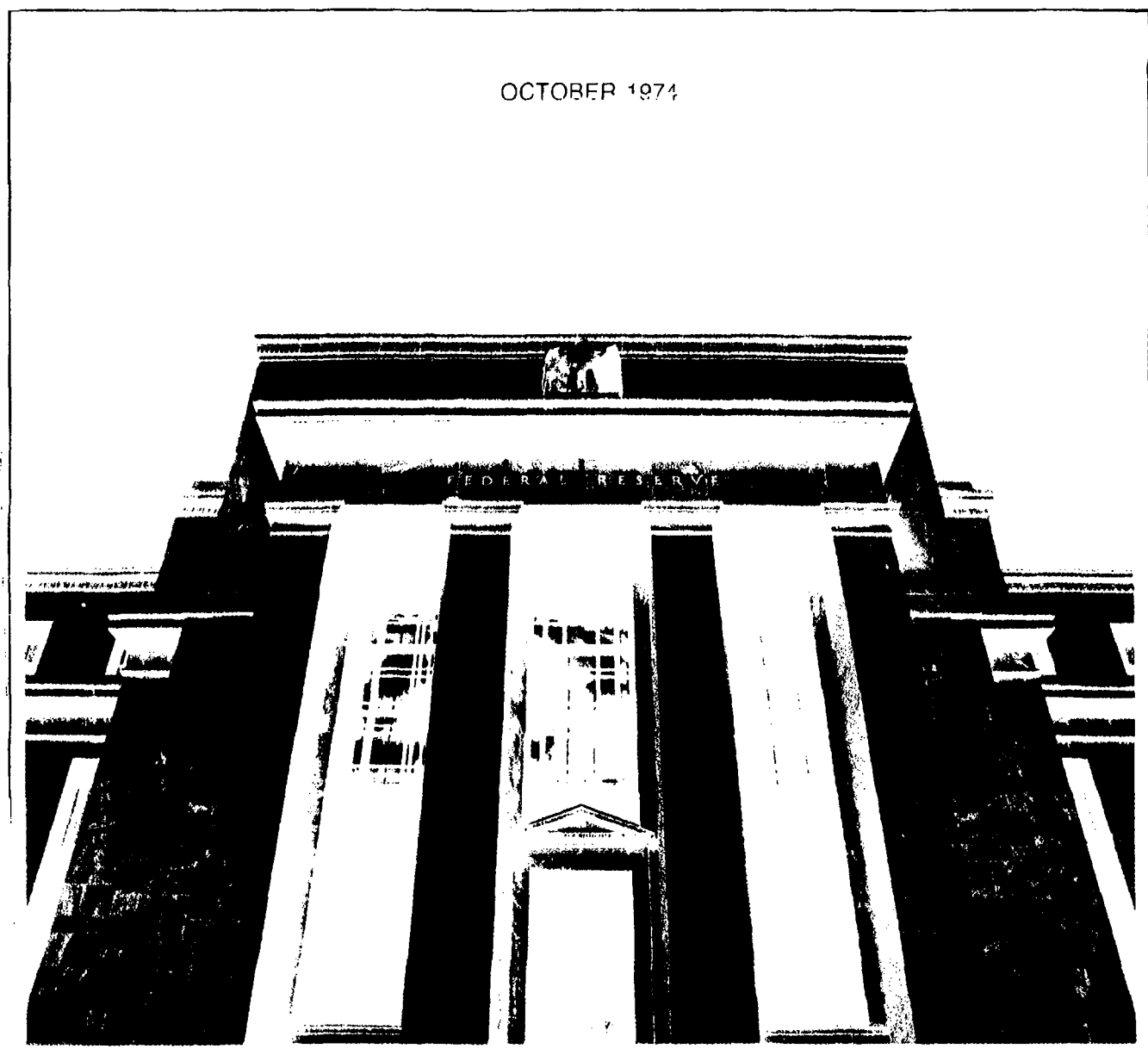


# FEDERAL RESERVE BULLETIN

OCTOBER 1974



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

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# FEDERAL RESERVE BULLETIN

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# Inflation and Stagnation in Major Foreign Industrial Countries

*This article was prepared in the World Payments and Economic Activity Section of the Division of International Finance.*

The economies of virtually all major industrial countries are currently experiencing slow growth, no growth, or absolute declines in their aggregate output. In all cases, the weakness in output is being accompanied by extremely rapid inflation.

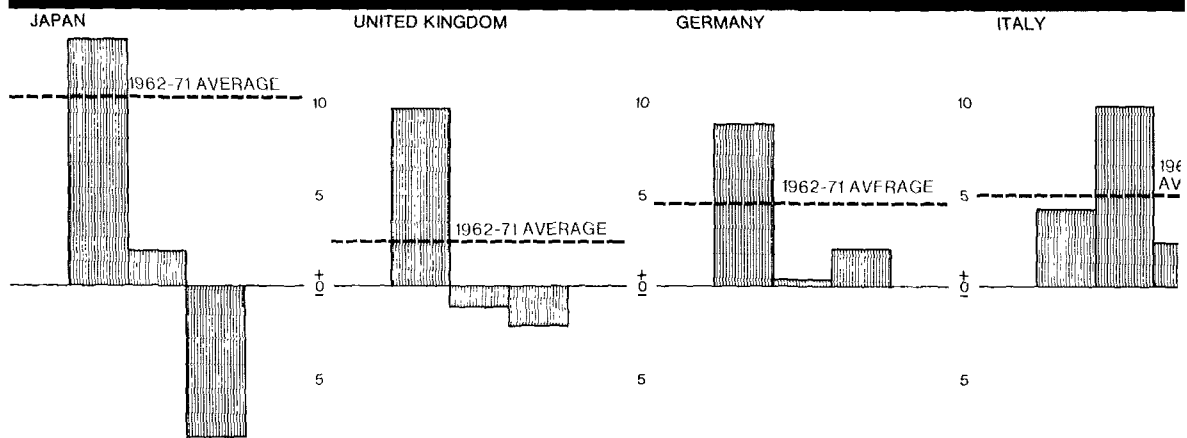
This widespread ‘‘stagflation’’ follows a very sharp upturn in economic activity in 1972 and early 1973, an upturn that was made even sharper because it occurred simultaneously throughout the industrial world. The acceleration of output brought the real economic growth of six major foreign countries—France, Germany, Italy, the United Kingdom, Japan, and Canada—to an exceptionally high annual rate of 9½ per cent in the first half of 1973. This rate of growth was clearly unsustainable, and, in fact, supply constraints began to appear by mid-1973. Furthermore, economic policy began to shift in order to contain demand within the limits of available capacity. Thus the sharp acceleration of output was followed by an equally sharp deceleration—to a 2¾ per cent annual rate of real economic growth in the second half of 1973.

The effects on output of demand and supply forces in late 1973 and early 1974 are difficult to separate. The cutback in crude petroleum production affected the over-all supply situation in some countries much more than in others; there is little doubt that in Japan, for example, the effect was considerable. In addition, the

United Kingdom experienced a crippling coal miners' strike, which helped to bring about a fall in aggregate output in the first quarter of 1974. But during the second quarter of this year, when real gross national product (GNP) increased at a reduced rate in France, remained virtually flat in Canada and Japan, fell in Germany, and did not quite return to the pre-strike level in the United Kingdom, it became increasingly clear that demand factors were beginning to dominate the weakening economic situation. From the second half of 1973 to the first half of 1974, real GNP in the six foreign countries combined showed virtually no change, declining at an annual rate of  $\frac{1}{2}$  of 1 per cent. This cessation of growth is associated with restrictive policies that have been pursued in most major countries since mid-1973 and in Germany since late 1972.

Both the sharp cyclical upswing of 1972-73 and the deceleration beginning in mid-1973 have been marked by extraordinarily rapid inflation. During the upswing, declining spare capacity and unusually strong worldwide demand for raw materials put increasing upward pressure on price levels. In addition, the rapid rise of incomes in many countries in recent years increased the demand for protein-rich foods, and satisfaction of this increased demand became more difficult in 1972 and 1973 because of the poor harvests of 1972. In 1974 the very low levels of stocks of foodstuffs and the shortfalls that are occurring in the output of some crops have been putting renewed upward pressure on food prices. By the end of July, spot prices for raw foods reached a new peak, 25 per cent above their level at the beginning of the year, and they have declined only slightly since then.

### GROWTH IN REAL GROSS NATIONAL PRODUCT

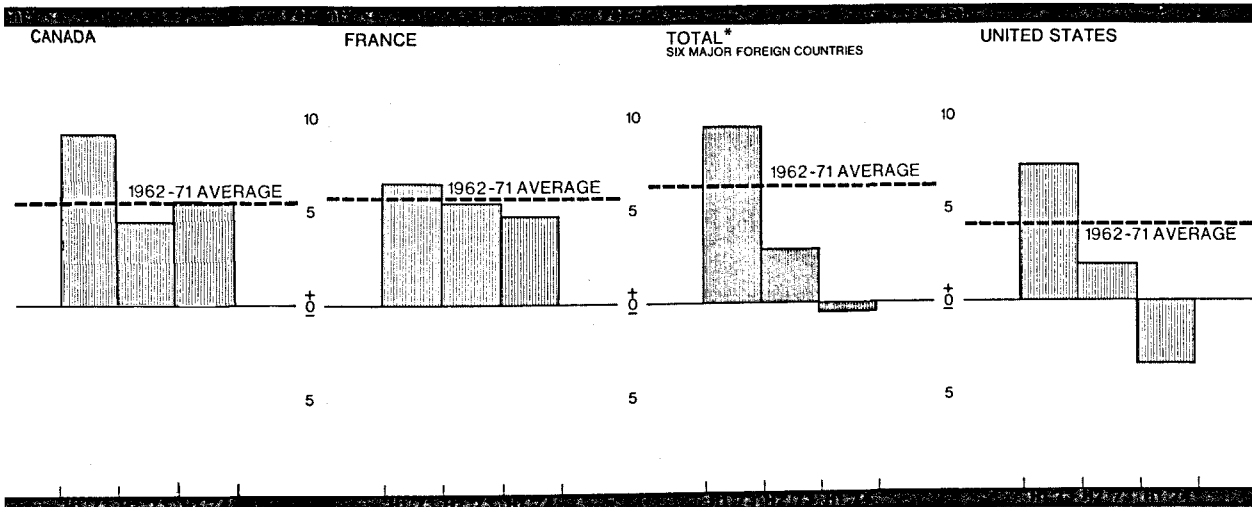


\* 1973 weights and exchange rates.

Seasonally adjusted annual rates of change from preceding half-year; data from Table 1 and OECD.

Upward price pressures on goods other than foods have been mitigated somewhat by the decline in recent months of world prices for metals and fibers; by the end of September spot prices for metals on world markets (in dollar terms) had been reduced by almost one-half from their cyclical peak last May, and prices of fibers were down by one-third from their January high. Prices of final products, however, are continuing to rise throughout the world, as the lower prices for raw materials are not likely to work through to the finished-goods stage for some time. For the 3-month period ending in August 1974, a weighted average of consumer prices in the six foreign countries had risen by 16 per cent over the same period of the preceding year, compared with an average increase of about 4½ per cent per annum during the 1962-71 period. Price inflation is now being exacerbated by attempts by labor and businesses to raise, or at least maintain, their real incomes and profits.

The quantum jump in petroleum prices in late 1973 intensified both upward pressures on prices and tendencies toward reduced real output. Without a corresponding decline in some other prices, the fourfold increase in the import price of crude oil—a vital raw material entering into the production of a wide range of industrial and consumer products—necessarily led to an increase in the general price level. The initial cutbacks in crude petroleum production at first affected the ability of the oil-consuming countries to maintain existing levels of industrial output. But as petroleum production was restored to earlier levels and prices were increased, the main continuing effects of the oil crisis have been its direct impact on the general price level through increases in the prices



of petroleum products and the costs of producing other goods and the impact of these price and cost changes, in turn, on aggregate demand.

Assessing the net effect of the oil price increases on aggregate demand is difficult. Without offsetting policy actions, consumers' real incomes are reduced by the large rise in the price of oil just as they would be by the imposition of an excise tax. At the same time, however, the cost increases stemming from the rise in oil prices may, for example, stimulate new investment designed to save petroleum or to produce energy from other sources. Still, there is little doubt that the oil price increases have served to intensify the already strong inflationary expectations that economic policy during the past year or so has been trying to combat.

Confronted with unprecedented price inflation, policymakers everywhere have the same dilemma: how to cope simultaneously with a possible excessive weakening of activity and with continuing rapid inflation. Their response, in general, has been to give priority to slowing inflation, and they have done so primarily through the use of demand-management measures. When demand held up a little better than expected during the period of oil supply shortages, and inflation rates increased more rapidly than expected, most governments imposed further restrictive policy measures. These measures, at first, were mainly in the monetary area, but fiscal policy actions were also taken in some countries.

Partial results for the second quarter and leading indicators for the third quarter of this year suggest that earlier predictions, widely made, of upturns in economic activity in the second half of this year were overly optimistic. Activity now is more sluggish, and price inflation more severe, than had been anticipated. Faced with this situation, the majority of governments have not changed their policies perceptibly. In Germany and the United Kingdom, however, restrictive policies have been eased somewhat during 1974.

#### **COMPONENTS OF OUTPUT AND EXPENDITURE**

In a number of countries an upsurge in investment and a large expansion in foreign trade played an important role in the economic growth of early 1973. The current weakness in economic activity appears to be widespread among all sectors, although in comparison with preceding cycles, consumption is especially weak. (All components of output and expenditure discussed in this section and shown in Tables 1 and 2 are expressed in real terms, unless indicated otherwise.)

The rate of growth of residential construction began to decline in most countries in 1973 as a result of tight monetary policies and, in some cases, as a result of earlier speculative overbuilding. Residential construction was strong only in Canada and Japan. But in the first half of 1974, it was depressed in Japan also. From

the second half of 1973 to the first half of 1974, residential construction declined at annual rates of about 37 per cent in Japan and 33 per cent in the United Kingdom. In Germany, consistent national accounts data for residential construction are not available

TABLE 1

## REAL GNP AND MAJOR COMPONENTS IN SELECTED INDUSTRIAL COUNTRIES

Percentage changes at annual rates, seasonally adjusted

Country and component	1962-71 average	From previous year		From previous half year		
		1972	1973	1973-H1	1973-H2	1974-H1
<b>France<sup>1</sup></b>						
GNP .....	5.7	5.7	6.0	6.6	5.5	4½ <sup>e</sup>
Private consumption .....	5.5	5.8	6.0	6.2	5.8	4¼ <sup>e</sup>
Govt. current expenditures .....	3.3	4.0	3.4	4.2	4.2	2¼ <sup>e</sup>
Gross fixed capital formation .....	8.2	7.6	6.7	5.7	5.6	5¼ <sup>e</sup>
Exports .....	9.7	10.3	12.7	11.9	8.9	n.a.
Imports .....	10.3	14.6	14.1	22.0	2.5	n.a.
<b>Germany</b>						
GNP .....	4.7	3.5	5.3	8.8	.5	2.1
Private consumption .....	4.9	4.2	2.9	6.7	3.5	1.0
Govt. current expenditures .....	4.4	4.1	3.8	4.7	4.6	3.0
Gross fixed capital formation .....	5.3	2.7	1.0	7.6	8.6	5.1
Exports .....	9.1	7.8	16.2	21.7	8.3	26.5
Imports .....	10.2	8.2	9.8	16.9	1.3	8.2
<b>Italy<sup>2</sup></b>						
GNP .....	5.0	3.1	5.9	4.2	9.8	2¼ <sup>e</sup>
Private consumption .....	5.6	3.3	6.2	7.1	5.8	3½ <sup>e</sup>
Govt. current expenditures .....	3.9	4.6	3.3	2.6	2.6	3½ <sup>e</sup>
Gross fixed capital formation .....	3.7	.4	9.9	5.0	19.3	4¾ <sup>e</sup>
Exports .....	11.9	11.6	5.3	8.7	37.1	2¼ <sup>e</sup>
Imports .....	11.2	13.1	11.9	13.4	13.7	5¼ <sup>e</sup>
<b>United Kingdom</b>						
GDP .....	2.6	3.1	5.3	9.7	1.1	1.9
Private consumption .....	2.3	6.0	4.6	5.6	.7	1.9
Govt. current expenditures .....	2.1	4.0	3.7	3.4	4.6	.5
Gross fixed capital formation .....	4.0	2.4	4.8	7.7	3.4	5.7
Exports .....	5.3	2.6	9.1	17.7	3.7	7.9
Imports .....	4.5	9.9	11.2	14.1	8.7	1.6
<b>Japan</b>						
GNP .....	10.3	8.9	10.5	13.4	1.9	8.1
Private consumption .....	8.9	9.1	8.6	8.2	7.7	6.6
Govt. current expenditures .....	6.7	9.6	6.9	7.1	6.2	1.1
Gross fixed capital formation .....	13.0	9.5	15.9	19.9	9.5	27.5
Exports .....	16.5	7.5	6.5	1.8	2.5	28.4
Imports .....	12.6	8.4	23.8	26.0	23.2	13.9
<b>Canada</b>						
GNP .....	5.5	5.8	6.8	9.1	4.4	5.6
Private consumption .....	4.9	6.9	8.0	9.9	4.8	6.6
Govt. current expenditures .....	5.8	4.0	4.1	0	7.2	8.6
Gross fixed capital formation .....	5.8	5.3	10.4	13.5	15.2	8.5
Exports .....	9.1	7.1	8.3	13.2	5.7	1.6
Imports .....	7.9	11.9	12.4	13.5	7.6	10.6
<b>United States</b>						
GNP .....	4.2	6.2	5.9	7.3	2.0	3.4
Private consumption .....	4.4	6.2	4.7	6.3	.9	3.5
Govt. current expenditures .....	3.4	2.7	.9	2.3	1.0	1.7
Gross fixed capital formation .....	4.8	11.5	7.9	13.2	1.6	6.7
Exports .....	6.5	6.7	19.6	28.7	8.0	16.7
Imports .....	8.8	11.6	5.6	12.7	5.8	8.0

<sup>1</sup>Annual data and trade data from national sources; other half-yearly data and estimates from OECD, and consistent with annual data.

<sup>2</sup>Annual data from national sources; half-yearly data and estimates from OECD, and indicative only because not completely consistent with annual data.

<sup>e</sup>Estimated.

n.a. Not available.

SOURCE: National sources and OECD.



for the period under consideration, but it is clear from data on building permits and completions that the housing sector remains very depressed. In the second quarter of 1974, for example, building permits were 33 per cent below their year-earlier level, and the nominal value of new housing sales was down by 15 per cent despite large price increases.

In 1973 industrial investment in machinery and equipment was a strong component of demand in almost all countries except Germany. Between 1972 and 1973 it rose at rates ranging from 12 per cent in the United Kingdom to 19 per cent in Japan. As a result, despite the slowdown in the growth of residential construction, total fixed capital formation in most cases not only increased at a rate faster than its longer-run average but also accounted for a substantial share of the growth of GNP. For Japan, the most extreme case, almost three-fifths of GNP growth in 1973 went into gross fixed capital formation, compared with a 1962-71 average of about two-fifths. For France, Italy, and Canada, about one-third of the total growth in GNP in 1973 was in the form of gross fixed capital formation. Only in Germany, where monetary conditions were tight and a tax was imposed on newly acquired capital goods in May 1973, did fixed capital formation contribute very little to over-all growth, as expenditures rose in the first half of the year but fell sharply in the second.

TABLE 2

## MAJOR COMPONENTS OF REAL GROSS CAPITAL FORMATION IN SELECTED INDUSTRIAL COUNTRIES

Percentage changes at annual rates, seasonally adjusted

Component and country	From previous year		From previous half year		
	1972	1973	1973-H1	1973-H2	1974-H1
<b>Machinery and equipment, private:</b>					
Germany <sup>1</sup> .....	.1	1.9	6.0	-4.7	-13.0
United Kingdom <sup>2</sup> .....	2.8	12.4	18.5	13.5	n.a.
Japan .....	5.8	19.3	19.3	24.0	-25.1
Canada .....	10.3	13.9	18.3	18.2	14.1
United States .....	11.8	15.4	22.1	4.3	.1
<b>Private residential construction:</b>					
United Kingdom .....	18.1	7.4	14.4	-8.0	-32.5
Japan .....	16.3	17.8	18.9	17.7	-36.8
Canada .....	10.9	12.8	13.7	18.7	11.7
United States .....	17.9	-4.1	0	-18.5	-30.3
<b>Inventory changes:<sup>3</sup></b>					
Germany .....	.7	1.5	1.2	1.7	.1
United Kingdom .....	.1	1.3	1.7	.8	-.2
Japan .....	2.9	3.8	5.0	3.0	5.5
Canada .....	.6	1.1	.9	1.2	1.9
United States .....	.9	1.4	.9	1.7	1.1

<sup>1</sup>Private and public.<sup>2</sup>Plant and machinery (private and public).<sup>3</sup>Change in inventories as a percentage of preceding period's GNP (GDP in the United Kingdom).

n.a. Not available.

SOURCE.—National sources.

During most of 1973 supply constraints limited the growth in economic activity, thereby motivating large increases in planned investment. The early-1974 predictions of a pick-up in general economic activity in the second half of this year were based in part on the expectation that investment in machinery and equipment would remain strong. It was thought that investment intentions based on longer-run capacity assessments would not be scaled down significantly despite possible short-term sluggishness in demand. Indeed, surveys of investment intentions in most countries early in 1974 pointed to a further expansion of investment activity beyond the high levels reached in 1973. However, because of general difficulties in obtaining financing (and in Japan, because of administrative restraints) some companies have not been able to implement their investment intentions fully. In addition, a large share of investment is influenced by short-term fluctuations in demand. By the second quarter of 1974 private capital outlays for machinery and equipment in almost all major foreign industrial countries were either declining or experiencing much slower growth than before. Nevertheless, such investment on the whole has held up better than might have been expected at a time when consumption was showing considerable weakness. This fact may be explained in part by lags in the carrying out of investment plans and in part by the longer-run capacity considerations mentioned above.

The behavior of inventories in the present cycle has been somewhat unusual, although the rapid rates of price change make it difficult to identify changes in volume with much confidence. In most cycles, the downturn in activity has been reinforced by inventory decumulation. But it seems that the expansion of demand during 1973 was so rapid and the pressure on supply so strong that stocks remained fairly low in most countries, except perhaps in Japan. Thus, despite the present slowdown, inventory decumulation has been only fractional in some countries, and there actually have been increases in the United States, Japan, and Canada, although it should be noted that in Canada economic activity remained strong through the first quarter of this year. To some degree the performance of inventories may reflect involuntary build-ups—in unsold stocks of automobiles, for example—but it is not a sufficient explanation for the over-all movements.

The general and very rapid expansion in demand in 1972 and early 1973 in the industrialized countries led to an extremely rapid expansion of world trade. The volume of world trade grew by 13 per cent from 1972 to 1973 as compared with a longer-run average annual increase of 9 per cent. Exports of goods and services from France, Germany, the United Kingdom, and Canada continued to grow rapidly in the first half of 1973, but their growth slowed in the second half. In Italy production problems held back

exports, which resumed their growth only around the middle of 1973. In the first half of 1974, a further large increase in German exports resulted in a rise in net exports of goods and services of almost 20 billion marks at an annual rate; at the same time, GNP grew by only 6 billion marks. Exports also grew very rapidly in Japan this year, at an annual rate of almost 30 per cent from the second half of 1973 to the first half of 1974, thus providing the only expansionary support among all sectors of demand. On the whole, exports have remained strong everywhere except in Canada. But, with the exceptions of Germany and Japan noted above, they are no longer a significant expansionary force.

Recently, the strength of export demand appears to have stemmed from areas outside the industrial world, particularly from exports to the oil-producing countries and other primary producers. But the outlook for further near-term growth in exports to the nonindustrialized countries that are not oil producers is dim because the financial positions of many of these countries are becoming increasingly precarious. These countries are now experiencing a large deterioration in their terms of trade not only because of the rise in petroleum prices, but also because of increases in the prices of food imports and of recent declines in the prices of some of their exports. Although some of these non-oil-producing countries added considerable amounts to their reserves during the 1972-early 1974 commodity boom, their reserve positions can be eroded quickly. The ability of many of these countries to purchase imports will thus depend, sooner or later, upon external financing possibilities.

Private consumption expenditures in the industrial countries were a dynamic factor in over-all growth in the second half of 1972, except in Germany and Japan, but rising prices and growing uncertainty about the general economic outlook slowed the growth of consumption during 1973, especially in the second half. In fact, consumption fell in Germany during this period—possibly also because of a surcharge on income taxes—and remained flat in the United Kingdom. During the first half of 1974, consumption continued to weaken in several countries, the most severe case being the 6½ per cent (annual rate) decline in Japan. The weakness in the automobile sector, which in some countries is included in investment rather than consumption, clearly relates in part to the oil crisis. But other sectors of consumer spending less directly affected by petroleum prices also have shown little growth in real terms.

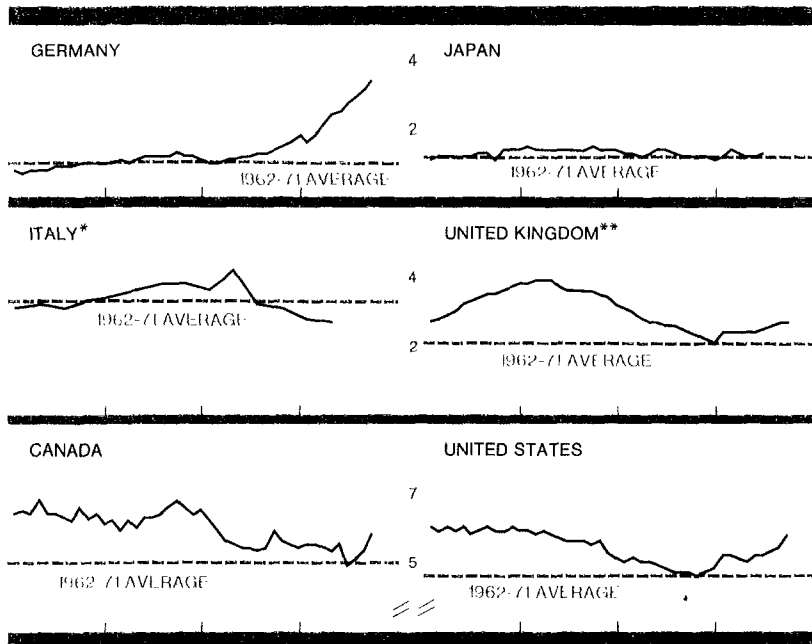
The slackening in growth of consumption expenditures reflects in part slower growth of real disposable incomes. It is true that increases in hourly wage rates over the past year have been large enough to exceed the rapid rises in consumer prices in almost all major countries. But average earnings have increased less rapidly

than wage rates because as economic activity has weakened, the average number of hours worked per week has fallen, with the greatest decline coming in the number of more-highly-paid overtime hours. Furthermore, as money incomes rose, under progressive tax systems, the share of tax payments rose also, thereby cutting into both real and nominal disposable incomes. (Among the six major foreign industrial countries, Canada is the only one that has indexed the personal income tax system to price increases.)

The sharp decline in stock and bond prices may also have contributed to weakness in consumption demand, since consumers may have been generally more reluctant to spend as the value of their financial assets declined. The fall in equity prices has been especially dramatic. In the 12 months ending in September 1974 stock prices fell by about one-fifth in Germany and Japan, one-third in Canada and France, two-fifths in the United States, and more than one-half in the United Kingdom. In terms of real purchasing power, declines in portfolio values have been even greater.

During the recent upswing, unemployment rates declined sharply in the United Kingdom and Canada, as well as in the United States. By mid-1973, however, unemployment rates were still above their longer-run averages in the United Kingdom and Canada, but were at or near their longer-term averages in Germany, Japan, and Italy. The weakening of activity since mid-1973 has not been fully

#### UNEMPLOYMENT AS A PERCENTAGE OF THE LABOR FORCE



\* Data for January, April, July, and October.

\*\* Great Britain only.

Seasonally adjusted data from national sources and International Labour Office.

reflected in unemployment rates mainly because, in the early stages of the downturn, employers cut the workweek rather than their labor force. In Germany, where the cyclical downturn started earlier, unemployment rates have been rising steadily since the beginning of the year and are now well above the longer-run average.

In brief, real output is not growing in the industrial countries as a whole. And the short-run outlook, according to most observers, is that the level of output will remain virtually flat, at best, and that resources will become increasingly underutilized.

