

FEDERAL RESERVE BULLETIN



MAY 1967

BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

WASHINGTON, D.C.

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The Federal Reserve BULLETIN is issued monthly under the direction of the staff editorial committee. This committee is responsible for opinions expressed except in official statements and signed articles.

Members of the staff of the Board of Governors of the Federal Reserve System made a Staff Presentation in audio-visual form to the "Symposium on Money, Interest Rates, and Economic Activity," which was held in Washington, D.C., in April 1967, under the sponsorship of the American Bankers Association. The materials used on that occasion—with such modifications of charts and text as are necessary for printing in the BULLETIN—are shown below.

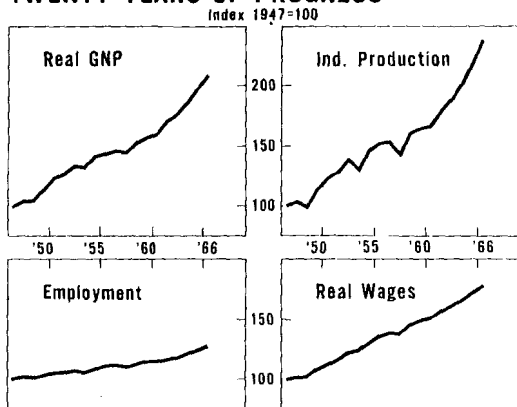
The original presentation was made by Daniel H. Brill, Senior Adviser to the Board; Robert C. Holland and Robert Solomon, Advisers to the Board; and Albert R. Koch, Deputy Director of the Division of Research and Statistics. Graphics were designed under the supervision of Mack Rowe.

The task on which we are setting out—a review of monetary policy over the entire postwar period—borders on the impossible. Just to read off the list of topics suggested to us for possible coverage would take most of our allotted time. Therefore, we will have to be highly selective.

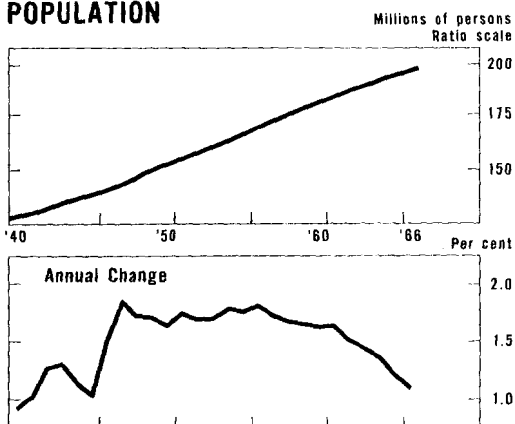
We will spend some time discussing postwar developments in financial markets, since it is through these markets that policy actions are communicated to the rest of the economy. But we must spend time, too, on nonfinancial developments, since they determine the stance of policy and reflect how fully the ultimate goals of policy are realized. And we will consider the international as well as the domestic aspects of policy actions.

For the selection of developments in these areas on which to focus, and for the interpretation of events, let me first exonerate our principals. This is purely a staff view of the lessons of the postwar years; it is not in any way an official history of the period.

TWENTY YEARS OF PROGRESS



POPULATION



In most respects the postwar period has been satisfying in terms of over-all economic performance. Real gross national product and industrial output have risen substantially, and the effects of growth have been reflected in the expansion of employment and real wages. These developments provided the context in which monetary decisions were made over the postwar period. It is appropriate, therefore, to begin our discussion with a more detailed review of the performance of the real economy.

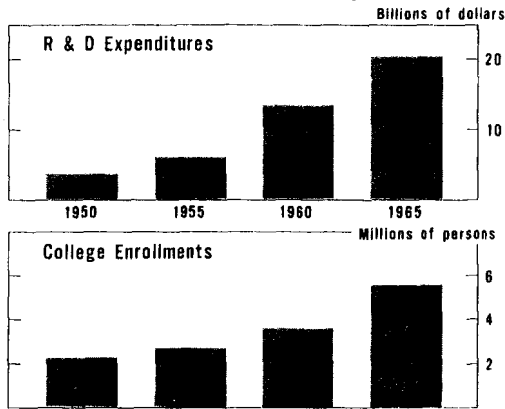
NONFINANCIAL DEVELOPMENTS

One of the most pervasive stimulants to postwar growth was the expansion in population and the large increase in demands for goods and services that it generated. The impact spread from housing, to schools, and to community facilities—sectors where outlays are relatively insensitive to short-run changes in income. Some of these outlays, however, are quite responsive to variations in credit conditions. The new-born of 20 years ago are reaching marriageable age, and a large wave of family formation is now in the offing.

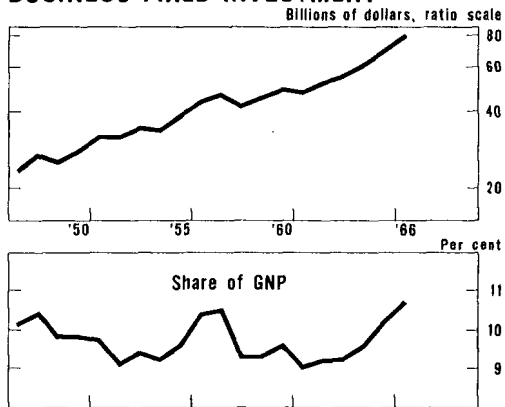
But with the birth rate declining, the annual percentage increase in population has slowed markedly since the middle 1950's. This slowing could have advantages, since earlier high birth rates have aggravated urban congestion, intensified pressure on educational facilities, and increased the burdens of Government. These pressures would be eased somewhat by a slower growth in population, but economic expansion would then have to depend more on invention and technical progress.

Research and development expenditures have been an important factor in technical progress and increased productivity—the basic ingredients of higher standards of liv-

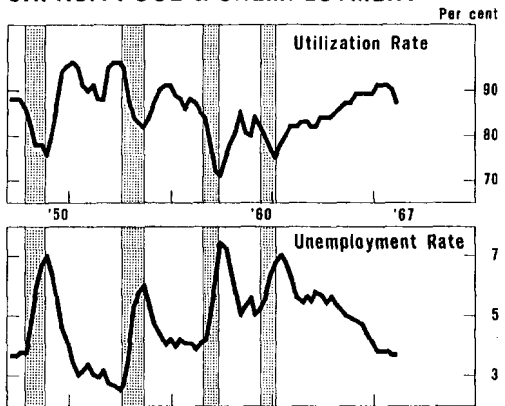
TECHNOLOGY AND EDUCATION



BUSINESS FIXED INVESTMENT



CAPACITY USE & UNEMPLOYMENT



ing. Expenditures for research and development, supported in part by Federal financing, have risen dramatically since 1950. With technology changing rapidly, business investment decisions may have become less dependent on short-run prospects for sales and profits.

Investment in human capital—represented here by the rise in college enrollment—also has yielded striking returns. The effects of increased knowledge, according to one estimate, may account for as much as half of our growth in total real output.

With population, skills, and technology all advancing rapidly, the upward course of business fixed investment has proceeded with few interruptions. Earlier in the postwar period the rate of increase was relatively modest, despite large replacement needs, but investment advanced rapidly from 1955 through 1957. The slowdown in outlays after 1957 created fears that investment opportunities were becoming saturated. But growth in demands and stimulative tax and credit policies resulted in an acceleration after 1961.

As a share of gross national product, expenditures for business fixed investment are not especially large—varying between 9 and 11 per cent—but they are strategic in terms of maintaining high resource use and economic growth. Providing a financial climate conducive to a high, but sustainable, rate of fixed investment clearly must remain a central objective of monetary policy.

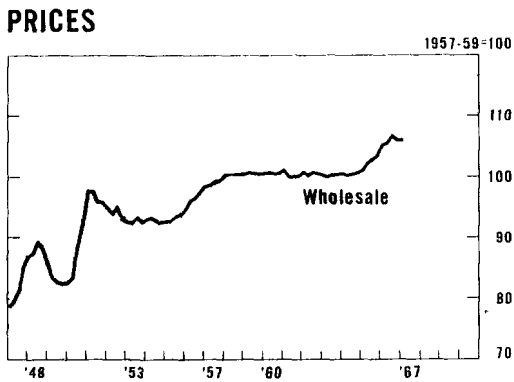
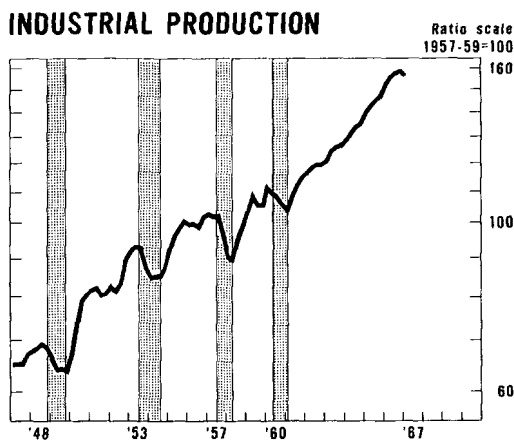
Although the growth rates of business investment and of GNP have been large over the past 20 years, cyclical downturns have been costly. In each of the four postwar recessions, indicated by the vertical shading in the chart, the utilization rate of manufacturing capacity declined, and profits were reduced substantially.

Unemployment during these recessions rose sharply—to a high of over 7 per cent during the recession of 1957–58. But there were also periods between recessions when the unemployment rate was too high, and capacity use was too low. Our problems of resource slack in the late 1950's and the early 1960's resulted from inadequate longer-run growth as well as from recessionary declines.

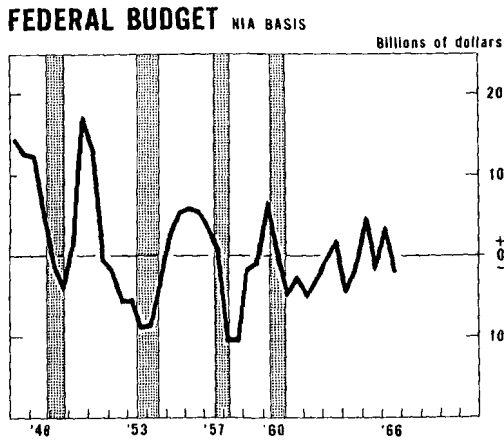
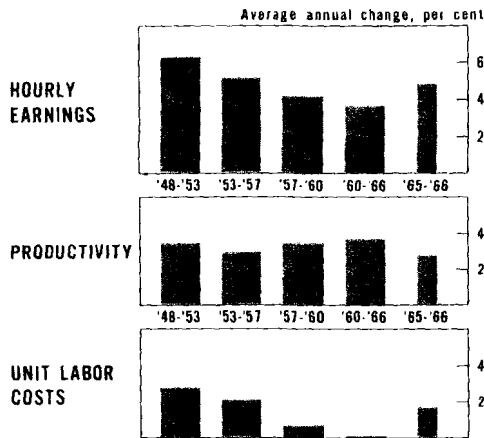
It is some comfort that the duration and amplitude of recessions have been reduced relative to the prewar period. Measured by the decline in industrial production, the four postwar recessions ranged in magnitude from 7 to 14 per cent. By contrast, declines of the 1920's and 1930's were much deeper and were generally longer. The current expansion since 1960 has been especially encouraging, with industrial output rising over 40 per cent between 1961 and 1966. Like compound interest, the cumulative return from steady growth is surprisingly large.

With recessions relatively short and mild, the postwar years have been free of the major price deflations of earlier periods in our economic history. Postwar periods of inflation have been episodic—usually war-induced. Wholesale prices rose sharply after World War II ended and during the early stages of the Korean conflict. The rise in 1956–57, by contrast, reflected mainly a peacetime investment boom with rising unit labor costs. After 1957, wholesale prices were stable for about 7 years, as unit labor costs leveled off, but then the pressures of Vietnam, superimposed on expanding private demands, touched off new price increases. The recent price rise, however, has been milder than those of earlier inflationary periods.

In the early postwar years consumer



MONETARY POLICY AND ECONOMIC ACTIVITY



prices moved more or less in line with wholesale prices. After 1958, however, the two series began to diverge. The rise in consumer prices since then has reflected in large part increased costs of services.

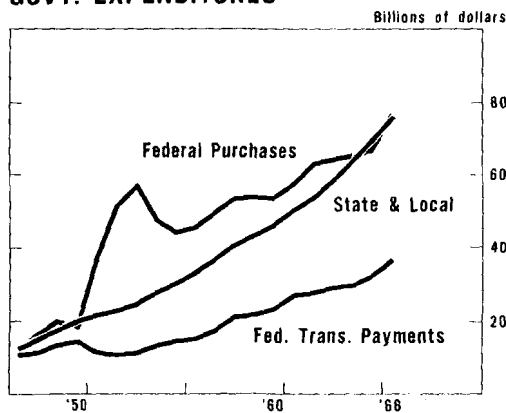
An important factor moderating cost-price pressures over the postwar period has been the diminishing rate of increase in hourly earnings in manufacturing (including fringe benefits). The bars in the accompanying chart represent average annual rates of increase from one cycle peak to the next. In each successive cycle, the increase has been smaller. Meanwhile, productivity gains have continued to be rapid—averaging between 3 and 4 per cent per year. Unit labor costs, consequently, have increased progressively less, and between 1960 and 1966 they showed virtually no rise.

In the last year of the recent period, however, the pattern changed dramatically. Hourly earnings rose more rapidly—in the context of rising consumer prices, higher profits, and a tight labor market. And with gains in productivity slowing, unit labor costs rose significantly.

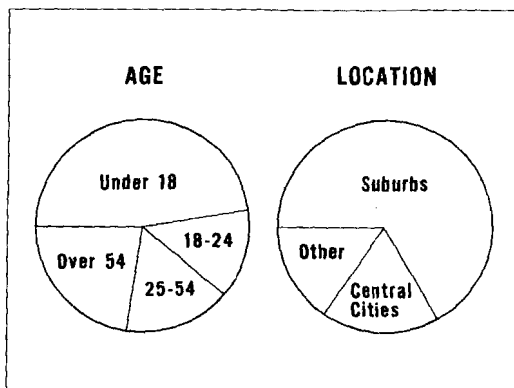
Avoiding inflation and recession depends on fiscal as well as on monetary policy. Deficits and surpluses in the Federal budget, as measured in the national income accounts, have contributed importantly to cyclical stability. The budget has moved toward deficit during recessions and back toward surplus during expansions.

In the most recent expansion the swing toward surplus was cut short by tax reductions, which played a significant role in prolonging economic growth. But when the expanded defense effort began in mid-1965, the rapid escalation of expenditures prevented the movement toward budget surplus that we needed to help maintain price stability.

GOVT. EXPENDITURES



POPULATION CHANGE 1947-66



Increased spending for the war in Vietnam was the principal source of the rise in total Federal purchases last year. Indeed, the postwar growth and fluctuations in Federal purchases have been dominated by defense requirements.

Growing pressures for nondefense government services, however, have generated substantial increases in other types of governmental spending. Thus, State and local government purchases have nearly doubled as a percentage of GNP in the past two decades, and these outlays now about equal Federal purchases. Federal transfer payments, which rose slowly in the first postwar decade, began accelerating thereafter—reflecting marked increases in social security benefits and in other social welfare programs.

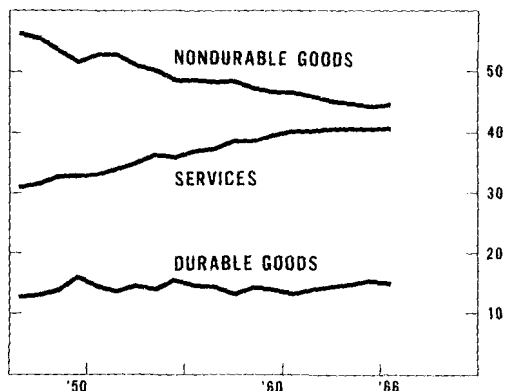
These growing government expenditures can be traced, in part, to new demands created by the postwar change in population. Half of the postwar increase has been in the number of youngsters under 18 years of age. Educating this group has absorbed more than a third of State and local government spending and an increasing proportion of Federal outlays. And the large increase in the oldest age group has brought with it a sharp rise in government transfer payments.

The massive migration into suburbia has also had a major influence on economic developments. Suburban growth has required huge amounts of public and private funds to build the necessary social infrastructure. Though central cities have grown also, they have lost many higher-income families. Left with a deteriorating tax base and growing urban problems, the cities have had to seek outside help in meeting rising costs.

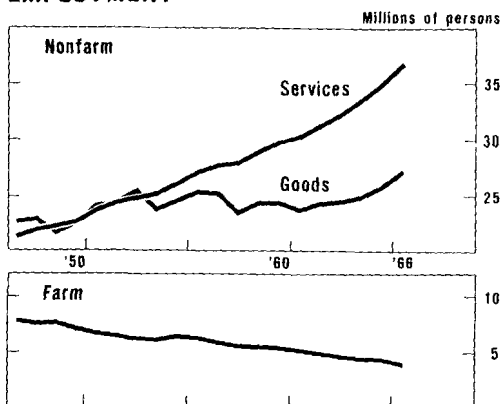
Rising demands for services are evident, too, in the pattern of consumer outlays.

MONETARY POLICY AND ECONOMIC ACTIVITY

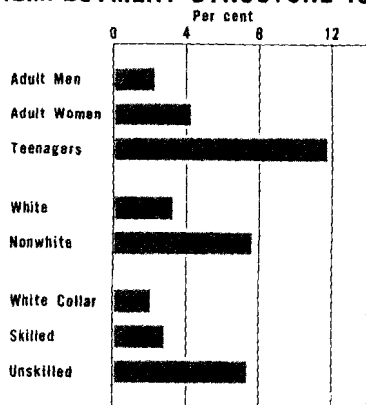
CONSUMER OUTLAYS PER CENT OF TOTAL



EMPLOYMENT



UNEMPLOYMENT STRUCTURE 1966



Consumers are allocating a larger portion of their outlays to better housing and to increased education and medical care, and a smaller portion to such basic nondurable goods as food and clothing. Durable goods expenditures continue to fluctuate cyclically, but over the longer run the proportion of consumers' spending on durable goods has changed little.

Growth of government and private spending for services and the rapid increase in productivity in the output of goods, have profoundly affected the structure of employment. Service employment, including persons engaged in trade and in private and public services, has increased almost uninterruptedly. Employment in the goods-producing industries, although recovering somewhat in recent years, is only a little higher now than in 1953. Farm employment, meanwhile, has declined steadily.

With a higher proportion of our work force in the more stable service sectors, cyclical unemployment problems may become less severe. But with slow growth of jobs in output of goods, and with increasing demands for highly trained workers, unemployment problems of a different kind have developed.

Last year, for example, the overall unemployment rate declined, and quickly reduced the pool of trained and experienced workers. Among adult men the unemployment rate was nearly as low as during the Korean war. But for the increasing number of teenage jobseekers, the unemployment rate has remained exceptionally high. Similarly, the rate for nonwhite workers has shown little improvement, and it remains more than double the figure for white workers. Inadequate skills and inexperience are clearly major occupational handicaps in the labor market. For white-collar and skilled

workers, unemployment rates last year were below 3 per cent, but for those without skills the rates were much higher.

Structural unemployment problems cannot be solved by aggregate monetary and fiscal policies alone. But with the social costs of unemployment extraordinarily high, the need to maintain a strong and growing economy has become more urgent.

Let us now turn to the position of the United States in the world economy.

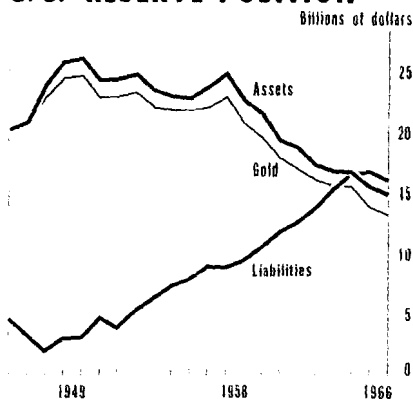
BALANCE OF PAYMENTS

It was in 1958—9 years ago—that erosion of the U.S. international reserve position, and the payments imbalance from which it stems, began to be a serious problem for the United States. The problem has proved persistent. Total U.S. reserve assets—consisting of gold, convertible currencies, and our reserve position in the International Monetary Fund—have declined by about \$10 billion since 1957, and U.S. liabilities to foreign official institutions have increased by about \$7 billion.

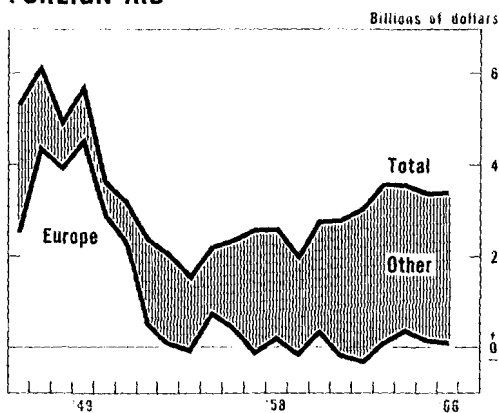
In order to arrest this deterioration it is necessary to achieve a better matching between our net exports of goods and services, on the one hand, and our expenditures abroad for aid, military purposes, and foreign investment, on the other.

Foreign economic aid in the first 5 post-war years averaged over \$5 billion a year, with heavy outflows to Europe. At that time, with urgent demands and severe shortages of capacity abroad, any flow of dollars from the United States pulled U.S. exports with it. Since 1952, net aid to Europe has been very small—even negative in years when large advance repayments of debts were being made. Aid to other countries continued to show a rising trend through 1962 but has since leveled off.

U. S. RESERVE POSITION

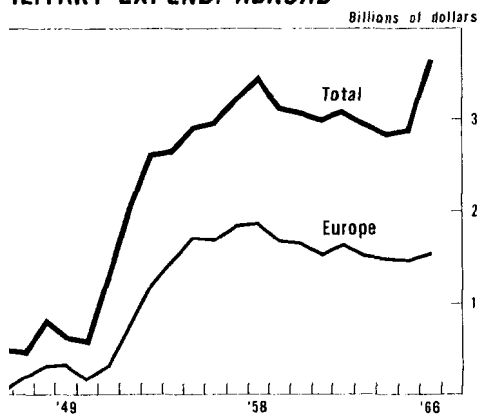


FOREIGN AID

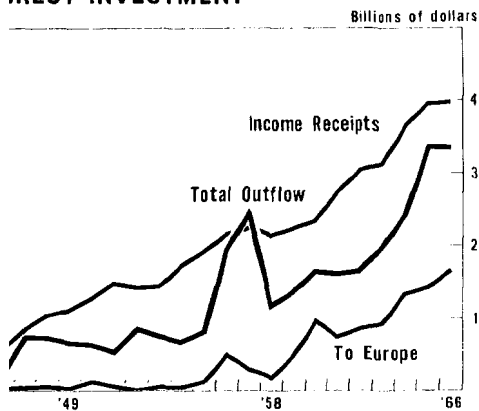


MONETARY POLICY AND ECONOMIC ACTIVITY

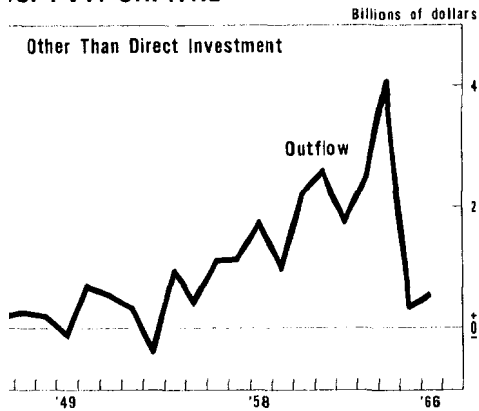
MILITARY EXPEND. ABROAD



DIRECT INVESTMENT



U.S. PVT. CAPITAL



Although foreign economic aid is larger now than it was in the mid-1950's, it is a smaller proportion of GNP—about one-half of 1 per cent. Most aid is now tied to U.S. exports. In some cases this aid-tying avoids a burden on our balance of payments, but in others the tied-aid exports replace sales that might have been made for cash.

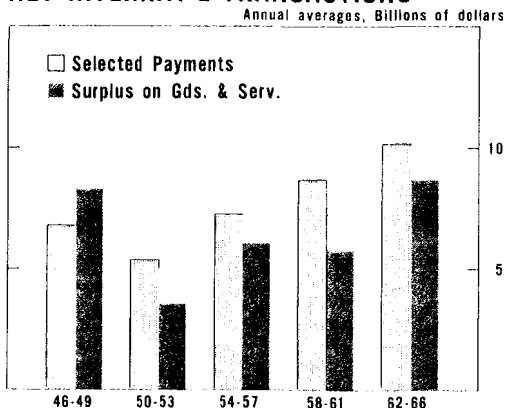
U.S. military expenditures abroad reached a peak in 1958 of about \$3.5 billion. Since then, expenditures in Europe, and also in Canada, have declined. But those in other areas have risen abruptly since 1964 because of Vietnam, and the total for all areas reached a new high last year. Sales of military equipment (not shown here) have helped to offset expenditures, and net military spending abroad remained somewhat lower last year than in 1958.

While military expenditures were gradually declining from 1958 to 1964, corporate direct investment abroad was increasing rapidly. Before 1958, direct investments were mainly in Canada and in the petroleum industry elsewhere. These bulged during the Suez crisis of 1956-57. Since 1958, flows to manufacturing affiliates in Europe have also been strongly on the rise. Last year, growth in the total outflow for direct investment was checked in response to the Commerce Department's voluntary program.

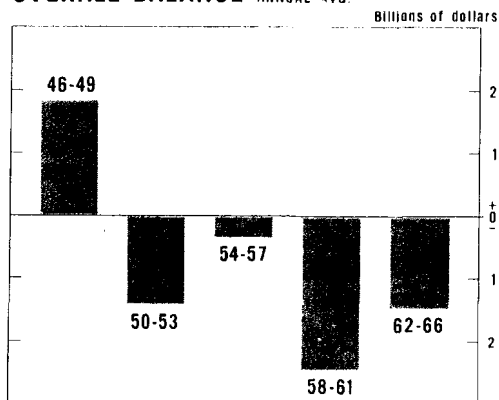
Income receipts from past investments have also had a strong upward trend and have exceeded outflows of new capital. But in recent years this excess has shrunk.

Net outflows of U.S. private capital other than direct investment have had a strong growth trend since the early 1950's. These flows were cut back sharply in 1965 and remained low last year under the influence of the interest equalization tax (IET), the voluntary credit restraint programs, and the tightness in U.S. financial markets. The IET

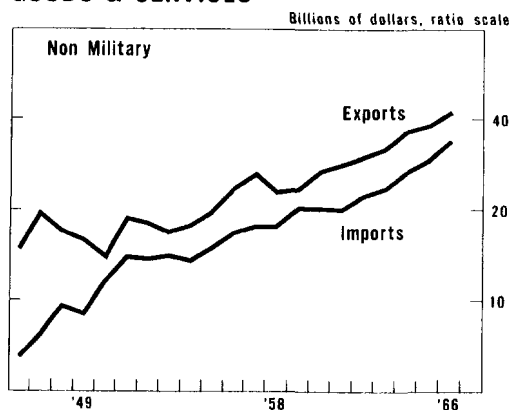
NET INTERNAT'L TRANSACTIONS



OVERALL BALANCE ANNUAL AVG.



GOODS & SERVICES



and the voluntary programs are still exerting substantial effects this year.

In the accompanying chart, we have added up, for successive periods, the selected aid, military, and investment payments just discussed. The steady increase since the early 1950's is evident.

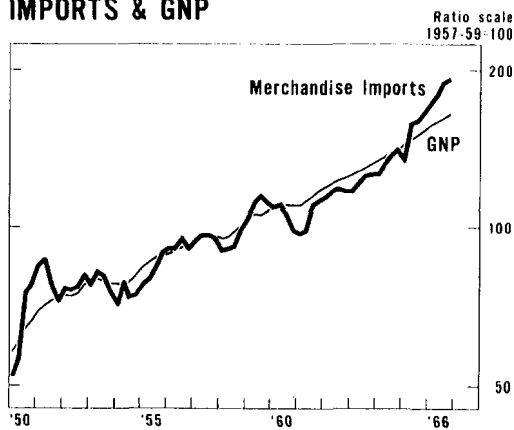
Meanwhile, the U.S. export surplus on goods and services has also been on a rising trend since the early 1950's. But net receipts on goods and services have not been large enough to match the total payments on aid and on military and investment accounts.

Thus, the overall balance of payments—shown in the accompanying chart on the official reserve transactions basis—has been in deficit since the early 1950's. At first, these deficits were regarded as desirable, since postwar reconstruction required some building up of the gold and dollar reserves of foreign countries. But by the time the worldwide boom of the mid-1950's came to an end, the dollar shortage was clearly over, and substantial U.S. payments deficits were no longer welcome. Just at that time, the rate of deficit increased sharply—to an average of about \$2.5 billion a year in 1958-61. The new problem was to reduce these deficits. Since the early 1960's, the rate of deficit has been cut by nearly half. But it remains too large, and the accompanying erosion of the U.S. reserve position is a serious problem.

While limitations on capital outflow can contribute to the solution of this problem, heavy reliance must also be placed on a long-run improvement in the surplus of exports over imports of goods and services. Since the early 1950's, exports of goods and services, including investment income receipts, have been growing at about the same rate as imports. These more or less parallel movements have given the net balance on these transactions an increasing trend,

MONETARY POLICY AND ECONOMIC ACTIVITY

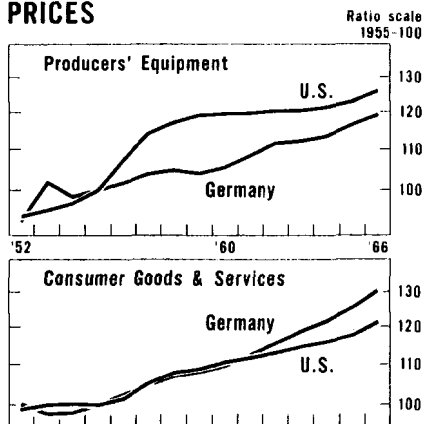
IMPORTS & GNP



GOODS & SERVICES



PRICES

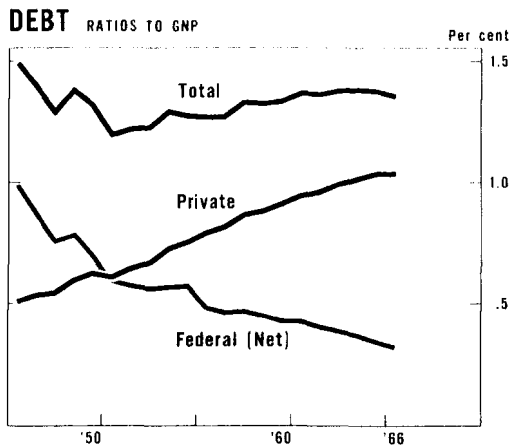
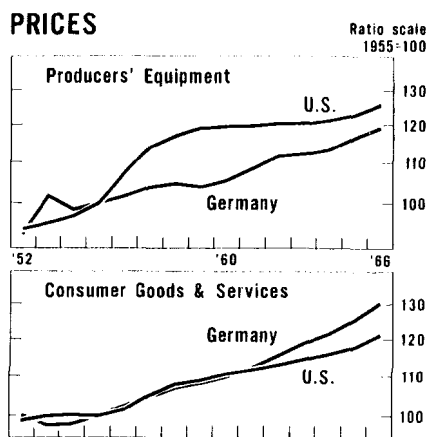
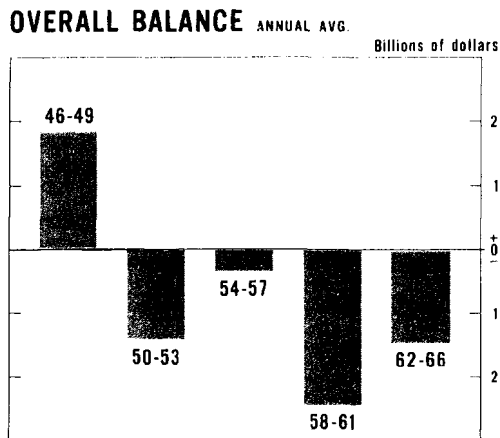


which, on a ratio scale, shows up as a steady gap.

There have been wide fluctuations, mostly of a cyclical character, in the goods and services balance. Fluctuations in demand in this country cause short-run variations in the growth of U.S. imports. Over the long run, merchandise imports have grown roughly in line with GNP. But they have declined more rapidly than GNP in recessions, shown in the chart by the shading. And they have risen much more sharply than GNP during boom periods, as in 1965-66, when domestic pressures on capacity became intense.

Similarly, exports fluctuate in response to cyclical developments abroad. Cycles in Europe, Canada, and Japan directly affect shipments to those countries. And shipments to nonindustrial countries tend also to reflect, with a lag, the fluctuations of demand in foreign industrial countries and in the United States.

Longer-run trends of both exports and imports are influenced by our competitive position in world markets. During the boom of the mid-1950's, prices in this country rose sharply, especially for producers' equipment. The price advance here for those products outpaced that in Europe, which is exemplified in the chart by Germany. Europe's better price performance in the 1950's was the result, in part, of a more rapid advance in productivity. Thus, sharply rising wages in Europe kept consumer prices moving up as fast as ours in the 1950's while Europe's industrial and export prices lagged ours. Our international competitive position may have been at its weakest in the years from 1958 to 1960. Thereafter, relative price stability in the United States—at least until last year—has been helping us to regain some of the ground lost.



But the balance of payments problem is still with us. To correct it, we must enlarge our surplus on goods and services or hold down capital outflows or both, and we must do these things in a way that is consistent with other objectives—in particular, the maintenance of a vigorous and healthy domestic and world economy.

Our balance of payments problem—represented by a persistent deficit—has as its counterpart a persistent surplus in continental Western Europe. Better equilibrium in world payments requires corrective action by Europe—action to reduce surpluses there—as well as corrective action here.

What contribution can monetary policy make to improvement in our payments position? Its main contribution is to help prevent price inflation and the sort of deterioration in our competitive position that occurred in the late 1950's. This means trying to prevent the build-up of excess demand pressures, such as we experienced in 1965-66. Although monetary policy also has some capacity for affecting capital flows, that capacity is limited if monetary policy is to perform its domestic tasks adequately. It is the influence on prices and costs that matters most for the longer-run balance of payments position.

The presentation will continue with a review of developments in domestic financial markets over the postwar period.

FINANCIAL DEVELOPMENTS

Postwar economic growth has been supported by a rapid increase in private debt. Measured here to include the debt of non-financial businesses, individuals, and State and local governments, private debt has risen much faster than GNP. While lengthening of maturities has moderated the debt burden, the fragmentary evidence available

suggests that a larger share of current income is now being absorbed by debt service. The need for maintaining a stable growth in income to sustain repayment abilities of borrowers has thus become more critical.

Federal debt—net of holdings by the Federal sector—dropped sharply relative to GNP in the early postwar years. In dollar amounts, net Federal debt reached its trough in 1951, but the increase since then has been slow, and the ratio to GNP has fallen further. However, with private debt rising rapidly, the ratio of total debt to GNP began to show an upward trend early in the 1950's, and the rise continued until recently. In the process the financial markets had to absorb an abundance of new securities.

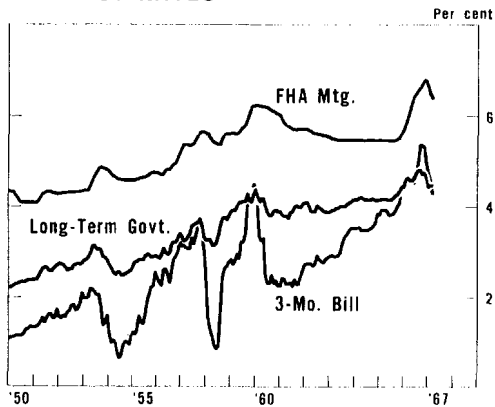
Debt expansion has brought with it rising interest rates on all types of borrowing. For long-term rates on both Government and private securities (the latter represented in the chart by the FHA mortgage rate), recessionary declines were short, and rates subsequently climbed to new peaks—and to the highest levels in four decades during 1966.

Three-month bill rates, characteristically more volatile, experienced much wider cyclical swings and rose more during the entire period than did long-term yields.

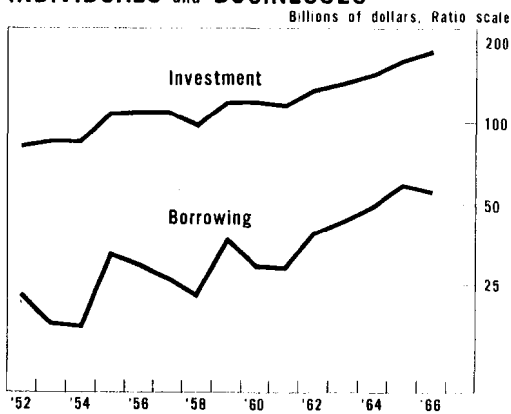
While the secular rise in yields reflects mainly the strength in domestic investment and borrowing, other developments also played a role. International capital markets have become more closely interrelated, and capital needs in other countries increasingly impinge on U.S. financial markets.

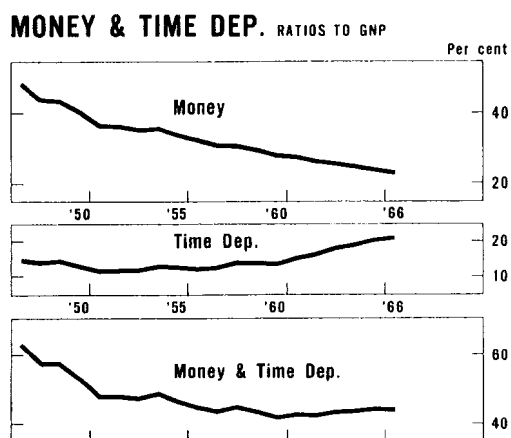
The pace of borrowing by individuals and businesses has been irregular. These fluctuations reflect principally the course of business investment in fixed capital and inventories, and purchases by individuals of homes and durable goods. Since these expenditures

INTEREST RATES



INDIVIDUALS and BUSINESSES





are heavily financed by credit, sharp surges in investment are typically accompanied by still larger increases in borrowing.

Monetary policy works largely—though certainly not exclusively—through its impact on these types of investment expenditures. Its task is to promote monetary and credit conditions that help sustain high use of resources and the maximum noninflationary rate of expansion in investment and in economic activity.

Accomplishing these objectives has called for recognition that the amount of money—that is, currency and demand deposits—needed to support a given level of GNP has been changing. Over the postwar period the ratio of money to GNP has declined—rather rapidly until 1951, and then more slowly. It could well decline further, given sufficient interest rate incentives and further development of techniques for economizing on cash. But this ratio is already at a record low, and forecasting an indefinite continuance of the trend would be hazardous, even on the eve of the checkless society.

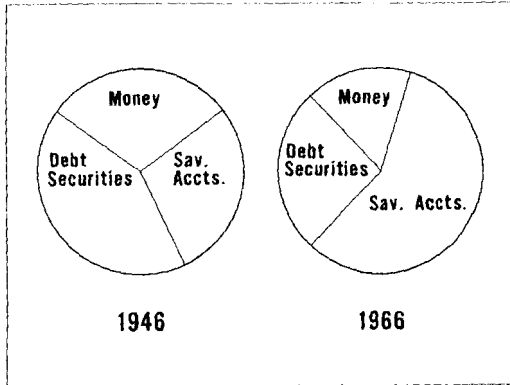
Broadening the analysis to include time deposits of commercial banks does not clarify the economy's monetary needs. Postwar growth in time deposits has not followed the course of expansion in money. The ratio of time deposits to GNP first declined and then remained level through most of the 1950's. More recently, the ratio has increased substantially as banks have bid more aggressively for these deposits.

The ratio to GNP of money and time deposits taken together reflects the results of these divergent trends. This ratio declined through most of the postwar period, but then began to rise gradually during the 1960's, when time deposits were increasing rapidly.

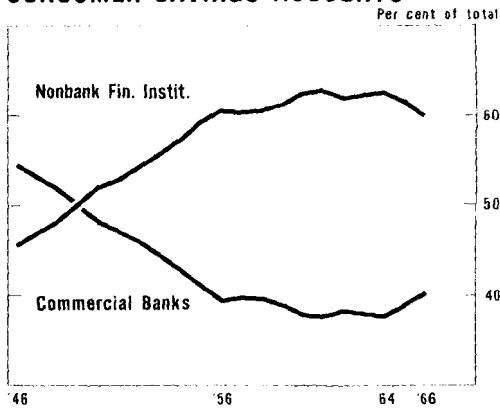
Changes in the amounts of money and time deposits held by the public, relative to

MONETARY POLICY AND ECONOMIC ACTIVITY

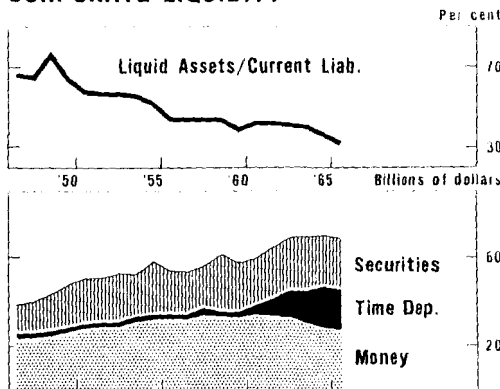
CONSUMER HOLDINGS



CONSUMER SAVINGS ACCOUNTS



CORPORATE LIQUIDITY



GNP, reflect dramatic postwar shifts in the structure of financial asset holdings, especially those of consumers. In 1946, their holdings of debt securities exceeded their money balances and also their savings accounts at banks and nonbank intermediaries. By 1966, however, consumers had built up their savings accounts to twice their holdings of debt securities and to more than three times their holdings of money. The total volume of savings accounts by this time was huge—roughly \$300 billion—and financial institutions were bidding aggressively for these funds.

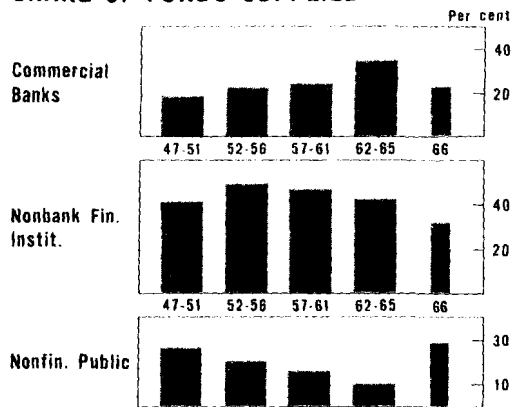
The competitive positions of banks and nonbank intermediaries in the market for consumer savings accounts have changed markedly in the postwar period. Over the first decade the interest rates offered by commercial banks were less attractive than those paid by other institutions, and the banks' share of the total stock in this market declined.

By the mid-1950's, bank appetites to compete for savings accounts had become whetted by the need for new sources of loanable funds. When Regulation Q ceilings were lifted, banks raised interest rates on deposits, and they began to hold their own in this market. During 1965 and 1966, competition intensified further, and banks—for the first time in the postwar period—gained headway in the competition for consumer savings accounts.

In the corporate sector management of liquid assets also has influenced the level and structure of financial asset holdings. The ratio of total liquid assets to current liabilities has trended downward—reflecting strong interest rate incentives to limit money holdings and the development and spread of innovations in corporate cash management.

Corporate money balances, consequently,

SHARE OF FUNDS SUPPLIED



grew slowly over the first 15 postwar years—more slowly than sales or current liabilities. Large banks became concerned about the sluggish growth of the accounts of their large customers, and in 1961 they introduced negotiable CD's to recapture a larger share of corporate liquid funds. Corporate time deposits then mushroomed, but money holdings declined.

However, corporate investment in short-term securities also appears to have been reduced by this increased commitment to CD's. Thus, corporate security holdings have not increased materially since 1960, even though their total liquid assets have grown by one-fifth.

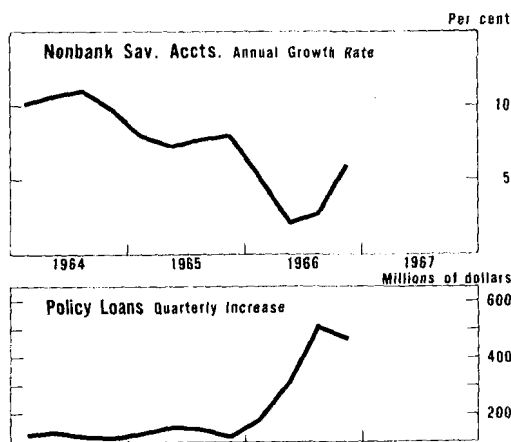
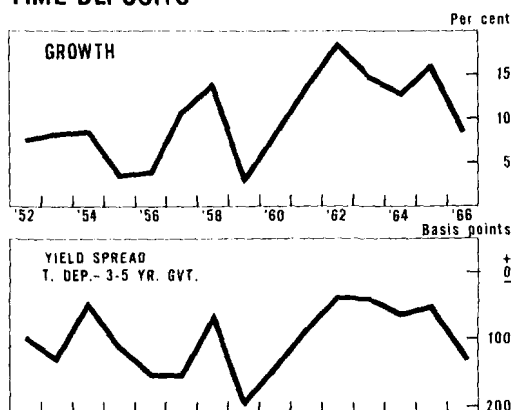
For banks, attraction of time and savings deposits from consumers, businesses, and others has significantly improved their position as suppliers of funds. In the first 5 postwar years banks supplied less than one-fifth of total funds raised; by 1962-65, on the other hand, their share had risen to over one-third.

This rising bank share was partly at the expense of nonbank financial institutions, whose share of funds supplied has diminished gradually over the past decade. But the principal offset was the reduction in funds supplied directly to borrowers by the nonfinancial public, through their purchases of market securities.

The funds attracted by banks and nonbank intermediaries through competition in rates and other terms have proved to be highly interest-sensitive. In 1966, market interest rates rose sharply—and by more than the rates on deposit-type claims, whose yields were constrained by both institutional and regulatory factors. Consequently, the nonfinancial public acquired more market securities and fewer deposit-type claims, and the shares of funds supplied by banks and

MONETARY POLICY AND ECONOMIC ACTIVITY

TIME DEPOSITS



nonbank institutions declined during the year.

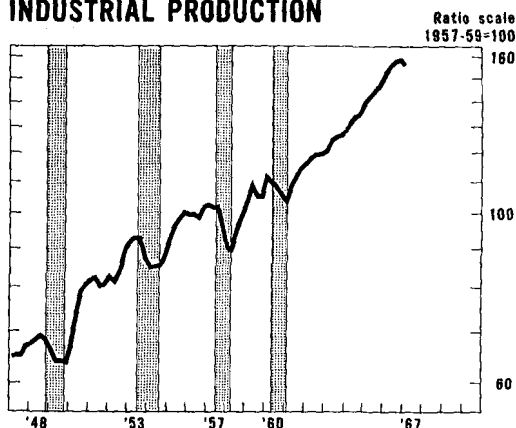
Last year's experience was foreshadowed by earlier fluctuations in the growth rate of time deposits at commercial banks. These variations appear to be mainly the result of changes in relative yields. The bottom panel of the accompanying chart shows the yield spread, in basis points, between the rate on 3- to 5-year Governments—a representative market security—and the average effective rate paid on time and savings accounts. Time deposits became relatively more attractive when the yield spread moved up, and in those periods time deposit growth generally accelerated. When yields on time deposits became relatively less attractive, their growth usually slowed. Movements in these two series have not been perfectly correlated, to be sure, but they have been quite similar.

With holders of financial assets becoming more interest-sensitive, nonbank institutions have been increasingly influenced by the effects of monetary policy. Thus, the growth rate of nonbank savings accounts began to recede late in 1964, when competition from banks intensified. In last year's taut financial markets, with rates on market securities and banks' time deposits rising, net inflows to nonbank institutions dropped markedly, and then increased sharply in the fourth quarter when market rates began to fall.

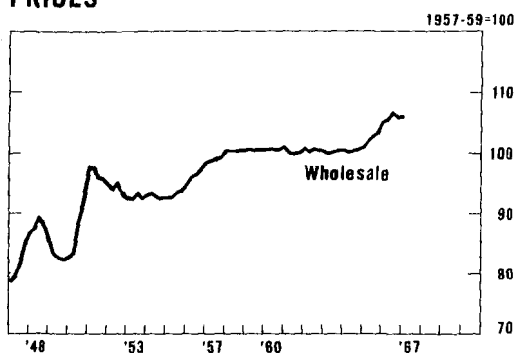
The impact of monetary restraint also spread to insurance companies, where policy loans rose sharply, reducing the volume of funds available for investment in corporate securities and mortgages.

The more aggressive competition developing in financial markets over the postwar years, together with the decline in liquidity of financial institutions, has created an environment requiring a higher order of man-

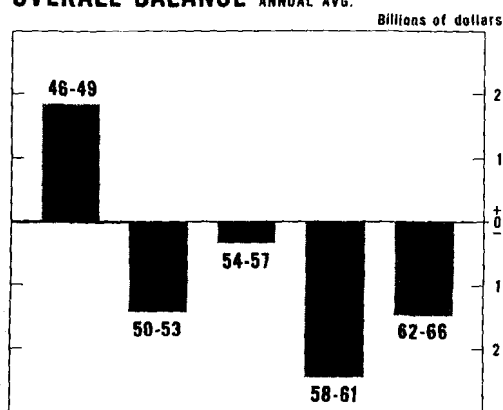
INDUSTRIAL PRODUCTION



PRICES



OVERALL BALANCE ANNUAL AVG.



agement, both at banks and at nonbank financial institutions. At the central bank, these developments also call for increased capability on the part of policy-makers to recognize, and to adapt to, policy impacts that are not only becoming more prompt but also more pervasive.

In conclusion, let us discuss the implications of our analysis for the formulation of policy.

CONCLUSION

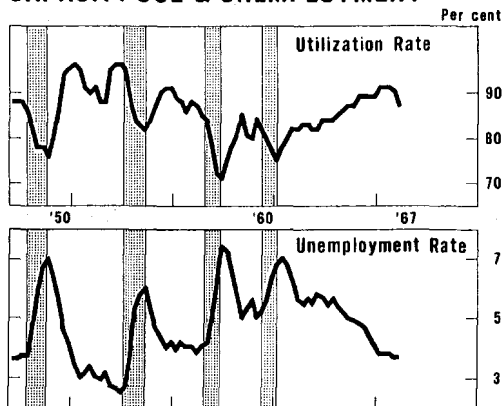
Recognizing that there is still much to be learned about stabilization policy, we can all take some pride in the performance of the economy in the postwar period to date. Industrial output has more than doubled since 1947. In long-run perspective, the four recessions appear as brief hesitations in the general advance. Though production has turned down recently, the rapid and prolonged expansion since 1960 suggests that we may have learned something about maintaining steady growth. But even a casual look at broad economic indicators reveals unsolved problems.

For example, the unsatisfactory price record reflects mainly sudden bursts of demand, the effects of which are seldom reversed. For prices, what goes up usually does not come down. The stability of wholesale prices between the periods of strong surge indicates what can be accomplished if balanced and orderly expansion is maintained.

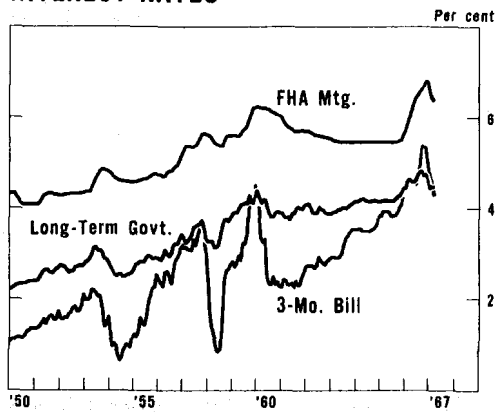
Improvement in our record of prices is needed in part because of the effect of inflation on our balance of payments. International payments disequilibrium has been a problem for nearly a decade. In recent years we have made some progress in reducing the disequilibrium by improving our competitive position and by using such measures as restraints on capital flows. But a problem still

MONETARY POLICY AND ECONOMIC ACTIVITY

CAPACITY USE & UNEMPLOYMENT



INTEREST RATES



remains, and our policy goals—both domestic and international—could be jeopardized if we do not show more progress in moving toward equilibrium.

Furthermore, any pride we might take in the overall economic performance of the postwar years is diluted when we consider the amount of lost production and idle resources whether associated with short postwar recessions or longer periods of slack in resource use. The cost of recessions is high, given our pressing social needs.

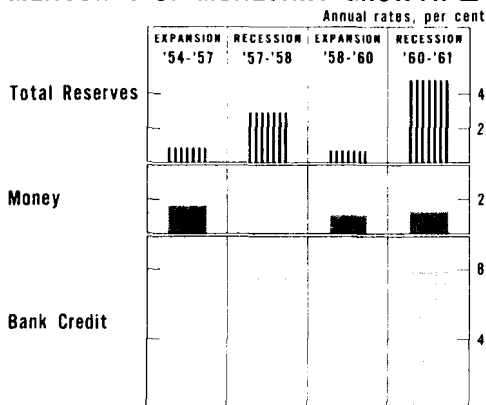
To reduce further the extent and duration of these recessions, we must learn more about the underlying causes of economic fluctuations and how to forecast their occurrence. It is well known that the effects of monetary policy on the economy are not instantaneous. Since the lags are variable and sometimes substantial, poor forecasting can result in poor policy decisions. Granting that the forecasting art is still primitive, the solution, it seems to us, lies in improving the art, rather than abdicating to arbitrary rules the responsibility for stabilization policy.

One area in which improvements are needed is in the understanding of interactions between monetary policy and financial variables. Those developments we can observe—such as changes in interest rates—usually represent both the effects of policy and the public's responses to a host of other influences. Rising interest rates, for example, may stem from either restrictive monetary policies or from rising demands for credit. Moreover, interest rates are only one of the many terms in the complex equation that determines credit flows. Terms other than price, and the availability of loan funds to borrowers, can change drastically in ways that interest rates fail to indicate. But since changes in interest rates and the associated variations in prices of financial assets are the

MEASURES of MONETARY GROWTH I

	Per cent increase	
	1965	1966
Total Reserves	5	1
Money Stock	5	2
Time Deposits	16	8
Bank Credit	10	6

MEASURES OF MONETARY GROWTH II



common thread that links the financial markets, their behavior is vital in any assessment of monetary policy.

Because of the difficulties in interpreting interest rate movements, some economists advocate judging the posture of monetary policy by one or more measures of monetary growth. There are times when a variety of quantity measures display parallel movements, as those shown here did between 1965 and 1966. Then, the direction of policy, at least, is clear, although the degree of restraint or ease may not be.

The more serious problems arise when there is a need for finer judgments on the course and intensity of policy. Here, for example, we show the annual rates of change in total bank reserves over recent periods of expansion and recession (as defined by the National Bureau of Economic Research). It appears from the total reserve measure that Federal Reserve policy was contracyclical: reserves rose more rapidly during recessions than during expansions.

But growth of the money stock during these periods suggests a different conclusion: the money stock has sometimes risen more rapidly during expansions than in intervening periods of recession. It is perhaps tempting to interpret this as evidence of misguided policy action. But the money stock is determined by the public's demand for money interacting with monetary policy; this demand is influenced by income, interest rates, expectations, and other factors. Thus, changes in the money stock must be interpreted in light of changes in other financial and nonfinancial variables that accompany them.

In contrast to the changes in money, growth in bank credit over these economic cycles was contracyclical: largest during recessions and smallest in periods of expansion.

MONETARY POLICY AND ECONOMIC ACTIVITY

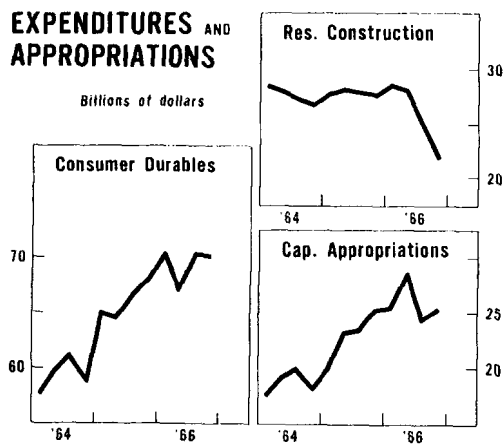
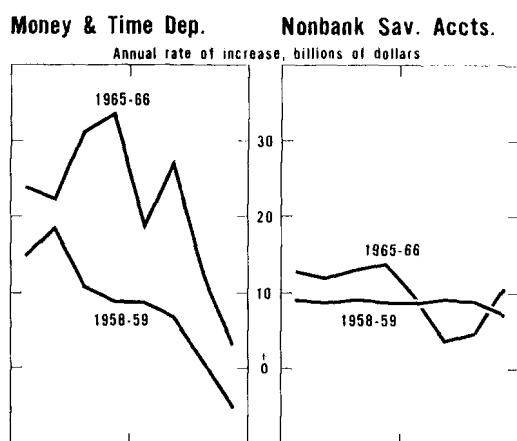
sion. To an important degree, these fluctuations in bank credit reflected changes in the growth rate of time deposits. The public switched between market securities and time deposits, as monetary policies—interacting with credit demands—altered the yield spread between these classes of assets. It would seem, therefore, that no single aggregate banking measure tells the whole policy story.

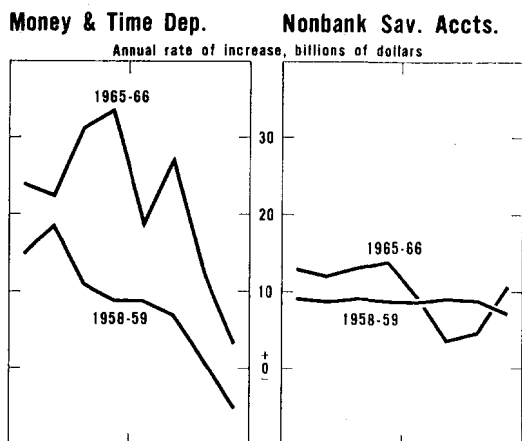
Moreover, the problems of interpreting monetary measures are magnified when the effects of policy spread more pervasively outside the banking system. During the 1950's, the effects of monetary restraint were confined mainly to a relatively narrow range of financial assets. Restrictive policies during the 1958-59 expansion, for example, reduced the growth of money and time deposits substantially, but the growth rate of nonbank savings accounts changed little.

Last year, restrictive policies once again reduced the growth rate of money and time deposits. But with market rates on securities rising rapidly, and with commercial banks bidding more aggressively for available funds, net inflows of funds to nonbank savings institutions also fell abruptly before recovering late in the year.

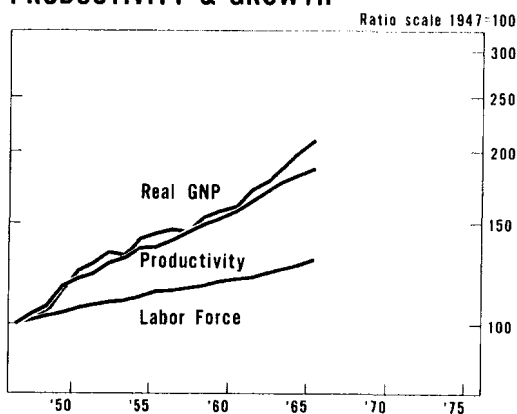
As monetary restraint spread to nonbank financial institutions, there were marked effects on the structure of private expenditures. Though the money stock rose considerably during the first half of last year, the mortgage market came under pressure fairly quickly, and housing starts and residential construction declined sharply.

While purchases of consumer durable goods leveled off last year, and new capital appropriations of manufacturers declined after the second quarter, it seems evident that these developments were less closely related to financial restraint than was the





PRODUCTIVITY & GROWTH



decline in residential construction. Not all sectors were affected equally by monetary policy during the year. These structural effects raise important questions of equity and social priority, and it is necessary to take them into account in deciding when, how much, and what kind of policy actions are appropriate.

With monetary restraint extended to a wider range of financial assets and institutions, and with an uneven impact of restraint on spending, an assessment of monetary policy from the changes in any single variable goes further astray. Sophisticated monetary analysis does not—and need not—rest its case on the behavior of free reserves, or the money stock, or bank credit, or interest rates, or any other single factor. Recognition of the need to comprehend the interdependency among financial variables, and between financial and nonfinancial variables, underlies much of contemporary monetary research, and the Board's staff is devoting a large share of its resources to that quest. It is clear that determination and interpretation of policy require a weighing of the movements in all these variables together and jointly assessing their meaning for the ultimate targets of monetary and fiscal policy—that is, employment, production, and prices.

For in the long run, the test of the success or failure of stabilization policies depends not on the growth of the money stock, nor on the level of interest rates, nor the size of the Federal deficit, but on the extent to which monetary and fiscal policies together fulfill the potential for real economic growth that our resources make possible.

Staff Economic Studies

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

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

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

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

Study Summary

VARIABLE-RATE MORTGAGES

Robert Moore Fisher—Staff, Board of Governors

Prepared as a staff paper in March 1967

Because nonbank thrift institutions had so much difficulty in competing for savings in the tightening financial markets of 1966, interest has been renewed in the use of mortgages carrying rates that vary in a stated fashion with changes in other financial rates. This paper defines the term variable-rate mortgages and discusses the effectiveness of these loans in providing greater flexibility in portfolio earning power and liquidity. How the addition of indexed prices of various kinds affects the over-all functioning of the economy as a whole and the inflationary process is not explored.

The author concludes that under the competitive conditions of our financial markets, variable-rate mortgages would seem to offer no basic answer to problems pertaining to portfolio flexibility. Widespread voluntary adoption of variable-rate loans appears unlikely. The demand for variable-rate loans would be timed in exactly the opposite fashion from the supply. Moreover competition among lenders would tend to drive out such loans.

Serious questions of effectiveness, equity, and implementation would arise in obtaining the official support needed to assure na-

tionwide lending with variable-rate mortgages. Public policies favoring variable-rate loans could not fully resolve problems involved in lending long and borrowing short, and in some cases would accentuate them.

Such policies would be questioned on grounds of equity to existing borrowers and would work against improved marketability of mortgages. They would also be difficult to implement.

Member Bank Income, 1966

The main points reflected in member bank statements of income and dividends for the year 1966 are:

■ Net income for the year rose about 5 per cent to a new high, but in relation to total assets and total capital accounts it was at the lowest level since 1959.

■ Revenue from current operations rose sharply. Primarily responsible for this rise was the substantial increase in earnings from loans—total loans outstanding increased and so did the interest rates paid on them. Returns from other earning assets also increased. Higher yields offset the effects of the decline in average holdings of U.S. Government securities. And for other securities, particularly State and local government securities, both holdings and yields were larger than in 1965.

■ All reported categories of current operating expenses also increased, but interest expense on time deposits accounted for most of the total increase. Interest payments on time deposits now account for nearly half of member bank expenses. The average volume of these deposits was substantially above the 1965 level, and the average interest rate paid increased sharply.

■ In their nonoperating transactions, however, member banks experienced a “loss year.” On the securities they sold they sustained much larger losses than in 1965, and these losses offset much of the increase in their net current earnings. Hence, provi-

sions for income taxes were virtually unchanged from 1965.

■ Larger dividend payments reflected primarily the increase in total capital accounts, for dividend rates were up only slightly.

■ The ratio of member bank capital to risk assets (total assets less holdings of U.S. Government securities and cash) again declined, reflecting the continued decrease in holdings of U.S. Government securities and the continued increases in loans and in other securities. The slow decline in the ratio of capital to total assets, which has been apparent in recent years, continued.

FACTORS IN HIGHER NET INCOME

(In millions of dollars)

Item	Change from 1965
Increase in net income, total	106
Factors increasing net income, total	2,403
<i>Increase in operating revenue from earning assets</i>	2,230
On loans	1,791
On miscellaneous operating revenue	237
On securities other than U.S. Government	186
On U.S. Government securities	16
<i>Nonoperating transactions</i>	169
Smaller net increase in valuation reserves on loans	144
Larger net decrease in valuation reserves on loans	25
Decrease in provisions for taxes on net income	4
Factors decreasing net income, total	2,297
<i>Increase in operating expenses</i>	1,735
Of interest on time deposits	999
Of miscellaneous expenses	470
Of salaries and wages	266
<i>Nonoperating transactions</i>	562
Increase in:	
Net losses on securities	379
Miscellaneous losses	87
Net losses on loans ¹	77
Decrease in:	
Profits on sales of securities	17
Miscellaneous recoveries	1

¹ Includes recoveries credited and losses charged to undivided profits or to valuation reserves.

NOTE—This article was prepared by T. A. Veenstra, Jr., Chief of the Financial Statistics Section of the Board's Division of Data Processing.

EARNING ASSETS AND OPERATING REVENUE

Average holdings of earning assets of member banks during 1966 were \$258.3 billion, \$19.1 billion higher than during 1965. A reduction of \$3.4 billion in average holdings of U.S. Government securities offset in part the increases of \$18.8 billion in loans and of \$3.8 billion in "Other securities."

Strong demands by customers for loans and the pressure of increasing costs of interest on time and savings deposits led member banks to add to their holdings of those types of assets that had the highest yields. Average holdings of all important classifications of loans increased. The largest dollar increase—about \$9.9 billion—was in commercial and industrial loans. Real estate

loans rose by \$4.0 billion, and other loans to individuals (largely consumer loans) by about \$3.1 billion.

Average total holdings of Treasury securities declined \$3.4 billion from the 1965 average, but this was more than offset by a \$3.8 billion increase in holdings of "Other securities," mainly State and local government issues. The tax-exempt status of income from the latter issues makes their ultimate yields relatively high.

Most of the \$1.0 billion increase in holdings of securities other than Federal and State and local government issues reflected participation certificates issued by Federal agencies. The reported increase reflected in part the reclassification of some of these issues from "All other loans" to "Other

MEMBER BANK INCOME, 1955-66

(Dollar amounts in millions)

Item	1955	1956	1957	1958	1959	1960	1961	1962	1963	1964	1965	1966
Revenue.....	\$5,343	\$6,078	\$6,771	\$7,127	\$8,075	\$8,928	\$9,217	\$10,154	\$11,169	\$12,386	\$13,842	\$16,072
On U.S. Govt. securities.....	1,118	1,101	1,168	1,266	1,399	1,414	1,537	1,687	1,726	1,742	1,686	1,702
On other securities.....	296	308	339	411	445	467	513	629	773	911	1,079	1,265
On loans.....	3,083	3,725	4,208	4,326	5,021	5,730	5,870	6,435	7,200	8,111	9,295	11,086
Service charges on deposits accounts..	274	310	354	389	422	464	495	532	568	607	653	705
Other revenue.....	572	634	702	734	788	853	802	870	903	1,015	1,128	1,314
Expenses ¹	3,265	3,680	4,222	4,617	5,140	5,655	6,074	7,041	7,931	8,895	10,206	11,941
Salaries and wages.....	1,571	1,735	1,877	1,981	2,118	2,289	2,363	2,501	2,661	2,840	3,024	3,290
Officer and employee benefits.....							331	364	393	420	448	507
Interest on time deposits.....	543	650	927	1,123	1,280	1,434	1,720	2,358	2,858	3,384	4,214	5,213
Net occupancy expense.....							424	459	501	550	598	654
Other expenses.....	1,151	1,295	1,418	1,512	1,742	1,932	1,236	1,360	1,519	1,701	1,922	2,277
Net current earnings before income taxes.	2,077	2,398	2,549	2,510	2,935	3,273	3,143	3,112	3,239	3,491	3,635	4,130
Net of profits and recoveries (+), losses and charge-offs, and changes in valuation reserves.....	401	654	485	+96	904	344	181	308	329	570	653	1,046
Profits and recoveries (+), losses and charge-offs:												
On securities ²	189	326	211	+535	792	+72	+351	+152	+81	62	20	416
On loans ²	39	81	59	47	37	179	157	132	197	187	255	332
Other.....	34	18	39	49	31	25	29	27	21	33	27	116
Net increase (or decrease, +) in valuation reserves:												
On securities.....	+37	+32	+10	189	+140	64	123	26	+9	+27	+54	+79
On loans.....	176	261	187	153	184	148	224	275	200	315	405	261
Net income before related taxes.....	1,676	1,744	2,063	2,606	2,032	2,929	2,962	2,805	2,910	2,921	2,983	3,084
Taxes on net income.....	691	718	895	1,148	775	1,241	1,250	1,110	1,079	998	880	876
Net income.....	985	1,027	1,169	1,457	1,257	1,689	1,712	1,695	1,831	1,923	2,103	2,209
Cash dividends declared ³	501	547	604	646	690	735	793	832	878	961	1,058	1,145
Ratio of net income to average total capital accounts (per cent).....	7.9	7.8	8.4	9.7	7.9	10.1	9.6	8.9	9.0	8.8	8.7	8.6
Number of banks at end of year.....	6,543	6,462	6,393	6,312	6,233	6,174	6,113	6,047	6,108	6,225	6,221	6,150

¹ Expenses were reclassified in 1961 as described on pp. 526-27 of the May 1962 BULLETIN.

² Includes recoveries credited and losses charged either to undi-

vided profits or to valuation reserves and excludes transfers to and from valuation reserves.

³ Includes interest on capital notes and debentures.

CHANGES IN MEMBER BANK AVERAGE
LOANS AND INVESTMENTS, 1966

(Dollar amounts are shown in millions)

Item	Average amount, 1966	Change from 1965 average	
		Amount	Percentage
Total loans and investments	\$258,281	\$19,147	8.0
Loans ¹	177,557	18,783	11.8
Commercial and industrial	68,630	9,851	16.8
Agricultural	5,220	317	6.5
For purchasing and carrying securities	7,810	26	.3
To financial institutions	16,520	1,846	12.6
Real estate	40,745	4,027	11.0
Other loans to individuals	37,425	3,084	9.0
All other	4,799	-14	-.3
U.S. Government securities	42,286	-3,416	-7.5
Treasury bills, notes, and certificates	17,810	-2,992	-14.4
Bonds ²	24,476	-423	-1.7
Other securities	38,438	3,780	10.9
State and local government	33,428	2,762	9.0
Other	5,010	1,018	25.5

¹ Totals are net (after deduction of valuation reserves); individual loan items are gross and do not add to totals.

² Includes small amount of guaranteed obligations.

NOTE.—Averages are based on amounts reported for 3 call dates—at the beginning, middle, and end of each year—and they reflect the classification of loans and securities in effect on the particular call date. 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 "All other loans" to "Other securities." This reduced total loans and increased "Other securities" by about \$900 million for 2 call dates in 1966. Federal funds sold are included as "Loans to financial institutions."

securities," but there was also some growth in member bank holdings of these investments during the year.

Operating revenues of all member banks totaled \$16,072 million in 1966. This was \$2,230 million, or 16 per cent more than in 1965. Revenue on loans rose by \$1,791 million, or 19 per cent. The increase reflected both larger holdings and an increase—to 6.24 per cent from 5.85 per cent in 1965—in the average rate of return. Similarly, the growth of \$186 million in revenue on "Other securities" derived from a combination of larger average holdings and a higher average rate of return.

The average rate of return on U.S. Government securities increased from 3.69 to 4.02 per cent, but with average holdings declining, the revenue from this source—\$1,702 million—was only slightly more than in

1965. Revenue from other sources rose but did not change significantly as a proportion of the total.

EXPENSES

Total expenses of member banks, at \$11,941 million, were \$1,735 million, or 17 per cent higher than in 1965. More than half of this increase, \$999 million, represented larger interest payments on savings and other time deposits. Growth in these expenses accounted for about 45 per cent of the 1966 increase in operating revenues, and for the year as a whole interest payments absorbed 32.4 per cent of the total current operating revenues of member banks.

The dollar amount of interest-bearing deposits held by member banks, as well as the proportion of these deposits to total deposits, has continued to increase for a number of years. Since 1961 these deposits have more than doubled, and they now represent nearly 45 per cent of average total deposits in member banks as compared with 33 per cent in 1961. Furthermore, the effective average rate paid on such deposits also has been rising sharply. In 1961 the average was 2.73 per cent. In 1966 it was 4.11 per cent.

The second most important expense item—salaries and wages of officers and employees—was \$3,290 million, and it absorbed 20.4 per cent of operating revenues in 1966. Member banks also incurred expenses of \$507 million for fringe benefits—such as hospitalization and life insurance premiums, unemployment and social security taxes, and current contributions to retirement funds for officers and employees. This accounted for another 3.2 per cent of their operating revenues during the year.

Expenses relating to the occupancy of bank premises amounted to \$654 million after a deduction for rents received.

PROFITS, RECOVERIES, LOSSES, AND TRANSFERS TO VALUATION RESERVES

The net effect of all nonoperating transactions was to reduce member bank net income by \$1,046 million in 1966. This compared with a reduction of \$653 million in 1965. The larger net reduction in 1966 resulted almost entirely from larger losses on sales of securities. Member banks have shown a net gain from nonoperating transactions in only three postwar years (1946, 1954, and 1958), when profits on sales of securities in rising markets more than offset the other transactions on loans and

securities that usually tend to reduce net income.

Nonoperating transactions in loans, including the net result of transfers to and from valuation reserves, reduced reported net income by \$593 million. This compared favorably with the record net reduction of \$660 million reported in 1965. Net income was reduced further by \$116 million as a result of losses and charge-offs on all other bank assets.

Security transactions have increased net income in most years since 1959, but in 1966 these transactions resulted in a net decrease

MEMBER BANK INCOME, BY CLASS OF BANK, 1966 AND 1965

(Dollar amounts in millions)

Item	Total		Reserve city banks						Country banks	
			New York City		City of Chicago		Other			
	1966	1965	1966	1965	1966	1965	1966	1965	1966	1965
Revenue.....	\$16,072	\$13,842	\$2,775	\$2,296	\$689	\$576	\$6,036	\$5,240	\$6,571	\$5,730
On U.S. Government securities.....	1,702	1,686	175	180	58	60	519	549	950	897
On other securities.....	1,265	1,079	210	204	52	52	446	374	556	448
On loans.....	11,086	9,295	1,986	1,563	479	382	4,285	3,616	4,337	3,734
All other.....	2,018	1,781	405	349	100	82	786	700	728	651
Expenses.....	11,941	10,206	1,985	1,607	479	401	4,500	3,871	4,977	4,327
Salaries and wages.....	3,290	3,024	481	441	109	100	1,238	1,139	1,462	1,345
Officer and employee benefits.....	507	448	101	92	24	20	184	163	199	173
Interest on time deposits.....	5,213	4,214	949	713	231	192	1,992	1,632	2,042	1,677
Net occupancy expense.....	654	598	117	107	20	17	236	219	281	255
All other.....	2,277	1,922	337	255	96	73	851	719	993	876
Net current earnings before income taxes.....	4,130	3,635	790	688	209	175	1,537	1,369	1,594	1,403
Net of profits and recoveries (+), losses and charge-offs, and changes in valuation reserves.....	1,046	653	263	183	49	10	371	224	363	235
Profits and recoveries (+), losses and charge-offs:										
On securities ¹	416	20	142	+1	40	+3	132	15	103	9
On loans ¹	332	255	59	40	9	9	123	88	140	118
Other.....	116	27	3	6	.....	+1	91	10	21	12
Net increase (or decrease, +) in valuation reserves:										
On securities.....	+79	+54	+2	+17	+7	+5	+57	+19	+13	+14
On loans.....	261	405	61	154	7	10	82	130	112	111
Net income before related taxes.....	3,084	2,983	528	506	161	165	1,165	1,144	1,231	1,168
Taxes on net income.....	876	880	145	131	51	51	352	358	328	340
Net income.....	2,209	2,103	383	375	110	114	813	787	902	828
Cash dividends declared ²	1,145	1,058	259	240	49	45	453	426	383	347
Ratios (per cent):										
Net current earnings before income taxes to—										
Average total capital accounts.....	16.1	15.1	15.2	14.1	18.0	16.0	16.6	15.6	15.9	15.1
Average total assets.....	1.28	1.21	1.27	1.21	1.44	1.28	1.28	1.22	1.26	1.20
Net income to—										
Average total capital accounts.....	8.6	8.7	7.4	7.7	9.5	10.4	8.8	9.0	9.0	8.9
Average total assets.....	.68	.70	.62	.66	.75	.83	.68	.70	.71	.71

¹ Includes recoveries credited and losses charged either to undivided profits or to valuation reserves and excludes transfers to and

from valuation reserves.

² Includes interest on capital notes and debentures.

of \$337 million. Losses on securities sold, at \$413 million, were the largest since 1959. Not only did banks find it necessary to liquidate securities in a declining bond market to finance expansion of their loans, but also some banks found it advantageous to take book losses so as to reduce their tax liabilities. Since realized capital losses on securities are an offset against taxable income, banks generally attempt to concentrate these losses in a single tax year, and many did that in 1966.

Member banks increased their valuation reserves on loans by \$261 million. These reserves have expanded yearly since 1948, when they were first reported. Valuation reserves on securities were decreased by \$79 million.

INCOME TAXES

Although net income before taxes increased, provisions for income taxes were \$4 million less in 1966 than in 1965. The decline reflected two factors: the increase in the proportion of net income derived from tax-exempt investments, and the tax effect of security losses. The total provided for income taxes, \$876 million, represented 28

per cent of net income before taxes; in 1965 it was 30 per cent.

NET INCOME AND CASH DIVIDENDS

Net income after taxes amounted to \$2,209 million, 5 per cent more than in 1965. But both bank assets and bank capital increased more than this. Therefore, the ratios of net income to total capital accounts and to total assets were the lowest since 1959, another year in which losses on securities were also a significant factor.

Cash dividends declared amounted to \$1,145 million, \$87 million more than in 1965. This total represented 52 per cent of net income after taxes, slightly more than in the previous 2 years. The ratio of cash dividends to average total capital accounts was 4.5 per cent, slightly higher than in other recent years.

Retained income for the year totaled \$1,064 million and accounted for 79 per cent of the increase in total capital accounts during the year.

Revenues, expenses, and income by reserve classifications of member banks for 1966 and 1965 are shown in the table on the opposite page. Detailed figures for income, expenses, and related items appear on pages 862-70.

Revision in Quarterly Survey of Interest Rates on Business Loans

The Federal Reserve Quarterly Survey of Interest Rates Charged by Banks on Business Loans has been revised beginning with the first Survey in 1967. While the changes are numerous, they do not alter the basic character of the Survey. Rather, they are generally in the nature of adjustments or refinements, designed to improve the quality of the information collected and published and to take account of shifts in the structure of bank lending to businesses since the last revision of the Survey in 1948. Nevertheless, in the aggregate, they do have a small effect on the averages, and they preclude precise comparability between the old and the revised series. The new data will appear regularly in the BULLETIN beginning with this issue (see page 814) and also in the Board's E.2 press release.

NATURE AND PURPOSE OF CHANGES

The most apparent change is in the schedule of reporting periods, which has been shifted from the last month of each calendar quarter to the middle month of the quarter. Thus, the first survey on the revised basis covers new loans and renewals of outstanding loans made during the first 15 calendar days of February, and subsequent surveys will cover loans made in the first half of May, August, and November. The principal reason for this change in schedule is to avoid distortions in the interest rate averages stemming from the large and variable amounts of borrowing for income tax payments by large firms—which are able to

borrow at lower rates than small firms—in the first or final months of each quarter of the calendar year.

Exclusions. To provide for increased homogeneity in the character of the loans reported, two types of loans are being excluded from the Survey—namely, loans to foreign businesses and business instalment loans. It has been found that these two types of loans were not reported by a substantial number of banks in the old Survey. Moreover, the rates charged on both types of loans are generally higher than those charged on regular business loans to domestic customers, and they are subject to different influences. Thus, the exclusions should result in rate averages that are somewhat lower but more representative of normal business loans than those previously available.

Business instalment loans are more similar to consumer instalment loans than to other commercial and industrial loans made by banks—including regular term loans, which often are repayable in instalments. The typical instalment loan is an intermediate-term credit for financing specific items of machinery or equipment, and it is usually secured by a chattel mortgage on that asset. The effective interest rate is generally almost twice the stated rate, because the stated rate is applied to the original amount of the loan rather than to the declining balance, as in the case of regular business term loans. In large banks, business instalment loans often are administered in a separate instalment loan department along

with automobile and other consumer loans, and the rates and other terms applicable to such loans tend to be influenced by developments in consumer lending.

It is recognized that banks extend a substantial volume of credit to businesses, particularly smaller businesses, through instalment loans. Thus, rate information on these loans is needed in order to obtain a complete picture on the structure and level of rates charged on business loans. But in view of the small average size of business instalment loans, their special rate characteristics, and their separate administration at respondent banks, the present Survey does not provide an optimum arrangement for collecting rate information on this type of credit.

The exclusion of foreign loans also will help to improve the usefulness of the series as a measure of rates charged on loans to domestic businesses. Because of the greater difficulty in credit review and the frequently larger risk in extending credit to foreign than to domestic customers, these loans tend to have higher rates than domestic loans. Their exclusion will ease the reporting burden on respondent banks because foreign loans often are administered in a separate department of the bank.

Reporting. Modifications have also been made in the reporting of loan maturities. The major change has been to substitute a three-way for a two-way maturity classification. Previously, respondents were asked to indicate for each loan whether it had a maturity of 1 year or less (short-term loan) or more than 1 year (term loan); in the revised Survey, a new category has been added to cover revolving credits. In the past, published rates were based only on the short-term loans, because the term loans reported in each Survey were not sufficiently

numerous or homogeneous to yield analytically useful rate averages.

A separate category for revolving credits will increase the homogeneity of the rate information reported and make the resulting averages more meaningful. These credits, while generally governed by a contract of 1 to 2 years maturity, often are disbursed through short-term notes of, say, 90 days maturity. Thus, the rates charged on these are more similar to those on term loans than to short-term loans. Also, the rates on the individual notes made under revolving credits may not necessarily reflect the current level of rates on new loans. Since revolving credit loans in the previous Survey were reported as short-term loans by some respondents and as term loans by others, the rate information for both categories will be improved by the separation.

In addition, for each ordinary term loan reported, respondents are now being asked to state the maturity date. This information will provide the basis for some analysis not only of the maturity structure of term loans but also of the relationship between interest rates and loan maturity. A decision regarding possible publication of information on term loan rates is being deferred until the results of several Surveys have been analyzed.

To obtain a somewhat more precise measure than formerly of the interest cost on business loans, the revised Survey requires respondents to indicate whether the interest charge is calculated on a discount basis or accrued on the unpaid balance. Where a discount basis is used, the actual interest cost to the borrower is slightly higher than the stated rate. With the additional information on the method of calculating interest, all rates can be converted to a uniform effective-rate basis. In addition, this information can

be used for observing and analyzing any shifts that might occur, either cyclically or secularly, in the methods banks use in computing interest charges.

Expanded coverage. In keeping with the traditional orientation of the Survey to provide information on interest rates charged by large banks in financial centers, the panel of respondents has been enlarged to reflect changes in the structure of business lending since the previous panel was selected. The number of financial centers covered by the Survey has been raised from 19 to 35 and the number of respondent banks from 66 to 126. In general, financial centers are being included in the Survey if the banking offices in that center had roughly \$150 million or more of business loans outstanding in December 1964. As a rule individual banks in each center were included if their business loans totaled \$40 million or more; there were some exceptions where the volume of loans in the reporting center covered by large respondents was unusually high and the additional small banks would not appreciably influence the averages. About five banks in the old reporting panel fell below the cutoff, and they were dropped from the Survey. Respondents in the revised Survey, as in the previous one, will continue to report information on each loan above prescribed size cutoffs made in the 15-day reporting period except for large branch systems, where sampling is permitted.

This expansion in coverage suggested the desirability of refining the geographic groupings of reporting centers that are used for calculating and publishing the rate averages. Beginning with the February Survey, average rates will be published for six geographic areas (the areas and the reporting centers in the revised Survey are listed

in the Appendix, page 727) instead of three (New York City, other northern and eastern cities, and southern and western cities).

Weighting procedure. In the revised Survey the reported information on interest rates will be converted into averages by using weighting procedures similar to those employed in the old Survey.¹ However, because of significant shifts over the years in the size and area distribution of bank loans to business, the weights derived from the 1946 Survey were no longer appropriate. Moreover, the extensive changes in coverage incorporated in the current revision meant that even if weights derived from recent interest rate Surveys on the old basis were used, they would not be representative.

Accordingly, a new set of fixed weights is to be derived from the revised Survey. Weights to be used in the first three Surveys will be based on the size of loan and area distribution of the amounts of loans reported in the first quarterly Survey. After the fourth Survey is completed, new weights will be derived from the combined data of the first four Surveys, and these will be used to revise data for those Surveys and in compiling the series for the next 4 years. At the end of this 5-year period, it is planned that the weighting system will be reviewed and any necessary revisions will be made.

Size categories. Since the last revision of the Survey, the size distribution of bank loans to businesses has shifted substantially upward, particularly toward loans of \$1 million and over. This shift has suggested the desirability of creating additional loan-size categories for publishing information on rates and volume of loans reported. The availability of additional size-of-loan detail also should help to pinpoint the rate effects

¹ See Federal Reserve BULLETIN, March 1949, pp. 234 and 235.

of fluctuations from quarter to quarter in the volume of loans reported, which often are substantial in the larger loan categories. Accordingly, instead of the two major groupings above \$100,000 used in the old Survey (\$100,000–199,999 and \$200,000 and over), the revised Survey has three (\$100,000–499,999, \$500,000–999,999, and \$1,000,000 and over).

The BULLETIN table will show not only the interest rate averages in each loan-size category, as previously, but also the percentage distribution of the dollar amount of loans reported at each rate or in each rate range. This information previously has been available only in the E.2 press release.

EFFECT OF CHANGES

Expansion of the sample has increased both the number and the volume of loans on which rate information is reported; for the number the increase was substantial. In February the 126 respondents in the new Survey reported information on nearly 36,000 individual short-term loans. This was 74 per cent more than the number reported by the 66 banks in the old Survey that were retained in the new sample, as shown in Table 1. The increase in dollar amount of loans reported by all respondents was 28

per cent larger than the volume reported by the 66 respondents in the old Survey; this smaller increase reflects the fact that the new respondents generally are smaller.

Because the new Survey incorporates changes in both concept and sample, with no provision for complete one-time reporting on both the old and the new basis, it is not possible to isolate all of the effects of the revisions on the amount of change in short-term rates between the Surveys in December and in February. However, it has been possible to segregate the data reported in February by the 66 banks in the old Survey that are retained for the new Survey and to tabulate data for these banks separately. These tabulations provide the basis for determining the rate effects for the three revisions in which such effects can be measured—namely, changes in the sample of reporting banks, in the method of calculating the effective rate for discounted loans, and in the weights for size of loan and geographic area used in calculating the rate averages. The net effects on the short-term rate averages of the remaining changes—exclusion of foreign, business instalment, and revolving credit loans and change in timing of the Survey—cannot be ascertained. The exclusion of foreign and business instalment loans

TABLE 1
COMPARISON OF SHORT-TERM BUSINESS LOANS REPORTED BY OLD AND NEW SAMPLES OF RESPONDENT BANKS, FEBRUARY 1–15, 1967
(Amounts are shown in thousands of dollars)

Area	Amount				Number			
	Old sample	New sample	Increase	Per-centage increase	Old sample	New sample	Increase	Per-centage increase
All centers	\$2,969,100	\$3,790,782	\$821,682	27.7	20,594	35,900	15,306	74.3
New York City.....	841,109	907,419	66,310	7.9	2,568	2,780	212	8.3
Other Northeast.....	398,001	616,143	218,142	54.8	5,140	11,089	5,949	115.7
North central.....	1,058,717	1,231,976	173,259	16.4	4,539	7,229	2,690	59.3
Southeast.....	143,812	252,110	108,298	75.3	3,526	5,434	1,908	54.1
Southwest.....	299,759	545,574	245,815	82.0	2,817	7,064	4,247	150.8
West coast.....	227,702	237,560	9,858	4.3	2,004	2,304	300	15.0

TABLE 2
 RATES ON SHORT-TERM BUSINESS LOANS REPORTED BY OLD AND NEW SAMPLES OF RESPONDENT BANKS, FEBRUARY 1-15, 1967
 (Weighted averages; per cent per annum)

Area	All sizes		Size of loan (in thousands of dollars)									
	New sample	Old sample	1-9		10-99		100-499		500-999		1,000 and over	
			New	Old	New	Old	New	Old	New	Old	New	Old
All centers.....	6.13	6.08	6.73	6.81	6.63	6.68	6.33	6.32	6.13	6.09	5.90	5.88
New York City.....	5.86	5.85	6.55	6.55	6.49	6.48	6.08	6.07	5.89	5.86	5.77	5.76
Other Northeast.....	6.45	6.41	6.75	6.75	6.85	6.83	6.57	6.52	6.39	6.33	6.09	6.07
North central.....	6.11	6.06	6.80	6.72	6.65	6.62	6.39	6.35	6.17	6.14	5.92	5.91
Southeast.....	6.08	6.14	6.58	6.75	6.32	6.45	6.06	6.08	6.03	6.06	5.84	5.82
Southwest.....	6.18	6.17	6.65	6.93	6.50	6.71	6.27	6.29	6.13	6.11	5.95	5.95
West coast.....	6.29	6.27	7.26	7.29	6.90	6.91	6.49	6.49	6.27	6.26	6.03	6.03

NOTE.—All rates are derived in accordance with reporting and processing procedures established for the new Survey. Thus, they exclude foreign and business instalment loans and revolving credits and are based on weights derived from the size and area distribution of loans reported in the February Survey.

would tend to lower the averages while the exclusion of revolving credit loans and the shift of the reporting period away from quarterly tax-borrowing months probably would tend to raise them. The net effect of all these changes on the rate averages is likely to be slightly downward.

The net effect of the expansion of the sample of reporting banks was to raise the average rate 5 basis points above the level that would have been obtained from data reported by the old sample of respondents, as shown in Table 2. In the small loan categories, rates reported by the new respondents generally tended to be lower than those reported by respondents in the old Survey; for larger loans, the new respondents charged somewhat higher rates than did the old.

Table 3 summarizes all the measurable effects of the revisions on short-term interest rates, including the effects of expansion of the sample. In this table the algebraic signs of these effects are the opposite of their actual effect on the level of rates. This makes it possible to derive from the rate averages shown by the new Survey, through subtraction, the rate averages that would have been obtained in February had the Survey been

confined to the old sample of banks and the averages calculated on the basis of the old procedures. These adjusted rates are comparable with the data for the Surveys in December and earlier on the old basis—except for the revisions mentioned above for which the rate effects cannot be ascertained.

In all geographic areas except southern and western cities, the net effects of all measurable changes on the over-all rate averages were small. In other words, the upward rate effects from expansion of the sample and the new method for calculating interest on discounted loans were about offset by the downward effects stemming from the revisions in weights, which reflected mainly the increased influence on the averages of the larger loans carrying relatively low interest rates. Within individual loan-size categories, however, the revisions in some cases were substantial. The effects of the change in the method used for calculating the interest charge on discounted loans was much greater in New York City and in other northern and eastern cities than in southern and western cities—reflecting differences in the volume of discounted loans reported. Discounted loans accounted for almost half

the number and one-third the dollar volume of all short-term loans reported by old-Survey respondents in New York City and in other northern and eastern cities compared with less than one-sixth the number and dollar amount in southern and western cities.

TABLE 3
EFFECTS OF SURVEY REVISIONS ON SHORT-TERM INTEREST RATES, FEBRUARY 1-15, 1967
(Per cent per annum)

Rate, and type of adjustment	All sizes	Size of loan (in thousands of dollars)			
		1-9	10-99	100-199	200 and over
All centers:					
Average rate, new Survey.....	6.13	6.73	6.63	6.42	6.01
Adjustments to eliminate measurable effects of revisions—Total.	-.01	+.02	-.03	-.08	-.04
Expansion of sample.....	-.05	+.08	+.05	-.01	-.03
Change in rate calculation for discounted loans ¹	-.03	-.04	-.04	-.03	-.02
Changes in weights ¹	+.07	-.02	-.04	-.04	+.01
Average rate, adjusted ²	6.12	6.75	6.60	6.34	5.97
New York City:					
Average rate, new Survey.....	5.86	6.55	6.49	6.16	5.81
Adjustments to eliminate measurable effects of revisions—Total.	+.02	-.08	-.07	-.06	-.02
Expansion of sample.....	-.01	-.01	-.01	-.01	-.01
Change in rate calculation for discounted loans ¹	-.04	-.07	-.06	-.05	-.03
Changes in weights ¹	+.07	.....	.....	.....	+.02
Average rate, adjusted ²	5.88	6.47	6.42	6.10	5.79
Other northern and eastern cities:					
Average rate, new Survey.....	6.23	6.75	6.76	6.56	6.11
Adjustments to eliminate measurable effects of revisions—Total.	+.01	-.10	-.06	-.09	+.02
Expansion of sample.....	-.07	-.03	-.02	-.05	-.05
Change in rate calculation for discounted loans ¹	-.03	-.05	-.04	-.04	-.03
Changes in weights ¹	+.11	-.02	.....	.....	+.10
Average rate, adjusted ²	6.24	6.65	6.70	6.47	6.13
Southern and western cities:					
Average rate, new Survey.....	6.18	6.72	6.53	6.34	6.05
Adjustments to eliminate measurable effects of revisions—Total.	+.14	+.20	+.13	+.04	+.06
Expansion of sample.....	.....	+.21	+.15	+.06	.....
Change in rate calculation for discounted loans ¹	-.02	-.01	-.03	-.02	.....
Changes in weights ¹	+.16	.....	+.01	.....	+.06
Average rate, adjusted ²	6.32	6.92	6.66	6.38	6.11

¹ Calculated from data reported by 66 banks in the old Survey.

² The adjusted rates are those that would be obtained by processing the February Survey data from the 66 respondents in the old Survey according to the procedures used in the old Survey. These averages

are not entirely comparable with those published for December and earlier periods because of the exclusion of foreign, business instalment, and revolving credit loans and the shift in reporting period for which the rate effects cannot be ascertained.

APPENDIX

GEOGRAPHIC AREAS AND REPORTING CENTERS FOR REVISED QUARTERLY INTEREST RATE SURVEY

<i>Geographic area</i>	<i>Reporting center</i>	<i>Geographic area</i>	<i>Reporting center</i>
New York City	New York City	Southeast	Baltimore
Other Northeast	Boston		Richmond
	Hartford and Providence		Washington, D.C.
	Buffalo		Charlotte
	Nassau County, N.Y.		Atlanta
	Rochester		New Orleans
	Newark		Nashville
	Philadelphia	Southwest	St. Louis
North central	Cleveland		Louisville
	Pittsburgh		Memphis
	Cincinnati		Kansas City
	Chicago		Oklahoma City and Tulsa
	Detroit		Denver
	Indianapolis		Dallas and Fort Worth
	Milwaukee		Houston
	Minneapolis and St. Paul	West coast	San Francisco
			Los Angeles
			Seattle
			Portland

Monetary Policy and the Residential Mortgage Market

In March of this year the Board of Governors was requested by the Subcommittee on Housing and Urban Affairs of the Committee on Banking and Currency of the U.S. Senate to prepare (1) a statement on mortgage credit as it relates to the activities of the Board in carrying out its monetary policy; (2) an evaluation of the effect of

monetary policy on the availability and price of mortgage credit in 1966; and (3) recommendations for corrective action to assure a more even flow of credit to meet the home financing needs of our people at a price they can afford to pay.

The following report was submitted to the Subcommittee on May 8, 1967.

RESIDENTIAL MORTGAGE CREDIT AND THE ACTIVITIES OF THE FEDERAL RESERVE BOARD IN CARRYING OUT ITS MONETARY POLICY

The ultimate goals of monetary policy are general in nature—to contribute toward achieving high employment with sustainable growth, a stable dollar at home, and overall balance in our financial transactions with other nations. The primary instruments through which monetary policy strives to further these objectives include changes in the cost and availability of credit through open market operations in Government securities for the account of the Federal Reserve Banks, changes in reserve requirements of member commercial banks, and changes in the rates and conditions under which member banks can borrow from the Federal Reserve Banks. With these general goals and instruments as given, the monetary policy of the Federal Reserve has been and must continue to be oriented toward the broad domestic and international economic scene.

But Federal Reserve actions to influence the ultimate aggregate targets of monetary policy—maximum employment, economic

growth, and price stability—must always take into account the impact of monetary developments on current and prospective conditions within particular sectors of the economy. Critical difficulties emerging in any one sector could affect the sustainability of over-all growth. Or they could affect the liquidity and solvency of major segments of our financial system.

One sector that the Federal Reserve follows closely in carrying out monetary policy is the residential mortgage market—the nation's largest single net user of individual savings. Developments within this sector have obvious implications for our ability to improve living standards, for the sustainability of aggregate demands for goods and services, and for prices of a major service—shelter. They also have a direct bearing on the viability of private financial institutions that held some \$225 billion in loans secured by residential real estate at the end of last year. Indirectly, developments in residential finance—and through this market to

residential construction—have widespread effects on other types of credit, on production, and on employment.

Periods of credit restraint. In periods when aggregate demands for goods and services tend to run ahead of the supply of resources available to meet these demands, the task of general economic policy is to initiate actions that will discourage enough spending to head off an upward spiral in prices and wages. Monetary instruments are used toward this end by reducing the availability of credit and by raising its cost. But the intensity of the monetary attack on inflation in any given period will depend on the extent to which fiscal policy is also helping to check spending.

For economic policy to be effective under these circumstances, it is clear that aggregate spending has to be cut somewhere, to levels below those that would otherwise prevail. In practice, the types of spending most affected by monetary restraint are those in sectors where demand is postponable and credit financing accounts for a large share of total outlays. Such characteristics are, of course, most typical of outlays for durable goods, and among these housing is a prime example.

Use of long-term credit is unusually large in the financing of housing, reflecting not only the extreme durability and the relatively large unit price of the structures involved, but also the substantial number of dwellings built or traded in any one year. Buyers of both new and used residential properties rely heavily on long-term mortgage financing. In the case of new, 1-family homes built for sale, for example, an average of 95 out of every 100 dwellings sold in 1965 used mortgage credit to some degree, with the average credit transaction involving a loan of nearly \$19,000 (excluding

finance charges), or almost 88 per cent of the average purchase price. Homebuilders rely perhaps even more heavily on short-term construction financing, which is ordinarily available only if commitments for permanent mortgage financing can also be obtained. Altogether, demands for residential mortgage credit accounted for as much as three-tenths of total net short-term and long-term funds raised in all credit markets in 1965.

These special characteristics of housing outlays and their financing make residential construction as well as used-home transactions inherently vulnerable to cyclical fluctuations. For this reason, unless monetary actions are to be abandoned as an instrument of economic policy, housing is likely to continue to show larger variations between periods of monetary ease and restraint than most other types of spending.

Monetary policy and housing markets in 1966. In 1966, however, the cyclical impact of economic events was unusually marked on residential construction and on the exchange of used houses. While policy-induced pressures to reduce spending were widely felt throughout the economy, the weight of these constraints on the housing market was particularly severe. The magnitude of the contraction in outlays for housing reflected the interaction of several factors.

With the escalation of U.S. participation in the Vietnamese war, aggregate spending—already at a high level as a result of the ongoing business capital boom—began to intensify upward pressures on prices and wages. Although a number of fiscal actions were initiated in the first half of 1966 to limit the growth of business and consumer spending, the lion's share of the responsibility for checking inflationary tendencies was placed on monetary policy. In these

circumstances, with business demands for credit remaining very heavy, interest rates rose sharply. The resulting intense competition for funds created special pressures on the nonbank thrift institutions that traditionally finance the bulk of housing activity. As interest rates rose generally, these institutions found an increasing share of total savings flows being allocated directly to securities markets. Consequently, funds available for housing were substantially curtailed.

As these unusual pressures on thrift institutions—and through them on the housing market—became apparent, the Federal Reserve took a number of actions designed to moderate their impact. These steps were intended to redistribute some of the burden on thrift institutions to other sectors of the economy, in part by dampening the interest rate competition that was contributing to the highest rates paid for savings in many decades.

—In July the Board of Governors lowered the Regulation Q ceiling on maximum interest rates that member commercial banks could pay on new multiple-maturity time deposits. In the same month the Board raised reserve requirements on time deposits held by each member bank in excess of \$5 million. Another increase in reserve requirements was made in September, when bank issues of promissory short-term notes were also brought under reserve-requirement and interest-ceiling regulations. These actions, along with retention of the 4 per cent ceiling on rates that banks could pay for savings deposits, exerted limits on the capacity and incentive of banks to compete for savings with other types of depository institutions that ordinarily invest a larger share of their resources in mortgages than banks do.

—Early in September the Presidents of the Federal Reserve Banks sent a letter to all member banks asking for their cooperation in curtailing expansion in loans to

businesses, which had been growing at an unusually rapid rate. Faced with substantial potential run-offs in large-denomination certificates of deposit as market yields rose above the rate ceiling on CD's, banks might otherwise have sold securities instead of cutting back on business lending in order to adjust their positions. The adverse impact on interest rates of heavy bank liquidations of securities, in turn, would have spilled over into other financial markets, including the residential mortgage market. Toward the end of the year the September 1 letter was rescinded when it became evident that underlying economic conditions had changed.

—In late September the Board—acting under new temporary authority that broadened the basis for setting interest rate ceilings on time and savings deposits—lowered the maximum interest rate that member banks could pay on individual time deposits of under \$100,000. Federal agencies that regulate savings and loan associations and mutual savings banks also established similar ceilings under this new authority. These joint actions prevented further acceleration in the maximum interest rates paid on savings, although some lenders that had been below the new ceilings initiated additional rate increases.

—Finally, during the period of market stringency that developed last summer, the Board of Governors made temporary arrangements under which the Federal Reserve Banks could provide emergency credit facilities, under specified conditions, to nonmember commercial banks or to nonbank depository-type institutions, including savings and loan associations and mutual savings banks. While this emergency facility was not expected to be needed and was never used, it offered assurance that aid could be made available against the remote possibility of exceptional outflows of funds that could not be met through usual adjustment procedures. The temporary arrangement, which later expired, was not intended to be a long-

run source of Government credit for the residential mortgage market. However, the System has indicated its willingness to reinstitute this arrangement if it should become desirable to do so at some future date.

Looking back on the events of 1966, it seems clear that a different mix of monetary and fiscal policy—which placed more reliance on an increase in tax rates or a cutback in Federal spending than on monetary restraint—would have helped to moderate the steepness of the general advance in interest rates. This in turn would have created less extreme pressures on savings flows to thrift institutions. At the same time, however, it is also clear that even if increases in interest rates had been more moderate, the close traditional tie between housing and credit advanced by the specialized depositary-type lenders would have contributed to a significant cutback in the supply of credit available for both new and used housing. Because thrift institutions lend long and borrow short, they are peculiarly vulnerable to general increases in interest rate levels. The relative rigidity of earnings on their essentially long-term assets limits the ability of these institutions to compete for funds in the short run by raising rates paid for new and existing savings.

Typically in the postwar period, the relative share of depositary-type savings in total savings flows has declined during phases of strong economic growth and high and rising

market interest rates, as in 1955, 1959, and 1966. This behavior has emphasized that an important, if marginal, portion of depositary flows always comes from yield-conscious savers who are in a position to consider direct market investment as a convenient alternative. Market instruments, such as U.S. Treasury obligations, commercial paper, Federal agency securities, and corporate and municipal bonds, may lack the degree of protection assured to holders of insured savings accounts and shares. But they offer the immediate attraction of higher yields over a range of maturity terms and—on longer maturities—the prospect of capital gains if going market rates should eventually decline. Stocks, of course, usually provide some current yield plus the chance of rapid accruals in capital value.

In addition to these long-standing structural peculiarities of residential finance, the impact of credit restraint on housing in 1966 was affected by special mortgage market conditions, which had developed as an outgrowth of tendencies begun earlier in the 1960's when the supply of mortgage credit was abundant. Before turning to a consideration of the types of reforms that might be adopted to lessen the disproportionate cyclical vulnerability of housing in the future, a more detailed review—illustrating how both the traditional and the special peculiarities of residential finance complicated the picture in 1966—will help to highlight the need for reform.

FACTORS AFFECTING THE AVAILABILITY AND PRICE OF RESIDENTIAL MORTGAGE CREDIT IN 1966

Last year's combination of intense general credit demands and greater than usual emphasis on monetary restraint in lieu of stronger fiscal policy affected the availability of credit in residential mortgage markets more than in most other types of credit markets. Net growth in outstanding residential

mortgage debt during the second half of the year was down by two-fifths from the record pace in the second half of 1965. New commitments for mortgage loans probably fell by somewhat more. For the year as a whole, net extensions of residential mortgage credit declined by \$6.5 billion, or by three-tenths.

Nonbank thrift institutions. As has been indicated, the bulk of the reduction in mortgage credit reflected the marked decline in net savings flows to the nonbank depositary-type institutions that specialize in mortgage lending. Net acquisitions of deposits at mutual savings banks dropped to the lowest level in 5 years, and net acquisitions of shares at savings and loan associations fell to the lowest level in 13 years. Funds available for expansion of their residential mortgage portfolios were curtailed accordingly.

The reduced inflow to these thrift institutions reflected in part high and rising yields on competitive market instruments, as noted earlier, and continued aggressive competition of commercial banks for savings. It also reflected a general reluctance or inability of these thrift institutions to increase the rates paid on their own deposits or shares, at least through midyear, because their earning assets consisted chiefly of long-term mortgages bearing yields that had largely been fixed earlier when mortgage rates were generally appreciably lower. Also, savings and loan associations during much of 1966 were inhibited from raising rates on share accounts by regulatory restrictions on advances from the Federal home loan banks. These constraints were part of a continuing policy intended to achieve a sounder basis for growth than had taken place at some savings and loan associations earlier in the 1960's, when they had promoted high dividend rates and had greatly increased borrowings from the Federal home loan banks.

Over the first half of 1966, savers found a growing incentive to shift funds out of the thrift institutions that offered lower yields on fixed-value claims. In that period, savings accounts then in effect generally permitted savings withdrawals to be made virtually on demand. The resulting large outflows reduced sharply the net growth in savings

shares and deposits. After midyear most large savings banks and some savings and loan associations in West Coast States raised their savings rates to a point where their net inflows began to improve. After late September, once the new ceiling rates on share accounts had been established and modifications had been made in previous regulations on Federal home loan bank advances, other savings and loan associations that were below the ceiling also raised their rates.

By the fourth quarter market rates of interest had reached a peak and had begun to decline. Accordingly, growth of savings and loan association share capital picked up, and growth in deposits at mutual savings banks improved further.

The reduction in net savings received by thrift institutions last year was compounded by a drop in cash inflows resulting from prepayments on outstanding mortgage loans. Return flows from such prepayments fell off sharply as the reduced volume of new lending slowed turnover in older properties and as more buyers were obliged to assume outstanding loans in order to finance real estate transactions. For savings and loan associations—the dominant mortgage lender—loan retirements (as measured by new loans made minus changes in loans held) were down \$2.1 billion over the record level of the preceding year, with most of the decline taking place in the second half of 1966. Cash flows from both loan retirements and net growth in share capital declined by nearly \$5.8 billion.

The relatively limited degree of liquidity at the thrift institutions further restricted their ability to meet demands for residential mortgage credit in 1966. During the early 1960's when credit conditions were easier, the liquidity of these lenders had been built up more slowly than their total resources. By the end of 1965—just before

entering a period that would test their liquidity severely—savings and loan associations reported that their holdings of cash plus U.S. Government securities of all maturities accounted for the smallest share of their total assets (8.7 per cent) in 24 years. The average liquidity of mutual savings banks was the lowest in several decades. Ratios of reserves to total liabilities for both savings and loan associations and mutual savings banks were also comparatively low.

Also, the easier credit conditions of the early 1960's, coupled with the elimination of earlier housing shortages dating from World War II, had left some savings and loan associations with a large volume of troubled or foreclosed real estate on their hands. While the origination of these loans may have initially added high-yielding assets to their mortgage portfolios, the subsequent acquisition of the collateral through foreclosure (or the equivalent) later depressed net earnings by increasing servicing costs. It also reduced cash flows scheduled from principal and interest payments and reduced holdings of potentially salable loan collateral. By the end of 1965, savings and loan associations probably owned in excess of \$1 billion in real estate other than association premises, compared with about \$290 million 4 years earlier, thus further constricting their investment flexibility.

Finally, member savings and loan associations borrowed heavily from the Federal home loan banks during the early 1960's, mainly to finance additional expansion of their portfolios during a period of rapid though decelerating growth in their net savings inflows and net mortgage acquisitions. By the end of 1965, home loan bank advances outstanding were nearly \$6 billion, more than double the figure only 4 years earlier. Since nearly all the open market borrowing of the Federal home loan

banks was short term, virtually all their outstanding debt had to be refinanced each year. This practice limited the degree to which those banks could provide new money for additional advances later when general conditions tightened. As it was, the home loan banks went to the money market in 1966 for \$7.2 billion in order to refinance outstanding obligations and to raise \$1.6 billion in new money. The higher interest rates payable on these obligations were passed on to all borrowing member associations in higher costs of operation, since rates on outstanding advances were changed in line with rates on new advances.

Faced with the need to roll over most outstanding debt and to raise some new funds in an already congested market, the Federal Home Loan Bank Board felt constrained to husband the lending power of the Federal home loan banks in order to cover withdrawals of share capital at member associations. For this reason, advances for purposes of expanding mortgage credit were discontinued after early spring. Member associations after midyear were required to draw down their own liquid assets to some extent before borrowing from the System to cover withdrawals. Both changes, of course, restricted the degree to which savings and loan associations could extend additional mortgage credit at a time when their own internal resources were under pressure.

All these combined factors resulted in a sharp slowdown in net acquisitions of residential mortgages during 1966 by savings and loan associations and by mutual savings banks. Net residential mortgage takings of savings and loan associations dropped some \$5.0 billion, or by more than half, below the already reduced 1965 figure. Net takings by mutual savings banks declined by nearly \$1.4 billion, or by a third, below the near-record total a year earlier. Taken

together, the reduced pace of lending of these two lender groups accounted for the bulk of the \$7.6 billion net decline in residential mortgage debt extended by the four major types of private institutional lenders, including commercial banks and life insurance companies in addition to savings and loan associations and mutual savings banks (see table).

Commercial banks. While commercial banks experienced a modest slowing of savings growth during the first half of 1966, the composition of their inflows changed sharply toward higher-cost funds, as in the case of other depository institutions. As banks began to compete more actively for time deposits of individuals and businesses, many promoted new instruments, such as savings certificates and savings bonds, with higher yields and longer maturities than regular passbook accounts. Part of the funds flowing into these time deposits merely

represented transfers from passbook savings, and some came from nonbank depository institutions. But commercial banks also suffered from the aggregate shift in savings toward direct investment in market securities. Thus, even though bank time and savings deposits rose at an annual rate of 10 per cent during the first half of 1966, this rate was a third below the pace of expansion during the record preceding year.

After mid-1966, banks found it increasingly difficult to add to their time and savings deposits, in view of rising market yields on competitive investments, the unchanged ceiling on time deposits of \$100,000 and over, and the reduction in ceiling rates on time deposits of less than \$100,000, made in September. In fact, total time and savings deposits of commercial banks remained almost unchanged on a seasonally adjusted basis from the end of August through November, but improved in December as general credit conditions eased again.

INCREASES IN NONFARM RESIDENTIAL MORTGAGE DEBT OUTSTANDING BY TYPE OF HOLDER AND TYPE OF PROPERTY

(Billions of dollars, without seasonal adjustment)

	1964	1965	1966	1965				1966			
				I	II	III	IV	I	II	III	IV
Total.....	21.3	21.5	15.1	4.4	5.7	5.9	5.6	4.2	4.6	3.4	2.8
Type of holder:											
Financial institutions—Total.	18.5	18.5	10.9	3.8	5.0	5.1	4.6	3.3	3.5	2.3	1.8
Commercial banks.....	2.5	3.5	2.7	.5	1.0	1.2	.8	.4	1.0	.8	.5
Savings banks.....	3.8	3.6	2.2	.9	.9	.9	.9	.6	.4	.6	.6
Savings and loan assns.....	9.3	8.7	3.7	1.8	2.6	2.4	2.0	1.6	1.6	.4	.1
Life insurance companies...	2.9	2.7	2.2	.7	.5	.6	.9	.7	.5	.5	.6
Federal agencies.....	-.2	.4	2.8	*	-.1	.1	.4	1.0	.6	.6	.6
All others.....	3.2	2.7	1.4	.6	.9	.7	.6	-.1	.5	.5	.5
Type of property:											
1- to 4-family.....	15.4	16.1	11.6	3.1	4.4	4.4	4.1	3.1	3.7	2.7	2.0
Multifamily.....	6.1	5.4	3.6	1.2	1.3	1.4	1.4	1.1	.9	.8	.8

* Less than \$50 million.

SOURCE.—Board of Governors of the Federal Reserve System, new series. Details may not add to totals because of rounding, which also affects comparisons between quarters and years.

Commercial banks allocated a larger share of their net increase in loans and investments to residential mortgages in 1966 than in any of the previous 5 years. But their net takings of residential mortgages (including construction loans) were reduced sharply in the second half of 1966, after holding close to their year-earlier pace during the first 6 months. For the year as a whole the net decline in bank acquisitions of residential mortgages came to about \$700 million, a fifth below the record 1965 level.

Life insurance companies. As general credit conditions tightened during most of 1966 and interest rates rose, life insurance companies came under increasing pressure from growth in policy loans, which upset earlier projections of cash flows available for investment. Slowing in mortgage prepayments further contributed to a reduction in cash flows. This led life insurance companies to reduce their net acquisitions of residential loans by about \$400 million, or by a sixth, although their net takings of higher-yielding nonresidential mortgages increased by about as much as their residential acquisitions declined.

For insurance companies as well as for depositary lenders, a potential source of loanable funds through the sale of existing seasoned mortgages was severely limited in 1966, despite the variable impact of tighter credit conditions both geographically and in terms of timing. In part, this limitation reflected the fact that no effective secondary market mechanism exists for the ready transfer of seasoned residential mortgages, especially conventional loans, at going prices. The sale of seasoned, Federally underwritten home loans to the Federal National Mortgage Association was ruled out, of course, by FNMA regulations, issued in mid-

January, that confined its secondary-market purchases to newly made mortgages in order to conserve its resources within statutory limits.

FNMA activity. A record net increase in FNMA acquisitions of unseasoned residential mortgages during 1966 helped to offset in part the large aggregate decline in takings by the four major types of private financial institutions. FNMA added \$2.3 billion to its residential mortgage portfolio, chiefly through purchases from mortgage companies.

Not all this total, however, represented a net addition to the over-all availability of residential mortgage credit. Some funds raised by FNMA through its borrowings from the Treasury or through the open market undoubtedly attracted savings that might otherwise have been placed with depositary institutions that also invest in mortgages. Also, some mortgages purchased by FNMA provided funds that mortgage sellers reinvested elsewhere than in the mortgage market. Even so, FNMA's net support to the residential mortgage market was probably quite large, although its increased volume of open market borrowings helped to raise general market rates, which encouraged the shift in savings from direct lending institutions.

New commitments on residential mortgages. The nature of the process of financing residential properties usually requires a mortgage commitment by the lender in advance of the actual disbursement of funds. This practice means that cutbacks in new commitments that have an immediate impact on plans for the construction of new houses or the transfer of used homes may show up only after some time has passed in a reduced

pace of new loans closed and funds disbursed. They may be evidenced even later in declines in net acquisitions of mortgages, if loan repayments also fall off.

Fragmentary evidence suggests that new commitments on residential mortgages were cut back even more sharply than net loan acquisitions for all major types of private lenders. Lenders were obliged to cut back heavily on new commitments in order to honor outstanding commitments that bulked increasingly large in view of reduced cash flows below earlier projections. Such projections, in turn, had been based on extrapolations of favorable cash-flow trends earlier in the 1960's. They led many lenders by the end of 1965 to commit themselves farther ahead than they had done at any time in the recent past.

Greater lender selectivity—along with higher construction costs and housing prices—apparently worked to increase the average amount of mortgage credit used per loan commitment last year, continuing a long trend in this direction. Thus the number of new residential mortgage commitments was probably cut back by even more than the dollar volume of funds committed for additional lending. This factor further constrained the number of new housing starts and the number of sales of used dwellings.

Builders of new homes as well as buyers of new and used homes were hit by these cutbacks in new commitments, since both largely depend on the same credit sources and instruments. Production of new housing and transfers of used homes declined sharply after the early part of 1966. Other influences also contributed to a minor extent to the decline in starts; these included the aftermath of earlier overbuilding in some areas and the dampening effects on demand of continuing increases in costs of land, materials, and wages.

By late fall, general credit conditions

eased and interest rates in nonmortgage sectors declined. Since rates on savings at depository institutions remained at or close to the record levels reached earlier, the pressures that produced large net savings outflows during much of 1966 began to work in reverse to generate large savings inflows toward the end of the year. Rate ceilings imposed under new legislative authority worked to direct a larger share of the total toward nonbank thrift institutions.

Not all these net savings inflows, however, were translated at once into a sharply higher volume of new residential mortgage commitments at this usually slack season in the real estate market. Many lenders first went about rebuilding their depleted liquidity positions and reducing their indebtedness. Many potential borrowers held back in expectation of still further easing. Others were not immediately aware that mortgage credit had become more readily available at lower costs. Or they were not yet in a position to seek out new commitments.

The cost of credit. The cost of new home mortgage loans rose sharply in late 1965 and through most of 1966, as did rates on all other types of market instruments. Yields on newly made, multifamily mortgages apparently increased rapidly, too. Toward the end of last year, home mortgage rates peaked and then began to decline at a pace that accelerated in the early months of 1967. In both their up and down phases, returns on home mortgages appear to have changed more rapidly than in any earlier postwar period when they gained a reputation for stickiness. Their greater sensitivity last year seems to have reflected largely the unusual degree of tightness that developed in the availability of funds for such loans.

In some eastern States where going yields on residential mortgages rose above usury ceilings, lending within local markets was

said to have been cut back more than might otherwise have been the case. And in regions where interest rates on mortgages had risen most, discounts on Federally underwritten loans with fixed contract rates had increased dramatically, despite several upward adjustments, before finally reaching the statutory ceiling of 6 per cent. Discounts on FHA-insured and VA-guaranteed home mortgages—which are largely borne initially by new-home builders and used-home sellers—reached levels that discouraged offerings of new or used houses even where financing commitments were available at the advanced yields then prevailing. Even 6 per cent FHA home loans carried secondary-market discounts averaging as many as 7.3 percentage points in the Southwest last November, according to the series pub-

lished by the FHA. Indirectly, the large discounts inhibited demand for new houses, since the resale market for used homes provides strong support for the new-house market.

Some potential borrowers—faced with a sharp cutback in the supply of new residential mortgage commitments and the unwillingness of many would-be sellers to absorb large discounts on Federally underwritten loans—turned to less usual financing practices in order to consummate transactions. Assumed loans, purchase money mortgages, and instalment land contracts were said to have been often involved. So too were junior loans carrying negotiated rates that may reflect the inferior bargaining position of the borrower and the inferior legal position of the creditor in foreclosure.

