21, 1970	
Savings deposits: <sup>1</sup>					Savings deposits.....	4	4	4	4½	
12 months or more.....	4	4	4	4	Other time deposits: <sup>2</sup>					
Less than 12 months.....	3½	3½				Multiple maturity: <sup>3</sup>				
					30-89 days.....	4	4	4	4½	
					90 days-1 year.....	5	5	5	1 year to 2 years.....	5½
					2 years and over.....				5¼	
					Single maturity:					
Other time deposits: <sup>2</sup>					Less than \$100,000:					
12 months or more.....	4				30 days to 1 year.....				5	
6 months to 12 months.....	3½	4	4½	5½	1 year to 2 years.....	5½	5	5	5½	
90 days to 6 months.....	2½						2 years and over.....			
Less than 90 days.....	1	1	4		\$100,000 and over:					
(30-89 days)					30-59 days.....	5½	5½		60-89 days.....	5½
					90-179 days.....				5¼	
					180 days to 1 year.....				6	
					1 year or more.....				6½	

<sup>1</sup> See first page of "Announcements" regarding changes in maximum interest rates payable on time and savings deposits effective with the interest crediting period beginning July 1, 1973.

<sup>2</sup> Closing date for the Postal Savings System was Mar. 28, 1966. Maximum rates on postal savings accounts coincided with those on savings deposits.

<sup>3</sup> For exceptions with respect to certain foreign time deposits, see BULLETINS for Oct. 1962, p. 1279; Aug. 1965, p. 1084; and Feb. 1968, p. 167.

<sup>4</sup> 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.

<sup>5</sup> Maximum rates on all single maturity time deposits in denominations of \$100,000 and over have been suspended. Rates which 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	

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.

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 (T)
			T	U	G	T	U	G	
1937--Nov. 1	1945--Feb. 4	4	40						50
1945--Feb. 5	July 4	4	50						50
July 5	1946--Jan. 20	20	75						75
1946--Jan. 21	1947--Jan. 31	31	100						100
1947--Feb. 1	1949--Mar. 29	29	75						75
1949--Mar. 30	1951--Jan. 16	16	50						50
1951--Jan. 17	1953--Feb. 19	19	75						75
1953--Feb. 20	1955--Jan. 3	3	50						50
1955--Jan. 4	Apr. 22	22	60						60
Apr. 23	1958--Jan. 15	15	70						70
1958--Jan. 16	Aug. 4	4	50						50
Aug. 5	Oct. 15	15	70						70
Oct. 16	1960--July 27	27	90						90
1960--July 28	1962--July 9	9	70						70
1962--July 10	1963--Nov. 5	5	50						50
1963--Nov. 6	1968--Mar. 10	10	70						70
1968--Mar. 11	June 7	7	70			50			70
June 8	1970--May 5	5	80			60			80
1970--May 6	1971--Dec. 3	3	65			50			65
1971--Dec. 6	1972--Nov. 22	22	55			50			55
	Effective Nov. 24, 1972		65			50			65

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

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

TRANSACTIONS OF THE SYSTEM OPEN MARKET ACCOUNT

(In millions of dollars)

Outright transactions in U.S. Govt. securities, by maturity

Month	Total			Treasury bills			Others within 1 year			1-5 years		
	Gross purchases	Gross sales	Redemptions	Gross purchases	Gross sales	Redemptions	Gross purchases	Gross sales	Exch., maturity shifts, or redemptions	Gross purchases	Gross sales	Exch. or maturity shifts
1972 - May	475	291		475	291				2,626			2,626
June	1,294	335	96	1,094	335	6	2	90	69			
July	2,753	3,286		2,753	3,286							
Aug.	1,390	1,752	442	1,274	1,752	442		1,089	79		673	
Sept.	9,369	8,673	850	9,369	8,673	850						
Oct.	2,795	2,425	150	2,678	2,425	150	42		35			
Nov.	2,638	2,880	351	2,648	2,880	300		360			411	
Dec.	5,083	4,640	135	5,083	4,640			135				
1973 - Jan.	3,060	1,735		3,060	1,735							
Feb.	6,278	5,216	200	6,079	5,216	200	25	1,408	61		3,476	
Mar.	3,510	2,701	200	3,510	2,701	200						
Apr.	3,685	2,101	51	3,478	2,101	51	50		127			
May	1,822	1,728	600	1,822	1,728	600		1,316			1,316	

Outright transactions in U.S. Govt. securities - Continued

Month	5-10 years			Over 10 years			Repurchase agreements (U.S. Govt. securities)		Net change in U.S. Govt. securities	Federal agency obligations (net)		Bankers' acceptances		Net change <sup>1</sup>
	Gross purchases	Gross sales	Exch. or maturity shifts	Gross purchases	Gross sales	Exch. or maturity shifts	Gross purchases	Gross sales		Outright	Repurchase agreements	Outright, net	Under repurchase agreements, net	
1972 - May							1,115		1,299	25	4	65	1,386	
June	109		20				211	1,326	251	127	25	6	221	
July							1,736	1,736	533	26	10		570	
Aug.	23	166	18	250			3,171	2,459	82	3	74	4	22	
Sept.							1,132	1,844	-866	35	74	4	30	
Oct.	7		32				3,594	3,594	220	22	7		206	
Nov.							3,547	3,547	593	157	6		442	
Dec.							4,863	4,765	405	134	13	7	596	
1973 - Jan.							9,719	8,928	2,416		48	11	23	
Feb.	79	2,068	32				2,774	3,034	599	18	78	3	644	
Mar.							6,024	5,478	1,656	14	61	1	66	
Apr.	19		11				5,664	5,978	1,248	19	65	7	36	
May							7,379	8,240	1,467	21	29	1	1,470	

<sup>1</sup> 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	128	1	3	4
1970 - Dec.	257	154		*	*			98		1	*	4
1971 - Dec.	18	3		3	*			2				8
1972 - Mar.	17	3		3	*			2		1		8
Apr.	17	3		3	*			2		1		8
May	57	3		*	*			2		1		50
June	18	2		*	*			9		1		5
July	7	1		*	*			1		1		7
Aug.	34	*		1	*			24		1		3
Sept.	122	*		*	*			85		1		35
Oct.	311	*		8	*			164		1		21
Nov.	200	*		8	*			164		1		7
Dec.	192	*		*	*			164		1		6
1973 - Jan.	92	*		*	*			67		1	20	3
Feb.	4	*		*	*			*		1		3
Mar.	4	*		*	*			*		1		3

## CONSOLIDATED STATEMENT OF CONDITION OF ALL FEDERAL RESERVE BANKS

(In millions of dollars)

Item	Wednesday					End of month		
	1973					1973		1972
	June 27	June 20	June 13	June 6	May 30	June 30	May 31	June 30
<b>Assets</b>								
Gold certificate account.....	10,303	10,303	10,303	10,303	10,303	10,303	10,303	10,303
Special Drawing Rights certificate account.....	400	400	400	400	400	400	400	400
Cash.....	299	304	301	299	313	305	306	319
Loans:								
Member bank borrowings.....	1,587	1,760	1,689	881	1,771	1,771	1,224	130
Other.....								
Acceptances:								
Bought outright.....	67	67	65	73	84	66	83	73
Held under repurchase agreements.....		56		88				
Federal agency obligations:								
Bought outright.....	1,449	1,220	1,220	1,240	1,240	1,449	1,240	1,106
Held under repurchase agreements.....		111		133				
U.S. Govt. securities:								
Bought outright:								
Bills.....	33,869	33,510	30,874	33,409	33,400	34,247	33,581	31,258
Certificates - Special.....								
Other.....								
Notes.....	36,936	36,936	36,936	36,936	36,936	37,111	36,936	36,596
Bonds.....	3,611	3,611	3,611	3,611	3,611	3,664	3,611	3,502
Total bought outright.....	174,416	174,057	171,421	173,956	173,947	175,022	174,128	171,356
Held under repurchase agreements.....		865		628				
Total U.S. Govt. securities.....	74,416	74,922	71,421	74,584	73,947	75,022	74,128	71,356
Total loans and securities.....	77,519	78,136	74,395	76,999	77,042	78,308	76,675	72,665
Cash items in process of collection.....	8,401	9,869	9,974	9,184	8,944	7,298	8,549	10,514
Bank premises.....	202	202	202	201	201	204	201	163
Other assets:								
Denominated in foreign currencies.....	4	4	4	4	4	4	4	18
All other.....	875	784	742	665	615	927	604	809
Total assets.....	\$98,003	\$100,002	\$95,321	\$98,055	\$97,822	\$97,749	\$97,042	\$95,191
<b>Liabilities</b>								
F.R. notes.....	59,893	59,883	60,044	59,741	59,391	59,807	59,255	54,698
Deposits:								
Member bank reserves.....	\$24,775	\$27,949	\$24,092	\$27,306	23,947	\$24,798	24,892	27,482
U.S. Treasurer - General account.....	3,583	2,063	1,522	1,324	3,932	4,039	3,243	2,344
Foreign.....	378	774	261	253	290	334	289	257
Other:								
All other.....	701	659	624	642	669	717	692	836
Total deposits.....	\$29,437	\$30,945	\$26,499	\$29,525	28,838	\$29,888	29,116	30,919
Deferred availability cash items.....	5,904	6,478	6,178	5,893	6,810	5,271	5,832	7,215
Other liabilities and accrued dividends.....	818	830	817	830	801	799	845	580
Total liabilities.....	\$96,052	\$98,136	\$93,538	\$95,989	\$95,840	\$95,765	\$95,048	\$93,412
<b>Capital accounts</b>								
Capital paid in.....	820	819	816	816	815	820	816	772
Surplus.....	793	793	793	793	793	793	793	742
Other capital accounts.....	338	254	174	457	374	371	385	265
Total liabilities and capital accounts.....	\$98,003	\$100,002	\$95,321	\$98,055	\$97,822	\$97,749	\$97,042	\$95,191
Contingent liability on acceptances purchased for foreign correspondents.....	398	400	396	395	378	395	384	251
Marketable U.S. Govt. securities held in custody for foreign and international accounts.....	29,794	30,013	30,014	30,157	30,011	29,278	29,994	28,579
<b>Federal Reserve Notes—Federal Reserve Agents' Accounts</b>								
F.R. notes outstanding (issued to Bank).....	63,476	63,409	63,079	62,830	62,698	63,653	62,790	58,287
Collateral held against notes outstanding:								
Gold certificate account.....	2,155	2,155	2,115	2,075	2,075	2,155	2,075	1,945
U.S. Govt. securities.....	62,475	62,405	62,395	62,335	62,035	62,645	62,135	57,495
Total collateral.....	64,630	64,560	64,510	64,410	64,110	64,800	64,210	59,440

1 See note 7 on p. A-5.

2 See note 8 on p. A-5.

STATEMENT OF CONDITION OF EACH FEDERAL RESERVE BANK ON JUNE 30, 1973

(In millions of dollars)

Item	Total	Boston	New York	Philadelphia	Cleveland	Richmond	Atlanta	Chicago	St. Louis	Minneapolis	Kansas City	Dallas	San Francisco
<b>Assets</b>													
Gold certificate account	10,303	605	2,206	586	920	1,349	588	1,647	506	296	467	546	687
Special Drawing Rights certificate account	400	23	93	23	33	36	22	70	18	7	15	14	49
F.R. notes of other banks	1,040	95	211	31	51	99	190	92	25	24	36	86	130
Other cash	305	14	24	4	34	36	40	31	22	6	40	14	40
<b>Loans:</b>													
Secured by U.S. Govt. and agency obligations	1,718	109	110	232	298	90	98	268	30	18	128	63	254
Other	53					43	10						
<b>Acceptances:</b>													
Bought outright	66		66										
Held under repurchase agreements													
<b>Federal agency obligations:</b>													
Bought outright	1,449	66	389	75	105	103	78	231	53	31	56	64	198
Held under repurchase agreements													
<b>U.S. Govt. securities:</b>													
Bought outright	175,022	3,423	20,150	3,907	5,422	5,356	4,015	11,972	2,771	1,580	2,889	3,400	10,237
Held under repurchase agreements													
Total loans and securities	78,308	3,598	20,715	4,214	5,825	5,592	4,201	12,491	2,854	1,629	3,073	3,427	10,689
Cash items in process of collection	8,998	322	1,655	762	414	809	915	1,173	346	357	626	520	1,100
Bank premises	304	34	7	6	27	14	15	17	14	36	17	12	8
<b>Other assets:</b>													
Denominated in foreign currencies	4		2					1					1
All other	927	44	216	43	60	60	44	120	28	19	30	34	229
Total assets	100,489	4,735	25,129	5,669	7,364	7,895	6,015	15,641	3,810	2,371	4,304	4,623	12,933
<b>Liabilities</b>													
F.R. notes	60,847	3,133	15,103	3,780	4,797	5,414	3,135	10,143	2,394	1,108	2,400	2,325	7,115
<b>Deposits:</b>													
Member bank reserves	24,798	906	6,315	1,093	1,699	1,235	1,712	3,699	310	634	1,025	1,470	4,200
U.S. Treasurer—General account	4,049	259	1,050	222	234	416	230	290	225	119	211	289	374
Foreign	334	12	119	14	27	15	20	46	10	7	12	16	36
Other:													
All other	729	1	592	16	1	8	21	53	1	1	3	3	29
Total deposits	29,900	1,178	8,076	1,345	1,961	1,674	1,984	4,088	1,046	861	1,271	1,778	4,639
Deferred availability cash items	6,989	304	1,217	405	374	635	716	975	275	338	522	382	816
Other liabilities and accrued dividends	799	38	221	40	59	57	44	131	28	20	30	34	107
Total liabilities	98,505	4,653	24,617	5,570	7,191	7,780	5,878	15,322	3,743	2,327	4,223	4,519	12,677
<b>Capital accounts</b>													
Capital paid in	820	33	209	41	73	45	60	129	28	19	34	35	104
Surplus	793	34	207	39	72	42	55	124	27	18	33	43	99
Other capital accounts	371	15	96	19	28	28	22	61	12	7	14	16	53
Total liabilities and capital accounts	100,489	4,735	25,129	5,669	7,364	7,895	6,015	15,641	3,810	2,371	4,304	4,623	12,933
<b>Contingent liability on acceptances purchased for foreign correspondents</b>													
	95	1	100	19	36	21	28	63	14	9	17	21	50
<b>Federal Reserve Notes—Federal Reserve Agents' Accounts</b>													
F.R. notes outstanding (issued to Bank)	63,653	3,268	15,933	3,868	4,979	5,616	3,362	10,414	2,532	1,159	2,520	2,509	7,493
Collateral held against notes outstanding:													
Gold certificate account	2,155	180		250	350	515		700	155			5	
U.S. Govt. securities	62,645	3,130	16,050	3,700	4,700	5,135	3,500	9,900	2,430	1,200	2,600	2,585	7,700
Total collateral	64,800	3,310	16,050	3,950	5,050	5,670	3,500	10,600	2,585	1,200	2,600	2,585	7,700

<sup>1</sup> See note 7 on p. A-5.

<sup>2</sup> After deducting \$2 million participations of other Federal Reserve Banks.

<sup>3</sup> After deducting \$215 million participations of other Federal Reserve Banks.

<sup>4</sup> After deducting \$295 million participations of other Federal Reserve Banks.

NOTE: Some figures for cash items in process of collection and for member bank reserves are preliminary.

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

(In millions of dollars)

Item	Wednesday 1973					End of month		
	1973					1973		1972
	June 27	June 20	June 13	June 6	May 30	June 30	May 31	June 30
Loans - Total.....	1,587	1,760	1,689	884	1,771	1,771	1,225	131
Within 15 days.....	1,547	1,712	1,633	828	1,671	1,689	1,182	127
16 days to 90 days.....	40	48	56	56	100	82	43	4
91 days to 1 year.....								
Acceptances - Total.....	67	123	65	161	84	66	83	73
Within 15 days.....	19	70	14	112	35	18	33	16
16 days to 90 days.....	48	53	51	49	49	48	50	57
91 days to 1 year.....								
U.S. Government securities - Total.....	74,416	74,922	71,421	74,584	73,947	75,022	74,128	71,356
Within 15 days <sup>1</sup> .....	4,969	5,878	2,132	4,957	4,266	3,833	2,885	2,734
16 days to 90 days.....	18,165	17,471	17,757	17,947	18,082	19,662	17,998	17,292
91 days to 1 year.....	13,578	13,869	13,828	13,976	13,895	13,612	15,541	20,060
Over 1 year to 5 years.....	26,832	26,832	26,832	26,832	26,832	26,956	26,832	24,108
Over 5 years to 10 years.....	9,321	9,321	9,243	9,243	9,243	9,358	9,243	5,913
Over 10 years.....	1,551	1,551	1,629	1,629	1,629	1,602	1,629	1,249
Federal agency obligations - Total.....	1,449	1,331	1,220	1,373	1,240	1,449	1,240	1,106
Within 15 days <sup>1</sup> .....		111		153	20		20	20
16 days to 90 days.....	56	56	56	31	26	56	26	123
91 days to 1 year.....	332	240	240	214	219	332	219	162
Over 1 year to 5 years.....	562	486	486	537	537	561	537	480
Over 5 years to 10 years.....	284	261	261	247	247	284	247	197
Over 10 years.....	215	177	177	191	191	216	191	124

<sup>1</sup> 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 <sup>1</sup> (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 <sup>2</sup>				N.Y.	6 others <sup>2</sup>		
1972 - May.....	13,399.3	5,939.2	3,148.8	7,460.0	4,311.2	85.6	200.8	89.8	58.8	46.9
June.....	13,280.6	5,780.8	3,096.4	7,499.7	4,403.4	84.8	199.9	88.1	58.7	47.6
July.....	12,994.0	5,633.0	2,996.3	7,361.0	4,364.7	82.4	194.4	84.2	57.2	46.9
Aug.....	13,969.4	6,151.8	3,233.0	7,817.6	4,584.6	87.6	206.9	90.2	60.2	48.8
Sept.....	14,022.7	6,285.1	3,191.0	7,747.6	4,546.5	88.7	214.9	89.8	60.1	48.8
Oct.....	13,896.7	6,148.6	3,225.8	7,748.1	4,522.3	86.7	208.3	89.2	59.2	47.8
Nov.....	15,154.7	6,979.3	3,411.9	8,175.4	4,763.5	93.5	229.2	93.9	62.1	50.0
Dec.....	14,783.6	6,604.8	3,495.4	8,178.7	4,683.4	90.7	215.7	95.6	61.8	48.9
1973 - Jan.....	15,472.8	6,855.4	3,653.7	8,617.4	4,963.7	94.0	224.0	98.5	64.3	51.2
Feb.....	16,049.0	7,227.0	3,788.3	8,821.9	5,033.7	97.8	238.0	102.6	65.9	51.9
Mar.....	15,932.1	6,844.8	3,856.6	9,087.3	5,230.7	96.9	238.3	104.0	67.6	53.7
Apr.....	16,000.3	6,297.5	3,873.7	9,072.8	5,199.1	95.9	238.9	102.3	66.4	52.7
May.....	16,433.4	7,177.0	3,907.8	9,256.5	5,348.7	97.7	235.1	103.4	67.2	53.5

<sup>1</sup> Excludes interbank and U.S. Govt. demand deposit accounts.  
<sup>2</sup> 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 <sup>1</sup>	Coin and small denomination currency							Large denomination currency						
		Total	Coin	\$1 <sup>2</sup>	\$2	\$5	\$10	\$20	Total	\$50	\$100	\$500	\$1,000	\$5,000	\$10,000
1939.....	7,598	5,583	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	9,301	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	2,346	6,691	10,536	9,348	2,815	5,954	249	316	3	10
1961.....	33,918	24,388	2,582	1,588	92	2,311	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	11,195	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- May.....	61,702	42,056	6,969	2,434	135	3,170	9,243	20,204	19,647	5,325	13,785	198	232	2	4
June.....	62,201	42,399	7,016	2,328	135	3,178	9,295	20,446	19,803	5,446	13,923	197	230	2	4
July.....	62,435	42,449	7,052	2,326	135	3,155	9,231	20,550	19,986	5,502	14,052	196	229	2	4
Aug.....	62,744	42,520	7,095	2,333	135	3,152	9,211	20,594	20,224	5,565	14,228	196	229	2	4
Sept.....	62,599	42,341	7,116	2,329	135	3,139	9,146	20,477	20,258	5,492	14,336	195	228	2	4
Oct.....	63,586	43,085	7,172	2,378	135	3,209	9,334	20,857	20,500	5,570	14,503	194	226	2	4
Nov.....	65,137	44,208	7,237	2,437	135	3,305	9,602	21,491	20,928	5,714	14,789	194	225	2	4
Dec.....	66,516	45,105	7,287	2,523	135	3,449	9,827	21,883	21,411	5,868	15,118	193	225	2	4
1973- Jan.....	64,312	43,133	7,274	2,380	135	3,218	9,243	20,883	21,179	5,742	15,013	192	224	2	4
Feb.....	64,696	43,431	7,290	2,370	135	3,213	9,330	21,091	21,266	5,755	15,089	192	224	2	4
Mar.....	65,180	43,699	7,320	2,368	135	3,209	9,352	21,314	21,482	5,787	15,274	191	223	2	4
Apr.....	66,094	44,313	7,382	2,406	135	3,234	9,447	21,707	21,781	5,887	15,476	190	222	2	4
May.....	67,161	45,074	7,446	2,439	135	3,302	9,613	22,138	22,088	5,974	15,697	189	221	2	4

<sup>1</sup> 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.

<sup>2</sup> 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, May 31, 1973	Held in the Treasury			Currency in circulation <sup>1</sup>		
		As security against gold certificates	Treasury cash	For F.R. Banks and Agents	1973		1972 May 31
					May 31	Apr. 30	
Gold.....	10,410	(10,303)	107	.....	.....	.....	.....
Gold certificates.....	(10,303)	.....	210,302	.....	.....	.....	.....
Federal Reserve notes.....	62,789	.....	150	3,534	59,106	58,102	54,120
Treasury currency Total.....	8,498	.....	138	305	8,056	7,991	7,582
Dollars.....	767	.....	29	38	700	693	626
Fractional Coin.....	7,119	.....	106	267	6,746	6,689	6,343
United States notes.....	323	.....	2	.....	320	319	320
In process of retirement.....	290	.....	.....	.....	289	290	293
Total May 31, 1973.....	81,698	(10,303)	394	10,302	3,841	67,161	.....
Apr. 30, 1973.....	81,196	(10,303)	415	10,302	4,385	66,094	.....
May 31, 1972.....	476,006	(10,303)	388	10,302	3,644	.....	61,702

<sup>1</sup> 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.

<sup>2</sup> Consists of credits payable in gold certificates, the Gold Certificate Fund - Board of Governors, FRS.

<sup>3</sup> Redeemable from the general fund of the Treasury.

<sup>4</sup> 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 <sub>1</sub>	M <sub>2</sub>	M <sub>3</sub>	M <sub>1</sub>	M <sub>2</sub>	M <sub>3</sub>
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—June.....	245.1	499.3	775.0	243.2	498.8	775.6
July.....	247.7	504.5	784.0	246.6	503.6	784.3
Aug.....	248.6	508.4	791.6	245.5	505.1	788.3
Sept.....	250.1	512.1	799.0	248.7	510.4	796.9
Oct.....	251.6	516.4	807.0	251.2	515.2	805.2
Nov.....	252.7	519.8	813.6	254.3	518.7	811.2
Dec.....	255.5	525.1	822.0	262.9	530.3	826.5
1973—Jan.....	255.4	527.9	828.7	262.6	534.1	834.6
Feb.....	256.7	530.5	834.9	254.0	527.8	831.6
Mar.....	256.6	532.6	839.7	254.1	531.4	838.8
Apr.....	258.2	536.2	845.5	259.5	539.5	849.8
May.....	260.5	540.6	851.9	256.0	538.2	850.2
June.....	263.3	545.2	859.1	261.3	544.6	859.6
Week ending -						
June 6.....	263.2	544.8	.....	260.3	543.9	.....
13.....	263.2	545.1	.....	261.8	545.6	.....
20.....	263.9	545.8	.....	262.7	546.0	.....
27.....	262.6	544.4	.....	259.2	541.7	.....
July 4.....	263.5	546.4	.....	262.8	546.7	.....

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

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

M<sub>2</sub>: Averages of daily figures for M<sub>1</sub> plus savings deposits, time de-

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

M<sub>3</sub>: M<sub>2</sub> 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 <sup>3</sup>
	Currency	Commercial banks			Non-bank thrift institutions <sup>2</sup>	Currency	Commercial banks			Non-bank thrift institutions <sup>2</sup>			
		Demand deposits	Time and savings deposits				Demand deposits	Time and savings deposits					
			CD's <sup>1</sup>	Other				Total	CD's <sup>1</sup>		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—June.....	54.4	190.7	37.5	254.2	291.7	275.7	54.4	188.8	35.8	255.6	291.4	276.8	6.9
July.....	54.6	193.1	38.3	256.8	295.0	279.6	55.1	191.5	37.0	257.0	294.0	280.6	7.3
Aug.....	54.8	193.8	39.1	259.8	298.9	283.2	55.1	190.5	39.9	259.6	299.5	283.2	5.3
Sept.....	55.3	194.8	39.8	262.0	301.9	286.9	55.2	193.5	41.0	261.7	302.7	286.5	5.9
Oct.....	55.7	195.9	40.0	264.8	304.8	290.6	55.7	195.5	41.9	264.0	305.9	290.0	6.6
Nov.....	56.2	196.5	41.2	267.1	308.4	293.8	56.7	197.7	43.3	264.4	307.7	292.5	6.2
Dec.....	56.8	198.7	43.2	269.6	312.8	296.9	57.8	205.0	44.3	267.5	311.7	296.1	7.3
1973—Jan.....	57.0	198.4	44.4	272.5	316.9	300.8	56.7	205.9	45.1	271.5	316.6	300.5	8.0
Feb.....	57.5	199.3	48.8	273.8	322.6	304.4	56.7	197.3	48.6	273.8	322.5	303.8	9.6
Mar.....	57.9	198.7	54.9	276.0	330.9	307.0	57.3	196.7	54.0	277.3	331.4	307.4	10.1
Apr.....	58.7	199.5	58.7	278.0	336.7	309.4	58.2	201.3	56.1	280.0	336.1	310.3	8.2
May.....	59.0	201.6	61.7	280.1	341.8	311.3	58.7	197.3	58.8	282.2	340.9	312.0	8.4
June.....	59.4	203.9	62.0	281.9	344.0	313.8	59.4	201.9	59.3	283.3	342.6	315.0	6.9
Week ending -													
June 6.....	59.3	203.9	61.3	281.6	342.9	.....	59.4	200.9	59.3	283.6	342.9	.....	5.0
13.....	59.4	203.8	61.9	281.9	343.8	.....	59.7	202.1	59.7	283.7	343.4	.....	3.3
20.....	59.4	204.5	61.6	281.9	343.5	.....	59.5	203.2	58.5	283.3	341.8	.....	8.2
27.....	59.2	203.5	62.6	281.8	344.4	.....	58.9	200.3	59.5	282.6	342.1	.....	9.4
July 4.....	59.5	204.0	63.5	282.9	346.4	.....	59.9	202.9	60.2	283.9	344.0	.....	9.7

<sup>1</sup> Negotiable time certificates of deposit issued in denominations of \$100,000 or more by large weekly reporting commercial banks.  
<sup>2</sup> Average of the beginning and end-of-month figures for deposits of mutual savings banks and savings capital at savings and loan associations.

<sup>3</sup> At all commercial banks.

See also Note above.

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

Period	Member bank reserves, S.A. <sup>1</sup>				Deposits subject to reserve requirements <sup>3</sup>								Total member bank deposits plus nondeposit items <sup>4</sup>	
	Total	Non-borrowed	Re-quired	Avail-able <sup>2</sup>	S.A.				N.S.A.					
					Total	Time and savings	Demand		Total	Time and savings	Demand			
						Private	U.S. Govt.			Private	U.S. Govt.	S.A.	N.S.A.	
1969—Dec. . . . .	27.96	26.70	27.73	25.34	287.7	150.4	131.9	5.3	291.2	149.7	136.9	4.6	307.7	311.1
1970—Dec. . . . .	29.12	28.73	28.91	26.98	321.3	178.8	136.0	6.5	325.2	178.1	141.1	6.0	332.9	336.8
1971—Dec. . . . .	31.21	31.06	31.06	28.91	360.3	210.4	143.8	6.1	364.6	209.7	149.2	5.7	364.3	368.7
1972—June . . . . .	33.03	32.94	32.81	30.14	381.3	225.6	149.5	6.2	378.6	225.2	147.8	5.7	385.1	382.4
July . . . . .	33.17	33.02	32.99	30.32	384.4	228.1	151.1	5.2	383.2	227.1	150.1	6.1	388.3	387.1
Aug. . . . .	33.38	33.04	33.21	30.56	387.3	230.8	152.0	4.5	384.5	231.3	149.0	4.3	391.4	388.7
Sept. . . . .	33.33	32.87	33.14	30.89	390.4	233.0	152.4	5.1	389.6	233.8	150.9	4.9	394.5	393.8
Oct. . . . .	33.83	33.30	33.60	30.97	394.1	235.1	152.7	6.3	394.1	236.2	152.5	5.4	398.4	398.4
Nov. . . . .	31.88	31.30	31.54	29.50	397.6	237.9	152.8	6.9	396.4	237.6	153.7	5.1	401.9	400.7
Dec. . . . .	31.31	30.06	31.07	28.86	402.0	241.2	154.3	6.5	406.8	240.7	160.1	6.1	406.4	411.2
1973—Jan. . . . .	32.24	30.85	31.98	29.41	404.7	243.7	153.9	7.1	410.4	243.8	160.0	6.6	409.2	414.9
Feb. . . . .	31.65	29.79	31.44	29.30	410.2	248.5	154.5	7.2	409.0	248.5	152.4	8.1	414.8	413.5
Mar. . . . .	32.00	29.53	31.77	29.62	416.7	256.0	153.2	7.5	416.3	256.2	151.6	8.5	421.6	421.2
Apr. . . . .	32.33	30.17	32.08	29.86	421.1	261.8	153.4	5.8	422.3	260.5	154.9	6.9	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 . . . . .	32.49	31.01	32.02	30.53	428.9	267.3	156.5	5.1	426.3	265.8	154.9	5.6	434.5	432.0

<sup>1</sup> 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.

<sup>2</sup> 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.

<sup>3</sup> 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.

<sup>4</sup> 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					
	Loans			Securities			Loans			Securities		
	Total <sup>1</sup>	Plus loans sold <sup>2</sup>	Commercial and industrial	U.S. Treasury	Other <sup>3</sup>	Total <sup>1</sup>	Plus loans sold <sup>2</sup>	Commercial and industrial	U.S. Treasury	Other <sup>3</sup>		
1968—Dec. 31 . . . . .	390.6	258.2	95.9	61.0	71.4	400.4	264.4	98.4	64.5	71.5		
1969—Dec. 31 . . . . .	402.1	279.4	105.7	51.5	71.2	412.1	286.1	111.0	54.7	71.3		
1970—Dec. 31 . . . . .	435.9	292.0	109.6	58.0	85.9	446.8	299.0	114.6	61.7	86.1		
1971—Dec. 31 . . . . .	485.7	320.6	117.1	60.7	104.5	497.9	328.3	120.1	64.9	104.7		
1972—June 30 . . . . .	517.5	343.7	120.7	63.2	110.6	521.6	349.8	123.2	60.3	111.5		
July 26 . . . . .	521.3	347.8	121.5	62.3	111.3	521.4	350.3	123.7	59.6	111.5		
Aug. 30 . . . . .	529.1	355.3	123.9	61.4	112.5	525.8	353.7	123.2	59.3	112.8		
Sept. 27 . . . . .	535.6	360.1	124.6	62.0	113.5	535.0	360.7	125.7	60.3	114.0		
Oct. 25 . . . . .	540.5	366.9	126.7	59.9	113.6	540.3	365.2	125.8	60.9	114.2		
Nov. 29 . . . . .	549.8	373.6	128.2	60.6	115.6	549.9	371.8	129.2	63.2	114.9		
Dec. 31 . . . . .	557.5	378.2	129.3	62.4	116.9	571.4	387.3	134.4	67.0	117.1		
1973—Jan. 31 . . . . .	564.6	385.5	133.2	61.9	117.1	564.9	383.3	133.7	65.4	116.2		
Feb. 28 . . . . .	573.7	396.2	138.1	60.2	117.2	569.7	392.0	138.7	61.3	116.4		
Mar. 28 . . . . .	582.6	404.9	141.8	60.6	117.2	578.3	400.6	141.7	60.7	117.0		
Apr. 25 . . . . .	585.3	408.0	144.1	60.6	116.6	584.1	406.8	146.8	59.8	117.5		
May 30 . . . . .	596.4	418.1	147.2	59.6	118.7	590.8	414.7	148.9	57.6	118.5		
June 30 . . . . .	596.6	417.8	148.9	60.8	118.0	601.3	425.3	151.9	57.1	118.9		

<sup>1</sup> Adjusted to exclude domestic commercial interbank loans. See also note 3.

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

<sup>3</sup> Beginning June 30, 1971, Farmers Home Administration insured notes totaling approximately \$700 million are included in "Other securities" rather than in "Loans."

<sup>4</sup> 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.

<sup>5</sup> Beginning June 30, 1972, commercial and industrial loans were reduced by about \$400 million as a result of loan reclassifications at one large bank.

NOTE: Total loans and investments: For monthly data, 1959-70, see Dec. 1971 BULLETIN, pp. 974-75, and for 1948-58, Aug. 1968 BULLETIN, pp. A-94-A-97. For a description of the current seasonally adjusted series see the Dec. 1971 BULLETIN, pp. 971-73. Commercial and industrial loans: For monthly data, 1959-71, see July 1972 BULLETIN, p. A-109; for description see July 1972 BULLETIN, p. 683. Data are for last Wednesday of month except for June 30 and Dec. 31; data are partly or wholly estimated except when June 30 and Dec. 31 are call dates.

PRINCIPAL ASSETS AND LIABILITIES AND NUMBER, BY CLASS OF BANK

(Amounts in millions of dollars)

Class of bank and date	Loans and investments					Total assets—Total liabilities and capital accounts <sup>4</sup>	Total <sup>3</sup>	Deposits					Borrowings	Total capital accounts	Number of banks
	Total	Loans <sup>1</sup>	Securities		Cash assets <sup>2</sup>			Interbank <sup>3</sup>	Demand		Other <sup>5</sup>	Time			
			U.S. Treasury	Other <sup>2</sup>					U.S. Govt.	Other					
<b>All commercial banks:</b>															
1941—Dec. 31...	50,746	21,714	21,808	7,225	26,551	79,104	71,283	10,982	44,349	15,952	23	7,173	14,278		
1945—Dec. 31...	124,019	26,083	90,606	7,331	34,806	150,227	150,227	12,065	105,921	30,241	219	8,950	14,011		
1947—Dec. 31...	116,284	38,057	69,221	9,006	37,502	160,317	144,103	17,792	1,343	35,360	65	10,059	14,181		
1966—Dec. 31...	322,661	217,726	56,163	48,772	69,119	403,368	352,287	19,770	967	158,806	4,859	32,054	13,767		
1967—Dec. 31...	359,903	235,954	62,473	61,477	77,928	451,012	395,008	21,883	1,314	184,066	5,777	34,384	13,722		
1968—Dec. 31...	401,262	265,259	64,466	71,537	83,752	500,657	434,023	24,747	1,211	199,901	8,899	37,006	13,679		
1969—Dec. 31...	421,597	295,547	54,709	71,341	89,984	530,665	435,577	27,174	735	208,870	18,360	39,978	13,661		
1970—Dec. 31...	461,194	313,334	61,742	86,118	93,643	576,242	480,940	30,608	1,975	231,084	19,375	42,958	13,686		
1971—Dec. 31...	516,564	346,930	64,930	104,704	99,832	640,255	537,946	32,205	2,908	272,289	25,912	47,211	13,783		
1972—June 30...	542,689	370,910	60,258	111,521	99,477	667,126	552,544	28,782	3,114	219,050	29,251	50,117	13,875		
July 26...	542,940	371,820	59,580	111,540	91,610	660,300	544,860	27,210	3,260	211,100	34,440	49,380	13,877		
Aug. 30...	547,880	375,780	59,300	112,800	91,830	665,870	546,720	27,090	3,350	211,020	36,070	49,820	13,898		
Sept. 27...	556,380	382,100	60,290	113,900	91,660	674,780	556,490	26,880	3,890	213,070	33,530	50,140	13,910		
Oct. 25...	561,280	386,190	60,930	114,160	102,830	691,880	567,620	29,040	3,760	221,440	39,680	50,700	13,911		
Nov. 29...	574,230	396,160	63,210	114,860	91,460	694,050	572,160	27,060	3,920	224,990	38,350	51,160	13,924		
Dec. 31...	598,808	414,696	67,028	117,084	113,128	739,033	616,037	33,854	4,194	252,223	34,891	52,658	13,927		
1973—Jan. 31...	590,220	408,590	65,410	116,220	96,560	715,670	588,860	29,250	3,890	227,580	317,750	42,730	52,280	13,939	
Feb. 28...	597,890	420,210	61,330	116,350	99,610	727,520	596,440	29,510	4,170	226,290	325,120	45,330	52,670	13,952	
Mar. 28...	605,040	427,320	60,730	116,900	91,210	726,010	593,590	25,900	4,530	218,980	332,830	45,500	53,160	13,974	
Apr. 25...	612,020	434,750	59,810	117,460	91,880	734,480	600,420	26,140	4,880	210,850	335,170	45,920	53,440	13,998	
May 30...	616,760	440,630	57,630	118,500	95,790	744,140	606,720	27,670	5,250	226,800	341,240	47,480	53,850	14,018	
June 27...	623,480	447,880	56,900	118,700	90,970	746,370	606,700	26,570	5,490	223,730	340,820	48,810	54,250	14,018	
<b>Members of F.R. System:</b>															
1941—Dec. 31...	43,521	18,021	19,539	5,961	23,113	68,121	61,717	10,385	140	1,709	37,136	12,347	4	5,886	6,619
1945—Dec. 31...	107,183	22,775	78,338	6,070	29,845	138,304	129,670	13,576	64	22,179	69,640	24,210	208	7,589	6,884
1947—Dec. 31...	97,846	32,628	57,914	7,304	32,845	132,060	122,528	12,353	50	1,176	80,609	28,340	54	8,464	6,923
1966—Dec. 31...	263,687	182,802	41,924	38,960	60,738	334,559	291,063	18,788	794	4,432	138,218	128,831	4,618	26,278	6,150
1967—Dec. 31...	293,120	196,849	46,956	49,315	68,946	373,584	326,033	20,811	1,169	4,631	151,980	147,442	5,370	28,096	6,071
1968—Dec. 31...	325,086	220,285	47,881	56,920	73,756	412,541	355,414	23,519	1,061	4,309	163,920	162,605	8,458	30,068	5,978
1969—Dec. 31...	336,738	242,119	39,833	54,785	79,034	432,270	349,883	25,841	609	4,114	169,750	149,569	17,395	32,047	5,869
1970—Dec. 31...	365,940	253,936	45,399	66,604	81,500	465,644	384,596	29,142	1,733	6,460	168,032	179,229	18,578	34,100	5,766
1971—Dec. 31...	405,087	277,717	47,633	79,738	86,189	511,353	425,380	30,612	2,549	8,427	174,385	209,406	25,046	37,279	5,727
1972—June 30...	422,356	294,730	43,708	83,918	86,430	529,645	433,574	27,311	2,717	7,630	172,419	223,498	31,752	39,358	5,714
July 26...	422,079	295,250	42,932	83,897	79,081	522,579	426,141	25,825	2,867	6,954	165,390	225,105	32,845	38,896	5,705
Aug. 30...	425,369	297,828	42,727	84,814	79,058	526,089	426,716	25,742	2,954	2,966	164,851	230,203	34,409	39,226	5,702
Sept. 27...	432,150	303,049	43,506	85,595	78,504	532,741	434,554	25,502	3,495	8,033	166,353	231,171	31,962	39,437	5,703
Oct. 25...	435,460	305,996	43,691	85,773	88,220	546,642	442,792	27,528	3,360	6,172	172,615	233,117	37,857	39,824	5,699
Nov. 29...	446,621	314,463	45,799	86,359	78,554	548,333	446,441	25,759	3,520	6,463	175,739	234,960	36,480	40,219	5,701
Dec. 31...	465,788	329,548	48,715	87,524	96,566	585,125	482,124	31,958	3,561	9,024	197,817	239,763	36,357	41,228	5,704
1973—Jan. 31...	458,760	324,637	47,333	86,790	82,499	565,071	458,943	27,757	3,260	8,461	177,677	241,788	40,256	40,994	5,690
Feb. 28...	465,065	334,609	43,698	86,758	85,264	575,222	465,395	28,037	3,537	9,364	176,525	247,932	42,912	41,309	5,688
Mar. 28...	471,067	340,667	43,259	87,141	77,728	573,531	463,004	24,488	3,895	9,407	170,560	254,654	42,649	41,578	5,683
Apr. 25...	476,739	346,865	42,517	87,357	78,219	580,412	468,385	24,744	4,242	9,167	173,671	256,561	43,076	41,806	5,695
May 30...	480,394	351,223	41,030	88,141	81,169	587,722	473,623	26,139	4,621	4,511	176,766	261,586	44,214	42,096	5,703
June 27...	485,924	357,015	40,595	88,314	77,032	589,402	473,051	25,136	4,854	8,075	173,886	261,100	45,624	42,418	5,703
<b>Large member banks: New York City: *9, 10</b>															
1941—Dec. 31...	12,896	4,072	7,265	1,559	6,637	19,862	17,932	4,202	6	866	12,051	807	1,648	36	
1945—Dec. 31...	26,143	7,334	17,574	1,235	6,439	32,887	30,121	4,640	17	6,940	17,287	1,236	195	2,120	
1947—Dec. 31...	20,393	7,179	11,972	1,242	7,261	27,982	25,216	4,453	12	267	19,040	1,445	30	2,259	
1966—Dec. 31...	46,536	35,941	4,920	5,674	14,869	64,424	51,837	6,370	467	1,016	26,535	17,449	1,874	5,298	
1967—Dec. 31...	52,141	39,059	6,027	7,055	18,797	74,609	60,407	7,238	741	1,084	31,282	20,062	1,880	5,715	
1968—Dec. 31...	57,047	42,968	5,984	8,094	19,948	81,364	63,900	8,964	622	888	33,351	20,076	2,733	6,137	
1969—Dec. 31...	60,333	48,305	5,048	6,980	22,349	87,535	62,381	10,349	268	694	36,126	14,944	4,405	6,301	
1970—Dec. 31...	62,347	47,161	6,009	9,177	21,715	89,384	67,186	12,508	956	1,039	32,235	20,448	4,500	6,486	
1971—Dec. 31...	63,342	48,714	5,597	9,031	22,663	91,461	71,723	13,825	1,186	1,513	30,943	24,256	5,195	7,285	
1972—June 30...	66,597	51,637	5,338	9,623	22,535	94,377	72,432	12,933	1,175	1,038	30,637	26,649	7,314	7,650	
July 26...	66,331	51,408	4,954	9,969	19,517	91,247	69,508	11,580	1,312	1,170	28,396	27,050	7,431	7,612	
Aug. 30...	67,353	52,031	5,158	10,164	19,152	92,066	69,330	11,679	1,345	288	27,497	28,521	8,188	7,736	
Sept. 27...	68,924	53,166	5,368	10,390	17,864	70,323	70,323	11,414	1,591	1,454	27,718	28,146	6,861	7,714	
Oct. 25...	69,136	53,835	5,045	10,256	21,261	76,657	72,568	12,386	1,530	1,097	29,046	28,509	9,170	7,756	
Nov. 29...	71,707	55,533	5,712	10,462	21,556	78,990	74,550	12,639	1,752	1,032	30,710	28,417	9,335	7,744	
Dec. 31...	75,034	58,713	5,696	10,625	26,416	107,603	82,446	15,094	1,833	1,418	35,373	28,728	9,502	8,042	
1973—Jan. 31...	73,744	58,304	5,439	10,001	23,203	102,923	77,213	13,919	1,574	1,257	31,292	29,171	10,142	8,074	
Feb. 28...	75,727	61,629	4,463	9,635	23,059	105,571	79,567	14,040	1,708	1,506	30,533	31,780	10,321	8,142	
Mar. 28...	76,368	62,584	4,498	9,286	20,133	103,402	77,435	11,744							

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

(Amounts in millions of dollars)