**PRICE INFLATION** During both the expansion and the contraction phases of the current cycle, price increases have been extraordinarily rapid in all countries. Increases in wholesale prices in the major industrial countries from the 3 months ending August 1973 to the corre-

**TABLE 3**  
CONSUMER PRICES IN SELECTED INDUSTRIAL COUNTRIES

Percentage changes, not seasonally adjusted

Country and index component	1962-71 average	From previous year		From same period of preceding year							
		1972	1973	1973				1974			
				Q1	Q2	Q3	Q4	Q1	Q2	Q3	
France											
Total index: .....	4.3	6.2	7.3	6.5	7.1	7.6	8.3	11.3	13.6	14.3	
Foods .....	4.3	7.9	9.4	8.2	9.6	10.5	10.9	12.3	12.9	12.5	
Nonfood items .....	4.2	5.2	6.5	5.8	6.0	6.5	7.2	10.8	13.9	15.1	
Germany											
Total index: .....	2.9	5.5	6.9	6.5	7.3	6.9	7.3	7.4	7.1	6.9	
Foods .....	2.2	6.0	8.0	8.2	10.2	7.2	6.4	6.5	4.9	4.9	
Nonfood items .....	3.2	5.4	6.7	5.8	6.5	6.8	7.5	7.7	7.7	7.7	
Italy											
Total index: .....	4.2	5.7	10.8	8.8	11.1	11.6	11.7	14.5	16.4	17.2	
Foods .....	3.8	6.3	12.0	10.6	13.3	12.7	11.7	13.6	13.8	14.3	
Nonfood items .....	4.5	5.3	9.9	7.4	9.3	10.8	11.6	15.1	18.3	19.4	
United Kingdom											
Total index: .....	4.7	7.1	9.2	7.9	9.3	9.2	10.3	12.9	15.9	16.5	
Foods .....	4.7	8.9	15.1	11.3	15.5	14.3	18.8	19.1	17.7	17.6	
Nonfood items .....	4.7	6.5	7.3	6.8	7.4	7.5	7.5	10.8	15.1	16.0	
Japan											
Total index: .....	5.8	4.5	11.7	7.1	10.5	12.8	16.4	24.5	23.9	24.7	
Foods .....	6.6	3.9	13.0	8.1	11.6	14.3	18.0	28.7	26.4	27.5	
Nonfood items .....	5.3	5.0	10.8	6.4	9.8	11.8	15.3	21.6	22.1	22.8	
Canada											
Total index: .....	2.9	4.8	7.6	5.9	7.3	8.2	9.0	9.7	10.7	11.2	
Foods .....	2.8	7.6	14.6	10.4	14.7	15.5	17.4	17.3	17.2	16.0	
Nonfood items .....	3.0	3.7	5.0	4.2	4.6	5.4	6.0	6.9	8.4	9.4	
United States											
Total index: .....	3.1	3.3	6.2	4.1	5.5	6.9	8.4	9.9	10.7	11.3	
Foods .....	2.9	4.3	14.5	8.0	12.6	17.4	19.5	19.3	15.5	12.4	
Nonfood items .....	3.1	3.0	3.9	3.0	3.5	3.8	5.2	7.0	9.1	11.0	

<sup>1</sup>Three-month period ending in August for France, Germany, Japan, Canada, and United States; in July for United Kingdom and Italy.

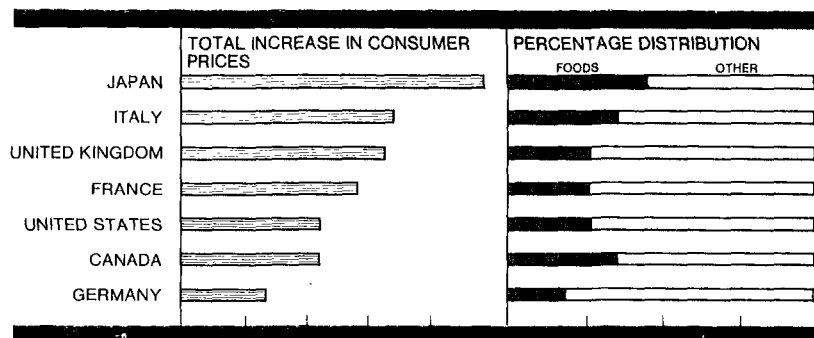
SOURCE—National sources, OECD, and F.R.

sponding period this year have ranged from 16 per cent in Germany to 42 per cent in Italy. Consumer price increases were considerably smaller, but very high by historical standards, ranging from about 7 per cent in Germany to 25 per cent in Japan. (See Table 3.) Year-to-year price increases, however, obscure the movement toward some slowdown in the rate of inflation in both of these countries. Recently, month-to-month price increases have diminished in Germany and Japan, and the slowing has been greater than would have been expected from seasonal forces alone.

The fact that consumer prices have risen less rapidly than wholesale prices is often attributed to the delayed impact of wholesale on retail prices. On that basis, a further acceleration in consumer prices might be expected. However, an increase in consumer prices on the scale of the recent increases at the wholesale level may not occur. First, wholesale price indexes may overstate the actual rate of price increase because of the multiple counting that is inherent in the structure of most such indexes. The increases in crude petroleum prices, for example, have a multiple effect, since petroleum is included in the indexes as crude petroleum, as a refined product, and finally as a component of many other goods. Second, average prices of services, which do not enter the wholesale price indexes, have until recently been rising more slowly than have prices of goods in a number of countries.

Increases in oil prices probably were the largest single factor contributing to the increase in inflation rates during the first half of this year. Over a longer period, however, the effect of the large increases in food prices has been even more important. Higher food prices in major industrial countries accounted for from about one-fifth to almost one-half of the over-all rise in consumer prices from the 3 months ending in August 1973 to the same period of this year. In comparison, according to estimates made by the Organization for Economic Cooperation and Development (OECD), the price increases resulting from higher petroleum prices

### ROLE OF FOOD IN CONSUMER PRICE INCREASES



Rates of increase are for 3-month period ending in August over same period of preceding year; for 3-month period ending in

July for United Kingdom and Italy. Data from Table 3 and national sources.

**TABLE 4**  
**WAGE RATES IN SELECTED INDUSTRIAL COUNTRIES**

Percentage changes, not seasonally adjusted

Country	From previous year		From same period of preceding year						
			1973				1974		
	1972	1973	Q1	Q2	Q3	Q4	Q1	Q2	Q3
France .....	11.4	14.4	12.8	13.8	15.1	15.9	17.5	20.1	n.a.
Germany .....	9.4	10.4	9.6	10.4	10.6	10.7	11.7	12.1	12.3
Italy .....	10.4	24.3	15.1	24.2	28.3	28.7	27.9	22.1	n.a.
United Kingdom .....	13.8	13.7	13.3	15.6	14.2	11.8	14.3	15.1	18.4
Japan .....	16.2	19.7	17.5	19.3	21.5	20.9	23.8	30.3	n.a.
Canada <sup>2</sup> .....	7.9	9.0	8.6	9.0	8.7	9.5	9.8	11.6	12.3
United States <sup>2</sup> .....	6.4	6.6	6.2	6.4	7.1	7.0	6.6	7.5	8.1

<sup>1</sup>Three-month period ending in August for the United Kingdom; in July for Germany and Canada.

<sup>2</sup>Data seasonally adjusted.

n.a. Not available.

DEFINITIONS—France, hourly wage rates, all activities; Germany, general index of hourly wage rates, all activities; Italy, wage and salary rates, manufacturing, hourly basis;

United Kingdom, basic weekly wage rates, all manual workers; Japan, index of regular monthly wages and salaries, all industries, adjusted by index of hours worked per month; Canada, average hourly earnings, manufacturing industries; United States, average hourly earnings, total private nonfarm, adjusted for overtime and interindustry wage shifts.

SOURCE.—National sources and OECD.

may have accounted for about one-fifth of the over-all increase in consumer prices for the OECD countries as a whole from September 1973 to March 1974. By now, that impact may have grown to about one-fourth, as public utility charges have increased further and prices of domestically produced oil and other sources of energy have also risen.

Recent wage contracts make it clear that wages are becoming an active force supplementing demand pressures and supply shortfalls as a cause of price inflation. In most countries wage rates rose rapidly in 1973, and this rise has accelerated in recent months. (See Table 4.) One reason for this is the spreading use of cost-of-living escalator clauses, which quickly translate higher prices into higher wages. Nevertheless, labor militancy is increasing as a reaction to the extremely high rates at which prices are rising, particularly for those items that are important in family budgets, and the number of hours lost due to labor disputes has increased in a number of countries. Thus a major impetus to price increases in the near future may stem from wage-push inflation, especially now that, with declining activity, increases in productivity are small or nonexistent.

## FINANCIAL CONDITIONS

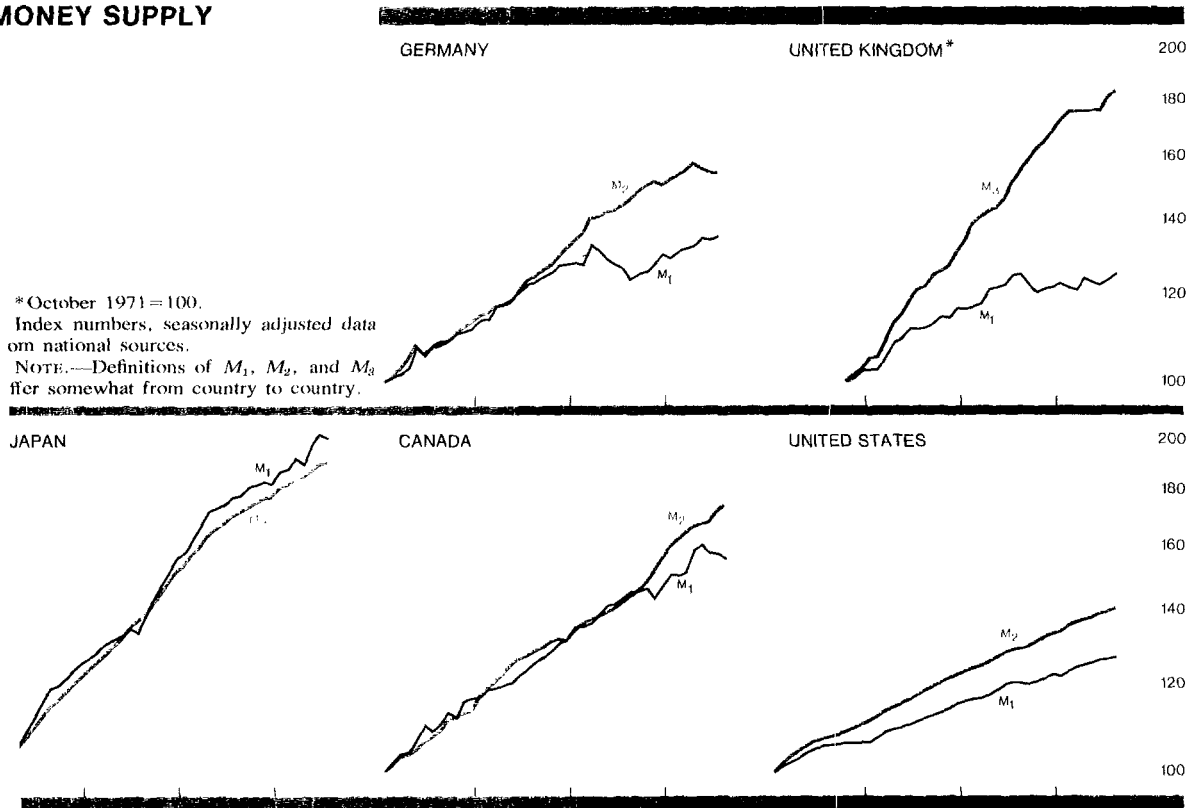
In most countries, monetary aggregates expanded rapidly during the upswing of the cycle in 1972 and the first half of 1973. As monetary authorities moved to more restrictive policies, the growth in the narrowly defined money stock ( $M_1$ ) slowed considerably. The rate of growth of the money stock more broadly defined

(generally comparable to  $M_2$  or  $M_3$  in the United States) also declined except in Canada, where economic growth still was strong in the first quarter of 1974. Complete data for the first half of 1974 on monetary aggregates for France and Italy, where economic growth continued to be relatively strong, are not available.

Both short-term and long-term interest rates have risen sharply since early 1973. Although short-term rates have declined in many markets since last summer, they remain high everywhere by historical standards. The rate for 3-month Euro-dollar deposits, for example, averaged 13.6 per cent in August of this year compared with 7.4 per cent in the first quarter of 1973, but by mid-October it had fallen back to about 11 per cent. As stock prices declined, dividend yields also moved to unusually high levels.

It is difficult to obtain a clear picture of financial conditions by observing merely the growth of the several monetary aggregates and the rise in yields on financial assets. The growth rates of  $M_1$  and  $M_2$  (or  $M_3$  in the United Kingdom), and the divergence between them, reflect a variety of policy actions and market factors, including changes in asset preferences resulting from the relatively higher yields on time deposits compared with demand deposits or competing nonmonetary assets. Similarly, the higher level of financial yields is the result not only of monetary policy actions but also

**MONEY SUPPLY**





of major upheavals in financial markets and of heightened inflationary expectations.

**ECONOMIC POLICIES** It has been noted earlier that weakening real output is still coupled with inflation rates that are high by historical standards almost everywhere, and that most authorities have been following restrictive policies. The timing and the particular types of policies being pursued in different countries—whether general monetary and fiscal policies or direct intervention in the pricing and credit distribution mechanisms—reflect circumstances specific to each country, as well as differing views among governments as to how to deal with these problems.

The German authorities face a less difficult policy dilemma than do some other governments. The German inflation rate is now the lowest among the large countries, in part because the restrictive policies that were introduced as far back as late 1972 kept excess demand from developing to the same extent as elsewhere. Because demand pressures appeared to have moderated in Germany, the government began to ease its restrictive fiscal policy toward the end of last year. The 11 per cent tax that had been imposed on private capital expenditures in May 1973 was lifted in December, strict government budget ceilings were relaxed somewhat, and the 10 per cent surtax on middle- and high-income groups was allowed to expire on schedule as of July 1, 1974. Tax reform measures coming into effect on January 1, 1975, will add considerably to the disposable income of low- and middle-income groups. The German authorities have also introduced a small program aimed primarily at helping the depressed construction industry. The external sector is not a policy constraint—indeed, a reduction in the country's large trade surplus would be welcome.

Although monetary policy in Germany still appears restrictive in intent, the German Federal Bank has recently moved to offset market influences that would have produced unwanted further tightening of monetary conditions. Reserve requirements have been reduced, and barriers to capital inflows have been removed. The German authorities have been consistently opposed to controls on prices and wages. In general, they prefer to use demand-management policies to damp down inflation, although they do have an ongoing system of informal consultations among government, labor, and management on the formulation of wage policy.

The United Kingdom recently has also chosen to relax restrictive policies a little, even though, in contrast to Germany, there has been no significant decrease in the underlying rate of inflation and the current account of the balance of payments has been weak. But the deficit on current account has been financed without much difficulty, in part by public sector borrowing and in part by an inflow of funds from oil producers.

The 1974–75 budget, introduced at the end of March, had the effect of reinforcing policies designed to damp demand. However, in mid-July the government moved to improve the investment climate and stimulate employment, while at the same time endeavoring to hold down the price level. Specific measures included a reduction in the standard rate of value-added tax from 10 to 8 per cent; an increase in statutory ceilings on dividend payments; an increased subsidy for workers employed in development areas; a subsidy for certain food items, especially household flour (subsidies already existed for bread, butter, and milk); and a rollback of some of this year's increases in homeowners' real estate taxes. In September, the government announced that expenditures on public works would be increased beginning next year. And the British authorities have recently allowed financial conditions to ease somewhat. A supplementary budget is scheduled to be announced on November 12.

The ease with which the current-account deficit has been financed is an important difference between the United Kingdom and Italy. In Italy, restrictive policies became necessary for two reasons: a large deterioration in the external situation and intolerable rates of inflation. Last spring, the Italian authorities imposed limits on over-all credit expansion and introduced an import deposit scheme, thereby producing a severe liquidity squeeze. In July the government reinforced these measures with a fiscal package that included increases in corporate income taxes, in some indirect taxes, and in public utility charges, as well as limits on the growth of government expenditures. These policies may have contributed to a slowing in the growth of output and to some improvement in the very large external imbalance, as the trade deficit was reduced somewhat and there appears to have been a slowing or reversal of capital outflows. Nevertheless, Italy's external financial problems remain severe, and the inflation rate remains extremely high.

Japan, like Italy, was one of the countries hardest hit by the oil crisis, and the inflation rate there has been especially high. To cope with this situation, the Japanese authorities have restrained demand severely. The supplementary budget for 1973–74 and the 1974–75 budget called for large cutbacks in real expenditures, particularly for public works. In addition, in an effort to restrain petroleum imports, electricity rates were increased and industrial usage of energy was administratively curtailed. Furthermore, the Japanese authorities have pursued a very tight monetary policy coupled with administrative guidance aimed at slowing private investment expenditures. Finally, selective price controls were instituted early this year, but these were progressively lifted in subsequent months and then terminated in September. In spite of the sharp decline in real GNP in the first quarter of 1974 and further declines in industrial output thereafter, the Japanese authorities

indicated that they would continue to keep policies tight in order to consolidate the progress made thus far.

In France, economic expansion is still relatively strong despite various programs of demand restraint and the slowing of growth in France's major trading partners. Policy measures instituted in June were aimed at dampening all sectors of internal demand in order to reduce both the rate of inflation and the trade deficit; these measures reinforced a stabilization package with similar aims that had been introduced in March. The June measures included an 18 per cent surtax on corporate incomes, surtaxes on individual incomes in the higher tax brackets, and a surtax on capital gains from real estate transactions. In order to reduce the country's import bill, base prices for energy products were raised, and in addition, the tax on gasoline was increased. Furthermore, quantitative ceilings on the expansion of credit were continued at their previous levels, and penalty payments were made more severe.

In September the government announced a ceiling on the total value of petroleum that can be imported into France during 1975; an allocation system for heating oil is now being instituted. Finally, the price guidance system has been progressively tightened. Nevertheless, the inflation rate has remained virtually unchanged during the course of this year, and the current rate of growth of output in France is above that in most other industrial countries.

Canada, where economic growth continued to be strong through the first quarter of this year, has been in a different position from other major OECD countries. The country as a whole is self-sufficient in petroleum. Nevertheless, a rise in the domestic price of oil has contributed to over-all price inflation. Moreover, the decline in real output in the United States in the first half of 1974 has adversely affected Canadian economic activity. Monetary policy has been tightened since the early part of 1973 in order to stem inflation, but official statements have emphasized that monetary policy will continue to accommodate the growth of output and employment. The budget that was announced before last July's election represented a more or less neutral policy stance, a new budget is expected soon. □

## The Conference on Inflation

Mr. President, I am not going to take full advantage of the opportunity you are giving me. If I took equal time, you and this fine audience might have to listen to me for a full hour or two. But I do want to take a few minutes and comment on the inflation problem and on the role of monetary policy.

I listened very carefully to every speaker this morning. I was encouraged by the fact that everyone showed full understanding of the gravity of the inflation problem that our Nation is now facing. I learned one thing more, namely, that the Federal Reserve will not necessarily win a popularity contest.

Now the job of the Federal Reserve System is not to be popular. Our job is to use all of our energy, all of the ability and knowledge that we can muster, to help protect the jobs of American workers and the integrity of their money.

In doing our job we operate in an environment that is made by others, by the Congress, by trade unions, by business firms, by the general public. Now there are some facts of life that the Federal Reserve Board must take account of if it is to serve the public with good conscience. The Federal Reserve has to make some hard decisions, if only because hard decisions are being avoided by others. I want to call your attention to some hard facts of life.

We are in the midst of an inflation that has been gathering force over the past decade. This inflation has now reached a stage where it is endangering our economic and political future.

As a result of the inflation, first of all, our Nation's capacity to produce has suffered a setback. Despite sluggish economic conditions for some months now, shortages of materials,

component parts, and equipment remain acute in many of our essential industries.

Secondly, as a result of the inflation, consumer purchasing power is being eroded. During the past year the take-home pay of the typical worker has declined from 4 to 5 per cent in what it will buy.

In the third place, as a result of the inflation, the real value of the savings deposits, pension reserves, and life insurance policies of the American public has diminished.

Fourth, as a result of the inflation, corporate profits derived from domestic operations have eroded—a fact that is concealed by accounting techniques that were devised originally for inflation-free times.

Fifth, as a result of the inflation, financial markets have been experiencing strains and stresses. Interest rates have soared. Some financial and industrial firms have found it more difficult to refund maturing debt or to raise needed funds in the money and capital markets. The savings flow to thrift institutions has sharply diminished and stock prices have been badly depressed.

In short, as a result of the inflation, much of the planning that American business firms and households customarily do has been upset and the driving force of economic expansion has been blunted.

It should not be surprising, therefore, that the physical performance of the economy has stagnated in recent months, and that unemployment is now larger than it was last fall. We cannot realistically expect a resurgence of economic activity until confidence in our Nation's economy is restored.

The most important requirement for rebuilding confidence, I believe, is hard evidence that we are making progress in checking the disease of inflation.

In view of the protracted character and the growing intensity of inflation, the Federal Re-

NOTE.—Remarks by Arthur F. Burns, Chairman, Board of Governors of the Federal Reserve System, at the Conference on Inflation, Washington, D.C., September 27, 1974.

serve has been striving for some time to hold down the growth of money and credit.

I received a good deal of advice this morning, all of which suggested that the monetary spigot should be opened up. I was told to let the money supply expand more rapidly so that interest rates could come down. If that advice were followed, the inflation would become much more intense and interest rates, as they always do in such circumstances, would go higher and higher and soon be a good deal above their present level.

Rapid monetary expansion in the present inflationary environment would add fuel to the fires of inflation and thus worsen our economic troubles.

Now we at the Federal Reserve have tried to apply the monetary brakes firmly enough to get results, but we have also been mindful of the need to allow the supply of money and credit to keep expanding moderately. The over-all supply of money and credit has continued to grow this year but at a slower pace than before.

However, the demand for money and credit has been much greater than the supply. As a result of the huge demand for borrowed funds, credit markets have become tight and interest rates have risen to an extraordinarily high level.

These high interest rates have imposed a heavy burden on businesses and families across the Nation. Homebuilding in particular has been hard hit by the developments in the money market. Soaring interest rates, outflows of deposits from thrift institutions, and the consequent decline in availability of mortgage credit have greatly aggravated the condition of the homebuilding industry, which was already suffering from sharply rising construction costs, from erosion in the purchasing power of consumer incomes, and from the overbuilding of the last 2 years.

It may now be, however, that tensions in financial markets are beginning to ease. With continued moderation in current demands for goods and services, shortages and imbalances in our factories and shops are diminishing. And the Federal Reserve in recent months has been successful, as I have already suggested, in limiting the growth of money and credit to reasonably appropriate dimensions.

We have, therefore, been able recently to take actions that have reduced somewhat the pressures exerted on the banking system. Short-term market interest rates have responded to this relaxation and have declined from their early July peaks.

Long-term market interest rates have stabilized, albeit at very high levels, and they can surely be expected to fall back once some progress is made in curbing inflation. Mortgage interest rates and other institutionally determined rates traditionally lag behind market rates, and they, too, will respond to progress in curbing inflation.

The recent movements of interest rates are encouraging, but we cannot count on any very substantial reduction until borrowers and lenders in the market are convinced that the Federal Reserve is no longer pursuing a lonely struggle against inflation.

Monetary policy is much too blunt an instrument to be relied upon exclusively in what needs to be a national crusade to bring inflation under control.

It is of vital importance that fiscal policy actively join in the battle. Frugality in public expenditures, and a budget that is tilted toward surpluses instead of deficits, can make an enormous contribution to curbing inflation and to lowering interest rates.

A policy of monitoring wages and prices—but relying on voluntary cooperation—can also play a modest, but useful, role in curbing inflationary excesses. I am hopeful that the newly established Council on Wage and Price Stability will help to point the way to anti-inflationary conduct on the part of business, labor, and the consuming public alike.

Programs that seek to enlarge our Nation's productive capacity and to intensify the forces of competition can be very helpful in combating inflation over a longer period of time. In this connection let me stress the need to devise effective measures for improving the productivity of our labor force, which has been lagging badly of late. Greater output potential and increased productivity per worker are essential to achieving a better life for all of our people.

In closing, I want to assert once again and

to assure you that the Federal Reserve will persevere in pursuing monetary policies that are necessary to curb our rampant inflation.

We also intend to keep the supply of money and credit moving upward, so that the needs of the economy may be met.

Further, we fully recognize our respon-

sibilities as the Nation's lender of last resort, and we will not hesitate to come to the assistance of financial institutions that are caught in a temporary liquidity squeeze.

I can assure you all that there will be no credit crunch in our country.

Thank you very much, Mr. President. □

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## Statements to Congress

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*Statement by Arthur F. Burns, Chairman, Board of Governors of the Federal Reserve System, before the Budget Committee, U.S. House of Representatives, September 25, 1974.*

I welcome the opportunity to meet with this committee as it assumes its responsibilities under the Congressional Budget Act of 1974.

As you well know, our Nation is struggling with a grave inflationary problem. The economy has been damaged, and our people are deeply concerned. More determined action to curb inflation has therefore become an urgent need. The discipline that this committee—and its Senate counterpart—can impart to the Federal budget may be a decisive factor in our Nation's ability to regain control of its economic destiny.

The inflation in which we are so deeply enmeshed began to spread across the economy 10 years ago. The problem has steadily worsened, with only an occasional respite. The level of wholesale prices is now about 18 per cent above a year ago, after rising almost 4 per cent in August—the largest increase in more than a quarter of a century. Consumer prices advanced another 1.3 per cent in August and are 11 per cent above a year ago.

Inflation has been eroding the purchasing power of both consumers and businesses. The take-home pay of the typical worker declined materially in real terms during the past year, and so too did the real value of the public's savings, pensions, and life insurance policies accumulated over the years. Corporate profits have also suffered—a fact that is concealed by accounting techniques that have come down from inflation-free times.

As a result of the inflation, financial markets have been experiencing severe strains and stresses. Interest rates have soared, and stock prices have plummeted. Some financial and industrial firms have found it more difficult to roll over their commercial paper or to raise needed funds through other channels. Savings flows to

thrift institutions have shrunk, and the flow of mortgage and construction loans has sharply diminished.

In short, as a result of the inflation, much of the planning that American business firms and households customarily do has been upset. Confidence has deteriorated, and the driving force of economic expansion has been blunted.

It should not be surprising, therefore, that the physical performance of the economy has been sluggish in recent months. With consumer incomes eroding, the demand for new autos, mobile homes, household furnishings, and other durable goods has weakened. The homebuilding industry has been hurt not only by the shrinkage of consumer incomes but also by rising land prices and construction costs, the high interest rates, and the shortage of mortgage funds. Industrial production is running 2 per cent below the peak of November 1973, and employment in manufacturing since then has declined by almost 300,000.

Public policy is thus confronted with a most difficult problem. The forces of economic expansion have weakened to a point where, in earlier times, serious consideration would have been given to stimulative monetary and fiscal policies. In present circumstances, however, such measures would aggravate an already grave inflationary problem and plunge our economy before long into even deeper trouble.

Defeat of inflationary forces must remain the major goal of public policy. We cannot realistically expect a resurgence of economic activity until the confidence of our people in their own and the Nation's economic future is restored.

I have noted on prior occasions that a large part of the current inflationary problem is due to special factors. In most years, the economies of different nations follow divergent trends. In 1973, however, a business-cycle boom occurred simultaneously in the United States and in every other major industrial country. With production rising rapidly across the world, prices of labor,

materials, and finished products were bid up everywhere.

The effects of the worldwide boom on our price level were magnified by the depreciation of the dollar in foreign exchange markets. With larger export orders adding to expanded domestic requirements, demand pressures became particularly intense in the materials-producing industries, where expansion of capacity has been slight in recent years. Severe shortages developed, and prices of basic materials shot up.

Disappointing crop harvests and the manipulation of petroleum prices by oil-exporting countries have also imparted an upward thrust to the general price level during the past year and a half. More recently, prices and wages have reacted strongly to the removal of direct controls.

These special factors have played a prominent role of late, but they do not account for all of our inflation. For many years, our economy and that of most other nations has been subject to an underlying inflationary bias that has merely been magnified by special influences.

The roots of that bias lie in the rising expectations of people everywhere. Properly directed, this human drive is a powerful force for improving the general welfare. But individuals and business firms have in recent times come to depend more and more on government, and less on their own initiative, to achieve their economic objectives. In responding to the insistent demands for economic and social improvement, governments have often lost control of their budgets, and deficit spending has become a habitual practice. In many countries, monetary policy has supplied an inflationary element on its own, besides accommodating fiscal excesses.