SUGGESTED APPROACHES TO REFORM

Corrective actions designed to lessen cyclical fluctuations in the availability and price of residential mortgage funds need to be addressed to the special structural problems of the mortgage market that were highlighted by the 1966 experience. The preceding review of that experience suggests many of the changes that might be considered. Among these are the restructuring of non-bank depository institutions that specialize in mortgage lending, improvements in the marketability of the mortgage instrument, reductions in barriers to the free flow of mortgage funds among geographic regions and among types of structures, and changes in the policies and powers of Federal agencies that specialize in mortgage and housing markets. Such reforms would help to lessen the impact of credit restraint on the residential mortgage market. But even if all these changes were made, the residential mortgage market and housing would undoubtedly still prove to be more sensitive than most

other sectors to sharp cyclical changes in credit availability and credit costs.

The reports of the Presidential Committees on Federal Credit Programs and on Financial Institutions, made in 1963, included numerous proposals for reform; the Board of Governors continues to endorse the general principles set forth in those two reports. Some time earlier, in 1961, the Board submitted a requested report to the Senate Banking and Currency Subcommittee on Housing that contained several observations about how instability in residential construction might be lessened in the future.

In recommending what should be considered now, the Board of Governors believes that the following broad guidelines are of crucial importance:

—A flexible fiscal policy should play a greater part than it did in 1966 in acting, when needed, to restrain aggregate economic activity. Timely reductions in in-

come tax rates earlier in the 1960's contributed greatly to the sustained economic growth that developed after the 1960-61 recession. If, with the added economic stimulus provided by escalation of the Vietnamese war, an income-tax increase had been enacted early in 1966, the burden of restraining general economic activity would have fallen less heavily on monetary policy and hence less severely on the residential mortgage market and on housing.

—The residential mortgage market—both primary and secondary—should be integrated closely with the general capital market, not insulated from it. But at the same time, certain institutional changes should be made to enhance the ability of the residential mortgage market to compete prudently for the limited aggregate supply of available credit. It should be recognized that the result would involve payment of higher rates at certain times for savings funds and for mortgage credit.

—If special public measures appear warranted to ease the impact of tightening general credit conditions on the availability or price of residential mortgage credit, such actions should be taken without sacrificing the objectives of monetary restraint. Moreover, the extent of the subsidy element involved should be revealed clearly, and the substitution of public for private credit should be minimized.

Specifically, the Board of Governors suggests, without necessarily endorsing them at this time, that the feasibility of the following proposals be considered as a means of promoting greater cyclical stability in the flow of new commitments for residential mortgages and in their direct and indirect costs:

(1) *Improve the liquidity of thrift institutions so as to withstand better the pressures*

that develop when general credit conditions tighten.

First, encourage the thrift institutions to issue a greater variety of longer-term liabilities, including savings certificates and other instruments designed to retain rate-conscious funds for a considerable period of time. Greater use of longer-term savings instruments would provide a better balance against the maturity structure of the assets of these institutions. It would help to limit the extreme volatility of savings flows such as those that developed in 1966. This approach would also have the advantage of permitting payment of higher returns marginally to longer-term accounts without increasing the yield to every depositor or shareholder.

Second, establish flexible secondary-reserve requirements for nonbank thrift institutions. These reserve requirements should be implemented so as to encourage a cushion of funds to be built up in appropriate periods of sustained general credit ease that could become available later when credit tightened. Reserve requirements would also provide a margin of relief against excessive reliance on advances from the Federal home loan banks as a supplementary means of expanding credit under conditions of monetary restraint. Experience during 1966 suggested that even the resources of the home loan banks can become particularly limited when general capital markets become congested. Finally, such reserve requirements would tend to maintain loan quality by discouraging excessive mortgage lending in easy-money periods. Excessive expansion of mortgage credit in one period can lead subsequently to a large, accumulated volume of illiquid foreclosed real estate.

Third, study the question of whether an increase in the investment options available

to nonbank depository institutions specializing in mortgage investment would enhance their mortgage lending potential at times when general interest rate levels are rising. An important aspect to be considered is the extent to which broader investment powers might facilitate greater flexibility in portfolio earning power and liquidity. Improved flexibility in earnings might permit lenders to limit savings outflows during periods of general credit tightness by making more rapid upward adjustments in their rates payable on new and existing savings accounts. Improved liquidity might permit the liquidation of short-term assets to provide additional funds for relending. Both, in turn, could allow these lenders to maintain a more stable flow of new mortgage commitments at such times.

A related subject to be studied in this connection is the Federal chartering of mutual savings banks and the broadening of their lending powers. Consideration of this subject would, of course, require attention to ways in which institutions set up as Federal savings banks—or converted to them—can bear in an appropriate manner the types of burdens applicable to commercial banks insofar as reserve-type requirements and taxation are concerned.

Fourth, increase the statutory and financial capacity of the Federal Home Loan Bank System to assist its members, by providing the home loan banks with greater flexibility to change rates on advances without relating them directly to the current cost of funds. Administrative consideration might also be given to achieving a better-balanced debt structure of the home loan banks—thereby lessening the need to re-finance outstanding indebtedness during periods of credit tightness, as was required in 1966.

(2) *Improve the marketability of residential mortgages so as to make them more attractive and to permit lenders to adjust their portfolio positions more readily to conditions of general credit restraint.*

First, provide greater flexibility in setting maximum contract interest rates on FHA-insured and VA-guaranteed mortgages, if not eliminate these ceilings entirely. Authority should at least be provided to set rates so as to keep discounts on new loans within reasonable amounts at all times, subject only to the limits of State usury laws. If substantial discounts such as those that developed during 1966 could be avoided in the primary market, lenders would be more prone to invest in Federally underwritten loans when credit conditions tightened rather than in conventional mortgages or in other types of assets. Home sellers would be more willing to offer their dwellings on the market if there were no need to absorb substantial discounts, as in 1966, and home buyers would be obliged to resort less often to costlier methods of financing.

Second, explore through the FNMA the feasibility of setting up a trading desk so as to act as a dealer in residential mortgages. In this capacity FNMA would try to maintain a continuous market on both the buying and the selling side. If a trading desk operation should ultimately prove to be workable, it would help, among other things, to keep in daily, if not hourly, touch with market prices and yields, thereby facilitating the administration of flexible ceiling rates on new FHA and VA mortgages as well as providing a source of needed information for all mortgage brokers and investors. A more viable secondary market in general would help to facilitate portfolio adjustments that were difficult, at best, to arrange

during 1966 in the absence of such a centralized exchange.

Third, study through the FHA the possibility of enhancing the marketability of FHA-insured mortgages so that they would trade more like corporate and municipal securities or Treasury obligations. In part, this step could involve reducing further, if not eliminating altogether, the residual non-insured risks now attached to Federally underwritten mortgages, insofar as ultimate holders other than originators are concerned.

(3) Improve the allocation of residential mortgage funds so as to assure a more efficient distribution of credit during periods of general credit restraint.

Reexamine geographical and other barriers to mortgage investment so that appropriate steps can be taken to make them more nearly comparable or to do away with them altogether. This approach, subject to appropriate safeguards of loan quality, would involve a review of the mortgage investment powers and origination practices of financial institutions. It would also involve a consideration of what the Federal Government could do positively to encourage the States to bring their mortgage and foreclosure codes as close as possible to uniformity and to adopt more realistic usury statutes, where appropriate. All these differential institutional restrictions worked to inhibit both

primary and secondary mortgage investment during 1966.

Among the two most important measures to examine are the possibility of modifying, if not eliminating, geographical and type-of-structure restrictions on mortgage lending by Federal- and State-chartered depository institutions, and the achievement of closer uniformity in maximum statutory or regulatory loan-to-value ratios and loan maturities among different types of lenders.

(4) Broaden sources of funds available for residential mortgage investment, thereby relying less on depository institutions that tend to be vulnerable to conditions accompanying general credit restraint.

Encourage more sales of participation certificates or other instruments against pools of residential mortgages, subject to appropriate safeguards. Additional efforts in this direction, by Federal agencies or by large private lenders, should help to attract savings from such investors as pension funds or trusts that are reluctant to purchase and service individual mortgages outright and prefer to invest large blocks of funds in instruments payable only at maturity. Small investors, too, could be attracted to certificates that substitute the superior credit of the issuer for that of the mortgage borrower, and provide for investment in minimum amounts well below the \$15,000-plus average now required for a single, newly made first mortgage.

Statement to Congress

The Board of Governors appreciates this opportunity to present its views on S. 5, the Truth in Lending Act. We believe that important social as well as economic benefits may be expected to flow from a more effective disclosure of credit costs to consumers.

You have said, Mr. Chairman, that the purpose of the bill is to bring about "full disclosure of the cost of credit so that the consumer can make an intelligent choice in the market place." The Board agrees that as reasonable and workable ways are found to accomplish this objective the market system will function more efficiently. In the field of consumer credit existing trade practices generally fall short of the kind of disclosure that facilitates meaningful comparison shopping. We also agree with the principle stated in section 2 of the bill that competition would be strengthened by a more informed use of consumer credit.

The price system is a fundamental attribute of a free-enterprise, competitive economy. The sale of goods and services in exchange for money is the method by which the vast majority of transactions are consummated, and permits a degree of specialization—with its resulting efficiencies—that otherwise would be impossible. And for this system to function most effectively, it is necessary that the prices at which goods and services are available be stated by the seller, and known to the buyer, in standardized, meaningful terms. It is in this way that the buyer can be informed of his options—

NOTE.—Statement of J. L. Robertson, Vice Chairman, Board of Governors of the Federal Reserve System, before the Subcommittee on Financial Institutions of the Senate Banking and Currency Committee, on S. 5, May 10, 1967.

among both competing seller and competing services—so that he may use his purchasing power in what to him is the most desirable way. The objective of S. 5, with which the Board is in full agreement, is to see that such information is provided with respect to the use of credit. It does not purport to impose rate ceilings or any other restraints on terms and conditions, but only to assure full disclosure of the price charged for credit.

Prices of goods and services are usually stated in money terms (a point made frequently during these hearings) but a meaningful price comparison requires also some knowledge about the service to be acquired; namely, quantity and, where applicable, quality and duration of use. When the service to be acquired is the use of consumer credit, quantity and duration of use are the important variables. Duration of use is the period for which the credit is extended, of course, and quantity is the amount of credit used *on average* over this period. It is customary in finance to standardize the time-period variable by stating price in terms of charge per year, and the quantity variable by stating price per hundred dollars.

DISCLOSURE OF ANNUAL PERCENTAGE RATE

Now it would be possible to meet this price specification standard by stating the price of credit as dollars and cents per hundred dollars borrowed on average per year. But this is a complex form of statement, and it produces exactly the same result as the use of a percentage rate. That is, on a 1-year loan of \$1,000, payable in equal monthly instalments and carrying a charge of \$60

(a so-called 6 per cent add-on loan), the charge per annum on the average amount of loan available to the borrower may be stated at the standardized rate of either \$10.90 per hundred dollars or 10.9 per cent.

The important point here is that the borrower has available for use, over the life of the loan, not \$1,000 but an average of \$541.90, because each monthly payment includes repayment of principal as well as interest. The Board believes that to state the standardized charge as applying to anything other than the *average* amount of credit available to the borrower would distort the true relationship between cost and benefit received. The Board is also convinced that it is preferable to state the charge in percentage rather than dollar terms, and on an annual basis rather than for some other period. This would facilitate comparison with other financial prices, such as the percentage charge on single-payment loans, the interest rate paid on savings accounts, and the yield available to investors on Government bonds and other securities. Thus, we are in basic agreement with the provisions of S. 5 in these respects.

We also agree that the charge should be calculated on an actuarial rather than a constant-ratio or other basis. Again, it is the question of accuracy—disclosure of the truth—that leads us to favor this approach. On a 5-year, 6 per cent “add-on” monthly reduction loan (not uncommon in the home modernization field), the true charge per annum is 10.85 per cent while the calculation on a constant ratio basis would produce a rate of 11.80 per cent—nearly 1 point higher. The reason for the difference is that the constant ratio method assumes that the proportion of each payment applied to interest is the same. In the actuarial method, the monthly payment is applied first to in-

terest, and second to the outstanding—and gradually declining—credit balance.

The Board also agrees that the rate of finance charge need be specified only within “reasonable tolerances,” as provided in the bill. But we believe that Congress should decide, at least in the first instance, what constitutes a reasonable tolerance. We therefore recommend a statutory provision permitting the rounding of the annual percentage rate to the nearest whole per cent. This is a small deviation—viewed in terms of the usual levels of consumer finance charges—and it would make possible the use of standard tables in finding the rate to be disclosed in the vast majority of credit transactions. We also recommend, however, that authority be granted to provide wider tolerances if experience indicates that this would materially simplify the problem of disclosure in difficult cases.

IRREGULAR PAYMENTS

The Board is inclined to believe that the problem of irregular payments, by and large, is capable of practical solution. In the first place, permitting rounding to the nearest whole per cent in the rate disclosure will take care of most of the credit contracts that contain minor irregularities. And contracts calling for the deferment of payments or a final larger “balloon” payment appear to lend themselves to use of special tables or relatively simple adjustment calculations.

For the remaining cases—we hope they are relatively few—the calculation problem could be a good deal more difficult. Where a lender does an appreciable amount of business involving a fairly common irregularity, such as skipping summer payments for school teachers or patterning payments to the seasonal cash receipts of farmers, special rate tables can no doubt be designed.

But for highly personalized contracts involving, say, a deferred payment schedule, a number of skips, irregular payment amounts, and a balloon payment at the end, the lender would seem to have no recourse except to compute the rate of finance charge by hand, a process which could be quite difficult. Although rate calculation for such contracts is technically possible, many lenders certainly would resist writing them. Thus, it seems to us inescapable that some tendency towards use of standardized finance terms must be anticipated, and that this should be taken into account in the committee's consideration of the bill.

REVOLVING OPEN-END CREDIT

Among the difficult problems brought out in these hearings are those involved in the disclosure of finance charges on revolving or open-end credit. First, it has been argued that the annual rate that the customer will pay cannot be calculated in advance, because the time that will elapse from date of purchase to date of repayment is not known in advance. Second, more than one method is commonly used for computing the base to which the finance rate will be applied. Third, some plans call for annual fees, minimum charges, etc., which cannot be converted into an annual percentage rate. These variations complicate the comparison of finance rates charged by different establishments, as well as those charged for different types of credit. Yet the need remains: Users of revolving credit—like the users of any other form of consumer credit—should understand the credit costs that they will pay.

In view of these problems, how can the revolving credit customer have a clear awareness of the terms under which he buys or borrows? We believe this can be largely accomplished—although not entirely—by

requiring such terms to be disclosed at the time he opens a revolving credit account. The disclosure required should include the duration of any free period allowed, the method of computing the balance against which the charge is imposed, the periodic rate and the annual percentage equivalent, and the minimum and special charges (if any). It would be entirely appropriate for a store to give new customers a little leaflet, such as the one you have seen that was printed by the National Shawmut Bank of Boston, explaining the advantages of that store's credit plan over alternative plans.

In addition to the original complete statement of terms and conditions, a brief disclosure of the essentials should be included in the monthly bill. For example, the following information might be printed at the bottom of each monthly statement:

No finance charge is made for the period from purchase until billing date, nor is any finance charge made for 30 days thereafter if the account is paid in full within that period.

If payment in full is not received within 30 days of billing date, a charge will be made of 1½ per cent of the opening balance of this bill.

A charge of 1½ per cent per month is equivalent to a rate of 18 per cent per year.

The first sentence points out that the lender provides a "free period," during which no finance charge is imposed. The second sentence explains the charge that will be imposed if the free period is exceeded. You will note that this second sentence is quite similar to those now used by many stores not subject to special disclosure laws, except that it adds a statement of the base to which the finance charge is applied. In a store using an adjusted balance method, this sentence would be expanded to add, for example, the words "less any payments or merchandise returns"—underlined if the store wishes. The third sentence points out to the user the annual equivalent of the

stated monthly rate. If there are any minimum or special charges, these would be noted in a fourth sentence.

Each of these sentences would disclose necessary information. Taken together, we believe they would give the credit user a picture that is fair to the store, informative to the customer, useful in comparing charges from store to store, and broadly comparable to other rates charged for credit or paid on savings.

Before turning to our other recommendations, we should like to emphasize again what all members of this committee fully recognize—namely, that this bill is not a cure-all for the myriad abuses practiced by some in the lending of money or sale of merchandise on credit. Thus, S. 5 will not (and it would seem impossible to make it) cover the merchant who sells only on a time-price basis or who marks up the prices of his goods to compensate for a lower finance charge; it will have very little influence on cash lenders who advance small amounts at very high rates; it will provide little assistance to the consumer who pays no attention to what he signs or to the impact of the commitments he makes on his future financial condition. What the bill can accomplish is the disclosure, in the bulk of transactions, of the amount and rate of finance charge on which credit may be obtained. It is only one step—though an essential one—in the process of consumer education and the increased awareness that is required.

DEFINITION OF CREDIT

Section 3(2) incorporates a definition of “credit” that was originally developed or designed for a different purpose, the selective regulation of downpayments and maturities for credit in emergency situations. Some of

the specified categories cover matters that it would seem unnecessary or impractical to cover under a credit-cost disclosure bill. This would seem true particularly of the definition of “credit” to include “any contract or arrangement for the hire, bailment, or leasing of property.” As to such transactions, it would seem impossible to attribute or determine a “finance charge.” Similar questions can be raised as to inclusion in the definition of such things as options, demands, liens, and pledges.

We believe it would be preferable to define credit as “the right granted by a creditor to a debtor to defer payment of debt or to incur debt and defer its payment,” followed by an enumeration of some of the important types of credit listed in section 3(2) of the present bill. The quoted definition—which has been proposed in connection with the Uniform Consumer Credit Code now being drafted by the National Conference of Commissioners on Uniform State Laws—is sufficiently broad to cover any situation within what we conceive to be the purpose and intent of S. 5. It would eliminate any concern as to categories of transactions whose inclusion in the present definition might seem to be questionable.

EXEMPTION OF SMALL CREDITS AND CHARGES

I am sure that none of us wants to press disclosure of credit costs to the point where borrowers are denied access to credit at any price. But there is one area where disclosure of an annual percentage rate might do just that. In a closed-end credit transaction involving a small amount, a high effective rate may be justified to compensate the creditor for the relatively high out-of-pocket costs of handling the transaction. However, he may be understandably reluctant to disclose the

very high rate—perhaps 50 or 100 per cent—and might decide instead simply to discontinue this type of credit transaction.

For some borrowers, unable to obtain open-end credit accommodation or not having access to small cash loans, the need to make relatively small purchases on credit may be great indeed. It may also be argued that a small finance charge—in dollar amount—is not of great significance to the credit user regardless of the effective rate of finance charge. Therefore, we would be disposed to see closed-end credit transactions involving a small amount—perhaps under \$100—and a small total finance charge—perhaps under \$10—exempted from the disclosure requirements. But we think Congress should make the decision and, if it agrees, should incorporate the specific exemption in S. 5.

EXEMPTION OF FIRST MORTGAGE LOANS

The Board recommends that the bill be amended to exclude first mortgage real-estate loans, on the ground that there is already reasonable disclosure in this field. The first mortgage contract usually specifies the interest charge in terms of annual percentage rate on the outstanding balance, and full details of one-time costs are customarily given, in dollars and cents, at the time the loan is closed.

The typical first mortgage loan has an original maturity of 20 to 30 years, as contrasted with much shorter maturities for consumer instalment credit. This fact, and the fact that most first mortgage loans are repaid well in advance of the original maturity, lead us to conclude that disclosure requirements developed for relatively short-term credit are inappropriate for first mortgage loans. In the first place, to require that the annual percentage rate be recomputed

to reflect costs incidental to the extension of credit would involve particularly troublesome questions in first mortgage lending because of the number and variety of the costs assessed at closing, many of which would be incurred, in whole or in part, by a prudent cash buyer where no credit was extended. Second, while it would be possible to spread discounts and other credit-related costs over the life of the contract as a part of the annual rate of finance charge, we feel that this might tend to mislead the borrower. Such charges are in the nature of “sunk cost” and are borne in full by the borrower whether the loan is repaid in 1 year or 30. Third, to require disclosure of total dollar finance charge, including interest payable over the whole life of the contract, might be more misleading than helpful. As has been pointed out in these hearings, the present value of a dollar of interest to be paid 20 to 30 years hence is substantially less than one dollar, and relatively few first mortgage contracts appear to be carried all the way to maturity.

The Board does believe, however, that second mortgage loans and similar transactions should be retained within the scope of S. 5. Such credits typically are extended for a much shorter term than first mortgages, and discounts, fees, and charges can make up a much larger proportion of total finance charges. Moreover, second mortgage credit is often obtained for purposes such as home modernization, durable goods purchases, and debt consolidation—consumer transactions of the type usually financed with consumer instalment credit.

BUSINESS CREDIT EXEMPTION

The Board recommends that the exemption in section 8(1) of extensions of credit to “business firms” be revised to exclude, in-

stead, credit extended to corporations and partnerships and all credits that exceed \$20,000. We agree that credit extended for most business purposes should be excluded from the Act, but we are concerned about the difficulty of applying a purpose test for the many small businesses and farm operations in which expenditures for household and business purposes are closely associated and often intermingled. Such purchases as transportation and refrigeration equipment (or miscellaneous purchases from mail-order concerns) often serve both household and business uses, and such items are frequently purchased on the same instalment credit terms as strictly household goods. Furthermore, many small business and farm operators need the protection of full disclosure of credit costs as much as do purely household consumers.

This reasoning leads us to suggest rewording the exemption along the lines I have mentioned. The disclosure provisions would then apply to credit extended to most small business and farm operators, but not to larger businesses and agricultural operations. This would avoid unnecessary burdens and reduce administrative problems, while conforming to the objective of the bill in providing for full disclosure to those credit customers who need it most. Discretionary authority to increase the dollar limitation by regulation would also be desirable, since experience or changing conditions may indicate a need for a higher ceiling.

EXCLUSION FROM "FINANCE CHARGE" OF INSURANCE PREMIUMS, TAXES AND OFFICIAL FEES

One of the issues that has proved troublesome during these hearings has been the question of how to treat insurance premiums on policies taken out by borrowers as a

condition of, and covering the amount of, the credit contract. If such insurance is required, the borrower bears a cost which probably would not have been incurred if no credit were obtained. Moreover, exclusion of insurance from the finance charge creates a potential area of abuse, since some lenders may be encouraged to promote high-cost insurance to compensate for a somewhat lower finance charge.

The fact remains, however, that any insurance provides a benefit to the borrower over and above the use of credit. To require that the finance charge include insurance premiums would overstate the actual charge for credit. Therefore, we think that the cost of any kind of insurance is not properly regarded as part of the finance charge, and should be specifically excluded in S. 5. Similarly, we feel that the statute should specifically exclude official fees and taxes from the "finance charge," since generally they benefit neither creditor nor borrower, are not within their control, and are the same regardless of the source and terms of the credit. Both types of charge should be required to be itemized among the non-finance charges that must be disclosed pursuant to section 4(a)(4).

MAIL AND TELEPHONE SALES

Under section 4(a) a seller on credit is required, prior to consummation of the sale, to furnish the customer "a clear statement in writing" setting forth specified information. It seems to us that compliance with this section generally would not be feasible where a customer orders goods or services by mail or telephone.

Appropriate allowance for this situation might be patterned after the 1966 Massachusetts statute (Chap. 255D, subsection F of section 9). Thus, there might be added

to section 4(a) of S. 5 an exception for mail or telephone orders given without personal solicitation by a representative of the creditor, if the cash and deferred payment prices and the terms of financing are clearly set forth in the creditor's catalog or other printed material distributed to the public, and if the creditor delivers to the customer before the date for payment of the first instalment on the purchase a written statement setting forth the information required to be disclosed by section 4(a).

EXEMPTION OF REGISTERED BROKER-DEALERS

Section 8(b) exempts "transactions in securities or commodities in accounts by a broker-dealer registered with" the SEC. We know of no reason for such an exemption, and suggest that the committee consider whether it should be eliminated.

STATES WITH SUBSTANTIALLY SIMILAR LAWS

We believe that section 6(b) of the bill should be modified. That section now provides that the implementing agency shall exempt from the Act any credit transactions "which it determines are effectively regulated under the laws of any State so as to require the disclosure by the creditor of the same information" as required under S. 5. We seriously doubt that a Federal agency should be called upon to judge how effectively State laws in this field are enforced, particularly where, as in the case of S. 5, they are enforced in the courts. Action at the State level should be encouraged, not discouraged, by enactment of S. 5, and it should be made clear that the States need not follow precisely the provisions of this bill. You have indicated during the hearings, Mr. Chairman, that this is your intent, but

we think it should be spelled out in the bill. The Board recommends, therefore, that section 6(b) be amended to exempt transactions that are determined to be "subject to State law that requires disclosure substantially similar" to that required under S. 5.

EFFECTIVE DATE

Section 9 of the bill provides that the disclosure requirements shall take effect 180 days after enactment. This period may prove to be too short. Sufficient time should be allowed to permit consultation, preparation and publication of the regulations, and a period during which those subject to the regulations may study their provisions, procure rate tables, and train their personnel in the new procedures. We urge you to amend section 9 so as to make the disclosure requirements effective at a time to be prescribed in the regulations, but in no event later than 1 year from enactment of the law.

IMPLEMENTING AGENCY

Let me turn now to the question of what agency should be designated to prescribe regulations to implement this legislation. The Board's familiarity with the trade practices that would be subject to regulation under this legislation is very limited. Its regulatory responsibilities are principally confined to banks. We do collect consumer credit statistics as a part of our responsibility for monitoring flows of consumer credit along with other kinds of credit. And we have developed sources of data on current trends in all financial markets so as to be continuously informed of the flow and terms of credit needs and uses by the economy as a whole. But this experience, helpful though it is in meeting our responsibilities in the field of monetary policy, has not prepared

us for implementing with appropriate regulations the type of legislation before you today. Administration of a law such as S. 5 is a function essentially different from the functions that Congress heretofore has considered appropriate for the Federal Reserve System.

Formulating regulations under this bill would involve the Board in time-consuming consideration of trade practices about which we have very little knowledge and would thereby diminish the time we can devote to the formulation of monetary policy—our principal responsibility.

However, we believe the need for legislation of this kind is great. If the Congress decides to designate the Board as the agency to prescribe regulations to implement this bill, we will do our best to carry out the assignment, but we hope that in time either the States will promulgate substantially similar disclosure requirements, leading to exemptions under section 6(b), or administration of Federal disclosure requirements will be reassigned to an agency better suited to perform the function.

The task of implementing this proposed law will be complicated not only by our lack of knowledge in this field but also by the fact that the Board has no trained investigative staff at its command to determine whether the Act and the regulations are being complied with. Consequently, we would hope that our only function under this legislation would be to prescribe regulations to implement it in a manner designed to cope with special situations and to prevent evasions. We are aware that it is contemplated that the Act will be largely self-enforcing, but we recommend that responsibility for enforcement and investigation of complaints be vested specifically in the Department of Justice or the Federal

Trade Commission. A similar division of regulatory and enforcement responsibility was made between the Board and the Securities and Exchange Commission with respect to margin requirements for securities transactions. We also hope that Congress will express its desire that all Federal agencies endeavor to secure compliance with the law by lenders and sellers subject to their jurisdiction and transmit information indicating violations directly to the Department of Justice or the Federal Trade Commission for investigation and appropriate action.

ADMINISTRATIVE PROVISIONS

Let me mention briefly a few amendments we recommend in the provisions of section 5, which relate to administration of the Truth in Lending Act.

Section 5 provides that the regulations prescribed by the implementing agency "may contain such classifications and differentiations . . . as in the judgment of the" agency are necessary or proper. We recommend that after the word "differentiations" there be added, "may provide appropriate rules therefor," to make it clear that any class of persons or transactions may be subject to special rules appropriate to that class.

The last sentence of section 5(a) provides that, in prescribing any exceptions under the bill, the implementing agency "shall consider whether . . . compliance is being achieved under any other Act of Congress." To make it clear that the authority to make exceptions is not limited to that situation, we recommend that after the word "consider" the phrase, "among other things," be inserted.

Section 5 provides that the implementing agency "shall request the views of other Federal agencies exercising regulatory functions with respect to creditors" sub-

ject to the legislation. The Board assumes that any agency preparing regulations to implement the bill would, as a matter of course, seek comments and assistance from other agencies that might be affected or might possess relevant information. We are concerned, however, that a mandatory requirement to this effect might result in the voiding of a regulation on the ground that an agency with some related functions had been overlooked in the consultation process. We suggest, therefore, that the quoted provision be deleted.

A measure such as S. 5 obviously will depend for its success largely upon the cooperation of the various classes of businesses affected. Therefore, the agency that prescribes the regulations necessarily will consult with representatives of the creditors

to whom the bill would apply in order to develop regulations that are as simple and effective as possible. The agency should endeavor not only to tap the best sources of business advice but also specialists from the nonbusiness sphere. The Board, accordingly, sees no need to establish an advisory committee as provided in section 5(c) and it seems particularly doubtful that the best sources of advice would be available at \$25 per day.

We appreciate the cooperation that the committee and its staff have already extended, Mr. Chairman, in connection with these hearings, and we are very desirous of assisting in any way possible your efforts to perfect the bill. Members of our staff will gladly consult with the committee's staff to that end.

Membership of the Board of Governors of the Federal Reserve System, 1913-67

APPOINTIVE MEMBERS¹

<i>Name</i>	<i>Federal Reserve district</i>	<i>Date of initial oath of office</i>	<i>Other dates and information relating to membership²</i>
Charles S. Hamlin.....	Boston.....	Aug. 10, 1914	Reappointed in 1916 and 1926. Served until Feb. 3, 1936, on which date his successor took office.
Paul M. Warburg.....	New York.....	do.....	Term expired Aug. 9, 1918.
Frederic A. Delano.....	Chicago.....	do.....	Resigned July 21, 1918.
W. P. G. Harding.....	Atlanta.....	do.....	Term expired Aug. 9, 1922.
Adolph C. Miller.....	San Francisco.....	do.....	Reappointed in 1924. Reappointed in 1934 from the Richmond District. Served until Feb. 3, 1936, on which date his successor took office.
Albert Strauss.....	New York.....	Oct. 26, 1918	Resigned Mar. 15, 1920.
Henry A. Moehlenpah.....	Chicago.....	Nov. 10, 1919	Term expired Aug. 9, 1920.
Edmund Platt.....	New York.....	June 8, 1920	Reappointed in 1928. Resigned Sept. 14, 1930.
David C. Wills.....	Cleveland.....	Sept. 29, 1920	Term expired Mar. 4, 1921.
John R. Mitchell.....	Minneapolis.....	May 12, 1921	Resigned May 12, 1923.
Milo D. Campbell.....	Chicago.....	Mar. 14, 1923	Died Mar. 22, 1923.
Daniel R. Crissinger.....	Cleveland.....	May 1, 1923	Resigned Sept. 15, 1927.
George R. James.....	St. Louis.....	May 14, 1923	Reappointed in 1931. Served until Feb. 3, 1936, on which date his successor took office.
Edward H. Cunningham.....	Chicago.....	do.....	Died Nov. 28, 1930.
Roy A. Young.....	Minneapolis.....	Oct. 4, 1927	Resigned Aug. 31, 1930.
Eugene Meyer.....	New York.....	Sept. 16, 1930	Resigned May 10, 1933.
Wayland W. Magee.....	Kansas City.....	May 18, 1931	Term expired Jan. 24, 1933.
Eugene R. Black.....	Atlanta.....	May 19, 1933	Resigned Aug. 15, 1934.
M. S. Szymczak.....	Chicago.....	June 14, 1933	Reappointed in 1936 and 1948. Resigned May 31, 1961.
J. J. Thomas.....	Kansas City.....	do.....	Served until Feb. 10, 1936, on which date his successor took office.
Marriner S. Eccles.....	San Francisco.....	Nov. 15, 1934	Reappointed in 1936, 1940, and 1944. Resigned July 14, 1951.
Joseph A. Broderick.....	New York.....	Feb. 3, 1936	Resigned Sept. 30, 1937.
John K. McKee.....	Cleveland.....	do.....	Served until Apr. 4, 1946, on which date his successor took office.
Ronald Ransom.....	Atlanta.....	do.....	Reappointed in 1942. Died Dec. 2, 1947.
Ralph W. Morrison.....	Dallas.....	Feb. 10, 1936	Resigned July 9, 1936.
Chester C. Davis.....	Richmond.....	June 25, 1936	Reappointed in 1940. Resigned Apr. 15, 1941.
Ernest G. Draper.....	New York.....	Mar. 30, 1938	Served until Sept. 1, 1950, on which date his successor took office.
Rudolph M. Evans.....	Richmond.....	Mar. 14, 1942	Served until Aug. 13, 1954, on which date his successor took office.
James K. Vardaman, Jr.....	St. Louis.....	Apr. 4, 1946	Resigned Nov. 30, 1958.
Lawrence Clayton.....	Boston.....	Feb. 14, 1947	Died Dec. 4, 1949.
Thomas B. McCabe.....	Philadelphia.....	Apr. 15, 1948	Resigned Mar. 31, 1951.

¹For notes see following page.

APPOINTIVE MEMBERS ¹—Continued

<i>Name</i>	<i>Federal Reserve district</i>	<i>Date of initial oath of office</i>	<i>Other dates and information relating to membership</i> ²
Edward L. Norton	Atlanta	Sept. 1, 1950	Resigned Jan. 31, 1952.
Oliver S. Powell	Minneapolis	do	Resigned June 30, 1952.
Wm. McC. Martin, Jr.	New York	Apr. 2, 1951	Reappointed for term beginning Feb. 1, 1956.
A. L. Mills, Jr.	San Francisco	Feb. 18, 1952	Reappointed in 1958. Resigned Feb. 28, 1965.
J. L. Robertson	Kansas City	do	Reappointed for term beginning Feb. 1, 1964.
Paul E. Miller	Minneapolis	Aug. 13, 1954	Died Oct. 21, 1954.
C. Canby Balderston	Philadelphia	Aug. 12, 1954	Served through Feb. 28, 1966.
Chas. N. Shepardson	Dallas	Mar. 17, 1955	Retired Apr. 30, 1967.
G. H. King, Jr.	Atlanta	Mar. 25, 1959	Reappointed in 1960. Resigned Sept. 18, 1963.
George W. Mitchell	Chicago	Aug. 31, 1961	Reappointed for term beginning Feb. 1, 1962.
J. Dewey Daane	Richmond	Nov. 29, 1963	
Sherman J. Maisel	San Francisco	Apr. 30, 1965	
Andrew F. Brimmer	Philadelphia	Mar. 9, 1966	
William W. Sherrill	Dallas	May 1, 1967	

CHAIRMEN ³

Charles S. Hamlin	Aug. 10, 1914–Aug. 9, 1916.
W. P. G. Harding	Aug. 10, 1916–Aug. 9, 1922.
Daniel R. Crissinger	May 1, 1923–Sept. 15, 1927.
Roy A. Young	Oct. 4, 1927–Aug. 31, 1930.
Eugene Meyer	Sept. 16, 1930–May 10, 1933.
Eugene R. Black	May 19, 1933–Aug. 15, 1934.
Marriner S. Eccles	Nov. 15, 1934–Jan. 31, 1948.
Thomas B. McCabe	Apr. 15, 1948–Mar. 31, 1951.
Wm. McC. Martin	Apr. 2, 1951

VICE CHAIRMEN ³

Frederic A. Delano	Aug. 10, 1914–Aug. 9, 1916.
Paul M. Warburg	Aug. 10, 1916–Aug. 9, 1918.
Albert Strauss	Oct. 26, 1918–Mar. 15, 1920.
Edmund Platt	July 23, 1920–Sept. 14, 1930.
J. J. Thomas	Aug. 21, 1934–Feb. 10, 1936.
Ronald Ransom	Aug. 6, 1936–Dec. 2, 1947.
C. Canby Balderston	Mar. 11, 1955–Feb. 28, 1966.
J. L. Robertson	Mar. 1, 1966

EX-OFFICIO MEMBERS ¹

SECRETARIES OF THE TREASURY

W. G. McAdoo	Dec. 23, 1913–Dec. 15, 1918.
Carter Glass	Dec. 16, 1918–Feb. 1, 1920.
David F. Houston	Feb. 2, 1920–Mar. 3, 1921.
Andrew W. Mellon	Mar. 4, 1921–Feb. 12, 1932.
Ogden L. Mills	Feb. 12, 1932–Mar. 4, 1933.
William H. Woodin	Mar. 4, 1933–Dec. 31, 1933.
Henry Morgenthau, Jr.	Jan. 1, 1934–Feb. 1, 1936.

COMPTROLLERS OF THE CURRENCY

John Skelton Williams	Feb. 2, 1914–Mar. 2, 1921.
Daniel R. Crissinger	Mar. 17, 1921–Apr. 30, 1923.
Henry M. Dawes	May 1, 1923–Dec. 17, 1924.
Joseph W. McIntosh	Dec. 20, 1924–Nov. 20, 1928.
J. W. Po'e	Nov. 21, 1928–Sept. 20, 1932.
J. F. T. O'Connor	May 11, 1933–Feb. 1, 1936.

¹ Under the provisions of the original Federal Reserve Act the Federal Reserve Board was composed of seven members, including five appointive members, the Secretary of the Treasury, who was ex-officio chairman of the Board, and the Comptroller of the Currency. The original term of office was 10 years, and the five original appointive members had terms of 2, 4, 6, 8, and 10 years, respectively. In 1922 the number of appointive members was increased to six, and in 1933 the term of office was increased to 12 years. The Banking Act of 1935, approved Aug. 23, 1935, changed the name of the Federal Reserve Board to the Board of Governors of the Federal Reserve System and provided that the Board should be composed of seven

appointive members; that the Secretary of the Treasury and the Comptroller of the Currency should continue to serve as members until Feb. 1, 1936; that the appointive members in office on the date of that Act should continue to serve until Feb. 1, 1936, or until their successors were appointed and had qualified; and that thereafter the terms of members should be 14 years and that the designation of Chairman and Vice Chairman of the Board should be for a term of 4 years.

² Date after words "Resigned" and "Retired" denotes final day of service.

³ Chairman and Vice Chairman were designated Governor and Vice Governor before Aug. 23, 1935.

Law Department

Administrative interpretations, new regulations, and similar material

ERRATUM

The voting record on the Board's Order approving an application by Valley Bancorporation, Appleton, Wisconsin, to acquire shares of American State Bank, Grand Chute, Wisconsin, which was printed in the April 1967 Federal Reserve BULLETIN at page 578, contained a printing error and should have read as follows:

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

ACQUISITION BY EDGE CORPORATION OF STOCK OF COMBINATION EXPORT MANAGER

The Board of Governors has been presented with the question whether a corporation organized under section 25(a) of the Federal Reserve Act (an "Edge corporation") may acquire and hold a noncontrolling stock interest in a company engaged in the United States in the business of combination export manager.

The company and the clients for which it acts as export sales manager are located in the United States. Through designated agents and distributors abroad, the company obtains foreign orders for its clients in the United States or, against firm orders from abroad, itself purchases merchandise from them and reinvoices it for export. In no case does the company maintain inventories of unsold merchandise, nor does it make any sales in the United States.

The eighth paragraph of section 25(a) of the Federal Reserve Act (12 U.S.C. 615) authorizes an Edge corporation, with the consent of the Board, "to purchase and hold stock or other certificates of ownership in any other corporation organized . . . under the laws of any foreign country or a colony or dependency thereof, or under the laws of any State, dependency, or insular possession of the United States but not engaged in the general business of buying or selling goods,

wares, merchandise or commodities in the United States, and not transacting any business in the United States except such as in the judgment of the Board . . . may be incidental to its international or foreign business".

The Board recognized the closeness of the question whether the company is engaged in the general business of buying or selling goods in the United States. It concluded, however, that the activities of the company in acting as agent or broker for foreign clients where there is no market risk on the part of the company, or in acting as principal where there are offsetting firm orders for foreign clients, would not cause it to be "engaged in the general business of buying or selling goods, wares, merchandise or commodities in the United States . . .".

While the activities of the company are closely related to those of companies engaged in a commercial business in the United States, the sole business of the company is to act as an intermediary between domestic manufacturers and foreign consumers. Moreover, the company is exclusively concerned with the effecting of international transactions and its activities in the United States are entirely directed to that end. Accordingly, it was the judgment of the Board that the activities of the company in the United States are "incidental to its international or foreign business".

Inasmuch as the activities of the company in the United States conform to the requirements contained in the eighth paragraph of section 25(a) of the Federal Reserve Act, and the acquisition of a stock interest therein by an Edge corporation would otherwise be likely to further the foreign commerce of the United States, the Board concluded that such an acquisition and holding would be permissible and appropriate.

In view of the serious and difficult questions presented by the foregoing application, the Board emphasized that its decision was based on the particular facts of this case, and that applications by Edge corporations for permission to make similar acquisitions will necessarily be decided on their own merits. Because of the closeness of this case,

the Board also stated that Edge corporations may wish to obtain the prior specific consent of the Board before making investments of the kind described herein, even though a proposed investment technically might fall within the general consent provisions of section 211.8(a) of Regulation K.

SECURITIES OF MEMBER STATE BANKS

The Board of Governors, effective April 20, 1967, amended section 206.4(a) of Regulation F, to provide for the use of a new form (Form F-10) for registration of additional classes of securities by banks with securities already registered pursuant to Regulation F. The amendment to the Regulation and the new form read as follows:

AMENDMENT TO REGULATION F

Effective April 20, 1967, section 206.4(a) is amended to read as follows:

SECTION 206.4—REGISTRATION STATEMENTS AND REPORTS OF BANKS

(a) **Requirement of registration statement.** Securities of a bank shall be registered under the provisions of either section 12(b) or section 12(g) of the Act by filing a statement in conformity with the requirements of Form F-1 (or Form F-10, in the case of registration of an additional class of securities). No registration shall be required under the provisions of section 12(b) or section 12(g) of the Act of any warrant or certificate evidencing a right to subscribe to or otherwise acquire a security of a bank if such warrant or certificate by its terms expires within 90 days after the issuance thereof.

(Effective April 20, 1967, the Board of Governors adopted a new Form F-10, "Registration Statement for Additional Classes of Securities of a Bank", which is printed separately.)

BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

Washington, D.C. 20551

FORM F-10

REGISTRATION STATEMENT FOR ADDITIONAL CLASSES OF SECURITIES OF A BANK

Pursuant to Section 12(b) or Section 12(g) of the Securities Exchange Act of 1934

(Exact name of bank as specified in charter)

(Address of principal office)

Securities being registered pursuant to section 12(b) of the Act:

Title of class	Name of each exchange on which class is being registered
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Title of each class of equity securities being registered pursuant to section 12(g) of the Act:

GENERAL INSTRUCTIONS

1. **Applicability of this form.** This form may be used for registration of the following securities pursuant to the Securities Exchange Act of 1934:

(a) For registration pursuant to section 12(g) of the Act of any class of equity securities of a bank which has one or more other classes of securities registered pursuant to either section 12(b) or (g) of the Act.

(b) For registration on a national securities exchange pursuant to section 12(b) of the Act of any class of securities of a bank which has one or more other classes of securities so registered on the same securities exchange.

2. **Preparation of registration statement.** This form is not to be used as a blank form to be filled in but only as a guide in the preparation of a registration statement. Particular attention

should be given to the general requirements in section 206.4 of Federal Reserve Regulation F. The statement shall contain the numbers and captions of all items, but the text of the items may be omitted if the answers with respect thereto are prepared in the manner specified in section 206.4(s).

INFORMATION REQUIRED IN REGISTRATION STATEMENT

Item 1. Stock to be registered. If stock is being registered, state the title of the class and furnish the following information (See Instruction 1):

(a) Outline briefly (1) dividend rights; (2) voting rights; (3) liquidation rights; (4) preemptive rights; (5) conversion rights; (6) redemption provisions; (7) sinking fund provisions, and (8) liability to further calls or to assessment.

(b) If the rights of holders of such stock may be modified otherwise than by a vote of a majority or more of the shares outstanding, voting as a class, so state and explain briefly.

(c) Outline briefly any restriction on the repurchase or redemption of shares by the bank while there is any arrearage in the payment of dividends or sinking fund instalments. If there is no such restriction, so state.

Instructions. 1. If a description of the securities comparable to that required here is contained in any other document filed with the Board, such description may be incorporated by reference to such other filing in answer to this item. If the securities are to be registered on a national securities exchange and the description has not previously been filed with such exchange, copies of the description shall be filed with copies of the registration statement filed with the exchange.

2. This item requires only a brief summary of the provisions which are pertinent from an investment standpoint. A complete legal description of the provisions referred to is not required and should not be given. Do not set forth the provisions of the governing instruments verbatim; only a succinct resumé is required.

3. If the rights evidenced by the securities to be registered are materially limited or qualified by the rights evidenced by any other class of securities or by the provisions of any contract or other document, include such information regarding such limitation or qualification as will enable investors to understand the rights evidenced by the securities to be registered.

Item 2. Debt securities to be registered. If the securities to be registered hereunder are bonds, debentures or other evidences of indebtedness,

outline briefly such of the following as are relevant (see Instruction 2 following):

(a) Provisions with respect to interest, conversion, maturity, redemption, amortization, sinking fund or retirement.

(b) Provisions with respect to the kind and priority of any lien, securing the issue, together with a brief identification of the principal properties subject to such lien.

(c) Provisions restricting the declaration of dividends or requiring the maintenance of any ratio of assets, the creation or maintenance of reserves or the maintenance of properties.

(d) Provisions permitting or restricting the issuance of additional securities, the withdrawal of cash deposited against such issuance, the incurring of additional debt, the release or substitution of assets securing the issue, the modification of the terms of the security, and similar provisions.

Instruction 1. Provisions permitting the release of assets upon the deposit of equivalent funds or the pledge of equivalent property, the release of property no longer required in the business, obsolete property or property taken by eminent domain, the application of insurance moneys, and similar provisions, need not be described.

(e) The name of the trustee and the nature of any material relationship with the bank or any of its affiliates; the percentage of securities of the class necessary to require the trustee to take action, and what indemnification the trustee may require before proceeding to enforce the lien.

(f) The general type of event which constitutes a default and whether or not any periodic evidence is required to be furnished as to the absence of default or as to compliance with the terms of the indenture.

Instruction 2. In most cases, debt securities issued by banks need not be registered pursuant to section 12(g) of the Securities Exchange Act; the registration requirements of that section apply only to an "equity security". The term "equity security" is defined by section 3(a)(11) of the Act to mean "any stock or similar security; or any security convertible, with or without consideration, into such a security; or carrying any warrant or right to subscribe to or purchase such a security; or any such warrant or right; or any other security which the [Board] shall deem to be of similar nature and consider necessary or appropriate, by such rules and regulations as it may prescribe in the public interest or for the protection of investors, to treat as an equity security."

Instruction 3. The instructions to Item 1 also apply to this item.

Item 3. Other securities to be registered. If securities other than those referred to in Items 1 and 2 are to be registered hereunder, outline briefly the rights evidenced thereby. If subscription warrants or rights are to be registered, state the title and amount of securities called for, and the period during which and the price at which the warrants or rights are exercisable.

Instruction. The instructions to Item 1 also apply to this item.

Item 4. Exhibits. List all exhibits filed as a part of the registration statement.

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the bank has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized.

(Name of Bank)

Date _____ By _____
(Name and Title of Signing Officer)

INSTRUCTIONS AS TO EXHIBITS

Subject to section 206.4 (o) of Regulation F regarding the incorporation of exhibits by reference, the exhibits enumerated hereinafter shall be filed as a part of the registration statement. Exhibits shall be appropriately lettered or numbered for convenient reference. Exhibits incorporated by reference may bear the designation given in the previous filing. Where exhibits are incorporated by reference, the reference shall be made in the list of exhibits in Item 4.

1. Specimens or copies of each security to be registered hereunder.

2. Copies of all constituent instruments defining the rights of the holders of each class of such securities, including any contracts or other documents which limit or qualify the rights of such holders.

ORDERS UNDER BANK MERGER ACT

The following Orders and Statements were issued by the Board of Governors approving applications for the merger of banks:

UNION COUNTY TRUST COMPANY,
ELIZABETH, NEW JERSEY

In the matter of the application of Union County Trust Company for approval of merger with Hillside State Bank.

ORDER APPROVING MERGER OF BANKS

There has come before the Board of Governors, pursuant to the Bank Merger Act, as amended (12 U.S.C. 1828(c), Public Law 89-356), an application by Union County Trust Company, Elizabeth, New Jersey, a State member bank of the Federal Reserve System, for the Board's prior approval of the merger of that bank and Hillside State Bank, Hillside, New Jersey, under the charter and title of Union County Trust Company. As an incident to the merger, the sole office of Hillside State Bank would become a branch of the resulting bank. Notice of the proposed merger, in form approved by the Board, has been published pursuant to said Act.

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

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

Dated at Washington, D. C., this 10th day of April, 1967.

By order of the Board of Governors.

Voting for this action: Vice Chairman Robertson, and Governors Shepardson, Mitchell, and Daane. Voting against this action: Governors Maisel and Brimmer. Absent and not voting: Chairman Martin.

(Signed) MERRITT SHERMAN,
Secretary.

[SEAL]

STATEMENT

Union County Trust Company, Elizabeth, New Jersey ("Union Bank"), with total deposits of \$157.6 million, has applied, pursuant to the Bank Merger Act (12 U.S.C. 1828(c), as amended by Public Law 89-356), for the Board's prior approval of the merger of that bank with Hillside

State Bank, Hillside, New Jersey ("Hillside Bank"), which has total deposits of \$5.8 million.¹ The banks would merge under the charter and name of Union Bank, which is a member of the Federal Reserve System. As an incident to the merger, Hillside Bank's single office would become a branch of Union Bank, increasing the number of its offices to 14.²

Competition. Union Bank is the second largest of 15 banks in Union County, New Jersey, the area of effective competition, holding 18 per cent of the county's deposits. Upon consummation of the proposal, the bank would control approximately 19 per cent of total county deposits; however, its size relationship to other county banks would not be appreciably changed. The largest bank in the area holds 21 per cent of the county deposits. The third and fourth largest banks in the county each hold approximately 13 per cent of county deposits, and the other banks' holdings range from 1 to 8 per cent. The four largest Union County banks currently control about 66 per cent of the aggregate deposits and operate 58 per cent of the banking offices in the county.

Elizabeth, New Jersey, in which Union County's main office is located, and Hillside are adjoining communities. The main offices of the two banks are about four miles apart. Union Bank operates a branch system over a sizeable portion of Union County and its Westminster office is about three and one-half miles from Hillside Bank with no intervening banking offices. There are, however, two branches of National State Bank, Elizabeth, New Jersey, the county's largest bank, located in Hillside. In addition, there are branches of large Newark banks in adjoining Essex County, which are within a two-mile radius of Hillside and compete for business in that community.

It would appear that the area served by Hillside Bank is within the area served by Union Bank and some actual and potential competition would be eliminated by the merger. However, due to the difference in the size of the two banks and certain internal problems of Hillside Bank, as hereinafter described, it is the Board's opinion that no significant existing competition between the two institutions would be eliminated by the merger proposal and, further, that the proposed merger would not eliminate any significant potential competition,

because it appears unlikely that Hillside Bank will develop into a viable competitor. The degree of increase in concentration in banking resources in Union County that would result from the merger is not regarded as significant.

Accordingly, the Board concludes that the overall effect of the merger on competition would not be significantly adverse.

Financial and managerial resources and future prospects. Hillside Bank has had operational problems since it opened for business in November 1962. It sustained substantial operating losses in the first two years of its operation and, faced with the need for additional capital, two groups of stockholders vied for control of the bank in January 1965. Since that time efforts to raise additional capital have been blocked and the bank's capital position has worsened. In 1966, the bank experienced heavy loan losses and it appears that it would be extremely difficult at this time to attract new capital into the bank.

Hillside Bank has also experienced serious management problems. It has had three presidents in its relatively brief existence and, although the present president is believed to be capable, further executive personnel are necessary if Hillside is to continue as an independent bank. In view of the bank's formidable internal problems, it is believed that it would be difficult to attract qualified officers.

The financial and managerial resources and future prospects of Union Bank are satisfactory and would not be adversely affected by effectuation of the proposal.

In view of the above, the Board is of the opinion that the banking factors give substantial weight for approval of the merger.

Convenience and needs of the community. The major banking needs within the service areas of these banks are presently being served and approval of the merger proposal would have no significant effect upon the Hillside community.

Summary and conclusion. In the judgment of the Board, consummation of the proposal would not result in any significantly adverse consequences for banking competition and would provide a reasonable solution to Hillside Bank's internal problems.

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

¹ Deposit figures are as of June 30, 1966.

² Includes an additional branch in Linden, New Jersey, that has not yet opened.

DISSENTING STATEMENT OF GOVERNORS MAISEL
AND BRIMMER

Union Bank is the second largest bank in Union County, New Jersey, with 18 per cent of the county's deposits and 17 per cent of the county's banking offices. The four largest Union County banks currently control about 66 per cent of aggregate deposits and operate 58 per cent of the banking offices in the county.

The majority concedes that the Hillside community is within the area currently served by Union Bank and that "some" actual and potential competition would be eliminated by the merger proposal, although it concludes that the merger would not result in any "significant" elimination of competition. The majority further indicates that Hillside Bank has formidable internal problems, impairing its ability to compete effectively, that would be solved by the merger.

We believe that approval of this merger will result in (1) a substantial elimination of competition in the Hillside community, (2) diminution of actual and potential competition for Union County, as a whole, and (3) an increase in concentration of the banking resources of this area. Further, in our judgment, this merger will, by reason of the elimination of an alternative source of banking services, have an adverse effect on the convenience and needs of the Hillside community. Accordingly, in our opinion, the approval of the merger would not be in the public interest unless Hillside Bank faces difficulty of sufficient gravity to warrant remedial action in the interest of maintaining its soundness and there is no feasible alternative solution to its problem.¹

It is not contended that Hillside Bank cannot continue as an independent bank, despite its present internal problems. It is true that the bank has not experienced the growth rate in deposits and profitability that was anticipated at its inception. It is also true that the bank has experienced serious management problems. Past attempts to raise new capital, which is sorely needed, have been blocked. However, obstructions that previously existed have now been removed. Accordingly, it does not appear that the problems faced by Hillside Bank are sufficiently grave as to necessitate the approval of this merger.

¹C.f. St. Joseph Valley Bank, 52 Fed. Res. BULLETIN 1765 (1966).

Moreover, even if Hillside Bank was in a far more serious condition, it has not been demonstrated to us that a sufficient attempt has been made to explore possible alternatives to the proposed merger. New Jersey banking law prohibits branching across county lines. However, there are at least four other banks in Union County with which Hillside might be merged without the adverse competitive results of the instant proposal.

Given these considerations, we are convinced that it is premature and contrary to the public interest to allow the merger at this juncture. We would deny the application.

MANUFACTURERS AND TRADERS TRUST
COMPANY, BUFFALO, NEW YORK

In the matter of the application of Manufacturers and Traders Trust Company for approval of merger with The Bank of Perry.

ORDER APPROVING MERGER OF BANKS

There has come before the Board of Governors, pursuant to the Bank Merger Act (12 U.S.C. 1828(c)), an application by Manufacturers and Traders Trust Company, Buffalo, New York, a State member bank of the Federal Reserve System, for the Board's prior approval of the merger of that bank and The Bank of Perry, Perry, New York, under the charter and title of Manufacturers and Traders Trust Company. As an incident to the merger, the sole office of The Bank of Perry would become a branch of the resulting bank. Notice of the proposed merger, in form approved by the Board, has been published pursuant to said Act.

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

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

Dated at Washington, D. C., this 1st day of May, 1967.

By order of the Board of Governors.

Voting for this action: Chairman Martin, and Governors Shepardson, Mitchell, Maisel, and Brimmer. Voting against this action: Governor Robertson. Absent and not voting: Governor Daane.

(Signed) MERRITT SHERMAN,
Secretary.

[SEAL]

STATEMENT

Manufacturers and Traders Trust Company, Buffalo, New York ("M&T"), with total deposits of about \$735 million, has applied, pursuant to the Bank Merger Act (12 U.S.C. 1828(c)), for the Board's prior approval of the merger of that bank with The Bank of Perry, Perry, New York ("Perry Bank"), which has total deposits of about \$11 million.¹ The banks would merge under the charter and name of M&T, which is a member of the Federal Reserve System. As an incident to the merger, the sole office of Perry Bank would become a branch of M&T, increasing the number of its offices to 67.

Competition. M&T is headquartered in Buffalo, and about 90 per cent of its total of 66 offices are located in the Buffalo metropolitan area, which is in the westernmost part of New York's Ninth Banking District. The sole office of Perry Bank is about 55 miles southeast of Buffalo at Perry, near the eastern boundary of the Ninth District. Perry (population about 5,000) is the largest community in Wyoming County (population about 35,000). M&T has no offices in Wyoming County; its nearest office to Perry is about 23 miles to the north in Batavia. Because of the distance separating the banks, and the presence of other banking offices in the intervening area, there is little competition existing between them.

It does not appear that meaningful competition would develop between M&T and Perry Bank if they did not merge, although New York law permits a bank, subject to a home-office-protection feature, to branch *de novo* in the State Banking District in which it is located. Because of Perry Bank's relatively small size, it does not appear probable that it would establish a branch near an office of M&T. The home-office-protection restriction, as well as the small size of the communities

that might otherwise be available, would preclude M&T from establishing a new branch in or near Perry.

M&T, with 26 per cent of the deposits, is the second largest of the 37 commercial banks in the Ninth Banking District; Perry Bank, with less than half of 1 per cent of the deposits, ranks fourteenth.² While the concentration of banking resources is high in the Buffalo metropolitan area, the relevant geographical market in this case consists of the area from which Perry Bank draws its business and in which concentration is not a factor.

Perry Bank derives most of its business from the Perry community and from the surrounding area within a radius of about five miles. Perry Bank competes to some extent with eight offices of six banks, the largest of which (deposits of about \$276 million) is headquartered in Rochester; this bank operates a branch in Mount Morris, which is nine miles east of Perry and in the Eighth Banking District. The other five banks range in deposit size from about \$5 million to \$24 million, and two of them are subsidiaries of a registered bank holding company. The communities in which the competing banking offices are located range in population from about 400 to 4,000, and they are situated six to 14 miles from Perry. While M&T would be a stronger competitor than Perry Bank, it does not appear that the merger would adversely affect the banking offices in the vicinity of Perry; these offices are well established and draw the preponderance of their business from their own communities.

The proposed merger would have no significant adverse effects on competition.

Financial and managerial resources and prospects. The banking factors with respect to each of the banks proposing to merge are generally satisfactory, as they would be with respect to the resulting bank.

Convenience and needs of the communities. The merger would affect banking convenience and needs only in the area presently served by Perry Bank. There is evidence that Perry Bank has found it necessary to share with other banks some of the loans that it has originated. These loans could easily have been accommodated by M&T. Further, Perry Bank has either refused or terminated several commercial and agricultural loans, most of

¹ Figures are as of December 31, 1966.

² Figures are as of June 30, 1966.

which would have been provided by M&T. In addition, M&T would offer several services not offered by Perry Bank, including fiduciary and advisory services, consumer and small business revolving loans, and other specialized loans.

In general, M&T would offer a broad range of banking services, many of which are now available to the customers of Perry Bank only through the Mount Morris branch of a Rochester-based bank, nine miles from Perry.

Summary and conclusion. In the judgment of the Board, the proposed merger would benefit the banking convenience and needs of the area served by Perry Bank, and would not result in any significant adverse consequences for banking competition.

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

DISSENTING STATEMENT OF
GOVERNOR ROBERTSON

I differ from the majority as to the importance that should be attributed to the heavy concentration of commercial banking resources that exists in New York's westernmost Banking District. In New York, the Banking Districts are meaningful for considering competitive effects because banks are prohibited by State law from branching outside the District in which they are headquartered. District boundaries—like county boundaries where an intra-county branching restriction prevails—define (although not precisely at the peripheries) the outer limits of, at least, a potential geographical market. The existence of meaningful geographical sub-markets within the wider area does not change this fact. Further, quite aside from whether a banking market tending toward District-wide proportions in this area might actually develop, this case presents the question of whether the existing sectional markets in the Ninth District should be permitted to develop, one-by-one, into oligopolies.

M&T, with 26 per cent of the deposits and 28 per cent of the loans, is the second largest of the 37 commercial banks in the Ninth Banking District. Perry Bank, with deposits of \$11 million, is the fourteenth largest bank in the Ninth District. The absorption of Perry Bank by M&T will increase the latter's share of District deposits by less than 1 per cent; but it does not follow that the resulting increase in concentration of banking resources is inconsequential. "[I]f concentration is

already great, the importance of preventing even slight increases in concentration and so preserving the possibility of eventual deconcentration is correspondingly great."¹

It should be noted that 30 of the 37 banks in the Ninth District hold altogether only 10 per cent of the aggregate deposits and loans. M&T and the largest banking organization together hold about 70 per cent of all the commercial bank deposits and loans in the Ninth District; and the three largest banking organizations account for about 83 per cent. The sixth and seventh largest each hold about 2 per cent; and the third and fifth largest hold, respectively, about 13 per cent and 3 per cent. Quite plainly, the acquisition by one of the three largest banking organizations in the Ninth District of *any* of the other banks would not in itself involve a large percentage increase in the concentration of banking resources. But if such acquisitions were allowed to continue—as the majority's rationale for approving this application would permit—the result would be a three-bank oligopoly of three organizations blanketing not only the Buffalo area but the entire Ninth District.²

Even if the merger would not eliminate existing or potential competition *between the merging banks* that is not the controlling consideration in assessing the effect of the transaction on competition. The 1950 amendment to section 7 of the Clayton Act repealed the narrower test of whether a merger's effect might be substantially to lessen competition *between the acquiring and the acquired corporations* and made the test whether the effect of a merger might be substantially to lessen competition *in any way*. And, of course, there can be no doubt that the competitive consequences of a proposed transaction under the Bank Merger Act must be measured by the standards of the antitrust laws.³

As its basis for approving the application, the majority cites alleged "convenience and needs" benefits to the area now served by Perry Bank. In this matter, the majority relies exclusively on the self-serving declarations of the applicant, and con-

¹ *United States v. Philadelphia Nat'l Bank*, 373 U.S. 321, 365 n. 42.

² The three largest banking organizations already possess the financial and managerial resources to dominate banking in the Ninth District; all they lack is a few more key locations and the majority of the Board seems willing to let them acquire the remaining independent banks.

³ See, e.g., 112 *Cong. Rec.* 2233-35, 2337 (1966) (remarks of Rep. Patman and Rep. Reuss); see also *United States v. First Nat'l Bank of Houston*, 35 *U.S. Law Week* 4303 (U.S. Mar. 27, 1967).

fers Brobdingnagian stature on Lilliputian circumstances. During the twelve-month period preceding this application, Perry Bank shared with other banks only *three* loans that, either alone or in combination with other borrowings by the same customer, exceeded Perry Bank's legal lending limit. During the period 1964-66, Perry Bank refused or terminated only *ten* commercial and agricultural loans, and M&T does not claim that it would have extended all of these credits.

In point of fact, the only evidence on the matter that can be regarded as objective clearly shows that the legitimate credit needs of the area served by Perry Bank are being met. In other words, while M&T offers a broader range of services than does Perry Bank, there is no evidence that the banking needs of the Perry community are not being adequately and conveniently met. Moreover, the record indicates that the charges that M&T will exact for certain services may be higher than those now prevailing at Perry Bank. In my judgment, the applicant has not established that the merger will benefit the banking convenience and needs of the area. Thus, even if the competitive consequences of the merger could be denominated as not significantly adverse (with which I could not agree), the transaction would not be in the public interest; the "convenience and needs" factor is not strong enough to outweigh even that kind of competitive factor.

I conclude, on the record in this case, that the majority's approval of the proposed merger is contrary to the purpose and the directions of the Bank Merger Act, and that it sets an unfortunate precedent both for future cases in the Ninth Banking District and for the general administration of the Act.

ORDERS UNDER SECTION 3 OF BANK HOLDING COMPANY ACT

The Board of Governors issued the following Order extending the period of time within which a corporation might become a bank holding company. The Board also issued the following Orders and Statements approving or denying applications by bank holding companies for permission to acquire voting shares of additional banks, and Orders and Statements approving or denying applications for permission to become bank holding companies:

FIRST AT ORLANDO CORPORATION, ORLANDO, FLORIDA

In the matter of the application of First at Orlando Corporation, Orlando, Florida, for approval of action to become a bank holding company through the acquisition of 80 per cent or more of the voting shares of five banks in the State of Florida.

ORDER EXTENDING PERIOD OF TIME PRESCRIBED BY PROVISIO IN ORDER OF APPROVAL

WHEREAS, by Order dated January 26, 1967, the Board of Governors, pursuant to section 3(a)(1) of the Bank Holding Company Act of 1956 (12 U.S.C. 1842(a)(1), and section 222.4(a)(1) of Federal Reserve Regulation Y (12 CFR 222.4(a)(1), approved an application on behalf of First at Orlando Corporation, Orlando, Florida, for approval of action whereby Applicant would become a bank holding company through the acquisition of 80 per cent or more of the voting shares of each of the following banks in or near Orlando, Florida: The First National Bank at Orlando; College Park National Bank at Orlando; South Orlando National Bank; First National Bank at Pine Hills; and The Plaza National Bank at Orlando; and said Order was made subject to the proviso "that the acquisition so approved shall not be consummated . . . (b) later than three months after the date of the Order" and

WHEREAS, First at Orlando Corporation has applied to the Board for an extension of time within which the approved acquisition shall be consummated, and it appearing to the Board that reasonable cause has been shown for the extension of time requested, and that such extension would not be inconsistent with the public interest;

IT IS HEREBY ORDERED, that the Board's Order of January 26, 1967, as published in the Federal Register on February 2, 1967 (32 Federal Register 1202) be, and it hereby is, amended so that the proviso relating to the date by which the acquisition approved shall be consummated shall read "(b) later than June 30, 1967."

Dated at Washington, D. C., this 21st day of April, 1967.

By order of the Board of Governors.

(Signed) MERRITT SHERMAN,
Secretary.

[SEAL]

FIRST WISCONSIN BANKSHARES
CORPORATION, MILWAUKEE, WISCONSIN

In the matter of the application of First Wisconsin Bankshares Corporation, Milwaukee, Wisconsin, for approval of the acquisition of 80 per cent or more of the outstanding voting shares of Waunakee State Bank, Waunakee, Wisconsin.

ORDER APPROVING APPLICATION UNDER
BANK HOLDING COMPANY ACT

There has come before the Board of Governors, pursuant to section 3(a) of the Bank Holding Company Act of 1956 (12 U.S.C. 1842(a)), and section 222.4(a) of Federal Reserve Regulation Y (12 CFR 222.4(a)), an application by First Wisconsin Bankshares Corporation, Milwaukee, Wisconsin, a registered bank holding company, for the Board's approval of the acquisition of 80 per cent or more of the outstanding voting shares of Waunakee State Bank, Waunakee, Wisconsin.

As required by section 3(b) of the Act, notice of receipt of the application was given to the Commissioner of Banks for the State of Wisconsin with a request for his views and recommendation. The Commissioner advised that he had no objection to approval of the application.

Notice of receipt of the application was published in the Federal Register on February 15, 1967 (32 Federal Register 2915), providing an opportunity for submission of comments and views regarding the proposed acquisition. A copy of the application was forwarded to the Department of Justice for its consideration. The time for filing such comments and views has expired and all those received have been considered by the Board.

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

Dated at Washington, D. C., this 13th day of April, 1967.

By order of the Board of Governors.
Voting for this action: Vice Chairman Robertson, and

Governors Shepardson, Mitchell, Daane, Maisel, and Brimmer. Absent and not voting: Chairman Martin.

(Signed) MERRITT SHERMAN,
Secretary.

[SEAL]

STATEMENT

First Wisconsin Bankshares Corporation, Milwaukee, Wisconsin ("Applicant"), a registered bank holding company, has applied to the Board of Governors, pursuant to section 3(a) of the Bank Holding Company Act of 1956, as amended ("the Act"), for prior approval of the acquisition of 80 per cent or more of the outstanding voting shares of Waunakee State Bank, Waunakee, Wisconsin ("Bank"). Applicant controls nine banks with 25 offices and aggregate deposits of \$1.1 billion as of June 30, 1966.¹ Bank, which operates a single office in Waunakee, has deposits of \$3.3 million.

Views and recommendation of supervisory authority. As required by section 3(b) of the Act, the Board notified the Commissioner of Banks for the State of Wisconsin of receipt of the application and requested his views and recommendation thereon. In response, the Commissioner advised that he would interpose no objection to Applicant's proposal.

Statutory factors. Section 3(c) of the Act provides that the Board shall not approve an acquisition that would result in a monopoly, or be in furtherance of any combination or conspiracy to monopolize or to attempt to monopolize the business of banking in any part of the United States. Nor may the Board approve any other proposed acquisition, the effect of which, in any section of the country, may be substantially to lessen competition, or tend to create a monopoly, or which in any other manner would be in restraint of trade, unless the Board finds that the anticompetitive effects of the proposed transaction are clearly outweighed in the public interest by the probable effect of the transaction in meeting the convenience and needs of the community to be served. In each case, the Board is required to take into consideration the financial and managerial resources and future prospects of the bank holding company and the banks concerned, and the convenience and needs of the community to be served.

¹ All banking data noted are as of this date, unless otherwise indicated.

Competitive effect of proposed transaction. The 10 largest banking organizations in the State of Wisconsin control \$2.5 billion of deposits, or 38 per cent of the total deposits of all insured commercial banks. The three largest of these 10 organizations, of which Applicant ranks first in size, control 30 per cent of such total deposits. Applicant, with nine subsidiary banks (25 offices), controls \$1.1 billion of deposits, or 3 per cent of the total banking offices and 17 per cent of the total deposits in the State. Applicant's share of the total deposits in the State will increase but slightly—.05 per cent—upon consummation of its proposal.

Bank is located in the village of Waunakee about 11 miles from the central business district of the State capital, Madison. Both Waunakee and Madison are located in Dane County. Bank's primary service area,² with an estimated population of 3,200, encompasses Waunakee and the immediately surrounding rural area. Applicant's Madison subsidiary, with deposits of \$119 million, is the largest of the 30 banks located in Dane County. Acquisition of Bank would increase Applicant's present control of deposits in Dane County (33 per cent) by 1 per cent. Within Bank's primary service area, there is located but one other bank, Farmers State Bank (\$2 million of deposits). However, 17 other banking institutions, including Applicant's Madison subsidiary, First National Bank of Madison ("First National"), compete within Bank's service area. Applicant controls 39 per cent of the total deposits of the 19 banks competing in this area, a control that would be increased by 1 per cent by consummation of Applicant's proposal.

While the foregoing data reflect the significant degree to which Applicant shares in the large organization control of the banking resources in the State, the Board concludes that these data and other relevant facts of record do not establish that Applicant's acquisition of Bank would result in a monopoly, or be in furtherance of any combination or conspiracy to monopolize or attempt to monopolize the business of banking in any relevant area of the State.

About 10 per cent of Bank's IPC deposits originate within First National's primary service

area. These deposits amounted to only .3 per cent of the total IPC deposits of First National. Conversely, First National derived deposits of \$832,000 from the primary service area of Bank, amounting to .4 per cent of its total IPC deposits and 13 per cent of the total of such deposits held by Bank. With respect to competition for loans between First National and Bank, the record reflects that Bank derives about 1 per cent of its total of commercial loans from First National's service area, and approximately 19 per cent (\$30,000) of its total of consumer loans. First National derives .9 per cent of its commercial and industrial loans and .8 per cent of its consumer loans from Bank's primary service area. Competition between the two banks for farm loans is negligible. Applicant's remaining subsidiary banks are located from 77 to 175 miles from Waunakee. Competition between Bank and any of these subsidiaries is virtually nonexistent.

It is reasonably concluded that no significant competition between Bank and Applicant's subsidiaries will be eliminated by consummation of Applicant's proposal. Nor, for reasons hereafter discussed, does it appear likely that any substantial competition will arise between Bank and Applicant's banks, the growth of which would be foreclosed by the proposed acquisition.

Consideration of the probable impact of Applicant's acquisition of Bank on other competing banks in the relevant area offers no bar to approval of this proposal. As earlier stated, the only other bank located in Bank's primary service area is Farmers State Bank. The deposit and loan growth rate of Farmers State Bank in recent years compares favorably with that of Bank. While Applicant's ownership of Bank may be expected to offer an increased degree of competition to Farmers State Bank, the total of such competitive force is not reasonably anticipated to be unduly severe. With the possible exception of the impact on Lake City Bank, located 7.5 miles southeast of Bank, Applicant's operation of Bank is reasonably anticipated to have the effect of stimulating competition with the remaining 17 banks competing in the relevant area. Lake City Bank has recently opened for business and its rate of growth may be somewhat slowed by Applicant's acquisition of Bank. This consequence is outweighed, in the Board's judgment, by the potential benefits, hereafter discussed, to both Bank and the public.

² Area from which Bank derives 75 per cent of its total of deposits of individuals, partnerships, and corporations ("IPC deposits").

In summary, the Board concludes, on the basis of the record before it, that Bank's operation as part of Applicant's holding company system would not result in a substantial lessening of competition, nor tend to create a monopoly, or be in restraint of trade in any relevant area.

Financial and managerial resources and future prospects. Organized in 1929 as a bank holding company, Applicant has a history of sound operation and growth. Its financial condition, and that of its subsidiary banks, is considered to be satisfactory. Applicant's prospects, directly related to the financial condition of its subsidiary banks, are favorable, as are the prospects of its banks. The management of Applicant and of its subsidiary banks is considered capable and experienced and in all respects satisfactory.

Bank was organized in 1902 and has a history of sound but conservative operation. Its general financial condition is considered satisfactory. Under present ownership, Bank's prospects are considered only fair. At the present time Bank's President, 81 years of age, and its Vice President are both inactive. Illness of operating personnel and disharmony between and among Bank's officers and directors have resulted in Bank being without continuous experienced operating management since early 1964. From June 1966 to date, active management of Bank has been the responsibility of a cashier and director who is an employee of Applicant. The record reflects that significant improvement in Bank's organization and operations has been effected by the individual supplied by Applicant. Applicant has agreed to leave this individual in the bank either until consummation of this proposal or, in the event of denial, for a reasonable period thereafter.

It appears from the record that Bank's problems, managerial and operational, are principally the result of policy decisions formulated by present ownership. While a substantial change in management policy would undoubtedly relieve a number of the bank's problems, there is no indication that any such policy changes would occur if present ownership continues. Nor is there evidence that, with respect to alternatives for purchase, any such reasonable alternative exists to Applicant's proposal. Accordingly, the Board concludes that Applicant's proposal constitutes a certain and immediate solution to Bank's management problem, a conclusion that is supported

by the evidence of recent improvement in Bank's operations under Applicant's guidance. The foregoing consideration favors approval of Applicant's proposal.

Convenience and needs of the area involved. Waunakee is essentially an agriculturally oriented residential community. A majority of its wage earners are employed in Madison and commute there daily. The number of such commuters can reasonably be expected to increase substantially in the next few years as the economy of Madison expands.

As earlier stated, there are 18 banks in addition to Bank competing within Bank's primary service area. These banks, ranging in deposit size from less than \$1 million to \$119 million, are presently serving the major banking needs of the residents and businesses of the Waunakee area, albeit less conveniently than would be the case under Applicant's proposal. Applicant, through its ownership of Bank, would make conveniently available to the Waunakee area a number of services not now available from the two Waunakee banks. In addition, Applicant proposes to provide additional capital to Bank as may be required, which provision has particular significance in relation to a need for physical expansion. These prospects, and that of the improvement in Bank's management under Applicant's ownership, constitute considerations favoring approval of the application.

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

ALLIED BANKSHARES CORP.,
NORFOLK, VIRGINIA

In the matter of the application of Allied Bankshares Corp., Norfolk, Virginia, for approval of action to become a bank holding company through the acquisition of more than 50 per cent of the voting shares of Virginia National Bank, Norfolk, Virginia, and The Central National Bank of Richmond, Richmond, Virginia.

ORDER DENYING APPLICATION UNDER
BANK HOLDING COMPANY ACT

There has come before the Board of Governors, pursuant to section 3(a)(1) of the Bank Holding Company Act of 1956 (12 U.S.C. 1842(a)(1)),

and section 222.4(a)(1) of Federal Reserve Regulation Y (12 CFR 222.4(a)(1)), an application by Allied Bankshares Corp., Norfolk, Virginia, for the Board's prior approval of action whereby Applicant would become a bank holding company through the acquisition of more than 50 per cent of the voting shares of Virginia National Bank, Norfolk, Virginia, and The Central National Bank of Richmond, Richmond, Virginia.

As required by section 3(b) of the Act, the Board gave written notice of receipt of the application to the Comptroller of the Currency and requested his views and recommendation.

Notice of receipt of the application was published in the Federal Register on November 23, 1966 (31 Federal Register 14854), which provided an opportunity for interested persons to submit comments and views with respect to the proposed acquisition. A copy of the application was forwarded to the United States Department of Justice for its consideration, and notice of receipt of the application was given to the Commissioner of Banking for the Commonwealth of Virginia. Time for filing comments and views has expired and all those received have been considered by the Board.

IT IS HEREBY ORDERED, for the reasons set forth in the Board's Statement of this date, that said application be and hereby is denied.

Dated at Washington, D. C., this 18th day of April, 1967.

By order of the Board of Governors.

Voting for this action: Chairman Martin, and Governors Robertson, Mitchell, and Brimmer. Voting against this action: Governors Shepardson and Daane. Absent and not voting: Governor Maisel.

(Signed) MERRITT SHERMAN,
Secretary.

[SEAL]

STATEMENT

Allied Bankshares Corp., Norfolk, Virginia ("Applicant"), has filed with the Board, pursuant to section 3(a)(1) of the Bank Holding Company Act of 1956 ("the Act"), an application for approval of action to become a bank holding company through the acquisition of more than 50 per cent of the voting shares of Virginia National Bank, Norfolk, Virginia ("Virginia National"), and of The Central National Bank of Richmond,

Richmond, Virginia ("Central National"). As of June 30, 1966,¹ Virginia National, with 75 offices and total deposits of \$530 million, is the largest bank and the second largest banking organization in Virginia in terms of total deposits. Measured by the number of counties, cities, and towns in which branch offices are located, Virginia National must be considered as large as any banking organization in the State, Central National, with \$157 million of deposits in its nine offices, is the sixth largest bank and the eighth largest banking organization in the State.

Views and recommendation of supervisory authority. As required by section 3(b) of the Act, notice of receipt of the application was given to, and views and recommendation requested of, the Comptroller of the Currency. While the Comptroller did not affirmatively recommend approval of the application, he raised no objection to the proposal, and expressed the view that consummation of the proposal could be beneficial to the State and its banking structure.

Statutory considerations. Section 3(c) of the Act provides that the Board shall not approve an acquisition that would result in a monopoly, or would be in furtherance of any combination or conspiracy to monopolize or to attempt to monopolize the business of banking in any part of the United States. Nor may the Board approve any other proposed acquisition, the effect of which, in any section of the country, may be substantially to lessen competition, or tend to create a monopoly, or which in any other manner would be in restraint of trade, unless the Board finds that the anticompetitive effects of the proposed transaction are clearly outweighed in the public interest by the probable effect of the transaction in meeting the convenience and needs of the community to be served. In each case the Board is required to take into consideration the financial and managerial resources and future prospects of the bank holding company and the banks concerned, and the convenience and needs of the community to be served.

Competitive effects of proposed transaction. Virginia National serves 25 areas of southern and central Virginia. It operates primarily in the Norfolk area where it has 23 offices and derives

¹ Unless otherwise noted, banking data are as of this date and reflect mergers or acquisitions approved to date by the appropriate authorities.

approximately one-half of its deposits and loans. Its second most important source of business is the Charlottesville area.² Central National's primary service area² encompasses the City of Richmond and the adjacent counties of Henrico and Chesterfield. The Norfolk and Richmond areas are the localities of major importance to the present application. Norfolk and Charlottesville are approximately 102 and 68 miles, respectively, from the City of Richmond. The Virginia National office that is closest to a Central National office is in Louisa, about 50 miles northwest of Richmond.

Applicant asserts that each of the subject banks draws the major portion of its loans and IPC deposits from its own primary service area. Applicant asserts also that about 25 per cent of Virginia National's total loans are to companies engaged in or dependent upon agriculture, and that about one-half of its real estate loans are secured by farm lands. On the other hand, according to Applicant, Central National has no loans secured by farm lands and about 17 per cent of its loans are to companies in the construction industry, which type of loans represents less than 3 per cent of Virginia National's total loans. The aforesaid differences in the banks' respective loan portfolios reflect a limitation on the extent to which they presently compete for this type of business.

Both banks operate trust departments. While Central National derives about 3.5 per cent of its trust business from Virginia National's primary service area, the latter bank's trust business is stated to be derived solely from its own service area.

Virginia National's position as the largest bank in Norfolk, and in the State, and Central National's position as the fourth largest bank in a Reserve City have contributed to the success of both banks as principal correspondents for other banks in the State. About 6 per cent of Central National's deposits, and 3 per cent of Virginia National's, represent interbank balances. Competition between the proposed affiliates for correspondent accounts would be sharply reduced or eliminated by consummation of Applicant's proposal.

It is the Board's opinion that the existing

competition between these two banks is sufficiently minimal that its elimination by reason of the proposed affiliation would not alone preclude approval of the proposal. On the other hand, the likelihood that substantial potential competition between the two banks would be precluded by their affiliation is a consideration that weighs heavily in the Board's decision in this matter. Virginia National and Central National are the only two large banking organizations in Virginia that have offices in either the Richmond or Norfolk area but not in both. Based on a record of Virginia National's past history, particularly its growth pattern, it is reasonable to expect that, though the application herein be denied, that bank will gain increased access to the Richmond market, either through the operation of offices resulting from merger with Richmond area banks, or through affiliation with such area banks. Of the several alternative courses for expansion reasonably available to Virginia National, few, if any, have the anticompetitive potential of the present proposal. On the contrary, some such alternatives could provide new and additional competition for the banks in the area, stimulate significant competition between Virginia National and Central National, and increase the number of sizable banking alternatives available to the businesses located there.

Regarding Central National's expressed desire to expand its operations beyond its present service area, the Board is of the opinion that the bank's size, sound financial condition, and staff of experienced and capable officers enable it, if it so desires, to expand its sphere of operations beyond the Richmond area. It is noted that at this time Central National has approximately \$18 million of deposits that are derived from outside the Richmond area. While Central National's first preference with regard to expansion is the subject proposal, denial thereof does not foreclose other reasonable methods of expansion. Such other methods could have, in the Board's judgment, the virtue of extending Central National's trade area toward and into that of Virginia National, while at the same time increasing competition between the two banks.

It appears that consummation of the proposed affiliation would have little effect on competition in the areas principally served by Virginia National. More significant would be the impact on

² The area from which the bank draws at least 75 per cent of its deposits of individuals, partnerships, and corporations ("IPC deposits").

Central National's competitors. The record shows that Central National's three largest Richmond competitors operate in other areas of the State, including, with respect to two of them, the Norfolk area. The Board concurs in Applicant's assertion that the proposed affiliation would place Central National more immediately in a stronger competitive position vis-a-vis these three Richmond competitors than would be the case were Central National to continue under its present form of ownership. Applicant's acquisition of Central National would afford that bank affiliate outlets in other parts of the State, particularly in the Norfolk area. While Applicant's proposal affords the most immediate and certain method for Central National's expansion, as earlier mentioned, there appears to be no question but that Central National could, if it desired, expand its scope of operation successfully beyond the Richmond area by action other than affiliation with a \$530 million institution. Any other method would reasonably be calculated to have less impact on Central's six smaller Richmond competitors, four of which have total deposits of \$10 million or less.

At the present time, the 10 largest banking organizations in Virginia control 63 per cent of the total deposits of all banks in the State. Were control of Virginia National's deposits of \$530 million to be combined with those of Central's \$157 million, the number of controlling institutions would be reduced to nine, thus further compacting an existing heavy concentration of control of deposits and banking offices. Any such increase in concentration, in the light of the existing situation, must be viewed as significant. While alone perhaps not decisive in this case, when viewed with the additional adverse considerations above mentioned, such increase in concentration is viewed as having a substantially adverse impact upon the continued development of a healthy competitive banking structure in Virginia.

On the basis of the foregoing considerations and the facts of record, it is the Board's judgment that, absent evidence of benefit to the communities affected of a measure clearly outweighing the anticompetitive consequences foreseen in Applicant's proposal, the application should be denied.

Financial and managerial resources and future prospects. On the basis of the record, the Board

finds that the financial condition of the two banks involved in the proposal herein is generally satisfactory, their prospects are good, and their managements experienced and well qualified. It is reasonable to conclude that the banks, whether operating as subsidiaries of Applicant or independently, will continue their records of sound operations. Applicant has no financial or operating history. Its pro forma financial condition, proposed management, and prospects are considered generally satisfactory. The evidence relating to the banking factors is consistent with approval of the application but offers no significant weight in favor thereof.

Convenience and needs of the community involved. Applicant asserts that establishment of the proposed bank holding company would enable Central National to provide new and expanded services to the Richmond community and would enable the two proposed subsidiaries to compete more effectively with other large Virginia banks and out-of-State banks in providing wholesale banking services. Considering the size and scope of operations of the two proposed subsidiary banks and the general nature of banking services available in their respective trade areas, any benefits that might follow upon consummation of Applicant's proposal would appear to inure principally to Central National and its customers. In the Board's judgment, the record before it does not contain convincing evidence that the major banking requirements of the areas involved are not now being reasonably satisfied. Further, the aforementioned benefits reasonably anticipated to be realized by Central National and its customers are, in the Board's judgment, insufficiently substantial to "clearly outweigh" the anticompetitive impact of the proposal as hereinabove described.

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

DISSENTING STATEMENT OF
GOVERNORS SHEPARDSON AND DAANE

The majority's action in denying the application of Allied Bankshares Corp. is premised on numerous assumptions and conclusions that, in our judgment, have no basis in fact nor reasonable likelihood in prospect. The Board concedes that present competition between Virginia National and Central National is virtually nonexistent, but concludes that the amount of potential competition between the two institutions that would be foreclosed by this proposal is sufficiently great as to require denial of the application. The latter conclusion seems inconsistent with the former and, in our view, has no firm basis in fact or reason. The same circumstances that have limited competition between the two banks to date, namely, the distances separating their offices, the differences in the nature of the services offered by each, and the deliberately localized nature of Central National's operations, also would inhibit development of any substantial future competition between the banks. There is no evidence in the record before the Board of any past effort or plans by Central National, other than the present proposal, to extend its sphere of competition in any meaningful degree beyond the Richmond area so that the Board's conclusion as to this possibility can again only be regarded as a dubious assumption.

It is with respect to the Richmond area that Central National's competitive position would be measurably improved under this proposal and could serve to stimulate further the competition among the largest banks in the community. It could serve to accomplish immediately what the majority of the Board conjecture may happen some other way in the future, namely, the strengthening of competition and provision of better service to businesses in the locality. Services offered by Central National would be expanded and improved as a result of the proposal and consequently customer needs would be better served. Presently, Central National is the only large bank in Richmond that does not have significant representation in other areas of the State. As of the latest date for which pertinent data are available, Central National's share of deposits in its primary service area has decreased significantly vis-a-vis all other banks in Richmond. The proposed affiliation with Virginia National

would simultaneously permit Central National to compete more vigorously and successfully in the Richmond area and provide it with an affiliate relationship enabling it to compete elsewhere in the State, most importantly in the Norfolk area, where its three largest Richmond competitors either have offices or an affiliated organization.

While approval of this application would increase somewhat the existing concentration of banking resources in the ten largest banking organizations in the State—in itself an undesirable consequence—we believe that the strengthening of Central National's competitive position in the Richmond area, with the resulting better competitive balance among the four large Richmond banks, constitutes a consideration arguing for approval.

In view of our finding that the proposed affiliation lacks any substantial anticompetitive effects and could, in fact, enhance competition in Richmond and the State of Virginia, we believe that the institutions involved should be permitted to take the action that, following extended study, each has determined would best serve the interests of the institutions involved and the public served by them, a determination in which we concur. Substitution by this Board of assumed facts and conjectural conclusions for reasoned determinations is not, in our judgment, in the public interest. We believe approval of the application would serve such interest.

GENEVA SHAREHOLDERS, INC.,
WARSAW, NEW YORK

In the matter of the application of Geneva Shareholders, Inc., Warsaw, New York, for approval of action to become a bank holding company through the acquisition of the voting shares of Wyoming County Bank and Trust Company, Warsaw, New York.

ORDER APPROVING APPLICATION UNDER
BANK HOLDING COMPANY ACT

There has come before the Board of Governors, pursuant to section 3(a) of the Bank Holding Company Act of 1956 (12 U.S.C. 1842(a)), and section 222.4(a) of Federal Reserve Regulation Y (12 CFR 222.4(a)), an application by Geneva Shareholders, Inc., Warsaw, New York, for the Board's prior approval of action whereby Applicant would become a bank holding company

through the acquisition of 80 per cent or more of the outstanding voting shares of Wyoming County Bank and Trust Company, Warsaw, New York.

As required by section 3(b) of the Act, notice of receipt of the application was given to, and views and recommendation requested of, the Superintendent of Banks of the State of New York. The Superintendent made no recommendation on the application. However, as discussed in the Statement accompanying this Order, the New York State Banking Board advised this Board that, following a favorable recommendation of the Superintendent, the Banking Board had approved an application filed by Geneva Shareholders, Inc., pursuant to the New York Banking Law involving the same proposal submitted to this Board.

Notice of receipt of the application was published in the Federal Register on November 30, 1966 (31 Federal Register 15040), which provided an opportunity for interested persons to submit comments and views with respect to the proposed acquisition. A copy of the application was forwarded to the Department of Justice for its consideration. Time for filing such comments and views has expired and all those received have been considered by the Board.

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

Dated at Washington, D. C., this 25th day of April, 1967.

By order of the Board of Governors.

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

(Signed) MERRITT SHERMAN,
Secretary.

[SEAL]

STATEMENT

Geneva Shareholders, Inc., Warsaw, New York ("Applicant"), has filed with the Board, pursuant to section 3(a)(1) of the Bank Holding Company Act of 1956 ("the Act"), an application for prior approval of action to become a bank holding

company through the acquisition of not less than 80 per cent of the voting shares of Wyoming County Bank and Trust Company, Warsaw, New York ("Wyoming Bank"). Applicant is a majority-owned subsidiary of Financial Institutions, Inc., Warsaw ("Financial"), a registered bank holding company, which is presently the owner of 94 per cent of the voting stock of Wyoming Bank, the subject of this application. Financial also owns more than 25 per cent of the voting stock of Pavilion State Bank, Pavilion, New York. Upon consummation of Applicant's proposal Financial would continue to have the status of a bank holding company under the Act through its direct and indirect ownership of more than 25 per cent of the stock of more than two banks. Applicant presently owns 97 per cent of the outstanding voting shares of The National Bank of Geneva, Geneva, New York. Its acquisition of Wyoming Bank would thus constitute it a bank holding company under the Act. In effect, therefore, the application contemplates a corporate reorganization pursuant to which direct majority ownership of Wyoming Bank would be transferred from Financial to its subsidiary, Applicant.

The record reflects that Applicant has authorized an outstanding but a single class of common stock, while Financial has, in addition to common stock, a substantial amount of preferred stock outstanding. Applicant has stated, and the Superintendent of Banks of the State of New York in a written recommendation on Applicant's proposal, hereafter discussed, has concluded, that existing rights of Financial's preferred stockholders will not be affected by the reorganization contemplated by this proposal.

Views and recommendation of the supervisory authority. As required by section 3(b) of the Act, notice of receipt of the application was given to, and views and recommendation requested of, the Superintendent of Banks of the State of New York. Applicant had filed with the New York State Banking Board, pursuant to Article III-A of the New York Banking Law, an application for approval involving the same proposal. The Superintendent, being required by State law to make a recommendation to the Banking Board on that application, recommended favorably, and the application was approved by the Banking Board. A copy of the Superintendent's favorable written recommendation was transmitted to this Board.

Statutory considerations. Section 3(c) of the Act provides that the Board shall not approve an acquisition that would result in a monopoly, or would be in furtherance of any combination or conspiracy to monopolize or to attempt to monopolize the business of banking in any part of the United States. Nor may the Board approve any other proposed acquisition, the effect of which, in any section of the country, may be substantially to lessen competition, or tend to create a monopoly, or which in any other manner would be in restraint of trade, unless the Board finds that the anticompetitive effects of the proposed transaction are clearly outweighed in the public interest by the probable effect of the transaction in meeting the convenience and needs of the community to be served. In each case the Board is required to take into consideration the financial and managerial resources and future prospects of the bank holding company and the banks concerned, and the convenience and needs of the community to be served.

Competitive effects of proposed transaction. Inasmuch as the proposed acquisition involves, essentially, a reorganization of units within a holding company system, and reflects neither expansion of that system nor any significant change in the character of the system's banking facilities, the Board concludes that the proposed acquisition would not alter existing banking competition, nor affect potential competition.

Financial and managerial resources and future prospects. Applicant was organized in 1932, and at that time acquired The National Bank of Geneva. Both organizations have sound operating records and financial conditions. Wyoming Bank, opened in 1913, is considered to be financially sound and well operated. Applicant's management, essentially the same as the managements of The National Bank of Geneva and Wyoming Bank, is considered to be capable and experienced. The prospects of Applicant, dependent upon those of the banks involved, are deemed favorable. Wyoming Bank's prospects are considered favorable either as a subsidiary of Financial or of Applicant. Considerations relating to the banking factors are, therefore, viewed as consistent with approval of the application.

Convenience and needs of the areas involved. For the reasons given above relating to the Board's conclusions regarding the absence of any

material competitive impact upon this proposal, the Board concludes that the convenience, needs, and welfare of the communities and areas served by the banks that would constitute Applicant's system would not be materially affected. Approval of this application would not change the ability of either The National Bank of Geneva or Wyoming Bank to serve the public in their respective areas.

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

BT NEW YORK CORPORATION, SUFFERN,
NEW YORK

In the matter of the application of BT New York Corporation, Suffern, New York, for approval of acquisition of 80 per cent or more of the voting shares of Liberty National Bank and Trust Company, Buffalo, New York.

ORDER DENYING APPLICATION UNDER
BANK HOLDING COMPANY ACT

There has come before the Board of Governors, pursuant to section 3(a) of the Bank Holding Company Act of 1956 (12 U.S.C. 1842(a)), and section 222.4(a) of Federal Reserve Regulation Y (12 CFR 222.4(a)), an application by BT New York Corporation, Suffern, New York, for the Board's prior approval of the acquisition of 80 per cent or more of the outstanding voting shares of Liberty National Bank and Trust Company, Buffalo, New York.

As required by section 3(b) of the Act, the Board gave written notice of receipt of the application to the Comptroller of the Currency and requested his views and recommendation. The Comptroller recommended approval.

As discussed in the Statement accompanying this Order, the New York State Banking Board advised this Board of its action, following a recommendation of the New York State Superintendent of Banks, approving an application relating to the same transaction pursuant to the New York Banking Law.

Notice of receipt of the application was published in the Federal Register on December 3,

1966 (31 Federal Register 15205), which provided an opportunity for interested persons to submit comments and views with respect to the proposed acquisition. A copy of the application was forwarded to the United States Department of Justice for its consideration. Time for filing comments and views has expired and all those received have been considered by the Board.

IT IS HEREBY ORDERED, for the reasons set forth in the Board's Statement of this date, that said application be and hereby is denied.

Dated at Washington, D. C., this 4th day of May, 1967.

By order of the Board of Governors.

Voting for this action: Unanimous, with all members present. Governor Sherrill was not a member of the Board on the date of the Board's decision.

(Signed) MERRITT SHERMAN,
Secretary.

[SEAL]

STATEMENT

BT New York Corporation, Suffern, New York ("Applicant"), a registered bank holding company, has applied to the Board of Governors, pursuant to section 3(a) of the Bank Holding Company Act of 1956, as amended ("the Act"), for prior approval of the acquisition of 80 per cent or more of the outstanding voting shares of Liberty National Bank and Trust Company, Buffalo, New York ("Liberty National").

Applicant began operations on May 31, 1966, with the acquisition of four banking subsidiaries, whose 88 banking offices held total deposits of \$4.742 billion at June 30, 1966.¹ Liberty National, with deposits of \$341 million, is the third largest commercial bank in Buffalo and New York State's Ninth Banking District.

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

In accordance with the requirements of Article III-A of the New York Banking Law, Applicant had filed with the New York State Banking Board an application involving the same proposal. Pursuant to the State law, the New York Superintendent of Banks submitted his recommendation

on the proposal to the Banking Board, and transmitted a copy thereof to the Board of Governors. The Superintendent recommended approval and on February 1, 1967, the Banking Board approved the application.

Statutory considerations. Section 3(c) of the Act provides that the Board shall not approve an acquisition that would result in a monopoly or would be in furtherance of any combination or conspiracy to monopolize or to attempt to monopolize the business of banking in any part of the United States. Nor may the Board approve any other proposed acquisition, the effect of which, in any section of the country, may be substantially to lessen competition, or to tend to create a monopoly, or which in any other manner would be in restraint of trade, unless the Board finds that the anticompetitive effects of the transaction are clearly outweighed in the public interest by the probable effect of the transaction in meeting the convenience and needs of the community to be served. In each case, the Board is required to take into consideration the financial and managerial resources and future prospects of the bank holding company and the banks concerned, and the convenience and needs of the community to be served.

Competitive effect of proposed transaction. Applicant is presently the sixth largest commercial banking organization (branch banking organizations and bank holding companies) in New York State and the State's largest bank holding company, accounting for approximately 7 per cent of the deposits held by all commercial banks in the State. Consummation of the proposed transaction would increase this State-wide concentration only slightly.

Applicant's largest subsidiary bank, Bankers Trust Company of New York City, has deposits of \$4.5 billion. Its three other subsidiaries, First Trust Company of Albany (deposits \$128 million), First State Bank of Spring Valley (deposits \$44 million), and Fallkill Bank and Trust Company, Poughkeepsie (deposits \$15 million), all are headquartered in the eastern part of New York State. First Trust Company is located in the State's Fourth Banking District; First State Bank and Fallkill Bank are located in the Third Banking District. The closest office of any of these banks is over 200 miles from the nearest office of Liberty National.

¹ All banking data are as of this date, unless otherwise noted.

Liberty National, the principal office of which is located in Buffalo, operates 34 offices and holds total deposits of \$341 million. It is the third largest commercial bank in Buffalo, and in the Ninth Banking District. Liberty National has 28 offices in the Buffalo Metropolitan Area, 27 of which are located in Erie County, with 17 of these located within the City of Buffalo. In addition, it has four offices in Chautauqua County and two in Genesee County. It has no offices in the four other counties in the Ninth District. The bulk of Liberty National's business is derived from the Buffalo Metropolitan Area (Erie and Niagara Counties) and this is considered to be its primary service area.

The City of Buffalo is the second largest city in the State; the Buffalo Metropolitan Area ranks second among the seven metropolitan areas in the State in population and employment, being nearly twice as populous as the next ranking area. Erie County, in which the City of Buffalo is located, is the dominant county in the Ninth Banking District containing about 63 per cent of the District's total population. Niagara County, with a population exceeding one quarter million, lies north of Erie County. The City of Buffalo, together with the City of Niagara Falls, forms the industrial and commercial core of the metropolitan area. Buffalo is the Nation's leading center for flour milling and is an important producer of animal feed. Its manufacturing industries include light and heavy machinery, steel and pig iron, fabricated metal products, automobile parts, rubber tires, and mechanical rubber goods and cellulose film.

The record indicates that the degree of competition presently existing between Applicant and Liberty National is less than might ordinarily be expected in view of the national and international scope of Bankers Trust Company's business and the commercial significance of the Buffalo area. Approximately \$2 million (.7 per cent) of Liberty National's deposit accounts of individuals, partnerships, and corporations ("IPC deposits") originate in the New York Metropolitan Area (the primary service area of Bankers Trust Company), as compared with \$753,000 (.02 per cent) of Bankers Trust Company's IPC deposits which originate in the Buffalo Metropolitan Area (Liberty National's primary service area). Overlap of loans or trust accounts appears no more

significant than the IPC deposit overlap. Similarly insubstantial is the IPC deposit overlap between Liberty National and the other subsidiaries of Applicant. Elimination of existing competition between and among Applicant's subsidiaries and Liberty National, therefore, is not a significant consideration weighing against approval of the application.

The proposal's probable effect on potential competition, however, does present a severely adverse consideration. Commercial banking in the Buffalo Metropolitan Area is very highly concentrated. The three large Buffalo banks, Marine Midland Trust Company of Western New York ("Marine Midland"), a subsidiary of The Marine Midland Corporation, Buffalo, a registered bank holding company; Manufacturers and Traders Trust Company ("M & T"); and Liberty National, combined, hold over 95 per cent of the total of all deposits held by the nine commercial banks headquartered in the Buffalo Metropolitan Area (Marine Midland and M & T account for 80 per cent of such deposits). Of the 168 commercial banking offices in the Area, all but 13 are offices of one of these three banks.

Applicant concedes the existence of this high degree of concentration by asserting that "Buffalo . . . has the highest concentration of commercial banking deposits of any city of its size in the United States." Applicant, however, contends that its proposal will promote deconcentration by strengthening the ability of Liberty National to compete with its two larger rivals. The Board views as limited both the probable impact on Liberty National's larger competitors, and the benefits to the public, from a greater statistical equalization in the overall market shares held by the three largest banks. The very largest customers in the Buffalo area would be the exclusive recipients of any real benefit; and the significance of the benefit to these customers is lessened by the fact that they presently have, and make use of, access to numerous non-local State and nationwide sources of bank service.

Regarding Liberty National's ability to compete effectively without the proposed affiliation, the record before the Board does not present Liberty National as a weak and ineffectual competitor unable to exert any impact on the market. On the contrary, the record indicates that Liberty National is a most aggressive and able competitor.

During the ten-year period 1956-1965, its share of Ninth District deposits increased from 9.4 per cent to 13.2 per cent. This represents the best performance of any bank in the Ninth District. Although the largest part of this growth resulted from mergers, the facts indicate that, even aside from the growth directly attributable to mergers, Liberty National more than held its own in comparison with other banks in the District, including Marine Midland and M & T. Excluding growth resulting from mergers involving the three banks, Liberty National's share of District deposits still increased by .1 per cent in the period from year-end 1955 to year-end 1965; shares held by Marine and M & T each declined by .2 per cent over the same period. Overall, Liberty National's deposits increased by 138 per cent during the last ten years; those of Marine and M & T each increased by about 78 per cent in the same period. Further evidence of Liberty National's competitive ability is the fact that, in addition to the ten offices which Liberty National has acquired through merger, it has opened seven *de novo* branches since 1956. The Board's concern has earlier been noted with respect to the extent to which the banking resources in the Buffalo Metropolitan Area are presently concentrated in a few large banking organizations. The proposed acquisition of a large and aggressive institution, such as Liberty National, by the sixth largest banking organization in the State would not, in the Board's judgment, produce any meaningful deconcentration in Buffalo or elsewhere in New York State. Consummation of the proposed affiliation can reasonably be anticipated to stifle any incentive for entry of meaningful competition into this area by institutions unaffiliated with organizations of or near Applicant's size.

In the Board's judgment, Applicant's acquisition of the second largest independent bank in Buffalo and the Ninth District is not the only reasonable course available to it for growth and expansion in this area. Applicant's resources and the scope of its activities are presently such as to permit it, at any time it finds it desirable to do so, to expand its operation in the Buffalo area, particularly as they relate to the requirements of large businesses which Applicant states the proposed transaction is designed to serve. While it could be argued that affiliation with a large existing institution is the only feasible method of meaningful entry for a

smaller organization, Applicant is under no such handicap. Should Applicant seek to implement the desire manifested by the present application for affiliation with a Ninth District bank through some other less anticompetitive transaction, such course remains open to it.

Another aspect of potential competition to be considered is the possibility that Liberty National, if the application were to be denied, might itself serve as the lead bank in a new holding company, thereby enabling it to extend its competitive influence outside the Buffalo area and the Ninth Banking District and into areas where it would be in competition with Applicant's affiliates. In the Superintendent's recommendation to the State Banking Board, he stated, and the Board agrees, that "Liberty clearly has the potential to become either the lead bank in a regional bank holding company . . . or a participant with other banks . . . in an upstate bank holding company. . . ." There are a very limited number of unaffiliated banks with over \$100 million in deposits in the upstate banking districts. Liberty National is the fourth largest of these, and the second largest in the entire Ninth Banking District. Affiliation with Applicant would preclude the possibility of a future affiliation whereby Liberty National could offer additional competition, for example, to banks in the Fourth Banking District, where Applicant is presently represented by its affiliate, First Trust Company of Albany. Such form of additional competition could, in turn, result in a measurable degree of deconcentration of control of banking resources within the upstate banking markets.

Summarizing the effect of the proposed acquisition on competition, it is the Board's judgment that approval of the application is by no means Liberty National's only avenue of continued effective competition in the Buffalo area or of expansion of its sphere of effective operations both within and without the Ninth District; nor is this proposal the only reasonable means available to Applicant for gaining access to the Ninth District banking market. Approval of this transaction, on the other hand, would preclude the possibility of Liberty National's development as a meaningful alternative competitor in other areas of the State. Further, it would eliminate significant potential competition between Applicant's subsidiaries and Liberty National in the Buffalo Metropolitan Area,

the Ninth Banking District, and other upstate areas. Finally, consummation of Applicant's proposal would have, in the Board's judgment, a significantly adverse impact on Liberty National's smaller competitors, with respect to which Liberty National presently maintains a significant size advantage.

Convenience and needs of the area involved. Among the benefits asserted by Applicant to result from consummation of its proposal, the following are the principal such benefits: Liberty National would have an available source of capital funds and advice regarding asset management; Liberty National would be more able to meet demands for larger-sized loans, thus enabling it to compete more effectively for the business of, and to serve, the larger industrial firms in the Buffalo area; and Bankers Trust Company would make available to Liberty National and its customers a full range of money market and wholesale banking and trust facilities, including computer and international banking services.

There is every reason to believe that Liberty National would be assured of assistance in these areas from the holding company and/or Bankers Trust Company. As related to the convenience and needs of the banking public in the Buffalo area, however, there is no evidence of major banking needs presently going unserved. A full range of banking services is presently offered by at least one local bank, in almost full measure by two local banks, and in some measure by three or more local banks. In addition, New York City banks and subsidiaries of regional or New York City-based holding companies must be regarded as reasonably convenient alternative sources for certain major banking services.

Bearing negatively on the convenience and needs considerations is the fact, conceded by Applicant, that if the transaction were consummated Liberty National's customers would face a reduction in the number of banking alternatives presently available to them in New York City through Liberty National's correspondent relationships. On balance, the Board concludes that considerations bearing on the factor of convenience and needs of the area involved, while consistent with approval of the application, lend doubtful weight toward such approval.

Financial and managerial resources and prospects. Applicant's financial condition, manage-

ment, and prospects were found to be satisfactory, on a projected basis, when its formation was approved by the Board in April 1966 and there is no evidence that unfavorable conditions have developed during its short operating history.

Liberty National has a history of sound operations and growth. Its management is experienced and in all respects competent. Its prospects, whether operating independently or as an affiliate of Applicant, are considered satisfactory.

The banking factors as they pertain to the instant application, while consistent with approval, offer little affirmative support therefor. In this regard, the potential for strengthening capital and improving the bank's prospects that Applicant asserts the proposed holding company affiliation would afford is a consideration almost entirely offset by the ability which an institution of the size of Liberty National has for generating such accomplishments from within.

Conclusion. On the basis of all relevant facts contained in the record, and in the light of the factors set forth in section 3(c) of the Act, it is the Board's judgment that Applicant's proposal may have the effect of substantially lessening competition and that the anticompetitive effects of the transaction are not clearly outweighed in the public interest by any probable effect of the transaction in meeting the convenience and needs of the community to be served. Accordingly, the application should be denied.

CONCURRING STATEMENT OF GOVERNOR MITCHELL

I concur in the Board's denial action in this case and in its reasons supporting that action. It is my opinion, however, that the Board's responsibility under the statute to deal with what it calls a "high degree of concentration" has not been discharged. It is not enough to deny this application and to passively deplore the lack of competitive alternatives in Buffalo and the Ninth Banking District. In this case, the Board could, and in my opinion should, make known courses of action that, if pursued by an applicant, could meet with supervisory approval because of their pro-competitive implications.

While no bank supervisory authority can reasonably be expected to give "prior clearance" to a hypothetical proposal, it is not unreasonable to expect that such authority should specify, and even encourage, a course of banking expansion

that is reasonably calculated to serve, simultaneously, the business requirements of the applying institution and the public interest.

In denying BT New York Corporation's application, the Board concluded that Applicant's acquisition of Liberty National "would not . . . produce any meaningful deconcentration" in the Buffalo Metropolitan Area. An obvious alternative leading to less concentration in Buffalo would be the *de novo* establishment under Applicant's sponsorship of a banking institution in the area, followed by Applicant's acquisition of the new institution pursuant to approval of this Board. This pattern of affiliate organization and subsequent acquisition is a familiar one to this Board.¹ It is one that Applicant, or any other institution in similar circumstances, must often necessarily follow in order to avoid the anticompetitive consequences of expansion into communities where concentration is already high.

In my opinion, the banking structure in Buffalo is one in which a larger number of banking units could be presumed to insure a more competitive environment—this is the thrust of the Board's characterization of the area as one of a "high degree of concentration" and the Applicant's assertion that "Buffalo has the highest concentration of commercial banking deposits of any city of its size in the United States." Public action ought to be able to do something more than just hold the line of concentration at this level. The Board could, at a minimum, suggest the use of procedures it has approved on several occasions and hope some corporate interest would respond in kind.

FIRST WISCONSIN BANKSHARES CORPORATION, MILWAUKEE, WISCONSIN

In the matter of the application of First Wisconsin Bankshares Corporation, Milwaukee, Wisconsin, for approval of acquisition of 80 per cent or more of the voting shares to be issued by Mequon National Bank, Mequon, Wisconsin, a proposed new bank.

ORDER APPROVING APPLICATION UNDER BANK HOLDING COMPANY ACT

There has come before the Board of Governors, pursuant to section 3(a)(3) of the Bank Hold-

ing Company Act of 1956 (12 U.S.C. 1842(a)(3)) and section 222.4(a) of Federal Reserve Regulation Y (12 CFR 222.4(a)), an application by First Wisconsin Bankshares Corporation, Milwaukee, Wisconsin, a registered bank holding company, for the Board's prior approval of the acquisition of 80 per cent or more of the voting shares to be issued by Mequon National Bank, Mequon, Wisconsin, a proposed new bank.

As required by section 3(b) of the Act, the Board notified the Comptroller of the Currency of the application and requested his views and recommendation. The Comptroller recommended approval.

Notice of receipt of the application was published in the Federal Register on February 15, 1967 (32 Federal Register 2915), which provided an opportunity for interested persons to submit comments and views with respect to the proposal. A copy of the application was forwarded to the United States Department of Justice for its consideration. Time for filing comments and views has expired and all those received have been considered by the Board.

IT IS HEREBY ORDERED, for the reasons set forth in the Board's Statement of this date, that said application be and hereby is approved, provided that the acquisition so approved shall not be consummated (a) before the thirtieth calendar day following the date of this Order or (b) later than three months after the date of the Order, and that the Mequon National Bank shall be opened for business not later than six months after the date of this Order.

Dated at Washington, D.C., this 8th day of May, 1967.

By order of the Board of Governors.

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

(Signed) MERRITT SHERMAN,
Secretary.

[SEAL]

STATEMENT

First Wisconsin Bankshares Corporation, Milwaukee, Wisconsin ("Applicant"), a registered bank holding company, has filed with the Board, pursuant to section 3(a)(3) of the Bank Hold-

¹ See, e.g., *Application of First Wisconsin Bankshares Corporation*, 50 Federal Reserve BULLETIN 438 (1964); *Application of Virginia Commonwealth Corporation*, 32 Federal Reserve BULLETIN 1165 (1966); *Application of Marshall & Ilsley Bank Stock Corporation*, 53 Federal Reserve BULLETIN 380 (1967).

ing Company Act of 1956 (12 U.S.C. 1842(a) (3)), an application for prior approval of the acquisition of 80 per cent or more of the voting shares to be issued by Mequon National Bank, Mequon, Wisconsin ("Bank"), a proposed new bank. As of June 30, 1966, Applicant's nine subsidiary banks held deposits of \$1.1 billion¹ and operated 25 offices. Bank, the proposed site of which is in the City of Mequon, approximately 15 miles from downtown Milwaukee, is expected to have deposits of about \$4 million after three years of operation.

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

Statutory considerations. Section 3(c) of the Act provides that the Board shall not approve an acquisition that would result in a monopoly or would be in furtherance of any combination or conspiracy to monopolize or to attempt to monopolize the business of banking in any part of the United States. Nor may the Board approve a proposed acquisition, the effect of which, in any section of the country, may be substantially to lessen competition, or to tend to create a monopoly, or which in any other manner would be in restraint of trade, unless the Board finds that the anticompetitive effects of the proposed transaction are clearly outweighed in the public interest by the probable effect of the transaction in meeting the convenience and needs of the community to be served. In each case the Board is required to take into consideration the financial and managerial resources and future prospects of the bank holding company and the banks concerned, and the convenience and needs of the community to be served.

Competitive effect of proposed transaction. Applicant is the largest of eight bank holding companies operating in the State of Wisconsin, with 17 per cent of total deposits and 3 per cent of the banking offices in the State, and the largest banking organization in the State and in the Milwaukee Standard Metropolitan Statistical Area ("MSMSA"). Within the MSMSA, which is composed of Milwaukee, Ozaukee, and Waukesha

counties, there are 62 banks with 91 offices holding combined deposits of \$2.4 billion. The three bank holding companies operating in the MSMSA control 66 per cent of the area's commercial bank deposits. Applicant's banks hold 34 per cent of such deposits. While Applicant's share of the MSMSA bank deposits is substantial, assuming that Bank achieves the three-year deposits total of \$3.9 million projected for it by Applicant, Bank's inclusion as part of Applicant's system would increase Applicant's share of the MSMSA deposits by only one-quarter of 1 per cent. The actual impact on existing concentration would be less than indicated by the foregoing figures since a portion of Bank's accounts can be expected to be accounts transferred from Applicant's lead bank, First Wisconsin National Bank of Milwaukee.

Bank's proposed primary service area,¹ commonly known as "East Mequon" (population 5,300), has never had, and does not now have, a bank. Nine banks located outside this area, ranging in size from \$799 to \$13 million, compete therein. Five of the nine banks are subsidiaries of bank holding companies—one is Applicant's bank, and two each are subsidiaries of the two other Milwaukee-based bank holding companies. The four holding company banks that compete with Applicant's large Milwaukee subsidiary will be affected by Applicant's ownership of Bank only to the extent that there will result increased competition for the business each may derive from the East Mequon area.

The four independent banks that compete in Bank's proposed service area are well-established institutions with deposits ranging from \$13 to \$27 million. Of these, only the Thiensville State Bank (\$13 million of deposits), situated four miles west of Bank's proposed site, is likely to be affected to any measurable degree by consummation of Applicant's proposal. It is estimated that the Thiensville State Bank presently obtains nearly one-fourth of the deposits originating in Bank's proposed service area, representing about 7 per cent of the Thiensville State Bank's total deposits. Applicant's ownership and operation of Bank may be expected to result in Thiensville State Bank losing some existing business originating in the

¹ All banking data are of this date unless otherwise noted.

¹ The area from which it is estimated that Bank will obtain approximately 75 per cent of its deposits of individuals, partnerships, and corporations ("IPC deposits").

East Mequon area, and in its obtaining a lesser share than at present of new business from that area. However, in view of the size of the Thiensville State Bank, the relatively small portion of its total business derived from the East Mequon area and its record of growth in the face of existing competition from the Milwaukee area banks, the Board concludes that consummation of Applicant's proposal will have no significant impact on the Thiensville State Bank.

Regarding the effect of consummation of Applicant's proposal on Applicant's existing subsidiary banks, inasmuch as the proposal involves the acquisition of a new bank not yet opened for business, no existing competition between it and Applicant's present subsidiaries is involved. Further, since Applicant states that Bank will not be established if this application is denied, the potential for future competition between Bank and Applicant's subsidiary banks is not an issue.

In summary, it is the Board's judgment that Applicant's acquisition of Bank would not result in a monopoly or tend to create a monopoly or restrain trade in any other manner, nor would such acquisition result in a substantial lessening of competition in any relevant area.

Financial and managerial resources and future prospects. On the basis of the record presented, including data reflecting Applicant's sound operation as a holding company system since 1930, the Board views the financial resources, management, and future prospects of Applicant and its subsidiary banks as satisfactory. Bank has no financial history. Its management would be composed of officers drawn from Applicant and Applicant's banking subsidiaries, and its board of directors would be composed of residents of Mequon or contiguous communities, all of whom are successful corporate executives and one of whom is a director of Applicant. It is reasonably concluded that Bank's management will be satisfactory. Bank's initial capital appears adequate, and its projected earnings prospects reasonable. The Board finds that the financial resources and management of Bank will be satisfactory, and its prospects under Applicant's ownership would be favorable.

Convenience and needs of the area involved. Bank's proposed primary service area—East Mequon—appears to be a prosperous and growing

residential community. As earlier noted, Mequon has never had a bank. It is one of but four cities in the State of Wisconsin with a population over 4,000 and no local bank. The Thiensville State Bank, as earlier stated, is the nearest bank now available to East Mequon businesses and residents. Although East Mequon and Thiensville are contiguous, they are separated by the Milwaukee River, a circumstance that makes somewhat inconvenient the Mequon community's access to the nearest existing banking facility. While the record reflects that the Milwaukee area banks, including the Thiensville State Bank, are serving the major banking needs of the East Mequon community, it is readily apparent that establishment of Bank under Applicant's ownership would result in a more convenient source of banking services to inhabitants of Bank's designated service area, and that the broader range of services that would be made available would be of particular benefit with respect to the commercial development of East Mequon now under way. In the Board's judgment, the foregoing considerations relating to the convenience and needs of the area involved weigh in favor of approval of Applicant's proposal.

Conclusion. On the basis of all the relevant facts contained in the record, and in light of the factors set forth in section 3(c) of the Act, it is the Board's judgment that Applicant's proposal is in the public interest and that the application should be approved.

THE FIRST VIRGINIA CORPORATION,
ARLINGTON, VIRGINIA

In the matter of the application of the First Virginia Corporation, Arlington, Virginia, for approval of the acquisition of 80 per cent or more of the outstanding voting shares of Cambria Bank, Incorporated, Christiansburg, Virginia.