Class of bank and date	Loans and investments							Deposits					Total capital accounts	Number of banks
	Total	Securities		Cash assets <sup>3</sup>	Total assets		Interbank <sup>2</sup>		Other			Borrowings		
		Loans <sup>1</sup>	U.S. Treasury		Other <sup>2</sup>	Total <sup>3</sup>	Liabilities and capital accounts <sup>4</sup>	Total <sup>3</sup>	Demand	U.S. Govt. <sup>1</sup>	Other			
<b>Large member banks (cont.):</b>														
<b>City of Chicago: 8, 9</b>														
1941—Dec. 31	2,760	954	1,430	376	1,566	4,363	4,057	1,035	127	2,419	476	288	13	
1945—Dec. 31	5,931	1,333	4,213	385	1,489	7,459	7,046	1,312	1,552	3,463	719	372	12	
1947—Dec. 31	5,088	1,801	2,890	397	1,739	6,866	6,402	1,217	72	4,201	913	426	14	
1966—Dec. 31	11,802	8,756	1,545	1,502	2,638	14,935	12,673	1,433	25	310	6,008	4,898	484	11
1967—Dec. 31	12,744	9,223	1,574	1,947	2,947	16,296	13,985	1,434	21	267	6,250	6,013	383	10
1968—Dec. 31	14,274	10,286	1,863	2,125	3,008	18,099	14,526	1,535	21	257	6,542	6,171	682	9
1969—Dec. 31	14,365	10,771	1,564	2,030	2,802	17,927	13,264	1,677	15	175	6,770	6,226	1,390	9
1970—Dec. 31	15,745	11,214	2,105	2,427	3,074	19,892	15,041	1,930	49	282	6,663	6,117	1,851	9
1971—Dec. 31	17,133	12,288	1,782	3,067	3,011	21,214	16,651	1,693	168	364	6,896	7,530	1,935	9
1972—June 30	18,541	13,782	1,662	3,096	2,946	22,562	16,912	1,331	139	261	6,603	8,579	2,639	9
July 26	18,582	14,130	1,398	3,054	3,070	22,727	16,695	1,447	194	310	6,157	8,587	3,187	9
Aug. 30	19,200	14,701	1,455	3,044	2,880	23,128	17,147	1,487	196	378	6,226	9,170	2,985	9
Sept. 27	19,270	14,582	1,545	3,143	3,135	23,479	17,812	1,406	224	374	6,435	9,373	2,768	9
Oct. 25	19,530	15,021	1,435	3,074	3,119	23,714	17,738	1,455	196	192	6,264	9,631	2,945	9
Nov. 29	20,370	15,379	1,597	3,394	2,659	24,042	18,021	1,262	217	213	6,565	9,764	3,137	9
Dec. 31	21,362	16,294	1,873	3,195	3,580	26,009	19,851	1,615	160	509	7,387	10,179	3,008	9
1973—Jan. 31	21,026	16,371	1,562	3,093	2,939	25,035	18,709	1,364	247	358	6,605	10,135	3,276	9
Feb. 28	21,983	17,544	1,384	3,055	3,513	26,575	19,429	1,433	234	442	6,778	10,552	4,075	9
Mar. 28	22,660	17,980	1,470	3,210	3,092	26,821	19,854	1,326	266	461	6,439	11,362	3,910	9
Apr. 25	23,800	18,253	1,414	3,133	3,277	27,170	20,020	1,304	333	426	6,649	11,318	3,971	9
May 30	23,777	18,956	1,564	3,257	3,209	28,134	21,088	1,501	411	154	6,882	12,140	3,954	9
June 27	24,410	19,629	1,462	3,319	3,332	28,920	21,270	1,371	436	314	6,899	12,250	4,432	9
<b>Other large member: 8, 9</b>														
1941—Dec. 31	15,347	7,105	6,467	1,776	8,518	24,430	22,313	4,356	104	491	12,557	4,806	1,967	351
1945—Dec. 31	40,108	8,514	29,552	2,042	11,286	51,898	49,085	6,418	30	8,221	24,625	9,760	2	359
1947—Dec. 31	36,040	13,449	20,196	2,396	13,066	49,659	46,467	5,627	22	405	28,990	11,423	1	353
1966—Dec. 31	95,831	69,464	13,040	13,326	24,228	123,863	108,804	8,593	233	1,633	49,004	49,341	1,952	169
1967—Dec. 31	105,724	73,571	14,667	17,487	26,867	136,626	120,485	9,374	310	1,715	53,288	55,798	2,555	163
1968—Dec. 31	119,006	83,634	15,036	20,337	28,136	151,957	132,305	10,181	307	1,884	57,449	62,484	4,239	161
1969—Dec. 31	121,324	90,896	11,944	18,484	29,954	157,512	130,232	10,663	242	1,575	58,223	54,829	9,881	161
1970—Dec. 31	133,718	96,158	14,700	22,860	31,263	171,733	140,518	11,317	592	2,547	59,328	66,734	10,391	156
1971—Dec. 31	149,401	106,361	15,912	27,129	33,732	190,880	155,226	11,241	933	3,557	62,474	77,020	14,799	156
1972—June 30	155,085	113,211	14,141	27,731	33,806	197,155	156,880	9,645	1,008	3,527	61,701	80,970	17,592	157
July 26	154,528	113,172	13,873	27,483	30,738	193,595	153,678	9,593	1,098	2,868	58,980	81,139	17,626	157
Aug. 30	153,957	112,638	13,501	27,818	31,452	193,595	152,570	9,458	1,150	1,015	58,564	82,338	18,450	156
Sept. 27	156,822	115,532	13,692	27,778	31,640	196,672	156,023	9,509	1,285	3,512	58,956	87,261	17,816	157
Oct. 25	157,630	115,642	13,699	28,289	35,635	201,551	158,214	10,202	1,239	2,374	61,147	83,252	20,510	156
Nov. 29	163,011	119,961	14,734	28,316	29,350	200,829	159,305	8,844	1,156	2,828	62,229	84,248	18,629	156
Dec. 31	171,549	126,661	16,316	28,572	36,729	217,700	173,913	11,133	1,173	3,860	71,376	86,372	19,392	156
1973—Jan. 31	168,522	123,907	15,844	28,771	30,426	207,904	163,418	9,239	1,044	3,470	63,011	86,654	21,086	156
Feb. 28	169,752	126,901	13,957	28,894	32,397	211,296	165,050	9,365	1,210	3,942	62,627	87,906	22,434	156
Mar. 28	172,681	129,991	13,615	29,075	29,634	211,358	165,250	8,355	1,283	3,761	60,676	91,175	22,182	156
Apr. 25	175,754	133,533	13,414	29,087	30,111	215,262	168,360	8,470	1,285	4,069	61,487	93,049	22,606	156
May 30	175,455	133,519	12,547	29,389	31,779	217,001	170,123	9,540	1,324	1,653	62,744	94,862	22,183	156
June 27	177,378	135,447	12,698	29,233	29,442	216,615	169,576	8,545	1,351	3,062	61,972	94,636	22,199	156
<b>All other member: 8, 9, 10</b>														
1941—Dec. 31	12,518	5,890	4,377	2,250	6,402	19,466	17,415	792	30	225	10,109	6,258	4	6,219
1945—Dec. 31	35,002	5,596	26,999	2,408	10,632	46,089	43,418	1,207	17	5,465	24,235	12,494	11	5,476
1947—Dec. 31	36,324	10,199	22,857	3,268	10,778	47,553	44,443	1,056	17	432	28,378	14,560	23	6,519
1966—Dec. 31	109,518	68,641	22,419	18,458	19,004	131,338	117,749	2,392	69	1,474	56,672	57,144	308	5,958
1967—Dec. 31	122,511	74,995	24,689	22,826	20,334	146,052	131,156	2,760	96	1,564	61,161	65,569	552	5,886
1968—Dec. 31	134,759	83,197	24,998	26,364	22,664	161,122	144,682	2,839	111	1,561	61,578	73,873	804	5,796
1969—Dec. 31	140,715	92,147	21,278	27,291	23,928	169,078	148,007	3,152	84	1,671	67,930	75,170	1,820	5,691
1970—Dec. 31	154,130	99,404	22,586	32,140	25,448	184,635	161,850	3,387	135	2,592	69,806	85,930	1,836	5,589
1971—Dec. 31	175,211	110,357	24,343	40,511	26,783	207,798	181,780	3,853	263	2,993	74,072	100,600	3,118	5,550
1972—June 30	182,133	116,098	22,568	43,467	27,142	215,551	187,380	3,401	395	2,804	73,479	107,300	4,208	5,535
July 26	182,638	116,540	22,707	43,391	25,756	215,010	186,260	3,205	263	2,606	71,857	108,329	4,601	5,526
Aug. 30	184,859	118,458	22,613	43,788	25,574	217,303	187,669	3,118	263	1,595	72,364	110,139	4,786	5,524
Sept. 27	187,134	119,949	22,901	44,284	25,865	220,106	190,396	3,173	395	2,693	73,244	110,891	4,517	5,524
Oct. 25	189,164	121,498	23,512	44,154	28,205	224,720	194,272	3,485	395	2,509	76,158	111,725	5,242	5,521
Nov. 29	191,533	123,590	23,756	44,187	24,989	227,472	194,565	3,014	395	2,300	76,235	112,531	5,379	5,521
Dec. 31	197,843	127,881	24,830	45,132	29,841	234,342	205,914	4,116	395	3,238	83,681	114,483	4,455	5,526
1973—Jan. 31	195,468	126,055	24,488	44,925	25,931	229,209	199,603	3,235	395	3,376	76,769	115,828	5,752	5,512
Feb. 28	197,603	128,535	23,894	45,174	26,295	231,780	201,349	3,199	395	3,474	76,587	117,694	6,082	5,510
Mar. 28	199,358	130,112	23,676	45,570	24,869	234,450	200,465	3,063	395	3,396	74,413	119,198	6,619	5,505
Apr. 25	201,351	131,964	23,435	45,952	25,121	237,958	202,710	3,035	395	2,940	76,477	119,863	6,608	5,517
May 30	203,084	134,243	22,495	46,346	26,594	238,037	204,432	3,318	395	3,183	77,105	121,431	7,581	5,525
June 27	204,909	136,429	22,092	46,388	25,473	238,796	205,260	3,116	395	3,525	76,679	121,545	7,407	5,525

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

(Amounts in millions of dollars)

Classification by FRS membership and FDIC insurance	Loans and investments					Total assets—Total liabilities and capital accounts <sup>4</sup>	Total <sup>3</sup>	Deposits					Borrowings	Total capital accounts	Number of banks	
	Total	Securities			Cash assets <sup>3</sup>			Interbank <sup>3</sup>	Other		Borrowings	Total capital accounts				Number of banks
		Loans <sup>1</sup>	U.S. Treasury	Other <sup>2</sup>					Demand	Time						
								U.S. Govt.	Other							
<b>Insured banks:</b>																
<b>Total:</b>																
1941—Dec. 31..	49,290	21,259	21,046	6,984	25,788	76,820	69,411	10,654	1,762	41,298	15,699	10	6,844	13,426		
1945—Dec. 31..	121,809	25,765	88,912	7,131	34,292	157,544	147,775	13,883	23,740	80,276	29,876	215	8,671	13,297		
1947—Dec. 31..	114,274	37,583	67,941	8,750	36,926	152,733	141,851	12,615	1,325	92,975	34,882	61	9,734	13,398		
1963—Dec. 20..	252,579	155,261	62,723	34,594	50,337	310,730	273,657	15,077	443	6,712	140,702	110,723	3,571	25,277		
1964—Dec. 31..	275,053	174,234	62,499	38,320	59,911	343,876	305,113	17,664	733	6,487	154,043	126,185	2,580	27,377		
1965—Dec. 31..	303,593	200,109	59,120	44,364	60,327	374,051	330,323	18,149	923	5,508	159,659	146,084	4,325	29,827		
1966—Dec. 31..	321,473	217,379	55,788	48,307	68,515	401,409	351,438	19,497	881	4,975	166,689	159,396	4,717	31,609		
1967—Dec. 30..	358,536	235,502	62,094	60,941	77,348	448,878	394,118	21,598	1,258	5,219	182,984	183,060	5,531	33,916		
1968—Dec. 31..	399,566	264,600	64,028	70,938	83,061	498,071	432,719	24,427	1,155	5,000	198,535	203,602	8,675	36,520		
1969—June 30..	408,620	283,199	53,723	71,697	87,311	513,960	432,957	24,889	800	5,624	192,357	200,287	14,450	38,320		
Dec. 31..	419,746	294,638	54,399	70,709	89,090	527,598	434,138	26,858	695	5,038	207,311	194,237	18,024	39,450		
1971—Dec. 31..	514,097	345,386	64,691	104,020	98,281	635,805	535,703	31,824	2,792	10,150	219,102	271,835	25,629	46,731		
1972—June 30..	539,093	368,275	59,984	110,833	98,252	661,838	549,985	28,398	3,033	9,062	217,641	291,850	32,828	49,623		
Dec. 31..	594,502	411,525	66,679	116,298	111,333	732,519	612,822	33,366	4,113	10,820	250,693	313,830	37,556	52,166		
<b>National member:</b>																
1941—Dec. 31..	27,571	11,725	12,039	3,806	14,977	43,433	39,458	6,786	1,088	23,262	8,322	4	3,640	5,117		
1945—Dec. 31..	69,312	13,925	51,250	4,137	20,144	90,220	84,939	9,229	14,013	45,473	16,224	78	4,644	5,017		
1947—Dec. 31..	65,280	21,428	38,674	5,178	22,024	88,182	82,023	8,375	795	53,541	19,278	45	5,409	5,005		
1963—Dec. 20..	137,447	84,845	33,384	19,218	28,635	170,233	150,823	8,863	146	3,691	76,836	61,288	1,704	13,548		
1964—Dec. 31..	151,406	96,688	33,405	21,312	34,064	190,289	169,615	10,521	211	3,604	84,534	70,746	1,109	15,048		
1965—Dec. 31..	176,605	118,537	32,347	25,720	36,880	219,744	193,860	12,064	458	3,284	92,533	85,522	2,627	17,434		
1966—Dec. 31..	187,251	129,182	30,355	27,713	41,690	235,996	206,456	12,588	437	3,035	96,755	93,642	3,120	18,459		
1967—Dec. 30..	208,971	139,315	34,308	35,348	46,634	263,375	231,374	13,877	652	3,142	106,019	107,684	3,478	19,730		
1968—Dec. 31..	236,130	159,257	35,300	41,572	50,953	296,594	257,884	15,117	657	3,090	116,422	122,597	5,923	21,524		
1969—June 30..	242,241	170,834	29,481	41,927	52,271	305,800	251,489	14,324	437	3,534	113,134	120,060	9,895	22,628		
Dec. 31..	247,526	177,435	29,576	40,514	54,721	313,927	256,314	16,299	361	3,049	121,719	114,885	12,279	23,248		
1971—Dec. 31..	302,756	206,758	36,386	59,612	59,191	376,318	314,085	17,511	1,828	6,014	128,441	160,291	18,169	27,065		
1972—June 30..	316,880	220,102	33,258	63,520	60,181	392,043	322,288	15,715	1,838	5,695	128,454	170,586	22,816	28,713		
Dec. 31..	350,743	247,041	37,185	66,516	67,390	434,810	359,319	19,096	2,155	6,646	146,800	184,622	26,706	30,342		
<b>State member:</b>																
1941—Dec. 31..	15,950	6,295	7,500	2,155	8,145	24,688	22,259	3,739	621	13,874	4,025	1	2,246	1,502		
1945—Dec. 31..	37,871	8,850	27,089	1,933	9,731	48,084	44,730	4,411	8,166	24,168	7,986	130	2,945	1,867		
1947—Dec. 31..	32,566	11,200	19,240	2,125	10,822	43,879	40,505	3,978	15	27,068	9,062	9	3,055	1,918		
1963—Dec. 20..	72,680	46,866	15,958	9,855	15,760	91,235	78,553	5,655	236	2,295	40,725	29,642	1,795	7,506		
1964—Dec. 31..	77,091	51,002	15,312	10,777	18,673	98,852	86,108	6,486	453	2,234	44,005	32,931	1,372	7,853		
1965—Dec. 31..	74,972	51,262	12,645	11,065	15,934	93,640	81,657	5,390	382	1,606	39,598	34,680	1,607	7,492		
1966—Dec. 31..	77,377	54,560	11,569	11,247	19,049	99,504	85,547	6,200	357	1,397	41,464	36,129	1,498	7,819		
1967—Dec. 30..	85,128	58,513	12,649	13,966	22,312	111,188	95,637	6,934	516	1,489	45,961	40,736	1,892	8,368		
1968—Dec. 31..	89,894	61,965	12,581	15,348	22,803	116,885	98,467	8,402	404	1,219	47,498	40,945	2,535	8,516		
1969—June 30..	88,346	64,007	9,902	14,437	20,344	119,358	93,858	9,773	285	1,341	45,152	37,307	4,104	8,689		
Dec. 31..	90,088	65,560	10,257	14,271	24,313	119,219	94,445	9,541	248	1,065	48,030	35,560	5,116	8,800		
1971—Dec. 31..	102,813	71,441	11,247	20,125	26,998	135,517	111,777	13,102	721	2,412	45,945	49,597	6,878	10,214		
1972—June 30..	105,895	75,047	10,450	20,398	26,248	138,021	111,705	11,595	879	1,935	43,965	53,331	8,936	10,645		
Dec. 31..	115,426	82,889	11,530	21,008	29,176	150,697	123,186	12,862	1,406	2,378	51,017	55,523	9,651	10,886		
<b>Nonmember:</b>																
1941—Dec. 31..	5,776	3,241	1,509	1,025	2,668	8,708	7,702	129	53	4,162	3,360	6	959	6,810		
1945—Dec. 31..	14,639	2,992	10,584	1,063	4,448	19,256	18,119	244	1,560	10,635	5,680	7	1,083	6,416		
1947—Dec. 31..	16,444	4,958	10,039	1,448	4,083	20,691	19,340	262	4	12,366	6,558	7	1,271	6,478		
1963—Dec. 20..	42,464	23,550	13,391	5,523	5,942	49,275	44,280	559	61	726	23,140	19,793	72	4,234		
1964—Dec. 31..	46,567	26,544	13,790	6,233	7,174	54,747	49,389	658	70	649	25,504	22,509	99	4,488		
1965—Dec. 31..	52,028	30,310	14,137	7,581	7,513	60,679	54,806	695	83	618	27,528	25,882	91	4,912		
1966—Dec. 31..	56,857	33,636	13,873	9,349	7,777	65,921	59,434	709	87	543	28,471	29,625	99	5,342		
1967—Dec. 30..	64,449	37,675	15,146	11,629	8,403	74,328	67,107	786	89	588	31,004	34,640	162	5,830		
1968—Dec. 31..	73,553	43,378	16,155	14,020	9,305	84,605	76,368	908	94	691	34,615	40,060	217	6,482		
1969—June 30..	78,032	48,358	14,341	15,333	8,696	88,802	78,610	791	78	749	34,070	42,921	451	7,004		
Dec. 31..	82,153	51,643	14,565	15,925	10,056	94,453	83,380	1,017	85	924	37,561	43,792	629	7,403		
1971—Dec. 31..	108,527	67,188	17,058	24,282	12,092	123,970	109,841	1,212	242	1,723	44,717	61,946	582	9,451		
1972—June 30..	116,317	73,126	16,276	26,915	11,822	131,774	115,992	1,088	316	1,432	45,222	67,934	1,076	10,265		
Dec. 31..	128,333	81,594	17,964	28,774	14,767	147,013	130,316	1,408	552	1,796	52,876	73,685	1,199	10,938		

For notes see p. A-21.

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

(Amounts in millions of dollars)

Classification by F.R.S. membership and FDIC insurance	Loans and investments					Total assets— Total liabilities and capital accounts <sup>4</sup>	Total <sup>3</sup>	Deposits					Bor- row- ings	Total capital ac- counts	Num- ber of bank <sup>2</sup>	
	Total	Loans <sup>1</sup>	Securities		Cash assets <sup>1</sup>			Interbank <sup>1</sup>	Other		Bor- row- ings	Total capital ac- counts				Num- ber of bank <sup>2</sup>
			U.S. Treas- ury	Other <sup>2</sup>					Deman <sup>1</sup>	Time <sup>5</sup>						
<b>Noninsured nonmember:</b>																
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.....	2,809	1,800	321	688	898	3,942	2,556	298	31	15	1,440	731	290	507	209	
Dec. 31.....	2,982	2,041	310	632	895	4,198	2,570	316	81	16	1,559	638	336	528	197	
1971- Dec. 31.....	3,147	2,224	239	684	1,551	5,130	2,923	380	116	19	1,273	1,134	283	480	181	
1972- June 30.....	4,192	3,230	274	688	1,220	5,884	3,153	384	81	21	1,409	1,258	386	494	206	
Dec. 31.....	4,865	3,731	349	785	1,794	7,073	3,775	488	81	55	1,530	1,620	527	491	206	
<b>Total nonmember:</b>																
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	1,310	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	24,334	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	77,332	69,279	1,071	147	603	32,085	35,372	408	6,286	7,651	
1968- Dec. 31.....	76,454	45,253	16,885	14,617	9,997	88,394	78,887	1,227	150	701	35,981	40,827	441	6,945	7,701	
1969- June 30.....	80,341	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	98,681	85,949	1,333	126	940	39,120	44,430	965	7,931	7,792	
1971- Dec. 31.....	111,674	69,411	17,297	24,966	13,643	129,100	112,764	1,592	359	1,742	45,990	63,081	866	9,932	8,056	
1972- June 30.....	120,510	76,357	16,550	27,603	13,042	137,658	119,145	1,472	397	1,453	46,631	69,192	1,462	10,759	8,161	
Dec. 31.....	133,198	85,325	18,313	29,559	16,562	154,085	134,091	1,895	633	1,850	54,406	75,305	1,726	11,429	8,223	

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

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

See also table (and notes) at the bottom of p. A-30.  
<sup>2</sup> See first two paragraphs of note 1.  
<sup>3</sup> Reciprocal balances excluded beginning with 1942.  
<sup>4</sup> Includes items not shown separately. See also note 1.  
<sup>5</sup> See third paragraph of note 1 above.  
<sup>6</sup> Beginning with Dec. 31, 1947, the series was revised; for description, see note 4, p. 587, May 1964 BULLETIN.

<sup>7</sup> 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 loans on a gross basis (that is, before deduction of valuation reserves) rather than net as previously reported.

<sup>8</sup> 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).

<sup>9</sup> 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.)

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

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

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

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

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

Data for national banks for Dec. 31, 1965, have been adjusted to make them comparable with State bank data.

Figures are partly estimated except on call dates.  
 For revisions in series before June 30, 1947, see July 1947 BULLETIN, pp. 870-71.

LOANS AND INVESTMENTS BY CLASS OF BANK

(In millions of dollars)

Class of bank and call date	Total loans and investments	Federal funds sold, etc. <sup>2</sup>	Other loans <sup>1</sup>										Investments							
			Total <sup>3,4</sup>	Commercial and industrial	Agricultural <sup>5</sup>	For purchasing or carrying securities		To financial institutions		Real estate	Other, to individuals <sup>3</sup>	Other <sup>5</sup>	U.S. Treasury securities <sup>6</sup>			State and local govt. securities	Other securities <sup>5</sup>			
						To brokers and dealers	To others	Banks	Others				Total	Bills and certificates	Notes			Bonds		
<b>Total:<sup>2</sup></b>																				
1947—Dec. 31..	116,284		38,057	18,167	1,660	830	1,220	115		9,393	5,723	947	69,221	9,982	6,034	53,205	5,276	3,729		
1969—Dec. 31..	422,728	9,928	286,750	108,443	10,329	5,739	4,027	2,488	15,062	70,020	63,256	7,388	54,709						59,183	12,158
1972—June 30..	543,285	20,598	350,910	123,162	13,610	8,608	4,012	5,041	18,353	89,227	80,243	8,651	60,258						86,598	24,923
Dec. 31..	599,367	26,662	388,593	132,701	11,314	11,316	4,491	6,585	23,402	98,382	87,232	10,171	67,028						89,504	27,570
<b>All insured:</b>																				
1941—Dec. 31..	49,290		21,259	9,214	1,450	614	662	40		4,773	4,505		21,046	988	3,159	16,899	3,651	3,333		
1945—Dec. 31..	121,809		25,765	9,461	1,314	3,164	3,606	49		4,677	2,361	1,132	88,912	21,526	16,045	51,342	3,873	3,258		
1947—Dec. 31..	114,274		37,583	18,012	1,610	823	1,190	114		9,266	5,654	914	67,941	9,676	5,918	52,347	5,129	3,621		
1969—Dec. 31..	419,746	9,693	284,945	107,685	10,314	5,644	3,991	2,425	14,890	69,669	63,008	7,319	54,399						58,840	11,869
1972—June 30..	539,093	19,568	348,707	122,061	13,593	8,491	3,998	4,761	18,266	89,048	79,933	8,553	59,984	6,925	39,280	9,570	86,286	21,517		
Dec. 31..	594,502	25,584	385,941	131,122	14,287	11,165	4,460	6,115	23,277	98,204	86,912	10,066	66,679						89,173	27,125
<b>Member—Total:</b>																				
1941—Dec. 31..	43,521		18,021	8,671	972	594	598	39		3,494	3,653		19,539	971	3,007	15,561	3,090	2,871		
1945—Dec. 31..	107,183		22,775	8,949	855	3,133	3,378	47		3,455	1,900	1,057	78,338	19,260	14,271	44,807	3,254	2,815		
1947—Dec. 31..	97,846		32,628	16,962	1,046	811	1,065	113		7,130	4,662	839	57,914	7,803	4,815	45,295	4,199	3,105		
1969—Dec. 31..	437,613	7,356	235,639	96,095	6,187	5,408	3,286	2,258	14,035	53,207	48,388	6,776	39,833						47,227	7,558
1972—June 30..	422,775	15,561	279,588	101,119	7,924	8,260	3,477	4,520	17,104	66,518	59,603	7,765	43,708	4,614	38,350	7,709	67,777	16,141		
Dec. 31..	466,169	19,961	309,969	112,110	8,495	10,563	3,870	5,783	22,026	73,131	64,490	9,201	48,715						69,640	17,881
<b>New York City:<sup>11</sup></b>																				
1941—Dec. 31..	12,896		4,072	2,807	8	412	169	32		123			7,265	311	1,623	5,331	729	830		
1945—Dec. 31..	26,143		7,334	3,044		2,453	1,172	26		80			17,574	3,910	3,325	10,339	606	629		
1947—Dec. 31..	20,393		7,179	5,361		545	267	93		111			11,972	1,642	558	9,772	638	604		
1969—Dec. 31..	60,333	802	47,503	28,189	12,369	776	1,047	4,547	3,835	3,595	1,807	5,048							6,192	788
1972—June 30..	66,597	649	50,987	29,972	13,565	768	1,834	4,936	5,288	4,561	1,930	5,338							8,491	1,132
Dec. 31..	75,034	812	57,901	27,864	50	7,057	841	2,271	6,413	5,789	5,225	2,390	5,696						9,107	1,518
<b>City of Chicago:<sup>11</sup></b>																				
1941—Dec. 31..	2,760		954	733	6	48	52	1		22			1,430	256	153	1,022	182	193		
1945—Dec. 31..	5,931		1,333	760	2	211	233			36			4,213	1,600	749	1,864	181	204		
1947—Dec. 31..	5,088		1,801	1,418	3	73	87			46			2,890	367	248	2,274	213	185		
1969—Dec. 31..	14,365	215	10,556	6,444	50	337	262	186	1,219	842	862	354	1,564						1,837	192
1972—June 30..	18,541	783	12,999	7,179	66	666	225	242	2,015	1,011	1,054	542	1,662	402	822	189	2,771	325		
Dec. 31..	21,362	718	15,576	7,851	140	1,330	282	341	2,780	1,066	1,138	648	1,873						2,820	375
<b>Other large banks:<sup>11</sup></b>																				
1941—Dec. 31..	15,347		7,105	3,456	300	114	194	4		1,527	1,508		6,467	295	751	5,421	956	820		
1945—Dec. 31..	40,108		8,514	3,661	205	427	503	17		1,459	855	387	29,552	8,016	5,653	15,883	1,126	916		
1947—Dec. 31..	36,040		13,449	7,088	225	170	484	15		3,147	1,969	351	20,196	2,731	1,901	15,563	1,342	1,053		
1969—Dec. 31..	121,628	3,021	88,180	37,701	1,386	878	1,300	876	6,006	19,706	17,569	2,757	11,944						16,625	1,859
1972—June 30..	155,158	8,272	105,014	41,770	1,803	1,563	1,566	2,136	7,771	24,358	20,772	3,275	14,141	1,657	8,857	2,837	23,510	4,222		
Dec. 31..	171,618	9,927	116,802	44,483	1,977	2,024	1,707	2,716	10,268	27,014	22,669	3,943	16,316						24,049	4,523
<b>All other member:<sup>11</sup></b>																				
1941—Dec. 31..	12,518		5,890	1,676	659	20	183	2		1,823	1,528		4,377	110	481	3,787	1,222	1,028		
1945—Dec. 31..	35,002		5,596	1,484	648	42	471	4		1,881	707	359	26,999	5,732	4,544	16,722	1,342	1,067		
1947—Dec. 31..	36,324		10,199	3,096	818	23	227	5		3,827	1,979	224	22,857	3,063	2,108	17,687	2,006	1,262		
1969—Dec. 31..	141,286	3,318	89,401	23,762	4,739	498	947	148	2,263	28,824	26,362	1,858	21,278						22,572	4,718
1972—June 30..	182,479	5,857	110,587	29,498	6,023	366	917	308	2,381	35,859	33,215	2,019	22,568	1,863	16,103	3,397	33,005	10,463		
Dec. 31..	198,156	8,504	119,693	31,911	6,327	452	1,040	455	2,565	39,262	35,458	2,220	24,830						33,664	11,168
<b>Nonmember:</b>																				
1947—Dec. 31..	18,454		5,432	1,205	614	20	156	2		2,266	1,061	109	11,318	2,179	1,219	7,920	1,073	625		
1969—Dec. 31..	85,115	2,572	51,111	12,348	4,141	329	741	231	1,028	16,813	14,868	612	14,875						11,956	4,600
1972—June 30..	120,510	5,037	71,319	18,743	5,686	348	535	521	1,249	22,711	20,640	886	16,550						18,820	8,782
Dec. 31..	133,198	6,701	78,624	20,591	5,819	453	622	803	1,377	25,250	22,741	969	18,313						19,864	9,695

<sup>1</sup> Beginning with June 30, 1948, figures for various loan items are shown gross (i.e., before deduction of valuation reserves); they do not add to the total and are not entirely comparable with prior figures. Total loans continue to be shown net. See also note 10.

<sup>2</sup> Includes securities purchased under resale agreements. Prior to June 30, 1967, such securities were included in loans. For the most part in loans to "Banks." Prior to Dec. 1965, Federal funds sold were included with "Total" loans and loans to "Banks."

<sup>3</sup> See table (and notes), *Deposits Accumulated for Payment of Personal Loans*, p. A-30.

<sup>4</sup> Breakdowns of loan, investment, and deposit classifications are not available before 1947; summary figures for 1941 and 1945 appear in the table on pp. A-18 A-21.

<sup>5</sup> Beginning with June 30, 1966, loans to farmers directly guaranteed by CCC were reclassified as "Other securities," and Export-Import Bank portfolio fund participations were reclassified from loans to "Other securities." This increased "Other securities" by about \$1 billion.

<sup>6</sup> Beginning with Dec. 31, 1965, components shown at par rather than at book value; they do not add to the total (shown at book value) and are not entirely comparable with prior figures. See also note 10.

Notes continued on opposite page.

RESERVES AND LIABILITIES BY CLASS OF BANK

(In millions of dollars)

Class of bank and call date	Reserves with F.R. Banks	Currency and coin	Balances with domestic banks <sup>7</sup>	Demand deposits adjusted <sup>8</sup>	Demand deposits							Time deposits					Borrowings	Capital accounts
					Interbank		U.S. Govt.	State and local govt.	Certified and officers' checks, etc.	IPC <sup>9</sup>	Interbank	U.S. Govt. and Postal Savings	State and local govt.	IPC <sup>9</sup>				
					Domestic <sup>9</sup>	Foreign <sup>9</sup>												
<b>Total:<sup>3</sup></b>																		
1947—Dec. 31....	17,796	2,216	10,216	87,123	11,362	1,430	1,343	6,799	2,581	84,987	240	111	866	34,383	68	10,059		
1969—Dec. 31 <sup>10</sup> ...	21,449	7,320	20,314	172,079	24,551	2,620	5,054	17,558	11,899	179,413	735	211	13,221	181,443	18,360	39,978		
1972—June 30....	27,119	6,799	25,764	184,468	25,522	3,261	9,083	17,687	10,652	190,710	3,114	492	33,110	259,506	33,214	50,117		
Dec. 31....	26,070	8,666	32,185	212,121	29,971	3,883	10,875	18,588	11,685	221,950	4,194	606	37,161	277,683	38,083	52,688		
<b>All insured:</b>																		
1941—Dec. 31....	12,396	1,358	8,570	37,845	9,823	673	1,762	3,677	1,077	36,544	158	59	492	15,146	10	6,844		
1945—Dec. 31....	15,810	1,829	11,075	74,722	12,566	1,248	23,740	5,098	2,585	72,593	70	103	496	29,277	215	8,671		
1947—Dec. 31....	17,796	2,145	9,736	85,751	11,236	1,379	1,325	6,692	2,559	83,723	54	111	826	33,946	61	9,734		
1969—Dec. 31 <sup>10</sup> ...	21,449	7,292	19,528	170,280	24,386	2,471	5,038	17,434	11,476	178,401	695	211	13,166	180,860	18,024	39,450		
1972—June 30....	27,119	6,773	24,713	182,806	25,335	3,064	9,062	17,568	10,172	189,900	3,033	491	33,027	258,332	32,828	49,623		
Dec. 31....	26,070	8,637	30,734	210,287	29,731	3,635	10,820	18,459	11,177	221,057	4,113	606	37,086	276,138	37,536	52,166		
<b>Member Total:</b>																		
1941—Dec. 31....	12,396	1,087	6,246	33,754	9,714	671	1,709	3,066	1,009	33,061	140	50	418	11,878	4	5,886		
1945—Dec. 31....	15,810	1,438	7,117	64,184	12,333	1,243	22,179	4,240	2,450	62,950	64	99	499	23,712	208	7,589		
1947—Dec. 31....	17,797	1,672	6,270	73,528	10,978	1,375	1,176	5,504	2,401	72,704	50	108	693	27,542	54	8,464		
1969—Dec. 31 <sup>10</sup> ...	21,449	5,676	11,931	133,435	23,441	2,395	4,114	13,274	10,483	145,992	609	186	9,951	140,308	17,395	32,047		
1972—June 30....	27,119	5,093	15,822	138,566	24,363	2,947	7,630	13,177	8,859	150,382	2,717	387	25,668	197,861	31,752	39,358		
Dec. 31....	26,070	6,582	19,396	158,464	28,521	3,437	9,024	13,544	9,503	174,770	3,562	468	28,553	211,124	36,357	41,228		
<b>New York City:<sup>11</sup></b>																		
1941—Dec. 31....	5,105	93	141	10,761	3,595	607	866	319	450	11,282	6	.....	29	778	.....	1,648		
1945—Dec. 31....	4,015	111	78	15,065	3,535	1,105	6,940	237	1,338	15,712	17	10	20	1,206	195	2,120		
1947—Dec. 31....	4,639	151	70	16,653	3,236	1,217	267	290	1,105	17,646	12	12	14	1,418	30	2,259		
1969—Dec. 31 <sup>10</sup> ...	4,358	463	455	21,316	8,708	1,641	694	1,168	6,605	28,354	268	45	207	14,692	4,405	6,301		
1972—June 30....	5,375	383	3,601	20,312	10,768	2,165	1,038	816	3,801	26,020	1,175	24	2,331	24,294	7,314	7,650		
Dec. 31....	5,695	508	4,854	23,271	12,532	2,562	1,418	741	3,592	31,040	1,833	10	2,522	26,196	9,502	8,042		
<b>City of Chicago:<sup>11</sup></b>																		
1941—Dec. 31....	1,031	43	298	2,215	1,027	8	127	233	34	2,152	.....	.....	.....	476	.....	288		
1945—Dec. 31....	942	36	200	3,153	1,292	20	1,552	237	66	3,160	.....	.....	.....	719	.....	377		
1947—Dec. 31....	1,070	30	175	3,737	1,196	21	72	285	63	3,853	.....	.....	.....	902	.....	426		
1969—Dec. 31 <sup>10</sup> ...	869	123	150	5,221	1,581	96	175	268	229	6,273	15	1	216	4,409	1,290	1,517		
1972—June 30....	1,142	94	199	5,224	1,239	92	261	295	217	6,091	139	2	1,047	7,529	2,639	1,857		
Dec. 31....	1,496	152	173	5,783	1,516	99	509	223	264	6,899	160	95	847	9,237	3,008	1,891		
<b>Other large banks:<sup>11</sup></b>																		
1941—Dec. 31....	4,060	425	2,890	11,117	4,302	54	491	1,144	286	11,127	104	20	243	4,542	.....	1,957		
1945—Dec. 31....	6,326	494	3,174	22,372	6,307	110	8,221	1,763	611	22,281	30	38	160	9,563	2	2,566		
1947—Dec. 31....	7,095	562	2,125	25,714	5,497	131	405	2,282	705	26,003	22	45	332	11,045	3	2,844		
1969—Dec. 31 <sup>10</sup> ...	9,044	1,787	3,456	44,169	10,072	590	1,575	3,934	1,928	53,062	242	86	4,609	50,439	9,881	11,464		
1972—June 30....	11,516	1,574	3,845	45,929	9,026	618	3,527	3,923	2,586	55,192	1,908	180	10,809	70,054	17,392	14,020		
Dec. 31....	10,885	2,114	4,688	52,813	10,426	707	3,860	3,854	3,075	64,447	1,173	181	11,811	74,449	19,392	14,687		
<b>All other member:<sup>11</sup></b>																		
1941—Dec. 31....	2,210	526	3,216	9,661	790	2	225	1,370	249	8,500	30	31	146	6,082	4	1,982		
1945—Dec. 31....	4,527	796	4,665	23,595	1,199	8	5,465	2,004	435	21,797	17	52	219	12,224	11	2,525		
1947—Dec. 31....	4,993	929	3,900	27,424	1,049	7	432	2,647	528	25,203	17	45	337	14,177	23	2,934		
1969—Dec. 31 <sup>10</sup> ...	7,179	3,302	7,870	62,729	3,080	72	1,671	7,905	1,721	58,304	84	54	4,920	70,768	1,820	12,766		
1972—June 30....	9,084	3,042	8,176	67,101	3,329	72	2,804	8,144	2,255	63,080	395	182	11,480	95,983	4,208	15,831		
Dec. 31....	8,794	3,807	9,681	76,597	4,047	70	3,238	8,726	2,571	72,384	395	181	13,373	101,243	4,458	16,608		
<b>Nonmember:<sup>3</sup></b>																		
1947—Dec. 31....	.....	544	3,947	13,595	385	55	167	1,295	180	12,284	190	6	172	6,858	12	1,596		
1969—Dec. 31 <sup>10</sup> ...	.....	1,644	8,383	38,644	1,112	222	940	4,284	1,416	33,420	126	25	3,269	41,135	965	7,931		
1972—June 30....	.....	1,706	9,942	45,901	1,159	313	1,453	4,510	1,793	40,328	397	104	7,442	61,645	1,462	10,759		
Dec. 31....	.....	2,084	12,789	53,658	1,449	446	1,851	5,044	2,182	47,180	633	138	8,608	66,559	1,726	11,429		

<sup>7</sup> Beginning with 1942, excludes reciprocal bank balances.

<sup>8</sup> Through 1960 demand deposits other than interbank and U.S. Govt., less cash items in process of collection; beginning with 1961, demand deposits other than domestic commercial interbank and U.S. Govt., less cash items in process of collection.

<sup>9</sup> For reclassification of certain deposits in 1961, see note 6, p. 589, May 1964 BULLETIN.

<sup>10</sup> Beginning June 30, 1969, reflects (1) inclusion of consolidated reports (including figures for all bank-premises subsidiaries and other significant majority-owned domestic subsidiaries) and (2) reporting of figures for total loans and for individual categories of securities on a gross basis—that is, before deduction of valuation reserves. See also notes 1 and 6.

<sup>11</sup> Beginning Nov. 9, 1972, designation of banks as reserve city banks for reserve-requirement purposes has been based on size of bank (net demand deposits of more than \$400 million), as described in the BULLETIN for July 1972, p. 626. Categories shown here as "Large" and "All other"

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

NOTE.—Data are for all commercial banks in the United States; member banks in U.S. possessions were included through 1968 and then excluded. For the period June 1941—June 1962 member banks include mutual savings banks as follows: three before Jan. 1960, two through Dec. 1960, and one through June 1962. Those banks are not included in all insured or total banks.

A small noninsured member bank engaged exclusively in trust business is treated as a noninsured bank and not as a member bank for the period June 30, 1969—June 30, 1970.

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

For other notes see opposite page.



ASSETS AND LIABILITIES OF LARGE COMMERCIAL BANKS

(In millions of dollars)

Wednesday	Total loans and investments	Loans													
		Federal funds sold, etc. <sup>1</sup>					Other								
		Total	To brokers and dealers involving-			To others	Total	Commercial and industrial		Agricultural		For purchasing or carrying securities		To nonbank financial institutions	
			To commercial banks	U.S. Treasury securities	Other securities			U.S. Treasury secs.	Other secs.	U.S. Treasury secs.	Other secs.	Pers. and sales finan. cos., etc.	Other		
<i>Large banks Total</i>															
<i>1972</i>															
June 7	292,065	11,134	10,084	575	401	74	199,744	84,536	2,528	784	6,903	155	2,567	6,201	8,655
14	293,270	10,917	9,896	667	279	75	200,985	84,593	2,542	836	7,095	154	2,585	6,433	8,856
21	295,384	11,377	10,239	657	317	169	203,112	85,512	2,561	809	7,380	158	2,607	6,701	9,067
28	294,596	11,138	10,079	521	389	149	203,393	84,954	2,577	645	7,122	156	2,665	6,680	9,363
<i>1973</i>															
May 2	337,999	13,241	12,246	593	225	177	245,140	102,487	3,091	595	6,295	213	2,951	8,045	15,062
9	336,712	12,174	10,978	714	218	264	245,095	102,468	3,096	618	6,605	199	2,955	7,980	14,965
16	338,275	12,546	11,460	731	203	152	247,155	102,937	3,114	536	6,577	217	2,945	8,352	15,236
23	337,162	12,136	10,972	849	159	156	246,628	103,005	3,142	463	6,015	216	2,960	8,130	15,324
30	339,971	12,959	11,166	1,427	216	150	247,514	102,794	3,148	885	6,079	226	2,929	8,143	15,508
June 6 <sup>p</sup>	341,398	12,967	11,685	779	207	296	248,326	103,492	3,165	564	5,847	223	2,913	8,417	15,729
13 <sup>p</sup>	343,298	13,386	10,799	2,026	207	354	249,893	103,813	3,194	1,462	5,841	210	2,941	8,171	15,648
20 <sup>p</sup>	344,165	12,648	11,477	673	260	238	252,109	105,178	3,234	563	5,745	212	2,925	8,720	16,036
27 <sup>p</sup>	344,151	11,992	10,791	798	258	145	252,721	105,040	3,238	885	5,699	211	2,910	8,623	16,155
<i>New York City</i>															
<i>1972</i>															
June 7	60,522	1,260	1,232			28	45,476	24,462	33	631	4,519	50	644	1,724	2,114
14	60,796	1,065	1,009	29		27	45,938	24,356	33	689	4,714	47	641	1,850	2,153
21	61,964	1,332	1,301			29	46,495	24,676	33	651	4,879	45	642	1,881	2,200
28	61,549	1,715	1,606		98	11	46,225	24,171	32	522	4,659	45	671	1,940	2,406
<i>1973</i>															
May 2	70,789	2,063	1,967	72		24	56,472	28,832	52	480	3,679	47	662	2,326	4,729
9	69,835	1,053	976	72		5	56,748	29,031	52	528	3,927	47	669	2,282	4,678
16	71,351	1,615	1,518	82	14	1	57,625	29,186	64	455	3,977	50	661	2,486	4,820
23	71,024	2,464	2,353	106		5	56,415	29,003	76	366	3,494	52	650	2,350	4,786
30	72,092	2,484	2,374	104		6	57,087	28,967	76	774	3,567	61	644	2,356	4,918
June 6 <sup>p</sup>	72,133	2,170	1,972	103		95	57,058	29,162	73	455	3,394	58	637	2,470	5,142
13 <sup>p</sup>	72,513	1,552	1,311	103		138	58,101	29,343	71	1,352	3,405	49	662	2,347	5,109
20 <sup>p</sup>	73,455	2,089	1,909	93		87	58,445	29,978	74	454	3,297	51	659	2,759	5,274
27 <sup>p</sup>	73,097	1,968	1,925	33	5	5	58,501	29,758	72	799	3,312	48	651	2,572	5,265
<i>Outside New York City</i>															
<i>1972</i>															
June 7	231,543	9,874	8,852	575	401	46	154,268	60,074	2,495	153	2,384	105	1,923	4,477	6,541
14	232,474	9,852	8,887	638	279	48	155,067	60,237	2,509	147	2,381	107	1,944	4,583	6,703
21	233,420	10,045	8,938	657	315	135	156,617	60,836	2,530	158	2,501	113	1,965	4,820	6,867
28	233,047	9,423	8,473	521	291	138	157,168	60,783	2,545	123	2,463	111	1,994	4,740	6,957
<i>1973</i>															
May 2	267,210	11,178	10,279	521	225	153	188,668	73,655	3,039	115	2,616	166	2,289	5,719	10,333
9	266,877	11,121	10,002	642	218	259	188,347	73,437	3,044	90	2,682	152	2,286	5,698	10,287
16	266,924	10,931	9,942	649	189	151	189,530	73,751	3,050	81	2,600	167	2,284	5,866	10,416
23	266,138	9,672	8,619	743	159	151	190,213	74,002	3,066	97	2,521	164	2,310	5,780	10,538
30	267,879	10,475	8,792	1,323	216	144	190,427	73,827	3,072	111	2,512	165	2,285	5,787	10,590
June 6 <sup>p</sup>	269,265	10,797	9,713	676	207	201	191,268	74,330	3,092	109	2,453	165	2,276	5,947	10,587
13 <sup>p</sup>	270,785	11,834	9,488	1,923	207	216	191,792	74,470	3,123	110	2,436	161	2,279	5,824	10,539
20 <sup>p</sup>	270,710	10,559	9,568	580	260	151	193,666	75,200	3,160	109	2,448	161	2,266	5,961	10,762
27 <sup>p</sup>	271,054	10,024	8,866	765	253	140	194,220	75,282	3,166	86	2,387	163	2,259	6,051	10,890

For notes see p. A-28.

**ASSETS AND LIABILITIES OF LARGE COMMERCIAL BANKS—Continued**

(In millions of dollars)

Loans (cont.)							Investments					Wednesday
Other (cont.)							U.S. Treasury securities					
Real estate	To commercial banks		Consumer installment	Foreign govts. <sup>2</sup>	All other	Total	Bills	Certificates	Notes and bonds maturing—			
	Domestic	Foreign							Within 1 yr.	1 to 5 yrs.	After 5 yrs.	
<i>Large banks Total</i>												
1972												
41,384	1,081	2,600	25,213	947	16,190	26,811	3,884		5,034	14,951	2,942	June 7
41,608	1,120	2,561	25,377	976	16,249	26,943	4,040		5,065	14,985	2,854	14
41,823	1,120	2,533	25,477	999	16,363	26,612	4,083		4,800	14,864	2,865	21
41,992	1,366	2,867	25,620	1,032	16,354	26,009	3,625		4,786	14,928	2,670	28
1973												
48,193	3,175	4,894	29,306	1,220	19,613	24,495	4,522		3,791	14,348	2,034	May 2
48,370	3,024	4,835	29,345	1,247	19,388	24,031	4,171		3,707	14,059	2,094	9
48,592	3,215	5,053	29,457	1,256	19,668	23,701	3,825		3,694	13,347	2,835	16
48,854	3,272	5,155	29,579	1,246	19,267	23,503	3,776		3,856	13,110	2,761	23
49,060	3,216	4,962	29,707	1,231	19,626	23,991	4,191		3,926	12,999	2,875	30
1972												
49,224	3,188	4,832	29,794	1,251	19,687	24,265	4,505		3,976	12,969	2,815	June 6
49,518	3,194	5,030	29,916	1,292	19,663	24,269	4,472		3,950	13,001	2,846	13
49,801	3,373	5,180	30,089	1,308	19,745	23,918	4,184		3,920	12,980	2,834	20
50,006	3,380	5,147	30,296	1,333	19,808	23,849	4,041		3,949	13,022	2,827	27
New York City												
1972												
4,427	292	1,073	1,933	580	2,994	4,913	1,240		995	2,373	305	June 7
4,457	270	1,090	1,939	604	3,075	4,984	1,225		1,046	2,359	264	14
4,476	301	1,098	1,947	595	3,071	5,072	1,331		994	2,442	305	21
4,502	412	1,254	1,955	641	3,015	4,636	999		963	2,383	291	28
1973												
5,239	1,324	2,165	2,183	699	4,055	3,769	1,138		537	1,892	202	May 2
5,258	1,200	2,118	2,200	711	4,051	3,472	954		486	1,788	244	9
5,278	1,245	2,353	2,206	714	4,130	3,667	886		528	1,606	647	16
5,311	1,189	2,351	2,218	711	3,858	3,772	1,087		539	1,568	578	23
5,354	1,198	2,200	2,218	706	4,048	4,124	1,344		551	1,572	657	30
1972												
5,368	1,164	2,184	2,224	701	4,026	4,368	1,568		558	1,594	648	June 6
5,404	1,151	2,313	2,234	718	3,943	4,292	1,346		586	1,651	709	13
5,466	1,118	2,447	2,230	732	3,906	4,279	1,323		581	1,661	714	20
5,489	1,215	2,385	2,271	717	3,947	4,050	1,139		552	1,667	692	27
Outside New York City												
1972												
16,957	789	1,527	23,280	367	13,196	21,898	2,644		4,039	12,578	2,637	June 7
17,151	850	1,471	23,438	372	13,174	21,959	2,815		4,029	12,526	2,589	14
17,347	819	1,435	23,530	404	13,292	21,540	2,752		3,806	12,422	2,560	21
17,490	954	1,613	23,665	391	13,339	21,373	2,626		3,823	12,545	2,379	28
1973												
42,954	1,851	2,729	27,123	521	15,558	20,726	3,384		3,254	12,256	1,832	May 2
43,112	1,824	2,717	27,145	536	15,337	20,559	3,217		3,221	12,271	1,850	9
43,314	1,970	2,700	27,251	542	15,538	20,034	2,939		3,166	11,741	2,188	16
43,543	2,083	2,804	27,361	535	15,409	19,731	2,689		3,317	11,542	2,183	23
43,706	2,018	2,762	27,489	525	15,578	19,867	2,847		3,375	11,427	2,218	30
1972												
43,856	2,024	2,648	27,570	550	15,661	19,897	2,937		3,418	11,375	2,167	June 6
44,114	2,043	2,717	27,682	574	15,720	19,977	3,126		3,364	11,350	2,137	13
44,335	2,255	2,733	27,859	576	15,839	19,639	2,861		3,339	11,339	2,130	20
44,517	2,165	2,762	28,025	606	15,861	19,789	2,902		3,397	11,355	2,135	27

For notes see p. A-28.