The course of Federal expenditures over the long sweep of our Nation's history conveys both a lesson and a warning. These expenditures first reached the \$100 billion level in fiscal 1962, or nearly 200 years after the founding of the Republic. By fiscal 1971, or 9 years later, spending had risen another \$100 billion and thus passed the \$200 billion mark. And the \$300 billion mark will surely be exceeded this fiscal year unless the Congress and the administration move at once to prune expenditures.

One result of the sharply rising trend of Federal expenditures is that Government has been assuming an ever larger role in the economic life of our people. Where the line can be best drawn between public and private use of resources is, of course, a matter of judgment and of social values. Nonetheless, it should be clear to everyone that Federal spending, whatever its level, needs to be financed on a sound basis.

Deficit spending by the Federal Government can be justified at a time of substantial unemployment. It becomes a source of economic instability, however, during a period of exuberant activity—such as we have experienced in recent years. The huge and persistent deficits of the past decade added enormously to aggregate demand for goods and services, but they added little to our capacity to produce. They have thus been directly responsible for a substantial part of the inflationary problem.

The current inflation began in the middle 1960's when our Government embarked on a highly expansive fiscal policy. Large tax reductions occurred in 1964 and the first half of 1965, and they were immediately followed by an explosion of Federal spending. New and substantial tax reductions occurred again in 1969 and 1971, and they too were followed by massive increases of expenditures.

Deficits have therefore mounted. In the last five fiscal years, that is, from 1970 through 1974, the public debt—including obligations of the Federal credit agencies—has risen by more than \$100 billion, a larger increase than in the previous 24 years.

In the fiscal year just concluded, the reported budget deficit declined to about \$3½ billion. This was a much smaller deficit than in the three preceding years. But when off-budget outlays and the expenditures of governmentally sponsored agencies are taken into account, as I believe they should be, the total Federal deficit reached \$21 billion last year, which is not much lower than the corresponding deficits of the three previous fiscal years. This is a sorry record of fiscal policy during a period of sharply rising prices.

Our people have understandably become impatient, and the Congress has reacted by setting



in motion revolutionary changes in its budgetary procedures. What fiscal steps and other measures will prove most constructive in current circumstances, when our Nation is threatened by increasing unemployment as well as by galloping inflation, cannot be foreseen with any precision. But the general direction for public policy seems clear to me, and in any event it is my duty to share my thinking with your committee.

First, a policy of moderate monetary restraint remains appropriate, and it will probably be required for a considerable time. As you know, the Federal Reserve has been pursuing a policy of slowing down increases of money and credit. We have tried to apply the monetary brakes firmly enough to get results, but we have also been mindful of the need to avoid a credit crunch. Thus, the supply of money and credit has continued to grow, although at a slower pace than in recent years.

The narrowly defined money supply—that is, currency plus demand deposits—has expanded so far this year at an annual rate of 5¼ per cent, in contrast to 6 per cent during 1973. If the time deposits of commercial banks, except for their large certificates of deposit, are also included in the money supply, the rate of growth thus far this year has been 8 per cent, in contrast to 9 per cent during 1973.

Clearly, the American economy—taken as a whole—has not been starved for funds. Yet, the demand for money and credit has been rising at a very much faster pace than the supply. As a result, credit markets have become strained and interest rates have risen to levels such as we have not previously known in over a century of our Nation's recorded experience.

The policy of monetary restraint pursued by the Federal Reserve has helped to cool the economy by moderating the expansion of credit and disciplining inflationary psychology. But, as you know, the incidence of monetary policy is uneven. Excessive reliance on monetary restraint leads to unwanted side effects that, of late, have been all too evident. The fabric of our financial structure has perhaps been stretched as much as it safely can.

The Federal Reserve must—and will—persevere in the fateful struggle against inflation. But

I also believe, and more strongly with each passing week, that monetary policy should not carry so large a part of the burden of restraint.

The second ingredient of an effective anti-inflation program, and one that is urgently needed, is a persuasive move toward fiscal restraint on the part of the Federal Government.

Full implementation of the new budgetary procedures for which this committee is responsible will not begin for two more years. We dare not wait that long, however, for the fiscal discipline required in the present inflationary environment. A determined effort should be made immediately to pare budget expenditures in fiscal 1975 and to balance the budget in fiscal 1976.

I recognize that this committee is not yet in a good position to recommend where expenditure cuts would be most appropriate. Nevertheless, you can justly use your good offices to press for prompt action to restrain Federal spending.

A meaningful cut in Federal spending—say, a reduction of 5 billion or even 10 billion dollars in this year's budget—cannot be expected to have a large, visible impact on the price level in the near future. But it is highly important to recognize that the effects of a given act of fiscal restraint on prices will cumulate as times move on; that if this year's fiscal restraint is repeated next year and the year after, the cumulative effects will swell; and that once a determination to cut the budget back is demonstrated, beneficial effects on both the stock market and interest rates can come rather promptly.

Let me turn next to a third ingredient of a program for regaining general price stability. While effective monetary and fiscal policies are absolutely essential to this objective, an incomes policy that relies on voluntary cooperation can still play a modest—but useful—contributory role. There is much good will among our citizens, and it would be wise to mobilize it in the struggle against inflation.

The newly established Council on Wage and Price Stability is a step in the right direction. Even without enforcement powers, this agency can hold hearings on wage and price changes in pace-setting industries; it can make recommendations; it can call attention to abuses of

economic power by business firms or trade unions; it can feel its way toward wage and price guidelines; and it can certainly bring the force of public opinion to bear on wage or price changes that appear detrimental to the national interest.

A Labor-Management Committee, under the chairmanship of the President, might become another constructive force. Labor and management clearly have a mutual interest in ending inflation. If our Nation's business and labor leaders will meet frequently and reason together, practical means may yet be found to interrupt the cycle of wage, cost, and price increases that is so damaging to our economy.

As a fourth part of an anti-inflation program, our Nation needs an energy policy—as President Ford has emphasized—that will exert downward pressure on the international price of crude oil. Some success in this direction would not only help to check inflation, it would also reduce the massive diversion of purchasing power to oil-producing countries and make the problem of recycling funds to the oil-consuming countries more manageable.

Since the end of the oil embargo, efforts to conserve fuel have diminished. Our electric lights are again blazing away needlessly; the 55 mile per hour speed law is less rigorously enforced, and gasoline consumption is rising; air conditioners hummed excessively this summer, and our heating furnaces will probably soon be. Clearly, voluntary efforts to conserve fuel and broaden the use of fuel-saving devices need to be strengthened. Legislative actions should also be considered, particularly tax measures aiming to curtail the consumption of oil and gasoline.

We cannot stop, however, with conservation measures. For one thing, it is necessary to breathe life into Project Independence before it expires from inactivity. This will require, among other things, reduction of obstacles to the expansion of nuclear facilities by our electric utilities, and sufficient relaxation of antipollution regulations to encourage much more extensive use of coal. And in view of the extraordinary financial problems caused around the world by the Organization of Petroleum Exporting Countries (OPEC) actions on oil prices, we cannot afford to lose time in exploring with

other major oil-importing countries how economic, financial, and political measures can be most effectively used to achieve an early and substantial reduction in the price of crude oil.

A fifth part of an anti-inflation program should focus on policies for enlarging our productive capacity and intensifying the forces of competition. Incentives to invest have not been adequate in recent years to keep industrial capacity expanding in step with our economy's needs, and this requires the most earnest attention of policy-makers.

A strengthening of equity markets through liberalization of the capital gains tax would be helpful in providing share capital at a more reasonable cost. This could probably be accomplished without impairing tax revenues this year. Moreover, business firms themselves could gradually increase the supply of internal funds for investment by adopting more realistic and sensible accounting procedures. Many firms fail to value the inventories used up in the production process on a replacement-cost basis, with the result that earnings are overstated and taxes are paid on fictitious profits.

Our capacity to produce could be enlarged by establishing local productivity councils to increase efficiency in our Nation's workshops. It could also be enlarged by removing obstacles to supply that are sanctioned by legislation or custom. For example, building codes in many communities are badly outdated; minimum wage laws restrict access to jobs by teenagers; and barriers to entry or governmental regulation restrict output in some of our industries. Our product markets could be made more competitive by stricter enforcement of the antitrust laws, by stiffer penalties for their violation, by repeal of special-interest legislation such as the Davis-Bacon Act and the Jones Act, and by passage of the proposed Trade Reform Act. And our labor markets could function better if we developed a nationwide system of job banks, comprehensive statistics on job vacancies, and adequate manpower training programs.

Sixth, and finally, an anti-inflation program should recognize that restrictive monetary and fiscal policies have uneven effects on the economy—that some sectors are merely inconvenienced, but that others suffer hardship. Home-

building, in particular, is highly sensitive to money market developments, as the drastic decline of housing starts has once again demonstrated. Basic reforms of home mortgage finance are essential, so that homebuilding activities may be more stable in the future. Meanwhile, another layer of governmental subsidy for this stricken industry may be urgently needed.

It would also be wise to provide promptly for a public service employment program that would be triggered if and when the national unemployment rate averaged more than 6 per cent for a 3-month period, and that could provide up to 800,000 jobs at a cost that might reach, say, \$4 billion. A contingency plan of this type would reduce fears of unemployment. It would be practical as well as compassionate, for it would enable the Federal Government to continue longer with the restrictive monetary and fiscal policies that are needed to bring inflation gradually under control.

In the interest of fiscal discipline, the funds that would be required to expand public service employment, as well as any additional housing program, would have to be found in large part,

if not entirely, by cutting expenditures elsewhere or by making minor additions to tax revenues.

In sketching this six-part program, I have sought to suggest that this country needs a broad and eclectic approach to the inflation problem; that restrictive monetary and fiscal policies are basic but insufficient; that they can be usefully supplemented by incomes-, energy-, and supply-expanding policies; that measures are also needed to alleviate the harsh impact of a policy of monetary and fiscal restraint on some sectors of our economy; and that long-range as well as immediate considerations require attention. I hope that the Congress will recognize general price stability as a prime objective of public policy by promptly passing a concurrent resolution to that effect, and that you will then turn to exploring in detail the numerous thoughtful suggestions that are emerging from the "summit meetings."

Your committee's efforts to restore order in Federal finances can make the difference between success and failure in the fight against inflation. I assure you that the Federal Reserve will do everything it can to facilitate your task.

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*Statement by Arthur F. Burns, Chairman, Board of Governors of the Federal Reserve System, before the Joint Economic Committee, October 10, 1974.*

I am pleased to appear before this committee once again this year to discuss our Nation's economic problems. Your main concern at these hearings, as I understand it, is to assess our Nation's needs and prospects for capital formation. Any such inquiry, I believe, should take as its starting point a general evaluation of economic and financial conditions as they exist at the present time.

The rampant inflation that we have been experiencing is having profound effects on the state of our economy—on production, jobs, interest rates, and security prices. Thus far this year, the consumer price index has risen at an annual rate averaging 12½ per cent. Wholesale prices of industrial commodities have risen

much more steeply, at an annual rate of over 30 per cent. And prices of farm products and processed foods at wholesale, after declining in the spring, have recently moved up sharply again in response to disappointing crop prospects.

Sustained double-digit inflation has pervasive implications for the performance of the economy. Despite sizable wage gains the real earnings of urban workers have eroded and consumer buying has suffered. Reports on business sales and profits are superficially favorable, but they have in fact been distorted by the inflation. Profits from domestic operations, after allowance for the effects of arbitrary accounting practices, have been generally disappointing. Financial relationships have also been thrown out of kilter. Nominal interest rates have soared because of the inflation premium demanded and received by investors; savers have shifted funds from the depositary institutions to higher-yield-

ing market instruments; stock prices have plummeted.

A still more ominous result of the inflation is the spread of doubts among businessmen and consumers. They do not know what their future expenses will be in dollar terms, nor whether their incomes will be sufficient to meet their costs. They do not know how they can protect their accumulated savings, the real value of which has been eroding despite a continuing build-up in dollar terms. They do not know what markets will be hurt by, nor what markets will benefit from, the higher and higher prices that people must pay. In short, the basic premises for the planning that is customarily done by American business firms and households have been upset, and the driving force of economic expansion has been blunted.

It is not surprising, therefore, that the physical performance of the economy has stagnated in recent months. Aggregate real output dropped in the first quarter of the year, as the Nation was adjusting to the shortage and steeper prices of petroleum, and it seems to have weakened somewhat further during the second and third quarters. Industrial production has been less affected by the slump in demand, but in August it was about 2 per cent below the peak of last November. As a result of slower real output and sales, the demand for labor has tended to moderate. The length of the average workweek has declined somewhat, and the growth in employment has slowed. The labor force has continued to expand, however, so that the unemployment rate has moved higher and it reached 5.8 per cent in September.

The recent stagnation in real output and the associated deterioration in employment conditions are regrettable manifestations of the damage to our economy wrought by inflation. If these recessive tendencies persist, they must and will be resisted. But a vital point that has been commonly overlooked is that, given the pattern of demands in the economy, we have not had the capacity for significantly larger output over the past year. Idle capacity that could be used to produce more automobiles or housing units does not directly provide resources that can be used to produce the goods and services that are in stronger demand. The use of raw materials in these sluggish activities is reduced, to be

sure, but the investment in plant and equipment—and in the short run, a considerable part of the labor force—is not readily transferable to other endeavors.

The moderation in the Nation's over-all output has already lasted a full year. Even so, some industrial materials, component parts, and equipment remain in short supply. Steel, aluminum, coal, plastics, paper, and basic chemicals are still counted among the shortages, as well as fabricated products such as electric motors, bearings, and metal castings. Supply conditions have gradually been improving, however, and price quotations for some sensitive industrial raw materials have declined of late. The weekly index of prices of such materials that the Federal Reserve maintains has dropped 18 per cent since the April peak, though it remains higher than at any time prior to last December.

I am hopeful that the availability of basic industrial materials will continue to improve. As it does so, there will be room for orderly expansion of output by industries that are heavy users of materials. Sizable investment programs are now under way in many of the basic materials industries, which will be adding significantly to their capacity in 1975 and subsequent years. Capital spending plans for 1974, for example, are indicated to exceed 1973 outlays by 42 per cent in the paper industry, 35 per cent in the primary metals industry, and 20 per cent in chemicals. These data reflect, of course, higher prices as well as larger physical quantities. Judging from reports on new appropriations and capital spending plans, further substantial increases in manufacturers' capital outlays are in prospect for next year.

It should be noted that the shortages in productive capacity have been spotty rather than general in character. We estimate that the basic materials industries have been operating, on average, at about 90 per cent of capacity thus far this year. This is somewhat below the 1973 operating rate, when supplies were exceptionally tight, but higher than in most other years during the past decade. For manufacturing generally, on the other hand, operating rates appear to be considerably lower.

Thus far this year, business capital expenditures have extended their rising trend, in real terms as well as dollars. Indeed, larger gains

might be difficult to achieve in the short run, since production of business equipment appears to be close to the limits of that industry's capability. The output of business equipment has grown little this year in the face of continued large increases of order backlogs. Preliminary readings suggest that capital spending will continue at a high level next year, but may not grow much in real terms. We need to encourage larger business capital formation in the interest of enlarging our productive capacity, modernizing industrial technology, and intensifying the forces of competition.

Many observers are forecasting a deepening recession in the U.S. economy in the year ahead. On present evidence, I believe that they are unduly pessimistic. Capital spending, as I have said, can and should move ahead, particularly if tax incentives to investment are increased. Residential construction activity, which is now badly depressed, is likely to experience a revival in the year ahead. The expanded program of governmental assistance in the mortgage market announced by the President will contribute toward that end.

We cannot realistically expect a sustained resurgence of economic activity, however, until confidence in our Nation's economy is restored. This, I believe, will require hard evidence that we are making progress in checking the disease of inflation. Frugality in spending by the Federal Government, and moderation in the wage demands of workers and in the pricing practices of business firms, are essential to regaining stability in the value of the dollar. Meaningful progress in combatting inflation would lead to a resurgence in consumer buying, a reduction in interest rates, a restoration of financial asset values, and a rebuilding of the optimism and confidence that engender greater willingness to save and to invest for the future.

Given the intensity of the inflation, as well as the excessive pressures on supply that have been present in key industries, the Board of Governors of the Federal Reserve System has been striving for some time to hold down the growth of money and credit. The policy that we have pursued represents a middle course. We have tried to apply the monetary brakes firmly enough to get results, but we have also been mindful of the need to allow the money

and credit supply to keep expanding moderately.

Our policies have had considerable success in dampening the expansion of the monetary aggregates. So far this year, the narrowly defined money supply—that is, currency plus demand deposits—has grown at an annual rate of 4½ per cent, in contrast to an average increase of 7 per cent during the preceding 3 years. Under a broader concept of money, defined to encompass also time deposits of commercial banks, except for their large negotiable certificates of deposit, the money supply has grown at a 7 per cent rate, in contrast to a 10½ per cent average rate of increase during the 1971–73 period.

Thus, the monetary aggregates have continued to grow this year, albeit at a more moderate rate than earlier. However, the demand for money and credit has been much greater than the supply. Short-term business credit, as represented by borrowing at commercial banks and in the commercial paper market, rose at an annual rate of more than 20 per cent during the first 8 months of 1974. New public offerings of corporate bonds in the capital market have been nearly double the volume of a year ago. As a result of the huge demand for borrowed funds, credit markets tightened and interest rates in both short- and long-term markets rose to an extraordinarily high level.

Such large credit requirements may seem puzzling in view of the recent sharp increases in reported corporate profits. But the profits being reported by many business firms are in part illusory. They are based on accounting principles devised for a noninflationary environment, and they therefore fail to reflect adequately the impact of inflation on the cost of replacing the inventories, plant, and equipment that are, so to speak, consumed in the process of production. The profits actually available for expansion of investment, or for dividend payments, have not increased this year. On the contrary, they have declined significantly.

The most recent comprehensive data on profits relate to the second quarter. Total corporate profits before taxes, according to the Department of Commerce, were at a seasonally adjusted annual rate of \$143.5 billion in that period. However, this figure includes the earnings of Federal Reserve Banks and other finan-

cial institutions. It includes the income generated by the operations of foreign branches and subsidiaries of American corporations. And it also includes the amounts paid by corporations on account of the Federal income tax. When we eliminate these several elements, we find that the after-tax profits of all manufacturing and other nonfinancial corporations were at a \$67 billion annual rate in the second quarter, or 18 per cent above the corresponding quarter in 1973.

But this profits figure still fails to allow for the using up of low-cost inventories to support current sales. When the higher cost of replacing these inventories is deducted from reported profits, the amount remaining for all other purposes is 21 per cent *below* the level in the second quarter of 1973. Indeed, when so adjusted, recent corporate profits appear to be substantially lower than in the latter half of the 1960's. Moreover, these lower profit figures still make no allowance for the increasing amounts by which charge-offs for depreciation of plant and equipment have been falling short of replacement costs. That shortfall now amounts to many billions of dollars.

This depressing picture of corporate profits has been largely ignored by the general public, but not by the stock exchanges—as the sorry price quotations for corporate shares testify. The recent inadequate level of corporate profits has forced corporations to borrow heavily, not only to finance their large and expanding capital expenditures, but often even to maintain their current production. The recent profit performance certainly provides too little incentive for investment in the new and more efficient capacity a growing economy will need.

At the very time when businesses have found it necessary to borrow extensively to finance their capital expenditure programs, Treasury and Federal agency borrowings through the securities markets have remained exceptionally large. State and local governments, too, have been raising a substantial volume of funds in credit markets. True, the credit flowing through the mortgage market has fallen considerably, and growth in consumer instalment credit has also slowed. In total, however, the volume of funds raised has been so large as to cause serious financial strains.

The strains in financial markets have been reflected not only in the rise of interest rates but also in a widening of risk premiums among credit instruments of differing quality. Investor confidence has been shaken by the difficulties experienced by the Franklin National Bank, by the closing or reported losses of some foreign banks, and by the acknowledged financial problems of a few large corporations. Market rumors have aggravated the situation, and some sound borrowers have found it exceedingly difficult to obtain open market credit.

The Federal Reserve has repeatedly made known its intent to fulfill its responsibilities as the Nation's lender of last resort. We have provided large amounts of temporary assistance to Franklin National and small amounts to a few other institutions. This has helped to calm fears and has enabled financial markets to function in an orderly manner. But tensions still remain, and not a few lenders and investors are cautious about the credit risks they are willing to assume.

Short-term market interest rates, however, have recently been declining, and this is helping to alleviate pressures in financial markets. The decline in these sensitive rates reflects, among other factors, the present stance of monetary policy. In view of the fact that substantial moderation in the growth of money and credit has now been achieved, and in view also of the recent sluggishness in the over-all demand for goods and services, the Federal Reserve has felt justified in easing the pressure on bank reserves.

Federal Reserve open market operations have thus been somewhat less restrictive recently, and the interest rate on day-to-day interbank lending has dropped from over 13 per cent in early July to about 10½ per cent currently. Other short-term interest rates, particularly the Treasury bill rate, have also declined appreciably. In early September, the Board announced a reduction in reserve requirements on large certificates of deposit maturing in 4 months or longer. This step was primarily designed to encourage banks to lengthen the maturity of their deposit liabilities, but it also released \$500 million of bank funds for additional loans or investments.

It would not be appropriate for me to speculate how far the recent modest easing tendency in financial markets may go. I can assure you,

however, that we at the Federal Reserve shall persevere in our basic policy of restraining the expansion of money and credit in the present inflationary environment. The supply of money and credit will continue to expand, but only at a moderate pace. If credit demands now subside, as may happen, market interest rates could decline further and institutionally determined interest rates, which traditionally lag behind market rates, could be expected to follow along.

Substantial progress in reducing interest rates, however, is unlikely to occur until borrowers and lenders are convinced that monetary policy is not alone in the struggle against inflation. I believe that the program proposed by the President on Tuesday, if it is strongly supported by the Congress, will help provide that assurance. Excessive reliance on monetary policy to achieve the restraint needed in economic behavior has costly side effects. It pushes interest rates to unduly high levels; it causes distortions in financial flows; and it forces industries that are heavily dependent on credit to make severe adjustments in their scale of operations.

The homebuilding industry especially has experienced serious difficulties this year in an environment of rapid inflation, extraordinarily high interest rates, and taut monetary policy. Homebuilding was already suffering from inflated land costs and sharply rising materials prices and wage costs. Also, the supply of housing units available for rent or sale had increased to unusually high levels during 1973 as a result of overbuilding in the previous 2 years and lagging consumer demand. The escalation of interest rates and reduced supplies of mortgage credit this year have thus aggravated an already deteriorating situation.

Not only do high interest rates raise the cost of home financing and thereby reduce the demand for housing but they also induce individual savers to shift their funds into high-yielding market instruments and away from the financial institutions that traditionally supply mortgage credit. This summer, many savings and loan associations and mutual savings banks suffered outflows of funds. Inflows of household deposits to the commercial banks were also substantially lower. In consequence, these institutions were forced to cut back on their new commitments to make mortgage loans. The result has been

a drying up in the availability of mortgage credit and also a further sharp drop in housing starts.

The financing problems of the construction industry have been exacerbated, moreover, by the abrupt curtailment in the lending activities of real estate investment trusts. These are relatively new institutions, which depend heavily on open market financing. Some of them became overextended and have experienced difficulty in rolling over their maturing debt. Much of this debt has had to be refinanced by the commercial banks, which the Federal Reserve has encouraged—within the limits of banking prudence—as part of its effort to protect the stability of the financial system.

The financial distortion and difficulties that are caused by excessive reliance on a restrictive monetary policy have not been limited to the housing and construction industries. They are felt also by other industries that must raise a large share of their funds in credit and capital markets. The electric utilities, in particular, have been having a difficult time this year. High interest rates, depressed stock prices, and increased investor caution in an uncertain environment have intensified the underlying financial problems of these companies.

Regulatory commissions have lagged in permitting the increases in electricity rates that are necessary to match the sharp increases in fuel and other operating costs, so that the earning capacity of the utilities has been badly eroded. As a result, the quality ratings of the bonds issued by some utility companies have been reduced, and this development has added to the cost of their borrowed funds. Moreover, as prices of utility stocks have fallen, in many cases far below book value, it has become very difficult and expensive for the utilities to raise new funds through the sale of stock.

In recent months, many utilities have announced large reductions or postponements in their planned capital expansion programs. To some degree, cutbacks of previous plans may be warranted by the efforts of business firms and households to conserve on the use of energy. But inability to raise the necessary financing has also been a major consideration in numerous instances, and this could lead to serious problems in the future. If the supply of electric power is to be adequate for the Nation's

needs in the years ahead, the utilities must be in a financial position to invest heavily in new capacity.

In view of the financing problems that have developed for the utilities, for homebuilding, for the thrift institutions and real estate investment trusts, and perhaps for other industries, some economists and legislators have suggested that there is need for a governmental program of direct credit allocation and control. I would strongly oppose such a course of action. Special programs of credit assistance may well be needed, such as those already in operation and newly announced by the President for housing. But to embark on a policy of allocating credit to particular individuals and business firms by governmental fiat would be a serious mistake, because it would not and could not work.

In view of the variety of financial channels available to most borrowers and lenders, controls would need to be rather comprehensive if they are to be at all effective. They would need to include not only the banks but other institutional lenders, such as the thrift institutions, finance companies, insurance companies, and pension funds. They would need to cover not only the lending by financial institutions but also the financing done through the public markets for debt and equity securities. They would probably need to regulate not only domestic lending and borrowing but also access to lending and investing alternatives abroad. This would be a task of vast administrative complexity.

Nor is even this the entire problem. The ultimate difficulty is that by disrupting the orderly processes of financial markets, such a program could create serious industrial imbalances and bring the economic activity of some industries and communities to a virtual halt. In my judgment, there is no good substitute for the decision-making process provided by our highly developed, sensitive, and intensely competitive financial system.

Nevertheless, we at the Board recognize the need to avoid using our Nation's scarce banking resources for unproductive purposes. Last month the Board received a report prepared by the Federal Advisory Council—a statutory body under the Federal Reserve Act—that suggested a set of priorities that should be followed under current conditions in bank lending. In releasing

the Council's guidelines, the Board noted that *limited credit resources* best serve the public interest when used for purposes that encourage expansion of productive capacity, sustain key sectors of national and local economies, provide liquidity for sound businesses in temporary difficulty, and take account of the special problems of the homebuilding industry and of small- and medium-sized businesses.

In the Board's judgment, the Council's statement on lending priorities can be helpful to bankers. We have sent it to all member banks in the United States, and we will be following their response. I would urge that other types of financial institutions also review their lending policies with a view to the special needs of the current economic and financial environment. But any such effort must have considerable flexibility in order to provide for the wide variety of circumstances that our thousands of institutions and millions of borrowers surely face.

In conclusion, I would readily grant that there are numerous imperfections in the behavior of our financial system. Institutional reforms are needed. The Board supports the principles of the proposed Financial Institutions Act, which aims to strengthen depository institutions and to promote greater competition among them. But it is also necessary to reform our regulatory structure so that the stability of the financial system may be enhanced. This need is receiving much attention at the Federal Reserve Board and elsewhere, just as stronger tax incentives for investments are concerning Treasury and other Government officials.

I must add, however, that in the Board's judgment, the main obstacle to the efficient functioning of our financial system is the raging inflation that we are experiencing. Inflation must be brought under control not only through the exercise of monetary and fiscal discipline but also by a crusade in which all citizens participate, as the President has proposed. I am confident that the battle against the disease of inflation can be won. As meaningful progress is made in doing so, interest rates will return to lower and more normal levels, the tensions in financial markets will abate, and reasonable financing will be found for the many worthwhile investment projects that a healthy, private economy always generates. □



# Record of Policy Actions

of the Federal Open Market Committee

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## MEETING HELD ON JULY 16, 1974

### 1. Domestic policy directive

The information reviewed at this meeting suggested that real output of goods and services had changed little in the second quarter, after having declined at an annual rate of 6.3 per cent in the first quarter, and that the increase in the GNP implicit deflator had not been quite so large as in the first quarter. No significant forces of economic expansion appeared to be emerging, and staff projections suggested that in the second half of the year real economic activity would grow at a minimal pace and that prices would increase less rapidly than in the first half.

In June industrial production was unchanged, after having advanced moderately in the preceding 2 months; for the second quarter as a whole, the level of output was essentially the same as that in the first quarter. Total nonfarm payroll employment edged down in June, following 2 months of substantial gains, and the unemployment rate remained at 5.2 per cent. According to the advance report, the dollar volume of retail sales had declined in June; the gain in sales from the first to the second quarter appeared to be little if any greater than the rise in average retail prices.