ORDER APPROVING APPLICATION UNDER
BANK HOLDING COMPANY ACT

There has come before the Board of Governors, pursuant to section 3(a)(3) of the Bank Holding Company Act of 1956 (12 U.S.C. 1842(a)(3)), and section 222.4(a) of Federal Reserve Regulation Y (12 CFR 222.4(a)), an application by The First Virginia Corporation, Arlington, Virginia, a

registered bank holding company, for the Board's approval of the acquisition of 80 per cent or more of the outstanding voting shares of Cambria Bank, Incorporated, Christiansburg, Virginia.

As required by section 3(b) of the Act, notice of receipt of the application was given to the Virginia Commissioner of Banking with a request for his views and recommendation. The Commissioner advised that he had no objection to approval of the application.

Notice of receipt of the application was published in the Federal Register on January 13, 1967 (32 Federal Register 398), providing an opportunity for submission of comments and views regarding the proposed acquisition. A copy of the application was forwarded to the Department of Justice for its consideration. The time for filing such comments and views has expired and all those received have been considered by the Board.

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

Dated at Washington, D. C., this 9th day of May, 1967.

By order of the Board of Governors.

Voting for this action: Chairman Martin, and Governors Robertson, Shepardson, Mitchell, Daane, Maisel, and Brimmer. Governor Sherrill did not participate in the Board's action in this matter.

(Signed) MERRITT SHERMAN,
Secretary.

[SEAL]

STATEMENT

The First Virginia Corporation, Arlington, Virginia ("Applicant"), a registered bank holding company, has applied to the Board of Governors, pursuant to section 3(a)(3) of the Bank Holding Company Act of 1956 (12 U.S.C. 1842(a)(3)), for prior approval of the acquisition of 80 per cent or more of the outstanding voting shares of Cambria Bank, Incorporated, Christiansburg, Virginia ("Bank"). Applicant presently controls 12 banks, which operate 72 offices (including two facilities), with total deposits of \$286 million as

of June 30, 1966.¹ Bank, which operates two offices in Christiansburg, has deposits of \$2.7 million.

Views and recommendation of supervisory authority. As required by section 3(b) of the Act, the Board notified the Virginia Commissioner of Banking of receipt of the application and requested his views and recommendation thereon. The Commissioner expressed no objection to approval of the application.

Statutory factors. Section 3(c) of the Act provides that the Board shall not approve an acquisition that would result in a monopoly, or be in furtherance of any combination or conspiracy to monopolize or to attempt to monopolize the business of banking in any part of the United States. Nor may the Board approve a proposed acquisition, the effect of which, in any section of the country, may be substantially to lessen competition, or tend to create a monopoly, or which in any other manner would be in restraint of trade, unless the Board finds that the anticompetitive effects of the proposed transaction are clearly outweighed in the public interest by the probable effect of the transaction in meeting the convenience and needs of the community to be served. In each case, the Board is required to take into consideration the financial and managerial resources and future prospects of the bank holding company and the banks concerned, and the convenience and needs of the community to be served.

Competitive effect of proposed transaction. Applicant, the third largest bank holding company and sixth largest banking organization in Virginia, controls total deposits of \$286 million, representing 5.6 per cent of the total deposits in the State. Over 50 per cent of the latter deposits are controlled by the seven largest banking organizations—four bank holding companies, including Applicant, and three independent branch bank systems. Acquisition of Bank would increase by .05 per cent Applicant's share of the deposits held by all banks in the State. The share of those deposits controlled in the aggregate by the State's seven largest organizations would be similarly increased.

Bank's main office is located in the town of Christiansburg, which is 30 miles southwest of

¹ Unless otherwise indicated, all banking data noted are of this date. Information with respect to Applicant gives effect to the acquisitions of Staunton Industrial Bank, Staunton, Virginia, and First Valley National Bank, Rich Creek, Virginia, which were consummated subsequent to June 30, 1966.

Roanoke and the seat and commercial center of Montgomery County. A branch office of Bank is located outside the town limits about one and a half miles from the main office. Bank's primary service area,² wholly situated within Montgomery County, includes Christiansburg and the surrounding rural area within an approximate three-mile radius.

Applicant's acquisition of Bank would represent the initial entry of a bank holding company directly into Montgomery County. The nearest subsidiary bank of Applicant, Bank of New River Valley (deposits of \$6 million), is located in Radford, about eight miles west of Bank. Although a primary highway links Radford and Christiansburg, the mountainous terrain between the towns presents somewhat of a commercial and commutation barrier. This circumstance, and the fact that both Bank and Bank of New River Valley are in competition with larger institutions, explain the lack of any significant competition between the two in their respective communities. The next two closest offices to Christiansburg of one of Applicant's banks are 35 and 43 miles distant. According to Applicant, neither derives business from the Christiansburg area.

Consideration of the effect of Applicant's control of Bank on non-affiliated competing banks in the area does not warrant denial of the application. Bank has about 14 per cent of the deposits held by Christiansburg banks. Bank's two larger competitors in Christiansburg, The Bank of Christiansburg (deposits of \$9.4 million) and The First National Bank of Christiansburg (deposits of \$7.2 million), together hold the remaining 86 per cent of such deposits. The First National Exchange Bank of Virginia (deposits of \$292 million) and the National Bank of Blacksburg (deposits of \$11 million), with offices located, respectively, between six and seven miles from Bank's main office, draw business from Bank's service area.

Considering Bank's size and the sizes and number of its competitors, and the fact that the proposed acquisition will not reduce the number of alternative sources of banking services, it is reasonably seen that Applicant's proposal, if consum-

mated, would not lessen, but could intensify, competition.

In summary, the Board concludes, on the basis of the record before it, that consummation of Applicant's proposal would not result in a monopoly, or further any combination or conspiracy to monopolize or attempt to monopolize the business of banking in any relevant area of the State; nor would such consummation substantially lessen competition, tend to create a monopoly, or operate in restraint of trade in any relevant area.

Financial and managerial resources and future prospects. The financial conditions of Applicant and of its subsidiary banks are considered to be satisfactory. Applicant's prospects, gauged principally in the light of the sound financial condition of its subsidiary banks, are favorable, as are those of its banks. Management of Applicant and of its subsidiary banks is considered capable and experienced, and in all respects satisfactory.

Bank's financial resources and condition appear reasonably satisfactory, and its management qualified and competent. However, additional personnel are needed, particularly persons qualified to effect the service and growth potential of Bank's branch office. It is the Board's judgment that the employment advantages that Applicant can offer potential employees would assist Bank measurably in obtaining qualified personnel. Accordingly, while Bank's prospects under its present ownership appear favorable, the Board believes that its prospects under Applicant's ownership and operation would be improved. Accordingly, considerations bearing upon the banking factors are consistent with, and somewhat favor, approval of the application.

Convenience and needs of the area involved. Montgomery County, including Bank's service area, is primarily agriculturally oriented. In recent years, however, the general area of Christiansburg, except for the Cambria section thereof where Bank's main office is located, has experienced a growth of light industry. This development has been a principal factor in the increase in Christiansburg's population to its present 7,500, and to the growth to 25,000 of the population in Christiansburg's general trade area. A mountain ridge separates the Cambria section of Christiansburg from its central business district. Cambria's resulting "separate community" posture offers considerably less potential for economic growth than that indicated for the Christiansburg area generally.

² Area from which Bank derives 80 per cent of its total of deposits of individuals, partnerships, and corporations ("IPC deposits").

It is to the continued economic development of the Christiansburg area, the direct assistance to the Cambria section thereof, and the resulting growth in Bank that Applicant asserts its application is directed. While the evidence of record reflects that the major banking needs of the Christiansburg area are being served, it appears that more convenient and improved services would be offered by Bank under Applicant's ownership. Among Applicant's proposals, the following appear to offer a potential for public benefit: to establish a credit extension program at Bank's branch office—no loans are presently made there; to encourage and assist Bank in opening a branch office in Christiansburg's business district; and to provide direction and assistance with respect to the initiation of, or improvement in, specific operational procedures and practices. In sum, Applicant's proposal to develop Bank as a full-service institution weighs, under the circumstances presented, in favor of approval of the application.

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

DOMINION BANKSHARES CORPORATION,
ROANOKE, VIRGINIA

In the matter of the application of Dominion Bankshares Corporation, Roanoke, Virginia, for approval of action to become a bank holding company through the acquisition of more than 50 per cent of the outstanding voting shares of The First National Exchange Bank of Virginia, Roanoke, Virginia, and Metropolitan National Bank, Richmond, Virginia.

ORDER APPROVING APPLICATION UNDER
BANK HOLDING COMPANY ACT

There has come before the Board of Governors, pursuant to section 3(a)(1) of the Bank Holding Company Act of 1956 (12 U.S.C. 1842 (a)(1)), and section 222.4(a)(1) of Federal Reserve Regulation Y (12 CFR 222.4(a)(1)), an application by Dominion Bankshares Corporation, Roanoke, Virginia, for the Board's prior approval of action to become a bank holding company through the acquisition of more than 50 per cent of the outstanding voting shares of The

First National Exchange Bank of Virginia, Roanoke, Virginia, and Metropolitan National Bank, Richmond, Virginia.

As required by section 3(b) of the Act, the Board notified the Comptroller of the Currency of the application and requested his views and recommendation. The Comptroller made no recommendation on the proposal.

Notice of receipt of the application was published in the Federal Register on March 21, 1967 (32 Federal Register 4326), which provided an opportunity for interested persons to submit comments and views with respect to the proposal. A copy of the application was forwarded to the United States Department of Justice for its consideration. Time for filing comments and views has expired and all those received have been considered by the Board.

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

Dated at Washington, D. C., this 11th day of May, 1967.

By order of the Board of Governors.

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

(Signed) MERRITT SHERMAN,
Secretary.

[SEAL]

STATEMENT

Dominion Bankshares Corporation, Roanoke, Virginia ("Applicant"), has filed with the Board, pursuant to section 3(a)(1) of the Bank Holding Company Act of 1956, an application for approval of action to become a bank holding company through the acquisition of more than 50 per cent of the voting shares of The First National Exchange Bank of Virginia, Roanoke, Virginia ("First National"), and of Metropolitan National Bank, Richmond, Virginia ("Metropolitan"). As of December 31, 1966,¹ First National, with 31 offices and total deposits of \$300 million, is the fourth largest bank and the sixth largest banking

¹ Unless otherwise noted, banking data are as of this date.

organization in Virginia in terms of total deposits. Metropolitan is located in downtown Richmond, and has \$11 million in deposits after 1½ years of operation. It has but one office and is eighth in size of the ten banks in Richmond.

Views and recommendation of supervisory authority. As required by section 3(b) of the Act, notice of receipt of the application was given to, and views and recommendation requested of, the Comptroller of the Currency. The Comptroller's Office acknowledged receipt of notice, but did not respond with views and recommendation concerning the subject application.

Statutory considerations. Section 3(c) of the Act provides that the Board shall not approve an acquisition that would result in a monopoly or would be in furtherance of any combination or conspiracy to monopolize or to attempt to monopolize the business of banking in any part of the United States. Nor may the Board approve a proposed acquisition, the effect of which, in any section of the country, may be substantially to lessen competition, or tend to create a monopoly, or which in any other manner would be in restraint of trade, unless the Board finds that the anticompetitive effects of the proposed transaction are clearly outweighed in the public interest by the probable effect of the transaction in meeting the convenience and needs of the community to be served. In each case the Board is required to take into consideration the financial and managerial resources and future prospects of the bank holding company and the banks concerned, and the convenience and needs of the community to be served.

Competitive effect of proposed transaction. If the subject proposal were consummated, Applicant would be the third largest of the five bank holding companies operating in Virginia. Its control of \$311 million of deposits would rank it fifth in size with respect to all banking organizations in the State. Applicant's resulting share of deposits in the State would be but .2 per cent greater than the 5.6 per cent of such total deposits now controlled by First National.

First National operates 31 offices in 18 Virginia localities, all of which are in the western and southwestern sections of Virginia. Its primary service area² encompasses 14 separate service

areas, one of which is the City of Roanoke and portions of the four counties within a 25-mile radius of that city. This latter area is considered to be the area from which First National's main office and seven of its branch offices derive approximately 43 per cent of First National's total IPC deposits. Consummation of this proposal will not, in the Board's judgment, have any significant competitive consequences in First National's primary service area.

Metropolitan's primary service area (the area from which it is estimated approximately 90 per cent of its total IPC deposits are derived) is the City of Richmond, located 170 miles from Roanoke and about 130 miles from the closest office of First National. There are 10 banks located in Richmond, the area that will be principally affected by consummation of Applicant's proposal. Of the 10 banks, four (including two holding company subsidiaries) control 91 per cent of the total deposits held by them; the two largest banks hold 62 per cent of the deposits of all banks in the city. It is reasonably foreseen that Applicant's entry into the Richmond banking market could effect a deconcentration in the existing control of banking resources, particularly with respect to the two large Richmond banks, one of which holds \$535 million of deposits, and the other, \$341 million.

Each of the proposed subsidiary banks derives a substantial portion of its loans and IPC deposits from its own primary service area and only a negligible amount of loans and such deposits from the primary service areas of the other bank. With the exception of the City of Roanoke, First National's service areas are predominantly rural in nature, while Metropolitan serves an urban and commercial territory. While there is little significant variation between the deposit structures of the two banks, there is a wide difference in the emphasis given to types of loans in the two banks. Real estate loans are almost twice as large a percentage of First National's total loan portfolio as they are in the case of Metropolitan. On the other hand, commercial and industrial loans constitute a significantly larger portion of Metropolitan's total loans than they do of First National's total loans.

Although each of the subject banks conducts correspondent bank business (Metropolitan, on a very modest scale), the two banks do not carry

²The area from which it is estimated that First National derives 98 per cent of its deposits of individuals, partnerships, and corporations ("IPC deposits").

balances with each other nor do banks located in the primary service area of one have balances with the other institution. Metropolitan does not operate a trust department; First National is quite active in this field. The aforementioned distinctions in the emphasis that each bank gives to certain types of business, Metropolitan's small size in relation to First National, and the distance separating the two institutions, explain the negligible present competition between these two banks and, in the Board's judgment, indicate a lack of reasonable likelihood that significant competition would develop between them in the foreseeable future.

As earlier stated, approval of Applicant's proposal will have little effect on competition in the areas primarily served by First National. Its potential as a state-wide competitor would be enhanced, however, through its affiliation with Metropolitan. In addition to the competition First National now offers within its service area to state-wide banking organizations and large out-of-state banks for large commercial and industrial accounts, it will, by the proposed affiliation, be able to compete more effectively for this business.

Competition among banks in Richmond should be further enhanced by Metropolitan's broadened service potential. Its ability to handle, in conjunction with its Roanoke affiliate, larger lines of credit; its prospects as a full service correspondent bank; and its improved ability to more readily and completely serve the banking requirements of the retail businesses and individuals in its service area will enhance Metropolitan's competitive position vis-a-vis its larger competitors. With respect to the two Richmond banks that are somewhat smaller than Metropolitan, it may reasonably be assumed that, for those types of business for which they and Metropolitan now compete, Metropolitan will gain some competitive advantage. However, the total impact on these banks is not reasonably expected to be such as to significantly impede their growth and development.

Summarizing, the Board concludes, on the basis of the record before it, that consummation of Applicant's proposal would not result in a monopoly, or further any combination or conspiracy to monopolize or attempt to monopolize the business of banking in any relevant area of the State, nor would such consummation substantially lessen competition, tend to create a monopoly, or operate in restraint of trade in any relevant area.

Financial and managerial resources and future prospects. Applicant has no financial or operating history. However, its pro forma financial condition and its prospects are considered satisfactory in the light of the satisfactory financial condition and prospects of First National and Metropolitan.

Applicant's management will be composed of directors and officers of the two proposed subsidiary banks. The qualifications and experience of their managements reasonably suggest that Applicant's management will be satisfactory and that the banks, under Applicant's control, will continue their records of sound operations.

On the basis of the foregoing, the Board concludes that considerations related to the banking factors are consistent with approval of the application.

Convenience and needs of the communities involved. There is nothing in the record from which it can be concluded that the major banking needs of either the Roanoke or Richmond areas are not now being reasonably served. Applicant does not propose to alter the scope or nature of the services now offered by First National in its service area. However, with respect to the Richmond area, Applicant asserts that the proposed affiliation will result in a broadening of the scope and nature of services offered by Metropolitan, thus enabling that bank to serve better the Richmond community and to compete more ably with the larger Richmond banks. As earlier stated, Applicant proposes to broaden substantially Metropolitan's commercial loan services. Additionally, that bank will obtain fiduciary powers in order to serve, under the experienced guidance of First National, what appears to be an increasing demand for corporate trust services in Richmond. First National is presently a major correspondent for nearly 100 banks, many of which also maintain accounts with the larger Richmond banks. Applicant's proposal to make available to Metropolitan the experience of First National's correspondent bank department can be expected to sharpen competition among Richmond banks for these correspondent accounts, as well as provide an additional alternative for banks seeking such services.

In the Board's judgment, the broader range of services that will be available from and through Metropolitan, operating as an affiliate of First National under Applicant's proposal, offers reason-

able assurance of public benefit, both with respect to additional and more convenient services, and increased competition, as to weigh toward approval of the application.

Summary and conclusion. On the basis of all the

relevant facts contained in the record, and in the light of the factors set forth in section 3(c) of the Act, it is the Board's judgment that the proposed transaction would be in the public interest and that the application should be approved.

Announcements

MR. SHERRILL APPOINTED AS A MEMBER OF THE BOARD

On April 24, 1967, President Johnson sent to the Senate the nomination of William W. Sherrill of Texas as a Member of the Board of Governors. The nomination was confirmed without dissent on April 26, and the President signed the commission on April 27, 1967. Mr. Sherrill took the oath of office, administered by Chairman Martin in the Board's building, on May 1. Mr. Sherrill's wife, the former Sue Poer of Houston, Texas, and their three daughters—Cynthia, Sandra, and Suzanne—were present at the ceremony.

Born on August 23, 1926, in Houston, Texas, Mr. Sherrill served in the Marine Corps during World War II and was wounded in action on Iwo Jima. After graduating with honors from the University of Houston in 1950, he attended the Harvard University Graduate School of Business Administration from which he received in 1952 an M.B.A. in Finance with distinction.

Mr. Sherrill began his business career with the Southwestern Bell Telephone Company while attending the University of Houston. In 1954 he left the company to become the Administrator of Houston's City Court System and to serve for a time as Civil Defense Administrative Officer. In 1956 he left the city government to enter private industry as a business analyst and real estate developer.

In 1958 Mr. Sherrill became Houston's City Treasurer, Chief Administrative Officer, and Executive Assistant to the Mayor. In 1962 he again left the city government to become President of the Homestead Bank of Houston and Executive Vice President of the Jamaica Corporation. In February 1966 Mr. Sherrill was appointed by President Johnson as a member of the Board of Directors of the Federal Deposit Insurance Corporation, in which capacity he was serving at the time of his appointment to the Board of Governors.

MR. SHEPARDSON APPOINTED A CONSULTANT TO THE BOARD

The Board of Governors of the Federal Reserve System appointed Charles N. Shepardson as a

consultant to the Board, effective at the completion of his service as a member of the Board on April 30, 1967. Mr. Shepardson will be available to the Board for consultation on various questions within the Board's areas of responsibility, including in particular agricultural credit matters, with which he has long been closely identified.

CHANGES IN THE BOARD'S STAFF

The Board of Governors has announced the appointment of John H. Rhinehart as an Assistant Director of the Division of Data Processing, effective May 15, 1967.

Before joining the Board's staff as an Operations Research Analyst in September 1966, Mr. Rhinehart was employed as a Technical Advisor to the Joint War Games Agency, Office of the Joint Chiefs of Staff, Department of Defense. Before that he had been associated both with RCA and with the Philco Division of Ford Motor Company in the design and development of automatic data processing systems for global communications.

A native of Louisiana, Mr. Rhinehart graduated from Tulane University in 1958 with a B.S. in geology and worked the following year as a Research Technician for the Biophysics Program at the University before joining RCA.

APPOINTMENT OF DIRECTOR

On April 25, 1967, the Board of Governors announced the appointment of Henry Cragg of Orlando, Florida, as a director of the Jacksonville Branch of the Federal Reserve Bank of Atlanta for the unexpired portion of a term ending December 31, 1967. Mr. Cragg is Chairman of the Board and Chief Executive Officer of Minute Maid Company in Orlando. As a director of the Jacksonville Branch he succeeds Mr. Douglas M. Pratt, President, National City Lines, Inc., Tampa, Florida, who recently resigned.

LETTER ON ACCOUNTING PRACTICES

Under date of May 16, 1967, each Federal Reserve Bank sent a letter regarding the accounting treatment of (1) profits and losses on sales of

securities and (2) tax-exempt income to each State member bank in its district. The Comptroller of the Currency and the Federal Deposit Insurance Corporation sent similar letters to national banks and insured nonmember banks, respectively.

The text of the letter sent by the Reserve Bank Presidents follows:

"A number of inquiries have been received by the Federal Reserve and the other Federal bank supervisory agencies, concerning the proposed practice of certain banks of deferring and amortizing profits and losses on sales of securities. The proposed practice of certain banks of converting tax-exempt revenues to a fully taxable basis in the preparation of income reports required by the bank regulatory agencies has also been brought to the attention of the supervisory agencies.

"Accordingly, on behalf of the Board of Governors of the Federal Reserve System, we are informing all State member banks of the Federal Reserve System in this District that (1) the deferring and amortizing of profits and losses on security sales, and (2) the conversion of tax-exempt revenues to a fully taxable basis in bank reports of income do not conform to current regulatory instructions of the Federal bank supervisory agencies for the preparation of bank financial statements. Although these proposed practices have some merit as methods of supplementing other information for certain analytical purposes, it has not been demonstrated that the practices are accurate or desirable methods of reporting the earnings and condition of banks. A similar letter is being sent to insured nonmember banks by the Federal Deposit Insurance Corporation and to national banks by the Comptroller of the Currency.

"A reexamination and evaluation of current bank accounting programs and financial reporting practices and of new concepts in these areas is being conducted by a committee consisting of representatives of the three Federal bank supervisory agencies. All banks will be promptly notified if any changes affecting the reporting of items in bank financial statements are adopted.

"Your continued cooperation in observing current reporting instructions on these items pending a thorough review of the issues will be greatly appreciated."

VOLUNTARY FOREIGN CREDIT RESTRAINT PROGRAM

U.S. commercial banks reduced their holdings of foreign loans and investments subject to the voluntary foreign credit restraint program by \$215 million during the first quarter of 1967. This compares with a reduction of \$285 million during the same period in 1966, and an increase of about \$350 million during the fourth quarter of 1966.

The commercial banks on March 31, 1967, were \$219 million below the December 1964 base, \$1,128 million below the target ceiling for 1967, and \$365 million below the interim ceiling effective March 31, 1967. The target ceiling for 1967 generally is 109 per cent of the 1964 base. The interim ceiling effective March 31, 1967, was equal to the amount of foreign credits outstanding on September 30, 1966, plus 40 per cent of the leeway between that amount and the 109 per cent ceiling. The interim ceiling was increased to 60 per cent of that leeway on April 1, 1967.

Twelve commercial banks were over the 1967 target ceiling by an aggregate amount of \$46 million on March 31, 1967, as compared with 18 banks over the ceiling by \$50 million on December 31, 1966. The number of banks over the interim ceiling had been reduced from 31 on December 31, 1966—the month in which the 1967 program was announced—to 24 on March 31, 1967. The amount by which these banks were in excess of the interim ceiling had been reduced from \$154 million to \$76 million.

Foreign assets of nonbank financial institutions increased by \$30 million during the fourth quarter of 1966, but declined by \$9 million for the year as a whole. This compares with an increase of over \$700 million in 1965. Holdings of long-term bonds and credits, primarily in Canada, increased by \$492 million in 1966. This expansion was more than offset by a net decline in other investments, particularly corporate securities of developed countries other than Canada and Japan. Most of that decline probably reflected changes in market prices rather than in sales.

Holdings of foreign assets subject to the guideline established for nonbank financial institutions by the 1967 program totaled \$1,952 million on December 31, 1966. This was \$71 million, or 3.5 per cent, below the ceiling suggested by the guideline.

CHANGES IN INTERNATIONAL FINANCIAL STATISTICS

Several changes have been made in the International Financial Statistics section of the BULLETIN on pages 872-89. Table 4 on page 874 showing the U.S. gold stock and holdings of convertible foreign currencies has been revised to include the U.S. reserve position in the International Monetary Fund (IMF). Three new tables have been included: Table 5 on page 875 shows the factors that affect the U.S. position in the IMF; Table 6 on page 876 brings together the various statistical components of the liabilities that enter into the U.S. balance of payments calculated on the liquidity basis; and Table 10 on page 880 shows estimated foreign holdings of marketable U.S. Government bonds and notes.

Table 7 on page 877, presenting an area breakdown of U.S. liquid liabilities to official institutions of foreign countries, has been revised to include holdings of convertible nonmarketable U.S. Government securities with an original maturity of more than 1 year. Data on short-term

liabilities to foreigners shown in Tables 8 and 9 on pages 877-79 have been revised to exclude the holdings of dollars of the IMF derived from payments of the U.S. subscription and from the exchange transactions and other operations of the IMF.

The table presenting gold reserves and dollar holdings of foreign countries and international organizations has been deleted.

PUBLICATION OF ANNUAL REPORT

The Fifty-Third Annual Report of the Board of Governors of the Federal Reserve System, covering operations of the calendar year 1966, is available for distribution. Copies may be obtained upon request from the Board's Publications Services, Division of Administrative Services, Washington, D.C. 20551.

ERRATUM

See Law Department, page 752, for corrected voting record on Board's Order under Section 3 of the Bank Holding Company Act, which appeared on page 578 of the April 1967 BULLETIN.

National Summary of Business Conditions

Released for publication May 12

Industrial production declined slightly in April and retail sales were about unchanged. Total nonfarm employment rose somewhat, despite a further decline in manufacturing employment. Bank credit and time and savings deposits increased, but the money supply edged downward. Yields on Treasury bills fell further between mid-April and mid-May, while those on long-term bonds—U.S. Government, corporate, and municipal—rose.

INDUSTRIAL PRODUCTION

Industrial production in April was 155.9 per cent of the 1957-59 average—0.3 per cent below the March level of 156.4 per cent, but 1.3 per cent above a year earlier. Output of materials, business equipment, and consumer durable goods other than autos was reduced.

Auto assemblies rose 10 per cent in April from the low March level, but were still 16 per cent below a year earlier; May production is scheduled close to the April rate. Output of television sets was cut back sharply in April to a level 30 per cent below last December's record high, and furniture production continued to fall. Output of appliances apparently stabilized at a level about 15 per cent below last October's peak. Production of industrial, freight and passenger, and farm equipment de-

clined further in April, and over-all output of business equipment was 3 per cent below the high reached at the end of 1966. Production of most nondurable and durable materials, including iron and steel, also declined.

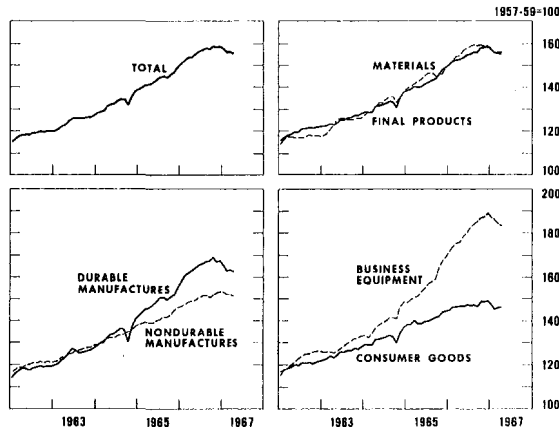
EMPLOYMENT

Nonfarm payroll employment rose by 98,000 in April. Increases were concentrated in retail trade, services, and government. Manufacturing employment was reduced again in April—by 117,000—with declines widely distributed among the durable goods industries; construction employment also declined. The workweek in manufacturing changed little in April. The unemployment rate was 3.7 per cent as compared with 3.6 per cent in March.

DISTRIBUTION

The value of retail sales in April was about unchanged from the downward revised March level and was 3 per cent above a year earlier. Since early last fall, total sales have been essentially stable with moderate month-to-month fluctuations. Total sales at durable goods stores in April were unchanged from March despite increased unit sales of new autos. At nondurable goods stores, sales declined slightly from the peak reached in March, although apparel and general merchandise stores registered advances.

INDUSTRIAL PRODUCTION



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

COMMODITY PRICES

The wholesale commodity price index declined further in April to a level slightly below a year earlier, according to the BLS preliminary estimate. The April decline reflected mainly a continued sharp drop in prices of foods and foodstuffs, which, as in earlier months, was concentrated largely in livestock and products. In recent weeks, however, hog prices have increased sharply. Wholesale prices of industrial commodities in April were stable for the second month, as declines for hides and leathers, copper scrap and some copper products were offset by moderate further gains for paper and some other materials and products.

BANK CREDIT, DEPOSITS, AND RESERVES

Commercial bank credit increased \$2.3 billion further in April. Loans to businesses at large commercial banks rose substantially, reflecting mainly needs for funds by corporations to meet accelerated payments on income and withheld taxes. Holdings of U.S. Government securities were reduced following substantial acquisitions in the two previous months. Holdings of municipal and other securities, however, continued to expand at a near-record rate.

The money supply declined somewhat in April, following large increases in the previous 2 months. Time and savings deposits continued to grow rapidly, but at a slightly slower rate than in the first quarter. U.S. Government deposits at commercial banks rose sharply.

Free reserves rose somewhat further over the

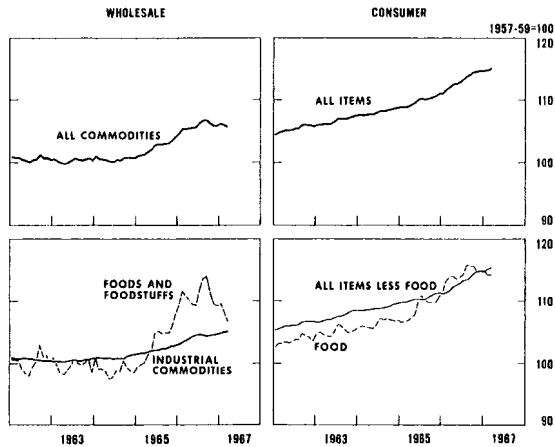
four statement weeks ending April 26, averaging about \$200 million. Member bank borrowings continued to decline and excess reserves also dropped somewhat. Over the month of April, total and required reserves increased, but at a much slower rate than earlier in the year.

SECURITY MARKETS

Yields on Treasury bills fell further between mid-April and mid-May, especially on shorter-term maturities. The 3-month bill was bid at around 3.65 per cent in the middle of May. Yields on U.S. Government notes and bonds, on the other hand, rose considerably over the same period.

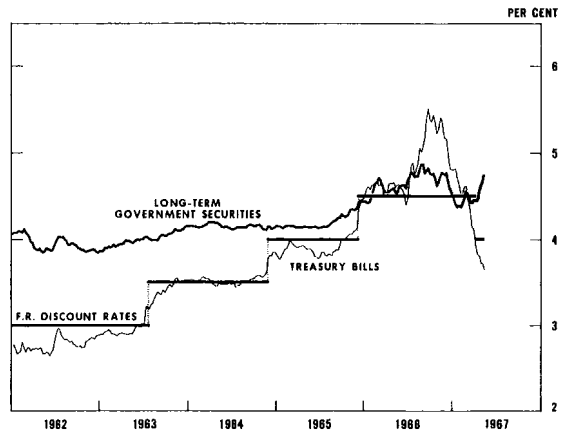
Yields on corporate and municipal bonds have turned up sharply since mid-April, and new-issue yields have established new highs for 1967. Common stock prices advanced in early May to new highs and then fluctuated within a narrow range.

PRICES



Bureau of Labor Statistics indexes. Latest figures shown are for March.

INTEREST RATES



Discount rate, range or level for all F.R. Banks. Weekly average market yields for U.S. Govt. bonds maturing in 10 years or more and for 90-day Treasury bills. Latest figures shown, week ending May 12.

Guide to Tabular Presentation

SYMBOLS AND ABBREVIATIONS

e	Estimated	N.S.A.	Monthly (or quarterly) figures not adjusted for seasonal variation
c	Corrected	IPC	Individuals, partnerships, and corporations
p	Preliminary	SMSA	Standard metropolitan statistical area
r	Revised	A	Assets
rp	Revised preliminary	L	Liabilities
I, II, III, IV	Quarters	S	Sources of funds
n.a.	Not available	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)
S.A.	Monthly (or quarterly) figures adjusted for seasonal variation	. . . .	(1) Zero, (2) no figure to be expected, or (3) figure delayed

GENERAL INFORMATION

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

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

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

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

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

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

<i>Quarterly</i>	<i>Issue</i>	<i>Page</i>	<i>Annually—Continued</i>	<i>Issue</i>	<i>Page</i>
Flow of funds	May 1967	850-61	Banking and monetary statistics, 1966	Mar. 1967 June 1966	456-70 901-04
<i>Semiannually</i>			Banks and branches, number of, by class and State	Apr. 1967	658-59
Banking offices:			Flow of funds (assets and liabilities)	Oct. 1966	1536-46
Analysis of changes in number of	Feb. 1967	310	Income and expenses:		
On, and not on, Federal Reserve Par List, number of	Feb. 1967	311	Federal Reserve Banks	Feb. 1967	308-09
<i>Annually</i>			Member banks:		
Bank holding companies:			Calendar year	May 1967	862-70
List of, Dec. 31, 1965	June 1966	905	Operating ratios	Apr. 1967	660-62
Banking offices and deposits of group banks, Dec. 31, 1965	Aug. 1966	1250	Insured commercial banks	July 1966	1046
			Stock exchange firms, detailed debit and credit balances	Sept. 1966	1408

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United States

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The data for F.R. Banks and member banks and for consumer credit are derived from regular reports made to the Board; production indexes are compiled by the Board on the basis of data collected by other agencies; and flow of funds figures are compiled on the basis of materials from a combination of sources, including the Board. Figures for gold stock, currency, Fed-

eral finance, and Federal credit agencies are obtained from Treasury statements. The remaining data are obtained largely from other sources. For many of the banking and monetary series back data and descriptive text are available in *Banking and Monetary Statistics* and its *Supplements* (see list of publications at end of the BULLETIN).

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

(In millions of dollars)

Period or date	Factors supplying reserve funds										Factors absorbing reserve funds							
	F. R. Bank credit outstanding					Gold stock	Treasury currency outstanding	Currency in circulation	Treasury cash holdings	Deposits, other than member bank reserves, with F.R. Banks			Other F.R. accounts	Member bank reserves				
	Total	Bought outright	Repurchase agreements	Discounts and advances	Float ²					Total ³	Treasury	Foreign		Other ²	With F.R. Banks	Currency and coin ⁴	Total	
																		Treasury	Foreign	Other^{2}
Averages of daily figures																		
1929—June.....	179	179	.....	978	61	1,317	4,024	2,018	4,400	210	30	30	376	2,314	.....	2,314	
1933—June.....	1,933	1,933	.....	250	12	2,208	4,030	2,295	5,455	272	81	164	350	2,211	.....	2,211	
1939—Dec.....	2,510	2,510	.....	8	83	2,612	17,518	2,956	7,609	2,402	616	739	248	11,473	.....	11,473	
1941—Dec.....	2,219	2,219	.....	5	170	2,404	22,759	3,239	10,985	2,189	592	1,531	292	12,812	.....	12,812	
1945—Dec.....	23,708	23,708	.....	381	652	24,744	20,047	4,322	28,452	2,269	625	1,247	493	16,027	.....	16,027	
1950—Dec.....	20,345	20,336	9	142	1,117	21,606	22,879	4,629	27,806	1,290	615	920	353	739	17,391	.....	17,391
1956—Dec.....	24,765	24,498	267	706	1,633	27,156	21,942	5,064	31,775	772	463	372	247	998	19,535	.....	19,535
1957—Dec.....	23,982	23,615	367	716	1,443	26,186	22,769	5,144	31,932	768	385	345	186	1,063	19,420	.....	19,420
1958—Dec.....	26,312	26,216	96	564	1,496	28,412	20,563	5,230	32,371	691	470	262	337	1,174	18,899	.....	18,899
1959—Dec.....	27,036	26,993	43	911	1,426	29,435	19,482	5,311	32,775	396	524	361	348	1,195	18,628	304	18,932	
1960—Dec.....	27,248	27,170	78	94	1,665	29,060	17,954	5,396	33,019	408	522	250	495	1,029	16,688	2,595	19,283	
1961—Dec.....	29,098	29,061	37	152	1,921	31,217	16,929	5,587	33,954	422	514	229	244	1,112	17,259	2,859	20,118	
1962—Dec.....	30,546	30,474	72	305	2,298	33,218	15,978	5,561	35,281	398	587	222	290	1,048	16,932	3,108	20,040	
1963—Dec.....	33,729	33,626	103	360	2,434	36,610	15,562	5,583	37,603	389	879	160	206	1,215	17,303	3,443	20,746	
1964—Dec.....	37,126	36,895	231	266	2,423	39,873	15,388	5,401	39,698	595	944	181	186	1,093	17,964	3,645	21,609	
1965—Dec.....	40,885	40,772	113	490	2,349	43,853	13,799	5,565	42,206	808	683	154	231	1,389	18,747	3,972	22,719	
1966—Apr.....	40,629	40,587	42	647	1,934	43,339	13,632	5,768	41,671	941	311	148	398	505	18,766	3,762	22,528	
May.....	41,129	41,012	117	743	1,877	43,891	13,565	5,838	41,858	968	670	138	386	512	18,762	3,725	22,487	
June.....	41,672	41,653	19	685	1,936	44,498	13,500	5,916	42,296	1,033	824	152	394	535	18,679	3,855	22,534	
July.....	42,221	42,210	11	767	2,624	45,737	13,415	5,971	42,825	1,066	1,059	196	419	338	19,220	3,870	23,090	
Aug.....	42,280	42,130	150	730	2,290	45,348	13,311	6,019	42,884	1,067	1,107	135	409	316	18,759	3,896	22,655	
Sept.....	42,735	42,725	10	774	2,074	45,631	13,258	6,072	42,991	1,078	869	131	407	217	19,268	3,972	23,240	
Oct.....	42,837	42,817	20	749	1,949	45,604	13,257	6,138	43,122	1,121	758	145	439	5	19,409	3,924	23,333	
Nov.....	43,347	43,165	182	626	2,029	46,087	13,251	6,214	43,748	1,173	682	152	429	143	19,225	4,026	23,251	
Dec.....	43,760	43,274	486	570	2,383	46,864	13,158	6,284	44,579	1,191	291	164	429	83	19,568	4,262	23,830	
1967—Jan.....	44,066	43,847	219	389	2,215	46,802	13,158	6,350	43,957	1,225	566	153	442	203	19,765	4,305	24,070	
Feb.....	44,215	43,915	300	362	1,875	46,587	13,144	6,409	43,525	1,252	609	136	448	496	19,675	4,034	23,709	
Mar.....	44,620	44,351	269	200	1,606	46,524	13,108	6,473	43,673	1,297	505	136	443	647	19,404	3,997	23,401	
Apr.....	45,082	44,942	140	155	1,540	46,902	13,108	6,530	43,810	1,358	860	125	463	559	19,365	4,005	23,370	
Week ending—																		
1966																		
Apr. 6.....	40,924	40,779	145	643	1,637	43,325	13,633	5,739	41,510	930	309	173	387	607	18,782	3,576	22,358	
13.....	40,821	40,787	34	623	1,869	43,431	13,633	5,760	41,864	933	138	158	395	558	18,778	3,624	22,402	
20.....	40,301	40,301	.....	706	2,176	43,293	13,632	5,776	41,768	951	268	146	406	448	18,713	3,914	22,627
27.....	40,446	40,446	.....	666	1,988	43,254	13,632	5,781	41,563	949	466	133	404	454	18,699	3,916	22,615
May 4.....	40,837	40,755	82	637	1,928	43,560	13,633	5,797	41,605	935	510	157	400	417	18,966	3,769	22,735	
11.....	41,239	40,940	299	702	1,777	43,831	13,618	5,819	41,834	941	517	131	391	411	19,044	3,549	22,593	
18.....	40,947	40,812	135	685	2,025	43,771	13,532	5,833	41,924	966	591	137	384	436	18,700	3,775	22,475	
25.....	41,015	41,015	.....	674	1,983	43,827	13,532	5,860	41,859	988	855	130	375	640	18,372	3,869	22,241
June 1.....	41,457	41,457	.....	832	1,670	44,139	13,534	5,869	41,988	995	839	149	393	633	18,545	3,823	22,368
8.....	41,682	41,661	21	567	1,765	44,230	13,533	5,888	42,226	992	737	146	392	617	18,542	3,662	22,204	
15.....	41,659	41,601	58	800	1,809	44,450	13,533	5,911	42,356	1,018	909	136	388	567	18,518	3,812	22,330	
22.....	41,528	41,528	.....	697	2,254	44,665	13,505	5,931	42,327	1,052	799	155	394	499	18,876	3,843	22,719
29.....	41,795	41,795	.....	776	1,979	44,783	13,432	5,933	42,251	1,076	855	152	390	472	18,952	3,984	22,936
July 6.....	42,585	42,581	4	832	2,006	45,659	13,434	5,965	42,637	1,065	710	208	428	454	19,554	3,619	23,173	
13.....	42,656	42,653	3	818	2,430	46,085	13,435	5,972	43,019	1,066	1,022	147	418	437	19,383	3,869	23,252	
20.....	41,684	41,684	.....	631	3,225	45,615	13,434	5,966	42,921	1,062	1,156	160	433	332	18,951	3,984	22,935
27.....	41,873	41,873	.....	682	2,775	45,396	13,406	5,969	42,747	1,076	1,216	144	400	270	18,916	4,031	22,947
Aug. 3.....	42,445	42,287	158	778	2,439	45,713	13,332	5,993	42,752	1,052	1,286	319	420	168	19,042	3,945	22,987	
10.....	42,583	42,231	352	786	2,324	45,743	13,333	6,003	42,908	1,047	1,105	139	404	283	19,194	3,684	22,878	
17.....	42,003	41,809	194	731	2,524	45,305	13,332	6,014	43,000	1,069	1,065	131	414	265	18,708	3,898	22,606	
24.....	41,813	41,813	.....	720	2,541	45,121	13,312	6,030	42,894	1,081	1,056	126	401	386	18,519	3,935	22,454
31.....	42,597	42,597	.....	693	1,775	45,114	13,258	6,041	42,771	1,079	1,083	138	412	352	18,578	4,063	22,641
Sept. 7.....	42,977	42,977	.....	751	1,754	45,531	13,258	6,050	42,982	1,063	988	127	410	286	18,981	3,688	22,669
14.....	42,936	42,895	41	893	1,914	45,791	13,258	6,069	43,228	1,071	835	125	409	234	19,218	4,013	23,231	
21.....	42,525	42,525	.....	782	2,485	45,841	13,257	6,074	43,000	1,084	622	128	403	168	19,767	3,984	23,751
28.....	42,493	42,493	.....	662	2,197	45,399	13,257	6,086	42,804	1,092	1,032	138	401	218	19,056	4,077	23,133

For notes see opposite page.

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

(In millions of dollars)

Period or date	Factors supplying reserve funds								Factors absorbing reserve funds								
	F.R. Bank credit outstanding					Gold stock	Treasury currency outstanding	Currency in circulation	Treasury cash holdings	Deposits, other than member bank reserves, with F.R. Banks			Other F.R. accounts	Member bank reserves			
	U.S. Govt. securities ¹		Dis-counts and ad-vances	Float ²	Total ³					Treas-ury	For-ign	Other ²		With F.R. Banks	Curren-cy and coin ⁴	Total	
	Total	Bought out-right															Repur-chase agree-ments
Averages of daily figures																	
Week ending-- 1966																	
Oct. 5	42,999	42,989	10	843	1,825	45,722	13,258	6,106	42,878	1,091	693	146	442	88	19,748	3,866	23,614
12	42,969	42,969	.....	947	1,880	45,891	13,258	6,121	43,228	1,099	680	157	445	92	19,570	3,788	23,358
19	42,521	42,521	.....	805	2,155	45,532	13,256	6,145	43,267	1,120	706	148	439	-56	19,309	4,009	23,318
26	42,794	42,715	79	533	2,043	45,440	13,256	6,154	43,088	1,138	924	127	432	-45	19,187	4,000	23,267
Nov. 2	43,019	42,958	61	610	1,770	45,472	13,257	6,167	43,089	1,154	805	156	435	-33	19,290	4,090	23,380
9	43,474	43,281	193	661	1,890	46,100	13,258	6,185	43,406	1,163	740	162	435	19	19,620	3,735	23,355
16	43,415	43,265	150	726	1,951	46,165	13,259	6,212	43,765	1,168	714	130	452	57	19,347	4,007	23,354
23	42,977	42,959	18	455	2,450	45,967	13,257	6,230	43,876	1,180	707	148	409	258	18,875	4,048	22,923
30	43,527	43,171	356	650	1,902	46,191	13,230	6,241	44,106	1,184	556	162	417	279	18,958	4,268	23,226
Dec. 7	43,792	43,312	480	462	2,014	46,399	13,158	6,252	44,210	1,188	452	162	415	255	19,126	4,062	23,188
14	43,597	43,264	333	668	2,032	46,407	13,158	6,283	44,603	1,199	127	181	412	63	19,262	4,256	23,518
21	43,492	43,126	366	485	2,671	46,808	13,158	6,291	44,675	1,188	203	155	416	32	19,588	4,304	23,892
28	43,947	43,263	684	559	2,777	47,468	13,159	6,297	44,773	1,191	352	154	425	52	19,977	4,188	24,165
1967																	
Jan. 4	44,230	43,697	533	566	2,493	47,491	13,159	6,311	44,670	1,194	375	167	529	-92	20,116	4,546	24,662
11	44,553	44,000	553	586	2,217	47,563	13,159	6,344	44,445	1,214	510	143	435	150	20,168	4,331	24,499
18	43,937	43,797	140	218	2,111	46,384	13,158	6,348	44,004	1,221	565	149	445	209	19,298	4,363	23,661
25	43,900	43,906	34	538	2,026	46,580	13,158	6,360	43,567	1,234	699	174	410	307	19,709	4,203	23,989
Feb. 1	43,698	43,698	.....	176	2,267	46,216	13,159	6,375	43,343	1,242	598	138	431	344	19,654	4,255	23,909
8	44,133	43,928	205	354	2,017	46,630	13,159	6,392	43,405	1,252	448	145	482	393	20,056	3,793	23,849
15	44,244	43,987	257	456	1,920	46,747	13,159	6,402	43,614	1,260	704	141	436	423	19,729	3,997	23,726
22	44,337	43,844	493	477	1,855	46,811	13,144	6,420	43,568	1,252	686	128	434	588	19,720	4,093	23,813
Mar. 1	44,187	43,942	245	167	1,676	46,183	13,108	6,433	43,540	1,253	579	127	444	615	19,166	4,257	23,423
8	44,550	44,276	274	202	1,553	46,451	13,109	6,447	43,571	1,271	451	132	435	720	19,427	3,760	23,187
15	44,563	44,192	371	173	1,465	46,271	13,107	6,463	43,753	1,283	244	135	454	674	19,296	3,986	23,282
22	44,717	44,378	339	302	1,858	46,947	13,108	6,483	43,718	1,304	592	137	436	604	19,747	3,945	23,692
29	44,659	44,529	130	138	1,577	46,480	13,108	6,496	43,674	1,324	656	137	447	598	19,247	4,082	23,329
Apr. 5	45,012	44,759	253	193	1,361	46,677	13,108	6,503	43,680	1,328	658	130	454	648	19,390	3,999	23,389
12	45,013	44,840	173	165	1,463	46,763	13,109	6,517	43,914	1,340	612	135	465	634	19,289	3,873	23,162
19	44,929	44,888	41	199	1,791	47,024	13,109	6,529	43,894	1,360	795	120	465	506	19,520	4,052	23,572
26	45,142	45,098	44	123	1,493	46,888	13,108	6,553	43,754	1,382	1,087	119	469	511	19,227	4,156	23,383
End of month 1967																	
Feb.	43,971	43,971	.....	165	1,550	45,799	13,107	6,416	43,585	1,238	386	145	432	619	18,916	4,479	23,395
Mar.	44,921	44,762	159	42	1,434	46,507	13,109	6,489	43,583	1,315	828	131	454	646	19,148	4,353	23,501
Apr.	45,470	45,116	354	54	1,574	47,264	13,109	6,565	43,714	1,382	1,360	123	457	492	19,410	4,374	23,784
Wednesday 1967																	
Mar. 1	43,971	43,971	.....	115	1,518	45,713	13,109	6,438	43,573	1,263	475	133	451	610	18,755	4,503	23,258
8	45,288	44,350	938	327	1,393	47,151	13,109	6,454	43,744	1,283	181	123	447	749	20,187	4,079	24,266
15	44,622	44,295	327	278	1,528	46,498	13,109	6,471	43,788	1,301	452	128	455	595	19,358	4,495	23,853
22	44,879	44,478	401	111	1,521	46,579	13,109	6,483	43,759	1,322	297	134	431	599	19,630	4,404	24,034
29	44,529	44,529	.....	39	1,260	45,928	13,109	6,504	43,725	1,335	677	134	454	597	18,619	4,570	23,189
Apr. 5	45,308	44,858	450	539	1,497	47,502	13,109	6,494	43,849	1,334	418	123	456	655	20,270	4,131	24,401
12	44,982	44,693	289	920	1,383	47,409	13,109	6,519	43,999	1,350	549	143	470	488	20,037	4,435	24,472
19	45,385	45,245	140	213	1,551	47,254	13,109	6,543	43,889	1,374	762	128	464	502	19,787	4,473	24,260
26	45,383	45,075	308	481	1,390	47,441	13,109	6,561	43,805	1,386	840	118	464	512	19,986	4,632	24,618

¹ U.S. Govt. securities include Federal agency obligations.
² Beginning with 1960 reflects a minor change in concept; see Feb. 1961 BULLETIN, p. 164.
³ Includes industrial loans and acceptances, when held (industrial loan program discontinued Aug. 21, 1959). For holdings of acceptances

on Wed. and end-of-month dates, see subsequent tables on F.R. Banks. See also note 2.
⁴ Part allowed as reserves Dec. 1, 1959--Nov. 23, 1960; all allowed thereafter. Beginning with Jan. 1963, figures are estimated except for weekly averages.

RESERVES AND BORROWINGS OF MEMBER BANKS

(In millions of dollars)

Period	All member banks					Reserve city banks									
	Reserves			Bor- row- ings at F.R. Banks	Free re- serves	New York City					City of Chicago				
	Total held	Re- quired	Excess			Reserves			Bor- row- ings at F.R. Banks	Free re- serves	Reserves			Bor- row- ings at F.R. Banks	Free re- serves
						Total held	Re- quired	Excess			Total held	Re- quired	Excess		
1929—June.....	2,314	2,275	42	974	-932	762	755	7	174	-167	161	161	1	63	-62
1933—June.....	12,160	1,797	363	184	179	861	792	69	.....	69	211	133	78	.....	78
1939—Dec.....	11,473	6,462	5,011	3	5,008	5,623	3,012	2,611	.....	2,611	1,141	601	540	.....	540
1941—Dec.....	12,812	9,422	3,390	5	3,385	5,142	4,153	989	.....	989	1,143	848	295	.....	295
1945—Dec.....	16,027	14,536	1,491	334	1,157	4,118	4,070	48	192	-144	939	924	14	.....	14
1947—Dec.....	17,261	16,275	986	224	762	4,404	4,299	105	38	67	1,024	1,011	13	6	7
1950—Dec.....	17,391	16,364	1,027	142	885	4,742	4,616	125	58	67	1,199	1,191	8	5	3
1956—Dec.....	19,535	18,883	652	688	-36	4,448	4,392	57	147	-91	1,149	1,138	12	97	-86
1957—Dec.....	19,420	18,843	577	710	-133	4,336	4,303	34	139	-105	1,136	1,127	8	85	-77
1958—Dec.....	18,899	18,383	516	557	-41	4,033	4,010	23	102	-81	1,077	1,070	7	39	-31
1959—Dec.....	18,932	18,450	482	906	-424	3,920	3,930	-10	99	-109	1,038	1,038	.....	104	-104
1960—Dec.....	19,283	18,527	756	87	669	3,687	3,658	29	19	10	958	953	4	8	-4
1961—Dec.....	20,118	19,550	568	149	419	3,834	3,826	7	57	-50	987	987	.....	22	-22
1962—Dec.....	20,040	19,468	572	304	268	3,863	3,817	46	108	-62	1,042	1,035	7	18	-11
1963—Dec.....	20,746	20,210	536	327	209	3,951	3,895	56	37	19	1,056	1,051	5	26	-21
1964—Dec.....	21,609	21,198	411	243	168	4,083	4,062	21	35	-14	1,083	1,086	-3	28	-31
1965—Dec.....	22,719	22,267	452	454	-2	4,301	4,260	41	111	-70	1,143	1,128	15	23	-8
1966—Apr.....	22,528	22,170	358	626	-268	4,326	4,270	56	85	-29	1,128	1,123	5	38	-33
May.....	22,487	22,117	370	722	-352	4,276	4,230	46	86	-40	1,149	1,144	5	8	-3
June.....	22,534	22,212	322	674	-352	4,257	4,290	-33	110	-143	1,116	1,118	-2	10	-12
July.....	23,090	22,686	404	766	-362	4,437	4,350	87	93	-6	1,142	1,130	12	66	-54
Aug.....	22,655	22,317	338	728	-390	4,224	4,210	14	40	-26	1,098	1,094	4	28	-24
Sept.....	23,240	22,842	398	766	-368	4,454	4,424	30	123	-93	1,122	1,117	5	69	-64
Oct.....	23,333	23,031	302	733	-431	4,438	4,435	3	127	-124	1,112	1,109	3	98	-95
Nov.....	23,251	22,862	389	611	-222	4,339	4,299	40	111	-71	1,079	1,077	2	26	-24
Dec.....	23,830	23,438	392	557	-165	4,583	4,556	27	122	-95	1,119	1,115	4	54	-50
1967—Jan.....	24,075	23,702	373	389	-16	4,594	4,571	23	69	-46	1,164	1,136	28	151	-123
Feb.....	23,709	23,351	358	362	-4	4,557	4,511	46	113	-67	1,099	1,117	-18	46	-64
Mar.....	^p 23,401	^p 22,970	^p 431	199	^p 232	^p 4,612	^p 4,608	^p 4	72	^p -68	^p 1,133	^p 1,122	^p 11	26	^p -15
Apr.....	^p 23,370	^p 23,050	^p 320	134	^p 186	^p 4,645	^p 4,613	^p 32	41	^p -9	^p 1,131	^p 1,140	^p -9	11	^p -20
Week ending—															
1966—Apr. 6....	22,358	22,025	333	623	-290	4,302	4,283	19	59	-40	1,094	1,095	-1	39	-40
13....	22,402	22,042	360	603	-243	4,232	4,193	38	28	11	1,099	1,090	9	76	-67
20....	22,627	22,254	373	685	-312	4,246	4,235	11	160	-149	1,129	1,128	1	41	-40
27....	22,615	22,235	380	642	-262	4,385	4,307	78	117	-39	1,164	1,148	16	10	6
Oct. 5....	23,614	23,300	314	828	-514	4,653	4,640	13	274	-261	1,147	1,144	3	30	-27
12....	23,358	22,945	413	928	-515	4,389	4,355	34	234	-200	1,073	1,084	-11	248	-259
19....	23,318	22,829	489	790	-301	4,306	4,302	4	99	-95	1,093	1,080	13	136	-123
26....	23,267	23,120	147	518	-371	4,514	4,501	13	8	5	1,139	1,130	9	18	-9
Nov. 2....	23,380	23,101	279	594	-315	4,471	4,463	8	43	-35	1,130	1,127	3	12	-9
9....	23,355	22,977	378	646	-268	4,349	4,326	23	213	-190	1,095	1,092	3	43	-40
16....	23,354	22,807	547	711	-164	4,235	4,206	29	152	-123	1,071	1,071	.....	26	-26
23....	22,923	22,739	184	439	-255	4,261	4,233	28	.....	28	1,067	1,062	5	13	-8
30....	23,226	22,766	460	636	-176	4,361	4,345	16	90	-74	1,063	1,059	4	26	-22
Dec. 7....	23,188	23,007	181	449	-268	4,454	4,432	22	.....	22	1,073	1,073	.....	20	-20
14....	23,518	23,008	510	647	-137	4,378	4,363	15	122	-107	1,075	1,070	5	79	-74
21....	23,892	23,688	204	472	-268	4,701	4,656	45	75	-30	1,156	1,147	9	9	.....
28....	24,165	23,728	437	548	-111	4,680	4,673	7	183	-176	1,136	1,131	5	63	-58
1967—Jan. 4....	24,662	24,267	395	565	-170	4,846	4,827	19	201	-182	1,224	1,220	4	141	-137
11....	24,499	23,872	627	585	42	4,618	4,579	39	254	-215	1,143	1,137	6	168	-162
18....	23,661	23,536	125	217	-92	4,470	4,451	19	3	16	1,084	1,086	-2	84	-86
25....	23,989	23,473	516	538	-22	4,544	4,521	23	1	22	1,107	1,108	-1	251	-252
Feb. 1....	23,909	23,569	340	176	164	4,654	4,592	62	3	59	1,205	1,159	46	94	-48
8....	23,849	23,560	289	353	-64	4,591	4,579	12	65	-53	1,141	1,144	-3	60	-63
15....	23,726	23,308	418	456	-38	4,503	4,469	34	154	-120	1,105	1,096	9	113	-104
22....	23,813	23,230	583	477	106	4,501	4,470	31	228	-197	1,105	1,105	.....	6	-6
Mar. 1....	23,423	23,264	159	167	-8	4,559	4,518	41	4	37	1,120	1,111	9	4	5
8....	23,187	22,828	359	202	157	4,499	4,512	-13	13	-26	1,092	1,085	7	8	-1
15....	23,282	22,910	372	173	199	4,531	4,500	31	64	-33	1,088	1,084	4	8	-4
22....	23,692	23,125	567	302	265	4,789	4,753	36	197	-161	1,164	1,166	-2	7	-9
29....	23,329	22,944	385	135	250	4,705	4,649	56	.....	56	1,160	1,152	8	92	-84
Apr. 5....	23,389	22,942	447	180	267	4,646	4,628	18	97	-79	1,138	1,145	-7	.....	-7
12....	23,162	22,936	226	145	81	4,521	4,515	6	49	-43	1,137	1,127	10	27	-17
19....	^p 23,572	^p 23,102	^p 470	178	^p 292	^p 4,586	^p 4,584	^p 2	64	^p -62	^p 1,129	^p 1,134	^p -4	.....	^p -4
26....	^p 23,383	^p 23,143	^p 240	98	^p 142	^p 4,693	^p 4,666	^p 27	.....	^p 27	^p 1,133	^p 1,133	^p	18	^p -18

For notes see opposite page.

RESERVES AND BORROWINGS OF MEMBER BANKS—Continued

(In millions of dollars)

Period	Other reserve city banks					Country banks				
	Reserves			Borrowings at F.R. Banks	Free reserves	Reserves			Borrowings at F.R. Banks	Free reserves
	Total held	Required	Excess			Total held	Required	Excess		
1929—June.....	761	749	12	409	-397	632	610	22	327	-305
1933—June.....	648	528	120	58	62	441	344	96	126	-30
1939—Dec.....	3,140	1,953	1,188	.....	1,188	1,568	897	671	3	668
1941—Dec.....	4,317	3,014	1,303	.....	1,302	2,210	1,406	804	4	800
1945—Dec.....	6,394	5,976	418	96	322	4,576	3,566	1,011	46	965
1947—Dec.....	6,861	6,589	271	123	148	4,972	4,375	597	57	540
1950—Dec.....	6,689	6,458	232	50	182	4,761	4,099	663	29	634
1956—Dec.....	8,078	7,983	96	300	-203	5,859	5,371	488	144	344
1957—Dec.....	8,042	7,956	86	314	-228	5,906	5,457	449	172	277
1958—Dec.....	7,940	7,883	57	254	-198	5,849	5,419	430	162	268
1959—Dec.....	7,954	7,912	41	490	-449	6,020	5,569	450	213	237
1960—Dec.....	7,950	7,851	100	20	80	6,689	6,066	623	40	583
1961—Dec.....	8,367	8,308	59	39	20	6,931	6,429	502	31	471
1962—Dec.....	8,178	8,100	78	130	-52	6,956	6,515	442	48	394
1963—Dec.....	8,393	8,325	68	190	-122	7,347	6,939	408	74	334
1964—Dec.....	8,735	8,713	22	125	-103	7,707	7,337	370	55	315
1965—Dec.....	9,056	8,989	67	228	-161	8,219	7,889	330	92	238
1966—Apr.....	8,905	8,882	23	261	-238	8,169	7,895	274	242	32
May.....	8,936	8,852	84	309	-225	8,126	7,891	235	319	-84
June.....	8,913	8,878	35	258	-223	8,249	7,926	323	296	27
July.....	9,203	9,140	63	375	-312	8,308	8,067	241	232	9
Aug.....	9,039	9,018	21	300	-279	8,294	7,995	299	360	-61
Sept.....	9,269	9,198	71	288	-217	8,395	8,103	292	286	6
Oct.....	9,344	9,311	33	279	-246	8,439	8,176	263	229	34
Nov.....	9,306	9,258	48	293	-245	8,528	8,229	299	181	118
Dec.....	9,509	9,449	61	220	-159	8,619	8,318	301	161	140
1967—Jan.....	9,584	9,567	17	97	-80	8,732	8,428	305	72	233
Feb.....	9,439	9,408	31	115	-84	8,614	8,315	299	88	211
Mar.....	^p 9,361	^p 9,299	^p 62	53	^p 9	^p 8,295	^p 7,940	^p 354	48	^p 306
Apr.....	^p 9,399	^p 9,382	^p 17	53	^p -36	^p 8,195	^p 7,915	^p 280	29	^p 251
Week ending—										
1966—Apr. 6.....	8,858	8,825	33	301	-268	8,104	7,822	282	224	58
13.....	8,921	8,862	59	212	-153	8,151	7,897	254	287	-33
20.....	8,955	8,932	22	292	-269	8,297	7,959	338	192	145
27.....	8,936	8,882	54	252	-198	8,130	7,898	231	263	-31
Oct. 5.....	9,418	9,383	35	238	-203	8,397	8,134	263	286	-23
12.....	9,387	9,295	92	212	-120	8,508	8,211	297	234	63
19.....	9,261	9,254	7	348	-341	8,658	8,193	465	207	258
26.....	9,373	9,320	53	272	-219	8,241	8,170	71	220	-149
Nov. 2.....	9,382	9,345	37	344	-307	8,396	8,166	230	195	35
9.....	9,372	9,312	60	213	-153	8,538	8,247	291	177	114
16.....	9,297	9,270	27	362	-335	8,751	8,260	491	171	320
23.....	9,279	9,218	61	228	-167	8,316	8,226	90	198	-108
30.....	9,244	9,174	70	341	-271	8,558	8,188	370	179	191
Dec. 7.....	9,311	9,289	22	217	-195	8,350	8,213	137	212	-75
14.....	9,321	9,295	26	262	-236	8,744	8,280	464	184	280
21.....	9,593	9,537	56	224	-168	8,441	8,348	93	164	-71
28.....	9,579	9,556	23	183	-160	8,771	8,368	403	119	284
1967—Jan. 4.....	9,832	9,773	59	159	-100	8,760	8,447	313	64	249
11.....	9,671	9,648	23	80	-57	9,068	8,507	561	83	478
18.....	9,562	9,539	23	52	-29	8,545	8,460	85	78	7
25.....	9,507	9,454	53	222	-169	8,830	8,390	440	64	376
Feb. 1.....	9,525	9,482	43	9	34	8,526	8,336	190	70	120
8.....	9,511	9,477	34	170	-136	8,606	8,360	246	58	188
15.....	9,448	9,393	55	59	-4	8,671	8,350	321	130	191
22.....	9,435	9,374	61	167	-106	8,771	8,281	490	76	414
Mar. 1.....	9,351	9,364	-13	70	-83	8,392	8,271	121	89	32
8.....	9,278	9,237	41	117	-76	8,318	7,994	324	64	260
15.....	9,315	9,277	38	40	-2	8,347	8,049	298	61	237
22.....	9,401	9,354	47	64	-17	8,338	7,852	486	34	452
29.....	9,386	9,305	81	4	77	8,079	7,838	241	39	202
Apr. 5.....	9,352	9,335	17	54	-37	8,253	7,834	419	29	390
12.....	9,415	9,374	41	43	-2	8,088	7,920	168	26	142
19.....	^p 9,447	^p 9,413	^p 34	79	^p -45	^p 8,411	^p 7,970	^p 441	35	^p 406
26.....	^p 9,437	^p 9,398	^p 38	50	^p -12	^p 8,120	^p 7,947	^p 173	30	^p 143

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

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

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

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

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

BASIC RESERVE POSITION, AND FEDERAL FUNDS AND RELATED TRANSACTIONS

(In millions of dollars unless otherwise noted)

Reporting banks and week ending—	Basic reserve position					Interbank Federal funds transactions					Related transactions with U.S. Govt. securities dealers		
	Excess reserves ¹	Less—		Net—		Gross transactions		Total 2-way transactions ²	Net transactions		Loans to dealers ³	Borrowings from dealers ⁴	Net loans
		Borrowings at F.R. Banks	Net inter-bank Federal funds trans.	Surplus or deficit	Per cent of avg. required reserves	Purchases	Sales		Purchases of net buying banks	Sales of net selling banks			
<i>Total—46 banks</i>													
1967—Mar. 1	58	5	1,950	-1,897	18.3	3,268	1,318	1,161	2,107	157	1,460	74	1,385
8	10	82	1,915	-1,986	19.3	3,038	1,123	965	2,073	158	1,505	79	1,427
15	45	72	2,301	-2,329	22.6	3,679	1,378	1,138	2,541	240	1,600	78	1,522
22	43	219	2,467	-2,643	24.8	3,684	1,217	1,049	2,635	168	1,881	92	1,788
29	122	89	2,484	-2,452	23.3	3,707	1,222	1,082	2,624	140	1,828	46	1,782
Apr. 5	21	141	2,181	-2,301	21.9	3,125	943	816	2,309	128	1,750	95	1,656
12	34	103	2,982	-3,051	29.3	3,979	998	977	3,002	21	2,009	76	1,932
19	14	129	2,617	-2,732	26.0	3,819	1,202	1,151	2,668	50	1,744	69	1,675
26	57	55	2,159	-2,157	20.4	3,579	1,420	1,315	2,264	105	1,500	78	1,422
<i>8 in New York City</i>													
1967—Mar. 1	26		538	-511	12.2	1,155	618	591	565	27	762	74	687
8	-9	13	797	-819	19.6	1,294	498	498	797		862	79	783
15	22	61	1,254	-1,293	31.0	1,740	486	486	1,254		957	78	879
22	20	192	943	-1,116	25.3	1,410	467	467	943		888	92	796
29	58		1,124	-1,067	24.7	1,599	474	474	1,124		882	46	837
Apr. 5	19	95	932	-1,007	23.4	1,241	309	309	932		1,000	95	905
12	12	47	1,222	-1,258	30.0	1,637	414	414	1,222		1,008	76	932
19	12	64	981	-1,045	24.6	1,584	603	603	981		840	69	771
26	26		853	-827	19.1	1,500	646	646	853		884	78	806
<i>38 outside New York City</i>													
1967—Mar. 1	32	5	1,412	-1,386	22.3	2,113	700	571	1,542	130	698		698
8	20	68	1,119	-1,167	19.1	1,744	626	467	1,277	158	644		644
15	23	12	1,047	-1,036	16.9	1,939	892	652	1,287	240	643		643
22	23	27	1,523	-1,527	24.4	2,273	750	582	1,691	168	992		992
29	64	89	1,360	-1,385	22.2	2,108	748	608	1,500	140	946		946
Apr. 5	2	46	1,250	-1,294	20.8	1,884	634	507	1,377	128	750		750
12	22	57	1,759	-1,794	28.9	2,343	583	563	1,780	21	1,000		1,000
19	14	64	1,636	-1,687	27.0	2,235	599	548	1,687	50	904	1	903
26	31	55	1,306	-1,330	21.3	2,080	774	669	1,411	105	616		616
<i>5 in City of Chicago</i>													
1967—Mar. 1	14		408	-394	39.7	601	193	173	428	20	27		27
8	4		345	-342	35.3	433	88	76	358	13	25		25
15	4		242	-238	24.6	468	226	217	250	9	6		6
22	-1		225	-226	21.5	464	239	210	254	29	12		12
29	6	86	343	-423	40.8	533	189	181	352	9	23		23
Apr. 5	-6		335	-341	33.2	477	142	126	351	16	45		45
12	3	27	449	-472	46.9	626	178	178	449		55		55
19	-5		406	-411	40.4	579	173	155	424	18	36		36
26	3	18	344	-359	35.5	561	217	197	364	20	22		22
<i>33 others</i>													
1967—Mar. 1	18	5	1,004	-992	19.0	1,512	507	398	1,114	109	671		671
8	16	68	774	-826	16.0	1,311	537	392	919	145	619		619
15	19	12	805	-798	15.5	1,471	666	434	1,037	232	637		637
22	24	27	1,298	-1,302	25.0	1,809	511	372	1,437	139	981		981
29	58	3	1,017	-962	18.5	1,575	559	427	1,148	131	923		923
Apr. 5	8	46	915	-953	18.3	1,407	492	381	1,026	111	705		705
12	19	30	1,311	-1,321	25.4	1,716	405	385	1,331	21	945		945
19	18	64	1,230	-1,276	24.4	1,656	426	393	1,262	32	868	1	867
26	28	37	962	-971	18.5	1,519	557	472	1,047	85	594		594

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

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

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

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

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

FEDERAL RESERVE BANK DISCOUNT RATES

(Per cent per annum)

Federal Reserve Bank	Discounts for and advances to member banks						Advances to all others under last par. Sec. 13 ³		
	Advances and discounts under Secs. 13 and 13a ¹			Advances under Sec. 10(b) ²			Rate on Apr. 30	Effective date	Previous rate
	Rate on Apr. 30	Effective date	Previous rate	Rate on Apr. 30	Effective date	Previous rate			
Boston.....	4	Apr. 7, 1967	4½	4½	Apr. 7, 1967	5	5	Apr. 7, 1967	5½
New York.....	4	Apr. 7, 1967	4½	4½	Apr. 7, 1967	5	5½	Dec. 6, 1965	5
Philadelphia.....	4	Apr. 7, 1967	4½	4½	Apr. 7, 1967	5	5	Apr. 7, 1967	5½
Cleveland.....	4	Apr. 7, 1967	4½	4½	Apr. 7, 1967	5	5½	Apr. 7, 1967	6
Richmond.....	4	Apr. 7, 1967	4½	4½	Apr. 7, 1967	5	5	Apr. 7, 1967	5½
Atlanta.....	4	Apr. 10, 1967	4½	4½	Apr. 10, 1967	5	6	Apr. 10, 1967	6½
Chicago.....	4	Apr. 7, 1967	4½	4½	Apr. 7, 1967	5	5	Apr. 7, 1967	5½
St. Louis.....	4	Apr. 14, 1967	4½	4½	Apr. 14, 1967	5	5	Apr. 14, 1967	5½
Minneapolis.....	4	Apr. 7, 1967	4½	4½	Apr. 7, 1967	5	5	Apr. 7, 1967	5½
Kansas City.....	4	Apr. 7, 1967	4½	4½	Apr. 7, 1967	5	5	Apr. 7, 1967	5½
Dallas.....	4	Apr. 7, 1967	4½	4½	Apr. 7, 1967	5	5	Apr. 7, 1967	5½
San Francisco.....	4	Apr. 7, 1967	4½	4½	Apr. 7, 1967	5	5	Apr. 7, 1967	5½

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

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

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

FEDERAL RESERVE BANK DISCOUNT RATES

(Per cent per annum)

Effective date	Range (or level) all F.R. Banks	F.R. Bank of N.Y.	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, 1941.....	1 -1½	1	1955			1959		
Apr. 11, 1942.....	1	1	Apr. 14.....	1½-1¾	1½	Mar. 6.....	2½-3	3
Oct. 15.....	† ½-1	† ½	Apr. 15.....	1½-1¾	1½	Apr. 16.....	3	3
Oct. 30.....	† ½	† ½	May 2.....	1¾	1¾	May 29.....	3 -3½	3½
Apr. 25, 1946.....	† ½-1	1	Aug. 4.....	1¾-2¼	1¾	June 12.....	3½	4
May 10.....	1	1	Aug. 5.....	1¾-2¼	2	Sept. 11.....	3½-4	4
Apr. 1948.....	1 -1¼	1¼	Sept. 9.....	2 -2¼	2¼	Sept. 18.....	4	4
Jan. 12.....	1¼	1¼	Sept. 13.....	2¼	2¼	1960		
Aug. 13.....	1¼-1½	1½	Nov. 18.....	2¼-2½	2½	June 3.....	3½-4	4
Aug. 23.....	1½	1½	Nov. 23.....	2½	2½	June 10.....	3½-4	3½
Aug. 21, 1950.....	1½-1¾	1¾	1956			Aug. 12.....	3 -3½	3
Aug. 25.....	1¾	1¾	Apr. 13.....	2½-3	2¾	Sept. 9.....	3	3
Jan. 16, 1953.....	1¾-2	2	Apr. 20.....	2¾-3	2¾	1963		
Jan. 23.....	2	2	Aug. 24.....	2¾-3	3	July 17.....	3 -3½	3½
Feb. 1954.....	1¾-2	1¾	Jan. 31.....	3	3	July 26.....	3½	3½
Apr. 14.....	1½-1¾	1¾	1957			1964		
Apr. 16.....	1½-1¾	1½	Aug. 9.....	3 -3½	3	Nov. 24.....	3½-4	4
May 21.....	1½	1½	Aug. 23.....	3½	3½	Nov. 30.....	4	4
			Nov. 15.....	3 -3½	3	1965		
			Dec. 2.....	3	3	Dec. 6.....	4 -4½	4½
			1958			Dec. 13.....	4½	4½
			Jan. 22.....	2¾-3	3	1967		
			Jan. 24.....	2¾-3	2¾	Apr. 7.....	4 -4½	4
			Mar. 7.....	2¼-3	2¼	Apr. 14.....	4	4
			Mar. 13.....	2¼-2¾	2¼	In effect Apr. 30.....	4	4
			Mar. 21.....	2¼	2¼			
			Apr. 18.....	1¾-2¼	1¾			
			May 9.....	1¾	1¾			
			Aug. 15.....	1¾-2	1¾			
			Sept. 12.....	1¾-2	2			
			Sept. 23.....	2	2			
			Oct. 24.....	2 -2½	2			
			Nov. 7.....	2½	2½			

† Preferential rate of one-half of 1 per cent for advances secured by U.S. Govt. obligations maturing in 1 year or less. The rate of 1 per cent was continued for discounts of eligible paper and advances secured by such paper or by U.S. Govt. obligations with maturities beyond one year.

NOTE.—Discount rates under Secs. 13 and 13a (as described in table above). For data before 1942, see *Banking and Monetary Statistics*, 1943, pp. 439-42. The rate charged by the F.R. Bank of N.Y. on repurchase contracts

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

RESERVE REQUIREMENTS OF MEMBER BANKS

(Per cent of deposits)

Requirements through July 13, 1966					Requirements beginning July 14, 1966					
Effective date ¹	Net demand deposits ²			Time deposits (all classes of banks)	Effective date ¹	Net demand deposits ²		Time deposits ⁴ (all classes of banks)		
	Central reserve city banks ³	Reserve city banks	Country banks			Reserve city banks	Country banks	Savings deposits	Other time deposits	
								Up to \$5 million	In excess of \$5 million	
In effect Dec. 31, 1949.....	22	18	12	5	1966—July 14, 21.....	5 1/2	5 1/2	5 4	5 4	5
1951—Jan. 11, 16.....	23	19	13	6	Sept. 8, 15.....					6
Jan. 25, Feb. 1.....	24	20	14							
1953—July 9, 1.....	22	19	13		1967—Mar. 2.....			3 1/2	3 1/2	
1954—June 24, 16.....	21			5	Mar. 16.....			3	3	
July 29, Aug. 1.....	20	18	12		In effect Apr. 30, 1967....	16 1/2	12	3	3	6
1958—Feb. 27, Mar. 1.....	19 1/2	17 1/2	11 1/2							
Mar. 20, Apr. 1.....	19	17	11							
Apr. 17.....	18 1/2				Present legal requirement:					
Apr. 24.....	18	16 1/2			Minimum.....	10	7	3	3	3
1960—Sept. 1.....	17 1/2				Maximum.....	22	14	10	10	10
Nov. 24.....			12							
1962—July 28.....	16 1/2									
Oct. 25, Nov. 1.....	(3)			4						

¹ When two dates are shown, the first applies to the change at central reserve or reserve city banks and the second to the change at country banks. For changes prior to 1950 see Board's annual reports.

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

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

⁴ Effective Jan. 5, 1967, time deposits such as Christmas and vacation club accounts became subject to same requirements as savings deposits.

⁵ See preceding columns for earliest effective date of this rate. NOTE.—All required reserves were held on deposit with F.R. Banks June 21, 1917, until Dec. 1959. From Dec. 1959 to Nov. 1960, member banks were allowed to count part of their currency and coin as reserves; effective Nov. 24, 1960, they were allowed to count all as reserves. For further details, see Board's annual reports.

MAXIMUM INTEREST RATES PAYABLE ON TIME AND SAVINGS DEPOSITS

(Per cent per annum)

Type and maturity of deposit	Rates Nov. 1, 1933—July 19, 1966								Rates beginning July 20, 1966		
	Effective date								Type of deposit	Effective date	
	Nov. 1, 1933	Feb. 1, 1935	Jan. 1, 1936	Jan. 1, 1957	Jan. 1, 1962	July 17, 1963	Nov. 24, 1964	Dec. 6, 1965		July 20, 1966	Sept. 26, 1966
Savings deposits:									Savings deposits.....	4	4
12 months or more.....	3	2 1/2	2 1/2	3	4	4	4	4	Other time deposits: ¹		
Less than 12 months.....	3	2 1/2	2 1/2	3	3 1/2	3 1/2	4	4	Multiple-maturity:		
Other time deposits: ¹									90 days or more.....	5	5
12 months or more.....	3	2 1/2	2 1/2	3	4	4	4 1/2	5 1/2	Less than 90 days.....	4	4
6 months to 12 months....	3	2 1/2	2 1/2	3	3 1/2	4	4 1/2	5 1/2	(30-89 days)		
90 days to 6 months.....	3	2 1/2	2	2 1/2	2 1/2	4	4 1/2	5 1/2	Single-maturity:		
Less than 90 days.....	3	2 1/2	1	1	1	1	4	5 1/2	\$100,000 or more.....	5 1/2	5 1/2
(30-89 days)									Less than \$100,000....	5 1/2	5

¹ For exceptions with respect to foreign time deposits, see Oct. 1962 BULLETIN, p. 1279, and Aug. 1965 BULLETIN, p. 1084. For rates for postal savings deposits, see Board's annual reports.

NOTE.—Maximum rates that may be paid by member banks as established by the Board of Governors under provisions of Regulation Q.

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

MARGIN REQUIREMENTS

(Per cent of market value)

Regulation	Effective date							
	Jan. 4, 1955	Apr. 23, 1955	Jan. 16, 1958	Aug. 5, 1958	Oct. 16, 1958	July 28, 1960	July 10, 1962	Nov. 6, 1963
Regulation T:								
For extensions of credit by brokers and dealers on listed securities.....	60	70	50	70	90	70	50	70
For short sales.....	60	70	50	70	90	70	50	70
Regulation U:								
For loans by banks on stocks.....	60	70	50	70	90	70	50	70

NOTE.—Regulations T and U, prescribed in accordance with Securities Exchange Act of 1934, limit the amount of credit that may be extended on a security by prescribing a maximum loan value, which is a specified per-

centage of its market value at the time of extension; margin requirements are the difference between the market value (100 per cent) and the maximum loan value.

DEPOSITS, CASH, AND RESERVES OF MEMBER BANKS

(In millions of dollars)

Item	All member banks	Reserve city banks			Country banks	Item	All member banks	Reserve city banks			Country banks
		New York City	City of Chicago	Other				New York City	City of Chicago	Other	
Four weeks ending March 1, 1967					Four weeks ending March 29, 1967						
Gross demand--Total.....	145,991	29,314	6,727	53,098	56,852	Gross demand--Total.....	145,633	29,140	6,755	53,294	56,444
Interbank.....	16,078	5,341	1,235	7,473	2,030	Interbank.....	15,863	5,062	1,236	7,527	2,039
U.S. Govt.....	4,442	832	220	1,825	1,566	U.S. Govt.....	4,294	1,006	259	1,626	1,404
Other.....	125,470	23,141	5,274	43,800	53,256	Other.....	125,477	23,073	5,261	44,142	53,002
Net demand ¹	116,135	21,117	5,166	41,659	48,194	Net demand ¹	116,847	21,850	5,257	42,004	47,737
Time.....	134,054	18,837	5,214	51,444	58,560	Time.....	136,270	19,082	5,430	52,243	59,516
Demand balances due from dom. banks.....	8,013	217	350	1,994	5,453	Demand balances due from dom. banks.....	8,033	203	280	1,994	5,556
Currency and coin.....	4,035	333	76	1,236	2,389	Currency and coin.....	3,943	321	76	1,208	2,338
Balances with F.R. Banks.....	19,668	4,206	1,041	8,202	6,221	Balances with F.R. Banks.....	19,429	4,310	1,050	8,135	5,936
Total reserves held.....	23,703	4,539	1,117	9,438	8,610	Total reserves held.....	23,372	4,631	1,126	9,343	8,274
Required.....	23,341	4,509	1,114	9,402	8,316	Required.....	22,952	4,604	1,122	9,294	7,934
Excess.....	362	30	3	36	294	Excess.....	420	27	4	49	340

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

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

TRANSACTIONS OF THE SYSTEM OPEN MARKET ACCOUNT

(In millions of dollars)

Month	Outright transactions in U.S. Govt. securities by maturity											
	Total			Treasury bills			Others within 1 year			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
1966—Mar.....	960	314	101	873	314	101	78	.....	.....	9	.....	144
Apr.....	929	748	201	887	748	201	18	.....	.....	25	.....	.....
May.....	1,208	392	50	1,174	392	50	.....	.....	-281	34	.....	281
June.....	1,448	650	110	1,296	650	110	55	.....	108	88	.....	-108
July.....	2,607	2,489	.....	2,526	2,489	.....	.....	.....	.....	29	.....	.....
Aug.....	1,602	1,273	98	1,602	1,273	98	.....	.....	84	.....	.....	76
Sept.....	1,976	1,419	170	1,976	1,419	170	.....	.....	.....	.....	.....	.....
Oct.....	1,281	893	320	1,281	893	320	.....	.....	.....	.....	.....	.....
Nov.....	860	223	323	860	223	323	.....	.....	6,456	.....	.....	-6,253
Dec.....	771	.....	405	736	.....	405	15	.....	.....	12	.....	.....
1967—Jan.....	904	656	439	904	656	439	.....	.....	.....	.....	.....	.....
Feb.....	812	.....	305	812	.....	305	.....	.....	-2,457	.....	.....	2,595
Mar.....	1,496	.....	704	1,395	.....	704	.....	.....	.....	80	.....	.....

Month	Outright transactions in U.S. Govt. securities—Continued						Repurchase agreements (U.S. Govt. securities)		Net change in U.S. Govt. securities	Federal agency obligations (net repurchase agreements)	Bankers' acceptances		Net change ¹
	5-10 years			Over 10 years			Gross purchases	Gross sales			Out-right, net	Under repurchase agreements, net	
	Gross purchases	Gross sales	Exch. or maturity shifts	Gross purchases	Gross sales	Exch. or maturity shifts							
1966—Mar.....	.....	.....	-144	.....	.....	.....	222	222	545	.....	3	1	549
Apr.....	.....	.....	.....	.....	.....	.....	682	682	-20	.....	4	30	14
May.....	.....	.....	.....	.....	.....	.....	421	421	766	.....	-1	20	786
June.....	.....	.....	.....	.....	.....	.....	185	185	689	.....	2	58	748
July.....	39	.....	.....	12	.....	.....	120	26	212	.....	-30	-157	24
Aug.....	.....	.....	-160	.....	.....	.....	364	457	138	.....	-3	.....	135
Sept.....	.....	.....	.....	.....	.....	.....	97	97	388	.....	-1	.....	387
Oct.....	.....	.....	.....	.....	.....	.....	275	275	69	.....	4	21	94
Nov.....	.....	.....	-203	.....	.....	.....	1,775	1,153	937	.....	3	56	996
Dec.....	3	.....	.....	5	.....	.....	3,751	3,746	370	34	15	47	466
1967—Jan.....	.....	.....	.....	.....	.....	.....	1,693	2,320	-818	-34	4	-124	-972
Feb.....	.....	.....	-138	.....	.....	.....	3,253	3,253	507	.....	3	37	546
Mar.....	14	.....	.....	8	.....	.....	3,399	3,253	938	13	-7	4	948

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

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

CONSOLIDATED STATEMENT OF CONDITION OF ALL FEDERAL RESERVE BANKS

(In millions of dollars)

Item	Wednesday					End of month		
	1967					1967		1966
	Apr. 26	Apr. 19	Apr. 12	Apr. 5	Mar. 29	Apr.	Mar.	Apr.
Assets								
Gold certificate account	10,766	10,766	10,777	10,778	10,762	10,785	10,778	11,459
Redemption fund for F.R. notes	1,822	1,828	1,824	1,827	1,835	1,819	1,833	1,731
Total gold certificate reserves	12,588	12,594	12,601	12,605	12,597	12,604	12,611	13,190
Cash	334	334	327	327	339	342	345	238
Discounts and advances:								
Member bank borrowings	456	188	900	519	29	29	32	432
Other	25	25	20	20	10	25	10	20
Acceptances:								
Bought outright	69	68	68	68	68	68	69	80
Held under repurchase agreements	118	37	56	90	32	98	41	79
Federal agency obligations—Held under repurchase agreements	18	5	12	25		10	13	
U.S. Govt. securities:								
Bought outright:								
Bills	13,006	13,176	12,624	12,830	12,576	13,047	12,809	9,162
Certificates—Special								
Other	4,352	4,352	4,352	4,352	4,351	4,352	4,351	12
Notes	21,368	21,368	21,368	21,368	21,353	21,368	21,353	24,965
Bonds	6,349	6,349	6,349	6,308	6,249	6,349	6,249	6,574
Total bought outright	45,075	45,245	44,693	44,858	44,529	45,116	44,762	40,713
Held under repurchase agreements	290	135	277	425		344	146	
Total U.S. Govt. securities	45,365	45,380	44,970	45,283	44,529	45,460	44,908	40,713
Total loans and securities	46,051	45,703	46,026	46,005	44,668	45,690	45,073	41,324
Cash items in process of collection	7,411	8,263	7,226	7,021	6,562	6,683	5,875	6,803
Bank premises	109	109	108	108	108	108	108	102
Other assets:								
Denominated in foreign currencies	153	153	162	158	188	184	160	299
IMF gold deposited ¹	230	229	228	228	228	230	228	181
All other	508	481	454	424	397	523	403	442
Total assets	67,384	67,866	67,132	66,876	65,087	66,364	64,803	62,579
Liabilities								
F.R. notes	38,443	38,539	38,650	38,512	38,383	38,368	38,256	36,464
Deposits:								
Member bank reserves	19,986	19,787	20,037	20,270	18,619	19,410	19,148	18,736
U.S. Treasurer—General account	840	762	549	418	677	1,360	828	512
Foreign	118	128	143	123	134	123	131	192
Other:								
IMF gold deposit ¹	230	229	228	228	228	230	228	181
All other	234	399	242	228	226	227	226	220
Total deposits	21,408	21,305	21,199	21,267	19,884	21,350	20,561	19,841
Deferred availability cash items	6,021	6,548	5,843	5,524	5,302	5,109	4,441	4,842
Other liabilities and accrued dividends	221	221	222	232	218	225	231	188
Total liabilities	66,093	66,613	65,914	65,535	63,787	65,052	63,489	61,335
Capital accounts								
Capital paid in	579	579	579	579	578	579	578	560
Surplus	570	570	570	570	570	570	570	551
Other capital accounts	142	104	69	192	152	163	166	133
Total liabilities and capital accounts	67,384	67,866	67,132	66,876	65,087	66,364	64,803	62,579
Contingent liability on acceptances purchased for foreign correspondents	264	252	244	235	225	272	232	137
U.S. Govt. securities held in custody for foreign account	7,887	7,808	7,720	7,682	7,604	7,912	7,547	7,455
Federal Reserve Notes—Federal Reserve Agents' Accounts								
F.R. notes outstanding (issued to Bank)	40,888	40,935	41,010	40,919	40,961	40,853	40,899	39,989
Collateral held against notes outstanding:								
Gold certificate account	6,695	6,695	6,700	6,690	6,690	6,695	6,690	6,553
Eligible paper	31	*	*		1	1	*	38
U.S. Govt. securities	36,306	36,306	36,306	36,306	36,306	36,306	36,306	34,678
Total collateral	43,032	43,001	43,006	42,996	42,997	43,002	42,996	41,269

¹ See note 1(b) to table at bottom of p. 876.

STATEMENT OF CONDITION OF EACH FEDERAL RESERVE BANK ON MARCH 31, 1967

(In millions of dollars)

Item	Total	Boston	New York	Philadelphia	Cleveland	Richmond	Atlanta	Chicago	St. Louis	Minneapolis	Kansas City	Dallas	San Francisco
Assets													
Gold certificate account	10,785	642	2,394	694	948	955	599	1,981	383	291	451	261	1,186
Redemption fund for F.R. notes	1,819	102	436	94	151	157	100	337	63	32	71	61	215
Total gold certificate reserves	12,604	744	2,830	788	1,099	1,112	699	2,318	446	323	522	322	1,401
F.R. notes of other Banks	702	60	177	29	88	40	94	60	17	10	21	32	74
Other cash	342	11	38	7	55	19	43	52	32	9	18	18	40
Discounts and advances:													
Secured by U.S. Govt. securities	28	3	4	1		2	1	1	4	2	4	1	5
Other	26	1	7	1	2	1	2	4	1	1	1	2	3
Acceptances:													
Bought outright	68		68										
Held under repurchase agreements	98		98										
Federal agency obligations—Held under repurchase agreements	10		10										
U.S. Govt. securities:													
Bought outright	45,116	2,417	11,425	2,301	3,432	3,231	2,469	7,421	1,602	865	1,784	1,883	6,286
Held under repurchase agreements	344		344										
Total loans and securities	45,690	2,421	11,956	2,303	3,434	3,234	2,472	7,426	1,607	868	1,789	1,886	6,294
Cash items in process of collection	8,632	544	1,483	504	653	734	783	1,381	445	247	561	521	776
Bank premises	108	3	10	2	5	6	20	19	9	3	13	9	9
Other assets:													
Denominated in foreign currencies	184	9	148	10	16	10	11	27	6	4	8	11	24
IMF gold deposited ²	230		230										
All other	523	27	133	29	41	36	29	84	19	10	20	22	73
Total assets	69,015	3,819	16,905	3,672	5,391	5,191	4,151	11,367	2,581	1,474	2,952	2,821	8,691
Liabilities													
F.R. notes	39,070	2,335	9,067	2,247	3,175	3,601	2,199	7,028	1,434	700	1,490	1,252	4,542
Deposits:													
Member bank reserves	19,410	795	5,513	826	1,425	864	1,092	2,790	686	488	861	1,009	3,061
U.S. Treasurer—General account	1,360	78	303	91	65	95	94	188	41	46	87	72	200
Foreign	123	5	38	6	10	6	7	17	4	3	5	7	15
Other:													
IMF gold deposit ²	230		230						*	*			
All other	230	2	144	9	1	8	1	2			3	1	59
Total deposits	21,353	880	6,228	932	1,501	973	1,194	2,997	731	537	956	1,089	3,335
Deferred availability cash items	7,055	528	1,211	412	582	530	665	1,111	362	201	440	398	615
Other liabilities and accrued dividends	225	12	61	12	17	15	12	36	8	5	9	9	29
Total liabilities	67,703	3,755	16,567	3,603	5,275	5,119	4,070	11,172	2,535	1,443	2,895	2,748	8,521
Capital Accounts													
Capital paid in	579	28	149	31	52	30	36	85	20	14	26	34	74
Surplus	570	27	148	30	51	30	35	83	20	14	25	33	74
Other capital accounts	163	9	41	8	13	12	10	27	6	3	6	6	22
Total liabilities and capital accounts	69,015	3,819	16,905	3,672	5,391	5,191	4,151	11,367	2,581	1,474	2,952	2,821	8,691
Ratio of gold certificate reserves to F.R. note liability (per cent):													
Apr. 30, 1967	32.3	31.9	31.2	35.1	34.6	30.9	31.8	33.0	31.1	46.1	35.0	25.7	30.8
Mar. 31, 1967	32.3	30.0	28.3	32.9	32.0	32.9	34.3	34.8	35.3	36.7	37.5	38.4	31.4
Apr. 30, 1966													
Contingent liability on acceptances purchased for foreign correspondents													
	272	13	477	14	24	14	16	38	9	6	12	15	34

Federal Reserve Notes—Federal Reserve Agents' Accounts

F.R. notes outstanding (issued to Bank)	40,853	2,431	9,485	2,286	3,429	3,711	2,307	7,295	1,504	731	1,552	1,345	4,777
Collateral held against notes outstanding:													
Gold certificate account	6,695	450	1,000	483	600	740	450	1,400	305	127	225	180	735
Eligible paper	1		1										
U.S. Govt. securities	36,306	2,016	8,900	2,000	3,000	3,035	2,050	6,150	1,310	615	1,400	1,230	4,600
Total collateral	43,002	2,466	9,900	2,484	3,600	3,775	2,500	7,550	1,615	742	1,625	1,410	5,335

¹ After deducting \$119 million participations of other F.R. Banks.² See note 2 to table at bottom of p. 876.³ After deducting \$85 million participations of other F.R. Banks.⁴ After deducting \$195 million participations of other F.R. Banks.

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

(In millions of dollars)

Item	Wednesday					End of month		
	1967					1967		1966
	Apr. 26	Apr. 19	Apr. 12	Apr. 5	Mar. 29	Apr.	Mar.	Apr.
Discounts and advances—Total.....	481	213	920	539	39	54	42	452
Within 15 days.....	453	189	898	517	26	24	32	422
16 days to 90 days.....	28	21	22	20	3	30	10	30
91 days to 1 year.....		3		2	10			*
Acceptances—Total.....	187	105	124	158	100	166	110	159
Within 15 days.....	139	60	79	108	48	119	56	91
16 days to 90 days.....	48	45	45	50	52	47	54	68
U.S. Govt. securities and Federal agency obligations—Total.....	45,383	45,385	44,982	45,308	44,529	45,470	44,921	40,713
Within 15 days ¹	2,304	2,347	1,692	1,739	1,445	7,836	928	7,326
16 days to 90 days.....	12,174	12,134	12,706	13,014	12,561	6,293	13,183	4,374
91 days to 1 year.....	19,389	19,388	19,068	19,078	19,114	19,825	19,401	14,026
Over 1 year to 5 years.....	10,183	10,183	10,183	10,168	10,133	10,183	10,133	13,297
Over 5 years to 10 years.....	898	898	898	885	866	898	866	1,305
Over 10 years.....	435	435	435	424	410	435	410	385

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

CONVERTIBLE FOREIGN CURRENCIES HELD BY FEDERAL RESERVE BANKS

(In millions of U.S. dollar equivalent)

End of period	Total	Pounds sterling	Belgian francs	Canadian dollars	French francs	German marks	Italian lire	Japanese yen	Netherlands guilders	Swiss francs
1966—May.....	364	163	53	2	1	116	2	1	3	24
June.....	482	271	54	2	1	124	1	1	3	24
July.....	702	566	54	2	1	75	2	1	*	2
Aug.....	687	476	54	2	1	150	1	1	*	2
Sept.....	742	587	54	20	1	76	1	1	*	3
Oct.....	783	622	54	20	1	76	6	1	*	3
Nov.....	709	570	54	2	1	76	1	1	*	3
Dec.....	875	594	55	2	1	216	3	1	*	3
1967—Jan.....	397	319	55	2	1	15	1	1	*	3

BANK DEBITS AND DEPOSIT TURNOVER

(Seasonally adjusted annual rates)

Period	Debits to demand deposit accounts ¹ (in billions of dollars)					Turnover of demand deposits				
	Total 233 SMSA's	Leading SMSA's		Total 232 SMSA's (excl. N.Y.)	226 other SMSA's	Total 233 SMSA's	Leading SMSA's		Total 232 SMSA's (excl. N.Y.)	226 other SMSA's
		N.Y.	6 others ²				N.Y.	6 others ²		
1966—Mar.....	5,784.6	2,411.7	1,313.6	3,372.9	2,059.3	51.3	106.0	48.5	37.6	32.9
Apr.....	5,858.0	2,501.5	1,281.6	3,356.5	2,074.9	52.7	111.8	47.9	37.6	33.2
May.....	5,909.2	2,513.5	1,326.8	3,395.7	2,068.9	52.6	109.5	49.7	37.8	32.8
June.....	5,908.3	2,494.1	1,327.0	3,414.2	2,087.2	52.2	107.3	50.4	38.3	33.1
July.....	5,868.3	2,394.1	1,343.6	3,474.2	2,130.6	52.9	106.9	51.3	39.1	34.0
Aug.....	6,092.4	2,597.0	1,357.1	3,495.4	2,138.3	54.0	111.9	51.5	39.0	33.9
Sept.....	6,105.2	2,559.1	1,387.2	3,546.1	2,158.9	54.2	111.4	52.1	39.4	34.3
Oct.....	6,065.4	2,551.8	1,364.9	3,513.6	2,148.7	54.0	111.2	52.2	39.6	34.3
Nov.....	6,078.5	2,566.6	1,373.8	3,511.9	2,138.1	54.6	111.3	52.5	39.6	33.9
Dec.....	6,406.5	2,844.6	1,405.1	3,561.9	2,156.8	56.9	121.8	53.2	40.0	34.2
1967—Jan.....	6,409.1	2,847.3	1,362.2	3,561.8	2,199.6	57.2	124.7	50.9	39.4	34.8
Feb.....	6,294.9	2,724.7	1,389.5	3,570.2	2,180.7	55.6	119.4	52.6	39.4	34.2
Mar.....	6,315.9	2,756.6	1,386.8	3,559.3	2,172.5	54.8	117.2	51.2	39.1	33.9
Apr.....	6,553.5	2,864.0	1,451.4	3,689.5	2,238.1	57.7	123.0	54.2	40.8	35.1

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

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

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

For a description of series, see Mar. 1965 BULLETIN, p. 390.

All data shown here are revised. For description of revision, see Mar. 1967 BULLETIN, p. 38.

DENOMINATIONS IN CIRCULATION

(In millions of dollars)

End of period	Total in circulation ¹	Coin and small denomination currency							Large denomination currency						
		Total	Coin	\$1 ²	\$2	\$5	\$10	\$20	Total	\$50	\$100	\$500	\$1,000	\$5,000	\$10,000
1939.....	7,598	5,553	590	559	36	1,019	1,772	1,576	2,048	460	919	191	425	20	32
1941.....	11,160	8,120	751	695	44	1,355	2,731	2,545	3,044	724	1,433	261	556	24	46
1945.....	28,515	20,683	1,274	1,039	73	2,313	6,782	9,201	7,834	2,327	4,220	454	801	7	24
1947.....	28,868	20,020	1,404	1,048	65	2,110	6,275	9,119	8,850	2,548	5,070	428	782	5	17
1950.....	27,741	19,305	1,554	1,113	64	2,049	5,998	8,529	8,438	2,422	5,043	368	588	4	12
1955.....	31,158	22,021	1,927	1,312	75	2,151	6,617	9,940	9,136	2,736	5,641	307	438	3	12
1958.....	32,193	22,856	2,182	1,494	83	2,186	6,624	10,288	9,337	2,792	5,886	275	373	3	9
1959.....	32,591	23,264	2,304	1,511	85	2,216	6,672	10,476	9,326	2,803	5,913	261	341	3	5
1960.....	32,869	23,521	2,427	1,533	88	2,246	6,691	10,536	9,348	2,815	5,954	249	316	3	10
1961.....	33,918	24,388	2,582	1,588	92	2,313	6,878	10,935	9,531	2,869	6,106	242	300	3	10
1962.....	35,338	25,356	2,782	1,636	97	2,375	7,071	11,395	9,983	2,990	6,448	240	293	3	10
1963.....	37,692	26,807	3,030	1,722	103	2,469	7,373	12,109	10,885	3,221	7,110	249	298	3	4
1964.....	39,619	28,100	3,405	1,806	111	2,517	7,543	12,717	11,519	3,381	7,590	248	293	2	4
1965.....	42,056	29,842	4,027	1,908	127	2,618	7,794	13,369	12,214	3,540	8,135	245	288	3	4
1966—Mar.....	41,469	29,323	4,152	1,824	129	2,496	7,607	13,116	12,147	3,478	8,136	242	285	3	4
Apr.....	41,538	29,373	4,192	1,838	130	2,502	7,585	13,125	12,166	3,485	8,148	242	285	3	4
May.....	42,102	29,868	4,231	1,876	133	2,555	7,732	13,342	12,234	3,507	8,196	241	284	3	4
June.....	42,554	30,228	4,264	1,884	135	2,570	7,805	13,569	12,326	3,542	8,254	241	283	3	4
July.....	42,708	30,311	4,285	1,880	136	2,550	7,770	13,690	12,397	3,560	8,307	240	283	3	4
Aug.....	42,910	30,455	4,317	1,885	138	2,561	7,780	13,774	12,456	3,568	8,358	240	283	3	4
Sept.....	42,802	30,318	4,342	1,899	138	2,551	7,730	13,659	12,483	3,562	8,392	239	283	3	4
Oct.....	43,113	30,556	4,380	1,926	137	2,583	7,785	13,745	12,556	3,572	8,455	239	283	3	4
Nov.....	44,245	31,499	4,447	1,996	137	2,684	8,076	14,159	12,747	3,632	8,583	240	285	3	4
Dec.....	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—Jan.....	43,363	30,532	4,461	1,939	137	2,599	7,730	13,667	12,831	3,629	8,673	239	283	3	4
Feb.....	43,585	30,758	4,481	1,933	137	2,612	7,840	13,755	12,827	3,622	8,677	239	282	3	4
Mar.....	43,583	30,753	4,518	1,939	137	2,599	7,801	13,759	12,831	3,621	8,683	239	281	3	4

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

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

NOTE.—Condensed from Statement of United States Currency and Coin, issued by the Treasury.

KINDS OUTSTANDING AND IN CIRCULATION

(In millions of dollars)

Kind of currency	Total outstanding, Mar. 31, 1967	Held in the Treasury			Held by F.R. Banks and Agents	Currency in circulation ¹		
		As security against gold and silver certificates	Treasury cash	For F.R. Banks and Agents		1967		1966
					Mar. 31	Feb. 28	Mar. 31	
Gold.....	13,109	(12,611)	² 498	³ 12,610	1			
Gold certificates.....	(12,611)							
Federal Reserve notes.....	40,899		128		2,644	38,127	38,164	36,308
Treasury currency—Total.....	6,489	(558)	688		344	5,456	5,421	5,161
Standard silver dollars.....	485	3				482	482	482
Silver bullion.....	682	555	127					
Silver certificates.....	(558)		1		9	548	551	609
Fractional coin ⁴	4,908		550		322	4,036	3,999	3,670
United States notes.....	323		8		13	302	300	296
In process of retirement ¹	92		3			88	89	104
Total—Mar. 31, 1967.....	⁵ 60,497	(13,169)	1,315	12,610	2,989	43,583		
Feb. 28, 1967.....	⁵ 60,674	(13,188)	1,238	12,625	3,226		43,585	
Mar. 31, 1966.....	⁵ 59,098	(13,842)	898	13,203	3,528			41,469

¹ Outside Treasury and F.R. Banks. Includes any paper currency held outside the United States and currency and coin held by banks. Estimated totals for Wed. dates shown in table on p. 791.

² Includes \$156 million reserve against United States notes and \$228 million gold deposited by and held for the International Monetary Fund.

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

⁴ Redeemable from the general fund of the Treasury.

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

NOTE.—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 of the Aug. 1961 BULLETIN, p. 936.

MONEY SUPPLY AND RELATED DATA
(In billions of dollars)

Period	Seasonally adjusted				Not seasonally adjusted				
	Money supply			Time deposits adjusted ¹	Money supply			Time deposits adjusted ¹	U.S. Govt. demand deposits ¹
	Total	Currency component	Demand deposit component		Total	Currency component	Demand deposit component		
1960—Dec.....	141.1	28.9	112.1	72.9	144.7	29.6	115.2	72.1	4.7
1961—Dec.....	145.5	29.6	116.0	82.7	149.4	30.2	119.2	81.8	4.9
1962—Dec.....	147.5	30.6	116.9	97.8	151.6	31.2	120.3	96.7	5.6
1963—Dec.....	153.1	32.5	120.6	112.2	157.3	33.1	124.1	111.0	5.1
1964—Dec.....	159.7	34.2	125.4	126.6	164.0	35.0	129.1	125.2	5.5
1965—Dec.....	167.2	36.3	130.9	146.9	172.0	37.1	134.9	145.2	4.6
1966—Apr.....	170.9	37.2	133.7	151.4	171.6	36.8	134.8	152.2	3.1
May.....	170.2	37.3	132.9	153.0	166.9	37.0	129.9	153.9	7.2
June.....	171.1	37.4	133.7	153.7	168.8	37.3	131.5	154.1	6.3
July.....	169.6	37.7	131.9	155.3	167.9	37.8	130.1	155.8	8.2
Aug.....	169.6	37.8	131.8	156.6	166.9	37.9	129.1	157.0	5.2
Sept.....	170.5	37.9	132.6	157.1	169.4	37.9	131.5	156.9	4.4
Oct.....	169.6	38.0	131.7	156.8	170.1	38.1	132.1	156.6	4.8
Nov.....	169.2	38.0	131.2	156.8	171.0	38.5	132.5	155.6	3.7
Dec.....	170.3	38.3	132.1	158.0	175.2	39.1	136.2	156.3	3.5
1967—Jan.....	169.6	38.5	131.1	160.5	174.6	38.4	136.2	160.0	4.2
Feb.....	170.4	38.7	131.7	163.2	170.0	38.3	131.7	163.3	5.1
Mar.....	172.8	38.9	133.9	165.3	171.3	38.5	132.8	166.1	4.9
Apr. ^p	172.1	39.0	133.2	167.3	173.1	38.6	134.5	168.2	4.8
Week ending—									
Mar. 1.....	171.0	38.7	132.3	163.8	168.7	38.1	130.6	164.1	5.3
8.....	172.0	38.9	133.0	164.4	170.0	38.7	131.3	165.0	4.2
15.....	173.1	39.0	134.1	165.2	171.7	38.6	133.1	166.0	3.1
22.....	172.6	39.0	133.6	165.6	173.0	38.6	134.3	166.4	5.4
29.....	173.6	39.1	134.5	166.0	170.7	38.4	132.3	167.0	6.9
Apr. 5.....	173.4	38.9	134.6	166.5	172.4	38.5	133.9	167.5	4.9
12.....	173.0	39.1	134.0	167.0	173.4	38.9	134.5	168.0	3.9
19 ^p	171.5	39.1	132.5	167.5	174.6	38.7	135.9	168.2	3.6
26 ^p	171.0	39.0	132.0	167.7	172.3	38.4	133.9	168.3	6.0

¹ At all commercial banks.² Effective June 9, 1966, balances accumulated for payment of personal loans were reclassified for reserve purposes and are excluded from time deposits reported by member banks. The estimated amount of such deposits at all commercial banks (\$1,140 million) is excluded from time deposits adjusted thereafter.

NOTE.—For description of revision of series and for back data beginning Jan. 1959, see Sept. 1966 BULLETIN, pp. 1303-15; for monthly data 1947-58, see June 1964 BULLETIN, pp. 679-89.

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

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

Period	Seasonally adjusted							Not seasonally adjusted						
	Member bank reserves ¹			Deposits subject to reserve requirements ²				Member bank reserves ¹			Deposits subject to reserve requirements ²			
	Total	Non-borrowed	Required	Total	Time and savings	Private demand	U.S. Govt. demand	Total	Non-borrowed	Required	Total	Time and savings	Private demand	U.S. Govt. demand
1963—Dec.....	20.96	20.64	20.51	201.5	92.4	104.3	4.8	21.48	21.15	20.94	203.7	91.3	107.9	4.5
1964—Dec.....	21.84	21.59	21.53	216.7	104.2	107.5	5.0	22.39	22.15	21.98	219.1	103.0	111.3	4.8
1965—Dec.....	23.01	22.52	22.66	236.4	121.2	111.2	4.0	23.59	23.13	23.13	239.0	119.8	115.2	4.0
1966—Apr.....	23.53	22.88	23.12	242.9	124.8	113.5	4.7	23.41	22.79	23.05	242.4	125.4	114.4	2.7
May.....	23.54	22.88	23.16	243.9	126.2	112.9	4.8	23.37	22.65	23.00	243.1	126.8	109.8	6.5
June ³	23.52	22.84	23.17	244.2	126.4	113.5	4.3	23.42	22.73	23.10	243.9	127.0	111.5	5.5
July.....	23.73	22.96	23.32	246.1	128.0	112.4	5.6	23.73	22.96	23.32	246.6	128.4	111.0	7.2
Aug.....	23.33	22.66	23.03	245.4	129.0	112.1	4.2	23.07	22.34	22.73	243.4	129.2	109.7	4.5
Sept.....	23.46	22.67	23.03	245.3	129.2	112.6	3.5	23.36	22.60	22.97	244.6	129.0	111.8	3.8
Oct.....	23.26	22.53	23.01	244.6	128.7	111.6	4.3	23.33	22.60	23.03	244.6	128.4	112.0	4.3
Nov.....	23.23	22.64	22.86	243.5	128.4	111.4	3.7	23.25	22.64	22.86	243.0	127.3	112.5	3.2
Dec.....	23.25	22.66	22.96	244.4	129.4	112.0	2.9	23.83	23.27	23.44	247.1	127.9	116.1	3.0
1967—Jan.....	23.58	23.15	23.21	247.7	131.5	111.4	4.8	24.08	23.69	23.70	250.9	131.1	116.1	3.7
Feb.....	23.85	23.51	23.49	250.7	133.7	112.1	4.9	23.71	23.35	23.35	250.2	134.0	111.8	4.5
Mar.....	24.30	24.05	23.79	254.0	135.3	113.9	4.8	24.04	23.84	23.60	253.2	136.3	112.6	4.3
Apr. ^p	24.34	24.18	23.97	256.9	137.2	113.2	6.4	24.22	24.09	23.90	256.3	137.9	114.2	4.3

¹ Back data on member bank reserves adjusted to eliminate effects of changes in reserve requirement percentages. Series reflect percentage reserve requirements made effective Sept. 15, 1966; series will reflect percentage reserve requirements made effective March 16, 1967, when complete deposit data are available.² 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.³ Effective June 9, 1966, balances accumulated for repayment of personal loans were eliminated from time deposits for reserve purposes. Time and total deposits were thereby reduced by an estimated \$850 million; this reduced member bank reserves by \$35 million.

NOTE.—For further explanation of these data, see announcement in the October 1966 Bulletin, p. 1460. Back data for the period 1948 to date may be obtained from the Banking Section, Division of Research and Statistics, Board of Governors of the Federal Reserve System, Washington, D.C. 20551.

Averages of daily figures.

CONSOLIDATED CONDITION STATEMENT

(In millions of dollars)

Date	Assets									Total assets, net— Total liabilities and capital, net	Liabilities and capital	
	Gold	Treasury currency outstanding	Bank credit								Total deposits and currency	Capital and misc. accounts, net
			Total	Loans, net ^{1, 2}	U.S. Government securities			Other securities ²				
					Total	Com. and savings banks	Federal Reserve Banks		Other			
1947—Dec. 31	22,754	4,562	160,832	43,023	107,086	81,199	22,559	3,328	10,723	188,148	175,348	12,800
1950—Dec. 30	22,706	4,636	171,667	60,366	96,560	72,894	20,778	2,888	14,741	199,008	184,384	14,624
1963—Dec. 20	15,582	5,586	333,203	189,433	103,273	69,068	33,552	653	40,497	354,371	323,251	31,118
1965—Dec. 31	13,733	5,575	399,779	242,706	106,716	65,016	40,768	932	50,357	419,087	383,727	35,359
1966—Apr. 27	13,600	5,800	401,400	246,900	102,400	60,800	40,700	900	52,100	420,800	383,300	37,500
May 25	13,500	5,900	402,700	248,800	101,100	58,900	41,100	1,100	52,800	422,100	382,700	39,400
June 30	13,434	5,978	410,775	254,693	101,630	58,625	42,169	836	54,452	430,187	391,731	38,454
July 27	13,300	6,000	406,900	251,800	100,600	57,800	42,000	800	54,400	426,200	387,700	38,500
Aug. 31	13,300	6,000	408,800	252,400	102,100	58,800	42,500	800	54,400	428,200	387,600	40,500
Sept. 28	13,300	6,100	410,700	254,000	102,000	58,700	42,000	1,300	54,700	430,000	387,800	42,200
Oct. 26 ^p	13,300	6,200	410,400	253,500	102,500	58,500	42,800	1,200	54,500	429,800	388,200	41,600
Nov. 30 ^p	13,200	6,200	412,200	254,200	104,400	59,200	43,900	1,300	53,600	431,600	389,000	42,600
Dec. 28 ^p	13,200	6,300	419,100	259,300	105,600	60,400	43,900	1,200	54,200	438,600	396,900	41,700
1967—Jan. 25 ^p	13,200	6,400	418,200	257,100	105,900	60,500	44,200	1,200	55,300	437,800	396,400	41,300
Feb. 22 ^p	13,100	6,400	420,200	256,300	107,100	61,100	44,700	1,400	56,800	439,700	396,300	43,400
Mar. 29 ^{tp}	13,100	6,500	425,600	259,800	107,400	62,200	44,500	700	58,300	445,200	402,900	42,300
Apr. 26 ^p	13,100	6,600	429,600	262,200	107,200	60,300	45,400	1,500	60,200	449,300	406,100	43,200

DETAILS OF DEPOSITS AND CURRENCY

Date	Money supply						Related deposits (not seasonally adjusted)							
	Seasonally adjusted ³			Not seasonally adjusted			Time				Foreign, net ⁶	U.S. Government		
	Total	Currency outside banks	Demand deposits adjusted ⁴	Total	Currency outside banks	Demand deposits adjusted ⁴	Total	Commercial banks ¹	Mutual savings banks ⁵	Postal Savings System		Treasury cash holdings	At com. and savings banks	At F.R. Banks
1947—Dec. 31	110,500	26,100	84,400	113,597	26,476	87,121	56,411	35,249	17,746	3,416	1,682	1,336	1,452	870
1950—Dec. 30	114,600	24,600	90,000	117,670	25,398	92,272	59,246	36,314	20,009	2,923	2,518	1,293	2,989	668
1963—Dec. 20	153,100	31,700	121,400	158,104	33,468	124,636	155,713	110,794	44,467	452	1,206	392	6,986	850
1965—Dec. 31	167,100	35,400	131,700	175,314	36,999	138,315	199,427	146,433	52,686	309	1,780	760	5,778	668
1966—Apr. 27	169,000	36,200	132,800	169,100	35,900	133,200	206,000	152,600	53,100	300	1,700	900	5,300	300
May 25	165,500	36,300	129,200	163,500	36,200	127,300	207,700	154,200	53,200	300	1,700	1,000	8,000	700
June 30	167,600	36,300	131,300	168,089	37,128	130,961	208,647	154,798	53,657	192	1,943	1,049	11,237	766
July 27	166,800	36,800	130,000	166,600	36,900	129,700	210,400	156,500	53,700	200	1,800	1,100	6,400	1,300
Aug. 31	168,500	36,900	131,600	166,900	37,100	129,900	211,200	157,200	53,800	200	1,900	1,100	5,000	1,600
Sept. 28	167,200	36,700	130,500	166,100	36,800	129,300	211,300	156,900	54,200	200	1,800	1,100	6,200	1,300
Oct. 26 ^p	167,900	37,200	130,700	168,600	37,100	131,500	210,800	156,300	54,400	200	1,800	1,200	4,900	800
Nov. 30 ^p	169,100	37,300	131,800	171,300	38,000	133,400	210,300	155,700	54,500	100	1,800	1,200	4,000	300
Dec. 28 ^p	170,000	37,500	132,500	175,200	38,300	136,900	213,000	157,700	55,200	100	1,900	1,200	5,400	200
1967—Jan. 25 ^p	168,500	37,800	130,700	170,700	37,300	133,400	217,400	161,700	55,600	100	1,800	1,200	4,900	400
Feb. 22 ^p	167,300	38,200	129,100	166,500	37,700	128,700	220,000	164,000	55,900	100	1,800	1,200	6,300	400
Mar. 29 ^{tp}	172,000	38,000	134,000	169,500	37,600	131,900	224,000	167,200	56,700	100	1,700	1,300	5,700	700
Apr. 26 ^p	170,100	38,000	132,100	170,200	37,700	132,500	225,300	168,500	56,800	100	1,700	1,400	6,600	900

¹ Beginning with data for June 30, 1966, about \$1.1 billion in "Deposits accumulated for payment of personal loans" were excluded from "Time deposits" and deducted from "Loans" at all commercial banks. These changes resulted from a change in Federal Reserve regulations. These hypothecated deposits are shown in a table on p. 807.

² See note 2 at bottom of p. 807.

³ Series begin in 1946; data are available only last Wed. of month.

⁴ Other than interbank and U.S. Govt., less cash items in process of collection.

⁵ Includes relatively small amounts of demand deposits. Beginning with June 1961, also includes certain accounts previously classified as other liabilities.

ilities.

⁶ Reclassification of deposits of foreign central banks in May 1961 reduced this item by \$1,900 million (\$1,500 million to time deposits and \$400 million to demand deposits).

NOTE.—For back figures and descriptions of the consolidated condition statement and the seasonally adjusted series on currency outside banks and demand deposits adjusted, see "Banks and the Monetary System," Section 1 of *Supplement to Banking and Monetary Statistics, 1962*, and BULLETINS for Jan. 1948 and Feb. 1960. Except on call dates, figures are partly estimated and are rounded to the nearest \$100 million.