ASSETS AND LIABILITIES OF LARGE COMMERCIAL BANKS—Continued

(In millions of dollars)

Wednesday	Investments (cont.)										Total assets/ total liabilities	
	Total	Other securities				Cash items in process of collection	Reserves with F.R. Banks	Currency and coin	Balances with domestic banks	Investments in sub- sidiar- ies not consoli- dated		Other assets
		Obligations of State and political subdivisions		Other bonds, corp. stock, and securities								
		Tax war- rants <sup>3</sup>	All other	Certif. of partici- pation <sup>4</sup>	All other <sup>5</sup>							
<i>Large banks—Total</i>												
1972												
June 7	54,376	9,329	37,326	1,552	6,169	27,720	20,593	3,500	8,633	968	16,336	369,815
14	54,425	9,195	37,350	1,603	6,277	20,664	20,753	3,780	9,151	954	16,447	375,019
21	54,283	8,973	37,360	1,580	6,370	10,705	19,974	3,782	9,421	965	16,257	376,488
28	54,056	8,795	37,361	1,572	6,328	29,235	20,568	3,943	8,803	965	16,434	374,544
1973												
May 2	55,123	7,673	38,688	1,655	7,107	30,990	19,599	3,901	9,451	1,233	19,701	422,874
9	55,412	8,130	38,377	1,536	7,169	26,731	21,307	3,846	9,035	1,240	19,164	418,035
16	54,873	8,271	37,809	1,551	7,242	32,363	21,096	3,978	10,133	1,243	19,198	426,286
23	54,895	8,249	37,841	1,540	7,265	26,911	20,698	4,084	9,898	1,248	19,274	419,275
30	55,507	8,318	37,908	1,542	7,739	31,342	17,993	4,265	9,335	1,250	19,566	423,722
June 6	55,840	8,400	38,094	1,545	7,801	27,755	20,879	3,768	10,142	1,263	19,776	424,981
13	55,750	8,123	38,045	1,578	8,004	28,264	18,081	4,163	9,804	1,261	19,508	424,379
20	55,490	7,982	38,055	1,575	7,878	29,144	21,543	4,147	9,909	1,268	19,594	429,770
27	55,599	7,900	38,035	1,636	8,028	27,016	18,535	4,302	9,782	1,272	19,762	424,820
<i>New York City</i>												
1972												
June 7	8,873	2,407	5,361	271	934	9,155	5,598	436	3,068	453	4,750	83,982
14	8,829	2,315	5,347	280	887	10,426	5,329	450	3,591	454	4,899	85,945
21	9,065	2,455	5,431	280	899	11,277	5,014	444	3,923	454	4,898	87,974
28	8,973	2,444	5,363	270	896	11,146	4,244	467	3,209	456	4,904	85,975
1973												
May 2	8,485	1,609	5,260	480	1,116	10,228	5,276	457	3,671	585	6,334	97,340
9	8,562	2,222	4,767	365	1,208	8,952	6,048	473	3,747	587	5,870	95,512
16	8,444	2,218	4,603	361	1,262	10,945	5,784	453	4,690	590	6,169	99,982
23	8,373	2,144	4,577	355	1,297	9,529	5,065	477	4,616	591	6,144	97,446
30	8,397	2,097	4,536	353	1,411	10,526	3,979	490	3,580	593	6,182	97,442
June 6	8,537	2,075	4,614	357	1,491	8,285	5,242	478	4,246	597	6,469	97,440
13	8,568	2,077	4,602	356	1,533	8,420	4,593	490	4,120	595	6,212	96,943
20	8,642	2,101	4,714	348	1,475	8,944	5,757	487	4,316	600	6,243	99,802
27	8,578	2,097	4,589	368	1,524	8,619	4,439	500	4,140	604	6,402	97,801
<i>Outside New York City</i>												
1972												
June 7	45,503	7,022	31,965	1,281	5,235	18,565	14,995	3,064	5,565	515	11,586	285,833
14	45,596	6,880	32,003	1,323	5,390	20,218	15,424	3,330	5,560	500	11,548	289,074
21	45,218	6,518	31,929	1,300	5,471	19,428	14,960	3,338	5,498	511	11,359	288,514
28	45,083	6,351	31,998	1,302	5,432	18,089	16,324	3,476	5,594	509	11,530	288,569
1973												
May 2	46,638	6,064	33,428	1,175	5,971	20,762	14,323	3,444	5,780	648	13,367	325,534
9	46,850	6,108	33,610	1,171	5,961	17,779	15,259	3,373	5,288	653	13,294	322,523
16	46,429	6,053	33,206	1,190	5,980	21,418	15,312	3,525	5,443	653	13,029	326,304
23	46,522	6,105	33,264	1,185	5,968	17,382	15,633	3,607	5,282	657	13,130	321,829
30	47,110	6,221	33,372	1,189	6,328	20,816	14,014	3,775	5,755	657	13,384	326,280
June 6	47,303	6,325	33,480	1,188	6,310	19,470	15,647	3,290	5,896	666	13,307	327,541
13	47,182	6,046	33,443	1,222	6,471	19,844	13,488	3,673	5,684	666	13,296	327,436
20	46,848	5,881	33,341	1,227	6,399	20,200	15,786	3,660	5,593	668	13,351	329,968
27	47,021	5,803	33,446	1,268	6,504	18,397	14,096	3,802	5,642	668	13,360	327,019

For notes see p. A-28.

ASSETS AND LIABILITIES OF LARGE COMMERCIAL BANKS—Continued

(In millions of dollars)

Deposits														Total <sup>6</sup>	IPC <sup>7</sup>			States and political subdivisions	Domestic interbank	Foreign govts. <sup>2</sup>	Wednesday
Total	IPC	States and political subdivisions	Demand				Time and savings				Savings	Other	Domestic interbank		Foreign govts. <sup>2</sup>						
			U.S. Govt.	Commercial	Mutual savings	Foreign	Certified and officers' checks	Savings	Other	States and political subdivisions						Domestic interbank	Foreign govts. <sup>2</sup>				
<b>Large banks Total</b>																					
<b>1972</b>																					
140,989	100,916	6,213	3,284	20,221	721	730	2,644	6,240	149,683	57,722	64,813	19,048	2,363	5,280	June 7						
146,084	105,671	6,137	2,851	20,698	667	753	2,691	6,616	149,223	57,642	64,895	18,633	2,327	5,263	June 14						
147,987	103,273	6,698	5,589	20,164	639	677	2,819	8,128	149,167	57,735	64,846	18,582	2,265	5,272	June 21						
146,199	102,356	6,872	5,726	20,034	694	902	2,886	6,729	149,647	57,844	65,476	18,310	2,233	5,318	June 28						
<b>1973</b>																					
156,704	109,067	7,504	7,447	21,021	732	958	3,436	6,539	176,383	58,093	83,266	23,016	3,754	7,602	May 2						
146,599	104,667	6,343	5,701	19,271	732	921	3,223	5,741	178,321	58,250	84,769	23,079	3,866	7,705	May 9						
153,164	109,203	6,919	4,956	21,930	687	867	3,326	6,276	178,862	58,185	85,383	23,024	3,863	7,754	May 16						
145,377	104,477	6,052	3,942	19,527	713	918	3,210	6,538	179,929	58,260	86,082	23,053	4,068	7,764	May 23						
150,507	109,212	6,561	2,891	20,342	722	962	3,329	6,488	180,341	58,219	86,317	22,916	4,083	7,998	May 30						
148,986	107,987	6,309	2,496	20,846	776	1,153	3,349	6,070	180,008	58,356	86,529	22,232	4,075	8,022	June 6 <sup>p</sup>						
149,672	110,912	6,149	1,998	20,121	722	910	3,345	5,515	180,235	58,285	86,849	21,917	4,304	8,113	June 13 <sup>p</sup>						
153,943	109,889	6,469	6,634	19,887	700	877	3,578	5,909	178,797	58,200	85,996	21,506	4,217	8,111	June 20 <sup>p</sup>						
149,948	107,425	6,837	5,634	19,364	733	860	3,395	5,700	179,966	58,245	87,217	21,435	4,319	8,013	June 27 <sup>p</sup>						
<b>New York City</b>																					
<b>1972</b>																					
36,717	21,526	365	609	8,564	370	600	1,814	2,869	25,439	5,747	13,488	2,010	1,183	2,915	June 7						
38,794	23,091	305	522	8,792	349	616	1,887	3,242	25,182	5,744	13,406	1,910	1,170	2,865	June 14						
40,936	22,681	611	1,082	8,718	321	526	2,005	4,992	24,882	5,745	13,222	1,900	1,112	2,811	June 21						
40,205	22,758	495	940	9,221	369	764	2,038	3,620	25,187	5,742	13,494	1,943	1,091	2,824	June 28						
<b>1973</b>																					
42,444	23,898	560	1,583	9,577	375	811	2,502	3,138	31,598	5,356	18,245	2,010	2,203	3,675	May 2						
38,128	22,068	363	1,063	8,673	374	772	2,242	2,573	31,871	5,356	18,359	2,070	2,208	3,768	May 9						
41,353	23,163	484	743	10,603	344	718	2,338	2,960	31,978	5,361	18,341	2,154	2,174	3,840	May 16						
39,133	21,983	344	671	9,151	392	763	2,291	3,538	32,241	5,350	18,464	2,077	2,379	3,862	May 23						
39,969	23,648	404	493	8,842	363	797	2,314	3,108	32,574	5,345	18,594	2,072	2,397	4,050	May 30						
38,945	22,618	353	498	9,247	396	930	2,350	2,553	32,299	5,346	18,685	1,720	2,389	4,042	June 6 <sup>p</sup>						
38,501	22,836	333	291	9,506	366	729	2,388	2,052	32,439	5,336	18,561	1,766	2,578	4,082	June 13 <sup>p</sup>						
40,451	23,328	430	1,701	8,960	344	710	2,590	2,398	31,944	5,311	18,250	1,657	2,517	4,102	June 20 <sup>p</sup>						
39,270	22,781	449	1,135	9,105	372	682	2,408	2,338	32,305	5,323	18,565	1,664	2,590	4,060	June 27 <sup>p</sup>						
<b>Outside New York City</b>																					
<b>1972</b>																					
104,272	79,410	5,848	2,675	11,657	351	130	830	3,371	124,244	51,975	51,325	17,038	1,180	2,365	June 7						
107,290	82,580	5,832	2,329	11,906	328	137	804	3,374	124,041	51,899	51,489	16,723	1,157	2,398	June 14						
107,051	80,592	6,087	4,507	11,446	318	151	814	3,136	124,285	51,990	51,624	16,682	1,153	2,461	June 21						
105,994	79,598	6,377	4,786	10,813	325	138	848	3,109	124,460	52,102	51,982	16,367	1,142	2,494	June 28						
<b>1973</b>																					
114,260	85,169	6,944	5,864	11,444	357	147	934	3,401	144,785	52,737	65,021	21,006	1,551	3,927	May 2						
108,471	82,599	5,980	4,638	10,598	358	149	981	3,168	146,450	52,894	66,410	21,009	1,658	4,937	May 9						
111,811	86,040	6,435	3,213	11,327	343	149	988	3,316	146,884	52,824	67,042	20,870	1,689	3,914	May 16						
106,244	82,494	5,708	3,271	10,376	321	155	919	3,000	147,688	52,910	67,618	20,976	1,689	3,902	May 23						
110,538	85,564	6,157	2,398	11,500	359	165	1,015	3,380	147,767	52,874	67,723	20,844	1,686	3,948	May 30						
110,041	85,369	5,956	1,998	11,599	380	223	999	3,517	147,709	53,010	67,844	20,512	1,686	3,980	June 6 <sup>p</sup>						
111,171	88,076	5,816	1,707	10,615	356	181	957	3,463	147,796	52,949	68,288	20,151	1,726	4,031	June 13 <sup>p</sup>						
113,492	86,561	6,039	4,933	10,927	366	167	988	3,511	146,853	52,889	67,746	19,849	1,700	4,009	June 20 <sup>p</sup>						
110,678	84,644	6,388	4,499	10,259	361	178	987	3,362	147,661	52,922	68,652	19,771	1,729	3,953	June 27 <sup>p</sup>						

For notes see p. A-28.

ASSETS AND LIABILITIES OF LARGE COMMERCIAL BANKS—Continued

(In millions of dollars)

Wednesday	Federal funds purchased, etc. <sup>7</sup>	Borrowings from—			Reserves for—		Total capital accounts	Total loans (gross) adjusted <sup>9</sup>	Total loans and investments (gross) adjusted <sup>9</sup>	Demand deposits adjusted <sup>10</sup>	Memoranda			Gross liabilities of banks to their foreign branches
		F.R. Banks	Others	Other liabilities, etc. <sup>8</sup>	Loans	Securities					Large negotiable (time CD's included in time and savings deposits) <sup>11</sup>			
											Total	Issued to FPC's	Issued to others	
<i>Large banks</i>														
<i>Total</i>														
1972														
June 7	29,725	109	1,455	15,417	4,150	71	28,216	199,713	280,900	89,764	36,106	22,481	13,625	1,192
14	30,090	37	1,482	15,715	4,157	71	28,160	200,886	282,254	91,871	35,813	22,415	13,398	1,525
21	29,535	145	1,518	15,792	4,157	71	28,116	203,130	284,025	91,529	35,452	22,130	13,322	1,740
28	28,934	383	1,621	15,361	4,162	71	28,166	203,086	283,151	91,204	35,846	22,395	13,451	1,442
1973														
May 2	34,513	454	2,891	17,082	4,430	64	30,353	242,960	322,578	97,246	56,531	37,073	19,458	1,238
9	36,592	2,359	2,985	16,311	4,427	73	30,368	243,267	322,710	94,896	57,917	38,128	19,789	1,073
16	36,836	2,002	3,082	17,574	4,434	64	30,268	245,026	323,600	94,915	58,521	38,659	19,862	1,721
23	37,315	935	3,002	17,906	4,437	64	30,310	244,530	322,918	94,997	59,425	39,225	20,200	1,492
30	36,471	1,263	3,192	17,221	4,459	64	30,204	246,091	325,589	95,932	59,718	39,239	20,479	1,351
June 6	39,933	514	3,279	17,186	4,467	64	30,544	246,420	326,525	97,889	59,287	39,192	20,095	940
13	37,223	1,347	3,100	17,193	4,475	64	30,570	249,286	329,305	99,289	59,726	39,468	20,258	1,266
20	39,541	1,393	3,402	17,637	4,477	64	30,516	249,907	329,315	98,278	58,477	38,530	19,947	1,235
27	37,081	1,117	3,871	17,745	4,488	64	30,540	250,542	329,980	97,934	59,503	39,570	19,933	1,515
<i>New York City</i>														
1972														
June 7	7,648		375	5,444	1,218		7,141	45,212	58,998	18,389	12,622	8,464	4,158	893
14	7,591		349	5,693	1,221		7,115	45,704	59,517	19,054	12,377	8,365	4,012	1,211
21	7,623	125	392	5,699	1,221		7,096	46,225	60,362	19,859	12,051	8,187	3,864	1,364
28	6,434		430	5,412	1,224		7,083	45,922	59,531	18,898	12,256	8,299	3,957	975
1973														
May 2	6,723		1,254	6,371	1,269		7,681	55,244	67,498	21,056	18,694	12,667	6,027	958
9	8,107	1,215	1,320	5,918	1,274		7,679	55,625	67,659	19,440	18,873	12,726	6,147	793
16	8,869	623	1,192	6,827	1,275		7,665	56,477	68,588	19,062	18,980	12,753	6,227	1,438
23	8,733	15	1,326	7,058	1,275		7,665	55,137	67,482	19,782	19,272	12,905	6,367	1,172
30	8,067	15	1,540	6,350	1,275		7,652	55,999	68,520	20,108	19,487	12,898	6,589	927
June 6	9,327		1,561	6,307	1,280		7,721	56,092	68,997	20,915	19,142	12,877	6,265	556
13	9,111	125	1,420	6,344	1,286		7,717	57,191	70,051	20,284	19,197	12,719	6,478	962
20	10,191	200	1,531	6,494	1,287		7,704	57,507	70,428	20,846	18,730	12,343	6,387	957
27	8,555		1,888	6,802	1,292		7,689	57,329	69,957	20,411	19,037	12,658	6,379	1,264
<i>Outside New York City</i>														
1972														
June 7	22,077	109	1,080	9,973	2,932	71	21,075	154,501	221,902	71,375	23,484	14,017	9,467	299
14	22,499	371	1,133	10,022	2,936	71	21,045	155,182	222,737	72,817	23,436	14,050	9,386	314
21	21,912	20	1,126	10,093	2,936	71	21,020	156,905	223,663	71,670	23,401	13,943	9,458	376
28	22,500	383	1,191	9,949	2,938	71	21,083	157,164	223,620	72,306	23,590	14,096	9,494	467
1973														
May 2	27,790	454	1,637	10,711	3,161	64	22,672	187,716	255,080	76,190	37,837	24,406	13,431	280
9	28,485	1,144	1,665	10,393	3,153	73	22,689	187,642	255,051	75,456	39,044	25,402	13,642	289
16	27,967	1,379	1,690	10,747	3,159	64	22,603	188,549	255,012	75,834	39,541	25,906	13,635	283
23	28,582	920	1,676	10,848	3,162	64	22,645	189,183	255,436	75,215	40,153	26,320	13,833	365
30	28,404	1,248	1,652	10,871	3,184	64	22,552	190,092	257,069	75,824	40,231	26,341	13,890	379
June 6	30,606	514	1,718	10,879	3,187	64	22,823	190,328	257,528	76,974	40,145	26,315	13,830	384
13	28,612	1,222	1,680	10,849	3,189	64	22,853	192,095	259,254	79,005	40,529	26,749	13,780	304
20	29,350	1,193	1,871	11,143	3,190	64	22,812	192,400	258,887	77,432	39,747	26,187	13,560	278
27	28,526	1,117	1,983	10,943	3,196	64	22,851	193,213	260,023	77,523	40,466	26,912	13,554	251

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			1972				
	June 27	June 20	June 13	June 6	May 30	June	May	Apr.	II	I	IV	Ist half	2nd half
Durable goods manufacturing:													
Primary metals.....	2,031	1,991	2,008	2,012	2,023	8	110	7	109	122	20	13	79
Machinery.....	6,065	6,071	5,900	5,727	5,705	360	26	320	654	808	496	1,462	395
Transportation equipment.....	2,172	2,154	2,192	2,148	2,158	14	53	85	46	32	173	78	258
Other fabricated metal products.....	2,367	2,287	2,240	2,173	2,158	109	50	113	272	236	24	508	57
Other durable goods.....	3,774	3,788	3,733	3,670	3,636	138	32	151	321	549	13	870	69
Nondurable goods manufacturing:													
Food, liquor, and tobacco.....	3,407	3,395	3,380	3,401	3,339	68	240	39	211	171	640	40	827
Textiles, apparel, and leather.....	3,415	3,362	3,255	3,282	3,258	157	12	97	266	455	351	721	166
Petroleum refining.....	1,189	1,213	1,205	1,192	1,184	5	18	7	6	218	10	212	14
Chemicals and rubber.....	2,666	2,654	2,652	2,615	2,613	53	78	88	63	746	9	809	262
Other nondurable goods.....	2,057	2,068	2,049	2,033	2,008	49	64	47	160	203	65	363	30
Mining, including crude petroleum and natural gas.....	3,980	4,191	3,992	3,987	3,965	15	28	33	20	331	33	351	25
Trade: Commodity dealers.....	1,259	1,270	1,298	1,265	1,300	131	241	226	598	62	481	535	622
Other wholesale.....	5,217	5,234	5,168	5,166	5,186	31	73	75	179	384	61	863	216
Retail.....	6,084	6,034	6,003	5,981	5,972	112	151	186	449	635	166	1,084	473
Transportation.....	5,887	5,894	5,820	5,829	5,741	146	125	15	286	11	238	297	42
Communication.....	2,114	2,069	2,029	2,132	2,146	32	31	139	76	179	147	255	424
Other public utilities.....	4,529	4,567	4,367	4,302	4,285	244	239	169	652	291	531	943	919
Construction.....	5,590	5,568	5,533	5,448	5,396	194	239	189	622	304	38	926	364
Services.....	10,161	10,163	10,011	10,018	9,881	280	55	152	487	542	558	1,029	494
All other domestic loans.....	7,609	7,603	7,541	7,554	7,483	126	364	312	802	975	168	1,774	239
Bankers' acceptances.....	1,407	1,417	1,478	1,433	1,304	103	160	177	86	230	302	144	00
Foreign commercial and industrial loans.....	4,439	4,497	4,462	4,444	4,444	5	111	127	21	580	414	559	491
Total classified loans.....	87,319	87,490	86,296	85,912	85,275	2,044	850	1,602	4,496	7,602	3,599	12,098	4,944
Total commercial and industrial loans of large commercial banks.....	105,040	105,178	103,813	103,492	102,794	2,246	895	2,026	5,167	8,770	4,472	13,937	6,149

See NOTE to table below.

"TERM" COMMERCIAL AND INDUSTRIAL LOANS OF LARGE COMMERCIAL BANKS

(In millions of dollars)

Industry	Outstanding						Net change during							
	1973						1972			1973				
	June 27	May 30	Apr. 25	Mar. 28	Feb. 28	Jan. 31	Dec. 27	Nov. 29	Oct. 25	II	I	IV	III	Ist half
Durable goods manufacturing:														
Primary metals.....	1,328	1,314	1,315	1,335	1,307	1,336	1,268	1,278	1,282	7	67	35	67	60
Machinery.....	2,641	2,560	2,555	2,313	2,305	2,271	2,154	2,034	1,907	328	159	249	49	487
Transportation equipment.....	1,189	1,168	1,180	1,174	1,217	1,246	1,205	1,256	1,201	15	31	102	52	16
Other fabricated metal products.....	869	833	842	785	765	751	720	707	680	84	65	41	4	149
Other durable goods.....	1,690	1,592	1,614	1,520	1,464	1,348	1,239	1,196	1,193	170	281	51	6	451
Nondurable goods manufacturing:														
Food, liquor, and tobacco.....	1,393	1,372	1,355	1,350	1,325	1,304	1,234	1,191	1,182	43	116	155	153	159
Textiles, apparel, and leather.....	969	942	978	892	843	781	723	699	731	77	169	12	57	246
Petroleum refining.....	876	885	858	842	778	781	698	681	658	34	144	19	18	178
Chemicals and rubber.....	1,481	1,441	1,459	1,479	1,439	1,359	1,153	1,143	1,190	2	326	6	68	328
Other nondurable goods.....	1,063	1,063	1,108	1,100	1,062	1,005	894	913	939	37	204	46	46	169
Mining, including crude petroleum and natural gas.....	2,846	2,908	2,895	2,872	2,823	2,896	2,685	2,726	2,748	26	187	6	2	161
Trade: Commodity dealers.....	123	139	136	150	131	132	121	121	123	27	29	14	2	2
Other wholesale.....	1,066	1,051	1,068	1,055	1,008	982	894	880	876	11	161	30	19	172
Retail.....	2,006	1,979	1,947	1,823	1,763	1,698	1,592	1,588	1,497	183	231	148	146	414
Transportation.....	4,305	4,161	4,202	4,234	4,285	4,257	4,180	4,070	4,078	71	54	94	219	125
Communication.....	785	760	738	746	770	755	682	549	537	39	64	121	64	103
Other public utilities.....	2,409	2,328	2,343	2,234	2,245	2,060	1,975	1,825	1,759	175	259	287	282	434
Construction.....	1,896	1,853	1,800	1,709	1,665	1,661	1,558	1,528	1,520	187	151	8	142	338
Services.....	4,562	4,401	4,417	4,339	4,184	4,120	4,026	3,999	3,951	223	313	164	143	536
All other domestic loans.....	2,201	2,180	2,061	1,871	1,785	1,711	1,597	1,532	1,459	330	274	43	131	604
Foreign commercial and industrial loans.....	2,585	2,647	2,410	2,567	2,327	2,355	2,366	2,264	2,177	18	201	223	105	219
Total loans.....	38,283	37,577	37,281	36,390	35,491	34,809	32,964	32,180	31,688	1,893	3,426	1,498	803	5,319

NOTE: About 160 weekly reporting banks are included in this series; these banks classify, by industry, commercial and industrial loans amounting to about 90 per cent of such loans held by all weekly reporting banks and about 70 per cent of those held by all commercial banks.

For description of series see article "Revised Series on Commercial and Industrial Loans by Industry," Feb. 1967 BULFINCH, p. 209.

Commercial and industrial "term" loans are all outstanding loans with an original maturity of more than 1 year and all outstanding loans granted under a formal agreement revolving credit or standby on which the original maturity of the commitment was in excess of 1 year.

**GROSS DEMAND DEPOSITS OF INDIVIDUALS, PARTNERSHIPS, AND CORPORATIONS<sup>1</sup>**

(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	
<b>All commercial banks:</b>						
1970 - June.....	17.1	85.3	49.0	1.6	9.6	162.5
Sept.....	17.0	88.0	51.4	1.4	10.0	167.9
Dec.....	17.3	92.7	53.6	1.3	10.3	175.1
1971 - Mar.....	18.3	86.3	54.4	1.4	10.5	170.9
June.....	18.1	89.6	56.2	1.3	10.5	175.8
Sept.....	17.9	91.5	57.5	1.2	9.7	177.9
Dec.....	18.5	98.4	58.6	1.3	10.7	187.5
1972 - Mar.....	20.2	92.6	54.7	1.4	12.3	181.2
June.....	17.9	97.6	60.5	1.4	11.0	188.4
Sept.....	18.0	101.5	63.1	1.4	11.4	195.4
Dec.....	18.9	109.9	65.4	1.5	12.3	208.0
1973 - Mar.....	18.6	102.8	65.1	1.7	11.8	200.0
<b>Weekly reporting banks:</b>						
1971 - Dec.....	14.4	58.6	24.6	1.2	5.9	104.8
1972 - May.....	13.7	56.2	25.4	1.2	5.7	102.1
June.....	14.1	57.3	25.7	1.3	6.0	104.3
July.....	14.3	58.5	26.1	1.3	6.0	106.3
Aug.....	13.6	57.4	26.0	1.3	5.7	104.0
Sept.....	13.7	59.0	26.2	1.3	6.2	106.4
Oct.....	14.1	60.0	26.2	1.3	6.1	107.8
Nov.....	14.5	60.5	26.7	1.3	6.2	109.2
Dec.....	14.7	64.4	27.1	1.4	6.6	114.3
1973 - Jan.....	15.0	63.1	27.8	1.4	6.8	114.1
Feb.....	14.3	60.3	26.3	1.6	6.5	109.0
Mar.....	14.4	59.0	26.5	1.6	6.4	107.9
Apr.....	14.3	59.4	28.6	1.8	6.4	110.4
May.....	13.8	59.1	26.9	1.9	6.4	108.0

<sup>1</sup> 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, 1969	Dec. 31, 1971	June 30, 1972	Dec. 31, 1972	Class of bank	Dec. 31, 1969	Dec. 31, 1971	June 30, 1972	Dec. 31, 1972
All commercial.....	1,131	680	595	559	All member - Cont.				
Insured.....	1,129	677	592	554	Other large banks <sup>1</sup> .....	304	112	73	69
National member.....	688	387	340	311	All other member <sup>1</sup> .....	571	371	346	313
State member.....	188	95	79	71	All nonmember.....	255	197	177	177
All member.....	876	482	419	381	Insured.....	253	195	173	172
					Noninsured.....	2	2	3	5

<sup>1</sup> 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- Mar. 7	3,013	1,985	1,028	1,879	310	1,569
14	3,136	1,958	1,178	1,869	288	1,581
21	3,000	1,882	1,118	1,863	290	1,573
28	3,161	1,997	1,164	1,872	295	1,577
Apr. 4	3,428	2,065	1,363	1,838	285	1,553
11	3,572	2,241	1,331	1,846	279	1,567
18	3,592	2,357	1,235	1,823	286	1,537
25	3,650	2,319	1,331	1,816	265	1,551
May 2	3,598	2,281	1,317	1,819	270	1,549
9	3,561	2,232	1,329	1,818	270	1,548
16	3,668	2,323	1,345	1,818	272	1,521
23	3,618	2,283	1,335	1,751	236	1,455
30	3,674	2,231	1,443	1,773	308	1,465
June 6	3,701	2,348	1,353	1,798	323	1,475
13	3,611	2,248	1,363	1,757	309	1,448
20	3,474	2,169	1,305	1,731	280	1,451
27	3,520	2,174	1,346	1,707	279	1,428

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 <sup>1</sup>	Bank related	Other <sup>2</sup>		Accepting banks		L.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	4,223	1,094	139	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	2,341			
1968	21,173	7,201	13,972	4,428	1,544	1,344	200	58	109	2,717	1,423	952	2,083			
1969	23,600	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	4,087	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- May	33,919	517	12,043	1,482	19,877	7,443	2,874	2,117	757	143	261	4,165	2,683	1,596	3,164	
June	34,366	542	12,325	1,429	20,070	7,069	2,817	2,082	735	73	351	3,927	2,657	1,569	3,843	
July	34,785	604	12,319	1,652	20,210	6,643	2,430	1,873	557	63	263	3,887	2,492	1,606	2,545	
Aug.	34,233	705	12,239	1,716	19,573	6,639	2,298	1,829	469	96	287	3,958	2,532	1,631	2,476	
Sept.	34,012	775	12,313	1,593	19,331	6,602	2,403	1,833	569	62	261	3,876	2,538	1,646	2,418	
Oct.	35,651	821	12,737	1,708	20,385	6,748	2,394	1,881	514	70	219	4,065	2,585	1,786	2,377	
Nov.	35,775	876	12,345	1,709	20,845	6,864	2,529	1,995	535	63	199	4,073	2,621	1,844	2,400	
Dec.	35,721	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	

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

<sup>2</sup> As reported by finance companies that place their paper directly with investors.

NOTE: Data for commercial and finance company paper have been revised to remove large discontinuities resulting from the addition of commercial paper issuers. 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
1956 Apr. 13.....	3¼	1970 Mar. 25.....	8	1972 Feb. 28.....	4¼-4½	1972 Oct. 2.....	5½-5¾
Aug. 21.....	4	Sept. 21.....	7½	Mar. 13.....	4¼-4¾	4.....	5½-5¾
1957 Aug. 6.....	4½	Nov. 12.....	7¼	23.....	4¼	11.....	5¼
1958 Jan. 22.....	4	Dec. 22.....	6¾	27.....	4¼-4¾-5	16.....	5¼-5¾
Apr. 21.....	3½	1971 Jan. 6.....	6½	Apr. 3.....	4¼-5	Nov. 6.....	5¼
Sept. 11.....	4	15.....	6¼	5.....	5	20.....	5¼-5¾
1959 May 18.....	4½	18.....	6	17.....	5-5¼	Dec. 26.....	5¼-6
Sept. 1.....	5	Feb. 16.....	5¾	May 1.....	5-5½-5¾	27.....	5¼-6
1960 Aug. 23.....	4½	Mar. 11.....	5¼-5½	30.....	5	1973 Jan. 4.....	6
1965 Dec. 6.....	5	19.....	5¼	June 12.....	5-5½	Feb. 2.....	6-6¼
1966 Mar. 10.....	5½	Apr. 23.....	5¼-5½	26.....	5-5¼	14.....	6
June 29.....	5¾	May 11.....	5½	July 3.....	5¼-5½	26.....	6-6¼
Aug. 16.....	6	July 6.....	5½-6	10.....	5¼-5¾	27.....	6¼
1967 Jan. 26 27.....	5½-5¾	7.....	6	17.....	5½	Mar. 19.....	6¼-6¾
Mar. 27.....	5½	Oct. 20.....	5¼	31.....	5¼-5½	26.....	6½
Nov. 20.....	6	Nov. 1.....	5¾-5¾	Aug. 11.....	5¼-5¾	Apr. 18.....	6½-6¾
1968 Apr. 19.....	6½	4.....	5½-5¾	14.....	5½	19.....	6¼
Sept. 25.....	6-6¼	8.....	5½	21.....	5¼-5½	May 4.....	6¼-7
Nov. 13.....	6¼	22.....	5¼-5½	25.....	5¼-5¾	7.....	7
Dec. 2.....	6½	29.....	5¼-5½	29.....	5½	34.....	7-7¼
18.....	6¾	Dec. 6.....	5¼-5¾	Sept. 4.....	5¼-5½	25.....	7¾-8
1969 Jan. 7.....	7	27.....	5½	5.....	5½	July 2.....	7¾-8
Mar. 17.....	7½	31.....	5¼	11.....	5½-5¾		
June 9.....	8½	1972 Jan. 3.....	5-5½-5¾	25.....	5¼-5¾		
		17.....	4¼-5-5½	5.....	5¼		
		24.....	4¼-4¾-5				
		31.....	4½-4¾-5				

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

Effective April 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	
	May 1973	Feb. 1973	May 1973	Feb. 1973	May 1973	Feb. 1973	May 1973	Feb. 1973	May 1973	Feb. 1973	May 1973	Feb. 1973
<b>Short-term</b>												
35 centers.....	7.35	6.52	8.05	7.63	7.85	7.29	7.61	6.83	7.34	6.52	7.19	6.30
New York City.....	7.04	6.22	8.05	7.39	7.76	7.08	7.38	6.59	7.14	6.33	6.97	6.13
7 Other Northeast.....	7.71	6.89	8.36	8.00	8.08	7.53	7.89	7.04	7.77	6.93	7.52	6.65
8 North Central.....	7.45	6.45	7.72	7.26	7.70	7.16	7.57	6.83	7.52	6.35	7.41	6.27
7 Southeast.....	7.37	6.76	8.03	7.73	7.80	7.33	7.53	6.89	7.11	6.65	7.16	6.41
8 Southwest.....	7.33	6.63	7.98	7.48	7.74	7.16	7.48	6.72	7.28	6.53	7.08	6.38
4 West Coast.....	7.25	6.50	8.31	7.87	7.98	7.37	7.71	6.82	7.27	6.41	7.06	6.34
<b>Revolving credit</b>												
35 centers.....	7.14	6.39	7.96	7.27	7.85	7.06	7.46	6.55	7.25	6.38	7.17	6.39
New York City.....	7.07	6.53	7.82	7.07	7.36	6.87	7.28	6.56	7.18	6.40	7.06	6.53
7 Other Northeast.....	7.45	6.38	8.43	7.51	7.63	7.09	7.55	6.69	7.33	6.47	7.45	6.63
8 North Central.....	7.40	6.25	8.61	8.50	7.99	7.14	7.66	6.54	7.22	6.29	7.37	6.18
7 Southeast.....	7.19	7.24	7.53	6.00	7.73	5.95	7.03	6.41	7.13	6.29	7.17	6.67
8 Southwest.....	7.79	6.83	7.75	7.65	7.83	7.17	8.11	6.74	7.54	6.86	7.79	6.82
4 West Coast.....	7.17	6.32	7.97	7.37	7.95	7.20	7.36	6.51	7.23	6.30	7.12	6.28
<b>Long-term</b>												
35 centers.....	7.66	7.11	8.17	7.47	7.79	7.48	7.93	7.31	7.72	7.13	7.60	7.06
New York City.....	7.30	6.90	7.20	6.64	7.45	7.00	7.55	7.09	7.70	6.47	7.25	6.91
7 Other Northeast.....	8.17	7.08	8.60	7.28	7.68	7.66	8.12	7.49	7.95	6.89	8.28	6.94
8 North Central.....	7.72	7.04	8.08	7.34	8.02	7.60	8.21	7.24	7.51	7.02	7.65	6.98
7 Southeast.....	8.44	8.29	7.18	7.38	7.24	7.05	8.50	8.67	9.39	7.76	8.58	8.71
8 Southwest.....	7.79	7.88	8.39	8.20	8.20	7.97	7.66	7.37	7.68	6.62	7.82	8.45
4 West Coast.....	7.69	7.18	8.72	7.49	7.95	7.17	7.66	6.91	7.57	8.24	7.71	7.06

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

**MONEY MARKET RATES**

(Per cent per annum)

Period	Prime commercial paper <sup>1</sup>		Finance co. paper placed directly, 3- to 6-months <sup>2</sup>	Prime bankers' acceptances, 90 days <sup>1</sup>	Federal funds rate <sup>3</sup>	U.S. Government securities <sup>4</sup>						
	90-119 days	4- to 6-months				3-month bills <sup>5</sup>		6-month bills <sup>5</sup>		9- to 12-month issues		3- to 5-year issues <sup>7</sup>
						Rate on new issue	Market yield	Rate on new issue	Market yield	1-year bill (market yield) <sup>5</sup>	Other <sup>6</sup>	
1966.....		5.55	5.42	5.36	5.11	4.881	4.86	5.082	5.06	5.07	5.17	5.16
1967.....		5.10	4.89	4.75	4.22	4.321	4.29	4.630	4.61	4.71	4.84	5.07
1968.....		5.90	5.69	5.75	5.66	5.339	5.34	5.470	5.47	5.46	5.62	5.59
1969.....		7.83	7.16	7.61	8.22	6.677	6.67	6.853	6.86	6.79	7.06	6.85
1970.....		7.72	7.23	7.31	7.17	6.458	6.39	6.562	6.51	6.49	6.90	7.37
1971.....		5.11	4.91	4.85	4.66	4.348	4.33	4.511	4.52	4.77	4.75	5.77
1972.....	4.67	4.69	4.52	4.47	4.44	4.071	4.07	4.466	4.49	4.67	4.86	5.85
1972—June.....	4.60	4.64	4.45	4.47	4.46	3.874	3.91	4.270	4.35	4.71	4.87	5.77
July.....	4.83	4.85	4.72	4.73	4.55	4.059	3.98	4.583	4.50	4.90	4.89	5.86
Aug.....	4.75	4.82	4.58	4.67	4.80	4.014	4.02	4.527	4.55	4.90	4.91	5.92
Sept.....	5.07	5.14	4.91	4.84	4.87	4.651	4.66	5.086	5.13	5.44	5.49	6.16
Oct.....	5.21	5.30	5.13	5.05	5.04	4.719	4.74	5.118	5.13	5.39	5.41	6.11
Nov.....	5.18	5.25	5.13	5.01	5.06	4.774	4.78	5.079	5.09	5.20	5.22	6.03
Dec.....	5.40	5.45	5.24	5.16	5.33	5.061	5.07	5.287	5.30	5.28	5.46	6.07
1973—Jan.....	5.76	5.78	5.56	5.60	5.94	5.307	5.41	5.527	5.62	5.58	5.78	6.29
Feb.....	6.17	6.22	5.97	6.14	6.58	5.558	5.60	5.749	5.83	5.93	6.07	6.61
Mar.....	6.76	6.85	6.45	6.82	7.09	6.054	6.09	6.430	6.51	6.53	6.81	6.85
Apr.....	7.13	7.14	6.76	6.97	7.12	6.289	6.26	6.525	6.52	6.51	6.79	6.74
May.....	7.26	7.27	6.85	7.15	7.84	6.348	6.36	6.615	6.62	6.63	6.83	6.78
June.....	8.00	7.99	7.45	7.98	8.49	7.188	7.19	7.334	7.23	7.05	7.27	6.76
Week ending—												
1973—Mar. 3.....	6.28	6.30	6.05	6.30	6.75	5.811	5.81	6.045	6.11	6.18	6.39	6.76
10.....	6.50	6.53	6.23	6.65	7.02	5.879	5.85	6.272	6.29	6.35	6.56	6.84
17.....	6.75	6.85	6.38	6.83	7.13	5.997	6.05	6.440	6.56	6.56	6.84	6.90
24.....	6.95	7.08	6.60	7.00	6.96	6.334	6.31	6.759	6.70	6.69	7.02	6.91
31.....	7.00	7.13	6.75	7.00	7.11	6.251	6.29	6.632	6.67	6.66	6.99	6.79
Apr. 7.....	7.13	7.18	6.78	7.00	7.18	6.531	6.45	6.814	6.68	6.63	6.98	6.77
14.....	7.13	7.13	6.78	6.98	6.84	6.187	6.20	6.268	6.40	6.41	6.77	6.67
21.....	7.13	7.13	6.75	6.88	7.23	6.187	6.16	6.389	6.43	6.42	6.70	6.73
28.....	7.13	7.13	6.75	7.00	7.14	6.251	6.23	6.630	6.56	6.56	6.70	6.79
May 5.....	7.13	7.13	6.75	7.00	7.43	6.278	6.24	6.575	6.56	6.60	6.74	6.79
12.....	7.13	7.13	6.75	7.00	7.60	6.136	6.07	6.431	6.42	6.49	6.68	6.76
19.....	7.23	7.28	6.75	7.13	7.81	6.179	6.22	6.456	6.48	6.49	6.72	6.76
26.....	7.38	7.38	6.95	7.33	8.06	6.452	6.56	6.748	6.78	6.78	6.98	6.82
June 2.....	7.53	7.53	7.13	7.41	7.95	6.694	6.91	6.864	6.99	6.91	7.13	6.79
9.....	7.80	7.83	7.25	7.75	8.43	7.133	7.07	7.210	7.09	6.94	7.30	6.72
16.....	7.90	7.90	7.50	7.88	8.17	7.129	7.15	7.172	7.16	6.94	7.19	6.70
23.....	8.10	8.03	7.50	8.05	8.55	7.263	7.25	7.255	7.27	7.02	7.25	6.74
30.....	8.28	8.28	7.60	8.35	8.59	7.228	7.32	7.299	7.43	7.31	7.46	6.89

<sup>1</sup> Averages of the most representative daily offering rate quoted by dealers.  
<sup>2</sup> Averages of the most representative daily offering rate published by finance companies, for varying maturities in the 90-179 day range.  
<sup>3</sup> Seven-day average for week ending Wednesday.  
<sup>4</sup> Except for new bill issues, yields are averages computed from daily losing bid prices.

<sup>5</sup> Bills quoted on bank-discount-rate basis.  
<sup>6</sup> Certificates and selected note and bond issues.  
<sup>7</sup> 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 <sup>1</sup>	By selected rating			By group		Dividend/price ratio		Earnings/price ratio
		Total <sup>1</sup>	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	4.49	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	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	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	6.07	
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	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	6.51	
1971.....	5.74	5.62	5.22	5.89	7.62	7.66	7.94	7.39	8.56	7.57	8.38	8.13	6.75	5.40	
1972.....	5.63	5.30	5.04	5.60	7.31	7.34	7.63	7.21	8.16	7.35	7.99	7.74	7.27	2.84	
1972- June.....	5.59	5.35	5.07	5.72	7.32	7.38	7.66	7.23	8.20	7.36	7.98	7.83	6.93	2.87	
July.....	5.57	5.50	5.23	5.78	7.38	7.39	7.66	7.21	8.23	7.39	8.00	7.80	6.99	2.90	
Aug.....	5.54	5.36	5.10	5.66	7.37	7.38	7.61	7.19	8.19	7.35	7.99	7.69	6.90	2.80	
Sept.....	5.70	5.38	5.12	5.69	7.40	7.42	7.59	7.22	8.09	7.36	7.97	7.63	7.00	2.83	
Oct.....	5.69	5.24	5.03	5.45	7.38	7.41	7.59	7.21	8.06	7.36	7.97	7.63	7.03	2.82	
Nov.....	5.50	5.11	4.91	5.37	7.09	7.21	7.52	7.12	7.99	7.28	7.95	7.55	6.93	2.73	
Dec.....	5.63	5.13	4.91	5.39	7.15	7.21	7.47	7.08	7.93	7.22	7.91	7.48	6.92	2.70	
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	5.40	5.07	5.58	7.49	7.54	7.62	7.29	8.03	7.43	7.94	7.64	7.03	3.83	
Apr.....	6.11	5.17	4.95	5.42	7.46	7.47	7.62	7.26	8.09	7.43	7.98	7.64	7.11	2.90	
May.....	6.22	5.13	4.90	5.41	7.51	7.50	7.62	7.29	8.06	7.41	8.01	7.63	7.13	3.01	
June.....	6.32	5.25	5.05	5.51	7.64	7.64	7.69	7.37	8.13	7.49	8.07	7.69	7.25	3.06	
Week ending-															
1973- May 5.....	6.15	5.10	4.85	5.35	7.40	7.42	7.59	7.26	8.03	7.38	7.97	7.62	7.12	2.96	
12.....	6.15	5.10	4.85	5.35	7.40	7.42	7.60	7.26	8.03	7.39	8.00	7.61	7.01	2.92	
19.....	6.21	5.13	4.85	5.40	7.45	7.50	7.61	7.29	8.04	7.40	7.99	7.61	7.12	3.03	
26.....	6.31	5.19	4.95	5.45	7.61	7.55	7.64	7.32	8.08	7.43	8.03	7.64	7.22	3.10	
June 2.....	6.31	5.24	5.00	5.50	7.55	7.60	7.67	7.35	8.12	7.45	8.06	7.67	7.20	3.02	
9.....	6.31	5.17	5.00	5.40	7.63	7.59	7.68	7.36	8.13	7.48	8.06	7.67	7.23	3.07	
16.....	6.29	5.23	5.05	5.50	7.58	7.60	7.68	7.36	8.14	7.48	8.06	7.68	7.19	2.98	
23.....	6.32	5.28	5.05	5.55	7.66	7.69	7.69	7.38	8.13	7.49	8.08	7.69	7.27	3.07	
30.....	6.36	5.31	5.10	5.60	7.73	7.72	7.72	7.40	7.14	7.51	8.09	7.71	7.29	3.09	
Number of issues <sup>2</sup> .....	11	20	5	5	.....	121	20	30	41	30	40	14	500	500	

<sup>1</sup> 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.

<sup>2</sup> Number of issues varies over time; figures shown reflect most recent count.

NOTE.—Annual yields are averages of monthly or quarterly data.

Bonds: Monthly and weekly yields are computed as follows: (1) U.S. Govt.: Averages of daily figures for bonds maturing or callable in 10 years or more; from Treasury Dept. (2) State and local govt.: General obligations

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

Stocks: Standard and Poor's corporate series. Dividend/price ratios are based on Wed. figures; earnings/price ratios are as of end of period. Preferred stock ratio is based on eight median yields for a sample of 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:

<sup>1</sup> Begins June 30, 1965, at 10.90. On that day the average price of a share of stock listed on the American Stock Exchange was \$10.90.

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

Terms on Mortgages:

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

<sup>2</sup> Series revised beginning Jan. 1973; hence data are not strictly comparable with earlier figures.

NOTE.—Compiled by Federal Home Loan Bank Board in cooperation with Federal Deposit Insurance Corporation. Data are weighted averages based on probability sample survey of characteristics of mortgages originated by major institutional lender groups (including mortgage companies) for purchase of single-family homes. Data exclude loans for refinancing, reconditioning, or modernization; construction loans to homebuilders; and permanent loans that are coupled with construction loans to owner-builders. Series beginning 1965, not strictly comparable with earlier data. See also the table on Home-Mortgage Yields, p. A-53.