Wholesale prices of farm and food products dropped substantially in June for the fourth consecutive month. However, wholesale prices of industrial commodities continued upward at a fast pace, reflecting further large increases for most commodity groups. The advance in the index of average hourly earnings of production workers on nonfarm payrolls remained rapid in June, and the increase for the second quarter as a whole was much larger than that in the first quarter. In May the rise in the consumer price index had accelerated again to about the rate in the first quarter, reflecting in part an appreciable rise in retail prices of foods following a small decline in April.

The latest staff projections suggested that real economic activity would grow somewhat less in the second half of the year than

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had been anticipated 4 weeks earlier, in large part because an upturn in residential construction was no longer expected and a somewhat greater decline in net exports now appeared in prospect. Moreover, the projected rise in consumption expenditures had been scaled down slightly further. It was still anticipated that business fixed investment would expand moderately and that State and local government purchases of goods and services would continue to grow at a substantial rate.

In recent weeks the exchange rate for the dollar against leading foreign currencies had appreciated somewhat further to a level significantly above the low reached in mid-May after 3½ months of decline. The U.S. balance of payments on the official settlements basis was in substantial deficit in June, but the deficit reflected a large increase in investments in the United States by oil-producing countries rather than purchases of dollars by foreign monetary authorities for exchange-market intervention purposes. In May the U.S. merchandise trade deficit had increased sharply, as exports had dropped while imports had continued to expand.

Growth in loans and investments at U.S. commercial banks continued to moderate in June, reflecting for the most part a further slowing in business loan growth; banks enlarged their holdings of Federal agency and other securities. In late June and early July, however, outstanding business loans at banks expanded considerably, as some credit demands were diverted from the commercial paper and capital markets in response to sharp deterioration in conditions in those markets and to increases in market interest rates relative to effective rates on bank loans. The prime rate applicable to large corporations was raised by most banks in two steps from 11½ to 12 per cent.

The narrowly defined money stock ( $M_1$ )<sup>1</sup> grew somewhat more rapidly in June than in May, but a major part of the step-up was attributable to a temporary increase in foreign official deposits arising from payments to oil exporters. Net inflows to banks of time and savings deposits other than large-denomination CD's rose sharply. Banks again added a substantial amount to their outstanding volume of large-denomination CD's, but the addition was far below that for April or May. During the second quarter  $M_1$  grew

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

at an annual rate of 6.7 per cent, compared with 7.1 per cent in the first quarter, while the more broadly defined money stock ( $M_2$ )<sup>2</sup> grew at a rate of 7.7 per cent, down from 10 per cent in the first quarter.<sup>3</sup>

Net deposit inflows at nonbank thrift institutions—which had been weak in April and May—strengthened in June, although deposit experience deteriorated late in the month. Growth in the measure of the money stock that includes such deposits ( $M_3$ )<sup>4</sup> also picked up in June; over the second quarter, however,  $M_3$  grew at an annual rate of about 6.6 per cent, compared with 9.4 per cent in the first quarter. Contract interest rates on conventional mortgages and yields in the secondary market for Federally insured mortgages rose further from early June to early July.

The Treasury was expected to announce on July 31 the terms of its mid-August refunding. Of the maturing issues, \$4.3 billion were held by the public.

System open market operations immediately after the June 18 meeting had been guided by the Committee's decision to maintain about the prevailing restrictive money market conditions, provided that the monetary aggregates appeared to be growing at rates within the specified ranges of tolerance, while taking account of developments in domestic and international financial markets. In the statement week ending June 26 the Federal funds rate edged up to an average of about 12 per cent, compared with 11¾ per cent in the days before the June meeting. In the statement week ending July 3, however, the Federal funds rate was consistently above 13 per cent and averaged about 13½ per cent, despite System efforts to bring the rate down into the 11¼ to 12¼ per cent range of tolerance that had been specified by the Committee. On July 5 the Committee held a telephone meeting to discuss the situation

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<sup>2</sup> $M_1$  plus commercial bank time and savings deposits other than large-denomination CD's.

<sup>3</sup>Growth rates cited are calculated on the basis of the daily-average level in the last month of the quarter relative to that in the last month of the preceding quarter. Measures of the money stock subsequently were revised to reflect new benchmark data for deposits at nonmember banks; on the revised basis  $M_1$  grew at annual rates of 5.6 and 6.4 per cent in the first and second quarters, respectively.

<sup>4</sup> $M_2$  plus time and savings deposits at mutual savings banks and at savings and loan associations.

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and to consider whether any Committee actions would be appropriate.

On the day of the telephone meeting it appeared that in the June–July period growth in  $M_1$  would be within its range of tolerance and that growth in  $M_2$  would be at about the upper limit of its range. The Manager reported that, in order to bring the funds rate back within its range of tolerance, he would have had to expand reserve-supplying operations substantially. In his view, the high level of the funds rate was a reflection of the great uncertainty prevailing in both domestic and foreign financial markets, compounded by the effects of market transactions related to the midyear statement date for banks and by the July 4 holiday. In view of the likelihood that the high level of the rate was primarily a consequence of technical factors that might well prove temporary, the Committee concluded that there was no immediate need to press hard to bring the funds rate down within the specified range of tolerance.

Subsequent to the telephone meeting the volume of reserves provided through open market operations was deemed sufficient to have reduced the Federal funds rate to about 12 per cent under normal circumstances. Member bank borrowing at the Reserve Banks was unexpectedly low, however, and the funds rate remained at an extremely high level; its average for the statement week ending July 10 was estimated at about 13½ per cent. The Manager reported that to bring the weekly average rate down to the 12¼ per cent upper limit of the Committee's range of tolerance probably would be difficult without providing nonborrowed reserves on a very large scale. It now appeared that in the June–July period the growth rates of both  $M_1$  and  $M_2$  would be somewhat below the upper limits of their ranges of tolerance. A majority of the members of the Committee concurred in a recommendation by the Chairman on July 10 that the Manager be instructed to act to reduce the funds rate, but not so aggressively as to risk unduly rapid growth in reserves and monetary aggregates. Specifically, the members agreed that the Manager be instructed to undertake operations promptly with a view to reducing the funds rate to 13 per cent, on the understanding that the rate would be permitted to decline to the neighborhood of 12 per cent should money market factors work in that direction.

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The funds rate remained near 13½ per cent until the day of this meeting, when it dropped below 12½ per cent. In the 3 weeks ending July 10, member bank borrowings averaged about \$2,955 million, down from an average of about \$3,155 million in the preceding 4 weeks.

Private short-term market interest rates rose substantially in the period between the Committee's meeting on June 18 and this meeting, in response both to the rise in the Federal funds rate and to strong short-term credit demands of business, which were bolstered by the diversion of some demands from the capital market. Yield spreads between high- and lower-quality securities widened further as a result of uneasiness in financial markets. In contrast with private short-term rates, Treasury bill rates declined somewhat, reflecting not only the shift in investor preference toward securities of higher quality, but also a seasonal reduction in market supplies of bills and the persistence of substantial demands from foreign monetary authorities and from small investors. On the day before this meeting the market rate on 3-month Treasury bills was 7.62 per cent, down from 8.17 per cent on the day before the June meeting.

Yields on long-term private securities rose substantially in the inter-meeting period, while yields on long-term Government securities increased relatively little. The volume of public offerings of corporate bonds declined somewhat in June, as some scheduled offerings were postponed or canceled and other issues were reduced in size. An unseasonably large volume of corporate offerings appeared in prospect for July. Long-term offerings of State and local government bonds declined slightly from May to June and appeared likely to decline a little further in July.

The Committee concluded that the economic situation continued to call for moderate growth in monetary aggregates over the longer run and that, in view of the rapid monetary expansion recently, it would seek to achieve less rapid growth in monetary aggregates over the months ahead. A staff analysis suggested that if growth in  $M_1$  were maintained at a rate consistent with the Committee's longer-run objectives for the monetary aggregates, money market conditions would ease somewhat in the period immediately ahead.

According to the staff analysis, the tightening in money market conditions that had occurred in recent weeks reflected in part

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uncertainties that caused member banks to attempt to protect their liquidity positions; their willingness to borrow from Federal Reserve Banks was reduced and their willingness to hold excess reserves was increased at given levels of the Federal funds rate. Bank attitudes concerning borrowings and excess reserves appeared to be returning to normal, and that development—along with open market operations directed toward accommodating any lingering increased demands for liquidity—was expected to ease money market pressures. Such easing would probably lead to a more general relaxation of pressures in markets for short- and long-term securities, although any declines in interest rates that might occur were likely to be moderate and short-lived in view of the rate of inflation, continuance of strong credit demands, and the forthcoming Government financings.

The analysis suggested that inflows of consumer-type time and savings deposits to banks and to nonbank thrift institutions would continue to be constrained and that rates of growth in both  $M_2$  and  $M_3$  would decline. The rate of expansion in total bank credit was expected to be reduced substantially. Although credit demands at banks would continue large, in part because of diversions of some demands from the unsettled financial markets, it seemed likely that many banks would find it difficult to expand their outstanding volume of large-denomination CD's and would meet loan demands by curtailing acquisitions of securities.

Taking account of the staff analysis, the Committee decided that ranges of tolerance for rates of expansion in the monetary aggregates over the July–August period should be wide enough to accommodate lower rates of growth in the monetary aggregates than were expected at present, in the event that growth appeared to be falling short of present expectations, given the range of tolerance specified for the Federal funds rate. Specifically, for the July–August period the Committee adopted ranges of tolerance of 2 to 6 per cent and  $4\frac{1}{2}$  to  $7\frac{1}{2}$  per cent for the annual rates of growth in  $M_1$  and  $M_2$ , respectively. The members agreed that rates of growth within those ranges would be likely to involve growth in reserves available to support private nonbank deposits (RPD's) during the same period at an annual rate within a range of tolerance of  $8\frac{3}{4}$  to  $11\frac{3}{4}$  per cent, and they decided that in the period until the next meeting the weekly average Federal funds rate might be

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permitted to vary in an orderly fashion from as low as 11½ per cent to as high as 13 per cent, if necessary, in the course of operations.

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

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

The information reviewed at this meeting suggests that real output of goods and services changed little in the second quarter and that no significant expansive forces appear to be emerging. The over-all rate of price rise, while very large, was not quite so rapid in the second as in the first quarter, but the advance in wage rates accelerated. In June industrial production was unchanged, following 2 months of moderate advance, while nonfarm payroll employment edged down. The unemployment rate remained at 5.2 per cent. Wholesale prices of farm and food products declined substantially further, but increases among industrial commodities continued widespread and extraordinarily large.

Since mid-May the dollar has appreciated somewhat against leading foreign currencies. In June there was a large increase in foreign official assets in the United States, mainly reflecting investments by oil-exporting countries. The foreign trade deficit increased sharply in May, as exports declined and imports rose further.

Growth in the narrowly defined money stock was somewhat more rapid in June than in May; growth during the second quarter was close to the 7 per cent first-quarter pace. Net inflows of consumer-type time deposits at banks and at nonbank thrift institutions increased in June, but deposit experience at the nonbank institutions deteriorated late in the month. Growth in business loans and in total bank credit slowed in June, and banks added much less to their outstanding volume of large-denomination CD's than in April and May. Private market interest rates have risen substantially in recent weeks, and in association with uneasy conditions in financial markets, yield spreads between prime and lower quality issues have widened. Yields on long-term Government securities have increased

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relatively little, and those on Treasury bills have declined somewhat.

In light of the foregoing developments, it is the policy of the Federal Open Market Committee to foster financial conditions conducive to resisting inflationary pressures, supporting a resumption of real economic growth, and achieving equilibrium in the country's balance of payments.

To implement this policy, while taking account of the forthcoming Treasury refunding and of developments in domestic and international financial markets, the Committee seeks to achieve bank reserve and money market conditions that would moderate growth in monetary aggregates over the months ahead.

Votes for this action: Messrs. Burns, Hayes, Black, Clay, Holland, Kimbrel, Mitchell, Sheehan, Wallich, and Winn. Vote against this action: Mr. Bucher.

Absent and not voting: Mr. Brimmer.

In dissenting from this action, Mr. Bucher said he favored maintaining a generally restrictive policy stance in order to combat inflation. However, he thought that that longer-run objective would be best served by seeking in the short run to maintain growth in the monetary aggregates at recent rates; in his view, further efforts to moderate monetary growth at this point would involve an unduly high risk of creating economic conditions that would necessitate a marked relaxation of policy.

## **2. Amendment to authorization for domestic open market operations**

The Committee amended paragraph 1(b) of the authorization for domestic open market operations to increase the limit on outright holdings of bankers' acceptances from \$125 million to \$500 million. With this amendment, paragraph 1(b) read as follows:

To buy or sell in the open market, from or to acceptance dealers and foreign accounts maintained at the Federal Reserve Bank of New York, on a cash, regular, or deferred delivery basis, for the account of the Federal Reserve Bank of New York at market discount rates, prime bankers' acceptances with maturities of up to 9 months at the time of acceptance that (1) arise out of the current shipment of goods between countries or within the United States, or (2) arise out of the storage within the United States of goods

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under contract of sale or expected to move into the channels of trade within a reasonable time and that are secured throughout their life by a warehouse receipt or similar document conveying title to the underlying goods; provided that the aggregate amount of bankers' acceptances held at any one time shall not exceed \$500 million.

Votes for this action: Messrs. Burns, Hayes, Black, Bucher, Clay, Holland, Kimbrel, Mitchell, Sheehan, Wallich, and Winn. Votes against this action: None.

Absent and not voting: Mr. Brimmer.

This action was taken on recommendation of the Account Manager, who reported that recent purchases had brought System holdings of bankers' acceptances close to the \$125 million limit. The Manager noted that purchases of acceptances were particularly useful as a supplement to other reserve-supplying techniques under current circumstances, when the volume of Government securities available in the market was often limited, and in the Committee's current policy discussion earlier in this meeting, it had been suggested that the Manager give greater weight to the purchase of bankers' acceptances in the process of supplying reserves. Because the volume of bankers' acceptances outstanding had risen sharply over the past decade, the new limit was less than 5 per cent of outstandings, as the previous limit had been when it was established in 1964.

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

On recommendation of the Manager, the Committee amended the guidelines for the conduct of operations in securities issued by Federal agencies to delete those previously numbered 4 and 7, and to renumber as 4, 5, and 6 those previously numbered 5, 6, and 8. The guidelines deleted were as follows:

4. System holdings of maturing agency issues will be allowed to run off at maturity.
7. No new issues will be purchased in the secondary market until at least 2 weeks after the issue date.

Votes for this action: Messrs. Burns, Hayes, Black, Bucher, Clay, Holland, Kimbrel, Mitchell,

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Sheehan, Wallich, and Winn. Votes against this action: None.

Absent and not voting: Mr. Brimmer.

Initial guidelines for operations in agency issues had been approved on August 21, 1971, with the understanding that they would be subject to review and revision as experience was gained, and revisions had been made on several subsequent occasions. At this meeting the Committee concurred in the Manager's judgment that experience had demonstrated both the absence of need for the technical restrictions embodied in the two guidelines in question and the advantages of their deletion. With respect to the latter, it was noted that the deletion of guideline 4 would make it possible to avoid the negative impact on reserves that automatically ensued when maturing issues were redeemed, and that the deletion of guideline 7 would increase the availability of agency issues for purchase by the System, since recent issues were the most actively traded in the market. These changes brought System operating practices for agency issues more closely in line with those for Treasury securities.

As a result of these changes, the guidelines for operations in agency issues read as follows:

1. System open market operations in Federal agency issues are an integral part of total System open market operations designed to influence bank reserves, money market conditions, and monetary aggregates.
  2. System open market operations in Federal agency issues are not designed to support individual sectors of the market or to channel funds into issues of particular agencies.
  3. System holdings of agency issues shall be modest relative to holdings of U.S. Government securities, and the amount and timing of System transactions in agency issues shall be determined with due regard for the desirability of avoiding undue market effects.
  4. Purchases will be limited to fully taxable issues for which there is an active secondary market. Purchases will also be limited to issues outstanding in amounts of \$300 million or over in cases where the obligations have a maturity of 5 years or less at the time of issuance, and to issues outstanding in amounts of \$200 million or over in cases where the securities have a maturity of more than 5 years at the time of issuance.
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5. System holdings of any one issue at any one time will not exceed 20 per cent of the amount of the issue outstanding. Aggregate holdings of the issues of any one agency will not exceed 10 per cent of the amount of outstanding issues of that agency.
6. All outright purchases, sales and holdings of agency issues will be for the System Open Market Account.

\* \* \* \* \*

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

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# Law Department

Statutes, regulations, interpretations, and decisions

## EXTENSIONS OF CREDIT BY FEDERAL RESERVE BANKS

The Board of Governors has amended its Regulation A to permit application of a special rate on emergency credit to member banks in exceptional circumstances involving only a particular member bank.

### AMENDMENT TO REGULATION A

Effective September 25, 1974, section 201.2(e) is amended to read as follows:

#### SECTION 201.2—GENERAL PRINCIPLES

##### (e) Other credit to member banks

(1) In the event of unusual or emergency circumstances resulting from national, regional, or local difficulties, Federal Reserve credit beyond that contemplated under section 201.2(c) is available.

(2) Federal Reserve credit is also available for protracted assistance where there are exceptional circumstances or practices involving only a particular member bank. A special rate apart from rates charged for lending to member banks under other provisions of this Part may be established by Federal Reserve Banks subject to review and determination by the Board of Governors and applied to such credit. The special rate may apply to member banks borrowing for prolonged periods (such as for more than eight weeks) and in significant amounts (such as when the loan has exceeded on average the amount of the borrowing bank's required reserves) because of financial strains arising from particular circumstances or practices affecting the individual bank—including sustained deposit drains, impaired access to money market funds, or sudden deterioration in loan repayment performance. In no case should the special loan rate to member banks exceed the rate established for loans to nonmembers under 12 U.S.C. 347(c).

\* \* \* \* \*

## RESERVES OF MEMBER BANKS

The Board of Governors has amended its Regulation D to remove the present 3 per cent marginal reserve requirement on those classes of time deposits and other obligations currently subject to that requirement which on September 5, 1974 have a remaining maturity of four months or more, or which are issued on or after that date with initial maturities of four months or more.

### AMENDMENTS TO REGULATION D

1. Effective September 5, 1974, Sections 204.5(a)(1)(ii) and (2)(ii) are amended to read as follows:

#### SECTION 204.5—RESERVE REQUIREMENTS

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

(1) If not in a reserve city—\* \* \*

(ii) 3 per cent of its other time deposits up to \$5 million, plus 5 per cent of such deposits in excess of \$5 million: *Provided, however,* That a member bank shall maintain a reserve balance equal to 8 per cent of the amount by which the daily average amount of time deposits and such other obligations of the types hereinafter specified exceeds either the daily average amount of such obligations outstanding during the computation period ending May 16, 1973, or \$10 million, whichever is greater, and such 8 per cent reserve percentage shall apply only with respect to the following types of obligations which on September 5, 1974, have a remaining maturity of less than 120 days or which are issued on or after that date with initial maturities of less than 120 days:

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

(b) time deposits represented by promissory

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

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

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

(ii) 3 per cent of its other time deposits up to \$5 million, plus 5 per cent of such deposits in excess of \$5 million: *Provided, however,* That a member bank shall maintain a reserve balance equal to 8 per cent of the amount by which the daily average amount of time deposits and such other obligations of the types hereinafter specified exceeds either the daily average amount of such obligations outstanding during the computation period ending May 16, 1973, or \$10 million, whichever is greater, and such 8 per cent reserve percentage shall apply only with respect to the following types of obligations which on September 5, 1974, have a remaining maturity of less than 120 days or which are issued on or after that date with initial maturities of less than 120 days:

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

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

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

The Board of Governors has also amended its Regulation D to classify as deposits, and thereby subject to reserve requirements, funds received by member banks from the issuance of due bills in connection with sales of securities where the securities sold are not delivered to or for the account of the purchaser within three business days from the time of the purchase and where, for any period thereafter such due bills are not fully collateralized by securities similar to those that the due bill represents.

2. Effective October 14, 1974, Section 204.1(f) is amended by adding a new sentence at the end there of to read as follows:

#### SECTION 204.1—DEFINITIONS

\* \* \* \* \*

(f) **Deposits as including certain promissory notes and other obligations.** \* \* \* In addition to and notwithstanding the foregoing, the term "deposit" includes any liability or undertaking on the part of a member bank to sell or deliver securities to, or purchase securities for the account of, any customer (including other banks), involving the receipt of funds by the member bank or a debit to an account of such customer before the securities are delivered, unless such securities are delivered to or for the account of the purchaser within three business days from the date of purchase or, thereafter, such liability or undertaking is fully secured by collateral consisting of one or more securities "similar to" and with an aggregate market value at least equal to that of the securities which are the subject of the member bank's liability or undertaking.

#### INTERPRETATION OF REGULATION D

On September 13, 1974, the Board of Governors approved an amendment to § 204.1(f) of Regulation D (effective October 14, 1974) to define as deposits for reserve requirement purposes due bills issued on or after the effective date by member banks that are uncollateralized which remain outstanding for more than three business days. Since 1966, due bills issued or undertaken by a member bank principally as a means of obtaining funds to be used in its banking business, have been defined as deposits under both Regulation D (204.1(f)) and Regulation Q (217.1(f)).

This amendment retains the existing deposit treatment under both Regulations D and Q for due bills issued principally as a means of obtaining funds and provides an additional provision under Regulation D to define as deposits due bills that remain uncollateralized after three business days. Such due bills would be subject to demand deposit reserve requirements. These amendments define as deposits for reserve purposes due bills outstanding for more than three business days and which are not fully secured by securities "similar to" those that are the subject of the underlying due bill transaction. For purposes of the collateralization requirement, due bills in Treasury securities may be secured by appropriate amounts of any other marketable Treasury issues (including Federal Financing Bank issues) regardless of maturity. Due bills in securities of agencies of the Federal Government may be secured by either Treasury or agency issues, also regardless of maturity.

The securities used to collateralize due bill transactions may be individually identified and issued against a particular due bill transaction. In addition, securities qualified to serve as collateral may be placed in a pool of similarly qualified securities and all or part of such pool may be used to collateralize a member bank's due bill transactions.

In addition to the foregoing requirements, the good faith effort to make (1) timely delivery of the underlying security represented by the due bill transaction and (2) full disclosure to customers that a due bill may be issued in lieu of the security sought to be purchased, are regarded as basic elements of bona fide due bill transactions. Where it is the practice of a member bank not to attempt to obtain and deliver the underlying security within a reasonable time from the issuance of the due bill or where customers are not informed of a bank's inability to obtain the security sought to be purchased, such practices indicate that a member bank is utilizing due bill transactions as a means of obtaining funds principally for its banking business and therefore, regardless of outstanding collateralization, such transactions are regarded as a "deposit" under both § 204.1(f) of Regulation D and 217.1(f) of Regulation Q. For example, where a bank issues due bills with short maturities and where due bills are regularly issued under agreement or understanding to repurchase and reissue for an additional period, such transactions may be regarded as "deposits" under both Regulation D and Regulation Q.

References to due bills issued by member banks contained in paragraph (e) of the Board's interpretation issued in 1970 (§ 217.137, 1970 BULLETIN 38) regarding Federal funds transactions are superceded by this interpretation.

#### MEMBERSHIP OF STATE BANKING INSTITUTIONS IN THE FEDERAL RESERVE SYSTEM

The Board of Governors has amended its Regulation H to require any State member bank as a condition of making, increasing, extending, or renewing any loan secured by improved real estate or a mobile home located or to be located in an area that has been identified by the Secretary of Housing and Urban Development as an area having special flood hazards, to provide the purchaser or lessee of affected property with written notice of such designation.

#### AMENDMENT TO REGULATION H

Effective September 22, 1974, Section 208.8(e) shall be amended by adding a new subparagraph (4) as follows:

#### SECTION 208.8—BANKING PRACTICES

\* \* \* \* \*

#### (e) Loans by State member banks in identified flood hazard areas.

\* \* \* \* \*

(4) Notice to borrower of special flood hazard. After September 21, 1974, each State member bank shall as a condition of making, increasing, extending, or renewing any loan secured by improved real estate or a mobile home located or to be located in an area that has been identified by the Secretary of Housing and Urban Development as an area having special flood hazards, mail or deliver as soon as feasible but not less than 10 days in advance of closing of the transaction (or not later than the bank's commitment, if any, if the period between commitment and closing is less than 10 days) a written notice to the borrower that the property securing the loan is in an area so identified. In lieu of the notification required in this section, a bank may obtain satisfactory written assurances from a seller or lessor that such seller or lessor has notified the borrower, prior to the execution of any agreement for sale or lease, that the property securing the loan is in an area so identified. A bank shall require the borrower, prior to closing, to provide the bank with a written acknowledgment that the borrower realizes that the property, securing the loan or upon which a mobile home is or will be located, is in a special flood hazard area.

#### INTERPRETATION OF REGULATION Y

From time to time questions have arisen as to whether and under what circumstances a bank holding company engaged in nonbank activities, directly or indirectly through a subsidiary, pursuant to § 4(c)(8) of the Bank Holding Company Act of 1956, as amended (12 U.S.C. 1843(c)(8)), may acquire the assets and hire employees of another company, without first obtaining Board

approval pursuant to § 4(c)(8) and the Board's Regulation Y (12 CFR 225.4(b)).

In determining whether Board approval is required in connection with the acquisition of assets, it is necessary to determine (a) whether the acquisition is made in the ordinary course of business<sup>1</sup> or (b) whether it constitutes the acquisition, in whole or in part, of a going concern.<sup>2</sup>

The following examples illustrate transactions where prior Board approval will generally be required:

1. The transaction involves the acquisition of all or substantially all of the assets of a company, or a subsidiary, division, department or office thereof.

2. The transaction involves the acquisition of less than "substantially all" of the assets of a company, or a subsidiary, division, department or office thereof, the operations of which are being terminated or substantially discontinued by the seller, but such asset acquisition is significant in relation to the size of the same line of nonbank activity of the holding company (e.g., consumer finance, mortgage banking, data processing). For purposes of this interpretation, an acquisition would generally be presumed to be significant if the book value of the nonbank assets being acquired exceeds 20 per cent of the book value of the nonbank assets of the holding company or nonbank subsidiary comprising the same line of activity.

3. The transaction involves the acquisition of assets for resale and the sale of such assets is not a normal business activity of the acquiring holding company.

4. The transaction involves the acquisition of the assets of a company, or a subsidiary, division, department or office thereof, and a major purpose of the transaction is to hire some of the seller's principal employees who are expert, skilled and experienced in the business of the company being acquired.

In some cases it may be difficult, due to the wide variety of circumstances involving possible

acquisition of assets, to determine whether such acquisitions require prior Board approval. Bank holding companies are encouraged to contact their local Reserve Bank for guidance where doubt exists as to whether such an acquisition is in the ordinary course of business or an acquisition, in whole or in part, of a going concern.

#### MISCELLANEOUS INTERPRETATION

A question has been raised as to whether a member bank's purchase, without recourse, and at face value, of any mortgage note, or participation therein, from a mortgage banking subsidiary of its parent bank holding company at the inception of the underlying mortgage loan involves a "loan" or "extension of credit" from the member bank to the affiliate within the meaning of section 23A of the Federal Reserve Act (12 U.S.C. 371c). In the given circumstances, the affiliate originated the mortgage loans at premises other than an office of the member bank and hence was not a company furnishing services to or performing services for the holding company or its banking subsidiaries within the meaning of § 4(c)(1)(C) of the Bank Holding Company Act (12 U.S.C. 1843(c)(1)(C)). Loans or extensions of credit to the affiliate were therefore not entitled to exemption from the provisions of section 23A by virtue of subsection (1) of the final paragraph thereof.

Paragraph 4 of section 23A provides that the term "extension of credit" shall be deemed to "include" the discount of promissory notes, bills of exchange, conditional sales contracts, or similar paper, whether with or without recourse, excepting the acquisition of such paper by a member bank from another bank without recourse. In previously interpreting the statutory provision from which this provision is derived (Section 6 of the Bank Holding Company Act of 1956, repealed July 1, 1966), the Board concluded that "discount" in the context of the statute meant "purchase" and that the purchase of notes, bills of exchange, conditional sales contracts or similar paper from an affiliate was subject to the prohibitions of the statute. (1958 Federal Reserve BULLETIN 260.) Further, the Board notes that the definition in section 23A is illustrative rather than exclusive. The Board believes that the purposes of section 23A justify a broad construction of the definition of "extension of credit" to include certain purchases of obligations, even though the purchases are not made at a discount from face value. A bank's financing

<sup>1</sup>Section 225.4(c)(3) of the Board's Regulation Y (12 CFR 225.4(c)(3)) generally prohibits a bank holding company or its subsidiary engaged in activities pursuant to authority of § 4(c)(8) of the Act from being a party to any merger "or acquisition of assets other than in the ordinary course of business" without prior Board approval.