PRINCIPAL ASSETS AND LIABILITIES AND NUMBER, BY CLASS OF BANK

(Amounts in millions of dollars)

Class of bank and date	Loans and investments					Total assets—Total liabilities and capital accounts ⁴	Deposits					Borrowings	Total capital accounts	Number of banks	
	Total	Loans ^{1,2}	Securities		Cash assets ³		Total ³	Interbank ³		Other					
			U.S. Govt.	Other ²				Demand	Time	Demand					Time ⁵
										U.S. Govt.	Other				
All banks:															
1941—Dec. 31.....	61,126	26,615	25,511	8,999	27,344	90,908	81,816	10,982		44,355	26,479	23	8,414	14,826	
1945—Dec. 31.....	140,227	30,361	101,288	8,577	35,415	177,332	165,612	14,065		105,935	45,613	227	10,542	14,553	
1947—Dec. 31 ⁶	134,924	43,002	81,199	10,723	38,388	175,091	161,865	12,793	240	1,346	94,381	53,105	66	11,948	14,714
1965—Dec. 31.....	362,320	246,946	65,016	50,357	61,916	435,483	385,196	18,426	1,009	5,532	160,847	199,381	4,564	34,935	14,309
1966—Apr. 27.....	364,280	251,380	60,790	52,110	57,280	432,790	380,280	15,560	1,090	5,030	152,700	205,900	4,940	35,380	14,307
May 25.....	365,550	253,890	58,890	52,770	55,030	431,960	377,630	14,920	1,080	7,780	146,180	207,670	5,610	35,550	14,307
June 30.....	371,684	258,607	58,625	54,452	60,978	444,807	391,731	17,034	1,099	11,005	153,907	208,687	4,444	36,071	14,307
July 27.....	370,240	258,030	57,830	54,380	57,280	439,560	382,560	15,480	1,090	6,180	149,370	210,440	7,230	35,830	14,305
Aug. 31.....	372,300	259,150	58,780	54,370	56,360	440,790	382,900	15,930	1,130	4,720	149,830	211,290	7,170	36,190	14,305
Sept. 28.....	373,370	260,000	58,690	54,680	56,110	441,490	383,210	16,310	1,060	6,000	148,490	211,350	7,050	36,320	14,294
Oct. 26 ⁷	372,700	259,780	58,470	54,450	57,780	442,250	384,150	16,020	1,010	4,720	151,490	210,910	6,970	36,430	14,294
Nov. 30 ⁸	374,310	261,520	59,150	53,640	61,700	448,040	387,780	17,110	900	3,810	155,530	210,430	7,950	36,770	14,288
Dec. 28 ⁹	380,990	266,400	60,370	54,220	65,690	458,630	398,330	18,140	940	5,130	161,070	213,050	8,270	36,860	14,274
1967—Jan. 25 ⁹	379,340	263,600	60,460	55,280	59,670	450,990	392,600	16,130	1,110	4,620	153,250	217,490	7,010	36,910	14,266
Feb. 22 ⁹	380,390	262,500	61,080	56,810	61,350	453,920	394,470	16,730	1,180	6,110	150,280	220,170	6,740	37,140	14,260
Mar. 29 ⁹	386,510	265,930	62,240	58,340	58,550	457,330	398,700	16,440	1,340	5,440	151,300	224,180	6,270	37,380	14,264
Apr. 26 ⁹	388,690	268,140	60,310	60,240	61,730	462,930	403,980	16,640	1,340	6,380	154,140	225,480	6,640	37,490	14,262
Commercial banks:															
1941—Dec. 31.....	50,746	21,714	21,808	7,225	26,551	79,104	71,283	10,982		44,349	15,952	23	7,173	14,278	
1945—Dec. 31.....	124,019	26,083	90,606	7,331	34,806	160,312	150,227	14,065		105,921	30,241	219	8,950	14,011	
1947—Dec. 31 ⁶	116,284	38,057	69,221	9,006	37,502	155,377	144,103	12,792	240	1,343	94,367	35,360	65	10,059	14,181
1965—Dec. 31.....	306,060	201,658	59,547	44,855	60,899	377,264	332,436	18,426	1,008	5,525	160,780	146,697	4,472	30,272	13,804
1966—Apr. 27.....	307,110	205,180	55,450	46,480	56,430	373,780	327,120	15,560	1,090	5,030	152,650	152,790	4,940	30,670	13,802
May 25.....	308,120	207,430	53,550	47,140	54,180	372,710	324,360	14,920	1,080	7,780	146,130	154,450	5,610	30,790	13,802
June 30.....	314,238	211,980	53,503	48,755	60,013	385,393	338,004	17,034	1,098	10,998	153,846	155,029	4,353	31,090	13,802
July 27.....	312,380	211,050	52,720	48,610	56,420	379,790	328,840	15,480	1,090	6,180	149,320	156,770	7,230	31,090	13,801
Aug. 31.....	313,980	211,820	53,730	48,430	55,530	380,630	329,010	15,930	1,130	4,720	149,780	157,430	7,170	31,360	13,801
Sept. 28.....	314,920	212,500	53,610	48,810	55,260	381,160	328,940	16,310	1,060	6,000	148,440	157,150	7,050	31,510	13,790
Oct. 26 ⁷	314,120	211,980	53,540	48,600	56,980	381,840	329,700	16,020	1,010	4,720	151,440	156,510	6,970	31,630	13,789
Nov. 30 ⁸	315,570	213,460	54,290	47,820	60,890	387,450	333,260	17,110	900	3,810	155,480	155,960	7,950	31,930	13,784
Dec. 28 ⁹	321,940	218,100	55,600	48,240	64,750	397,620	343,100	18,140	940	5,130	161,010	157,880	8,270	32,000	13,770
1967—Jan. 25 ⁹	319,800	215,040	55,780	48,980	58,700	389,420	336,950	16,130	1,110	4,620	153,190	161,900	7,010	32,050	13,762
Feb. 22 ⁹	320,360	213,670	56,380	50,310	60,310	391,800	338,480	16,730	1,180	6,110	150,220	164,240	6,740	32,240	13,756
Mar. 29 ⁹	326,030	216,820	57,600	51,610	57,410	394,630	341,960	16,440	1,340	5,440	151,240	167,500	6,270	32,470	13,760
Apr. 26 ⁹	328,070	218,580	55,930	53,560	60,630	400,130	347,140	16,640	1,340	6,380	154,080	168,700	6,640	32,580	13,758
Member banks:															
1941—Dec. 31.....	43,521	18,021	19,539	5,961	23,123	68,121	61,717	10,385	140	1,709	37,136	12,347	4	5,886	6,619
1945—Dec. 31.....	107,183	22,775	78,338	6,070	29,845	138,304	129,670	13,576	64	22,179	69,640	24,210	208	7,589	6,884
1947—Dec. 31.....	97,846	32,628	57,914	7,304	32,845	132,060	122,528	12,353	50	1,176	80,609	28,340	54	8,464	6,923
1965—Dec. 31.....	251,577	169,800	44,992	36,785	52,814	313,384	275,517	17,454	840	4,890	132,131	120,202	4,234	24,926	6,221
1966—Apr. 27.....	252,103	172,702	41,370	38,031	49,323	310,342	270,866	14,795	918	4,617	125,479	125,057	4,554	25,239	6,199
May 25.....	252,528	174,354	39,686	38,488	47,548	309,186	268,286	14,198	916	6,858	120,016	126,298	5,114	25,345	6,198
June 30.....	257,767	178,257	39,942	39,569	52,853	320,350	280,339	16,164	928	9,979	126,572	126,696	3,985	26,678	6,194
July 27.....	255,819	177,210	39,072	39,537	49,749	315,068	271,464	14,630	923	5,523	122,416	127,972	6,805	25,531	6,184
Aug. 31.....	257,315	178,023	39,984	39,308	48,650	315,639	271,521	15,047	963	4,202	122,874	128,435	6,633	25,766	6,175
Sept. 28.....	257,809	178,421	39,807	39,581	48,663	316,011	271,229	15,225	890	5,448	121,728	127,938	6,684	25,843	6,171
Oct. 26.....	256,797	177,818	39,652	39,327	50,210	316,324	271,653	15,120	843	4,309	124,263	127,118	6,571	25,942	6,163
Nov. 30.....	258,041	179,106	40,355	38,580	53,564	321,185	274,676	16,188	730	3,448	127,757	128,553	7,459	26,189	6,158
Dec. 28.....	263,673	183,095	41,618	38,960	57,072	330,265	283,304	17,175	772	4,673	132,514	126,570	7,914	26,223	6,150
1967—Jan. 25.....	261,583	180,244	41,773	39,566	51,387	322,412	277,460	15,228	937	4,161	125,481	131,653	6,638	26,285	6,137
Feb. 22.....	262,135	178,958	42,404	40,773	52,973	324,753	279,014	15,828	1,006	5,506	123,124	133,550	6,426	26,453	6,130
Mar. 29.....	267,086	181,604	43,545	41,937	50,276	327,040	281,903	15,547	1,172	4,857	124,096	136,231	6,044	26,639	6,129
Apr. 26 ⁹	268,466	182,821	42,001	43,644	53,487	331,864	286,486	15,742	1,172	5,899	126,642	137,031	6,400	26,749	6,127
Mutual savings banks:															
1941—Dec. 31.....	10,379	4,901	3,704	1,774	793	11,804	10,533			6	10,527		1,241	548	
1945—Dec. 31.....	16,208	4,279	10,682	1,246	609	17,020	15,385			14	15,371		1,592	542	
1947—Dec. 31 ⁶	18,641	4,944	11,978	1,718	886	19,714	17,763			31	17,745		1,889	533	
1965—Dec. 31.....	56,260	45,288	5,470	5,501	1,017	58,219	52,760			8	52,686		92	505	
1966—Apr. 27.....	57,170	46,200	5,340	5,630	850	59,010	53,160				53,110		4,710	505	
May 25.....	57,430	46,460	5,340	5,630	850	59,250	53,270				53,220		4,760	505	
June 30.....	57,446	46,627	5,122	5,697	965	59,414	53,727			1	53,657		4,761	505	
July 27.....	57,860	46,980													

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

(Amounts in millions of dollars)

Class of bank and date	Loans and investments					Total assets—Total liabilities and capital accounts ⁴	Deposits						Borrowings	Total capital accounts	Number of banks
	Total	Loans ^{1,2}	Securities		Cash assets ³		Total ³	Interbank ³		Other					
			U.S. Govt.	Other ²				Demand	Time	Demand		Time ¹			
										U.S. Govt.	Other				
Reserve city member banks:															
New York City:^{7,8}															
1941—Dec. 31.....	12,896	4,072	7,265	1,559	6,637	19,862	17,932	4,202	6	866	12,051	807	.....	1,648	36
1945—Dec. 31.....	26,143	7,334	17,574	1,235	6,439	32,887	30,121	4,640	17	6,940	17,287	1,236	.....	195	37
1947—Dec. 31.....	20,393	7,179	11,972	1,242	7,261	27,982	25,216	4,453	12	267	19,040	1,445	.....	30	37
1965—Dec. 31.....	44,763	33,125	5,203	6,435	11,876	59,517	49,270	5,225	522	1,271	24,265	17,988	.....	1,987	12
1966—Apr. 27.....	44,238	33,427	4,426	6,385	10,952	58,020	48,131	4,804	621	1,401	22,475	18,830	.....	1,200	12
May 25.....	44,233	34,316	3,942	5,975	10,733	57,972	47,202	4,564	626	1,400	21,613	18,999	.....	1,708	12
June 30.....	46,453	35,796	4,466	6,192	12,930	62,400	51,799	5,869	606	2,279	24,020	19,025	.....	1,293	12
July 27.....	44,996	34,789	4,087	6,120	11,436	59,272	46,875	4,813	580	1,008	21,439	19,035	.....	2,574	12
Aug. 31.....	45,740	35,287	4,430	6,023	10,574	59,392	46,869	4,647	568	857	21,955	18,842	.....	2,071	12
Sept. 28.....	45,448	34,878	4,531	6,039	11,025	59,396	46,736	4,630	509	1,510	21,756	18,331	.....	2,093	12
Oct. 26.....	44,547	34,411	4,242	5,894	11,263	58,598	46,194	4,788	490	1,030	22,309	17,577	.....	1,944	12
Nov. 30.....	44,325	34,510	4,303	5,512	13,112	60,367	47,230	5,000	416	1,182	23,348	17,284	.....	2,554	12
Dec. 28.....	46,591	35,976	4,834	5,781	14,085	63,536	49,411	5,789	429	1,229	24,627	17,337	.....	3,496	12
1967—Jan. 25.....	45,756	35,212	4,775	5,769	11,545	60,042	47,414	5,003	551	848	22,826	18,186	.....	2,013	12
Feb. 22.....	45,474	34,396	5,115	5,963	12,200	60,537	47,404	4,987	601	1,065	22,547	18,204	.....	2,280	12
Mar. 29.....	46,506	35,084	5,291	6,131	11,237	60,533	48,061	4,966	736	998	22,862	18,499	.....	1,920	12
Apr. 26 ⁹	46,656	35,541	4,766	6,349	12,756	62,311	49,602	5,287	726	1,768	23,630	18,191	.....	2,163	12
City of Chicago:⁷															
1941—Dec. 31.....	2,760	954	1,430	376	1,566	4,363	4,057	1,035	.....	127	2,419	476	.....	288	13
1945—Dec. 31.....	5,931	1,333	4,213	385	1,489	7,459	7,046	1,312	.....	1,552	3,462	719	.....	377	12
1947—Dec. 31.....	5,088	1,801	2,890	397	1,739	6,866	6,402	1,217	.....	72	4,201	913	.....	426	14
1965—Dec. 31.....	11,455	8,219	1,700	1,536	2,426	14,290	12,475	1,437	39	345	5,656	4,999	.....	355	11
1966—Apr. 27.....	11,260	8,161	1,470	1,629	2,568	14,289	12,319	1,222	32	530	5,412	5,123	.....	367	11
May 25.....	11,148	8,064	1,461	1,623	2,349	13,989	11,922	1,169	26	457	5,087	5,183	.....	428	11
June 30.....	11,715	8,567	1,585	1,564	2,322	14,990	12,385	1,230	43	680	5,249	5,184	.....	521	11
July 27.....	11,400	8,331	1,363	1,706	2,447	14,371	11,959	1,160	31	310	5,224	5,234	.....	637	11
Aug. 31.....	11,495	8,364	1,475	1,656	2,382	14,297	11,876	1,201	29	248	5,157	5,241	.....	886	11
Sept. 28.....	11,538	8,366	1,480	1,692	2,506	14,455	11,751	1,159	26	358	5,148	5,060	.....	1,033	11
Oct. 26.....	11,298	8,193	1,425	1,680	2,641	14,368	11,671	1,193	27	405	5,239	4,807	.....	830	11
Nov. 30.....	11,374	8,282	1,526	1,566	2,685	14,520	11,453	1,251	17	108	5,362	4,715	.....	1,114	11
Dec. 28.....	11,753	8,645	1,495	1,613	2,892	15,097	12,152	1,335	16	333	5,618	4,850	.....	918	11
1967—Jan. 25.....	11,648	8,316	1,712	1,620	2,673	14,779	11,705	1,169	16	191	5,226	5,103	.....	1,072	11
Feb. 22.....	11,816	8,428	1,730	1,658	2,609	14,879	11,978	1,268	14	285	5,192	5,219	.....	559	11
Mar. 29.....	12,266	8,584	2,039	1,643	2,733	15,452	12,223	1,244	11	283	5,184	5,501	.....	951	11
Apr. 26 ⁹	12,127	8,475	1,886	1,766	2,576	15,176	12,345	1,182	11	370	5,264	5,518	.....	702	11
Other reserve city:^{7,8}															
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	51,899	49,085	6,418	30	8,221	24,655	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
1965—Dec. 31.....	91,997	65,117	14,354	12,526	21,147	116,350	103,034	8,422	206	1,773	47,092	45,541	.....	1,548	171
1966—Apr. 27.....	92,397	66,743	12,583	13,071	20,021	115,509	100,917	6,896	194	1,720	44,751	47,356	.....	2,225	170
May 25.....	92,355	66,817	11,832	13,706	19,064	114,547	100,037	6,702	193	2,824	42,365	47,953	.....	1,990	170
June 30.....	93,831	67,779	12,182	13,869	20,764	118,152	103,985	7,153	215	3,968	44,519	48,131	.....	1,756	170
July 27.....	93,519	67,738	11,791	13,990	20,070	116,873	101,489	6,795	238	2,242	43,716	48,498	.....	2,744	170
Aug. 31.....	93,994	68,102	12,085	13,807	19,608	117,027	101,572	7,261	292	1,562	43,727	48,730	.....	2,600	170
Sept. 28.....	93,899	68,359	11,718	13,822	19,590	116,951	101,100	7,056	281	1,921	43,262	48,580	.....	2,821	170
Oct. 26.....	93,627	68,231	11,760	13,636	20,426	117,442	101,512	7,158	252	1,630	44,066	48,406	.....	2,999	170
Nov. 30.....	94,654	68,959	12,237	13,458	20,732	118,882	102,611	7,918	223	1,074	45,214	48,182	.....	2,807	170
Dec. 28.....	96,190	69,831	12,916	13,443	22,305	122,007	105,902	7,934	253	1,731	46,947	49,037	.....	2,782	169
1967—Jan. 25.....	95,162	68,491	12,875	13,796	20,283	118,870	103,332	7,065	306	1,752	43,830	50,379	.....	2,807	168
Feb. 22.....	95,797	68,077	13,199	14,521	21,113	120,402	104,520	7,598	327	2,336	42,978	51,281	.....	2,957	168
Mar. 29.....	97,875	68,880	13,724	15,271	19,706	121,135	105,418	7,387	361	1,825	43,544	52,301	.....	2,725	167
Apr. 26 ⁹	97,913	68,684	13,065	16,164	21,543	123,100	107,154	7,290	371	2,334	44,522	52,637	.....	3,050	166
Country member banks:^{7,8}															
1941—Dec. 31.....	12,518	5,890	4,377	2,250	6,402	19,466	17,415	792	30	225	10,109	6,258	.....	4	1,982
1945—Dec. 31.....	35,002	5,596	26,999	2,408	10,632	46,059	43,418	1,207	17	5,465	24,235	12,494	.....	11	2,525
1947—Dec. 31.....	36,324	10,199	22,857	3,268	10,778	47,553	44,443	1,056	17	432	28,378	14,560	.....	23	2,934
1965—Dec. 31.....	103,362	63,338	23,735	16,288	17,366	123,227	110,738	2,371	74	1,501	55,118	51,675	.....	343	9,673
1966—Apr. 27.....	104,208	64,371	22,891	16,946	15,782	122,524	109,499	1,873	71	966	52,841	53,748	.....	762	9,815
May 25.....	104,792	65,157	22,451	17,184	15,402	122,678	109,125	1,763	71	2,177	50,951	54,163	.....	988	9,854
June 30.....	105,768	66,115	21,709	17,944	16,836	125,301	112,170	1,912	64	3,052	52,785	54,357	.....	416	10,050
July 27.....	105,904	66,352	21,831	17,721	15,796	124,552	111,141	1,862	74	1,963	52,037	55,205	.....	850	9,933
Aug. 31.....	106,086	66,270	21,994	17,822	16,086	124,923	111,204	1,938	74	1,535	52,035	55,622	.....	1,076	9,990
Sept. 28.....	106,924	66,818	22,078	18,028	15,542	125,209	111,642	2,380	74	1,659	51,562	55,967	.....	737	10,113
Oct. 26.....	107,325	66,983	22,225	18,117	15,880	125,916	112,276	1,981	74	1,244	52,649	56,328	.....	798	10,161
Nov. 30.....	107,688	67,355	22,289	18,044	17,035	127,416	113,832	2,019	74	1,084	53,833	56,372	.....	984	10,252
Dec. 28.....	109,139	68,643	22,373	18,123	17,790	129,625	115,839	2,117	74	1,380	55,322	56,946			

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

(Amounts in millions of dollars)

Class of bank and call date	Loans and investments				Cash assets ³	Total assets—Total liabilities and capital accounts ²	Deposits					Borrowings	Total capital accounts	Number of banks	
	Total	Loans ^{1,2}	Securities				Total ³	Interbank ³		Other					
			U.S. Govt.	Other ²				Demand	Time	Demand					Time ^{1,5}
										U.S. Govt.	Other				
Insured commercial:															
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—June 30..	312,982	211,588	53,111	48,282	59,489	383,445	337,146	16,761	1,021	10,972	152,839	155,554	4,126	30,873	
National member:															
1941—Dec. 31..	27,571	11,725	12,039	3,806	14,977	43,433	39,458	6,786	1,088	23,262	8,322	4	3,640	5,117	
1945—Dec. 31..	69,312	13,925	51,250	4,137	20,114	90,220	84,939	9,229	14,013	45,473	16,224	78	4,644	5,017	
1947—Dec. 31..	65,280	21,428	38,674	5,178	22,024	88,182	82,023	8,375	35	795	53,541	19,278	45	5,409	
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—June 30..	181,934	124,722	28,891	28,321	36,769	225,441	197,792	10,609	514	6,767	88,615	91,288	2,681	18,021	
State member:															
1941—Dec. 31..	15,950	6,295	7,500	2,155	8,145	24,688	22,259	3,739	621	13,874	4,025	1	2,246	1,502	
1945—Dec. 31..	37,871	8,850	27,089	1,933	9,731	48,084	44,730	4,411	8,166	24,168	7,986	130	2,945	1,867	
1947—Dec. 31..	32,566	11,200	19,240	2,125	10,822	43,879	40,505	3,978	15	381	27,068	9,062	9	3,055	
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—June 30..	76,704	54,405	11,051	11,248	16,084	95,779	83,417	5,555	414	3,212	37,957	36,278	1,304	7,656	
Insured nonmember commercial:															
1941—Dec. 31..	5,776	3,241	1,509	1,025	2,668	8,708	7,702	129	53	4,162	3,360	6	959	6,810	
1945—Dec. 31..	14,639	2,992	10,584	1,063	4,448	19,256	18,119	244	1,560	10,635	5,680	7	1,083	6,416	
1947—Dec. 31..	16,444	4,958	10,039	1,448	4,083	20,691	19,340	262	4	149	12,366	6,558	7	1,271	
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—June 30..	54,355	32,461	13,178	8,716	6,636	62,237	55,937	597	93	993	26,267	27,987	141	5,207	
Noninsured nonmember commercial:															
1941—Dec. 31..	1,457	455	761	241	763	2,283	1,872	329	1,291	10,635	253	13	329	852	
1945—Dec. 31..	2,211	318	1,693	200	514	2,768	2,452	181	1,905	10,635	365	4	279	714	
1947—Dec. 31..	2,009	474	1,280	255	576	2,643	2,251	177	185	1,392	478	4	325	783	
1963—Dec. 20..	1,571	745	463	362	374	2,029	1,463	190	83	17	832	341	93	389	
1964—Dec. 31..	2,312	1,355	483	474	578	3,033	2,057	273	86	23	1,141	534	99	406	
1965—Dec. 31..	2,455	1,549	418	489	572	3,200	2,113	277	85	17	1,121	612	147	434	
1966—June 30..	2,395	1,542	383	470	523	3,086	2,009	273	77	26	1,007	626	227	425	
Nonmember commercial:															
1941—Dec. 31..	7,233	3,696	2,270	1,266	3,431	10,992	9,573	457	5,504	3,613	18	1,288	7,662		
1945—Dec. 31..	16,849	3,310	12,277	1,262	4,962	22,024	20,571	425	14,101	6,045	11	1,362	7,130		
1947—Dec. 31..	18,454	5,432	11,318	1,703	4,659	23,334	21,591	439	167	13,758	7,036	12	1,596		
1963—Dec. 20..	44,035	24,295	13,854	5,885	6,316	51,304	45,743	749	743	23,972	20,134	165	4,623		
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	
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	
1966—June 30..	56,750	34,003	13,561	9,186	7,160	65,323	57,946	870	171	1,019	27,274	28,613	367	5,632	
Insured mutual savings:															
1941—Dec. 31..	1,693	642	629	421	151	1,958	1,789	.....	.....	.....	1,789	.....	164	52
1945—Dec. 31..	10,846	3,081	7,160	606	429	11,424	10,363	.....	.....	12	10,351	.....	1	1,034
1947—Dec. 31..	12,683	3,560	8,165	958	675	13,499	12,207	.....	.....	2	12,192	.....	.....	194
1963—Dec. 20..	41,664	32,300	4,324	5,041	722	43,019	38,657	.....	1	5	292	38,359	38	3,572
1964—Dec. 31..	45,358	36,233	4,110	5,015	893	47,044	42,751	.....	2	7	326	42,416	20	3,731
1965—Dec. 31..	48,735	39,964	3,760	5,010	904	50,500	45,887	.....	1	7	359	45,520	91	3,957
1966—June 30..	49,679	41,102	3,432	5,145	854	51,450	46,681	.....	1	6	416	46,257	92	4,045
Noninsured mutual savings:															
1941—Dec. 31..	8,687	4,259	3,075	1,353	642	9,846	8,744	.....	.....	6	8,738	.....	1,077	496
1945—Dec. 31..	5,361	1,198	3,522	641	180	5,596	5,022	.....	.....	2	5,020	.....	6	558
1947—Dec. 31..	5,957	1,384	3,813	760	211	6,215	5,556	.....	.....	1	5,553	.....	.....	637
1963—Dec. 20..	6,425	4,380	1,548	498	104	6,602	5,859	.....	.....	1	8	5,851	.....	633
1964—Dec. 31..	7,005	4,852	1,678	475	111	7,195	6,387	.....	.....	.....	6	6,381	.....	700
1965—Dec. 31..	7,526	5,325	1,710	491	113	7,720	6,874	.....	.....	1	8	6,865	.....	706
1966—June 30..	7,768	5,525	1,690	552	111	7,964	7,046	.....	.....	1	28	7,017	.....	716

For notes see opposite page.

LOANS AND INVESTMENTS AT COMMERCIAL BANKS

(In billions of dollars)

Period	Seasonally adjusted				Not seasonally adjusted			
	Total ^{1, 2}	Loans ^{1, 2}	Securities		Total ^{1, 2}	Loans ^{1, 2}	Securities	
			U.S. Govt.	Other ²			U.S. Govt.	Other ²
1958—Dec. 31.....	181.2	95.6	65.1	20.5	184.4	97.5	66.4	20.6
1959—Dec. 31.....	185.9	107.5	57.9	20.5	189.5	110.0	58.9	20.5
1960—Dec. 31.....	194.5	113.8	59.8	20.8	198.5	116.7	61.0	20.9
1961—Dec. 30.....	209.6	120.5	65.2	23.9	214.4	123.9	66.6	23.9
1962—Dec. 31.....	227.9	134.1	64.5	29.2	233.6	137.9	66.4	29.3
1963—Dec. 31.....	246.2	149.7	61.5	35.0	252.4	153.9	63.4	35.1
1964—Dec. 31.....	267.2	167.4	61.1	38.7	273.9	172.1	63.0	38.8
1965—Dec. 31.....	294.4	192.0	57.7	44.8	301.8	197.4	59.5	44.9
1966—Apr. 27.....	302.9	200.8	55.9	46.2	301.7	199.8	55.5	46.5
May 25.....	304.9	202.3	55.1	47.4	302.4	201.7	53.6	47.1
June 30.....	307.7	204.0	55.1	48.6	310.1	207.9	53.5	48.8
July 27 ^p	309.2	206.4	54.4	48.5	307.1	205.8	52.7	48.6
Aug. 31 ^p	310.8	206.6	56.1	48.1	307.7	205.5	53.7	48.4
Sept. 28 ^p	308.7	206.1	54.3	48.3	309.3	206.9	53.6	48.8
Oct. 26 ^p	308.1	207.3	52.4	48.4	308.4	206.3	53.5	48.6
Nov. 30 ^p	308.4	207.3	52.9	48.3	309.4	207.3	54.3	47.8
Dec. 31 ^{p, 3}	310.7	208.2	54.3	48.3	318.5	214.0	56.1	48.4
1967—Jan. 25 ^p	314.5	211.3	53.8	49.5	313.9	209.1	55.8	49.0
Feb. 22 ^p	316.2	210.7	54.9	50.7	314.7	208.0	56.4	50.3
Mar. 29 ^p	321.5	212.1	57.6	51.9	320.2	211.0	57.6	51.6
Apr. 26 ^p	323.8	214.1	56.4	53.3	322.5	213.0	55.9	53.6

¹ Adjusted to exclude interbank loans.² Beginning June 9, 1966, about \$1.1 billion of balances accumulated for payment of personal loans were deducted as a result of a change in Federal Reserve Regulations.

Beginning June 30, 1966, CCC certificates of interest and Export-Import Bank portfolio fund participation certificates totaling an estimated \$1 billion are included in "Other securities" rather than "Other loans."

³ December 31, 1966, estimated.

NOTE.—Data are for last Wed. of month except for June 30 and Dec. 31; data are partly or wholly estimated except when June 30 and Dec. 31 are call dates. For back data, see July 1966 BULLETIN, pp. 952-55. For description of seasonally adjusted series, see July 1962 BULLETIN, pp. 797-802.

DEPOSITS ACCUMULATED AT COMMERCIAL BANKS FOR PAYMENT OF PERSONAL LOANS

(In millions of dollars)

Class of bank	June 30, 1966	Class of bank	June 30, 1966
All commercial.....	1,150	All member (cont.).....	
Insured.....	1,150	Other reserve city.....	338
National member.....	678	Country.....	532
State member.....	193	All nonmember.....	280
All member.....	870	Insured.....	279
New York City.....		Noninsured.....	1
City of Chicago.....			

NOTE.—These hypothecated deposits are excluded from "Time deposits" and "Loans" at all commercial banks beginning with June 30, 1966, as follows: in the tables on pp. 803-05; in the table at the top of this page; and in the tables on pp. 810-13 (consumer instalment loans). These changes resulted from a change in the Federal Reserve regulations. (See June 1966 BULLETIN, p. 808.)

These deposits have not been deducted from "Loans" and "Time deposits" in the table on p. 806, or from "Loans" and "Time deposits, IPC" in the tables on pp. 808-09.

Details may not add to totals because of rounding; also, mutual savings banks held \$166,000 of these deposits on June 30, 1966.

Notes to tables on pp. 804-806.

¹ See table (and notes) above, *Deposits Accumulated at Commercial Banks for Payment of Personal Loans*.² 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, figures for which are shown separately for commercial banks on the following two pages.³ Reciprocal balances excluded beginning with 1942.⁴ Includes other assets and liabilities not shown separately.⁵ Figures for mutual savings banks include relatively small amounts of demand deposits. Beginning with June 1961, also includes certain accounts previously classified as other liabilities.⁶ Beginning with Dec. 31, 1947, the series was revised; for description, see note 4, p. 587, May 1964 BULLETIN.⁷ Regarding reclassification of New York City and Chicago as reserve cities, see Aug. 1962 BULLETIN, p. 993. For various changes between reserve city and country status in 1960-63, see note 6, p. 587, May 1964 BULLETIN.⁸ Beginning with May 18, 1964, one New York City country bank with loans and investments of \$1,034 million and total deposits of \$982 million was reclassified as a reserve city bank. Beginning with May 13, 1965 (Toledo, Ohio), reserve city banks with total loans and investments of \$530 million and total deposits of \$576 million were reclassified as country banks.

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

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

Data for national banks for Dec. 31, 1964 have been adjusted to make them comparable with State bank data.

Figures are partly estimated except on call dates.

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

RESERVES AND LIABILITIES BY CLASS OF BANK

(In millions of dollars)

Class of bank and call date	Re-serves with F.R. Banks	Cur-rency and coin	Bal-ances with do-mestic banks ⁶	De-mand de-posits ad-justed ⁷	Demand deposits					Time deposits				Bor-rowings	Cap-ital ac-counts	
					Interbank		U.S. Govt.	State and local govt.	Cer-tified and off-ers-checks, etc.	IPC	Inter-bank	U.S. Govt. and Postal Sav-ings	State and local govt.			IPC ²
					Do-mestic ⁶	For-ign ⁸										
Total:³																
1947—Dec. 31	17,796	2,216	10,216	87,123	11,362	1,430	1,343	6,799	2,581	84,987	240	111	866	34,383	65	10,059
1963—Dec. 20	17,150	4,048	12,312	126,579	14,048	1,218	6,729	12,256	4,494	124,784	526	269	7,908	102,886	3,664	25,677
1964—Dec. 31	17,581	4,532	15,111	134,671	16,369	1,569	6,510	13,519	5,970	135,694	819	272	9,812	116,635	2,679	27,795
1965—Dec. 31	17,992	4,851	15,300	140,936	16,794	1,632	5,525	14,244	5,978	140,558	1,008	263	12,186	134,247	4,472	30,272
1966—June 30	18,094	5,234	13,548	133,535	15,488	1,546	10,998	14,931	6,692	132,222	1,098	231	12,634	143,315	4,353	31,309
All insured:																
1941—Dec. 31	12,396	1,358	8,570	37,845	9,823	673	1,762	3,677	1,077	36,544	158	59	492	15,146	10	6,844
1945—Dec. 31	15,810	1,829	11,075	74,722	12,566	1,248	2,740	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
1963—Dec. 20	17,150	4,033	11,984	125,615	13,900	1,177	6,712	12,175	4,429	124,098	443	269	7,853	102,600	3,571	25,277
1964—Dec. 31	17,581	4,515	14,613	133,336	16,210	1,454	6,487	13,423	5,856	134,764	733	272	9,766	116,147	2,580	27,377
1965—Dec. 31	17,992	4,833	14,801	139,601	16,620	1,529	5,508	14,152	5,913	139,594	923	263	12,135	133,686	4,325	29,827
1966—June 30	18,094	5,219	13,093	132,311	15,304	1,457	10,972	14,827	6,603	131,409	1,021	231	12,584	142,738	4,126	30,873
Member, total:																
1941—Dec. 31	12,396	1,087	6,246	33,754	9,714	671	1,709	3,066	1,009	33,061	140	50	418	11,878	4	5,886
1945—Dec. 31	15,811	1,438	7,117	64,184	12,333	1,243	2,179	4,240	2,450	62,950	64	99	399	23,712	208	7,589
1947—Dec. 31	17,797	1,672	6,270	73,528	10,978	1,375	1,176	5,504	2,401	72,704	50	105	693	27,542	54	8,464
1963—Dec. 20	17,150	3,131	7,359	102,816	13,378	1,140	5,986	9,376	4,055	104,130	382	240	6,364	84,326	3,499	21,054
1964—Dec. 31	17,581	3,490	9,057	108,324	15,604	1,403	5,838	10,293	5,368	112,878	664	239	8,012	95,425	2,481	22,901
1965—Dec. 31	17,992	3,757	8,957	112,569	15,977	1,477	4,890	10,840	5,386	115,905	840	236	10,041	109,925	4,234	24,926
1966—June 30	18,094	4,044	8,148	106,472	14,752	1,412	9,979	11,445	6,095	109,032	928	204	10,334	117,028	3,985	25,678
New York City:																
1941—Dec. 31	5,105	93	141	10,761	3,595	607	866	319	450	11,282	6	29	778	.....	1,648	
1945—Dec. 31	4,015	111	78	15,065	3,535	1,105	6,940	237	1,338	15,712	17	10	20	1,206	195	2,120
1947—Dec. 31	4,639	151	70	16,653	3,236	1,217	267	290	1,105	17,646	12	12	14	1,418	30	2,259
1963—Dec. 20	3,625	264	96	16,763	3,487	801	1,419	368	2,119	18,473	214	76	449	10,920	1,438	3,984
1964—Dec. 31	3,730	278	180	17,729	4,112	976	1,486	441	2,940	20,515	436	74	677	13,534	1,224	4,471
1965—Dec. 31	3,788	310	122	18,190	4,191	1,034	1,271	620	2,937	20,708	522	84	807	17,097	1,987	5,114
1966—June 30	3,356	313	235	16,556	4,877	992	2,279	815	3,713	19,491	606	65	841	18,118	1,293	5,179
City of Chicago:																
1941—Dec. 31	1,021	43	298	2,215	1,027	8	127	233	34	2,152	.....	.....	.....	476	.....	288
1945—Dec. 31	942	36	200	3,153	1,292	20	1,552	237	66	3,160	.....	.....	.....	719	.....	377
1947—Dec. 31	1,070	30	175	3,737	1,196	21	72	285	63	3,853	.....	.....	2	902	.....	426
1963—Dec. 20	1,019	49	98	4,144	1,169	43	395	275	112	4,500	17	6	185	3,595	255	996
1964—Dec. 31	1,006	55	150	4,294	1,389	59	396	312	122	4,929	22	5	213	4,361	204	1,056
1965—Dec. 31	1,042	73	151	4,571	1,377	59	345	328	126	5,202	39	4	210	4,785	355	1,132
1966—June 30	939	77	235	4,251	1,171	59	680	336	131	4,781	43	2	329	4,852	521	1,152
Other reserve city:																
1941—Dec. 31	4,060	425	2,590	11,117	4,302	54	491	1,144	286	11,127	104	20	243	4,542	.....	1,967
1945—Dec. 31	6,326	494	2,174	22,372	6,307	110	8,221	1,763	611	22,281	30	38	160	9,563	2	2,566
1947—Dec. 31	7,095	562	2,125	25,714	5,497	131	405	2,282	705	26,003	22	45	332	11,045	1	2,844
1963—Dec. 20	7,587	935	2,105	35,859	6,958	267	2,212	3,144	1,034	39,281	95	72	2,950	31,982	1,416	7,697
1964—Dec. 31	7,680	1,065	2,433	37,047	7,962	326	2,195	3,508	1,238	42,137	134	77	3,840	35,728	841	8,488
1965—Dec. 31	7,700	1,139	2,341	37,703	8,091	330	1,773	3,532	1,180	42,380	206	71	4,960	40,510	1,548	9,007
1966—June 30	8,102	1,238	2,196	35,856	6,843	310	3,968	3,513	1,168	39,838	215	64	5,093	43,313	1,756	9,297
Country:																
1941—Dec. 31	2,210	526	3,216	9,661	790	2	225	1,370	239	8,500	30	31	146	6,082	4	1,982
1945—Dec. 31	4,527	796	4,665	23,595	1,199	8	5,465	2,004	435	21,797	17	52	219	12,224	11	2,525
1947—Dec. 31	4,993	929	3,900	27,424	1,049	7	432	2,647	528	25,203	17	45	337	14,177	23	2,934
1963—Dec. 20	4,919	1,884	5,060	46,049	1,764	29	1,960	5,590	790	41,877	56	86	2,778	37,829	390	8,377
1964—Dec. 31	5,165	2,092	6,295	49,253	2,141	41	1,760	6,031	1,068	45,298	71	83	3,282	41,803	213	8,886
1965—Dec. 31	5,463	2,235	6,344	52,104	2,317	54	1,501	6,360	1,143	47,615	74	77	4,064	47,534	343	9,673
1966—June 30	5,697	2,415	5,481	49,810	1,860	52	3,052	6,781	1,082	44,922	64	74	4,071	50,745	416	10,050
Nonmember:³																
1947—Dec. 31 . . . . .	.....	544	3,947	13,595	385	55	167	1,295	180	12,284	190	6	172	6,858	12	1,596
1963—Dec. 20 . . . . .	.....	917	4,953	23,763	671	78	743	2,880	438	20,654	144	29	1,545	18,560	165	4,623
1964—Dec. 31 . . . . .	.....	1,042	6,054	26,348	765	166	672	3,227	602	22,816	156	33	1,800	21,210	198	4,894
1965—Dec. 31 . . . . .	.....	1,093	6,343	28,367	817	155	635	3,404	592	24,653	168	27	2,145	24,322	238	5,345
1966—June 30 . . . . .	.....	1,190	5,400	27,063	736	134	1,019	3,486	598	23,190	171	27	2,300	26,286	367	5,632

⁶ Beginning with 1942, excludes reciprocal bank balances.

⁷ 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.

⁸ For reclassification of certain deposits in 1961, see note 6, p. 589, May 1964 BULLETIN.

NOTE.—Data are for all commercial banks in the United States. (For definition of "commercial banks" as used in this table and for other banks

that are included under member banks, see NOTE, p. 589, May 1964 BULLETIN.) These figures exclude data for banks in U.S. possessions except for member banks. Comparability of figures for classes of banks is affected somewhat by changes in F.R. membership, deposit insurance status, and the reserve classifications of cities and individual banks, and by mergers, etc.

Data for national banks for Dec. 31, 1964, have been adjusted to make them comparable with State bank data.

For other notes see opposite page.

ASSETS AND LIABILITIES OF LARGE COMMERCIAL BANKS

(In millions of dollars)

Wednesday	Total loans and investments ¹	Loans ¹ net of valuation reserves	Loans ²											Real estate	Consumer installment	Foreign govts.	All other	Valuation reserves
			Commercial and industrial	Agricultural	For purchasing or carrying securities				To financial institutions									
					To brokers and dealers		To others		Banks		Nonbank							
					U.S. Govt. securities	Other securities	U.S. Govt. securities	Other securities	Foreign	Domestic commercial	Pers. and sales finan., cos., etc.	Other						
Large banks—Total																		
1966																		
Apr. 6.....	180,538	130,308	55,003	1,717	718	3,519	96	2,239	1,564	2,856	6,004	4,855	26,015				28,488	2,766
13.....	180,452	130,312	55,153	1,725	889	3,402	97	2,230	1,533	2,747	5,804	4,813	26,123				28,562	2,766
20.....	182,273	131,163	55,311	1,723	1,163	3,634	101	2,229	1,526	2,380	6,097	4,854	26,189				28,721	2,765
27.....	182,291	131,310	55,063	1,721	1,004	3,543	97	2,225	1,514	2,763	6,162	4,947	26,231				28,796	2,756
1967																		
Mar. 1.....	189,630	135,483	60,730	1,822	1,699	2,950	76	2,074	1,401	3,134	5,883	4,059	27,168	15,796	1,102	10,553	2,964	
8.....	187,776	133,514	60,865	1,833	646	2,730	64	2,063	1,398	2,993	5,491	3,979	27,124	15,739	1,103	10,445	2,959	
15.....	193,874	137,413	61,966	1,837	1,810	3,164	64	2,063	1,441	3,393	6,127	4,007	27,147	15,751	1,085	10,529	2,971	
22.....	192,912	136,947	62,126	1,816	1,537	3,110	68	2,063	1,401	3,293	5,960	4,019	27,148	15,716	1,097	10,562	2,969	
29.....	192,271	136,233	61,962	1,824	1,467	3,017	68	2,090	1,395	3,206	5,590	4,022	27,131	15,761	1,082	10,584	2,966	
Apr. 5.....	192,893	137,026	61,897	1,839	1,673	3,421	66	2,101	1,389	3,403	5,617	4,059	27,081	15,750	1,091	10,611	2,972	
12.....	191,803	135,678	61,795	1,854	1,459	3,221	66	2,113	1,374	2,720	5,468	4,053	27,094	15,768	1,088	10,571	2,966	
19.....	193,806	137,133	62,441	1,856	1,375	3,441	64	2,116	1,376	2,963	5,703	4,110	27,111	15,784	1,080	10,679	2,966	
26.....	192,720	136,693	62,345	1,857	1,175	3,210	68	2,150	1,353	3,050	5,632	4,176	27,139	15,799	1,093	10,607	2,961	
New York City																		
1966																		
Apr. 6.....	42,753	32,638	17,939	22	370	2,149	18	676	818	1,240	1,887	1,253	3,011			4,026	771	
13.....	42,254	32,157	18,012	22	426	2,018	18	667	813	801	1,824	1,251	3,035			4,041	771	
20.....	42,972	32,415	17,970	21	701	2,296	16	667	795	390	2,000	1,227	3,048			4,056	772	
27.....	42,882	32,515	17,867	20	404	2,191	16	660	799	900	2,042	1,278	3,051			4,059	772	
1967																		
Mar. 1.....	44,175	33,728	20,544	16	648	1,620	8	579	749	728	1,919	1,045	3,033	1,246	709	1,727	843	
8.....	43,225	32,731	20,678	16	282	1,457	9	579	751	462	1,674	1,021	3,024	1,241	713	1,665	841	
15.....	45,766	34,453	21,123	15	794	1,773	9	573	795	555	1,960	1,024	3,032	1,242	699	1,700	841	
22.....	45,208	34,335	21,139	15	469	1,790	10	575	740	949	1,816	1,027	3,026	1,234	695	1,691	841	
29.....	44,520	33,754	21,037	15	448	1,753	11	604	726	723	1,634	1,034	3,011	1,234	691	1,675	842	
Apr. 5.....	44,405	33,986	20,979	15	548	2,075	10	601	722	466	1,727	1,061	2,999	1,229	695	1,700	841	
12.....	43,816	33,284	20,808	15	372	1,875	10	603	717	453	1,650	1,038	2,979	1,231	689	1,685	841	
19.....	44,885	34,091	21,103	15	395	2,041	10	604	726	623	1,737	1,044	2,986	1,233	685	1,730	841	
26.....	44,698	34,286	21,065	14	461	1,888	11	607	703	925	1,748	1,074	2,984	1,227	699	1,721	841	
Outside New York City																		
1966																		
Apr. 6.....	137,785	97,670	37,064	1,695	348	1,370	78	1,563	746	1,616	4,117	3,602	23,004			24,462	1,995	
13.....	138,198	98,155	37,141	1,703	463	1,384	79	1,563	720	1,946	3,980	3,562	23,088			24,521	1,995	
20.....	139,301	98,748	37,341	1,702	462	1,338	85	1,562	731	1,990	4,097	3,627	23,141			24,665	1,993	
27.....	139,409	98,795	37,196	1,701	600	1,352	81	1,565	715	1,863	4,120	3,669	23,180			24,737	1,984	
1967																		
Mar. 1.....	145,455	101,755	40,186	1,806	1,051	1,330	68	1,495	652	2,406	3,964	3,014	24,135	14,550	393	8,826	2,121	
8.....	144,551	100,783	40,187	1,817	364	1,273	55	1,484	647	2,531	3,817	2,958	24,100	14,498	390	8,780	2,118	
15.....	148,108	102,960	40,843	1,822	1,016	1,391	55	1,490	646	2,838	4,167	2,983	24,115	14,509	386	8,829	2,130	
22.....	147,704	102,612	40,987	1,801	1,068	1,320	58	1,488	661	2,344	4,144	2,992	24,122	14,482	402	8,871	2,128	
29.....	147,751	102,479	40,925	1,809	1,019	1,264	57	1,486	669	2,483	3,956	2,988	24,120	14,527	391	8,909	2,124	
Apr. 5.....	148,488	103,040	40,918	1,824	1,125	1,346	56	1,500	667	2,937	3,890	2,998	24,082	14,521	396	8,911	2,131	
12.....	147,987	102,394	40,987	1,839	1,087	1,346	57	1,510	657	2,267	3,818	3,015	24,115	14,537	399	8,886	2,125	
19.....	148,921	103,042	41,338	1,841	980	1,400	54	1,512	650	2,340	3,966	3,066	24,125	14,551	395	8,949	2,125	
26.....	148,022	102,407	41,280	1,843	714	1,322	57	1,543	650	2,125	3,884	3,102	24,154	14,572	394	8,886	2,120	

For other notes see p. 813.

ASSETS AND LIABILITIES OF LARGE COMMERCIAL BANKS—Continued
(In millions of dollars)

Investments										Cash assets						All other assets	Wednesday
U.S. Government securities					Other securities					Total	Cash items in process of collection	Balances with—		Currency and coin	Reserves with F.R. Banks		
Total	Bills	Cer-tifi-cates	Notes and bonds maturing—			Obligations of States and political subdiv.		Other bonds, corp. stocks and securities				Dom-estic banks	For-ign banks				
			With-in 1 yr.	1 to 5 yrs.	After 5 yrs.	Tax war-rants 3	All other	Certif. of partici-pation 4	Other secu-rities								
<i>Large banks—Total</i>																	
1966																	
24,067	3,530	511	3,194	10,371	6,461				26,163	39,365	18,798	3,838	201	2,230	14,298	7,448	Apr. 6
24,027	3,526	510	3,119	10,358	6,514				26,113	39,733	19,125	3,983	199	2,527	13,899	7,413	13
24,410	3,797	507	3,140	10,391	6,575				26,700	39,050	18,399	3,815	203	2,452	14,181	7,369	20
24,189	3,532	510	3,174	10,397	6,576				26,792	38,690	17,725	4,147	195	2,476	14,147	7,282	27
1967																	
25,629	4,241	330	3,013	12,109	5,936	3,059	21,723	1,168	2,568	42,449	20,855	4,471	207	2,521	14,395	8,028	Mar. 1
25,183	3,830	301	2,993	12,109	5,950	3,297	22,087	1,156	2,539	40,478	18,360	3,859	207	2,479	15,573	7,981	8
27,185	5,797	307	3,025	12,127	5,929	3,336	22,279	1,174	2,487	43,869	21,955	4,319	261	2,535	14,799	7,856	15
26,705	5,211	310	3,069	12,157	5,958	3,325	22,287	1,174	2,474	40,631	18,754	3,867	215	2,545	15,250	7,851	22
26,770	5,221	301	3,086	12,235	5,927	3,358	22,304	1,163	2,443	38,888	17,537	3,976	215	2,718	14,441	7,847	29
26,078	4,618	315	3,034	12,201	5,910	3,259	22,680	1,267	2,583	43,382	20,748	4,297	219	2,373	15,745	7,981	Apr. 5
26,106	4,530	316	3,071	12,269	5,920	3,364	22,763	1,293	2,599	43,754	21,333	3,967	225	2,625	15,604	7,881	12
25,920	4,243	325	3,052	12,364	5,936	3,764	22,972	1,348	2,669	43,615	21,324	4,276	229	2,593	15,193	7,926	19
25,320	3,601	324	3,056	12,369	5,970	3,778	22,982	1,341	2,606	42,063	19,632	3,895	215	2,672	15,649	8,066	26
<i>New York City</i>																	
1966																	
4,356	1,108	124	597	1,352	1,175				5,759	11,579	7,144	191	110	305	3,829	2,808	Apr. 6
4,338	1,094	124	602	1,353	1,165				5,759	10,502	6,057	192	92	318	3,843	2,827	13
4,487	1,247	125	596	1,356	1,163				6,070	10,809	6,292	196	98	308	3,915	2,819	20
4,304	1,047	130	598	1,371	1,158				6,063	10,829	6,164	246	87	308	4,024	2,766	27
1967																	
4,737	1,283	84	426	1,705	1,239	840	3,983	183	704	12,403	7,864	229	84	319	3,907	2,870	Mar. 1
4,547	1,098	88	435	1,688	1,238	956	4,113	179	699	12,208	7,216	167	74	332	4,419	2,816	8
5,378	1,934	89	439	1,679	1,237	932	4,189	178	636	13,681	8,772	247	117	321	4,224	2,730	15
5,147	1,648	90	448	1,701	1,260	868	4,053	176	629	11,882	7,143	177	75	323	4,164	2,745	22
5,040	1,532	88	440	1,731	1,249	885	4,041	177	623	11,076	6,584	201	87	331	3,873	2,709	29
4,622	1,136	92	418	1,738	1,238	816	4,149	180	652	13,401	7,953	263	91	327	4,767	2,761	Apr. 5
4,804	1,276	91	427	1,775	1,235	809	4,126	176	617	12,895	7,743	169	106	336	4,541	2,682	12
4,720	1,153	94	428	1,806	1,239	1,106	4,159	183	626	12,573	7,929	238	114	327	3,965	2,770	19
4,519	931	93	430	1,831	1,234	990	4,124	179	600	12,538	7,606	234	94	327	4,277	2,818	26
<i>Outside New York City</i>																	
1966																	
19,711	2,422	387	2,597	9,019	5,286				20,404	27,786	11,654	3,647	91	1,925	10,469	4,640	Apr. 6
19,689	2,432	386	2,517	9,005	5,349				20,354	29,231	13,068	3,791	107	2,209	10,056	4,586	13
19,923	2,550	382	2,544	9,035	5,412				20,630	28,241	12,107	3,619	105	2,144	10,266	4,550	20
19,885	2,485	380	2,576	9,026	5,418				20,729	27,861	11,561	3,901	108	2,168	10,123	4,516	27
1967																	
20,892	2,958	246	2,587	10,404	4,697	2,219	17,740	985	1,864	30,046	12,991	4,242	123	2,202	10,488	5,158	Mar. 1
20,636	2,732	213	2,558	10,421	4,712	2,341	17,974	977	1,840	28,270	11,144	3,692	133	2,147	11,154	5,165	8
21,807	3,863	218	2,586	10,448	4,692	2,404	18,090	996	1,851	30,188	13,183	4,072	144	2,214	10,575	5,126	15
21,558	3,563	220	2,621	10,456	4,698	2,457	18,234	998	1,845	28,749	11,611	3,690	140	2,222	11,086	5,106	22
21,730	3,689	213	2,646	10,504	4,678	2,473	18,263	986	1,820	27,812	10,953	3,775	128	2,387	10,568	5,138	29
21,456	3,482	223	2,616	10,463	4,672	2,443	18,531	1,087	1,931	29,981	12,795	4,034	128	2,046	10,978	5,220	Apr. 5
21,302	3,254	225	2,644	10,494	4,685	2,555	18,637	1,117	1,982	30,859	13,590	3,798	119	2,289	11,063	5,199	12
21,200	3,090	231	2,624	10,558	4,697	2,658	18,813	1,165	2,043	31,042	13,395	4,038	115	2,266	11,228	5,156	19
20,801	2,670	231	2,626	10,538	4,736	2,789	18,858	1,162	2,006	29,525	12,026	3,661	121	2,345	11,372	5,248	26

For other notes see p. 813.

ASSETS AND LIABILITIES OF LARGE COMMERCIAL BANKS—Continued

(In millions of dollars)

Wednesday	Total unad-justed	Deposits													
		Demand						Time							
		Total ⁵	IPC	States and political subdivisions	U.S. Govt.	Domestic commercial banks	Foreign		Total ⁷	IPC		States and political subdivisions	Domestic inter-bank	Foreign	
							Govt., etc. ⁶	Com-mercial banks		Sav-ings	Other			Govt., etc.	Com-mercial banks
<i>Large banks—Total</i>															
<i>1966</i>															
Apr. 6	195,432	106,923	78,049	5,608	2,180	12,963	650	1,432	88,509	49,809	26,233	7,406	672	3,974	235
13	195,602	106,971	80,907	5,498	843	12,674	674	1,443	88,631	49,327	26,696	7,570	674	3,952	235
20	195,912	107,077	81,011	5,795	974	12,116	774	1,408	88,835	48,963	26,829	7,847	667	4,119	231
27	197,133	107,929	79,132	5,956	4,263	11,799	616	1,451	89,204	48,825	27,133	7,935	650	4,246	242
<i>1967</i>															
Mar. 1	203,875	109,635	79,254	6,310	2,944	13,236	669	1,433	94,240	46,609	33,024	9,011	798	4,423	198
8	199,132	104,096	76,224	5,656	1,963	12,804	641	1,400	95,036	46,721	33,503	9,140	863	4,431	203
15	208,785	113,579	83,426	5,628	2,900	13,207	673	1,412	95,206	46,806	33,528	9,191	885	4,419	196
22	204,571	108,871	78,076	5,463	5,376	12,577	666	1,385	95,700	46,907	33,780	9,266	925	4,439	199
29	202,725	106,592	77,469	5,937	3,752	12,462	637	1,400	96,133	47,098	34,039	9,247	944	4,416	201
Apr. 5	206,788	110,561	79,428	5,684	2,930	14,065	668	1,432	96,227	47,090	34,133	9,227	945	4,451	205
12	206,690	110,307	80,987	5,583	2,026	13,388	658	1,417	96,383	46,965	34,230	9,347	971	4,495	195
19	208,684	112,536	80,118	5,392	5,143	13,582	767	1,407	96,148	46,845	33,798	9,681	957	4,505	197
26	206,416	109,992	78,897	5,629	5,200	12,584	731	1,422	96,424	46,868	33,809	9,879	951	4,546	194
<i>New York City</i>															
<i>1966</i>															
Apr. 6	46,508	28,244	18,228	469	641	3,389	506	981	18,264	5,108	8,962	647	485	2,841	139
13	44,747	26,467	18,383	292	127	3,307	553	995	18,280	5,042	9,048	666	482	2,823	139
20	45,589	27,299	19,018	273	143	3,297	655	950	18,290	4,989	8,954	702	487	2,936	139
27	46,759	28,371	18,827	336	1,403	3,468	493	998	18,388	4,961	9,011	698	475	3,021	145
<i>1967</i>															
Mar. 1	47,316	29,844	19,159	459	732	4,101	534	999	17,472	4,596	8,335	841	510	3,015	101
8	45,293	27,578	17,918	360	410	3,779	501	961	17,715	4,606	8,446	892	569	3,029	100
15	49,472	31,843	20,596	571	872	3,882	529	983	17,629	4,627	8,363	875	586	3,003	101
22	47,345	29,563	18,835	372	1,694	3,630	523	951	17,782	4,630	8,457	888	619	3,011	103
29	46,148	28,301	18,587	465	985	3,626	503	969	17,847	4,663	8,548	824	631	3,001	105
Apr. 5	47,603	29,818	19,025	530	725	3,911	531	992	17,785	4,668	8,499	794	631	3,014	109
12	46,650	28,888	18,737	374	546	3,716	521	977	17,762	4,645	8,470	799	639	3,031	105
19	47,851	30,369	18,708	298	1,726	4,017	634	942	17,482	4,631	8,213	796	635	3,028	106
26	47,646	30,146	18,868	415	1,760	3,922	583	980	17,500	4,632	8,196	804	625	3,059	101
<i>Outside New York City</i>															
<i>1966</i>															
Apr. 6	148,924	78,679	59,821	5,139	1,539	9,574	144	451	70,245	44,701	17,271	6,759	187	1,133	96
13	150,855	80,504	62,524	5,206	716	9,367	121	448	70,351	44,285	17,648	6,904	192	1,129	96
20	150,323	79,778	61,993	5,522	831	8,819	119	458	70,545	43,974	17,875	7,145	180	1,183	92
27	150,374	79,558	60,305	5,620	2,860	8,331	123	453	70,816	43,864	18,122	7,237	175	1,225	97
<i>1967</i>															
Mar. 1	156,559	79,791	60,095	5,851	2,212	9,135	135	434	76,768	42,013	24,689	8,170	288	1,408	97
8	153,839	76,518	58,306	5,296	1,553	9,025	140	439	77,321	42,115	25,057	8,248	294	1,402	103
15	159,313	81,736	62,830	5,057	2,028	9,325	144	429	77,577	42,179	25,165	8,316	299	1,416	95
22	157,226	79,308	59,241	5,091	3,682	8,947	143	434	77,918	42,277	25,323	8,378	306	1,428	96
29	156,577	78,291	58,882	5,472	2,767	8,836	134	431	78,286	42,435	25,491	8,423	313	1,415	96
Apr. 5	159,185	80,743	60,403	5,154	2,205	10,154	137	440	78,442	42,422	25,634	8,433	314	1,437	96
12	160,040	81,419	62,250	5,209	1,480	9,672	137	440	78,621	42,320	25,760	8,548	332	1,464	90
19	160,833	82,167	61,410	5,094	3,417	9,565	133	465	78,666	42,214	25,585	8,885	322	1,477	91
26	158,770	79,846	60,029	5,214	3,440	8,662	148	442	78,924	42,236	25,613	9,075	326	1,487	93

For other notes see p. 813.

ASSETS AND LIABILITIES OF LARGE COMMERCIAL BANKS—Continued
(In millions of dollars)

Borrowings		Other liabilities	Capital accounts	Total assets— Total liabilities and capital accounts	Memoranda					Wednesday	
From F.R. Banks	From others				Total loans (net), adjusted ⁸	Total loans (net), adjusted, and investments ⁸	Demand deposits adjusted ⁹	Large certificates of deposit ¹⁰			
					Total issued	Issued to IPC's	Issued to others				
<i>Large banks—Total</i>											
1966											
593	4,776	7,926	18,624	227,351	127,452	177,682	72,982	17,454			Apr. 6
145	4,997	8,236	18,618	227,598	127,565	177,705	74,329	17,523			13
1,440	4,395	8,361	18,584	228,692	128,783	179,893	75,588	17,588			20
52	4,112	8,361	18,605	228,263	128,547	179,528	74,142	17,709			27
1967											
45	5,635	11,085	19,467	240,107	132,359	186,506	72,600	18,517	12,227	6,290	Mar. 1
279	6,107	11,188	19,529	236,235	130,510	184,772	70,969	18,994	12,478	6,516	8
229	6,235	10,868	19,482	245,599	134,020	190,481	75,517	18,901	12,340	6,561	15
89	6,307	10,950	19,477	241,394	133,654	189,619	72,164	19,119	12,447	6,672	22
2	5,913	10,850	19,515	239,005	133,027	189,065	72,841	19,299	12,554	6,745	29
506	6,860	10,484	19,618	244,256	133,623	189,490	72,817	19,214	12,461	6,753	Apr. 5
874	5,937	10,308	19,629	243,438	132,958	189,083	73,560	19,146	12,402	6,744	12
171	6,209	10,686	19,597	245,347	134,170	190,843	72,487	18,619	11,907	6,712	19
431	5,817	10,542	19,643	242,849	133,643	189,670	72,576	18,583	11,811	6,772	26
<i>New York City</i>											
1966											
5	2,031	3,572	5,029	57,140	31,398	41,513	17,070	7,312			Apr. 6
706	2,170	3,636	5,025	55,583	31,356	41,453	16,976	7,357			13
	1,688	3,595	5,022	56,600	32,025	42,582	17,567	7,397			20
	1,198	3,499	5,021	56,477	31,615	41,982	17,336	7,397			27
1967											
64	1,755	5,057	5,320	59,448	33,000	43,447	17,147	6,345	4,344	2,001	Mar. 1
100	2,346	5,233	5,313	58,249	32,269	42,763	16,173	6,535	4,404	2,131	8
	2,482	4,812	5,311	62,177	33,898	45,211	18,317	6,455	4,312	2,143	15
	2,107	5,085	5,298	59,835	33,386	44,259	17,096	6,593	4,396	2,197	22
	1,819	5,037	5,301	58,305	33,031	43,797	17,106	6,654	4,436	2,218	29
221	2,357	5,046	5,340	60,567	33,520	43,939	17,229	6,624	4,423	2,201	Apr. 5
345	2,256	4,804	5,338	59,393	32,831	43,363	16,883	6,636	4,418	2,218	12
	2,301	4,741	5,335	60,228	33,468	44,262	16,697	6,424	4,215	2,209	19
	2,083	4,990	5,335	60,054	33,361	43,773	16,858	6,397	4,192	2,205	26
<i>Outside New York City</i>											
1966											
593	2,745	4,354	13,595	170,211	96,054	136,169	55,912	10,142			Apr. 6
140	2,827	4,600	13,593	172,015	96,209	136,252	57,353	10,166			13
734	2,707	4,766	13,562	172,092	96,758	137,311	58,021	10,191			20
52	2,914	4,862	13,584	171,786	96,932	137,546	56,806	10,312			27
1967											
45	3,880	6,028	14,147	180,659	99,359	143,059	55,453	12,172	7,883	4,289	Mar. 1
215	3,761	5,955	14,216	177,986	98,241	142,009	54,796	12,459	8,074	4,385	8
129	3,753	6,056	14,171	183,422	100,122	145,270	57,200	12,446	8,028	4,418	15
89	4,200	5,865	14,179	181,559	100,268	145,360	55,068	12,526	8,051	4,475	22
2	4,094	5,813	14,214	180,700	99,996	145,268	55,735	12,645	8,118	4,527	29
285	4,503	5,438	14,278	183,689	100,103	145,551	55,588	12,590	8,038	4,552	Apr. 5
529	3,681	5,504	14,291	184,045	100,127	145,720	56,677	12,510	7,984	4,526	12
171	3,908	5,945	14,262	185,119	100,702	146,581	55,790	12,195	7,692	4,503	19
431	3,734	5,552	14,308	182,795	100,282	145,897	55,718	12,186	7,619	4,567	26

¹ After deduction of valuation reserves. ² Individual items shown gross. ³ Includes short-term notes and bills (less than 1 year to maturity) issued by States and political subdivisions. ⁴ Federal agencies only. ⁵ Includes certified and officers' checks, not shown separately. ⁶ Deposits of foreign governments and official institutions, central banks, and international institutions. ⁷ Includes U.S. Government and postal savings not shown separately. ⁸ Exclusive of loans to domestic commercial banks. ⁹ All demand deposits except U.S. Government and domestic commercial banks, less cash items in process of collection.

¹⁰ Certificates of deposit issued in denominations of \$100,000 or more. NOTE.—Beginning June 29, 1966, coverage of series was changed from Weekly Reporting Member Banks to Weekly Reporting Large Commercial Banks (earlier figures for 1966 are comparable with the new series.) Also beginning June 29, 1966, detailed breakdown is shown of "All other loans," of "Other securities," and of ownership of time certificates of deposit in denominations of \$100,000 or more. For description of revisions, see Aug. 1966 BULLETIN, pp. 1137-40.

COMMERCIAL AND INDUSTRIAL LOANS OF LARGE COMMERCIAL BANKS

(In millions of dollars)

Industry	Outstanding					Net change during—							
	1967					1967			1967	1966		1966	
	Apr. 26	Apr. 19	Apr. 12	Apr. 5	Mar. 29	Apr.	Mar.	Feb.	I	IV	III	2nd half	1st half
Durable goods manufacturing:													
Primary metals.....	962	961	952	936	936	26	44	15	100	-60	-75	-135	233
Machinery.....	4,724	4,618	4,477	4,563	4,635	89	476	84	602	220	360	580	680
Transportation equipment.....	2,001	2,033	2,105	2,179	2,221	-220	137	104	226	235	239	474	358
Other fabricated metal products.....	1,773	1,777	1,764	1,727	1,711	62	143	17	143	-99	72	-27	265
Other durable goods.....	1,997	2,001	2,016	2,045	2,020	-23	87	24	57	6	78	84	390
Nondurable goods manufacturing:													
Food, liquor, and tobacco.....	2,180	2,202	2,167	2,236	2,248	-68	-150	-104	-472	519	56	575	-156
Textiles, apparel, and leather.....	2,071	2,089	2,085	2,055	2,073	-2	131	145	211	-380	106	-274	550
Petroleum refining.....	1,463	1,486	1,457	1,458	1,487	-24	.....	-48	61	-162	-92	-254	256
Chemicals and rubber.....	2,581	2,581	2,500	2,450	2,423	158	211	121	308	52	81	133	353
Other nondurable goods.....	1,583	1,573	1,543	1,531	1,525	58	69	-24	53	-63	127	64	309
Mining, including crude petroleum and natural gas.....	3,936	3,992	3,958	3,973	4,019	-83	-49	-79	194	-40	222	182	344
Trade: Commodity dealers.....	1,176	1,190	1,209	1,242	1,260	-84	-41	-71	-145	312	22	334	-322
Other wholesale.....	2,937	2,939	2,926	2,920	2,910	27	76	-12	17	60	42	102	161
Retail.....	3,500	3,481	3,372	3,349	3,363	137	-41	71	-184	69	-116	-47	455
Transportation, communication, and other public utilities:													
Transportation.....	3,844	3,817	3,786	3,786	3,794	50	88	39	88	n.a.	n.a.	n.a.	n.a.
Communication.....	896	898	849	853	838	58	25	-21	66	n.a.	n.a.	n.a.	n.a.
Other public utilities.....	1,928	1,968	1,925	1,970	1,946	-18	-144	-133	-321	n.a.	n.a.	n.a.	n.a.
Construction.....	2,548	2,541	2,539	2,516	2,497	51	-8	1	-107	-99	-74	-173	189
Services.....	4,696	4,710	4,688	4,684	4,686	10	15	-60	-142	n.a.	n.a.	n.a.	n.a.
All other domestic loans.....	6,144	6,189	6,129	6,119	6,054	90	110	84	285	3	-56	-53	469
Bankers' acceptances.....	747	757	743	745	771	-24	154	-114	236	165	-101	64	-232
Foreign commercial and industrial loans.....	2,950	2,943	2,948	2,960	2,965	-15	55	30	93	n.a.	n.a.	n.a.	n.a.
Total classified loans.....	56,637	56,746	56,138	56,297	56,382	255	1,388	69	1,369	1,289	1,261	2,550	4,522
Total commercial and industrial loans	62,345	62,441	61,795	61,897	61,962	383	1,558	-45	1,215	1,339	1,656	2,995	4,671

¹ Beginning with data for Dec. 28, 1966, this series was revised in format and coverage as described on p. 209 of the Feb. 1967 BULLETIN. Data for earlier dates are not strictly comparable.

NOTE.—About 161 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.

BANK RATES ON SHORT-TERM BUSINESS LOANS

Interest rate (per cent per annum)	All sizes	Size of loan (in thousands of dollars)				
		1-9	10-99	100-499	500-999	1,000 and over
		1967 Feb.	1967 Feb.	1967 Feb.	1967 Feb.	1967 Feb.
		Percentage distribution of dollar amount				
Less than 5.50.....	2.0	.9	.8	1.3	2.6	2.4
5.50.....	3.1	.5	.5	1.3	1.2	5.1
5.51-5.75.....	33.7	.7	3.9	15.4	27.6	51.8
5.76-6.00.....	23.4	10.7	14.0	24.4	30.6	23.4
6.01-6.49.....	13.3	22.7	22.8	21.7	14.2	6.7
6.50.....	5.9	10.7	11.8	8.2	6.6	3.2
6.51-6.99.....	7.1	15.6	17.0	10.6	6.2	3.2
7.00.....	5.0	12.1	10.4	6.5	6.1	2.5
Over 7.00.....	6.5	26.0	18.9	10.6	5.0	1.7
Total.....	100.0	100.0	100.0	100.0	100.0	100.0
Total loans:						
Dollars (millions).....	3,790.8	56.2	435.0	858.5	549.2	1,891.8
Number (thousands).....	35.9	15.5	14.3	4.5	.9	.8
Center	Weighted average rates (per cent per annum)					
35 centers.....	6.13	6.73	6.63	6.33	6.13	5.90
New York City.....	5.86	6.55	6.49	6.08	5.89	5.77
7 Other Northeast.....	6.45	6.75	6.85	6.57	6.39	6.09
8 North Central.....	6.11	6.80	6.65	6.39	6.17	5.92
7 Southwest.....	6.08	6.58	6.32	6.06	6.03	5.84
8 Southwest.....	6.18	6.65	6.50	6.27	6.13	5.95
4 West Coast.....	6.29	7.26	6.90	6.49	6.27	6.03

NOTE.—Beginning Feb. 1967 the Quarterly Survey of Interest Rates on Business Loans was revised. For description of revised series see pp. 721-727 of this BULLETIN.

Bank prime rate was 5 per cent during the period Jan. 1, 1960-Aug. 22, 1960. Changes thereafter to new levels (in per cent) occurred on the following dates:

1960—Aug. 23 4½
1965—Dec. 6 5
1966—Mar. 10 5½
June 29 5¾
Aug. 16 6

1967—Jan. 26-27 5½-5¾
Mar. 27 5½

MONEY MARKET RATES

(Per cent per annum)

Period	Prime com. paper, 4- to 6-months ¹	Finance co. paper placed directly, 3- to 6-months ²	Prime bankers' acceptances, 90 days ¹	Federal funds rate ³	U.S. Government securities (taxable) ⁴						
					3-month bills ⁵		6-month bills ⁵		9- to 12-month issues		3- to 5-year issues ⁷
					Rate on new issue	Market yield	Rate on new issue	Market yield	Bills (market yield) ⁵	Other ⁶	
1964.....	3.97	3.83	3.77	3.50	3.549	3.54	3.686	3.68	3.74	3.76	4.06
1965.....	4.38	4.27	4.22	4.07	3.954	3.95	4.055	4.05	4.06	4.09	4.22
1966.....	5.55	5.42	5.36	5.11	4.881	4.85	5.082	5.06	5.07	5.17	5.16
1966—Apr.....	5.38	5.25	5.00	4.67	4.611	4.61	4.742	4.74	4.76	4.87	4.86
May.....	5.39	5.38	5.18	4.90	4.642	4.63	4.814	4.81	4.85	4.90	4.94
June.....	5.51	5.39	5.39	5.17	4.539	4.50	4.696	4.65	4.78	4.94	5.01
July.....	5.63	5.51	5.58	5.30	4.855	4.78	4.982	4.93	4.94	5.17	5.22
Aug.....	5.85	5.63	5.67	5.53	4.932	4.95	5.189	5.27	5.34	5.52	5.58
Sept.....	5.89	5.67	5.75	5.40	5.356	5.36	5.798	5.79	5.80	5.80	5.62
Oct.....	6.00	5.82	5.72	5.53	5.387	5.33	5.652	5.61	5.52	5.57	5.38
Nov.....	6.00	5.88	5.67	5.77	5.344	5.31	5.604	5.54	5.49	5.45	5.43
Dec.....	6.00	5.88	5.60	5.40	5.007	4.96	5.108	4.98	5.00	5.10	5.07
1967—Jan.....	5.73	5.50	5.23	4.94	4.759	4.72	4.787	4.74	4.61	4.71	4.71
Feb.....	5.38	5.19	4.88	5.00	4.554	4.56	4.565	4.59	4.57	4.64	4.73
Mar.....	5.24	5.01	4.68	4.53	4.288	4.26	4.243	4.22	4.18	4.35	4.52
Apr.....	4.83	4.57	4.29	4.05	3.852	3.84	3.894	3.90	3.90	4.03	4.46
Week ending—											
1967—Apr. 1.....	5.10	4.93	4.45	4.25	4.150	4.13	4.073	4.09	4.06	4.16	4.42
8.....	5.00	4.75	4.38	4.55	3.976	3.95	3.998	4.00	3.98	4.08	4.36
15.....	4.80	4.53	4.28	3.93	3.810	3.84	3.856	3.89	3.89	4.03	4.39
22.....	4.75	4.50	4.25	3.93	3.905	3.82	3.950	3.88	3.88	4.02	4.48
29.....	4.75	4.50	4.25	4.00	3.715	3.72	3.772	3.81	3.84	4.01	4.58

¹ Averages of daily offering rates of dealers.
² Averages of daily rates, published by finance companies, for varying maturities in the 90-179 day range.
³ Seven-day average for week ending Wednesday.
⁴ Except for new bill issues, yields are averages computed from daily closing bid prices.
⁵ Bills quoted on bank discount rate basis.
⁶ Certificates and selected note and bond issues.
⁷ Selected note and bond issues.

BOND AND STOCK YIELDS

(Per cent per annum)

Period	Government bonds				Corporate bonds						Stocks		
	United States (long-term)	State and local			Total ¹	By selected rating		By group			Dividend/price ratio		Earnings/price ratio
		Total ¹	Aaa	Baa		Aaa	Baa	Industrial	Railroad	Public utility	Preferred	Common	Common
1964.....	4.15	3.28	3.09	3.54	4.57	4.40	4.83	4.52	4.67	4.53	4.32	3.01	5.54
1965.....	4.21	3.34	3.16	3.57	4.49	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	5.34	5.13	5.67	5.30	5.37	5.36	4.97	3.40	.....
1966—Apr.....	4.55	3.68	3.46	4.06	5.16	4.96	5.41	5.09	5.19	5.21	4.78	3.15	.....
May.....	4.57	3.76	3.53	4.13	5.18	4.98	5.48	5.12	5.20	5.23	4.83	3.30	.....
June.....	4.63	3.84	3.60	4.16	5.28	5.07	5.58	5.25	5.26	5.32	4.93	3.36	6.80
July.....	4.74	4.01	3.77	4.31	5.36	5.16	5.68	5.33	5.37	5.39	5.00	3.37	.....
Aug.....	4.80	4.16	3.91	4.46	5.50	5.31	5.83	5.49	5.48	5.54	5.18	3.60	.....
Sept.....	4.79	4.18	3.93	4.48	5.71	5.49	6.09	5.71	5.65	5.78	5.23	3.75	7.18
Oct.....	4.70	4.09	3.82	4.42	5.67	5.41	6.10	5.63	5.67	5.72	5.28	3.76	.....
Nov.....	4.74	4.01	3.78	4.33	5.65	5.35	6.13	5.59	5.72	5.64	5.21	3.66	.....
Dec.....	4.65	4.01	3.79	4.29	5.69	5.39	6.18	5.63	5.78	5.65	5.24	3.59	6.78
1967—Jan.....	4.40	3.74	3.50	4.04	5.50	5.20	5.97	5.45	5.63	5.42	5.07	3.51	.....
Feb.....	4.47	3.62	3.38	3.90	5.35	5.03	5.82	5.33	5.48	5.25	4.98	3.36	.....
Mar.....	4.45	3.63	3.48	3.86	5.43	5.13	5.85	5.39	5.51	5.37	5.04	3.29	.....
Apr.....	4.51	3.67	3.50	3.90	5.42	5.11	5.83	5.37	5.51	5.37	5.03	3.24	.....
Week ending—													
1967—April 1.....	4.45	3.62	3.46	3.85	5.41	5.12	5.83	5.36	5.49	5.38	5.01	3.24	.....
8.....	4.44	3.63	3.48	3.85	5.41	5.11	5.82	5.36	5.52	5.36	5.00	3.27	.....
15.....	4.45	3.61	3.46	3.85	5.41	5.12	5.81	5.36	5.51	5.36	5.00	3.31	.....
22.....	4.54	3.69	3.50	3.93	5.41	5.11	5.83	5.37	5.51	5.36	5.03	3.20	.....
29.....	4.62	3.74	3.55	3.97	5.43	5.11	5.85	5.38	5.51	5.40	5.10	3.16	.....
Number of issues.....	10-11	20	5	5	120	30	30	40	40	40	14	500	500

¹ Includes bonds rated Aa and A, data for which are not shown separately. Because of a limited number of suitable issues, the number of corporate bonds in some groups has varied somewhat.

NOTE.—Annual yields are averages of monthly or quarterly data. Monthly and weekly yields are computed as follows: U.S. Govt. bonds: Averages of daily figures for bonds maturing or callable in 10 years or more. State and local govt. bonds: General obligations only, based on

Thurs. figures. Corporate bonds: Averages of daily figures. Both of these series are from Moody's Investors Service series.

Stocks: Standard and Poor's Corporate series. Dividend/price ratios are based on Wed. figures; earnings/price ratios are as of end of period. Preferred stock ratio is based on 8 median yields for a sample of non-callable issues—12 industrial and 2 public utility; common stock ratios on the 500 stocks in the price index. Quarterly earnings are seasonally adjusted at annual rates.

MORTGAGES: NEW AND EXISTING HOMES

(Per cent)

Period	Yield on FHA-insured	Contract interest rate on conventional first mortgages			
		FHA series		FHLBB series	
		New	Existing	New	Existing
1961.....	5.69	5.97	6.04	.....	.....
1962.....	5.60	5.93	5.99	.....	.....
1963.....	5.46	5.81	5.87	5.84	5.98
1964.....	5.45	5.80	5.85	5.78	5.92
1965.....	5.47	5.83	5.89	5.76	5.89
1966.....	6.38	6.40	6.47	6.11	6.24
1966—Feb.....	.....	6.05	6.10	5.85	5.97
Mar.....	6.00	6.15	6.20	5.90	6.01
Apr.....	.....	6.25	6.30	5.99	6.09
May.....	6.32	6.30	6.35	6.02	6.16
June.....	6.45	6.40	6.50	6.07	6.18
July.....	6.51	6.45	6.55	6.12	6.24
Aug.....	6.58	6.55	6.65	6.18	6.35
Sept.....	6.63	6.65	6.70	6.22	6.40
Oct.....	.....	6.70	6.75	6.32	6.49
Nov.....	6.81	6.70	6.75	6.40	6.50
Dec.....	6.77	6.65	6.70	6.44	6.52
Dec. 1.....	6.77	6.65	6.70	6.49	6.55
1967—Jan.....	6.62	6.60	6.65	6.47	6.54
Feb.....	6.46	6.50	6.55	6.44	6.49
Mar.....	6.35	6.45	6.50	6.42	6.44
Apr.....	6.29	6.40	6.45	.....	.....

1 New FHLBB Series.

NOTE.—Annual data are averages of monthly figures. The FHA data are based on opinion reports submitted by field offices on prevailing conditions in their localities as of the first of the succeeding month. The yields are derived from weighted averages of private secondary market prices for Sec. 203, 30-year mortgages with minimum downpayments and an assumed prepayment at the end of 15 years. Gaps in the data are due to periods of adjustment to changes in maximum permissible contract interest rates. The FHA series on average interest rates on conventional first mortgages are unweighted and are rounded to the nearest five basis points. For FHLBB series, see footnote to table on Conventional First Mortgages, p. 833.

SECURITY PRICES

Period	Bond prices (Per \$100 bond)			Common stock prices (1941-43=10)				Volume of trading (thous. shares)
	U.S. Govt. (long-term)	State and local	Corporate AAA	Total	Industrial	Railroad	Public utility	
1964.....	84.46	111.5	95.1	81.37	86.19	45.46	69.91	4,888
1965.....	83.76	110.6	93.9	88.17	93.48	46.78	76.08	6,174
1966.....	78.63	102.6	83.3	85.26	91.09	46.34	68.21	7,538
1966—Apr.....	79.75	105.9	87.6	91.60	98.17	52.33	70.06	9,310
May.....	79.56	104.5	87.6	86.78	92.85	47.00	68.49	8,165
June.....	78.93	103.2	86.9	86.06	92.14	46.35	67.51	6,393
July.....	77.62	100.9	86.0	85.84	91.95	45.50	67.30	5,997
Aug.....	77.02	97.7	84.1	80.65	86.40	42.12	63.41	7,064
Sept.....	77.15	98.5	82.6	77.81	83.11	40.31	63.11	5,722
Oct.....	78.07	100.5	83.5	77.13	82.01	39.44	65.41	6,971
Nov.....	77.68	101.0	83.5	80.99	86.10	41.57	68.82	7,297
Dec.....	78.73	102.4	83.0	81.33	86.50	41.44	68.86	7,883
1967—Jan.....	81.54	106.0	85.9	84.45	89.88	44.48	70.63	9,885
Feb.....	80.73	106.4	86.4	87.36	93.35	46.13	70.45	9,788
Mar.....	80.96	105.8	85.6	89.42	95.86	46.78	70.03	10,217
Apr.....	80.24	104.9	85.4	90.96	97.54	45.80	71.70	9,389
Week ending—	.....	.....	.....	.....	.....	.....	.....	.....
1967	.....	.....	.....	.....	.....	.....	.....	.....
Apr. 1.....	80.95	105.4	85.8	90.68	97.31	46.57	70.66	8,624
8.....	81.09	105.8	85.7	89.51	95.89	45.81	70.95	8,932
15.....	80.88	105.8	85.7	89.16	95.42	45.46	71.37	8,010
22.....	79.92	104.6	85.5	91.86	98.53	45.76	72.31	10,070
29.....	79.05	103.6	84.7	93.31	100.30	46.17	72.15	10,546

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 at bottom of preceding page on basis of an assumed 3 per cent, 20-year bond. Municipal and corporate bonds, derived from average yields as computed by Standard and Poor's Corp., on basis of a 4 per cent, 20-year bond; Wed. closing prices. Common stocks, Standard and Poor's index. Volume of trading, average daily trading in stocks on the N.Y. Stock Exchange for a 1½-hour trading day.

STOCK MARKET CREDIT

(In millions of dollars)

Month	Customer credit					Broker and dealer credit				Customers' net free credit balances
	Total securities other than U.S. Govt.	Net debit balances with N.Y. Stock Exchange firms secured by—		Bank loans to others than brokers and dealers for purchasing or carrying—		Money borrowed on—				
		U.S. Govt. securities	Other securities	U.S. Govt. securities	Other securities	U.S. Govt. securities	Other securities			
						Total	Customer collateral	Other collateral		
1964—Dec.....	7,053	21	5,079	72	1,974	222	3,910	3,393	517	1,169
1965—Dec.....	7,705	22	5,521	101	2,184	130	3,576	2,889	687	1,666
1966—Mar.....	7,823	26	5,645	105	2,178	108	3,495	2,855	640	1,822
Apr.....	7,991	27	5,835	92	2,156	193	3,665	2,983	682	1,744
May.....	7,905	29	5,768	88	2,137	153	3,588	2,935	653	1,839
June.....	8,001	29	5,770	87	2,231	126	3,683	2,977	706	1,658
July.....	7,870	34	5,667	116	2,203	55	3,731	3,127	604	1,595
Aug.....	7,811	35	5,609	115	2,202	109	3,676	3,082	594	1,595
Sept.....	7,525	45	5,355	106	2,170	103	3,434	2,859	575	1,528
Oct.....	7,302	47	5,169	95	2,133	198	3,151	2,627	524	1,520
Nov.....	7,352	57	5,217	93	2,135	97	3,166	2,597	569	1,532
Dec.....	7,443	58	5,329	76	2,114	240	3,472	2,673	799	1,637
1967—Jan.....	7,345	84	5,290	70	2,055	267	2,920	2,291	629	1,914
Feb.....	7,415	95	5,349	75	2,066	n.a.	n.a.	n.a.	n.a.	1,936
Mar.....	7,808	86	5,718	68	2,090	n.a.	n.a.	n.a.	n.a.	2,135

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

Net debit balances and broker and dealer credit: Ledger balances of member firms of N.Y. Stock Exchange carrying margin accounts, as reported to the Exchange. Customers' debit and free credit balances exclude balances maintained with reporting firm by other member firms of national securities exchanges and balances of reporting firm and of general

partners of reporting firm. Balances are net for each customer—i.e., all accounts of one customer are consolidated. Money borrowed includes borrowings from banks and from other lenders except member firms of national securities exchanges.

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

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 ¹	Placed directly ²	Total	Held by—						Based on—					
					Accepting banks			F.R. Banks			Others	Imports into United States	Exports from United States	Dollar exchange	Goods stored in or shipped between points in—	
					Total	Own bills	Bills bought	Own acct.	Foreign corr.	United States					Foreign countries	
1960.....	4,497	1,358	3,139	2,027	662	490	173	74	230	1,060	403	669	122	308	524	
1961.....	4,686	1,711	2,975	2,683	1,272	896	376	51	126	1,234	485	969	117	293	819	
1962.....	6,000	2,088	3,912	2,650	1,153	865	288	110	86	1,301	541	778	186	171	974	
1963.....	6,747	1,928	4,819	2,890	1,291	1,031	260	162	92	1,345	567	908	56	41	1,317	
1964.....	8,361	2,223	6,138	3,385	1,671	1,301	370	94	122	1,498	667	999	111	43	1,565	
1965.....	9,058	1,903	7,155	3,392	1,223	1,094	129	187	144	1,837	792	974	27	35	1,564	
1966—Mar.....	10,732	2,066	8,666	3,388	1,266	1,037	229	126	129	1,867	775	887	36	21	1,668	
Apr.....	11,239	2,253	8,986	3,464	1,284	1,060	224	159	137	1,884	829	875	34	20	1,706	
May.....	11,437	2,113	9,324	3,418	1,269	1,034	235	180	159	1,810	834	847	39	20	1,679	
June.....	10,769	2,090	8,679	3,420	1,061	927	134	238	252	1,869	881	833	34	24	1,648	
July.....	12,183	2,361	9,822	3,369	1,005	912	93	51	257	2,056	911	790	54	23	1,591	
Aug.....	12,835	2,653	10,182	3,387	909	824	84	48	272	2,158	946	781	64	54	1,541	
Sept.....	11,778	2,773	9,005	3,370	935	846	89	47	243	2,145	957	766	62	60	1,531	
Oct.....	13,045	2,977	10,068	3,359	961	861	100	72	230	2,096	982	756	75	57	1,489	
Nov.....	14,169	3,153	11,016	3,457	1,056	895	161	131	203	2,067	995	781	85	69	1,527	
Dec.....	13,279	3,089	10,190	3,603	1,198	983	215	193	191	2,022	997	829	103	80	1,595	
1967—Jan.....	14,718	3,449	11,269	3,601	1,359	1,028	331	73	173	1,996	936	829	78	90	1,668	
Feb.....	15,199	3,781	11,418	3,575	1,266	1,004	262	113	201	1,995	918	851	65	82	1,659	
Mar.....	16,034	4,360	11,674	3,704	1,366	1,077	290	110	232	1,996	962	921	60	71	1,691	

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

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

MUTUAL SAVINGS BANKS

(Amounts in millions of dollars)

End of period	Loans		Securities			Cash	Other assets	Total assets— Total liabilities and general reserve accts.	Deposits ²	Other liabilities	General reserve accounts	Mortgage loan commitments ³	
	Mortgage	Other	U.S. Govt.	State and local govt.	Corporate and other ¹							Number	Amount
1945.....	4,202	62	10,650	1,257	606	185	16,962	15,332	48	1,582	.....	.....
1960.....	26,702	416	6,243	672	5,076	874	589	40,571	36,343	678	3,550	58,350	1,200
1961.....	28,902	475	6,160	667	5,040	937	640	42,829	38,277	781	3,771	61,855	1,654
1962.....	32,056	602	6,107	527	5,177	956	695	46,121	41,336	828	3,957	114,985	2,548
1963.....	36,007	607	5,863	440	5,074	912	799	49,702	44,606	943	4,153	104,326	2,549
1964.....	40,328	739	5,791	391	5,099	1,004	886	54,238	48,849	989	4,400	135,992	2,820
1965.....	44,433	862	5,485	320	5,170	1,017	944	58,232	52,443	1,124	4,665	120,476	2,697
1966—Mar.....	45,180	913	5,600	317	5,352	896	998	59,256	53,286	1,228	4,742	113,554	2,565
Apr.....	45,335	867	5,335	307	5,323	849	994	59,010	52,959	1,343	4,707	115,845	2,580
May.....	45,529	991	5,311	297	5,353	854	995	59,330	53,075	1,480	4,774	116,497	2,637
June.....	45,688	923	5,150	286	5,397	963	1,007	59,415	53,318	1,332	4,765	115,006	2,464
July.....	45,968	1,035	5,101	280	5,494	852	1,042	59,772	53,523	1,499	4,750	104,630	2,352
Aug.....	46,232	1,095	5,063	276	5,659	825	1,007	60,156	53,689	1,641	4,827	101,682	2,274
Sept.....	46,450	1,052	5,078	270	5,603	850	1,031	60,334	54,073	1,438	4,823	99,377	2,191
Oct.....	46,736	1,023	4,913	260	5,588	833	1,037	60,390	54,178	1,400	4,812	97,263	2,151
Nov.....	46,953	1,131	4,848	254	5,644	799	1,029	60,658	54,326	1,463	4,869	91,634	2,072
Dec.....	47,193	1,078	4,764	251	5,719	953	1,024	60,982	55,006	1,114	4,863	88,808	2,010
1967—Jan.....	47,484	1,076	4,679	247	6,053	969	1,062	61,570	55,456	1,259	4,855	88,479	2,013
Feb.....	47,692	1,137	4,700	249	6,251	1,041	1,051	62,122	55,788	1,428	4,906	90,223	2,055
Mar.....	47,973	1,136	4,645	246	6,480	1,140	1,081	62,701	56,538	1,249	4,914	91,125	2,289

¹ Also includes securities of foreign governments and international organizations and non-guaranteed issues of U.S. Govt. agencies.

² See note 4, p. 803

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

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

LIFE INSURANCE COMPANIES

(In millions of dollars)

End of period	Total assets	Government securities				Business securities			Mortgages	Real estate	Policy loans	Other assets
		Total	United States	State and local	Foreign ¹	Total	Bonds	Stocks				
Statement value:												
1941.....	32,731	9,478	6,796	1,995	687	10,174	9,573	601	6,442	1,878	2,919	1,840
1945.....	44,797	22,545	20,583	722	1,240	11,059	10,060	999	6,636	857	1,962	1,738
1960.....	119,576	11,679	6,427	3,588	1,664	51,857	46,876	4,981	41,771	3,765	5,231	5,273
1961.....	126,816	11,896	6,134	3,888	1,874	55,294	49,036	6,258	44,203	4,007	5,733	5,683
1962.....	133,291	12,448	6,170	4,026	2,252	57,576	51,274	6,302	46,902	4,107	6,234	6,024
1963.....	141,121	12,438	5,813	3,852	2,773	60,780	53,645	7,135	50,544	4,319	6,655	6,385
1964.....	149,470	12,322	5,594	3,774	2,954	63,579	55,641	7,938	55,152	4,528	7,140	6,749
1965.....	158,884	11,679	5,119	3,530	3,030	67,599	58,473	9,126	60,013	4,681	7,678	7,234
Book value:												
1964—Dec.....	149,470	12,343	5,594	3,785	2,964	62,112	55,735	6,377	55,197	4,534	7,141	8,143
1965.....	158,884	11,703	5,119	3,546	3,038	65,801	58,532	7,269	60,057	4,686	7,679	8,958
1966—Feb. 7.....	160,242	11,688	5,187	3,483	3,018	66,429	59,137	7,292	60,840	4,704	7,775	8,806
Mar.....	160,798	11,424	5,031	3,375	3,018	66,827	59,558	7,269	61,288	4,725	7,849	8,685
Apr.....	161,476	11,332	5,019	3,293	3,020	67,100	59,821	7,279	61,710	4,734	7,955	8,645
May.....	162,036	11,260	4,983	3,260	3,017	67,234	59,923	7,311	62,101	4,735	8,051	8,655
June.....	162,511	10,950	4,803	3,192	2,955	67,476	60,147	7,329	62,547	4,744	8,163	8,631
July.....	163,488	10,985	4,852	3,219	2,914	67,982	60,713	7,269	62,969	4,777	8,288	8,487
Aug.....	163,937	10,950	4,840	3,214	2,896	68,057	60,698	7,359	63,336	4,791	8,449	8,354
Sept.....	164,491	10,883	4,807	3,188	2,888	68,024	60,738	7,286	63,683	4,816	8,673	8,412
Oct.....	165,434	10,862	4,829	3,146	2,887	68,167	60,832	7,335	64,007	4,837	8,866	8,695
Nov.....	166,225	10,838	4,850	3,111	2,877	68,388	61,031	7,357	64,353	4,842	9,004	8,800
Dec.....	166,942	10,848	4,862	3,119	2,867	68,362	60,927	7,435	64,803	4,878	9,136	8,915
1967—Jan.....	168,210	10,850	4,847	3,122	2,881	68,994	61,490	7,504	65,193	4,885	9,250	9,038
Feb.....	168,933	10,793	4,821	3,081	2,891	69,373	61,795	7,578	65,503	4,890	9,341	9,033

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

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

Year-end figures: Annual statement asset values, with bonds carried on an amortized basis and stocks at year-end market value. Month-end figures: Book value of ledger assets. Adjustments for interest due and accrued and for differences between market and book values are not made on each item separately but are included in total, in "other assets."

SAVINGS AND LOAN ASSOCIATIONS

(In millions of dollars)

End of period	Assets				Total assets ² Total liabilities	Liabilities					Mortgage loan commitments ⁴
	Mortgages	U.S. Govt. securities	Cash	Other ¹		Savings capital	Reserves and undivided profits	Borrowed money ³	Loans in process	Other	
1941.....	4,578	107	344	775	6,049	4,682	475	256	636		.....
1945.....	5,376	2,420	450	356	8,747	7,365	644	336	402		.....
1960.....	60,070	4,595	2,680	4,131	71,476	62,142	4,983	2,197	1,186	968	1,359
1961.....	68,834	5,211	3,315	4,775	82,135	70,885	5,708	2,856	1,550	1,136	1,908
1962.....	78,770	5,563	3,926	5,346	93,605	80,236	6,520	3,629	1,999	1,221	2,230
1963.....	90,944	6,445	3,979	6,191	107,559	91,308	7,209	5,015	2,528	1,499	2,614
1964.....	101,333	6,966	4,015	7,041	119,355	101,887	7,899	5,601	2,239	1,729	2,590
1965.....	110,202	7,405	3,899	7,936	129,442	110,271	8,708	6,440	2,189	1,834	2,745
1966—Mar.....	112,001	7,850	3,249	8,018	131,118	111,560	8,721	6,070	2,223	2,544	3,281
Apr.....	112,736	7,637	3,096	8,129	131,598	110,787	8,720	6,949	2,289	2,853	3,200
May.....	113,249	7,632	3,179	8,542	132,602	111,174	8,726	7,139	2,278	3,285	2,927
June.....	113,669	7,340	3,369	8,421	132,799	112,359	9,002	7,345	2,161	1,932	2,568
July.....	113,750	7,304	2,818	8,288	132,160	110,851	9,005	7,887	1,992	2,425	2,302
Aug.....	113,897	7,353	2,717	8,463	132,430	110,975	9,002	7,748	1,814	2,891	2,062
Sept.....	114,004	7,472	2,628	8,527	132,631	111,606	9,011	7,697	1,642	2,675	1,843
Oct.....	113,998	7,626	2,682	8,582	132,888	111,550	9,018	7,749	1,493	3,078	1,689
Nov.....	113,977	7,927	2,856	8,817	133,577	112,164	9,012	7,566	1,348	3,487	1,596
Dec.....	114,089	7,762	3,361	8,648	133,860	113,896	9,251	7,460	1,254	1,999	1,483
1967—Jan.....	114,130	7,874	3,164	8,428	133,596	114,080	9,080	6,702	1,172	2,562	1,633
Feb.....	114,298	8,070	3,361	8,535	134,264	114,843	9,069	6,101	1,199	3,052	1,902
Mar.....	114,683	8,062	3,528	8,738	135,011	116,258	9,062	5,442	1,348	2,901	2,252

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

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

³ Consists of advances from FHLB and other borrowing.

⁴ Commitments data comparable with those shown for mutual savings banks (on preceding page) would include loans in process.

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

FEDERAL FISCAL OPERATIONS: SUMMARY

(In millions of dollars)

Period	Derivation of U. S. Government cash transactions												
	Receipts from the public, other than debt				Payments to the public, other than debt				Net recs. or payts.	Net cash borrowing or repayment			
	Budget net	Plus: Trust funds	Less: Intra-govt. ¹	Equals: Total recs. ²	Budget	Plus: Trust funds ³	Less: Adjustments ⁴	Equals: Total payts.		Change in debt (direct & agen.)	Less: Invest. by agen. & trusts	Less: Non-cash debt	Equals: Net
Cal. year—1964	88,696	30,742	4,324	115,030	96,944	28,396	5,069	120,271	-5,241	9,084	2,684	619	5,780
1965	96,679	31,384	4,449	123,376	101,379	31,014	4,473	127,919	-4,543	4,673	1,386	417	2,872
1966	110,802	40,011	4,792	145,137	118,077	36,791	4,003	150,867	-5,730	13,526	8,396	342	4,788
Fiscal year—1963	86,376	27,689	4,281	109,739	92,642	26,545	5,436	113,751	-4,012	8,681	2,069	1,033	5,579
1964	89,459	30,331	4,190	115,530	97,684	28,885	6,237	120,332	-4,802	7,733	2,775	1,099	3,859
1965	93,072	31,047	4,303	119,699	96,507	29,637	3,749	122,395	-2,696	6,933	2,356	250	4,328
1966	104,727	34,853	4,451	134,480	106,978	34,864	4,026	137,817	-3,337	6,710	3,562	530	2,618
Half year:													
1965—Jan.-June	53,569	17,232	2,377	68,352	48,415	15,314	2,845	60,884	7,468	447	2,850	16	-2,417
July-Dec.	43,110	14,152	2,072	55,024	52,964	15,700	1,628	67,035	-12,011	4,226	-1,464	401	5,289
1966—Jan.-June	61,617	20,701	2,379	79,456	54,014	19,164	2,398	70,782	8,674	2,484	5,026	129	-2,671
July-Dec.	49,185	19,310	2,413	65,681	64,063	17,627	1,605	80,085	-14,404	11,042	3,370	213	7,459
Month:													
1966—Mar.	11,297	2,745	166	13,804	10,193	2,996	1,103	12,086	1,718	-1,971	2	-50	-1,924
Apr.	9,929	2,215	224	11,853	8,362	3,335	372	11,325	528	-684	-1,170	.....	486
May	8,452	5,812	254	13,916	9,055	3,632	-134	12,821	1,095	3,847	4,023	66	-243
June	17,151	4,796	1,413	20,391	9,439	3,531	918	12,052	8,338	-1,639	2,319	-45	-3,913
July	5,702	2,837	416	8,103	10,263	3,642	978	12,927	-4,824	-330	-333	65	-63
Aug.	7,197	4,973	330	11,764	11,042	2,627	-1,537	15,206	-3,442	5,611	3,103	130	2,377
Sept.	12,475	2,681	330	14,748	11,883	2,655	1,388	13,150	1,598	350	142	118	89
Oct.	5,811	2,069	286	7,523	10,977	2,684	1,056	12,604	-5,080	2,270	-698	34	2,935
Nov.	7,394	3,717	336	10,698	10,386	2,617	-651	13,654	-2,955	2,468	989	134	1,345
Dec.	10,606	3,033	716	12,845	9,512	3,403	370	12,545	299	675	166	-267	776
1967—Jan.	9,386	2,612	684	11,251	9,987	2,673	1,019	11,641	-390	-374	-477	-249	351
Feb.	7,757	4,696	77	12,308	9,459	2,406	13	11,852	456	515	1,649	59	-1,194
Mar.	11,395	3,543	364	14,490	11,699	2,677	1,208	13,167	1,323	859	1,082	-127	-96

Period	Effects of operations on Treasurer's account											
	Net operating transactions			Net financing transactions			Change in cash balances		Treasurer's account (end of period)			
	Budget surplus or deficit	Trust funds ³	Clearing accounts	Agencies & trusts	Change in gross direct public debt	Held outside Treasury	Treasurer's account	Balance	Operating bal.	Other net assets		
Fiscal year—1963	-6,266	1,143	122	1,022	-2,069	7,659	-74	1,686	12,116	806	10,324	986
1964	-8,226	1,446	948	1,880	-2,775	5,853	206	-1,080	11,036	939	9,180	917
1965	-3,435	1,410	-804	1,372	-2,356	5,561	174	1,575	12,610	672	10,689	1,249
1966	-2,251	-12	-956	4,077	-3,562	2,633	132	-203	12,407	766	10,050	1,591
Half year:												
1965—Jan.-June	5,154	1,918	452	1,114	-2,850	-667	-193	5,316	12,610	672	10,689	1,249
July-Dec.	-9,853	-1,548	-845	596	1,464	3,630	-528	-6,028	6,582	708	4,577	1,297
1966—Jan.-June	7,602	1,536	-111	3,481	-5,026	-997	660	5,825	12,407	766	10,050	1,591
July-Dec.	-14,878	1,683	-1,021	1,630	-3,370	9,412	-149	-6,396	6,011	416	4,096	1,499
Month:												
1966—Mar.	1,104	-251	987	341	-2	-2,312	90	-224	6,255	521	4,444	1,290
Apr.	1,567	-1,120	148	732	1,170	-1,416	627	453	6,708	512	4,491	1,705
May	-603	2,180	-454	1,070	-4,023	2,777	-423	1,370	8,077	902	6,003	1,172
June	7,712	1,265	-450	813	-2,319	-2,452	238	4,330	12,407	766	10,050	1,591
July	-4,561	-805	497	297	333	-627	-253	-4,613	7,794	1,232	5,147	1,415
Aug.	-3,845	2,347	-1,996	470	-3,103	5,141	-139	-850	6,944	1,614	4,014	1,316
Sept.	593	26	939	22	-142	328	100	1,666	8,610	760	6,415	1,435
Oct.	-5,165	-614	736	130	698	2,140	119	-2,194	6,417	809	4,181	1,427
Nov.	-2,993	1,101	-1,120	-55	-989	2,523	84	-1,618	4,799	299	3,041	1,459
Dec.	1,093	-371	-78	767	-166	-92	-60	1,213	6,011	416	4,096	1,499
1967—Jan.	-601	-60	583	76	477	-450	-134	158	6,170	813	3,687	1,670
Feb.	-1,702	2,290	-123	-241	-1,649	756	89	-760	5,410	386	3,299	1,725
Mar.	-304	866	970	-462	-1,082	1,321	-101	1,411	6,821	828	4,430	1,563

¹ Primarily interest payments by Treasury to trust accounts and accumulations to U.S. employee trust funds.
² Includes small adjustments not shown separately.
³ Includes net transactions of Govt.-sponsored enterprises.
⁴ Primarily (1) intragovt. transactions, (2) noncash debt, (3) clearing accounts.
⁵ Includes technical adjustments not allocated by functions.

⁶ Monthly and half-year figures do not add to fiscal year totals because of classification revisions.
⁷ Seasonally adjusted data include accelerated corporate tax payments in 1965 and 1966; data for 1966 also include adjustments for initiation of graduated withholding of personal income taxes and change in schedule for depositing withheld and OASI taxes.

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

FEDERAL FISCAL OPERATIONS: DETAIL
(In millions of dollars)

Period	Cash receipts from the public														
	Total	Income taxes			Excise taxes			Social ins. taxes			Estate and gift	Customs	Int. and repayments	Re-funds	Other
		Individual		Corporate	Total	Liquor and tobacco	Highway	Total	FICA and R.R.	Un-empl.					
		With-held	Other												
Fiscal year—1963...	109,739	38,719	14,269	22,336	13,410	5,521	3,405	19,729	15,128	4,107	2,187	1,241	1,815	6,571	2,604
1964...	115,530	39,259	15,331	24,301	13,950	5,630	3,646	21,936	17,405	4,037	2,416	1,284	1,702	7,148	2,499
1965...	119,699	36,840	16,820	26,131	14,793	5,921	3,782	22,138	17,833	3,817	2,746	1,478	2,097	6,030	2,686
1966...	134,480	42,811	18,486	30,834	13,398	5,888	4,037	25,527	21,243	3,773	3,094	1,811	2,303	7,256	3,472
Half year:															
1965—Jan.-June...	68,352	19,108	13,222	16,142	7,395	2,832	1,835	12,759	10,297	2,223	1,576	749	1,200	5,022	1,223
July-Dec...	55,024	19,964	3,806	10,892	7,046	3,063	2,068	9,601	7,743	1,607	1,274	898	1,296	1,062	1,309
1966—Jan.-June...	79,456	22,847	14,680	19,942	6,352	2,825	1,969	15,926	13,500	2,166	1,820	913	1,007	6,194	2,163
July-Dec...	65,681	24,641	3,983	12,045	6,762	3,105	2,313	13,472	11,658	1,563	1,258	1,017	1,493	1,142	2,152
Month:															
1966—Mar.....	13,804	3,440	936	7,244	1,133	545	302	2,154	2,037	69	272	168	149	2,057	365
Apr.....	11,853	1,082	6,259	2,440	921	443	286	1,552	1,332	178	491	151	166	1,526	317
May.....	13,916	6,238	1,151	751	1,104	480	363	5,124	4,153	930	328	158	167	1,321	216
June.....	20,391	4,726	2,569	8,251	1,149	578	361	2,834	2,735	59	228	172	204	539	797
July.....	8,103	3,374	351	878	971	361	357	1,912	1,726	142	215	158	179	221	286
Aug.....	11,764	5,095	173	606	1,249	539	530	3,999	3,185	770	224	179	174	198	263
Sept.....	14,748	3,792	2,608	4,547	1,156	550	354	1,894	1,806	46	214	170	191	158	334
Oct.....	7,523	3,434	277	797	1,065	564	341	1,385	1,248	93	206	170	197	212	204
Nov.....	10,698	5,155	148	580	1,212	600	375	2,839	2,329	469	196	179	216	185	358
Dec.....	12,845	3,791	427	4,636	1,110	492	356	1,863	1,775	52	204	161	536	168	285
1967—Jan.....	11,251	3,674	3,075	823	1,147	496	340	1,808	1,615	146	269	160	219	115	191
Feb.....	12,308	5,268	944	635	1,075	n.a.	367	4,164	3,301	820	224	134	187	550	227
Mar.....	14,490	4,157	859	6,728	1,539	n.a.	603	2,473	2,366	61	270	170	178	2,204	320

Period	Cash payments to the public												
	Total ⁵	National defense	Intl. affairs ⁶	Space research	Agriculture ⁶	Natural resources	Commerce and transp.	Housing & comm. devel.	Health, labor, & welfare ⁶	Education	Veterans	Interest	General govt.
Fiscal year—1963...	113,751	53,429	4,066	2,552	5,362	2,609	5,777	-268	25,624	1,214	5,971	7,427	1,953
1964...	120,332	54,514	3,837	4,171	5,416	2,774	6,545	1,674	27,191	1,299	6,107	8,011	2,221
1965...	122,395	50,790	4,794	5,093	5,142	2,921	7,421	908	28,191	1,497	6,080	8,605	2,341
1966...	137,817	58,464	4,463	5,933	4,114	3,229	6,784	3,425	33,249	2,780	5,556	9,215	2,404
Half year:													
1965—Jan.-June...	60,885	26,219	2,766	2,761	1,712	1,270	3,131	375	14,562	852	3,134	4,376	1,203
July-Dec...	67,035	27,085	2,226	2,838	3,313	1,764	3,955	1,157	16,374	706	2,590	4,367	1,259
1966—Jan.-June...	70,781	31,377	2,044	3,094	935	1,407	2,841	2,198	16,990	2,072	3,031	4,856	1,144
July-Dec...	80,086	33,850	2,457	2,855	3,630	2,002	4,372	1,801	18,192	1,755	3,475	4,627	1,386
Month:													
1966—Mar.....	12,086	5,652	427	519	277	222	504	338	2,966	460	594	495	198
Apr.....	11,325	5,076	527	502	-188	201	439	959	2,793	247	346	502	197
May.....	12,821	5,025	461	569	228	339	518	362	2,778	496	540	1,401	227
June.....	12,052	6,410	174	571	-34	212	286	-47	2,916	370	414	613	137
July.....	12,927	4,959	303	494	588	314	642	1,236	2,853	270	505	347	231
Aug.....	15,206	5,675	438	441	1,380	401	797	33	2,923	359	496	1,435	230
Sept.....	13,150	6,035	375	483	909	329	807	218	3,047	368	593	368	243
Oct.....	12,604	5,532	637	493	583	323	763	362	3,043	281	600	373	207
Nov.....	13,654	5,557	529	458	137	325	690	-15	3,151	213	617	1,506	265
Dec.....	12,545	6,092	175	486	33	310	673	-33	3,175	264	664	598	210
1967—Jan.....	11,641	6,198	535	464	40	236	460	-895	3,398	87	548	415	200
Feb.....	11,852	5,806	-56	390	253	266	515	-635	3,433	302	645	1,571	175
Mar.....	13,167	7,025	389	468	159	251	562	-677	3,648	338	706	653	216

Item	1965			1966				1967	1965			1966				1967
	II	III	IV	I	II	III	IV	I	II	III	IV	I	II	III	IV	I
	Seasonally adjusted								Not seasonally adjusted							
Cash budget:																
Receipts.....	732.6	30.6	30.7	31.7	39.6	36.3	36.8	38.8	37.7	29.2	25.8	33.3	46.2	34.6	31.1	38.0
Payments.....	32.4	32.1	33.1	36.9	36.0	40.0	37.8	39.1	32.6	33.1	34.0	34.6	36.2	41.3	38.8	36.7
Net.....	.3	-1.5	-2.4	-3.2	3.7	-3.7	-1.0	-3	5.1	-3.9	-8.1	-1.3	10.0	-6.7	-7.7	1.4

For notes see opposite page.

TOTAL DEBT, BY TYPE OF SECURITY

(In billions of dollars)

End of period	Total gross debt ¹	Total gross direct debt ²	Public issues ³								Special issues ⁶	
			Total	Marketable					Con-vertible bonds	Nonmarketable		
				Total	Bills	Certifi-cates	Notes	Bonds ⁴		Total ⁵		Sav-ings bonds
1941—Dec.	64.3	57.9	50.5	41.6	2.0	.....	6.0	33.6	.....	8.9	6.1	7.0
1945—Dec.	278.7	278.1	255.7	198.8	17.0	38.2	23.0	120.6	.....	56.9	48.2	20.0
1947—Dec.	257.0	256.9	225.3	165.8	15.1	21.2	11.4	118.0	.....	59.5	52.1	29.0
1959—Dec.	290.9	290.8	244.2	188.3	39.6	19.7	44.2	84.8	7.1	48.9	48.2	43.5
1960—Dec.	290.4	290.2	242.5	189.0	39.4	18.4	51.3	79.8	5.7	47.8	47.2	44.3
1961—Dec.	296.5	296.2	249.2	196.0	43.4	5.5	71.5	75.5	4.6	48.6	47.5	43.5
1962—Dec.	304.0	303.5	255.8	203.0	48.3	22.7	53.7	78.4	4.0	48.8	47.5	43.4
1963—Dec.	310.1	309.3	261.6	207.6	51.5	10.9	58.7	86.4	3.2	50.7	48.8	43.7
1964—Dec.	318.7	317.9	267.5	212.5	56.5	.....	59.0	97.0	3.0	52.0	49.7	46.1
1965—Dec.	321.4	320.9	270.3	214.6	60.2	.....	50.2	104.2	2.8	52.9	50.3	46.3
1966—Apr.	320.1	319.6	270.3	215.0	59.5	1.7	50.8	103.1	2.7	52.8	50.4	44.9
May	322.8	322.4	269.1	213.8	59.5	1.7	50.6	102.0	2.7	52.7	50.5	48.8
June	320.4	319.9	264.3	209.1	54.9	1.7	50.6	101.9	2.7	52.5	50.5	51.1
July	319.8	319.2	264.2	209.1	54.9	1.7	50.7	101.9	2.7	52.4	50.6	50.7
Aug.	324.9	324.4	266.5	211.4	57.9	7.0	45.9	100.6	2.7	52.4	50.6	53.2
Sept.	325.3	324.7	266.9	211.8	58.3	7.0	45.9	100.5	2.7	52.5	50.6	53.1
Oct.	327.4	326.9	270.4	215.3	62.3	7.0	45.6	100.5	2.7	52.4	50.7	51.9
Nov.	329.9	329.4	272.3	217.2	63.9	5.9	48.3	99.2	2.7	52.4	50.8	52.6
Dec.	329.8	329.3	273.0	218.0	64.7	5.9	48.3	99.2	2.7	52.3	50.8	52.0
1967—Jan.	329.4	328.9	273.7	218.8	65.5	5.9	48.3	99.1	2.7	52.2	50.8	51.3
Feb.	330.1	329.6	274.2	219.2	65.9	5.9	48.4	99.1	2.6	52.3	50.9	51.5
Mar.	331.5	330.9	274.9	219.9	66.6	5.9	48.4	99.0	2.6	52.4	51.0	52.1
Apr.	328.3	327.8	272.2	217.1	64.1	5.9	48.1	99.0	2.6	52.5	51.1	51.6

¹ Includes non-interest-bearing debt (of which \$266 million on Apr. 30, 1967, was not subject to statutory debt limitation) and guaranteed securities not shown separately. ² Excludes guaranteed securities.

³ Includes amounts held by U.S. Govt. agencies and trust funds, which totaled \$18,591 million on Mar. 31, 1967.

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

⁵ 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.

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

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

OWNERSHIP OF DIRECT AND FULLY GUARANTEED SECURITIES

(Par value in billions of dollars)

End of period	Total gross debt	Held by—		Held by the public									
		U.S. Govt. agencies and trust funds	F.R. Banks	Total	Com-mercial banks	Mutual savings banks	Insur-ance companies	Other corpo-rations	State and local govts.	Individuals		Foreign and inter-national ¹	Other misc. invest-ors ²
										Savings bonds	Other securities		
1941—Dec.	64.3	9.5	2.3	52.5	21.4	3.7	8.2	4.0	.7	5.4	8.2	.4	.5
1945—Dec.	278.7	27.0	24.3	227.4	90.8	10.7	24.0	22.2	6.5	42.9	21.2	2.4	6.6
1947—Dec.	257.0	34.4	22.6	200.1	68.7	12.0	23.9	14.1	7.3	46.2	19.4	2.7	5.7
1959—Dec.	290.9	53.7	26.6	210.6	60.3	6.9	12.5	21.4	18.0	45.9	23.5	12.0	10.1
1960—Dec.	290.4	55.1	27.4	207.9	62.1	6.3	11.9	18.7	18.7	45.6	20.5	13.0	11.2
1961—Dec.	296.5	54.5	28.9	213.1	67.2	6.1	11.4	18.5	19.0	46.4	19.5	13.4	11.6
1962—Dec.	304.0	55.6	30.8	217.6	67.2	6.1	11.5	18.6	20.1	46.9	19.2	15.3	12.7
1963—Dec.	310.1	58.0	33.6	218.5	64.3	5.8	11.3	18.7	21.1	48.1	20.1	15.9	13.3
1964—Dec.	318.7	60.6	37.0	221.1	64.0	5.7	11.1	17.9	21.2	48.9	21.1	16.7	14.5
1965—Dec.	321.4	61.9	40.8	218.7	60.8	5.4	10.4	15.5	22.9	49.6	22.7	16.7	14.7
1966—Mar.	321.5	61.7	40.7	219.0	57.0	5.5	10.2	15.7	24.4	49.7	24.9	16.0	15.7
Apr.	320.1	60.5	40.7	218.9	57.0	5.3	10.1	15.7	25.1	49.7	24.6	15.7	15.6
May	322.8	64.5	41.5	216.9	55.1	5.2	10.0	16.2	25.3	49.7	24.3	15.6	15.3
June	320.4	66.7	42.2	211.5	54.7	5.1	9.7	13.9	24.5	49.8	24.1	15.4	14.3
July	319.8	66.4	42.4	211.0	53.4	5.0	9.7	14.2	24.8	49.9	24.2	15.3	14.4
Aug.	324.9	69.3	42.5	213.1	54.7	5.0	9.7	14.3	24.6	49.9	24.8	15.4	14.7
Sept.	325.3	69.2	42.9	213.2	54.4	5.0	9.7	13.5	24.2	49.9	25.8	15.2	15.3
Oct.	327.4	68.0	43.0	216.4	54.9	4.8	9.6	14.9	24.2	49.9	26.2	15.2	16.5
Nov.	329.9	68.9	43.9	217.1	55.1	4.8	9.7	16.0	24.1	50.1	25.8	15.3	16.2
Dec.	329.8	68.8	44.3	216.7	57.2	4.7	9.6	14.7	23.8	50.2	25.5	14.3	16.7
1967—Jan.	329.4	68.2	43.5	217.7	57.4	4.5	9.5	15.0	23.4	50.1	25.8	13.6	18.2
Feb.	330.1	69.6	44.0	216.6	56.9	4.6	9.3	15.1	23.7	50.3	25.4	13.8	17.6
Mar.	331.5	70.7	44.9	215.9	57.6	4.5	9.2	14.2	23.5	50.4	25.5	14.2	16.8

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

² Includes savings and loan assns., dealers and brokers, nonprofit institutions, and corporate pension funds.