SECURITY PRICES

Period	Common stock prices												Volume of trading in stocks (thousands of shares)			
	Bond prices (per cent of par)			New York Stock Exchange												
				Standard and Poor's index (1941-43=10)				New York Stock Exchange index (Dec. 31, 1965=50)							American Stock Exchange total index <sup>1</sup>	
	U.S. Govt. (long-term)	State and local	Corporate AAA	Total	Industrial	Rail-road	Public utility	Total	Industrial	Transportation	Utility <sup>1</sup>	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	45.41	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	50.88	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-June	69.05	83.4	65.6	108.01	120.84	43.66	53.73	59.87	65.76	51.26	36.32	76.59	27.47	14,298	3,872	
July	69.23	83.1	65.6	107.21	119.98	42.00	53.47	59.21	65.13	48.45	36.02	75.41	26.97	14,450	3,556	
Aug.	69.55	84.2	65.8	111.01	124.35	43.28	54.66	61.07	67.25	48.97	36.87	78.27	26.85	15,522	3,807	
Sept.	68.06	83.4	65.6	109.39	122.33	42.37	55.36	60.05	65.72	46.49	37.82	78.41	25.23	12,314	2,774	
Oct.	68.09	85.3	65.5	109.56	122.39	41.20	56.66	59.99	65.35	44.95	38.93	79.64	25.87	14,427	3,014	
Nov.	69.87	87.1	65.9	115.05	128.29	42.41	61.16	62.99	68.29	47.50	41.81	84.57	26.18	20,282	4,256	
Dec.	68.68	87.1	66.05	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	61.67	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	
Week ending																
1973-June 2	62.67	85.5	64.6	105.58	118.09	34.41	55.01	55.76	61.20	34.71	38.47	64.01	22.62	11,405	2,388	
9	62.69	86.2	64.5	101.96	117.41	34.09	54.67	55.25	60.71	33.95	38.06	62.65	22.44	13,325	2,503	
16	62.87	86.3	64.5	106.82	119.54	35.32	55.18	56.23	61.84	34.76	38.35	64.25	22.62	12,933	2,184	
23	62.59	85.5	64.4	103.79	116.10	34.24	53.83	54.62	59.91	33.34	37.70	63.30	22.41	14,025	2,365	
30	62.31	85.0	64.2	103.62	115.97	33.83	53.60	54.49	59.71	32.78	37.65	64.00	22.36	12,482	2,210	

For notes see opposite page.

TERMS ON CONVENTIONAL FIRST MORTGAGES

Period	New homes						Existing homes					
	Contract rate (per cent)	Fees & charges (per cent) <sup>1</sup>	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) <sup>1</sup>	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	19.5
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-June	7.41	.85	27.2	76.5	37.2	27.8	7.36	.78	25.5	76.1	33.8	25.2
July	7.43	.83	27.2	77.0	37.3	28.2	7.37	.83	25.6	76.2	33.8	25.2
Aug.	7.45	.86	27.5	77.5	36.8	27.9	7.39	.81	26.3	76.5	33.7	25.4
Sept.	7.43	.86	27.3	77.5	36.6	27.9	7.42	.83	26.2	76.5	32.9	24.8
Oct.	7.48	.88	27.2	77.3	36.0	27.4	7.43	.84	26.1	76.3	33.3	25.0
Nov.	7.50	.90	27.5	77.4	37.1	28.1	7.44	.83	26.2	76.7	33.7	25.3
Dec.	7.51	.92	27.5	78.0	37.9	29.0	7.45	.86	26.4	76.8	34.0	25.7
1973-Jan.	7.52	1.03	25.7	76.6	35.8	27.0	7.53	.94	24.2	75.2	30.5	22.6
Feb.	7.52	1.15	26.8	78.6	35.9	27.6	7.55	1.03	24.6	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	24.9	77.3	30.1	22.8
May	7.55	1.05	25.9	78.7	36.6	27.2	7.62	.93	23.5	77.5	30.0	22.4
June	7.59	1.09	26.5	78.2	35.8	27.6	7.62	.91	24.0	76.4	32.3	24.1

1 or notes see opposite page.

**STOCK MARKET CUSTOMER FINANCING**

(In millions of dollars)

End of period	Margin credit at brokers and banks <sup>1</sup>											Other security credit at banks <sup>1</sup>	Free credit balances at brokers <sup>5</sup>	
	By source			Regulated <sup>2</sup>						Unregulated <sup>3</sup>				
	Total	Brokers	Banks	Margin stock		Convertible bonds		Subscription issues		Nonmargin stock credit at banks				
				Brokers	Banks	Brokers	Banks	Brokers	Banks					
1972—May	8,472	7,478	994	7,200	924	241	58	37	12	1,141	296	403	1,930	
June	8,747	7,792	955	7,510	889	244	51	38	15	1,644	274	386	1,845	
July	8,924	7,945	979	7,660	910	248	53	37	16	1,772	285	403	1,842	
Aug.	9,092	8,060	1,032	7,780	961	246	54	34	17	1,800	298	384	1,733	
Sept.	9,091	8,083	1,008	7,800	937	248	54	35	17	1,871	255	380	1,677	
Oct.	9,024	8,081	943	7,800	872	250	53	31	18	1,875	351	389	1,708	
Nov.	9,068	8,166	902	7,890	831	249	52	27	19	1,871	396	390	1,828	
Dec.	9,045	8,180	865	7,900	798	254	50	26	17	1,896	528	414	1,957	
1973—Jan.	8,840	7,975	865	7,700	796	249	48	26	21	1,940	484	413	1,883	
Feb.	8,620	7,753	867	7,480	800	248	50	25	17	1,954	508	431	1,770	
Mar.	8,444	7,465	879	7,197	813	244	48	24	18	1,917	566	442	1,719	
Apr.	8,165	7,293	872	7,040	804	232	49	21	19	1,969	482	389	1,536	
May	7,650	6,784	866	6,540	802	224	47	20	18	2,010	502	413	1,564	

<sup>1</sup> 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.

<sup>2</sup> 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.

<sup>3</sup> 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.

<sup>4</sup> Includes loans to purchase or carry margin stock if these are unsecured or secured entirely by unrestricted collateral (see Dec. 1970 BULLETIN).

<sup>5</sup> 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) <sup>1</sup>	Equity class (per cent)					
		80 or more	70-79	60-69	50-59	40-49	Under 40
1972—May	7,200	6.9	9.9	19.3	38.6	15.0	10.4
June	7,510	6.0	9.1	15.9	33.9	22.0	13.2
July	7,660	5.5	8.3	14.6	30.8	24.9	15.7
Aug.	7,780	5.9	8.6	15.0	33.6	22.4	14.6
Sept.	7,800	5.5	8.0	13.8	31.4	24.9	16.4
Oct.	7,800	5.5	8.1	13.6	30.8	25.0	17.0
Nov.	7,890	6.0	9.4	16.6	35.1	20.5	12.4
Dec.	7,900	6.5	8.6	17.6	31.9	20.3	15.0
1973—Jan.	7,700	5.8	8.2	16.8	27.8	21.2	20.0
Feb.	7,480	5.1	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

<sup>1</sup> 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—May	34.7	57.1	8.0	5,860
June	34.3	56.3	9.4	5,770
July	34.4	55.2	11.4	5,930
Aug.	33.4	55.2	11.4	5,990
Sept.	33.7	53.8	12.5	6,000
Oct.	33.3	53.4	13.3	5,950
Nov.	33.6	54.5	11.8	6,140
Dec.	34.4	52.9	12.7	6,100
1973—Jan.	35.1	51.7	13.1	5,850
Feb.	35.8	49.8	14.4	5,770
Mar.	36.3	47.9	15.7	5,790
Apr.	35.3	46.9	18.0	5,660
May	35.8	45.0	19.1	5,670

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 <sup>5</sup>
	Mortgages	Investment securities <sup>1</sup>	Cash	Other <sup>2</sup>		Savings capital	Net worth <sup>3</sup>	Borrowed money <sup>4</sup>	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- Jan.....	175,838	22,476		10,926	209,240	177,738	13,656	8,053	4,874	4,919	7,657
Feb.....	177,614	23,511		11,144	212,269	180,556	14,517	7,275	4,853	5,068	8,840
Mar.....	180,145	23,948		11,291	215,384	184,843	14,119	6,759	5,077	4,586	10,079
Apr.....	182,711	24,000		11,440	218,151	186,617	14,558	6,847	5,283	4,846	11,081
May.....	185,431	24,526		11,691	221,648	188,826	15,050	6,802	5,608	5,362	12,064
June.....	188,884	24,058		11,865	224,807	192,564	14,452	7,273	5,887	4,631	11,928
July.....	191,642	24,497		11,942	228,081	194,770	14,900	7,216	5,997	5,198	12,147
Aug.....	194,955	24,321		12,125	231,401	196,571	15,432	7,512	6,100	5,786	12,143
Sept.....	197,881	24,102		12,277	234,260	199,966	14,991	8,080	6,119	5,104	12,175
Oct.....	200,554	24,648		12,457	237,659	202,012	15,485	8,327	6,086	5,749	12,226
Nov.....	203,266	24,750		12,689	240,705	203,889	15,992	8,503	6,067	6,254	12,274
Dec.....	206,387	24,491		12,693	243,571	207,305	15,326	9,847	6,225	4,868	11,578
1973- Jan.....	208,132	6,231,460		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 <sup>6</sup> .....	219,449	24,096		17,997	261,542	218,884	16,513	11,770	6,716	7,659	15,144

<sup>1</sup> 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 gov't. 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."

<sup>2</sup> 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.

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

<sup>4</sup> Consists of advances from FHLBB and other borrowing.

<sup>5</sup> 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.

<sup>6</sup> 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 (I)	Loans to cooperatives (A)	Debentures (I)	Loans and dis-counts (A)	Debentures (I)	Mortgage loans (A)	Bonds (I)
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- May.....	5,853	4,067	108	6,528	1,789	1,718	18,598	17,959	2,181	1,852	6,229	6,018	8,343	7,382
June.....	6,075	3,850	118	6,527	1,746	1,721	18,628	18,560	2,145	1,786	6,378	6,118	8,430	7,382
July.....	6,138	3,579	118	6,526	1,497	1,722	18,740	18,194	2,137	1,731	6,330	6,174	8,517	7,659
Aug.....	6,294	3,319	118	6,531	1,442	1,724	19,021	18,194	2,156	1,710	6,255	6,148	8,631	7,659
Sept.....	6,736	2,184	106	6,531	1,444	1,729	19,295	18,939	2,233	1,710	6,201	6,063	8,749	7,798
Oct.....	7,045	2,591	83	6,531	1,334	1,735	19,438	18,724	2,355	1,837	6,110	5,952	8,857	8,012
Nov.....	7,245	2,850	107	6,971	1,380	1,741	19,619	19,041	2,313	1,905	6,048	5,872	8,872	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

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. Gov't; for a listing of these securities, see table on opposite page. Loans are gross of valuation reserves and represent cost for FNMA and unpaid principal for other agencies.

OUTSTANDING ISSUES OF FEDERALLY SPONSORED AGENCIES, MAY 31, 1973

Agency, and date of issue and maturity	Cou- pon rate	Amount (millions of dollars)	Agency, and date of issue and maturity	Cou- pon rate	Amount (millions of dollars)	Agency, and date of issue and maturity	Cou- pon rate	Amount (millions of dollars)
<b>Federal home loan banks</b>			<b>Federal National Mortgage Association—Cont.</b>			<b>Banks for cooperatives</b>		
<b>Bonds:</b>			<b>Debtentures:</b>			<b>Debtentures:</b>		
10/27/70 - 8/27/73	7.20	450	6/12/61 - 6/12/73	4½	146	12/4/72 - 6/4/73	5.30	478
11/27/72 - 11/27/73	5.55	600	7/10/70 - 6/12/73	8.35	350	1/2/73 - 7/2/73	5.60	443
1/26/70 - 1/25/74	8.40	300	7/12/70 - 6/12/73	6.75	550	2/1/73 - 8/1/73	5.95	569
6/26/70 - 2/25/74	8.40	250	3/10/70 - 9/10/73	8.10	300	10/1/70 - 10/1/73	7.30	100
8/27/71 - 2/25/74	7.10	300	6/10/71 - 9/10/73	6.13	350	4/2/73 - 10/1/73	6.95	544
6/25/71 - 5/25/74	6.35	300	12/10/70 - 12/10/73	5.75	500	5-1-73 - 11-1-73	6.75	236
2/26/73 - 5/25/74	6.45	700	8/10/71 - 12/10/73	7.15	500			
8/25/69 - 8/25/74	7.65	178	12/11/72 - 12/10/73	6.00	200			
8/25/72 - 8/26/74	5½	400	12/1/71 - 3/11/74	5.45	400			
1/25/69 - 11/25/74	8.00	222	4/10/70 - 3/11/74	7.75	350			
5/25/73 - 11/25/74	7.05	1,000	8/5/70 - 6/10/74	7.90	400			
1/26/71 - 2/25/75	6.10	250	11/10/71 - 6/10/74	5.70	350			
11/27/72 - 2/25/75	5½	400	9/10/69 - 9/10/74	7.85	250			
8/25/70 - 5/26/75	8.05	265	2/10/71 - 9/10/74	5.65	300			
7/27/70 - 8/25/75	7.95	300	5/10/71 - 12/10/74	6.10	250			
4/12/73 - 5/25/75	7.15	700	9/10/71 - 12/10/74	6.45	450			
12/18/70 - 11/25/75	6.50	350	11/10/70 - 3/10/75	7.55	300			
5/25/73 - 11/25/75	7.05	600	10/12/71 - 3/10/75	6.35	600			
8/27/71 - 2/25/76	7½	300	4/12/71 - 6/10/75	5.25	500			
6/25/71 - 5/25/77	6.95	200	10/13/70 - 9/10/75	7.50	350			
4/12/73 - 8/25/77	7.15	300	3/12/73 - 9/10/75	6.80	650			
2/26/73 - 11/25/77	6½	300	3/10/72 - 12/10/75	5.70	500			
3/25/70 - 2/25/80	7.75	350	3/11/71 - 3/10/76	5.65	500			
10/15/70 - 10/15/80	7.80	200	6/10/71 - 6/10/76	6.70	250			
10/27/71 - 11/27/81	6.60	200	2/10/72 - 6/10/76	5.85	450			
4/12/73 - 5/25/83	7.30	200	11/10/71 - 9/10/76	6.13	300			
			6/12/72 - 9/10/76	5.85	500			
			7/12/71 - 12/10/76	7.45	300			
			12/11/72 - 12/10/76	6.25	500			
			2/13/62 - 2/10/77	4½	198			
			9/11/72 - 3/10/77	6.30	500			
			12/10/70 - 6/10/77	6.38	250			
			5/10/71 - 6/10/77	6.50	150			
			9/10/71 - 9/12/77	6.88	300			
			10/12/71 - 12/11/78	6.75	300			
			6/12/72 - 9/10/79	6.40	300			
			12/10/71 - 12/10/79	6.55	350			
			2/10/72 - 3/10/80	6.88	250			
			2/16/73 - 7/31/80	5.19	1			
			2/16/73 - 7/31/80	3.18	9			
			1/16/73 - 10/30/80	5.47	5			
			12/11/72 - 12/10/80	6.60	300			
			3/14/73 - 1/15/81	3.58	53			
			3/14/73 - 1/15/81	5.48	6			
			6/29/72 - 1/29/81	6.15	156			
			3/12/73 - 3/10/81	7.05	350			
			4/18/73 - 4/10/81	6.59	26			
			3/21/73 - 5/1/81	4.50	18			
			3/12/73 - 5/1/81	5.77	2			
			1/21/71 - 6/10/81	7.25	250			
			9/10/71 - 9/10/81	7.25	250			
			6/28/72 - 5/1/82	5.84	58			
			2/10/71 - 6/10/82	6.65	250			
			9/11/72 - 9/10/82	6.80	200			
			3/11/71 - 6/10/83	6.75	200			
			11/10/71 - 9/12/83	6.75	250			
			4/12/71 - 6/11/84	6.25	200			
			12/10/71 - 12/10/84	6.90	250			
			3/10/72 - 3/10/92	7.00	200			
			6/12/72 - 6/10/92	7.05	200			

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



FEDERAL FISCAL OPERATIONS: SUMMARY

(In millions of dollars)

Period	U.S. budget					Means of financing							Other means of financing, net <sup>4</sup>	
	Receipt-expenditure account		Net lending	Budget outlays <sup>1</sup>	Budget surplus or deficit (-)	Borrowings from the public <sup>2</sup>				Less: Cash and monetary assets	Treasury operating balance	Other		
	Budget receipts	Net expenditures				Public debt securities	Plus: Agency securities	Less: Investments by Govt. accounts	Less: Special notes <sup>3</sup>					Equals: Total borrowing
					Special issues	Other								
Fiscal year:														
1969	187,784	183,072	1,476	184,548	3,236	6,142	633	7,364	2,089	1,384	2-1,295	596	1,616	269
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	-3,033	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
Half year:														
1971 - Jan. June	100,809	106,201	1,008	107,209	6,400	8,971	-326	4,809	647		3,189	656	303	4,039
July Dec.	93,180	110,608	948	111,554	18,374	26,001	1,117	2,803	523		21,561	971	80	2,122
1972 - Jan. June	115,549			120,319	4,850	3,130	150	4,010	1,089		-2,114	389	1,028	8,377
July-Dec.	106,061			118,586	12,525	22,037	876	6,388	861		17,386	359	386	5,430
Month:														
1972 - May	17,272			19,777	-2,506	2,607	270	3,527	29		7,620	2,032	1,439	345
June	25,589			23,202	2,387	651	-370	2,975	628		-3,368	-417	2,080	3,478
July	15,207			18,591	-3,384	5,123	9	1,409	6		3,730	1,129	1,810	3,284
Aug.	18,213			20,581	-2,369	3,056	534	2,639	16		934	4,012	222	2,355
Sept.	22,183			18,471	3,712	1,493	22	1,339	-508		3761	4,783	-92	604
Oct.	14,738			20,055	-5,317	6,000	24	3,085	88		2,851	1,786	37	717
Nov.	16,748			21,163	-4,418	4,301	380	-659	42		5,298	305	7	569
Dec.	18,972			19,721	750	5,051	93	1,104	343		4,197	2,795	57	595
1973 - Jan.	21,130			23,631	-2,501	770	18	-900	168		1,519	302	99	1,383
Feb.	18,067			20,227	-2,160	4,770	-9	780	119		3,863	408	212	1,507
Mar.	15,987			20,806	4,820	3,768	27	584	206		3,005	1,152	-83	2,883
Apr.	25,860			22,306	3,554	1,543	-721	56	49		2,189	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

Selected balances

End of period	Treasury operating balance				Federal securities					Memo: Debt of Govt.-sponsored corps.—Now private <sup>6</sup>	
	U.R. Banks	Tax and loan accounts	Other depositaries <sup>5</sup>	Total	Public debt securities	Agency securities	Less: Investments of Govt. accounts		Less: Special notes <sup>3</sup>		Equals: Total held by public
							Special issues	Other			
Fiscal year:											
1969	1,258	4,525	112	5,894	353,720	14,249	66,738	20,923	825	279,483	24,991
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	139	10,117	427,260	10,894	89,539	24,023	825	323,770	41,044
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 - May	2,144	7,420	136	9,700	427,912	11,263	86,561	24,652	825	327,137	41,182
June	2,344	7,934	139	10,117	427,260	10,894	89,539	24,023	825	323,770	41,814
July	2,298	6,547	144	8,988	432,383	10,903	90,944	24,018	825	327,499	41,751
Aug.	1,730	3,025	222	4,976	435,439	11,437	93,616	24,002	825	328,433	41,796
Sept.	1,395	8,105	259	9,759	433,946	11,459	92,281	23,490	825	328,809	42,493
Oct.	1,613	6,051	309	7,973	439,947	11,483	95,365	23,579	825	331,660	42,633
Nov.	1,187	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	43,991
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	

<sup>1</sup> Equals net expenditures plus net lending.  
<sup>2</sup> 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.  
<sup>3</sup> 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.  
<sup>4</sup> Includes accrued interest payable on public debt securities, deposit funds, miscellaneous liability and asset accounts, and seigniorage.  
<sup>5</sup> As of Jan. 3, 1972, the Treasury operating balance was redefined to exclude the gold balance and to include previously excluded "Other depositaries" (deposits in certain commercial depositaries that have been converted from a time to a demand basis to permit greater flexibility in Treasury cash management).  
<sup>6</sup> 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)

		Budget receipts												Budget outlays																		
Period	Total	Individual income taxes				Corporation income taxes		Social insurance taxes and contributions					Excise taxes	Customs	State and gift	Misc. receipts <sup>3</sup>	Total	National defense	Intl. affairs	Space research	Agriculture	Natural resources	Com. and transp.	Com. develop. and housing	Education and manpower	Health and welfare	Veterans	Interest	General govt.	General revenue sharing	Intra-govt. transactions <sup>5</sup>	
		With-held	Non-with-held	Re-funds	Net total	Gross receipts	Re-funds	Employment taxes and contributions <sup>1</sup>	Unempl. insur.	Other net receipts <sup>2</sup>	Net total	Pay-roll taxes																				Self-empl.
<b>Fiscal year:</b>																																
1969	187,784	70,182	27,258	10,191	87,249	38,338	1,660	32,521	1,715	3,328	2,353	39,918	15,222	2,319	3,491	2,908	196,588	80,295	3,570	3,749	6,201	2,568	9,310	2,965	7,289	56,697	8,677	18,312	3,336	3,970	6,380	
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	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	4,890	7,376	
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	231,876	78,336	3,726	3,422	7,063	3,761	11,201	4,282	9,751	81,988	10,731	20,582	4,890	5,915	7,858	
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	4,633	249,796	76,435	3,341	3,061	6,064	876	12,543	3,957	10,500	93,880	11,795	22,808	5,631	6,786	8,381	
<b>Half year:</b>																																
1971 Jan.-June	100,808	39,025	18,693	13,957	43,761	17,576	2,069	21,983	1,815	2,325	1,640	27,753	8,462	1,274	2,198	1,851	155,469	38,449	5,589	5,74	43,465	13,262	1,448	19,643	1,55	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	106,061	46,058	5,784	6,688	15,154	15,315	1,459	22,493	1,65	2,437	1,773	26,867	8,244	1,551	2,333	2,056
<b>Month:</b>																																
1972 May	17,272	8,234	1,414	2,997	6,619	967	234	5,281	223	1,646	303	7,443	1,371	215	461	490	25,589	8,020	3,704	670	11,054	8,452	185	3,682	64	92	4,122	1,363	252	388	144	
1972 June	15,207	7,052	548	245	7,355	1,258	187	3,727	.....	260	289	4,277	1,442	237	334	492	18,213	8,175	362	157	8,380	855	190	3,367	.....	1,175	307	6,849	1,351	278	423	266
1972 July	22,183	7,305	3,794	95	11,005	5,289	324	3,529	145	63	302	4,038	1,327	237	316	295	14,738	7,187	469	61	7,595	1,287	321	4,228	15	210	311	3,759	1,387	281	409	141
1972 Aug.	16,748	8,425	257	69	8,613	853	294	4,044	.....	637	287	4,969	1,452	284	487	383	18,972	7,915	353	61	8,706	5,773	140	2,601	5	92	377	3,975	1,286	234	364	276
1972 Sept.	21,130	8,254	4,671	27	12,897	1,539	158	3,833	139	174	340	4,486	1,437	289	396	244	18,067	8,404	768	1,104	8,067	567	193	5,900	167	684	278	7,029	1,186	255	568	289
1972 Oct.	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	19,737	9,124	2,062	1,807	5,915	258	4,297	1,316	444	302	6,359	1,318	262	330	348	
1972 Nov.	25,866	6,648	3,135	6,433	3,825	1,219	296	6,662	253	1,156	308	9,380	1,446	280	466	264	16,584	8,813	1,444	6,433	3,825	1,219	296	6,662	253	1,156	308	9,380	1,446	280	466	264
1972 Dec.	16,584	8,813	1,444	6,433	3,825	1,219	296	6,662	253	1,156	308	9,380	1,446	280	466	264																

<sup>1</sup> Old-age, disability, and hospital insurance, and Railroad Retirement accounts.

<sup>2</sup> Supplementary medical insurance premiums and Federal employee retirement contributions.

<sup>3</sup> Deposits of earnings by Federal Reserve Banks and other miscellaneous receipts.

<sup>4</sup> Outlays by functional categories are published in the Monthly Treasury Statement (beginning April 1969). Monthly back data (beginning July 1968) are published in the Treasury Bulletin of June 1969.

<sup>5</sup> Consists of Government contributions for employee retirement and of interest received by trust funds.

<sup>6</sup> 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 \$500 million for fiscal 1973, and \$1,750 million for fiscal 1974, are not included.

<sup>7</sup> 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 <sup>1</sup>	Public issues									Special issues <sup>3</sup>		
		Total	Marketable				Convertible bonds	Nonmarketable		Savings bonds & notes			
			Total	Bills	Certificates	Notes		Bonds <sup>2</sup>	Total <sup>3</sup>			Foreign issues <sup>4</sup>	
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—June	427.3	335.8	257.2	94.6			113.4	49.1	2.3	76.3	19.0	56.5	89.6
July	432.4	339.6	257.7	95.2			113.4	49.1	2.3	79.5	22.0	56.7	91.0
Aug.	435.4	339.9	258.1	96.2			115.7	46.2	2.3	79.5	21.7	57.0	93.6
Sept.	433.9	339.8	257.7	96.4			115.7	45.7	2.3	79.8	21.7	57.2	92.3
Oct.	439.9	342.7	260.9	97.5			117.7	45.6	2.3	79.6	21.2	57.5	95.4
Nov.	444.2	347.6	265.6	100.7			119.4	45.5	2.3	79.6	21.0	57.8	94.9
Dec.	449.3	351.4	269.5	103.9			121.5	44.1	2.3	79.5	20.6	58.1	95.9
1973—Jan.	450.1	353.2	271.1	104.9			121.5	44.7	2.3	79.7	20.5	58.4	95.0
Feb.	454.8	357.1	269.9	105.0			120.2	44.6	2.3	84.9	25.4	58.7	95.8
Mar.	458.6	360.4	269.8	105.0			120.2	44.6	2.3	88.3	28.3	59.0	96.4
Apr.	457.1	358.9	267.8	103.2			120.2	44.5	2.3	88.7	28.5	59.3	96.4
May	457.3	357.1	265.9	103.0			117.8	45.1	2.3	88.9	28.3	59.7	98.3
June	458.1	354.6	263.0	100.1			117.8	45.1	2.3	89.4	28.5	59.9	101.7

<sup>1</sup> Includes non-interest-bearing debt (of which \$620 million on June 30, 1973, was not subject to statutory debt limitation).

<sup>2</sup> Includes Treasury bonds and minor amounts of Panama Canal and postal savings bonds.

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

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

<sup>5</sup> 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 <sup>1</sup>	Other misc. investors <sup>2</sup>	
										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		3
1946—Dec.	259.1	27.4	23.4	208.3	74.5	11.8	24.9	15.3		6.3	44.2	20.0	2.1	9.3
1965—Dec.	320.9	59.7	40.8	220.5	60.7	5.3	10.3	15.8		22.9	49.7	22.4	16.7	16.7
1966—Dec.	329.3	65.9	44.3	219.2	57.4	4.6	9.5	14.9		24.3	50.3	24.3	14.5	19.4
1967—Dec.	344.7	73.1	49.1	222.4	63.8	4.1	8.6	12.2		24.1	51.2	22.8	15.8	19.9
1968—Dec.	358.0	76.6	52.9	228.5	66.0	3.6	8.0	14.2		24.4	51.9	23.9	14.3	22.4
1969—Dec.	368.2	89.0	57.2	222.0	56.8	2.9	7.1	11.7		25.9	51.8	29.6	11.2	24.9
1970—Dec.	389.2	97.1	62.1	229.9	62.7	2.8	7.0	9.4		25.2	52.1	29.8	20.6	20.4
1971—Dec.	424.1	106.0	70.2	247.9	65.3	2.7	6.6	12.4		25.0	54.4	19.6	46.9	15.0
1972—June	427.3	111.5	71.4	244.4	60.5	2.7	6.2	10.3		25.9	56.0	18.0	50.0	14.9
July	432.4	112.8	70.8	248.8	60.2	2.7	6.1	10.0		26.5	56.3	18.0	54.6	14.5
Aug.	435.4	115.4	70.7	249.3	60.0	2.6	6.0	9.5		26.5	56.6	17.6	55.9	14.6
Sept.	433.9	113.5	69.7	250.7	60.8	2.8	6.1	8.9		27.2	56.8	17.2	55.3	15.7
Oct.	439.9	116.7	70.1	253.1	61.0	2.7	5.9	10.4		28.0	57.1	17.0	55.8	15.2
Nov.	444.2	116.1	69.5	258.6	63.5	2.7	6.1	12.0		27.9	57.4	17.1	56.0	16.1
Dec.	449.3	116.9	69.9	262.5	67.0	2.6	6.0	11.7		28.3	57.1	17.0	55.3	17.0
1973—Jan.	450.1	116.2	72.0	261.8	66.0	2.6	6.1	12.3		29.5	58.0	16.8	54.3	16.3
Feb.	454.8	117.1	72.6	265.1	62.4	2.6	5.8	12.7		29.0	58.3	16.6	61.1	16.7
Mar.	458.6	117.9	74.3	266.4	61.6	2.5	5.9	13.0		28.9	58.6	16.6	63.1	16.3
Apr.	457.1	117.9	75.5	263.7	60.1	2.5	5.7	12.5		28.7	58.9	16.5	61.7	17.2
May	457.3	120.1	74.1	263.1	57.9	2.4	5.7	13.3		28.1	59.2	16.4	61.3	18.7

<sup>1</sup> Consists of investments of foreign and international accounts in the United States.

<sup>2</sup> 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						
<b>All holders:</b>										
1970- Dec. 31	247,713	123,423	87,923	35,500	82,318	22,554	8,586	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- Apr. 30	267,847	128,389	103,163	25,196	95,392	22,356	16,022	5,718		
May 31	268,919	128,697	102,953	22,744	88,222	29,630	15,996	6,385		
<b>U.S. Govt. agencies and trust funds:</b>										
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- Apr. 30	20,991	1,713	493	1,220	7,253	5,009	4,532	1,384		
May 31	20,746	1,699	395	1,304	7,190	5,273	4,534	1,612		
<b>Federal Reserve Banks:</b>										
1970- Dec. 31	62,142	36,438	28,965	10,473	19,089	6,016	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	29,748	8,005	24,497	6,109	1,414	136		
1973- Apr. 30	78,495	41,236	34,357	6,879	28,523	4,148	1,381	110		
May 31	74,128	36,424	33,881	2,843	26,833	9,743	1,480	149		
<b>Held by private investors:</b>										
1970- Dec. 31	168,479	84,080	61,280	22,830	87,154	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	87,649	17,547	9,570	4,413		
1973- Apr. 30	172,361	85,410	68,313	17,097	89,616	13,202	10,009	4,124		
May 31	171,548	87,574	68,977	18,597	84,199	15,164	9,982	4,694		
<b>Commercial banks:</b>										
1970- Dec. 31	80,917	19,208	10,314	8,844	26,099	4,474	367	260		
1971- Dec. 31	81,363	14,920	8,287	6,633	28,823	6,847	555	217		
1972- Dec. 31	82,440	18,077	10,289	7,788	27,765	5,684	864	80		
1973- Apr. 30	46,668	14,193	7,223	6,970	27,682	3,839	888	68		
May 31	48,189	14,547	6,784	7,763	28,061	4,479	901	171		
<b>Mutual savings banks:</b>										
1970- Dec. 31	2,748	828	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- Apr. 30	2,482	590	224	266	1,222	343	342	136		
May 31	2,428	384	208	276	1,117	349	321	155		
<b>Insurance companies:</b>										
1970- Dec. 31	6,066	823	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	664		
1973- Apr. 30	4,926	682	231	481	1,173	850	1,682	569		
May 31	4,947	787	261	526	1,038	881	1,645	585		
<b>Nonfinancial corporations:</b>										
1970- Dec. 31	3,087	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	4		
1973- Apr. 30	4,966	3,607	2,408	1,199	1,233	84	41	1		
May 31	5,433	4,084	2,429	1,655	1,207	98	38	6		
<b>Savings and loan associations:</b>										
1970- Dec. 31	3,263	583	20	361	1,849	281	213	288		
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- Apr. 30	2,782	769	413	356	1,407	392	245	74		
May 31	2,767	795	373	422	1,148	504	215	78		
<b>State and local governments:</b>										
1970- Dec. 31	11,204	8,184	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- Apr. 30	10,838	6,348	5,411	937	2,045	729	1,229	488		
May 31	10,235	5,964	5,023	941	1,841	781	1,212	436		
<b>All others:</b>										
1970- Dec. 31	91,227	56,140	48,092	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- Apr. 30	99,699	59,321	52,403	6,918	24,959	7,015	5,612	2,788		
May 31	100,589	60,513	53,899	7,014	22,787	8,072	5,621	3,196		

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

Data complete for U.S. Govt. agencies and trust funds and F.R. Banks but for other groups are based on Treasury Survey data. Of total marketable issues held by groups, the proportion held on latest date by those reporting in the Survey and the number of owners surveyed were: (1)

about 90 per cent by the 5,616 commercial banks, 480 mutual savings banks, and 739 insurance companies combined; (2) about 50 per cent by the 461 nonfinancial corporations and 486 savings and loan assns.; and (3) about 70 per cent by 505 State and local govts.

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

**DAILY-AVERAGE DEALER TRANSACTIONS**

(Par value, in millions of dollars)

Period	U.S. Government securities									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 <sup>1</sup>	
1972—May	2,542	1,939	348	221	35	589	364	821	767	485
June	2,452	2,001	257	161	34	545	355	759	793	411
July	2,571	2,124	283	131	33	633	382	851	704	439
Aug.	2,658	1,953	377	191	137	587	411	911	749	443
Sept.	2,695	2,225	231	143	97	635	504	845	710	482
Oct.	3,047	2,473	350	126	99	837	420	988	802	561
Nov.	3,397	2,397	709	168	123	835	498	1,228	837	731
Dec.	3,184	2,640	361	118	65	757	352	1,215	860	472
1973—Jan.	3,158	2,445	443	148	122	793	470	1,113	781	463
Feb.	4,155	2,975	721	370	89	888	808	1,360	1,099	645
Mar.	3,077	2,311	508	201	57	713	585	987	792	664
Apr.	3,185	2,535	440	165	46	709	636	1,075	766	714
May	3,187	2,390	322	323	153	661	543	1,057	927	687
Week ending—										
1973—May 2	3,367	2,572	371	376	47	695	602	1,145	925	445
9	3,464	2,366	351	498	249	741	698	1,094	931	449
16	3,118	2,344	324	257	193	671	470	1,002	975	939
23	2,794	2,139	333	216	106	587	506	900	802	781
30	3,139	2,565	269	197	108	637	495	1,087	920	487
June 6	3,506	2,786	368	244	108	673	762	1,101	971	939
13	2,984	2,279	300	282	123	629	715	950	690	817
20	2,436	2,057	163	120	96	513	388	900	635	754
27	2,654	2,112	269	184	90	543	465	887	760	539

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

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

They do not include allotments of, and exchanges for, new U.S. Govt. securities, redemptions of called or matured securities, or purchases or sales of securities under repurchase agreement, reverse repurchase (resale), or similar contracts. Averages of daily figures based on the number of trading days in the period.

**DAILY-AVERAGE DEALER POSITIONS**

(Par value, in millions of dollars)

Period	U.S. Government securities, by maturity					U.S. Govt. agency securities
	All maturities	Within 1 year	1-5 years	5-10 years	Over 10 years	
1972—May	4,257	4,089	84	102	18	551
June	3,733	3,903	-55	99	-16	532
July	3,253	3,626	-146	-216	-11	356
Aug.	3,905	3,370	41	130	363	404
Sept.	4,386	4,374	-83	58	153	408
Oct.	3,333	3,452	-29	-132	41	543
Nov.	4,522	4,113	335	8	66	834
Dec.	4,973	4,903	73	-41	37	556
1973—Jan.	4,744	4,959	53	259	97	281
Feb.	3,394	3,365	9	-1	39	202
Mar.	2,702	3,130	274	143	-11	180
Apr.	2,795	3,105	159	143	9	274
May	2,626	2,596	324	179	175	356
Week ending—						
1973—Apr. 4	3,315	3,637	181	173	3	163
11	2,991	3,203	88	138	14	322
18	2,813	3,107	160	123	11	336
25	2,476	2,891	231	153	31	270
May 2	2,407	2,668	204	33	24	230
9	2,706	2,408	202	332	168	191
16	2,486	2,336	336	289	196	335
23	2,167	2,346	432	63	191	393
30	3,107	3,203	367	52	219	518

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 <sup>1</sup>	All other
		New York City	Elsewhere		
1972—May	4,073	1,107	931	755	1,280
June	3,804	1,056	838	804	1,108
July	3,055	753	496	820	986
Aug.	4,021	1,356	580	927	1,158
Sept.	4,379	1,633	599	705	1,442
Oct.	3,055	1,227	406	490	932
Nov.	4,198	1,538	617	709	1,334
Dec.	4,848	1,695	808	944	1,399
1973—Jan.	4,520	1,346	794	932	1,449
Feb.	3,415	1,063	455	490	1,408
Mar.	2,799	903	292	281	1,323
Apr.	3,032	935	513	311	1,273
May	2,667	674	452	252	1,291
Week ending—					
1973—Apr. 4	3,622	1,163	705	321	1,434
11	3,180	1,133	551	283	1,213
18	3,144	978	474	346	1,345
25	2,733	633	423	324	1,353
May 2	2,571	607	464	272	1,229
9	2,424	382	392	252	1,398
16	2,597	493	564	150	1,390
23	2,596	689	413	259	1,235
30	2,939	1,011	461	345	1,121

<sup>1</sup> 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, JUNE 30, 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
<b>Treasury bills</b>		<b>Treasury bills—Cont.</b>		<b>Treasury notes—Cont.</b>		<b>Treasury bonds</b>	
June 30, 1973	1,701	Nov. 29, 1973	1,702	Dec. 31, 1974	5 7/8	Aug. 15, 1973	4
July 5, 1973	4,303	Dec. 6, 1973	1,707	Feb. 15, 1975	5 5/8	Nov. 15, 1973	4 1/8
July 12, 1973	4,303	Dec. 13, 1973	1,701	Feb. 15, 1975	5 7/8	Feb. 15, 1974	4 1/8
July 19, 1973	4,304	Dec. 18, 1973	1,800	Apr. 1, 1975	1 1/2	May 15, 1974	4 1/4
July 26, 1973	4,300	Dec. 20, 1973	1,701	May 15, 1975	5 7/8	Nov. 15, 1974	3 7/8
July 31, 1973	1,702	Dec. 27, 1973	1,701	Aug. 15, 1975	6	May 15, 1975	85
Aug. 2, 1973	4,302	Jan. 15, 1974	1,804	Aug. 15, 1975	5 7/8	June 15, 1978	83
Aug. 9, 1973	4,305	Feb. 12, 1974	1,801	Oct. 1, 1975	1 1/2	Feb. 15, 1980	4
Aug. 16, 1973	4,304	Mar. 12, 1974	1,790	Nov. 15, 1975	7	Nov. 15, 1980	3 1/2
Aug. 23, 1973	4,302	Apr. 9, 1974	1,802	Feb. 15, 1976	6 1/4	Aug. 15, 1981	7
Aug. 28, 1973	1,803	May 7, 1974	1,800	Feb. 15, 1976	5 3/4	Feb. 15, 1982	6 3/8
Aug. 30, 1973	4,302			Apr. 1, 1976	1 1/2	Aug. 15, 1984	6 3/8
Sept. 6, 1973	4,301			May 15, 1976	5 3/4	May 15, 1985	3 1/4
Sept. 13, 1973	4,303			May 15, 1976	6 1/2	Nov. 15, 1986	3 3/4
Sept. 20, 1973	4,302			Aug. 15, 1976	7 1/2	Aug. 15, 1987	92
Sept. 25, 1973	1,801			Aug. 15, 1976	6 1/2	Feb. 15, 1988	93
Sept. 27, 1973	4,310			Oct. 1, 1976	1 1/2	May 15, 1989	94
Oct. 4, 1973	1,801			Nov. 15, 1976	6 1/4	Feb. 15, 1990	3 1/2
Oct. 11, 1973	1,801			Nov. 15, 1977	8	Feb. 15, 1991	6 3/4
Oct. 18, 1973	1,800	<b>Treasury notes</b>		Apr. 1, 1977	1 1/2	Feb. 15, 1995	3
Oct. 23, 1973	1,802	Aug. 15, 1973	8 1/8	Aug. 15, 1977	7 1/4	May 15, 1993	98
Oct. 25, 1973	1,799	Oct. 1, 1973	1 1/2	Oct. 1, 1977	0 1/2	Nov. 15, 1998	3 1/2
Nov. 1, 1973	1,801	Feb. 15, 1974	7 3/4	Feb. 15, 1978	6 1/4		
Nov. 8, 1973	1,802	Apr. 1, 1974	1 1/2	Apr. 1, 1978	1 1/2	<b>Convertible bonds</b>	
Nov. 15, 1973	1,693	May 15, 1974	7 1/4	Nov. 15, 1978	6	<b>Investment Series B</b>	
Nov. 20, 1973	1,802	Aug. 15, 1974	5 3/4	Aug. 15, 1979	6 1/4	Apr. 1, 1975-80	2 3/4
Nov. 23, 1973	1,701	Sept. 30, 1974	6	Nov. 15, 1979	6 1/8		
		Oct. 1, 1974	1 1/2	May 15, 1980	6 7/8		
		Nov. 15, 1974	5 3/4				

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)					Issues for new capital									
	Total	Gener- al obligations	Revenue	HAA <sup>1</sup>	U.S. Govt. loans	Type of issuer	Total amount delivered <sup>3</sup>	Total	Edu- cation	Roads and bridges	Util- ities <sup>4</sup>	Hous- ing <sup>5</sup>	Veter- ans' aid	Other purposes	
1964	10,847	6,417	3,585	637	208	State	10,069	4,392	688	2,437	727	120		2,838	
1965	11,329	7,177	3,517	464	170	Special district and stat. auth.	11,538	3,619	900	1,965	626	50		3,311	
1966	11,405	6,804	3,955	325	312	Other <sup>2</sup>	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			5,867	
1968	16,596	9,269	6,517	578	282	2,774	5,946	7,884	16,489	4,820	1,526			6,523	
1969	11,881	7,728	3,556	407	197	3,359	4,926		11,838	3,252	1,432			4,884	
1970	18,164	11,850	6,082	131	103	4,174	5,598		18,110	5,062	1,532			7,584	
1971	24,962	15,220	8,681	1,000	62	5,999	8,714		24,495	5,278	2,642			9,293	
1972															
Apr.	1,989	1,382	601		6	472	549	969	1,950	490	229	434	10	788	
May	2,017	990	1,023		3	374	850	792	1,950	657	214	306	67	705	
June	2,270	989	1,064	309	8	246	1,226	799	2,000	447	150	533		576	
July	1,805	1,322	481		2	647	467	690	1,796	327	121	223		971	
Aug.	1,966	820	1,138		8	468	897	444	1,934	444	111	429		784	
Sept.	1,726	663	803	257	4	298	1,016	414	1,609	238	107	590		404	
Oct.	2,200	1,662	533		5	487	689	1,025	2,147	444	162	409		1,082	
Nov.	1,862	1,147	714		5	425	572	866	1,762	312	215	365		814	
Dec.	1,797	872	653	268	4	147	756	895	1,507	351	21	204	332	599	
1973															
Jan.	1,978	1,149	826		3	602	452	924	1,847	369	215	418	117	729	
Feb.	1,481	766	714		1	47	552	824	1,481	365	63	399	10	544	
Mar.	2,353	1,217	821	310	5	613	872	868	2,100	371	152	426	355	797	
Apr.	1,772	858	906		8	159	704	908	1,711	300	8	432	88	883	

<sup>1</sup> 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.

<sup>2</sup> Municipalities, counties, townships, school districts.

<sup>3</sup> Excludes U.S. Govt. loans. Based on date of delivery to purchaser and payment to issuer, which occurs after date of sale.

<sup>4</sup> Water, sewer, and other utilities.

<sup>5</sup> 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 <sup>1</sup>										
	Total	Noncorporate				Total	Corporate				
		U.S. Govt. <sup>2</sup>	U.S. Govt. agency <sup>3</sup>	State and local (U.S.) <sup>4</sup>	Other <sup>5</sup>		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	7,340
1971.....	105,233	17,325	16,283	24,370	2,165	45,090	32,123	24,775	7,354	3,670	9,291
1972—Apr.....	8,635	2,281	1,090	1,963	26	3,275	2,411	1,622	789	263	601
May.....	9,547	2,360	1,500	1,924	165	3,597	2,450	1,676	774	130	1,017
June.....	7,588	536	300	2,222	190	4,341	2,556	1,336	1,218	612	1,174
July.....	6,921	496	1,000	1,784	59	3,583	2,465	1,807	657	206	913
Aug.....	7,136	606	1,685	1,898	54	2,893	1,945	1,523	421	206	743
Sept.....	5,635	474	650	1,701	90	2,720	1,651	862	789	305	765
Oct.....	9,505	2,530	1,141	1,970	74	3,791	2,336	1,772	565	421	1,033
Nov.....	10,987	3,590	2,134	1,816	70	3,377	2,343	1,361	982	151	880
Dec.....	8,210	2,553	200	1,760	302	3,396	2,625	1,024	1,601	272	498
1973—Jan.....	6,523	1,199	993	1,889	116	2,327	1,276	989	287	137	913
Feb.....	7,325	1,603	2,261	1,445	53	1,962	957	641	316	172	832
Mar.....	9,029	606	1,826	2,304	359	3,933	2,116	1,315	802	833	2,729
Apr.....	6,627	564	1,725	1,688	176	2,475	1,716	938	779	200	558

Gross proceeds, major groups of corporate issuers

Period	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
1965.....	4,712	704	1,153	251	953	60	2,332	604	808	1,139	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—Apr.....	383	197	235	178	129	3	924	295	177	1	562	190
May.....	607	154	193	281	142	71	381	357	376	16	751	270
June.....	468	299	181	341	171	15	1,018	520	368	431	349	179
July.....	464	110	77	239	130	30	455	343	390	196	949	200
Aug.....	192	261	308	342	94	2	452	184	237	.....	662	161
Sept.....	441	162	302	242	61	.....	649	598	32	1	166	66
Oct.....	269	114	192	326	152	12	522	758	313	58	887	187
Nov.....	346	79	429	271	61	8	322	472	657	1	528	202
Dec.....	486	103	343	149	214	25	491	370	34	17	1,057	107
1973—Jan.....	113	63	89	105	120	1	529	371	30	3	395	509
Feb.....	178	35	118	111	96	4	319	277	58	117	290	461
Mar.....	772	125	177	327	317	6	1,076	1,351	548	668	1,463	1,397
Apr.....	259	22	234	139	91	1	149	369	251	.....	732	228

<sup>1</sup> Gross proceeds are derived by multiplying principal amounts or number of units by offering price.

<sup>2</sup> Includes guaranteed issues.

<sup>3</sup> Issues not guaranteed.

<sup>4</sup> See NOTE to table at bottom of preceding page.

<sup>5</sup> 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 <sup>1</sup>								
	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	1,900
1969.....	28,841	10,813	18,027	19,523	5,767	13,755	9,318	5,045	4,272
1970.....	38,707	9,079	29,628	29,495	6,667	22,825	9,213	2,411	6,801
1971.....	46,687	9,507	37,180	31,917	8,190	23,728	14,769	1,318	13,452
1971—IV.....	11,488	2,521	8,967	8,019	2,084	5,935	3,469	437	3,032
1972—I.....	10,072	2,691	7,381	6,699	2,002	4,698	3,373	690	2,683
II.....	11,514	2,389	9,123	7,250	2,191	5,050	4,264	198	4,066
III.....	9,776	2,212	7,564	6,118	1,603	4,515	3,659	609	3,049
IV.....	10,944	2,932	8,012	6,998	2,207	4,790	3,946	725	3,220
1973 I.....	8,219	2,806	5,412	4,198	1,781	2,417	4,020	1,025	2,995

Period	Type of issuer											
	Manu- facturing		Commercial and other <sup>2</sup>		Transpor- tation <sup>3</sup>		Public utility		Communi- cation		Real estate and financial <sup>1</sup>	
	Bonds & notes	Stocks	Bonds & notes	Stocks	Bonds & notes	Stocks	Bonds & notes	Stocks	Bonds & notes	Stocks	Bonds & notes	Stocks
1968.....	4,418	1,842	2,742	821	987	149	3,669	892	1,579	120	1,069	-741
1969.....	3,747	69	1,075	1,558	946	186	4,464	1,353	1,834	241	1,687	866
1970.....	6,641	870	853	1,778	1,104	36	6,861	2,917	4,806	94	2,564	1,107
1971.....	6,585	2,534	827	2,290	900	800	6,486	4,206	3,925	1,600	5,005	2,017
1971—IV.....	1,361	453	190	445	-27	163	1,749	1,183	980	54	1,683	734
1972—I.....	696	423	31	545	267	15	827	872	1,020	402	1,856	425
II.....	704	851	344	774	127	164	1,844	1,176	806	464	1,233	638
III.....	479	530	459	673	138	28	1,410	1,061	573	305	1,456	453
IV.....	116	290	575	479	179	47	1,056	1,735	944	89	1,920	580
1973 II.....	135	63	174	377	127	43	844	1,170	520	185	965	1,244

<sup>1</sup> Excludes investment companies.  
<sup>2</sup> Extractive and commercial and miscellaneous companies.  
<sup>3</sup> Railroad and other transportation companies.