<sup>2</sup>In accordance with the provisions of § 4(c)(8) of the Act and § 225.4(b) of Regulation Y, the acquisition of a going concern requires prior Board approval.

of the working capital needs of a mortgage banking affiliate may occur through outright purchases of obligations, and the types of abuses with which section 23A is concerned are likewise possible in such circumstances, since such transactions between affiliates could result in an undue risk to the financial condition of the purchasing bank.

The Board is of the opinion that the purchase by a member State bank of a mortgage note, or participation therein, from a mortgage banking affiliate would involve a loan or extension of credit to the affiliate if the latter had either made, or committed itself to make, the loan or extension of credit evidenced by the note prior to the time when the member bank first obligated itself, by commitment or otherwise, to purchase the loan or a participation therein. However, there would be no loan or extension of credit by the member bank to its mortgage banking affiliate if the member bank's commitment to purchase the loan, or a participation therein, is obtained by the affiliate within the context of a proposed transaction, or series of proposed transactions, in anticipation of the affiliate's commitment to make such loan(s), and is based upon the bank's independent evaluation of the credit worthiness of the mortgagor(s). In these latter circumstances, the member bank would be taking advantage of an investment opportunity rather than being impelled by any improper incentive to alleviate working capital needs of the affiliate that are directly attributable to excessive outstanding commitments.

The Board cautions, however, that it would regard a blanket advance commitment by a member State bank to purchase from its mortgage banking affiliate a stipulated amount of loans, or an amount thereof exceeding defined credit lines of the affiliate, that bears no reference to specific proposed transactions, as involving an unsound banking practice, unless the commitment is conditioned upon compliance of loans made thereunder with the requirements of section 23A. It would not suffice to condition such a commitment upon the bank's ultimate approval of the credit standing of the various mortgagors. That blanket commitment would have the inherent tendency, in the context of an affiliate relationship, to cause the bank to relax sound credit judgment concerning the individual loans involved when the affiliate was in need of bank financing, thereby resulting in an inappropriate risk to the soundness of the bank.

## BANK HOLDING COMPANIES

### NONBANKING ACTIVITIES OF BANK HOLDING COMPANIES

By notice of proposed rulemaking published in the Federal Register on May 23, 1973 (38 F.R. 13572), the Board of Governors proposed, in connection with applications filed pursuant to § 4(c)(8) of the Bank Holding Company Act (12 U.S.C. 1848(c)(8)) and § 225.4(b)(2) of the Board's Regulation Y (12 CFR 225.4(b)(2)), to add to the list of activities that it has determined to be closely related to banking or managing or controlling banks (§ 225.4(a) of Regulation Y) the following: "Engaging in the underwriting of real estate mortgage guaranty insurance." An oral presentation considering possible rulemaking with respect to the proposal was held on January 24 and 25, 1974, after notice thereof was published in the Federal Register on October 26, 1973 (38 F.R. 29650), and revised with respect to the date of the oral presentation on November 28, 1973 (38 F.R. 32823).

The Board has considered all comments received prior to the oral presentation, the record of the oral presentation, and all comments submitted in connection with, and subsequent to, the oral presentation that were received by the Board through July 31, 1974. After considering all relevant aspects of the proposal to add the underwriting of real estate mortgage guaranty insurance to the list of closely related activities, the Board has determined not to adopt this activity at the present time.

Mortgage guaranty insurance is essentially a limited guarantee of a mortgage loan.<sup>1</sup> The underwriting processes of the mortgage insurer are similar to the mortgage extension process of banks since both involve analysis of the credit worthiness of the borrower and appraisal of the real estate that is pledged as collateral. The underwriting of mortgage guaranty insurance is principally a credit determination, similar to those made by banks in their regular course of business. Because guaranteeing mortgages involves activities that banks

<sup>1</sup>Mortgage guaranty insurance typically covers the top 20 or 25 per cent of a mortgage loan. In the event of default by the borrower, the lender acquires title to the property and then submits a claim to the insurer. The insurer then has a choice of two options: (1) take title to the property and pay the lender the unpaid principal and interest; or (2) pay the lender the 20 or 25 per cent insured portion of the loan, with the lender retaining title to the property.



frequently perform and requires skills that banks clearly possess, the Board concludes that this activity is closely related to banking.

Opponents of this proposal cite the possibilities of conflicts of interest, structural tying of services, and diversion of capital from the banking industry as adverse effects which could result from bank holding company performance of this activity. In its notice of proposed rulemaking, the Board proposed restrictions and requirements upon bank holding company performance of this activity: (1) the proposed subsidiary may not underwrite mortgage guaranty insurance on mortgages originated by the holding company system; (2) the proposed subsidiary must become an insurer qualified by the Federal Home Loan Mortgage Corporation; (3) the bank holding company system may not make demand deposits in, or reduce correspondent service charges for, any financial institution as an indirect means of compensating that financial institution for utilizing the holding company's proposed underwriting subsidiary; (4) the name of the proposed subsidiary may not resemble that of the holding company or any subsidiary bank; and (5) the proposal that, with respect to any proposed mortgage guaranty subsidiary, in no event may the resources of any banking subsidiary of the holding company be used to support such company if it encounters financial difficulties. The Board finds that the possible adverse effects could be maintained at an acceptable level by adoption of these proposed restrictions and requirements.

Proponents have contended that bank holding company performance of this activity could be expected to result in some significant benefits to the public. For example, it is stated that the private mortgage insurance industry is presently characterized by a high level of concentration, and bank

holding company entry into the industry would bring increased competition. It is further contended that bank holding companies will bring new capital into the industry, increase the underwriting capacity of the industry, and increase the supply of mortgage guaranty insurance.

The Board notes that the present private mortgage insurance industry is a relatively young industry which is still developing and which has a limited, and as yet untested, operating history.<sup>2</sup> In addition, the Board believes that these are times when it would be desirable for bank holding companies generally to slow their present rate of expansion and to direct their energies principally toward strong and efficient operations within their existing modes, rather than toward expansion into new activities. This is particularly true with regard to expansion into a new area such as private mortgage insurance involving uncertainties which are sufficient in the Board's view to outweigh at the present time the public benefits that might be expected to result from this proposal. Accordingly, the Board has concluded that it would not be appropriate, at this time, to adopt the underwriting of mortgage guaranty insurance as permissible for bank holding companies.

By order of the Board of Governors,<sup>3</sup> effective September 9, 1974.

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

[SEAL]

<sup>2</sup>The oldest company in the industry was founded in 1956, the next oldest companies were founded in 1961.

<sup>3</sup>Voting for this action: Chairman Burns and Governors Brimmer, Bucher, and Holland. Voting against: Governors Sheehan and Wallich. Absent and not voting: Vice Chairman Mitchell. Board action was taken while Governor Brimmer was a Board member.

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

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

DRUMMOND BANCSHARES, INC.,  
DRUMMOND, OKLAHOMA

ORDER APPROVING FORMATION OF  
BANK HOLDING COMPANY

Drummond Bancshares, Inc., Drummond, Oklahoma, has applied for the Board's approval

under § 3(a)(1) of the Bank Holding Company Act (12 U.S.C. 1842(a)(1)) of formation of a bank holding company through acquisition of 80 per cent or more of the voting shares of Bank of Drummond, Drummond, Oklahoma ("Bank").

Notice of the application, affording opportunity for interested persons to submit comments and views, has been given in accordance with § 3(b) of the Act. The time for filing comments and views has expired, and the application and all comments

received have been considered by the Board in light of the factors set forth in § 3(c) of the Act (12 U.S.C. 1842 c)).

Applicant was recently organized for the purpose of becoming a bank holding company through the acquisition of Bank. Bank, with deposits of 4.1 million,<sup>1</sup> is the only commercial bank in Drummond and the sixth largest of ten banks in the Enid banking market (approximated by Garfield County), and controls approximately 2.6 per cent of the total commercial bank deposits therein. Upon acquisition of Bank, Applicant would control the 326th ranking bank, out of 448 banks, in Oklahoma, and .05 of 1 per cent of total deposits in commercial banks in the State. Since the purpose of the proposed transaction is essentially a reorganization to effect a transfer of the ownership of Bank from individuals to a corporation owned by the same individuals, consummation of the proposal herein would not eliminate existing or potential competition, nor have an adverse effect on other area banks.

The financial and managerial resources and future prospects of Applicant, which are dependent upon those of Bank, are considered to be satisfactory. The projected earnings for Bank provide Applicant with the necessary financial flexibility to service the debt incurred as a result of the present proposal as well as to augment Bank's capital if the need arises. Accordingly, financial and managerial considerations are consistent with approval of the application. As indicated above, the proposed acquisition represents a change in the form of ownership of Bank, and there are no significant proposed changes in the operation or services of Bank. Considerations relating to the convenience and needs of the community to be served are consistent with approval. It is the Board's judgment that the acquisition would be in the public interest and that the application should be approved.

On the basis of the record, the application is approved for the reasons summarized above, provided that the transaction shall not be made (a) before the thirtieth calendar day following the effective date of this Order or (b) later than three months after the effective date of this Order unless such period is extended for good cause by the

Board, or by the Federal Reserve Bank of Kansas City pursuant to delegated authority.

By order of the Board of Governors, effective September 26, 1974.

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

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

[SEAL.]

DISSENTING STATEMENT OF  
VICE CHAIRMAN MITCHELL.

I would deny the application of Drummond Bancshares, Inc., to become a bank holding company through the acquisition of the Bank of Drummond based on my view that Applicant would not have the necessary financial flexibility to service the debt it would incur as a result of the proposal without adversely affecting the capital position of the bank to be acquired.

Principals of Applicant acquired 72.8 per cent of the shares of Bank's stock in October 1973, through a purchase which resulted in a high premium to previous shareholders. Upon consummation of the proposed acquisition, Applicant would have capital funds of about \$144,000 and liabilities of about \$381,000. Applicant has indicated its intention to use all the dividends received from Bank during the 12 year debt retirement period in order to service the debt. In my opinion, this involves an excessive fixed charge on the earnings of the bank that jeopardizes the maintenance of a sound capital position of the bank. Thus, consummation of the proposed acquisition could result in adverse effects on Bank's financial structure and thereby impair the services it renders to the public.

For these reasons, I do not regard the proposal as being in the public interest, and I would deny the application.

LOCUST GROVE BANSHARES  
INCORPORATED,  
LOCUST GROVE, OKLAHOMA

ORDER APPROVING FORMATION OF BANK  
HOLDING COMPANY

Locust Grove Bancshares, Incorporated, Locust Grove, Oklahoma, has applied for the Board's approval under § 3(a)(1) of the Bank Holding Company Act (12 U.S.C. 1842(a)(1)) of formation of a bank holding company through acquisition

<sup>1</sup>All banking data are as of December 31, 1973.

of 80 per cent of the voting shares of Bank of Locust Grove, Locust Grove, Oklahoma ("Bank").

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

Applicant, a non-operating company with no subsidiaries, was organized for the purpose of becoming a bank holding company through the acquisition of Bank (\$3.1 million in deposits).<sup>1</sup> Bank is the only bank in Locust Grove (population of slightly more than 1,000), located in northeastern Oklahoma, and is the fourth largest of five banks in Mayes County, the relevant banking market. Bank controls approximately 7 per cent of the total commercial bank deposits in the market. Upon acquisition of Bank, Applicant would control the 367th ranking bank in Oklahoma, holding .04 per cent of the total deposits in commercial banks in the State. Since the purpose of the proposed transaction is to effect a transfer of the ownership of Bank from individuals to corporate ownership with no change in Bank's present management or operation, consummation of the proposal herein would not eliminate existing or potential competition, nor have an adverse effect on other area banks.

A principal of Applicant is also a shareholder, officer, and/or director in two other banks: The Bank of Chelsea, Chelsea, Oklahoma (\$5 million in deposits), and First National Bank of Fairlane, Fairlane, Oklahoma (\$1 million in deposits). Each of the banks is located over 40 miles distant from Bank and each operates in separate and distinct banking markets from the Mayes County market. From the facts of record, it is the Board's judgment that competitive considerations are consistent with approval of the application.

The financial and managerial resources and future prospects of Applicant, which are dependent upon those of Bank, are considered to be satisfactory. Accordingly, financial and managerial considerations are consistent with approval of the application. As indicated above, the proposed acquisition represents a change in the form of ownership of Bank, and there are no significant

proposed changes in the operation or services of Bank. Considerations relating to the convenience and needs of the community to be served are consistent with approval. It is the Board's judgment that the acquisition would be in the public interest and that the application should be approved.

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

By order of the Board of Governors effective September 12, 1974.

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

Board action taken while Governor Brimmer was a Board Member.

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

[SEAL]

#### DISSENTING STATEMENT OF GOVERNORS MITCHELL AND BRIMMER

We would deny this application for the reason that we believe it is not in the public interest to sanction an arrangement whereby owners of 80 per cent of the shares of Bank secured a loan to purchase such shares at a preferential rate (5 per cent) on the implicit condition that the lending bank will profit from the transaction by receiving a compensating balance as part of Bank's correspondent account. Thus, Bank's resources are being used to subsidize the personal interests of shareholders owning 80 per cent of Bank.

In our view, if bank stock loans are to be made, they should be made on the same basis as stock collateral loans in general. We are concerned that such preferential loans could result in conflict of interest or breach of fiduciary duty on the part of the borrowing officer or director if the reduction in the interest rate is conditioned on the maintenance of correspondent balances with the lending bank. Accordingly, in our judgment, the Board should not approve this holding company application and thereby sanction the use of such preferential loans.

<sup>1</sup>All banking data are as of June 30, 1973.

A further concern of ours, though one which does not appear to be present in the facts of record involved in this case, is that the making of bank stock loans at less than the prevailing interest rate may be a means whereby a lending bank, without the necessity of securing prior Board approval, acquires indirect control of the borrowing bank's shares which are pledged as collateral.

For the foregoing reasons, we would deny the application.

WATER TOWER FINANCIAL GROUP, INC.,  
CHICAGO, ILLINOIS

ORDER DENYING FORMATION OF BANK HOLDING  
COMPANY

Water Tower Financial Group, Inc., Chicago, Illinois, has applied for the Board's approval under § 3(a)(1) of the Bank Holding Company Act (12 U.S.C. 1842(a)(1)) of formation of a bank holding company through acquisition of 50.625 per cent or more of the voting shares of Water Tower Trust & Savings Bank, Chicago, Illinois ("Bank").

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

Applicant is a nonoperating corporation organized for the purpose of becoming a bank holding company through the acquisition of Bank, which opened for business on April 22, 1974. Bank is located in downtown Chicago in the Chicago banking market. The principals of Bank and Applicant are also associated with four other Chicago-area one-bank holding companies which control in the aggregate about \$544 million in deposits.<sup>1</sup> It appears that the addition of Bank to this group would not result in any significantly adverse effects on competition in the relevant area due primarily to Bank's recently opened status, the presence of intervening banks, and the size of the group's holdings relative to the overall Chicago market. Accordingly, the Board concludes that competitive considerations are consistent with approval of the application.

The Board has indicated on previous occasions that it believes a holding company should provide

a source of strength for its subsidiary banks, and that it will examine closely the condition of the Applicant in each case with this view in mind. Regarding the present proposal, the Board has concern about the financial and managerial resources of Applicant as reflected in the operation of the four other one-bank holding companies in which the principals of Applicant are involved. Management policy of these bank holding companies has been to employ acquisition debt liberally in relation to the earnings potential of their subsidiary banks. As a result, the overall condition of two of these banks has deteriorated. This consideration reflects unfavorably on the managerial resources of Applicant.

In view of the past record of performance of the principals of Applicant in managing these other one-bank holding companies, the Board is unable to conclude that it would be in the public interest to permit such individuals to form another one-bank holding company with an initial debt structure which could result in impairing the financial condition of Bank. This proposal entails a high level of acquisition debt which Applicant proposes to service over a 12 to possibly 15-year period through Bank dividends (beginning after the first four years of operation) averaging approximately 75 per cent of Bank's projected net income. Bank has been in operation five months and has no proven record of earnings performance. Thus, it is by no means clear that Bank's projected earnings are reasonable or attainable and, even if realized, the projected earnings for Bank do not, in the Board's view, appear to be sufficient to amortize the acquisition debt and at the same time provide Applicant with the necessary financial flexibility to meet any unforeseen financial problems which might arise at Bank.

Furthermore, although Applicant's proposed shareholders have indicated a willingness to provide additional equity in the event the holding company debt cannot be repaid out of dividends from Bank, the Board does not regard the agreement, under the circumstances of this case, as providing adequate financial support for Bank and its operations.

The proposed formation represents merely a restructuring of the ownership of Bank with no significant changes in Bank's operations or the services offered to customers. Consequently, considerations relating to the convenience and needs of the community to be served lend no weight toward approval of the application. On the other

<sup>1</sup>All banking data are as of December 31, 1973.

hand, as noted above, the servicing requirements of the acquisition debt incurred by Applicant could impair Bank's ability to continue to serve the community as a viable banking organization.

On the basis of all the circumstances concerning this application, the Board concludes that considerations relating to Applicant's management and the acquisition debt involved in this proposal present adverse circumstances bearing on the financial condition and prospects of Applicant and Bank. Such adverse factors are not outweighed by any procompetitive effects or by benefits which would result in serving the convenience and needs of the community. Accordingly, it is the Board's judgment that approval of the application would not be in the public interest and that the application should be denied.

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

By order of the Board of Governors, effective September 18, 1974.

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

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

FIRST BANCSHARES OF FLORIDA, INC.,  
BOCA RATON, FLORIDA

ORDER APPROVING ACQUISITION OF ONE BANK  
AND DENYING ACQUISITION OF ANOTHER BANK

First Bancshares of Florida, Inc., Boca Raton, Florida, a bank holding company within the meaning of the Bank Holding Company Act, has applied in two separate applications for the Board's approval under § 3(a)(3) of the Act (12 U.S.C. 1842(a)(3)) to acquire 90 percent or more of the voting shares of (1) First National Bank of Sebring, Sebring, Florida ("Sebring Bank"), and (2) Avon Citrus Bank, Avon Park, Florida ("Avon Bank").

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

Applicant, the thirteenth largest commercial

banking organization in Florida, controls 13 subsidiary banks with aggregate deposits of \$445 million, representing 2.2 per cent of the total deposits in commercial banks in the State.<sup>1</sup> Applicant's acquisition of both Sebring Bank and Avon Bank would increase Applicant's shares of States deposits by 0.22 per cent and would not result in a significant increase in the concentration of banking resources in Florida.

Sebring Bank (deposits of \$26.3 million) and Avon Bank (deposits of \$19.7 million) are each located in the Sebring banking market, (which is approximated by Highlands County plus the community of Wauchula) and control approximately 19 and 14 per cent, respectively, of the total deposits in commercial banks in the market. Applicant's subsidiary bank closest to this market is located approximately ninety miles away in Fort Pierce, and there is no meaningful existing competition between any of Applicant's banking subsidiaries and the subject banks; nor does it appear likely that such competition would develop in the future in view of the distances involved and Florida's restrictive branching law. Although Applicant could enter the market *de novo*, this does not appear to be a significant adverse factor with respect to this Applicant in view of the fact that three applications for new bank charters are presently pending.

There are, on the other hand, further competitive considerations involved in the instant proposals. It appears that consummation of the acquisition of both banks would tend to solidify the existing level of concentration of banking resources within the market and to diminish significant possibility of a less concentrated and more competitive market developing in the future. Sebring Bank and Avon Bank are the second and fourth largest, respectively, of six banking organizations in the market. The two largest banking organizations<sup>2</sup> in the market control approximately 63 per cent of the total commercial bank deposits therein. Acquisition of both banks by Applicant would result in Applicant becoming the largest banking organization in the market, and would

<sup>1</sup> All banking data are as of June 30, 1973, and reflect bank holding company formations and acquisitions approved January 31, 1974.

<sup>2</sup> Sebring Bank and Avon Bank are affiliated through common ownership, management, and directors, and are regarded as a single banking organization for purposes of analyzing concentration levels.

eliminate the possibility of the competition that would develop in the future if Applicant were permitted to acquire only one of the banks. Other considerations reflected in the record tend to favor the proposal involving the Sebring Bank over the Avon Bank proposal. Thus, approval of the acquisition of Sebring Bank and denial of the acquisition of Avon Bank would not only enable Applicant to enter the market and provide increased competition for the other banks in the market, but would also preserve a viable entry vehicle for another bank holding company not now represented in the market. In addition, approval of only the Sebring Bank application would, in the Board's view, enhance competition in the market by eliminating the common ownership of the two subject banks. Accordingly, on the basis of the record before it, the Board concludes that competitive considerations are consistent with approval of the acquisition of Sebring Bank, but consummation of the acquisition of Avon Bank by the same bank holding company would have substantially adverse effects on competition in the relevant market.

The financial and managerial resources and future prospects of Applicant and its subsidiaries are regarded as satisfactory; those of Sebring Bank and Avon Bank are regarded as generally satisfactory. Applicant has made a commitment to increase the capital of the subject banks within six months after approval of the applications. These factors lend some support for approval of the application to acquire Sebring Bank but do not outweigh the substantially adverse competitive effects associated with the concurrent acquisition of Avon Bank.

Considerations relating to the convenience and needs of the community to be served lend some weight toward approval of the acquisition of Sebring Bank in view of Applicant's plans to expand banking hours, offer maximum rates on time and savings deposits, and make available certificates of deposit. Although Applicant proposes to offer similar services through Avon Bank, these considerations do not, in the Board's view, outweigh the substantially adverse competitive effects associated with the acquisition of both banks. Accordingly, it is the Board's judgment that consummation of the transaction to acquire Sebring Bank is in the public interest and should be approved; however, consummation of Applicant's concurrent proposal to acquire Avon Bank would not be in the public interest and should be denied.

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

By order of the Board of Governors, effective September 25, 1974.

Approval of the acquisition of First National Bank of Sebring.

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

Denial of the acquisition of Avon Citrus Bank.

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

(Signed) THEODORE E. ALLISON,

{SEAL}

*Secretary of the Board.*

**ORDERS UNDER SECTION 4 OF  
BANK HOLDING COMPANY ACT**

CAROLINA BANCORP, INC.,  
SANFORD, NORTH CAROLINA

ORDER APPROVING ACQUISITION OF NATIONAL  
FINANCE COMPANY, INC.

Carolina BanCorp, Inc., Sanford, North Carolina, a bank holding company within the meaning of the Bank Holding Company Act, has applied for the Board's approval, under § 4(c)(8) of the Act and § 225.4(b)(2) of the Board's Regulation Y, to acquire all the voting shares of National Finance Company, Inc., Rockingham, North Carolina ("National"), a company that engages in the activities of consumer finance, dealer financing, and acting as sales agent for credit life and credit accident and health insurance directly related to extensions of credit by National. Such activities have been determined by the Board to be closely related to banking (12 CFR 225.4(a)(1) and (9)).

Notice of the application, affording opportunity for interested persons to submit comments and views on the public interest factors, has been duly published (39 Federal Register 22649). The time for filing comments and views has expired, and the Board has considered the application and all

comments received in the light of the public interest factors set forth in § 4(c)(8) of the Act (12 U.S.C. 1843(c)(8)).

Applicant is a recently formed bank holding company and controls one bank, The Carolina Bank, Sanford, North Carolina ("Bank"), which holds deposits of \$82 million, representing less than one per cent of total deposits in commercial banks in the State.<sup>1</sup> Bank operates 12 branches in five counties (Wake, Harnett, Lee, Moore, and Chatham Counties) throughout North Carolina.

National is a licensed small loan company regulated by the North Carolina Consumer Finance Act;<sup>2</sup> it operates 12 loan offices in 10 counties in the central and eastern portions of the State and has total gross receivables of \$3.4 million. It has one subsidiary which holds a small amount of dealer originated paper. National also sells credit life and credit accident and health insurance to its borrowers in connection with its extensions of credit.

By Order of April 11, 1974 (60 Federal Reserve BULLETIN 385), the Board denied an application by Applicant to acquire shares of National. In that Order, the Board found that there was significant existing competition between Bank and National<sup>3</sup> in making personal installment loans in two of the four counties (Lee and Moore) in which both institutions operated and concluded that the proposed acquisition of National would have significant adverse effects on existing competition in those areas. In order to eliminate these adverse competitive effects, Applicant has modified its proposal by applying to acquire all of National's offices except those three offices located in Lee and Moore Counties. The three offices located therein will be divested<sup>4</sup> by National prior to its acquisition by Applicant. (The nine loan offices of National to be acquired have total gross receiv-

ables of approximately \$2.4 million.) In view of the foregoing, it appears that consummation of the proposed transaction would not have an adverse effect on existing competition in any area of the State. Moreover, Applicant and National are not considered to be likely *de novo* entrants into areas served by the other in view of their small size in relation to present competitors or other possible entrants, and thus consummation herein would not have an adverse effect on future competition. National also acts as agent for the sale of credit life and credit accident and health insurance in connection with its extensions of credit. Considering the size and scope of this insurance business, it does not appear that Applicant's acquisition of National would have a significantly adverse effect on competition in this product line.

Affiliation with Applicant would give National greater flexibility in acquiring funds to lend to its customers and would permit National to expand its current services. There is no evidence in the record indicating that consummation of the proposed transaction would result in any undue concentration of resources, unfair competition, conflicts of interests, unsound banking practices or other adverse effects on the public interest.

Based upon the foregoing and other considerations reflected in the record, the Board has determined, in accordance with the provisions of § 4(c)(8), that consummation of this proposal can reasonably be expected to produce benefits to the public that outweigh possible adverse effects. Accordingly, the application is hereby approved. This determination is subject to the conditions set forth in § 225.4(c) of Regulation Y and the Board's authority to require such modification or termination of the activities of a holding company or any of its subsidiaries as the Board finds necessary to assure compliance with the provisions and purposes of the Act and the Board's regulations and orders issued thereunder, or to prevent evasion thereof.

The transaction shall be made not later than three months after the effective date of this Order, unless such period is extended for good cause by

<sup>1</sup>All banking and other financial data are as of December 31, 1973, and reflect bank holding company formations and acquisitions approved by the Board through August 31, 1974.

<sup>2</sup>The loan limit for a small loan company in North Carolina has recently been increased from \$900 to \$1,500.

<sup>3</sup>The Board has previously determined that consumer finance companies generally compete with commercial banks in the area of small loans to individuals (see Board Order of August 3, 1973, denying acquisition of Public Loan Company by Bankers Trust New York, 59 Federal Reserve BULLETIN 694). Accordingly, in a given situation, the acquisition of a consumer finance company by a commercial banking organization may result in the elimination of existing competition in those geographic markets in which both compete.

<sup>4</sup>National proposes to transfer the three offices in question to a new corporation to be formed by the existing shareholders

of National. The Board has received various commitments from Applicant, National, and the individual shareholders of National to the effect that the new corporation will be sold to an unrelated third-party as soon as practicable but in no event later than two years after Applicant's acquisition of National, and further, that neither Applicant nor any of its officers, directors or policy-making employees will control or exert a controlling influence over the management or policies of these three offices.

the Board or by the Federal Reserve Bank of Richmond.

By order of the Board of Governors, effective September 18, 1974.

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

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

[SEAL]

FIRST MARYLAND BANCORP,  
BALTIMORE, MARYLAND

ORDER APPROVING ACQUISITION OF  
SCHENECTADY DISCOUNT CORPORATION

First Maryland Bancorp, Baltimore, Maryland, a bank holding company within the meaning of the Bank Holding Company Act, has applied for the Board's approval, under section 4(c)(8) of the Act and § 225.4(b)(2) of the Board's Regulation Y, to acquire all of the voting shares of Schenectady Discount Corporation, Albany, New York ("SDC"), and its wholly-owned subsidiaries, companies engaged variously in the activities of financing mobile home sales, servicing SDC's accounts, selling mobile homes repossessed by SDC, and acting as agent with respect to the sale of credit-related insurance in connection with the mobile homes financed by SDC. Such activities have been determined by the Board to be closely related to banking (12 CFR 225.4(a)(1), (3) and (9)).

Notice of the application, affording opportunity for interested persons to submit comments and views on the public interest factors, has been duly published (39 Federal Register 13178). The time for filing comments and views has expired, and the Board has considered the application and all comments received in the light of the public interest factors set forth in section 4(c)(8) of the Act (12 U.S.C. 1843(c)).