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

OWNERSHIP OF MARKETABLE SECURITIES, BY MATURITY

(Par value in millions of dollars)

Type of holder and date	Total	Within 1 year			1-5 years	5-10 years	10-20 years	Over 20 years
		Total	Bills	Other				
All holders:								
1964—Dec. 31.....	212,454	88,451	56,476	31,974	64,007	36,421	6,108	17,467
1965—Dec. 31.....	214,604	93,396	60,177	33,219	60,602	35,013	8,445	17,148
1966—Dec. 31.....	218,025	105,218	64,684	40,534	59,446	28,005	8,433	16,923
1967—Feb. 28.....	219,245	101,549	65,889	35,660	66,717	25,655	8,431	16,893
Mar. 31.....	219,914	102,242	66,583	35,659	66,722	25,650	8,430	16,870
U.S. Govt. agencies and trust funds:								
1964—Dec. 31.....	12,146	1,731	1,308	424	2,422	3,147	1,563	3,282
1965—Dec. 31.....	13,406	1,356	968	388	3,161	3,350	2,073	3,466
1966—Dec. 31.....	14,591	2,786	1,573	1,213	3,721	2,512	2,093	3,479
1967—Feb. 28.....	15,938	3,626	2,711	915	4,256	2,444	2,110	3,503
Mar. 31.....	16,411	4,091	3,150	941	4,263	2,444	2,110	3,504
Federal Reserve Banks:								
1964—Dec. 31.....	37,044	21,388	6,487	14,901	13,564	1,797	58	237
1965—Dec. 31.....	40,768	24,842	9,346	15,496	14,092	1,449	147	238
1966—Dec. 31.....	44,282	35,360	12,296	23,064	7,502	1,007	153	260
1967—Feb. 28.....	43,971	32,663	12,119	20,544	10,053	853	153	249
Mar. 31.....	44,908	33,489	12,937	20,552	10,139	871	155	255
Held by public:								
1964—Dec. 31.....	163,264	65,331	48,682	16,650	48,021	31,477	4,487	13,948
1965—Dec. 31.....	160,430	67,198	49,863	17,335	43,349	30,214	6,225	13,444
1966—Dec. 31.....	159,152	67,072	50,815	16,257	48,224	24,485	6,187	13,184
1967—Feb. 28.....	159,336	65,261	51,060	14,201	52,406	22,358	6,168	13,141
Mar. 31.....	158,595	64,661	50,495	14,166	52,320	22,337	6,165	13,111
Commercial banks:								
1964—Dec. 31.....	53,752	18,509	10,969	7,540	23,507	11,049	187	501
1965—Dec. 31.....	50,325	18,003	10,156	7,847	19,676	11,640	334	671
1966—Dec. 31.....	47,182	15,838	8,771	7,067	21,112	9,343	435	454
1967—Feb. 28.....	47,099	13,831	7,570	6,261	23,568	8,767	435	498
Mar. 31.....	47,748	14,226	7,970	6,256	23,723	8,842	449	509
Mutual savings banks:								
1964—Dec. 31.....	5,434	608	344	263	1,536	1,765	260	1,266
1965—Dec. 31.....	5,241	768	445	323	1,386	1,602	335	1,151
1966—Dec. 31.....	4,532	645	399	246	1,482	1,139	276	990
1967—Feb. 28.....	4,418	605	385	220	1,597	958	283	975
Mar. 31.....	4,344	586	369	217	1,582	924	282	970
Insurance companies:								
1964—Dec. 31.....	9,160	1,002	480	522	2,045	2,406	818	2,890
1965—Dec. 31.....	8,824	993	548	445	1,938	2,094	1,096	2,703
1966—Dec. 31.....	8,158	847	508	339	1,978	1,581	1,074	2,678
1967—Feb. 28.....	7,879	687	397	290	2,049	1,396	1,078	2,668
Mar. 31.....	7,837	715	438	277	1,998	1,386	1,081	2,656
Nonfinancial corporations:								
1964—Dec. 31.....	9,136	6,748	5,043	1,705	2,001	272	3	112
1965—Dec. 31.....	8,014	5,911	4,657	1,254	1,755	225	35	89
1966—Dec. 31.....	6,323	4,729	3,396	1,333	1,339	200	6	49
1967—Feb. 28.....	6,257	4,529	3,507	1,022	1,505	171	6	47
Mar. 31.....	5,342	3,679	2,618	1,061	1,429	182	6	45
Savings and loan associations:								
1964—Dec. 31.....	3,418	490	343	148	1,055	1,297	129	447
1965—Dec. 31.....	3,644	597	394	203	948	1,374	252	473
1966—Dec. 31.....	3,883	782	583	199	1,251	1,104	271	475
1967—Feb. 28.....	4,029	850	660	190	1,430	1,014	263	472
Mar. 31.....	4,003	844	653	191	1,417	1,005	266	471
State and local governments:								
1964—Dec. 31.....	15,022	4,863	3,961	902	2,014	2,010	1,454	4,680
1965—Dec. 31.....	15,707	5,571	4,573	998	1,862	1,894	1,985	4,395
1966—Dec. 31.....	15,384	5,545	4,512	1,033	2,165	1,499	1,910	4,265
1967—Feb. 28.....	15,174	5,702	4,869	833	2,328	1,344	1,716	4,084
Mar. 31.....	14,980	5,592	4,726	866	2,339	1,328	1,721	4,000
All others:								
1964—Dec. 31.....	67,341	33,111	27,542	5,570	15,863	12,678	1,637	4,052
1965—Dec. 31.....	68,675	35,356	29,089	6,267	15,784	11,386	2,187	3,962
1966—Dec. 31.....	75,690	38,685	32,646	6,039	18,896	9,619	2,215	4,275
1967—Feb. 28.....	74,481	39,057	33,672	5,385	19,931	8,709	2,387	4,397
Mar. 31.....	74,341	39,019	33,721	5,298	19,832	8,670	2,360	4,460

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 5,895 commercial banks, 503 mutual savings banks, and 764 insurance companies combined; (2) about 50 per cent by the 469 nonfinancial corporations and 488 savings and loan assns.; and (3) about 70 per cent by 506 State and local govts.

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

DEALER TRANSACTIONS
(Par value, in millions of dollars)

Period	U.S. Government securities									U.S. Govt. agency securities
	Total	By maturity				By type of customer				
		Within 1 year	1-5 years	5-10 years	Over 10 years	Dealers and brokers		Commercial banks	All other	
					U.S. Govt. securities	Other				
1966—Mar.....	2,100	1,650	231	180	38	683	69	851	495	188
Apr.....	1,823	1,550	156	91	26	515	51	740	517	218
May.....	1,882	1,564	202	86	30	514	78	746	543	221
June.....	1,927	1,614	186	94	33	646	69	729	483	278
July.....	1,820	1,560	155	76	29	607	64	726	423	284
Aug.....	1,785	1,497	189	62	38	573	78	721	413	175
Sept.....	2,004	1,682	198	82	43	742	101	730	432	170
Oct.....	2,329	2,019	192	82	35	782	93	915	538	180
Nov.....	2,339	1,863	334	118	24	849	94	896	501	204
Dec.....	2,712	2,059	427	160	66	1,114	121	978	500	232
1967—Jan.....	2,266	1,827	288	102	749	912	110	788	453	281
Feb.....	2,186	1,744	331	79	32	774	90	826	496	217
Mar.....	2,434	2,012	296	87	39	1,057	140	794	443	222
Week ending—										
Mar. 1.....	2,651	2,254	265	95	37	982	106	967	595	158
8.....	2,374	1,980	282	69	43	1,022	135	772	446	182
15.....	2,586	2,090	363	89	45	1,135	173	813	466	191
22.....	2,598	2,158	311	96	32	1,232	148	776	441	209
29.....	1,775	1,436	226	75	39	655	95	664	361	201
Apr. 5.....	2,397	2,005	263	93	36	923	103	822	550	193
12.....	2,435	2,012	298	96	30	1,106	93	806	429	224
19.....	1,848	1,564	199	63	22	698	55	587	620	221
26.....	1,814	1,544	158	85	27	663	62	696	392	235

NOTE.—The transactions data combine market purchases and sales of U.S. Govt. securities dealers reporting to the F.R. Bank of N.Y. They do not include allotments of, and exchanges for, new U.S. Govt. securities, redemptions of called or matured securities, or purchases or sales of securi-

ties under repurchase agreement, reverse repurchase (resale), or similar contracts. Averages of daily figures based on the number of trading days in the period.

DEALER POSITIONS

(Par value, in millions of dollars)

Period	U.S. Government securities, by maturity				U.S. Govt. agency securities
	All maturities	Within 1 year	1-5 years	Over 5 years	
1966—Mar.....	1,963	2,045	-101	20	356
Apr.....	2,867	2,798	6	63	814
May.....	2,239	2,061	142	36	675
June.....	1,548	1,353	92	102	665
July.....	1,681	1,587	49	69	408
Aug.....	2,188	2,001	181	46	208
Sept.....	2,229	2,043	108	78	269
Oct.....	2,500	2,224	109	166	353
Nov.....	3,756	2,925	639	193	429
Dec.....	4,158	3,447	530	181	502
1967—Jan.....	4,861	4,138	431	292	560
Feb.....	4,442	3,527	681	235	467
Mar.....	4,084	3,362	475	248	415
Week ending—					
Feb. 1..	5,100	4,397	419	283	526
8..	4,785	3,635	874	277	470
15..	4,350	3,389	716	245	481
22..	4,122	3,327	588	208	472
Mar. 1..	4,214	3,566	464	186	431
8..	3,804	3,130	464	211	370
15..	4,379	3,625	500	255	372
22..	4,087	3,331	591	266	433
29..	4,024	3,298	465	261	467

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

DEALER FINANCING

(In millions of dollars)

Period	All sources	Commercial banks		Corporations ¹	All other
		New York City	Elsewhere		
1966—Mar.....	1,958	365	340	1,073	180
Apr.....	3,249	1,209	669	1,155	217
May.....	2,787	744	602	1,067	375
June.....	2,065	523	476	796	270
July.....	2,127	623	481	737	287
Aug.....	2,229	394	430	925	480
Sept.....	2,410	725	615	731	340
Oct.....	2,346	508	580	823	435
Nov.....	3,575	605	687	1,614	668
Dec.....	4,233	999	893	1,412	929
1967—Jan.....	4,925	1,565	1,678	983	700
Feb.....	4,530	1,391	1,331	1,069	740
Mar.....	4,298	1,289	1,461	825	723
Week ending—					
1967—Feb. 1..	5,085	1,698	1,939	993	455
8..	4,670	1,639	1,530	940	561
15..	4,347	1,380	1,232	981	754
22..	4,510	1,193	1,136	1,228	952
Mar. 1..	4,434	1,258	1,343	1,131	703
8..	3,975	1,064	1,235	963	713
15..	4,360	1,381	1,329	805	845
22..	4,595	1,358	1,724	749	763
29..	4,253	1,372	1,504	774	602

¹ All business corporations, except commercial banks and insurance companies.

NOTE.—Averages of daily figures based on the number of calendar days in the period. Both bank and nonbank dealers are included. See also NOTE to the opposite table on this page.

U.S. GOVERNMENT MARKETABLE AND CONVERTIBLE, APRIL 30, 1967

(In millions of dollars)

Issue and coupon rate	Amount	Issue and coupon rate	Amount	Issue and coupon rate	Amount	Issue and coupon rate	Amount
Treasury bills		Treasury bills—Cont.		Treasury notes—Cont.		Treasury bonds—Cont.	
Apr. 30, 1967.....	1,401	Oct. 5, 1967.....	1,001	Apr. 1, 1969.....1½	61	Oct. 1, 1969.....4	6,254
May 4, 1967.....	2,303	Oct. 13, 1967.....	1,001	Oct. 1, 1969.....1½	159	Feb. 15, 1970.....4	4,381
May 11, 1967.....	2,300	Oct. 19, 1967.....	1,001	Apr. 1, 1970.....1½	88	Aug. 15, 1970.....4	4,129
May 18, 1967.....	2,302	Oct. 26, 1967.....	1,000	Oct. 1, 1970.....1½	113	Aug. 15, 1971.....4	2,806
May 25, 1967.....	2,300	Oct. 31, 1967.....	1,406	Nov. 15, 1970.....5	7,675	Nov. 15, 1971.....3¾	2,760
May 31, 1967.....	1,401	Nov. 30, 1967.....	1,400	Apr. 1, 1971.....1½	35	Feb. 15, 1972.....4	2,344
June 1, 1967.....	2,309	Dec. 31, 1967.....	1,401	May 15, 1971.....5¼	4,265	Aug. 15, 1972.....4	2,579
June 8, 1967.....	2,301	Jan. 31, 1968.....	901	Oct. 1, 1971.....1½	72	Aug. 15, 1973.....4	3,894
June 15, 1967.....	2,302	Feb. 29, 1968.....	901	Nov. 15, 1971.....5¾	1,734	Nov. 15, 1973.....4½	4,355
June 22, 1967*.....	5,514	Mar. 31, 1968.....	900	Feb. 15, 1972.....4¾	2,006	Feb. 15, 1974.....4½	3,130
June 22, 1967.....	2,306			Apr. 1, 1972.....1½	2	May 15, 1974.....4¼	3,591
June 29, 1967.....	2,302					Nov. 15, 1974.....3¾	2,242
June 30, 1967.....	1,502					May 25, 1975-85.....4¼	1,217
July 6, 1967.....	2,302	Certificates		Treasury bonds		June 15, 1978-83.....3¼	1,575
July 13, 1967.....	2,302	Aug. 15, 1967.....5¼	5,919	June 15, 1962-67.....2½	1,429	Feb. 15, 1980.....4	2,604
July 20, 1967.....	2,301			Dec. 15, 1963-68.....2½	1,789	Nov. 15, 1980.....3½	1,910
July 27, 1967.....	2,301			June 15, 1964-69.....2½	2,545	May 15, 1985.....3¼	1,122
July 31, 1967.....	1,495			Dec. 15, 1964-69.....2½	2,492	Aug. 15, 1987-92.....4¼	3,817
Aug. 3, 1967.....	1,002	Treasury notes		Mar. 15, 1965-70.....2½	2,288	Feb. 15, 1988-93.....4	250
Aug. 10, 1967.....	1,000	May 15, 1967.....4¼	9,748	Mar. 15, 1966-71.....2½	1,324	May 15, 1989-94.....4½	1,560
Aug. 17, 1967.....	1,001	Aug. 15, 1967.....3¾	2,929	June 15, 1967-72.....2½	1,262	Feb. 15, 1990.....3½	4,891
Aug. 24, 1967.....	1,000	Aug. 15, 1967.....4¾	2,117	Sept. 15, 1967-72.....2½	1,952	Feb. 15, 1995.....3	1,936
Aug. 31, 1967.....	2,505	Oct. 1, 1967.....1½	457	Nov. 15, 1967.....3¾	2,019	Nov. 15, 1998.....3½	4,388
Sept. 7, 1967.....	1,000	Nov. 15, 1967.....4¾	8,135	Dec. 15, 1967-72.....2½	2,641		
Sept. 14, 1967.....	1,002	Feb. 15, 1968.....5¾	2,635	May 15, 1968.....3¾	2,460		
Sept. 21, 1967.....	1,000	Apr. 1, 1968.....1½	212	Aug. 15, 1968.....3¾	3,747	Convertible bonds	
Sept. 28, 1967.....	1,000	May 15, 1968.....4¾	5,587	Nov. 15, 1968.....3¾	1,591	Investment Series B	
Sept. 30, 1967.....	1,400	Oct. 1, 1968.....1½	115	Feb. 15, 1969.....4	3,728	Apr. 1, 1975-80.....2¾	2,595

NOTE.—Direct public issues only. Based on Daily Statement of U.S. Treasury. * Tax anticipation series.

NEW ISSUES OF STATE AND LOCAL GOVERNMENT SECURITIES

(In millions of dollars)

Period	All issues (new capital and refunding)								Total amount delivered ³	Issues for new capital						
	Total	Type of issue				Type of issuer				Total	Use of proceeds					
		General obligations	Revenue	PHA ¹	U.S. Govt. loans	State	Special district and stat. auth.	Other ²			Education	Roads and bridges	Utilities ⁴	Housing ⁵	Veterans' aid	Other purposes
1960.....	7,292	4,771	2,095	302	125	1,110	1,984	4,198	7,102	7,247	2,405	1,007	1,316	426	201	1,891
1961.....	8,566	5,724	2,407	315	120	1,928	2,165	4,473	8,301	8,463	2,821	1,167	1,700	385	478	1,913
1962.....	8,845	5,582	2,681	437	145	1,419	2,600	4,825	8,732	8,568	2,963	1,114	1,668	521	125	2,177
1963.....	10,538	5,855	4,180	254	249	1,620	3,636	5,281	10,496	9,151	3,029	812	2,344	598		2,369
1964.....	10,847	6,417	3,585	637	208	1,628	3,812	5,407	10,069	10,201	3,392	688	2,437	727	120	2,838
1965.....	11,329	7,177	3,517	464	170	2,401	3,784	5,144	11,538	10,471	3,619	900	1,965	626	50	3,311
1966.....	11,362	6,787	3,938	325	312	2,573	4,126	4,663	n.a.	11,209	3,849	1,355	1,877	547		3,580
1966—Feb.....	867	614	240		13	190	172	505	n.a.	858	208	68	137			444
Mar.....	879	554	201	96	28	151	312	416	n.a.	869	380	25	160	99		205
Apr.....	1,211	815	350		46	454	366	392	n.a.	1,194	330	105	141	2		617
May.....	906	507	378		21	118	319	469	n.a.	905	251	134	280	2		237
June.....	1,143	587	395	110	51	275	429	439	n.a.	1,141	624		200	124		192
July.....	699	406	273		20	174	244	281	n.a.	698	226	142	73	8		249
Aug.....	775	453	287		35	134	275	366	n.a.	773	279	32	103	6		353
Sept.....	1,031	440	453	120	18	71	581	380	n.a.	1,018	217	218	222	124		238
Oct.....	751	539	178		34	208	256	287	n.a.	747	299	12	99	9		328
Nov.....	971	598	362		12	228	337	406	n.a.	965	379	108	225	40		212
Dec.....	908	384	513		11	100	548	261	n.a.	855	269	280	85	131		91
1967—Jan.....	1,377	932	419		27	509	329	539	n.a.	1,377	406	222	155	1		593
Feb.....	1,162	878	277		7	254	269	639	n.a.	1,129	450	131	91	*		456

¹ Only bonds sold pursuant to 1949 Housing Act, which are secured by contract requiring the Public Housing Administration to make annual contributions to the local authority.

² Municipalities, counties, townships, school districts.

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

⁴ Water, sewer, and other utilities.

⁵ Includes urban redevelopment loans.

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

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

TOTAL NEW ISSUES

(In millions of dollars)

Period	Gross proceeds, all issues ¹										Proposed use of net proceeds, all corporate issues ⁶					
	Total	Noncorporate					Corporate					Total	New capital			Retirement of securities
		U.S. Govt. ²	U.S. Govt. agency ³	U.S. State and local ⁴	Other ⁵	Total	Bonds			Stock			Total	New money ⁷	Other purposes	
							Total	Publicly offered	Pri- vately placed	Pre-ferred	Com- mon					
1959.....	31,074	12,322	707	7,681	616	9,748	7,190	3,557	3,632	531	2,027	9,527	9,392	8,578	814	135
1960.....	27,541	7,906	1,672	7,230	579	10,154	8,081	4,806	3,275	409	1,664	9,924	9,653	8,758	895	271
1961.....	35,527	12,253	1,448	8,360	303	13,165	9,420	4,700	4,720	450	3,294	12,885	12,017	10,715	1,302	868
1962.....	29,956	8,590	1,188	8,558	915	10,705	8,969	4,440	4,529	422	1,314	10,501	9,747	8,240	1,507	754
1963 ^r	35,199	10,827	1,168	10,107	887	12,211	10,856	4,713	6,143	343	1,011	12,049	10,523	8,898	1,625	1,526
1964.....	37,122	10,656	1,205	10,544	760	13,957	10,865	3,623	7,243	412	2,679	13,792	13,038	11,233	1,805	754
1965.....	40,108	9,348	2,731	11,148	889	15,992	13,720	5,570	8,150	725	1,547	15,801	14,805	13,063	1,741	996
1966.....	45,015	8,231	6,806	11,089	815	18,074	15,561	8,018	7,542	574	1,939	17,841	17,601	15,806	1,795	241
1966—Feb.....	3,008	345	503	845	42	1,273	1,143	560	583	75	55	1,259	1,237	1,068	169	22
Mar.....	4,250	457	410	848	54	2,482	2,065	753	1,311	21	396	2,452	2,446	2,039	407	7
Apr.....	3,668	426	392	1,181	86	1,582	1,372	628	743	28	182	1,559	1,553	1,399	154	7
May.....	3,182	412	699	877	88	1,106	1,037	481	556	13	56	1,095	1,058	1,000	58	38
June.....	5,072	397	1,030	1,118	100	2,427	1,616	832	784	74	737	2,391	2,364	2,245	119	27
July.....	3,407	411	1,084	678	149	1,085	975	440	535	70	40	1,071	1,039	932	106	32
Aug.....	3,676	387	799	764	14	1,712	1,575	1,140	435	67	70	1,688	1,670	1,617	53	18
Sept.....	3,249	402	400	992	55	1,400	1,333	676	657	6	61	1,384	1,382	1,114	268	2
Oct.....	2,518	408	450	736	32	892	755	499	256	31	106	876	829	783	46	46
Nov.....	6,686	3,738	800	950	83	1,115	1,004	569	435	50	61	1,098	1,086	1,033	52	12
Dec.....	3,277	373	239	923	81	1,661	1,535	980	555	20	106	1,643	1,635	1,363	273	8
1967—Jan.....	5,094	494	1,251	1,450	210	1,688	1,608	712	896	45	36	1,672	1,666	1,557	110	6
Feb.....	7,542	4,154	783	1,159	9	1,437	1,282	870	412	16	139	1,418	1,416	1,396	20	2

Proposed uses of net proceeds, major groups of corporate issuers

Period	Manufacturing		Commercial and miscellaneous		Transportation		Public utility		Communication		Real estate and financial	
	New capital ⁸	Retirement of securities	New capital ⁸	Retirement of securities	New capital ⁸	Retirement of securities	New capital ⁸	Retirement of securities	New capital ⁸	Retirement of securities	New capital ⁸	Retirement of securities
1959.....	1,941	70	812	28	942	15	3,189	15	707	*	1,801	6
1960.....	1,997	79	794	30	672	39	2,754	51	1,036	1	2,401	71
1961.....	3,691	287	1,109	36	651	35	2,883	106	1,435	382	2,248	22
1962.....	2,958	228	803	32	543	16	2,341	444	1,276	11	1,825	23
1963 ^r	3,272	199	756	53	861	87	1,939	703	733	359	2,962	125
1964.....	2,772	243	1,024	82	941	32	2,445	280	2,133	36	3,723	80
1965.....	5,015	338	1,302	79	967	36	2,546	357	847	92	4,128	93
1966.....	6,855	125	1,356	44	1,939	9	3,570	46	1,978	4	1,902	14
1966—Feb.....	530	6	100	8	94	*	241	4	160	*	111	2
Mar.....	977	7	160	*	373	.....	340	.....	301	.....	294	.....
Apr.....	692	4	154	2	148	.....	364	.....	76	.....	119	.....
May.....	376	12	137	22	75	.....	274	.....	40	.....	156	.....
June.....	1,137	14	145	6	207	3	322	4	276	.....	276	2
July.....	397	2	98	*	72	.....	263	22	52	.....	156	9
Aug.....	518	15	167	2	243	.....	313	1	318	.....	117	.....
Sept.....	643	*	91	.....	63	2	81	.....	198	.....	302	.....
Oct.....	331	46	38	*	39	.....	254	.....	97	.....	71	.....
Nov.....	228	2	58	.....	204	.....	320	10	168	.....	107	.....
Dec.....	673	4	93	.....	266	4	409	.....	152	.....	42	.....
1967—Jan.....	684	5	106	.....	136	.....	226	.....	281	.....	233	1
Feb.....	581	1	69	.....	137	.....	279	.....	105	.....	246	*

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

² Includes guaranteed issues.

³ Issues not guaranteed.

⁴ See NOTE to table at bottom of opposite page.

⁵ Foreign governments, International Bank for Reconstruction and Development, and domestic nonprofit organizations.

⁶ Estimated gross proceeds less cost of flotation.

⁷ For plant and equipment and working capital.

⁸ All issues other than those for retirement of securities.

NOTE.—Securities and Exchange Commission estimates of new issues maturing in more than 1 year sold for cash in the United States.

NET CHANGE IN OUTSTANDING CORPORATE SECURITIES

(In millions of dollars)

Period	Derivation of change, all issuers											
	All securities			Bonds and notes			Common and preferred stocks					
	New issues	Retirements	Net change	New issues	Retirements	Net change	New issues		Retirements		Net change	
							Invest. cos. ¹	Other	Invest. cos. ¹	Other	Invest. cos. ¹	Other
1962.....	14,308	6,457	7,852	8,613	3,749	4,864	3,440	2,255	1,140	1,567	2,300	688
1963.....	15,641	8,711	6,930	10,556	4,979	5,577	3,138	1,948	1,536	2,197	1,602	-249
1964.....	18,826	8,290	10,536	10,715	4,077	6,637	4,363	3,748	1,895	2,317	2,468	1,431
1965.....	21,535	10,025	11,511	12,747	4,649	8,098	5,583	3,205	2,134	3,242	3,450	-37
1966.....	26,327	9,567	16,761	15,629	4,542	11,088	6,529	4,169	2,025	3,000	4,504	1,169
1965—IV.....	5,912	2,847	3,065	3,261	1,178	2,084	1,873	778	657	1,012	1,216	-235
1966—I.....	7,663	3,044	4,619	4,568	1,335	3,233	2,085	1,010	557	1,152	1,528	-142
II.....	7,517	2,233	5,286	3,993	1,153	2,841	1,518	2,006	548	532	970	1,475
III.....	5,534	1,756	3,777	3,732	943	2,789	1,271	531	490	323	781	207
IV.....	5,615	2,535	3,080	3,336	1,111	2,225	1,657	622	431	993	1,226	-371

Period	Type of issuer											
	Manu- facturing		Commercial and other ²		Transpor- tation ³		Public utility		Communi- cation		Real estate and financial ⁴	
	Bonds & notes	Stocks	Bonds & notes	Stocks	Bonds & notes	Stocks	Bonds & notes	Stocks	Bonds & notes	Stocks	Bonds & notes	Stocks
1962.....	1,355	-242	294	-201	-85	-25	1,295	479	1,172	357	833	2,619
1963.....	1,804	-664	339	-352	316	-19	876	245	438	447	1,806	1,696
1964.....	1,303	-516	507	-483	317	-30	1,408	476	458	1,699	2,644	2,753
1965.....	2,606	-570	614	-70	185	-1	1,342	96	644	518	2,707	3,440
1966.....	4,324	32	616	-598	956	718	2,659	533	1,668	575	864	4,414
1965—IV.....	612	-243	163	-10	52	-3	215	-189	124	130	918	1,296
1966—I.....	1,440	-543	169	49	348	28	756	166	249	168	270	1,518
II.....	950	657	232	-72	166	648	679	119	549	157	264	937
III.....	1,198	58	143	-22	218	16	469	112	405	103	356	721
IV.....	736	-140	72	-553	224	26	755	136	465	147	-26	1,239

¹ Open-end and closed-end companies.
² Extractive and commercial and misc. companies.
³ Railroad and other transportation companies.
⁴ Includes investment companies.

exclude foreign and include offerings of open-end investment cos., sales of securities held by affiliated cos. or RFC, special offerings to employees, and also new stock issues and cash proceeds connected with conversions of bonds into stocks. Retirements include the same types of issues, and also securities retired with internal funds or with proceeds of issues for that purpose shown on opposite page.

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 ¹	Redemptions	Net sales	Total ²	Cash position ³	Other		Sales ¹	Redemptions	Net sales	Total ²	Cash position ³	Other
1956.....	1,347	433	914	9,046	492	8,554	Apr...	475	192	284	37,136	2,107	35,029
1957.....	1,391	406	984	8,714	523	8,191	May...	450	189	261	35,453	2,278	33,175
1958.....	1,620	511	1,109	13,242	634	12,608	June...	350	163	186	35,429	2,337	33,092
1959.....	2,280	786	1,494	15,818	860	14,958	July...	363	153	210	35,082	2,472	32,610
1960.....	2,097	842	1,255	17,026	973	16,053	Aug...	357	187	170	32,553	2,657	29,896
1961.....	2,951	1,160	1,791	22,789	980	21,809	Sept...	327	145	182	32,223	3,036	29,187
1962.....	2,699	1,123	1,576	21,271	1,315	19,956	Oct...	329	133	196	33,483	3,244	30,239
1963.....	2,460	1,504	952	25,214	1,341	23,873	Nov...	295	143	152	34,497	3,206	31,291
1964.....	3,404	1,875	1,528	29,116	1,329	27,787	Dec...	300	151	149	34,829	2,971	31,858
1965.....	4,359	1,962	2,395	35,220	1,803	33,417	1967—Jan....	391	183	209	37,230	2,869	34,361
1966.....	4,671	2,005	2,665	34,829	2,971	31,858	Feb...	298	179	120	38,034	2,866	35,168
							Mar..	389	226	163	39,443	2,682	36,761

¹ Includes contractual and regular single purchase sales, voluntary and contractual accumulation plan sales, and reinvestment of investment income dividends; excludes reinvestment of realized capital gains dividends. ² Market value at end of period less current liabilities. ³ Cash and deposits, receivables, all U.S. Govt. securities, and other short-term debt securities, less current liabilities.

NOTE.—Investment Company Institute data based on reports of members, which comprise substantially all open-end investment companies registered with the Securities and Exchange Commission. Data reflect newly formed companies after their initial offering of securities.

SALES, PROFITS, AND DIVIDENDS OF LARGE CORPORATIONS

(In millions of dollars)

Industry	1962	1963	1964	1965	1966	1965			1966			
						II	III	IV	I	II	III	IV
Manufacturing												
Total (177 corps.):												
Sales.....	136,545	147,380	158,253	176,676	195,159	45,344	41,946	46,644	47,068	49,718	46,302	52,529
Profits before taxes.....	15,330	17,337	18,734	22,043	23,075	6,021	4,723	5,782	5,934	6,355	4,884	6,059
Profits after taxes.....	8,215	9,138	10,462	12,482	13,118	3,399	2,732	3,269	3,323	3,620	2,845	3,438
Dividends.....	5,048	5,444	5,933	6,541	6,909	1,629	1,435	2,066	1,569	1,740	1,631	1,969
Nondurable goods industries (78 corps.): ¹												
Sales.....	52,245	55,372	59,770	64,635	73,281	16,131	16,320	16,732	17,299	18,374	18,399	19,127
Profits before taxes.....	5,896	6,333	6,881	7,818	8,918	1,985	2,014	2,014	2,132	2,334	2,296	2,120
Profits after taxes.....	3,403	3,646	4,121	4,798	5,375	1,213	1,222	1,251	1,295	1,404	1,387	1,319
Dividends.....	2,150	2,265	2,408	2,541	2,717	607	617	711	650	668	673	726
Durable goods industries (99 corps.): ²												
Sales.....	84,300	92,008	98,482	112,041	122,418	29,214	25,626	29,912	29,769	31,344	27,903	33,402
Profits before taxes.....	9,434	11,004	11,853	14,225	14,350	4,036	2,709	3,768	3,802	4,021	2,588	3,939
Profits after taxes.....	4,812	5,492	6,341	7,684	7,832	2,186	1,509	2,018	2,027	2,208	1,458	2,139
Dividends.....	2,898	3,179	3,525	4,000	4,192	1,022	819	1,355	919	1,072	958	1,243
Selected industries:												
Foods and kindred products (25 corps.):												
Sales.....	13,457	14,301	15,284	16,345	18,250	4,082	4,194	4,200	4,331	4,491	4,705	4,723
Profits before taxes.....	1,460	1,546	1,579	1,710	1,907	433	452	436	438	488	504	477
Profits after taxes.....	698	747	802	896	1,012	225	234	236	231	257	264	260
Dividends.....	425	448	481	508	564	125	126	133	137	142	139	146
Chemical and allied products (20 corps.):												
Sales.....	13,739	14,623	16,469	17,938	19,920	4,492	4,565	4,642	4,861	5,195	4,801	5,063
Profits before taxes.....	2,162	2,286	2,597	2,878	3,060	758	734	707	764	850	783	663
Profits after taxes.....	1,126	1,182	1,400	1,627	1,736	424	409	409	431	475	441	389
Dividends.....	868	904	924	926	946	213	215	285	221	224	234	267
Petroleum refining (16 corps.):												
Sales.....	15,106	16,043	16,589	17,878	21,376	4,449	4,454	4,571	4,811	5,195	5,476	5,812
Profits before taxes.....	1,319	1,487	1,560	1,946	2,430	473	504	530	580	586	622	606
Profits after taxes.....	1,099	1,204	1,309	1,555	1,796	386	400	406	442	449	476	459
Dividends.....	566	608	672	752	826	183	187	200	203	207	204	212
Primary metals and products (34 corps.):												
Sales.....	21,260	22,116	24,195	26,530	28,513	7,091	6,657	6,167	6,522	7,447	7,309	7,235
Profits before taxes.....	1,838	2,178	2,556	2,951	3,304	865	695	623	691	933	857	823
Profits after taxes.....	1,013	1,183	1,475	1,704	1,921	493	402	373	399	537	490	495
Dividends.....	820	734	763	818	923	200	202	221	216	218	230	259
Machinery (24 corps.):												
Sales.....	19,057	21,144	22,558	25,148	30,112	6,305	6,286	6,785	6,955	6,889	7,538	8,730
Profits before taxes.....	1,924	2,394	2,704	3,116	3,606	817	764	788	877	911	851	967
Profits after taxes.....	966	1,177	1,372	1,621	1,865	426	400	410	441	480	444	500
Dividends.....	531	577	673	775	913	187	189	207	217	225	226	245
Automobiles and equipment (14 corps.):												
Sales.....	29,156	32,927	35,338	42,662	43,639	11,450	8,281	12,032	11,718	11,728	8,044	12,149
Profits before taxes.....	4,337	5,004	4,989	6,263	5,269	1,883	756	1,797	1,780	1,615	312	1,562
Profits after taxes.....	2,143	2,387	2,626	3,298	2,871	1,004	430	923	935	893	226	817
Dividends.....	1,151	1,447	1,629	1,890	1,775	520	307	759	360	503	361	551
Public utility												
Railroad:												
Operating revenue.....	9,440	9,560	9,778	10,208	10,654	2,582	2,575	2,668	2,518	2,728	2,690	2,718
Profits before taxes.....	729	816	829	980	n.a.	259	248	328	213	330	280	n.a.
Profits after taxes.....	572	651	694	816	n.a.	213	206	276	172	259	227	n.a.
Dividends.....	367	383	438	468	n.a.	118	81	161	113	109	113	n.a.
Electric power:												
Operating revenue.....	13,489	14,294	15,156	15,961	17,036	3,822	3,901	4,011	4,456	4,063	4,268	4,249
Profits before taxes.....	3,583	3,735	3,926	4,116	4,396	949	1,036	977	1,215	987	1,153	1,041
Profits after taxes.....	2,062	2,187	2,375	2,568	2,765	597	626	632	758	632	702	673
Dividends.....	1,462	1,567	1,682	1,833	1,939	438	437	491	473	486	475	505
Telephone:												
Operating revenue.....	9,196	9,796	10,550	11,320	12,420	2,790	2,854	2,944	2,992	3,091	3,135	3,202
Profits before taxes.....	2,639	2,815	3,069	3,185	3,537	766	830	806	851	907	911	868
Profits after taxes.....	1,327	1,417	1,590	1,718	1,903	419	447	432	460	488	487	468
Dividends.....	935	988	1,065	1,153	1,248	284	294	296	302	309	317	320

¹ Includes 17 corporations in groups not shown separately.² Includes 27 corporations in groups not shown separately.NOTE.—*Manufacturing corporations:* Data are obtained primarily from published reports of companies.*Railroads:* Interstate Commerce Commission data for Class I line-haul railroads.*Electric power:* Federal Power Commission data for Class A and B electric utilities, except that quarterly figures on operating revenue and profits before taxes are partly estimated by the Federal Reserve to include affiliated nonelectric operations.*Telephone:* Data obtained from Federal Communications Commission on revenues and profits for telephone operations of the Bell System Consolidated, (including the 20 operating subsidiaries and the Long Lines and General Depts. of American Telephone and Telegraph Co.), and for 2 affiliated telephone companies. Dividends are for the 20 operating subsidiaries and the 2 affiliates.*All series:* Profits before taxes are income after all charges and before Federal income taxes and dividends.

Back data available from the Division of Research and Statistics.

CORPORATE PROFITS, TAXES, AND DIVIDENDS

(In billions of dollars)

Year	Profits before taxes	Income taxes	Profits after taxes	Cash dividends	Undistributed profits	Corporate capital consumption allowances ¹	Quarter	Profits before taxes	Income taxes	Profits after taxes	Cash dividends	Undistributed profits	Corporate capital consumption allowances ¹	
1959.....	52.1	23.7	28.5	12.6	15.9	23.5	1965—I....	74.5	30.7	43.8	18.1	25.7	35.2	
1960.....	49.7	23.0	26.7	13.4	13.2	24.9		II....	74.5	30.7	43.8	18.8	25.0	36.0
1961.....	50.3	23.1	27.2	13.8	13.5	26.2	III....	75.0	30.9	44.1	19.5	24.6	36.8	
1962.....	55.4	24.2	31.2	15.2	16.0	30.1	IV....	78.7	32.4	46.3	20.2	26.1	37.2	
1963.....	59.4	26.3	33.1	16.5	16.6	31.8	1966—I....	82.7	34.1	48.7	20.9	27.8	37.7	
1964.....	67.0	28.4	38.7	17.3	21.3	33.9		II....	82.8	34.1	48.7	21.1	27.6	38.5
1965.....	75.7	31.2	44.5	19.2	25.3	36.3		III....	81.9	33.7	48.2	21.1	27.1	39.1
1966.....	82.1	33.8	48.3	20.9	27.3	38.8		IV....	81.8	33.7	48.1	20.7	27.4	39.7

¹ Includes depreciation, capital outlays charged to current accounts, and accidental damages.

NOTE.—Dept. of Commerce estimates. Quarterly data are at seasonally adjusted annual rates.

CURRENT ASSETS AND LIABILITIES OF CORPORATIONS

(In billions of dollars)

End of period	Net working capital	Current assets							Current liabilities				
		Total	Cash	U. S. Govt. securities	Notes and accts. receivable		Inventories	Other	Total	Notes and accts. payable		Accrued Federal income taxes	Other
					U. S. Govt. ¹	Other				U. S. Govt. ¹	Other		
1961.....	148.8	304.6	40.7	19.2	3.4	133.3	95.2	12.9	155.8	1.8	110.0	14.2	29.8
1962.....	155.6	326.5	43.7	19.6	3.7	144.2	100.7	14.7	170.9	2.0	119.1	15.2	34.5
1963.....	163.5	351.7	46.5	20.2	3.6	156.8	107.0	17.8	188.2	2.5	130.4	16.5	38.7
1964.....	172.3	372.6	47.1	18.8	3.4	170.6	114.0	18.8	200.3	2.7	139.6	17.2	40.7
1965—I....	175.1	378.4	44.4	18.3	3.3	174.6	117.1	20.6	203.2	2.8	141.1	16.8	42.5
II....	177.7	386.3	45.8	16.1	3.2	179.9	119.4	21.9	208.6	2.9	145.8	16.2	43.8
III....	180.7	395.4	45.6	15.8	3.6	185.2	123.1	22.1	214.6	3.1	150.0	17.2	44.3
IV....	183.4	407.9	49.2	16.7	3.9	189.6	126.3	22.1	224.5	3.1	157.2	19.2	45.0
1966—I....	186.0	413.7	46.9	16.9	3.9	192.5	130.2	23.4	227.7	3.8	157.5	19.1	47.3
II....	190.4	423.6	47.7	15.3	4.0	198.4	134.4	23.7	233.1	3.9	163.4	16.7	49.1
III....	191.5	431.4	46.9	14.6	4.2	202.8	139.4	23.5	239.9	4.4	167.1	17.9	50.4
IV....	192.7	441.6	49.3	15.5	4.5	204.4	144.5	23.3	248.9	4.9	173.4	19.1	51.6

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

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

BUSINESS EXPENDITURES ON NEW PLANT AND EQUIPMENT

(In billions of dollars)

Period	Total	Manufacturing		Mining	Transportation		Public utilities	Communications	Other ¹	Total (S. A. annual rate)
		Durable	Non-durable		Railroad	Other				
1959.....	32.54	5.77	6.29	.99	.92	2.02	5.67	2.67	8.21	.....
1960.....	35.68	7.18	7.30	.99	1.03	1.94	5.68	3.13	8.44	.....
1961.....	34.37	6.27	7.40	.98	.67	1.85	5.52	3.22	8.46	.....
1962.....	37.31	7.03	7.65	1.08	.85	2.07	5.48	3.63	9.52	.....
1963.....	39.22	7.85	7.84	1.04	1.10	1.92	5.65	3.79	10.03	.....
1964.....	44.90	9.43	9.16	1.19	1.41	2.38	6.22	4.30	10.83	.....
1965.....	51.96	11.40	11.05	1.30	1.73	2.81	6.94	4.94	11.79	.....
1966.....	60.63	13.99	13.00	1.47	1.98	3.44	8.41	5.62	12.74	.....
1967 ²	63.00	14.64	13.30	1.58	1.48	3.94	9.15	18.91	.....
1965—II....	12.81	2.76	2.70	.33	.44	.77	1.71	1.24	2.85	50.35
III....	13.41	2.91	2.82	.32	.44	.72	1.88	1.22	3.10	52.75
IV....	14.95	3.48	3.24	.35	.46	.73	2.04	1.41	3.25	55.35
1966—I....	12.77	2.87	2.74	.33	.40	.75	1.60	1.26	2.83	58.00
II....	15.29	3.51	3.27	.40	.55	1.00	2.09	1.42	3.06	60.10
III....	15.57	3.54	3.30	.37	.48	.82	2.36	1.36	3.33	61.25
IV....	17.00	4.07	3.68	.38	.55	.86	2.36	1.58	3.52	62.80
1967—I ²	13.83	3.16	2.89	.35	.38	.78	1.84	4.42	.....	62.60
II ²	15.84	3.60	3.39	.40	.37	1.13	2.40	4.55	.....	62.25

¹ Includes trade, service, finance, and construction.
² Anticipated by business.

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

MORTGAGE DEBT OUTSTANDING

(In billions of dollars)

End of period	All properties				Farm			Nontarm								
	All holders	Financial institutions ¹	Other holders ²		All holders	Financial institutions ¹	Other holders ³	All holders	1- to 4-family houses			Multifamily and commercial properties ⁴			Mortgage type ⁵	
			U.S. agencies	Individuals and others					Total	Finan. institutions ¹	Other holders	Total	Finan. institutions ¹	Other holders	FHA-VA-underwritten	Conventional
1941.....	37.6	20.7	4.7	12.2	6.4	1.5	4.9	31.2	18.4	11.2	7.2	12.9	8.1	4.8	3.0	28.2
1945.....	35.5	21.0	2.4	12.1	4.8	1.3	3.4	30.8	18.6	12.2	6.4	12.2	7.4	4.7	4.3	26.5
1961.....	226.3	172.6	11.8	41.9	13.9	5.0	8.9	212.4	153.1	128.2	24.9	59.3	39.4	19.9	65.5	146.9
1962.....	251.6	192.5	12.2	47.0	15.2	5.5	9.7	236.4	166.5	140.4	26.0	69.9	46.6	23.4	69.4	167.0
1963.....	281.2	217.1	11.2	52.9	16.8	6.2	10.7	264.4	182.2	156.0	26.2	82.2	54.9	27.3	73.4	190.9
1964.....	311.6	241.0	11.4	59.2	18.9	7.0	11.9	292.7	197.6	170.4	27.2	95.1	63.7	31.4	77.2	215.6
1965.....	341.7	264.5	12.4	64.8	21.2	7.8	13.4	320.5	213.7	185.1	28.6	106.8	71.6	35.2	81.2	239.3
1966 ^p	366.0	280.9	15.8	69.3	23.3	8.4	14.9	342.7	225.4	194.0	31.4	117.3	78.5	38.8	84.0	258.7
1965—I.....	317.7	245.8	11.6	60.3	19.5	7.2	12.3	298.2	200.7	173.3	27.4	97.5	65.3	32.2	77.9	220.3
II.....	325.9	252.2	11.7	62.0	20.2	7.4	12.8	305.7	205.1	177.4	27.7	100.6	67.4	33.1	78.7	227.0
III.....	333.8	258.6	11.9	63.4	20.7	7.6	13.1	313.1	209.6	181.5	28.0	103.6	69.4	34.1	80.0	233.1
IV.....	341.7	264.5	12.4	64.8	21.2	7.8	13.4	320.5	213.7	185.1	28.6	106.8	71.6	35.2	81.2	239.3
1966—I ^p	348.2	269.3	13.5	65.4	21.8	8.0	13.7	326.4	216.9	187.9	29.0	109.5	73.3	36.2	82.1	244.3
II ^p	355.5	274.4	14.4	66.7	22.5	8.2	14.2	333.0	220.7	190.9	29.8	112.4	75.2	37.2	82.6	250.4
III ^p	361.3	278.0	15.2	68.0	23.0	8.4	14.6	338.3	223.3	192.7	30.6	115.0	77.0	38.0	83.4	254.9
IV ^p	366.0	280.9	15.8	69.3	23.3	8.4	14.9	342.7	225.4	194.0	31.4	117.3	78.5	38.8	84.0	258.7

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

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

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

⁴ Derived figures; includes small amounts of farm loans held by

savings and loan assns.

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

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

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

MORTGAGE LOANS HELD BY BANKS

(In millions of dollars)

End of period	Commercial bank holdings ¹						Mutual savings bank holdings ²							
	Total	Residential				Other non-farm	Farm	Total	Residential				Other non-farm	Farm
		Total	FHA-insured	VA-guaranteed	Conventional				Total	FHA-insured	VA-guaranteed	Conventional		
1941.....	4,906	3,292				1,048	566	4,812	3,884				900	28
1945.....	4,772	3,395				856	521	4,208	3,387				797	24
1961.....	30,442	21,225	5,975	2,627	12,623	7,470	1,747	29,145	26,341	8,045	9,267	9,029	2,753	51
1962.....	34,476	23,482	6,520	2,654	14,308	8,972	2,022	32,320	29,181	9,238	9,787	10,156	3,088	51
1963.....	39,414	26,476	7,105	2,862	16,509	10,611	3,327	36,224	32,718	10,684	10,490	11,544	3,454	52
1964.....	43,976	28,933	7,315	2,742	18,876	12,405	2,638	40,556	36,487	12,287	11,121	13,079	4,016	53
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 ^p	54,704							47,396						
1965—I.....	44,799	29,388	7,329	2,722	19,337	12,723	2,688	41,521	37,357	12,664	11,228	13,465	4,112	52
II.....	46,548	30,383	7,469	2,712	20,202	13,371	2,794	42,467	38,214	13,036	11,322	13,856	4,202	51
III.....	48,353	31,574	7,641	2,700	21,233	13,926	2,853	43,539	39,153	13,412	11,368	14,373	4,334	52
IV.....	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—I ^p	50,650	32,822	7,717	2,659	22,446	14,840	2,988	45,370	40,700	13,956	11,408	15,336	4,617	53
II ^p	52,306	33,800	7,769	2,654	23,377	15,478	3,028	45,883	41,083	14,047	11,346	15,690	4,747	53
III ^p	53,755							46,650						
IV ^p	54,704							47,396						

¹ Includes loans held by nondeposit trust companies, but not bank trust depts.

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

NOTE.—Second and fourth quarters, Federal Deposit Insurance Corporation series for all commercial and mutual savings banks in the United

States and possessions. First and third quarters, estimates based on FDIC data for insured banks for 1962 and part of 1963 and on special F.R. interpolations thereafter. For earlier years, the basis for first- and third-quarter estimates included F.R. commercial bank call data and data from the National Assn. of Mutual Savings Banks.

MORTGAGE ACTIVITY OF LIFE INSURANCE COMPANIES
(In millions of dollars)

Period	Loans acquired						Loans outstanding (end of period)					
	Total	Nonfarm				Farm ¹	Total	Nonfarm				Farm
		Total	FHA-insured	VA-guar-anteed	Other ¹			Total	FHA-insured	VA-guar-anteed	Other	
1945.....	976						6,637	5,860	1,394		4,466	766
1961.....	6,785	6,233	1,388	220	4,625	552	44,203	41,033	9,665	6,553	24,815	3,170
1962.....	7,478	6,859	1,355	469	5,035	619	46,902	43,502	10,176	6,395	26,931	3,400
1963.....	9,172	8,306	1,598	678	6,030	866	50,544	46,752	10,756	6,401	29,595	3,792
1964.....	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 ^p	10,202	9,210	1,311	458	7,441	992	64,803	59,563	12,411	6,209	40,943	5,240
1966—Feb. ^r	820	710	144	38	528	110	60,840	55,948	12,244	6,296	37,408	4,892
Mar.....	978	815	139	40	636	163	61,288	56,321	12,259	6,282	37,780	4,967
Apr.....	897	756	121	29	606	141	61,710	56,653	12,299	6,262	38,092	5,057
May.....	816	709	93	31	585	107	62,101	56,980	12,310	6,244	38,426	5,121
June.....	908	830	107	34	689	78	62,547	57,381	12,330	6,225	38,826	5,166
July.....	869	815	106	31	678	54	62,969	57,778	12,335	6,210	39,233	5,191
Aug.....	791	746	94	38	614	45	63,336	58,128	12,340	6,201	39,587	5,208
Sept.....	781	735	83	35	617	46	63,683	58,457	12,344	6,191	39,922	5,226
Oct.....	718	675	86	41	548	43	64,007	58,775	12,362	6,190	40,223	5,232
Nov.....	708	673	89	41	543	35	64,353	59,118	12,393	6,195	40,530	5,235
Dec.....	947	888	82	47	759	59	64,803	59,563	12,411	6,209	40,943	5,240
1967—Jan.....	766	699	89	47	563	67	65,193	59,965	12,441	6,222	41,302	5,228
Feb.....	684	617	75	32	510	67	65,503	60,259	12,459	6,211	41,589	5,244

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

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

NOTE.—Institute of Life Insurance data. For loans acquired, the

MORTGAGE ACTIVITY OF SAVINGS AND LOAN ASSOCIATIONS
(In millions of dollars)

Period	Loans made			Loans outstanding (end of period)			
	Total ¹	New home construction	Home purchase	Total ²	FHA-insured	VA-guar-anteed	Conventional
1945.....	1,913	181	1,358	5,376			
1961.....	17,364	5,081	7,207	68,834	4,167	7,152	57,515
1962.....	20,754	5,979	8,524	78,770	4,476	7,010	67,284
1963.....	24,735	7,039	9,920	90,944	4,696	6,960	79,288
1964.....	24,505	6,515	10,397	101,333	4,894	6,683	89,756
1965.....	23,847	5,922	10,697	110,202	5,141	6,391	98,670
1966.....	16,729	3,604	7,748	114,089	5,266	6,150	102,673
1966—Feb.....	1,554	307	645	111,246	5,177	6,361	99,708
Mar.....	1,998	454	814	112,001	5,195	6,331	100,475
Apr.....	1,888	430	798	112,736	5,212	6,311	101,213
May.....	1,696	390	773	113,249	5,236	6,293	101,720
June.....	1,629	340	823	113,669	5,245	6,279	102,145
July.....	1,234	266	643	113,750	5,235	6,254	102,261
Aug.....	1,314	272	722	113,897	5,246	6,236	102,415
Sept.....	1,119	241	572	114,004	5,253	6,203	102,548
Oct.....	947	208	473	113,998	5,251	6,182	102,565
Nov.....	866	184	423	113,977	5,257	6,167	102,553
Dec.....	936	189	423	114,089	5,266	6,150	102,673
1967—Jan.....	788	165	365	114,130	5,274	6,136	102,720
Feb.....	950	205	420	114,298	5,275	6,133	102,890
Mar. ^p	1,344	307	568	114,683	5,292	6,135	103,256

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

² Beginning with 1958, includes shares pledged against mortgage loans, beginning with 1966, includes real estate sold on contract not acquired by foreclosures; and beginning with 1967, includes real estate sold on contract acquired by foreclosure.

NOTE.—Federal Home Loan Bank Board data.

FEDERAL HOME LOAN BANKS
(In millions of dollars)

Period	Ad- vances	Repay- ments	Advances outstanding (end of period)			Members' deposits
			Total	Short-term ¹	Long-term ²	
1945.....	278	213	195	176	19	46
1961.....	2,882	2,220	2,662	1,447	1,216	1,180
1962.....	4,111	3,294	3,479	2,005	1,474	1,213
1963.....	5,601	4,296	4,784	2,863	1,921	1,151
1964.....	5,565	5,025	5,325	2,846	2,479	1,199
1965.....	5,007	4,335	5,997	3,074	2,923	1,043
1966.....	3,804	2,866	6,935	5,006	1,929	1,036
1966—Mar.....	214	266	5,687	2,598	3,089	823
Apr.....	967	138	6,516	3,343	3,173	811
May.....	339	152	6,704	3,691	3,012	840
June.....	171	92	6,783	3,865	2,918	972
July.....	838	279	7,342	4,471	2,871	710
Aug.....	146	262	7,226	4,625	2,601	698
Sept.....	99	150	7,175	4,627	2,548	727
Oct.....	300	226	7,249	4,939	2,310	767
Nov.....	104	269	7,084	4,993	2,091	863
Dec.....	68	217	6,935	5,006	1,929	1,036
1967—Jan.....	224	818	6,340	4,814	1,526	1,088
Feb.....	49	589	5,800	4,730	1,070	1,240
Mar.....	30	655	5,175	4,262	913	1,490

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

NOTE.—Federal Home Loan Bank Board data.

GOVERNMENT-UNDERWRITTEN RESIDENTIAL LOANS MADE

(In millions of dollars)

Period	FHA-insured					VA-guaranteed		
	Total	Mortgages		Proj-ects 1	Prop-erty im-provements 2	Total 3	Mortgages	
		New homes	Ex-isting homes				New homes	Ex-isting homes
1945.....	665	257	217	20	171	192		
1961.....	6,546	1,783	2,982	926	855	1,829	1,170	656
1962.....	7,184	1,849	3,421	1,079	834	2,652	1,357	1,292
1963.....	7,216	1,664	3,905	843	804	3,045	1,272	1,770
1964.....	8,130	1,608	4,965	895	663	2,846	1,023	1,821
1965.....	8,689	1,705	5,760	591	634	2,652	876	1,774
1966.....	7,320	1,729	4,366	583	641	2,600	980	1,618
1966—Mar.....	753	160	447	68	78	163	59	104
Apr.....	636	139	376	66	54	132	51	81
May.....	608	137	361	56	55	167	62	104
June.....	685	152	405	69	60	205	71	134
July.....	604	136	368	42	58	219	72	147
Aug.....	622	159	387	18	57	287	96	191
Sept.....	610	149	367	27	66	257	96	161
Oct.....	508	140	275	38	54	271	110	160
Nov.....	446	130	238	26	51	247	110	137
Dec.....	409	113	214	35	46	226	104	121
1967—Jan.....	449	116	263	26	44	214	100	113
Feb.....	364	91	210	32	31	169	77	91
Mar.....	490	96	292	55	47	195	83	112

1 Monthly figures do not reflect mortgage amendments included in annual totals.
 2 Not ordinarily secured by mortgages.
 3 Includes a small amount of alteration and repair loans, not shown separately; only such loans in amounts of more than \$1,000 need be secured.

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

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

(In billions of dollars)

End of period	Total	Government-underwritten			Con-ventional
		Total	FHA-in-sured	VA-guar-anteed 1	
1945.....	18.6	4.3	4.1	.2	14.3
1961.....	153.1	59.1	29.5	29.6	93.9
1962.....	166.5	62.2	32.3	29.9	104.3
1963.....	182.2	65.9	35.0	30.9	116.3
1964.....	197.6	69.2	38.3	30.9	128.3
1965 ^p	213.7	73.1	42.0	31.1	140.6
1966 ^p	225.4	76.0	44.8	31.2	149.4
1964—I.....	185.4	66.6	35.7	31.0	118.8
II.....	189.8	67.3	36.3	30.9	122.5
III.....	193.9	68.4	37.4	31.1	125.4
IV.....	197.6	69.2	38.3	30.9	128.3
1965—I.....	200.7	70.1	39.0	31.1	130.6
II.....	205.1	70.7	39.7	31.0	134.4
III ^p	209.6	72.0	40.9	31.1	137.5
IV ^p	213.7	73.1	42.0	31.1	140.6
1966—I ^p	216.9	74.1	43.0	31.1	142.8
II ^p	220.7	74.6	43.7	30.9	146.1
III ^p	223.3	75.4	44.4	31.0	147.9
IV ^p	225.4	76.0	44.8	31.2	149.4

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

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

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

FEDERAL NATIONAL MORTGAGE ASSOCIATION ACTIVITY

(In millions of dollars)

End of period	Mortgage holdings			Mortgage transactions (during period)		Com-mitments un-dis-bursed
	Total	FHA-in-sured	VA-guar-anteed	Pur-chases	Sales	
1962.....	5,923	3,571	2,353	740	498	355
1963.....	4,650	3,017	1,634	290	1,114	191
1964.....	4,412	2,996	1,416	424	251	313
1965.....	4,731	3,404	1,327	913	200	793
1966.....	7,063	5,407	1,656	2,701		705
1966—Mar.....	5,528	4,077	1,451	344		750
Apr.....	5,744	4,268	1,476	250		691
May.....	5,922	4,430	1,492	209		650
June.....	6,082	4,581	1,501	194		625
July.....	6,319	4,787	1,532	265		511
Aug.....	6,464	4,916	1,548	180		512
Sept.....	6,592	5,028	1,564	159		532
Oct.....	6,731	5,146	1,585	168		576
Nov.....	6,891	5,272	1,619	188		617
Dec.....	7,063	5,407	1,656	202		705
1967—Jan.....	7,216	5,522	1,964	181		695
Feb.....	7,331	5,615	1,716	144		641
Mar.....	7,415	5,692	1,723	119		706

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

MORTGAGE DEBT OUTSTANDING ON INCOME PROPERTIES

(In billions of dollars)

End of period	Total	Nonfarm			Farm
		Total	FHA-in-sured	Con-ventional	
1945.....	17.0	12.2		12.2	4.8
1961.....	73.2	59.3	6.4	52.9	13.9
1962.....	85.1	69.9	7.2	62.7	15.2
1963.....	99.0	82.2	7.5	74.7	16.8
1964.....	114.0	95.1	7.9	87.2	18.9
1965.....	128.0	106.8	8.0	98.8	21.2
1966 ^p	140.6	117.3	8.0	109.3	23.3
1964—I.....	101.9	84.6	7.6	77.0	17.3
II.....	105.8	87.7	7.7	80.0	18.1
III.....	109.7	91.2	7.8	83.5	18.5
IV.....	114.0	95.1	7.9	87.2	18.9
1965—I.....	117.0	97.5	7.9	89.6	19.5
II.....	120.8	100.6	8.0	92.6	20.2
III.....	124.3	103.6	8.0	95.6	20.7
IV.....	128.0	106.8	8.0	98.8	21.2
1966—I ^p	131.3	109.5	8.0	101.5	21.8
II ^p	134.9	112.4	8.0	104.4	22.5
III ^p	138.0	115.0	8.0	107.0	23.0
IV ^p	140.6	117.3	8.0	109.3	23.3

NOTE.—Based on data from same sources as shown for "Mortgage Debt Outstanding" table (second preceding page), and for table immediately above.

TERMS ON CONVENTIONAL FIRST MORTGAGES

Period	New homes						Existing homes					
	Contract rate (per cent)	Fees & charges (per cent) ¹	Maturity (years)	Loan/price ratio (per cent)	Purchase price (thous. of dollars)	Loan amount (thous. of dollars)	Contract rate (per cent)	Fees & charges (per cent) ¹	Maturity (years)	Loan/price ratio (per cent)	Purchase price (thous. of dollars)	Loan amount (thous. of dollars)
1963.....	5.84	.64	24.0	73.3	22.5	16.3	5.98	.60	19.2	70.8	17.8	12.6
1964.....	5.78	.57	24.8	74.1	23.7	17.3	5.92	.55	20.0	71.3	18.9	13.4
1965.....	5.76	.54	24.8	74.1	24.7	18.1	5.89	.50	20.4	72.0	19.7	14.1
1966.....	6.11	.69	24.4	72.8	26.4	19.0	6.24	.59	20.0	65.1	20.4	14.4
1966—Mar.....	5.90	.56	24.7	74.3	25.8	18.9	6.01	.53	20.9	72.5	20.3	14.7
Apr.....	5.99	.57	24.6	73.9	25.1	18.2	6.09	.54	20.6	72.2	20.3	14.5
May.....	6.02	.57	24.7	73.4	26.5	19.2	6.16	.56	20.6	71.8	20.6	14.7
June.....	6.07	.57	24.8	74.4	26.7	19.7	6.18	.47	20.0	70.6	21.0	14.7
July.....	6.12	.67	24.2	72.1	27.1	19.3	6.24	.52	19.9	70.5	20.5	14.3
Aug.....	6.18	.83	25.4	74.0	27.0	20.1	6.35	.61	19.8	70.6	20.8	14.7
Sept.....	6.22	.83	24.3	71.1	27.3	19.0	6.40	.64	19.4	69.5	20.4	14.0
Oct.....	6.32	.80	23.6	71.0	27.3	19.2	6.49	.71	19.2	69.5	20.4	14.1
Nov.....	6.40	.89	23.6	71.5	26.5	18.7	6.50	.74	19.5	69.5	20.4	14.1
Dec.....	6.44	.91	23.2	71.4	26.5	18.6	6.52	.70	19.1	69.4	20.0	13.8
Dec. ²	6.49	1.26	23.3	72.3	25.6	18.5	6.55	.81	20.2	70.8	20.8	14.7
1967—Jan.....	6.47	1.17	23.8	73.3	26.3	19.3	6.54	.78	20.6	71.4	21.3	15.2
Feb.....	6.44	1.07	23.6	73.8	24.7	18.0	6.49	.75	20.4	71.7	21.5	15.2
Mar.....	6.42	1.05	23.6	74.1	25.6	18.7	6.44	.77	21.1	71.8	21.7	15.4

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

² New series currently available only beginning Dec. 1966, not strictly comparable with earlier data.

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 home-builders; and permanent loans that are coupled with construction loans to owner-builders. See also the table on Mortgages; New and Existing Homes, p. 816.

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	
1961.....	3.10	2.27	.50	.33	.29
1962.....	3.04	2.26	.50	.29	.30
1963.....	3.30	2.32	.60	.38	.34
1964.....	3.21	2.35	.55	.31	.38
1965.....	3.29	2.40	.55	.34	.40
1966.....	3.40	2.54	.54	.32	.36
1965—I.....	2.94	2.06	.54	.34	.37
II.....	3.00	2.18	.52	.30	.38
III.....	3.20	2.30	.56	.34	.38
IV.....	3.29	2.40	.55	.34	.40
1966—I.....	3.02	2.13	.55	.34	.38
II.....	2.95	2.16	.49	.30	.38
III.....	3.09	2.25	.52	.32	.36
IV.....	3.40	2.54	.54	.32	.36

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.

NONFARM MORTGAGE FORECLOSURES

Period	Number (thousands)	Rate (per cent of mortgaged structures)
1961.....	73.1	.37
1962.....	86.4	.42
1963.....	98.2	.45
1964.....	108.6	.48
1965.....	116.7	.49
1966.....	117.5	.48
1965—I.....	27.9	.48
II.....	30.1	.52
III.....	29.1	.50
IV.....	29.6	.50
1966—I.....	28.8	.48
II.....	30.8	.51
III.....	29.3	.48
IV.....	28.6	.46

NOTE.—Federal Home Loan Bank Board estimates of number of nonfarm mortgaged structures at end of period and of nonfarm properties acquired during period through foreclosure proceedings (excluding voluntary deeds in lieu of foreclosure and defaults on real estate contracts). Data exclude Alaska and Hawaii.

TOTAL CREDIT
(In millions of dollars)

End of period	Total	Instalment					Noninstalment			
		Total	Auto- mobile paper	Other consumer goods paper	Repair and mod- ernization loans ¹	Personal loans	Total	Single- payment loans	Charge accounts	Service credit
1939.....	7,222	4,503	1,497	1,620	298	1,088	2,719	787	1,414	518
1941.....	9,172	6,085	2,458	1,929	376	1,322	3,087	845	1,645	597
1945.....	5,665	2,462	455	816	182	1,009	3,203	746	1,612	845
1960.....	56,028	42,832	17,688	11,525	3,139	10,480	13,196	4,507	5,329	3,360
1961.....	57,678	43,527	17,223	11,857	3,191	11,256	14,151	5,136	5,324	3,691
1962.....	63,164	48,034	19,540	12,605	3,246	12,643	15,130	5,456	5,684	3,990
1963.....	70,461	54,158	22,433	13,856	3,405	14,464	16,303	6,117	5,871	4,315
1964.....	78,442	60,548	25,195	15,593	3,532	16,228	17,894	6,954	6,300	4,640
1965.....	87,884	68,565	28,843	17,693	3,675	18,354	19,319	7,682	6,746	4,891
1966.....	94,786	74,656	30,961	19,834	3,751	20,110	20,130	7,844	7,144	5,142
1966—Mar.....	87,059	68,827	29,248	17,450	3,597	18,532	18,232	7,795	5,393	5,044
Apr.....	88,184	69,543	29,597	17,597	3,602	18,747	18,641	7,836	5,670	5,135
May.....	89,092	70,209	29,908	17,732	3,642	18,927	18,883	7,925	5,860	5,098
June.....	90,070	71,194	30,402	17,959	3,677	19,156	18,876	7,901	5,908	5,067
July.....	90,650	71,862	30,680	18,165	3,711	19,306	18,788	7,844	5,888	5,056
Aug.....	91,483	72,640	30,918	18,390	3,755	19,577	18,843	7,849	5,973	5,021
Sept.....	91,639	72,829	30,793	18,564	3,771	19,701	18,810	7,814	5,993	5,003
Oct.....	91,899	73,073	30,852	18,714	3,770	19,737	18,826	7,768	6,107	4,951
Nov.....	92,498	73,491	30,937	18,945	3,772	19,837	19,007	7,807	6,199	5,001
Dec.....	94,786	74,656	30,961	19,834	3,751	20,110	20,130	7,844	7,144	5,142
1967—Jan.....	93,479	74,015	30,689	19,649	3,703	19,974	19,464	7,779	6,472	5,213
Feb.....	92,517	73,598	30,530	19,426	3,666	19,976	18,919	7,754	5,824	5,341
Mar.....	92,519	73,591	30,527	19,369	3,648	20,047	18,928	7,769	5,809	5,350

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

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

hold, family, and other personal expenditures, except real estate mortgage loans. For back figures and description of the data, see "Consumer Credit," Section 16 (New) of *Supplement to Banking and Monetary Statistics*, 1965, and May 1966 BULLETIN.

INSTALMENT CREDIT
(In millions of dollars)

End of period	Total	Financial institutions					Retail outlets						
		Total	Com- mercial banks	Sales finance cos.	Credit unions	Con- sumer finance ¹	Other ¹	Total	Depart- ment stores ²	Furni- ture stores	Appli- ance stores	Auto- mobile dealers ³	Other
1939.....	4,503	3,065	1,079	1,197	132	.....	657	1,438	354	439	183	123	339
1941.....	6,085	4,480	1,726	1,797	198	.....	759	1,605	320	496	206	188	395
1945.....	2,462	1,776	745	300	102	.....	629	686	131	240	17	28	270
1960.....	42,832	37,218	16,672	11,472	3,923	3,670	1,481	5,615	2,414	1,107	333	359	1,402
1961.....	43,527	37,935	17,008	11,273	4,330	3,799	1,525	5,595	2,421	1,058	293	342	1,481
1962.....	48,034	41,782	19,005	12,194	4,902	4,131	1,550	6,252	3,013	1,073	294	345	1,527
1963.....	54,158	47,405	22,023	13,523	5,622	4,590	1,647	6,753	3,427	1,086	287	328	1,625
1964.....	60,548	53,141	25,094	14,762	6,458	5,078	1,749	7,407	3,922	1,152	286	370	1,677
1965.....	68,565	60,273	29,173	16,138	7,512	5,606	1,844	8,292	4,488	1,235	302	447	1,820
1966.....	74,656	65,565	32,155	16,936	8,549	6,014	1,911	9,091	n.a.	n.a.	n.a.	490	n.a.
1966—Mar.....	68,827	60,863	29,684	16,106	7,593	5,630	1,850	7,964	n.a.	n.a.	n.a.	459	n.a.
Apr.....	69,543	61,539	30,127	16,191	7,711	5,670	1,840	8,004	n.a.	n.a.	n.a.	466	n.a.
May.....	70,209	62,178	30,507	16,263	7,839	5,695	1,874	8,031	n.a.	n.a.	n.a.	472	n.a.
June.....	71,194	63,097	31,013	16,454	8,009	5,742	1,879	8,097	n.a.	n.a.	n.a.	480	n.a.
July.....	71,862	63,745	31,398	16,585	8,093	5,791	1,878	8,117	n.a.	n.a.	n.a.	485	n.a.
Aug.....	72,640	64,454	31,737	16,732	8,238	5,846	1,901	8,186	n.a.	n.a.	n.a.	489	n.a.
Sept.....	72,829	64,613	31,778	16,759	8,324	5,858	1,894	8,216	n.a.	n.a.	n.a.	487	n.a.
Oct.....	73,073	64,792	31,878	16,771	8,391	5,863	1,889	8,281	n.a.	n.a.	n.a.	489	n.a.
Nov.....	73,491	65,046	31,978	16,790	8,480	5,881	1,917	8,445	n.a.	n.a.	n.a.	490	n.a.
Dec.....	74,656	65,565	32,155	16,936	8,549	6,014	1,911	9,091	n.a.	n.a.	n.a.	490	n.a.
1967—Jan.....	74,015	65,162	32,033	16,814	8,443	5,969	1,903	8,853	n.a.	n.a.	n.a.	488	n.a.
Feb.....	73,598	64,966	31,967	16,696	8,429	5,965	1,909	8,632	n.a.	n.a.	n.a.	485	n.a.
Mar.....	73,591	65,006	32,068	16,593	8,485	5,951	1,909	8,585	n.a.	n.a.	n.a.	486	n.a.

¹ Consumer finance companies included with "other" financial institutions until 1950.

² Includes mail-order houses.

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

See also NOTE to table above.

INSTALMENT CREDIT HELD BY COMMERCIAL BANKS
(In millions of dollars)

End of period	Total	Automobile paper		Other consumer goods paper	Repair and modernization loans	Personal loans
		Purchased	Direct			
1939	1,079	237	178	166	135	363
1941	1,726	447	338	309	161	471
1945	745	66	143	114	110	312
1960	16,672	5,316	2,820	2,759	2,200	3,577
1961	17,008	5,391	2,860	2,761	2,198	3,798
1962	19,005	6,184	3,451	2,824	2,261	4,285
1963	22,023	7,381	4,102	3,213	2,377	4,950
1964	25,094	8,691	4,734	3,670	2,457	5,542
1965	29,173	10,310	5,721	4,266	2,543	6,333
1966	32,155	11,370	6,165	5,101	2,567	6,952
1966—Mar.	29,684	10,533	5,885	4,351	2,476	6,439
Apr.	30,127	10,699	5,967	4,423	2,481	6,557
May	30,507	10,852	6,037	4,491	2,502	6,625
June	31,013	11,075	6,124	4,581	2,529	6,704
July	31,398	11,219	6,157	4,713	2,555	6,754
Aug.	31,737	11,339	6,172	4,795	2,580	6,851
Sept.	31,778	11,313	6,113	4,864	2,593	6,895
Oct.	31,878	11,353	6,132	4,910	2,593	6,890
Nov.	31,978	11,378	6,157	4,967	2,583	6,893
Dec.	32,155	11,370	6,165	5,101	2,567	6,952
1967—Jan.	32,033	11,267	6,148	5,176	2,532	6,910
Feb.	31,967	11,214	6,121	5,218	2,502	6,912
Mar.	32,068	11,234	6,153	5,242	2,486	6,953

See NOTE to first table on previous page.

INSTALMENT CREDIT HELD BY SALES FINANCE COMPANIES
(In millions of dollars)

End of period	Total	Auto- mobile paper	Other con- sumer goods paper	Repair and modern- ization loans	Per- sonal loans
1941	1,797	1,363	167	201	66
1945	300	164	24	58	54
1960	11,472	7,528	2,739	139	1,066
1961	11,273	6,811	3,100	161	1,201
1962	12,194	7,449	3,123	170	1,452
1963	13,523	8,228	3,383	158	1,754
1964	14,762	8,701	3,889	142	2,030
1965	16,138	9,241	4,429	123	2,345
1966	16,936	9,391	4,829	110	2,606
1966—Mar.	16,106	9,214	4,422	116	2,354
Apr.	16,191	9,261	4,448	114	2,368
May	16,263	9,289	4,479	113	2,382
June	16,454	9,395	4,538	111	2,410
July	16,585	9,457	4,579	112	2,437
Aug.	16,732	9,498	4,632	112	2,490
Sept.	16,759	9,427	4,693	112	2,527
Oct.	16,771	9,398	4,726	112	2,535
Nov.	16,790	9,395	4,736	110	2,549
Dec.	16,936	9,391	4,829	110	2,606
1967—Jan.	16,814	9,285	4,817	109	2,603
Feb.	16,696	9,215	4,773	107	2,601
Mar.	16,593	9,139	4,744	105	2,605

See NOTE to first table on previous page.

INSTALMENT CREDIT HELD BY OTHER
FINANCIAL INSTITUTIONS

(In millions of dollars)

End of period	Total	Auto- mobile paper	Other con- sumer goods paper	Repair and modern- ization loans	Per- sonal loans
1941	957	122	36	14	785
1945	731	54	20	14	643
1960	9,074	1,665	771	800	5,837
1961	9,654	1,819	743	832	6,257
1962	10,583	2,111	751	815	6,906
1963	11,859	2,394	835	870	7,760
1964	13,285	2,699	997	933	8,656
1965	14,962	3,124	1,153	1,009	9,676
1966	16,474	3,545	1,303	1,074	10,552
1966—Mar.	15,073	3,157	1,172	1,005	9,739
Apr.	15,221	3,204	1,188	1,007	9,822
May	15,408	3,258	1,203	1,027	9,920
June	15,630	3,328	1,223	1,037	10,042
July	15,762	3,362	1,241	1,044	10,115
Aug.	15,985	3,420	1,266	1,063	10,236
Sept.	16,076	3,453	1,278	1,066	10,279
Oct.	16,143	3,480	1,286	1,065	10,312
Nov.	16,278	3,517	1,287	1,079	10,395
Dec.	16,474	3,545	1,303	1,074	10,552
1967—Jan.	16,315	3,501	1,291	1,062	10,461
Feb.	16,303	3,495	1,288	1,057	10,463
Mar.	16,345	3,515	1,284	1,057	10,489

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

See also NOTE to first table on previous page.

NONINSTALMENT CREDIT

(In millions of dollars)

End of period	Total	Single- payment loans		Charge accounts			Service credit
		Com- mer- cial banks	Other finan- cial insti- tutions	De- part- ment stores ¹	Other retail outlets	Credit cards ²	
1941	3,087	693	152	275	1,370	597	
1945	3,203	674	72	290	1,322	845	
1960	13,196	3,884	623	941	3,952	436	3,360
1961	14,151	4,413	723	948	3,907	469	3,691
1962	15,130	4,690	766	927	4,252	505	3,990
1963	16,303	5,205	912	895	4,456	520	4,315
1964	17,894	5,950	1,004	909	4,756	635	4,640
1965	19,319	6,587	1,095	968	5,055	723	4,891
1966	20,130	6,714	1,130	n.a.	n.a.	874	5,142
1966—Mar.	18,232	6,676	1,119	n.a.	n.a.	755	5,044
Apr.	18,641	6,717	1,119	n.a.	n.a.	765	5,135
May	18,883	6,784	1,141	n.a.	n.a.	788	5,098
June	18,876	6,767	1,134	n.a.	n.a.	824	5,067
July	18,788	6,720	1,124	n.a.	n.a.	861	5,056
Aug.	18,843	6,718	1,131	n.a.	n.a.	916	5,021
Sept.	18,810	6,692	1,122	n.a.	n.a.	932	5,003
Oct.	18,826	6,656	1,112	n.a.	n.a.	898	4,951
Nov.	19,007	6,678	1,129	n.a.	n.a.	878	5,001
Dec.	20,130	6,714	1,130	n.a.	n.a.	874	5,142
1967—Jan.	19,464	6,659	1,120	n.a.	n.a.	908	5,213
Feb.	18,919	6,634	1,120	n.a.	n.a.	895	5,341
Mar.	18,928	6,647	1,122	n.a.	n.a.	898	5,350

¹ Includes mail-order houses.

² Service station and miscellaneous credit-card accounts and home-heating-oil accounts.

See also NOTE to first table on previous page.

INSTALMENT CREDIT EXTENDED AND REPAYED, BY TYPE OF CREDIT

(In millions of dollars)

Period	Total		Automobile paper		Other consumer goods paper		Repair and modernization loans		Personal loans	
	S.A. ¹	N.S.A.	S.A. ¹	N.S.A.	S.A. ¹	N.S.A.	S.A. ¹	N.S.A.	S.A. ¹	N.S.A.
Extensions										
1960.....		49,560		17,654		14,470		2,213		15,223
1961.....		48,396		16,007		14,578		2,068		15,744
1962.....		55,126		19,796		15,685		2,051		17,594
1963.....		61,295		22,292		17,102		2,198		19,703
1964.....		67,505		24,435		19,473		2,204		21,393
1965.....		75,508		27,914		21,454		2,238		23,902
1966.....		78,896		28,491		23,502		2,136		24,767
1966—Mar.....	6,673	6,865	2,479	2,676	1,959	1,890	183	174	2,052	2,125
Apr.....	6,505	6,658	2,302	2,486	1,958	1,874	180	178	2,065	2,120
May.....	6,472	6,694	2,298	2,526	1,933	1,898	186	215	2,055	2,055
June.....	6,675	7,236	2,419	2,746	1,944	2,013	189	215	2,123	2,262
July.....	6,732	6,670	2,383	2,466	2,050	1,945	189	203	2,110	2,056
Aug.....	6,689	7,025	2,431	2,543	1,995	2,023	187	225	2,076	2,234
Sept.....	6,578	6,189	2,387	2,070	1,958	1,935	175	187	2,058	1,997
Oct.....	6,522	6,403	2,378	2,369	1,941	1,949	166	171	2,037	1,914
Nov.....	6,657	6,611	2,461	2,346	1,947	2,044	166	168	2,083	2,053
Dec.....	6,433	7,442	2,297	2,178	1,928	2,720	159	140	2,049	2,404
1967—Jan.....	6,501	5,674	2,240	1,923	2,031	1,808	157	120	2,073	1,823
Feb.....	6,497	5,488	2,177	1,916	2,099	1,655	169	126	2,052	1,791
Mar.....	6,510	6,641	2,199	2,350	2,049	1,985	169	159	2,093	2,147
Repayments										
1960.....		45,972		16,384		13,574		1,883		14,130
1961.....		47,700		16,472		14,246		2,015		14,967
1962.....		50,620		17,478		14,939		1,996		16,206
1963.....		55,171		19,400		15,850		2,038		17,883
1964.....		61,121		21,676		17,737		2,078		19,630
1965.....		67,495		24,267		19,355		2,096		21,777
1966.....		72,805		26,373		21,361		2,060		23,011
1966—Mar.....	6,024	6,317	2,216	2,322	1,708	1,826	176	180	1,924	1,989
Apr.....	5,974	5,942	2,145	2,137	1,729	1,727	175	173	1,925	1,905
May.....	5,979	6,028	2,159	2,215	1,784	1,763	172	175	1,864	1,875
June.....	6,126	6,251	2,211	2,252	1,767	1,786	176	180	1,972	2,033
July.....	6,168	6,002	2,238	2,188	1,803	1,739	174	169	1,953	1,906
Aug.....	6,087	6,247	2,223	2,305	1,792	1,798	172	181	1,900	1,963
Sept.....	6,103	6,000	2,213	2,195	1,784	1,761	168	171	1,938	1,873
Oct.....	6,142	6,159	2,244	2,310	1,820	1,799	169	172	1,909	1,878
Nov.....	6,213	6,193	2,255	2,261	1,836	1,813	169	166	1,953	1,953
Dec.....	6,112	6,277	2,225	2,154	1,796	1,831	161	161	1,930	2,131
1967—Jan.....	6,221	6,315	2,202	2,195	1,882	1,993	167	168	1,970	1,959
Feb.....	6,281	5,905	2,217	2,075	1,915	1,878	176	163	1,973	1,789
Mar.....	6,246	6,648	2,193	2,353	1,899	2,042	170	177	1,984	2,076
Net change in credit outstanding ²										
1960.....		3,588		1,270		896		330		1,093
1961.....		696		-465		332		53		777
1962.....		4,506		2,318		746		55		1,388
1963.....		6,124		2,892		1,252		160		1,820
1964.....		6,384		2,759		1,736		126		1,763
1965.....		8,013		3,647		2,099		142		2,125
1966.....		6,091		2,118		2,141		76		1,756
1966—Mar.....	649	548	263	354	251	64	7	-6	128	136
Apr.....	531	716	157	349	229	147	5	5	140	215
May.....	493	666	139	311	149	135	14	40	191	180
June.....	549	985	208	494	177	227	13	35	151	229
July.....	564	668	145	278	247	206	15	34	157	150
Aug.....	602	778	208	238	203	225	15	44	176	271
Sept.....	475	189	174	-125	174	174	7	16	120	124
Oct.....	380	244	134	59	121	150	-3	-1	128	36
Nov.....	444	418	206	85	111	231	-3	2	130	100
Dec.....	321	1,165	72	24	132	889	-2	-21	119	273
1967—Jan.....	280	-641	38	-272	149	-185	-10	-48	103	-136
Feb.....	216	-417	-40	-159	184	-223	-7	-37	79	2
Mar.....	264	-7	6	-3	150	-57	-1	-18	109	71

¹ Includes adjustments for differences in trading days.² Net changes in credit outstanding are equal to extensions less repayments.

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

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

For back figures and description of the data, see "Consumer Credit," Section 16 (New) of *Supplement to Banking and Monetary Statistics, 1965*, and May 1966 BULLETIN.

INSTALMENT CREDIT EXTENDED AND REPAID, BY HOLDER
(In millions of dollars)

Period	Total		Commercial banks		Sales finance companies		Other financial institutions		Retail outlets	
	S.A. ¹	N.S.A.	S.A. ¹	N.S.A.	S.A. ¹	N.S.A.	S.A. ¹	N.S.A.	S.A. ¹	N.S.A.
Extensions										
1960.....	49,560		18,269		11,456		12,073		7,762	
1961.....	48,396		17,711		10,667		12,282		7,736	
1962.....	55,126		20,474		11,999		13,525		9,128	
1963.....	61,295		23,344		12,664		14,894		10,393	
1964.....	67,505		25,950		14,020		16,251		11,284	
1965.....	75,508		29,738		15,075		18,120		12,575	
1966.....	78,896		31,114		14,951		18,986		13,845	
1966—Mar.....	6,673	6,865	2,619	2,784	1,273	1,318	1,573	1,634	1,208	1,129
Apr.....	6,505	6,658	2,539	2,717	1,226	1,225	1,559	1,579	1,181	1,137
May.....	6,472	6,694	2,547	2,722	1,228	1,254	1,547	1,600	1,150	1,118
June.....	6,675	7,236	2,619	2,912	1,260	1,383	1,643	1,772	1,153	1,169
July.....	6,732	6,670	2,673	2,717	1,255	1,265	1,593	1,577	1,211	1,111
Aug.....	6,689	7,025	2,683	2,819	1,260	1,336	1,589	1,713	1,157	1,157
Sept.....	6,578	6,189	2,634	2,422	1,242	1,162	1,587	1,517	1,115	1,088
Oct.....	6,522	6,403	2,583	2,520	1,226	1,235	1,582	1,505	1,131	1,143
Nov.....	6,657	6,611	2,666	2,495	1,256	1,241	1,613	1,631	1,122	1,244
Dec.....	6,433	7,442	2,553	2,523	1,241	1,374	1,570	1,822	1,069	1,723
1967—Jan.....	6,501	5,674	2,588	2,348	1,190	1,033	1,563	1,333	1,160	960
Feb.....	6,497	5,488	2,537	2,231	1,215	1,032	1,577	1,349	1,168	876
Mar.....	6,510	6,641	2,558	2,662	1,199	1,229	1,598	1,649	1,155	1,101
Repayments										
1960.....	45,972		16,832		10,442		11,022		7,676	
1961.....	47,700		18,294		10,943		11,715		6,749	
1962.....	50,620		18,468		11,434		12,593		8,125	
1963.....	55,171		20,326		12,211		13,618		9,016	
1964.....	61,121		22,971		13,161		14,825		10,164	
1965.....	67,495		25,663		13,699		16,443		11,690	
1966.....	72,805		28,132		14,153		17,474		13,046	
1966—Mar.....	6,024	6,317	2,299	2,412	1,175	1,284	1,463	1,508	1,087	1,113
Apr.....	5,974	5,942	2,293	2,274	1,129	1,140	1,442	1,431	1,110	1,097
May.....	5,979	6,028	2,270	2,342	1,164	1,182	1,414	1,413	1,131	1,091
June.....	6,126	6,251	2,348	2,406	1,172	1,192	1,501	1,550	1,105	1,103
July.....	6,168	6,002	2,382	2,332	1,180	1,134	1,476	1,445	1,130	1,091
Aug.....	6,087	6,247	2,362	2,480	1,179	1,189	1,458	1,490	1,088	1,088
Sept.....	6,103	6,000	2,396	2,381	1,156	1,135	1,481	1,426	1,070	1,058
Oct.....	6,142	6,159	2,400	2,420	1,193	1,223	1,472	1,438	1,077	1,078
Nov.....	6,213	6,193	2,415	2,395	1,258	1,222	1,480	1,496	1,060	1,080
Dec.....	6,112	6,277	2,418	2,346	1,198	1,228	1,467	1,626	1,029	1,077
1967—Jan.....	6,221	6,315	2,435	2,470	1,190	1,155	1,500	1,492	1,096	1,198
Feb.....	6,281	5,905	2,446	2,297	1,188	1,150	1,510	1,361	1,137	1,097
Mar.....	6,246	6,648	2,412	2,561	1,187	1,332	1,540	1,607	1,107	1,148
Net change in credit outstanding ²										
1960.....	3,588		1,446		1,152		1,051		-61	
1961.....	696		335		-199		578		-20	
1962.....	4,506		1,997		921		932		656	
1963.....	6,124		3,018		1,329		1,276		501	
1964.....	6,384		3,065		1,239		1,426		654	
1965.....	8,013		4,075		1,376		1,677		885	
1966.....	6,091		2,982		798		1,512		799	
1966—Mar.....	649	548	320	372	98	34	110	126	121	16
Apr.....	531	716	246	443	97	85	117	148	71	40
May.....	493	666	277	380	64	72	133	187	19	27
June.....	549	985	271	506	88	191	142	222	48	66
July.....	564	668	291	385	75	131	117	132	81	20
Aug.....	602	778	321	339	81	147	131	223	69	69
Sept.....	475	189	238	41	86	27	106	91	45	30
Oct.....	380	244	183	100	33	12	110	67	54	65
Nov.....	444	418	251	100	-2	19	133	135	62	164
Dec.....	321	1,165	135	177	43	146	103	196	40	646
1967—Jan.....	280	-641	153	-122	0	-122	63	-159	64	-238
Feb.....	216	-417	91	-66	27	-118	67	-12	31	-221
Mar.....	264	-7	146	101	12	-103	58	42	48	-47

¹ Includes adjustments for differences in trading days.

² Net changes in credit outstanding are equal to extensions less repayments, except in certain months when data for extensions and repayments have been adjusted to eliminate duplication resulting from large transfers of paper. In those months the differences between extensions and re-

payments for some particular holders do not equal the changes in their outstanding credit. Such transfers do not affect total instalment credit extended, repaid, or outstanding.

See also NOTE to previous table.

MARKET GROUPINGS

(1957-59 = 100)

Grouping	1957-59 pro- por- tion	1966 aver- age ^P	1966										1967		
			Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Jan. ^r	Feb. ^r	Mar.
Total index.....	100.00	156.3	153.7	153.9	155.3	156.5	157.2	158.0	157.7	158.9	158.6	159.0	158.1	156.4	156.4
<i>Final products, total</i>	47.35	155.4	152.5	152.9	153.7	154.9	155.3	156.4	156.3	158.3	158.5	159.2	158.1	156.2	156.5
Consumer goods.....	32.31	147.4	146.2	146.4	146.2	147.1	146.5	147.1	146.5	148.8	148.8	149.1	147.8	145.2	145.8
Equipment, including defense.....	15.04	172.6	166.2	166.9	169.8	171.4	174.4	176.4	177.4	178.8	179.6	181.0	180.2	180.0	179.4
Materials.....	52.65	157.1	154.4	154.5	157.1	158.0	158.8	159.6	159.2	159.9	159.1	158.9	158.0	156.2	155.9
Consumer goods															
<i>Automotive products</i>	3.21	163.0	170.0	168.4	160.7	162.3	154.5	146.4	150.7	168.5	162.8	162.6	147.0	135.7	144.6
Autos.....	1.82	169.5	180.5	178.9	166.0	167.8	151.5	141.7	148.6	177.8	166.7	167.3	141.3	120.5	136.5
Auto parts and allied products.....	1.39	154.4	156.2	154.6	153.6	155.2	158.6	152.7	153.5	156.2	157.8	156.4	154.4	155.7	155.3
<i>Home goods and apparel</i>	10.00	153.0	151.3	153.8	154.0	153.8	152.3	152.8	151.3	153.2	153.2	151.7	151.5	148.1	147.3
Home goods.....	4.59	168.9	164.1	168.4	169.9	168.3	168.0	168.9	166.0	170.0	169.1	166.5	165.2	162.6	160.8
Appliances, TV, and radios.....	1.81	166.6	156.2	166.7	165.9	163.9	165.5	165.0	159.3	170.2	165.3	158.4	154.0	153.2	147.9
Appliances.....	1.33	166.7	150.6	167.9	165.5	165.2	171.1	166.7	160.1	171.7	162.4	151.9	150.2	149.8	144.6
TV and home radios.....	.47	166.3	171.8	163.0	166.9	160.3	149.8	160.2	157.1	166.0	173.7	176.7	164.8	162.9	157.2
Furniture and rugs.....	1.26	165.7	165.5	166.3	169.1	170.1	165.2	168.0	165.9	164.4	164.7	163.5	163.4	158.5	157.9
Miscellaneous home goods.....	1.52	174.2	172.5	172.2	175.5	171.9	173.2	174.2	173.9	174.5	177.1	178.7	179.8	177.0	178.5
Apparel, knit goods, and shoes.....	5.41	139.6	140.4	141.4	140.5	141.6	139.0	139.1	138.8	139.0	139.8	139.1	139.9	135.8	.....
<i>Consumer staples</i>	19.10	141.8	139.5	138.9	139.7	141.6	142.1	144.2	143.3	143.2	144.2	145.0	145.4	145.2	145.2
Processed foods.....	8.43	126.4	125.2	125.1	123.9	126.4	126.0	127.9	127.9	126.0	127.3	130.1	130.4	130.0	129.3
Beverages and tobacco.....	2.43	131.7	133.6	130.2	129.5	131.5	130.2	134.0	131.0	133.1	133.0	133.7	132.9	134.1	.....
Drugs, soap, and toiletries.....	2.97	174.4	168.6	167.3	173.4	174.7	174.5	175.4	176.1	178.7	181.3	178.5	179.0	180.3	180.5
Newspapers, magazines, and books.....	1.47	136.6	134.2	134.1	136.9	138.5	138.9	138.2	136.7	137.9	138.8	139.1	141.5	142.3	143.3
Consumer fuel and lighting.....	3.67	159.4	154.7	154.6	155.8	157.1	161.1	165.0	162.5	161.9	162.4	162.0	161.8	160.0	.....
Fuel oil and gasoline.....	1.20	128.6	125.2	128.4	128.7	128.6	128.8	129.1	131.8	134.0	129.8	129.2	125.5	125.2	127.8
Residential utilities.....	2.46	174.4	169.0	167.4	169.0	171.0	176.8	182.5	177.4	179.5	178.2	178.0	179.5	176.9	.....
Electricity.....	1.72	186.8	179.0	176.7	179.0	181.9	190.0	197.9	191.2	188.3	192.2	189.2	191.0	186.9	.....
Gas.....	.74	145.9	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Equipment															
<i>Business equipment</i>	11.63	181.2	175.4	175.9	178.3	180.0	182.7	184.4	185.7	187.2	187.5	189.3	187.4	186.5	184.6
Industrial equipment.....	6.85	172.2	167.4	167.3	168.5	171.0	174.9	176.3	177.0	178.4	178.1	179.1	177.7	176.7	174.6
Commercial equipment.....	2.42	190.0	184.2	186.4	190.1	191.0	189.8	194.1	194.8	195.5	196.9	196.0	196.7	199.8	199.0
Freight and passenger equipment.....	1.76	208.5	198.9	201.3	204.9	205.7	208.8	208.1	209.2	212.7	216.9	220.3	214.5	215.0	211.2
Farm equipment.....	.61	167.0	163.0	157.6	164.7	168.2	167.5	169.1	178.9	180.3	170.7	179.5	176.1	161.7	.....
<i>Defense equipment</i>	3.41	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Materials															
<i>Durable goods materials</i>	26.73	157.4	155.6	156.7	157.7	159.3	159.1	160.1	159.8	159.8	158.5	156.4	153.9	152.0	152.4
Consumer durable.....	3.43	170.3	169.1	169.0	166.0	165.2	162.8	173.6	174.0	176.2	173.8	165.4	154.6	148.4	145.4
Equipment.....	7.84	180.7	171.9	173.6	177.1	179.1	183.7	187.9	189.1	189.7	191.0	190.3	190.6	186.5	185.8
Construction.....	9.17	141.6	146.1	144.3	141.8	142.3	141.0	140.2	139.8	138.5	138.5	138.2	138.9	139.4	140.4
Metal materials n.e.c.....	6.29	144.4	147.1	145.1	144.8	148.0	146.9	145.3	142.7	145.2	139.6	139.5	139.6	140.1	137.9
<i>Nondurable materials</i>	25.92	156.9	153.1	152.3	156.5	158.0	158.6	159.1	158.6	159.9	159.9	161.4	161.7	160.5	159.5
Business supplies.....	9.11	148.9	146.0	145.3	147.8	150.3	149.9	150.1	150.7	151.6	150.9	153.0	153.4	152.2	151.0
Containers.....	3.03	145.4	145.2	142.4	146.1	146.4	143.2	143.4	147.4	145.3	147.2	151.1	146.5	147.5	145.3
General business supplies.....	6.07	150.7	146.4	146.7	148.6	152.2	153.2	153.4	152.4	154.8	152.8	154.0	156.8	154.6	153.9
Nondurable materials n.e.c.....	7.40	192.8	186.3	188.4	192.0	192.9	194.5	195.6	193.8	197.1	198.7	198.1	199.3	197.3	195.0
<i>Business fuel and power</i>	9.41	136.3	133.9	130.8	136.9	138.0	138.7	138.9	138.6	138.7	138.0	139.7	140.1	139.7	139.9
Mineral fuels.....	6.07	122.2	120.5	114.9	123.8	124.9	124.6	124.9	123.7	124.9	123.1	125.1	124.7	124.5	124.6
Nonresidential utilities.....	2.86	173.5	168.6	170.6	171.2	172.2	174.6	175.9	176.7	174.8	175.7	177.5	179.7	179.3	.....
Electricity.....	2.32	174.5	170.3	172.2	172.8	173.8	176.7	178.2	179.1	176.7	177.8	179.0	181.8	181.3	.....
General industrial.....	1.03	171.6	165.6	168.2	170.0	170.1	174.6	176.3	177.0	177.6	176.7	177.1	178.8	177.4	.....
Commercial and other.....	1.21	184.3	181.0	182.6	182.0	184.1	186.2	187.5	188.5	183.6	186.4	188.4	192.4	192.8	.....
Gas.....	.54	164.4	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Supplementary groups of consumer goods															
Automotive and home goods.....	7.80	166.5	166.6	168.4	166.1	165.8	162.5	159.6	159.7	169.4	166.5	164.9	157.7	151.5	154.1
Apparel and staples.....	24.51	141.4	139.7	139.4	139.8	141.6	141.4	143.0	142.3	142.2	143.3	143.7	144.2	143.2	.....

For notes see opposite page.

INDUSTRY GROUPINGS

(1957-59 = 100)

Grouping	1957-59 pro- por- tion	1966 aver- age ^p	1966										1967		
			Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Jan. ^r	Feb. ^r	Mar.
Total index.....	100.00	156.3	153.7	153.9	155.3	156.5	157.2	158.0	157.7	158.9	158.6	159.0	158.1	156.4	156.4
<i>Manufacturing, total.....</i>	<i>86.45</i>	<i>158.7</i>	<i>155.9</i>	<i>156.6</i>	<i>157.6</i>	<i>158.9</i>	<i>159.4</i>	<i>160.1</i>	<i>160.0</i>	<i>161.5</i>	<i>161.0</i>	<i>161.3</i>	<i>160.1</i>	<i>158.3</i>	<i>158.3</i>
Durable.....	48.07	165.1	161.9	162.9	164.2	165.4	166.1	167.1	167.3	169.1	167.3	167.6	165.5	163.0	163.2
Nondurable.....	38.38	150.7	148.5	148.7	149.4	150.7	151.3	151.3	150.9	151.9	151.1	153.5	153.3	152.4	152.1
Mining.....	8.23	120.3	120.0	115.6	120.7	122.0	122.0	122.1	121.0	121.6	121.0	123.0	123.0	123.1	122.5
Utilities.....	5.32	173.4	168.8	169.1	170.2	171.7	175.7	179.0	177.0	175.2	176.9	177.7	179.6	178.2	179.5
Durable manufactures															
<i>Primary and fabricated metals.....</i>	<i>12.32</i>	<i>151.5</i>	<i>150.5</i>	<i>150.7</i>	<i>153.7</i>	<i>154.0</i>	<i>154.5</i>	<i>154.2</i>	<i>153.6</i>	<i>153.4</i>	<i>149.9</i>	<i>150.4</i>	<i>147.0</i>	<i>146.3</i>	<i>145.3</i>
Primary metals.....	6.95	142.7	141.8	142.4	146.5	148.0	148.6	148.7	146.4	145.0	138.4	136.2	131.9	131.6	131.1
Iron and steel.....	5.45	136.2	136.7	138.8	141.1	142.1	143.3	142.2	139.0	137.5	132.4	130.1	124.9	124.6	124.3
Nonferrous metals and products.....	1.50	166.5	174.5	166.0	165.0	166.2	162.4	162.1	164.7	168.2	161.7	163.5	163.2	166.7	168.6
Fabricated metal products.....	5.37	162.8	161.7	161.4	162.9	161.8	162.1	161.4	163.0	164.2	164.7	168.7	166.6	165.3	163.6
Structural metal parts.....	2.86	158.8	158.9	159.1	158.4	158.8	157.7	158.8	158.6	159.0	160.2	161.4	160.7	160.9	160.1
<i>Machinery and related products.....</i>	<i>27.98</i>	<i>176.5</i>	<i>170.8</i>	<i>172.4</i>	<i>173.7</i>	<i>175.5</i>	<i>177.4</i>	<i>179.0</i>	<i>179.8</i>	<i>183.4</i>	<i>181.9</i>	<i>182.0</i>	<i>179.6</i>	<i>176.0</i>	<i>176.7</i>
Machinery.....	14.80	183.8	176.1	178.6	180.6	182.8	186.6	189.6	188.8	191.1	189.0	189.5	189.2	186.3	183.7
Nonelectrical machinery.....	8.43	181.9	174.0	174.5	177.7	180.3	184.7	186.7	188.6	189.9	188.2	190.4	190.7	187.1	184.8
Electrical machinery.....	6.37	186.5	178.9	184.1	184.4	186.0	189.1	193.4	189.2	192.6	190.1	188.3	187.2	185.1	182.3
Transportation equipment.....	10.19	168.3	166.1	165.9	165.8	167.1	166.0	166.0	168.3	174.6	172.9	171.5	164.6	159.4	164.3
Motor vehicles and parts.....	4.68	171.3	176.9	176.1	169.9	169.4	161.2	158.1	164.6	175.7	170.7	169.0	151.5	140.6	148.0
Aircraft and other equipment.....	5.26	165.2	155.8	156.4	161.9	164.7	169.6	172.5	171.1	173.7	174.6	173.7	176.0	175.6	178.4
Instruments and related products.....	1.71	176.5	171.9	174.6	176.4	176.5	177.0	177.4	179.5	181.8	181.4	184.6	186.2	183.4	185.9
Ordnance and accessories.....	1.28														
<i>Clay, glass, and lumber.....</i>	<i>4.72</i>	<i>132.9</i>	<i>138.0</i>	<i>137.8</i>	<i>133.3</i>	<i>134.4</i>	<i>131.7</i>	<i>129.8</i>	<i>129.8</i>	<i>128.1</i>	<i>126.6</i>	<i>128.1</i>	<i>129.3</i>	<i>129.6</i>	<i>130.0</i>
Clay, glass, and stone products.....	2.99	140.7	143.0	141.9	139.5	141.0	138.5	140.5	141.2	137.8	136.5	136.9	137.2	136.9	136.1
Lumber and products.....	1.73	119.3	129.3	130.7	122.7	122.9	119.9	111.3	110.0	111.3	109.5	112.8	115.7	116.9	119.4
<i>Furniture and miscellaneous.....</i>	<i>3.05</i>	<i>165.0</i>	<i>162.9</i>	<i>163.5</i>	<i>166.7</i>	<i>167.0</i>	<i>163.5</i>	<i>167.1</i>	<i>165.9</i>	<i>165.3</i>	<i>166.3</i>	<i>167.5</i>	<i>166.3</i>	<i>163.9</i>	<i>162.3</i>
Furniture and fixtures.....	1.54	171.9	168.8	169.6	173.8	174.6	169.7	175.3	173.2	173.2	173.9	174.0	172.1	170.6	166.6
Miscellaneous manufactures.....	1.51	157.9	156.8	157.2	159.5	159.3	157.2	158.7	158.4	157.2	158.5	160.9	160.3	157.1	157.9
Nondurable manufactures															
<i>Textiles, apparel, and leather.....</i>	<i>7.60</i>	<i>141.6</i>	<i>141.1</i>	<i>142.6</i>	<i>142.0</i>	<i>143.4</i>	<i>141.6</i>	<i>140.1</i>	<i>140.2</i>	<i>140.9</i>	<i>140.8</i>	<i>141.3</i>	<i>139.8</i>	<i>136.4</i>	<i>135.6</i>
Textile mill products.....	2.90	142.3	142.0	143.5	143.7	144.0	143.4	142.1	141.7	142.4	141.8	141.4	139.3	136.7	136.0
Apparel products.....	3.59	150.3	149.4	150.3	149.9	152.0	149.7	147.7	148.4	148.1	149.3	150.5	150.2	146.4	.....
Leather and products.....	1.11	111.9	112.2	115.5	112.1	114.2	111.1	110.4	109.9	113.9	110.8	111.1	107.7	103.6	.....
<i>Paper and printing.....</i>	<i>8.17</i>	<i>146.3</i>	<i>144.2</i>	<i>143.5</i>	<i>146.6</i>	<i>148.3</i>	<i>149.6</i>	<i>148.6</i>	<i>147.2</i>	<i>147.9</i>	<i>148.5</i>	<i>147.4</i>	<i>149.0</i>	<i>148.7</i>	<i>148.6</i>
Paper and products.....	3.43	152.1	150.2	150.2	153.0	154.1	156.2	153.1	151.2	153.3	153.7	152.6	154.0	152.4	150.5
Printing and publishing.....	4.74	142.2	139.8	138.6	142.1	144.1	144.8	145.3	144.3	144.1	144.7	143.7	145.5	146.1	147.2
Newspapers.....	1.53	134.2	133.1	128.5	133.8	135.4	136.3	137.7	139.1	135.7	135.2	133.2	133.7	134.8	130.9
<i>Chemicals, petroleum, and rubber.....</i>	<i>11.54</i>	<i>181.7</i>	<i>176.6</i>	<i>177.3</i>	<i>179.3</i>	<i>180.1</i>	<i>182.0</i>	<i>182.4</i>	<i>182.8</i>	<i>186.1</i>	<i>187.8</i>	<i>187.3</i>	<i>186.7</i>	<i>186.8</i>	<i>186.8</i>
Chemicals and products.....	7.58	193.0	187.8	187.7	191.4	192.7	194.5	194.4	193.5	196.9	199.4	198.7	198.6	200.0	200.5
Industrial chemicals.....	3.84	220.1	213.7	215.4	218.2	219.9	222.0	222.2	220.5	224.1	227.5	228.8	228.5	229.8	.....
Petroleum products.....	1.97	128.4	125.6	127.7	127.4	127.7	126.9	128.5	130.6	131.2	129.1	129.0	128.7	126.7	128.9
Rubber and plastics products.....	1.99	191.9	184.5	186.9	184.3	184.1	188.7	190.3	193.6	199.2	202.0	201.6	198.8	196.3	.....
<i>Foods, beverages, and tobacco.....</i>	<i>11.07</i>	<i>127.7</i>	<i>127.4</i>	<i>126.9</i>	<i>125.5</i>	<i>126.8</i>	<i>127.2</i>	<i>128.5</i>	<i>127.9</i>	<i>126.7</i>	<i>128.8</i>	<i>131.0</i>	<i>130.9</i>	<i>130.5</i>	<i>130.1</i>
Foods and beverages.....	10.25	128.4	127.5	127.8	126.1	127.1	128.1	129.2	128.5	127.5	129.7	132.0	131.9	131.3	130.8
Food manufactures.....	8.64	126.6	125.7	126.0	124.4	125.5	126.4	127.0	127.0	124.9	127.6	130.3	130.4	129.5	129.5
Beverages.....	1.61	137.8	137.0	137.5	135.4	135.9	137.2	141.1	136.4	141.4	141.1	141.0	140.2	141.1	.....
Tobacco products.....	.82	119.8	126.8	115.8	117.9	122.7	116.5	119.9	120.5	116.9	117.2	119.3	118.5	120.2	.....
Mining															
<i>Coal, oil, and gas.....</i>	<i>6.80</i>	<i>117.6</i>	<i>116.7</i>	<i>111.6</i>	<i>118.8</i>	<i>119.5</i>	<i>119.5</i>	<i>119.7</i>	<i>118.8</i>	<i>119.8</i>	<i>118.4</i>	<i>120.1</i>	<i>119.6</i>	<i>119.8</i>	<i>118.9</i>
Coal.....	1.16	115.2	117.7	85.3	116.9	120.7	120.8	120.7	114.7	121.5	114.0	125.2	120.7	115.7	115.1
Crude oil and natural gas.....	5.64	118.0	116.5	117.0	119.1	119.3	119.2	119.6	119.6	119.5	119.3	119.0	119.3	120.6	119.6
Oil and gas extraction.....	4.91	123.8	121.2	121.9	125.5	125.9	125.5	125.9	125.6	125.2	125.1	125.7	125.7	126.6	126.8
Crude oil.....	4.25	119.4	117.0	117.2	121.3	121.4	120.9	121.2	121.3	121.1	120.8	120.8	121.0	121.4	121.8
Gas and gas liquids.....	.66	151.7	148.1	152.2	152.2	154.4	155.1	155.5	154.4	154.6	153.3	152.3	155.7	.....	.....
Oil and gas drilling.....	.73	79.2	84.4	83.6	76.2	74.6	76.4	77.0	77.9	77.9	79.2	78.1	76.3	80.5	71.0
<i>Metal, stone, and earth minerals.....</i>	<i>1.43</i>	<i>133.2</i>	<i>136.0</i>	<i>134.6</i>	<i>130.1</i>	<i>133.7</i>	<i>133.8</i>	<i>133.1</i>	<i>131.4</i>	<i>129.9</i>	<i>133.2</i>	<i>137.1</i>	<i>139.4</i>	<i>138.9</i>	<i>140.1</i>
Metal mining.....	.61	132.7	134.5	139.7	133.6	134.2	134.0	132.1	128.6	129.4	133.0	134.2	140.3	142.1	144.2
Stone and earth minerals.....	.82	133.5	137.1	130.9	127.5	133.3	133.7	133.8	133.5	130.3	133.4	139.3	138.7	136.6	137.1
Utilities															
Electric.....	4.04	179.7	174.0	174.1	175.5	177.2	182.4	186.5	184.2	181.7	183.9	183.4	185.7	183.7	.....
Gas.....	1.28	156.1	153.4	154.4	155.0	155.7	156.9	157.6	158.5	159.1	159.5	160.0	.....	.....	.....

NOTE.—Published groupings include some series and subtotals not shown separately. A description and historical data are available in

Industrial Production 1957-59 Base. Figures for individual series and subtotals (N.S.A.) are published in the monthly Business Indexes release.

MARKET GROUPINGS

(1957-59 = 100)

Grouping	1957-59 pro- por- tion	1966 aver- age ^p	1966										1967		
			Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Jan. ^r	Feb. ^r	Mar.
Total index	100.00	156.3	154.6	154.8	156.0	159.3	150.9	156.8	161.3	163.8	160.2	157.1	156.6	156.7	157.4
<i>Final products, total</i>	47.35	155.4	153.4	152.6	152.9	157.8	150.0	154.7	161.2	164.7	160.0	157.2	156.8	156.5	157.1
Consumer goods	32.31	147.4	146.7	145.5	144.8	150.0	139.8	146.0	153.6	157.8	151.3	145.5	145.7	145.5	146.2
Equipment, including defense	15.04	172.6	167.8	167.9	170.3	174.6	172.0	173.5	177.8	179.4	178.7	182.4	180.6	180.1	180.7
Materials	52.65	157.1	155.7	156.7	158.7	160.7	151.8	158.7	161.3	163.1	160.4	157.0	156.4	157.0	157.7
Consumer goods															
<i>Automotive products</i>	3.21	163.0	180.9	178.6	170.9	174.2	127.5	86.2	153.6	185.4	177.4	165.5	154.6	142.2	151.8
Autos	1.82	169.5	202.2	196.8	184.3	190.4	112.1	32.6	150.1	202.7	193.4	175.7	155.4	132.6	151.5
Auto parts and allied products	1.39	154.4	153.0	154.8	153.3	152.8	147.7	156.9	158.3	162.5	156.3	152.1	153.7	154.8	152.2
<i>Home goods and apparel</i>	10.00	153.0	156.0	155.3	153.3	156.4	138.9	152.8	156.2	165.2	156.6	146.5	146.8	153.3	152.1
Home goods	4.59	168.9	167.0	169.2	169.2	170.5	152.8	164.1	174.4	184.6	176.5	170.9	162.3	166.0	164.2
Appliances, TV, and radios	1.81	166.6	166.4	174.2	169.4	171.7	140.8	149.3	170.9	191.6	173.1	163.1	153.1	166.9	159.5
Appliances	1.33	166.7	165.2	179.9	174.5	177.2	150.5	145.8	168.1	190.1	163.0	155.2	153.4	165.2	160.8
TV and home radios	.47	166.3	169.9	158.3	154.7	156.3	113.4	159.1	178.9	195.9	201.5	185.5	152.3	171.4	155.5
Furniture and rugs	1.26	165.7	163.5	161.6	162.7	167.2	157.3	171.0	170.5	173.0	170.8	169.6	159.8	156.6	156.0
Miscellaneous home goods	1.52	174.2	170.6	169.6	174.4	171.9	163.3	175.9	181.7	186.0	185.2	181.4	175.3	172.6	176.5
Apparel, knit goods, and shoes	5.41	139.6	146.7	143.5	139.8	144.4	127.2	143.3	140.9	148.7	139.8	125.9	133.6	142.6	.....
Consumer staples	19.10	141.8	136.1	134.8	136.0	142.5	142.3	152.4	152.1	149.3	144.2	141.6	143.7	142.0	142.1
Processed foods	8.43	126.4	116.8	117.1	117.7	123.9	125.4	138.2	144.5	139.9	132.8	126.6	123.9	121.5	120.6
Beverages and tobacco	2.43	131.7	130.7	131.6	139.0	150.2	136.4	145.0	134.4	137.1	126.3	115.4	117.0	122.7	.....
Drugs, soap, and toiletries	2.97	174.4	166.7	167.3	171.8	180.8	167.5	181.2	179.6	185.0	183.1	177.6	180.8	180.3	180.5
Newspapers, magazines, and books	1.47	136.6	136.2	134.6	136.5	137.9	137.5	139.9	137.9	137.8	137.0	138.8	140.2	141.7	145.4
Consumer fuel and lighting	3.67	159.4	158.6	150.2	146.4	150.7	166.3	171.8	164.8	154.1	153.0	165.5	177.2	170.3	.....
Fuel oil and gasoline	1.20	128.6	123.9	121.7	124.4	127.1	131.1	132.9	131.9	130.6	129.0	132.2	130.8	128.4	126.4
Residential utilities	2.46	174.4	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Electricity	1.72	186.8	188.3	171.9	162.0	169.2	199.5	209.8	196.2	174.0	172.8	194.5	220.2	206.7	.....
Gas	.74	145.9	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Equipment															
<i>Business equipment</i>	11.63	181.2	177.7	177.6	179.3	184.3	180.3	181.2	186.1	187.5	185.3	189.8	187.3	186.6	186.4
Industrial equipment	6.85	172.2	167.6	167.3	168.7	174.6	173.2	175.8	178.6	177.3	175.6	180.2	177.7	175.8	174.8
Commercial equipment	2.42	190.0	182.5	182.9	187.8	191.6	187.1	194.1	197.7	198.8	200.8	200.3	196.9	198.4	197.2
Freight and passenger equipment	1.76	208.5	207.9	209.4	211.0	213.9	208.8	199.8	206.1	218.0	212.6	218.1	214.5	215.0	217.5
Farm equipment	.61	167.0	185.1	179.9	173.6	179.3	149.8	136.4	167.3	169.1	154.3	174.9	179.3	179.5	.....
<i>Defense equipment</i>	3.41	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Materials															
<i>Durable goods materials</i>	26.73	157.4	155.9	158.3	160.0	162.4	152.1	158.4	162.7	163.5	159.6	155.4	153.0	152.2	153.3
Consumer durable	3.43	170.3	174.2	174.1	171.0	166.9	141.6	158.0	174.0	178.8	179.0	173.7	160.0	150.6	149.8
Equipment	7.84	180.7	173.8	175.5	178.3	180.9	178.0	182.3	187.2	189.1	191.2	193.2	192.3	188.2	187.8
Construction	9.17	141.6	137.3	142.9	145.3	151.5	146.6	150.0	148.2	146.1	138.2	131.3	128.5	129.6	133.4
Metal materials n.e.c.	6.29	144.4	150.6	150.9	152.8	152.7	133.7	141.1	147.0	148.7	140.7	133.4	136.0	141.4	141.2
Nondurable materials	25.92	156.9	155.6	155.0	157.4	159.1	151.4	159.0	159.9	162.6	161.2	158.6	159.8	161.8	162.3
Business supplies	9.11	148.9	148.7	149.4	150.3	151.8	141.4	149.8	153.9	157.7	153.1	147.9	148.0	151.6	153.8
Containers	3.03	145.4	145.9	147.5	147.6	150.9	142.5	152.0	152.4	152.7	143.1	134.0	139.2	145.7	146.0
General business supplies	6.07	150.7	150.1	150.4	151.6	152.2	140.9	148.8	154.7	160.2	158.1	154.8	152.4	154.6	157.7
Nondurable materials n.e.c.	7.40	192.8	191.0	194.1	194.9	195.8	183.4	192.7	192.8	198.1	200.7	195.1	198.3	201.2	199.9
Business fuel and power	9.41	136.3	134.4	129.7	134.8	137.2	135.8	141.4	139.9	139.5	137.9	140.1	141.0	140.7	140.9
Mineral fuels	6.07	122.2	123.2	116.3	122.6	122.7	116.6	123.4	122.3	125.7	124.6	126.9	126.9	128.3	127.4
Nonresidential utilities	2.86	173.5	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Electricity	2.32	174.5	164.8	164.1	167.8	176.8	187.0	191.9	188.3	177.8	173.5	175.2	178.9	174.3	.....
General industrial	1.03	171.6	164.8	166.0	170.0	173.5	173.7	179.8	179.7	178.0	176.7	175.3	177.9	172.8	.....
Commercial and other	1.21	184.3	171.2	168.9	172.4	186.9	206.7	210.9	204.0	185.4	178.2	182.7	187.6	183.2	.....
Gas	.54	164.4	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Supplementary groups of consumer goods															
Automotive and home goods	7.80	166.5	172.7	173.1	169.9	172.0	142.4	132.0	165.8	184.9	176.9	168.7	159.1	156.2	159.1
Apparel and staples	24.51	141.4	138.5	136.7	136.9	142.9	139.0	150.4	149.6	149.2	143.2	138.1	141.5	142.2	.....

For notes see opposite page.