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.

NOTE.— Securities and Exchange Commission estimates of cash transactions only. As contrasted with data shown on opposite page, new issues

**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 <sup>1</sup>	Redemptions	Net sales	Total <sup>2</sup>	Cash position <sup>3</sup>	Other		Sales <sup>1</sup>	Redemptions	Net sales	Total <sup>2</sup>	Cash position <sup>3</sup>	Other
1960.....	2,097	842	1,255	17,026	973	16,053	1972 May...	378	585	207	59,736	2,763	56,973
1961.....	2,951	1,160	1,791	22,789	980	21,809	June...	393	544	-151	57,708	3,015	54,693
1962.....	2,699	1,123	1,576	21,371	1,315	19,956	July...	398	424	26	56,932	3,219	53,713
1963.....	2,460	1,504	952	25,214	1,341	23,873	Aug...	391	582	191	58,186	3,375	54,811
1964.....	3,404	1,875	1,528	29,116	1,329	27,787	Sept...	310	442	-132	57,193	3,395	53,798
1965.....	4,359	1,962	2,395	35,220	1,803	33,417	Oct...	384	411	-27	57,525	3,719	53,806
1966.....	4,671	2,005	2,665	34,829	2,971	31,858	Nov...	387	645	258	59,854	3,549	56,305
1967.....	4,670	2,745	1,927	44,701	2,566	42,135	Dec...	449	619	170	59,831	3,035	56,796
1968.....	6,820	3,841	2,979	52,677	3,187	49,490	1973 Jan...	535	666	131	56,946	3,015	53,931
1969.....	6,717	3,661	3,056	48,291	3,846	44,445	Feb...	327	530	203	54,083	3,774	50,708
1970.....	4,624	2,987	1,637	47,618	3,649	43,969	Mar...	519	531	-12	53,377	3,774	49,603
1971.....	5,145	4,751	774	56,694	3,163	53,531	Apr...	300	452	120	50,837	3,837	46,464
							May...	285	446	161	48,588	4,154	44,434

<sup>1</sup> 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.  
<sup>2</sup> Market value at end of period less current liabilities.

<sup>3</sup> 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 <sup>1</sup>	Quarter	Profits before taxes	Income taxes	Profits after taxes	Cash dividends	Undistributed profits	Corporate capital consumption allowances <sup>1</sup>
1966	84.2	34.3	49.9	20.8	29.1	39.5	1971-I	81.3	38.0	43.2	25.5	17.7	57.5
1967	79.8	33.2	46.6	21.4	25.3	43.0	1971-II	84.5	38.6	45.8	25.4	20.4	59.4
1968	87.6	39.9	47.8	23.6	24.2	46.8	1971-III	84.1	37.5	46.6	25.5	21.0	61.2
1969	84.9	40.1	44.8	24.3	20.5	51.9	1971-IV	83.2	35.3	48.0	25.2	22.7	63.0
1970	74.3	34.1	40.2	24.8	15.4	55.2	1972-I	88.2	38.8	49.5	26.0	23.5	64.8
1971	83.3	37.3	45.9	25.4	20.5	60.3	1972-II	91.6	40.1	51.5	26.2	25.3	68.0
1972	94.3	41.3	53.0	26.4	26.6	67.7	1972-III	95.7	41.8	53.9	26.5	27.3	68.4
							1972-IV	101.5	44.3	57.2	26.7	30.5	69.5
							1973-I	114.3	50.6	63.7	27.3	36.4	70.6

<sup>1</sup> 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	Current assets							Current liabilities					
	Net working capital	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. <sup>1</sup>	Other				U.S. Govt.	Other		
1968	182.3	426.5	48.2	11.5	5.1	168.8	166.0	26.9	244.2	6.4	162.4	14.3	61.0
1969	185.7	473.6	47.9	10.6	4.8	192.2	186.4	31.6	287.9	7.3	196.9	12.6	76.0
1970-II	185.6	481.8	45.6	8.7	4.4	197.9	191.8	33.4	296.2	7.0	196.0	10.8	82.4
1970-III	185.3	484.6	46.5	7.1	4.2	201.0	193.5	32.3	299.3	6.8	196.7	11.5	84.3
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
1971-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
1971-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
1971-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
1972-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
1972-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
1972-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

<sup>1</sup> 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			Transportation			Public utilities		Communications	Other <sup>1</sup>	Total (S.A. A.R.)
		Durable	Non-durable	Mining	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	79.32
1970	79.71	15.80	16.15	1.89	1.78	3.03	1.23	10.65	2.49	10.10	16.59	81.61
1971	81.21	14.15	15.84	2.16	1.67	1.88	1.38	12.86	2.44	10.77	18.05	84.33
1972	88.44	15.64	15.72	2.45	1.80	2.46	1.46	14.48	2.52	11.89	20.07	88.44
1973 <sup>2</sup>	100.62	18.70	18.31	2.64	1.68	2.38	1.52	16.87	2.95	13.40	22.16	100.62
1971-I	17.68	3.11	3.58	.49	.34	.34	.28	2.70	.41	2.50	3.94	79.32
1971-II	20.60	3.52	4.03	.54	.47	.60	.36	3.20	.63	2.81	4.44	81.61
1971-III	20.14	3.40	3.91	.55	.42	.39	.37	3.35	.71	2.62	4.42	80.75
1971-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
1972-II	22.01	3.71	3.92	.61	.48	.73	.39	3.61	.62	2.95	4.98	87.12
1972-III	21.86	3.86	3.87	.59	.38	.61	.35	3.67	.72	2.84	4.97	87.67
1972-IV	25.20	4.77	4.61	.63	.47	.63	.40	4.01	.73	3.39	5.57	91.94
1973-I	21.50	3.92	3.88	.63	.46	.52	.32	3.45	.50	2.87	4.94	96.19
1973-II <sup>2</sup>	24.93	4.78	4.50	.68	.46	.68	.42	4.00	.74	3.66	5.86	98.57
1973-III <sup>2</sup>	25.32	4.83	4.60	.71	.50	.46	.40	4.36	.88	3.57	6.57	101.80

<sup>1</sup> Includes trade, service, construction, finance, and insurance.

<sup>2</sup> 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 <sup>1</sup>	Other holders <sup>2</sup>		All holders	Financial institutions <sup>1</sup>	Other holders <sup>3</sup>	1- to 4-family houses <sup>4</sup>			Multifamily and commercial properties <sup>5</sup>			Mortgage type <sup>6</sup>		
			U.S. agencies	Individuals and others				Total	Finan. institutions <sup>1</sup>	Other holders	Total	Finan. institutions <sup>1</sup>	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	73.5	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	109.5	80.2	20.3	84.1	240.0
1967.....	370.2	298.8	18.4	53.0	25.5	9.1	16.3	344.8	236.1	201.8	34.2	108.7	87.9	20.9	88.2	256.6
1968.....	397.5	319.9	21.7	55.8	27.5	9.7	17.8	370.0	251.2	213.1	38.1	118.7	97.1	21.6	93.4	276.6
1969.....	425.3	339.1	26.8	59.4	29.5	9.9	19.6	395.9	266.8	223.7	43.2	129.0	105.5	23.5	100.2	295.7
1970.....	451.7	355.9	33.0	62.8	31.2	10.1	21.1	420.5	280.2	231.3	48.9	140.3	114.5	25.8	109.2	311.3
1971—I....	459.0	361.8	33.6	63.6	31.8	10.1	21.6	427.2	283.6	234.4	49.2	143.6	117.3	26.3	111.0	316.2
II....	471.1	372.0	35.2	63.9	31.9	9.7	22.2	439.3	290.9	240.7	50.2	148.3	121.6	26.7	114.4	324.9
III....	485.6	383.6	37.4	64.6	32.4	9.8	22.6	453.2	299.7	248.0	51.8	153.5	125.8	27.7	117.5	335.7
IV....	499.9	394.5	39.4	66.1	32.9	9.9	23.0	467.0	307.8	254.2	53.7	159.2	130.5	28.7	120.7	346.3
1972—I....	511.7	404.2	41.2	66.4	33.5	9.9	23.6	478.2	314.1	259.6	54.5	164.1	134.6	29.4	123.7	259.2
II....	529.1	418.9	42.7	67.5	34.4	10.2	24.2	494.8	324.6	268.8	55.8	170.2	140.0	30.3	126.6	269.2
III....	547.3	434.6	44.3	68.3	35.0	10.3	24.7	512.3	338.8	279.2	56.6	176.5	145.1	31.3	129.0	280.3
IV....	565.4	450.6	45.8	69.0	35.4	10.5	24.9	530.0	346.1	288.7	57.4	181.9	151.3	32.6	.....	.....
1973—Ie....	579.9	463.1	47.5	69.5	36.2	10.8	25.4	543.7	354.2	296.2	58.0	189.5	156.0	33.5	.....	.....

<sup>1</sup> Commercial banks (including nondeposit trust companies but not trust depts.), mutual savings banks, life insurance companies, and savings and loan assns.

<sup>2</sup> 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."

<sup>3</sup> Derived figures; includes debt held by Federal land banks and farm debt held by Farmers Home Admin.

<sup>4</sup> For multifamily and total residential properties, see tables below.

<sup>5</sup> Derived figures; includes small amounts of farm loans held by savings and loan assns.

<sup>6</sup> 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, FHLA, VA, GNMA, FHLMC, and Comptroller of the Currency.

Figures for first three quarters of each year are E.R. estimates.

**MORTGAGE DEBT OUTSTANDING ON RESIDENTIAL PROPERTIES**

(In billions of dollars)

End of period	All residential			Multifamily <sup>1</sup>		
	Total	Financial institutions	Other holders	Total	Financial institutions	Other holders
1963.....	211.2	176.8	34.5	29.0	20.7	8.3
1964.....	231.1	195.4	35.7	33.6	25.1	8.5
1965.....	250.1	213.2	36.9	37.2	29.0	8.2
1966.....	264.0	223.7	40.3	40.3	31.5	8.8
1967.....	280.0	236.6	43.4	43.9	34.7	9.2
1968.....	298.6	250.8	47.8	47.3	37.7	9.7
1969.....	319.0	265.0	54.0	52.2	41.3	10.8
1970.....	338.2	277.1	61.1	58.0	45.8	12.2
1971—I....	353.1	289.9	63.2	62.1	49.2	12.9
II....	364.0	298.4	65.6	64.3	50.4	13.9
III....	374.7	306.1	68.6	66.8	52.0	14.9
1972—I....	382.9	312.9	70.0	68.8	53.3	15.4
II....	395.8	324.1	71.7	71.3	55.3	16.0
III....	409.3	336.1	73.2	73.5	56.9	16.6
IV....	422.5	347.9	74.6	76.4	59.1	17.3
1973—Ie....	433.0	357.3	75.7	78.7	61.1	17.6

<sup>1</sup> 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 <sup>1</sup>	
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.....	283.2	97.2	59.9	37.3	182.9
1971—I....	290.9	100.4	62.8	37.6	190.5
II....	299.7	102.9	64.4	38.5	196.8
III....	307.8	105.2	65.7	39.5	202.6
1972—I....	314.1	107.5	66.8	40.7	206.6
II....	324.6	109.6	67.6	42.0	215.0
III....	335.8	111.5	68.4	43.1	224.3
IV....	346.1	.....	68.2	.....	.....
1973—Ie....	354.2	.....	.....	.....	.....

<sup>1</sup> Includes outstanding amount of VA vendee accounts held by private investors under repurchase agreement.

NOTE.—For total debt outstanding, figures are FHLBB and E.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 <sup>1</sup>							Mutual savings bank holdings						
	Total	Residential			Other non-farm	Farm	Total	Total	Residential			Other non-farm	Farm	
		FHA-insured	VA-guaranteed	Conventional					FHA-insured	VA-guaranteed	Conventional			
1964.....	41,976	28,933	7,315	2,742	18,876	12,405	2,638	40,556	36,487	12,287	11,121	13,079	4,016	53
1965.....	49,675	32,387	7,702	2,688	21,997	14,377	2,911	44,617	40,096	13,791	11,408	14,897	4,469	52
1966.....	54,380	34,876	7,544	2,599	24,733	16,366	3,138	47,337	42,242	14,500	11,471	16,272	5,041	53
1967.....	59,019	37,642	7,709	2,696	27,237	17,931	3,446	50,490	44,641	15,074	11,795	17,772	5,732	117
1968.....	65,696	41,433	7,926	2,708	30,800	20,505	3,758	53,456	46,748	15,569	12,033	19,166	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-IV.....	73,275	45,640	7,919	2,589	35,131	23,284	4,351	57,948	49,937	16,087	12,008	21,842	7,893	119
1971-I.....	74,424	46,343	7,971	2,595	35,777	23,595	4,486	58,680	50,553	16,157	12,010	22,386	8,014	113
II.....	76,639	48,163	8,146	2,636	37,381	24,477	3,999	59,643	51,362	16,281	12,011	23,069	8,174	107
III.....	79,936	50,280	8,246	2,806	39,228	25,500	4,156	60,625	51,989	16,216	12,033	23,740	8,561	75
IV.....	82,515	52,004	8,310	2,980	40,714	26,306	4,205	61,978	53,027	16,141	12,074	24,812	8,901	50
1972-I.....	85,614	53,937	8,360	2,999	42,578	27,353	4,324	62,978	53,733	16,184	12,144	25,405	9,195	50
II.....	90,114	56,782	8,477	3,141	45,163	28,785	4,547	64,404	54,758	16,256	12,325	26,178	9,586	60
III.....	95,048	59,976	8,515	3,118	48,343	30,415	4,657	65,901	55,889	16,130	12,463	27,296	9,951	61
IV.....	99,314	62,782	8,495	3,203	51,084	31,751	4,781	67,556	57,140	16,013	12,622	28,505	10,354	62
1973-I.....	103,314	65,192				33,060	5,062	68,920	58,169				10,683	68

<sup>1</sup> 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 <sup>1</sup>	Total	FHA-insured		VA-guaranteed	Other
1945.....	976					6,637	5,860	1,394		4,466	766	
1964.....	10,433	9,386	1,812	674	6,900	1,047	55,152	50,848	11,484	6,403	32,961	4,304
1965.....	11,137	9,988	1,738	553	7,697	1,149	60,013	55,190	12,068	6,286	36,836	4,823
1966.....	10,217	9,223	1,300	467	7,456	994	64,609	59,369	12,351	6,201	40,817	5,240
1967.....	8,470	7,633	757	444	6,432	837	67,516	61,947	12,161	6,122	43,664	5,569
1968.....	7,925	7,153	733	346	6,074	772	69,973	64,172	11,961	5,954	46,257	5,801
1969.....	7,531	6,991	594	220	6,177	540	72,027	66,254	11,715	5,701	48,838	5,773
1970.....	7,181	6,867	386	88	6,393	314	74,375	68,726	11,419	5,394	51,913	5,649
1971.....	7,573	7,070	322	101	6,647	503	75,496	69,895	10,767	5,004	54,124	5,601
1972.....	8,802	8,101	277	202	7,622	701	77,319	71,640	9,944	4,646	57,050	5,679
1972-Mar.....	587	500	30	18	452	87	75,398	69,863	10,595	4,930	54,338	5,535
Apr.....	485	416	33	14	382	56	75,360	69,813	10,541	4,905	54,367	5,547
May.....	602	542	15	13	514	60	75,493	69,941	10,467	4,873	54,601	5,552
June.....	708	643	31	21	591	65	75,547	69,969	10,391	4,838	54,740	5,578
July.....	655	605	19	25	561	50	75,626	70,031	10,314	4,811	54,906	5,595
Aug.....	743	682	19	21	642	61	75,723	70,105	10,224	4,776	55,105	5,618
Sept.....	708	663	22	14	627	45	75,813	70,195	10,139	4,734	55,322	5,618
Oct.....	718	673	10	16	647	45	75,952	70,323	10,053	4,700	55,570	5,629
Nov.....	803	746	28	13	705	57	76,207	70,567	10,000	4,668	55,899	5,640
Dec.....	1,830	1,723	16	18	1,689	107	77,319	71,640	9,944	4,646	57,050	5,679
1973-Jan.....	711	649	16	20	613	62	77,481	71,856	9,901	4,630	57,325	5,625
Feb.....	603	542	27	24	491	61	77,510	71,892	9,806	4,613	57,473	5,618
Mar.....	670	573	37	24	512	97	77,587	71,953	9,735	4,594	57,624	5,634
Apr.....	702	624	20	22	582	78	77,258	71,611	9,708	4,572	57,331	5,647

<sup>1</sup> 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)	Loan amount (thousands of dollars)	Contract interest rate (per cent)	Averages				
					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
1971-- July.....	183	386.5	2,112	8.94	21/10	74.4	9.8	1.26	10.4
Aug.....	153	434.4	2,839	9.08	23/1	74.9	9.9	1.27	10.4
Sept.....	178	366.1	2,057	9.15	22/6	74.8	9.8	1.28	10.4
Oct.....	112	198.4	1,771	9.20	22/7	75.8	10.0	1.28	10.4
Nov.....	136	288.2	2,119	9.01	23/5	75.6	9.9	1.27	10.2
Dec.....	133	290.0	2,181	8.96	23	74.4	9.9	1.30	10.2
1972--Jan.....	107	198.6	1,856	8.78	22/1	73.3	10.0	1.31	10.2
Feb.....	122	423.5	3,471	8.62	22/6	73.3	9.7	1.31	10.0
Mar.....	220	530.4	2,411	8.50	24/2	76.3	9.5	1.29	9.7
Apr.....	200	381.1	1,906	8.44	24/6	76.3	9.5	1.29	9.6
May.....	246	399.6	1,624	8.48	23/4	76.0	9.5	1.26	9.8
June.....	268	683.2	2,549	8.55	23/0	75.4	9.5	1.29	9.8
July.....	170	421.2	2,478	8.56	23/0	74.5	9.5	1.31	9.8
Aug.....	178	515.7	2,897	8.54	23/0	74.9	9.5	1.27	9.9
Sept.....	152	354.1	2,329	8.58	23/4	75.7	9.5	1.28	9.8

NOTE: American Life Insurance Association data for new commitments of \$100,000 and over each on mortgages for multifamily and 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 <sup>1</sup>	New home construction	Home purchase	Total <sup>2</sup>	FHA-insured <sup>3</sup>	VA-guaranteed	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--May.....	4,603	836	2,276	185,431	14,878	12,010	158,543
June.....	5,449	872	2,920	188,884	15,019	12,293	161,572
July.....	4,572	743	2,515	191,642	15,153	12,606	163,883
Aug.....	5,379	803	3,087	194,955	15,263	12,892	166,800
Sept.....	4,689	739	2,587	197,881	15,342	13,098	169,441
Oct.....	4,522	761	2,423	200,554	15,378	13,334	171,842
Nov.....	4,393	714	2,307	203,266	15,490	13,544	174,232
Dec.....	4,591	667	2,167	206,387	15,639	13,764	176,964
1973--Jan.....	3,702	590	1,970	208,132	29,581	178,551	
Feb.....	3,710	614	2,019	210,260	29,751	180,509	
Mar.....	4,900	887	2,685	213,359	30,045	183,214	
Apr.....	4,989	886	2,762	216,250	30,182	186,068	
May.....	5,434	933	3,125	219,449	30,302	189,147	

<sup>1</sup> Includes loans for repairs, additions and alterations, refinancing, etc. not shown separately.

<sup>2</sup> 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.

<sup>3</sup> 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 <sup>1</sup>		Long-term <sup>2</sup>
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--May.....	260	320	5,853	2,019	3,835	1,789
June.....	420	198	6,074	1,944	4,130	1,746
July.....	285	222	6,138	1,990	4,148	1,497
Aug.....	406	249	6,295	2,083	4,212	1,442
Sept.....	631	189	6,736	2,307	4,429	1,443
Oct.....	542	233	7,045	2,440	4,605	1,334
Nov.....	445	246	7,245	2,520	4,725	1,371
Dec.....	984	251	7,979	2,961	5,018	2,104
1973--Jan.....	332	480	7,831	2,805	5,025	1,306
Feb.....	415	302	7,944	2,774	5,170	1,321
Mar.....	764	288	8,421	2,975	5,446	1,290
Apr.....	1,187	178	9,429	3,450	5,979	1,142
May.....	915	187	10,156	3,428	6,728	1,261

<sup>1</sup> Secured or unsecured loans maturing in 1 year or less.  
<sup>2</sup> Secured loans, amortized quarterly, having maturities of more than 1 year but not more than 10 years.

NOTE: FHLBB data.

**FEDERAL NATIONAL MORTGAGE ASSOCIATION ACTIVITY**

(In millions of dollars)

End of period	Mortgage holdings			Mortgage transactions (during period)		Mortgage commitments	
	Total	FHA-insured	VA-guaranteed	Purchases	Sales	Made during period	Outstanding
1967.....	5,522	4,048	1,474	1,400	12	1,732	501
1968.....	7,167	5,121	2,046	1,944	.....	2,696	1,287
1969.....	10,950	7,680	3,270	4,121	.....	6,630	3,539
1970.....	15,502	11,071	4,431	5,078	.....	8,047	5,203
1971.....	17,791	14,624	5,112	3,574	336	4,986	5,694
1972.....	19,791	14,624	5,112	3,684	213	.....	.....
1972-May..	18,599	13,923	4,674	321	7	1,054	6,153
June..	18,628	13,952	4,670	223	29	610	6,362
July..	18,740	14,013	4,714	258	3	515	6,471
Aug..	19,023	14,188	4,816	427	.....	466	6,309
Sept..	19,295	14,380	4,888	401	.....	755	6,451
Oct..	19,438	14,462	4,939	265	.....	887	6,654
Nov..	19,619	14,558	5,016	315	6	388	6,562
Dec..	19,791	14,624	5,112	307	12	1,086	5,440
1973-Jan..	19,982	14,743	5,170	225	29	392	6,943
Feb..	20,181	14,872	5,223	218	.....	493	6,911
Mar..	20,571	15,201	5,259	326	.....	934	8,165
Apr..	20,791	15,389	5,269	174	.....	1,211	8,742
May..	21,086	15,581	5,335	330	.....	.....	9,312

NOTE.—F.N.M.A. data. Total holdings include conventional loans. Data prior to Sept. 1968 relate to secondary market portfolio of former F.N.M.A. Mortgage holdings include loans used to back bond issues guaranteed by G.N.M.A. 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 F.N.M.A.'s free market auction system, and through the F.N.M.A.-G.N.M.A. 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	In millions of dollars	Offered	Accepted	In per cent
1972-- Dec. 26.....	108.7	66.3	7.69	.....	.....	.....
1973 Jan. 2.....	.....	.....	.....	39.3	25.5	7.84
8.....	74.2	61.3	7.69	.....	.....	.....
22.....	107.0	92.1	7.70	.....	.....	.....
Feb. 5.....	128.7	65.4	7.71	.....	.....	.....
6.....	.....	.....	.....	100.9	62.9	7.89
20.....	110.3	71.6	7.73	.....	.....	.....
21.....	.....	.....	.....	66.0	49.6	7.92
Mar. 5.....	170.8	107.7	7.75	.....	.....	.....
6.....	.....	.....	.....	60.3	44.3	7.95
19.....	297.3	168.7	7.81	.....	.....	.....
21.....	.....	.....	.....	86.8	56.4	8.02
Apr. 2.....	234.6	145.9	7.86	.....	.....	.....
3.....	.....	.....	.....	111.9	81.6	8.11
16.....	216.6	190.7	7.89	.....	.....	.....
17.....	.....	.....	.....	111.0	88.4	8.17
30.....	261.2	185.9	7.92	128.9	88.2	8.23
May 14.....	258.3	187.7	7.96	117.6	84.4	8.31
28.....	212.4	140.0	8.00	113.3	74.0	8.39
June 11.....	184.5	142.2	8.04	110.1	74.1	8.44
25.....	199.3	118.7	8.09	95.0	69.4	8.51

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 mortgages assuming a prepayment period of 12 years for 30-year loans, without special adjustment for F.N.M.A. commitment fees and F.N.M.A. stock purchase and holding requirements. Since Oct. 18, 1971, the maturity on new short-term commitments has been extended 4 months. Mortgage amounts offered by bidders are total eligible bids received.

**GOVERNMENT NATIONAL MORTGAGE ASSOCIATION ACTIVITY**

(In millions of dollars)

End of period	Mortgage holdings			Mortgage transactions (during period)		Mortgage commitments	
	Total	FHA-insured	VA-guaranteed	Purchases	Sales	Made during period	Outstanding
1967.....	3,348	2,756	592	860	.....	1,045	1,171
1968.....	4,220	3,569	651	1,089	1	867	1,266
1969.....	4,820	4,220	600	827	.....	615	1,131
1970.....	5,184	4,634	550	621	.....	897	738
1971.....	5,294	.....	.....	393	.....	.....	.....
1972.....	5,113	.....	.....	.....	.....	.....	.....
1972-May..	5,241	.....	.....	.....	.....	.....	.....
June..	5,249	.....	.....	.....	.....	.....	.....
July..	5,301	.....	.....	.....	.....	.....	.....
Aug..	5,405	.....	.....	.....	.....	.....	.....
Sept..	5,278	.....	.....	.....	.....	.....	.....
Oct..	5,203	.....	.....	.....	.....	.....	.....
Nov..	5,152	.....	.....	.....	.....	.....	.....
Dec..	5,113	.....	.....	.....	.....	.....	.....
1973-Jan..	5,117	.....	.....	.....	.....	.....	.....
Feb..	4,984	.....	.....	.....	.....	.....	.....
Mar..	4,663	.....	.....	.....	.....	.....	.....
Apr..	4,439	.....	.....	.....	.....	.....	.....
May..	3,980	.....	.....	.....	.....	.....	.....

NOTE.—G.N.M.A. 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 F.N.M.A. and include mortgages subject to participation pool of Government Mortgage Liquidation Trust, but exclude conventional mortgage loans acquired by former F.N.M.A.

**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- June.....	245.8	193.2	.....
July.....	135.5	145.8	.....
Aug.....	548.3	140.3	.....
Sept.....	192.0	130.9	.....
Oct.....	237.8	164.1	.....
Nov.....	226.4	138.2	.....
Dec.....	440.9	299.8	.....
1973-Jan.....	515.7	323.3	.....
Feb.....	167.2	216.8	.....
Mar.....	339.4	139.9	.....
Apr.....	467.8	182.1	.....
May.....	563.3	338.8	.....
June.....	243.0	315.3	.....

NOTE.—GNMA data. Under the Mortgage-Backed Security Program, GNMA guarantees the timely payment of principal and interest on both pass-through and bond-type securities, which are backed by a pool of mortgages insured by FHA or Farmers Home Admin. or guaranteed by VA and issued by an approved mortgagee. To date, bond-type securities have been issued only by F.N.M.A. and F.H.M.C.

**HOME-MORTGAGE YIELDS**

(In per cent)

Period	Primary market (conventional loans)		Secondary market	
	FHLBB series (effective rate)		HUD series (FHA)	Yield on FHA- insured new home loans
	New homes	Existing homes		
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—June.....	7.55	7.49	7.60	7.54
July.....	7.58	7.50	7.65	7.54
Aug.....	7.59	7.52	7.65	7.55
Sept.....	7.57	7.55	7.70	7.56
Oct.....	7.62	7.57	7.70	7.57
Nov.....	7.64	7.57	7.70	7.57
Dec.....	7.66	7.59	7.70	7.56
1973—Jan.....	7.68	7.68	7.70	7.55
Feb.....	7.70	7.72	7.75	7.56
Mar.....	7.68	7.69	7.80	7.63
Apr.....	7.71	7.70	7.90	7.73
May.....	7.71	7.77	7.95	7.79
June.....	7.76	7.77		

NOTE.—Annual data are averages of monthly figures. The Housing and Urban Development (FHA) data are based on opinion reports submitted by field offices on prevailing local conditions as of the first of the succeeding month. Yields on FHA-insured mortgages are derived from weighted averages of private secondary market prices for Sec. 203, 30-year mortgages with minimum downpayment and an assumed prepayment at the end of 15 years. Any gaps in data are due to periods of adjustment to changes in maximum permissible contract interest rates. The HUD (FHA) interest rates on conventional first mortgages in primary markets are unweighted and are rounded to the nearest 5 basis points. The FHLBB effective rate series reflects fees and charges as well as contract rates (as shown in the table on conventional first-mortgage terms, p. A-35) and an assumed prepayment at end of 10 years.

**GOVERNMENT-UNDERWRITTEN RESIDENTIAL LOANS MADE**

(In millions of dollars)

Period	FHA-insured					VA-guaranteed		
	Total	Mortgages		Pro- jects <sup>1</sup>	Prop- erty im- prove- ments <sup>2</sup>	Total <sup>3</sup>	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	5,370	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—May.....	913	259	369	229	56	613	189	424
June.....	1,077	271	372	363	71	858	243	615
July.....	900	261	374	218	47	675	183	492
Aug.....	1,018	310	440	201	67	776	224	552
Sept.....	949	245	340	287	77	758	212	546
Oct.....	862	255	343	170	94	720	204	516
Nov.....	1,001	261	331	312	97	790	246	544
Dec.....	964	190	245	444	85	715	220	495
1973—Jan.....	834	254	324	197	59	681	218	463
Feb.....	682	162	235	233	52	592	187	405
Mar.....	954	195	268	426	65	596	185	411
Apr.....	637	151	223	189	74	621	187	434
May.....	158	158	228	103		634	198	436

<sup>1</sup> Monthly figures do not reflect mortgage amendments included in annual totals.

<sup>2</sup> Not ordinarily secured by mortgages.

<sup>3</sup> 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 foreclosure
	Total	30 days	60 days	90 days or more	
1965.....	3.29	2.40	.55	.34	.40
1966.....	3.40	2.54	.54	.32	.36
1967.....	3.47	2.66	.54	.27	.32
1968.....	3.17	2.43	.51	.23	.26
1969.....	3.22	2.43	.52	.27	.27
1970.....	3.64	2.67	.61	.36	.33
1971.....	3.93	2.82	.65	.46	.46
1970—I.....	2.96	2.14	.52	.30	.31
II.....	2.83	2.10	.45	.28	.31
III.....	3.10	2.26	.53	.31	.31
IV.....	3.64	2.67	.61	.36	.33
1971—I.....	3.21	2.26	.56	.39	.40
II.....	3.27	2.36	.53	.38	.38
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	.50
IV.....	4.66	3.41	.79	.46	.52
.....	4.65	3.42	.78	.45	.48

<sup>1</sup> 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.....	1,790	1,503	287	1,298	408		198
1972—Mar.....	988	928	60	98		258	373
Apr.....	1,110	1,040	70	126		232	455
May.....	1,324	1,239	86	220		165	398
June.....	1,415	1,344	71	194	97	17	313
July.....	1,475	1,374	100	74	11	75	298
Aug.....	1,498	1,394	104	107	75	109	263
Sept.....	1,545	1,408	137	66	13	136	318
Oct.....	1,631	1,439	192	102	9	189	371
Nov.....	1,744	1,491	253	128	10	89	293
Dec.....	1,790	1,503	287	143	87	93	198
1973—Jan.....	1,761	1,517	244	76	99	142	226
Feb.....	1,677	1,535	142	76	150	166	300
Mar.....	1,718	1,589	128	119	68	141	295

NOTE.—FHLMC data. Data for 1970 include only the period beginning Nov. 26 when the FHLMC first became operational. Holdings, purchases, and sales include participations as well as whole loans. Mortgage holdings include loans used to back bond issues guaranteed by GNMA. Commitment data cover the conventional and Govt.-underwritten loan programs.

**TOTAL CREDIT**

(In millions of dollars)

End of period	Total	Instalment				Noninstalment				
		Total	Auto- mobile paper	Other consumer goods paper	Repair and mod- ernization loans <sup>1</sup>	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- May.....	141,450	114,183	40,063	34,439	5,604	34,077	27,267	11,066	7,464	8,737
June.....	143,812	116,465	41,019	35,041	5,717	34,588	27,447	11,181	7,610	8,656
July.....	145,214	117,702	41,603	35,470	5,797	34,832	27,512	11,235	7,644	8,633
Aug.....	147,631	119,911	42,323	36,388	5,950	35,450	27,720	11,411	7,717	8,592
Sept.....	148,976	121,193	42,644	36,745	6,049	35,755	27,783	11,541	7,693	8,549
Oct.....	150,576	122,505	43,162	37,216	6,124	36,003	28,071	11,717	7,780	8,574
Nov.....	152,968	124,325	43,674	38,064	6,174	36,413	28,643	11,917	8,010	8,716
Dec.....	157,564	127,332	44,129	40,080	6,201	36,922	30,232	12,256	9,002	8,974
1973 Jan.....	157,227	127,368	44,353	39,952	6,193	36,870	29,859	12,204	8,357	9,298
Feb.....	157,582	127,959	44,817	39,795	6,219	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	8,046	9,747
May.....	164,277	133,531	47,518	41,096	6,541	38,376	30,746	12,817	8,319	9,610

<sup>1</sup> Holdings of financial institutions; holdings of retail outlets are included in "Other consumer goods paper."

NOTE.—Consumer credit estimates cover loans to individuals for house-

hold, family, and other personal expenditures, except real estate mortgage loans. For back figures and description of the data, see "Consumer Credit," Section 16 (New) of *Supplement to Banking and Monetary Statistics*, 1965 and BUREAUS for Dec. 1968 and Oct. 1972.

**INSTALMENT CREDIT**

(In millions of dollar)

End of period	Total	Financial institutions				Retail outlets			
		Total	Com- mercial banks	Finance compa- nies <sup>1</sup>	Credit unions	Mis- cellaneous lenders <sup>1</sup>	Total	Auto- mobile dealers <sup>2</sup>	Other retail outlets
1940.....	5,514	3,918	1,452	2,278	171	17	1,596	167	1,429
1945.....	2,462	1,776	745	910	102	19	686	28	658
1950.....	14,703	11,805	5,798	5,315	590	102	2,898	287	2,611
1955.....	28,906	24,398	10,601	11,838	1,678	281	4,508	487	4,021
1960.....	42,968	36,673	16,672	15,435	3,923	643	6,295	359	5,936
1965.....	70,893	61,102	28,962	23,851	7,324	965	9,791	315	9,476
1966.....	76,245	65,430	31,319	24,796	8,255	1,060	10,815	277	10,538
1967.....	79,428	67,944	33,152	24,576	9,003	1,213	11,484	287	11,197
1968.....	87,745	75,727	37,936	26,074	10,300	1,417	12,018	281	11,737
1969.....	97,105	83,989	42,421	27,846	12,028	1,694	13,116	250	12,866
1970.....	102,064	88,164	45,398	27,678	12,986	2,102	13,900	218	13,682
1971.....	111,295	97,144	51,240	28,883	14,770	2,251	14,151	226	13,925
1972.....	127,332	111,382	59,783	32,088	16,913	2,598	15,950	261	15,689
1972- May.....	114,183	100,840	53,624	29,310	15,395	2,511	13,343	237	13,106
June.....	116,365	102,909	54,883	29,722	15,786	2,518	13,456	243	13,213
July.....	117,702	104,132	55,688	30,065	15,910	2,469	13,570	248	13,322
Aug.....	119,911	106,146	56,846	30,464	16,278	2,558	13,765	251	13,514
Sept.....	121,193	107,278	57,566	30,650	16,439	2,623	13,915	253	13,662
Oct.....	122,505	108,405	58,266	30,970	16,556	2,613	14,100	257	13,843
Nov.....	124,325	109,673	58,878	31,427	16,742	2,626	14,652	259	14,393
Dec.....	127,332	111,382	59,783	32,088	16,913	2,598	15,950	261	15,689
1973 Jan.....	127,368	111,690	60,148	32,177	16,847	2,518	15,678	263	15,415
Feb.....	127,959	112,630	60,582	32,431	16,973	2,644	15,329	266	15,063
Mar.....	129,375	114,190	61,388	32,750	17,239	2,813	15,185	272	14,913
Apr.....	131,022	115,727	62,459	33,078	17,455	2,735	15,295	278	15,017
May.....	133,531	118,165	63,707	33,859	17,832	2,767	15,366	284	15,082

<sup>1</sup> 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.

<sup>2</sup> Automobile paper only; other instalment credit held by automobile dealers is included with "Other retail outlets."

See also NOTE to table above.





INSTALMENT CREDIT EXTENDED AND REPAID, BY TYPE OF CREDIT

(In millions of dollars)

Period	Total		Automobile paper		Other consumer goods paper		Repair and modernization loans		Personal loans	
	S.A. <sup>1</sup>	N.S.A.	S.A. <sup>1</sup>	N.S.A.	S.A. <sup>1</sup>	N.S.A.	S.A. <sup>1</sup>	N.S.A.	S.A. <sup>1</sup>	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—May	11,687	12,556	3,274	3,699	4,393	4,593	334	399	3,686	3,865
June	12,057	13,096	3,412	3,938	4,577	4,779	351	403	3,717	3,976
July	11,687	11,833	3,298	3,480	4,684	4,544	328	358	3,377	3,451
Aug.	12,484	13,166	3,491	3,696	4,990	5,094	371	431	3,632	3,945
Sept.	11,953	11,535	3,368	3,110	4,772	4,695	340	360	3,473	3,270
Oct.	12,404	12,337	3,504	3,663	4,971	4,831	335	347	3,594	3,496
Nov.	12,846	12,806	3,620	3,505	5,118	5,202	327	321	3,781	3,778
Dec.	12,627	13,643	3,763	3,195	4,876	6,171	351	280	3,637	3,997
1973—Jan.	13,304	11,923	4,006	3,393	5,282	4,949	329	259	3,687	3,322
Feb.	13,434	11,214	3,972	3,407	5,245	4,252	364	300	3,853	3,255
Mar.	13,852	13,681	4,001	4,164	5,349	5,169	406	377	4,096	3,971
Apr.	13,465	13,661	3,822	4,101	5,563	5,378	365	372	3,715	3,810
May	13,932	14,792	3,989	4,409	5,504	5,698	374	431	4,065	4,254
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—May	10,355	10,812	2,819	2,984	3,981	4,135	287	299	3,268	3,394
June	10,671	10,914	2,922	2,982	4,164	4,177	283	290	3,302	3,465
July	10,593	10,496	2,917	2,896	4,249	4,115	279	278	3,148	3,207
Aug.	10,841	10,957	2,896	2,976	4,395	4,376	270	278	3,280	3,327
Sept.	10,667	10,253	2,873	2,789	4,303	4,138	263	261	3,228	3,065
Oct.	10,908	11,025	3,041	3,145	4,354	4,360	263	272	3,250	3,248
Nov.	11,128	10,986	3,023	2,993	4,444	4,354	271	271	3,390	3,368
Dec.	10,964	10,636	2,977	2,740	4,341	4,155	263	253	3,383	3,488
1973—Jan.	11,355	11,887	3,097	3,169	4,649	5,077	267	267	3,342	3,374
Feb.	11,437	10,623	3,145	2,943	4,627	4,409	275	254	3,390	3,017
Mar.	11,808	12,265	3,225	3,371	4,755	5,013	286	288	3,542	3,593
Apr.	12,061	12,014	3,218	3,233	4,963	4,888	294	292	3,586	3,601
May	11,941	12,283	3,261	3,369	4,917	5,043	290	298	3,473	3,573
Net change in credit outstanding <sup>2</sup>										
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		2,152		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—May	1,332	1,744	455	715	412	458	47	100	418	471
June	1,386	2,182	490	956	413	602	68	113	415	511
July	1,094	1,337	381	584	435	429	49	80	229	244
Aug.	1,643	2,209	595	720	595	718	101	153	352	618
Sept.	1,286	1,282	495	321	469	557	77	99	245	305
Oct.	1,496	1,312	463	518	617	471	72	75	344	248
Nov.	1,718	1,820	597	512	674	848	56	50	391	410
Dec.	1,663	3,007	786	455	535	2,016	88	27	254	509
1973—Jan.	1,949	36	909	224	633	-128	62	-8	345	-52
Feb.	1,997	591	827	464	618	-157	89	46	463	238
Mar.	2,044	1,416	776	793	594	156	120	89	554	378
Apr.	1,404	1,647	604	868	600	490	71	80	129	209
May	1,991	2,509	728	1,040	587	655	84	133	592	681

<sup>1</sup> Includes adjustments for differences in trading days.

<sup>2</sup> Net changes in credit outstanding are equal to extensions less repayments.

NOTE.—Estimates are based on accounting records and often include financing charges. Renewals and refinancing of loans, purchases and

sales of instalment paper, and certain other transactions may increase the amount of extensions and repayments without affecting the amount outstanding.

For back figures and description of the data, see "Consumer Credit," Section 16 (New) of *Supplement to Banking and Monetary Statistics*, 1965, and BULLETINS for Dec. 1968 and Oct. 1972.

INSTALMENT CREDIT EXTENDED AND REPAID, BY HOLDER

(In millions of dollars)

Period	Total		Commercial banks		Finance companies		Other financial lenders		Retail outlets	
	S.A. <sup>1</sup>	N.S.A.	S.A. <sup>1</sup>	N.S.A.	S.A. <sup>1</sup>	N.S.A.	S.A. <sup>1</sup>	N.S.A.	S.A. <sup>1</sup>	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—May	11,687	12,556	4,817	5,335	3,244	3,410	1,674	1,879	1,952	1,932
June	12,057	13,096	5,098	5,617	3,196	3,479	1,792	2,046	1,971	1,964
July	11,687	11,833	4,926	5,103	3,107	3,184	1,506	1,580	2,148	1,966
Aug.	12,484	13,166	5,349	5,644	3,285	3,433	1,788	2,014	2,062	2,075
Sept.	11,953	11,535	4,972	4,852	3,181	2,971	1,731	1,683	2,069	2,029
Oct.	12,404	12,337	5,227	5,224	3,334	3,348	1,705	1,679	2,138	2,086
Nov.	12,846	12,806	5,413	5,059	3,434	3,581	1,792	1,704	2,207	2,462
Dec.	2,627	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	3,587	2,972	1,964	1,731	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
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—May	10,355	10,812	4,121	4,340	2,918	3,055	1,459	1,528	1,857	1,889
June	10,671	10,914	4,250	4,358	2,971	3,067	1,566	1,638	1,884	1,851
July	10,593	10,496	4,366	4,298	2,883	2,841	1,419	1,505	1,925	1,852
Aug.	10,841	10,957	4,414	4,486	3,021	3,034	1,510	1,557	1,896	1,880
Sept.	10,667	10,253	4,221	4,132	2,938	2,785	1,533	1,457	1,975	1,879
Oct.	10,908	11,025	4,408	4,524	3,023	3,028	1,550	1,572	1,927	1,901
Nov.	11,128	10,986	4,531	4,447	3,061	3,124	1,578	1,505	1,958	1,910
Dec.	10,964	10,636	4,485	4,191	2,952	3,105	1,561	1,499	1,966	1,841
1973—Jan.	11,355	11,887	4,734	4,881	3,033	2,944	1,532	1,655	2,056	2,407
Feb.	11,437	10,623	4,684	4,392	3,030	2,718	1,625	1,459	2,068	2,054
Mar.	11,808	12,295	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
Net change in credit outstanding <sup>2</sup>										
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		9,959		2,977		1,168		1,166		784
1971		9,231		5,842		1,205		1,933		251
1972		16,037		8,543		3,205		2,490		1,799
1972—May	1,332	1,744	696	995	326	355	215	351	95	43
June	1,386	2,182	848	1,259	225	412	226	398	87	113
July	1,094	1,337	560	805	224	343	87	75	223	114
Aug.	1,643	2,209	935	1,158	264	399	278	457	166	195
Sept.	1,286	1,282	751	720	243	186	198	226	94	150
Oct.	1,496	1,312	819	700	311	320	155	107	211	185
Nov.	1,718	1,820	882	612	373	457	214	199	249	552
Dec.	1,663	3,007	828	905	403	661	230	143	202	1,298
1973—Jan.	1,949	36	1,028	365	484	89	174	146	263	272
Feb.	1,997	591	980	434	527	254	339	252	151	449
Mar.	2,044	1,416	983	806	513	319	466	335	82	-141
Apr.	1,404	1,667	725	1,071	304	328	99	138	276	110
May	1,991	2,569	883	1,248	720	781	256	409	132	71

<sup>1</sup> Includes adjustments for differences in trading days.

<sup>2</sup> 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.











VALUE OF NEW CONSTRUCTION ACTIVITY

(In millions of dollars)

Period	Total	Private							Public				
		Total	Residential	Nonresidential				Total	Military	Highway	Conservation & development	Other <sup>2</sup>	
				Total	Buildings								Other
					Industrial	Commercial	Other buildings <sup>1</sup>						
1962 <sup>3</sup>	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 <sup>4</sup>	64,563	45,206	27,874	17,332	2,906	4,995	3,745	5,686	19,357	1,179	7,084	1,674	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	737	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	33,700	32,264	6,783	9,401	4,971	11,049	27,964	879	9,250	1,783	4,822
1970	94,167	66,071	31,864	34,267	6,538	9,754	5,125	12,790	28,096	718	9,981	1,908	4,832
1971	109,238	79,367	43,268	36,099	5,423	11,619	5,437	13,620	29,871	901	10,638	2,095	4,820
1972	123,836	93,640	54,186	39,454	4,676	13,462	5,898	13,478	30,196	1,080	10,448	2,172	4,996
1972 June	121,613	92,594	53,294	39,300	4,848	13,323	5,834	15,295	29,019	1,064	10,090	2,592	15,273
July	121,616	92,445	53,293	38,652	4,628	13,180	5,707	15,137	29,171	1,342	10,088	1,776	15,965
Aug.	123,928	93,873	54,497	39,376	4,736	13,381	5,939	15,320	29,158	866	10,003	2,099	16,182
Sept.	125,146	94,520	55,536	38,984	4,519	13,442	5,730	15,293	30,626	1,050	10,443	2,140	16,993
Oct.	128,513	96,201	56,361	39,840	4,345	13,720	6,197	15,578	32,312	1,076	10,642	2,205	18,389
Nov.	126,831	97,506	57,167	40,339	4,617	13,607	6,245	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.	131,143	100,441	57,800	42,641	5,292	15,001	6,002	16,456	33,702	1,221	11,099	1,999	18,802
Feb.	134,298	102,010	59,413	42,597	5,180	14,873	6,145	16,399	32,288	1,422	11,112	1,712	18,802
Mar.	136,637	103,008	59,822	43,186	5,479	15,071	6,179	16,457	33,629	1,303	11,003	2,490	18,802
Apr.	135,232	102,653	59,213	43,440	5,287	15,474	6,282	16,397	32,569	1,170	10,981	1,672	18,802
May	137,095	104,005	59,579	44,426	5,496	16,082	6,298	16,550	33,090	1,282	11,045	2,288	18,802
June	137,959	105,158	60,390	44,768				16,892	32,801				

<sup>1</sup> Includes religious, educational, hospital, institutional, and other buildings.  
<sup>2</sup> Sewer and water, formerly shown separately, now included in "Other."  
<sup>3</sup> Beginning July 1962, reflects inclusion of new series affecting most private nonresidential groups.  
<sup>4</sup> Beginning 1963, reflects inclusion of new series under "Public" (for State and local govt. activity only).  
 NOTE: Census Bureau data; monthly series are seasonally adjusted annual rates.