Applicant, the third largest banking organization in Maryland, controls one bank with deposits of approximately \$864 million, representing 11.5 per cent of the total deposits in commercial banks in the State.<sup>1</sup> Applicant's nonbanking subsidiaries are engaged in personal property and equipment leas-

ing, the sale of credit-related insurance and international banking.

SDC (total assets of approximately \$19 million) and its subsidiaries are engaged in mobile home financing and the related activities of servicing accounts, sale of repossessed mobile homes, and sale, as agent, of credit life, credit accident, theft, property damage, rental value and liability insurance in connection with the mobile homes financed by SDC. SDC and its wholly-owned subsidiaries have a total of three offices located in Colonie and Ballston Lake, New York and in Mesa, New Mexico, respectively.

Applicant engages to some extent in mobile home financing in Maryland, through its lead bank, which is located approximately 300 miles from SDC's nearest office. Neither Applicant nor SDC derive any significant business from the areas served by the other. Furthermore, in view of the distances involved, it does not appear likely that any significant competition would develop between the two in the future in the relevant product line. The Board concludes, therefore, that consummation of the proposed acquisition would have no adverse effects on existing or potential competition.

As discussed above, SDC also engages in the sale, as agent, of various types of insurance directly related to extensions of credit, which have been determined to be permissible activities under § 225.4(a)(9)(ii)(a) and (b) of the Board's Regulation Y. In addition, SDC engages in the sale, as agent of certain types of insurance as a matter of convenience to the purchaser. This activity has been determined to be permissible under § 225.4(a)(9)(ii)(c) of Regulation Y provided that such sales are not more than 5 per cent of the aggregate insurance premium income of the holding company system for insurance sold pursuant to § 225.4(a)(9)(ii). In view of the limited nature of such insurance activities, the Board finds that Applicant's acquisition of these activities would not have any adverse effects on existing or future competition.

There is no evidence in the record indicating that SDC's acquisition by Applicant would lead to an undue concentration of resources, conflicts of interests, unsound banking practices or other adverse effects on the public interest. On the other hand, it is expected that SDC's acquisition by Applicant will increase SDC's access to capital, thereby benefiting the public by enabling SDC to

<sup>1</sup>All banking data are as of December 31, 1973, and reflect holding company acquisitions and formations approved through July 31, 1974.



make more funds available for mobile home financing.

In consideration of this application, the Board has examined the covenant not to compete which was executed in connection with the proposed acquisition. The Board finds that in view of the duration of this covenant, the provisions contained therein are reasonable as to its scope and geographic area and are consistent with the public interest.

Based upon the foregoing and other considerations reflected in the record, the Board has determined, in accordance with the provisions of section 4(c)(8), that consummation of this proposal can reasonably be expected to produce benefits to the public that outweigh possible adverse effects. Accordingly, the application is hereby approved. This determination is subject to the conditions set forth in section 225.4(c) of Regulation Y and to the Board's authority to require such modification or termination of the activities of a holding company or any of its subsidiaries as the Board finds necessary to assure compliance with the provisions and purposes of the Act and the Board's regulations and others issued thereunder, or to prevent evasion thereof.

By order of the Board of Governors, effective September 6, 1974.

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

Board action was taken while Governor Brimmer was a Board Member.

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

[SEAL.]

DISSENTING STATEMENT OF  
GOVERNOR BRIMMER

I would deny the application of First Maryland Bancorp to acquire Schenectady Discount Corporation ("SDC"). My decision is based upon the existence of a covenant not to compete which was executed by one of the principal officers of SDC as part of this proposal. The effect of this covenant is to preclude the possibility of the Chairman of the Board of SDC undertaking to provide an alternative source of mobile home financing in the States of New York or Arizona for a period of one year after his employment with SDC terminates. Such agreements are inherently anticompetitive and I find no evidence in the record which demonstrates that the adverse effects of such covenants are outweighed by reasonably expected benefits to the public. For reasons stated more fully in my dissents to the application of Orbanco, Inc., to acquire Far West Security Company (59 Federal Reserve BULLETIN 368-369 (1973)), and the application of CBT Corporation to acquire General Discount Corporation (59 Federal Reserve BULLETIN 471 (1973)), I am convinced that such covenants are inherently anticompetitive and should not receive the sanction of the Board. For these reasons, I would deny this application.

ORDERS NOT PRINTED IN THIS ISSUE

During September 1974, the Board of Governors approved the applications listed below. The orders have been published in the Federal Register, and copies of the orders are available upon request to Publications Services, Division of Administrative Services, Board of Governors of the Federal Reserve System, Washington, D.C. 20551.

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

<i>Applicant</i>	<i>Bank(s)</i>	<i>Board action (effective date)</i>	<i>Federal Register citation</i>
Eagle Capital Co., Eagle, Nebraska	Eagle State Bank, Eagle, Nebraska	9/9/74	39 F. R. 33408 9/17/74
Fredonia Bancshares, Inc., Fredonia, Kansas	State Bank of Fredonia, Fredonia, Kansas	9/9/74	39 F. R. 33259 9/16/74
IB& T Corporation, Pocatello, Idaho	Idaho Bank, Pocatello, Idaho	9/6/74	39 F. R. 33260 9/16/74

<i>Applicant</i>	<i>Bank(s)</i>	<i>Board action (effective date)</i>	<i>Federal Register citation</i>
Long Bancorporation, Des Moines, Iowa	Union-Whitten State Savings Bank, Union, Iowa	9/18/74	39 F. R. 34716 9/27/74
The Mitsui Bank, Ltd., Tokyo, Japan	The Mitsui Bank of California, Los Angeles, California	9/13/74	39 F. R. 34117 9/23/74
Northbrook Bancorp, Inc., Northbrook, Illinois	Northbrook Trust & Savings Bank, Northbrook, Illinois	9/18/74	39 F. R. 34606 9/26/74
Plymouth Bancorporation, Inc., Le Mars, Iowa	First National Bank in Le Mars, Le Mars, Iowa	9/6 74	39 F. R. 33415 9/17/74
Seven V Banco, Inc., Callaway, Nebraska	Seven Valleys State Bank, Callaway, Nebraska	3/29/74	39 F. R. 12388 4/5/74
Valley Bancorporation, Rexburg, Idaho	Valley Bank, Rexburg, Idaho	9/18/74	39 F. R. 34717 9/27/74

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

<i>Applicant</i>	<i>Bank(s)</i>	<i>Board action (effective date)</i>	<i>Federal Register citation</i>
Associated Bank Corporation, Iowa City, Iowa	Hawkeye State Bank, Iowa City, Iowa; First Trust & Union Savings Bank, Sigourney, Iowa; and Kalona Savings Bank, Kalona, Iowa	9/16 74	39 F. R. 34116 9/23/74
Boatmen's Bancshares, Inc., St. Louis, Missouri	Baltimore Bank and Trust Co., and North Hills Bank, both in Kansas City, Missouri	9/23/74	39 F. R. 35210 9/30/74
Commerce Bancshares, Inc., Kansas City, Missouri	Mound City Trust Company, Florissant, Missouri	9/10/74	39 F. R. 33741 9/19/74
First Alabama Bancshares, Inc.	Farmers and Marine Bank, Bayou La Batre, Alabama	9/10/74	39 F. R. 33408 9/17/74
	Phenix National Bank, Phenix City, Alabama	9/10/74	39 F. R. 33742 9/19/74
First City Bancorporation of Texas, Inc., Houston, Texas	Southwood Bank, Houston, Texas	9/10/74	39 F. R. 33409 9/17/74
Michigan Financial Corporation, Marquette, Michigan	First National Bank of Ironwood, Ironwood, Michigan	9/16 74	39 F. R. 34117 9/23/74
Pacesetter Financial Corporation, Grand Haven, Michigan	Owosso Savings Bank, Owosso, Michigan	9/6/74	39 F. R. 33260 9/16 74
Southeast Banking Corporation, Miami, Florida	National Bank of Sweetwater, Dade County, Florida	9/25/74	39 F. R. 36068 10/7/74
Virginia National Bancshares, Inc., Norfolk, Virginia	Community Bank and Trust Co., Springfield, Virginia	9/13/74	39 F. R. 33834 9/20/74

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

<i>Applicant</i>	<i>Nonbanking Company (or activity)</i>	<i>Board action (effective date)</i>	<i>Federal Register citation</i>
Fidelity American Bancshares, Inc., Lynchburg, Virginia	Security Finance Corporation of Spartanburg, Spartanburg, Virginia	9/25/74	39 F. R. 36064 10/7/74
First International Bancshares, Inc., Dallas, Texas	First International Bancshares Insurance Company, Dallas, Texas	9/18/74	39 F. R. 34716 9/27/74
First National Holding Corp., Atlanta, Georgia	Tharpe and Brooks, Inc., Atlanta, Georgia	9/5/74	39 F. R. 33414 9/17/74
First Union Incorporated, St. Louis, Missouri	Union Finance Company and Union Agency, Inc., both in Kansas City, Missouri	9/23/74	39 F. R. 36066 10/7/74
Fredonia Bancshares, Inc., Fredonia, Kansas	Beal and Beal, Fredonia, Kansas	9/9/74	39 F. R. 33259 9/16/74
Girard Company, Bala Cynwyd, Pennsylvania	Girard Leasing Corporation, Philadelphia, Pennsylvania	9/9/74	39 F. R. 33411 9/17/74
The Main Corp., Chicago, Illinois	Health Management Services Corporation, Hillside, Illinois	9/4/74	39 F. R. 33261 9/16/74
Tennessee Valley Bancorp, Inc., Nashville, Tennessee	Tennessee Valley Life Insurance Company, Phoenix, Arizona	9/4/74	39 F. R. 32795 9/11/74

**ORDERS ISSUED BY FEDERAL RESERVE BANKS**

During August and September 1974, applications were approved by the Federal Reserve Banks under delegated authority as listed below. The orders have been published in the Federal Register, and copies of the orders are available upon request to the Reserve Bank.

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

<i>Applicant</i>	<i>Bank(s)</i>	<i>Reserve Bank</i>	<i>Effective date</i>	<i>Federal Register citation</i>
First Virginia Bancshares Corporation, Falls Church, Virginia	People's Bank of Chesapeake, Chesapeake, Virginia	Richmond	9/9/74	39 F. R. 33743 9/19/74
First Bancgroup-Alabama, Inc., Mobile, Alabama	Farmers and Merchants Bank, Foley, Alabama	Atlanta	9/17/74	39 F. R. 35208 9/30/74
First Financial Corporation, Tampa, Florida	First Bank of Marco Island, Marco Island, Florida	Atlanta	9/19/74	39 F. R. 35209 9/30/74
Southeast Banking Corporation, Miami, Florida	The Sebastian River Bank, Sebastian, Florida	Atlanta	9/5/74	39 F. R. 33415 9/17/74
Peoples Banking Corporation, Bay City, Michigan	American Security Bank, Mount Pleasant, Michigan	Chicago	9/19/74	39 F. R. 36067 10/7/74
Valley Bancorporation, Appleton, Wisconsin	Hartford Exchange Bank, Hartford, Wisconsin	Chicago	9/25/74	39 F. R. 36513 10/10/74

<i>Applicant</i>	<i>Bank(s)</i>	<i>Reserve Bank</i>	<i>Board action (effective date)</i>	<i>Federal Register citation</i>
First Community Bancorporation, Joplin, Missouri	Peoples Bank of Miller, Miller, Missouri	Kansas City	8/28/74	39 F. R. 33410 9/17/74
Texas Commerce Bancshares, Inc., Houston, Texas	Highland Park State Bank San Antonio, Texas	Dallas	9/9/74	39 F. R. 33744 9/19/74

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

<i>Applicant</i>	<i>Bank</i>	<i>Reserve Bank</i>	<i>Effective date</i>	<i>Federal Register citation</i>
HBT Bank of Canton, Canton, Ohio	The Harter Bank & Trust Company, Canton, Ohio	Cleveland	8/29/74	39 F. R. 33744 9/19/74

# Announcements

## FEDERAL RESERVE SYSTEM BOOK: REVISED EDITION

A completely rewritten edition of *The Federal Reserve System—Purposes and Functions* is available for distribution. This edition, the sixth, has attempted to present a concise, updated account of the responsibilities and operating techniques of the System in the areas of monetary policy, banking and financial regulation, and international finance. While primarily a handbook of operations, the revision also includes some description of economic relationships, market structure, and the theoretical underpinnings of central banking, so as to provide the general reader with a better understanding of the role of the Federal Reserve in the Nation's economic and financial system.

Copies of the book may be obtained from Publications Services, Division of Administrative Services, Board of Governors of the Federal Reserve System, Washington, D.C. 20551. The price is \$1.00 per copy; in quantities of 10 or more sent to one address, 75 cents each.

## FRANKLIN NATIONAL BANK STATEMENT

On October 8, 1974, Dr. Arthur F. Burns, Chairman of the Board of Governors of the Federal Reserve System, issued the following statement concerning Franklin National Bank:

The arrangements announced today represent a resolution of the long-standing difficulties surrounding Franklin National Bank that is very much in the public interest. Depositors, borrowers, and other customers of Franklin will be able to continue to do business at the same locations by virtue of the merger agreement. Depositors will suffer no loss. Borrowers and other customers will have a full range of banking services available to them without interruption. The former offices of Franklin will open for business tomorrow at the usual time as offices of European-American. All of Franklin's depositors will automatically become depositors of European-American.

The Federal Reserve, as lender of last resort, provided emergency assistance to Franklin beginning last May. By doing so, we kept Franklin's banking services available, prevented serious adverse consequences in financial markets both here and abroad, and provided the time necessary for the Comptroller of the Currency, the

Federal Deposit Insurance Corporation, and the Federal Reserve to work out a satisfactory permanent solution. The merger agreement guarantees that banking service will be provided to Franklin's customers and the community through a strong institution. The interest of the public, the Federal Government, the depositors, and the loan customers of Franklin are protected by these arrangements. The outcome constitutes the only viable means for resolving Franklin's difficulties consistent with the public interest.

\* \* \*

Earlier this year, Franklin National reported poor operating earnings, and subsequently it reported substantial losses in its foreign exchange operations. The management of the holding company that controlled the bank—the Franklin New York Corporation—announced on May 10 that it would recommend passing the regular dividend payment on both common and preferred stock.

On May 12 the Federal Reserve announced that it would advance funds to Franklin as needed—so long as the bank remained solvent and within the limits of the collateral that could be supplied—if the bank experienced unusual liquidity pressures. Federal Reserve lending to Franklin was substantial thereafter, reaching a maximum of approximately \$1.75 billion in early October.

Because of the size and complexity of the problem, a period of time was required to work out a permanent, satisfactory solution. Among the options studied by the regulatory authorities was possible continuation of Franklin as an independent bank. Merger with another institution emerged as the only acceptable route, however, for continuing the banking services provided by Franklin. Accordingly, Federal Reserve assistance was continued until a merger could be effectuated.

The Comptroller, in determining Franklin to be insolvent, designated the FDIC as receiver for Franklin. An arrangement worked out with FDIC ensures the repayment of all Federal Reserve funds loaned to Franklin.

As receiver for Franklin National, the FDIC assumed the Federal Reserve loan and has agreed to repay it over the next 3 years as collateral supplied by Franklin is liquidated. The FDIC will act as agent for disposition of the collateral that backed the loan to Franklin.

**AMENDMENT TO REGULATION A**

The Board of Governors of the Federal Reserve System on September 25, 1974, established a new category of "discount" borrowing under which a special discount rate may be applied to member banks requiring exceptionally large assistance over a prolonged period of time.

The amendment to the Board's regulation governing member bank borrowing states that the special rate would in no case exceed the rate established for emergency loans to nonmember banks. The basic discount rate is 8 per cent while the rate for emergency loans to nonmember banks is 10 per cent.

The purpose of the special rate is to limit any rate preference for long-term assistance to an individual bank when a wide gap exists between the basic discount rate and money market rates as it does presently. The special rate would also encourage the borrowing bank to make the necessary adjustments in its operations to permit repayment of the loan in a reasonable period.

Under the regulatory amendment, the special rate will apply to member bank borrowing for prolonged periods (such as for more than 8 weeks) and in significant amounts (such as when the loan has exceeded on average the amount of the borrowing bank's required reserves).

The Board of Governors approved actions to establish the special discount rate taken by the directors of the Federal Reserve Banks of New York and Dallas on September 26, the Reserve Banks of Philadelphia, Richmond, and St. Louis on October 2, the Reserve Banks of Cleveland, Minneapolis, Kansas City, and San Francisco on October 3, the Reserve Banks of Boston and Chicago on October 10, and the Reserve Bank of Atlanta on October 11.

**REVISED DATA FOR STATISTICAL TABLE**

Beginning with this issue of the BULLETIN, the statistical table "Loans sold outright by commercial banks," page A27, reflects a revision in the definition of the data reported and in the panel of banks reporting. The reporting panel is now the same as that for large commercial banks that report weekly. After August 28, banks were asked to report only loans sold to a newly defined group of affiliated institutions; the new group differs from the previous affiliate group chiefly in that it excludes domestic banks. Loans sold to others (that is, to nonaffiliated institutions) are no longer reported.

Loans sold are now classified in three categories: "commercial and industrial" loans are reported as before, but "all other" loans are now broken down into "real estate" and "all other."

Banks were asked to report data on both the old and the new basis for the last reporting period of the month—August 28. The differences are summarized in the following tabulation (data are in millions of dollars):

<i>Item</i>	<i>Total</i>	<i>Commercial and industrial</i>	<i>Real estate and all other</i>
Loans sold, old basis ...	5,396	3,033	2,363
Sold by banks no longer in panel .....	101	25	76
Sold by banks added to panel .....	159	75	84
Change in loans sold by banks remaining in panel .....	-561	200	-361
Loans sold, new basis ..	4,893	2,883	2,010

A large part of the \$561 million decline reported by banks included in both the old and the new series reflects the elimination of loans previously misclassified as loans sold; \$199 million of commercial and industrial loans and \$101 million of real estate and other loans had been so misclassified. Because back data are unavailable, and in order to maintain continuity within the old series, this misclassification has been corrected in the new series but not in the old.

**DATA SERIES ON FOREIGN-OWNED U.S. BANKS**

Aggregate data on assets and liabilities of U.S. banking institutions owned by foreign banks are now available for the period November 1972 through June 1974. Collected by the Federal Reserve System in conjunction with State regulatory authorities, these data may be obtained from the International Banking Section, Division of International Finance, Board of Governors of the Federal Reserve System, Washington, D.C. 20551. Monthly updates of these data will also be furnished on request.

The data, based on monthly reports of condition (Form FR 886a), are contained in three tables. One table presents detailed aggregate data on assets and liabilities of all U.S. banking institutions that are majority owned by one or more foreign banks. The second table covers only institutions that are subsidiaries of foreign banks. The third table combines figures for agencies and branches of foreign banks and for foreign-owned New York State-chartered investment companies.

These newly available tables contain data that must be employed with caution owing to divergent accounting practices of the reporting institutions that have not been fully reconciled. Despite this limitation the Board of Governors is releasing the data now because of their interest to the financial community and to the general public. Efforts are being made to improve the consistency of the reporting procedures of the respondent institutions. When adequate consistency is achieved, it is anticipated that the data will be published regularly in the BULLETIN.

#### PROPOSED REVISIONS IN CONSUMER CREDIT DATA

Proposed revisions in the Federal Reserve consumer credit data collection and publication program are discussed in the *Consumer Credit Review Report* prepared by the Board's Division of Research and Statistics. Copies of the *Report* for public comment are available, on request, from the Mortgage, Agricultural, and Consumer Finance Section, Division of Research and Statistics, Board of Governors of the Federal Reserve System, Washington, D.C. 20551. Comments should be submitted to the section by December 31, 1974.

#### CHANGES IN BOARD STAFF

The Board of Governors has announced the following changes in its official staff:

Griffith L. Garwood, Adviser in the Legal Division, has been promoted to Assistant Secretary of the Board, effective October 7, 1974.

James L. Kichline, Assistant Adviser, has been promoted to Adviser in the Division of Research and Statistics, effective October 13, 1974.

William H. Wallace has been appointed an Assistant Director in the Division of Federal Reserve Bank Operations, effective September 15, 1974, and Thomas E. Mead has been appointed an Assistant Director in that Division, effective October 13.

Mr. Wallace was employed by the Federal Reserve Bank of Richmond from 1967 to 1973, and immediately prior to his employment at the Board, he was with North Carolina State University. He holds an M.B.A. from the University of Missis-

sippi and a Ph.D. in economics from the University of Illinois.

Mr. Mead holds B.S. and LL.D. degrees from Georgetown University and was with United California Bank prior to joining the Board's staff. Mr. Mead has also served with the Federal Deposit Insurance Corporation.

#### WEEKLY STATISTICAL REPORTS: GLOSSARY

The second in a series of publications describing terms used in Federal Reserve statistical reports has been published by the Federal Reserve Bank of New York. The new publication is a 32-page annotated glossary of terms found in the weekly Condition Report of Large Commercial Banks (H.4.2 and related statistical releases); the Weekly Summary of Banking and Credit Measures (H.9); and the Basic Reserve Position, and Federal Funds and Related Transactions of Eight Major Reserve City Banks in New York City (published by the Federal Reserve Bank of New York each Thursday; similar data is included in the Board's H.5 statistical release).

The first publication in the series issued in 1972 provides an explanation of the terms appearing in the Consolidated Statement of Condition of All Federal Reserve Banks (H.4.1. (a)) and Factors Affecting Bank Reserves (H.4.1.). Both publications are available without charge from the Public Information Department, Federal Reserve Bank of New York, 33 Liberty Street, New York, New York 10045.

#### ADMISSION OF STATE BANKS TO MEMBERSHIP IN THE FEDERAL RESERVE SYSTEM

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

##### *Kansas*

Lancaster ..... State Bank of Lancaster

##### *Michigan*

Livonia ..... The Detroit Bank—Livonia

##### *Virginia*

Augusta County ..... Community Bank and  
Trust Company of

Augusta County

Henrico County .... New Bank of Richmond

Roanoke ..... New Bank of Roanoke

# Industrial Production

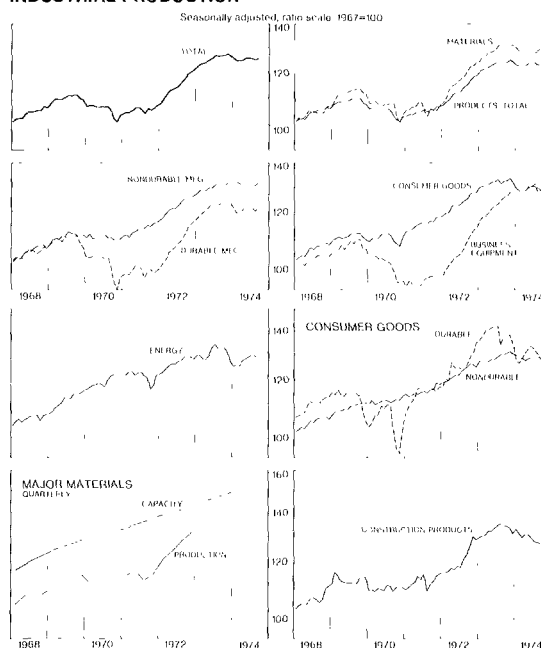
Released for publication October 15

Industrial production increased by an estimated 0.3 per cent in September and at 125.5 per cent of the 1967 average was 1.0 per cent below a year earlier. The index declined 0.4 per cent in August. The September increase mainly reflected settlements of work stoppages in electrical machinery, nonferrous metals, and mining.

Auto assemblies declined 2.5 per cent and were at an annual rate of 7.7 million units, as strikes continued in the parts supplying industries. Output of other durable consumer goods, mainly appliances and furniture, and nondurable consumer goods also declined. Production of business equipment rose 0.6 per cent from the reduced August level because of settlement of a work stoppage, and output of defense and space equipment increased further. Output of construction products declined again.

Production of durable goods materials rose 1.3 per cent as output of copper mining and fabricating recovered from strikes. Among nondurable goods materials, production of industrial fuel and power rose 2.7 per cent, mainly because of recovery in coal. Output of the textile, paper, and chemical group was further reduced.

## INDUSTRIAL PRODUCTION



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

Industrial production	Seasonally adjusted 1967 = 100			Per cent changes from--		Per cent changes, annual rate		
	1974			Month ago	Year ago	1973		1974
	July <sup>a</sup>	Aug. <sup>b</sup>	Sept. <sup>c</sup>			Q4	Q2	Q3
<b>Total</b> .....	<b>125.6</b>	<b>125.1</b>	<b>125.5</b>	<b>.3</b>	<b>- 1.0</b>	<b>- 6.6</b>	<b>1.9</b>	<b>.3</b>
Products, total .....	124.1	123.0	122.7	-.2	- 1.3	- 5.8	2.6	.6
Final products .....	123.0	121.7	121.5	-.2	-.7	- 6.5	3.0	.7
Consumer goods .....	130.1	129.4	128.4	-.8	- 2.9	- 11.5	2.5	-.6
Durable goods .....	132.0	130.4	128.0	- 1.8	- 7.4	- 26.6	14.7	- 7.0
Nondurable goods .....	129.3	129.0	128.5	.4	- 1.2	- 5.2	2.2	1.6
Business equipment .....	131.2	128.0	128.8	.6	2.4	.6	7.2	-.6
Intermediate products .....	128.0	128.1	127.5	.5	- 2.7	4.6	1.2	.4
Construction products .....	128.2	127.5	127.0	-.4	- 5.9	- 5.1	- 2.7	- 8.6
Materials .....	128.0	128.7	129.8	.9	- 1.1	- 6.4	-.3	.3

<sup>a</sup>Revised.

<sup>b</sup>Preliminary.

<sup>c</sup>Estimated.