INDUSTRY GROUPINGS
(1957-59=100)

Grouping	1957-59 pro- por- tion	1966 aver- age ^a	1966										1967		
			Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Jan. *	Feb. *	Mar.
Total index	100.00	156.3	154.6	154.8	156.0	159.3	150.9	156.8	161.3	163.8	160.2	157.1	156.6	156.7	157.4
<i>Manufacturing, total</i>	86.45	158.7	157.1	157.9	158.9	162.2	152.1	158.0	163.6	167.1	163.3	159.2	158.0	158.5	159.4
Durable	48.07	165.1	163.9	164.9	166.1	169.0	158.2	160.4	169.5	173.2	170.2	168.3	164.7	163.5	165.0
Nondurable	38.38	150.7	148.6	149.2	149.8	153.8	144.4	155.0	156.3	159.6	154.8	147.7	149.7	152.2	152.4
Mining	8.23	120.3	118.7	115.5	121.3	122.7	118.2	123.6	122.8	124.3	121.5	122.1	121.3	122.4	121.3
Utilities	5.32	173.4													
Durable manufactures															
<i>Primary and fabricated metals</i>	12.32	151.5	153.7	154.2	155.5	156.3	143.8	151.2	156.1	156.3	151.8	147.7	146.8	148.1	148.1
Primary metals	6.95	142.7	150.6	150.5	150.3	149.5	131.5	139.5	144.8	146.4	139.8	132.1	134.5	139.1	139.2
Iron and steel	5.45	136.2	143.5	144.3	143.9	142.1	127.5	133.7	139.0	139.6	133.7	126.8	127.4	130.8	130.5
Nonferrous metals and products	1.50	166.5	176.4	172.3	173.7	176.5	146.2	160.5	165.9	171.4	161.7	151.1	160.4	169.2	170.5
Fabricated metal products	5.37	162.8	157.8	159.0	162.1	165.0	159.7	166.2	170.8	169.1	167.3	167.9	162.6	159.8	159.7
Structural metal parts	2.86	158.8	152.7	154.3	157.6	162.0	157.7	162.8	164.9	163.8	162.6	163.0	157.5	154.5	153.9
<i>Machinery and related products</i>	27.98	176.5	174.3	175.0	175.9	179.1	168.1	166.4	180.2	186.7	185.2	185.7	181.0	178.1	179.8
Machinery	14.80	183.8	179.2	180.8	182.2	186.5	178.1	183.2	190.0	193.0	189.8	192.2	189.1	188.3	187.0
Nonelectrical machinery	8.43	181.9	178.9	179.7	182.1	184.6	180.1	179.8	186.1	186.5	185.2	191.7	190.7	189.7	190.0
Electrical machinery	6.37	186.5	179.6	182.4	182.5	189.0	175.6	187.8	195.2	201.5	196.0	192.9	186.8	186.6	183.0
Transportation equipment	10.19	168.3	171.3	170.6	169.7	171.4	153.5	140.5	167.4	180.3	180.0	177.2	168.9	162.3	168.2
Motor vehicles and parts	4.68	171.3	187.2	185.0	178.5	180.9	138.5	106.3	163.7	187.1	183.6	174.7	159.5	146.6	155.3
Aircraft and other equipment	5.26	165.2	156.6	157.2	161.3	162.4	165.5	169.4	170.4	174.6	177.2	179.8	177.8	176.0	179.3
Instruments and related products	1.71	176.5	171.0	170.2	174.6	178.3	175.2	178.8	181.5	183.8	184.7	186.8	184.0	182.5	185.0
Ordnance and accessories	1.28														
<i>Clay, glass, and lumber</i>	4.72	132.9	131.6	136.5	138.0	143.6	137.2	142.0	139.3	136.2	126.9	118.1	116.8	120.5	124.7
Clay, glass, and stone products	2.99	140.7	136.6	141.3	144.5	151.3	147.2	152.0	149.2	145.4	138.5	129.4	125.5	123.3	131.3
Lumber and products	1.73	119.3	122.8	128.1	126.7	130.3	119.9	124.7	122.1	120.2	106.8	98.7	101.8	112.2	113.4
<i>Furniture and miscellaneous</i>	3.05	165.0	159.9	159.2	162.9	167.3	159.1	171.9	172.0	174.8	174.2	169.7	161.0	158.7	159.4
Furniture and fixtures	1.54	171.9	166.8	165.0	168.6	174.3	167.2	180.2	178.4	179.8	178.8	178.4	168.7	166.3	164.6
Miscellaneous manufactures	1.51	157.9	152.9	153.3	157.1	160.1	150.9	163.5	165.5	169.8	169.6	160.9	153.1	150.8	154.0
Nondurable manufactures															
<i>Textiles, apparel, and leather</i>	7.60	141.6	147.7	146.2	143.8	145.7	127.2	143.9	141.1	148.5	141.5	130.0	137.9	143.9	142.3
Textile mill products	2.90	142.3	143.4	146.4	148.7	147.6	129.1	145.7	141.7	146.7	142.5	131.5	140.0	140.8	137.4
Apparel products	3.59	150.3	160.6	156.3	149.9	154.3	134.0	150.7	149.9	159.9	150.8	137.0	145.7	150.7	.....
Leather and products	1.11	111.9	117.8	113.2	111.5	113.1	100.0	117.6	111.5	116.7	108.6	103.7	107.2	110.8	.....
<i>Paper and printing</i>	8.17	146.3	145.9	146.5	147.9	148.2	140.2	146.6	149.2	154.9	151.6	144.2	146.1	149.3	150.7
Paper and products	3.43	152.1	153.2	154.7	153.8	154.9	143.7	153.1	153.5	163.3	154.5	140.4	151.7	156.2	153.5
Printing and publishing	4.74	142.2	140.7	140.5	143.5	143.3	137.7	141.9	146.0	148.8	149.5	146.9	142.0	144.4	148.7
Newspapers	1.53	134.2	135.1	136.8	142.6	136.1	118.6	126.0	138.4	145.6	148.7	136.5	123.0	129.0	134.8
<i>Chemicals, petroleum, and rubber</i>	11.54	181.7	178.2	180.7	181.0	186.0	174.7	183.3	185.3	189.7	187.8	184.0	185.7	188.3	188.7
Chemicals and products	7.58	193.0	189.4	192.7	193.7	198.3	187.4	194.9	195.3	198.7	200.4	196.3	197.6	201.4	203.0
Industrial chemicals	3.84	220.1	216.9	220.8	220.4	223.2	214.2	218.9	221.6	224.1	230.9	228.8	227.4	233.2	.....
Petroleum products	1.97	128.4	121.2	122.6	126.1	131.5	133.6	135.3	134.1	132.5	127.4	125.9	124.8	124.2	124.4
Rubber and plastics products	1.99	191.9	192.1	192.7	187.1	193.3	167.0	186.5	198.1	212.1	200.0	194.5	200.8	202.2	.....
<i>Foods, beverages, and tobacco</i>	11.07	127.7	120.4	120.5	122.8	129.8	127.6	139.2	141.8	139.3	131.7	124.5	122.8	122.2	122.8
Foods and beverages	10.25	128.4	120.1	120.9	122.8	129.7	129.6	140.0	143.1	140.2	132.7	126.7	123.3	122.4	123.2
Food manufactures	8.64	126.6	117.5	117.4	118.2	124.1	125.1	137.6	143.8	139.9	133.3	127.0	124.5	122.1	121.1
Beverages	1.61	137.8	133.6	139.7	147.6	159.8	153.4	152.8	139.1	142.1	129.8	124.8	116.9	124.2	.....
Tobacco products .....	.82	119.8	124.9	115.6	122.1	131.3	103.1	129.7	125.2	127.3	119.5	97.1	117.2	119.6	.....
Mining															
<i>Coal, oil, and gas</i>	6.80	117.6	118.6	112.3	117.3	117.4	112.4	118.9	118.1	120.8	119.7	121.6	121.6	123.1	120.9
Coal	1.16	115.2	118.6	85.9	118.1	120.0	93.1	127.0	121.3	132.4	118.7	122.9	118.3	117.1	116.0
Crude oil and natural gas	5.64	118.0	118.6	117.8	117.2	116.8	116.4	117.3	117.4	118.5	119.9	121.4	122.3	124.3	121.9
Oil and gas extraction	4.91	123.8	124.3	123.5	123.7	123.3	122.2	122.5	122.5	124.2	126.0	127.8	129.0	130.9	130.0
Crude oil	4.25	119.4	119.3	119.1	120.1	120.2	118.5	118.8	118.9	119.9	120.8	122.0	122.8	125.0	124.2
Gas and gas liquids .....	.66	151.7	156.1	151.4	146.3	143.7	145.8	146.0	145.8	151.4	159.0	164.9	168.5	.....	.....
Oil and gas drilling .....	.73	79.2	79.9	79.3	73.6	73.0	76.9	81.9	82.7	79.8	77.9	77.4	79.4	79.4	67.2
<i>Metal, stone, and earth minerals</i>	1.43	133.2	119.3	130.4	140.2	147.7	145.6	145.6	145.4	140.9	130.0	124.2	119.9	119.4	123.0
Metal mining .....	.61	132.7	119.7	129.9	147.0	151.6	143.4	142.7	145.3	138.5	123.7	120.8	123.5	127.9	128.3
Stone and earth minerals .....	.82	133.5	119.0	130.9	135.1	144.9	147.2	147.8	145.5	142.7	134.7	126.8	117.3	113.2	119.0
Utilities															
Electric	4.04	179.7	174.8	167.4	165.3	173.5	192.3	199.5	191.7	176.2	173.2	183.5	196.5	188.1	.....
Gas	1.28	156.1													

NOTE.—Published groupings include some series and subtotals not shown separately. A description and historical data are available in

Industrial Production—1957-59 Base. Figures for individual series and subtotals (N.S.A.) are published in the monthly Business Indexes release.

SELECTED BUSINESS INDEXES

(1957-59 = 100)

Period	Industrial production										Con- struc- tion con- tracts	Nonag- ricul- tural em- ploy- ment- Total 1	Manu- facturing 2		Freight carload- ings	Total retail sales 3	Prices 4	
	Total	Major market groupings				Major industry groupings			Em- ploy- ment	Pay- rolls			Con- sumer	Whol- e- sale com- modity				
		Final products			Mate- rials	Mfg.	Min- ing	Utili- ties										
		Total	Con- sumer goods	Equip- ment														
1951.....	81.3	78.6	77.8	78.4	83.8	81.9	91.3	56.4	63	91.1	106.1	80.2	121.5	76	90.5	96.7		
1952.....	84.3	84.3	79.5	94.1	84.3	85.2	90.5	61.2	67	93.0	106.1	84.5	115.0	79	92.5	94.0		
1953.....	91.3	89.9	85.0	100.5	92.6	92.7	92.9	66.8	70	95.6	111.6	93.6	116.6	83	93.2	92.7		
1954.....	85.8	85.7	84.3	88.9	85.9	86.3	90.2	71.8	76	93.3	101.8	85.4	104.6	82	93.6	92.9		
1955.....	96.6	93.9	93.3	95.0	99.0	97.3	99.2	80.2	91	96.5	105.5	94.8	115.3	89	93.3	93.2		
1956.....	99.9	98.1	95.5	103.7	101.6	100.2	104.8	87.9	92	99.8	106.7	100.2	115.9	92	94.7	96.2		
1957.....	100.7	99.4	97.0	104.6	101.9	100.8	104.6	93.9	93	100.7	104.7	101.4	108.2	97	98.0	99.0		
1958.....	93.7	94.8	96.4	91.3	92.7	93.2	95.6	98.1	102	97.8	95.2	93.5	93.8	98	100.7	100.4		
1959.....	105.6	105.7	106.6	104.1	105.4	106.0	99.7	108.0	105	101.5	100.1	105.1	97.9	105	101.5	100.6		
1960.....	108.7	109.9	111.0	107.6	107.6	108.9	101.6	115.6	105	103.3	99.9	106.7	95.3	106	103.1	100.7		
1961.....	109.7	111.2	112.6	108.3	108.4	109.6	102.6	122.3	108	102.9	95.9	105.4	91.2	107	104.2	100.3		
1962.....	118.3	119.7	119.7	119.6	117.0	118.7	105.0	131.4	120	105.9	99.1	113.8	92.4	115	105.4	100.6		
1963.....	124.3	124.9	125.2	124.2	123.7	124.9	107.9	140.0	132	108.0	99.7	117.9	93.3	120	106.7	100.3		
1964.....	132.3	131.8	131.7	132.0	132.8	133.1	111.5	151.3	137	111.1	101.5	124.3	95.5	127	108.1	100.5		
1965.....	143.4	142.5	140.3	147.0	144.2	145.0	114.8	160.9	143	115.7	106.5	136.3	96.6	138	109.9	102.5		
1966 ^a	156.3	155.4	147.4	172.6	157.1	158.7	120.3	173.4	145	121.6	112.7	150.4	96.5	148	113.1	105.9		
1966—Mar.....	153.7	152.5	146.2	166.2	154.4	155.9	120.0	168.8	158	120.4	111.5	148.1	100.2	149	112.0	105.4		
Apr.....	153.9	152.9	146.4	166.9	154.5	156.6	115.6	169.1	161	120.6	11.9	148.9	97.0	146	112.5	105.5		
May.....	155.3	153.7	146.2	169.8	157.1	157.6	120.7	170.2	156	120.9	112.4	149.0	100.0	143	112.6	105.6		
June.....	156.5	154.9	147.1	171.4	158.0	158.9	122.0	171.7	147	121.8	113.4	150.1	95.1	149	112.9	105.7		
July.....	157.2	155.3	146.5	174.4	158.8	159.4	122.0	175.7	147	122.0	112.7	148.9	93.6	148	113.3	106.4		
Aug.....	158.0	156.4	147.1	176.4	159.6	160.1	122.1	179.0	139	122.2	113.8	151.4	94.0	150	113.8	106.8		
Sept.....	157.7	156.3	146.5	177.4	159.2	160.0	121.0	177.0	146	122.2	113.3	152.7	95.0	150	114.1	106.8		
Oct.....	158.9	158.3	148.8	178.8	159.9	161.5	121.6	175.2	139	122.7	113.9	153.8	93.9	149	114.5	106.2		
Nov.....	158.6	158.5	148.8	179.6	159.1	161.0	121.0	176.9	130	123.4	114.6	154.5	97.1	150	114.6	105.9		
Dec.....	159.0	159.2	149.1	181.0	158.9	161.3	123.0	177.7	133	123.9	114.7	154.4	99.0	148	114.7	105.9		
1967—Jan.....	158.1	158.1	147.8	180.2	158.0	160.1	123.0	179.6	126	124.5	114.7	156.2	97.4	150	114.7	106.2		
Feb.....	156.4	156.2	145.2	180.0	156.2	158.3	123.1	178.2	143	124.7	114.1	153.2	95.6	149	114.8	106.0		
Mar.....	156.4	156.5	145.8	179.4	155.9	158.3	122.5	179.5	149	124.7	113.6	153.0	95.9	151	115.0	105.7		
Apr. ^a	155.9	156.5	146.1	178.9	155.4	157.6	122.9	179.5	.....	124.9	112.6	151.5	95.9	150	.....	105.3

1 Employees only; excludes personnel in the armed forces.

2 Production workers only.

3 F.R. index based on Census Bureau figures.

4 Prices are not seasonally adjusted.

NOTE.—Data are seasonally adjusted unless otherwise noted.

Construction contracts: F. W. Dodge Co. monthly index of dollar

value of total construction contracts, including residential, nonresidential and heavy engineering; does not include data for Alaska and Hawaii.

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

Prices: Bureau of Labor Statistics data.

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

CONSTRUCTION CONTRACTS

(In millions of dollars)

Type of ownership and type of construction	1965	1966	1966										1967		
			Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.
Total construction.....	49,272	50,150	4,737	5,098	5,132	4,854	4,774	4,302	4,083	4,106	3,461	3,189	2,838	3,300	4,424
By type of ownership:															
Public.....	16,302	18,152	1,463	1,574	1,902	1,937	2,020	1,568	1,379	1,607	1,357	1,287	1,113	1,188	.....
Private.....	32,970	31,998	3,274	3,524	3,230	2,916	2,754	2,733	2,704	2,499	2,104	1,902	1,725	2,112	.....
By type of construction:															
Residential building.....	21,247	17,827	2,004	2,081	1,970	1,828	1,461	1,494	1,261	1,225	1,076	903	937	1,056	1,584
Nonresidential building.....	17,219	19,393	1,726	1,883	1,826	1,885	1,813	1,729	1,676	1,796	1,424	1,358	1,175	1,430	1,714
Nonbuilding.....	10,805	12,930	1,007	1,134	1,335	1,140	1,499	1,079	1,146	1,086	961	928	726	814	1,127

NOTE.—Dollar value of total contracts as reported by the F. W. Dodge Co. does not include data for Alaska or Hawaii. Totals of monthly

data exceed annual totals because adjustments—negative—are made to accumulated monthly data after original figures have been published.

VALUE OF NEW CONSTRUCTION ACTIVITY
(In millions of dollars)

Period	Total	Private							Public				
		Total	Non-farm residential	Business				Other non-residential	Total	Military	Highway	Conservation & development	Other ¹
				Total	Industrial	Commercial	Public utility						
1956	47,601	34,869	20,178	11,076	3,084	3,631	4,361	3,615	12,732	1,360	4,415	826	6,131
1957	49,139	35,080	19,006	12,029	3,557	3,564	4,908	4,045	14,059	1,287	4,934	971	6,867
1958	50,153	34,696	19,789	10,659	2,382	3,589	4,688	4,248	15,457	1,402	5,545	1,019	7,491
1959 ²	55,305	39,235	24,251	10,557	2,106	3,930	4,521	4,427	16,070	1,465	5,761	1,121	7,723
1960	53,941	38,078	21,706	11,652	2,851	4,180	4,621	4,720	15,863	1,366	5,437	1,175	7,885
1961	55,447	38,299	21,680	11,789	2,780	4,674	4,335	4,830	17,148	1,371	5,854	1,384	8,539
1962 ³	59,667	41,798	24,292	12,316	2,842	5,144	4,330	5,190	17,869	1,266	6,365	1,524	8,714
1963 ⁴	62,968	43,642	25,843	12,497	2,906	4,995	4,596	5,302	19,326	1,227	7,091	1,690	9,318
1964	66,221	45,914	26,507	13,828	3,572	5,406	4,850	5,579	20,307	968	7,144	1,729	10,466
1965	71,930	49,999	26,689	16,968	5,086	6,704	5,178	6,342	21,931	883	7,547	2,017	11,484
1966	74,369	50,623	24,633	19,230	6,779	6,887	5,564	6,760	23,746	770	8,274	2,185	12,517
1966—Mar.	79,499	55,066	27,279	20,154	7,073	7,672	5,409	7,633	24,433	1,009	8,550	2,323	12,551
Apr.	78,578	54,347	27,437	19,730	7,175	7,097	5,458	7,180	24,231	887	8,791	2,226	12,321
May	76,135	52,284	27,023	18,283	6,856	6,126	5,301	6,978	23,851	650	8,783	2,142	12,276
June	74,795	52,108	26,156	19,508	7,548	6,343	5,617	6,444	22,687	744	8,257	2,091	11,595
July	72,456	50,061	25,115	18,933	7,163	6,280	5,490	6,013	22,395	800	8,175	2,107	11,313
Aug.	72,215	49,668	23,927	19,270	7,164	6,482	5,624	6,471	22,547	746	8,145	2,219	11,437
Sept.	73,757	49,725	23,100	19,678	6,913	7,054	5,711	6,947	24,032	848	8,191	2,187	12,806
Oct.	71,015	46,754	22,012	18,406	6,223	6,608	4,575	6,336	24,261	655	8,131	2,094	13,381
Nov.	71,449	46,811	20,830	19,287	6,444	7,051	5,792	6,694	24,638	716	8,961	2,427	13,534
Dec.	71,326	46,876	20,459	19,657	6,250	7,516	5,891	6,760	24,450	726	8,119	2,318	13,287
1967—Jan.	72,937	48,281	20,739	20,419	6,664	8,138	5,617	7,123	24,656	654	8,160	2,333	13,509
Feb. ⁵	72,945	48,558	21,064	20,373	6,937	7,715	5,721	7,121	24,387	692	8,184	2,102	13,409
Mar. ⁵	73,295	48,537	21,091				5,652		24,758		8,209		

¹ Sewer and water, formerly shown separately, now included in "Other."
² Beginning with 1959, includes data for Alaska and Hawaii.
³ Beginning July 1962, reflects inclusion of new series affecting most private nonresidential groups.
⁴ Beginning 1963, reflects inclusion of new series under "Public" (for State and local govt. activity only).

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

NEW HOUSING STARTS
(In thousands of units)

Period	Annual rate, S.A. (private only)		Total	By area		By type of ownership				Government-underwritten			
	Total	Non-farm		Metro-politan	Non-metro-politan	Private			Public	Total	FHA	VA	
						Total	1-family	2-family					Multi-family
1956			1,349			1,325				24	465	195	271
1957			1,224			1,175				49	322	193	128
1958			1,382			1,314				68	439	337	102
1959			1,554	1,077	477	1,517	1,234	56	227	37	438	349	109
1960			1,296	889	407	1,252	995	44	213	44	336	261	75
1961			1,365	948	417	1,313	974	44	295	52	328	244	83
1962			1,492	1,054	439	1,463	991	49	422	30	339	261	78
1963			1,641	1,151	490	1,609	1,021	53	535	32	292	221	71
1964			1,591	1,119	472	1,557	972	54	532	33	264	205	59
1965			1,543	1,068	475	1,505	962	50	493	38	249	197	53
1966			1,252	852	400	1,220	794	40	387	32	199	158	40
1966—Mar.	1,569	1,538	131	91	40	126	81	5	41	5	23	19	3
Apr.	1,502	1,481	149	107	42	147	95	5	47	2	22	18	3
May	1,318	1,287	139	92	48	135	88	4	43	4	18	14	3
June	1,285	1,261	131	88	43	128	84	4	40	3	19	15	4
July	1,088	1,068	105	70	35	104	71	3	30	1	17	13	4
Aug.	1,107	1,084	107	72	35	105	71	3	31	2	18	14	4
Sept.	1,075	1,050	95	64	31	92	62	3	27	3	13	10	3
Oct.	848	826	83	54	29	80	55	2	23	3	13	9	3
Nov.	1,012	993	78	51	27	75	51	3	22	2	13	10	3
Dec.	1,089	1,066	66	47	19	64	40	2	21	2	12	10	3
1967—Jan.	1,297	1,266	68	48	20	65	40	2	23	3	13	10	3
Feb. ⁵	1,151	1,135	65	47	18	63	40	2	21	2	12	9	3
Mar. ⁵	1,171	1,144	66	66	31	96	68	3	25	2	18	14	5

NOTE.—Beginning with 1959, Census Bureau series includes both farm and nonfarm series developed initially by the Bureau of Labor Statistics. Series before 1959 reflect Census Bureau revisions that are not available

by area or type of structure. Data from Federal Housing Admin. and Veterans Admin. represent units started, based on field office reports of first compliance inspections.

LABOR FORCE, EMPLOYMENT, AND UNEMPLOYMENT

(In thousands of persons unless otherwise indicated)

Period	Total non-institutional population N.S.A.	Not in the labor force N.S.A.	Total labor force S.A.	Civilian labor force, S.A.					Unemployment rate ² (per cent) S.A.
				Total	Employed ¹			Unemployed	
					Total	In nonagricultural industries	In agriculture		
1961.....	121,343	48,312	73,031	70,459	65,746	60,546	5,200	4,714	6.7
1962.....	122,981	49,539	73,442	70,614	66,702	61,759	4,944	3,911	5.5
1963.....	125,154	50,583	74,571	71,833	67,762	63,076	4,687	4,070	5.7
1964.....	127,224	51,394	75,830	73,091	69,305	64,782	4,523	3,786	5.2
1965.....	129,236	52,058	77,178	74,455	71,088	66,726	4,361	3,366	4.5
1966.....	131,180	52,288	78,893	75,770	72,895	68,915	3,979	2,875	3.8
1966—Apr.....	130,749	52,938	78,349	75,341	72,542	68,343	4,199	2,799	3.7
May.....	130,925	52,466	78,194	75,149	72,253	68,351	3,902	2,896	3.9
June.....	131,083	50,356	78,767	75,668	72,730	68,749	3,981	2,938	3.9
July.....	131,236	50,397	78,905	75,770	72,846	68,920	3,926	2,924	3.9
Aug.....	131,419	50,755	79,247	76,069	73,141	69,206	3,935	2,928	3.8
Sept.....	131,590	52,609	79,268	76,039	73,195	69,309	3,886	2,844	3.7
Oct.....	131,772	52,285	79,360	76,081	73,199	69,420	3,779	2,882	3.8
Nov.....	131,949	52,054	79,934	76,612	73,897	70,005	3,892	2,715	3.5
Dec.....	132,121	52,479	80,154	76,764	73,893	69,882	4,011	2,871	3.7
1967 ³ —Jan.....	132,295	53,589	80,473	77,087	74,255	70,240	4,015	2,832	3.7
Feb.....	132,448	53,341	80,443	77,025	74,137	70,247	3,890	2,888	3.7
Mar.....	132,627	53,678	79,959	76,523	73,747	69,892	3,855	2,776	3.6
Apr.....	132,795	53,234	80,189	76,740	73,910	70,020	3,890	2,830	3.7

¹ Includes self-employed, unpaid family, and domestic service workers.² Per cent of civilian labor force.³ Beginning January 1967 data not strictly comparable with previous data. Description of changes available from Bureau of Labor Statistics.

NOTE.—Bureau of Labor Statistics. Information relating to persons 16 years of age and over is obtained on a sample basis. Monthly data relate to the calendar week that contains the 12th day; annual data are averages of monthly figures.

EMPLOYMENT IN NONAGRICULTURAL ESTABLISHMENTS, BY INDUSTRY DIVISION

(In thousands of persons)

Period	Total	Manufacturing	Mining	Contract construction	Transportation & public utilities	Trade	Finance	Service	Government
1961.....	54,042	16,326	672	2,816	3,903	11,337	2,731	7,664	8,594
1962.....	55,596	16,853	650	2,902	3,906	11,566	2,800	8,028	8,890
1963.....	56,702	16,995	635	2,963	3,903	11,778	2,877	8,325	9,225
1964.....	58,332	17,274	634	3,050	3,951	12,160	2,957	8,709	9,596
1965.....	60,770	18,032	632	3,181	4,033	12,683	3,019	9,098	10,091
1966.....	63,864	19,081	628	3,281	4,136	13,220	3,086	9,582	10,850
SEASONALLY ADJUSTED									
1966—Apr.....	63,350	18,923	595	3,333	4,114	13,128	3,068	9,484	10,705
May.....	63,517	19,002	628	3,238	4,132	13,164	3,076	9,515	10,762
June.....	63,983	19,167	632	3,300	4,143	13,217	3,090	9,549	10,885
July.....	64,072	19,128	636	3,297	4,122	13,256	3,095	9,609	10,929
Aug.....	64,199	19,262	636	3,251	4,105	13,264	3,100	9,647	10,934
Sept.....	64,168	19,204	628	3,228	4,168	13,268	3,100	9,649	10,923
Oct.....	64,466	19,312	625	3,202	4,165	13,340	3,102	9,712	11,008
Nov.....	64,823	19,415	624	3,204	4,195	13,393	3,110	9,778	11,104
Dec.....	65,076	19,445	626	3,293	4,196	13,392	3,121	9,821	11,182
1967—Jan.....	65,381	19,468	628	3,301	4,230	13,503	3,129	9,869	11,253
Feb.....	65,497	19,402	626	3,350	4,225	13,524	3,142	9,919	11,309
Mar. ^p	65,513	19,351	626	3,320	4,221	13,477	3,158	9,977	11,383
Apr. ^p	65,611	19,234	626	3,279	4,191	13,665	3,175	9,994	11,447
NOT SEASONALLY ADJUSTED									
1966—Apr.....	62,928	18,774	590	3,156	4,077	13,015	3,056	9,465	10,795
May.....	63,465	18,906	630	3,277	4,115	13,061	3,070	9,572	10,834
June.....	64,563	19,258	645	3,521	4,180	13,239	3,112	9,702	10,906
July.....	64,274	19,123	645	3,623	4,171	13,225	3,148	9,782	10,557
Aug.....	64,484	19,391	649	3,641	4,154	13,224	3,146	9,772	10,507
Sept.....	64,867	19,533	637	3,525	4,218	13,253	3,109	9,707	10,885
Oct.....	65,190	19,538	631	3,449	4,198	13,385	3,099	9,751	11,139
Nov.....	65,389	19,522	628	3,310	4,208	13,599	3,098	9,739	11,285
Dec.....	65,904	19,430	625	3,128	4,200	14,241	3,105	9,733	11,442
1967—Jan.....	64,334	19,233	614	2,925	4,162	13,322	3,095	9,672	11,311
Feb.....	64,286	19,196	609	2,841	4,153	13,205	3,114	9,750	11,418
Mar. ^p	64,604	19,159	609	2,895	4,166	13,308	3,136	9,837	11,494
Apr. ^p	65,028	19,088	620	3,105	4,153	13,382	3,162	9,974	11,544

NOTE.—Bureau of Labor Statistics; data include all full- and part-time employees who worked during, or received pay for, the pay period that includes the 12th of the month. Proprietors, self-employed persons,

domestic servants, unpaid family workers, and members of the armed forces are excluded.

PRODUCTION WORKER EMPLOYMENT IN MANUFACTURING INDUSTRIES

(In thousands of persons)

Industry group	Seasonally adjusted				Not seasonally adjusted			
	1966	1967			1966	1967		
	Apr.	Feb.	Mar. ^p	Apr. ^p	Apr.	Feb.	Mar. ^p	Apr. ^p
Total	14,100	14,370	14,304	14,189	13,969	14,180	14,134	14,058
Durable goods	8,226	8,417	8,375	8,275	8,207	8,333	8,299	8,258
Ordnance and accessories.....	114	141	144	145	113	141	142	144
Lumber and wood products.....	554	537	540	528	539	509	511	514
Furniture and fixtures.....	374	379	376	370	371	374	372	367
Stone, clay, and glass products.....	521	507	509	497	516	481	487	492
Primary metal industries.....	1,066	1,071	1,051	1,037	1,080	1,068	1,056	1,050
Fabricated metal products.....	1,049	1,070	1,065	1,053	1,042	1,057	1,049	1,046
Machinery.....	1,284	1,357	1,353	1,344	1,299	1,362	1,365	1,360
Electrical equipment and supplies.....	1,297	1,355	1,344	1,325	1,281	1,347	1,332	1,309
Transportation equipment.....	1,344	1,361	1,357	1,338	1,355	1,376	1,365	1,349
Instruments and related products.....	270	287	288	287	285	285	285	285
Miscellaneous manufacturing industries.....	353	352	348	351	343	333	334	342
Nondurable goods	5,874	5,953	5,929	5,914	5,762	5,847	5,835	5,800
Food and kindred products.....	1,163	1,184	1,190	1,175	1,086	1,099	1,102	1,097
Tobacco manufactures.....	74	72	72	74	64	69	65	63
Textile-mill products.....	847	838	835	830	845	830	831	828
Apparel and related products.....	1,239	1,242	1,221	1,224	1,226	1,249	1,237	1,211
Paper and allied products.....	518	533	534	532	514	526	528	528
Printing, publishing, and allied industries.....	647	673	677	676	645	670	675	674
Chemicals and allied products.....	559	583	580	577	568	578	581	586
Petroleum refining and related industries.....	113	114	114	114	112	111	111	113
Rubber and misc. plastic products.....	395	412	408	409	391	410	406	405
Leather and leather products.....	319	302	298	303	311	305	299	295

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

HOURS AND EARNINGS OF PRODUCTION WORKERS IN MANUFACTURING INDUSTRIES

Industry group	Average hours worked (per week; S.A.)				Average weekly earnings (dollars per week; N.S.A.)				Average hourly earnings (dollars per hour; N.S.A.)			
	1966	1967			1966	1967			1966	1967		
	Apr.	Feb.	Mar. ^p	Apr. ^p	Apr.	Feb.	Mar. ^p	Apr. ^p	Apr.	Feb.	Mar. ^p	Apr. ^p
Total	41.5	40.3	40.4	40.5	111.24	111.48	112.44	112.56	2.70	2.78	2.79	2.80
Durable goods	42.3	40.9	41.1	40.9	121.54	120.47	121.36	121.18	2.88	2.96	2.96	2.97
Ordnance and accessories.....	42.2	41.5	41.7	41.6	133.46	134.05	133.95	133.63	3.17	3.23	3.22	3.22
Lumber and wood products.....	41.3	40.3	40.8	40.7	92.48	91.64	93.50	95.18	2.25	2.32	2.32	2.35
Furniture and fixtures.....	41.6	40.1	40.2	39.9	88.75	89.72	90.35	89.38	2.17	2.26	2.27	2.28
Stone, clay, and glass products.....	42.1	41.5	41.7	41.1	114.09	112.19	113.98	115.08	2.71	2.77	2.78	2.80
Primary metal industries.....	41.8	40.8	40.7	40.0	138.74	134.97	135.38	134.06	3.28	3.30	3.31	3.31
Fabricated metal products.....	42.4	41.4	41.5	41.1	119.99	120.42	121.01	120.25	2.85	2.93	2.93	2.94
Machinery.....	43.7	42.9	42.9	42.5	134.03	135.88	135.88	134.19	3.06	3.16	3.16	3.15
Electrical equipment and supplies.....	41.4	39.9	40.1	39.7	107.68	107.86	108.40	107.17	2.62	2.71	2.71	2.72
Transportation equipment.....	43.4	40.7	40.7	41.5	141.47	136.21	136.49	139.33	3.29	3.38	3.37	3.39
Instruments and related products.....	42.0	40.9	41.4	41.2	112.71	113.02	113.71	113.44	2.69	2.77	2.76	2.76
Miscellaneous manufacturing industries.....	40.0	38.7	39.3	39.5	87.74	90.17	92.20	91.34	2.21	2.33	2.34	2.33
Nondurable goods	40.3	39.5	39.6	39.8	96.96	99.18	100.08	100.47	2.43	2.53	2.54	2.55
Food and kindred products.....	41.1	41.0	41.1	41.0	102.21	105.18	106.52	106.80	2.53	2.61	2.63	2.65
Tobacco manufactures.....	39.2	37.5	38.5	39.1	86.49	82.08	87.89	88.92	2.27	2.28	2.35	2.34
Textile-mill products.....	41.9	40.1	40.3	40.6	79.90	80.60	80.80	81.20	1.93	2.01	2.01	2.02
Apparel and related products.....	36.4	35.6	35.5	36.2	67.51	71.04	71.80	71.80	1.87	1.99	2.00	2.00
Paper and allied products.....	43.7	42.7	42.7	42.9	117.50	118.44	119.43	119.57	2.72	2.80	2.81	2.82
Printing, publishing, and allied industries.....	38.9	38.5	38.5	38.8	120.82	123.33	124.68	123.97	3.13	3.22	3.23	3.22
Chemicals and allied products.....	42.3	41.4	41.7	41.8	124.66	125.25	127.19	127.80	2.94	3.04	3.05	3.05
Petroleum refining and related industries.....	42.6	42.8	43.2	43.1	145.69	147.97	151.30	153.87	3.42	3.54	3.56	3.57
Rubber and misc. plastic products.....	42.4	40.7	41.0	41.3	110.62	108.95	110.16	110.57	2.64	2.69	2.70	2.71
Leather and leather products.....	39.0	37.1	37.0	37.4	73.33	76.13	75.85	74.57	1.94	2.03	2.05	2.06

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

CONSUMER PRICES
(1957-59=100)

Period	All items	Food	Housing							Apparel and upkeep	Transportation	Health and recreation						
			Total	Rent	Home-ownership	Fuel oil and coal	Gas and electricity	Furnishings and operation	Total			Medical care	Personal care	Reading and recreation	Other goods and services			
1929.....	59.7	55.6	.....	85.4	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
1933.....	45.1	35.3	.....	60.8	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
1941.....	51.3	44.2	61.4	64.3	.....	45.2	88.3	.....	.....	51.2	.....	50.6	47.6	57.3	58.2	.....	.....	.....
1945.....	62.7	58.4	67.5	66.1	.....	53.6	86.4	.....	.....	55.4	.....	57.5	63.6	75.0	67.3	.....	.....	.....
1958.....	100.7	101.9	100.2	100.1	100.4	99.0	100.3	99.9	99.8	99.7	100.3	100.1	100.4	100.8	99.8	.....	.....	.....
1959.....	101.5	100.3	101.3	101.6	101.4	100.2	102.8	100.7	100.6	103.8	102.8	104.4	102.4	102.4	101.8	.....	.....	.....
1960.....	103.1	101.4	103.1	103.1	103.7	99.5	107.0	101.5	102.2	103.8	105.4	108.1	104.1	104.9	103.8	.....	.....	.....
1961.....	104.2	102.6	103.9	104.4	104.4	101.6	107.9	101.4	103.0	105.0	107.3	111.3	104.6	107.2	104.6	.....	.....	.....
1962.....	105.4	103.6	104.8	105.7	105.6	102.1	107.9	101.5	103.6	107.2	109.4	114.2	106.5	109.6	105.3	.....	.....	.....
1963.....	106.7	105.1	106.0	106.8	107.0	104.0	107.8	102.4	104.8	107.8	111.4	117.0	107.9	111.5	107.1	.....	.....	.....
1964.....	106.1	106.4	107.2	107.8	109.1	103.5	107.9	102.8	105.7	109.3	113.6	119.4	109.2	114.1	108.8	.....	.....	.....
1965.....	109.9	108.8	108.5	108.9	111.4	105.6	107.8	103.1	106.8	111.1	115.6	122.3	109.9	115.2	111.4	.....	.....	.....
1966.....	113.1	114.2	111.1	110.4	115.7	108.3	108.1	105.0	109.6	112.7	119.0	127.7	112.2	117.1	114.9	.....	.....	.....
1966—Mar.....	112.0	113.9	109.6	109.9	113.5	108.9	108.2	104.0	108.2	111.4	117.6	125.3	111.0	116.6	113.8	.....	.....	.....
Apr.....	112.5	114.0	110.3	110.1	114.3	108.5	108.3	104.4	108.7	112.0	118.1	125.8	111.6	116.8	114.3	.....	.....	.....
May.....	112.6	113.5	110.7	110.2	115.0	108.0	108.2	104.6	109.3	112.0	118.4	126.3	112.0	116.8	114.7	.....	.....	.....
June.....	112.9	113.9	111.1	110.2	115.8	107.0	108.1	104.8	109.4	112.2	118.7	127.0	112.2	117.0	114.9	.....	.....	.....
July.....	113.3	114.3	111.3	110.3	116.2	107.0	108.1	105.1	109.2	113.5	119.1	127.7	112.5	117.2	115.3	.....	.....	.....
Aug.....	113.8	115.8	111.5	110.6	116.4	107.0	108.1	105.2	109.2	113.5	119.5	128.4	112.7	117.4	115.5	.....	.....	.....
Sept.....	114.1	115.6	111.8	110.7	116.8	107.4	108.1	105.7	110.7	113.3	119.9	129.4	113.0	117.5	115.7	.....	.....	.....
Oct.....	114.5	115.6	112.2	111.0	117.4	108.3	108.0	106.1	111.5	114.3	120.4	130.4	113.3	118.0	115.9	.....	.....	.....
Nov.....	114.6	114.8	112.6	111.2	117.8	108.9	108.1	106.5	112.0	114.5	120.8	131.3	113.4	118.3	116.0	.....	.....	.....
Dec.....	114.7	114.8	113.0	111.3	118.6	110.2	107.9	106.7	112.3	113.8	121.0	131.9	113.7	118.4	115.9	.....	.....	.....
1967—Jan.....	114.7	114.7	113.1	111.4	118.7	110.5	108.3	106.7	111.3	113.4	121.4	132.9	113.8	118.5	116.2	.....	.....	.....
Feb.....	114.8	114.2	113.3	111.7	118.9	111.1	108.3	107.0	111.9	113.8	121.8	133.6	114.1	118.6	116.3	.....	.....	.....
Mar.....	115.0	114.2	113.3	111.8	118.6	111.1	108.3	107.3	112.6	114.2	122.2	134.6	114.4	118.9	116.4	.....	.....	.....

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

WHOLESALE PRICES: SUMMARY

(1957-59=100)

Period	All commodities	Farm products	Processed foods and feeds	Industrial commodities														
				Total	Textiles, etc.	Hides, etc.	Fuel, etc.	Chemicals, etc.	Rubber, etc.	Lumber, etc.	Paper, etc.	Metals, etc.	Machinery and equipment	Furniture, etc.	Non-metallic minerals	Transportation equipment	Miscellaneous	
1958.....	100.4	103.6	102.5	99.5	98.9	96.0	98.7	100.4	100.1	97.4	100.1	99.1	100.0	100.2	99.9	n.a.	.....	.....
1959.....	100.6	97.2	99.9	101.3	100.4	109.1	98.7	100.0	99.7	104.1	101.0	101.2	102.1	100.4	101.2	n.a.	.....	.....
1960.....	100.7	96.9	100.0	101.3	101.5	105.2	99.6	100.2	99.9	100.4	101.8	101.3	102.9	100.1	101.4	n.a.	.....	.....
1961.....	100.3	96.0	101.6	100.8	99.7	106.2	100.7	99.1	96.1	95.9	98.8	100.7	102.9	99.5	101.8	n.a.	.....	.....
1962.....	100.6	97.7	102.7	100.8	100.6	107.4	100.2	97.5	93.3	96.5	100.0	100.0	102.9	98.8	101.8	n.a.	.....	.....
1963.....	100.3	95.7	103.3	100.7	100.5	104.2	99.8	96.3	93.8	98.6	99.2	100.1	103.1	98.1	101.3	n.a.	.....	.....
1964.....	100.5	94.3	103.1	101.2	101.2	104.6	97.1	96.7	92.5	100.6	99.0	102.8	103.8	98.5	101.5	n.a.	.....	.....
1965.....	102.5	98.4	106.7	102.5	101.8	109.2	98.9	97.4	92.9	101.1	99.9	105.7	105.0	98.0	101.7	n.a.	.....	.....
1966.....	105.9	105.6	113.0	104.7	102.1	119.7	101.3	97.8	94.8	105.6	102.6	108.3	108.2	99.1	102.6	n.a.	.....	106.8
1966—Mar.....	105.4	106.8	112.2	104.0	102.1	118.7	99.9	97.6	94.3	105.6	101.8	108.0	106.9	98.4	102.1	n.a.	.....	106.5
Apr.....	105.5	106.4	111.5	104.3	102.2	120.8	100.0	97.6	95.4	108.4	102.3	108.2	107.2	98.6	102.3	n.a.	.....	.....
May.....	105.6	104.5	111.8	104.7	102.2	122.9	100.4	97.7	95.4	109.6	102.7	108.4	107.8	98.9	102.4	n.a.	.....	.....
June.....	105.7	104.2	112.0	104.9	102.2	122.9	101.5	97.6	95.4	107.7	103.0	108.7	108.1	98.9	102.5	n.a.	.....	.....
July.....	106.4	107.8	113.8	105.2	102.4	122.7	101.4	97.9	95.1	106.6	103.2	108.8	108.3	99.0	102.7	n.a.	.....	.....
Aug.....	106.8	108.1	115.7	105.2	102.4	121.2	102.0	97.9	95.1	106.2	103.2	108.5	108.5	99.1	102.7	n.a.	.....	.....
Sept.....	106.8	108.7	115.5	105.2	102.2	119.9	102.2	98.0	94.7	105.9	103.1	108.4	108.9	99.2	103.0	n.a.	.....	.....
Oct.....	106.2	104.4	113.9	105.3	102.2	118.7	102.6	97.9	94.6	104.8	103.1	108.6	109.4	99.7	103.2	n.a.	.....	.....
Nov.....	105.9	102.5	112.6	105.5	102.1	117.5	102.7	98.0	95.0	103.0	103.0	109.0	110.2	100.3	103.3	n.a.	.....	.....
Dec.....	105.9	101.8	112.8	105.5	101.8	117.3	102.0	98.2	95.0	102.5	103.0	109.0	110.7	100.4	103.3	n.a.	.....	.....
1967—Jan.....	106.2	102.6	112.8	105.8	102.0	117.9	102.6	98.4	95.6	102.6	103.1	109.4	111.1	100.4	103.6	n.a.	.....	107.9
Feb.....	106.0	101.0	111.7	106.0	102.0	118.0	103.4	98.5	95.8	103.6	103.3	109.6	111.2	100.4	103.7	n.a.	.....	108.0
Mar.....	105.7	99.6	110.6	106.0	101.8	117.0	103.7	98.5	95.9	103.6	103.6	109.4	111.5	100.6	103.8	n.a.	.....	107.7

WHOLESALE PRICES: DETAIL

(1957-59=100)

Group	1966				1967				
	Mar.	Jan.	Feb.	Mar.	Mar.	Jan.	Feb.	Mar.	
<i>Farm products:</i>					<i>Pulp, paper, and allied products:</i>				
Fresh and dried produce.....	101.7	101.8	104.5	98.4	Pulp, paper, and products, excluding building paper and board.....	102.2	103.5	103.7	104.0
Grains.....	90.8	100.7	95.8	99.9	Woodpulp.....	98.0	98.0	98.0	98.0
Livestock.....	115.9	101.4	99.5	97.4	Waste paper.....	108.7	83.9	83.2	79.7
Live poultry.....	100.9	88.1	97.1	90.8	Paper.....	105.4	108.5	108.5	108.5
Plant and animal fibers.....	89.7	70.8	70.2	70.3	Paperboard.....	97.0	97.3	97.3	97.3
Fluid milk.....	112.7	123.4	122.9	119.0	Converted paper and paperboard.....	101.6	103.7	104.0	104.7
Eggs.....	118.5	100.0	84.0	90.8	Building paper and board.....	92.5	92.4	92.4	92.3
Hay and seeds.....	115.6	123.5	120.3	120.5	<i>Metals and metal products:</i>				
Other farm products.....	102.1	99.6	100.5	99.5	Iron and steel.....	102.3	103.0	103.2	103.3
<i>Processed foods and feeds:</i>					Nonferrous metals.....	120.8	121.8	122.3	121.1
Cereal and bakery products.....	112.2	117.6	117.3	117.5	Metal containers.....	109.8	111.5	111.5	111.5
Meat, poultry and fish.....	113.3	105.4	104.7	101.7	Hardware.....	108.3	111.9	112.0	112.4
Dairy products.....	115.0	121.8	121.2	120.7	Plumbing equipment.....	105.7	110.5	110.5	110.5
Processed fruits and vegetables.....	104.8	105.9	104.3	104.2	Heating equipment.....	91.8	92.6	92.3	92.2
Sugar and confectionery.....	109.7	113.0	112.6	112.5	Fabricated structural metal products.....	103.1	104.8	104.8	104.8
Beverages and beverage materials.....	105.7	105.8	105.9	105.6	Miscellaneous metal products.....	110.9	113.6	113.6	113.7
Animal fats and oils.....	121.8	94.9	92.0	89.6	<i>Machinery and equipment:</i>				
Crude vegetable oils.....	104.3	94.1	94.1	94.2	Agricultural machinery and equip.....	118.0	121.5	121.7	121.9
Refined vegetable oils.....	112.0	93.0	96.7	96.9	Construction machinery and equip.....	117.9	121.3	121.4	121.5
Vegetable oil end products.....	103.0	106.3	103.5	101.8	Metalworking machinery and equip.....	116.7	121.9	122.2	122.6
Miscellaneous processed foods.....	114.4	112.6	111.5	112.0	General purpose machinery and equipment.....	107.3	112.8	113.0	113.0
Manufactured animal feeds.....	119.6	132.1	125.9	124.8	Special industry machinery and equipment (Jan. 1961=100).....	109.9	114.8	115.1	115.4
<i>Textile products and apparel:</i>					Electrical machinery and equip.....	98.2	101.9	101.8	102.2
Cotton products.....	101.8	102.5	101.8	101.3	Miscellaneous machinery.....	105.8	108.5	108.7	108.8
Wool products.....	106.0	104.7	104.7	104.0	<i>Furniture and household durables:</i>				
Man-made fiber textile products.....	90.8	87.1	87.1	86.9	Household furniture.....	107.2	111.9	112.0	112.4
Silk yarns.....	151.4	166.1	164.1	164.1	Commercial furniture.....	104.1	108.7	109.3	109.3
Apparel.....	104.7	105.9	105.9	106.0	Floor coverings.....	97.5	94.1	93.9	93.8
Textile housefurnishings.....	103.6	105.3	105.3	105.1	Household appliances.....	89.1	89.6	89.7	89.8
Miscellaneous textile products.....	126.3	120.5	121.0	120.8	Home electronic equipment.....	83.5	83.6	83.5	83.3
<i>Hides, skins, leather, and products:</i>					Other household durable goods.....	110.3	114.8	114.8	115.2
Hides and skins.....	147.8	110.6	107.8	99.6	<i>Nonmetallic mineral products:</i>				
Leather.....	123.3	116.9	116.3	114.6	Flat glass.....	99.2	103.3	103.3	103.3
Footwear.....	115.4	120.7	121.6	121.7	Concrete ingredients.....	103.8	105.8	105.6	105.8
Other leather products.....	112.5	114.5	114.6	114.4	Concrete products.....	102.2	103.9	104.4	104.5
<i>Fuels and related products, and power:</i>					Structural clay products excluding refractories.....	108.0	109.3	109.3	109.3
Coal.....	97.5	102.3	102.3	102.2	Refractories.....	103.0	104.8	104.8	104.9
Coke.....	107.3	112.0	112.0	112.0	Asphalt roofing.....	94.8	95.7	94.8	94.8
Gas fuels (Jan. 1958=100).....	128.2	134.6	134.5	134.6	Gypsum products.....	101.4	103.5	103.5	102.3
Electric power (Jan. 1958=100).....	100.4	100.6	100.6	100.6	Glass containers.....	99.9	101.0	101.0	101.0
Crude petroleum.....	97.0	98.2	98.2	98.3	Other nonmetallic minerals.....	102.1	101.1	101.1	101.8
Petroleum products, refined.....	97.2	100.3	101.9	102.4	<i>Transportation equipment:</i>				
<i>Chemicals and allied products:</i>					Motor vehicles and equipment.....	100.3	101.6	101.6	101.6
Industrial chemicals.....	95.2	96.6	96.9	97.0	Railroad equipment (Jan. 1961=100).....	101.0	102.7	102.7	102.7
Prepared paint.....	105.9	108.7	108.7	108.8	<i>Miscellaneous products:</i>				
Paint materials.....	89.8	90.6	90.8	90.8	Toys, sporting goods, small arms, ammunition.....	103.3	105.2	105.3	104.0
Drugs and pharmaceuticals.....	94.4	94.7	94.2	94.4	Tobacco products.....	109.8	110.3	110.3	110.3
Fats and oils, inedible.....	106.4	92.3	89.1	81.5	Notions.....	99.8	100.8	100.8	100.8
Agricultural chemicals and products.....	102.8	104.2	105.4	105.9	Photographic equipment and supplies.....	109.1	110.1	110.3	110.1
Plastic resins and materials.....	88.4	90.3	90.5	90.3	Other miscellaneous products.....	104.8	107.2	107.2	107.3
Other chemicals and products.....	106.5	107.4	107.6	107.8	<i>Lumber and wood products:</i>				
<i>Rubber and products:</i>					Lumber.....	107.2	104.5	105.4	106.0
Crude rubber.....	91.2	87.6	87.1	86.5	Millwork.....	109.3	110.3	111.1	111.2
Tires and tubes.....	91.1	94.9	94.9	94.9	Plywood.....	97.7	87.3	89.2	87.7
Miscellaneous rubber products.....	98.7	99.7	100.4	100.9	Other wood products (Dec. 1966=100).....	102.0	102.0	102.0	102.0

NOTE.—Bureau of Labor Statistics indexes as revised in March 1967 to incorporate (1) new weights beginning with Jan. 1967 data and (2) various

classification changes. Back data not yet available for some new classifications.

GROSS NATIONAL PRODUCT

(In billions of dollars)

Item	1929	1933	1941	1950	1962	1963	1964	1965	1966	1966				1967
										I	II	III	IV		1P
Gross national product.....	103.1	55.6	124.5	284.8	560.3	590.5	631.7	681.2	739.6	721.2	732.3	745.3	759.3	764.3
Final purchases.....	101.4	57.2	120.1	278.0	554.3	584.6	627.0	672.1	727.7	712.3	720.0	735.4	742.9	753.8
Personal consumption expenditures.....	77.2	45.8	80.6	191.0	355.1	375.0	401.4	431.5	464.9	455.6	460.1	469.9	474.1	482.2
Durable goods.....	9.2	3.5	9.6	30.5	49.5	53.9	59.4	66.1	69.3	70.3	67.1	70.2	69.6	68.1
Nondurable goods.....	17.7	22.3	42.9	98.1	162.6	168.6	178.9	190.6	206.2	201.9	205.6	208.1	209.2	214.7
Services.....	30.3	20.1	28.1	62.4	143.0	152.4	163.1	174.8	189.4	183.4	187.4	191.5	195.3	199.3
Gross private domestic investment.....	16.2	1.4	17.9	54.1	83.0	87.1	93.0	106.6	117.0	114.5	118.5	115.0	120.0	109.0
Fixed investment.....	14.5	3.0	13.4	47.3	77.0	81.3	88.3	97.5	105.1	105.6	106.2	105.1	103.5	103.5
Nonresidential.....	10.6	2.4	9.5	27.9	51.7	54.3	60.7	69.7	79.3	77.0	78.2	80.3	81.6	81.6
Structures.....	5.0	.9	2.9	9.2	19.2	19.5	21.0	24.9	27.8	28.5	27.9	27.7	27.3	28.7
Producers' durable equipment.....	5.6	1.5	6.6	18.7	32.5	34.8	39.7	44.8	51.4	48.5	50.3	52.6	54.4	52.9
Residential structures.....	4.0	.6	3.9	19.4	25.3	27.0	27.6	27.8	25.8	28.6	28.0	24.8	21.9	21.9
Nonfarm.....	3.8	.5	3.7	18.6	24.8	26.4	27.0	27.2	25.3	28.0	27.4	24.3	21.3	21.3
Change in business inventories.....	1.7	-1.6	4.5	6.8	6.0	5.9	4.7	9.1	11.9	8.9	12.3	9.9	16.4	5.5
Nonfarm.....	1.8	-1.4	4.0	6.0	5.3	5.1	5.3	8.1	12.2	8.5	12.1	10.4	17.6	5.8
Net exports of goods and services.....	1.1	.4	1.3	1.8	5.1	5.9	8.5	7.0	4.8	6.0	4.7	4.2	4.1	4.9
Exports.....	7.0	2.4	5.9	13.8	30.3	32.3	37.0	39.0	42.7	41.7	41.9	43.4	43.6	45.1
Imports.....	5.9	2.0	4.6	12.0	25.1	26.4	28.5	32.0	37.9	35.6	37.3	39.2	39.5	40.2
Government purchases of goods and services.....	8.5	8.0	24.8	37.9	117.1	122.5	128.9	136.2	153.0	145.0	149.0	156.2	161.1	168.2
Federal.....	1.3	2.0	16.9	28.4	63.4	64.2	65.2	66.8	76.9	71.9	74.0	79.0	81.7	86.2
National defense.....			13.8	14.1	51.6	50.8	50.0	50.1	60.0	54.6	57.1	62.0	65.5	68.8
Other.....			3.1	4.3	11.8	13.5	15.2	16.7	16.9	17.4	16.9	17.0	16.2	17.4
State and local.....	7.2	6.0	7.9	19.5	53.7	58.2	63.7	69.4	76.2	73.1	75.0	77.2	79.4	82.0
Gross national product in constant (1958) dollars.....	203.6	141.5	263.7	355.3	529.8	551.0	580.0	614.4	647.8	640.5	643.5	649.9	657.2	657.2

NOTE.—Dept. of Commerce estimates. Quarterly data are seasonally adjusted totals at annual rates. For back data and explanation of series, see the *Supplement to the Survey of Current Business* for Aug. 1966.

NATIONAL INCOME

(In billions of dollars)

Item	1929	1933	1941	1950	1962	1963	1964	1965	1966	1966				1967
										I	II	III	IV		1P
National income.....	86.8	40.3	104.2	241.1	457.7	481.9	517.3	559.0	610.1	595.7	604.1	613.8	626.9	.....
Compensation of employees.....	51.1	29.5	64.8	154.6	323.6	341.0	365.7	392.9	433.3	419.6	427.9	438.3	447.5	456.1
Wages and salaries.....	50.4	29.0	62.1	146.8	296.1	311.1	333.6	358.4	392.3	380.0	387.4	396.7	405.0	411.8
Private.....	45.5	23.9	51.9	124.4	240.1	251.6	269.3	289.1	314.8	305.9	311.5	318.0	323.9	328.3
Military.....	.3	.3	1.9	5.0	10.8	10.8	11.7	12.1	14.6	13.6	14.1	15.0	15.8	16.3
Government civilian.....	4.6	4.9	8.3	17.4	45.2	48.6	52.6	57.1	62.8	60.4	61.8	63.7	65.2	67.1
Supplements to wages and salaries.....	.7	.5	2.7	7.8	27.5	29.9	32.0	34.5	41.0	39.6	40.5	41.5	42.5	44.3
Employer contributions for social insurance.....	.1	.1	2.0	4.0	13.7	15.0	15.4	16.0	20.2	19.6	19.9	20.4	20.8	21.8
Other labor income.....	.6	.4	.7	3.8	13.9	14.9	16.6	18.5	20.8	20.0	20.6	21.1	21.7	22.5
Proprietors' income.....	15.1	5.9	17.5	37.5	50.1	51.0	51.9	55.7	57.8	58.4	57.9	57.3	57.5	57.4
Business and professional.....	9.0	3.3	11.1	24.0	37.1	37.9	39.9	40.7	41.8	41.4	41.6	41.9	42.3	42.6
Farm.....	6.2	2.6	6.4	13.5	13.0	13.1	12.0	15.1	16.0	17.0	16.3	15.4	15.2	14.8
Rental income of persons.....	5.4	2.0	3.5	9.4	16.7	17.1	17.7	18.3	18.9	18.7	18.8	18.9	19.1	19.3
Corporate profits and inventory valuation adjustment.....	10.5	-1.2	15.2	37.7	55.7	58.9	66.6	74.2	80.2	80.0	79.9	79.1	81.7	.....
Profits before tax.....	10.0	1.0	17.7	42.6	55.4	59.4	67.0	75.7	82.3	82.7	82.8	81.9	81.8	.....
Profits tax liability.....	1.4	.5	7.6	17.8	24.2	26.3	28.4	31.2	33.9	34.1	34.1	33.7	33.7	.....
Profits after tax.....	8.6	.4	10.1	24.9	31.2	33.1	38.7	44.5	48.4	48.7	48.7	48.2	48.1	.....
Dividends.....	5.8	2.0	4.4	8.8	15.2	16.5	17.3	19.2	20.9	20.9	21.1	21.1	20.7	21.5
Undistributed profits.....	2.8	-1.6	5.7	16.0	16.0	16.6	21.3	25.3	27.5	27.8	27.6	27.1	27.4	.....
Inventory valuation adjustment.....	.5	-2.1	-2.5	-5.0	.3	-.5	-.4	-1.5	-2.1	-2.8	-2.9	-2.8	.0	-6
Net interest.....	4.7	4.1	3.2	2.0	11.6	13.8	15.5	17.8	20.0	19.1	19.6	20.2	21.0	21.6

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	1962	1963	1964	1965	1966	1966				1967
										I	II	III	IV		I^{p}
Gross national product	103.1	55.6	124.5	284.8	560.3	590.5	631.7	681.2	739.6	721.2	732.3	745.3	759.3	764.3
Less: Capital consumption allowances	7.9	7.0	8.2	18.3	50.0	52.6	56.0	59.6	63.1	61.6	62.7	63.7	64.6	65.6
Indirect business tax and nontax liability	7.0	7.1	11.3	23.3	51.5	54.7	58.5	62.7	65.5	63.0	64.7	66.3	68.1	68.6
Business transfer payments	.6	.7	.5	.8	2.1	2.3	2.5	2.6	2.6	2.6	2.6	2.6	2.6	2.6
Statistical discrepancy	.7	.6	.4	1.5	.5	-.3	-1.4	-1.6	-.2	-.8	-.9	.4	-.6	.....
Plus: Subsidies less current surplus of government enterprises	-.1	.....	.1	.2	1.4	.8	1.3	1.0	1.4	.8	.9	1.5	2.2	2.2
Equals: National income	86.8	40.3	104.2	241.1	457.7	481.9	517.3	559.0	610.1	595.7	604.1	613.8	626.7	.....
Less: Corporate profits and inventory valuation adjustment	10.5	-1.2	15.2	37.7	55.7	58.9	66.6	74.2	80.2	80.0	79.9	79.1	81.7	.....
Contributions for social insurance	.2	.3	2.8	6.9	24.0	26.9	28.0	29.2	37.8	36.5	37.0	38.5	39.3	41.5
Excess of wage accruals over disbursements	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Plus: Government transfer payments	.9	1.5	2.6	14.3	31.2	33.0	34.2	37.1	41.9	40.0	40.1	42.3	45.3	48.6
Net interest paid by government and consumer	2.5	1.6	2.2	7.2	16.1	17.6	19.1	20.6	22.8	21.9	22.5	23.0	23.8	24.4
Dividends	5.8	2.0	4.4	8.8	15.2	16.5	17.3	19.2	20.9	20.9	21.1	21.1	20.7	21.5
Business transfer payments	.6	.7	.5	.8	2.1	2.3	2.5	2.6	2.6	2.6	2.6	2.6	2.6	2.6
Equals: Personal income	85.9	47.0	96.0	227.6	442.6	465.5	496.0	535.1	580.4	564.6	573.5	585.2	598.3	610.1
Less: Personal tax and nontax payments	2.6	1.5	3.3	20.7	57.4	60.9	59.4	66.0	75.1	69.5	73.6	77.4	79.8	81.2
Equals: Disposable personal income	83.3	45.5	92.7	206.9	385.3	404.6	436.6	469.1	505.3	495.1	499.9	507.8	518.4	528.9
Less: Personal outlays	79.1	46.5	81.7	193.9	363.7	384.7	412.1	443.4	478.3	468.4	473.3	483.3	488.0	496.4
Personal consumption expenditures	77.2	45.8	80.6	191.0	355.1	375.0	401.4	431.5	464.9	455.6	460.1	469.9	474.1	482.2
Consumer interest payments	1.5	.5	.9	2.4	8.1	9.1	10.1	11.3	12.7	12.1	12.5	12.8	13.2	13.6
Personal transfer payments to foreigners	.3	.2	.2	.4	.5	.6	.6	.6	.6	.6	.7	.7	.6	.6
Equals: Personal saving	4.2	-.9	11.0	13.1	21.6	19.9	24.5	25.7	27.0	26.7	26.6	24.5	30.4	32.5
Disposable personal income in constant (1958) dollars	150.6	112.2	190.3	249.6	367.3	381.3	406.5	430.8	451.6	448.4	447.9	452.2	457.6	465.2

NOTE.—Dept. of Commerce estimates. Quarterly data are seasonally adjusted quarterly totals at annual rates. See also NOTE to table opposite.

PERSONAL INCOME

(In billions of dollars)

Item	1965	1966	1966										1967		
			Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar. ^p
Total personal income	535.1	580.4	569.0	570.5	573.0	577.2	580.0	585.4	590.0	594.4	598.5	601.8	607.5	609.7	613.1
Wage and salary disbursements	358.4	392.3	382.9	384.7	387.0	390.5	393.7	397.0	399.5	402.3	405.1	407.4	410.7	411.2	413.4
Commodity-producing industries	144.3	158.2	155.4	156.0	158.1	158.2	159.8	160.7	161.5	162.4	162.9	163.9	163.0	163.4	163.4
Manufacturing only	115.5	127.2	124.0	125.2	125.9	127.0	127.1	128.9	129.6	130.7	131.4	131.4	132.2	131.1	131.6
Distributive industries	86.7	93.2	91.4	91.5	91.9	92.8	93.6	93.9	94.4	95.1	95.8	96.5	97.5	97.7	97.9
Service industries	58.1	63.5	61.7	62.0	62.5	63.0	64.0	64.5	64.9	65.4	65.8	66.2	66.7	67.2	67.8
Government	69.2	77.4	74.5	75.2	75.9	76.6	78.0	78.8	79.5	80.2	81.0	81.9	82.7	83.5	84.3
Other labor income	18.5	20.8	20.2	20.4	20.6	20.7	20.9	21.1	21.3	21.5	21.7	21.9	22.2	22.5	22.8
Proprietors' income	55.8	57.8	58.8	58.2	57.9	57.6	57.3	57.3	57.2	57.2	57.4	57.8	57.9	57.4	57.0
Business and professional	40.7	41.8	41.5	41.5	41.6	41.7	41.8	41.9	42.0	42.1	42.2	42.4	42.7	42.6	42.5
Farm	15.1	16.0	17.3	16.7	16.3	15.9	15.5	15.4	15.3	15.1	15.2	15.4	15.2	14.8	14.5
Rental income	18.3	18.9	18.7	18.7	18.8	18.8	18.9	18.9	19.0	19.0	19.1	19.2	19.2	19.3	19.4
Dividends	19.2	20.9	20.9	21.0	21.2	21.1	21.1	21.0	21.2	21.2	21.2	19.8	21.3	21.5	21.7
Personal interest income	38.4	42.8	41.4	41.8	42.1	42.3	42.6	43.1	43.8	44.3	44.8	45.3	45.7	46.0	46.3
Transfer payments	39.7	44.6	42.9	42.6	42.5	43.2	43.5	45.1	46.0	47.2	47.8	48.9	50.0	51.5	52.2
Less: Personal contributions for social insurance	13.2	17.6	16.9	17.0	17.1	17.2	17.9	18.1	18.2	18.3	18.5	18.6	19.7	19.7	19.8
Nonagricultural income	515.6	559.7	547.0	549.1	551.9	556.5	559.8	565.4	570.1	574.6	578.6	581.7	587.5	590.0	593.5
Agriculture income	19.5	20.7	22.0	21.4	21.0	20.7	20.2	20.1	20.0	19.8	19.9	20.1	20.0	19.7	19.5

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

1. SUMMARY OF FLOW OF FUNDS ACCOUNTS, 1966

(In billions of dollars)

Transaction category	Sector	Private domestic nonfinancial sectors				U.S. Govt.		Financial sectors				Rest of the world		All sectors		Discrepancy	Natl. saving and investment										
		Households		Business		State and local govts.		Total		U.S. Govt.		Total		Monetary auth.				Coml. banks		Nonbank finance							
		U	S	U	S	U	S	U	S	U	S	U	S	U	S			U	S	U	S	U	S				
1	Gross saving	110.6		74.4		.6		185.5		-.8		3.8		.1		2.3		1.4		-1.7		186.8		188.5		1	
2	Capital consumption	63.9		53.2				117.1				1.0				.5		.5				118.1		118.1		2	
3	Net saving (1-2)	46.7		21.1		.6		68.4		-.8		2.8		.1		1.8		.9		-1.7		68.7		70.4		3	
4	Gross investment (5+10)	112.8		71.8		.7		185.2		-1.1		2.3		.1		1.7		.5		-1.8		184.5		188.1		4	
5	Private cap. expend., net	93.2		92.5				185.7				.7				.3		.4				186.3		186.3		5	
6	Consumer durables	69.3						69.3														69.3		69.3		6	
7	Residential constr.	19.4		6.4				25.8														25.8		25.8		7	
8	Plant and equipment	4.5		74.1				78.6				.7				.3		.4				79.3		79.3		8	
9	Inventory change			11.9				11.9														11.9		11.9		9	
10	Net financial invest. (11-12)	19.6		-20.7		.7		-.4		-1.1		1.6		.1		1.4		.1		-1.8		-1.8		1.8		10	
11	Financial uses, net	43.0		21.3		10.0		74.3		7.8		55.2		4.2		20.9		30.1		3.6		140.9		5.4		11	
12	Financial sources		23.4		42.0		9.4	74.8		8.9		53.6		4.1		19.5		30.1		5.4		142.7		3.6		12	
13	Gold & off. U.S. fgn. exch.									-.2		-.3								.6	*	*				13	
14	Treasury currency									.9		.7										.7	.9	.2		14	
15	Dem. dep. and currency											2.5		2.4		.1						4.4	2.5			15	
16	Private domestic	2.1		.7		1.5		4.4				.3	3.2		2.0		1.2		.3			4.7	3.2	-1.5		16	
17	U.S. Govt.							-.1				-.5		.2		-.6						-.1	-.5	-.4		17	
18	Foreign											-.2		.2		-.4						-.2	-.2			18	
19	Time and svgs. accounts	18.9						19.6				-.2	20.3									20.3				19	
20	At coml. banks	11.6		-.7		1.4		12.3		*		13.2				13.2				.9		13.2				20	
21	At svgs. instit.	7.3						7.3				-.2	7.1									7.1				21	
22	Life insur. reserves	4.7						4.7					4.6									4.6				22	
23	Pension fund reserves	12.1				2.7		12.1	2.7	1.3			8.2									12.1				23	
24	Consol. bank items ¹											2.2	2.2	.3	1.9	1.9	.3					2.2	2.2			24	
25	Credit mkt. instr.	11.1	23.2	3.3	33.1	7.0	6.6	21.4	62.9	7.5	6.7	50.8	7.0	3.5		18.4	1	28.9	6.9	-1.4	1.4	78.2	78.1			25	
26	U.S. Govt. securities	7.8		-1.2		1.4		8.1				6.7		2.1		3.5		-2.8		.6		-2.6		6.7		26	
27	State and local oblig.	3.5		.8		-.4	5.9	3.8	5.9					2.1									5.9			27	
28	Corp. and foreign bonds	-.2			10.2	5.6		5.4	10.2				5.1	.9									11.8			28	
29	Corp. stocks	*			1.2			*	1.2				5.2	4.0				5.1	.8	1.2	.7		4.9			29	
30	1- to 4-family mortgages	*	13.5		-1.0	.4		4	12.5	2.5		8.7	-.9			2.6		6.1	-.9			11.6				30	
31	Other mortgages		1.2		7.3				8.5	.9		7.6				2.4		5.1					8.5			31	
32	Consumer credit		6.9	1.5				1.5	6.9			5.4				3.1		2.3				6.9				32	
33	Bank loans n.e.c.		-.2		11.0				10.8			9.4	-1.2		*		9.4		-1.2		-.2		9.4			33	
34	Other loans		1.8	2.3	4.4		.7	2.3	6.9	4.0		6.0	4.3		*		1.9	4.0	4.3	.3	1.2	12.5	12.4	-.1		34	
35	Open market paper			2.3	1.1			2.3	1.1			1.9	3.4		*		1.9	*	3.4	.3	-.1		4.4			35	
36	Federal loans		.3		.9		.7		1.9	4.0			.9						.9			1.2	4.0			36	
37	Security credit	.2	-.1					.2	-.1			-.2	.1			-.1		-.1	.1	*	*		*			37	
38	To brkrs. and dealers	.2						.2				-.1	.1			-.1		.1	.1	*	*		.1			38	
39	To others		-.1					-.1				-.1				.1		-.2		*	*		-.1			39	
40	Taxes payable				-.4	.1		.1	-.4	-1.1			.1			*			.1			-1.0	-.2		.8	40	
41	Trade credit		.1	10.9	9.6		.1	10.9	9.8	1.7	.7		.2					.2				12.8	10.4		-2.4	41	
42	Equity in noncorp. business		-7.1		-7.1			-7.1	-7.1														-7.1				42
43	Misc. financial trans.	1.0	.2	7.1	6.8			8.1	7.0	*	-.8	1.7	8.6		-.1	.6	5.7	1.1	3.0	3.8	4.0	13.6	18.8	5.2		43	
44	Sector discrepancies (1-4)		-2.2		2.6		-.1		.3		.4		1.5			.7		.9		.1		2.3		2.3		.4	44

¹ Claims between commercial banks and monetary authorities: member bank reserves, vault cash, F.R. loans to banks, F.R. float, and stock at F.R. Banks

2. SAVING, INVESTMENT, AND FINANCIAL FLOWS
(In billions of dollars)

Transaction category, or sector	1962	1963	1964	1965	1966	1964					1965				1966			
						IV	I	II	III	IV	I	II	III	IV	I	II	III	IV
I. Saving and investment																		
1 Gross national saving.....	134.5	144.5	159.4	178.4	188.5	165.5	176.8	175.3	178.4	183.0	188.2	188.3	186.0	191.6	1			
2 Households.....	82.0	85.8	96.8	105.1	110.6	98.5	100.9	100.1	109.0	110.5	111.2	107.6	108.4	115.2	2			
3 Farm and noncorp. business.....	13.1	13.5	14.4	15.0	15.6	14.8	14.9	15.0	15.1	15.2	15.3	15.5	15.7	16.0	3			
4 Corporate nonfin. business.....	41.8	43.9	50.8	55.3	58.7	51.3	55.0	54.5	55.5	56.4	57.7	57.8	57.9	61.4	4			
5 U.S. Government.....	-4.8	-6	-4.3	.2	-.8	-1.6	3.2	2.7	-4.0	-1.1	1.2	2.1	-1.7	-4.8	5			
6 State and local govt.....	-1.4	-1.5	-1.4	-1.0	.6	-.5	-.9	-.9	-1.0	-1.1	-.2	.9	1.1	.5	6			
7 Financial sectors.....	3.8	3.5	3.1	3.6	3.8	3.1	3.6	3.9	3.9	3.1	3.0	4.5	4.5	3.3	7			
8 Gross national investment.....	133.9	143.8	157.0	176.4	188.1	160.7	172.6	172.7	176.9	183.1	186.4	187.4	188.3	190.4	8			
9 Consumer durable goods.....	49.5	53.9	59.4	66.1	69.3	58.8	65.1	64.4	66.7	68.0	70.3	67.1	70.2	69.6	9			
10 Business inventories.....	6.0	5.9	4.7	9.1	11.9	7.4	9.5	7.7	8.8	10.4	9.0	12.3	9.9	16.4	10			
11 Gross pvt. fixed investment.....	77.0	81.3	88.3	97.5	105.1	90.0	94.4	96.0	98.0	101.5	105.6	106.2	105.1	103.5	11			
12 Households.....	21.9	22.4	23.2	23.7	23.9	23.3	22.9	23.2	23.6	24.9	24.7	24.4	24.2	22.3	12			
13 Nonfin. business.....	54.4	57.9	64.2	73.0	80.6	65.8	70.5	71.9	73.5	76.1	80.0	80.9	80.5	80.8	13			
14 Financial sectors.....	.6	1.0	.9	.8	.7	.9	.9	.9	.9	.4	.9	.9	.4	.4	14			
15 Net financial investment.....	1.3	2.8	4.7	3.7	1.8	4.5	3.6	4.6	3.5	3.2	1.6	1.8	3.0	.8	15			
16 Discrepancy (1-8).....	.7	.6	2.4	2.0	.4	4.8	4.2	2.6	1.5	-.2	1.8	.9	-2.3	1.2	16			
II. Financial flows—Summary																		
17 Net funds raised—Nonfin. sectors.....	54.2	58.5	67.0	72.1	71.1	67.4	76.3	72.3	61.2	78.8	84.1	82.9	63.5	53.7	17			
18 Loans and short-term securities.....	15.0	19.0	26.4	33.0	27.8	35.0	36.8	33.1	21.2	41.1	26.8	21.1	26.7	36.9	18			
19 Long-term securities and mtgs.....	39.2	39.5	40.6	39.1	43.2	32.5	39.5	39.2	40.0	37.7	57.4	61.8	36.8	16.8	19			
By sector																		
20 U.S. Government.....	7.9	5.0	7.1	3.5	6.7	4.6	9.0	1.4	-4.5	8.2	14.9	2.8	7.0	2.2	20			
21 Short-term mkt. securities.....	.7	1.4	4.0	3.5	2.2	8.7	5.5	3.6	-3.5	8.3	1.3	-12.7	6.3	14.1	21			
22 Other securities.....	7.3	3.6	3.0	.1	4.5	-4.1	3.6	-2.3	-1.0	-.1	13.6	15.5	.8	-11.8	22			
23 Foreign borrowers.....	2.1	3.3	4.4	2.6	1.4	6.4	5.1	1.6	1.0	2.7	2.3	2.4	.1	.9	23			
24 Loans.....	1.1	2.2	3.7	1.9	1.0	4.4	4.3	1.1	.2	1.9	1.0	2.0	.2	.8	24			
25 Securities.....	1.0	1.1	.7	.8	.4	2.0	.8	.6	.8	.8	1.3	.3	*	1	25			
26 Pvt. domestic nonfin. sectors.....	44.2	50.2	55.6	66.0	62.9	56.4	62.1	69.2	64.7	67.8	66.9	77.8	56.3	50.5	26			
27 Loans.....	13.3	15.5	18.7	27.7	24.6	21.8	27.0	28.4	24.5	30.9	24.5	31.8	20.2	22.0	27			
28 Consumer credit.....	5.5	7.3	8.0	9.4	6.9	7.2	10.0	9.6	9.3	8.9	9.2	7.0	6.9	4.6	28			
29 Bank loans n.e.c.....	4.8	5.4	6.5	13.6	10.8	11.4	14.1	12.4	11.2	16.7	9.0	17.4	7.9	8.8	29			
30 Other loans.....	3.0	2.7	4.2	4.7	6.9	3.1	2.9	6.4	4.1	5.3	6.2	7.4	5.4	8.6	30			
31 Securities and mortgages.....	31.0	34.7	36.9	38.3	38.3	34.7	35.1	40.8	40.1	37.0	42.5	46.0	36.1	28.5	31			
32 State and local obligations.....	5.0	6.7	5.9	7.4	5.9	5.8	6.1	8.6	6.8	8.1	5.4	7.2	4.8	6.2	32			
33 Corporate securities.....	5.1	3.6	5.4	5.4	11.4	4.4	7.0	7.4	2.9	11.9	15.2	11.7	11.7	6.9	33			
34 1- to 4-family mortgages.....	13.0	15.2	15.7	16.0	12.5	15.2	15.9	15.5	16.2	16.5	15.2	14.0	11.3	9.5	34			
35 Other mortgages.....	7.9	9.3	10.0	9.5	8.5	10.5	8.7	9.7	9.8	9.5	10.0	9.6	8.4	6.0	35			
36 Net sources of credit (= line 17).....	54.2	58.5	67.0	72.1	71.1	67.4	76.3	72.3	61.2	78.8	84.1	82.9	63.5	53.7	36			
37 Chg. in U.S. Govt. cash balance.....	1.3	-4	-.2	-1.0	-.5	-1.4	5.2	-.9	-10.4	2.1	-5.1	8.9	-1.8	-4.0	37			
38 U.S. Govt. lending.....	3.3	2.7	3.8	4.7	7.5	3.6	5.3	6.4	3.1	3.9	11.3	10.0	6.6	1.9	38			
39 Foreign funds.....	2.2	1.9	2.5	4.4	-.8	3.9	-.6	5	-.9	2.7	-1.7	4.6	-4.0	-1.8	39			
40 Pvt. insur. & pension reserves.....	9.0	10.1	11.1	11.6	12.8	11.9	10.9	12.0	12.0	11.7	12.9	11.2	13.5	13.4	40			
41 Sources n.e.c.....	4.0	4.7	5.4	7.4	7.9	5.1	10.2	8.7	3.5	7.4	11.4	3.7	13.0	3.5	41			
42 Pvt. domestic nonfin. sectors.....	34.4	39.5	44.1	48.9	44.2	44.4	45.2	45.6	54.0	51.0	55.3	44.5	36.3	40.5	42			
43 Liquid assets.....	31.4	37.4	33.0	43.3	24.0	38.0	44.5	35.2	44.3	49.1	33.4	26.7	10.3	25.4	43			
44 Deposits.....	30.1	34.4	35.3	40.4	22.5	42.7	38.2	31.5	43.4	48.6	27.7	27.3	13.4	21.6	44			
45 Demand dep. and currency.....	2.1	5.9	6.5	7.8	2.9	10.2	3.1	2.6	8.7	16.8	2.8	3.5	-2.5	7.5	45			
46 Time and svcs. accounts.....	28.1	28.5	28.8	32.6	19.6	32.5	35.1	28.9	34.7	31.8	24.8	23.8	15.9	14.0	46			
47 At commercial banks.....	15.0	13.4	13.0	19.5	12.3	17.2	21.8	16.6	21.5	18.1	15.1	19.0	10.6	4.6	47			
48 At savings instit.....	13.0	15.1	15.8	13.1	7.3	15.2	13.3	12.3	13.2	13.6	9.7	4.8	5.3	9.4	48			
49 Short-term U.S. Govt. sec.....	1.3	3.0	-2.3	2.8	1.5	-4.7	6.3	3.7	.9	.5	5.8	-.6	-3.1	3.9	49			
50 Other U.S. Govt. securities.....	.4	1.7	3.1	.2	6.6	1.6	-.7	3.5	-1.0	-1.1	7.2	6.9	8.7	3.6	50			
51 Pvt. credit mkt instruments.....	2.5	2.3	7.8	6.1	13.3	4.7	1.7	6.2	10.5	6.0	13.3	10.5	20.2	9.2	51			
52 Less security debt.....	-.2	2.0	-.2	.6	-.3	*	.3	-.7	-.2	3.0	-1.3	-.4	2.9	-2.3	52			
III. Direct lending in credit markets																		
53 Total funds raised.....	54.2	58.5	67.0	72.1	71.1	67.4	76.3	72.3	61.2	78.8	84.1	82.9	63.5	53.7	53			
54 Less change in U.S. Govt. cash.....	1.3	-.3	-.2	-1.0	-.5	-1.5	5.3	-.9	-10.4	2.1	-5.1	8.9	-1.8	-3.9	54			
55 Total net of U.S. Govt. cash.....	52.9	58.8	66.9	73.1	71.5	68.9	71.0	73.2	71.6	76.7	89.2	74.0	65.3	57.6	55			
56 Funds supplied directly to cr. mkt.....	52.9	58.8	66.9	73.1	71.5	68.9	71.0	73.2	71.6	76.7	89.2	74.0	65.3	57.6	56			
57 Federal Reserve System.....	1.9	2.6	3.2	3.8	3.3	3.4	5.8	4.1	3.1	2.4	2.5	.1	6.3	4.3	57			
58 Total.....	2.0	2.9	3.4	3.8	3.5	3.8	6.0	3.8	4.3	1.2	2.1	2.1	6.0	3.7	58			
59 Less change in U.S. Govt. cash.....	.1	.3	.2	*	.2	.4	.2	-.3	1.2	-1.2	-.4	2.0	-.3	-.7	59			
60 Commercial banks, net.....	18.2	19.7	21.7	29.3	18.9	29.5	25.8	21.3	29.9	40.3	22.9	29.9	10.0	12.8	60			
61 Total.....	19.5	19.4	22.2	29.1	18.3	28.0	31.3	22.7	18.3	43.9	18.3	37.1	8.4	9.5	61			
62 Less chg. in U.S. Govt. cash.....	1.2	-.6	*	-1.0	-.6	-1.9	5.0	-.6	-11.6	3.3	-4.7	6.9	-.5	-3.3	62			
63 Security issues.....	.1	.3	.6	.8	.1	.4	.5	2.0	.1	.4	.1	.3	*	*	63			
64 Nonbank finance, net.....	23.8	28.0	28.9	27.1	21.7	29.6	28.0	27.1	26.9	26.4	26.6	15.4	22.5	22.4	64			
65 Total.....	28.5	34.4	33.4	32.7	24.8	31.2	34.7	37.7	24.0	34.6	34.1	23.6	16.4	24.9	65			
66 Less credit raised.....	4.7	6.4	4.4	5.6	3.0	1.5	6.7	10.5	-2.9	8.2	7.5	8.2	-6.0	2.5	66			
67 U.S. Government.....	3.3	2.7	3.8	4.7	7.5	3.6	5.3	6.4	3.1	3.9	11.3	10.0	6.6	1.9	67			
68 Foreign.....	1.5	.9	.6	-.2	-1.4	1.3	-.7	.2	-1.8	1.4	-1.6	1.4	-2.8	-2.7	68			
69 Pvt. domestic nonfin.....	4.3	5.1	8.8	8.5	21.7	1.7	7.0	14.1	10.6	2.4	27.7	17.2	22.9	19.0	69			
70 Households.....	-1.7	.4	3.4	2.7	11.1	1.2	-3.0	11.7	3.8	-1.9	12.2	10.4	15.1	6.5	70			
71 Business.....	2.3	3.1	1.7	.9	3.3	-1.5	-.2	-2.6	4.5	1.7	6.1	.9	3.7	2.4	71			
72 State and local govts.....	3.6	3.5	3.6	5.3	7.0	2.1	10.0	4.3	2.1	5.7	8.0	5.4	6.9	7.7	72			
73 Less net security credit.....	-.2	2.0	-.2	.6	-.3	*	.3	-.7	-.2	3.0	-1.3	-.4	2.9	-2.3	73			

NOTE.—Quarterly data are seasonally adjusted totals at annual rates.
See also notes on p. 853.

3. PRINCIPAL FINANCIAL TRANSACTIONS

(In billions of dollars)

Transaction category, or sector	1962	1963	1964	1965	1966	1964	1965				1966				
						IV	I	II	III	IV	I	II	III	IV	
I. Demand deposits and currency															
1 Net incr. in banking system liability	4.5	5.8	7.4	7.6	2.5	10.3	7.7	1.7	-1	21.1	-3.6	14.1	-5.4	4.9	1
2 U.S. Govt. deposits	1.3	-3	.2	-1.0	-.5	-1.5	5.3	-.9	-10.4	2.1	-5.1	8.9	-1.8	-3.9	2
3 Other	3.2	6.1	7.3	8.6	3.0	11.8	2.5	2.6	10.3	19.0	1.5	5.2	-3.6	8.8	3
4 Domestic sectors	3.1	6.0	6.8	8.5	3.2	10.7	3.1	3.1	9.6	18.3	1.4	4.0	-1.8	9.1	4
5 Households	2.7	4.3	6.7	7.2	2.1	13.9	6.3	.9	6.1	15.4	-3.4	2.6	.5	8.9	5
6 Nonfinancial business	-.9	-.8	-2.5	-1.9	.7	-8.7	.6	-3.1	-4.5	-6	4.0	1.6	-.7	-2.0	6
7 State and local govts.	.9	2.4	1.4	1.0	1.5	3.3	-4.5	4.6	3.2	.7	1.4	3.1	.6	.9	7
8 Financial sectors	1.1	.2	.3	.7	.3	.5	*	.5	.9	1.5	-1.4	.5	.7	1.6	8
9 Mail float	-.6	-.1	.9	1.5	-1.5	1.7	.6	.1	4.0	1.3	.8	-3.7	-2.9	-3	9
10 Rest of the world	.1	.1	.5	.1	-.2	1.1	-.7	-.5	.7	.8	.1	1.2	-1.9	-3	10
II. Time and savings accounts															
11 Net increase—Total	28.7	29.5	30.4	32.9	20.3	34.5	35.5	29.5	34.4	32.2	24.3	25.3	16.2	15.2	11
12 At commercial banks—Total	15.6	14.3	14.5	20.0	13.2	19.0	22.7	17.6	21.4	18.4	14.9	20.9	11.2	5.8	12
13 Corporate business	3.7	3.9	3.2	3.9	-.7	3.4	6.4	5.7	2.5	.9	4.1	1.7	-3.9	-4.6	13
14 State and local govts.	1.0	1.6	1.7	2.4	1.4	2.7	1.9	1.1	3.1	3.3	-.3	2.3	1.9	1.9	14
15 Foreign depositors	.6	1.0	1.4	.6	.9	1.6	.8	.8	.2	.5	-.2	2.0	.6	1.2	15
16 Households	10.3	7.9	8.2	13.3	11.6	11.2	13.5	9.8	15.8	13.9	11.3	15.0	12.6	7.4	16
17 At savings institutions	13.1	15.2	15.9	12.9	7.1	15.4	12.8	11.9	13.0	13.8	9.4	4.4	5.0	9.4	17
18 Memo: Households total	23.4	23.0	23.9	26.4	18.9	26.4	26.8	22.1	29.1	27.6	21.0	19.8	17.9	16.7	18
III. U.S. Govt. securities															
19 Total net issues	7.9	5.0	7.0	3.5	6.7	4.4	9.0	1.4	-4.5	8.2	14.9	2.8	7.0	2.2	19
20 Short-term marketable	.6	1.4	4.0	3.5	2.2	8.6	5.5	3.6	-3.5	8.3	1.3	-12.7	6.3	14.1	20
21 Other	7.3	3.6	3.0	.1	4.5	-4.1	3.6	-2.3	-1.0	-.1	13.6	15.5	.8	-11.8	21
22 Net acquisitions, by sector	7.9	5.0	7.0	3.5	6.7	4.4	9.0	1.4	-4.5	8.2	14.9	2.8	7.0	2.2	22
23 Federal Reserve System	1.9	2.8	3.5	3.7	3.5	3.7	5.9	4.2	4.3	.5	2.4	1.8	6.8	3.1	23
24 Short-term	2.0	4.9	2.1	3.7	5.4	3.5	12.4	6.2	-.3	-3.6	5.2	-3.5	6.9	13.0	24
25 Commercial banks	1.4	-2.6	.4	-2.3	-2.8	1.7	-2.6	-10.2	-1.7	5.3	-1.9	.5	-5.7	-4.2	25
26 Short-term marketable	-5.2	-3.5	3.9	-1.7	-4.6	8.5	-10.6	-5.7	2.4	7.2	-10.7	-4.9	-.1	-2.9	26
27 Other direct	5.2	.5	-4.1	-1.4	1.0	-9.3	7.9	-5.3	-6.1	-2.3	8.3	-.9	-2.0	-1.6	27
28 Nonbank finance	1.4	.3	.6	.8	.8	2.4	*	.8	2.1	.4	.5	6.3	-3.8	.3	28
29 Nonbank finance	1.6	-.5	2.0	-.8	.6	.6	2.2	-.8	-5.9	1.5	4.0	-4.3	4.4	-1.9	29
30 Short-term marketable	.8	-1.3	1.2	-.3	1.3	.6	.1	-.1	-4.4	3.2	3.0	-2.8	4.8	4	30
31 Other direct	.6	.6	.5	-.7	-1.1	-.7	2.1	-1.4	-2.1	-1.5	.1	-1.8	-.5	-2.3	31
32 Nonbank finance	.2	.3	.3	.3	.4	.6	*	.7	.5	-.1	.9	.4	.1	.1	32
33 Foreign	1.3	.6	.5	-.2	-2.6	1.7	-2.0	.9	-1.0	1.5	-2.6	-1.5	-4.0	-2.3	33
34 Short-term	2.2	-.6	.1	-.4	.8	1.7	-1.9	-.1	-1.5	1.8	-1.7	-.1	-2.1	.7	34
35 Pvt. domestic nonfin. sector	1.7	4.7	.8	3.0	8.1	-3.2	5.6	7.2	-.2	-.7	13.0	6.2	5.6	7.5	35
36 Short-term marketable	.9	1.8	-3.3	2.2	.9	-5.9	5.5	3.3	.3	.3	5.4	-1.3	-3.4	3.0	36
37 Other direct	-.1	1.0	2.8	-1.1	2.4	1.6	-1.3	.5	-2.3	-1.3	3.3	-3.6	6.0	4.0	37
38 Nonbank finance	.5	.7	.4	1.3	4.2	*	.5	3.0	1.3	.2	3.9	10.5	2.7	-.4	38
39 Savings bonds—Households	.4	1.2	.9	.6	.6	1.0	.8	.4	.5	.8	.3	.7	.3	.9	39
IV. Other securities															
40 Total net issues, by sector	11.5	13.1	14.6	16.2	18.6	13.0	13.3	20.0	16.6	14.9	20.3	23.3	18.3	12.4	40
41 State and local govts.	5.0	6.7	5.9	7.4	5.9	5.8	6.1	8.6	6.8	8.1	5.4	7.2	4.8	6.2	41
42 Nonfinancial corporations	5.1	3.6	5.4	5.4	11.4	3.1	4.4	7.0	7.4	2.9	11.9	15.2	11.7	6.9	42
43 Commercial banks	.1	.3	.6	.8	.1	.4	.5	2.0	.1	.4	.1	.3	*	*	43
44 Finance companies	.3	1.4	2.1	1.9	.8	1.7	1.6	1.8	1.5	2.7	1.6	.3	1.9	-.8	44
45 Rest of the world	1.0	1.0	.7	.9	1.0	2.0	1.3	1.0	.7	.8	1.7	1.0	.6	.6	45
46 Net purchases	11.5	13.1	14.6	16.2	18.6	13.0	13.3	20.0	16.6	14.9	20.3	23.3	18.3	12.4	46
47 Households	-1.7	-2.9	1.8	.7	3.3	-1.0	-2.6	2.5	3.6	-.7	4.9	.2	8.9	-.9	47
48 Nonfinancial corporations	-.4	.9	-.2	.7	.8	.3	.6	.7	.8	.8	.8	.7	.8	.8	48
49 State and local govts.	2.0	2.5	2.7	2.7	5.2	2.9	2.5	1.5	3.3	3.3	4.2	6.6	5.3	4.8	49
50 Commercial banks	4.4	5.2	3.6	4.9	1.7	4.2	5.0	6.5	4.1	4.1	3.3	5.0	1.2	-2.5	50
51 Insurance and pension funds	7.5	7.6	7.3	9.7	9.5	7.4	9.0	9.6	10.7	9.4	11.0	8.4	9.7	8.8	51
52 Finance n.e.c.	-.3	-.2	-.8	-2.0	-3.1	-.2	-1.4	.2	-5.0	-1.8	-4.9	.3	-8.2	.6	52
53 Security brokers and dealers	-.4	-.2	-.8	-.4	-.4	-.3	.4	.6	-2.8	.1	-2.2	2.5	-4.2	2.2	53
54 Investment cos., net	-.8	-.5	-.8	-1.6	-2.6	-.5	-1.8	-.4	-2.2	-1.9	-2.8	-2.2	-4.0	-1.6	54
55 Portfolio purchases	1.1	.8	1.1	1.6	1.4	2.1	.8	1.9	1.3	2.3	2.5	1.1	-.2	2.0	55
56 Net issues of own shares	1.9	1.2	1.8	3.1	4.0	2.6	2.3	3.5	4.2	5.3	3.3	3.8	3.6	5.6	56
57 Rest of the world	*	.2	-.2	-.5	.5	-.1	.1	-1.0	-1.0	-.1	.6	1.0	.1	.1	57
V. Mortgages															
58 Total net lending	21.3	25.0	25.4	25.4	20.0	25.4	24.7	25.4	25.7	25.8	25.6	22.4	17.9	14.3	58
59 1- to 4-family	13.4	15.7	15.4	16.0	11.6	14.9	15.9	15.7	16.0	16.3	15.6	12.9	9.5	8.3	59
60 In process	.4	.5	-.3	-.1	-.9	-.3	*	.2	-.2	-.2	.4	-1.1	-1.8	-1.2	60
61 Disbursed	13.0	15.2	15.7	16.0	12.5	15.2	15.9	15.5	16.2	16.5	15.2	14.0	11.3	9.5	61
62 Other	7.9	9.3	10.0	9.5	8.5	10.5	8.7	9.7	9.8	9.5	10.0	9.6	8.4	6.0	62
63 Net acquisitions	21.3	25.0	25.4	25.4	20.0	25.4	24.7	25.4	25.7	25.8	25.6	22.4	17.9	14.3	63
64 Households	*	-.3	-.1	-.6	*	25.4	-.9	-.6	-1.1	.1	-2.5	.3	1.0	1.1	64
65 U.S. Government	.3	-1.0	.3	1.0	3.4	-.2	.7	1.0	.7	1.5	4.6	4.1	3.0	1.9	65
66 Commercial banks	4.0	4.9	4.5	5.6	5.0	4.6	4.7	5.6	6.4	5.8	5.3	5.3	5.0	4.5	66
67 Savings institutions	13.2	16.1	14.8	13.0	6.6	14.7	13.0	13.0	13.1	12.8	11.4	7.2	3.7	4.0	67
68 Insurance	3.0	4.0	5.1	5.5	5.2	5.6	5.9	5.5	5.1	5.3	6.0	5.8	5.5	3.7	68
69 Mortgage companies	-.5	.8	.4	.5	-.6	-.2	.9	.5	1.0	-.1	.4	-.6	-.7	-1.3	69
VI. Bank loans n.e.c.															
70 Total net borrowing	6.2	7.6	8.7	16.4	9.4	13.7	19.2	13.9	12.9	19.6	7.9	21.3	2.4	6.1	70
71 Nonfinancial business	4.3	5.0	5.1	12.3	11.0	8.3	13.5	11.0	9.9	14.8	10.5	16.5	7.6	9.2	71
72 Nonbank finance	1.0	1.7	.5	2.4	-1.2	.1	2.3	2.6	1.3	3.3	-.4	3.4	-5.6	-2.3	72
73 Households	.5	.4	1.4	1.3	-.2	3.1	.6	1.4	1.3	1.9	-1.4	.8	.3	-.4	73
74 Rest of the world	.4	.5	1.7	.4	-.2	2.2	2.8	-1.1	.4	-.4	-.7	.4	.1	-.5	74

NOTE.—Quarterly data are seasonally adjusted totals at annual rates.
See also notes on p. 853.

Notes to Table 2

I. *Saving and investment.* Derived statistically from Commerce Dept. income and product accounts. Tables showing the relation to those accounts are in Nov. 1965 BULL. Gross national saving (line 1) is the sum for domestic sectors of gross-saving entries in Table 4. It is before deduction of capital consumption allowances. Govt. saving is net of public outlays for capital goods as well as current operations. Gross national investment (line 8) is gross private domestic investment in income-and-product accounts plus consumer durables plus net foreign investment. Net foreign investment differs from corresponding income-and-product series by amount of errors and omissions in balance of payments statement.

Relation of saving-investment discrepancy to flow of funds matrix is described on page 1536 of Nov. 1965 Bull.

II. *Financial flows-Summary.* This table is described in Nov. 1962 BULL., p. 1405. Total net funds raised (line 17) is borrowing through credit markets (line 25 of Table 1) by households, nonfinancial business, govts., and foreigners. Credit market funds raised by all sectors consists of line 17 plus financial-sector borrowing (Table 4(H), line 32 and Table 4(I), line 22).

U.S. Govt. short-term securities are direct marketable issues due in less than 1 year plus part of those due in less than 2 years. For further detail see Table 4(E), lines 26-30.

Demand deposits on lines 37 and 45 are on bank-record basis rather than holder records shown in Table 4. Line 37 includes time deposits. Difference is described in Aug. 1959 BULL., p. 852 ff. Foreign funds consist of lines 9-12 of Table 4(J). Sources n.e.c. (line 41) is mainly financial institution net sources of funds other than deposits, insurance and pension reserves, security credit, and credit mkt. funds.

Private domestic nonfinancial sectors (line 42) consists of acquisition

of deposits and credit market instruments by households, nonfinancial business, and state and local govts. Line 49 includes household savings bonds as well as marketable issues; see Table 3, line 39. Line 51 includes consumer credit and open-market paper in addition to private securities and mortgages. Line 52 is net of free credit balances at brokers.

III. *Direct lending in credit markets.* Federal Reserve total is Table 4(G), lines 5 less 14. Commercial-bank total, line 61, is Table 4(H), line 5; includes security credit. Nonbank finance totals include security credit both in lending and funds raised and exclude investment company shares on both sides; line 65 is lines 7 and 16 of Table 4(I), less line 5 of 4(I.8), and line 66 is line 22 of Table 4(I) plus line 5 of 4(I.7) less line 5 of 4(I.8). Line 69 is the net sum of lines 49-52 in Table 2-II.

Notes to Table 3

I. *Demand deposits and currency.* Lines 5-8 are holder record; line 9 is difference between holder and bank record.

III. *U.S. Govt. securities.* All holdings stated in par values; excludes special issues to International Monetary Fund and includes nonguaranteed issues of Govt. agencies and loan participation certificates. See note 7 to Table 4(E) below. Short-term category consists of direct marketable issues due in less than one-year plus part of those due in less than 2 years.

IV. *Other securities.* Total excludes open-end investment co. shares; these are shown as a deduction on line 56, offsetting net purchases of such shares included in the other lines (mainly households) under "net purchases." Net purchases includes small amounts for mutual savings banks and nonfinancial corporations not shown separately.

V. *Mortgages.* Loans in process at savings and loan associations are included in totals outstanding and treated as savings and loan liability. Line 63 includes holdings by State and local govts. not shown separately.

4. SECTOR STATEMENTS OF SOURCES AND USES OF FUNDS

(In billions of dollars)

Category	1962	1963	1964	1965	1966	1964				1965				1966			
						IV	I	II	III	IV	I	II	III	IV	I	II	III	IV
(A) Households ¹																	
1 Personal income.....	442.6	465.5	496.0	535.1	580.4	507.5	518.1	527.6	541.9	552.8	564.6	573.6	585.2	598.2	1		
2 Less: Personal taxes & nontaxes.....	57.4	60.9	59.4	66.0	75.1	60.9	64.9	66.6	65.7	66.7	69.5	73.7	77.4	79.8	2		
3 Personal outlays.....	363.7	384.6	412.1	443.4	478.3	420.0	430.3	438.6	447.1	457.6	468.4	473.3	483.3	488.0	3		
4 Equals: Personal saving.....	21.6	19.9	24.5	25.7	27.0	26.6	22.8	22.4	29.0	28.5	26.7	26.6	24.5	30.4	4		
5 Plus: Credits from Govt. insur. ²	3.5	4.0	4.4	4.1	4.0	4.2	4.1	4.4	4.1	3.6	3.8	4.5	3.9	3.9	5		
6 Other adjustments ³.....	.5	.5	.6	.9	1.3	.7	.7	.6	.7	1.8	1.8	.6	.8	2.1	6	
7 Net durables in consumpt.....	6.7	8.9	11.3	14.6	14.3	9.5	14.9	13.4	14.8	15.2	16.6	12.6	14.8	13.3	7		
8 Purchases.....	49.5	53.9	59.4	66.1	69.3	58.8	65.1	64.4	66.7	68.0	70.3	67.1	70.2	69.6	8		
9 Less: Cap. consumpt.....	42.9	45.0	48.0	51.5	55.0	49.3	50.2	51.0	51.9	52.8	53.7	54.5	55.4	56.3	9		
10 Equals: Net saving.....	32.3	33.3	40.8	45.3	46.7	41.0	42.5	40.8	48.6	49.1	48.8	44.2	44.0	49.7	10		
11 Plus: Capital consumpt. ⁴	49.8	52.4	56.0	59.9	63.9	57.4	58.4	59.4	60.4	61.4	62.4	63.4	64.4	65.4	11		
12 Equals: Gross saving.....	82.0	85.8	96.8	105.1	110.6	98.5	100.9	100.1	109.0	110.5	111.2	107.6	108.4	115.2	12		
13 Gross investment (14+18).....	83.5	87.2	99.3	107.8	112.8	107.5	99.7	106.3	112.4	112.8	111.0	109.1	111.5	119.4	13		
14 Capital expend. (net of sales).....	71.5	76.3	82.6	89.7	93.2	82.1	88.1	87.6	90.3	93.0	95.0	91.5	94.4	91.9	14		
15 Residential construction.....	18.7	19.0	19.6	19.5	19.4	19.5	18.8	19.0	19.6	20.7	19.9	19.9	19.8	17.8	15		
16 Consumer durable goods.....	49.5	53.9	59.4	66.1	69.3	58.8	65.1	64.4	66.7	68.0	70.3	67.1	70.2	69.6	16		
17 Plant and equip. (nonprofit).....	3.2	3.4	3.7	4.2	4.5	3.8	4.1	4.2	4.0	4.3	4.7	4.5	4.3	4.5	17		
18 Net finan. investment (19-37).....	12.1	10.9	16.7	18.1	19.6	25.4	11.6	18.7	22.1	19.9	16.0	17.7	17.1	27.5	18		
19 Net acquis. of finan. assets ⁵	32.6	37.2	43.9	47.8	43.0	52.5	39.9	47.9	51.1	52.3	41.9	43.9	39.7	46.3	19		
20 Demand dep. and currency.....	2.7	4.3	6.7	7.2	2.1	13.9	6.3	.9	6.1	15.4	-3.4	2.6	.5	8.9	20		
21 Savings accounts.....	23.4	23.0	23.9	26.4	18.9	26.4	26.8	22.1	29.1	27.6	21.0	19.8	17.9	16.7	21		
22 At commercial banks.....	10.3	7.9	8.2	13.3	11.6	11.2	13.5	9.8	15.8	13.9	11.3	15.0	12.6	7.4	22		
23 At savings institutions.....	13.0	15.1	15.8	13.1	7.3	15.2	13.3	12.3	13.2	13.6	9.7	4.8	5.3	9.4	23		
24 Life insurance reserves.....	3.7	4.2	4.3	4.8	4.7	4.2	4.6	4.8	4.9	4.8	4.7	4.7	4.8	4.7	24		
25 Pension fund reserves.....	8.8	9.9	11.2	10.9	12.1	12.0	10.4	11.6	11.2	10.6	11.9	11.0	12.6	12.7	25		
26 Cr. market instr.....	-1.7	.4	3.4	2.7	11.1	1.2	-3.0	11.7	3.8	-1.9	12.2	10.4	15.1	6.5	26		
27 U.S. Govt. securities.....	*	3.5	1.7	2.6	7.8	2.2	.5	9.9	1.3	-1.3	9.8	9.9	5.3	6.3	27		
28 Savings bonds.....	.4	1.2	.9	.6	.6	1.0	.8	.4	.5	.8	.3	.7	.3	.9	28		
29 Short-term mkt.....	.4	2.8	-1.8	3.0	2.1	-5.5	5.2	2.0	-4.4	.4	6.4	-6.2	7.7	29			
30 Other direct.....	-1.1	-9.9	1.7	-1.2	1.1	1.3	-3.6	1.0	-1.3	-7.7	6.7	-7.3	6.8	-1.9	30		
31 Nonguaranteed.....	.3	.4	.9	.1	4.1	.3	-2.1	3.4	.1	-1.0	2.4	10.1	4.3	-5.5	31		
32 State and local oblig.....	.8	.7	2.5	2.2	3.5	1.6	.8	1.5	2.4	4.4	1.9	.7	4.0	7.3	32		
33 Corporate and fgn. bonds.....	-7.7	-1.0	-8.8	-1.1	-2.2	.3	-2.6	2.7	1.7	-2.1	1.8	-3.5	4.0	-3.2	33		
34 Corporate stock.....	-1.8	-2.5	.1	-1.5	*	-3.0	.8	-1.7	-5.5	-2.9	1.2	3.0	.9	-5.0	34		
35 Mortgages.....	*	-3	-1	-6	*	*	-9	-6	-1.1	.1	-2.5	.3	1.0	1.1	35		
36 Net invest. in noncorp. bus.....	-4.9	-5.3	-6.6	-5.8	-7.1	-5.8	-6.1	-6.0	-5.7	-5.4	-7.4	-7.4	-7.1	-6.4	36		
37 Net increase in liabilities.....	20.5	26.3	27.2	29.7	23.4	27.1	28.3	29.1	28.9	32.4	25.9	26.3	22.6	18.8	37		
38 Credit mkt. instruments.....	20.4	24.1	27.1	28.5	23.2	27.3	28.0	28.2	28.5	29.4	24.9	24.8	24.3	18.9	38		
39 1- to 4-family mtgs.....	12.9	14.8	16.0	15.8	13.5	15.3	15.5	15.2	15.9	16.7	15.0	14.1	13.4	11.4	39		
40 Other mortgages.....	.9	.9	.9	1.1	1.2	1.0	1.0	1.1	1.1	1.1	1.2	1.2	1.2	1.3	40		
41 Consumer credit.....	5.5	7.3	8.0	9.4	6.9	7.2	10.0	9.6	9.3	8.9	9.2	7.0	6.9	4.6	41		
42 Bank loans n.e.c.....	.5	.4	1.4	1.3	-2	3.1	.6	1.4	1.3	1.9	-1.4	.8	.3	-4	42		
43 Other loans ⁶.....	.7	.6	.8	.8	1.8	.7	.8	.9	.9	.7	1.0	1.6	2.5	2.0	43	
44 Security credit.....	-1	2.0	-2	.8	-1	-5	-1	.7	.1	2.8	.6	1.2	-2.0	-.3	44		
45 Discrepancy (12-13).....	-1.5	-1.5	-2.5	-2.7	-2.2	-9.1	1.2	-6.2	-3.5	-2.3	.2	-1.5	-3.1	-4.3	45		

For notes see p. 859.

4. SECTOR STATEMENTS OF SOURCES AND USES OF FUNDS—Continued

(In billions of dollars)

Category	1962	1963	1964	1965	1966	1964		1965				1966			
						IV	I	II	III	IV	I	II	III	IV	
(B) Nonfinancial business—Total ¹															
1 Income before taxes ²	102.4	106.9	114.6	125.7	132.8	115.1	122.2	124.2	126.5	130.0	133.7	132.5	131.0	133.9	1
2 Gross saving.....	55.0	57.3	65.3	70.4	74.4	66.1	69.9	69.5	70.6	71.5	73.1	73.3	73.7	77.4	2
3 Gross investment.....	53.3	57.2	62.0	69.7	71.8	62.1	72.9	66.2	69.2	70.4	69.9	71.8	72.1	73.4	3
4 Capital expenditures.....	60.4	63.8	68.9	82.1	92.5	73.2	80.0	79.6	82.3	86.5	89.0	93.2	90.5	97.2	4
5 Fixed investment.....	54.4	57.9	64.2	73.0	80.6	65.8	70.5	71.9	73.5	76.1	80.0	80.9	80.5	80.8	5
6 Business plant & equipment.....	47.8	49.9	56.2	64.7	74.1	58.7	61.7	62.8	65.3	69.2	71.3	72.8	75.6	76.8	6
7 1-4 family residential const. ³.....	.7	1.0	.2	.8	—	*	.6	.9	1.7	—	.5	.3	—	—	7
8 Other residential.....	5.9	7.0	7.8	7.5	7.1	7.2	8.2	8.2	6.5	7.1	8.1	7.8	6.3	6.3	8
9 Change in inventories ⁴	6.0	5.9	4.7	9.1	11.9	7.4	9.5	7.7	8.8	10.4	9.0	12.3	9.9	16.4	9
10 Net financial investment.....	-7.1	-6.5	-6.9	-12.4	-20.7	-11.1	-7.1	-13.4	-13.1	-16.1	-19.1	-21.5	-18.3	-23.8	10
11 Net acquis. of finan. assets.....	17.5	19.8	15.8	26.3	21.3	10.8	33.0	21.8	22.6	27.9	27.4	30.0	15.0	13.0	11
12 Net increase in liabilities ⁷	24.6	26.4	22.7	38.8	42.0	21.9	40.0	35.2	35.7	44.0	46.4	51.4	33.3	36.8	12
13 Credit mkt. instruments.....	18.2	19.1	22.2	29.7	33.1	22.8	27.7	31.8	29.1	30.0	36.3	45.2	25.7	25.0	13
14 Securities.....	5.1	3.6	5.4	5.4	11.4	3.1	4.4	7.0	7.4	2.9	11.9	15.2	11.7	6.9	14
15 1-4 family mortgages.....	.1	.4	—	.2	-1.0	—	.4	.3	—	—	.3	—	—	-1.9	15
16 Other mortgages.....	7.0	8.4	9.0	8.4	7.3	9.5	7.7	8.7	8.7	8.4	8.8	8.4	7.2	4.7	16
17 Bank loans n.e.c.....	4.3	5.0	5.1	12.3	11.0	8.3	13.5	11.0	9.9	14.8	10.5	16.5	7.6	9.2	17
18 Other loans ⁷	1.7	1.8	3.0	3.4	4.4	2.0	1.7	4.9	2.8	4.2	4.9	5.3	1.3	6.1	18
19 Trade debt.....	5.5	7.0	4.3	8.6	9.6	5.7	10.1	6.6	7.7	10.2	9.2	13.9	6.7	8.5	19
20 Other liabilities.....	.9	.2	-3.9	.5	-6	-6.7	2.2	-3.2	-1.0	3.8	1.0	-7.7	1.0	3.2	20
21 Discrepancy.....	1.6	.1	3.3	.7	2.6	4.0	-3.1	3.3	1.4	1.1	3.2	1.5	1.5	4.0	21
(C) Farm and noncorporate nonfinancial business ⁵															
1 Net income ²	57.5	58.4	59.5	63.7	65.9	59.9	61.2	63.8	64.6	65.2	66.5	66.1	65.5	65.8	1
2 Gross saving ⁶	13.1	13.5	14.4	15.0	15.6	14.8	14.9	15.0	15.1	15.2	15.3	15.5	15.7	16.0	2
3 Gross investment.....	13.1	13.5	14.4	15.0	15.6	14.8	14.9	15.0	15.1	15.2	15.3	15.5	15.7	16.0	3
4 Capital expenditures.....	15.7	17.1	16.6	20.2	19.2	16.6	19.8	19.8	19.8	21.1	20.4	19.9	16.7	20.0	4
5 Fixed investment.....	14.4	15.6	16.4	17.9	18.2	16.3	17.5	17.8	18.1	18.1	18.9	18.6	17.4	18.1	5
6 Change in inventories ⁴	1.3	1.5	.2	2.3	1.0	.2	2.3	2.0	1.7	3.0	1.5	1.3	—	1.9	6
7 Net financial investment.....	-2.6	-3.6	-2.2	-5.1	-3.6	-1.8	-4.9	-4.8	-4.7	-5.9	-5.1	-4.4	-1.0	-4.0	7
8 Net acquis. of finan. assets.....	.5	.7	.8	.9	1.0	.7	1.0	.8	.7	1.1	1.0	.8	.8	1.4	8
9 Net increase in liabilities ⁷	3.1	4.3	3.1	6.0	4.6	2.5	5.9	5.6	5.5	7.1	6.0	5.2	1.8	5.4	9
10 Credit mkt. instruments.....	7.0	8.6	8.6	10.4	9.8	7.9	10.4	10.6	9.7	10.9	12.5	10.0	7.6	9.2	10
11 Mortgages.....	4.2	5.2	5.4	5.4	4.2	5.8	5.1	5.5	5.6	5.3	5.7	5.2	3.6	2.3	11
12 Bank loans n.e.c.....	1.8	2.1	1.5	3.0	3.3	1.3	3.6	2.2	2.4	3.5	4.2	2.0	2.9	4.1	12
13 Other loans ^{7,8}	1.0	1.3	1.7	2.1	2.3	.8	1.7	2.9	1.7	2.1	2.6	2.8	1.1	2.7	13
14 Trade debt, net.....	1.0	1.1	1.0	1.4	1.9	.4	1.5	1.0	1.4	1.5	1.0	2.6	1.3	2.6	14
15 Proprietors' net investment ⁹	-4.9	-5.3	-6.6	-5.8	-7.1	-5.8	-6.1	-6.0	-5.7	-5.4	-7.4	-7.4	-7.1	-6.4	15
(D) Corporate nonfinancial business ¹⁰															
1 Profits+IVA.....	44.9	48.6	55.1	62.0	66.8	55.2	61.0	60.4	61.9	64.8	67.2	66.5	65.5	68.1	1
2 Profits tax accruals.....	20.8	22.8	24.2	27.4	29.7	24.4	27.1	27.0	27.1	28.5	30.1	29.9	29.5	29.3	2
3 Net dividend payments ¹¹	11.4	12.7	12.8	14.4	16.0	13.2	13.0	13.7	14.9	16.0	15.9	16.0	16.0	16.0	3
4 Net savings+IVA (1-2-3).....	12.6	13.1	18.1	20.2	21.2	17.6	20.9	19.7	19.9	20.3	21.2	20.5	20.0	23.0	4
5 Capital consumption.....	29.2	30.8	32.8	35.1	37.5	33.7	34.1	34.8	35.6	36.1	36.6	37.3	37.9	38.5	5
6 Current surp.=gross saving (4+5).....	41.8	43.9	50.8	55.3	58.7	51.3	55.0	54.5	55.5	56.4	57.7	57.8	57.9	61.4	6
7 Gross investment.....	40.2	43.8	47.5	54.6	56.2	47.4	58.0	51.2	54.1	55.2	54.6	56.2	56.4	57.4	7
8 Capital expenditures.....	44.7	46.7	52.2	61.9	73.2	56.7	60.2	59.8	62.5	65.4	68.6	73.3	73.7	77.3	8
9 Fixed investment.....	40.0	42.3	47.8	55.1	62.3	49.5	53.0	54.1	55.5	58.0	61.1	62.3	62.2	67.9	9
10 Plant and equipment.....	37.0	38.6	44.1	51.3	59.4	46.2	48.8	49.8	51.6	54.8	57.0	58.5	60.9	61.0	10
11 Residential construction.....	3.0	3.7	3.7	3.9	2.9	3.3	4.2	4.3	3.8	3.2	4.0	3.8	2.2	1.7	11
12 Change in inventories ⁴	4.7	4.3	4.4	6.8	10.9	7.2	7.2	5.6	7.0	7.4	7.5	11.1	10.6	14.5	12
13 Net financial investment.....	-4.5	-2.9	-4.7	-7.3	-17.1	-9.3	-2.1	-8.6	-8.3	-10.2	-14.0	-17.1	-17.3	-19.8	13
14 Net acquis. of finan. assets.....	16.9	19.1	14.9	25.4	20.3	10.1	32.0	21.1	21.9	26.8	26.4	29.1	14.2	11.6	14
15 Liquid assets.....	4.1	4.3	.7	.6	1.1	-8.5	4.4	-1.7	.4	—	10.5	2.2	-2.6	-5.5	15
16 Demand dep. and curr.....	-9	-8	-2.5	-1.9	.7	-8.7	.6	-3.1	-4.5	-6	4.0	1.6	-7	-2.0	16
17 Time deposits.....	3.7	3.9	3.2	3.9	—	3.4	6.4	5.7	2.5	.9	4.1	1.7	-3.9	-4.6	17
18 U.S. Govt. securities.....	.5	.5	-1.4	-2.1	-1.2	-4.0	-2.1	-5.0	.1	-1.3	—	-2.1	-1.0	-1.3	18
19 Open-market paper.....	.9	.7	1.5	.7	2.3	.8	—	.8	2.3	.3	2.7	1.0	3.0	2.4	19
20 State and local oblig.....	—	.9	.2	.7	.8	.3	.6	.7	.8	.8	.8	.8	.7	.8	20
21 Consumer credit.....	.9	.7	1.0	1.2	1.1	1.1	1.7	.6	1.0	1.3	2.5	1.0	.8	—	21
22 Trade credit.....	8.2	8.5	9.1	13.7	10.9	10.2	16.2	11.3	10.3	16.8	10.7	16.8	9.0	7.0	22
23 Other financial assets ¹²	4.1	4.8	4.0	9.3	6.5	7.1	9.0	10.1	9.4	8.6	1.9	8.4	6.2	9.4	23
24 Net increase in liabilities.....	21.5	22.0	19.7	32.7	37.4	19.4	34.1	29.6	30.3	37.0	40.4	46.2	31.5	31.4	24
25 Credit mkt. instruments.....	11.2	10.5	13.6	19.2	23.2	15.0	17.3	21.2	19.4	19.2	23.8	35.2	18.1	15.8	25
26 Corporate bonds.....	4.6	3.9	4.0	5.4	10.2	4.6	4.4	5.3	7.9	3.9	12.4	9.3	10.8	8.4	26
27 Corporate stock.....	.6	—	1.4	*	1.2	—	1.6	—	—	—	—	5.9	.9	-1.5	27
28 Mortgages.....	2.9	3.5	3.3	3.2	2.1	3.6	3.0	3.4	3.4	2.9	3.4	3.1	1.4	.5	28
29 Bank loans n.e.c.....	2.5	2.9	3.6	9.3	7.7	7.0	9.8	8.8	7.4	11.3	6.3	14.5	4.8	5.1	29
30 Other loans ¹³.....	.7	.5	1.3	1.3	2.1	1.2	*	2.0	1.2	2.1	2.3	2.5	.2	3.4	30
31 Profits tax liability ¹⁴	1.1	1.5	.9	2.0	—	.7	3.3	-1.9	1.9	4.7	2.6	-7.5	2.8	.7	31
32 Trade debt.....	4.4	6.0	3.4	7.3	7.7	5.3	8.6	5.6	6.3	8.6	8.2	11.4	5.3	5.9	32
33 Other liabilities.....	4.7	4.0	1.8	4.2	6.8	-1.5	5.0	4.7	2.8	4.5	5.8	7.2	5.3	9.0	33
34 Discrepancy.....	1.6	.1	3.3	.7	2.6	4.0	-3.1	3.3	1.4	1.1	3.2	1.5	1.5	4.0	34
35 Memo: Net trade credit.....	3.7	2.5	5.7	6.4	3.2	4.9	7.7	5.7	4.1	8.2	2.5	5.4	3.7	1.1	35
36 Profits tax payments ¹⁵	20.0	20.8	23.5	25.8	30.8	23.4	23.7	28.1	25.9	25.3	27.1	40.1	28.3	27.8	36

For notes see p. 859.