NEW HOUSING UNITS

(In thousands)

Period	Units started												Mobile home shipments (N.S.A.)		
	Total	Private (S.A., A.R.)				Private and public (N.S.A.)			Government-underwritten (N.S.A.)		Total	FHA		VA	
		Region				Type of structure			Total	Private					Public
		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	212	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	340	588	324	814	85	1,500	1,467	33	284	233	51	313	
1970	1,434	218	294	612	310	813	85	1,469	1,434	35	482	421	61	401	
1971	2,052	264	434	869	486	1,151	120	2,084	2,052	32	621	538	93	497	
1972 May	2,318	282	547	999	489	1,308	125	2,28	226	2	42	32	9	52	
June	2,315	337	452	992	534	1,283	137	2,26	226	3	42	32	10	55	
July	2,244	303	443	1,009	488	1,319	116	2,08	206	1	36	26	9	48	
Aug.	2,424	349	475	1,014	586	1,373	137	2,31	229	2	40	30	10	52	
Sept.	2,426	355	474	1,096	501	1,382	125	2,30	203	1	37	28	9	49	
Oct.	2,446	372	469	1,125	480	1,315	153	2,18	217	2	34	25	9	54	
Nov.	2,395	353	400	1,106	536	1,324	134	2,17	187	1	29	21	8	50	
Dec.	2,369	486	330	1,080	473	1,207	128	1,034	153	2	48	42	6	38	
1973 Jan.	2,497	348	599	1,086	464	1,450	163	2,147	147	1	19	12	7	41	
Feb.	2,456	366	571	1,087	434	1,372	123	2,091	140	2	17	14	7	43	
Mar.	2,260	297	415	1,442	406	1,245	123	1,892	201	1	37	19	8	57	
Apr.	2,104	284	383	884	553	1,197	131	1,776	204	1	37	18	9	62	
May	2,430	257	603	1,011	559	1,268	161	2,100	235	1	21	11	11	62	

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 <sup>2</sup> (per cent; S.A.)
				Total	Employed <sup>1</sup>			Unemployed	
					Total	In nonagricultural industries	In agriculture		
1967	133,319	52,527	80,793	77,347	74,372	70,527	3,844	2,975	3.8
1968	135,562	53,291	82,272	78,737	75,920	72,103	3,817	2,817	3.6
1969	137,841	53,602	84,240	80,734	77,902	74,296	3,606	2,832	3.5
1970	140,182	54,280	85,903	82,715	78,627	75,165	3,462	4,088	4.9
1971	142,596	55,666	86,929	84,113	79,120	75,732	3,387	4,993	5.9
1972	145,775	56,785	88,991	86,542	81,702	78,230	3,472	4,840	5.6
1972—June	145,639	55,191	88,947	86,554	81,752	78,421	3,331	4,802	5.5
July	145,854	54,850	88,985	86,597	81,782	78,339	3,443	4,815	5.6
Aug.	146,069	55,311	89,337	86,941	82,061	78,451	3,610	4,880	5.6
Sept.	146,289	57,191	89,471	87,066	82,256	78,677	3,579	4,810	5.5
Oct.	146,498	56,907	89,651	87,236	82,397	78,739	3,658	4,839	5.5
Nov.	146,709	57,309	89,454	87,023	82,525	78,969	3,556	4,498	5.2
Dec.	146,923	57,486	89,707	87,267	82,780	79,130	3,650	4,487	5.1
1973—Jan.	147,129	59,008	89,325	86,921	82,555	79,054	3,501	4,366	5.0
Feb.	147,313	58,238	89,961	87,569	83,127	79,703	3,424	4,442	5.1
Mar.	147,541	57,856	90,629	88,268	83,889	80,409	3,480	4,379	5.0
Apr.	147,729	57,906	90,700	88,350	83,917	80,606	3,311	4,333	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

<sup>1</sup> Includes self-employed, unpaid family, and domestic service workers.  
<sup>2</sup> 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
<b>SEASONALLY ADJUSTED</b>									
1972—June	72,699	18,931	600	3,550	4,491	15,682	3,931	12,290	13,224
July	72,661	18,861	599	3,489	4,473	15,692	3,927	12,341	13,279
Aug.	72,984	18,930	602	3,544	4,478	15,758	3,936	12,419	13,317
Sept.	73,176	19,029	610	3,551	4,499	15,794	3,953	12,379	13,365
Oct.	73,589	19,219	610	3,568	4,540	15,835	3,969	12,451	13,397
Nov.	73,899	19,324	609	3,524	4,549	15,954	3,981	12,497	13,461
Dec.	74,026	19,419	607	3,452	4,558	15,946	3,991	12,549	13,504
1973—Jan.	74,245	19,469	610	3,502	4,574	15,989	3,999	12,621	13,481
Feb.	74,725	19,578	613	3,594	4,580	16,127	4,014	12,682	13,537
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	75,269	19,763	609	3,606	4,592	16,243	4,044	12,775	13,637
June	75,464	19,882	612	3,652	4,606	16,251	4,041	12,825	13,655
<b>NOT SEASONALLY ADJUSTED</b>									
1972—June	73,463	19,070	614	3,717	4,549	15,749	3,966	12,487	13,311
July	72,469	18,703	614	3,740	4,531	15,653	3,990	12,489	12,749
Aug.	72,975	19,147	616	3,838	4,527	15,691	3,995	12,481	12,680
Sept.	73,519	19,298	613	3,785	4,548	15,774	3,957	12,391	13,153
Oct.	74,118	19,359	609	3,782	4,549	15,887	3,957	12,463	13,512
Nov.	74,449	19,414	607	3,630	4,554	16,162	3,965	12,472	13,645
Dec.	74,778	19,423	603	3,373	4,558	16,669	3,971	12,474	13,707
1973—Jan.	73,343	19,279	598	3,155	4,510	15,865	3,959	12,406	13,571
Feb.	73,724	19,420	598	3,184	4,507	15,776	3,978	12,530	13,731
Mar.	74,255	19,521	598	3,294	4,539	15,880	4,000	12,627	13,796
Apr.	74,861	19,856	603	3,442	4,559	16,088	4,019	12,771	13,793
May	75,357	19,653	609	3,602	4,592	16,187	4,040	12,864	13,810
June	76,246	19,967	625	3,835	4,670	16,324	4,081	13,005	13,739

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 <sup>1</sup>				Not seasonally adjusted <sup>1</sup>			
	1972	1973		1972	1973			
	June	Apr.	May <sup>a</sup>	June <sup>a</sup>	June	Apr.	May <sup>a</sup>	June <sup>a</sup>
<b>Total</b> .....	<b>13,841</b>	<b>14,521</b>	<b>14,547</b>	<b>14,577</b>	<b>13,960</b>	<b>14,394</b>	<b>14,446</b>	<b>14,704</b>
<b>Durable goods</b> .....	<b>7,896</b>	<b>8,483</b>	<b>8,527</b>	<b>8,552</b>	<b>7,985</b>	<b>8,452</b>	<b>8,507</b>	<b>8,645</b>
Ordnance and accessories.....	94	101	99	96	94	99	98	96
Lumber and wood products.....	526	544	544	542	545	531	540	562
Furniture and fixtures.....	405	430	430	432	406	425	425	433
Stone, clay, and glass products.....	527	550	555	548	541	546	554	562
Primary metal industries.....	976	1,033	1,044	1,041	997	1,046	1,055	1,063
Fabricated metal products.....	1,052	1,118	1,123	1,123	1,061	1,110	1,117	1,133
Machinery.....	1,231	1,356	1,366	1,372	1,241	1,365	1,367	1,383
Electrical equipment and supplies.....	1,236	1,361	1,370	1,391	1,236	1,349	1,358	1,391
Transportation equipment.....	1,342	1,351	1,350	1,367	1,253	1,331	1,353	1,379
Instruments and related products.....	276	296	303	300	277	295	302	301
Miscellaneous manufacturing industries.....	331	343	343	340	334	336	339	344
<b>Nondurable goods</b> .....	<b>5,945</b>	<b>6,038</b>	<b>6,020</b>	<b>6,025</b>	<b>5,975</b>	<b>5,942</b>	<b>5,939</b>	<b>6,059</b>
Food and kindred products.....	1,201	1,178	1,167	1,168	1,191	1,162	1,166	1,159
Tobacco manufactures.....	62	63	63	64	55	56	55	57
Textile-mill products.....	870	900	899	898	882	898	896	910
Apparel and related products.....	1,163	1,182	1,175	1,174	1,175	1,179	1,175	1,185
Paper and allied products.....	539	552	557	555	546	549	551	563
Printing, publishing, and allied industries.....	657	663	662	663	656	663	660	662
Chemicals and allied products.....	580	593	596	597	587	595	595	603
Petroleum refining and related industries.....	117	115	115	116	120	114	115	120
Rubber and misc. plastic products.....	491	536	531	535	494	533	530	539
Leather and leather products.....	265	256	255	256	271	253	255	262

<sup>1</sup> 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 <sup>1</sup> (per week; S.A.)				Average weekly earnings <sup>1</sup> (dollars per week; N.S.A.)				Average hourly earnings <sup>1</sup> (dollars per hour; N.S.A.)			
	1972	1973		1972	1973		1972	1973		1972	1973	
	June	Apr.	May <sup>a</sup>	June <sup>a</sup>	June	Apr.	May <sup>a</sup>	June <sup>a</sup>	June	Apr.	May <sup>a</sup>	June <sup>a</sup>
<b>Total</b> .....	<b>40.6</b>	<b>40.9</b>	<b>40.8</b>	<b>40.7</b>	<b>155.01</b>	<b>163.21</b>	<b>164.42</b>	<b>165.64</b>	<b>3.79</b>	<b>4.01</b>	<b>4.03</b>	<b>4.04</b>
<b>Durable goods</b> .....	<b>41.3</b>	<b>41.8</b>	<b>41.6</b>	<b>41.5</b>	<b>167.65</b>	<b>177.22</b>	<b>178.05</b>	<b>179.74</b>	<b>4.03</b>	<b>4.26</b>	<b>4.28</b>	<b>4.30</b>
Ordnance and accessories.....	42.0	42.0	42.1	41.8	172.60	175.56	178.50	178.08	4.09	4.18	4.24	4.24
Lumber and wood products.....	41.2	41.1	40.8	40.4	139.19	144.26	145.08	146.37	3.33	3.51	3.53	3.57
Furniture and fixtures.....	40.7	40.4	40.1	40.1	125.05	127.76	128.95	130.49	3.05	3.21	3.24	3.23
Stone, clay, and glass products.....	42.0	42.3	42.3	42.2	165.78	173.44	175.54	177.22	3.91	4.11	4.14	4.16
Primary metal industries.....	41.4	42.2	42.1	41.8	193.12	209.10	209.81	209.73	4.62	4.92	4.96	4.97
Fabricated metal products.....	41.1	41.8	41.5	41.3	165.57	173.89	174.72	177.23	3.98	4.19	4.20	4.24
Machinery.....	42.1	42.5	42.7	42.8	179.77	190.38	192.15	193.48	4.26	4.49	4.50	4.53
Electrical equipment and supplies.....	40.5	40.6	40.6	40.3	148.56	153.54	154.71	155.12	3.65	3.81	3.82	3.83
Transportation equipment.....	41.5	43.5	42.2	42.6	197.45	212.50	212.42	218.16	4.69	5.00	5.01	5.05
Instruments and related products.....	40.6	40.8	40.8	40.8	151.00	155.07	157.51	157.06	3.71	3.81	3.87	3.84
Miscellaneous manufacturing industries.....	39.5	39.0	39.0	39.0	122.76	125.58	126.81	128.25	3.10	3.22	3.26	3.28
<b>Nondurable goods</b> .....	<b>39.7</b>	<b>39.8</b>	<b>39.6</b>	<b>39.5</b>	<b>137.66</b>	<b>143.39</b>	<b>143.78</b>	<b>144.91</b>	<b>3.45</b>	<b>3.63</b>	<b>3.64</b>	<b>3.65</b>
Food and kindred products.....	40.4	40.1	40.3	40.1	145.75	149.31	153.18	153.95	3.59	3.78	3.82	3.82
Tobacco manufactures.....	34.3	36.5	35.2	34.2	122.84	134.87	134.02	131.51	3.53	3.81	3.84	3.79
Textile-mill products.....	41.3	41.6	40.9	40.8	113.42	119.77	118.03	119.07	2.72	2.90	2.90	2.89
Apparel and related products.....	35.9	36.1	36.0	35.9	93.24	98.64	98.01	98.64	2.59	2.74	2.73	2.74
Paper and allied products.....	42.9	42.8	42.8	42.7	168.56	175.09	175.51	178.05	4.92	4.11	4.12	4.16
Printing, publishing, and allied industries.....	37.8	38.0	37.9	37.9	169.41	175.01	176.53	177.46	4.47	4.63	4.67	4.67
Chemicals and allied products.....	41.9	41.9	42.0	42.1	176.40	185.24	185.22	187.79	4.20	4.40	4.41	4.45
Petroleum refining and related industries.....	42.1	41.9	42.0	41.0	209.46	219.24	220.28	212.59	4.94	5.22	5.22	5.16
Rubber and misc. plastic products.....	41.2	41.5	40.9	40.9	147.38	155.29	152.15	153.30	3.56	3.76	3.72	3.73
Leather and leather products.....	38.6	38.2	38.0	38.1	105.84	104.63	106.96	108.36	2.70	2.79	2.80	2.80

<sup>1</sup> 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		Group	1972		1973	
	June	Apr.	May	June		June	Apr.	May	June
<i>Farm products:</i>					<i>Pulp, paper, and allied products:</i>				
Fresh and dried produce.....	121.7	176.0	186.0	197.5	Pulp, paper and products, excluding building paper and board.....	113.8	120.2	121.1	122.4
Grains.....	94.5	130.9	149.9	178.6	Woodpulp.....	141.5	122.2	122.4	122.4
Livestock.....	146.4	184.1	188.7	193.8	Waste paper.....	137.7	149.3	168.1	187.6
Live poultry.....	102.9	185.8	180.3	184.5	Paper.....	116.2	120.2	120.8	122.5
Plant and animal fibers.....	127.3	154.7	171.4	177.7	Paperboard.....	106.0	113.0	114.6	116.7
Fluid milk.....	121.7	130.4	132.9	133.3	Converted paper and paperboard...	113.5	120.4	121.0	121.5
Eggs.....	91.9	144.9	137.1	159.4	Building paper and board.....	106.6	109.3	110.8	111.7
Hay and seeds.....	116.9	186.9	243.0	299.9					
Other farm products.....	119.9	142.1	146.0	148.1					
<i>Processed foods and feeds:</i>					<i>Metals and metal products:</i>				
Cereal and bakery products.....	113.3	123.7	124.3	125.9	Iron and steel.....	128.1	134.0	135.3	135.9
Meat, poultry, and fish.....	131.4	163.2	162.5	164.9	Steelmil products.....	130.4	133.7	134.1	134.3
Dairy products.....	115.3	127.2	126.5	127.5	Nonferrous metals.....	117.6	131.4	133.2	135.0
Processed fruits and vegetables.....	119.5	136.6	127.2	127.9	Metal containers.....	128.8	135.7	135.7	135.7
Sugar and confectionery.....	121.3	126.9	129.0	131.0	Hardware.....	120.4	122.8	123.3	124.0
Beverages and beverage materials.....	117.8	121.4	121.9	121.4	Plumbing equipment.....	119.7	124.8	125.8	126.2
Animal fats and oils.....	125.8	176.7	195.0	221.3	Heating equipment.....	118.6	120.5	120.2	120.7
Crude vegetable oils.....	112.0	145.0	153.1	168.8	Fabricated structural metal products	122.2	125.7	126.7	126.9
Refined vegetable oils.....	119.1	136.1	147.0	164.8	Miscellaneous metal products.....	124.4	127.3	128.3	128.7
Vegetable oil end products.....	121.5	125.6	131.6	137.4					
Miscellaneous processed foods.....	114.4	118.7	118.9	119.9					
Manufactured animal feeds.....	107.7	166.7	211.3	257.8					
<i>Textile products and apparel:</i>					<i>Machinery and equipment:</i>				
Cotton products.....	122.6	133.3	137.4	141.3	Agricultural machinery and equip...	122.7	124.7	125.0	125.4
Wool products.....	99.2	129.8	127.5	131.3	Construction machinery and equip...	125.9	130.4	130.9	131.1
Manmade fiber textile products.....	108.6	118.7	121.5	122.9	Metalworking machinery and equip...	120.2	124.5	125.2	125.6
Apparel.....	114.4	117.7	118.4	118.8	General purpose machinery and equipment.....	122.7	125.6	126.4	127.2
Textile housefurnishings.....	109.5	110.5	110.5	111.5	Special industry machinery and equipment.....	123.7	128.5	129.0	130.0
Miscellaneous textile products.....	125.8	121.9	127.4	126.0	Electrical machinery and equip.....	110.6	111.7	112.3	112.7
					Miscellaneous machinery.....	120.7	123.1	124.4	124.4
<i>Hides, skins, leather, and products:</i>					<i>Furniture and household durables:</i>				
Hides and skins.....	204.1	270.2	253.5	241.6	Household furniture.....	117.2	121.8	122.3	123.3
Leather.....	138.6	161.1	159.7	156.4	Commercial furniture.....	119.5	123.8	130.6	130.6
Footwear.....	125.8	131.5	129.3	129.3	Floor coverings.....	98.6	101.7	102.5	102.7
Other leather products.....	116.7	129.9	129.1	129.0	Household appliances.....	107.1	108.3	108.0	107.4
					Home electronic equipment.....	92.6	92.2	92.3	91.6
					Other household durable goods.....	125.4	130.3	130.8	131.0
<i>Fuels and related products, and power:</i>					<i>Nonmetallic mineral products:</i>				
Coal.....	191.2	213.8	214.2	215.1	Flat glass.....	121.1	124.1	124.4	122.2
Coke.....	155.3	166.9	167.2	167.2	Concrete ingredients.....	126.8	131.6	131.4	131.6
Gas fuels.....	112.9	120.1	121.4	128.0	Concrete products.....	125.3	130.8	131.5	132.3
Electric power.....	121.5	127.6	128.2	128.4	Structural clay products excluding refractories.....	117.4	123.0	123.6	123.8
Crude petroleum.....	113.2	117.1	122.0	125.3	Refractories.....	127.1	136.3	136.3	136.3
Petroleum products, refined.....	108.5	127.9	133.9	146.6	Asphalt roofing.....	131.2	134.1	136.6	136.6
					Gypsum products.....	113.9	119.6	120.4	124.1
					Glass containers.....	136.2	136.8	136.8	141.6
					Other nonmetallic minerals.....	127.4	128.5	129.1	129.5
<i>Chemicals and allied products:</i>					<i>Transportation equipment:<sup>1</sup></i>				
Industrial chemicals.....	101.4	102.6	102.7	103.0	Motor vehicles and equipment.....	118.5	119.0	119.1	118.9
Prepared paint.....	118.3	120.3	120.8	121.0	Railroad equipment.....	129.6	133.4	134.3	134.8
Paint materials.....	103.9	108.9	110.4	113.0					
Drugs and pharmaceuticals.....	103.1	103.8	104.0	104.4					
Fats and oils, inedible.....	115.9	184.0	232.0	263.6					
Agricultural chemicals and products.....	92.3	94.5	94.7	95.0					
Plastic resins and materials.....	87.9	91.3	92.4	92.7					
Other chemicals and products.....	113.8	116.3	117.7	118.0					
<i>Rubber and plastic products:</i>					<i>Miscellaneous products:</i>				
Rubber and rubber products.....	113.3	115.7	117.1	118.0	Toys, sporting goods, small arms, ammunition.....	114.4	117.2	117.3	117.5
Crude rubber.....	98.6	108.5	108.9	112.8	Tobacco products.....	117.5	122.0	122.3	122.5
Tires and tubes.....	108.7	109.4	110.0	110.4	Notions.....	111.7	113.1	114.5	114.5
Miscellaneous rubber products.....	120.8	122.5	124.7	125.2	Photographic equipment and supplies	106.2	108.4	108.2	108.4
Plastic construction products (Dec. 1969=100).....	93.5	93.8	94.0	93.9	Other miscellaneous products.....	115.2	122.2	124.7	127.0
Unsupported plastic film and sheeting (Dec. 1970=100).....	98.1	99.2	99.2	101.1					
Laminated sheets, high pressure (Dec. 1970=100).....	97.9	96.6	97.2	97.7					
<i>Lumber and wood products:</i>									
Lumber.....	159.0	207.2	215.4	214.8					
Millwork.....	128.4	141.2	146.5	147.7					
Plywood.....	131.7	182.5	177.7	154.9					
Other wood products.....	123.4	147.4	149.6	151.9					

<sup>1</sup> 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
										I	II	III	IV	V	
Gross national product	103.1	55.6	124.5	284.8	864.2	930.3	976.4	1,050.4	1,151.8	1,091.1	1,139.4	1,164.0	1,194.9	1,237.9	
Final purchases	101.4	57.2	120.1	278.0	857.1	922.5	971.5	1,036.7	1,136.9	1,086.6	1,134.4	1,156.0	1,184.6	1,231.0	
Personal consumption expenditures	77.2	45.8	80.6	191.0	536.2	579.5	616.8	664.9	721.0	696.1	713.4	728.6	745.7	773.6	
Durable goods	9.2	3.5	9.6	30.5	84.0	90.8	90.5	103.5	116.1	111.0	113.9	118.6	120.8	130.4	
Nondurable goods	37.7	22.3	42.9	98.1	230.8	245.9	264.4	278.1	299.5	288.3	297.2	302.0	310.4	322.6	
Services	30.3	20.1	28.1	62.4	221.3	242.7	261.8	283.3	305.4	296.7	302.4	308.0	314.5	320.6	
Gross private domestic investment	16.2	1.4	17.9	54.1	126.0	139.0	137.1	152.0	180.4	168.1	177.0	183.2	193.4	199.7	
Fixed investment	14.5	3.0	13.4	47.3	118.9	131.1	132.2	148.3	174.5	167.7	172.0	175.2	183.1	192.9	
Nonresidential	10.6	2.4	9.5	27.9	88.8	98.5	109.9	105.8	120.6	116.1	119.2	120.7	126.1	133.5	
Structures	5.0	.9	2.9	9.2	30.3	34.2	36.0	38.4	42.2	41.3	42.0	41.8	43.7	46.7	
Producers' durable equipment	5.6	1.5	6.6	18.7	58.5	64.3	64.9	67.4	78.3	74.8	77.2	79.0	82.4	86.8	
Residential structures	4.0	.6	3.9	19.4	30.1	32.6	31.2	42.6	54.0	51.6	52.8	54.4	57.0	59.4	
Nonfarm	3.8	.5	3.7	18.6	29.5	32.0	30.7	42.0	53.2	51.0	52.1	53.7	56.1	58.4	
Change in business inventories	1.7	1.6	4.5	6.8	7.1	7.8	4.9	3.6	5.9	.4	5.0	8.0	10.3	6.8	
Nonfarm	1.8	1.4	4.0	6.0	6.9	7.7	4.8	2.4	5.6	.1	4.3	7.9	10.1	6.5	
Net exports of goods and services	1.1	.4	1.3	1.8	2.5	1.9	3.6	.7	4.2	4.6	5.2	3.4	3.5	2.2	
Exports	7.0	2.4	5.9	13.8	50.6	55.5	62.9	66.1	73.7	70.7	70.0	74.4	79.6	87.6	
Imports	5.9	2.0	4.6	12.0	48.1	53.6	59.3	65.4	77.9	75.3	75.2	77.8	83.1	89.8	
Government purchases of goods and services	8.5	8.0	24.8	37.9	109.6	210.0	219.0	232.8	254.6	249.4	254.1	255.6	259.3	266.8	
Federal	1.3	2.0	16.9	18.4	98.8	99.5	97.8	105.8	105.7	108.1	105.4	104.0	109.6	109.6	
National defense			13.8	14.1	78.3	78.4	75.1	71.4	75.9	76.7	78.6	75.1	73.2	75.0	
Other			3.1	4.3	20.5	20.4	21.5	26.3	29.9	28.9	29.6	30.2	30.8	31.6	
State and local	7.2	6.0	7.9	19.5	100.8	111.2	122.5	135.0	148.8	143.7	146.0	150.2	155.2	160.1	
Gross national product in constant (1958) dollars	203.6	141.5	263.7	355.3	706.6	725.6	722.1	741.7	789.5	766.5	783.9	796.1	811.6	827.3	

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
										I	II	III	IV	V	
National income	86.8	40.3	104.2	241.1	711.1	766.0	798.6	855.7	935.6	903.1	922.1	943.0	974.2	1,008.3	
Compensation of employees	51.1	29.5	64.8	154.6	514.6	566.0	603.8	644.1	705.3	682.7	697.8	710.2	730.3	757.0	
Wages and salaries	50.4	29.0	62.1	146.8	464.9	509.7	541.9	573.5	626.5	606.6	620.0	630.6	648.8	668.1	
Private	45.5	23.9	51.9	124.4	369.2	405.6	426.8	449.7	491.9	475.8	487.1	494.8	510.0	524.6	
Military	8.3	.3	1.9	5.0	17.9	19.0	19.6	19.4	20.6	20.8	20.5	20.4	20.6	21.8	
Government civilian	4.6	4.9	8.3	17.4	77.8	85.1	95.5	104.4	114.0	110.0	112.4	115.4	118.1	121.6	
Supplements to wages and salaries	.7	.5	2.7	7.8	49.7	56.3	61.9	70.7	78.8	76.1	77.8	79.6	81.5	88.9	
Employer contributions for social insurance	.1	.1	2.0	4.0	24.3	27.8	29.7	34.1	38.5	37.3	38.0	38.8	39.8	46.2	
Other labor income	.6	.4	.7	3.8	25.4	28.4	32.1	36.5	40.3	38.8	39.8	40.8	41.8	42.7	
Proprietors' income	15.1	5.9	17.5	37.5	64.2	67.2	66.8	70.0	75.2	73.3	73.2	75.3	79.0	81.2	
Business and professional	9.0	3.3	11.1	24.0	49.5	50.5	49.9	52.6	55.6	54.3	54.4	56.2	57.4	58.7	
Farm	6.2	2.6	6.4	13.5	14.7	16.7	16.9	17.3	19.6	19.1	18.7	19.1	21.6	22.5	
Rental income of persons	5.4	2.0	3.5	9.4	21.2	22.6	23.3	24.5	25.6	25.2	24.2	26.2	26.9	26.5	
Corporate profits and inventory valuation adjustment	10.5	-1.2	15.2	37.7	84.3	79.8	69.9	78.6	88.2	81.8	86.1	89.6	95.6	100.2	
Profits before tax	10.0	1.0	17.7	42.6	87.6	84.9	74.3	83.3	94.3	88.2	91.6	95.7	101.5	114.3	
Profits tax liability	1.4	.5	7.6	17.8	39.9	40.1	34.1	37.3	41.3	38.8	40.1	41.8	44.3	50.6	
Profits after tax	8.6	.4	10.1	24.9	47.8	44.8	40.2	45.9	53.0	49.5	51.5	53.9	57.2	63.7	
Dividends	5.8	2.0	4.4	8.8	23.6	24.3	24.8	25.4	26.4	26.0	26.2	26.5	26.7	27.3	
Undistributed profits	2.8	1.6	5.7	16.0	24.2	20.5	15.4	20.5	26.6	23.5	25.3	27.3	30.5	36.4	
Inventory valuation adjustment	.5	-2.1	2.5	5.0	-3.3	5.1	-4.4	-4.7	6.0	-6.5	-5.5	-6.1	-5.9	14.1	
Net interest	4.7	4.1	3.2	2.0	26.9	30.5	34.8	38.5	41.3	40.1	40.9	41.7	42.5	43.4	

NOTE: Dept. of Commerce estimates. Quarterly data are seasonally adjusted totals at annual rates. See also NOTE to table above.

RELATION OF GROSS NATIONAL PRODUCT, NATIONAL INCOME, AND PERSONAL INCOME AND SAVING

(In billions of dollars)

Item	1929	1933	1941	1950	1968	1969	1970	1971	1972	1972				1973
										I	II	III	IV	I
Gross national product.....	103.1	55.6	124.5	284.8	864.2	930.3	976.4	1,050.1	1,151.8	1,109.1	1,139.4	1,164.0	1,194.9	1,237.9
Less: Capital consumption allowances.....	7.9	7.0	8.2	18.3	74.5	81.6	86.3	93.8	103.7	99.7	105.3	104.1	105.6	107.2
Indirect business tax and nontax liability.....	7.0	7.1	11.3	23.3	78.6	85.9	93.4	101.9	110.1	106.7	108.7	111.4	113.7	116.4
Business transfer payments.....	.6	.7	.8	3.4	3.8	4.2	4.6	4.9	4.8	4.9	4.8	5.0	5.0	5.1
Statistical discrepancy.....	.7	.6	.4	1.5	2.7	6.1	4.7	4.8	0.8	4.1	1.1	2.3	1.5	1.3
Plus: Subsidies less current surplus of government enterprises.....	.1	.1	.2	.7	1.0	1.5	.9	1.7	1.2	1.6	1.8	2.2	.5	
Equals: National income.....	86.8	40.3	104.2	241.1	711.1	766.0	798.6	855.7	935.6	903.1	922.1	943.0	974.2	1,008.3
Less: Corporate profits and inventory valuation adjustment.....	10.5	1.2	15.2	37.7	84.3	79.8	69.9	78.6	88.2	81.8	86.1	89.6	95.6	100.2
Contributions for social insurance.....	.2	.3	2.8	6.9	47.1	54.2	57.7	65.3	74.0	71.9	73.1	74.6	76.3	88.9
Excess of wage accruals over disbursements.....							.6	.5	-1.4	.5	.2	.0	.0	
Plus: Government transfer payments.....	.9	1.5	2.6	14.3	56.1	61.9	75.2	89.0	99.1	94.4	95.7	97.7	108.5	109.4
Net interest paid by government and consumers.....	2.5	1.6	2.2	7.2	26.1	28.7	31.0	31.1	31.6	30.9	31.8	31.7	32.0	32.9
Dividends.....	5.8	2.0	4.4	8.8	23.6	24.3	24.8	25.4	26.4	26.0	26.2	26.5	26.7	27.4
Business transfer payments.....	.6	.7	.5	.8	3.4	3.8	4.2	4.6	4.9	4.8	4.9	5.0	5.0	5.1
Equals: Personal income.....	85.9	47.0	96.0	227.6	688.9	750.9	806.3	861.4	935.9	907.0	922.1	939.9	974.6	993.9
Less: Personal tax and nontax payments.....	2.6	1.5	3.3	20.7	97.9	116.5	116.7	117.0	140.8	136.5	139.5	141.1	146.4	143.5
Equals: Disposable personal income.....	83.3	45.5	92.7	206.9	591.0	634.4	689.5	744.4	795.1	770.5	782.6	798.8	828.2	850.4
Less: Personal outlays.....	79.1	46.5	81.7	193.9	551.2	596.2	634.7	683.4	740.2	714.9	732.5	748.0	765.5	793.9
Personal consumption expenditures.....	77.2	45.8	80.6	191.0	536.2	579.5	616.8	664.9	721.0	696.1	713.4	728.6	745.7	773.6
Consumer interest payments.....	1.9	.5	.9	2.4	14.3	15.8	16.9	17.6	18.2	17.8	18.0	18.2	18.6	19.0
Personal transfer payments to foreigners.....	.3	.2	.2	.5	.8	.9	1.0	1.0	1.1	1.0	1.1	1.2	1.2	1.2
Equals: Personal saving.....	4.2	.9	11.0	13.1	39.8	38.2	54.9	60.9	54.8	55.7	50.1	50.8	62.8	56.5
Disposable personal income in constant (1958) dollars.....	150.6	112.2	190.3	249.6	499.0	513.6	533.2	554.7	578.5	565.7	571.4	579.6	597.3	604.9

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					
			May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May
Total personal income.....	861.4	935.9	924.0	922.9	932.9	940.0	946.8	964.6	976.2	982.9	986.0	994.5	1,001.3	1,007.4	1,012.2
Wage and salary disbursements.....	572.9	627.0	619.9	624.0	625.7	630.6	636.0	643.0	648.5	654.9	662.7	668.4	673.1	678.7	681.8
Commodity-producing industries.....	206.1	224.6	223.5	223.8	222.4	225.2	227.8	231.0	233.3	235.8	237.7	240.7	242.0	244.3	245.2
Manufacturing only.....	160.3	175.8	173.8	175.0	174.5	176.6	178.8	181.5	183.9	186.2	187.0	189.5	190.3	191.0	193.5
Distributive industries.....	138.2	151.5	149.4	151.4	151.9	152.9	153.0	155.0	156.3	158.0	159.5	160.2	162.0	163.1	164.0
Service industries.....	105.0	116.1	114.7	115.5	116.9	117.3	118.2	119.3	119.9	121.5	123.0	124.1	124.7	126.0	126.7
Government.....	123.5	134.8	133.2	133.6	134.5	135.8	137.0	137.7	139.0	139.7	142.5	143.5	144.4	145.3	145.8
Other labor income.....	36.5	40.3	39.8	40.1	40.5	40.8	41.1	41.4	41.8	42.1	42.4	42.7	43.0	43.3	43.6
Proprietors' income.....	69.9	75.2	74.0	71.6	74.3	75.4	76.2	77.7	79.5	79.8	80.4	81.2	81.9	81.4	81.2
Business and professional.....	52.6	55.6	55.3	53.2	55.7	56.3	56.7	57.0	57.4	57.8	58.2	58.7	59.1	59.5	59.7
Farm.....	17.3	19.6	18.7	18.4	18.6	19.1	19.5	20.7	22.1	22.0	22.2	22.5	22.8	21.9	21.5
Rental income.....	24.5	25.6	25.6	24.5	25.8	26.3	26.5	27.0	26.7	26.9	26.6	26.6	26.3	26.0	26.2
Dividends.....	25.4	26.4	26.3	26.3	26.4	26.6	26.5	26.7	26.6	26.8	27.1	27.3	27.4	27.6	27.6
Personal interest income.....	69.6	72.9	72.7	73.4	73.5	73.4	73.3	73.7	74.5	75.4	75.9	76.2	76.8	77.5	78.4
Transfer payments.....	93.6	104.0	100.9	101.3	102.2	102.8	103.2	111.6	115.2	113.6	113.3	114.8	115.5	116.0	116.7
Less: Personal contributions for social insurance.....	31.2	35.5	35.1	35.3	35.5	35.8	36.0	36.4	36.5	36.6	42.4	42.7	42.8	43.2	43.4
Nonagricultural income.....	837.2	909.3	898.3	897.5	907.3	914.0	920.3	937.1	947.2	953.9	956.6	964.6	971.1	978.2	983.4
Agricultural income.....	24.2	26.6	25.8	25.4	25.5	25.9	26.5	27.6	29.0	29.0	29.4	29.8	30.2	29.2	28.8

NOTE: Dept. of Commerce estimates. Monthly data are seasonally adjusted totals at annual rates. See also NOTE to table at top of opposite page.







1. U.S. BALANCE OF PAYMENTS

(In millions of dollars)

Line	Credits+, debits-	1970 <sup>r</sup>	1971 <sup>r</sup>	1972 <sup>r</sup>	1972 <sup>r</sup>				1973
					I	II	III	IV	
Summary—Seasonally adjusted									
1	Merchandise trade balance <sup>1</sup> .....	2,176	-2,698	-6,912	-1,820	-1,774	1,573	-1,745	-960
2	Exports.....	41,964	42,768	48,769	11,655	11,539	12,362	13,213	15,320
3	Imports.....	-39,788	-45,466	-55,681	-13,475	-13,313	-13,935	-14,958	-16,280
4	Military transactions, net.....	-3,374	-2,918	-3,558	894	-954	-846	-864	-824
5	Travel and transportation, net.....	-2,013	2,288	-2,853	755	-691	-679	-730	-699
6	Investment income, net <sup>2</sup> .....	6,260	7,972	7,862	1,891	1,791	1,950	2,232	2,247
7	U.S. direct investments abroad.....	7,920	9,456	10,413	2,392	2,450	2,600	2,991	3,109
8	Other U.S. investments abroad.....	3,506	3,443	3,492	922	820	876	875	996
9	Foreign investments in the United States.....	-5,166	-4,927	-6,063	-1,423	-1,479	-1,526	-1,634	-1,858
10	Other services, net.....	581	739	850	204	202	209	237	237
11	Balance on goods and services <sup>3</sup> .....	3,630	807	-4,609	1,374	1,426	-939	-870	1
12	Remittances, pensions, and other transfers.....	1,481	-1,553	-1,570	391	-375	373	-429	400
13	Balance on goods, services, and remittances.....	2,150	745	-6,179	1,765	-1,801	1,312	-1,299	399
14	U.S. Government grants (excluding military).....	-1,734	2,045	-2,174	578	563	581	452	351
15	Balance on current account.....	416	-2,790	8,353	2,343	2,364	1,893	1,751	750
16	U.S. Government capital flows excluding nonscheduled repayments, net <sup>4</sup> .....	1,829	2,117	1,714	-298	245	542	627	677
17	Nonscheduled repayments of U.S. Government assets.....	244	225	137	88	17	7	26	111
18	U.S. Government nonliquid liabilities to other than foreign official reserve agencies.....	-433	467	238	-79	133	169	15	222
19	Long-term private capital flows, net.....	1,429	4,401	151	-1,143	604	393	781	-120
20	U.S. direct investments abroad.....	4,410	4,943	3,404	-1,302	-183	1,148	771	2,139
21	Foreign direct investments in the United States.....	1,030	-115	160	-363	183	178	160	247
22	Foreign securities.....	-942	966	-614	437	346	209	40	47
23	U.S. securities other than Treasury issues.....	2,190	2,269	4,335	1,058	956	553	1,768	1,738
24	Other, reported by U.S. banks.....	178	862	1,120	111	263	426	442	155
25	Other, reported by U.S. nonbanking concerns.....	526	216	492	112	257	241	106	142
26	Balance on current account and long-term capital <sup>4</sup> .....	-3,031	9,550	-9,842	-3,775	1,855	2,652	-1,556	1,214
27	Nonliquid short-term private capital flows, net.....	482	-2,347	-1,637	535	310	-430	982	-1,420
28	Claims reported by U.S. banks.....	-1,023	1,802	-1,495	575	206	267	859	-1,757
29	Claims reported by U.S. nonbanking concerns.....	361	530	315	5	62	122	250	222
30	Liabilities reported by U.S. nonbanking concerns.....	902	15	173	45	42	41	127	115
31	Allocations of Special Drawing Rights (SDR's).....	867	717	710	178	178	177	177	.....
32	Errors and omissions, net.....	-1,205	10,784	-3,112	944	940	-1,626	1,490	-4,237
33	Net liquidity balance.....	3,851	21,965	13,882	-3,188	-2,307	4,531	3,851	-6,871
34	Liquid private capital flows, net.....	-5,988	-7,788	3,542	-288	1,456	7	2,367	-3,631
35	Liquid claims.....	252	-1,097	-1,234	802	109	-410	131	1,742
36	Reported by U.S. banks.....	99	566	742	637	246	274	77	-1,295
37	Reported by U.S. nonbanking concerns.....	351	531	492	-165	137	136	54	-447
38	Liquid liabilities.....	-6,240	-6,691	4,776	514	1,347	417	2,498	1,889
39	To foreign commercial banks.....	-6,508	6,908	3,862	436	1,136	295	1,995	1,910
40	To international and regional organizations.....	181	682	104	25	70	32	181	6
41	To other foreigners.....	87	465	810	53	281	154	322	15
42	Official reserve transactions balance.....	9,839	29,753	-10,340	-3,476	-851	4,524	1,484	10,502
43	Financed by changes in: Liquid liabilities to foreign official agencies.....	7,637	27,615	9,720	2,546	1,057	4,467	1,645	9,124
44	Other readily marketable liabilities to foreign official agencies.....	-810	551	399	221	27	34	117	1,202
45	Nonliquid liabilities to foreign official reserve agencies reported by U.S. Govt.....	535	341	189	280	2	78	167	44
46	U.S. official reserve assets, net.....	2,477	2,348	32	429	231	55	-111	220
47	Gold.....	787	866	547	544	.....	3	.....	.....
48	SDR's.....	851	249	703	178	171	177	177	.....
49	Convertible currencies.....	2,152	381	35	64	245	134	82	233
50	Gold tranche position in IMF.....	389	1,350	153	1	185	15	16	-13
<b>Memoranda:</b>									
51	Transfers under military grant programs (excluded from lines 2, 4, and 14).....	2,586	3,153	4,200	1,143	920	1,189	949	717
52	Reinvested earnings of foreign incorporated affiliates of U.S. firms (excluded from lines 7 and 20).....	2,948	3,192	(5)	(5)	(5)	(5)	(5)	(5)
53	Reinvested earnings of U.S. incorporated affiliates of foreign firms (excluded from lines 9 and 21).....	434	498	(5)	(5)	(5)	(5)	(5)	(5)

For notes see end of table.

1. U.S. BALANCE OF PAYMENTS—Continued

(In millions of dollars)

Credits +, debits -	1970 <sup>1</sup>	1971 <sup>1</sup>	1972 <sup>1</sup>	1972 <sup>2</sup>				1973
				I	II	III	IV	
Balances excluding allocations of SDR's—Seasonally adjusted								
Net liquidity balance.....	-4,718	22,682	14,592	3,366	2,485	4,708	4,028	6,871
Official reserve transactions balance.....	10,706	30,470	11,050	3,654	1,029	4,701	1,661	10,502
Balances not seasonally adjusted								
Balance on goods and services.....	3,630	807	4,609	880	1,489	2,409	168	673
Balance on goods, services, and remittances.....	2,150	-745	6,179	1,248	1,873	2,796	263	299
Balance on current account.....	416	2,790	8,353	1,853	2,471	3,333	698	81
Balance on current account and long-term capital <sup>3</sup> .....	3,031	9,550	9,842	3,824	2,310	4,052	343	1,094
Balances including allocations of SDR's:								
Net liquidity.....	3,851	21,965	13,882	2,352	3,034	5,299	3,197	6,459
Official reserve transactions.....	9,839	29,753	10,340	2,506	741	5,590	1,503	9,961
Balances excluding allocations of SDR's:								
Net liquidity.....	4,718	22,682	14,592	3,062	3,034	5,299	3,197	6,459
Official reserve transactions.....	10,706	30,470	11,050	3,216	741	5,590	1,503	9,961

<sup>1</sup> 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.  
<sup>2</sup> Includes fees and royalties from U.S. direct investments abroad or from foreign direct investments in the United States.

<sup>3</sup> Equal to net exports of goods and services in national income and product accounts of the United States.

<sup>4</sup> Includes some short-term U.S. Govt. assets.

<sup>5</sup> 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 <sup>1</sup>				Imports <sup>2</sup>				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	4,435	5,281	184	2	361	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	5,442	156	160	-646	53
Apr.....	3,410	3,631	3,817	5,487	3,262	3,774	4,413	5,291	148	143	596	196
May.....	3,661	3,746	3,885	5,603	3,367	3,908	4,482	5,761	324	161	-597	158
June.....	3,727	3,672	3,971	.....	3,265	4,037	4,468	.....	462	365	-497	.....
July.....	3,704	3,573	4,052	.....	3,254	3,832	4,565	.....	450	259	513	.....
Aug.....	3,591	3,667	4,200	.....	3,346	3,913	4,726	.....	245	-247	-527	.....
Sept.....	3,553	4,487	4,177	.....	3,423	4,179	4,606	.....	130	308	428	.....
Oct.....	3,688	2,669	4,318	.....	3,498	3,469	4,736	.....	190	800	418	.....
Nov.....	3,499	3,196	4,473	.....	3,428	3,456	5,136	.....	71	260	664	.....
Dec.....	3,569	3,881	4,561	.....	3,401	4,169	5,002	.....	168	788	-441	.....
Quarter:												
I.....	10,327	11,086	11,767	15,421	9,720	10,792	13,423	16,254	607	294	1,656	833
II.....	10,798	11,049	11,673	.....	9,864	11,719	13,363	.....	933	670	1,690	.....
III.....	10,848	11,727	12,429	.....	10,023	11,924	13,897	.....	816	197	1,468	.....
IV.....	10,756	9,746	13,352	.....	10,327	11,094	14,874	.....	425	1,348	1,522	.....
Year <sup>3</sup> .....	42,659	43,549	49,208	.....	39,952	45,563	55,555	.....	2,707	-2,014	6,347	.....

<sup>1</sup> Exports of domestic and foreign merchandise; excludes Dept. of Defense shipments of grant-aid military equipment and supplies under Mutual Security Program.

<sup>2</sup> General imports including imports for immediate consumption plus entries into bonded warehouses.

<sup>3</sup> Sum of unadjusted figures.

NOTE.—Bureau of the Census data. Details may not add to totals because of rounding.

### 3. U.S. NET MONETARY GOLD TRANSACTIONS WITH FOREIGN COUNTRIES AND INTERNATIONAL ORGANIZATIONS

(Net sales [-] or net acquisitions; in millions of dollars at \$35 per fine troy ounce until May 8, 1972, and at \$38 per fine troy ounce thereafter)

Area and country	1963	1964	1965	1966	1967	1968	1969	1970	1971	1972	1972			1973
											II	III	IV	I
<b>Western Europe:</b>														
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	500	41	2					
Ireland		1	2				76							
Italy		200	80	-60	-85	-209								
Netherlands		-60	35			-19		50	25					
Spain	130	-32	-180					51						
Switzerland		-81	50	2	30	50	-25	50	-175					
United Kingdom	329	618	150	80	-879	-835								
Bank for Intl. Settlements							200							
Other	1	6	35	49	16	47	1	29	13					
<b>Total</b>	<b>399</b>	<b>-88</b>	<b>1,299</b>	<b>-659</b>	<b>-980</b>	<b>-669</b>	<b>969</b>	<b>-204</b>	<b>-796</b>					
<b>Canada</b>				200	150	50								
<b>Latin American republics:</b>														
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					
<b>Total</b>	<b>32</b>	<b>56</b>	<b>17</b>	<b>-41</b>	<b>9</b>	<b>-65</b>	<b>-54</b>	<b>131</b>	<b>-5</b>					
<b>Asia:</b>														
Iraq			10	-4	-21	-42								
Japan				56				-119						
Lebanon		11		11	-1	95			35					
Malaysia						34			10					
Philippines	25	20	*	-1			40	4	2					
Saudi Arabia						-81			-30					
Singapore					22	11		1	3					
Other	13	-6	14	14	-22	75	9	91	39	3				
<b>Total</b>	<b>12</b>	<b>3</b>	<b>24</b>	<b>-86</b>	<b>-44</b>	<b>-366</b>	<b>42</b>	<b>213</b>	<b>-38</b>	<b>3</b>			<b>-3</b>	
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	631	-845	-3			-3	
Intl. Monetary Fund <sup>5</sup>		6	225	177	22	-3	10	-156	-22	544				
Grand total	392	-36	1,547	-431	-1,009	-1,121	967	-787	-867	-547			-3	

<sup>1</sup> Includes purchase from Denmark of \$25 million.

<sup>2</sup> Includes purchase from Kuwait of \$25 million.

<sup>3</sup> Includes sales to Algeria of \$150 million in 1967 and \$50 million in 1968.

<sup>4</sup> 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.

<sup>5</sup> 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.

<sup>6</sup> 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.

<sup>7</sup> 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:

<sup>1</sup> 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).

<sup>2</sup> 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.

<sup>3</sup> Includes dollars obtained by countries other than the United States from sales of gold to the IMF.

<sup>4</sup> Represents the U.S. gold franchise 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.

<sup>5</sup> 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.