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# Financial and Business Statistics

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## Guide to Tabular Presentation

### SYMBOLS AND ABBREVIATIONS

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

### GENERAL INFORMATION

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

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

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

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

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

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

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

(In millions of dollars)

Period or date	Factors supplying reserve funds									
	Reserve Bank credit outstanding						Gold stock	Special Drawing Rights certificate account	Treasury currency outstanding	
	U.S. Govt. securities <sup>1</sup>			Loans	Float <sup>2</sup>	Other F.R. assets <sup>3</sup>				Total <sup>4</sup>
	Total	Bought outright	Held under repurchase agreement							
<b>Averages of daily figures</b>										
1939—Dec.....	2,510	2,510	.....	8	83	.....	2,612	17,518	.....	2,956
1941—Dec.....	2,219	2,219	.....	5	170	.....	2,404	22,759	.....	3,239
1945—Dec.....	23,708	23,708	.....	381	652	.....	24,744	20,047	.....	4,322
1950—Dec.....	20,345	20,336	9	142	1,117	.....	21,606	22,879	.....	4,629
1960—Dec.....	27,248	27,170	78	94	1,665	.....	29,060	17,954	.....	5,396
1968—Dec.....	52,529	52,454	75	765	3,251	.....	56,610	10,367	.....	6,810
1969—Dec.....	57,500	57,295	205	1,086	3,235	2,204	64,100	10,367	.....	6,841
1970—Dec.....	61,688	61,310	378	321	3,570	1,032	66,708	11,105	400	7,145
1971—Dec.....	69,158	68,868	290	107	3,905	982	74,255	10,132	400	7,611
1972—Dec.....	71,094	70,790	304	1,049	3,479	1,138	76,851	10,410	400	8,293
1973—Sept.....	76,073	75,712	361	1,861	2,925	889	81,810	10,410	400	8,584
Oct.....	78,042	77,500	542	1,465	2,936	1,122	83,644	10,933	400	8,613
Nov.....	78,457	77,937	520	1,399	2,764	1,078	83,756	11,567	400	8,642
Dec.....	79,701	78,833	868	1,298	3,414	1,079	85,642	11,567	400	8,668
1974—Jan.....	80,793	80,608	185	1,044	3,385	1,258	86,568	11,567	400	8,705
Feb.....	80,801	80,551	250	1,186	2,300	1,117	85,493	11,567	400	8,747
Mar.....	80,686	80,184	502	1,352	1,816	960	84,943	11,567	400	8,767
Apr.....	81,567	80,873	694	1,714	2,295	1,160	86,907	11,567	400	8,807
May.....	83,434	82,037	1,397	2,580	2,025	1,093	89,405	11,567	400	8,838
June.....	82,812	81,859	953	3,000	2,114	1,106	89,254	11,567	400	8,877
July.....	84,313	83,496	817	3,308	2,267	1,343	91,554	11,567	400	8,905
Aug.....	84,493	84,221	272	3,351	1,983	1,258	91,367	11,567	400	8,951
Sept.....	84,384	84,049	335	3,288	2,237	1,349	91,616	11,567	400	8,992
<b>Week ending—</b>										
1974—July 3.....	83,933	82,663	1,270	3,435	2,190	1,253	91,140	11,567	400	8,899
10.....	83,990	83,007	983	2,640	2,951	1,259	91,157	11,567	400	8,898
17.....	84,718	83,614	1,104	3,175	2,401	1,321	92,015	11,567	400	8,903
24.....	84,429	84,153	276	3,641	2,027	1,397	91,722	11,567	400	8,907
31.....	84,112	83,531	581	3,690	1,807	1,434	91,386	11,567	400	8,913
Aug. 7.....	83,648	83,648	.....	3,089	2,100	1,461	90,516	11,567	400	8,938
14.....	83,486	83,486	.....	3,041	2,018	1,425	90,286	11,567	400	8,953
21.....	85,394	84,720	674	3,437	1,940	914	91,998	11,567	400	8,955
28.....	85,176	84,046	530	3,533	1,845	1,145	92,086	11,567	400	8,961
Sept. 4.....	85,304	85,061	243	3,906	1,778	1,237	92,539	11,567	400	8,973
11.....	83,126	83,126	.....	3,085	2,770	1,290	90,540	11,567	400	8,971
18.....	83,791	83,222	569	2,921	2,560	1,323	90,901	11,567	400	8,974
25.....	84,982	84,616	366	3,531	2,198	1,413	92,513	11,567	400	9,016
<b>End of month</b>										
1974—July.....	81,688	81,688	.....	3,589	2,631	1,684	89,810	11,567	400	8,965
Aug.....	84,951	84,951	.....	4,320	1,522	1,268	92,338	11,567	400	9,017
Sept.....	85,046	85,046	.....	2,920	1,473	1,481	91,424	11,567	400	9,038
<b>Wednesday</b>										
1974—July 3.....	84,027	82,745	1,282	3,002	2,668	1,266	91,346	11,567	400	8,897
10.....	84,510	83,086	1,424	2,271	3,544	1,343	92,057	11,567	400	8,898
17.....	84,829	83,775	1,054	4,048	3,070	1,369	93,663	11,567	400	8,906
24.....	85,229	84,294	935	5,639	2,158	1,419	94,910	11,567	400	8,911
31.....	81,688	81,688	.....	3,589	2,631	1,684	89,810	11,567	400	8,965
Aug. 7.....	82,121	82,121	.....	2,889	2,660	1,560	89,445	11,567	400	8,949
14.....	83,803	83,803	.....	2,920	2,355	1,540	90,833	11,567	400	8,954
21.....	85,816	85,050	766	3,113	2,455	1,118	92,817	11,567	400	8,959
28.....	81,523	80,996	527	3,433	2,139	1,112	88,615	11,567	400	8,964
Sept. 4.....	86,841	85,136	1,705	3,207	1,943	1,238	93,764	11,567	400	8,969
11.....	82,760	82,760	.....	2,454	2,870	1,406	89,753	11,567	400	8,974
18.....	82,185	82,185	.....	3,122	3,433	1,334	90,349	11,567	400	8,974
25.....	84,887	84,181	706	5,192	2,517	1,403	94,489	11,567	400	9,032

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

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

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

<sup>4</sup> Includes industrial loans and acceptances until Aug. 21, 1959, when

industrial loan program was discontinued. For holdings of acceptances on Wed. and end-of-month dates, see table on F.R. Banks on p. A-12. See also note 2.

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

Notes continued on opposite page.

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

(In millions of dollars)

Factors absorbing reserve funds										Period or date
Cur- rency in cir- cu- la- tion	Treas- ury cash hold- ings	Deposits, other than member bank reserves, with F.R. Banks			Other F.R. ac- counts <sup>3</sup>	Other F.R. lia- bil- ities and capital <sup>3</sup>	Member bank reserves			
		Treas- ury	For- eign	Other <sup>2, 5</sup>			With F.R. Banks	Cur- rency and coin <sup>6</sup>	Total <sup>7</sup>	
Averages of daily figures										
7,609	2,402	616	739		248		11,473		11,473	.....1939—Dec.
10,985	2,189	592	1,531		292		12,812		12,812	.....1941—Dec.
28,452	2,269	625	1,247		493		16,027		16,027	.....1945—Dec.
27,806	1,290	615	920	353	739		17,391		17,391	.....1950—Dec.
33,019	408	522	250	495	1,029		16,688	2,595	19,283	.....1960—Dec.
50,609	756	360	225	458	-1,105		22,484	4,737	27,221	.....1968—Dec.
53,591	656	1,194	146	458		2,192	23,071	4,960	28,031	.....1969—Dec.
57,013	427	849	145	735		2,265	23,925	5,340	29,265	.....1970—Dec.
61,060	453	1,926	290	728		2,287	25,653	5,676	31,329	.....1971—Dec.
66,060	350	1,449	272	631		2,362	24,830	6,095	31,353	.....1972—Dec.
68,592	349	792	332	781		2,848	27,510	6,402	34,020	.....1973—Sept.
68,909	622	1,718	266	752		2,866	28,458	6,371	34,913	.....Oct.
69,927	340	1,772	522	689		2,854	28,259	6,382	34,725	.....Nov.
71,646	323	1,892	406	717		2,942	28,352	6,635	35,068	.....Dec.
70,962	349	2,488	427	713		2,904	29,396	7,192	36,655	.....1974—Jan.
70,411	342	2,972	293	682		2,932	28,574	6,601	35,242	.....Feb.
71,081	334	1,803	311	699		2,998	28,450	6,450	34,966	.....Mar.
72,176	308	1,712	328	702		2,985	29,469	6,402	35,929	.....Apr.
72,876	286	3,000	320	699		3,168	29,861	6,600	36,519	.....May
73,749	293	2,015	491	691		3,187	29,672	6,668	36,390	.....June
74,556	275	2,795	296	773		3,216	30,514	6,824	37,338	.....July
74,709	283	2,633	326	831		3,240	30,264	6,765	37,029	.....Aug.
75,098	303	2,451	456	766		3,345	30,155	6,917	37,072	.....Sept. <sup>p</sup>
Week ending—										
74,112	287	2,781	350	777		3,240	30,459	6,815	37,274	.....1974—July 3
74,876	275	2,957	289	753		3,050	29,820	7,048	36,868	.....10
74,849	266	2,366	303	786		3,193	31,122	6,702	37,824	.....17
74,441	270	2,721	283	757		3,271	30,853	6,564	37,417	.....24
74,081	283	3,214	293	785		3,390	30,218	6,986	37,204	.....31
74,383	282	2,730	274	799		3,053	29,900	7,020	36,920	.....Aug. 7
74,916	274	1,875	269	875		3,107	29,890	7,046	36,936	.....14
74,872	279	2,447	428	833		3,262	30,799	6,357	37,156	.....21
74,613	281	3,191	307	779		3,390	30,452	6,614	37,066	.....28
74,979	302	3,107	371	802		3,502	30,416	6,823	37,239	.....Sept. 4
75,399	297	1,858	362	732		3,126	29,703	7,066	36,769	.....11 <sup>p</sup>
75,302	298	1,438	525	751		3,255	30,274	6,845	37,119	.....18 <sup>p</sup>
74,890	304	3,148	612	904		3,450	30,188	6,784	36,972	.....25 <sup>p</sup>
End of Month										
74,373	269	3,822	330	1,169		3,403	27,376	5,986	34,362	.....1974—July
74,926	287	3,303	372	654		3,532	30,247	6,823	37,070	.....Aug.
74,804	322	3,209	411	718		3,685	29,279	7,071	36,350	.....Sept. <sup>p</sup>
Wednesday										
74,749	288	2,590	269	637		2,971	30,706	6,815	37,521	.....1974—July 3
75,154	277	2,447	241	764		3,144	30,894	7,048	37,942	.....10
74,848	285	2,714	257	797		3,170	32,465	6,702	39,167	.....17
74,411	268	3,001	254	732		3,350	33,771	6,564	40,335	.....24
74,373	269	3,822	330	1,169		3,403	27,376	6,986	34,362	.....31
74,877	289	1,891	261	675		3,030	29,338	7,020	36,358	.....Aug. 7
75,140	290	1,969	248	929		3,141	30,036	7,046	37,082	.....14
74,882	294	2,456	303	738		3,290	31,780	6,357	38,137	.....21
74,973	306	2,950	324	723		3,429	26,840	6,614	33,454	.....28
75,416	302	2,785	359	777		3,135	31,926	6,823	38,749	.....Sept. 4
75,655	302	1,287	305	739		3,181	29,225	7,066	36,291	.....11 <sup>p</sup>
75,254	311	2,503	327	758		3,259	28,877	6,845	35,722	.....18 <sup>p</sup>
74,972	318	3,347	611	711		3,477	32,052	6,784	38,836	.....25 <sup>p</sup>

<sup>6</sup> Part allowed as reserves Dec. 1, 1959—Nov. 23, 1960; all allowed thereafter. Beginning with Jan. 1963, figures are estimated except for weekly averages. Beginning Sept. 12, 1968, amount is based on close-of-business figures for reserve period 2 weeks previous to report date.  
<sup>7</sup> Beginning with week ending Nov. 15, 1972, includes \$450 million of reserve deficiencies on which F.R. Banks are allowed to waive penalties for a transition period in connection with bank adaptation to Regulation J as amended effective Nov. 9, 1972. Beginning 1973, allowable deficiencies included are (beginning with first statement week of quarter): Q1, \$279 million; Q2, \$172 million; Q3, \$112 million; Q4, \$84 million. Beginning

1974 Q1, \$67 million Q2, \$58 million, transition period ended after second quarter, 1974.

<sup>8</sup> Includes securities loaned—fully secured by U.S. Govt. securities pledged with F.R. Banks.

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

For other notes see opposite page.

## RESERVES AND BORROWINGS OF MEMBER BANKS

(In millions of dollars)

Period	All member banks					Large banks <sup>2</sup>						All other banks	
	Reserves			Borrowings		New York City		City of Chicago		Other		Excess	Borrowings
	Total held <sup>1</sup>	Re-quired	Excess <sup>1</sup>	Total	Sea-sonal	Excess	Borrowings	Excess	Borrowings	Excess	Borrowings		
1939—Dec.	11,473	6,462	5,011	3	.....	2,611	.....	540	.....	1,188	.....	671	3
1941—Dec.	12,812	9,422	3,390	5	.....	989	.....	295	.....	1,303	.....	804	4
1945—Dec.	16,027	14,536	1,491	334	.....	48	.....	192	.....	418	.....	1,011	46
1950—Dec.	17,391	16,364	1,027	142	.....	125	.....	58	.....	232	.....	663	29
1960—Dec.	19,283	18,527	756	87	.....	29	.....	19	.....	4	.....	623	40
1965—Dec.	22,719	22,267	452	454	.....	41	.....	111	.....	15	.....	228	92
1967—Dec.	25,260	24,915	345	238	.....	18	.....	40	.....	8	.....	105	80
1968—Dec.	27,221	26,766	455	765	.....	100	.....	230	.....	13	.....	270	180
1969—Dec.	28,031	27,774	257	1,086	.....	56	.....	259	.....	18	.....	479	177
1970—Dec.	29,265	28,993	272	321	.....	34	.....	25	.....	7	.....	264	189
1971—Dec.	31,329	31,164	165	107	.....	25	.....	35	.....	8	.....	22	42
1972—Dec.	31,353	31,134	219	1,049	.....	-20	.....	301	.....	13	.....	-42	264
1973—Sept.	34,020	33,775	245	1,861	147	-6	115	24	62	40	712	79	972
Oct.	34,913	34,690	223	1,465	126	11	74	1	54	17	589	110	748
Nov.	34,725	34,543	182	1,399	84	27	180	-24	28	-20	593	115	598
Dec.	35,068	34,806	262	1,298	41	-23	74	43	28	28	761	133	435
1974—Jan.	36,655	36,419	236	1,044	18	65	135	-44	17	-8	549	156	343
Feb.	35,242	35,053	189	1,186	17	51	87	-19	18	-51	635	141	446
Mar.	34,966	34,790	176	1,352	32	21	113	-61	65	43	689	107	485
Apr.	35,929	35,771	158	1,714	50	19	114	-69	41	-58	987	70	572
May	36,519	36,325	194	2,580	102	-20	772	29	20	-4	939	131	849
June	36,390	36,259	131	3,000	130	-26	1,303	-8	51	26	799	89	847
July	37,338	37,161	177	3,308	149	45	1,457	19	70	-12	848	125	933
Aug.	37,029	36,851	178	3,351	165	-58	1,464	6	23	78	860	152	1,004
Sept. <sup>1</sup>	37,072	36,892	180	3,288	139	56	1,662	-28	17	-138	792	89	817
Week ending—													
1973—Sept. 5 <sup>r</sup>	34,121	33,644	477	2,363	168	201	143	29	117	29	799	106	1,304
12 <sup>r</sup>	33,525	33,401	124	1,488	145	-46	32	-5	20	-38	590	101	846
19 <sup>r</sup>	33,860	33,724	136	1,704	139	-4	91	3	15	-40	758	65	840
26 <sup>r</sup>	34,144	34,070	74	2,189	150	-21	217	127	127	-80	855	36	990
1974—Mar. 6	34,633	34,515	118	912	19	-81	123	13	11	1	364	118	414
13	34,748	34,632	116	983	19	41	11	-8	66	-82	507	98	399
20	35,209	35,129	80	1,483	35	-41	333	-3	15	-36	679	93	456
27	34,774	34,605	169	1,713	43	10	31	40	21	-16	1,061	68	600
Apr. 3	35,443	35,217	226	1,503	44	77	34	-9	189	-27	710	127	570
10	35,002	34,940	62	1,194	41	-73	108	4	53	6	663	67	370
17	36,256	35,927	329	1,816	46	78	107	-19	101	37	1,093	175	515
24	36,055	35,916	139	1,939	52	-12	69	70	4	-12	1,233	35	633
May 1	36,845	36,668	177	2,157	74	62	176	-47	17	-34	1,140	138	824
8	36,336	36,201	135	1,616	82	-57	134	41	14	10	822	83	646
15	36,646	36,470	176	1,977	94	83	506	-39	37	-63	731	137	703
22	36,616	36,487	129	3,090	112	-55	993	57	7	-9	1,131	78	959
29	36,349	36,170	179	3,606	114	32	1,449	-17	9	-10	1,081	116	1,067
June 5	36,279	36,054	225	3,054	131	-37	1,210	2	15	61	846	141	983
12	35,789	35,658	131	2,729	136	26	1,296	-21	40	-67	629	93	764
19	36,708	36,461	247	3,223	140	31	1,385	-17	139	44	984	131	715
26	36,536	36,437	99	2,788	133	-8	1,221	41	17	-76	690	84	860
July 3	37,274	36,905	369	3,435	127	9	1,412	111	137	72	878	177	1,008
10	36,868	36,590	278	2,640	136	90	1,339	1	52	84	432	103	817
17	37,824	37,840	-16	3,175	150	-75	1,536	26	15	-74	786	107	838
24	37,417	37,302	115	3,641	156	17	1,538	-41	80	81	1,108	58	915
31	37,204	37,020	184	3,690	163	33	1,431	1	38	13	1,086	137	1,135
Aug. 7	36,920	36,692	228	3,089	174	-7	1,420	9	24	54	644	172	1,001
14	36,936	36,823	113	3,041	160	20	1,431	8	24	-39	716	124	870
21	37,156	36,947	209	3,437	167	-32	1,447	-2	23	130	961	113	1,006
28	37,066	36,920	146	3,533	161	105	1,457	31	21	-98	951	108	1,104
Sept. 4	37,239	36,918	321	3,906	152	-66	1,729	40	19	171	1,125	176	1,033
11	36,769	36,632	137	3,085	132	125	1,567	-41	20	-297	765	72	733
18 <sup>p</sup>	37,119	37,010	109	2,921	134	-220	1,517	8	16	92	741	80	647
25 <sup>p</sup>	36,972	36,884	88	3,531	141	69	1,782	-152	10	-174	873	4	866

<sup>1</sup> Beginning with week ending Nov. 15, 1972, includes \$450 million of reserve deficiencies on which F.R. Banks are allowed to waive penalties for a transition period in connection with bank adaptation to Regulation J as amended effective Nov. 9, 1972. Beginning 1973, allowable deficiencies included are (beginning with first statement week of quarter): Q1, \$279 million; Q2, \$172 million; Q3, \$112 million; Q4 million. Beginning 1974 Q1, \$67 million, Q2, \$58 million, transition period ended after second quarter, 1974.

<sup>2</sup> Beginning Nov. 9, 1972, designation of banks as reserve city banks for reserve requirement purposes has been based on size of bank (net demand deposits of more than \$400 million), as described in the *Bulletin*

for July 1972, p. 626. Categories shown here as "Large" and "All other" parallel the previous "Reserve city" and "Country" categories, respectively (hence the series are continuous over time).

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

*Borrowings at F.R. Banks:* Based on closing figures. Effective Apr. 19, 1963, the Board's Regulation A, which governs lending by Federal Reserve Banks, was revised to assist smaller member banks to meet the seasonal borrowing needs of their communities.

## BASIC RESERVE POSITION, AND FEDERAL FUNDS AND RELATED TRANSACTIONS

(In millions of dollars, except as noted)

Reporting banks and week ending—	Basic reserve position				Interbank Federal funds transactions					Related transactions with U.S. Govt. securities dealers			
	Excess reserves <sup>1</sup>	Less—		Net—		Gross transactions		Total two-way transactions <sup>2</sup>	Net transactions		Loans to dealers <sup>3</sup>	Borrowings from dealers <sup>4</sup>	Net loans
		Borrowings at F.R. Banks	Net inter-bank Federal funds trans.	Surplus or deficit	Per cent of avg. required reserves	Purchases	Sales		Purchases of net buying banks	Sales of net selling banks			
<i>Total—46 banks</i>													
1974—Aug. 7.....	107	123	14,388	-14,404	84.6	20,168	5,779	5,005	15,162	774	3,168	1,170	1,998
14.....	179	224	14,512	-14,556	84.9	20,111	5,600	4,809	15,303	791	3,152	1,030	2,122
21.....	161	454	12,484	-12,777	74.4	18,306	5,822	4,746	13,560	1,076	2,642	1,159	1,483
28.....	-1,092	295	11,501	-12,888	70.2	17,223	5,723	4,578	12,646	1,145	2,583	1,098	1,485
Sept. 4.....	179	735	11,176	-11,731	68.1	17,730	6,555	5,049	12,682	1,506	2,642	1,078	1,564
11.....	-95	421	14,803	-15,318	89.4	20,003	5,200	4,641	15,362	559	4,287	963	3,324
18.....	33	330	13,238	-13,536	77.9	18,820	5,582	4,986	13,834	596	3,665	919	2,746
25.....	-1	618	10,478	-11,097	64.9	16,953	6,475	4,843	12,110	1,632	3,184	932	2,252
<i>8 in New York City</i>													
1974—Aug. 7.....	25	.....	4,490	-4,466	64.1	6,338	1,848	1,425	4,913	423	1,886	635	1,251
14.....	37	19	5,192	-5,174	72.7	6,381	1,188	1,105	5,276	84	1,784	648	1,136
21.....	6	.....	4,178	-4,172	58.4	5,379	1,201	1,171	4,209	30	1,446	815	631
28.....	110	.....	2,119	-3,010	43.4	4,580	1,461	1,173	3,407	289	1,280	806	474
Sept. 4.....	-5	206	3,705	-3,915	55.6	5,158	1,454	1,294	3,864	160	1,403	774	629
11.....	123	32	5,237	-5,416	74.4	6,143	906	906	5,237	.....	2,556	762	1,795
18.....	-68	36	4,343	-4,447	63.0	5,503	1,160	1,160	4,343	.....	1,859	697	1,162
25.....	22	270	3,364	-3,612	51.3	4,819	1,455	1,215	3,604	240	1,494	655	840
<i>38 outside New York City</i>													
1974—Aug. 7.....	83	123	9,898	-9,938	98.8	13,829	3,932	3,580	10,249	352	1,282	535	747
14.....	142	205	9,319	-9,382	93.5	13,731	4,441	3,704	10,027	707	1,368	382	986
21.....	154	454	8,305	-8,605	85.7	12,927	4,621	3,575	9,351	1,046	1,196	344	852
28.....	-1,201	295	8,382	-9,878	86.4	12,643	4,261	3,405	9,238	857	1,303	292	1,011
Sept. 4.....	184	529	7,471	-7,816	76.8	12,572	5,101	3,755	8,817	1,346	1,239	304	935
11.....	218	389	9,566	-10,172	99.1	13,860	4,294	3,735	10,125	559	1,731	201	1,530
18.....	101	295	8,896	-9,089	88.1	13,317	4,422	3,826	9,491	596	1,806	222	1,583
25.....	-23	349	7,114	-7,485	74.3	12,134	5,021	3,629	8,505	1,392	1,690	278	1,413
<i>5 in City of Chicago</i>													
1974—Aug. 7.....	18	.....	3,703	-3,685	198.3	4,524	821	812	3,712	9	332	.....	332
14.....	80	.....	3,807	3,727	198.7	4,560	753	753	3,808	.....	388	.....	388
21.....	4	.....	3,527	-3,523	183.4	4,290	763	763	3,527	.....	302	.....	302
28.....	27	.....	3,470	-3,443	182.2	4,254	784	784	3,470	.....	297	.....	297
Sept. 4.....	60	.....	3,324	-3,263	168.4	4,226	903	903	3,324	.....	330	.....	330
11.....	-9	.....	3,852	-3,861	198.6	4,509	656	656	3,853	.....	493	.....	493
18.....	2	.....	3,554	-3,553	185.3	4,401	847	847	3,554	.....	364	.....	364
25.....	16	.....	2,607	-2,591	134.9	3,410	803	803	2,607	.....	340	.....	340
<i>33 others</i>													
1974—Aug. 7.....	65	123	6,195	-6,254	76.2	9,306	3,111	2,768	6,538	342	950	535	416
14.....	62	205	5,512	-5,655	69.3	9,170	3,658	2,951	6,219	707	980	382	598
21.....	150	454	4,779	-5,082	62.6	8,637	3,858	2,812	5,825	1,046	894	344	550
28.....	-1,228	295	4,912	-6,435	67.5	8,389	3,477	2,621	5,768	857	1,006	292	714
Sept. 4.....	123	529	4,148	-4,553	55.2	8,346	4,198	2,852	5,494	1,346	909	304	605
11.....	-210	399	5,713	-6,311	76.4	9,351	3,638	3,079	6,273	559	1,238	201	1,037
18.....	100	295	5,341	-5,537	65.9	8,916	3,575	2,979	5,937	596	1,442	222	1,219
25.....	-39	349	4,507	-4,894	60.0	8,724	4,217	2,826	5,899	1,392	1,350	278	1,072

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

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

<sup>3</sup> Federal funds loaned, net funds supplied to each dealer by clearing

banks, repurchase agreements (purchases of securities from dealers subject to resale), or other lending arrangements.

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

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

**CURRENT RATES**

(Per cent per annum)

Federal Reserve Bank	Loans to member banks—											
	Under Secs. 13 and 13a <sup>1</sup>			Under Sec. 10(b) <sup>2</sup>						Loans to all others under last par Sec. 13 <sup>4</sup>		
				Regular rate			Special rate <sup>3</sup>					
	Rate on 9/30/74	Effective date	Previous rate	Rate on 9/30/74	Effective date	Previous rate	Rate on 9/30/74	Effective date <sup>3</sup>	Previous rate	Rate on 9/30/74	Effective date	Previous rate
Boston.....	8	4/30/74	7½	8½	4/30/74	8	.....	.....	.....	10	4/30/74	9½
New York.....	8	4/25/74	7½	8½	4/25/74	8	10	9/27/74	.....	10	4/25/74	9½
Philadelphia.....	8	4/25/74	7½	8½	4/25/74	8	.....	.....	.....	10	4/25/74	9½
Cleveland.....	8	4/25/74	7½	8½	4/25/74	8	.....	.....	.....	10	4/25/74	9½
Richmond.....	8	4/25/74	7½	8½	4/25/74	8	.....	.....	.....	10	4/25/74	9½
Atlanta.....	8	4/29/74	7½	8½	4/29/74	8	.....	.....	.....	10	4/29/74	9½
Chicago.....	8	4/26/74	7½	8½	4/26/74	8	.....	.....	.....	10	4/26/74	9½
St. Louis.....	8	4/26/74	7½	8½	4/26/74	8	.....	.....	.....	10	4/26/74	9½
Minneapolis.....	8	4/26/74	7½	8½	4/26/74	8	.....	.....	.....	10	4/26/74	9½
Kansas City.....	8	4/25/74	7½	8½	4/25/74	8	.....	.....	.....	10	4/25/74	9½
Dallas.....	8	4/25/74	7½	8½	4/25/74	8	10	9/27/74	.....	10	4/25/74	9½
San Francisco.....	8	4/25/74	7½	8½	4/25/74	8	.....	.....	.....	10	4/25/74	9½

<sup>1</sup> Discounts of eligible paper and advances secured by such paper or by U.S. Govt. obligations or any other obligations eligible for F.R. Bank purchase.  
<sup>2</sup> Advances secured to the satisfaction of the F.R. Bank.  
<sup>3</sup> Applicable to special advances described in Section 201.2(e)(2) of Regulation A. The effective date for this rate is the date on which the

Board approved action by the Reserve Bank to establish the special discount rate.  
<sup>4</sup> Advances to individuals, partnerships, or corporations other than member banks secured by direct obligations of, or obligations fully guaranteed as to principal and interest by, the U.S. Govt. or any agency thereof.