4. SECTOR STATEMENTS OF SOURCES AND USES OF FUNDS—Continued
(In billions of dollars)

Category	1962	1963	1964	1965	1966	1964					1965				1966			
						IV	I	II	III	IV	I	II	III	IV	I	II	III	IV
(E) U.S. Government ¹																		
1 Tax receipts (net of refunds).....	85.9	91.4	91.2	100.2	109.6	92.9	99.6	100.4	99.0	101.7	104.3	108.7	111.7	113.6	1			
2 Individual income.....	48.6	51.5	48.6	54.2	61.9	49.6	53.4	54.9	53.9	54.7	57.1	60.7	63.9	65.7	2			
3 Corp. profits tax accruals.....	22.7	24.6	26.5	29.1	31.7	26.7	28.7	28.7	28.9	30.3	31.9	31.9	31.6	31.4	3			
4 Other.....	14.6	15.3	16.2	16.8	16.0	16.5	17.5	16.8	16.3	16.7	15.2	16.1	16.2	16.4	4			
Social insurance programs ²																		
5 Premiums received.....	18.5	21.0	21.7	22.4	30.5	22.1	22.2	22.3	22.4	22.8	29.3	29.8	31.1	31.8	5			
6 Benefits paid.....	17.4	18.2	18.7	20.3	22.4	18.8	19.2	18.9	22.6	20.7	21.5	21.4	23.1	23.6	6			
Life insur. & retirement programs ³																		
7 Premiums received.....	2.1	2.1	2.2	2.3	2.4	2.3	2.3	2.3	2.4	2.4	2.4	2.4	2.4	2.5	7			
8 Benefits paid.....	2.9	3.2	3.2	3.3	3.9	3.0	3.9	3.1	3.1	3.2	3.8	3.8	4.0	4.2	8			
9 Net grants and donations paid ⁴	19.4	20.5	22.8	24.1	29.4	23.4	23.5	24.3	24.2	24.5	27.2	28.5	30.0	31.9	9			
10 Net interest paid.....	7.2	7.7	8.3	8.7	9.6	8.4	8.6	8.7	8.8	8.8	9.3	9.5	9.7	10.0	10			
11 Net purchases of goods & services.....	63.4	64.2	65.2	66.8	76.7	64.1	64.4	65.6	67.5	69.8	71.9	74.0	79.0	81.7	11			
12 Net surplus.....	-3.8	.7	-3.0	1.6	.5	-4	4.5	4.4	-2.5	-.2	2.3	3.8	-.5	-3.6	12			
13 Insurance and retirement credits ⁵	1.1	1.3	1.4	1.4	1.4	1.3	1.3	1.8	1.6	1.0	1.1	1.8	1.2	1.3	13			
14 Gross saving.....	-4.8	-.6	-4.3	.2	-.8	-1.6	3.2	2.7	-4.0	-1.1	1.2	2.1	-1.7	-4.8	14			
15 Net finan. investment (16-23).....	-4.7	-1.3	-2.9	-1.3	-1.1	-1.4	2.0	.6	-6.4	-1.4	-2.2	4.4	-4.4	-2.3	15			
16 Net acquis. of finan. assets.....	4.7	4.7	5.2	4.3	7.8	5.0	11.8	4.5	-8.0	9.0	12.8	10.3	4.9	3.1	16			
17 Demand deposits & currency.....	1.0	-.4	.6	-1.4	-.1	-1.1	5.9	-2.5	-11.4	2.3	-3.5	10.7	-4.2	-3.4	17			
18 Credit market instruments.....	3.3	2.7	3.8	4.7	7.5	3.6	5.3	6.4	3.1	3.9	11.3	10.0	6.6	1.9	18			
19 Mortgages.....	.3	-1.0	.3	1.0	3.4	-.2	.7	1.0	.7	1.5	4.6	4.1	3.0	1.9	19			
20 Other loans.....	3.0	3.7	3.5	3.7	4.0	3.7	4.7	5.4	2.4	2.4	6.8	5.9	3.5	*	20			
21 Excess of tax accruals over receipts.....	.8	1.8	1.1	1.0	-1.1	1.6	1.8	-1.6	1.0	2.9	2.6	-10.6	1.2	2.4	21			
22 Other financial assets ⁶	-.5	.6	-.3	*	1.5	.9	-1.3	2.3	-.7	-.2	2.3	.2	1.4	2.1	22			
23 Net increase in liabilities.....	9.3	6.0	8.1	5.6	8.9	6.4	9.8	3.9	-1.6	10.3	15.0	5.9	9.3	5.4	23			
24 Life insurance and retirement reserves.....	1.1	1.3	1.4	1.4	1.4	1.3	1.3	1.8	1.6	1.0	1.1	1.8	1.2	1.3	24			
25 U.S. Govt. securities ⁷	7.9	5.0	7.1	3.5	6.7	4.6	9.0	1.4	-4.5	8.2	14.9	2.8	7.0	2.2	25			
26 Svgs. bonds ⁸.....	.4	1.2	.9	.6	.6	1.0	.8	.4	.5	.8	.3	.7	.3	.9	26		
27 Short-term marketable ⁹.....	.7	1.4	4.0	3.5	2.2	8.7	5.5	3.6	-3.5	8.3	1.3	-12.7	6.3	14.1	27		
28 Other direct.....	4.8	1.1	.9	-2.9	-1.4	-8.3	2.3	-7.2	-5.3	-1.4	7.9	-2.4	1.4	-12.6	28			
29 Nonguaranteed agency issues.....	1.6	1.5	.4	1.9	3.9	.6	.5	4.8	1.9	.5	3.8	10.3	1.2	.2	29			
30 Loan participations.....	.5	-.2	.8	.4	1.5	2.5	*	-3	1.9	*	1.6	6.9	-2.2	-.2	30			
31 Other liabilities.....	.3	-.3	-.4	.6	.8	-.6	-.5	.7	1.3	1.1	-1.0	1.3	1.1	1.9	31			
32 Discrepancy (14-15).....	-.2	.7	-1.4	1.5	.4	-.3	1.2	2.0	2.4	.3	3.5	-2.3	2.8	-2.5	32			
33 Memo: Corp. tax receipts, net.....	21.9	22.8	25.3	28.1	32.8	25.1	26.9	30.3	27.9	27.4	29.2	42.5	30.4	29.0	33			
(F) State and local governments ¹⁰																		
1 Tax receipts.....	47.1	50.5	55.0	59.7	65.0	56.8	58.1	59.1	60.3	61.1	62.4	63.8	65.7	68.0	1			
2 Social ins. and grants rec.....	11.5	12.9	14.5	15.6	19.3	15.2	15.4	15.5	15.6	16.1	17.7	19.4	20.2	20.0	2			
3 Purch. of goods and services.....	53.7	58.2	63.7	69.4	76.2	65.3	67.3	68.7	70.2	71.4	73.1	75.0	77.2	79.4	3			
4 Net interest & transfers paid ¹¹	3.9	4.0	4.2	4.3	4.9	4.2	4.3	4.2	4.2	4.3	4.6	4.7	4.9	5.3	4			
5 Net surplus.....	.9	1.2	1.7	1.6	3.2	2.5	1.9	1.7	1.5	2.4	3.5	3.8	3.2	5				
6 Less retirement credit to households	2.4	2.7	3.1	2.6	2.7	3.0	2.8	2.6	2.5	2.6	2.6	2.6	2.7	2.7	6			
7 Equals: Gross saving.....	-1.4	-1.5	-1.4	-1.0	.6	-.5	-.9	-.9	-1.0	-1.1	-.2	.9	1.1	.5	7			
8 Net financial investment (9-17).....	-2.5	-2.1	-2.5	-1.5	.7	-1.4	-1.5	-1.6	-1.4	-1.7	1.0	.5	.3	.9	8			
9 Net acquis. of finan. assets.....	5.6	7.7	6.9	9.0	10.0	7.9	7.8	10.3	8.3	9.4	9.4	11.1	9.4	10.3	9			
10 Liquid assets.....	2.5	4.1	2.6	4.5	3.3	2.9	2.8	6.7	4.7	3.8	4.4	2.8	3.8	2.1	10			
11 Demand deposits and cur.....	.9	2.4	1.4	1.0	1.5	3.3	-4.5	4.6	3.2	.7	1.4	3.1	.6	.9	11			
12 Time deposits.....	1.0	1.6	1.7	2.4	1.4	2.7	1.9	1.1	3.1	3.3	-.3	2.3	1.9	1.9	12			
13 Short-term U.S. Govt. sec.....	.6	.1	-.5	1.1	.3	-3.0	5.4	.9	-1.6	-.2	3.3	-2.5	1.3	-.6	13			
14 Other U.S. Govt. securities.....	.6	.6	1.0	1.3	1.1	1.8	1.7	1.4	*	2.2	.1	.9	*	3.2	14			
15 State and local obligations.....	-.7	-.7	-.6	-.6	-.4	-.6	-.6	-.8	-.6	-.5	-.4	-.4	-.4	-.4	15			
16 Other ¹²	3.1	3.5	3.7	3.7	6.0	3.8	3.5	2.7	4.3	4.2	5.0	7.4	6.1	5.4	16			
17 Net increase in liabilities.....	8.1	9.8	9.4	10.5	9.4	9.3	9.3	11.9	9.8	11.1	8.5	10.5	9.1	9.4	17			
18 Credit market borrowing.....	5.6	7.0	6.2	7.8	6.6	6.3	6.4	9.2	7.2	8.4	5.8	7.8	6.3	6.6	18			
19 State and local obligations.....	5.0	6.7	5.9	7.4	5.9	5.8	6.1	8.6	6.8	8.1	5.4	7.2	4.8	6.2	19			
20 Short-term.....	.4	.5	.7	1.3	.4	.2	.4	1.4	2.4	1.0	.6	1.1	-.3	.3	20			
21 Other.....	4.6	6.2	5.1	6.1	5.5	5.6	5.7	7.2	4.4	7.1	4.8	6.1	5.0	5.9	21			
22 U.S. Govt. loans.....	.6	.3	.4	.4	.7	.5	.4	.6	.4	.3	.4	.6	1.6	.4	22			
23 Employee retirement reserves.....	2.4	2.7	3.1	2.6	2.7	3.0	2.8	2.6	2.5	2.6	2.6	2.6	2.7	2.7	23			
24 Trade debt.....	.1	.1	.1	.1	.1	.1	.1	.1	.1	.1	.1	.1	.1	.1	24			
25 Discrepancy.....	1.0	.6	1.1	.6	-.1	-.9	.6	.7	.4	.6	-1.2	.3	.8	-.4	25			
26 Memo: Total U.S. Govt. sec.....	1.2	.7	.5	2.5	1.4	-1.2	7.1	2.3	-1.6	2.0	3.4	-1.6	1.3	2.5	26			

For notes see p. 859.

4. SECTOR STATEMENTS OF SOURCES AND USES OF FUNDS—Continued

(in billions of dollars)

Category	1962	1963	1964	1965	1966	1964					1965					1966			
						IV	I	II	III	IV	I	II	III	IV	I	II	III	IV	
(G) Monetary authorities ¹																			
1 Current surplus	.1	.1	-.5	*	.1	-.5	*	*	*	*	*	*	*	*	.2	.1	1		
2 Net acquis. of financial assets	1.7	2.2	3.4	2.3	4.2	5.2	2.7	2.5	4.4	-.6	5.1	2.5	6.8	2.6	2				
3 Gold and foreign exchange ²	-.8	-.4	*	-1.3	-.3	.2	-3.0	-2.2	1.3	-1.4	-2.1	.2	.4	.1	3				
4 Treasury currency	*	*	-.2	.2	.7	-.6	-.1	.1	.3	.4	.7	1.0	.5	.8	4				
5 Credit mkt. instruments	2.0	2.9	3.4	3.8	3.5	3.8	6.0	3.8	4.3	1.2	2.1	2.1	6.0	3.7	5				
6 U.S. Govt. securities	1.9	2.8	3.5	3.7	3.5	3.7	5.9	4.2	4.3	.5	2.4	1.8	6.8	3.1	6				
7 Short-term marketable	2.0	4.9	2.1	3.7	5.4	3.5	12.4	6.2	-.3	-3.6	5.2	-3.5	6.9	13.0	7				
8 Other	-.1	-2.2	1.3	.1	-1.9	.2	-6.5	-2.0	4.6	4.1	-2.8	5.3	-.1	-9.9	8				
9 F.R. float	-.6	-.3	*	-.4	.3	.6	-.8	-.2	1.0	-1.5	3.6	-.5	-1.7	-4	9				
10 F.R. loans to domestic banks	-.1	*	.1	-.1	.1	1.1	.5	1.0	-2.5	.8	.8	-.3	1.5	-1.7	10				
11 Net increase in liabilities	1.6	2.1	3.8	2.2	4.1	5.7	2.6	2.5	4.4	-.6	5.1	2.4	6.6	2.4	11				
12 Member bank reserves	.1	-.4	1.0	.4	1.3	3.1	.1	.9	*	.5	-.1	-.5	5.7	.3	12				
13 Vault cash of coml. banks ³	.7	.6	-.4	.3	.5	-2.7	2.1	.5	-.6	-.8	.9	-.3	.2	1.5	13				
14 Demand deposits and currency	.1	.3	.2	*	.2	.4	.2	-.3	1.2	-1.2	-.4	2.0	-.3	-.7	14				
15 Due to U.S. Govt.	*	-.1	.1	-.1	.2	.4	-.3	.1	-.2	1.3	*	-.5	*	15					
16 Due to rest of world ⁴	.8	1.7	2.4	2.1	2.0	3.6	.7	1.8	4.0	2.0	3.5	1.3	1.9	1.4	16				
17 Currency outside banks	*	*	.6	-.5	-.2	.8	-.3	-.4	-.3	-1.0	-.2	*	-.4	-.2	17				
17 Other	*	*	.6	-.5	-.2	.8	-.3	-.4	-.3	-1.0	-.2	*	-.4	-.2	17				
(H) Commercial banks ⁵																			
1 Current surplus	1.5	1.7	2.0	2.1	2.3	2.2	2.0	1.9	2.0	2.4	2.2	2.3	2.1	2.8	1				
2 Net acquisition of financial assets	20.7	20.0	23.4	30.2	20.9	28.5	34.8	24.3	16.7	45.2	20.1	38.1	14.4	11.0	2				
3 Member bank reserves ⁶	.1	-.4	1.0	.4	1.3	3.1	.1	.9	*	.5	-.1	-.5	5.7	.3	3				
4 Vault cash	.7	.6	-.4	.3	.5	-2.7	2.1	.5	-.6	-.8	.9	-.3	.2	1.5	4				
5 Total loans and investments	19.5	19.4	22.2	29.1	18.3	28.0	31.3	22.7	18.3	43.9	18.3	37.1	8.4	9.5	5				
6 Credit market instruments	18.4	18.8	21.8	29.0	18.4	28.9	28.9	21.5	27.0	38.5	19.9	35.7	7.4	10.8	6				
7 U.S. Govt. securities ⁷	1.4	-2.6	.4	-2.3	-2.8	1.7	-2.6	-10.2	-1.7	5.3	-1.9	.5	-5.7	-4.2	7				
8 Short-term marketable	-5.2	-3.5	3.9	-1.7	-4.6	8.5	-10.6	-5.7	2.4	7.2	-10.7	-4.9	-.1	-2.9	8				
9 Other direct	5.2	.5	-4.1	-1.4	1.0	-9.3	7.9	-5.3	-6.1	-2.3	8.3	-.9	-2.0	-1.6	9				
10 Agency issues	.9	.5	*	1.2	.1	*	*	1.1	1.9	1.7	-1.0	2.8	-1.7	.3	10				
11 Loan participations	.5	-.2	.6	-.4	.7	1.6	*	-.3	.1	-1.3	1.5	3.5	-2.1	*	11				
12 Other securities & mortgages	8.3	10.1	8.1	10.5	6.8	8.8	9.6	12.1	10.5	9.9	8.7	10.3	6.2	1.9	12				
13 State and local oblig.	4.4	5.2	3.5	5.0	1.8	4.3	4.9	6.4	4.2	4.5	3.4	5.0	1.2	-2.5	13				
14 Corporate bonds	*	*	.1	-.1	*	-.1	.1	-.2	-.4	*	*	*	*	14					
15 1- to 4-family mortgages	2.0	2.7	2.3	3.1	2.6	2.2	2.5	2.8	3.7	3.4	2.6	2.9	2.7	2.3	15				
16 Other mortgages	1.9	2.2	2.2	2.5	2.4	2.4	2.1	2.8	2.7	2.4	2.8	2.4	2.3	2.2	16				
17 Other credit exc. security	8.7	11.3	13.3	20.7	14.5	18.4	21.9	19.6	18.2	23.2	13.2	24.9	6.9	13.0	17				
18 Consumer credit	2.3	3.5	3.8	4.7	3.1	3.6	4.3	4.9	5.1	4.6	3.5	3.1	3.4	2.4	18				
19 Bank loans n.e.c.	6.2	7.6	8.7	16.4	9.4	13.6	19.3	13.9	12.9	19.4	8.0	21.3	2.4	6.1	19				
20 Other loans ⁸	.2	.2	.8	-.4	1.9	1.2	-1.6	.7	.1	-.8	1.6	.5	1.1	4.5	20				
21 Security credit	1.1	.6	.5	.1	-.1	-.9	2.4	1.2	-8.7	5.5	-1.6	1.3	1.1	-1.2	21				
22 Misc. assets	.5	.4	.6	.5	.6	.1	1.3	.2	-1.1	1.5	.9	1.8	.1	-.3	22				
23 Net increase in liabilities	19.8	19.3	22.0	28.8	19.5	26.8	33.6	22.5	15.8	43.2	19.2	36.8	12.6	9.3	23				
24 Demand deposits, net	3.7	3.8	4.8	5.6	.1	5.9	7.0	.1	-5.4	20.5	-8.0	10.8	-6.5	4.1	24				
25 U.S. Govt. ⁹	1.2	-.6	*	-1.0	-.6	-1.9	5.0	-.6	-11.6	3.3	-4.7	6.9	-1.5	-3.3	25				
26 Foreign ¹⁰	.1	.1	.4	.1	-.4	-.7	-.4	-.6	.6	1.0	-1.3	1.2	-1.4	-.3	26				
27 Other, net ¹¹	2.3	4.3	4.4	6.4	1.2	7.1	2.4	1.3	5.6	16.3	-2.1	2.7	-3.6	7.7	27				
28 Time deposits	15.6	14.3	14.5	20.0	13.2	19.0	22.7	17.6	21.4	18.4	14.9	20.9	11.2	5.8	28				
29 F.R. float	-.6	-.3	*	-.4	.3	.6	-.8	-.2	1.0	-1.5	3.6	-.5	-1.7	-.4	29				
30 Borrowing at F.R. Banks	-.1	*	.1	-.1	.1	1.1	.5	1.0	-2.5	.8	.8	-.3	1.5	-1.7	30				
31 Other liabilities	*	1.4	2.5	3.6	5.8	.2	4.2	4.1	1.3	4.9	7.8	5.9	8.1	1.5	31				
32 Security issues	.1	.3	.6	.8	.1	.4	.5	2.0	.1	.4	.1	.3	*	*	32				
33 Discrepancy	.4	.5	.1	.3	.7	.1	.3	-.3	.8	.4	.7	.5	.3	1.1	33				
34 Memo: Total loans exc. mortgages	9.8	11.9	13.8	20.8	14.4	17.5	24.3	20.8	9.5	28.7	11.6	26.2	8.0	11.8	34				

For notes see p. 859.

4. SECTOR STATEMENTS OF SOURCES AND USES OF FUNDS—Continued

(In billions of dollars)

Category	1962	1963	1964	1965	1966	1964					1965				1966			
						IV	I	II	III	IV	I	II	III	IV	I	II	III	IV
(I) Nonbank financial institutions ¹																		
1 Current surplus.....	2.2	1.7	1.6	1.5	1.4	1.4	1.6	1.9	1.8	.7	.8	2.2	2.2	.4	1			
2 Physical investment (Life ins.).....	.3	.5	.5	.5	.4	.5	.5	.5	.4	.4	.4	.4	.4	.4	2			
3 Net acquis. of financial assets.....	32.6	37.0	37.0	37.7	30.1	36.0	38.3	41.3	29.9	41.3	39.0	28.2	22.3	31.0	3			
4 Demand deposits and currency.....	1.1	.2	.3	.7	.3	.5	.5	.9	1.5	-1.4	.5	.7	1.6	4				
5 Time deposits (Mut. svgs. bks.).....	*	*	.1	*	*	.1	.2	.2	-.2	-.2	*	*	5					
6 Svgs. and loan shares (Cr. unions)	.1	*	.1	-.2	-.2	-.2	-.5	-.4	-.2	-.2	-.3	-.4	-.3	6				
7 Cr. mkt. instr.....	30.7	33.7	35.7	35.6	28.9	34.2	38.1	39.6	27.8	37.1	38.9	26.6	22.2	27.8	7			
8 U.S. Govt. securities.....	1.6	-.5	2.0	-.8	.6	.6	2.2	-.8	-5.9	1.5	4.0	-4.3	4.4	-1.9	8			
9 State and local obligations.....	.9	.6	.2	*	.3	.1	.4	.7	*	-1.1	-.3	1.1	-.8	1.1	9			
10 Corporate bonds.....	3.8	4.4	4.4	5.4	5.1	4.6	5.8	5.3	5.1	5.6	8.2	4.6	2.9	4.9	10			
11 Corporate stock.....	4.2	3.4	3.7	5.3	5.2	4.6	4.1	6.0	4.3	7.0	3.7	6.2	3.5	7.5	11			
12 1- to 4-family mortgages.....	11.0	14.1	13.0	12.7	6.1	12.7	13.8	12.8	12.8	11.5	11.8	6.5	3.3	2.9	12			
13 Other mortgages.....	5.7	6.9	7.3	6.4	5.1	7.9	6.1	6.3	6.5	6.6	6.1	5.9	5.2	3.5	13			
14 Consumer credit.....	1.9	2.8	2.8	3.1	2.3	2.2	3.5	3.7	2.9	2.5	2.7	2.6	2.5	1.6	14			
15 Other loans.....	1.6	2.1	2.4	3.4	4.0	1.5	2.2	5.5	2.3	3.6	2.7	3.9	1.3	8.2	15			
16 Security credit.....	-.3	1.9	-.5	.2	-.1	-.4	-.8	.4	-.3	1.6	.5	.4	-.2	.7	16			
17 Trade credit.....	.2	.2	.2	.2	.2	.2	.2	.2	.2	.2	.2	.2	.2	.2	17			
18 Miscellaneous assets.....	.9	1.1	1.2	1.2	1.1	1.3	1.1	1.0	1.7	.9	1.1	1.1	1.4	.7	18			
19 Net increase in liabilities.....	30.5	35.5	36.3	36.3	30.1	35.4	35.9	39.7	29.1	40.7	38.5	29.5	19.3	32.9	19			
20 Time and savings acct.....	13.1	15.2	15.9	12.9	7.1	15.4	12.8	11.9	13.0	13.8	9.4	4.4	5.0	9.4	20			
21 Ins. and pension reserves.....	9.0	10.1	11.1	11.6	12.8	11.9	10.9	12.0	12.0	11.7	12.9	11.2	13.5	13.4	21			
22 Cr. mkt. instr. ²	5.7	7.1	6.1	9.0	6.9	5.4	8.0	10.5	9.4	8.2	12.5	9.3	1.7	4.3	22			
23 Finance company bonds.....	.3	1.4	2.1	1.9	.8	1.7	1.6	1.8	1.5	2.7	1.6	.3	1.9	-.8	23			
24 Investment company shares.....	1.9	1.2	1.8	3.1	4.0	2.6	2.6	2.3	3.5	4.2	5.3	3.3	3.8	3.6	24			
25 Mtg. loans in process.....	.4	.5	-.3	-.1	-.9	-.3	.2	-.2	-.2	-.4	-.1	-.8	-.2	-.2	25			
26 Bank loans n.e.c.....	1.0	1.7	.5	2.4	-1.2	.1	2.3	2.6	1.3	3.3	3.4	3.4	-5.6	-2.3	26			
27 Other loans.....	2.0	2.3	2.0	1.7	4.3	1.3	1.5	3.7	3.3	-1.9	5.6	3.4	3.3	4.9	27			
28 Finance co. paper.....	1.2	1.0	1.5	1.0	3.4	.8	*	2.2	2.8	-1.1	2.8	1.6	2.2	6.9	28			
29 FHLB loans.....	.8	1.3	.5	.7	.9	.5	1.5	1.5	.5	-.8	2.8	1.8	1.1	-2.0	29			
30 Security credit.....	.9	.5	.1	-.2	.1	-1.3	1.3	2.3	-8.7	4.2	.3	2.2	-3.9	1.8	30			
31 Taxes payable.....	.1	.1	*	*	.1	*	-.3	.1	.3	.1	-.3	-.1	.2	.8	31			
32 Miscellaneous liabilities.....	1.7	2.5	3.1	3.0	3.0	4.0	3.1	2.8	3.2	2.7	3.7	2.6	2.8	3.1	32			
33 Discrepancy.....	-.2	-.3	.4	-.3	.9	.3	-1.2	-.2	.6	-.4	-.1	3.1	-1.3	1.8	33			
(I.1) Savings and loan associations																		
1 Net acquis. of financial assets.....	11.5	14.0	11.8	10.1	4.4	11.5	10.3	10.6	10.2	9.3	9.3	4.6	1.4	2.4	1			
2 Demand deposits and currency.....	.6	.1	*	*	-.5	-.2	-.2	.1	.5	-.1	-.6	-.4	-1.0	-.1	2			
3 Cr. mkt. instr. ⁶	10.3	13.3	11.1	9.4	4.3	10.8	10.0	9.9	8.7	9.2	9.5	4.4	1.4	1.9	3			
4 U.S. Govt. securities.....	.4	1.0	.6	.5	.5	.8	1.0	.5	-.2	.6	1.2	-.8	.7	1.0	4			
5 1- to 4-family mortgages.....	7.4	9.3	8.0	7.6	3.3	7.3	7.9	7.6	7.4	7.3	7.5	4.3	.5	1.0	5			
6 Other mortgages.....	2.6	2.9	2.4	1.3	.4	2.6	1.1	1.6	1.4	1.1	.9	.8	.1	*	6			
7 Misc. financial transactions.....	.6	.5	.7	.6	.6	.8	.5	.6	1.1	.3	.4	.6	1.0	.6	7			
8 Net increase in liabilities.....	10.7	13.3	11.1	9.3	3.9	10.8	9.3	9.7	9.5	8.5	8.7	3.9	.8	2.1	8			
9 Savings shares.....	9.4	11.1	10.6	8.4	3.6	10.1	8.2	7.6	8.7	9.1	5.8	2.5	1.4	4.7	9			
10 Mtg. loans in process.....	.4	.5	-.3	-.1	-.9	-.3	*	.2	-.2	-.2	.4	-.1	-1.8	-1.2	10			
11 Borrowing from FHLB.....	.8	1.3	.5	.7	.9	.5	1.5	1.5	.5	-.8	2.8	1.8	1.1	-2.0	11			
12 Memo: FHLB loans less deposits...	.8	1.4	.5	.8	.9	.3	1.7	1.7	.4	-.5	3.1	1.8	1.4	-2.5	12			
(I.2) Mutual savings banks																		
1 Net acquis. of financial assets ⁴	3.3	3.6	4.5	4.0	2.8	4.1	4.1	4.0	4.3	3.6	2.9	1.4	3.7	3.0	1			
2 U.S. Govt. securities.....	*	-.2	*	-.3	-.5	-.4	-.6	.1	.....	-.6	-.7	-.9	-.1	-.4	2		
3 Corporate bonds.....	-.1	-.3	-.2	-.1	.2	-.5	*	-.1	-.1	-.3	.2	-.1	.3	.5	3			
4 1- to 4-family mortgages.....	2.1	2.6	2.7	2.7	1.7	2.9	2.6	2.5	2.8	2.8	1.8	1.1	1.9	1.9	4			
5 Other mortgages.....	1.0	1.3	1.7	1.4	1.1	1.8	1.3	1.3	1.5	1.5	1.2	.9	1.1	1.1	5			
6 Savings deposits.....	3.1	3.3	4.2	3.6	2.6	4.2	4.0	3.4	3.5	3.6	2.7	1.0	3.0	3.5	6			
(I.3) Life insurance companies																		
1 Current surplus.....	1.1	1.1	1.1	1.2	1.3	1.1	1.2	1.2	1.2	1.2	1.2	1.2	1.3	1.3	1			
2 Net acquis. of financial assets ⁴	6.8	7.0	7.8	8.6	8.4	8.3	8.8	8.4	8.3	8.9	9.4	7.7	9.1	7.6	2			
3 Cr. mkt. instr.....	6.5	6.7	7.4	8.1	8.0	7.8	8.4	8.0	8.0	8.1	9.8	7.4	8.5	6.5	3			
4 U.S. Govt. securities.....	.1	-.4	-.3	-.4	-.3	-.6	-.2	-.7	-.9	-.4	-.1	-.6	-.7	*	4			
5 State and local obligations.....	.1	-.2	-.1	-.3	-.4	-.2	-.2	-.2	-.4	-.3	-.5	-.6	-.2	-.2	5			
6 Corporate bonds.....	2.5	2.8	2.3	2.7	2.3	2.1	2.1	2.1	3.2	3.2	4.8	1.7	2.6	.3	6			
7 Corporate stock.....	.4	.2	.5	.8	.2	.6	.6	.6	.8	1.2	.1	.1	.2	.3	7			
8 1- to 4-family mortgages.....	.6	.9	1.4	1.2	1.1	1.6	1.7	1.0	1.0	1.0	1.5	1.3	1.1	.5	8			
9 Other mortgages.....	2.1	2.7	3.2	3.7	3.6	3.5	3.6	3.5	3.6	3.9	3.9	4.1	3.9	2.4	9			
10 Other loans.....	.7	.5	.4	.5	1.5	.7	.4	1.7	.7	-.6	.1	1.3	1.6	3.1	10			
11 Net increase in liabilities.....	6.0	6.4	7.1	7.9	8.0	7.1	7.6	7.9	8.0	7.9	7.9	7.9	8.2	8.1	11			
12 Life insurance reserves.....	3.6	4.0	4.2	4.7	4.6	4.0	4.5	4.7	4.7	4.6	4.6	4.5	4.7	4.6	12			
13 Pension fund reserves.....	1.4	1.7	2.0	2.1	2.3	2.0	2.0	2.1	2.1	2.1	2.2	2.2	2.4	2.4	13			
14 Other.....	1.0	.7	.8	1.2	1.1	1.0	1.3	1.3	1.0	1.3	1.2	1.2	.9	.7	14			

For notes see p. 859.

4. SECTOR STATEMENTS OF SOURCES AND USES OF FUNDS—Continued

(In billions of dollars)

Category	1962	1963	1964	1965	1966	1964		1965				1966			
						IV	I	II	III	IV	I	II	III	IV	
(I.4) Noninsured Pension Plans															
1 Net acquis. of financial assets ⁴	4.0	4.4	4.9	4.9	5.9	5.9	4.4	5.2	5.1	5.0	6.1	4.5	6.4	6.4	1
2 Credit mkt. instr. ⁷	4.0	4.3	4.8	4.9	5.9	5.7	4.9	5.3	5.0	4.2	6.1	5.2	6.7	5.7	2
3 U.S. Govt. securities.....	.2	.4	.4	-.3	*	1.3	-.6	-.3	-.5	*	.4	-.4	.9	-1.0	3
4 Corporate bonds.....	1.2	1.5	1.6	1.5	1.8	1.7	1.9	1.7	1.7	.7	2.5	1.3	1.6	1.9	4
5 Corporate stock.....	2.2	2.2	2.2	3.1	3.7	2.2	3.1	3.0	3.3	3.2	2.8	4.0	3.8	4.1	5
(I.5) Other insurance companies															
1 Net acquis. of financial assets ⁴	1.4	1.4	1.0	2.0	1.6	1.2	1.8	2.4	2.4	1.5	1.1	1.9	1.6	2.0	1
2 Demand deposits and currency.....	*	*	*	-.1	*	-.1	*	-.1	-.1	*	*	*	*	.1	2
3 Credit mkt. instr. ⁷	1.2	1.3	.8	1.9	1.4	1.1	1.7	2.3	2.3	1.3	1.0	1.7	1.3	1.7	3
4 U.S. Govt. securities.....	.1	.2	.1	*	-.4	.2	.1	-.2	.1	-.1	-.1	-.2	-.4	-.7	4
5 State and local obligations.....	.7	.8	.2	.6	.7	.3	.5	.7	.7	.5	.7	.7	.7	.8	5
6 Corporate bonds.....	.1	.1	.4	1.1	.6	.6	.9	1.2	1.2	1.0	.8	.6	.4	.6	6
7 Corporate stock.....	.2	.2	.2	.2	.5	*	.2	.5	.2	-.1	-.1	.5	.6	1.0	7
(I.6) Finance companies															
1 Net acquis. of financial assets ⁴	2.7	4.0	4.0	5.4	3.2	2.2	4.9	6.5	4.5	5.6	4.6	3.4	.2	4.4	1
2 1- to 4-family mortgages.....	.5	.8	.4	.5	-.6	.2	.9	.5	1.0	-.1	.4	-.6	-.7	-1.3	2
3 Consumer credit.....	1.3	1.8	1.8	1.9	1.2	1.3	2.3	2.2	1.8	1.5	1.6	1.3	1.5	.6	3
4 Other loans.....	.8	1.6	1.8	2.7	2.3	.6	1.5	3.7	1.5	4.0	2.4	2.6	-.8	4.9	4
5 Net increase in liabilities.....	2.6	4.0	4.0	5.1	2.9	2.5	4.2	6.2	5.4	4.6	4.3	4.6	-1.3	3.8	5
6 Corporate bonds.....	.3	1.4	2.1	1.9	.8	1.7	1.6	1.8	1.5	2.7	1.6	.3	1.9	-.8	6
7 Bank loans n.e.c.....	1.0	1.6	.4	2.2	-1.3	-.1	2.7	2.1	1.1	3.0	-.1	2.7	-5.5	-2.3	7
8 Open mkt. paper.....	1.2	1.0	1.5	1.0	3.4	-.8	*	2.2	2.8	-1.1	2.8	1.6	2.2	6.9	8
(I.7) Security brokers and dealers															
1 Net acquis. of financial assets.....	.9	.6	.2	-.2	.2	-1.3	1.3	2.3	-8.6	4.3	.3	2.2	-3.8	2.0	1
2 U.S. Govt. securities.....	.7	-1.3	.7	-.3	.7	-1.0	.9	1.4	-5.3	1.8	1.8	-1.0	2.1	-.3	2
3 Other securities.....	.4	.2	*	-.4	-.4	.3	.4	.6	-2.8	.1	-2.2	2.5	-4.2	2.2	3
4 Security credit.....	-.2	1.5	-.5	.5	-.2	-.6	-.1	.2	-.5	2.3	.6	.6	-1.8	-.1	4
5 Net incr. in liab.—security credit.....	.9	.5	.1	-.2	.1	-1.3	1.3	2.3	-8.7	4.2	.3	2.2	-3.9	1.8	5
6 From banks.....	1.1	.2	.2	-.3	-.1	-1.0	2.5	.8	-9.3	5.0	-1.6	.7	1.3	-1.0	6
7 From agencies of fgn. banks.....	-.2	.4	*	-.3	.1	.2	-.7	.1	.2	-.7	-.1	-.2	.3	.8	7
8 Customer credit balances.....	*	*	*	.3	.2	-.5	-.4	1.4	.4	-.2	2.0	1.7	-4.9	2.0	8
(I.8) Open-end investment companies															
1 Net financial investment.....	-.4	-.4	-.8	-1.1	-1.5	-1.0	-.9	-.7	-.8	-2.0	-2.0	-.7	-.9	-2.4	1
2 Net acquis. of financial assets.....	1.5	.8	1.1	2.0	2.5	1.6	1.7	1.6	2.7	2.2	3.3	2.6	2.9	1.3	2
3 Credit mkt. instr. ⁷	1.2	.8	1.1	1.6	2.0	1.5	1.0	1.1	2.4	1.9	3.5	1.5	1.2	1.6	3
4 Corporate stocks.....	1.1	.6	.7	1.2	1.0	1.5	.1	1.6	1.1	1.9	1.7	.8	.3	1.1	4
5 Net stock issues ³	1.9	1.2	1.8	3.1	4.0	2.6	2.6	2.3	3.5	4.2	5.3	3.3	3.8	3.6	5
(J) Rest of the world															
1 Net purch. of goods and serv (2-3).....	5.1	5.9	8.5	7.0	4.8	8.6	6.5	8.2	7.1	6.1	6.1	4.6	4.2	4.1	1
2 Purch. of goods and services ¹	30.3	32.3	37.0	39.0	42.7	38.1	35.1	40.5	40.1	40.2	41.7	41.9	43.4	43.6	2
3 Sales of goods and services ¹	25.1	26.4	28.5	32.0	37.9	29.6	28.7	32.3	33.0	34.2	35.6	37.3	39.2	39.5	3
4 Net unilateral receipts from Govt. ¹	2.7	2.8	2.8	2.8	3.0	2.7	2.6	3.1	2.9	2.6	3.4	2.9	3.1	2.6	4
5 Current surplus (4-1) ²	-2.5	-3.1	-5.7	-4.2	-1.7	-5.9	-3.8	-5.1	-4.2	-3.5	-2.7	-1.7	-1.1	-1.5	5
6 Net financial investment (7-14).....	-1.3	-2.8	-4.7	-3.7	-1.8	-4.5	-3.6	-4.6	-3.5	-3.2	-1.6	-1.8	-3.0	-.8	6
7 Net acquis. of finan. assets.....	2.6	3.4	3.4	2.0	3.6	7.6	3.7	1.8	1.2	1.2	1.4	6.2	2.4	4.5	7
8 Gold.....	.9	.5	.1	1.7	.6	.7	3.3	2.4	.5	.5	.3	.8	.7	.5	8
9 U.S. dem. dep. and currency.....	.1	.1	.5	.1	-.2	1.1	-.7	-.5	.7	.8	.1	1.2	-1.9	-.3	9
10 Time deposits.....	.6	1.0	1.4	.6	-.9	1.6	-.8	.8	.2	.5	-.2	2.0	.6	1.2	10
11 U.S. Govt. securities.....	1.3	.6	.5	-.2	-2.6	1.7	-2.0	-.9	-1.0	1.5	-2.6	-1.5	-4.0	-2.3	11
12 Other credit market instr. ⁷.....	.2	.3	.1	-.1	1.1	-.4	1.3	-.7	-.8	-.1	.9	2.9	1.2	-.4	12
13 Misc. financial assets.....	-.4	1.1	.8	-.1	3.8	3.0	.9	-1.1	1.6	-2.0	2.8	.7	5.7	5.8	13
14 Net increase in liabilities.....	3.9	6.2	8.2	5.7	5.4	12.1	7.3	6.4	4.7	4.4	2.9	8.0	5.4	5.3	14
15 Official U.S. foreign exchange ³	-.6	.1	*	.4	*	1.3	*	2.1	.3	-.6	-1.4	.6	.4	.5	15
16 Securities.....	1.0	1.0	.7	.9	1.0	2.0	1.3	1.0	.7	.8	1.7	1.0	.6	.6	16
17 Loans ⁴	1.1	2.2	3.7	1.9	1.0	4.4	4.3	1.1	.2	1.9	1.0	2.0	.2	.8	17
18 Miscellaneous ⁵	2.5	2.8	3.9	2.6	4.0	4.4	2.2	2.7	3.3	2.3	2.1	5.0	4.9	3.8	18
19 Discrepancy (5-6) ⁶	-1.2	-.4	-1.0	-.4	.1	-1.4	-.2	-.5	-.7	-.3	-1.1	.2	1.9	-.7	19
20 U.S. gold and fgn. exch. held by: Monetary auth.....	-.8	-.4	*	-1.3	-.3	.2	-3.0	-2.2	1.3	-1.4	-2.1	.2	.4	.1	20

For notes see following page.

Notes to Table 4

(A) Households

¹ Includes nonprofit organizations serving individuals.
² Imputed saving associated with growth of government life insurance and retirement reserves. From Tables 4(E), line 13 and 4(F), line 6.
³ Capital-gains dividends from open-end investment cos. plus life insurance reserve revaluations.

⁴ Line 9 plus capital consumption on owner-occupied houses and nonprofit plant and equipment.

⁵ Includes net free balances with security brokers not shown separately.

⁶ Policy loans, hypothecated deposits, and U.S. Govt. loans to nonprofit organizations.

(B, C, D) Business

¹ Sum of Tables 4(C) and 4(D); for detail see below.
² Profits and noncorporate income as defined in national income. Excludes imputed rental income of owner-occupied houses, included in Table 4(A).
³ Change in work in process.
⁴ After inventory valuation adjustment.
⁵ Includes corporate farms.
⁶ Noncorporate net income is treated as payment in full to proprietors in the household sector. Gross saving consists of capital consumption allowances plus corporate farm retained profits.
⁷ Excludes C.C.C.-guaranteed loans, treated as Govt. borrowing; see Table 4(E), line 30.

⁸ Loans from U.S. Govt. and commercial loans from finance cos.

⁹ Includes earnings retained in business; see note 6 above.

¹⁰ Excludes corporations in Tables 4(C), (G), (H), and (I).

¹¹ Includes branch profits paid to foreign parents less branch profits received from abroad.

¹² Direct investments abroad, foreign currency holdings, and unallocated current assets.

¹³ Mainly commercial paper and commercial loans from finance companies.

¹⁴ Includes State and local profit taxes.

(E, F) Govts.

¹ Lines 1 through 12 are derived from national-income data, while lines 15 through 31 are based on data behind Treasury cash budget. Line 21 is a link between the two accounting systems on treatment of corporate taxes, and the discrepancy (line 32) represents differences on other matters.
 Net cash borrowing in Treasury cash budget corresponds closely to line 25 less accrual of interest on savings bonds and Treasury bills. Cash surplus is closely indicated by line 17 less net cash borrowing. Lines 18, 22, 30, and 31 are in cash outgo in cash budget except for small amounts in receipts. Lines 13 and 24 are imputations reflected in neither national-income nor cash budget.
² OASI, disability insurance, and unemployment programs. Line 5 includes U.S. Govt. employment taxes; line 6, U.S. Govt. benefit payments to households.
³ Veterans' life insurance and Govt. employee and R.R. retirement funds. Line 7 excludes Govt. contributions to these funds.
⁴ Transfers other than lines 6 and 8, grants-in-aid to State and local govts., subsidies less current surplus of Govt. enterprises.

⁵ Govt. life insurance, employee retirement, and R.R. retirement programs. Excludes social security, which is treated as non-financial operation.

⁶ Mainly nonconvertible foreign currencies and official foreign exchange position of Treasury.

⁷ Public debt held by public and Federal Reserve, plus non-guaranteed issues of Govt. agencies. Includes interest accruals on savings bonds and Treasury bills; excludes special notes to IMF. Loan participations include C.C.C., FNMA, Export-Import Bank, and all other certificates. In Table 3 they are grouped with non-guaranteed issues. Net movements in inventory under C.C.C. guarantee are included in line 11. Loans and mortgages securing other loan participations are included in U.S. Govt. financial assets.

⁸ E and H bonds held by households.

⁹ Marketable issues due in less than 1 year plus part of those due in less than 2 years.

¹⁰ Includes employee retirement funds.

¹¹ Net of current surplus of gov't. enterprises.

¹² Corporate bonds, mortgages and tax receivables.

(G, H) Banking

¹ Federal Reserve System plus those Treasury accounts included in "Member Bank Reserves, Federal Reserve Bank Credit, and Related Items." Excludes Exchange Stabilization Fund, which is in U.S. Govt. accounts.
² Includes F.R. holdings of foreign currencies, which are net in other F.R. accounts in table mentioned in note 1.
³ Includes vault cash of nonmember banks.
⁴ Includes deposits of international organizations other than IMF; IMF deposits are net in line 3.
⁶ Based on balance sheet estimates for last day of quarter.

Reported bank data, as on p. 804, are frequently for last Wednesday of month or other reporting date. Excludes banks in U.S. possessions.

⁵ Deposits with F.R. Banks; vault cash in reserves is in line 4.

⁷ Net change in par value of holdings.

⁸ Includes consumer loans secured by hypothecated deposits not shown separately.

⁹ Includes deposits held outside Treasury.

¹⁰ Bank and nonbank.

¹¹ Net of F.R. float, shown separately in line 29.

(I) Nonbank Finance

¹ In addition to types shown, includes credit unions, agencies of foreign banks, and banks in possessions.
² Lines 10, 11 of I.1; lines 6, 7, and 8 of I.6; and line 5 of I.8.
³ Includes retained capital-gains dividends.

⁴ Includes cash and other assets, not shown separately.

⁵ Excludes deposits at FHLB, which are included in Miscellaneous, line 7.

⁶ Includes consumer credit, not shown separately.

⁷ Includes mortgages, not shown separately.

(J) Rest of the World

¹ Lines 2, 3, and 4 are exports, imports and transfers to foreigners in income and product accounts.
² Net foreign investment in national income accounts with opposite sign.
³ Official foreign currency holdings and net IMF position of U.S. IMF position consists of U.S. capital subscription less IMF holdings of special U.S. Govt. notes, deposits with Federal Reserve, and letters of credit.

⁴ Bank loans, acceptances, loans from U.S. Govt., and security credit.

⁵ Direct investment abroad, foreign currencies held by other than in line 15, subscriptions to international organizations except IMF, and unidentified liabilities.

⁶ Errors and omissions in U.S. balance of payments statement.

NOTE.—Quarterly data are seasonally adjusted totals at annual rates.

5. FINANCIAL ASSETS AND LIABILITIES, DECEMBER 31, 1966

(Amounts outstanding in billions of dollars)

(A) All sectors

Transaction category	Private domestic nonfinancial sectors								U.S. Govt.		Financial sectors								Rest of the world		All sectors		Discrepancy		
	Households		Business		State and local govts.		Total				Total		Monetary auth.		Coml. banks		Nonbank finance								
	A	L	A	L	A	L	A	L	A	L	A	L	A	L	A	L	A	L	A	L					
1 Total financial assets.....	1409.8		338.5		93.6		1841.9		98.0		997.1		67.3		357.0		572.8		85.0		3021.9		1		
2 Total liabilities.....		364.8		500.2		148.6		1013.7		318.8		920.3		67.3		332.1		520.9		98.5		2351.3		2	
3 Gold stock.....									.1		13.2		13.2						30.0		43.2		3		
4 Official U.S. fgn. exch.....									.4		.9		.9						1.3		1.3		4		
5 IMF position ¹									4.1	3.7	.1		.1					.3					5		
6 Treasury currency.....										4.0	6.2		6.2								6.2	4.0	-2.2	6	
7 Demand dep. and currency.....											185.6		41.2		144.3						172.8	185.6		7	
8 Pvt. domestic.....	89.7		46.1		13.6		149.4		7.0		13.8	176.4	39.2		137.2	13.8				163.1	176.4	13.3	8		
9 U.S. Govt.....												6.5	1.6		4.9						7.0	6.5	- .5	9	
10 Foreign.....											2.6		.4		2.2			2.6				2.6		10	
11 Time and savings accounts.....	297.1						329.3				4	338.2				4						338.2		11	
12 At coml. banks.....	118.4		18.6		13.6		150.6		.2		2	159.3			159.3			8.2				159.3		12	
13 At svgs. instit.....	178.7						178.7				2	178.9				2	178.9					178.9		13	
14 Life insur. reserves.....	110.6						110.6		7.1		103.5				103.5							110.6		14	
15 Pension fund reserves.....	156.7				35.5		156.7	35.5	21.0		100.2				100.2							156.7		15	
16 Consol. bank items ²											27.9	27.9	2.7	25.2	25.2	2.7						27.9	27.9	16	
17 Credit mkt. instr.....	736.0	349.8	50.4	306.0	64.8	110.1	851.1	765.8	60.2	279.0	895.7	83.6	44.5		316.6	1.7	534.6	81.9	27.9	39.3	1834.9	1167.7	17		
18 U.S. Govt. securities ³	85.6		15.6		25.7		126.8			279.0	141.5		44.3		64.0		33.3		10.7			279.0		18	
19 State and local oblig.....	40.6		4.4		4.6	105.9	49.6	105.9			56.3				40.2		16.1					105.9		19	
20 Corp. and fgn. bonds.....	3.8			108.0	30.9		34.8	108.0			99.0	18.6			.8	1.7	98.2	16.9	2.1	n.a.		135.9		20	
21 Corp. stocks ⁴	595.4			n.a.			595.4	n.a.			92.1	34.3					92.1	34.3	13.2	n.a.	700.6	34.3		21	
22 1-4 family mortgages.....	10.5	217.5		6.5	3.6		14.1	224.0	8.9		202.3	1.3			32.7	n.a.	169.6	1.3				225.3		22	
23 Other mortgages.....		14.8		79.3				94.1	6.9		87.1				21.6		65.6					94.1		23	
24 Consumer credit.....		94.8	21.4				21.4	94.8			73.3				38.9		34.5					94.8		24	
25 Bank loans n.e.c.....		11.6		83.5				95.1			113.3	10.8			113.3		10.8		7.3			113.3		25	
26 Other loans.....		11.0	9.0	28.7		4.2	9.0	43.9	44.4		30.8	18.6	2		5.2		25.5	18.6	1.9	22.7	86.1	65.2	- .9	26	
27 Open market paper.....			9.0	2.8			9.0	2.8			23.9	11.7	2		5.2		.6	11.7	1.9	2.4		16.9		27	
28 Federal loans.....		1.2		11.1		4.2		16.5	43.7			6.9						6.9		20.2		43.7		28	
29 Security credit.....	1.6	9.1					1.6	9.1			15.2	7.8			8.4		6.8	7.8	2	.1		17.0		29	
30 To brkrs. and dealers.....	1.6						1.6				6.0	7.8			5.1		.9	7.8	2			7.8		30	
31 To others.....		9.1						9.1			9.2				3.3		5.9		.1			9.2		31	
32 Taxes payable.....				19.9	1.6		1.6	19.9	20.3			2.0				7			1.2			21.9	21.9		32
33 Trade credit.....		2.5	156.8	115.2		3.0	156.8	120.7	4.9	4.5	2.8						2.8				164.5	125.2	-39.3	33	
34 Misc. financial trans.....	18.1	3.5	66.7	59.1			84.8	62.7	4.5	3.2	21.2	71.6		.8	6.8	23.4	14.4	47.4	16.0	57.4	126.5	195.0	68.5	34	

For notes see following page.

5. FINANCIAL ASSETS AND LIABILITIES, DECEMBER 31, 1966—Continued

(Amounts outstanding in billions of dollars)

(B) Nonbank financial sector

Transaction category	Sector		Mutual savings banks		Savings and loan assns.		Credit unions		Life insurance		Nonlife insurance		Private pension funds		Finance cos.		Agencies of foreign banks		Banks in possessions		Investment cos.		Security brokers and dealers		
	A	L	A	L	A	L	A	L	A	L	A	L	A	L	A	L	A	L	A	L	A	L	A	L	
1 Total financial assets.....	572.8		61.0		133.9		10.0		160.9		41.8		70.6		45.0		3.8		1.7		34.3		9.9		1
2 Total liabilities.....		520.9		56.1		124.6		10.0		150.0		23.1		70.6		39.1		2.8		1.5		34.3		7.9	2
3 Demand dep. and currency.....																									3
4 Pvt. domestic.....	13.8		.7		2.3		.6		1.5		1.3		.9		2.9		.9		.2		1.5		1.0		4
5 Time and savings accounts.....	.4	178.9	.2				.2																		5
6 At coml. banks.....	.2		.2																						6
7 At svgs. instit.....	.2	178.9		55.0		113.9	.2	10.0																	7
8 Life insur. reserves.....		103.5								103.5															8
9 Pension fund reserves.....		100.2								29.6			70.6												9
10 Credit mkt. instr.....	534.6	81.9	59.1		124.2	8.7	9.2		153.4		37.6		69.7		42.1	38.9	2.1		1.5		32.8	34.3	3.0		10
11 U.S. Govt. securities.....	33.3		5.7		8.6				4.8		5.5		3.5				1.8		.1		1.4		1.7		11
12 State and local oblig.....	16.1		.3						3.1		12.1								.1				.5		12
13 Corp. and fgn. bonds.....	98.2	16.9	3.2						63.3		3.9		24.5		16.9				*		2.9		.4		13
14 Corp. stocks ⁴	92.1	34.3	1.5						7.9		15.9		37.9								28.4	34.3	.4		14
15 1-4 family mortgages.....	169.6	1.3	31.8		98.1	1.3	.6		31.0				3.8		3.9				.3						15
16 Other mortgages.....	65.6		15.6		16.0				33.7		.2								.1						16
17 Consumer credit.....	34.5		.4		1.5		8.5								24.0										17
18 Bank loans n.e.c.....		10.8				.5									10.3										18
19 Other loans.....	25.5	18.6	.6		6.9				9.5						14.2	11.7	.3		.9						19
20 Open market paper.....	.6	11.7							.3							11.7	.3								20
21 Federal loans.....		6.9			6.9																				21
22 Security credit.....	6.8	7.8																.9					5.9	7.8	22
23 To brkrs. and dealers.....	.9	7.8																.9						7.8	23
24 To others.....	5.9																						5.9		24
25 Taxes payable.....		1.2				.1				.6		.1			2									.1	25
26 Trade credit.....	2.8										2.8														26
27 Misc. financial trans.....	14.4	47.4	.9	1.1	7.4	1.9			6.1	16.2		22.9						3.8		1.5					27

¹ IMF position liabilities of the U.S. Govt. (IMF notes) and monetary authorities (deposits of IMF at F.R. Bank of New York) are netted against assets in determining both the sector and transaction totals.

² Claims between commercial banks and monetary authorities: member bank reserves, vault cash, F.R. loans to banks, F.R. float, and stock at F.R. Banks.

³ Includes savings bonds. Postal Savings System deposits are included in line 12.

⁴ Assets shown at market value; nonbank finance liability is redemption value of shares of open-end

investment companies. No specific liability is attributed to issuers of stocks other than open-end investment companies for amounts outstanding.

⁵ Net of noncorporate trade credit assets.

NOTE.—For description of sectors and transaction categories, see Aug. 1959 BULLETIN, pp. 846-57. Details may not add to totals because of rounding.

INCOME, EXPENSES, AND DIVIDENDS, BY CLASS OF BANK

(Income in thousands, asset and liability items in millions of dollars)

Item	All member banks ¹					Reserve city			Country
	1962	1963	1964	1965	1966	New York City	City of Chicago	Other	
Revenue.....	10,153,594	11,169,491	12,385,803	13,841,782	16,071,561	2,775,443	688,769	6,036,385	6,570,964
Interest and dividends on securities:									
U.S. Govt.....	1,686,765	1,725,561	1,741,509	1,686,444	1,702,010	174,753	57,910	519,332	950,015
Other.....	629,130	773,150	911,252	1,078,870	1,265,154	210,213	52,084	446,498	556,359
Interest and discount on loans.....	6,319,741	7,072,778	7,970,810	9,127,320	10,888,811	1,962,471	474,881	4,188,122	4,263,337
Other charges on loans.....	115,200	127,034	140,430	167,776	197,255	23,376	3,759	96,876	73,244
Service charges on deposits.....	532,409	567,682	607,193	653,233	704,693	48,147	4,362	277,812	374,372
Other charges, fees, etc.....	175,259	180,270	207,184	223,910	265,378	38,704	8,225	109,024	109,425
Trust department.....	529,701	556,684	611,043	667,907	733,131	217,430	56,418	290,402	168,881
Other current revenue.....	165,389	166,332	196,382	236,322	315,129	100,349	31,130	103,319	75,331
Expenses.....	7,041,375	7,930,985	8,894,583	10,206,320	11,941,190	1,985,059	479,449	4,499,592	4,977,090
Salaries—Officers.....	830,300	892,580	968,442	1,047,366	1,148,460	122,362	32,207	396,801	597,090
Salaries and wages—Others.....	1,671,111	1,768,197	1,871,935	1,976,578	2,141,458	358,803	76,660	840,822	865,173
Officer and employee benefits.....	363,561	393,150	420,078	448,318	507,199	100,636	24,230	183,752	198,581
Directors' fees, etc.....	40,692	43,230	45,855	48,610	52,707	2,112	595	7,407	42,593
Interest on time deposits.....	2,358,132	2,857,600	3,383,524	4,214,144	5,213,416	948,591	231,120	1,991,766	2,041,930
Interest on borrowed money.....	62,542	104,074	122,054	183,695	293,884	99,743	31,335	126,236	36,570
Net occupancy expense.....	458,634	500,550	549,756	598,174	653,828	117,192	19,686	235,551	281,399
Furniture and equipment.....	217,703	254,865	296,599	333,664	369,420	36,733	12,299	146,716	173,672
Other current expenses.....	1,038,700	1,116,739	1,236,340	1,355,771	1,560,818	198,887	51,317	570,541	740,073
Net current earnings before income taxes.....	3,112,219	3,238,506	3,491,220	3,635,462	4,130,371	790,384	209,320	1,536,793	1,593,874
Recoveries, transfers from reserves, and profits:									
On securities:									
Profits.....	216,336	140,361	58,301	67,456	50,036	5,965	458	23,938	19,675
Recoveries.....	4,377	2,902	5,473	5,133	3,833	102	449	858	2,424
Transfers from reserves.....	50,147	56,705	53,978	90,954	94,677	1,726	16,001	61,572	15,378
On loans:									
Recoveries.....	10,035	10,551	10,369	10,524	9,021	152	16	952	7,901
Transfers from reserves.....	51,859	124,361	56,385	73,105	45,195	2,852	4,298	23,654	14,391
All other.....	63,537	74,192	90,269	82,735	81,461	8,440	7,124	31,649	34,248
Losses, charge-offs, and transfers to reserves:									
On securities:									
Sold.....	51,169	42,929	79,732	70,068	412,634	146,682	38,199	120,554	107,199
Charge-offs prior to sale.....	9,230	9,917	8,378	4,850	5,780	2	449	945	4,384
Transfers to reserves.....	84,632	56,646	65,260	54,176	67,240	808	10,649	39,952	15,831
On loans:									
Losses and charge-offs.....	16,825	16,165	16,845	19,302	17,912		15	500	17,397
Transfers to reserves.....	451,526	516,448	551,796	723,997	629,423	122,887	20,421	229,040	257,075
All other.....	90,413	95,623	123,261	110,084	197,126	11,362	7,383	122,942	55,439
Net income before related taxes.....	2,804,715	2,909,850	2,920,723	2,982,892	3,084,479	527,880	160,550	1,165,483	1,230,566
Taxes on net income.....									
Federal.....	1,109,798	1,078,789	997,626	879,965	875,644	144,551	50,621	352,090	328,382
State.....	1,021,782	991,081	909,928	788,710	769,269	107,716	50,621	303,757	303,775
State.....	88,016	87,708	87,698	91,255	106,375	36,835		44,933	24,607
Net income.....	1,694,917	1,831,061	1,923,097	2,012,927	2,208,835	383,329	109,929	813,393	902,184
Cash dividends declared.....									
On preferred stock ²	831,955	877,770	960,847	1,057,517	1,144,619	259,034	49,224	452,875	383,486
On common stock ²	1,064	2,578	24,270	52,248	61,496	29,173	200	22,475	9,648
On common stock.....	830,891	875,192	936,577	1,005,269	1,083,123	229,861	49,024	430,400	373,838
Memoranda items:									
Recoveries credited to reserves ³ :									
On securities.....	3,541	5,724	4,136	3,703	2,800	329		678	1,793
On loans.....	71,942	81,604	139,413	100,276	115,668	10,206	3,027	38,344	64,091
Losses charged to reserves ⁴ :									
On securities.....	11,950	14,860	42,030	21,338	54,675	1,627	2,089	35,598	15,361
On loans.....	196,822	273,439	319,906	346,200	438,620	69,433	12,180	162,096	194,911
Assets, deposits, and capital accounts:									
Loans.....	108,551	122,732	137,915	158,774	177,557	34,954	8,514	67,690	66,399
U.S. Govt. securities.....	52,343	51,043	47,945	45,702	42,286	4,863	1,610	13,192	22,621
Other securities.....	21,328	26,321	30,307	34,658	38,438	6,100	1,534	13,241	17,563
Cash assets.....	43,548	44,968	47,698	51,916	55,468	13,225	2,462	22,046	17,735
Other assets.....	5,977	6,594	7,471	8,475	9,619	2,974	452	3,522	2,671
Total assets.....	231,746	251,657	271,336	299,525	323,368	62,116	14,571	119,691	126,990
Time deposits.....	73,097	85,505	97,538	112,962	126,700	18,685	5,062	48,125	54,828
Total deposits.....	205,029	221,479	238,862	263,661	282,910	50,969	12,511	105,510	113,920
Total capital accounts.....	19,066	20,266	21,932	24,050	25,627	5,197	1,161	9,259	10,010
Number of officers.....	78,406	82,045	87,087	91,419	98,288	7,404	1,756	33,515	55,613
Number of employees.....	420,886	433,299	444,016	459,882	491,551	58,227	14,759	182,188	236,377
Number of banks.....	6,047	6,108	6,225	6,221	6,150	12	11	169	5,958

NOTE.—The schedule for reporting current operating expenses was revised beginning with 1961 and certain items are not directly comparable with data for previous years. For detailed summary of these changes see May 1962 BULL., pp. 526-27. Revenue and expenses incident to Federal

funds transactions have been classified as interest and discount on loans and interest on borrowed money in these tables.

For other notes see following two pages.

INCOME, EXPENSES, AND DIVIDENDS, BY FEDERAL RESERVE DISTRICT

(Income in thousands, asset and liability items in millions of dollars)

Item	Federal Reserve district											
	Boston	New York	Phila- delphia	Cleve- land	Rich- mond	Atlanta	Chicago	St. Louis	Minne- apolis	Kansas City	Dallas	San Francisco
Revenue.....	726,934	4,021,760	760,190	1,212,892	804,501	964,651	2,392,916	502,334	413,553	660,087	797,834	2,813,909
Interest and dividends on securities:												
U.S. Govt.....	56,936	303,648	82,708	161,790	98,497	129,187	323,577	75,658	58,841	92,491	99,163	219,514
Other.....	47,329	334,435	57,099	111,359	52,633	76,028	198,540	43,535	33,838	45,261	68,578	196,519
Interest and discount on loans.....	481,559	2,806,172	513,814	799,189	541,931	622,339	1,582,145	331,070	265,589	437,161	543,846	1,963,996
Other charges on loans.....	6,362	39,405	6,368	11,584	15,115	14,001	22,691	3,266	3,867	5,153	7,879	61,564
Service charges on deposits.....	38,573	116,535	27,315	44,408	44,158	57,463	77,572	18,598	21,580	36,573	33,883	188,035
Other charges, fees, etc.....	22,063	51,400	7,794	14,768	15,892	22,073	36,389	8,488	14,065	11,116	12,067	49,263
Trust department.....	61,367	254,884	47,564	57,324	28,498	30,824	103,382	15,117	11,605	21,673	21,325	79,568
Other current revenue.....	12,745	115,281	17,528	12,470	7,777	12,736	48,620	6,602	4,168	10,659	11,093	55,450
Expenses.....	512,808	2,961,078	556,380	879,102	576,417	710,867	1,793,279	360,058	312,367	473,060	586,397	2,219,377
Salaries—Officers.....	56,506	214,103	53,021	74,592	68,755	80,775	156,851	42,323	38,501	70,242	70,536	222,255
Salaries and wages—Others.....	116,357	536,026	104,762	149,645	115,961	137,185	296,776	61,892	45,996	83,339	89,413	404,106
Officer and employee benefits.....	27,933	143,405	27,401	31,799	23,977	30,152	72,481	14,595	12,712	18,808	19,895	84,041
Directors' fees, etc.....	2,948	7,293	5,041	4,082	4,194	4,597	7,735	3,327	2,294	4,111	4,621	2,464
Interest on time deposits.....	159,766	1,376,815	226,418	411,966	212,813	255,749	848,034	138,439	134,572	169,584	235,226	1,044,034
Interest on borrowed money.....	13,148	112,325	8,748	11,144	7,726	13,445	46,627	11,001	6,446	7,557	19,771	35,946
Net occupancy expense.....	33,379	175,969	32,357	39,406	32,520	38,590	84,958	18,979	15,338	26,749	32,179	123,404
Furniture and equipment.....	19,917	67,294	19,284	25,461	21,387	31,180	52,142	12,717	9,623	20,598	19,247	70,570
Other current expenses.....	82,854	327,848	79,348	131,007	89,084	119,194	227,675	56,785	46,885	72,072	95,509	232,557
Net current earnings before income taxes.....	214,126	1,060,682	203,810	333,790	228,084	253,784	599,637	142,276	101,186	187,027	211,437	594,532
Recoveries, transfers from reserves, and profits.....	9,790	33,304	8,042	70,859	14,822	14,865	59,845	20,174	6,941	11,383	8,880	25,318
On securities:												
Profits.....	1,389	9,989	2,047	2,349	2,212	3,534	6,836	5,098	731	2,855	1,973	11,023
Recoveries.....	53	418	261	91	65	107	749	38	1,244	733	38	36
Transfers from reserves.....	2,161	5,220	939	40,871	3,741	1,091	27,632	5,386	945	2,877	1,188	2,326
On loans:												
Recoveries.....	226	491	670	534	344	482	463	498	581	1,688	1,825	1,219
Transfers from reserves.....	1,634	5,011	1,238	19,529	550	1,049	7,201	3,516	1,212	930	1,516	1,809
All other.....	4,327	11,875	2,887	7,485	7,910	8,602	16,964	5,638	2,228	2,300	2,340	8,905
Losses, charge-offs, and transfers to reserves.....	58,031	354,016	44,085	162,199	59,933	71,926	207,173	45,143	28,689	49,287	56,076	193,557
On securities:												
Sold.....	12,364	162,772	12,429	25,127	14,405	12,085	82,676	13,388	12,145	12,341	8,733	44,169
Charge-offs prior to sale.....	141	519	150	341	178	200	963	922	501	1,255	482	128
Transfers to reserves.....	5,310	5,208	1,912	10,844	3,878	3,030	14,211	1,552	345	721	4,858	15,371
On loans:												
Losses and charge-offs.....	223	488	776	1,051	601	1,485	1,129	1,211	789	3,523	4,050	2,586
Transfers to reserves.....	30,099	167,207	23,958	43,799	31,567	45,726	88,028	20,570	12,480	27,069	32,476	106,444
All other.....	9,894	17,822	4,860	81,037	9,304	9,400	20,166	7,500	2,429	4,378	5,477	24,859
Net income before related taxes.....	165,885	739,970	167,767	242,450	182,973	196,723	452,309	117,307	79,438	149,123	164,241	426,293
Taxes on net income.....	58,374	185,922	51,012	60,064	60,858	57,548	118,472	32,084	23,473	46,903	47,497	133,437
Federal.....	46,171	142,192	50,508	60,064	59,613	56,070	116,208	31,350	18,566	42,897	47,413	98,217
State.....	12,203	43,730	504	0.000	1,245	1,478	2,264	734	4,907	4,006	84	35,220
Net income.....	107,511	554,048	116,755	182,386	122,115	139,175	333,837	85,223	55,965	102,220	116,744	292,856
Cash dividends declared.....	57,586	341,806	63,739	91,011	56,769	55,387	135,937	34,756	28,241	44,441	59,816	175,130
On preferred stock ²	624	34,378	608	1,444	1,854	3,529	4,540	1,909	45	1,398	1,724	9,443
On common stock.....	56,962	307,428	63,131	89,567	54,915	51,858	131,397	32,847	28,196	43,043	58,092	165,687
Memoranda items:												
Recoveries credited to reserves ³ :												
On securities.....	257	409	19	829	159	44	512	24	2	10	34	191
On loans.....	6,479	18,486	4,083	6,897	3,664	7,989	17,919	4,141	5,997	8,157	13,700	18,156
Losses charged to reserves ⁴ :												
On securities.....	6,240	6,933	147	11,217	3,576	1,773	3,622	1,847	8	241	5,359	13,712
On loans.....	21,438	106,380	16,375	24,099	14,907	31,828	56,949	10,476	8,607	22,484	37,071	88,006
Assets, deposits, and capital accounts:												
Loans.....	7,593	48,370	8,407	13,351	8,511	9,583	26,341	5,484	4,173	6,880	8,739	30,127
U.S. Govt. securities.....	1,439	8,088	2,056	3,896	2,328	3,114	8,060	1,806	1,358	2,166	2,379	5,597
Other securities.....	1,498	10,011	1,801	3,482	1,637	2,220	6,007	1,384	1,045	1,475	2,139	5,740
Cash assets.....	2,247	16,101	2,451	3,607	2,661	3,820	7,562	2,100	1,269	2,650	3,639	7,362
Other assets.....	357	3,474	357	469	339	489	1,105	211	173	285	511	1,849
Total assets.....	13,133	86,044	15,073	24,804	15,475	19,224	49,075	10,986	8,019	13,455	17,406	50,674
Time deposits.....	3,873	29,810	6,171	11,199	5,536	6,454	21,367	3,673	3,440	4,337	5,588	24,982
Total deposits.....	11,274	72,319	13,300	21,977	13,724	17,180	43,789	9,772	7,200	12,013	15,466	44,896
Total capital accounts.....	1,167	6,978	1,257	2,159	1,268	1,523	3,536	912	612	1,186	1,423	3,605
Number of officers.....	4,768	14,993	4,992	6,148	7,128	7,080	11,935	4,095	3,623	6,369	6,520	20,637
Number of employees.....	27,118	98,527	25,090	34,519	29,255	50,713	67,699	16,364	12,028	20,961	22,221	87,056
Number of banks.....	249	400	387	498	399	524	995	480	494	835	673	216

¹ Includes figures for all banks that were members of the FRS at the end of the year (including those becoming members during the year whose returns may cover operations for only part of the year); and in addition includes appropriate adjustments for member banks in operation during part of the year but not at the end of the year. Asset and liability data may not add to totals because of rounding.

² Includes interest on capital notes and debentures.

³ Not included in recoveries shown above.

⁴ Not included in losses shown above.

For other notes see following page.

INCOME, EXPENSES, AND DIVIDENDS OF RESERVE CITY MEMBER BANKS, BY FEDERAL RESERVE DISTRICT

(Income in thousands, asset and liability items in millions of dollars)

Item	Federal Reserve district											
	Boston	New York	Phila- delphia	Cleve- land	Rich- mond	Atlanta	Chicago	St. Louis	Minne- apolis	Kansas City	Dallas	San Francisco
Revenue.....	257,846	131,993	336,046	706,945	407,898	375,626	561,566	233,175	125,319	238,632	350,230	2,311,109
Interest and dividends on securities:												
U.S. Govt.....	15,000	10,407	23,805	68,869	44,123	38,435	57,724	22,664	10,209	23,153	35,688	169,255
Other.....	12,620	13,600	16,516	67,275	25,450	25,503	47,294	19,084	7,766	16,091	29,390	165,909
Interest and discount on loans	167,026	93,905	236,378	479,341	274,889	255,516	389,445	164,352	87,252	166,372	249,808	1,623,838
Other charges on loans.....	3,229	2,310	2,825	8,102	8,392	7,237	7,392	1,761	1,228	2,098	4,426	47,876
Service charges on deposits.....	5,683	5,989	11,800	20,598	22,987	16,798	19,095	7,574	3,456	7,200	5,370	151,262
Other charges, fees, etc.....	14,758	558	3,332	9,051	7,373	10,651	10,477	3,744	5,389	2,648	5,521	35,522
Trust department.....	32,180	3,452	30,550	45,172	20,469	16,557	23,050	10,249	8,675	15,549	14,950	69,549
Other current revenue.....	7,350	1,772	10,840	8,537	4,215	4,929	7,089	3,747	1,344	5,521	5,077	47,898
Expenses.....	171,486	106,138	241,951	500,991	286,450	269,182	431,709	163,391	89,965	167,403	251,519	1,819,407
Salaries—Officers.....	16,094	8,628	19,556	34,888	30,960	26,032	26,322	14,183	7,421	17,152	19,671	175,894
Salaries and wages—Others.....	41,686	17,922	52,131	87,870	60,959	55,396	82,630	30,557	16,468	33,172	34,364	327,667
Officer and employee benefits	9,000	4,020	14,670	18,523	12,345	12,735	16,186	7,405	3,860	7,232	8,625	69,151
Directors' fees, etc.....	274	391	555	708	1,126	786	583	472	307	417	505	1,283
Interest on time deposits.....	50,079	53,453	88,158	244,021	102,824	92,587	205,547	58,795	34,784	62,068	115,076	884,374
Interest on borrowed money.....	10,239	1,492	7,440	9,285	5,988	9,801	10,619	10,043	5,260	5,468	17,430	33,171
Net occupancy expense.....	10,190	5,724	15,232	21,743	17,651	14,395	21,789	8,391	4,361	9,404	9,070	97,601
Furniture and equipment.....	6,431	3,134	9,307	13,505	11,261	11,437	12,812	6,302	2,882	8,690	7,319	53,636
Other current expenses.....	27,493	11,374	34,902	70,448	43,336	46,013	55,221	27,243	14,622	23,800	39,459	176,630
Net current earnings before income taxes.....	86,360	25,855	94,095	205,954	121,448	106,444	129,857	69,784	35,354	71,229	98,711	491,702
Recoveries, transfers from reserves, and profits.....	3,744	753	1,410	60,656	9,902	8,485	15,726	16,490	1,692	4,648	2,247	16,870
On securities:												
Profits.....	530	104	238	889	865	1,867	2,772	3,882	56	1,688	814	10,233
Recoveries.....	834	503	411	37,176	3,068	551	10,180	4,951	542	2,572	409	375
On loans:												
Recoveries.....	23	7	403	21	4	40	.....	2	55	28	9	360
Transfers from reserves.....	400	.....	.....	18,064	154	45	284	2,795	.....	.....	341	1,571
All other.....	1,957	139	357	4,506	5,810	5,965	2,388	4,855	449	243	672	4,308
Losses, charge-offs, and transfers to reserves.....	22,912	8,927	18,397	128,723	34,130	26,371	49,312	24,997	10,525	16,828	19,775	153,036
On securities:												
Sold.....	3,241	37	5,150	16,026	9,671	6,665	19,389	9,341	5,080	6,109	4,220	35,625
Charge-offs prior to sale.....	.....	.....	.....	64	.....	.....	.....	456	.....	.....	.....	111
Transfers to reserves.....	2,828	1,078	1,519	8,381	3,227	783	2,152	1,062	.....	360	3,797	14,765
On loans:												
Losses and charge-offs.....	12,814	7,360	10,263	26,670	14,483	15,961	25,532	9,692	4,591	9,545	10,480	81,649
Transfers to reserves.....	4,029	452	1,465	77,582	6,746	2,954	2,239	4,446	641	439	1,278	20,671
All other.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Net income before related taxes.....	67,192	17,681	77,108	137,887	97,220	88,558	96,271	61,277	26,521	59,049	81,183	355,536
Taxes on net income.....	27,680	1,728	27,297	33,678	32,157	27,507	18,256	17,199	9,273	20,115	25,378	111,822
Federal.....	22,330	912	27,297	33,678	31,348	27,036	17,338	16,854	6,953	18,196	25,378	79,837
State.....	5,350	816	.....	.....	809	471	918	345	2,320	1,919	.....	31,985
Net income.....	39,512	15,953	49,811	104,209	65,063	61,051	78,015	44,078	17,248	38,934	55,805	243,714
Cash dividends declared.....	23,005	11,116	30,719	60,989	32,412	26,353	34,803	20,311	9,618	20,004	34,935	148,610
On preferred stock ².....	.....	854	.....	1,117	1,739	2,772	3,342	1,678	.....	1,142	1,359	8,472
On common stock.....	23,005	10,262	30,719	59,872	30,673	23,581	31,461	18,633	9,618	18,862	33,576	140,138
Memoranda items:												
Recoveries credited to reserves ³												
On securities.....	.....	2	.....	16	52	3	424	13	.....	.....	168	.....
On loans.....	3,116	1,161	1,046	3,109	1,235	2,292	4,379	2,010	625	2,707	3,229	13,435
Losses charged to reserves ⁴												
On securities.....	2,712	2,160	.....	9,098	2,710	95	428	1,218	.....	1	4,592	12,584
On loans.....	10,170	8,522	7,244	13,609	5,977	9,455	15,814	4,241	1,985	7,638	11,478	65,963
Assets, deposits, and capital accounts:												
Loans.....	2,716	1,387	3,865	8,135	4,465	4,047	6,444	2,863	1,447	2,812	4,356	25,152
U.S. Govt. securities.....	426	252	567	1,686	1,049	1,013	1,498	551	244	551	959	4,396
Other securities.....	396	397	508	2,083	793	726	1,325	583	249	482	870	4,828
Cash assets.....	956	326	1,409	2,294	1,560	1,860	2,256	1,229	589	1,272	2,008	6,288
Other assets.....	163	74	200	301	182	205	247	118	53	138	292	1,548
Total assets.....	4,657	2,437	6,549	14,499	8,049	7,852	11,769	5,345	2,583	5,255	8,485	42,212
Time deposits.....	1,086	1,266	2,085	6,289	2,601	2,260	5,008	1,466	795	1,489	2,752	21,029
Total deposits.....	3,923	2,162	5,733	12,740	7,144	6,931	10,571	4,655	2,269	4,649	7,377	37,357
Total capital accounts.....	431	172	512	1,329	632	645	805	457	205	477	709	2,886
Number of officers.....	1,196	677	1,461	2,311	3,341	1,984	1,744	1,143	539	1,301	1,441	16,377
Number of employees.....	8,549	4,002	11,200	17,989	14,136	12,707	17,914	7,588	3,770	7,482	7,481	69,370
Number of banks.....	5	3	6	16	16	25	15	15	8	22	17	21

NOTE.—Does not include reserve city banks in the cities of New York and Chicago. The figures of assets, deposits, and capital accounts are averages of the amounts reported for 3 official call dates beginning with the end of the previous year and ending with the December 1966 call. The number of officers, employees, and banks are as of the end of the year. Cash assets are comprised of cash, balances with other banks (including

reserve balances), and cash items in process of collection. Total capital accounts are comprised of the aggregate book value of capital stock, capital notes and debentures, surplus, undivided profits, reserves for contingencies, and other capital reserves.

For other notes see preceding page.

INCOME, EXPENSES, AND DIVIDENDS OF COUNTRY MEMBER BANKS, BY FEDERAL RESERVE DISTRICT

(Income in thousands, asset and liability items in millions of dollars)

Item	Federal Reserve district											
	Boston	New York	Phila- delphia	Cleve- land	Rich- mond	Atlanta	Chicago	St. Louis	Minne- apolis	Kansas City	Dallas	San Fran- cisco
Revenue.....	469,088	1,114,324	424,144	505,947	396,603	589,025	1,142,581	269,159	288,234	421,455	447,604	502,800
Interest and dividends on securities:												
U. S. Govt.....	41,936	118,488	58,903	92,921	54,374	90,752	207,943	52,994	48,632	69,338	63,475	50,259
Other.....	34,709	110,622	40,583	44,084	27,183	50,525	99,162	24,451	26,072	29,170	39,188	30,610
Interest and discount on loans	314,533	749,796	277,436	319,848	267,042	366,823	717,819	166,718	178,337	270,789	294,038	340,158
Other charges on loans.....	3,133	13,719	3,543	3,482	6,723	6,764	11,540	1,505	2,639	3,055	3,453	13,688
Service charges on deposits.....	32,890	62,399	15,515	23,810	21,171	40,665	54,115	11,024	18,124	29,373	28,513	36,773
Other charges, fees, etc.....	7,305	12,138	4,462	5,717	8,519	11,422	17,687	4,744	8,676	8,468	6,546	13,741
Trust department.....	29,187	34,002	17,014	12,152	8,029	14,267	23,914	4,868	2,930	6,124	6,375	10,019
Other current revenue.....	5,395	13,160	6,688	3,933	3,562	7,807	10,401	2,855	2,824	5,138	6,016	7,552
Expenses.....	341,322	869,881	314,429	378,111	289,967	441,685	882,121	196,667	222,402	305,657	334,878	399,970
Salaries—Officers.....	40,412	83,113	33,465	39,704	37,795	54,743	98,322	28,140	31,080	53,090	50,865	46,361
Salaries and wages—Others.....	74,671	159,301	52,631	61,775	55,002	81,789	137,486	31,335	29,528	50,167	55,049	76,439
Officer and employee benefits.....	18,933	38,749	12,731	13,276	11,632	17,417	32,065	7,190	8,852	11,576	11,270	14,890
Directors' fees, etc.....	2,674	4,790	4,486	3,374	3,068	3,811	6,557	2,855	1,987	3,694	4,116	1,181
Interest on time deposits.....	109,687	374,771	138,260	167,945	109,989	163,162	411,367	79,644	99,788	107,516	120,150	159,660
Interest on borrowed money.....	2,909	11,090	1,308	1,859	1,738	3,644	4,673	958	1,186	2,089	2,341	2,775
Net occupancy expense.....	23,189	53,053	17,125	17,663	14,869	24,195	43,483	10,588	10,977	17,345	23,109	25,803
Furniture and equipment.....	13,486	27,427	9,977	11,956	10,126	19,743	27,031	6,415	6,741	11,908	11,928	16,934
Other current expenses.....	55,361	117,587	44,446	60,559	45,748	73,181	121,137	29,542	32,263	48,272	56,050	55,927
Net current earnings before income taxes.....	127,766	244,443	109,715	127,836	106,636	147,340	260,460	72,492	65,832	115,798	112,726	102,830
Recoveries, transfers from reserves, and profits.....	6,046	13,314	6,632	10,203	4,920	6,380	15,773	3,684	5,249	6,735	6,633	8,448
On securities:												
Profits.....	859	3,920	1,809	1,460	1,347	1,667	3,606	1,216	675	1,167	1,159	790
Recoveries.....	53	316	260	91	64	90	198	33	654	616	36	13
Transfers from reserves.....	1,327	3,291	528	3,695	673	540	1,451	435	403	305	779	1,951
On loans:												
Recoveries.....	203	332	267	513	340	442	447	496	526	1,660	1,816	859
Transfers from reserves.....	1,234	2,159	1,238	1,465	396	1,004	2,619	721	1,212	930	1,175	238
All other.....	2,370	3,296	2,530	2,979	2,100	2,637	7,452	783	1,779	2,057	1,668	4,597
Losses, charge-offs, and transfers to reserves.....	35,119	63,348	25,688	33,476	25,803	45,555	80,745	20,146	18,164	32,459	36,301	40,521
On securities:												
Sold.....	9,123	16,053	7,279	9,101	4,734	5,420	25,088	4,047	7,065	6,232	4,513	8,544
Charge-offs prior to sale.....	141	517	150	277	178	200	514	466	501	941	482	17
Transfers to reserves.....	2,482	3,322	393	2,463	651	2,247	1,410	490	345	361	1,061	606
On loans:												
Losses and charge-offs.....	223	488	776	1,051	598	1,477	1,114	1,211	576	3,462	4,050	2,371
Transfers to reserves.....	17,285	36,960	13,695	17,129	17,084	29,765	42,075	10,878	7,889	17,524	21,996	24,795
All other.....	5,865	6,008	3,395	3,455	2,558	6,446	10,544	3,054	1,788	3,939	4,199	4,188
Net income before related taxes.....	98,693	194,409	90,659	104,563	85,753	108,165	195,488	56,030	52,917	90,074	83,058	70,757
Taxes on net income.....	30,694	39,643	23,715	26,386	28,701	30,041	49,595	14,885	14,200	26,788	22,119	21,615
Federal.....	23,841	33,564	23,211	26,386	28,265	29,034	48,249	14,496	11,613	24,701	22,035	18,380
State.....	6,853	6,079	504	.....	436	1,007	1,346	389	2,587	2,087	84	3,235
Net income.....	67,999	154,766	66,944	78,177	57,052	78,124	145,893	41,145	38,717	63,286	60,939	49,142
Cash dividends declared.....	34,581	71,656	33,020	30,022	24,357	29,034	51,910	14,445	18,623	24,437	24,881	26,520
On preferred stock ²	624	4,351	608	327	115	757	998	231	45	256	365	971
On common stock.....	33,957	67,305	32,412	29,695	24,242	28,277	50,912	14,214	18,578	24,181	24,516	25,549
Memoranda items:												
Recoveries credited to reserves ³												
On securities.....	257	78	19	813	107	41	88	11	2	10	176	191
On loans.....	3,363	7,119	3,037	3,788	2,429	5,697	10,513	2,131	5,372	5,450	10,471	4,721
Losses charged to reserves ⁴												
On securities.....	3,528	3,146	147	2,119	866	1,678	1,105	629	8	240	767	1,128
On loans.....	11,268	28,425	9,131	10,490	8,930	22,373	28,955	6,235	6,622	14,846	25,593	22,043
Assets, deposits, and capital accounts:												
Loans.....	4,876	12,029	4,542	5,216	4,045	5,535	11,383	2,621	2,726	4,068	4,383	4,974
U. S. Govt. securities.....	1,013	2,973	1,489	2,209	1,279	2,101	4,953	1,255	1,114	1,614	1,420	1,201
Other securities.....	1,102	3,513	1,293	1,399	844	1,494	3,148	800	796	993	1,269	912
Cash assets.....	1,291	2,550	1,043	1,313	1,101	1,960	2,845	871	680	1,377	1,631	1,074
Other assets.....	194	426	157	168	156	283	406	93	120	147	218	301
Total assets.....	8,476	21,491	8,524	10,305	7,426	11,373	22,735	5,641	5,437	8,201	8,921	8,461
Time deposits.....	2,787	9,860	4,086	4,910	2,935	4,195	11,296	2,207	2,645	2,848	3,106	3,954
Total deposits.....	7,350	19,188	7,567	9,237	6,581	10,249	20,708	5,117	4,931	7,364	8,088	7,539
Total capital accounts.....	736	1,609	745	830	636	878	1,571	455	406	710	715	719
Number of officers.....	3,572	6,912	3,531	3,837	3,787	5,096	8,435	2,952	3,084	5,068	5,079	4,260
Number of employees.....	18,569	36,298	13,890	16,530	15,119	38,006	35,026	8,776	8,258	13,479	14,740	17,686
Number of banks.....	244	385	381	482	383	499	969	465	486	813	656	195

For notes, see preceding two pages.

INCOME, EXPENSES, AND DIVIDENDS, BY SIZE OF BANK

(Amounts in thousands; asset and liability items in millions of dollars)

Item	Total ¹	Size group—total deposits (in thousands of dollars)							
		Less than 2,000	2,000—5,000	5,000—10,000	10,000—25,000	25,000—50,000	50,000—100,000	100,000—500,000	500,000 or more
Revenue.....	16,053,842	29,506	286,498	626,574	1,263,079	986,119	1,008,945	3,109,006	8,744,115
Interest and dividends on securities:									
U.S. Govt.....	1,700,775	7,096	62,081	120,750	210,059	150,950	140,590	350,377	658,872
Other.....	1,264,790	1,449	18,038	49,016	108,116	87,516	85,898	249,409	665,348
Interest and discount on loans.....	10,884,263	18,353	178,521	396,181	806,819	628,911	650,102	2,078,061	6,127,315
Other charges on loans.....	197,116	115	1,909	4,472	12,038	10,273	15,123	38,302	114,884
Service charges on deposits.....	704,485	1,583	16,801	37,190	78,208	59,923	55,953	152,892	301,935
Other charges, fees, etc.....	265,219	613	5,863	11,541	20,667	15,337	18,995	49,460	142,743
Trust department.....	722,459	1	429	1,596	13,486	21,654	29,037	151,757	504,499
Other current revenue.....	314,735	296	2,856	5,828	13,686	11,555	13,247	38,748	228,519
Expenses.....	11,927,134	22,607	218,663	475,499	963,137	751,255	773,314	2,301,476	6,421,183
Salaries—Officers.....	1,146,204	6,444	44,212	75,726	125,145	88,214	84,992	228,775	492,696
Salaries and wages—Others.....	2,139,518	2,697	30,321	71,717	155,771	129,973	133,420	447,134	1,168,485
Officer and employee benefits.....	506,697	654	6,695	15,756	34,402	28,438	31,117	103,091	286,544
Directors' fees, etc.....	52,647	586	4,689	7,838	11,491	6,381	4,594	8,831	8,237
Interest on time deposits.....	5,211,300	6,289	77,900	189,821	399,984	312,290	326,693	915,404	2,982,919
Interest on borrowed money.....	293,862	84	398	1,063	3,091	4,297	6,923	37,407	240,599
Net occupancy expense.....	652,970	1,333	12,115	26,463	53,234	42,140	44,497	132,551	340,637
Furniture and equipment.....	369,178	680	6,894	14,613	30,850	24,744	28,199	92,785	170,413
Other current expenses.....	1,554,758	3,840	35,439	72,502	149,169	114,778	112,879	335,498	730,653
Net current earnings before income taxes.....	4,126,708	6,899	67,835	151,075	299,942	234,864	235,631	807,530	2,322,932
Recoveries, transfers from reserves, and profits.....	283,768	783	4,346	10,925	17,286	13,510	15,013	52,003	169,902
On securities:									
Profits.....	49,967	118	743	2,707	4,704	2,808	2,378	10,484	26,025
Recoveries.....	3,830	3	86	230	1,327	390	362	325	1,107
Transfers from reserves.....	94,557	3	87	397	1,043	1,872	3,169	13,092	74,894
On loans:									
Recoveries.....	9,017	543	1,790	2,275	1,888	449	220	1,119	733
Transfers from reserves.....	45,193	45	752	1,419	2,700	2,395	2,489	5,124	30,269
All other.....	81,204	71	888	3,897	5,624	5,596	6,395	21,859	36,874
Losses, charge-offs, and transfers to reserves.....	1,329,259	2,616	20,969	45,362	87,044	69,225	71,811	208,524	823,708
On securities:									
Sold.....	412,178	150	2,313	6,821	17,628	18,090	20,104	58,651	288,421
Charge-offs prior to sale.....	5,781	20	459	900	1,520	706	474	433	1,269
Transfers to reserves.....	67,216	5	161	861	2,062	2,203	1,998	10,947	48,979
On loans:									
Losses and charge-offs.....	17,905	1,551	4,840	5,231	3,918	851	571	538	405
Transfers to reserves.....	629,166	665	10,860	26,776	50,828	39,157	41,356	115,057	344,467
All other.....	197,013	225	2,336	4,773	11,088	8,218	7,308	22,898	140,167
Net income before related taxes.....	3,081,217	5,066	51,212	116,638	230,184	179,149	178,833	651,009	1,669,126
Taxes on net income.....	873,653	1,066	10,714	27,514	60,005	49,982	47,796	195,271	481,305
Federal.....	767,632	978	9,785	25,535	56,498	46,860	45,050	182,384	400,542
State.....	106,021	88	929	1,979	3,507	3,122	2,746	12,887	80,763
Net income.....	2,207,564	4,000	40,498	89,124	170,179	129,167	131,037	455,738	1,187,821
Cash dividends declared.....	1,142,542	1,607	13,588	29,776	62,619	53,576	56,844	215,087	709,445
On preferred stock ²	61,500		9	138	548	871	1,404	8,315	50,215
On common stock.....	1,081,042	1,607	13,579	29,638	62,071	52,705	55,440	206,772	659,230
Memoranda items:									
Recoveries credited to reserves ³									
On securities.....	2,802		3	11	96	844	325	584	939
On loans.....	115,650	194	3,024	7,266	13,947	10,356	13,336	21,851	45,676
Losses charged to reserves ⁴									
On securities.....	54,662		49	267	1,280	2,182	2,398	11,479	37,007
On loans.....	438,452	543	8,630	20,160	39,378	30,883	32,643	82,755	223,460
Assets, deposits, and capital accounts:									
Loans.....	183,643,183	271,496	2,770,113	6,249,867	12,880,917	10,278,493	10,716,237	34,574,082	105,901,978
U.S. Govt. securities.....	41,888,008	171,305	1,458,112	2,805,046	4,858,328	3,458,582	3,344,308	8,417,474	17,374,853
Other securities.....	38,949,209	51,926	650,532	1,770,459	3,692,166	2,875,568	2,819,855	7,923,369	19,165,334
Cash assets.....	60,700,264	110,993	885,229	1,831,675	3,465,105	2,791,117	3,052,714	11,619,196	36,944,235
Other assets.....	10,125,976	8,952	99,977	233,722	506,500	420,082	433,571	1,464,549	6,958,623
Total assets.....	335,306,640	614,672	5,863,963	12,890,769	25,403,016	19,823,842	20,366,685	63,998,670	186,345,023
Time deposits.....	130,485,673	200,386	2,398,277	5,721,578	11,728,630	8,891,696	9,062,467	24,827,591	67,655,048
Total deposits.....	291,856,429	537,513	5,220,585	11,617,853	22,958,044	17,845,535	18,351,114	57,102,198	158,223,587
Total capital accounts.....	26,235,866	72,158	580,389	1,105,450	2,000,851	1,496,047	1,500,909	4,878,955	14,601,107
Number of officers.....	98,074	1,049	5,395	8,314	12,134	7,735	6,963	18,236	38,248
Number of employees.....	491,040	978	8,978	36,374	42,472	34,164	33,769	104,781	229,524
Number of banks.....	6,121	374	1,496	1,624	1,467	519	266	281	94

¹ Total is for banks operating during the entire year, except that one trust company having no deposits is excluded.² Includes interest on capital notes and debentures.³ Not included in recoveries above.⁴ Not included in losses above.

NOTE.—The figures for assets, deposits, capital accounts, number of officers and employees, and number of banks are as of the end of the year.

INCOME RATIOS, BY CLASS OF BANK

(Computed from aggregate dollar amounts; ratios expressed as percentage)

Item	All member banks					Reserve city			Country
	1962	1963	1964	1965	1966	New York City	City of Chicago	Other	
Summary ratios:									
<i>Percentage of total capital accounts:</i>									
Net current earnings before income taxes.....	16.3	16.0	15.9	15.1	16.1	15.2	18.0	16.6	15.9
Net income before related taxes.....	14.7	14.4	13.3	12.4	12.0	10.2	13.8	12.6	12.3
Net income.....	8.9	9.0	8.8	8.7	8.6	7.4	9.5	8.8	9.0
Cash dividends declared.....	4.4	4.3	4.4	4.4	4.5	5.0	4.2	4.9	3.8
<i>Percentage of total assets:</i>									
Total operating revenue.....	4.38	4.44	4.56	4.62	4.97	4.47	4.73	5.04	5.17
Net current earnings before income taxes.....	1.34	1.29	1.29	1.21	1.28	1.27	1.44	1.28	1.26
Net income.....	.73	.73	.71	.70	.68	.62	.75	.68	.71
Sources and disposition of income:									
<i>Percentage of total operating revenue:</i>									
<i>Interest and dividends on:</i>									
U. S. Govt. securities.....	16.6	15.4	14.1	12.2	10.6	6.3	8.4	8.6	14.4
Other securities.....	6.2	6.9	7.3	7.8	7.9	7.6	7.6	7.4	8.5
Revenue on loans.....	63.4	64.5	65.5	67.2	68.9	71.6	69.5	71.0	66.0
Service charges on deposit accounts.....	5.2	5.1	4.9	4.7	4.4	1.7	0.6	4.6	5.7
All other revenue.....	8.6	8.1	8.2	8.1	8.2	12.8	13.9	8.4	5.4
Total revenue.....	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
<i>Expenses:</i>									
Salaries and wages.....	24.6	23.8	22.9	21.9	20.4	17.3	15.8	20.5	22.3
Officer and employee benefits.....	3.6	3.5	3.4	3.2	3.2	3.6	3.5	3.0	3.0
Interest on time deposits.....	23.2	25.6	27.3	30.4	32.4	34.2	33.6	33.0	31.1
Net occupancy expense.....	4.5	4.5	4.4	4.3	4.1	4.2	2.8	3.9	4.3
Other current expenses.....	13.4	13.6	13.8	13.9	14.2	12.2	13.9	14.1	15.1
Total expenses.....	69.3	71.0	71.8	73.7	74.3	71.5	69.6	74.5	75.8
Net current earnings before income taxes.....	30.7	29.0	28.2	26.3	25.7	28.5	30.4	25.5	24.2
<i>Net losses including transfers (or recoveries and profits +):</i>									
Taxes on net income.....	11.0	9.7	8.1	6.4	5.5	5.2	7.3	5.8	5.0
Net income after taxes.....	16.7	16.4	15.5	15.2	13.7	13.8	16.0	13.5	13.7
Rates of return on securities and loans:									
<i>Return on securities:</i>									
Interest on U. S. Govt. securities.....	3.22	3.38	3.63	3.69	4.02	3.59	3.60	3.94	4.20
Interest and dividends on other securities.....	2.95	2.94	3.01	3.11	3.29	3.45	3.40	3.37	3.17
Net losses (or recoveries and profits +) ¹	+2.21	+1.11	.08	.02	.52	1.29	1.27	.50	.26
<i>Return on loans:</i>									
Revenue on loans.....	5.93	5.87	5.88	5.85	6.24	5.68	5.62	6.33	6.53
Net losses (or recoveries +) ¹.....	.12	.16	.14	.16	.19	.17	.11	.18	.21
Distribution of assets:									
<i>Percentage of total assets:</i>									
U. S. Govt. securities.....	22.6	20.3	17.7	15.3	13.1	7.8	11.1	11.0	17.8
Other securities.....	9.2	10.4	11.2	11.6	11.9	9.8	10.5	11.1	13.8
Loans.....	46.8	48.8	50.8	53.0	54.9	56.3	58.4	56.6	52.3
Cash assets.....	18.8	17.9	17.6	17.3	17.1	21.3	16.9	18.4	14.0
Other assets.....	2.6	2.6	2.7	2.8	3.0	4.8	3.1	2.9	2.1
Other ratios:									
<i>Total capital accounts to—</i>									
Total assets.....	8.2	8.1	8.1	8.0	7.9	8.4	8.0	7.7	7.9
Total assets less U. S. Govt. securities and cash assets.....	14.0	13.0	12.5	11.9	11.4	11.8	11.1	11.0	11.6
Total deposits.....	9.3	9.2	9.2	9.1	9.1	10.2	9.3	8.8	8.8
Time to time deposits.....	35.7	38.6	40.8	42.8	44.8	36.7	40.5	45.6	48.1
Interest on time deposits to time deposits.....	3.23	3.34	3.47	3.73	4.11	5.08	4.57	4.14	3.72
Number of banks.....	6,047	6,108	6,225	6,221	6,150	12	11	169	5,958

¹ Net losses is the excess of (1) actual losses charged against net income plus losses charged against valuation reserves over (2) actual recoveries and profits credited to net income plus recoveries credited to valuation reserves; net recoveries and profits is the reverse. Transfers to and from valuation reserves are excluded.

NOTE.—The ratios in this and the following 3 tables were computed from the dollar aggregates shown in preceding tables. Many of these ratios vary substantially from the average of individual bank ratios, which were shown in the April BULL., in which each bank's figures—regardless of size or amount—are weighted equally and in general have

an equally important influence on the result. In the ratios based on aggregates presented here, the experience of those banks in each group whose figures are largest have a much greater influence than that of the many banks with smaller figures. Ratios based on aggregates show combined results for the banking system as a whole, and, broadly speaking, are the more significant for purposes of general analyses of credit and monetary problems, while averages of individual ratios are useful primarily to those interested in studying the financial results of operations of individual banks.

INCOME RATIOS OF MEMBER BANKS, BY FEDERAL RESERVE DISTRICT

(Computed from aggregate dollar amounts; ratios expressed as percentages)

Item	Federal Reserve district											
	Boston	New York	Philadelphia	Cleveland	Richmond	Atlanta	Chicago	St. Louis	Minneapolis	Kansas City	Dallas	San Francisco
Summary ratios:												
<i>Percentage of total capital accounts:</i>												
Net current earnings before income taxes	18.3	15.2	16.2	15.5	18.0	16.7	17.0	15.6	16.5	15.8	14.9	16.5
Net income before related taxes	14.2	10.6	13.3	11.2	14.4	12.9	12.8	12.9	13.0	12.6	11.5	11.8
Net income	9.2	7.9	9.3	8.4	9.6	9.1	9.4	9.3	9.1	8.6	8.2	8.1
Cash dividends declared	4.9	4.9	5.1	4.2	4.5	3.6	3.8	3.8	4.6	3.7	4.2	4.9
<i>Percentage of total assets:</i>												
Total operating revenue	5.54	4.67	5.04	4.89	5.20	5.02	4.88	4.57	5.16	4.91	4.58	5.55
Net current earnings before income taxes	1.63	1.23	1.35	1.35	1.47	1.32	1.22	1.30	1.26	1.39	1.21	1.17
Net income	.82	.64	.77	.74	.79	.72	.68	.78	.70	.76	.67	.58
Sources and disposition of income:												
<i>Percentage of total operating revenue:</i>												
Interest and dividends on:												
U. S. Govt. securities	7.9	7.5	10.9	13.3	12.2	13.4	13.5	15.1	14.2	14.0	12.4	7.8
Other securities	6.5	8.3	7.5	9.2	6.6	7.9	8.3	8.7	8.2	6.9	8.6	7.0
Revenue on loans	67.1	70.8	68.4	66.8	69.2	66.0	67.1	66.5	65.2	67.0	69.2	72.0
Service charges on deposit accounts	5.3	2.9	3.6	3.7	5.5	5.9	3.2	3.7	5.2	5.5	4.2	6.7
All other revenue	13.2	10.5	9.6	7.0	6.5	6.8	7.9	6.0	7.2	6.6	5.6	6.5
Total revenue	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Salaries and wages	23.8	18.6	20.7	18.5	23.0	22.6	18.9	20.7	20.4	23.3	20.1	22.3
Officer and employee benefits	3.8	3.6	3.6	2.6	3.0	3.1	3.0	2.9	3.1	2.8	2.5	3.0
Interest on time deposits	22.0	34.2	29.8	34.0	26.4	26.5	35.4	27.6	32.5	25.7	29.5	37.1
Net occupancy expense	4.6	4.4	4.3	3.2	4.0	4.0	3.6	3.8	3.7	4.1	4.0	4.4
Other current expenses	16.3	12.8	14.8	14.2	15.2	17.5	14.0	16.7	15.8	15.8	17.4	12.1
Total expenses	70.5	73.6	73.2	72.5	71.6	73.7	74.9	71.7	75.5	71.7	73.5	78.9
Net current earnings before income taxes	29.5	26.4	26.8	27.5	28.4	26.3	25.1	28.3	24.5	28.3	26.5	21.1
Net losses including transfers (or recoveries and profits+)	6.7	8.0	4.7	7.5	5.6	5.9	6.2	5.0	5.3	5.7	5.9	6.0
Taxes on net income	8.0	4.6	6.7	5.0	7.6	6.0	5.0	6.4	5.7	7.1	6.0	4.7
Net income after taxes	14.8	13.8	15.4	15.0	15.2	14.4	13.9	16.9	13.5	15.5	14.6	10.4
Rates of return on securities and loans:												
<i>Return on securities:</i>												
Interest on U. S. Govt. securities	3.96	3.75	4.02	4.15	4.23	4.15	4.01	4.19	4.33	4.27	4.17	3.92
Interest and dividends on other securities	3.16	3.34	3.17	3.20	3.22	3.42	3.31	3.15	3.24	3.07	3.21	3.42
Net losses (or recoveries and profits+) ¹	.58	.88	.27	.45	.40	.19	.56	.34	.44	.28	.27	.41
<i>Return on loans:</i>												
Revenue on loans	6.43	5.88	6.19	6.07	6.55	6.64	6.09	6.10	6.46	6.43	6.31	6.72
Net losses (or recoveries+) ¹	.20	.18	.15	.13	.14	.26	.15	.13	.07	.23	.29	.24
Distribution of assets:												
<i>Percentage of total assets:</i>												
U. S. Govt. securities	11.0	9.4	13.6	15.7	15.0	16.2	16.4	16.5	16.9	16.1	13.7	11.0
Other securities	11.4	11.7	11.9	14.0	10.6	11.5	12.2	12.6	13.0	11.0	12.3	11.3
Loans	57.8	56.2	55.8	53.8	55.0	49.9	53.7	49.9	52.1	51.1	50.2	59.5
Cash assets	17.1	18.7	16.3	14.6	17.2	19.9	15.4	19.1	15.8	19.7	20.9	14.5
Other assets	2.7	4.0	2.4	1.9	2.2	2.5	2.3	1.9	2.2	2.1	2.9	3.7
Other ratios:												
<i>Total capital accounts to—</i>												
Total assets	8.9	8.1	8.3	8.7	8.2	7.9	7.2	8.3	7.6	8.8	8.2	7.1
Total assets less U. S. Govt. securities and cash assets	12.4	11.3	11.9	12.5	12.1	12.4	10.6	12.9	11.4	13.7	12.5	9.6
Total deposits	10.4	9.6	9.5	9.8	9.2	8.9	8.1	9.3	8.5	9.9	9.2	8.0
Time to total deposits	34.4	41.2	46.4	51.0	40.3	37.6	48.8	37.6	47.8	36.1	37.9	55.6
Interest on time deposits to time deposits	4.13	4.62	3.67	3.68	3.84	3.96	3.97	3.77	3.91	3.91	4.02	4.18
Number of banks	249	400	387	498	399	524	995	480	494	835	673	216

¹ Net losses is the excess of (1) actual losses charged against net income plus losses charged against valuation reserves over (2) actual recoveries and profits credited to net income plus recoveries credited to valuation

reserves; net recoveries and profits is the reverse. Transfers to and from valuation reserves are excluded.

INCOME RATIOS OF RESERVE CITY MEMBER BANKS, BY FEDERAL RESERVE DISTRICT

(Computed from aggregate dollar amounts; ratios expressed as percentages)

Item	Federal Reserve district											
	Boston	New York	Philadelphia	Cleveland	Richmond	Atlanta	Chicago	St. Louis	Minneapolis	Kansas City	Dallas	San Francisco
Summary ratios:												
<i>Percentage of total capital accounts:</i>												
Net current earnings before income taxes	20.0	15.0	18.4	15.5	19.2	16.5	16.1	15.3	17.2	14.9	13.9	17.0
Net income before related taxes	15.6	10.3	15.1	10.4	15.4	13.7	12.0	13.4	12.9	12.4	11.5	12.3
Net income	9.2	9.3	9.7	7.8	10.3	9.5	9.7	9.6	8.4	8.2	7.9	8.4
Cash dividends declared	5.3	6.5	6.0	4.6	5.1	4.1	4.3	4.4	4.7	4.2	4.9	5.1
<i>Percentage of total assets:</i>												
Total operating revenue	5.54	5.42	5.13	4.88	5.07	4.78	4.77	4.36	4.85	4.54	4.13	5.47
Net current earnings before income taxes	1.85	1.06	1.44	1.42	1.51	1.36	1.10	1.31	1.37	1.36	1.16	1.16
Net income	.85	.65	.76	.72	.81	.78	.66	.82	.67	.74	.66	.58
Sources and disposition of income:												
<i>Percentage of total operating revenue:</i>												
Interest and dividends on—												
U.S. Govt. securities	5.8	7.9	7.1	9.7	10.8	10.2	10.3	9.7	8.1	9.7	10.2	7.3
Other securities	4.9	10.3	4.9	9.5	6.2	6.8	8.4	8.2	6.2	6.8	8.4	7.2
Earnings on loans	66.0	72.9	71.2	69.0	69.5	70.0	70.7	71.2	70.6	70.6	72.6	72.3
Service charges on deposit accounts	2.2	4.5	3.5	2.9	5.6	4.5	3.4	3.3	2.8	3.0	1.5	6.6
All other revenue	21.1	4.4	13.3	8.9	7.9	8.5	7.2	7.6	12.3	9.9	7.3	6.6
Total revenue	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Total expenses												
Salaries and wages	22.4	20.1	21.3	17.4	22.6	21.7	19.4	19.2	19.1	21.1	15.4	21.8
Officer and employee benefits	3.5	3.1	4.4	2.6	3.0	3.4	2.9	3.2	3.1	3.0	2.5	3.0
Interest on time deposits	19.4	40.5	26.2	34.5	25.2	24.7	36.6	25.2	27.8	26.0	32.9	38.3
Net occupancy expense	4.0	4.3	4.5	3.1	4.3	3.8	3.9	3.6	3.4	4.0	2.6	4.2
Other current expenses	17.2	12.4	15.6	13.3	15.1	18.1	14.1	18.9	18.4	16.1	18.4	11.4
Total expenses	66.5	80.4	72.0	70.9	70.2	71.7	76.9	70.1	71.8	70.2	71.8	78.7
Net current earnings before income taxes	33.5	19.6	28.0	29.1	29.8	28.3	23.1	29.9	28.2	29.8	28.2	21.3
Net losses including transfers (or recoveries and profits +)												
Taxes on net income	7.5	6.2	5.1	9.6	5.9	4.8	6.0	3.6	7.0	5.1	5.0	5.9
Net income after taxes	10.7	1.3	8.1	4.8	7.9	7.3	3.2	7.4	7.4	8.4	7.3	4.8
Net income after taxes	15.3	12.1	14.8	14.7	16.0	16.2	13.9	18.9	13.8	16.3	15.9	10.6
Rates of return on securities and loans:												
<i>Return on securities:</i>												
Interest on U.S. Govt. securities	3.52	4.13	4.20	4.08	4.21	3.79	3.85	4.11	4.18	4.20	3.72	3.85
Interest and dividends on other securities	3.19	3.43	3.25	3.23	3.21	3.51	3.57	3.27	3.12	3.34	3.38	3.44
Net losses (or recoveries and profits +) ¹	.66	.32	.46	.64	.62	.28	.59	.63	.90	.45	.43	.41
<i>Return on loans:</i>												
Earnings on loans	6.27	6.94	6.19	5.99	6.34	6.49	6.16	5.80	6.11	5.99	5.84	6.65
Net losses (or recoveries +) ¹	.26	.53	.15	.13	.11	.18	.18	.08	.10	.18	.19	.21
Distribution of assets:												
<i>Percentage of total assets:</i>												
U.S. Govt. securities	9.2	10.4	8.7	11.6	13.0	12.9	12.7	10.3	9.5	10.5	11.3	10.4
Other securities	8.5	16.3	7.8	14.4	9.8	9.2	11.3	10.9	9.6	9.2	10.3	11.4
Loans	58.3	56.9	59.0	56.1	55.5	51.6	54.7	53.6	56.0	53.5	51.3	59.6
Cash assets	20.5	13.4	21.5	15.8	19.4	23.7	19.2	23.0	22.8	24.2	23.7	14.9
Other assets	3.5	3.0	3.0	2.1	2.3	2.6	2.1	2.2	2.1	2.6	3.4	3.7
Other ratios:												
<i>Total capital accounts to—</i>												
Total assets	9.3	7.1	7.8	9.2	7.9	8.2	6.8	8.6	7.9	9.1	8.4	6.8
Total assets less U.S. Govt. securities and cash assets	13.2	9.3	11.2	12.6	11.6	13.0	10.0	12.8	11.7	13.9	12.8	9.2
Total deposits	11.0	8.0	8.9	10.4	8.8	9.3	7.6	9.8	9.0	10.3	9.6	7.7
Time to total deposits	27.7	58.6	36.4	49.4	36.4	32.6	47.4	31.5	35.0	32.0	37.3	56.3
Interest on time deposits to time deposits	4.61	4.22	4.23	3.88	3.95	4.10	4.10	4.01	4.38	4.17	4.18	4.21
Number of banks	5	3	6	16	16	25	15	15	8	22	17	21

¹ Net losses is the excess of (1) actual losses charged against net income plus losses charged against valuation reserves over (2) actual recoveries and profits credited to net income plus recoveries credited to valuation reserves; net recoveries and profits is the reverse. Transfers to and from valuation reserves are excluded.

NOTE.—Figures do not include reserve city banks in the cities of New York and Chicago.

INCOME RATIOS OF COUNTRY MEMBER BANKS, BY FEDERAL RESERVE DISTRICT

(Computed from aggregate dollar amounts; ratios expressed as percentages)

Item	Federal Reserve district											
	Boston	New York	Phila- del- phia	Cleve- land	Rich- mond	At- lanta	Chi- cago	St. Louis	Min- neap- olis	Kan- sas City	Dallas	San Fran- cisco
Summary ratios:												
<i>Percentage of total capital accounts:</i>												
Net current earnings before income taxes	17.4	15.2	14.7	15.4	16.8	16.8	16.6	15.9	16.2	16.3	15.8	14.3
Net income before related taxes	13.4	12.1	12.2	12.6	13.5	12.3	12.4	12.3	13.0	12.7	11.6	9.8
Net income	9.2	9.6	9.0	9.4	9.0	8.9	9.3	9.0	9.5	8.9	8.5	6.8
Cash dividends declared	4.7	4.5	4.4	3.6	3.8	3.3	3.3	3.2	4.6	3.4	3.5	3.7
<i>Percentage of total assets:</i>												
Total operating revenue	5.53	5.19	4.98	4.91	5.34	5.18	5.03	4.77	5.30	5.14	5.02	5.94
Net current earnings before income taxes	1.51	1.14	1.29	1.24	1.44	1.30	1.15	1.29	1.21	1.41	1.26	1.22
Net income	.80	.72	.79	.76	.77	.69	.64	.73	.71	.77	.68	.58
Sources and disposition of income:												
<i>Percentage of total operating revenue:</i>												
Interest and dividends on—												
U.S. Govt. securities	9.0	10.7	13.9	18.4	13.7	15.4	18.2	19.7	16.9	16.4	14.2	10.0
Other securities	7.4	9.9	9.6	8.7	6.9	8.6	8.7	9.1	9.0	6.9	8.7	6.1
Revenue on loans	67.7	68.5	66.2	63.9	69.0	63.4	63.8	62.5	62.8	65.0	66.5	70.4
Service charges on deposit accounts	7.0	5.6	3.7	4.7	5.3	6.9	4.7	4.1	6.3	7.0	6.4	7.3
All other revenue	8.9	5.3	6.6	4.3	5.1	5.7	4.6	4.6	5.0	4.7	4.2	6.2
Total revenue	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Total expenses												
Salaries and wages	24.6	21.8	20.3	20.0	23.4	23.2	20.6	22.1	21.0	24.5	23.7	24.4
Officer and employee benefits	4.0	3.5	3.0	2.6	2.9	3.0	2.8	2.7	3.1	2.7	2.5	3.0
Interest on time deposits	23.4	33.6	32.6	33.2	27.7	27.7	36.0	29.6	34.6	25.5	26.8	31.7
Net occupancy expense	4.9	4.8	4.0	3.5	3.8	4.1	3.8	3.9	3.8	4.1	5.2	5.1
Other current expenses	15.9	14.4	14.2	15.4	15.3	17.0	14.0	14.8	14.7	15.7	16.6	15.3
Total expenses	72.8	78.1	74.1	74.7	73.1	75.0	77.2	73.1	77.2	72.5	74.8	79.5
Net current earnings before income taxes	27.2	21.9	25.9	25.3	26.9	25.0	22.8	26.9	22.8	27.5	25.2	20.5
Net losses including transfers (or recoveries and profits+)	6.2	4.5	4.5	4.6	5.3	6.6	5.7	6.1	4.5	6.1	6.6	6.4
Taxes on net income	6.5	3.5	5.6	5.2	7.2	5.1	4.3	5.5	4.9	6.4	5.0	4.3
Net income after taxes	14.5	13.9	15.8	15.5	14.4	13.3	12.8	15.3	13.4	15.0	13.6	9.8
Rates of return on securities and loans:												
<i>Return on securities:</i>												
Interest on U.S. Govt. securities	4.14	3.99	3.96	4.21	4.25	4.32	4.20	4.22	4.37	4.30	4.47	4.18
Interest and dividends on other securities	3.15	3.15	3.14	3.15	3.22	3.38	3.15	3.06	3.28	2.94	3.09	3.36
Net losses (or recoveries and profits+) ¹	.55	.24	.20	.25	.20	.15	.28	.19	.33	.22	.16	.41
<i>Return on loans:</i>												
Revenue on loans	6.51	6.35	6.19	6.20	6.77	6.75	6.41	6.42	6.64	6.73	6.79	7.11
Net losses (or recoveries+) ¹	.16	.18	.15	.14	.17	.32	.17	.18	.05	.28	.40	.38
Distribution of assets:												
<i>Percentage of total assets:</i>												
U.S. Govt. securities	12.0	13.8	17.5	21.4	17.2	18.5	21.8	22.3	20.5	19.7	15.9	14.2
Other securities	13.0	16.3	15.2	13.6	11.4	13.1	13.8	14.2	14.7	12.1	14.2	10.8
Loans	57.5	56.0	53.3	50.6	54.5	48.7	50.1	46.5	50.1	49.6	49.1	58.8
Cash assets	15.2	11.9	12.2	12.8	14.8	17.2	12.5	15.4	12.5	16.8	18.3	12.7
Other assets	2.3	2.0	1.8	1.6	2.1	2.5	1.8	1.6	2.2	1.8	2.5	3.5
Other ratios:												
<i>Total capital accounts to—</i>												
Total assets	8.7	7.5	8.7	8.1	8.6	7.7	6.9	8.1	7.5	8.7	8.0	8.5
Total assets less U.S. Govt. securities and cash assets	11.9	10.1	12.4	12.4	12.6	12.0	10.5	12.9	11.1	13.6	12.2	11.6
Total deposits	10.0	8.4	9.8	9.0	9.7	8.6	7.6	8.9	8.2	9.6	8.8	9.5
Time to total deposits	37.9	51.4	54.0	53.2	44.6	40.9	54.5	43.1	53.6	38.7	48.4	52.4
Interest on time deposits to time deposits	3.94	3.80	3.38	3.42	3.75	3.89	3.64	3.61	3.77	3.78	3.87	4.04
Number of banks	244	385	381	482	383	499	969	465	486	813	656	195

¹ Net losses is the excess of (1) actual losses charged against net income plus losses charged against valuation reserves over (2) actual recoveries and profits credited to net income plus recoveries credited to valuation

reserves; net recoveries and profits is the reverse. Transfers to and from valuation reserves are excluded.