<sup>6</sup> Includes \$30 million of Special Drawing Rights.

<sup>7</sup> Represents amount payable in dollars to the IMF to maintain the value of IMF holdings of U.S. dollars.

NOTE: The initial U.S. quota in the IMF was \$2,750 million. The U.S. quota was increased to \$4,125 million in 1959, to \$5,160 million in Feb. 1966, to \$6,700 million in Dec. 1970, and to \$7,274 million in May 1972 as a result of the change in par value of the U.S. dollar. Under the Articles of Agreement, subscription payments equal to the quota have been made 25 per cent in gold and 75 per cent in dollars.

4. U.S. RESERVE ASSETS

(In millions of dollars)

End of year	Total	Gold stock <sup>1</sup>		Convertible foreign currencies	Reserve position in IMF <sup>2</sup>	SDR's <sup>4</sup>	End of month	Total	Gold stock <sup>1</sup>		Convertible foreign currencies <sup>5</sup>	Reserve position in IMF <sup>3</sup>	SDR's <sup>4</sup>
		Total <sup>2</sup>	Treasury						Total <sup>2</sup>	Treasury			
1959...	21,504	19,507	19,456	.....	1,997	.....	1972						
1960...	19,359	17,804	17,767	.....	1,555	.....	June...	13,339	10,490	10,410	457	434	1,958
1961...	18,783	16,947	16,889	116	1,690	.....	July...	13,090	10,490	10,410	203	439	1,958
1962...	17,220	16,057	15,978	99	1,064	.....	Aug....	13,124	10,488	10,410	234	444	1,958
1963...	16,843	15,596	15,514	212	1,035	.....	Sept....	13,217	10,487	10,410	323	449	1,958
1964...	16,672	15,471	15,388	432	769	.....	Oct....	13,313	10,487	10,410	414	454	1,958
							Nov....	13,307	10,487	10,410	403	459	1,958
							Dec....	13,151	10,487	10,410	241	465	1,958
1965...	15,450	613,806	613,733	781	6 863	.....	1973						
1966...	14,882	13,235	13,159	1,321	326	.....	Jan....	13,054	10,487	10,410	140	469	1,958
1967...	14,830	12,065	11,982	2,345	420	.....	Feb....	12,926	10,487	10,410	8	473	1,958
1968...	15,710	10,892	10,367	3,528	1,290	.....	Mar....	12,931	10,487	10,410	8	478	1,958
1969...	716,964	11,859	10,367	72,781	2,324	.....	Apr....	12,904	10,487	10,410	8	460	1,949
1970...	14,487	11,072	10,732	629	1,935	851	May....	12,916	10,487	10,410	16	464	1,949
1971...	812,167	10,206	10,132	8,276	585	1,100	June...	12,914	10,487	10,410	8	470	1,949
1972 <sup>2</sup> ...	13,151	10,487	10,410	241	465	1,958							

<sup>1</sup> 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.

<sup>2</sup> Includes gold in Exchange Stabilization Fund.

<sup>3</sup> 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.

<sup>4</sup> 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.

<sup>5</sup> For holdings of F.R. Banks only, see pp. A-12 and A-13.

<sup>6</sup> 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.

<sup>7</sup> 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.

<sup>8</sup> Includes \$28 million increase in dollar value of foreign currencies revalued to reflect market exchange rates as of Dec. 31, 1971.

<sup>9</sup> Total reserve assets include an increase of \$1,016 million resulting from change in par value of the U.S. dollar on May 8, 1972; of which, total gold stock is \$828 million (Treasury gold stock \$822 million), reserve position in IMF \$33 million, and SDR's \$155 million.

NOTE.— See Table 24 for gold held under earmark at F.R. Banks for foreign and international accounts. Gold under earmark is not included in the gold stock of the United States.

5. U.S. POSITION IN THE INTERNATIONAL MONETARY FUND

(In millions of dollars)

Period	Transactions affecting IMF holdings of dollars (during period)						Total change	IMF holdings of dollars (end of period)		U.S. reserve position in IMF (end of period) <sup>4</sup>
	U.S. transactions with IMF <sup>1</sup>				Transactions by other countries with IMF <sup>2</sup>			Amount	Per cent of U.S. quota	
	Payments of subscriptions in dollars	Net gold sales by IMF <sup>1</sup>	Transactions in foreign currencies <sup>2</sup>	IMF net income in dollars	Purchases of dollars <sup>3</sup>	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.....	.....	.....	.....	20	114	.....	94	4,740	92	420
1968.....	.....	.....	84	20	806	.....	870	3,870	75	1,290
1969.....	.....	33	.....	19	1,313	368	1,044	2,836	55	2,324
1970.....	1,153	671.2	150	25	854	741	1,929	4,765	71	1,935
1971.....	.....	*	1,362	28	24	40	1,350	6,115	91	585
1972.....	7541	.....	200	47	.....	.....	694	6,810	94	465
1972—Jan.....	.....	.....	.....	6	.....	.....	6	6,840	94	434
July.....	.....	.....	.....	5	.....	.....	5	6,835	94	439
Aug.....	.....	.....	.....	5	.....	.....	5	6,831	94	444
Sept.....	.....	.....	.....	6	.....	.....	6	6,825	94	449
Oct.....	.....	.....	.....	5	.....	.....	5	6,820	94	454
Nov.....	.....	.....	.....	4	.....	.....	4	6,816	94	459
Dec.....	.....	.....	.....	6	.....	.....	6	6,810	94	465
1973—Jan.....	.....	.....	.....	4	.....	.....	4	6,806	94	469
Feb.....	.....	.....	.....	5	.....	.....	5	6,801	93	473
Mar.....	.....	.....	.....	5	.....	.....	5	6,796	93	478
Apr.....	.....	.....	.....	18	.....	.....	18	6,814	94	460
May.....	.....	.....	.....	4	.....	.....	4	6,810	94	464
June.....	.....	.....	.....	6	.....	.....	6	6,804	94	470

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 <sup>1</sup>	Liabilities to foreign countries										Liquid liabilities to non-monetary intl. and regional organizations <sup>8</sup>
			Official institutions <sup>2</sup>							Liquid liabilities to other foreigners			
			Total	Liquid			Nonmarketable nonconvertible U.S. Treas. bonds and notes <sup>4</sup>	Other readily marketable liabilities <sup>5</sup>	Liquid liabilities to commercial banks abroad <sup>6</sup>	Total	Short-term liabilities reported by banks in U.S.	Marketable U.S. Treas. bonds and notes <sup>3,7</sup>	
				Short-term liabilities reported by banks in U.S.	Marketable U.S. Treas. bonds and notes <sup>3</sup>	Nonmarketable nonconvertible U.S. Treas. bonds and notes							
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	1,025 1,025	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- May.	72,113	.....	53,579	37,850	3,018	8,594	3,723	394	12,821	4,284	3,889	395	1,429
June.	73,995	.....	54,604	38,603	3,292	8,594	3,723	392	13,437	4,476	4,104	372	1,478
July.	77,465	.....	59,416	39,777	3,516	12,094	3,647	382	12,128	4,493	4,123	370	1,428
Aug.	79,454	.....	60,606	40,616	3,881	12,094	3,647	368	12,906	4,419	4,041	378	1,523
Sept.	79,728	.....	60,075	39,633	4,117	12,095	3,804	426	13,577	4,630	4,241	389	1,446
Oct.	81,420	.....	60,931	40,266	4,457	12,097	3,651	460	14,173	4,822	4,416	406	1,494
Nov.	82,373	.....	61,127	40,045	4,834	12,098	3,651	499	14,776	4,745	4,322	423	1,725
Dec.	82,901	.....	61,512	39,986	5,236	12,108	3,639	543	14,810	4,952	4,527	425	1,627
1973- Jan.	82,072	.....	60,789	38,527	5,798	12,110	3,780	574	14,799	4,891	4,466	425	1,593
Feb.	87,871	.....	68,475	45,413	6,377	12,110	3,627	948	12,807	4,968	4,596	372	1,621
Mar.	120,873	.....	71,326	46,919	6,917	12,128	3,617	1,745	12,951	4,959	4,583	376	1,637
Apr.	190,596	.....	70,748	45,949	6,934	12,245	3,631	1,989	13,070	5,148	4,749	399	1,630
May <sup>9</sup>	92,042	.....	70,819	46,016	6,934	12,245	3,628	1,996	14,322	5,147	4,763	384	1,754

<sup>1</sup> 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.

<sup>2</sup> Includes BIS and European Fund.

<sup>3</sup> Derived by applying reported transactions to benchmark data; breakdown of transactions by type of holder estimated 1959-63.

<sup>4</sup> Excludes notes issued to foreign official nonreserve agencies.

<sup>5</sup> Includes long-term liabilities reported by banks in the United States and debt securities of U.S. Federally-sponsored agencies and U.S. corporations.

<sup>6</sup> 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."

<sup>7</sup> Includes marketable U.S. Treasury bonds and notes held by commercial banks abroad.

<sup>8</sup> 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.

<sup>9</sup> 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.

<sup>10</sup> 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.

<sup>11</sup> 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.

<sup>12</sup> Includes \$15 million increase in dollar value of foreign currency liabilities revalued to reflect market exchange rates.

<sup>13</sup> Includes \$147 million increase in dollar value of foreign currency liabilities to official institutions of foreign countries revalued to reflect market exchange rates as follows: short-term liabilities, \$15 million; nonmarketable convertible U.S. Treasury bonds and notes, \$113 million; and nonmarketable nonconvertible U.S. Treasury bonds and notes, \$19 million.

NOTE: Based on Treasury Dept. data and on data reported to the Treasury Dept. by banks and brokers in the United States. Data correspond generally to statistics following in this section, except for the exclusion of nonmarketable, nonconvertible U.S. Treasury notes issued to foreign official nonreserve agencies, the inclusion of investments by foreign official reserve agencies in debt securities of U.S. Federally-sponsored agencies and U.S. corporations, and minor rounding differences. Table excludes IMF "holdings of dollars," and holdings of U.S. Treasury letters of credit and non-negotiable, non-interest-bearing special U.S. notes held by other international and regional organizations.

**7. U.S. LIQUID AND OTHER LIABILITIES TO OFFICIAL INSTITUTIONS OF FOREIGN COUNTRIES, BY AREA**

(Amounts outstanding; in millions of dollars)

End of period	Total foreign countries	Western Europe 1	Canada	Latin American republics	Asia	Africa	Other countries 2
1967.....	48,194	10,321	1,310	1,582	4,428	250	303
1968 3.....	47,407	8,070	1,867	1,865	5,043	259	303
1969 3.....	47,340	8,062	1,866	1,865	4,997	248	302
1970 3.....	45,975	7,074	1,624	1,888	4,852	546	291
1971 3.....	45,998	7,074	1,624	1,911	4,552	546	291
1972.....	53,786	13,620	2,951	1,681	4,713	407	414
1973.....	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
1972.....	50,651	30,134	3,980	1,429	13,823	415	870
1972- May.....	53,579	30,935	4,316	1,476	14,967	458	1,427
June.....	54,604	31,910	4,486	1,473	14,572	533	1,630
July.....	59,416	36,370	4,446	1,393	14,727	572	1,908
Aug.....	60,606	36,612	4,463	1,420	15,352	652	2,107
Sept.....	60,075	35,985	4,469	1,368	15,291	685	2,277
Oct.....	60,941	35,078	4,468	1,473	16,805	616	2,491
Nov.....	61,127	34,608	4,289	1,444	17,372	694	2,720
Dec.....	61,512	34,197	4,279	1,731	17,565	777	2,963
1973 Jan.....	60,789	34,146	4,201	1,728	17,076	673	3,015
Feb.....	68,475	40,773	4,290	1,893	17,907	809	2,803
Mar.....	71,326	45,724	4,321	1,749	16,564	823	2,745
Apr.....	70,748	45,608	4,157	1,915	15,415	839	2,814
May.....	70,819	46,550	4,104	1,903	14,425	940	2,897

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 reevaluation 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 nonreservicer agencies; and investments by foreign official reserve agencies in debt securities of U.S. Federally-sponsored agencies and U.S. corporations.

**8. SHORT-TERM LIABILITIES TO FOREIGNERS REPORTED BY BANKS IN THE UNITED STATES, BY TYPE**

(Amounts outstanding; in millions of dollars)

End of period	To all foreigners							To nonmonetary international and regional organizations <sup>6</sup>					
	Total 1	Payable in dollars					IM1 gold investment <sup>5</sup>	Deposits				Other short-term liab. <sup>4</sup>	
		Total	Deposits		U.S. Treasury bills and certificates <sup>3</sup>	Other short-term liab. <sup>4</sup>		Payable in foreign currencies	Total	Demand	Time <sup>2</sup>		U.S. Treasury bills and certificates
			Demand	Time <sup>2</sup>									
1969.....	40,199	39,770	20,460	6,959	5,015	7,336	429	800	613	62	83	244	223
1970 7.....	41,719	41,351	15,785	5,924	14,123	5,519	368	400	820	69	159	211	381
1971 8.....	41,761	41,393	15,795	5,961	14,123	5,514	368	400	820	69	159	211	381
1972.....	55,404	55,018	10,399	5,209	33,025	6,385	386	400	1,372	73	192	210	896
1973.....	55,428	55,036	6,459	4,217	33,025	11,335	392	400	1,367	73	192	210	892
1972 May.....	55,828	55,329	6,569	4,653	31,498	12,609	499	.....	1,268	84	186	198	800
June.....	57,461	56,941	7,211	4,830	31,871	13,029	519	.....	1,316	85	238	212	782
July.....	57,294	56,813	7,320	4,746	32,881	11,866	481	.....	1,266	101	262	142	761
Aug.....	58,884	58,429	6,641	4,867	33,745	13,186	455	.....	1,322	65	267	172	818
Sept.....	58,684	58,206	6,927	4,949	32,714	13,626	478	.....	1,233	79	224	145	785
Oct.....	60,136	59,598	7,071	5,146	33,071	14,310	538	.....	1,281	63	210	204	804
Nov.....	60,654	60,112	7,011	5,179	32,774	14,948	543	.....	1,512	95	242	389	794
Dec.....	60,737	60,240	8,288	5,629	31,850	14,473	496	.....	1,413	86	202	325	800
1973 Jan.....	59,172	58,646	7,457	5,533	30,133	15,530	526	.....	1,380	118	172	279	811
Feb.....	64,245	63,722	7,786	5,594	36,538	13,803	513	.....	1,419	133	145	303	838
Mar.....	65,878	65,330	7,606	5,610	37,966	14,147	548	.....	1,425	114	133	279	899
Apr.....	65,196	64,612	8,118	5,652	36,468	13,373	584	.....	1,428	119	111	240	957
May.....	66,686	66,114	8,374	5,705	35,965	16,071	572	.....	1,585	147	114	148	1,177

1 or 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 <sup>10</sup>					Payable in foreign currencies		
	Total	Payable in dollars			Payable in foreign currencies	Total	Payable in dollars			Payable in foreign currencies			
		Deposits		U.S. Treasury bills and certificates <sup>3</sup>			Other short-term liab. <sup>4</sup>	Deposits				U.S. Treasury bills and certificates <sup>3</sup>	Other short-term liab. <sup>4</sup>
		Demand	Time <sup>2</sup>					Demand	Time <sup>2</sup>				
1969.....	38,786	20,397	6,876	3,971	7,113	429	11,077	1,930	2,942	3,844	2,159	202	
1970 <sup>7</sup> .....	40,499	15,716	5,765	13,511	5,138	368	19,333	1,652	2,554	13,367	1,612	148	
1971 <sup>8</sup> .....	40,541	15,726	5,802	13,511	5,133	368	19,333	1,652	2,554	13,367	1,612	148	
1971 <sup>8</sup> .....	53,632	10,326	5,017	32,415	5,489	386	39,679	1,620	2,504	32,311	3,086	158	
1971 <sup>8</sup> .....	53,661	6,386	4,025	32,415	10,443	392	39,018	1,327	2,039	32,311	3,177	165	
1972—May.....	54,560	6,484	4,468	31,300	11,810	499	37,850	1,224	2,379	31,209	2,871	167	
June.....	56,144	7,126	4,592	31,659	12,248	519	38,603	1,536	2,469	31,573	2,858	167	
July.....	56,028	7,219	4,485	32,738	11,106	481	39,777	1,521	2,377	32,655	3,054	170	
Aug.....	57,563	6,566	4,600	33,573	12,368	455	40,616	1,308	2,417	33,499	3,220	171	
Sept.....	57,451	6,848	4,716	32,569	12,841	478	39,633	1,239	2,459	32,497	3,268	171	
Oct.....	58,855	7,008	4,935	32,867	13,506	538	40,266	1,335	2,569	32,794	3,398	171	
Nov.....	59,143	6,915	5,137	32,394	14,154	543	40,045	1,271	2,643	32,315	3,645	171	
Dec.....	59,323	8,203	5,427	31,523	13,674	496	39,986	1,589	2,868	31,453	3,905	171	
1973—Jan.....	57,792	7,333	5,361	29,854	14,719	526	38,527	1,405	2,867	29,779	4,304	171	
Feb.....	62,816	7,653	5,449	36,235	12,965	513	45,413	1,756	2,841	36,147	4,497	172	
Mar.....	64,453	7,492	5,477	37,687	13,249	548	46,919	1,543	2,832	37,620	4,752	172	
Apr. <sup>9</sup> .....	63,768	7,909	5,541	36,228	13,415	584	45,949	1,714	2,916	36,147	4,996	187	
May <sup>9</sup> .....	65,101	8,227	5,591	35,817	14,894	572	46,016	1,717	2,941	35,736	5,435	187	

End of period	To banks <sup>11</sup>					To other foreigners					To banks and other foreigners: Payable in foreign currencies		
	Total	Payable in dollars			Other short-term liab. <sup>4</sup>	Total	Payable in dollars			Other short-term liab. <sup>4</sup>			
		Deposits		U.S. Treasury bills and certificates			Total	Deposits				U.S. Treasury bills and certificates	Other short-term liab. <sup>4</sup>
		Demand	Time <sup>2</sup>					Demand	Time <sup>2</sup>				
1969.....	27,709	23,419	16,756	1,999	20	4,644	4,064	1,711	1,935	107	312	226	
1970 <sup>7</sup> .....	21,166	16,917	12,376	1,326	14	3,202	4,029	1,688	1,886	131	325	220	
1970 <sup>7</sup> .....	21,208	16,949	12,385	1,354	14	3,197	4,039	1,688	1,895	131	325	220	
1971 <sup>8</sup> .....	13,953	10,034	7,047	850	8	2,130	3,691	1,660	1,663	96	274	228	
1971 <sup>8</sup> .....	14,643	10,721	3,399	320	8	6,995	3,694	1,660	1,666	96	271	228	
1972—May.....	16,710	12,488	3,567	307	3	8,611	3,890	1,693	1,781	88	328	333	
June.....	17,541	13,085	3,790	309	5	8,981	4,104	1,800	1,815	87	409	353	
July.....	16,251	11,816	3,877	285	5	7,649	4,123	1,821	1,822	77	407	311	
Aug.....	16,946	12,621	3,555	331	6	8,729	4,040	1,702	1,852	67	419	284	
Sept.....	17,818	13,269	3,833	348	5	9,084	4,241	1,776	1,909	68	489	308	
Oct.....	18,589	13,805	3,798	434	3	9,570	4,417	1,875	1,933	70	538	368	
Nov.....	19,097	14,404	3,938	481	5	9,981	4,322	1,706	2,014	75	528	372	
Dec.....	19,337	14,485	4,659	533	5	9,287	4,527	1,954	2,026	65	481	325	
1973—Jan.....	19,266	14,444	4,155	423	5	9,860	4,467	1,773	2,070	69	555	355	
Feb.....	17,404	12,466	4,084	481	5	7,895	4,596	1,813	2,127	83	573	341	
Mar.....	17,534	12,575	4,144	518	5	7,909	4,583	1,805	2,127	63	588	376	
Apr. <sup>9</sup> .....	17,820	12,672	4,335	514	16	7,808	4,750	1,951	2,112	75	611	398	
May <sup>9</sup> .....	19,085	13,937	4,651	535	8	8,743	4,763	1,859	2,115	73	716	385	

1 Data exclude "holdings of dollars" of the IMF.  
 2 Excludes negotiable time certificates of deposit, which are included in "Other."  
 3 Includes nonmarketable certificates of indebtedness issued to official institutions of foreign countries.  
 4 Principally bankers' acceptances, commercial paper, and negotiable time certificates of deposit. See also note 8(a).  
 5 U.S. Treasury bills and certificates obtained from proceeds of sales of gold by the IMF to the United States to acquire income-earning assets. Upon termination of investment, the same quantity of gold was reacquired by the IMF.  
 6 Principally the International Bank for Reconstruction and Development and the Inter-American Development Bank.  
 7 Includes difference between cost value and face value of securities in IMF gold investment account.  
 8 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.  
 9 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.  
 10 Includes \$15 million increase in foreign currency liabilities to official institutions of foreign countries revalued to reflect market exchange rates.  
 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—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.
<b>Other Western Europe:</b>						<b>Other Asia—Cont.:</b>					
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
<b>Other Latin American republics:</b>						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) <sup>6</sup>	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	<b>Other Africa:</b>					
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
<b>Other Latin America:</b>						Liberia.....	21	23	25	30	31
Bermuda.....	(2)	(2)	(2)	(2)	127	Libya.....	91	274	296	393	(?)
British West Indies.....	38	32	23	36	100	Nigeria.....	25	46	56	85	(?)
<b>Other Asia:</b>						Southern Rhodesia.....	2	2	2	2	1
Afghanistan.....	15	19	17	25	19	Sudan.....	1	1	5	3	3
Bahrain.....	35	21	18	24	(?)	Tanzania.....	10	6	6	11	16
Burma.....	3	10	5	2	(?)	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	(?)
Iraq.....	7	10	9	10	(?)	<b>All other:</b>					
Jordan.....	3	2	2	4	4	New Zealand.....	22	23	27	30	34

<sup>1</sup> Includes Bank for International Settlements and European Fund.  
<sup>2</sup> Bermuda included with Bahamas through Dec. 1972.

<sup>3</sup> Data exclude "holdings of dollars" of the International Monetary Fund but include IMF gold investment until Feb. 1972, when investment was terminated.

<sup>4</sup> Asian, African, and European regional organizations, except BIS and European Fund, which are included in "Europe."

<sup>5</sup> Represent a partial breakdown of the amounts shown in the "other" categories (except "Other Eastern Europe").

<sup>6</sup> Included in Japan after Apr. 1972.

<sup>7</sup> 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 <sup>1</sup>	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— May.....	1,151	686	465	129	253	83	165	66	35	119	*	60	20
June.....	1,168	693	476	127	267	82	165	66	34	135	*	58	17
July.....	1,157	688	469	117	269	84	165	68	34	136	*	49	18
Aug.....	1,093	650	443	88	269	86	165	68	34	135	*	24	17
Sept.....	1,067	612	455	99	269	87	167	68	35	135	*	33	17
Oct.....	1,068	615	457	97	269	87	165	68	37	135	*	32	16
Nov.....	1,050	599	451	94	269	88	165	68	37	134	1	33	14
Dec.....	1,000	561	439	93	259	87	165	63	32	136	1	32	10
1973— Jan.....	1,025	598	427	74	257	96	165	61	30	127	1	30	13
Feb.....	1,257	594	663	304	258	100	164	59	233	118	1	71	16
Mar.....	1,378	675	703	328	263	112	164	66	233	128	1	96	16
Apr.....	1,377	664	713	329	274	111	164	68	249	128	1	98	16
May.....	1,362	671	691	313	274	104	164	68	231	115	1	96	16

<sup>1</sup> Excludes central banks, which are included with "Official institutions."

**11. ESTIMATED FOREIGN HOLDINGS OF MARKETABLE U.S. TREASURY BONDS AND NOTES**

(End of period; in millions of dollars)

	1972								1973				
	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr. <sup>a</sup>	May <sup>a</sup>
<b>Europe:</b>													
Belgium-Luxembourg.....	6	6	6	6	6	6	6	6	6	6	6	6	6
Sweden.....	16	19	19	17	15	35	85	85	110	135	135	135	135
Switzerland.....	52	52	49	45	45	45	45	45	45	44	43	44	43
United Kingdom.....	288	264	265	280	293	308	326	327	327	276	278	300	281
Other Western Europe.....	79	77	79	79	79	79	79	79	79	79	79	79	85
Eastern Europe.....	5	5	5	5	5	5	5	5	5	5	5	5	5
<b>Total.....</b>	<b>445</b>	<b>424</b>	<b>422</b>	<b>432</b>	<b>443</b>	<b>478</b>	<b>545</b>	<b>547</b>	<b>571</b>	<b>544</b>	<b>546</b>	<b>569</b>	<b>555</b>
Canada.....	166	313	313	372	432	479	559	558	558	559	561	561	560
<b>Latin America:</b>													
Latin American republics.....	1	1	1	1	1	1	1	1	1	1	1	1	1
Other Latin America.....	6	6	6	6	6	6	6	6	6	6	6	6	6
<b>Total.....</b>	<b>7</b>	<b>7</b>	<b>7</b>	<b>7</b>	<b>7</b>	<b>7</b>	<b>7</b>	<b>7</b>	<b>7</b>	<b>7</b>	<b>7</b>	<b>7</b>	<b>7</b>
<b>Asia:</b>													
India.....													
Japan.....	2,777	2,901	3,125	3,310	3,481	3,756	4,003	4,380	4,867	5,421	5,961	5,978	5,978
Other Asia.....	10	10	10	10	10	10	10	10	10	10	10	10	10
<b>Total.....</b>	<b>2,787</b>	<b>2,912</b>	<b>3,136</b>	<b>3,321</b>	<b>3,492</b>	<b>3,766</b>	<b>4,013</b>	<b>4,391</b>	<b>4,877</b>	<b>5,431</b>	<b>5,971</b>	<b>5,988</b>	<b>5,988</b>
<b>Africa.....</b>	<b>8</b>	<b>8</b>	<b>8</b>	<b>127</b>	<b>133</b>	<b>133</b>	<b>133</b>	<b>133</b>	<b>183</b>	<b>183</b>	<b>183</b>	<b>183</b>	<b>183</b>
<b>All other.....</b>	<b>*</b>	<b>*</b>	<b>*</b>	<b>*</b>	<b>*</b>	<b>*</b>	<b>*</b>	<b>25</b>	<b>25</b>	<b>25</b>	<b>25</b>	<b>25</b>	<b>25</b>
<b>Total foreign countries.....</b>	<b>3,413</b>	<b>3,664</b>	<b>3,886</b>	<b>4,259</b>	<b>4,506</b>	<b>4,863</b>	<b>5,257</b>	<b>5,661</b>	<b>6,223</b>	<b>6,749</b>	<b>7,293</b>	<b>7,333</b>	<b>7,318</b>
<b>International and regional:</b>													
International.....	136	136	136	176	186	186	186	186	186	176	186	176	142
Latin American regional.....	25	26	27	27	27	27	28	28	28	26	26	27	27
<b>Total.....</b>	<b>161</b>	<b>161</b>	<b>162</b>	<b>203</b>	<b>213</b>	<b>213</b>	<b>214</b>	<b>214</b>	<b>214</b>	<b>202</b>	<b>212</b>	<b>202</b>	<b>169</b>
<b>Grand total.....</b>	<b>3,574</b>	<b>3,825</b>	<b>4,048</b>	<b>4,461</b>	<b>4,719</b>	<b>5,076</b>	<b>5,471</b>	<b>5,874</b>	<b>6,436</b>	<b>6,951</b>	<b>7,505</b>	<b>7,535</b>	<b>7,487</b>

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 <sup>1</sup>	China, Rep. of (Taiwan)	Germany	Italy <sup>2</sup>	Korea	Thailand	Total	Germany <sup>3</sup>	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
<b>1972—June.....</b>	<b>12,441</b>	<b>10,688</b>	<b>32</b>	<b>2,840</b>	<b>20</b>	<b>7,658</b>	<b>22</b>	<b>15</b>	<b>100</b>	<b>1,753</b>	<b>536</b>		<b>1,217</b>
July.....	15,864	14,188	32	2,840	20	11,158	22	15	100	1,676	459		1,217
Aug.....	15,864	14,188	32	2,840	20	11,158	22	15	100	1,676	459		1,217
Sept.....	16,022	14,345	32	2,840	20	11,315	22	15	100	1,677	459		1,218
Oct.....	15,871	14,345	32	2,840	20	11,315	22	15	100	1,526	306		1,220
Nov.....	15,872	14,345	32	2,840	20	11,315	22	15	100	1,528	306		1,222
Dec.....	15,872	14,333	20	2,840	20	11,315	22	15	100	1,539	306		1,233
<b>1973—Jan.....</b>	<b>16,016</b>	<b>14,474</b>	<b>20</b>	<b>2,840</b>	<b>20</b>	<b>11,471</b>	<b>22</b>	<b>100</b>	<b>1,542</b>	<b>306</b>		<b>1,236</b>	
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	

<sup>1</sup> 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.

<sup>2</sup> Notes issued to the Government of Italy in connection with military purchases in the United States.

<sup>3</sup> 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.

<sup>4</sup> Includes an increase in dollar value of \$84 million resulting from revaluation of the German mark in Oct. 1969.

<sup>5</sup> Includes \$106 million increase in dollar value of foreign currency obligations revalued to reflect market exchange rates as of Dec. 31, 1971.

<sup>6</sup> 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.	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr. <sup>1</sup>	May <sup>1</sup>
<b>Europe:</b>											
Austria.....	11	33	8	15	10	8	7	13	9	9	9
Belgium-Luxembourg.....	57	66	70	87	84	120	67	124	100	87	76
Denmark.....	49	63	60	52	57	59	58	59	60	63	69
Finland.....	135	128	120	119	123	118	127	122	131	134	140
France.....	263	349	317	274	272	330	275	312	424	451	447
Germany.....	235	229	268	287	296	321	267	414	371	345	356
Greece.....	30	27	28	27	27	29	34	23	29	32	19
Italy.....	160	190	173	177	170	255	221	271	269	288	327
Netherlands.....	105	102	116	104	101	108	93	152	118	129	115
Norway.....	67	56	52	62	62	69	62	63	70	66	67
Portugal.....	12	21	27	22	21	19	21	26	20	30	17
Spain.....	70	160	194	229	215	207	210	236	282	238	360
Sweden.....	118	120	131	128	123	156	176	249	235	238	259
Switzerland.....	145	137	180	186	150	125	187	206	152	186	190
Turkey.....	3	4	7	4	4	6	5	6	5	5	6
United Kingdom.....	559	666	643	657	729	855	672	1,001	847	795	876
Yugoslavia.....	19	21	22	18	16	22	18	20	18	20	13
Other Western Europe.....	12	25	24	23	19	20	23	26	22	29	22
U.S.S.R.....	28	64	55	30	32	41	44	55	54	61	50
Other Eastern Europe.....	37	40	38	40	38	49	47	51	52	60	68
<b>Total.....</b>	<b>2,114</b>	<b>2,503</b>	<b>2,531</b>	<b>2,543</b>	<b>2,551</b>	<b>2,917</b>	<b>2,613</b>	<b>3,431</b>	<b>3,269</b>	<b>3,265</b>	<b>3,486</b>
<b>Canada.....</b>	<b>1,627</b>	<b>2,484</b>	<b>2,026</b>	<b>1,681</b>	<b>1,717</b>	<b>1,920</b>	<b>1,939</b>	<b>2,372</b>	<b>2,461</b>	<b>2,286</b>	<b>2,390</b>
<b>Latin America:</b>											
Argentina.....	305	339	352	363	357	379	389	417	406	396	408
Brazil.....	435	600	639	659	633	652	641	727	740	759	851
Chile.....	139	71	79	58	53	52	53	49	51	45	40
Colombia.....	380	384	378	384	396	418	408	412	380	401	397
Cuba.....	13	13	13	13	15	13	12	13	13	13	13
Mexico.....	934	1,162	1,121	1,126	1,168	1,202	1,202	1,213	1,320	1,343	1,343
Panama.....	125	137	150	145	179	246	219	220	212	183	190
Peru.....	176	158	137	138	147	145	129	136	132	143	149
Uruguay.....	41	40	43	36	38	40	40	38	40	36	31
Venezuela.....	268	343	335	361	386	383	388	385	404	401	440
Other Latin American republics.....	374	355	345	353	368	388	393	379	369	382	382
Bahamas.....	262	426	428	372	403	476	413	521	461	505	429
Netherlands Antilles and Surinam.....	18	16	15	15	13	14	15	15	20	27	26
Other Latin America.....	26	29	28	32	33	36	56	70	103	85	75
<b>Total.....</b>	<b>3,494</b>	<b>4,073</b>	<b>4,064</b>	<b>4,054</b>	<b>4,191</b>	<b>4,442</b>	<b>4,359</b>	<b>4,592</b>	<b>4,649</b>	<b>4,717</b>	<b>4,775</b>
<b>Asia:</b>											
China, People's Rep. of (China Mainland).....	1	2	2	1	1	1	2	2	2	2	5
China, Republic of (Taiwan).....	109	173	180	187	201	194	205	211	231	238	216
Hong Kong.....	70	85	85	76	76	93	84	103	111	122	132
India.....	21	17	18	15	17	14	15	15	16	14	19
Indonesia.....	41	60	66	74	74	87	87	103	127	127	97
Israel.....	129	87	78	87	105	105	126	106	141	126	117
Japan.....	4,280	3,473	3,461	3,719	4,001	4,162	4,081	5,277	5,568	5,663	5,536
Korea.....	348	342	321	302	317	296	271	288	301	331	338
Philippines.....	138	144	144	151	160	149	148	150	140	150	139
Thailand.....	172	187	187	177	183	191	184	195	205	197	194
Other.....	252	230	229	244	260	300	288	335	274	296	324
<b>Total.....</b>	<b>5,560</b>	<b>4,800</b>	<b>4,773</b>	<b>5,034</b>	<b>5,397</b>	<b>5,593</b>	<b>5,490</b>	<b>6,786</b>	<b>7,116</b>	<b>7,267</b>	<b>7,117</b>
<b>Africa:</b>											
Egypt.....	10	12	15	17	16	21	22	20	20	22	25
Morocco.....	4	4	5	5	4	4	6	5	7	5	4
South Africa.....	156	142	139	134	145	143	150	155	155	151	166
Zaire.....	21	12	12	14	10	13	15	13	11	13	13
Other.....	96	110	121	109	112	124	116	113	133	137	144
<b>Total.....</b>	<b>288</b>	<b>280</b>	<b>291</b>	<b>279</b>	<b>286</b>	<b>304</b>	<b>309</b>	<b>305</b>	<b>325</b>	<b>327</b>	<b>351</b>
<b>Other countries:</b>											
Australia.....	158	184	205	229	271	291	272	256	244	249	232
All other.....	28	41	44	36	36	40	50	44	47	50	47
<b>Total.....</b>	<b>186</b>	<b>225</b>	<b>249</b>	<b>265</b>	<b>308</b>	<b>330</b>	<b>322</b>	<b>300</b>	<b>291</b>	<b>299</b>	<b>280</b>
<b>Total foreign countries.....</b>	<b>13,269</b>	<b>14,364</b>	<b>13,933</b>	<b>13,856</b>	<b>14,449</b>	<b>15,506</b>	<b>15,032</b>	<b>17,787</b>	<b>18,111</b>	<b>18,161</b>	<b>18,399</b>
<b>International and regional.....</b>	<b>3</b>	<b>3</b>	<b>4</b>	<b>6</b>	<b>6</b>	<b>3</b>	<b>3</b>	<b>3</b>	<b>1</b>	<b>2</b>	<b>2</b>
<b>Grand total.....</b>	<b>13,272</b>	<b>14,367</b>	<b>13,936</b>	<b>13,862</b>	<b>14,455</b>	<b>15,509</b>	<b>15,035</b>	<b>17,789</b>	<b>18,113</b>	<b>18,163</b>	<b>18,401</b>

<sup>1</sup> 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, com'l. and finance paper	Other	
			Total	Official institutions	Banks <sup>1</sup>								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 <sup>2</sup> .....	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- May.....	13,460	12,626	4,598	71	2,518	1,909	2,540	3,838	1,650	835	540	187	118
June.....	13,565	12,732	4,756	65	2,575	2,016	2,649	3,483	1,844	833	486	222	125
July.....	14,273	13,371	5,049	64	3,779	2,106	2,703	3,227	2,392	902	516	278	108
Aug.....	14,367	13,421	4,984	152	2,710	2,122	2,805	3,082	2,551	946	482	338	126
Sept.....	13,936	13,048	4,987	143	2,572	2,272	2,882	2,967	2,213	888	431	330	127
Oct.....	13,862	13,086	5,154	146	2,666	2,343	2,987	2,953	1,991	776	408	209	159
Nov.....	14,455	13,685	5,342	157	2,700	2,484	3,136	3,129	2,085	770	412	219	139
Dec.....	15,509	14,663	5,712	163	2,975	2,573	3,269	3,204	2,478	846	441	223	182
1973- Jan.....	15,035	14,210	5,429	143	2,814	2,472	3,234	3,103	2,443	825	444	253	128
Feb.....	17,789	16,453	6,453	162	3,675	2,616	3,515	3,372	3,429	1,071	596	313	162
Mar.....	18,113	17,162	6,538	141	3,694	2,703	3,697	3,463	3,464	951	524	262	165
Apr.....	18,163	17,344	6,847	146	3,944	2,757	3,781	3,463	3,253	819	460	207	152
May.....	18,401	17,553	6,954	163	3,830	2,962	3,789	3,600	3,209	848	499	237	113

<sup>1</sup> Excludes central banks, which are included with "Official institutions."

<sup>2</sup> Data on second line differ from those on first line because (a) those claims of U.S. banks on their foreign branches and those claims of U.S. agencies and branches of foreign banks on their head offices and foreign

branches, which were previously reported as "Loans", are included in "Other short-term claims"; and (b) a number of reporting banks are included in the series for the first time.

**15. LONG-TERM CLAIMS ON FOREIGNERS REPORTED BY BANKS  
IN THE UNITED STATES**

(Amounts outstanding; in millions of dollars)

End of period	Total	Type						Country or area						
		Payable in dollars				Payable in foreign currencies	United Kingdom	Other Europe	Canada	Latin America	Japan	Other Asia	All other countries	
		Total	Official institutions	Banks <sup>1</sup>	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- May.....	4,047	3,732	674	335	2,723	285	30	140	638	251	1,584	281	707	447
June.....	4,192	3,874	719	363	2,722	287	31	139	631	284	1,644	309	735	449
July.....	4,310	4,003	757	356	2,890	275	32	146	674	283	1,724	294	754	434
Aug.....	4,387	4,073	771	398	2,994	281	34	141	671	277	1,789	288	773	448
Sept.....	4,535	4,220	796	402	3,023	282	33	128	687	288	1,861	289	802	480
Oct.....	4,632	4,306	796	412	3,098	292	35	136	658	315	1,893	302	828	481
Nov.....	4,666	4,342	819	432	3,091	291	33	137	658	339	1,875	301	863	493
Dec.....	4,916	4,501	833	430	3,248	375	40	139	704	383	1,991	315	881	503
	4,977	4,501	833	430	3,238	436	40	139	709	383	2,001	344	898	503
1973- Jan.....	5,016	4,535	833	440	3,252	440	41	144	732	403	1,967	353	914	503
Feb.....	5,126	4,625	840	470	3,315	449	52	135	771	434	1,986	342	928	531
Mar.....	5,272	4,764	897	480	3,387	460	47	121	859	453	1,978	336	985	539
Apr.....	5,419	4,923	931	514	3,477	448	49	122	912	477	2,000	337	1,028	544
May.....	5,505	5,002	965	508	3,529	456	48	131	928	511	1,999	331	1,055	550

<sup>1</sup> Excludes central banks, which are included with "Official institutions."

<sup>2</sup> 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 <sup>1</sup>					U.S. corporate securities <sup>2</sup>			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	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	18,922	14,958	3,964	1,941	2,961	1,021	2,532	2,123	409
1973: Jan. May <sup>#</sup> .....	1,613	-44	1,657	1,697	-40	8,556	5,429	3,127	736	1,034	-298	822	651	171
1972—May.....	348	-8	356	350	6	1,346	1,111	235	128	315	-187	245	141	104
June.....	251	1	251	274	-23	1,648	1,407	241	109	339	-231	226	269	-43
July.....	223	1	222	224	-2	1,151	1,152	*	191	101	90	155	166	-11
Aug.....	413	40	373	365	9	1,495	1,217	278	129	98	30	242	179	63
Sept.....	258	10	247	237	11	1,154	841	314	173	163	11	173	142	32
Oct.....	356	.....	356	340	17	1,317	1,038	279	184	207	-23	188	119	69
Nov.....	395	1	395	377	18	1,910	1,289	621	146	171	-26	192	110	82
Dec.....	404	.....	404	403	1	2,007	1,368	638	243	465	-222	233	178	55
1973: Jan.....	562	.....	562	562	*	1,855	1,118	737	191	323	-132	161	155	7
Feb.....	515	-12	527	579	-52	1,785	1,062	723	144	144	*	193	145	48
Mar.....	554	10	544	540	3	2,220	1,111	1,109	144	125	19	211	114	97
Apr.....	31	-9	40	16	23	1,563	1,039	524	117	287	-170	121	112	9
May <sup>#</sup> .....	48	-33	15	*	-15	1,134	1,099	34	139	154	15	137	126	11

<sup>1</sup> Excludes nonmarketable U.S. Treasury bonds and notes issued to official institutions of foreign countries; see Table I2.

<sup>2</sup> Includes State and local govt. securities, and securities of U.S. Govt. agencies and corporations. Also includes issues of new debt securities

sold abroad by U.S. corporations organized to finance direct investments abroad.

Note:—Statistics include transactions of international and regional organizations.

## 17. NET PURCHASES OR SALES BY FOREIGNERS OF U.S. CORPORATE STOCKS, BY COUNTRY

(In millions of dollars)

Period	Total	France	Germany	Netherlands	Switzerland	United Kingdom	Other Europe	Total Europe	Canada	Latin America	Asia	Africa	Other countries	Intl. & regional
1970.....	626	58	195	128	110	-33	24	482	-9	47	85	-1	1	22
1971.....	731	87	131	219	168	-49	71	627	-93	37	108	*	-2	54
1972.....	2,140	372	-51	297	639	561	92	1,911	-78	-32	256	-1	-1	86
1973: Jan. May <sup>#</sup> .....	1,305	112	7	138	472	161	148	1,038	114	-51	168	-1	2	36
1972—May.....	55	19	-14	8	27	20	2	62	-17	-22	30	*	*	2
June.....	32	8	-20	15	27	-1	5	33	-1	-42	32	*	*	9
July.....	36	-6	-44	-14	56	15	-41	-34	4	-25	12	*	*	7
Aug.....	252	60	-13	8	68	101	26	249	8	-16	4	*	*	6
Sept.....	165	36	-7	15	51	56	11	162	-12	1	11	*	*	3
Oct.....	160	65	6	24	83	89	20	109	8	2	29	*	-1	12
Nov.....	489	85	44	55	61	150	52	447	14	25	-8	*	-1	12
Dec.....	350	48	-3	42	59	132	19	297	-1	8	42	*	*	4
1973—Jan.....	489	32	29	47	142	118	24	392	24	-20	85	*	1	7
Feb.....	453	25	4	67	151	82	47	376	36	-10	46	1	*	4
Mar.....	350	35	8	47	148	21	29	288	25	5	21	*	1	10
Apr.....	139	21	9	8	53	-16	45	104	35	-10	5	*	*	4
May <sup>#</sup> .....	126	2	-43	14	-22	44	3	123	-7	-16	11	-2	*	11

**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.....	1,824	336	77	65	134	320	315	1,246	82	22	323	2	*	148
1973- Jan.-May <sup>1</sup>	1,822	96	5	-23	193	105	408	785	59	17	965	*	1	-3
1972- May.....	180	40	3	*	3	71	15	121	11	26	11	*	*	10
June.....	210	95	1	8	21	4	17	148	23	*	8	*	*	31
July.....	36	9	-4	8	41	34	12	33	4	2	1	*	*	4
Aug.....	27	6	4	6	17	-16	45	62	9	-1	-1	1	*	44
Sept.....	149	7	4	3	15	18	80	127	10	*	*	*	*	12
Oct.....	120	36	7	1	35	4	54	138	5	3	2	*	*	28
Nov.....	132	2	30	18	-1	46	42	138	6	1	1	*	*	*
Dec.....	289	56	30	*	14	49	60	210	8	3	29	1	*	38
1973- Jan.....	248	12	*	2	29	38	73	149	1	6	31	*	*	60
Feb.....	270	6	4	2	30	46	60	149	36	1	110	*	*	26
Mar.....	759	45	3	22	-	-3	158	174	*	4	623	*	*	42
Apr. <sup>1</sup> .....	385	33	2	*	65	-96	94	98	16	4	199	*	*	68
May <sup>1</sup> .....	161	1	-4	1	76	120	22	215	7	1	2	*	*	63

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.....	612	-90	522	508	651	72	271	66	29
1973- Jan.-May <sup>1</sup>	-127	57	-184	31	-195	-80	44	-1	17
1972- May.....	82	7	-90	75	-138	1	21	9	2
June.....	-274	10	284	26	201	-15	-94	*	*
July.....	79	78	1	36	23	2	-62	*	2
Aug.....	93	1	94	50	49	1	5	*	2
Sept.....	42	6	36	47	3	9	-24	*	1
Oct.....	46	16	30	76	73	2	23	*	2
Nov.....	57	11	46	49	4	8	-8	*	*
Dec.....	-167	9	176	16	158	-29	23	2	1
1973- Jan.....	-126	9	-135	11	-67	-70	-9	*	*
Feb.....	48	2	50	3	41	-16	27	*	*
Mar.....	116	23	93	24	34	8	27	*	1
Apr. <sup>1</sup> .....	-161	16	-177	22	-188	-6	-5	*	*
May <sup>1</sup> .....	-4	11	-15	-23	-15	5	4	-1	14

**20. FOREIGN CREDIT AND DEBIT BALANCES IN BROKERAGE ACCOUNTS**

(Amounts outstanding; in millions of dollars)

End of period	Credit balances (due to foreigners)	Debit balances (due from foreigners)
1970 June.....	334	182
Sept.....	291	203
Dec.....	349	281
1971- Mar.....	511	314
June.....	419	300
Sept.....	343	320
Dec.....	311	314
1972- Mar.....	325	379
June.....	312	339
Sept.....	286	336
Dec.....	366	396
1973- Mar. <sup>1</sup> .....	310	357

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:

<sup>1</sup> Total assets and total liabilities payable in U.S. dollars amounted to \$12,825 million and \$13,175 million, respectively, on Mar. 31, 1973.

NOTE.— Components may not add to totals due to rounding.

For a given month, total assets may not equal total liabilities because some branches do not adjust the parent's equity in the branch to reflect unrealized paper profits and paper losses caused by changes in exchange rates, which are used to convert foreign currency values into equivalent dollar values.







**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 <sup>1</sup>	Wednesday	Liabilities <sup>1</sup>	Liab. plus sec. <sup>2</sup>	Wednesday	Liabilities <sup>1</sup>
1967		1971			1973	
Mar. 29	3,412	Mar. 31	2,858	4,358	Jan. 3	1,121
June 28	3,166	June 30	1,492	4,500	10	1,625
Sept. 27	4,059	Sept. 29	2,475	3,578	17	1,419
Dec. 27	4,241	Dec. 29	909		24	1,800
					31	1,413
1968		1972			Feb.	
Mar. 27	4,920	Jan. 26	1,419		7	1,391
June 26	6,202	Feb. 23	1,068		14	694
Sept. 25	7,104	Mar. 29	1,532		21	1,157
Dec. 31 (1/1/69)	6,039				28	790
		Apr. 26	1,374		Mar.	
		May 31	1,465		7	1,465
		June 28	1,443		14	1,419
					21	1,290
		July 26	1,345		28	1,127
		Aug. 30	1,270		Apr.	
		Sept. 27	2,023		4	1,011
					11	1,203
		Oct. 25	1,415		18	1,193
					25	1,123
		Nov. 1	1,387		May	
		8	1,338		2	1,238
		15	1,841		9	1,073
		22	1,464		16	1,721
		29	1,745		23	1,492
					30	1,151
		Dec. 6	1,618		June	
		13	1,705		6	940
		20	1,807		13	1,266
		27	1,406		20	1,242
					27	1,521
Mar. 25	11,885					
June 24	12,172					
Sept. 30	9,663					
Dec. 30	7,676					

<sup>1</sup> Represents gross liabilities of reporting banks to their branches in foreign countries.

<sup>2</sup> 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. MATURITY OF EURO-DOLLAR DEPOSITS IN FOREIGN BRANCHES OF U.S. BANKS**

(End of month; in billions of dollars)

Maturity of liability	1973		
	Feb.	Mar.	Apr.
Overnight	2.30	2.40	1.62
Call	3.50	3.37	3.37
Other liabilities, maturing in following calendar months after report date:			
1st	14.11	15.42	13.91
2nd	7.89	7.10	7.04
3rd	5.82	5.56	6.19
4th	2.96	3.70	3.44
5th	3.39	3.26	3.25
6th	2.94	2.96	3.24
7th	.51	.61	.85
8th	.54	.74	.67
9th	.75	.56	.45
10th	.43	.38	.71
11th	.37	.65	.86
12th	.61	.80	.48
Maturities of more than 1 year	1.63	1.77	1.70
<b>Total</b>	<b>47.74</b>	<b>49.26</b>	<b>47.79</b>

NOTE.— Includes interest-bearing U.S. dollar deposits and direct borrowings of all branches in the Bahamas and of all other foreign branches for which such deposits and direct borrowings amount to \$50 million or more. Details may not add to totals due to rounding.

**24. DEPOSITS, U.S. TREAS. SECURITIES, AND GOLD HELD AT F.R. BANKS FOR FOREIGN OFFICIAL ACCOUNT**

(In millions of dollars)

End of period	Deposits	Assets in custody	
		U.S. Treas. securities <sup>1</sup>	Farmarked gold
1970	148	16,226	12,926
1971	294	43,195	13,815
1972—June	257	47,176	15,542
July	160	51,522	15,542
Aug.	192	51,676	15,530
Sept.	193	50,997	15,531
Oct.	192	51,821	15,531
Nov.	188	51,874	15,530
Dec.	325	50,934	15,530
1973—Jan.	310	50,118	15,526
Feb.	455	56,914	15,522
Mar.	327	59,389	15,519
Apr.	328	58,255	15,513
May	289	58,015	15,511
June	334	57,545	15,486

<sup>1</sup> Marketable U.S. Treasury bills, certificates of indebtedness, notes, and bonds and nonmarketable U.S. Treasury securities payable in dollars and in foreign currencies.

<sup>2</sup> Increase results from change in par value of the U.S. dollar on May 8, 1972.

<sup>3</sup> Includes \$15 million increase in Mar. and \$160 million increase in Apr. in dollar value of foreign currency obligations revalued to reflect market exchange rates.

NOTE.— Excludes deposits and U.S. Treas. securities held for international and regional organizations. Farmarked gold is gold held for foreign and international accounts and is not included in the gold stock of the United States.

**25. SHORT-TERM LIQUID CLAIMS ON FOREIGNERS REPORTED BY NONBANKING CONCERNS**

(Amounts outstanding; in millions of dollars)

End of period	Total	Payable in dollars		Payable in foreign currencies		United Kingdom	Canada
		Deposits	Short-term investments <sup>1</sup>	Deposits	Short-term investments <sup>1</sup>		
1968	1,638	1,219	87	272	60	979	280
1969 <sup>2</sup>	(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—Apr.	1,902	1,318	200	273	112	670	707
May	1,938	1,350	206	299	84	716	608
June	1,987	1,385	199	312	92	713	572
July	2,085	1,517	194	318	55	754	565
Aug.	2,273	1,602	217	392	61	755	709
Sept.	2,101	1,527	170	359	45	685	604
Oct.	2,033	1,472	171	312	57	681	551
Nov.	2,058	1,493	167	343	55	635	587
Dec.	1,965	1,446	169	307	42	702	485
	(2,110)	1,680	68	321	41	776	500
1973—Jan.	2,324	1,846	85	326	68	899	640
Feb.	2,789	2,115	151	336	186	948	1,023
Mar.	2,796	2,095	152	380	170	1,038	896
Apr.	2,793	2,066	142	395	190	967	840

<sup>1</sup> 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.

<sup>2</sup> Data on the two lines for this date differ because of changes in reporting coverage. Figures on the first line are comparable in coverage with those shown for the preceding date; figures on the second line are comparable with those shown for the following date.

NOTE.— Data represent the liquid assets abroad of large nonbanking concerns in the United States. They are a portion of the total claims on foreigners reported by nonbanking concerns in the United States and are included in the figures shown in Tables 26 and 27.

**26. SHORT-TERM LIABILITIES TO AND CLAIMS ON FOREIGNERS REPORTED BY NONBANKING CONCERNS**

(End of period. Amounts outstanding; in millions of dollars)

Area and country	Liabilities to foreigners					Claims on foreigners				
	1971	1972				1971	1972			
	Dec.	Mar.	June	Sept.	Dec.	Dec.	Mar.	June	Sept.	Dec.
<b>Europe:</b>										
Austria.....	5	5	6	2	2	14	17	16	15	20
Belgium-Luxembourg.....	65	104	108	82	75	60	45	64	63	62
Denmark.....	2	3	5	5	9	15	18	20	19	28
Finland.....	2	2	2	3	4	18	19	19	16	23
France.....	136	123	139	145	165	202	196	207	188	221
Germany, Fed. Rep. of.....	117	88	104	130	136	192	197	191	200	176
Greece.....	4	5	5	14	24	34	36	36	30	39
Italy.....	103	107	99	108	118	186	181	184	174	193
Netherlands.....	69	86	65	79	102	68	66	66	71	78
Norway.....	5	6	5	5	9	13	16	17	19	18
Portugal.....	16	9	2	3	4	16	23	21	20	21
Spain.....	65	65	70	63	83	124	102	117	130	138
Sweden.....	17	16	13	14	12	40	35	37	45	56
Switzerland.....	104	73	97	119	119	63	60	59	57	79
Turkey.....	2	2	3	2	3	9	9	11	8	47
United Kingdom.....	890	929	981	943	932	940	954	985	992	1,042
Yugoslavia.....	3	4	6	2	7	13	10	10	11	15
Other Western Europe.....	2	1	2	2	2	13	10	11	11	14
Eastern Europe.....	4	5	3	9	3	28	25	22	47	42
<b>Total.....</b>	<b>1,611</b>	<b>1,634</b>	<b>1,714</b>	<b>1,733</b>	<b>1,808</b>	<b>2,046</b>	<b>2,023</b>	<b>2,093</b>	<b>2,117</b>	<b>2,310</b>
<b>Canada.....</b>	<b>181</b>	<b>189</b>	<b>185</b>	<b>183</b>	<b>208</b>	<b>781</b>	<b>1,045</b>	<b>936</b>	<b>996</b>	<b>899</b>
<b>Latin America:</b>										
Argentina.....	18	18	18	16	19	54	48	50	52	59
Brazil.....	19	18	19	24	35	147	138	152	163	175
Chile.....	14	21	16	17	18	46	39	41	33	33
Colombia.....	7	7	6	6	8	45	40	38	39	41
Cuba.....	*	*	*	*	*	1	1	1	1	1
Mexico.....	22	17	18	21	27	151	133	143	154	180
Panama.....	7	8	6	5	8	21	19	23	20	19
Peru.....	2	8	6	5	5	34	31	32	36	40
Uruguay.....	2	3	3	2	6	5	6	5	7	4
Venezuela.....	16	18	17	17	17	81	77	75	74	89
Other I.A. republics.....	32	27	32	30	35	99	94	106	96	91
Bahamas, Neth. Antilles and Surinam.....	289	356	357	293	303	366	313	442	519	520
Other Latin America.....	4	5	6	9	10	9	8	10	11	12
<b>Total.....</b>	<b>439</b>	<b>518</b>	<b>512</b>	<b>453</b>	<b>499</b>	<b>1,083</b>	<b>968</b>	<b>1,133</b>	<b>1,226</b>	<b>1,289</b>
<b>Asia:</b>										
China, Rep. of (Taiwan).....	18	23	25	26	28	41	45	45	51	67
Hong Kong.....	11	11	11	12	12	23	21	23	22	24
India.....	26	13	7	7	7	35	38	32	36	32
Indonesia.....	19	6	5	6	12	28	30	25	32	35
Israel.....	10	9	9	11	12	22	21	17	18	31
Japan.....	173	189	188	223	149	405	442	451	452	456
Korea.....	13	12	16	16	20	68	56	61	57	63
Philippines.....	5	8	6	5	15	48	62	67	63	49
Thailand.....	3	4	4	5	5	15	18	15	14	15
Other Asia.....	142	109	104	140	149	145	171	174	172	201
<b>Total.....</b>	<b>412</b>	<b>383</b>	<b>374</b>	<b>451</b>	<b>410</b>	<b>830</b>	<b>894</b>	<b>911</b>	<b>918</b>	<b>972</b>
<b>Africa:</b>										
Egypt.....	1	1	1	1	25	9	9	6	7	7
South Africa.....	31	26	37	17	7	41	42	46	45	51
Zaire.....	1	1	1	2	1	6	5	7	7	8
Other Africa.....	35	30	31	37	59	99	75	74	64	78
<b>Total.....</b>	<b>67</b>	<b>59</b>	<b>71</b>	<b>57</b>	<b>92</b>	<b>155</b>	<b>129</b>	<b>133</b>	<b>122</b>	<b>140</b>
<b>Other countries:</b>										
Australia.....	42	50	54	46	47	80	83	97	92	88
All other.....	8	9	11	11	13	17	26	18	18	20
<b>Total.....</b>	<b>50</b>	<b>58</b>	<b>66</b>	<b>57</b>	<b>60</b>	<b>98</b>	<b>109</b>	<b>116</b>	<b>110</b>	<b>108</b>
<b>International and regional.....</b>	<b>*</b>	<b>*</b>	<b>*</b>	<b>*</b>	<b>*</b>	<b>4</b>	<b>2</b>	<b>5</b>	<b>8</b>	<b>5</b>
<b>Grand total.....</b>	<b>2,761</b>	<b>2,842</b>	<b>2,922</b>	<b>2,933</b>	<b>3,075</b>	<b>4,997</b>	<b>5,170</b>	<b>5,328</b>	<b>5,498</b>	<b>5,722</b>

\* Includes Bermuda.

NOTE.— Reported by exporters, importers, and industrial and com-

mercial concerns and other nonbanking institutions in the United States. Data exclude claims held through U.S. banks, and intercompany accounts between U.S. companies and their foreign affiliates.

**27. SHORT-TERM LIABILITIES TO AND CLAIMS ON FOREIGNERS REPORTED BY NONBANKING CONCERNS, BY TYPE**

(Amounts outstanding; in millions of dollars)

End of period	Liabilities			Claims			
	Total	Payable in dollars	Payable in foreign currencies	Total	Payable in dollars	Payable in foreign currencies	
						Deposits with banks abroad in reporter's name	Other
1968- Sept.....	1,678	1,271	407	3,907	3,292	422	193
Dec.....	1,608	1,225	383	3,783	3,173	368	241
1969- Mar.....	1,576	1,185	391	4,014	3,329	358	327
June.....	1,613	1,263	350	4,023	3,316	429	278
Sept.....	1,797	1,350	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
	2,761	2,298	463	4,997	4,459	290	247
1972- Mar.....	2,842	2,404	437	5,170	4,550	318	302
June.....	2,922	2,450	472	5,328	4,681	376	270
Sept.....	2,933	2,435	498	5,498	4,836	432	230
Dec.....	3,075	2,584	491	5,722	5,087	397	238

<sup>1</sup> Data on the two lines shown for this date differ because of changes in reporting coverage. Figures on the first line are comparable with those shown for the preceding date; figures on the second line are comparable with those shown for the following date.

**28. LONG-TERM LIABILITIES TO AND CLAIMS ON FOREIGNERS REPORTED BY NONBANKING CONCERNS**

(Amounts outstanding; in millions of dollars)

End of period	Total liabilities	Claims										
		Total	Country or area									
			United Kingdom	Other Europe	Canada	Brazil	Mexico	Other Latin America	Japan	Other Asia	Africa	All other
1968- Sept.....	767	1,625	43	313	376	198	62	251	126	142	82	32
Dec.....	1,129	1,790	147	306	419	194	73	230	128	171	83	38
1969- Mar.....	1,285	1,872	175	342	432	194	75	222	126	191	72	43
June.....	1,325	1,952	168	368	447	195	76	216	142	229	72	40
Sept.....	1,418	1,965	167	369	465	179	70	213	143	246	71	42
Dec. 1.....	1,725	2,215	152	433	496	172	73	388	141	249	69	42
	2,304	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.....	3,939	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
	3,122	3,118	128	705	767	174	60	653	136	325	86	84
1972- Mar.....	3,077	3,191	129	713	787	175	60	665	137	359	81	85
June.....	3,309	3,194	108	707	797	180	58	668	136	361	86	93
Sept.....	3,482	3,222	128	690	809	176	62	659	132	383	89	96
Dec.....	3,625	3,319	137	709	833	178	58	668	152	389	87	109

<sup>1</sup> Data on the two lines shown for this date differ because of changes in reporting coverage. Figures on the first line are comparable with those shown for the preceding date; figures on the second line are comparable with those shown for the following date.

FOREIGN EXCHANGE RATES

(In cents per unit of foreign currency)

Period	Australia (dollar)	Austria (schilling)	Belgium (franc)	Canada (dollar)	Ceylon (rupee)	Denmark (krone)	Finland (markka)	France (franc)
1968.....	111.25	3,8675	2,0026	92.801	16.678	13.362	23.761	20.191
1969.....	111.10	3,8654	1,9942	92.855	16.741	13.299	23.774	19.302
1970.....	111.36	3,8659	2,0139	98.802	16.774	13.334	23.742	18.087
1971.....	113.61	4,0009	2,0598	99.021	16.800	13.508	23.758	18.148
1972.....	119.23	4,3228	2,2716	100.937	16.057	14.384	24.022	19.825
1972—June.....	119.10	4,3421	2,2758	102.092	16.772	14.336	24.136	19.947
July.....	119.10	4,3674	2,2814	101.630	15.878	14.368	24.035	19.990
Aug.....	119.11	4,4470	2,2795	101.789	15.611	14.438	24.020	19.986
Sept.....	119.10	4,3354	2,2742	101.730	15.600	14.388	24.015	19.977
Oct.....	119.07	4,3102	2,2640	101.756	15.605	14.453	23.562	19.906
Nov.....	119.09	4,3064	2,2685	101.279	15.026	14.510	24.022	19.839
Dec.....	120.74	4,3172	2,2670	100.326	14.936	14.601	24.000	19.657
1973—Jan.....	127.16	4,3203	2,2665	100.071	14.904	14.536	23.986	19.671
Feb.....	135.46	4,8582	2,3981	100.440	15.407	15.386	24.728	20.987
Mar.....	141.29	4,8759	2,5378	100.333	15.774	16.275	25.628	22.191
Apr.....	141.50	4,8130	2,4895	99.928	15.777	16.099	25.872	21.959
May.....	141.50	4,9082	2,5356	99.916	15.883	16.241	25.277	22.341
June.....	141.58	5,2408	2,6643	100.160	16.538	17.130	26.731	23.472
Period	Germany (Deutsche mark)	India (rupee)	Ireland (pound)	Italy (lira)	Japan (yen)	Malaysia (dollar)	Mexico (peso)	Neth- erlands (guilder)
1968.....	25.048	13,269	239.35	1,6042	2,7745	32.591	8,0056	27,626
1969.....	25.491	13,230	239.01	1,5940	2,7903	32,623	8,0056	27,592
1970.....	27,424	13,233	239.59	1,5945	2,7921	32,396	8,0056	27,651
1971.....	28,768	13,338	244.42	1,6174	2,8779	32,989	8,0056	28,650
1972.....	31,364	13,246	250.08	1,7132	3,2995	35,610	8,0000	31,153
1972—June.....	31,560	13,754	256.91	1,7142	3,3070	35,475	8,0000	31,296
July.....	31,634	13,072	244.47	1,7208	3,3219	35,918	8,0000	31,424
Aug.....	31,382	13,030	245.02	1,7203	3,3204	36,026	8,0000	31,158
Sept.....	31,318	13,016	244.10	1,7199	3,3209	36,110	8,0000	30,969
Oct.....	31,184	12,806	239.48	1,7145	3,3221	36,063	8,0000	30,869
Nov.....	31,215	12,540	235.05	1,7109	3,3224	36,124	8,0000	30,964
Dec.....	31,262	12,467	234.48	1,7146	3,3196	35,531	8,0000	30,962
1973—Jan.....	31,288	12,494	235.62	1,7079	3,3136	35,523	8,0000	31,084
Feb.....	33,273	12,910	242.75	1,7421	3,6041	37,679	8,0000	33,119
Mar.....	35,548	13,260	247.24	1,7604	3,8190	39,922	8,0000	34,334
Apr.....	38,252	13,255	248.37	1,6971	3,7666	40,307	8,0000	33,890
May.....	35,841	13,340	253.05	1,7100	3,7786	40,333	8,0000	34,488
June.....	38,786	13,753	257.62	1,6792	3,7808	40,865	8,0000	36,582
Period	New Zealand (dollar)	Norway (krone)	Portugal (escudo)	South Africa (rand)	Spain (peseta)	Sweden (krona)	Switz- erland (franc)	United King- dom (pound)
1968.....	111.37	14,000	3,4864	139.10	1,4272	19,349	23,169	239.35
1969.....	111.21	13,997	3,5013	138.90	1,4266	19,342	23,186	239.01
1970.....	111.48	13,992	3,4978	139.24	1,4280	19,282	23,199	239.59
1971.....	113.71	14,205	3,5456	140.29	1,4383	19,592	24,325	244.42
1972.....	119.35	15,180	3,7023	129.43	1,5589	21,022	26,193	250.08
1972—June.....	119.13	15,303	3,7083	132.63	1,5509	21,101	26,320	256.91
July.....	119.31	15,367	3,7178	125.26	1,5754	21,134	26,561	244.47
Aug.....	119.45	15,335	3,7211	125.28	1,5752	21,160	26,449	245.02
Sept.....	119.33	15,209	3,7221	125.26	1,5754	21,146	26,403	244.10
Oct.....	119.21	15,141	3,7080	124.47	1,5750	21,078	26,332	239.48
Nov.....	119.45	15,144	3,7140	127.52	1,5753	21,076	26,346	235.05
Dec.....	119.53	15,187	3,7248	127.57	1,5753	21,080	26,526	234.48
1973—Jan.....	119.52	15,128	3,7280	127.55	1,5755	21,092	26,820	235.62
Feb.....	126.87	16,038	3,8562	134.91	1,6355	21,935	29,326	242.75
Mar.....	132.21	16,954	4,1005	141.43	1,7183	22,582	31,084	247.24
Apr.....	132.99	16,428	3,9563	141.70	1,7217	22,161	30,821	248.37
May.....	132.34	17,196	4,0050	141.65	1,7224	22,567	31,494	253.05
June.....	132.40	18,192	4,2175	148.07	1,7229	23,746	32,757	257.62

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		Changes during the last 12 months												Rate as of June 30, 1973	
	June 30, 1972		1972						1973							
	Per cent	Month effective	July	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	June		
Argentina.....	18.0	Feb. 1972														18.0
Austria.....	5.0	Jan. 1970						5.5								5.5
Belgium.....	4.0	Mar. 1972						4.5	5.0						5.50	5.50
Brazil.....	18.0	Feb. 1972														20.0
Canada.....	4.75	Oct. 1971										5.25	5.75	6.25		6.25
Ceylon.....	6.5	Jan. 1970														6.5
Chile.....	7.0	Jan. 1972														7.0
China, Rep. of (Taiwan).....	9.25	May 1971														9.25
Colombia.....	8.0	May 1963														8.0
Costa Rica.....	5.0	June 1966														5.0
Denmark.....	8.0	June 1972				7.0										7.0
Ecuador.....	8.0	Jan. 1970														8.0
Egypt.....	5.0	May 1962														5.0
El Salvador.....	4.0	Aug. 1964														4.0
Ethiopia.....	6.50	Aug. 1970														6.50
Finland.....	7.75	Jan. 1972														7.75
France.....	5.75	Apr. 1972						7.5								7.5
Germany, Fed. Rep. of.....	3.0	Feb. 1972				3.5		4.5		5.0				6.0	7.0	7.0
Ghana.....	8.0	July 1971														8.0
Greece.....	6.5	Sept. 1969														6.5
Honduras.....	4.0	Feb. 1966														4.0
Iceland.....	5.25	Jan. 1966														5.25
India.....	6.0	Jan. 1971												7.0		7.0
Indonesia.....	6.0	May 1969														6.0
Iran.....	7.0	Oct. 1969														7.0
Ireland.....	5.19	June 1972		6.19	7.19	7.44										7.44
Italy.....	4.0	Apr. 1972														4.0
Jamaica.....	6.0	June 1972								7.0						7.0
Japan.....	4.25	June 1972										5.0	5.5			5.5
Korea.....	13.0	Jan. 1972														13.0
Mexico.....	4.5	June 1942														4.5
Morocco.....	3.50	Nov. 1951														3.50
Netherlands.....	4.0	Mar. 1972			3.0			4.0							5.0	5.0
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														6.0
Peru.....	9.5	Nov. 1959														9.5
Philippine Republic.....	10.0	June 1969														10.0
Portugal.....	3.75	Feb. 1971							4.0			5.5				4.0
South Africa.....	6.5	Mar. 1971		6.0												5.5
Spain.....	5.0	Oct. 1971														5.0
Sweden.....	5.0	Nov. 1971						5.0								5.0
Switzerland.....	3.75	Sept. 1969								4.50						4.50
Thailand.....	5.0	Oct. 1959														5.0
Tunisia.....	5.0	Sept. 1966														5.0
Turkey.....	9.0	Sept. 1970										8.0				8.0
United Kingdom.....	6.0	June 1972					7.50		9.0	8.75		8.5		8.25		18.25
Venezuela.....	5.0	Oct. 1970														5.0
Vietnam.....	18.0	Sept. 1970														18.0

NOTE: Rates shown are mainly those at which the central bank either discounts or makes advances against eligible commercial paper and/or govt. securities for commercial banks or brokers. For countries with more than one rate applicable to such discounts or advances, the rate shown is the one at which it is understood the central bank transacts the largest proportion of its credit operations. Other rates for some of these countries follow:

*Argentina*—3 and 5 per cent for certain rural and industrial paper, depending on type of transaction;

*Brazil*—8 per cent for secured paper and 4 per cent for certain agricultural paper;

*Chile*—Various rates ranging from 1 per cent to 17 per cent; 20 per cent for loans to make up reserve deficiencies.

*Colombia*—5 per cent for warehouse receipts covering approved lists of products, 6 and 7 per cent for agricultural bonds, and 12 and 18 per cent for rediscounts in excess of an individual bank's quota;

*Costa Rica*—5 per cent for paper related to commercial transactions (rate shown is for agricultural and industrial paper);

*Ecuador*—5 per cent for special advances and for bank acceptances for agricultural purposes, 7 per cent for bank acceptances for industrial purposes, and 10 per cent for advances to cover shortages in legal reserves;

*Ethiopia*—5 per cent for export paper and 6 per cent for Treasury bills.

*Honduras*—Rate shown is for advances only.

*Indonesia*—Various rates depending on type of paper, collateral, commodity involved, etc.;

*Japan*—Penalty rates (exceeding the basic rate shown) for borrowings from the central bank in excess of an individual bank's quota;

*Morocco*—Various rates from 3 per cent to 4.6 per cent depending on type of paper, maturity, collateral, guarantee, etc.

*Peru*—3.5, 5, and 7 per cent for small credits to agricultural or fish production, import substitution industries and manufacture of exports; 8 per cent for other agricultural, industrial and mining paper;

*Philippines*—6 per cent for financing the production, importation, and distribution of rice and corn and 7.75 per cent for credits to enterprises engaged in export activities. Preferential rates are also granted on credits to rural banks; and

† *United Kingdom*—On Oct. 9, 1972, the Bank of England announced: "With effect from Friday October 13th the Bank's minimum lending rate will until further notice be the average rate of discount for Treasury bills established at the most recent tender plus one half percent rounded to the nearest one quarter percent above. Although the rate will therefore be automatically determined by this formula it will for convenience be made known each Friday afternoon concurrently with and in the same manner as the results of the Treasury bill tender. The regular weekly bank rate announcement will be discontinued from now on." Therefore, the minimum lending rate as of last Friday of the month will be carried in place of Bank rate.

*Venezuela*—2 per cent for rediscounts of certain agriculture paper, 4½ per cent for advances against government bonds, and 5½ per cent for rediscounts of certain industrial paper and on advances against promissory notes or securities of first-class Venezuelan companies.

*Vietnam*—10 per cent for export paper; treasury bonds are rediscounted at a rate 4 percentage points above the rate carried by the bond; and there is a penalty rate of 24 per cent for banks whose loans exceed quantitative ceilings.

OPEN MARKET RATES

(Per cent per annum)

Month	Canada		United Kingdom			France		Germany, Fed. Rep. of		Netherlands		Switzerland
	Treasury bills, 3 months <sup>1</sup>	Day-to-day money <sup>2</sup>	Prime bank bills, 3 months <sup>3</sup>	Treasury bills, 3 months	Day-to-day money	Clearing banks' deposit rates <sup>4</sup>	Day-to-day money <sup>5</sup>	Treasury bills, 60 90 days <sup>6</sup>	Day-to-day money <sup>7</sup>	Treasury bills, 3 months	Day-to-day money	Private discount rate
1971.....	3.62	3.76	6.41	5.57	4.93	3.84	5.84	4.54	6.10	4.34	3.76	5.24
1972.....	3.55	3.65	6.06	5.02	4.83	3.84	.....	3.04	4.30	2.15	1.97	4.81
1972—June.....	3.61	3.64	5.86	5.21	3.92	2.93	3.81	2.75	2.65	1.90	1.53	4.75
July.....	3.48	3.45	6.82	5.60	4.99	4.18	3.78	2.75	2.24	1.09	.86	4.75
Aug.....	3.47	3.54	6.71	5.79	5.13	5.25	3.76	2.75	4.48	.70	.60	4.75
Sept.....	3.57	1.52	7.18	6.44	5.27	5.25	3.89	2.75	4.83	1.11	.54	4.75
Oct.....	3.57	3.64	7.34	6.74	5.47	5.25	5.16	3.25	6.07	1.95	2.61	4.75
Nov.....	3.61	3.71	7.28	6.88	5.70	5.25	6.33	3.75	5.71	3.13	3.31	4.75
Dec.....	3.66	3.71	8.08	7.76	6.23	5.57	7.32	4.25	6.69	3.12	3.20	4.75
1973—Jan.....	3.79	3.72	8.76	8.49	7.66	6.55	7.23	4.75	5.58	3.16	2.78	5.00
Feb.....	3.91	3.93	9.34	8.14	8.31	7.30	7.71	5.75	2.18	2.33	1.55	5.00
Mar.....	4.28	4.21	9.76	8.16	7.52	7.50	.....	5.75	11.37	1.53	.61	5.00
Apr.....	4.69	4.53	8.64	7.87	7.20	7.75	.....	5.75	14.84	1.22	.77	5.00
May.....	5.23	4.67	8.35	7.45	8.29	7.11	.....	5.75	7.40	.....	.....	5.00
June.....	5.36	.....	8.14	7.12	6.66	6.55	.....	6.75	.....	.....	.....	.....

<sup>1</sup> Based on average yield of weekly tenders during month.  
<sup>2</sup> Based on weekly averages of daily closing rates.  
<sup>3</sup> Data for 1968 through Sept. 1971 are for bankers' acceptances, 3 months.  
<sup>4</sup> Data for 1968 through Sept. 1971 are for bankers' allowance on deposits.

<sup>5</sup> Rate shown is on private securities.  
<sup>6</sup> Rate in effect at end of month.  
<sup>7</sup> Monthly averages based on daily quotations.  
<sup>8</sup> 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 As quoted in Canada			Adj. to U.S. quotation basis	United States	Spread (favor of Canada)			
1973											
Jan. 5.....	8.17	5.05	3.12	-3.29	.17	3.72	3.64	5.05	-1.41	.52	-.89
12.....	8.15	5.19	2.96	3.50	-.54	3.75	3.66	5.19	1.53	.68	-.85
19.....	8.08	5.42	2.66	3.66	-1.00	3.78	3.69	5.42	1.73	.96	-.77
26.....	8.01	5.67	2.34	3.65	-1.31	3.89	3.80	5.67	1.87	1.08	-.79
Feb. 2.....	8.00	5.69	2.31	-4.04	1.73	3.93	3.84	5.69	1.85	1.36	.49
9.....	7.98	5.30	2.68	3.00	-.32	3.97	3.83	5.30	1.47	1.48	.01
16.....	7.96	5.31	2.65	3.78	1.13	3.88	3.79	5.31	1.52	1.74	.22
23.....	7.95	5.44	2.51	-3.39	.88	3.91	3.82	5.44	1.62	1.78	.66
Mar. 2.....	8.01	5.68	2.33	-2.82	.49	4.05	3.96	5.68	1.72	2.06	.34
9.....	8.11	5.76	2.35	3.78	1.43	4.15	4.05	5.76	1.71	2.35	.64
16.....	7.99	6.04	1.95	3.73	1.78	4.28	4.18	6.04	1.86	2.31	.45
23.....	7.87	6.21	1.66	3.32	1.66	4.42	4.31	6.21	1.90	2.31	.41
30.....	7.83	6.22	1.61	-2.77	1.16	4.50	4.39	6.22	1.83	2.52	.69
Apr. 6.....	7.77	6.34	1.43	-2.57	1.14	4.48	4.37	6.34	1.97	2.16	.19
13.....	7.35	6.12	1.23	-2.15	.92	4.75	4.63	6.12	1.49	1.48	.01
20 <sup>1</sup> .....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
27.....	7.56	6.13	1.43	-1.86	.43	4.86	4.82	6.13	1.31	1.68	.37
May 4.....	7.56	6.16	1.40	-2.13	.73	5.02	4.89	6.16	1.27	1.54	.27
11.....	7.26	6.04	1.22	-1.80	.58	4.99	4.86	6.04	1.18	1.30	.12
18.....	7.15	6.22	.93	-1.80	.87	5.70	5.06	6.22	1.16	1.48	.32
25.....	7.08	6.46	.62	-1.52	.90	5.20	5.06	6.46	1.40	1.48	.08
June 1.....	7.06	6.87	.19	-1.43	1.24	5.19	5.07	6.87	1.80	1.12	.68
8.....	7.06	7.02	.04	-1.41	1.37	5.25	5.11	7.02	1.91	1.38	.53
15.....	6.93	7.07	.14	-1.38	1.52	5.44	5.29	7.07	1.78	1.48	.30
22.....	6.90	7.16	.26	-1.40	1.66	5.46	5.31	7.16	1.85	1.60	.25
29.....	6.86	7.29	.43	-1.68	2.11	5.48	5.33	7.29	1.96	1.58	.38

<sup>1</sup> No data because of holiday on Good Friday.

NOTE.—Treasury bills: All rates are on the latest issue of 91-day bills. U.S. and Canadian rates are market offer rates 11 a.m. Friday; U.K. rates are Friday opening market offer rates in London.

Premium or discount on forward pound and on forward Canadian dollar: Rates per annum computed on basis of midpoint quotations (between

bid and offer) at 11 a.m. Friday in New York for both spot and forward pound sterling and for both spot and forward Canadian dollars.

All series: Based on quotations reported to F.R. Bank of New York by market sources.

For description of series and for back figures, see Oct. 1964 BULLETIN, pp. 1241-60. For description of adjustments to U.K. and Canadian Treasury bill rates, see notes to Table 1, p. 1257, and to Table 2, p. 1260, Oct. 1964 BULLETIN.

## GOLD RESERVES OF CENTRAL BANKS AND GOVERNMENTS

(In millions of dollars; valued at \$35 per fine ounce through Apr. 1972 and at \$38 per fine ounce thereafter)

End of period	Estimated total world <sup>1</sup>	Intl. Monetary Fund	United States	Estimated rest of world	Other countries																
					Algeria	Argentina	Australia	Austria	Belgium	Brazil	Burma	Canada	Chile	China, Rep. of (Taiwan)	Colombia	Denmark	Egypt	Finland	France	Germany, Fed. Rep. of	Greece
1965	243,230	31,869	13,806	27,285	6	66	223	700	1,558	63	84	1,151	44								
1966	43,185	2,652	13,235	27,300	6	84	224	701	1,525	45	84	1,046	45								
1967	41,600	2,682	12,065	26,855	155	84	231	701	1,480	45	84	1,015	45								
1968	40,905	2,288	10,892	27,725	205	109	257	714	1,524	45	84	863	46								
1969	41,015	2,310	11,859	26,845	205	135	263	715	1,520	45	84	872	47								
1970	41,275	4,339	11,072	25,865	191	140	239	714	1,470	45	63	791	47								
1971	41,175	4,732	10,206	26,235	192	90	259	729	1,544	46	22	792	47								
1972—May		5,761	10,490		208	76	282	791	1,682	50	18	836									
June	44,825	5,761	10,490	28,575	208	130	283	792	1,682	50	16	834									
July		5,761	10,490		208	130	285	793	1,682	50	16	834									
Aug.		5,765	10,488		208	130	283	792	1,672	50	16	834									
Sept.	44,875	5,777	10,487	28,610	208	152	283	792	1,648	50	16	834									
Oct.		5,777	10,487		208	152	282	792	1,636	50	16	834									
Nov.		5,778	10,487		208	152	282	792	1,642	50	16	834									
Dec.	44,925	5,830	10,487	28,610	208	152	281	792	1,638	50	12	834									
1973—Jan.		5,830	10,487		208	152	281	793	1,621	50	12	834									
Feb.		5,830	10,487		208	152	281	793	1,603	50		834									
Mar.	44,875	5,830	10,487	28,560	208	152	282	793	1,603			834									
Apr.		5,830	10,487		208		281	793	1,603			834									
May <sup>2</sup>		5,826	10,487				281	793	1,603			834									
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—May		87	15	69	92	53	3,826	4,437	132	264	142	156	17	47							
June		87	16	69	92	53	3,826	4,437	132	264	142	156	17	47							
July		87	16	69	92	53	3,826	4,437	132	264	142	156	17	47							
Aug.		87	16	69	92	53	3,826	4,437	132	264	142	156	17	47							
Sept.		87	16	69	92	53	3,826	4,436	132	264	142	156	17	43							
Oct.		87	16	69	92	53	3,826	4,436	132	264	142	156	17	42							
Nov.		87	16	69	92	53	3,826	4,436	132	264	142	156	17	44							
Dec.		87	16	69	92	53	3,826	4,459	133	264	142	156	17	43							
1973—Jan.		87	16	69	92	53	3,834	4,468	133	264	142	156	17	41							
Feb.		87	16	69	92	53	3,834	4,468	133	264	142	156	17	41							
Mar.		87	16	69	92	53	3,834	4,468	133		142	156	17	41							
Apr.		87	16	69	92	53	3,834	4,468	133		142	156	17	41							
May <sup>2</sup>			16	69		53	3,834	4,469	133			156	17								
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	82	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—May		3,131	801	104	350	93	63	188	23	2,079	36	60	43	73							
June		3,131	801	98	350	93	63	188	23	2,079	36	60	41	72							
July		3,131	801	94	350	93	63	188	23	2,079	36	60	41	72							
Aug.		3,131	801	94	350	93	63	188	23	2,079	36	60	41	72							
Sept.		3,130	801	94	350	93	63	188	23	2,078	36	60	41	72							
Oct.		3,130	801	94	350	93	63	188	23	2,078	36	60	41	72							
Nov.		3,130	801	94	350	93	63	188	23	2,059	36	60	41	71							
Dec.		3,130	801	94	350	93	63	188	23	2,059	37	60	41	71							
1973—Jan.		3,134	801	94	350	93	63	188	23	2,059	37	60	41	71							
Feb.		3,134	801	94	350	93	63	188	23	2,059	37	60	41	71							
Mar.		3,134	801	94	350	93	63		23	2,059	37	60	41	71							
Apr.		3,134	801	94	350	93	63		23	2,059	37	60	41	71							
May <sup>2</sup>		3,134	802		350	93	63			2,059	37	60									

For notes see end of table.

**GOLD RESERVES OF CENTRAL BANKS AND GOVERNMENTS—Continued**

(In millions of dollars; valued at \$35 per fine ounce through Apr. 1972 and at \$38 per fine ounce thereafter)

End of period	Portugal	Saudi Arabia	South Africa	Spain	Sweden	Switzerland	Thailand	Turkey	United Kingdom	Uruguay	Venezuela	Yugoslavia	Bank for Intl. Settlements <sup>4</sup>
1965.....	576	73	425	810	202	3,042	96	116	2,265	155	401	19	558
1966.....	643	69	637	785	203	2,842	92	102	1,940	146	401	21	424
1967.....	699	69	583	785	203	3,089	92	97	1,291	140	401	22	624
1968.....	856	119	1,243	785	225	2,624	92	97	1,474	133	403	50	349
1969.....	876	119	1,115	784	226	2,642	92	117	1,471	165	403	51	480
1970.....	902	119	666	498	200	2,732	92	126	1,349	162	384	52	282
1971.....	921	119	410	498	200	2,909	82	130	775	148	391	51	310
1972—May.....	1,004	129	471	541	217	3,158	89	127	816	169	425	56	365
June.....	1,004	129	507	541	217	3,158	89	122	816	169	425	56	304
July.....	1,004	129	543	541	217	3,158	89	122	816	169	425	56	276
Aug.....	1,021	129	580	541	217	3,158	89	122	800	169	425	56	276
Sept.....	1,021	129	601	541	217	3,158	89	122	800	169	425	56	267
Oct.....	1,021	129	636	541	217	3,158	89	122	800	169	425	56	267
Nov.....	1,021	129	662	541	217	3,158	89	122	800	169	425	56	255
Dec.....	1,021	129	681	541	217	3,158	89	136	800	.....	425	56	218
1973 Jan.....	1,022	129	706	542	220	3,162	89	136	810	.....	425	56	218
Feb.....	1,022	131	711	542	220	3,162	89	136	810	.....	425	56	214
Mar.....	1,022	131	714	542	220	3,162	89	136	810	.....	425	56	214
Apr.....	1,022	131	720	.....	220	3,162	89	136	.....	.....	425	56	214
May.....	.....	131	721	.....	220	3,162	89	.....	.....	.....	425	56	199

<sup>1</sup> 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.

<sup>2</sup> 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.

<sup>3</sup> 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.

<sup>4</sup> Net gold assets of BIS, i.e., gold in bars and coins and other gold assets minus gold deposit liabilities.

NOTE: For back figures and description of the data in this and the following tables on gold (except production), see "Gold," Section 14 of *Supplement to Banking and Monetary Statistics, 1962*.

**GOLD PRODUCTION**

(In millions of dollars; valued at \$35 per fine ounce through 1971 and at \$38 per fine ounce thereafter)

Period	World production <sup>1</sup>	Africa			North and South America					Asia			Other	
		South Africa	Ghana	Zaire	United States	Canada	Mexico	Nicaragua	Colombia	India	Japan	Philippines	Australia	All other <sup>1</sup>
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 <sup>2</sup> .....	.....	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 <sup>2</sup> .....	.....	1,109.8	.....	.....	54.3	77.2	.....	.....	7.1	.....	.....	.....	.....	.....
1972—Apr.....	.....	93.2	.....	.....	.....	7.5	.....	.....	.....	.....	.....	.....	.....	.....
May.....	.....	94.4	.....	.....	.....	6.8	.....	.....	.....	.....	.....	.....	.....	.....
June.....	.....	94.3	.....	21.0	.....	6.2	.....	.....	.....	.....	.....	.....	.....	.....
July.....	.....	94.4	.....	.....	.....	6.4	.....	.....	.....	.....	.....	.....	.....	.....
Aug.....	.....	94.1	.....	.....	.....	5.9	.....	.....	.....	.....	.....	.....	.....	.....
Sept.....	.....	93.9	.....	.....	.....	6.3	.....	.....	.....	.....	.....	.....	.....	.....
Oct.....	.....	94.2	.....	.....	.....	6.3	.....	.....	.....	.....	.....	.....	.....	.....
Nov.....	.....	91.5	.....	.....	.....	6.0	.....	.....	.....	.....	.....	.....	.....	.....
Dec.....	.....	84.3	.....	.....	.....	6.3	.....	.....	.....	.....	.....	.....	.....	.....
1973 Jan.....	.....	88.2	.....	.....	.....	6.2	.....	.....	.....	.....	.....	.....	.....	.....
Feb.....	.....	86.5	.....	.....	.....	6.1	.....	.....	.....	.....	.....	.....	.....	.....
Mar.....	.....	88.5	.....	.....	.....	6.3	.....	.....	.....	.....	.....	.....	.....	.....
Apr.....	.....	86.6	.....	.....	.....	6.2	.....	.....	.....	.....	.....	.....	.....	.....

<sup>1</sup> Estimated; excludes U.S.S.R., other Eastern European countries, China Mainland, and North Korea.

<sup>2</sup> Quarterly data.









## Notes to pp. A-97--A-98.

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

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

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

<sup>2</sup> See first two paragraphs of note 1.

<sup>3</sup> Reciprocal balances excluded beginning with 1942.

<sup>4</sup> Includes items not shown separately. See also note 1.

<sup>5</sup> See third paragraph of note 1 above.

<sup>6</sup> 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.

<sup>7</sup> 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 *BOULETIN* 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).

<sup>8</sup> 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 7.)

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.

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

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

Data for national banks for Dec. 31, 1965, have been adjusted to make them comparable with State bank data.

Figures are partly estimated except on call dates.

For revisions in series before Dec. 31, 1965, see earlier *BOULETINS*.

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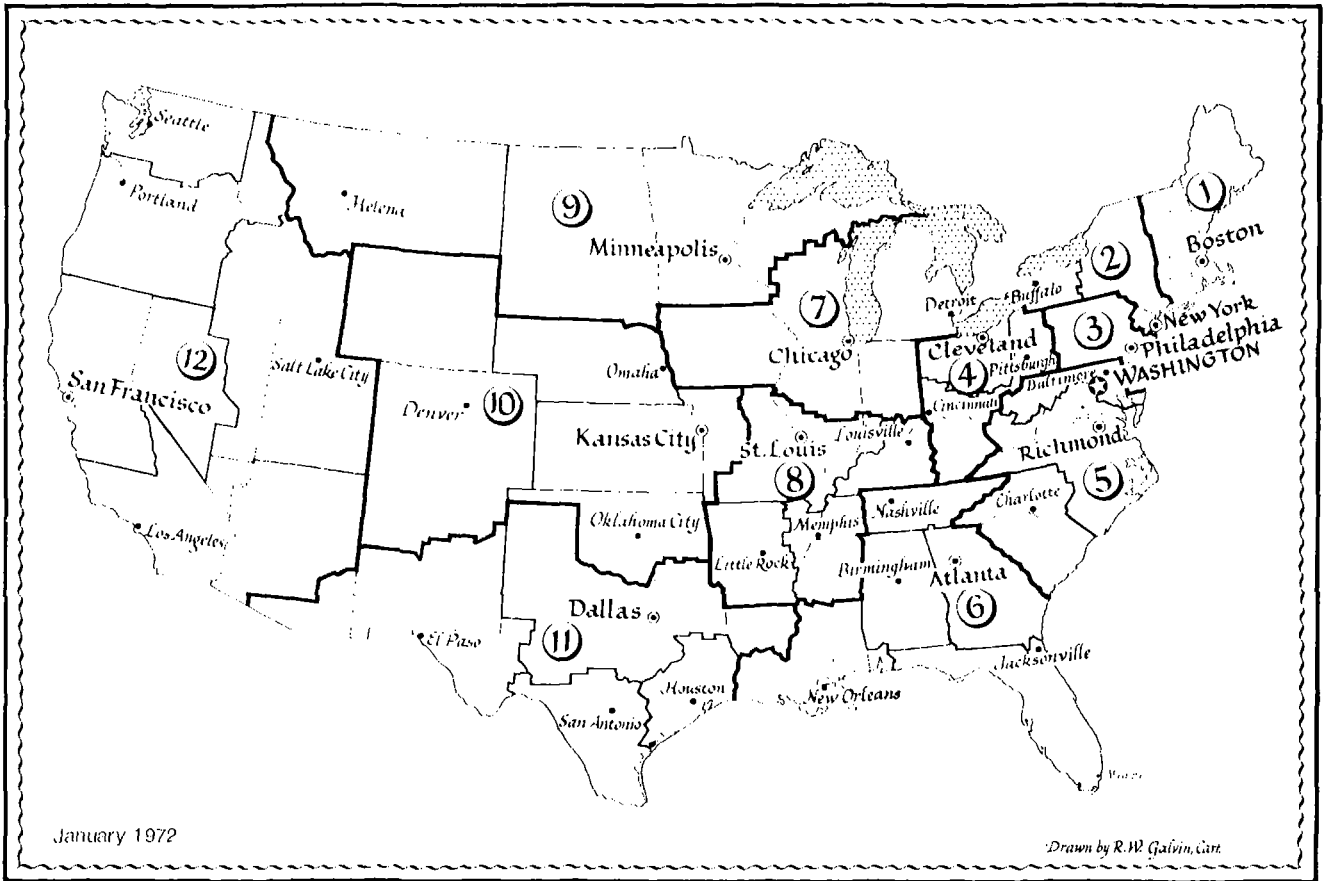
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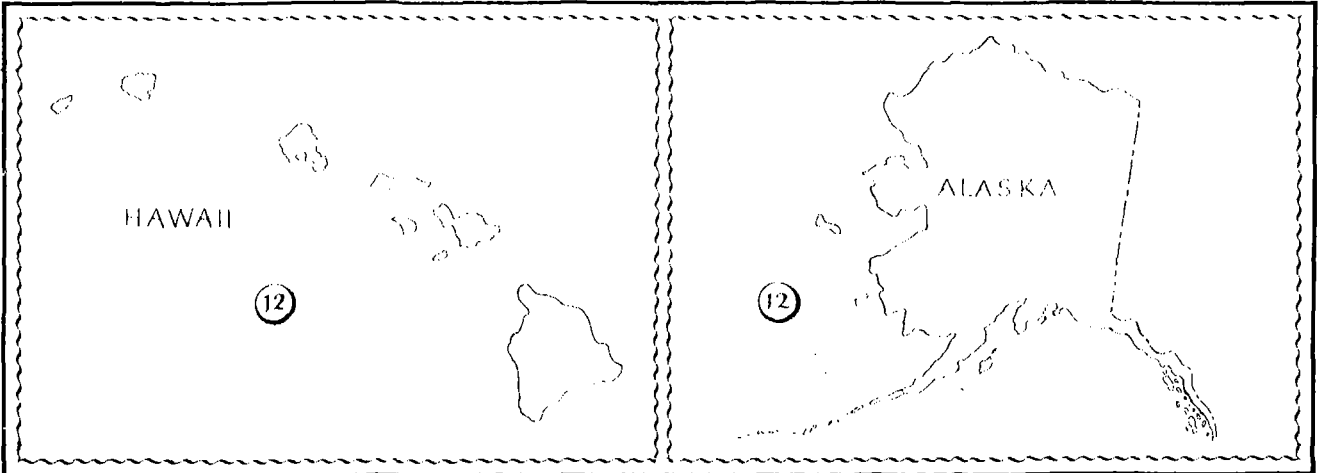
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**BOUNDARIES OF FEDERAL RESERVE DISTRICTS AND THEIR BRANCH TERRITORIES**



**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