Financial Statistics

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The tables on international capital transactions are based on Treasury Department data and on data reported to that Department by banks and brokers in the United States. Other data are obtained from the Treasury Department, Department of Commerce, Federal Reserve Bank

of New York, and International Monetary Fund and from foreign central bank statements and official statistical bulletins. For some of the series, back data are available in *Banking and Monetary Statistics* and its *Supplements* (see list of publications at the end of the BULLETIN).

I. U.S. BALANCE OF PAYMENTS

(In millions of dollars)

Item	1964	1965	1966 ^p	1965		1966			
				III	IV	I	II	III	IV ^p
Transactions other than changes in foreign liquid assets in U.S. and in U.S. monetary reserve assets—Seasonally adjusted									
Exports of goods and services—Total	36,958	38,993	42,910	10,016	10,065	10,480	10,558	10,943	10,929
Merchandise	25,297	26,276	29,180	6,826	7,027	7,154	7,098	7,426	7,502
Military sales	747	844	908	199	216	198	260	215	235
Transportation	2,324	2,415	2,585	617	632	640	627	671	647
Travel	1,095	1,212	1,417	305	330	333	337	373	374
Investment income receipts, private	4,932	5,389	5,585	1,321	1,176	1,384	1,427	1,436	1,338
Investment income receipts, Govt.	460	512	595	149	78	148	148	149	150
Other services	2,103	2,345	2,640	599	606	623	661	673	683
Imports of goods and services—Total	-28,468	-32,036	-37,614	-8,245	-8,540	-8,898	-9,175	-9,737	-9,804
Merchandise	-18,621	-21,488	-25,507	-5,595	-5,756	-5,980	-6,220	-6,639	-6,668
Military expenditures	-2,834	-2,881	-3,649	-745	-771	-854	-899	-934	-962
Transportation	-2,462	-2,691	-2,903	-661	-706	-719	-712	-725	-747
Travel	-2,201	-2,400	-2,623	-603	-614	-642	-643	-664	-674
Investment income payments	-1,404	-1,646	-1,868	-411	-458	-436	-437	-510	-485
Other services	-946	-930	-1,064	-230	-235	-267	-264	-265	-268
Balance on goods and services	8,490	6,957	5,296	1,771	1,525	1,582	1,383	1,206	1,125
Remittances and pensions	-879	-994	-992	-244	-235	-236	-236	-277	-243
1. Balance on goods, services, remittances and pensions	7,611	5,963	4,304	1,527	1,290	1,346	1,147	929	882
2. U.S. Govt. grants and capital flow, net	-3,560	-3,375	-3,396	-743	-881	-957	-952	-797	-690
Grants, ² loans, and net change in foreign currency holdings, and short-term claims	-4,263	-4,277	-4,623	-1,117	-1,030	-1,156	-1,155	-1,201	-1,111
Scheduled repayments on U.S. Govt. loans	580	681	799	191	126	196	178	229	229
Nonscheduled repayments and selloffs	123	221	428	183	23	3	7	226	192
3. U.S. private capital flow, net	-6,523	-3,690	-3,911	-827	-912	-928	-1,094	-748	-1,141
Direct investments	-2,416	-3,371	-3,363	-569	-731	-687	-976	-737	-963
Foreign securities	-677	-758	-426	-285	-209	-324	6	-69	-39
Other long-term claims:									
Reported by banks	-941	-231	329	-58	126	122	-33	84	156
Reported by others	-343	-91	-116	-20	-71	-17	-53	-29	-17
Short-term claims:									
Reported by banks	-1,523	325	-68	51	109	143	-91	20	-140
Reported by others	-623	436	-267	54	-136	-165	53	-17	-138
4. Foreign capital flow, net, excluding change in liquid assets in U.S.	685	194	2,168	-251	251	289	972	243	664
Long-term investments	109	-149	1,912	-235	110	298	986	96	532
Short-term claims	113	146	246	39	44	39	57	92	58
Nonliquid claims on U.S. Govt. associated with:									
Military contracts	228	314	300	-16	149	71	-46	69	206
U.S. Govt. grants and capital	50	-85	-229	-34	-18	-64	-1	-12	-152
Other specific transactions	208	-25	-12	-5	-28	-2	2	21	-33
Other nonconvertible, nonmarketable, medium-term U.S. Govt. securities ³	-23	-7	-49	*	-6	-53	-26	-23	53
5. Errors and unrecorded transactions	-1,011	-429	-589	-240	-80	-294	-195	173	-273
Balances									
A. Balance on liquidity basis									
Seasonally adjusted (= 1+2+3+4+5)	-3,798	-1,337	-1,424	-534	-332	-544	-122	-200	-558
Less: Net seasonal adjustments			472		3	-496	27	499	-30
Before seasonal adjustment	-2,798	-1,337	-1,424	-1,006	-335	-48	-149	-699	-528
B. Balance on basis of official reserve transactions									
Balance A, seasonally adjusted	-2,798	-1,337	-1,424	-534	-332	-544	-122	-200	-558
Plus: Seasonally adjusted change in liquid assets in the U.S. of:									
Commercial banks abroad	1,454	116	2,731	707	-546	232	499	1,166	834
Other private residents of foreign countries	345	306	224	65	50	138	45	86	-45
International and regional organizations other than IMF	-245	-290	-525	-24	-173	-35	-362	9	-137
Less: Change in certain nonliquid liabilities to foreign central banks and govts.	302	100	735	-18	157	25	263	109	338
Balance B, seasonally adjusted	-1,546	-1,305	271	232	-1,158	-234	-203	952	-244
Less: Net seasonal adjustments				508	-33	-636	182	525	-71
Before seasonal adjustment	-1,546	-1,305	271	-276	-1,125	402	-385	427	-173

I. U.S. BALANCE OF PAYMENTS—Continued

(In millions of dollars)

Item	1964	1965	1966 ^p	1965		1966			
				III	IV	I	II	III	IV ^p
Transactions by which balances were settled—Not seasonally adjusted									
A. To settle balance on liquidity basis.....	2,798	1,337	1,424	1,006	335	48	149	699	528
Change in U.S. official reserve assets (increase, -).....	171	1,222	568	41	271	424	68	82	-6
Gold.....	125	41,665	571	124	119	68	209	173	121
Convertible currencies.....	-220	-349	-540	-413	178	222	-163	-426	-173
IMF gold tranche position.....	266	4-94	537	330	-26	134	22	335	46
Change in liquid liabilities to all foreign accounts.....	2,627	115	856	965	64	-376	81	617	534
Foreign central banks and govts.: Convertible nonmarketable U.S. Govt. securities ¹	375	123	-945	122	-50	-366	-176	-226	-177
Marketable U.S. Govt. bonds and notes ²	-59	-20	-245	-2	-19	-5	6	-254	8
Deposits, short-term U.S. Govt. securities, etc.....	757	-154	-561	125	740	-611	206	-166	10
IMF (gold deposits).....	34	34	177	8	26	131	18	28	.....
Commercial banks abroad.....	1,454	116	2,731	697	-539	404	316	1,162	849
Other private residents of foreign countries, International ³ and regional organizations other than IMF.....	345	306	224	72	48	109	66	96	-47
.....	-245	-290	-525	-57	-142	-38	-355	-23	-109
B. Official reserve transactions.....	1,546	1,305	-271	276	1,125	-402	385	-427	173
Change in U.S. official reserve assets (increase, -).....	171	1,222	568	41	271	424	68	82	-6
Change in liquid liabilities to foreign central banks and govts. and IMF (see detail above under A.).....	1,073	-17	-1,574	253	697	-851	54	-618	-159
Change in certain nonliquid liabilities to foreign central banks and govts.: Of U.S. private organizations.....	148	-38	736	-16	28	43	284	86	323
Of U.S. Govt.....	154	138	-1	-2	129	-18	-21	23	15

¹ Excludes transfers under military grants.⁵ With original maturities over 1 year.² Excludes military grants.³ Includes certificates sold abroad by Export-Import Bank.⁴ Reflects \$259 million payment of gold portion of increased U.S. subscription to IMF.

NOTE.—Dept. of Commerce data. Minus sign indicates net payments (debits); absence of sign indicates net receipts (credits).

2. MERCHANDISE EXPORTS AND IMPORTS

(In millions of dollars, seasonally adjusted)

Period	Exports ¹				Imports ²				Export surplus			
	1964	1965	1966	1967	1964	1965	1966	1967	1964	1965	1966	1967
Month:												
Jan.....	2,040	³ 1,228	2,274	2,620	1,418	³ 1,199	1,948	2,296	622	³ 28	327	325
Feb.....	2,058	³ 1,623	2,374	2,601	1,459	³ 1,606	2,005	2,204	599	³ 17	369	397
Mar.....	2,075	³ 2,739	2,569	2,570	1,518	³ 1,861	2,068	2,185	557	³ 878	501	385
Apr.....	2,061	³ 2,406	2,359	.....	1,537	³ 1,811	2,109	.....	524	³ 595	250	.....
May.....	2,047	³ 2,299	2,411	.....	1,530	³ 1,797	2,063	.....	517	³ 503	348	.....
June.....	2,077	³ 2,235	2,490	.....	1,514	³ 1,848	2,135	.....	563	³ 386	354	.....
July.....	2,119	2,300	2,456	.....	1,573	⁴ 1,742	2,205	.....	546	⁴ 558	251	.....
Aug.....	2,100	2,329	2,455	.....	1,608	1,825	2,113	.....	492	504	342	.....
Sept.....	2,261	2,291	2,542	.....	1,563	1,858	2,301	.....	698	433	240	.....
Oct.....	2,156	2,349	2,583	.....	1,551	1,885	2,262	.....	605	464	320	.....
Nov.....	2,206	2,378	2,486	.....	1,698	1,941	2,192	.....	³ 508	438	295	.....
Dec.....	2,426	2,362	2,415	.....	1,642	1,911	2,231	.....	³ 784	451	184	.....
Quarter:												
I.....	6,173	³ 5,589	7,216	.....	4,395	³ 4,666	6,020	.....	1,778	³ 923	1,196	.....
II.....	6,185	³ 6,940	7,259	.....	4,581	³ 5,456	6,306	.....	1,604	³ 1,484	953	.....
III.....	6,480	6,920	7,453	.....	4,744	⁴ 5,425	6,618	.....	1,736	⁴ 1,495	834	.....
IV.....	³ 6,788	7,090	7,484	.....	³ 4,891	5,736	6,685	.....	³ 1,897	1,353	799	.....
Year⁵:	25,671	26,700	29,395	.....	18,684	21,366	25,550	.....	6,987	5,334	3,845	.....

¹ Exports of domestic and foreign merchandise; excludes Dept. of Defense shipments of grant-aid military equipment and supplies under Mutual Security Program.² General imports including imports for immediate consumption plus entries into bonded warehouses.³ Significantly affected by strikes.⁴ Significantly affected by strikes and by change in statistical procedures.⁵ Sum of unadjusted figures.

NOTE.—Bureau of the Census data.

3. U.S. NET MONETARY GOLD TRANSACTIONS WITH FOREIGN COUNTRIES AND INTERNATIONAL ORGANIZATIONS

(Net sales (-) or net acquisitions; in millions of dollars at \$35 per fine troy ounce)

Area and country	1957	1958	1959	1960	1961	1962	1963	1964	1965	1966	1966			
											I	II	III	IV
Western Europe:														
Austria		-84	-83	-1		-143	-82	-55	-100	-25	-25			
Belgium	3	-329	-39	-141	-144	-63		-40	-83					
France			-266	-173		-456	-518	-405	-884	-601	-103	-221	-277	
Germany, Fed. Rep. of				-34	-23			-225						
Italy		-349			100			200	-80	-60				-60
Netherlands	25	-261	-30	-249	-25			-60	-35					
Spain	31	32		-114	-156	-146	-130	-32	-180					
Switzerland		-215	20	-324	-125	102		-81	-50	-2	7	11	-20	
United Kingdom		-900	-350	-550	-306	-387	329	618	150	80	-19	-7	126	-20
Bank for Intl. Settlements		-178	-32	-36	-23									
Other	8	-41	-48	-96	-53	-12	1	-7	-37	-50	-34	-4	-1	-12
Total	68	-2,326	-827	-1,718	-754	-1,105	-399	-88	-1,299	-659	-174	-221	-172	-92
Canada	5					190				200	100	50	50	
Latin American republics:														
Argentina	75	67		-50	-90	85	-30			-39			-28	-11
Brazil			-11	-2	-2	57	72	54	25	-3	-1	-1	-1	*
Colombia				-6		38		10	29	7	7			*
Venezuela			65						-25					
Other	6	2	-35	-42	-17	-5	-11	-9	-13	-6	-6	-3	-5	8
Total	81	69	19	-100	-109	175	32	56	17	-41	*	-4	-34	-3
Asia:														
Japan		-30	-157	-15						-56	-56			
Other	18	-4	-28	-97	-101	-93	12	3	-24	-30	-25	-2	-12	10
Total	18	-34	-186	-113	-101	-93	12	3	-24	-86	-82	-2	-12	10
All other		-3	-5	-38	-6	-1	-36	-7	-16	-22	-9	-8	-4	*
Total foreign countries	172	-2,294	-998	-1,969	-970	-833	-392	-36	-1,322	-608	-165	-185	-172	-86
Intl. Monetary Fund	600		3-44	4 300	150				5-225	6 177	6 131	6 18	6 29	
Grand total	772	-2,294	-1,041	-1,669	-820	-833	-392	-36	-1,547	-431	-34	-167	-143	-86

¹ Includes sales of \$21 million to Lebanon and \$48 million to Saudi Arabia.

² Includes sales of \$21 million to Burma, \$32 million to Lebanon, and \$13 million to Saudi Arabia.

³ Payment to the IMF of \$344 million increase in U.S. gold subscription, less sale by the IMF of \$300 million (see note 4).

⁴ IMF sold to the United States a total of \$800 million of gold (\$200

million in 1956, and \$300 million in 1959 and in 1960) with the right of repurchase; proceeds from these sales invested by IMF in U.S. Govt. securities.

⁵ Payment to the IMF of \$259 million increase in U.S. gold subscription, less gold deposits by the IMF.

⁶ Represents gold deposit by the IMF; see note 1(b) to table below.

4. U.S. GOLD STOCK, HOLDINGS OF CONVERTIBLE FOREIGN CURRENCIES, AND RESERVE POSITION IN IMF

(In millions of dollars)

End of year	Total reserve assets	Gold stock ¹		Convertible foreign currencies	Reserve position in IMF ³	End of month	Total reserve assets	Gold stock ¹		Convertible foreign currencies ⁴	Reserve position in IMF ³
		Total ²	Treasury					Total ²	Treasury		
1957	24,832	22,857	22,781		1,975	1966—Apr.	14,916	13,668	13,632	522	726
1958	22,540	20,582	20,534		1,958	May	14,905	13,582	13,532	628	695
						June	14,958	13,529	13,433	722	707
1959	21,504	19,507	19,456		1,997	July	15,148	13,413	13,332	1,093	642
1960	19,359	17,804	17,767		1,555	Aug.	15,015	13,319	13,259	1,299	397
						Sept.	14,876	13,356	13,258	1,148	372
1961	18,753	16,947	16,889	116	1,690	Oct.	14,880	13,311	13,257	1,213	356
1962	17,220	16,057	15,978	99	1,064	Nov.	14,715	13,262	13,159	1,108	345
						Dec.	14,882	13,235	13,159	1,321	326
1963	16,843	15,596	15,513	212	1,035	1967—Jan.	14,196	13,202	13,157	645	349
1964	16,672	15,471	15,388	432	769	Feb.	13,998	13,161	13,107	480	357
						Mar.	13,855	13,184	13,107	314	357
1965	15,450	⁵ 13,806	⁵ 13,733	781	⁵ 863	Apr.	13,906	13,234	13,109	315	357
1966	14,882	13,235	13,159	1,321	326						

¹ Includes (a) gold sold to the United States by the International Monetary Fund with the right of repurchase, and (b) gold deposited by the IMF to mitigate the impact on the U.S. gold stock of foreign purchases for the purpose of making gold subscriptions to the Fund under quota increases. For corresponding liabilities, see Table 6.

² Includes gold in Exchange Stabilization Fund.

³ In accordance with Fund policies the United States has the right to draw foreign currencies equivalent to its reserve position in the Fund virtually automatically if needed. Under appropriate conditions the United States could draw additional amounts equal to the U.S. quota. See Table 5.

⁴ For holdings of F.R. Banks only, see pp. 798 and 800.

⁵ Reserve position includes, and gold stock excludes, \$259 million gold subscription to the Fund in June 1965 for a U.S. quota increase which became effective on Feb. 23, 1966. In figures published by the Fund from June 1965 through Jan. 1966, this gold subscription was included in the U.S. gold stock and excluded from the reserve position.

NOTE.—See Table 18 for gold held under earmark at F.R. Banks for foreign and international accounts. Gold under earmark is not included in the gold stock of the United States.

5. U.S. POSITION IN THE INTERNATIONAL MONETARY FUND

(In millions of dollars)

Period	Transactions affecting IMF holdings of dollars (during period)						IMF holdings of dollars (end of period)		U.S. reserve position in IMF (end of period) ³	
	U.S. transactions with IMF				Transactions by other countries with IMF		Total change	Amount		Per cent of U.S. quota
	Payments of subscriptions in dollars	Net gold sales by IMF ¹	Drawings of foreign currencies ²	IMF net income in dollars	Drawings of dollars	Repay- ments in dollars				
1946-1957.....	2,063	4594		-45	-2,664	827	775	775	28	1,975
1958.....				-2	-252	271	17	792	29	1,958
1959.....	1,031			2	-139	442	1,336	2,128	52	1,997
1960.....				11	-149	580	442	2,570	62	1,555
1961.....		150		16	-822	521	-135	2,435	59	1,690
1962.....				17	-110	719	626	3,061	74	1,064
1963.....				16	-194	207	29	3,090	75	1,035
1964.....			525	18	-282	5	266	3,356	81	769
1965.....			435	12	-282		165	3,521	85	583
1966.....	776		680	15	-159	1	1,313	4,834	94	326
1966-Apr.....			30	-1	-26		3	4,434	86	726
May.....			30	4	-2		32	4,466	87	695
June.....				1	-14		-13	4,453	86	707
July.....			71		-6		65	4,518	88	642
Aug.....			282	1	-38		245	4,763	92	397
Sept.....			35	1	-12	1	25	4,788	93	372
Oct.....			31	1	-16		16	4,804	93	356
Nov.....			12	2	-3		11	4,815	93	345
Dec.....			30		-11		19	4,834	94	326
1967-Jan.....				3	-26		-23	4,811	93	349
Feb.....				3	-10		-7	4,804	93	357
Mar.....				1	-2		-1	4,803	93	357
Apr.....								4,803	93	357

¹ Represents net Fund sales of gold to acquire U.S. dollars for use in Fund operations. Does not include transactions in gold relating to gold deposit or gold investment (see Table 6).

² Represents purchases from the Fund of currencies of other members for equivalent amounts of dollars. The United States has a commitment to repay drawings within 3 to 5 years, but only to the extent that the Fund's holdings of dollars exceed 75 per cent of the U.S. quota. Drawings of dollars by other countries reduce the U.S. commitment to repay by an equivalent amount.

³ Represents the U.S. gold tranche position in the Fund (the U.S. quota minus the Fund's holdings of dollars), which is the amount that the United States could draw in foreign currencies virtually automatically if needed. Under appropriate conditions, the United States could draw additional amounts equal to its quota.

⁴ Represents a \$600 million IMF gold sale to United States (1957), less \$6 million gold purchase by IMF from another member with U.S. dollars (1948).

⁵ Includes \$259 million gold subscription to the Fund in June 1965 for a U.S. quota increase, which became effective on Feb. 23, 1966. In figures published by the Fund from June 1965 through Jan. 1966, this gold subscription was included in the U.S. gold stock and excluded from the reserve position.

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 and to \$5,160 million in February 1966. 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.

6. U. S. LIQUID LIABILITIES TO FOREIGNERS

(In millions of dollars)

End of period	Total	Liabilities to Intl. Monetary Fund arising from gold transactions			Liabilities to foreign countries						Liabilities to non-monetary intl. and regional organizations ⁵			
		Total	Gold deposit ¹	Gold investment ²	Official institutions ³			Banks and other foreigners			Total	Short-term liabilities reported by banks in U.S. ⁶	Marketable U.S. Govt. bonds and notes ⁴	
					Total	Short-term liabilities reported by banks in U.S.	Marketable U.S. Govt. bonds and notes ⁴	Non-marketable convertible U.S. Treasury bonds and notes	Total	Short-term liabilities reported by banks in U.S.				Marketable U.S. Govt. bonds and notes ⁴
1957.....	715,825	200	.....	200	n.a.	7,917	n.a.	.....	n.a.	5,724	n.a.	n.a.	542	n.a.
1958.....	716,845	200	.....	200	n.a.	8,665	n.a.	.....	n.a.	5,950	n.a.	n.a.	552	n.a.
1959.....	19,428	500	.....	500	10,120	9,154	966	.....	7,618	7,077	541	1,190	530	660
1960 ^a	20,994	800	.....	800	11,078	10,212	866	.....	7,591	7,048	543	1,525	750	775
.....	21,027	800	.....	800	11,088	10,212	876	.....	7,598	7,048	550	1,541	750	791
1961 ^a	22,853	800	.....	800	11,830	10,940	890	.....	8,275	7,759	516	1,948	703	1,245
.....	22,936	800	.....	800	11,830	10,940	890	.....	8,357	7,841	516	1,949	704	1,245
1962 ^a	24,068	800	.....	800	12,748	11,997	751	.....	8,359	7,911	448	2,161	1,250	911
.....	24,068	800	.....	800	12,714	11,963	751	.....	8,359	7,911	448	2,195	1,284	911
1963 ^a	26,361	800	.....	800	14,387	12,467	1,217	703	9,214	8,863	351	1,960	808	1,152
.....	26,322	800	.....	800	14,353	12,467	1,183	703	9,204	8,863	341	1,965	808	1,157
1964 ^a	28,951	800	.....	800	15,428	13,224	1,125	1,079	11,001	10,625	376	1,722	818	904
.....	29,002	800	.....	800	15,424	13,220	1,125	1,079	11,056	10,680	376	1,722	818	904
1965.....	29,115	834	34	800	15,372	13,066	1,105	1,201	11,478	11,006	472	1,431	679	752
1966—Feb...	28,668	837	37	800	14,461	12,476	1,100	885	11,964	11,468	496	1,406	800	606
Mar...	28,738	965	165	800	14,389	12,455	1,100	834	11,991	11,499	492	1,393	837	556
Apr...	28,862	981	181	800	14,386	12,527	1,100	759	12,168	11,674	494	1,327	839	488
May...	28,935	983	183	800	14,618	12,809	1,100	709	12,191	11,706	485	1,143	706	437
June...	28,819	983	183	800	14,425	12,661	1,106	658	12,373	11,883	490	1,038	605	433
July...	29,512	984	184	800	14,467	13,031	853	583	12,980	12,483	497	1,081	648	433
Aug...	29,698	1,003	203	800	14,262	12,903	852	507	13,393	12,872	521	1,040	651	389
Sept...	29,436	1,011	211	800	13,798	12,514	852	432	13,612	13,125	487	1,015	626	389
Oct...	30,218	1,011	211	800	13,967	12,910	852	205	14,249	13,743	506	991	601	390
Nov...	30,554	1,011	211	800	14,019	12,954	860	205	14,550	14,031	519	974	613	361
Dec. 8.	29,914	1,011	211	800	13,603	12,487	860	256	14,394	13,866	528	906	581	325
.....	29,784	1,011	211	800	13,659	12,543	860	256	14,207	13,679	528	907	582	325
1967—Jan...	28,966	1,012	212	800	13,331	12,143	860	328	13,666	13,138	528	957	653	304
Feb...	28,912	1,013	213	800	13,349	12,156	865	328	13,694	13,167	527	856	609	247

¹ Represents liability on gold deposited by the International Monetary Fund to mitigate the impact on the U.S. gold stock of foreign purchases for the purpose of making gold subscriptions to the IMF under quota increases.

² U.S. Govt. obligations at cost value and funds awaiting investment obtained from proceeds of sales of gold by the IMF to the United States to acquire income-earning assets. Upon termination of investment, the same quantity of gold can be reacquired by the IMF.

³ Includes Bank for International Settlements and European Fund.

⁴ Derived by applying reported transactions to benchmark data; breakdown of transactions by type of holder estimated for 1960-63. Includes securities issued by corporations and other agencies of the U.S. Govt., which are guaranteed by the United States.

⁵ Principally the International Bank for Reconstruction and Development and the Inter-American Development Bank.

⁶ Includes difference between cost value and face value of securities in IMF gold investment account. Liabilities data reported to the Treasury include the face value of these securities, but in this table the cost value of the securities is included under "Gold investment." The difference, which amounted to \$32 million at the end of 1966, is included in this column.

⁷ Includes total foreign holdings of U.S. Govt. bonds and notes, for which breakdown by type of holder is not available.

⁸ Data on the two lines shown for this date differ because of changes in reporting coverage. Figures on the first line are comparable with those shown for the preceding date; figures on the second line are comparable with those shown for the following date.

NOTE.—Based on Treasury Dept. data and on data reported to the Treasury Dept. by banks and brokers in the United States. Data correspond to statistics following in this section, except for minor rounding differences. Table excludes IMF "holdings of dollars" and holdings of U.S. Treasury letters of credit and nonnegotiable, non-interest-bearing special U.S. notes held by international and regional organizations.

The liabilities figures are used by the Dept. of Commerce in the statistics measuring the U.S. balance of international payments on the liquidity basis; however, the balance of payments statistics include certain adjustments to Treasury data prior to 1963 and some rounding differences, and they may differ because revisions of Treasury data have been incorporated at varying times. The table does not include certain nonliquid liabilities to foreign official institutions that enter into the calculation of the official reserve transactions balance by the Dept. of Commerce.

7. U.S. LIQUID LIABILITIES TO OFFICIAL INSTITUTIONS OF FOREIGN COUNTRIES, BY AREA

(Amounts outstanding; in millions of dollars)

End of period	Total foreign countries	Western Europe ¹	Canada	Latin American republics	Asia	Africa	Other countries ²
1963.....	14,353	8,445	1,789	1,058	2,731	154	176
1964.....	15,424	9,220	1,608	1,238	3,020	160	178
1965.....	15,372	8,608	1,528	1,497	3,300	194	245
1966—Feb.....	14,461	7,674	1,489	1,425	3,439	210	224
Mar.....	14,389	7,726	1,433	1,359	3,410	218	243
Apr.....	14,386	7,602	1,387	1,415	3,519	229	234
May.....	14,618	7,822	1,364	1,442	3,532	235	223
June.....	14,425	7,948	1,327	1,221	3,438	237	254
July.....	14,467	8,184	1,288	1,159	3,378	234	224
Aug.....	14,262	8,008	1,221	1,153	3,409	252	219
Sept.....	13,798	7,585	1,215	1,049	3,458	266	225
Oct.....	13,967	7,687	1,196	1,110	3,465	282	227
Nov.....	14,019	7,758	1,212	1,101	3,431	293	224
Dec. ³	13,603	7,488	1,189	1,134	3,287	277	228
1967—Jan.....	13,331	7,236	1,186	1,139	3,253	276	241
Feb. ³	13,349	7,285	1,134	1,167	3,265	255	243

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 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.

NOTE.—Data represent short-term liabilities to the official institutions of foreign countries, as reported by banks in the United States, and foreign official holdings of marketable and convertible nonmarketable U.S. Govt. securities with an original maturity of more than 1 year.

8. SHORT-TERM LIABILITIES TO FOREIGNERS REPORTED BY BANKS IN THE UNITED STATES, BY COUNTRY

(Amounts outstanding; in millions of dollars)

End of period	Grand total ¹	International and regional			Foreign			Europe	Canada	Latin America	Asia	Africa	Other countries
		Total ¹	Intl. ¹	Re-regional ²	Total	Official ³	Other						
1963.....	22,877	1,547	1,411	136	21,330	12,467	8,863	10,770	2,988	3,137	4,001	241	194
1964 ⁴	25,518	1,618	1,447	171	23,900	13,220	10,680	12,236	2,984	3,563	4,687	238	192
1965.....	25,551	1,479	1,361	118	24,072	13,066	11,006	11,627	2,574	4,027	5,286	280	278
1966—Mar.....	25,591	1,637	1,522	115	23,954	12,455	11,499	11,660	2,308	4,026	5,359	330	272
Apr.....	25,840	1,639	1,522	117	24,201	12,527	11,674	11,522	2,460	4,099	5,526	328	266
May.....	26,021	1,506	1,393	113	24,515	12,809	11,706	11,868	2,359	4,149	5,541	336	262
June.....	25,949	1,405	1,295	110	24,544	12,661	11,883	12,331	2,171	3,933	5,470	334	305
July.....	26,962	1,448	1,338	110	25,514	13,031	12,483	13,349	2,291	3,881	5,393	329	269
Aug.....	27,226	1,451	1,345	106	25,775	12,903	12,872	13,785	2,164	3,817	5,405	339	264
Sept.....	27,065	1,426	1,299	127	25,639	12,514	13,125	13,534	2,191	3,800	5,484	363	267
Oct.....	28,054	1,401	1,275	126	26,653	12,910	13,743	14,178	2,400	3,910	5,522	376	268
Nov.....	28,398	1,413	1,295	118	26,985	12,954	14,031	14,574	2,456	3,861	5,430	398	266
Dec. ⁵	27,734	1,381	1,271	110	26,353	12,487	13,866	14,006	2,505	3,883	5,306	387	266
1967—Jan.....	26,734	1,453	1,299	154	25,281	12,143	13,138	13,215	2,353	3,918	5,121	390	285
Feb. ⁶	26,732	1,409	1,278	131	25,323	12,156	13,167	13,334	2,223	3,965	5,138	379	284
Mar. ⁶	26,808	1,437	1,315	123	25,371	12,363	13,008	13,317	2,265	4,063	5,090	356	278

8a. Europe

End of period	Total	Austria	Belgium	Denmark	Finland	France	Germany, Fed. Rep. of	Greece	Italy	Netherlands	Norway	Portugal	Spain	Sweden
1963.....	10,770	365	420	161	99	1,478	3,041	188	803	360	133	191	205	409
1964.....	12,236	323	436	336	127	1,663	2,010	171	1,622	367	184	237	394	644
1965.....	11,627	250	398	305	108	997	1,429	151	1,620	339	323	322	183	647
1966—Mar.....	11,660	211	370	341	95	1,071	1,420	144	1,326	271	254	294	118	651
Apr.....	11,522	203	380	347	91	1,024	1,409	142	1,378	242	284	295	120	661
May.....	11,868	208	379	323	86	1,068	1,479	144	1,409	272	311	281	132	671
June.....	12,331	206	378	321	72	1,142	1,756	137	1,519	230	328	285	115	688
July.....	13,349	205	406	295	70	1,169	2,025	131	1,725	344	347	306	138	672
Aug.....	13,785	180	389	271	66	1,137	2,086	129	1,667	331	299	322	174	673
Sept.....	13,534	233	378	287	61	1,075	2,220	135	1,525	325	284	320	181	693
Oct.....	14,178	208	418	285	57	1,096	2,423	141	1,447	335	265	320	155	674
Nov.....	14,574	183	462	272	53	1,124	2,571	145	1,367	364	283	343	160	655
Dec. ⁵	14,006	196	420	305	58	1,071	2,583	129	1,410	364	283	358	162	656
1967—Jan.....	13,939	196	420	305	58	1,070	2,538	129	1,410	364	283	358	162	656
1967—Jan.....	13,215	190	426	315	69	992	2,162	138	1,255	294	246	363	191	609
Feb. ⁶	13,334	182	421	307	69	966	2,375	127	1,208	326	258	373	147	628
Mar. ⁶	13,317	181	410	305	65	948	2,412	110	1,232	332	274	350	149	615

For notes see following two pages.

8. SHORT-TERM LIABILITIES TO FOREIGNERS REPORTED BY BANKS IN THE UNITED STATES, BY COUNTRY—Continued

(Amounts outstanding; in millions of dollars)

End of period	8a. Europe—Continued								8b. Latin America					
	Switzerland	Turkey	United Kingdom	Yugoslavia	Other Western Europe ⁶	U.S.S.R.	Other Eastern Europe	Total	Argentina	Brazil	Chile	Colombia	Cuba	Mexico
1963.....	906	21	1,483	16	465	2	24	3,137	375	179	143	169	11	669
1964.....	1,370	36	1,884	32	358	3	19	3,563	291	258	176	209	12	735
1965.....	1,369	34	2,714	36	369	4	30	4,027	432	383	219	214	10	703
1966—Mar.....	1,456	39	3,201	14	358	3	27	4,026	487	281	202	177	10	740
Apr.....	1,466	28	3,062	16	342	3	27	4,099	503	266	199	196	9	727
May.....	1,585	28	3,117	16	330	3	27	4,149	518	342	205	193	9	716
June.....	1,610	21	3,120	21	353	2	29	3,933	485	330	195	182	10	589
July.....	1,696	18	3,350	20	397	4	31	3,881	473	314	198	189	9	566
Aug.....	1,692	26	3,901	27	380	6	29	3,817	489	327	201	182	9	554
Sept.....	1,757	24	3,609	32	358	6	32	3,800	474	345	238	186	10	523
Oct.....	1,747	31	4,165	40	333	6	33	3,910	438	365	238	183	10	555
Nov.....	1,764	30	4,414	33	314	5	33	3,861	417	362	226	176	9	606
Dec. 5.....	1,811	43	3,839	37	235	8	40	3,883	418	299	261	178	8	632
Dec. 5.....	1,811	43	3,817	37	234	8	40	3,883	418	299	261	178	8	632
1967—Jan.....	1,700	38	3,764	35	386	6	36	3,918	414	297	242	170	8	636
Feb. p.....	1,728	29	3,796	37	312	6	37	3,965	412	308	247	162	9	695
Mar. p.....	1,686	30	3,833	36	320	3	27	4,063	459	319	248	174	9	699

End of period	8b. Latin America—Continued								8c. Asia					
	Panama	Peru	Uruguay	Venezuela	Other L.A. rep.	Bahamas & Bermuda	Neth. Antilles & Surinam	Other Latin America	Total	China Mainland	Hong Kong	India	Indonesia	Israel
1963.....	129	158	113	591	355	136	93	15	4,001	35	66	51	48	112
1964.....	99	206	111	734	416	189	114	14	4,687	35	95	59	38	133
1965.....	120	257	137	738	519	165	113	17	5,286	35	113	84	31	127
1966—Mar.....	135	252	157	701	546	186	127	24	5,359	36	112	78	37	125
Apr.....	145	240	161	787	547	174	128	16	5,526	36	119	159	52	139
May.....	146	233	167	762	529	183	125	19	5,541	36	117	141	55	128
June.....	156	247	179	700	534	182	126	19	5,470	35	114	124	49	118
July.....	144	230	180	735	541	165	117	19	5,393	36	118	125	44	119
Aug.....	145	227	166	698	537	158	117	20	5,405	36	128	134	49	106
Sept.....	149	216	156	679	510	179	115	21	5,484	36	135	151	53	115
Oct.....	148	237	156	738	521	178	121	23	5,522	36	142	151	62	108
Nov.....	152	236	161	694	517	174	108	24	5,430	36	135	167	60	102
Dec. 5.....	150	249	161	707	522	177	104	17	5,306	36	142	180	54	117
Dec. 5.....	150	249	161	707	522	177	104	17	5,251	36	142	179	54	117
1967—Jan.....	147	239	164	750	533	192	108	19	5,121	36	147	198	62	109
Feb. p.....	147	234	167	718	550	198	101	18	5,138	36	140	206	51	113
Mar. p.....	152	257	168	704	538	185	107	45	5,090	36	142	205	46	100

End of period	8c. Asia—Continued						8d. Africa						8e. Other countries		
	Japan	Korea	Philippines	Taiwan	Thailand	Other Asia	Total	Congo (Kinshasa)	Morocco	South Africa	U.A.R. (Egypt)	Other Africa	Total	Australia	All other
1963.....	2,484	113	209	149	382	353	241	26	49	41	14	112	194	180	13
1964.....	2,767	104	233	221	458	543	238	26	7	47	24	135	192	176	15
1965.....	3,014	108	304	211	542	718	280	12	17	51	30	170	278	254	24
1966—Mar.....	2,966	116	310	214	627	738	330	14	19	89	16	192	272	232	40
Apr.....	2,959	121	313	217	580	832	328	11	20	89	17	192	266	231	35
May.....	2,933	114	320	221	585	891	356	8	20	95	15	197	262	233	29
June.....	2,897	119	329	227	576	881	334	9	22	67	23	213	305	279	26
July.....	2,780	120	325	241	595	891	329	12	25	63	25	203	269	241	28
Aug.....	2,760	129	316	242	603	902	339	12	35	56	22	215	264	236	28
Sept.....	2,742	134	317	244	612	945	363	13	40	64	15	231	267	240	27
Oct.....	2,685	138	315	246	612	1,028	376	12	41	64	26	232	268	243	25
Nov.....	2,629	158	288	238	611	1,007	398	14	38	73	45	229	266	242	24
Dec. 5.....	2,698	172	286	232	598	791	387	15	32	71	39	230	266	243	22
Dec. 5.....	2,671	162	285	228	598	779	385	15	31	71	39	229	266	243	22
1967—Jan.....	2,563	171	282	235	610	708	390	13	33	61	33	250	285	262	23
Feb. p.....	2,508	181	271	232	635	766	379	13	31	62	22	251	284	258	26
Mar. p.....	2,493	178	255	229	658	749	356	13	32	58	34	219	278	252	26

¹ Data exclude the "holdings of dollars" of the International Monetary Fund.

² Latin American, Asian, African, and European regional organizations, except Bank for International Settlements and European Fund which are included in "Europe".

³ Foreign central banks and foreign central govts. and their agencies, and Bank for International Settlements and European Fund.

⁴ Includes revisions arising from changes in reporting coverage as

follows (in millions of dollars): Total +50; Foreign other +50; Europe -17; Canada +1; Latin America +26; Asia +49; Africa -9.

⁵ 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.

⁶ Includes Bank for International Settlements and European Fund.

For NOTE see end of Table 8.

8. SHORT-TERM LIABILITIES TO FOREIGNERS REPORTED BY BANKS IN THE UNITED STATES, BY COUNTRY—Continued

(Amounts outstanding; in millions of dollars)

8f. Supplementary data ⁷ (end of period)

Area or country	1965		1966		Area or country	1965		1966	
	Apr.	Dec.	Apr.	Dec.		Apr.	Dec.	Apr.	Dec.
Other Western Europe:					Other Asia—Cont.:				
Iceland.....	7.1	5.8	4.0	6.6	Iraq.....	65.4	12.0	27.1	n.a.
Ireland, Rep. of.....	6.3	6.2	6.6	8.9	Jordan.....	7.9	16.0	16.0	39.7
Luxembourg.....	20.1	21.1	28.2	25.3	Kuwait.....	52.0	35.5	24.6	49.2
Other Latin American republics:					Laos.....	5.0	3.2	5.7	n.a.
Bolivia.....	53.1	67.4	64.4	66.9	Lebanon.....	113.2	99.7	92.0	100.1
Costa Rica.....	28.6	34.2	32.9	34.6	Malaysia.....	836.3	25.9	31.2	38.3
Dominican Republic.....	47.3	72.3	54.3	53.2	Pakistan.....	24.8	19.4	21.0	49.2
Ecuador.....	65.2	69.6	62.3	86.3	Ryukyu Islands (incl. Okinawa).....	32.7	24.0	39.5	915.9
El Salvador.....	71.7	67.0	78.3	68.9	Saudi Arabia.....	288.0	283.6	291.0	176.1
Guatemala.....	71.6	68.1	86.9	64.2	Singapore.....	(8)	8.9	4.9	34.6
Haiti.....	15.4	16.3	16.7	16.3	Syria.....	3.2	4.0	4.8	3.4
Honduras.....	33.0	31.4	43.2	26.8	Vietnam.....	19.7	39.0	123.8	132.0
Jamaica.....	7.8	8.6	11.5	11.7	Other Africa:				
Nicaragua.....	67.4	67.0	75.0	72.8	Algeria.....	2.1	7.6	13.6	11.3
Paraguay.....	12.1	13.8	15.0	14.9	Ethiopia, (incl. Eritrea).....	45.2	44.1	58.9	53.5
Trinidad & Tobago.....	8.6	3.6	6.3	4.7	Ghana.....	5.1	2.6	2.9	6.9
Other Latin America:					Liberia.....	17.6	17.9	19.7	21.2
British West Indies.....	16.0	11.5	8.9	14.6	Libya.....	26.8	34.8	26.7	37.1
French West Indies & French Guiana.....	1.4	2.2	1.5	1.3	Mozambique.....	1.6	1.6	1.7	n.a.
Other Asia:					Nigeria.....	20.3	21.7	20.3	n.a.
Afghanistan.....	6.3	5.6	8.0	9.5	Somali Republic.....	.8	.8	.9	.8
Burma.....	35.9	49.1	34.6	n.a.	Southern Rhodesia.....	2.6	3.3	3.5	2.7
Cambodia.....	1.7	2.7	3.1	1.1	Sudan.....	2.2	3.7	3.3	3.4
Ceylon.....	2.7	2.4	3.3	3.2	Tunisia.....	1.0	1.8	1.0	1.1
Iran.....	62.0	66.9	79.2	36.6	Zambia.....	.9	7.2	16.1	n.a.
					All other:				
					New Zealand.....	19.7	18.7	27.1	13.6

⁷ Represent a partial breakdown of the amounts shown in the "other" categories (except "Other Eastern Europe") in Tables 8a-8e.

⁸ Singapore included with Malaysia.

⁹ Data exclude \$12 million resulting from changes in reporting coverage and classification.

NOTE.—Short-term liabilities are principally deposits (demand and time) and U.S. Govt. securities maturing in not more than 1 year from

their date of issue. Data exclude the "holdings of dollars" of the International Monetary Fund, and holdings of U.S. Treasury letters of credit and nonnegotiable, non-interest-bearing special U.S. notes by other international and regional organizations. For explanation see note following Tables 17 and 18.

For data on long-term liabilities, see Table 14.

9. SHORT-TERM LIABILITIES TO FOREIGNERS REPORTED BY BANKS IN THE UNITED STATES, BY TYPE

(Amounts outstanding; in millions of dollars)

End of period	Total	Payable in dollars										Payable in foreign currencies
		To banks, official and international institutions ¹					To all other foreigners					
		Total	Deposits		U.S. Treasury bills and certificates	Other ³	Total	Deposits		U.S. Treasury bills and certificates	Other ³	
			Demand	Time ²				Demand	Time ²			
1963.....	22,877	19,696	5,575	3,673	8,571	1,878	3,047	1,493	966	119	469	134
1964 ⁴	25,518	22,051	6,684	3,990	8,727	2,650	3,377	1,531	1,271	72	503	90
1965.....	25,551	21,905	6,518	3,963	8,269	3,155	3,587	1,574	1,594	87	332	59
1966—Mar.....	25,591	21,534	7,054	3,823	7,643	3,013	3,676	1,530	1,703	89	354	381
Apr.....	25,840	21,722	7,019	3,895	7,548	3,260	3,712	1,578	1,693	106	336	406
May.....	26,021	21,880	7,231	3,769	7,464	3,416	3,704	1,531	1,718	88	367	437
June.....	25,949	21,750	7,234	3,654	7,384	3,478	3,743	1,526	1,756	72	389	456
July.....	26,962	22,751	7,801	3,686	7,605	3,659	3,726	1,490	1,759	80	397	485
Aug.....	27,226	23,017	8,147	3,701	7,529	3,639	3,653	1,413	1,765	81	394	556
Sept.....	27,065	22,618	7,840	3,849	7,363	3,567	3,839	1,531	1,803	108	397	608
Oct.....	28,054	23,532	8,381	4,003	7,671	3,477	3,820	1,479	1,816	98	427	702
Nov.....	28,398	23,903	8,542	4,070	7,896	3,394	3,790	1,492	1,809	89	400	705
Dec. ⁵	27,734	23,377	8,529	4,007	7,464	3,377	3,748	1,511	1,819	89	329	609
	27,604	23,268	8,369	4,057	7,464	3,377	3,748	1,511	1,819	89	329	588
1967—Jan.....	26,734	22,512	7,662	3,968	7,386	3,496	3,708	1,455	1,825	81	347	514
Feb. p.....	26,732	22,448	7,571	3,866	7,559	3,451	3,778	1,509	1,845	94	330	506
Mar. p.....	26,808	22,477	7,462	3,666	7,910	3,438	3,828	1,556	1,853	79	340	503

¹ Data exclude "holdings of dollars" of the International Monetary Fund.

² Excludes negotiable time certificates of deposit, which are included in "Other."

³ Principally bankers' acceptances, commercial paper, and negotiable time certificates of deposit.

⁴ Includes revisions arising from changes in reporting coverage as

follows (in millions of dollars): Total +50; foreign banks, etc. +55; other foreigners +23; payable in foreign currencies -28.

⁵ 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.

10. ESTIMATED FOREIGN HOLDINGS OF MARKETABLE U.S. GOVERNMENT BONDS AND NOTES

(End of period; in millions of dollars)

Area and country	1965	1966										1967			
		Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb. ^a	Mar. ^b	
Europe:															
Austria.....	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3
Denmark.....	14	14	13	13	13	13	13	13	13	13	13	13	13	13	12
France.....	7	7	7	7	7	7	7	7	7	7	7	7	7	7	7
Germany.....	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
Italy.....	1	1	1	1	1	1	1	2	2	2	2	2	2	2	2
Netherlands.....	6	5	5	5	5	5	5	5	5	5	5	5	5	5	5
Norway.....	49	45	45	44	51	51	51	51	51	51	51	51	51	51	51
Spain.....	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2
Sweden.....	24	24	24	24	24	24	24	24	24	24	24	24	24	24	24
Switzerland.....	89	91	91	92	93	94	94	93	93	93	93	93	92	90	90
United Kingdom.....	553	564	567	556	560	312	330	298	321	333	348	350	353	353	353
Other Western Europe.....	51	49	49	51	50	50	50	50	50	50	49	49	49	50	50
Eastern Europe.....	7	7	7	7	7	7	7	7	7	7	7	7	7	7	7
Total.....	807	813	815	806	817	570	588	556	579	591	605	606	607	606	606
Canada.....	676	683	683	685	686	689	695	693	690	698	692	692	695	695	695
Latin America:															
Panama.....	1	1	1	1	1	1	1	1	1	1	2	2	2	2	2
Other Latin American rep.....	5	6	6	6	6	6	6	6	6	6	6	6	6	6	6
Other Latin America.....	21	23	24	22	20	18	18	18	18	18	19	18	18	18	18
Total.....	27	28	29	28	25	24	23	23	24	24	25	24	24	24	24
Asia:															
Japan.....	9	9	9	9	9	9	9	9	9	9	9	9	9	9	9
Other Asia.....	42	42	42	42	42	42	42	42	42	42	42	42	42	42	42
Total.....	51	51	51	51	51	51	51	51	51	51	50	50	51	50	50
Africa.....	16	16	16	16	16	16	15	15	15	15	15	15	15	15	15
Other countries.....	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
Total foreign countries.....	1,577	1,592	1,594	1,585	1,596	1,350	1,373	1,339	1,358	1,379	1,388	1,388	1,392	1,392	1,392
International and regional															
International.....	679	483	415	364	359	359	314	314	314	286	250	228	187	172	172
Latin American regional.....	74	73	73	73	74	74	74	75	75	75	75	76	60	60	60
Total.....	752	556	488	437	433	433	389	389	390	361	325	304	247	232	232
Grand total.....	2,329	2,148	2,082	2,022	2,029	1,783	1,762	1,728	1,748	1,740	1,713	1,692	1,639	1,624	1,624

NOTE.—Data represent estimated official and private holdings of marketable U.S. Govt. securities with an original maturity of more than 1 year, and are based on a July 31, 1963 survey of holdings and regular

monthly reports of securities transactions (see Table 15 for total transactions).

11. 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	Canada ¹	Italy ²	Sweden	Total	Austria	Belgium	Germany	Italy	Switzerland	B.I.S.
1962.....	251					251				200	51	
1963.....	893	163	125	13	25	730	50	30	275	200	175	
1964.....	1,440	354	329		25	1,086	50	30	679		257	70
1965.....	1,692	484	299	160	25	1,208	101	30	602	125	257	93
1966—Apr.....	1,237	524	299	200	25	713	75	30	301	125	182	
May.....	1,157	517	299	193	25	640	75	30	251	125	158	
June.....	1,101	512	299	188	25	589	75	30	200	125	158	
July.....	1,002	512	299	188	25	490	75	30	150	125	110	
Aug.....	927	512	299	188	25	415	50	30	100	125	110	
Sept.....	852	512	299	188	25	340	25	30	50	125	110	
Oct.....	623	385	174	186	25	238	25	30		125	58	
Nov.....	593	355	144	186	25	238	25	30		125	58	
Dec.....	695	353	144	184	25	342	25	30	50	125	111	
1967—Jan.....	767	353	144	184	25	414	25	30	101	125	133	
Feb.....	767	353	144	184	25	414	25	30	101	125	133	
Mar.....	766	352	144	183	25	414	25	30	101	125	133	
Apr.....	766	352	144	183	25	414	25	30	101	125	133	

¹ Includes bonds issued to the Government of Canada in connection with transactions under the Columbia River treaty. Amounts outstanding were \$204 million, Sept. 1964 through Oct. 1965; \$174 million, Nov. 1965

through Oct. 1966; and \$144 million, Nov. 1966 through latest date.

² Bonds issued to the Government of Italy in connection with military purchases in the United States.

12. SHORT-TERM CLAIMS ON FOREIGNERS REPORTED BY BANKS IN THE UNITED STATES, BY COUNTRY

(Amounts outstanding; in millions of dollars)

End of period	Grand total	Intl. and regional	Europe	Canada	Latin America	Asia	Africa	Other countries
1963.....	5,975	1	939	638	1,742	2,493	104	58
1964.....	7,469	1	1,217	725	2,212	3,137	120	58
1964 ¹	7,957	*	1,230	1,004	2,235	3,294	131	64
1965 ²	7,632	*	1,201	593	2,288	3,343	139	67
	7,734	*	1,208	669	2,293	3,358	139	67
1966—Mar.....	7,590	1	1,176	647	2,199	3,366	135	66
Apr.....	7,474	1	1,166	603	2,149	3,359	137	58
May.....	7,560	1	1,220	607	2,210	3,317	142	63
June.....	7,649	1	1,285	643	2,221	3,298	140	62
July.....	7,503	2	1,291	641	2,244	3,135	128	63
Aug.....	7,411	1	1,304	563	2,268	3,086	128	61
Sept.....	7,420	1	1,315	556	2,303	3,063	124	59
Oct.....	7,445	1	1,319	610	2,335	2,989	129	61
Nov.....	7,547	1	1,417	598	2,354	2,984	134	60
Dec. 2.....	7,813	1	1,368	614	2,489	3,135	144	62
	7,905	1	1,381	603	2,493	3,222	144	62
1967—Jan.....	7,753	*	1,304	591	2,488	3,184	125	60
Feb. ^p	7,751	5	1,256	622	2,502	3,173	131	62
Mar. ^p	7,929	2	1,267	615	2,545	3,293	146	62

12a. Europe

End of period	Total	Austria	Belgium	Denmark	Finland	France	Germany, Fed. Rep. of	Greece	Italy	Netherlands	Norway	Portugal	Spain	Sweden
1963.....	939	8	26	13	52	70	121	9	97	33	40	14	26	30
1964.....	1,217	10	42	28	85	79	159	9	109	39	43	19	40	47
1964 ¹	1,230	11	48	26	84	81	152	10	114	36	43	23	40	49
1965 ²	1,201	8	52	37	87	72	190	13	110	38	51	26	50	52
	1,208	8	52	37	87	72	190	13	110	38	51	26	50	52
1966—Mar.....	1,176	11	47	38	91	84	185	13	102	44	50	31	48	51
Apr.....	1,166	10	47	39	86	74	182	13	102	37	51	31	64	53
May.....	1,220	11	66	36	87	70	174	14	99	39	57	32	73	58
June.....	1,285	12	56	40	92	72	200	13	108	34	47	34	63	60
July.....	1,291	13	54	54	93	71	209	13	100	52	50	37	68	65
Aug.....	1,304	10	58	53	90	71	217	15	106	42	49	38	62	65
Sept.....	1,315	13	60	60	92	72	225	17	105	40	51	42	56	68
Oct.....	1,319	13	70	61	95	64	217	16	105	43	53	40	60	83
Nov.....	1,417	19	73	63	95	81	237	16	110	44	62	36	72	74
Dec. 2.....	1,368	16	67	62	91	73	215	16	108	40	76	44	67	74
	1,381	16	67	62	91	73	234	16	108	40	76	44	67	74
1967—Jan.....	1,304	19	69	42	90	60	203	15	84	36	64	44	75	68
Feb. ^p	1,256	20	76	42	91	64	175	15	78	45	60	41	70	77
Mar. ^p	1,267	19	72	44	92	66	180	14	70	44	62	39	69	78

12a. Europe—Continued

12b. Latin America

End of period	Switzerland	Turkey	United Kingdom	Yugoslavia	Other Western Europe	U.S.S.R.	Other Eastern Europe	Total	Argentina	Brazil	Chile	Colombia	Cuba	Mexico
1963.....	70	48	237	7	23	*	16	1,742	188	163	187	208	18	465
1964.....	97	36	319	15	20	*	20	2,212	210	145	188	319	17	630
1964 ¹	111	37	310	16	20	*	20	2,235	203	126	176	338	17	644
1965 ²	73	42	210	28	28	6	27	2,288	232	94	174	270	16	669
	73	42	216	28	28	6	27	2,293	232	94	174	270	16	674
1966—Mar.....	78	21	196	25	27	4	31	2,199	221	97	173	225	16	718
Apr.....	74	18	198	23	31	4	30	2,149	206	82	165	235	16	713
May.....	83	30	200	23	32	5	32	2,210	199	95	168	234	17	732
June.....	80	48	235	23	34	5	28	2,221	196	98	169	238	16	722
July.....	78	50	198	20	35	3	25	2,244	192	106	163	254	16	729
Aug.....	92	42	214	17	37	2	25	2,268	182	110	158	279	16	743
Sept.....	78	47	216	18	34	2	17	2,303	182	112	150	287	16	736
Oct.....	76	48	200	20	36	1	18	2,335	181	106	150	288	16	724
Nov.....	94	45	221	19	37	2	17	2,354	177	109	141	294	16	724
Dec. 2.....	83	52	210	19	37	2	16	2,489	193	114	159	308	16	767
	88	52	198	19	37	2	16	2,493	193	114	159	308	16	767
1967—Jan.....	80	50	224	23	39	2	17	2,488	185	119	152	295	16	792
Feb. ^p	82	27	213	22	39	2	17	2,502	175	122	150	286	16	821
Mar. ^p	81	37	218	22	38	1	20	2,545	186	128	147	274	16	856

For notes see the following page.

12. SHORT-TERM CLAIMS ON FOREIGNERS REPORTED BY BANKS IN THE UNITED STATES, BY COUNTRY—Continued

(Amounts outstanding; in millions of dollars)

12b. Latin America—Continued									12c. Asia					
End of period	Panama	Peru	Uruguay	Venezuela	Other L.A. republics	Bahamas & Bermuda	Neth. Antilles & Surinam	Other Latin America	Total	China Mainland	Hong Kong	India	Indonesia	Israel
1963.....	35	99	65	114	135	42	9	16	2,493	2	11	17	*	22
1964.....	41	102	76	165	222	58	18	20	3,137	2	26	22	7	44
1964 ¹	49	108	78	168	224	65	18	21	3,294	2	28	21	7	47
1965 ²	59	170	45	220	250	53	14	23	3,343	1	29	17	2	86
	59	170	45	220	250	53	14	23	3,358	1	29	17	2	86
1966—Mar.....	62	167	44	171	217	45	13	27	3,366	1	29	28	2	91
Apr.....	66	167	42	174	206	43	12	23	3,359	1	32	28	2	84
May.....	64	175	56	174	200	57	16	22	3,317	1	33	28	1	81
June.....	67	186	55	174	205	57	16	21	3,298	1	33	29	1	89
July.....	66	177	57	180	218	55	17	16	3,135	1	32	26	6	88
Aug.....	67	177	39	184	224	56	17	16	3,086	1	30	27	6	90
Sept.....	65	175	39	212	234	57	20	17	3,063	1	28	28	6	88
Oct.....	71	204	37	224	246	55	17	16	2,989	1	30	19	5	96
Nov.....	76	197	43	222	263	56	17	18	2,984	1	31	13	5	98
Dec. 2.....	84	211	45	226	272	61	18	17	3,135	1	31	16	6	98
	85	213	45	226	272	61	18	17	3,222	1	31	16	6	98
1967—Jan.....	79	214	44	226	271	63	17	17	3,184	1	31	12	6	102
Feb. ^p	78	226	39	220	273	62	17	17	3,173	1	31	12	6	106
Mar. ^p	79	233	56	220	260	56	17	16	3,293	1	33	13	5	96

12c. Asia—Continued							12d. Africa						12e. Other countries		
End of period	Japan	Korea	Philippines	Taiwan	Thailand	Other Asia	Total	Congo (Kinshasa)	Morocco	South Africa	U.A.R. (Egypt)	Other Africa	Total	Australia	All other
1963.....	2,171	25	113	8	52	71	104	1	1	15	28	59	58	48	9
1964.....	2,653	21	202	9	64	88	120	1	2	19	42	56	58	48	10
1964 ¹	2,810	21	203	9	65	82	131	1	2	20	42	67	64	48	16
1965 ²	2,751	22	231	15	82	108	139	1	2	34	43	60	67	52	15
	2,768	22	230	15	82	107	139	1	2	34	43	60	67	52	15
1966—Mar.....	2,783	24	206	15	72	115	135	1	3	35	42	55	66	59	7
Apr.....	2,782	24	202	16	73	114	137	*	2	39	43	53	58	50	8
May.....	2,759	14	205	15	70	110	142	*	2	50	39	50	63	52	11
June.....	2,733	16	191	17	69	118	140	1	2	41	48	48	62	52	9
July.....	2,588	19	173	16	67	118	128	*	2	38	44	43	63	54	9
Aug.....	2,536	20	183	17	64	112	128	*	2	37	44	44	61	52	9
Sept.....	2,487	27	195	15	65	122	124	1	2	34	38	49	59	50	9
Oct.....	2,400	24	208	16	67	123	129	1	3	37	37	51	61	51	11
Nov.....	2,389	26	211	15	72	122	134	*	2	45	30	57	60	50	10
Dec. 2.....	2,502	31	220	14	81	134	144	1	2	50	25	66	62	52	10
	2,588	31	220	15	81	135	144	1	2	50	25	66	62	52	10
1967—Jan.....	2,509	33	233	23	83	151	125	*	3	38	18	66	60	51	9
Feb. ^p	2,507	34	228	26	86	137	131	*	4	44	15	69	62	53	8
Mar. ^p	2,626	38	232	30	89	131	146	1	2	42	30	70	62	53	9

¹ Differs from data in line above because of the exclusion as of Dec. 31, 1964, of \$58 million of short-term U.S. Govt. claims previously included; and because of the addition of \$546 million of short-term claims arising from the inclusion of claims previously held but first reported as of Dec. 31, 1964; and because of revision of preliminary data.

² Data on the two lines shown for this date differ because of changes in reporting coverage. Figures on the first line are comparable in coverage with those shown for the preceding date; figures on the second line are comparable with those shown for the following date.

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.

13. SHORT-TERM CLAIMS ON FOREIGNERS REPORTED BY BANKS IN THE UNITED STATES, BY TYPE

(Amounts outstanding; in millions of dollars)

End of period	Total	Payable in dollars								Payable in foreign currencies			
		Total	Loans to—			Collections outstanding	Acceptances made for acct. of foreigners	Other	Total	Deposits with foreigners	Foreign govt. securities, coml. and finance paper	Other	
			Total	Official institutions ¹	Banks								Others
1963.....	5,975	5,344	1,915	186	955	774	832	2,214	384	631	432	157	42
1964.....	7,469	6,810	2,652	223	1,374	1,055	1,007	2,600	552	659	400	182	77
1964 ²	7,957	7,333	2,773	221	1,403	1,150	1,135	2,621	803	624	336	187	102
1965 ³	7,632	7,158	2,967	271	1,566	1,130	1,268	2,501	422	474	325	54	95
	7,734	7,243	2,970	271	1,567	1,132	1,272	2,508	492	492	329	68	96
1966—Mar.....	7,590	7,145	2,867	231	1,508	1,128	1,287	2,545	446	445	286	53	106
Apr.....	7,474	7,067	2,719	221	1,425	1,073	1,305	2,578	466	406	252	61	94
May.....	7,560	7,139	2,835	224	1,520	1,091	1,298	2,542	464	421	253	62	106
June.....	7,649	7,179	2,911	248	1,584	1,079	1,320	2,475	473	469	294	63	113
July.....	7,503	7,078	2,860	215	1,570	1,075	1,340	2,383	495	425	252	59	113
Aug.....	7,411	6,971	2,820	216	1,548	1,056	1,374	2,324	453	440	260	57	123
Sept.....	7,420	6,992	2,943	256	1,619	1,068	1,374	2,267	409	427	241	61	125
Oct.....	7,445	7,011	2,970	274	1,607	1,089	1,354	2,251	436	434	253	73	108
Nov.....	7,547	7,095	3,015	273	1,619	1,123	1,363	2,276	441	452	269	77	106
Dec.....	7,813	7,393	3,136	258	1,738	1,140	1,367	2,450	440	420	240	70	110
	7,905	7,493	3,137	258	1,738	1,140	1,367	2,540	449	413	233	70	110
1967—Jan.....	7,753	7,386	2,990	257	1,592	1,141	1,370	2,575	451	367	211	73	83
Feb.....	7,751	7,345	2,965	241	1,576	1,148	1,376	2,565	439	407	245	70	92
Mar.....	7,929	7,510	3,017	254	1,606	1,157	1,436	2,628	429	419	272	50	97

¹ Includes central banks.

² Differs from data in line above because of the exclusion, as of Dec. 31, 1964, of \$58 million of short-term U.S. Govt. claims previously included; because of the addition of \$546 million of short-term claims arising from the inclusion of claims previously held, but first reported as of Dec. 31, 1964; and because of revision of preliminary data.

³ Data on the two lines shown for this date differ because of changes in reporting coverage. Figures on the first line are comparable in coverage with those shown for the preceding date; figures of the second line are comparable with those shown for the following date.

14. LONG-TERM LIABILITIES TO AND CLAIMS ON FOREIGNERS REPORTED BY BANKS IN THE UNITED STATES

(Amounts outstanding; in millions of dollars)

End of period	Liabilities			Claims										
	Total	Foreign countries	International and regional	Total	Type		Country or area							
					Payable in dollars		Payable in foreign currencies	United Kingdom	Other Europe	Canada	Latin America	Japan	Other Asia	Other countries ¹
					Loans	All other								
1963.....	69	28	42	3,030	2,811	217	2	38	1,063	290	1,015	249	194	181
	306	200	106	3,971	3,777	195	*	77	1,611	273	1,162	385	238	227
1964 ²	310	204	106	4,285	3,995	288	1	87	1,632	327	1,275	430	255	278
1965.....	513	203	311	4,517	4,211	297	9	86	1,518	346	1,296	445	391	436
1966—Mar.....	568	245	324	4,390	4,093	289	7	86	1,419	330	1,265	434	410	447
Apr.....	729	307	422	4,417	4,127	283	8	85	1,408	326	1,294	430	411	463
May.....	847	375	472	4,431	4,153	271	7	85	1,412	308	1,318	425	406	476
June.....	1,019	534	485	4,389	4,108	272	8	87	1,386	311	1,306	406	410	481
July.....	1,083	583	500	4,389	4,111	270	8	81	1,349	328	1,300	403	428	502
Aug.....	1,103	606	497	4,368	4,095	265	8	78	1,328	322	1,296	393	428	523
Sept.....	1,116	620	496	4,287	4,004	266	16	75	1,270	320	1,306	374	430	510
Oct.....	1,175	673	502	4,247	3,969	262	16	76	1,225	321	1,295	355	432	543
Nov.....	1,193	683	510	4,296	4,026	254	17	72	1,222	314	1,373	339	421	555
Dec.....	1,492	986	506	4,179	3,918	243	18	70	1,158	313	1,346	326	408	559
1967—Jan.....	1,566	1,058	508	4,072	3,816	239	16	72	1,131	284	1,320	312	391	562
Feb.....	1,664	1,118	547	4,027	3,785	228	15	72	1,108	270	1,320	301	391	566
Mar.....	1,865	1,295	571	4,024	3,781	226	16	68	1,082	312	1,319	287	372	583

¹ Includes Africa.

² Data on the two lines shown for this date differ because of changes in reporting coverage. Figures on the first line are comparable in coverage

with those shown for the preceding date; figures on the second line are comparable with those shown for the following date.

15. PURCHASES AND SALES BY FOREIGNERS OF LONG-TERM SECURITIES, BY TYPE

(In millions of dollars)

Period	Marketable U.S. Govt. bonds and notes ¹					U.S. corporate securities ²			Foreign bonds			Foreign stocks		
	Net purchases or sales								Pur- chases	Sales	Net pur- chases or sales	Pur- chases	Sales	Net pur- chases or sales
	Total	Intl. and regional	Foreign											
			Total	Official	Other									
1963.....	671	302	369	.....	.....	2,980	2,773	207	991	2,086	-1,095	696	644	51
1964.....	-338	-315	-23	-59	36	3,537	3,710	-173	915	1,843	-928	748	548	200
1965.....	-76	-151	75	-20	95	4,395	4,770	-375	1,198	2,440	-1,242	906	617	290
1966.....	-616	-427	-189	-245	56	6,318	5,616	703	1,778	2,688	-910	960	731	229
1966—Mar.....	-54	-50	-4	*	-4	696	546	150	243	352	-109	100	101	-1
Apr.....	-66	-68	2	.....	2	609	566	44	106	260	-154	88	105	-17
May.....	-60	-51	-9	*	-9	742	583	159	152	161	-9	94	55	39
June.....	6	-5	11	6	5	614	509	105	200	217	-17	91	52	40
July.....	-246	*	-246	-253	7	428	439	-11	135	248	-113	69	39	30
Aug.....	-21	-44	23	-1	24	379	381	-2	90	69	21	76	65	11
Sept.....	-34	*	-35	.....	-35	502	378	124	99	194	-95	86	42	44
Oct.....	20	*	20	*	20	383	347	36	293	351	-59	69	37	32
Nov.....	-7	-28	21	7	13	433	400	33	116	187	-71	58	41	17
Dec.....	-27	-36	9	.....	9	563	542	21	152	151	1	85	53	31
1967—Jan.....	-21	-21	*	.....	*	571	527	44	112	265	-153	71	63	8
Feb. ^p	-53	-57	4	5	-1	579	557	22	98	168	-70	66	52	13
Mar. ^p	-15	-14	-1	1	-1	768	707	61	204	250	-46	74	61	13

¹ Excludes nonmarketable U.S. Treasury bonds and notes issued to official institutions of foreign countries; see Table 11.

² Includes State and local govt. securities, and securities of U.S. Govt. agencies and corporations that are not guaranteed by the United States.

NOTE.—Statistics include transactions of international and regional organizations.

16. NET PURCHASES OR SALES BY FOREIGNERS OF U.S. CORPORATE SECURITIES, BY TYPE OF SECURITY AND BY COUNTRY

(In millions of dollars)

Period	Total	Type of security		Country or area										
		Stocks	Bonds	France	Swit- zer- land	United King- dom	Other Europe	Total Europe	Canada	Latin Amer- ica	Asia	Africa	Other coun- tries	Intl. and regional
1963.....	207	198	9	-8	-14	206	16	199	-47	14	17	(¹)	21	22
1964.....	-173	-349	176	-37	-200	-4	14	-228	3	25	10	*	-1	18
1965.....	-375	-413	38	14	14	-522	47	-446	42	-13	24	-4	2	21
1966.....	703	-333	1,036	37	65	-80	116	140	224	65	18	1	4	251
1966—Mar..	150	-37	187	9	27	-14	24	47	25	5	1	*	1	71
Apr..	44	-15	59	2	24	-54	3	-25	24	8	7	*	*	29
May..	159	-11	170	13	33	-66	15	-5	54	14	-7	*	1	101
June..	105	-50	155	12	-4	75	-7	76	4	3	9	*	*	13
July..	-11	-26	15	2	19	-92	26	-44	10	6	-8	-1	*	26
Aug..	-2	-16	14	2	-3	-24	-5	-29	18	1	8	*	*	*
Sept..	124	-3	127	-2	*	96	2	97	19	8	-2	*	*	2
Oct..	36	7	29	-4	23	-10	12	22	13	6	-7	1	*	1
Nov..	33	-68	100	-5	-33	29	26	17	12	*	1	*	*	2
Dec..	21	-115	136	1	-32	6	*	-24	33	6	2	*	*	4
1967—Jan..	44	-6	50	1	19	-19	-4	-2	33	3	9	-1	*	2
Feb. ^p ..	22	-28	50	7	4	-16	16	11	4	4	1	*	*	3
Mar. ^p ..	61	-3	65	9	5	12	19	45	4	9	8	*	*	-5

¹ Not reported separately until May 1963.

² Includes Africa.

NOTE.—Statistics include State and local govt. securities, and securities of U.S. Govt. agencies and corporations that are not guaranteed by the United States.

17. 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
1963.....	-1,044	-96	-949	-49	-614	-26	-252	(1)	2-8
1964.....	-728	-140	-588	163	-670	-36	-77	7	25
1965.....	-953	-164	-788	108	-659	-55	-131	3	-54
1966.....	-681	-171	-510	214	-722	-9	-7	16	-2
1966—Mar....	-110	-94	-16	77	-138	21	29	5	-10
Apr.....	-172	-31	-140	-8	-167	36	-3	*	2
May.....	30	-22	53	75	-13	-14	4	*	1
June.....	23	11	12	20	17	-4	-8	*	-13
July.....	-83	-50	-33	15	-37	-11	-5	1	4
Aug.....	32	7	25	4	34	-4	-9	*	*
Sept.....	-50	6	-56	19	-74	3	4	*	-9
Oct.....	-27	-20	-7	-6	-36	17	10	8	1
Nov.....	-54	6	-60	*	-50	-4	-8	*	2
Dec.....	32	2	30	20	17	-12	-10	*	15
1967—Jan.....	-145	-52	-93	13	-80	2	-8	1	-21
Feb.,....	-57	6	-63	-6	-62	6	-2	*	1
Mar.,....	-33	-87	54	32	-49	28	27	6	11

¹ Not reported separately until May 1963.² Includes Africa.

18. DEPOSITS, U.S. GOVT. SECURITIES, AND GOLD HELD AT F.R. BANKS FOR FOREIGNERS

(In millions of dollars)

End of period	Deposits	Assets in custody	
		U.S. Govt. securities ¹	Earmarked gold
1963.....	171	8,675	12,954
1964.....	229	8,389	12,698
1965.....	150	8,272	12,896
1966—Apr....	192	7,455	13,001
May....	263	7,631	12,975
June....	313	7,517	12,955
July....	548	7,307	13,016
Aug....	170	7,042	13,066
Sept....	159	7,092	12,904
Oct....	194	7,336	12,876
Nov....	196	7,450	12,912
Dec....	174	7,036	12,946
1967—Jan....	148	7,141	12,961
Feb....	145	7,334	12,984
Mar....	131	7,547	12,972
Apr....	123	7,912	12,975

¹ U.S. Treasury bills, certificates of indebtedness, notes, and bonds; includes securities payable in foreign currencies.

NOTE.—Excludes deposits and U.S. Govt. securities held for international organizations. Earmarked gold is gold held for foreign and international accounts and is not included in the gold stock of the United States.

Notes to Tables 3-21

NOTE.—The tables in this section (Nos. 3-21) provide data on U.S. reserve assets and liabilities and other statistics related to the U.S. balance of payments; see Table 1. A number of changes are being introduced in this issue of the BULLETIN to increase the usefulness of this section.

The table showing the U.S. gold stock and holdings of convertible foreign currencies (now Table 4) has been revised to include in the reserve assets of the United States its reserve position in the International Monetary Fund. In accordance with Fund policies, the United States has the right to draw foreign currencies equivalent to this amount virtually automatically if needed. (Under appropriate conditions the United States could draw additional amounts equal to the U.S. quota of \$5,160 million.) This presentation corresponds to the treatment of U.S. monetary reserves in the U.S. balance of payments.

Table 5 shows the factors that affect the U.S. position in the IMF.

Table 6 brings together the various statistical components of the liabilities that enter into the U.S. balance of payments calculated on the liquidity basis. The inclusion of the U.S. reserve position in the IMF in Table 4 requires that the "holdings of dollars" of the Fund be excluded from the data on liabilities to foreigners, in order to avoid double counting. For further explanation of this change in the liabilities statistics, see next to last paragraph.

Table 7 (formerly Table 1), presenting an area breakdown of U.S. liquid liabilities to official institutions of foreign countries, has been revised to include holdings of convertible nonmarketable U.S. Govt. securities with an original maturity of more than 1 year.

Data on short-term liabilities to foreigners shown in Tables 8 and 9 (formerly Tables 1 and 2) have been revised to exclude the holdings of dollars by the IMF derived from payments of the U.S. subscription and from the exchange transactions and other operations of the Fund. (Liabilities representing the "gold investment" of the Fund continue to be included.) This change in the treatment of the Fund's "holdings of dollars" is related to the revision of the table on U.S. monetary reserve assets (Table 4) to include the U.S. reserve position in the IMF. The Fund's "holdings of dollars" do not represent liabilities to foreigners in the same sense as do other reported liabilities to foreigners. They are more accurately viewed as contingent liabilities, since they represent essentially the amount of dollars available for drawings from the Fund by other member countries. Changes in these holdings (arising from U.S. drawings and repayments of foreign currencies, from drawings and repayments of dollars by other countries, and from other dollar operations of the Fund) give rise to equal and opposite changes in the U.S. gold tranche position in the Fund. In the absence of U.S. lending to the Fund, the gold tranche position is equal to the U.S. reserve position in the Fund. Since the reserve position is included in U.S. reserve assets, it is necessary, in order to avoid double-counting, to exclude the Fund's "holdings of dollars" from U.S. liabilities to foreigners. This revised presentation conforms to the treatment of these items in the U.S. balance of payments and the international investment position of the United States.

Table 10 shows estimated foreign holdings of marketable U.S. Govt. bonds and notes.

19. SHORT-TERM LIABILITIES TO AND CLAIMS ON FOREIGNERS REPORTED BY NONBANKING CONCERNS

(End of period; in millions of dollars)

Area and country	Liabilities to foreigners					Claims on foreigners				
	1965	1966				1965	1966			
	Dec.	Mar.	June	Sept.	Dec. "	Dec.	Mar.	June	Sept.	Dec. "
Europe:										
Austria.....	2	2	3	3	2	6	8	7	7	8
Belgium.....	28	30	32	30	32	45	46	45	42	53
Denmark.....	1	1	2	2	3	9	8	8	10	14
Finland.....	1	1	1	1	1	6	6	6	4	4
France.....	51	45	48	57	62	82	97	94	102	110
Germany, Fed. Rep. of.....	71	60	71	85	79	112	118	98	120	127
Greece.....	3	3	3	2	2	13	11	18	15	15
Italy.....	18	23	27	52	54	77	118	111	107	101
Netherlands.....	55	54	65	67	68	41	48	42	42	48
Norway.....	2	2	2	2	2	8	8	7	9	8
Portugal.....	3	7	6	6	9	5	9	8	6	7
Spain.....	21	21	23	25	27	50	56	63	51	61
Sweden.....	10	12	12	14	17	20	28	30	27	36
Switzerland.....	39	45	61	58	60	27	20	20	22	18
Turkey.....	4	4	4	4	2	7	10	6	6	6
United Kingdom.....	137	139	137	172	179	323	440	492	599	576
Yugoslavia.....	1	1	1	2	1	2	2	2	4	4
Other Western Europe.....	3	4	2	3	4	8	9	9	9	11
Eastern Europe.....	2	1	1	1	1	3	3	6	3	2
Total.....	453	454	500	586	604	842	1,047	1,070	1,185	1,209
Canada.....	94	120	117	138	146	599	566	550	509	488
Latin America:										
Argentina.....	4	6	5	6	6	31	34	34	34	36
Brazil.....	13	11	11	9	10	93	80	78	73	63
Chile.....	4	5	4	3	4	30	31	31	31	32
Colombia.....	9	8	7	5	7	19	21	22	21	25
Cuba.....	*	*	*	*	*	3	3	3	3	3
Mexico.....	5	9	10	10	11	76	74	79	78	95
Panama.....	11	9	4	9	10	13	11	13	12	12
Peru.....	6	7	5	6	7	28	30	28	28	31
Uruguay.....	1	2	1	1	1	8	7	5	6	7
Venezuela.....	22	27	26	25	36	49	52	49	49	62
Other L. A. republics.....	16	11	12	18	20	55	56	55	59	62
Bahamas and Bermuda.....	2	2	1	2	3	8	12	8	11	18
Neth. Antilles & Surinam.....	7	7	9	7	7	4	4	3	4	4
Other Latin America.....	2	1	2	2	1	9	9	9	11	10
Total.....	102	105	98	104	124	429	424	417	420	461
Asia:										
Hong Kong.....	2	2	2	2	3	7	5	7	6	7
India.....	25	25	20	17	17	36	35	29	32	34
Indonesia.....	9	12	11	3	4	3	3	3	3	7
Israel.....	3	1	2	2	2	6	5	4	5	5
Japan.....	32	27	27	23	27	162	172	155	146	165
Korea.....	1	1	2	4	3	13	6	4	5	5
Philippines.....	6	7	7	7	7	17	16	18	17	17
Taiwan.....	1	5	6	7	4	5	6	4	5	7
Taiwan.....	2	1	1	1	4	6	8	9	11	11
Thailand.....	32	33	36	34	29	66	76	76	69	75
Other Asia.....										
Total.....	113	112	116	101	100	320	331	309	299	333
Africa:										
Congo (Kinshasa).....	1	1	*	1	1	2	2	1	2	2
South Africa.....	11	11	11	10	17	20	18	18	17	24
U.A.R. (Egypt).....	1	1	2	2	1	10	11	17	11	11
Other Africa.....	7	9	9	7	6	30	27	30	30	33
Total.....	20	22	22	19	24	61	58	66	59	69
Other countries:										
Australia.....	23	31	35	51	58	40	40	45	57	58
All other.....	7	4	5	4	6	8	7	10	7	8
Total.....	29	35	40	55	64	48	47	55	63	66
International and regional.....	*	*	*	*	*	*	*	1	1	*
Grand total.....	810	849	891	1,003	1,062	2,299	2,473	2,468	2,536	2,626

NOTE.—Reported by exporters, importers, and industrial and commercial concerns and other nonbanking institutions in the United States.

Data exclude claims held through U.S. banks, and intercompany accounts between U.S. companies and their foreign affiliates.

20. SHORT-TERM LIABILITIES TO AND CLAIMS ON FOREIGNERS REPORTED BY NONBANKING CONCERNS, BY TYPE

(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
1962—Sept.	678	554	123	2,136	1,685	197	254
Dec.	637	508	129	2,051	1,625	214	212
Dec. 1	644	513	130	2,098	1,668	217	212
1963—Mar.	614	470	144	2,113	1,712	201	200
Mar. 1	616	472	144	2,162	1,758	204	200
June	674	529	146	2,282	1,877	222	183
Sept.	691	552	139	2,257	1,830	225	202
Dec.	626	478	148	2,131	1,739	201	191
Dec. 2	626	479	148	2,188	1,778	199	211
1964—Mar.	631	475	156	2,407	1,887	239	282
June	622	471	151	2,482	2,000	220	262
June 3	585	441	144	2,430	1,952	219	260
Sept.	650	498	152	2,719	2,168	249	302
Dec.	695	553	141	2,776	2,306	189	281
Dec. 4	700	556	144	2,853	2,338	205	310
1965—Mar.	695	531	165	2,612	2,147	189	277
June	740	568	172	2,411	1,966	198	248
Sept.	779	585	195	2,406	1,949	190	267
Dec.	807	600	207	2,397	2,000	167	229
Dec. 4	810	600	210	2,299	1,911	166	222
1966—Mar.	849	614	235	2,473	2,033	211	229
June	891	654	237	2,468	2,062	191	215
Sept.	1,003	760	243	2,536	2,143	166	227
Dec. p	1,062	800	262	2,626	2,226	167	233

¹ Includes data from firms reporting for the first time.² Includes data from firms reporting for the first time and claims previously held but not reported.³ Includes reports from firms having \$500,000 or more of liabilities or

of claims; for previous series the exemption level was \$100,000.

⁴ Data differ from that shown for December in line above because of changes in reporting coverage.

21. LONG-TERM LIABILITIES TO AND CLAIMS ON FOREIGNERS REPORTED BY NONBANKING CONCERNS

(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
1963—Sept.	153	881	14	85	42	127	102	188	123	87	98	16
Dec. 1	148	734	16	83	56	61	69	154	90	93	96	16
1964—Mar.	143	761	30	85	58	64	74	158	89	94	96	13
June 2	140	815	68	92	64	67	78	145	94	99	94	14
Sept.	112	832	64	102	90	68	74	142	90	96	93	13
Dec.	107	962	51	109	95	215	72	135	89	95	88	14
Dec. 3	107	1,081	56	116	190	215	73	137	89	98	91	15
1965—Mar.	115	1,075	35	121	203	220	74	137	81	96	91	18
June	110	1,081	31	118	208	221	70	144	85	96	91	17
Sept.	120	1,101	31	116	230	217	74	138	89	96	91	18
Dec.	136	1,169	31	112	233	209	69	196	98	114	89	17
Dec. 3	147	1,139	31	112	236	209	65	198	98	87	85	18
1966—Mar.	176	1,156	27	124	239	208	61	206	98	87	87	19
June	192	1,207	27	167	251	205	61	217	90	90	86	14
Sept.	228	1,235	23	174	267	202	64	207	102	91	90	14
Dec. p	305	1,253	27	198	269	203	56	212	95	93	87	13

¹ Data include \$12 million of claims reported by firms reporting for the first time and claims previously held but not reported.² As a result of an increase in the exemption level from \$100,000 to \$500,000, data exclude \$3 million of liabilities and \$3 million of claims

held by firms previously reporting but now exempt.

³ Data differ from that shown for December in line above because of changes in reporting coverage.

GOLD RESERVES OF CENTRAL BANKS AND GOVERNMENTS

(In millions of dollars)

End of period	Estimated total world ¹	Intl. Monetary Fund	United States	Estimated rest of world	Afghanistan	Argentina	Australia	Austria	Belgium	Brazil	Burma	Canada	Chile
1960	40,540	2,439	17,804	20,295	n.a.	104	147	293	1,170	287	.....	885	45
1961	41,140	2,077	16,947	22,115	36	190	162	303	1,248	285	.....	946	48
1962	41,470	2,194	16,057	23,220	36	61	190	454	1,365	225	42	708	43
1963	42,310	2,312	15,596	24,400	36	78	208	536	1,371	150	42	817	43
1964	43,060	2,179	15,471	25,410	36	71	226	600	1,451	92	84	1,026	43
1965	43,300	2,186	13,806	27,355	35	66	223	700	1,558	63	84	1,151	44
1966—Mar.	43,330	2,358	13,738	27,235	35	65	223	700	1,556	63	84	1,086	43
Apr.	.....	2,369	13,668	.....	35	65	224	700	1,556	45	84	1,096	44
May	.....	2,557	13,582	.....	35	65	223	700	1,556	45	84	1,061	43
June	43,325	2,562	13,529	27,235	35	64	222	700	1,555	45	84	1,024	43
July	.....	2,586	13,413	.....	35	67	224	700	1,532	45	84	986	45
Aug.	.....	2,645	13,319	.....	35	70	226	700	1,529	45	84	997	45
Sept.	43,255	2,645	13,356	27,255	35	74	225	701	1,527	45	84	1,009	45
Oct.	.....	2,645	13,311	.....	35	77	226	701	1,524	45	84	1,021	45
Nov.	.....	2,648	13,262	.....	35	80	225	701	1,524	45	84	1,034	44
Dec.	43,205	2,652	13,235	27,320	35	84	224	701	1,525	45	84	1,046	45
1967—Jan.	.....	2,659	13,202	.....	35	84	227	701	1,524	45	84	1,056	45
Feb.	.....	2,661	13,161	.....	35	84	227	701	1,523	.....	84	1,070	45
Mar.	.....	2,652	13,184	.....	35	.....	228	701	1,524	.....	84	1,084	.....
End of period	Colombia	Denmark	Finland	France	Germany, Fed. Rep. of	Greece	India	Indonesia	Iran	Iraq	Israel	Italy	Japan
1960	78	107	41	1,641	2,971	76	247	58	130	98	*	2,203	247
1961	88	107	47	2,121	3,664	87	247	43	130	84	10	2,225	287
1962	57	92	61	2,587	3,679	77	247	44	129	98	41	2,243	289
1963	62	92	61	3,175	3,843	77	247	35	142	98	60	2,343	289
1964	58	92	85	3,729	4,248	77	247	.....	141	112	56	2,107	304
1965	35	97	84	4,706	4,410	78	281	.....	146	122	56	2,404	328
1966—Mar.	23	102	58	4,806	4,402	108	243	.....	132	122	46	2,369	328
Apr.	24	108	55	4,874	4,402	98	243	.....	132	122	46	2,369	.....
May	24	108	55	4,953	4,311	98	243	.....	132	122	46	2,370	.....
June	24	108	55	5,026	4,310	109	243	.....	132	122	46	2,369	329
July	24	108	55	5,117	4,302	112	243	.....	132	122	46	2,362	.....
Aug.	25	108	55	5,209	4,297	112	243	.....	131	122	46	2,358	.....
Sept.	25	108	55	5,241	4,295	116	243	.....	131	122	46	2,356	329
Oct.	25	108	54	5,236	4,289	116	243	.....	131	122	46	2,351	.....
Nov.	26	108	51	5,237	4,290	119	243	.....	131	122	46	2,382	.....
Dec.	26	108	45	5,238	4,292	120	243	.....	130	122	46	2,414	329
1967—Jan.	27	108	45	5,236	4,290	120	243	.....	130	122	46	2,412	.....
Feb.	28	108	45	5,235	4,289	120	243	.....	130	106	46	2,411	.....
Mar.	.....	108	48	5,239	4,294	123	243	.....	145	106	46	2,416	.....
End of period	Kuwait	Lebanon	Libya	Mexico	Morocco	Netherlands	Nigeria	Norway	Pakistan	Peru	Philippines	Portugal	Saudi Arabia
1960	n.a.	119	.....	137	29	1,451	.....	30	52	42	15	552	18
1961	43	140	.....	112	29	1,581	20	30	53	47	27	443	65
1962	49	172	3	95	29	1,581	20	30	53	47	41	471	78
1963	48	172	7	139	29	1,601	20	31	53	57	28	497	78
1964	48	183	17	169	34	1,688	20	31	53	67	23	523	78
1965	52	182	68	158	21	1,756	20	31	53	67	38	576	73
1966—Mar.	58	193	68	134	21	1,756	20	31	53	67	42	595	69
Apr.	58	193	68	133	21	1,756	20	31	53	65	43	600	69
May	58	193	68	142	21	1,730	20	18	53	65	44	605	69
June	61	193	68	141	21	1,730	20	18	53	65	45	607	69
July	62	193	68	140	21	1,730	20	18	53	65	47	612	69
Aug.	62	193	68	138	21	1,730	20	18	53	65	48	626	69
Sept.	62	193	68	136	21	1,730	20	18	53	65	49	627	69
Oct.	63	193	68	117	21	1,730	20	18	53	65	51	633	69
Nov.	64	193	68	111	21	1,730	20	18	53	65	52	641	69
Dec.	67	193	68	109	21	1,730	20	18	53	65	44	643	69
1967—Jan.	71	.....	68	116	21	1,730	20	18	53	65	45	646	69
Feb.	71	.....	68	116	21	1,731	20	18	53	65	47	.....	69
Mar.	73	.....	68	.....	21	1,731	20	18	53	.....	47	.....	69

For notes see end of table.

GOLD RESERVES OF CENTRAL BANKS AND GOVERNMENTS—Continued

(In millions of dollars)

End of period	South Africa	Spain	Sweden	Switzerland	Taiwan	Thailand	Turkey	U.A.R. (Egypt)	United Kingdom	Uruguay	Venezuela	Yugoslavia	Bank for Intl. Settlements ⁴
1960.....	178	178	170	2,185	41	104	134	174	2,800	180	401	4	-19
1961.....	298	316	180	2,560	43	104	139	174	2,268	180	401	6	115
1962.....	499	446	181	2,667	43	104	140	174	2,582	180	401	4	-50
1963.....	630	573	182	2,820	50	104	115	174	2,484	171	401	14	-279
1964.....	574	616	189	2,725	55	104	104	139	2,136	171	401	17	-50
1965.....	425	810	202	3,042	55	96	116	139	2,265	155	401	19	-558
1966—Mar.....	520	785	202	2,652	55	92	116	139	.....	155	401	20	-30
Apr.....	557	785	202	2,647	55	92	116	139	2,036	155	401	20	-80
May.....	581	785	203	2,630	55	92	116	139	.....	155	401	20	-36
June.....	640	785	203	2,648	59	92	116	139	.....	155	401	20	-191
July.....	677	785	203	2,683	59	92	106	139	2,041	155	401	20	-401
Aug.....	672	785	203	2,681	59	92	105	139	.....	155	401	20	-388
Sept.....	664	785	203	2,681	59	92	100	139	.....	155	401	20	-299
Oct.....	655	785	203	2,680	62	92	100	121	1,940	155	401	21	-277
Nov.....	637	785	203	2,679	62	92	100	93	.....	155	401	21	-275
Dec.....	637	785	203	2,842	62	92	102	93	.....	146	401	21	-424
1967—Jan.....	611	784	203	2,679	66	92	102	93	1,940	146	401	21	-274
Feb.....	581	784	203	2,678	66	92	97	93	.....	146	401	21	-289
Mar.....	540	.....	203	2,679	.....	92	97	93	.....	.....	401	.....	-15

¹ Includes reported or estimated gold holdings of international and regional organizations, central banks and govts. of countries listed in this table and also of a number not shown separately here, and gold to be distributed by the Tripartite Commission for the Restitution of Monetary Gold; excludes holdings of the U.S.S.R., other Eastern European countries, and China Mainland.

The figures included for the Bank for International Settlements are the Bank's gold assets net of gold deposit liabilities. This procedure avoids the overstatement of total world gold reserves since most of the gold deposited with the BIS is included in the gold reserves of individual countries.

² Adjusted to include gold subscription payments to the IMF, except

those matched by gold mitigation deposits with the United States and United Kingdom; adjustment is \$270 million.

³ Excludes gold subscription payments made by some member countries in anticipation of increase in Fund quotas; for most of these countries the increased quotas became effective in Feb. 1966.

⁴ Net gold assets of BIS, i.e., gold in bars and coins and other gold assets minus gold deposit liabilities.

NOTE.—For back figures and description of the data in this and the following tables on gold (except production), see "Gold," Section 14 of *Supplement to Banking and Monetary Statistics, 1962*.

GOLD PRODUCTION

(In millions of dollars at \$35 per fine troy ounce)

Period	World production ¹	Africa				North and South America					Asia		Other	
		South Africa	Rhodesia	Ghana	Congo (Kinshasa)	United States	Canada	Mexico	Nicaragua	Colombia	India	Philippines	Australia	All other
1960.....	1,175.0	748.4	19.6	30.8	11.1	58.8	162.0	10.5	7.0	15.2	5.6	14.4	38.0	53.6
1961.....	1,215.0	803.0	20.1	29.2	8.1	54.8	156.6	9.4	7.9	14.0	5.5	14.8	37.4	53.9
1962.....	1,295.0	892.2	19.4	31.1	7.1	54.5	146.2	8.3	7.8	13.9	5.7	14.8	37.4	56.6
1963.....	1,355.0	960.1	19.8	32.2	7.5	51.4	139.0	8.3	7.2	11.4	4.8	13.2	35.8	64.3
1964.....	1,405.0	1,018.9	20.1	30.3	6.6	51.4	133.0	7.4	7.9	12.8	5.2	14.9	33.7	62.8
1965.....	1,440.0	1,069.4	19.0	26.4	2.3	58.6	125.6	7.6	6.9	11.2	4.6	15.2	30.7	62.5
1966.....	.....	1,080.8	.....	.....	.....	.....	114.6	.....	.....	.....	4.2	15.6	.....	.....
1966—Feb.....	.....	87.8	.....	.....	.....	.....	9.7	.9	.....	.9	.3	1.1	2.4	.....
Mar.....	.....	90.5	.....	.....	21.2	.....	10.3	.8	.....	.9	.3	1.3	2.6	.....
Apr.....	.....	90.8	.....	.....	.....	.....	10.3	.3	.....	.8	.4	1.3	2.8	.....
May.....	.....	91.9	.....	.....	.....	.....	10.4	.4	.....	.8	.4	1.3	2.9	.....
June.....	.....	89.3	.....	.....	.....	.....	9.2	.9	.....	.8	.3	1.2	3.3	.....
July.....	.....	89.4	.....	.....	.....	.....	9.3	.5	.....	.8	.3	.....	2.6	.....
Aug.....	.....	90.1	.....	.....	.....	.....	9.2	.8	.....	.8	.....	.....	3.0	.....
Sept.....	.....	91.7	.....	.....	.....	.....	9.2	.....	.....	.8	.....	24.0	.....	.....
Oct.....	.....	89.7	.....	.....	.....	.....	9.1	.....	.....	.....	.....	.....	.....	.....
Nov.....	.....	90.8	.....	.....	.....	.....	8.7	.....	.....	.....	.....	.....	.....	.....
Dec.....	.....	87.7	.....	.....	.....	.....	9.6	.....	.....	.....	31.7	24.0	.....	.....
1967—Jan.....	.....	89.5	.....	.....	.....	.....	8.7	.....	.....	.....	.....	.....	.....	.....
Feb.....	.....	87.8	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....

¹ Estimated; excludes U.S.S.R., other Eastern European countries, China Mainland, and North Korea.

² Quarterly data.

³ Data for Aug.—Dec.

NOTE.—Estimated world production based on report of the U.S. Bureau of Mines. Country data based on reports from individual countries and Bureau of Mines. Data for the United States are from the Bureau of the Mint.

CENTRAL BANK RATES FOR DISCOUNTS AND ADVANCES TO COMMERCIAL BANKS

(Per cent per annum)

Country	Rate as of Apr. 30, 1966		Changes during the last 12 months												Rate as of Apr. 30, 1967			
	Per cent	Month effective	1966						1967									
			May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.				
Argentina.....	6.0	Dec. 1957																6.0
Austria.....	4.5	June 1963															4.25	4.25
Belgium.....	4.75	July 1964		5.25									5.0	4.75				4.75
Brazil.....	12.0	Jan. 1965																12.0
Burma.....	4.0	Feb. 1962																4.0
Canada ¹	5.25	Mar. 1966										5.0				4.5		4.5
Ceylon.....	5.0	May 1965																5.0
Chile ²	15.86	Jan. 1966			15.84													15.84
Colombia.....	8.0	May 1963																8.0
Costa Rica.....	3.0	Apr. 1939																3.0
Denmark.....	6.5	June 1964																6.5
Ecuador.....	5.0	Nov. 1956																5.0
El Salvador.....	4.0	Aug. 1964																4.0
Finland.....	7.0	Apr. 1962																7.0
France.....	3.5	Apr. 1965																3.5
Germany, Fed. Rep. of.....	4.0	Aug. 1965	5.0									4.5	4.0			3.5		3.5
Ghana.....	7.0	Jan. 1966																7.0
Greece.....	5.5	Jan. 1963																5.5
Honduras ³	3.0	Jan. 1962																3.0
Iceland.....	9.0	Jan. 1966																9.0
India.....	6.0	Feb. 1965																6.0
Indonesia.....	9.0	Aug. 1963																9.0
Iran.....	4.0	Oct. 1963				5.0												5.0
Ireland.....	5.94	Apr. 1966	5.87	5.94	6.87	6.94	7.00	6.81	6.87		6.50	6.25	5.88	5.91				5.91
Israel.....	6.0	Feb. 1955																6.0
Italy.....	3.5	June 1958																3.5
Jamaica.....	5.0	Nov. 1964			5.5													5.5
Japan.....	5.48	June 1965																5.48
Korea.....	28.0	Dec. 1965																28.0
Mexico.....	4.5	June 1942																4.5
Netherlands.....	4.5	June 1964	5.0												4.5			4.5
New Zealand.....	7.0	Mar. 1961																7.0
Nicaragua.....	6.0	Apr. 1954																6.0
Norway.....	3.5	Feb. 1955																3.5
Pakistan.....	5.0	June 1965																5.0
Peru.....	9.5	Nov. 1959																9.5
Philippine Republic ⁴	4.75	Jan. 1966																4.75
Portugal.....	2.5	Sept. 1965																2.5
South Africa.....	5.0	Mar. 1965			6.0													6.0
Spain.....	4.0	June 1961																4.0
Sweden.....	5.5	Apr. 1965		6.0									5.5	5.0				5.0
Switzerland.....	2.5	July 1964			3.5													3.5
Taiwan ⁵	14.04	July 1963																14.04
Thailand.....	5.0	Oct. 1959																5.0
Tunisia.....	4.0	Oct. 1962						5.0										5.0
Turkey.....	7.5	May 1961																7.5
United Arab Rep. (Egypt).....	5.0	May 1962																5.0
United Kingdom.....	6.0	June 1965			7.0								6.5		6.0			6.0
Venezuela.....	4.5	Dec. 1960																4.5

¹ On June 24, 1962, the bank rate on advances to chartered banks was fixed at 6 per cent. Rates on loans to money market dealers will continue to be .25 of 1 per cent above latest weekly Treasury bill tender average rate, but will not be more than the bank rate.

² Beginning with Apr. 1, 1959, new rediscounts have been granted at the average rate charged by banks in the previous half year. Old rediscounts remain subject to old rates provided their amount is reduced by one-eighth each month beginning with May 1, 1959, but the rates are raised by 1.5 per cent for each month in which the reduction does not occur.

³ Rate shown is for advances only.

⁴ Beginning with June 1, 1962, the rediscount rate for commercial bank loans financing the purchase of surplus agricultural commodities under U.S. Law 480 was reduced from 6 to 3 per cent; and on Aug. 22, 1962, the rediscount rate for commercial bank financing of 9 categories of development loans was reduced from 6 to 3 per cent.

⁵ Rate shown is for call loans.

NOTE.—Rates shown are mainly those at which the central bank either discounts or makes advances against eligible commercial paper and/or govt. securities for commercial banks or brokers. For countries with more than one rate applicable to such discounts or advances, the rate

shown is the one at which it is understood the central bank transacts the largest proportion of its credit operations. Other rates for some of these countries follow:

Argentina—3 and 5 per cent for certain rural and industrial paper, depending on type of transaction;

Brazil—8 per cent for secured paper and 4 per cent for certain agricultural paper;

Colombia—5 per cent for warehouse receipts covering approved lists of products, 6 and 7 per cent for agricultural bonds, and 12 and 18 per cent for rediscounts in excess of an individual bank's quota;

Costa Rica—5 per cent for paper related to commercial transactions (rate shown is for agricultural and industrial paper);

Ecuador—6 per cent for bank acceptances for commercial purposes;

Indonesia—various rates depending on type of paper, collateral, commodity involved, etc.;

Japan—penalty rates (exceeding the basic rate shown) for borrowings from the central bank in excess of an individual bank's quota;

Peru—8 per cent for agricultural, industrial, and mining paper; and

Venezuela—4 per cent for rediscounts of certain agricultural paper and for advances against govt. bonds or gold and 5 per cent on advances against securities of Venezuelan companies.

OPEN MARKET RATES

(Per cent per annum)

Month	Canada		United Kingdom				France	Germany, Fed. Rep. of		Netherlands		Switzerland
	Treasury bills, 3 months ¹	Day-to-day money ²	Bankers' acceptances, 3 months	Treasury bills, 3 months	Day-to-day money	Bankers' allowance on deposits	Day-to-day money ³	Treasury bills, 60-90 days ⁴	Day-to-day money ⁵	Treasury bills, 3 months	Day-to-day money	Private discount rate
1964—Dec.....	3.85	3.84	6.84	6.62	5.87	5.00	4.16	2.63	2.88	3.68	2.09	2.68
1965—Dec.....	4.45	4.03	5.91	5.48	4.79	4.00	4.48	3.88	4.00	4.29	3.47	3.00
1966—Mar.....	4.87	4.33	5.97	5.61	4.76	4.00	4.55	4.00	5.19	4.48	4.05	3.50
Apr.....	5.09	5.10	5.97	5.62	4.94	4.00	4.34	4.00	5.19	4.50	4.33	3.50
May.....	5.10	5.04	5.97	5.65	4.96	4.00	4.83	5.00	5.06	4.87	4.90	3.50
June.....	5.06	4.99	5.94	5.69	4.85	4.00	4.79	5.00	6.31	4.95	4.87	3.50
July.....	5.07	5.01	6.56	6.31	5.48	4.58	4.79	5.00	5.75	4.94	5.11	3.88
Aug.....	5.07	4.75	6.97	6.70	5.98	5.00	4.78	5.00	5.44	4.90	4.65	4.00
Sept.....	5.03	4.82	7.01	6.75	6.05	5.00	4.85	5.00	5.50	4.73	3.89	4.00
Oct.....	5.13	4.89	6.97	6.61	6.03	5.00	5.26	5.00	5.81	4.96	4.70	4.00
Nov.....	5.18	4.84	6.93	6.62	6.02	5.00	5.41	5.00	5.25	5.00	5.22	4.00
Dec.....	5.05	4.71	6.94	6.64	6.00	5.00	5.68	4.75	5.81	4.90	3.68	4.00
1967—Jan.....	4.83	4.78	6.77	6.29	5.93	4.90	5.57	4.13	5.13	4.87	4.31	4.25
Feb.....	4.62	4.43	6.40	5.99	5.50	4.50	5.06	3.75	5.00	4.78	5.04	4.25
Mar.....	4.26	4.24	6.18	5.72	5.30	4.26				4.64	4.57	4.25

¹ Based on average yield of weekly tenders during month.

² Based on weekly averages of daily closing rates.

³ Rate shown is on private securities.

⁴ Rate in effect at end of month.

⁵ Based on average of lowest and highest quotation during month.

NOTE.—For description 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					Net incentive (favor of 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		
	United Kingdom (adj. to U.S. quotation basis)	United States	Spread (favor of London)			Canada		United States		Spread (favor of Canada)	
					As quoted in Canada	Adj. to U.S. quotation basis					
1966											
Dec. 2.....	6.57	5.13	1.44	-.52	+ .92	5.15	5.01	5.13	-.12	+ .37	+ .25
9.....	6.53	5.14	1.39	-.73	+ .66	5.13	5.00	5.14	-.14	+ .41	+ .27
16.....	6.47	4.88	1.59	-.59	+ 1.00	5.07	4.94	4.88	+ .06	+ .33	+ .39
23.....	6.47	4.77	1.70	-.67	+ 1.03	4.95	4.82	4.77	+ .05	+ .26	+ .31
30.....	6.35	4.79	1.56	-.74	+ .82	4.96	4.83	4.79	+ .04	+ .15	+ .19
1967											
Jan. 6.....	6.29	4.74	1.55	-.55	+ 1.00	4.94	4.81	4.74	+ .07	-.08	-.01
13.....	6.20	4.77	1.43	-.63	+ .80	4.89	4.76	4.77	-.01	-.19	-.20
20.....	6.10	4.68	1.42	-.69	+ .73	4.78	4.66	4.68	-.02	-.32	-.34
27.....	5.95	4.58	1.37	-.74	+ .63	4.65	4.53	4.58	-.05	-.41	-.46
Feb. 3.....	5.79	4.44	1.35	-.75	+ .60	4.62	4.51	4.44	+ .07	-.43	-.36
10.....	5.83	4.50	1.33	-.81	+ .52	4.61	4.49	4.50	-.01	-.35	-.36
17.....	5.89	4.58	1.31	-.75	+ .56	4.59	4.48	4.58	-.10	-.19	-.29
24.....	5.89	4.59	1.30	-.75	+ .85	4.55	4.44	4.59	-.15	-.15	-.30
Mar. 3.....	5.83	4.35	1.48	-.79	+ .69	4.48	4.37	4.35	+ .02	.00	+ .02
10.....	5.73	4.33	1.40	-.80	+ .60	4.35	4.24	4.33	-.09	+ .15	+ .06
17.....	5.55	4.21	1.34	-.70	+ .64	4.22	4.12	4.21	-.09	+ .22	+ .13
23.....	5.49	4.11	1.38	-.85	+ .53	4.08	3.98	4.11	-.13	+ .13	.00
31.....	5.44	4.09	1.35	-.82	+ .53	4.13	4.03	4.09	-.06	+ .17	+ .11
Apr. 7.....	5.44	3.88	1.56	-.89	+ .67	4.05	3.96	3.88	+ .08	+ .17	+ .25
14.....	5.30	3.86	1.44	-.89	+ .55	3.95	3.86	3.86	.00	-.10	-.10
21.....	5.28	3.75	1.53	-.89	+ .64	3.95	3.86	3.75	+ .11	-.04	+ .07
28.....	5.30	3.68	1.62	-.99	+ .63	4.00	3.91	3.68	+ .23	-.13	+ .10
May 5.....	5.12	3.65	1.47	-.81	+ .66	4.02	3.93	3.65	+ .28	-.17	+ .11

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.

FOREIGN EXCHANGE RATES
(In cents per unit of foreign currency)

Period	Argentina (peso)	Australia		Austria (schilling)	Belgium (franc)	Canada (dollar)	Ceylon (rupee)	Denmark (krone)	Finland (markka)
		(pound)	(dollar)						
1961	1,2076	223.28		3,8481	2.0052	98.760	21.023	14.481	.3110
1962	.9080	223.73		3,8685	2.0093	93.561	21.034	14.490	.3107
1963	.7245	223.10		3,8690	2.0052	92.699	21.015	14.484	131.057
1964	.7179	222.48		3,8698	2.0099	92.689	20.988	14.460	31.067
1965	.5952	222.78		3,8704	2.0144	92.743	20.959	14.460	31.070
1966	.4869	223.41	3111.22	3,8686	2.0067	92.811	20.946	14.475	31.061
1966—Apr.	.5292		111.29	3,8677	2.0054	92.836	20.945	14.485	31.064
May	.5268		111.25	3,8681	2.0089	92.863	20.941	14.459	31.060
June	.4926		111.15	3,8694	2.0079	92.876	20.926	14.458	31.062
July	.4896		111.11	3,8705	2.0110	93.017	20.921	14.444	31.063
Aug.	4.4691		111.11	3,8718	2.0122	92.992	20.929	14.436	31.062
Sept.	.4594		111.13	3,8720	2.0035	92.904	20.928	14.471	31.063
Oct.	.4590		111.22	3,8700	2.0001	92.631	20.929	14.488	31.062
Nov.	5.4106		111.20	3,8668	2.0012	92.398	20.927	14.474	31.062
Dec.	.4039		111.16	3,8651	1.9987	92.319	20.926	14.484	31.062
1967—Jan.	.4035		111.20	3,8648	2.0005	92.623	20.927	14.468	31.062
Feb.	.3993		111.32	3,8653	2.0100	92.529	20.932	14.444	31.062
Mar.	6.3103		111.41	3,8679	2.0116	92.415	20.938	14.467	31.062
Apr.	.2850		111.52	3,8679	2.0121	92.378	20.954	14.472	31.063

Period	France (franc)	Germany (deutsche mark)	India (rupee)	Ireland (pound)	Italy (lira)	Japan (yen)	Malaya (dollar)	Mexico (peso)	Netherlands (guilder)
1962	20.405	25.013	21.026	280.78	.16107	.27712	32.757	8.0056	27.755
1963	720.404	25.084	20.966	280.00	.16087	.27663	32.664	8.0056	27.770
1964	20.404	25.157	20.923	279.21	.16014	.27625	32.566	8.0056	27.724
1965	20.401	25.016	20.938	279.59	.16004	.27662	32.609	8.0056	27.774
1966	20.352	25.007	216.596	279.30	.16014	.27598	32.538	8.0056	27.630
1966—Apr.	20.403	24.902	20.936	279.34	.16011	.27591	32.588	8.0056	27.538
May	20.402	24.894	20.928	279.23	.16010	.27603	32.588	8.0056	27.547
June	20.403	24.963	214.393	278.98	.16017	.27584	32.545	8.0056	27.645
July	20.403	25.046	13.248	278.88	.16028	.27574	32.488	8.0056	27.719
Aug.	20.394	25.056	13.250	278.88	.16039	.27577	32.467	8.0056	27.694
Sept.	20.314	25.069	13.252	278.93	.16029	.27574	32.458	8.0056	27.627
Oct.	20.247	25.109	13.260	279.16	.16003	.27573	32.473	8.0056	27.625
Nov.	20.231	25.150	13.258	279.11	.16003	.27578	32.453	8.0056	27.641
Dec.	20.199	25.169	13.256	279.01	.16011	.27577	32.442	8.0056	27.642
1967—Jan.	20.199	25.140	13.257	279.10	.15996	.27577	32.473	8.0056	27.679
Feb.	20.217	25.168	13.272	279.41	.15993	.27576	32.535	8.0056	27.694
Mar.	20.203	25.165	13.280	279.63	.16006	.27607	32.556	8.0056	27.682
Apr.	20.227	25.167	13.294	279.92	.16009	.27625	32.589	8.0056	27.683

Period	New Zealand (pound)	Norway (krone)	Portugal (escudo)	South Africa		Spain (peseta)	Sweden (krona)	Switzerland (franc)	United Kingdom (pound)
				(pound)	(rand)				
1961	277.45	14.000	3.4909	279.48	139.57	1.6643	19.353	23.151	280.22
1962	278.00	14.010	3.4986		139.87	1.6654	19.397	23.124	280.78
1963	277.22	13.987	3.4891		139.48	1.6664	19.272	23.139	280.00
1964	276.45	13.972	3.4800		139.09	1.6663	19.414	23.152	279.21
1965	276.82	13.985	3.4829		139.27	1.6662	19.386	23.106	279.59
1966	276.54	13.984	3.4825		139.13	1.6651	19.358	23.114	279.30
1966—Apr.	276.58	13.976	3.4834		139.15	1.6659	19.385	23.102	279.34
May	276.47	13.971	3.4829		139.09	1.6660	19.398	23.167	279.23
June	276.22	13.971	3.4806		138.97	1.6658	19.383	23.169	278.98
July	276.12	13.974	3.4777		138.92	1.6655	19.352	23.164	278.88
Aug.	276.12	13.988	3.4776		138.92	1.6639	19.358	23.110	278.88
Sept.	276.17	13.989	3.4773		138.95	1.6639	19.345	23.102	278.93
Oct.	276.40	13.993	3.4807		139.06	1.6641	19.330	23.064	279.16
Nov.	276.35	13.995	3.4794		139.03	1.6638	18.336	23.141	279.11
Dec.	276.25	13.989	3.4783		138.99	1.6638	19.327	23.129	279.01
1967—Jan.	276.34	13.978	3.4786		139.03	1.6636	19.337	23.089	279.10
Feb.	276.65	13.980	3.4783		139.18	1.6634	19.353	23.061	279.41
Mar.	276.86	13.984	3.4811		139.29	1.6633	19.367	23.079	279.63
Apr.	277.15	13.993	3.4858		139.44	1.6631	19.397	23.126	279.92

¹ A new markka, equal to 100 old markkaa, was introduced on Jan. 1, 1963.

² Based on quotations through Feb. 11, 1966.

³ Effective Feb. 14, 1966, Australia adopted the decimal currency system. The new unit, the dollar, replaces the pound and consists of 100 cents, equivalent to 10 shillings or one-half the former pound.

⁴ Quotations not available Aug. 8 and 9.

⁵ Quotations not available Nov. 4 and 7.

⁶ Quotations not available Mar. 7-14.

⁷ Effective Jan. 1, 1963, the franc again became the French monetary unit. It replaces, at a 1 to 1 ratio, the new franc introduced Jan. 1, 1960.

⁸ Effective June 6, 1966, the Indian rupee was devalued from 4.76 to 7.5 rupees per U.S. dollar. Quotations not available June 6 and 7.

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.

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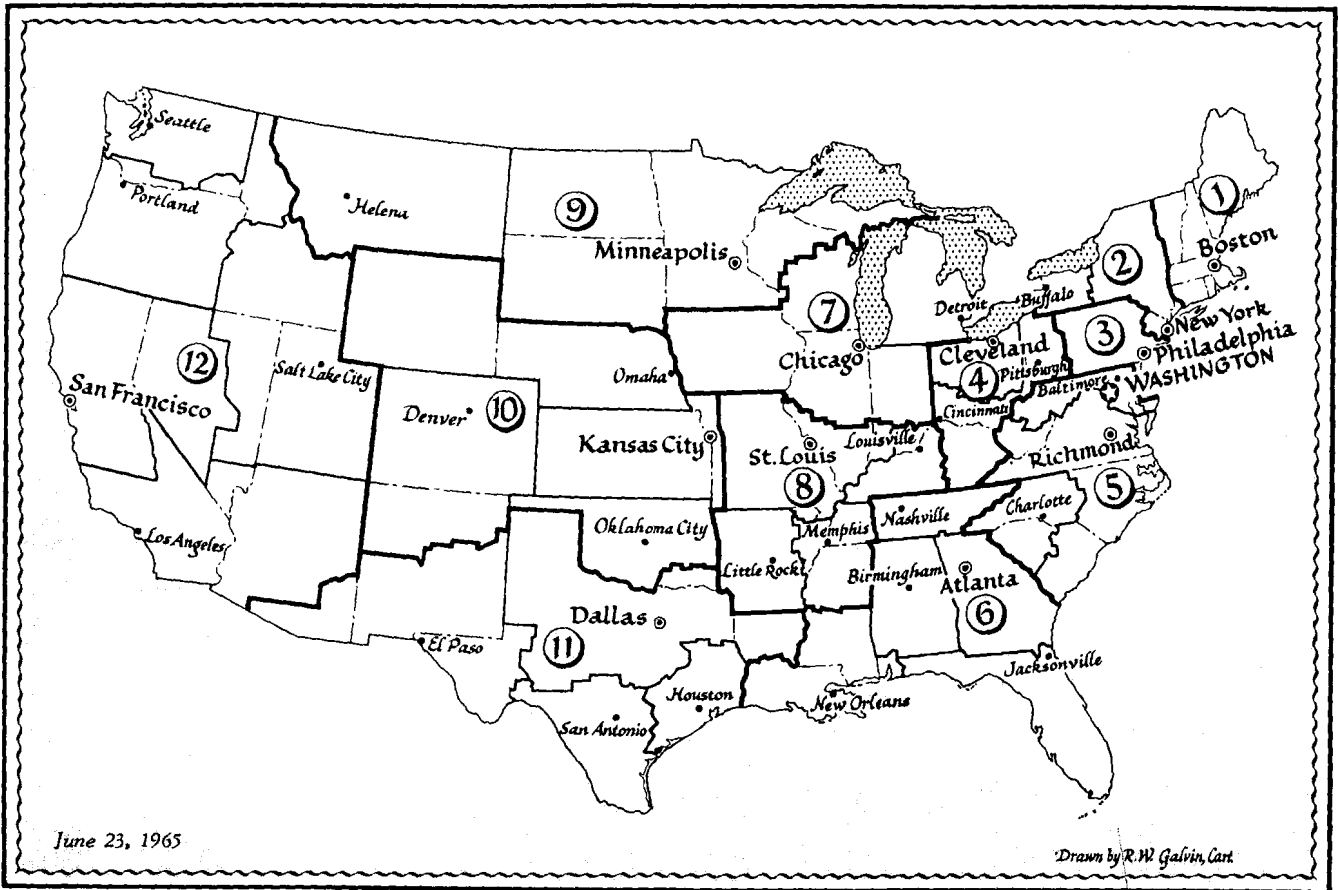
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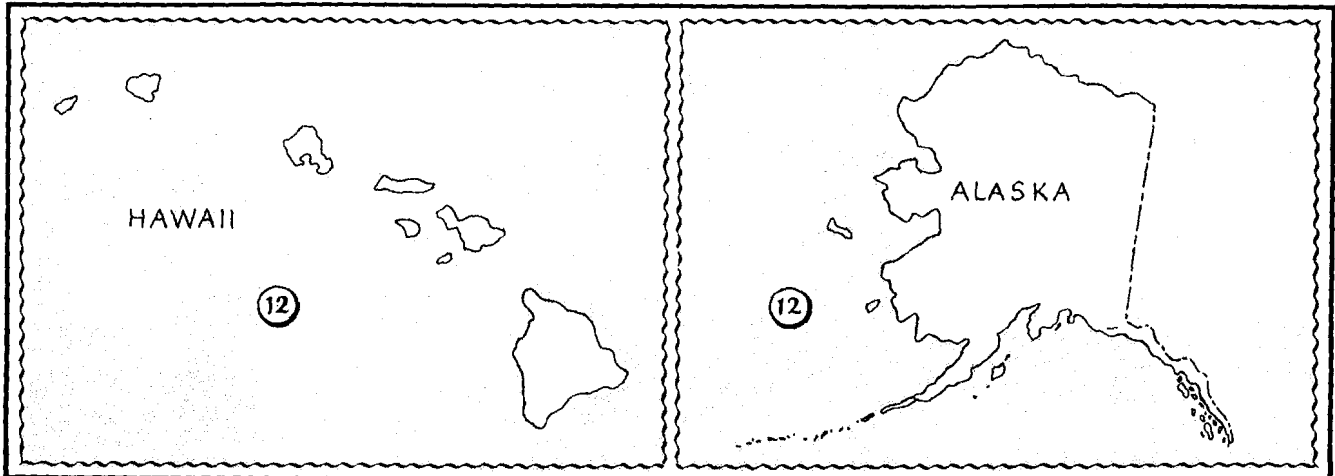
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BOUNDARIES OF FEDERAL RESERVE DISTRICTS AND THEIR BRANCH TERRITORIES



★ **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