**SUMMARY OF EARLIER CHANGES**

(Per cent per annum)

Effective date	Range (or level)—All F.R. Banks	F.R. Bank of N.Y.	Effective date	Range (or level)—All F.R. Banks	F.R. Bank of N.Y.	Effective date	Range (or level)—All F.R. Banks	F.R. Bank of N.Y.
In effect Dec. 31, 1954.....	1½	1½	1959—Mar. 6.....	2½-3	3	1970—Dec. 1.....	5½-5¾	5¾
1955—Apr. 14.....	1½-1¾	1½	16.....	3	3	4.....	5½-5¾	5½
15.....	1½-1¾	1¾	May 29.....	3-3½	3½	11.....	5½	5½
May 2.....	1¾	1¾	June 12.....	3½	3½	1971—Jan. 8.....	5½-5½	5½
Aug. 4.....	1¾-2¼	1¾	Sept. 11.....	3½-4	4	15.....	5½	5½
5.....	1¾-2¼	2	18.....	4	4	19.....	5-5¼	5¼
12.....	2-2¼	2	1960—June 3.....	3½-4	4	22.....	5-5¼	5
Sept. 9.....	2-2¼	2¼	10.....	3½-4	3½	29.....	5	5
13.....	2¼	2¼	14.....	3½	3½	Feb. 13.....	4¾-5	5
Nov. 18.....	2¼-2½	2½	Aug. 12.....	3-3½	3	19.....	4¾	4¾
23.....	2½	2½	Sept. 9.....	3	3	July 16.....	4¾-5	5
1956—Apr. 13.....	2½-3	2¾	1963—July 17.....	3-3½	3½	23.....	5	5
20.....	2¾-3	2¾	26.....	3½	3½	Nov. 11.....	4¾-5	5
Aug. 24.....	2¾-3	3	1964—Nov. 24.....	3½-4	4	19.....	4¾	4¾
31.....	3	3	30.....	4	4	Dec. 13.....	4½-4¾	4¾
1957—Aug. 9.....	3-3½	3	1965—Dec. 6.....	4-4½	4½	17.....	4½-4¾	4½
23.....	3½	3½	13.....	4½	4½	24.....	4½	4½
Nov. 15.....	3-3½	3	1967—Apr. 7.....	4-4½	4	1973—Jan. 15.....	5	5
Dec. 2.....	3	3	14.....	4	4	Feb. 26.....	5-5½	5½
1958—Jan. 22.....	2¾-3	3	Nov. 20.....	4-4½	4½	Mar. 2.....	5½	5½
24.....	2¾-3	2¾	27.....	4½	4½	Apr. 23.....	5½-5¾	5½
Mar. 7.....	2½-3	2½	1968—Mar. 15.....	4½-5	4½	May 4.....	5¾	5¾
13.....	2½-2¾	2½	22.....	5	5	11.....	5¾-6	6
21.....	2¼	2¼	Apr. 19.....	5-5½	5½	18.....	6	6
Apr. 18.....	1¾-2¼	1¾	26.....	5½	5½	June 11.....	6-6½	6½
May 9.....	1¾	1¾	Aug. 16.....	5¼-5½	5½	15.....	6½	6½
Aug. 15.....	1¾-2	1¾	30.....	5¼	5¼	July 2.....	7	7
Sept. 12.....	1¾-2	2	Dec. 18.....	5¼-5½	5½	Aug. 14.....	7-7½	7½
23.....	2	2	20.....	5½	5½	23.....	7½	7½
Oct. 24.....	2-2½	2	1969—Apr. 4.....	5½-6	6	1974—Apr. 25.....	7½-8	8
Nov. 7.....	2½	2½	8.....	6	6	30.....	8	8
			1970—Nov. 11.....	5¾-6	6	In effect Sept. 30, 1974.....	8	8
			13.....	5¾-6	5¾			
			16.....	5¾	5¾			

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



**RESERVE REQUIREMENTS ON DEPOSITS OF MEMBER BANKS**

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

Effective date <sup>1</sup>	Net demand <sup>2</sup>				Time <sup>3</sup> (all classes of banks)			Effective date	Net demand <sup>2,4</sup>					Time <sup>3</sup>		
	Reserve city		Other		Sav-ings	Other time			0-2	2-10	10-100	100-400	Over 400 <sup>5</sup>	Sav-ings	Other time	
	0-5	Over 5	0-5	Over 5		0-5	Over 5								0-5	Over 5 <sup>6</sup>
In effect																
Jan. 1, 1963.....	16½		12			4		1972—Nov. 9.....	8	10	12	7 16½	17½	8 3	8 3	8 5
1966—July 14, 21.....					4	4	5	Nov. 16.....				13				
Sept. 8, 15.....							6	1973—July 19.....		10½	12½	13½	18			
1967—Mar. 2.....					3½	3½		In effect								
Mar. 16.....					3	3		Sept. 30, 1974..	8	10½	12½	13½	18	3	3	5
1968—Jan. 11, 18.....	16½	17	12	12½												
1969—Apr. 17.....	17	17½	12½	13												
1970—Oct. 1.....							5									
								Present legal limits:					Minimum	Maximum		
								Net demand deposits, reserve city banks.....					10	22		
								Net demand deposits, other banks.....					7	14		
								Time deposits.....					3	10		

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

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

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

(c) Since Oct. 16, 1969, member banks have been required under Regulation M to maintain reserves against foreign branch deposits computed on the basis of net balances due from domestic offices to their foreign branches and against foreign branch loans to U.S. residents. Since June 21, 1973, loans aggregating \$100,000 or less to any U.S. resident have been excluded from computations, as have total loans of a bank to U.S. residents if not exceeding \$1 million. Regulation D imposes a similar reserve requirement on borrowings from foreign banks by domestic offices of a member bank. The reserve percentage applicable to each of these classifications is 8 per cent. The requirement was 10 per cent originally, was increased to 20 per cent on Jan. 7, 1971, and was reduced to the current 8 per cent effective June 21, 1973. Initially certain base amounts were exempted in the computation of the requirements, but effective Mar. 14, 1974, the last of these reserve-free bases were eliminated. For details, see Regulations D and M.

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

<sup>4</sup> Effective Nov. 9, 1972, a new criterion was adopted to designate reserve cities, and on the same date requirements for reserves against net demand deposits of member banks were restructured to provide that each member bank will maintain reserves related to the size of its net demand deposits. The new reserve city designations are as follows: A bank having net demand deposits of more than \$400 million is considered to have the character of business of a reserve city bank, and the presence of the head office of such a bank constitutes designation of that place as a reserve city. Cities in which there are F.R. Banks or branches are also

reserve cities. Any banks having net demand deposits of \$400 million or less are considered to have the character of business of banks outside of reserve cities and are permitted to maintain reserves at ratios set for banks not in reserve cities. For details, see Regulation D and appropriate supplements and amendments.

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

<sup>6</sup> Except as noted below, member banks are subject to an 8 per cent marginal reserve requirement against increases in the aggregate of the following types of obligations if they have an initial maturity of less than 120 days: (a) outstanding time deposits of \$100,000 or more, (b) outstanding funds obtained by the bank through issuance by a bank's affiliate of obligations subject to the existing reserve requirements on time deposits, and (c) funds from sales of finance bills. The 8 per cent requirement applies to balances above a specific base, but is not applicable to banks that have obligations of these types aggregating less than \$10 million. For the period June 21 through Aug. 29, 1973, (a) included only single-maturity time deposits. Previous requirements have been: 8 per cent for (a) and (b) from June 21 through Oct. 3, 1973, and for (c) from July 12 through Oct. 3, 1973; 11 per cent for all three categories from Oct. 4 through Dec. 26, 1973; and 8 per cent from Dec. 27, 1973 through Sept. 18, 1974. Beginning Sept. 19, 1974, the 8 per cent requirement is applied to only those obligations in (a), (b), and (c) with initial maturities of less than 120 days. For details, see Regulation D and appropriate supplements and amendments.

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

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

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

MAXIMUM INTEREST RATES PAYABLE ON TIME AND SAVINGS DEPOSITS

(Per cent per annum)

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

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

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

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

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

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

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

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

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

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

For previous changes, see earlier issues of the BULLETIN.

MARGIN REQUIREMENTS

(Per cent of market value)

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

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

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

TRANSACTIONS OF THE SYSTEM OPEN MARKET ACCOUNT

(In millions of dollars)

Outright transactions in U.S. Govt. securities, by maturity (excluding matched sale-purchase transactions)															
Period	Treasury bills <sup>1</sup>			Others within 1 year <sup>2</sup>			1-5 years			5-10 years			Over 10 years		
	Gross purchases	Gross sales	Redemptions	Gross purchases	Gross sales	Exch., maturity shifts, or redemptions	Gross purchases	Gross sales	Exch. or maturity shifts	Gross purchases	Gross sales	Exch. or maturity shifts	Gross purchases	Gross sales	Exch. or maturity shifts
1970.....	11,074	5,214	2,160	99		-3,483	848		5,430	249		-1,845	93		-102
1971.....	8,896	3,642	1,064	1,036		-6,462	1,338		4,672	933		685	311		150
1972.....	8,522	6,467	2,545	125		2,933	789		-1,405	539		-2,094	167		250
1973.....	15,517	4,880	3,405	1,396		-140	579		-2,028	500		895	129		87
1973—Aug....	655	945	456	351		4,361			-4,812						100
Sept....	480	401	564	836		-813			-23						
Oct....	2,117	153													
Nov....	583	489	1,101	41		1,515	125		680	331		-2,220	35		25
Dec....	1,919	70	10	75		34	116		-34	35					
1974—Jan....	1,340	335	1,402	9			93			77					
Feb....	768	391	410			687	30		-922			200			35
Mar....	664	566	165				109			56			25		
Apr....	1,237	49	407				172								
May....	737	100		112		2,563	26		-2,663	31			38		100
June....	614	954	204	48			34			78			16		
July....	988	211		27			53			9			36		
Aug....	1,654	851				-2,867			1,057			1,940			-130

Period	Total outright <sup>1</sup>			Matched sale-purchase transactions (Treasury bills)		Repurchase agreements (U.S. Govt. securities)		Net change in U.S. Govt. securities	Federal agency obligations			Bankers' acceptances, net		Net change <sup>3</sup>	
	Gross purchases	Gross sales	Redemptions	Gross sales	Gross purchases	Gross purchases	Gross sales		Outright		Repurchase agreements, net	Outright	Repurchase agreements		
									Gross purchases	Sales or redemptions					
1970.....	12,362	5,214	2,160	12,177	12,177	33,859	33,859	4,988							4,982
1971.....	12,515	3,642	2,019	16,205	16,205	44,741	43,519	8,076	485		101	22	181		8,866
1972.....	10,142	6,467	2,862	23,319	23,319	31,103	32,228	-312	1,197	370	-88	-9	-145		2,272
1973.....	18,121	4,880	4,592	45,780	45,780	74,755	74,795	8,610	865	239	29	-2	-36		9,272
1973—Aug....	1,006	945	807	9,632	9,632	2,234	2,492	-1,005		20	157	-7	-41		-915
Sept....	1,316	401	1,400	6,981	6,981	3,309	2,752	72		30	-95	-9	69		7
Oct....	2,117	153		4,735	4,735	8,220	7,859	2,325	176	4	-20	8	-46		2,440
Nov....	1,116	489	1,101	2,089	2,089	6,637	7,525	-1,360	74	3	20	-2	-34		-1,307
Dec....	2,145	70	10	3,435	3,435	9,523	10,202	1,387	212	84	-126	23	-26		1,386
1974—Jan....	1,519	335	1,402	2,590	2,590	4,442	4,500	-276	29	39	-42				-328
Feb....	798	391	410	2,393	2,393	4,265	4,265	-3	120	46		1			72
Mar....	854	566	165	702	702	6,248	5,124	1,247	170	48	185	4	223		1,780
Apr....	1,409	49	407			8,069	8,498	524	360	48	33	8	-89		789
May....	944	100		4,586	4,586	9,192	8,648	1,388	201	15	424	16	142		2,155
June....	790	954	204	4,580	4,580	6,124	6,667	-911	309	72	-372		-70		-1,115
July....	1,113	211		2,587		4,269	4,965	-2,381	761	35	-270		-207		-2,011
Aug....	1,654	851		9,060	11,285	2,096	2,096	3,028	238	3		59			3,322

<sup>1</sup> Before Nov. 1973 BULLETIN, included matched sale-purchase transactions, which are now shown separately.

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

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

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

CONVERTIBLE FOREIGN CURRENCIES HELD BY FEDERAL RESERVE BANKS

(In millions of U.S. dollar equivalent)

End of period	Total	Pounds sterling	Austrian schillings	Belgian francs	Canadian dollars	Danish kroner	French francs	German marks	Italian lire	Japanese yen	Netherlands guilders	Swiss francs
1970.....	257	154		*	*			98		1	*	4
1971.....	18	3		3	*			2		1		8
1972.....	192	*		*	*			164		1	20	6
1973—June....	4	*		*	*			*		1		3
July....	4	*		*	*			*		1		3
Aug....	5	*		*	*			1		1		3
Sept....	4	*		*	*			*		1		3
Oct....	4	*		*	*			*		1		3
Nov....	4	*		*	*			*		1		3
Dec....	4	*		*	*			*		1		3
1974—Jan....	1	*		*	*			*		1		
Feb....	32	*		20	*			10		1		
Mar....	6	*		5	*			*		1		
Apr....	6	*		5	*			*		1		
May....	63	*		5	*			57		1		
June....	90	*		5	*			84		1		

## CONSOLIDATED STATEMENT OF CONDITION OF ALL FEDERAL RESERVE BANKS

(In millions of dollars)

Item	Wednesday					End of month		
	1974					1974		1973
	Sept. 25	Sept. 18	Sept. 11	Sept. 4	Aug. 28	Sept. 30	Aug. 31	Sept. 30
<b>Assets</b>								
Gold certificate account.....	11,460	11,460	11,460	11,460	11,460	11,460	11,460	10,303
Special Drawing Rights certificate account.....	400	400	400	400	400	400	400	400
Cash.....	228	217	207	204	224	237	232	314
Loans:								
Member bank borrowings.....	5,192	3,122	2,454	3,207	3,433	2,920	4,320	1,558
Other.....								
Acceptances:								
Bought outright.....	300	275	263	274	275	317	277	39
Held under repurchase agreements.....	190			261	133	187		106
Federal agency obligations:								
Bought outright.....	4,011	3,804	3,804	3,804	3,582	4,011	3,820	1,567
Held under repurchase agreements.....	223			401	340			168
U.S. Govt. securities:								
Bought outright:								
Bills.....	37,354	35,742	36,317	38,693	34,775	38,219	38,492	34,100
Certificates—Special.....								
Other.....								
Notes.....	39,719	39,581	39,581	39,581	39,582	39,719	39,581	37,374
Bonds.....	3,097	3,058	3,058	3,058	3,057	3,097	3,058	3,428
Total bought outright.....	1,280,170	1,278,381	1,278,956	1,281,332	1,277,414	1,81,035	1,281,131	1,74,902
Held under repurchase agreements.....	483			1,304	187			1,263
Total U.S. Govt. securities.....	80,653	78,381	78,956	82,636	77,601	81,035	81,131	76,165
Total loans and securities.....	90,569	85,582	85,477	90,583	85,364	88,470	89,548	79,603
Cash items in process of collection.....	<sup>p</sup> 8,163	<sup>p</sup> 9,528	<sup>p</sup> 8,326	8,667	7,238	<sup>p</sup> 5,880	6,057	7,486
Bank premises.....	248	248	246	247	245	248	245	213
Other assets:								
Denominated in foreign currencies.....	242	242	242	230	183	242	220	4
All other.....	913	844	918	761	684	991	803	757
Total assets.....	<sup>p</sup> 112,223	<sup>p</sup> 108,521	<sup>p</sup> 107,276	112,552	105,798	<sup>p</sup> 107,928	108,965	99,080
<b>Liabilities</b>								
F.R. notes.....	66,379	66,702	67,083	66,846	66,433	66,219	66,322	60,174
Deposits:								
Member bank reserves.....	<sup>p</sup> 32,052	<sup>p</sup> 28,877	<sup>p</sup> 29,225	31,926	26,840	<sup>p</sup> 29,279	30,247	28,240
U.S. Treasury—General account.....	3,347	2,503	1,287	2,785	2,950	3,209	3,303	1,624
Foreign.....	611	327	305	359	324	411	372	250
Other:								
All other <sup>3</sup> .....	3,711	3,758	3,739	3,777	3,723	3,718	3,654	3,805
Total deposits.....	<sup>p</sup> 36,721	<sup>p</sup> 32,465	<sup>p</sup> 31,556	35,847	30,837	<sup>p</sup> 33,617	34,576	30,919
Deferred availability cash items.....	5,646	6,095	5,456	6,724	5,099	4,407	4,535	4,966
Other liabilities and accrued dividends.....	1,289	1,195	1,233	1,298	1,216	1,407	1,277	968
Total liabilities.....	<sup>p</sup> 110,035	<sup>p</sup> 106,457	<sup>p</sup> 105,328	110,715	103,585	<sup>p</sup> 105,650	106,710	97,027
<b>Capital accounts</b>								
Capital paid in.....	886	885	882	880	882	886	881	829
Surplus.....	844	844	844	844	844	844	844	793
Other capital accounts.....	458	335	222	113	487	548	530	431
Total liabilities and capital accounts.....	<sup>p</sup> 112,223	<sup>p</sup> 108,521	<sup>p</sup> 107,276	112,552	105,798	<sup>p</sup> 107,928	108,965	99,080
Contingent liability on acceptances purchased for foreign correspondents.....	1,388	1,361	1,304	1,194	1,182	1,459	1,202	548
Marketable U.S. Govt. securities held in custody for foreign and international accounts.....	30,525	30,924	30,538	30,559	30,464	30,833	30,796	27,355
<b>Federal Reserve Notes—Federal Reserve Agents' Accounts</b>								
F.R. notes outstanding (issued to Bank).....	71,181	71,229	71,071	70,899	70,813	71,214	70,832	64,939
Collateral held against notes outstanding:								
Gold certificate account.....	2,360	2,360	2,360	2,360	2,380	2,360	2,380	2,415
U.S. Govt. securities.....	70,090	69,990	69,790	69,575	69,575	70,115	69,575	64,025
Total collateral.....	72,450	72,350	72,150	71,935	71,955	72,475	71,955	66,440

<sup>1</sup> See note 8 on p. A-5.<sup>2</sup> See note 9 on p. A-5.<sup>3</sup> See note 5 on p. A-4.

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

(In millions of dollars)

Item	Wednesday					End of month		
	1974					1974		1973
	Sept 25	Sept 18	Sept 11	Sept 4	Aug 28	Sept 30	Aug 31	Sept 30
<b>Loans—Total</b> .....	5,192	3,122	2,454	3,206	3,434	2,920	4,321	1,559
Within 15 days <sup>1</sup> .....	5,160	3,088	2,381	3,084	3,400	2,814	4,226	1,478
16 days to 90 days.....	32	34	73	122	34	106	95	81
91 days to 1 year.....								
<b>Acceptances—Total</b> .....	490	275	263	535	408	504	277	145
Within 15 days <sup>1</sup> .....	201	30	29	287	156	202	20	9
16 days to 90 days.....	236	192	186	178	178	253	184	136
91 days to 1 year.....	53	53	48	70	74	49	73	
<b>U.S. Government securities—Total</b> .....	80,653	78,381	78,956	82,636	77,601	81,035	81,131	76,165
Within 15 days <sup>1</sup> .....	4,820	4,249	5,661	6,387	2,804	3,340	3,058	4,524
16 days to 90 days.....	19,894	19,242	18,170	20,795	19,343	21,747	20,926	19,845
91 days to 1 year.....	22,985	22,091	22,326	22,655	22,655	22,794	24,348	18,565
Over 1 year to 5 years.....	21,089	21,024	21,024	21,024	21,024	21,289	21,024	22,171
Over 5 years to 10 years.....	9,946	9,893	9,893	9,893	9,893	9,946	9,893	9,358
Over 10 years.....	1,919	1,882	1,882	1,882	1,882	1,919	1,882	1,702
<b>Federal agency obligations—Total</b> .....	4,234	3,804	3,804	4,205	3,922	4,011	3,820	1,735
Within 15 days <sup>1</sup> .....	248	25		417	371	25	31	168
16 days to 90 days.....	155	155	180	120	99	155	99	92
91 days to 1 year.....	577	527	527	491	465	577	513	302
Over 1 year to 5 years.....	1,894	1,781	1,781	1,848	1,638	1,894	1,848	615
Over 5 years to 10 years.....	872	852	852	865	865	872	865	347
Over 10 years.....	488	464	464	464	464	488	464	211

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

**BANK DEBITS AND DEPOSIT TURNOVER**

(Seasonally adjusted annual rates)

Period	Debits to demand deposit accounts <sup>1</sup> (billions of dollars)				Turnover of demand deposits					
	Total 233 SMSA's	Leading SMSA's		Total 232 SMSA's (excl. N.Y.)	226 other SMSA's	Total 233 SMSA's	Leading SMSA's		Total 232 SMSA's (excl. N.Y.)	226 other SMSA's
		N.Y.	6 others <sup>2</sup>				N.Y.	6 others <sup>2</sup>		
1973—Aug.....	17,888.9	7,744.6	4,318.2	10,144.3	5,826.0	106.2	252.5	113.6	73.6	58.4
Sept.....	17,918.7	8,025.3	4,195.7	9,893.3	5,697.6	107.4	266.4	111.6	72.4	57.5
Oct.....	18,394.4	8,137.2	4,418.0	10,257.2	5,839.1	109.5	265.3	116.4	74.7	58.8
Nov.....	19,049.5	8,437.9	4,519.8	10,611.6	6,091.7	113.2	274.9	118.6	77.1	61.2
Dec.....	18,641.3	8,097.7	4,462.8	10,543.6	6,080.8	110.2	269.8	115.0	75.8	60.6
1974—Jan.....	18,817.7	8,081.0	4,517.1	10,736.8	6,219.6	111.5	270.3	116.2	77.3	62.2
Feb.....	19,813.7	8,896.2	4,582.1	10,917.5	6,335.4	117.9	294.2	119.9	79.2	63.6
Mar.....	20,166.9	8,914.4	4,718.0	11,252.5	6,534.6	118.2	292.5	120.8	80.3	64.7
Apr.....	20,062.0	8,637.9	4,747.6	11,424.1	6,676.4	115.4	274.6	119.7	80.2	65.0
May.....	20,563.5	8,970.1	4,820.8	11,593.4	6,772.6	117.1	275.3	122.3	81.0	65.3
June.....	20,454.9	9,065.7	4,768.0	11,389.1	6,621.2	116.8	279.9	120.0	79.8	64.3
July.....	20,900.6	9,140.4	4,892.1	11,760.2	6,868.1	119.8	282.1	123.5	82.7	67.0
Aug.....	21,492.0	9,240.8	5,173.3	12,251.3	7,078.0	123.5	286.4	132.1	86.4	69.0

<sup>1</sup> Excludes interbank and U.S. Govt. demand deposit accounts.  
<sup>2</sup> Boston, Philadelphia, Chicago, Detroit, San Francisco—Oakland, and Los Angeles—Long Beach.

NOTE.—Total SMSA's includes some cities and counties not designated as SMSA's.  
 For back data see pp. 634–35 of July 1972 BULLETIN.

**MEASURES OF THE MONEY STOCK**

(In billions of dollars)

Month or week	Seasonally adjusted			Not seasonally adjusted		
	M <sub>1</sub>	M <sub>2</sub>	M <sub>3</sub>	M <sub>1</sub>	M <sub>2</sub>	M <sub>3</sub>
Composition of measures is described in the NOTE below.						
1971—Dec.....	235.2	473.0	727.9	241.9	477.9	730.9
1972—Dec.....	255.7	525.5	822.8	263.0	530.6	826.2
1973—Sept.....	265.5	556.8	873.5	264.0	554.4	870.0
Oct.....	266.6	561.9	880.3	266.1	560.1	877.2
Nov.....	269.2	567.3	887.7	270.9	565.7	884.0
Dec.....	271.4	572.1	894.8	279.1	577.2	898.4
1974—Jan.....	270.6	575.1	900.1	277.8	581.1	905.7
Feb.....	273.1	581.2	908.3	270.2	578.6	905.5
Mar.....	275.2	585.0	914.6	272.5	584.5	915.3
Apr.....	276.7	588.5	919.9	278.2	592.9	926.1
May.....	277.8	591.0	923.1	273.1	589.1	922.2
June.....	279.6	596.2	929.2	277.6	595.7	930.3
July.....	280.0	598.9	932.9	279.2	597.8	933.4
Aug.....	280.6	602.1	936.5	277.2	598.1	932.2
Sept. <sup>p</sup> .....	280.9	603.3	938.6	279.3	600.7	934.8
Week ending—						
1974—Sept. 4.....	280.9	603.1	.....	278.4	600.2	.....
11 <sup>p</sup> .....	280.6	602.7	.....	280.5	601.8	.....
18 <sup>p</sup> .....	280.8	603.2	.....	280.9	602.0	.....
25 <sup>p</sup> .....	280.0	602.1	.....	276.5	597.4	.....
Oct. 2 <sup>p</sup> .....	280.8	604.1	.....	278.8	601.2	.....

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

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

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

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

M<sub>3</sub>: M<sub>2</sub> plus the average of the beginning- and end-of-month figures for deposits of mutual savings banks and for savings capital of savings and loan associations.

For description and back data, see "Revision of the Money Stock Measures and Member Bank Deposits" on pp. 81-95 of the Feb. 1974 BULLETIN and "Announcements" on p. 681 of the Sept. 1974 BULLETIN.

**COMPONENTS OF MONEY STOCK MEASURES AND RELATED ITEMS**

(In billions of dollars)

Month or week	Seasonally adjusted						Not seasonally adjusted						U.S. Govt. deposits <sup>3</sup>		
	Cur- ren- cy	Commercial banks			Non- bank thrift insti- tutions <sup>2</sup>	Cur- ren- cy	Commercial banks			Non- bank thrift insti- tutions <sup>2</sup>					
		De- mand de- pos- its	Time and savings deposits				Total	Demand deposits			Time and savings deposits				
			CD's <sup>1</sup>	Other				Total	Total		Mem- ber	Do- mes- tic non- mem- ber		CD's <sup>1</sup>	Other
1971—Dec.....	52.6	182.6	33.0	237.9	270.9	254.8	53.5	188.4	142.6	44.1	33.8	236.0	269.8	253.0	6.9
1972—Dec.....	56.9	198.7	43.4	269.9	313.3	297.2	57.9	205.1	152.4	51.4	44.3	267.6	311.8	295.6	7.4
1973—Sept.....	60.2	205.3	66.7	291.4	358.0	316.7	60.1	203.8	148.2	53.3	68.8	290.5	359.3	315.6	5.3
Oct.....	60.5	206.1	63.8	295.3	359.1	318.5	60.4	205.7	149.7	53.8	66.3	294.0	360.3	317.0	6.0
Nov.....	61.0	208.2	62.0	298.1	360.1	320.4	61.5	209.5	151.8	55.1	64.1	294.8	359.0	318.3	4.3
Dec.....	61.7	209.7	62.8	300.6	363.5	322.7	62.7	216.4	157.0	56.6	64.1	298.1	362.2	321.2	6.3
1974—Jan.....	61.9	208.7	65.5	304.6	370.1	325.0	61.6	216.2	156.4	56.9	66.1	303.3	369.4	324.5	8.1
Feb.....	62.7	210.4	66.6	308.1	374.7	327.1	61.9	208.3	151.1	54.6	65.9	308.4	374.3	326.9	6.6
Mar.....	63.3	211.9	67.7	309.8	377.5	329.6	62.7	209.8	152.4	54.7	67.0	312.0	379.1	330.8	6.4
Apr.....	63.9	212.8	75.4	311.8	387.1	331.4	63.5	214.7	155.8	56.2	72.8	314.7	387.1	333.2	6.0
May.....	64.4	213.4	81.2	313.3	394.4	332.1	64.2	208.9	151.2	54.9	79.7	316.1	393.9	333.0	7.6
June.....	64.8	214.8	83.3	316.5	399.9	333.1	64.9	212.7	153.4	56.3	79.7	318.1	397.9	334.7	6.1
July.....	64.9	215.1	85.4	319.0	404.3	334.0	65.4	213.8	154.2	56.8	83.3	318.6	402.0	335.6	5.4
Aug.....	65.6	215.1	84.7	321.4	406.1	334.4	65.8	211.4	152.1	56.5	87.4	320.9	408.3	334.2	3.9
Sept. <sup>p</sup> .....	65.9	215.0	86.0	322.4	408.4	335.3	65.9	213.5	153.1	57.3	88.9	321.4	410.3	334.1	5.4
Week ending—															
1974—Sept. 4.....	65.7	215.2	85.0	322.2	407.2	.....	65.9	212.5	153.0	56.7	88.4	321.8	410.2	.....	3.3
11 <sup>p</sup> .....	66.0	214.6	85.9	322.1	408.0	.....	66.4	214.1	153.2	58.1	89.0	321.3	410.2	.....	3.8
18 <sup>p</sup> .....	65.9	214.8	85.8	322.5	408.3	.....	66.0	214.9	154.0	57.9	88.2	321.1	409.3	.....	5.6
25 <sup>p</sup> .....	66.0	214.0	86.5	322.2	408.6	.....	65.4	211.1	151.7	56.3	89.2	320.9	410.1	.....	7.0
Oct. 2 <sup>p</sup> .....	65.8	214.9	86.5	323.3	409.8	.....	65.5	213.3	154.1	56.3	89.6	322.4	412.0	.....	6.7

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

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

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

See also NOTE above.

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

Period	Member bank reserves, S.A. <sup>1</sup>				Deposits subject to reserve requirements <sup>3</sup>								Total member bank deposits plus nondeposit items <sup>4</sup>	
	Total	Non-borrowed	Re-quired	Avail-able <sup>2</sup>	S.A.				N.S.A.					
					Total	Time and savings	Demand		Total	Time and savings	Demand			
							Private	U.S. Govt.			Private	U.S. Govt.		
S.A.	N.S.A.	S.A.	N.S.A.											
1970—Dec. . . .	29.19	28.86	28.95	27.10	321.3	178.8	136.1	6.5	325.2	178.1	141.1	6.0	332.9	336.8
1971—Dec. . . .	31.30	31.17	31.12	28.96	360.3	210.4	143.8	6.1	364.6	209.7	149.2	5.7	364.3	368.7
1972—Dec. . . .	31.41	30.36	31.13	29.05	402.0	241.4	154.5	6.1	406.8	240.7	160.1	6.1	406.4	411.2
1973—Sept. . . .	34.17	32.32	33.95	32.39	438.6	277.5	156.2	5.0	437.7	279.0	154.7	4.1	445.9	445.0
Oct. . . .	34.94	33.47	34.72	32.84	439.7	277.3	156.4	6.0	439.7	278.8	156.1	4.8	446.5	446.5
Nov. . . .	34.86	33.46	34.62	32.71	440.4	277.1	157.5	5.8	438.2	276.6	158.3	3.2	447.5	445.3
Dec. . . .	35.10	33.81	34.80	32.91	442.2	279.0	158.3	4.9	447.5	278.5	164.0	5.0	449.6	454.9
1974—Jan. . . .	35.85	34.80	35.69	32.80	446.8	283.2	157.4	6.2	453.0	283.1	163.4	6.5	454.3	460.5
Feb. . . .	35.11	33.92	34.92	32.79	447.1	286.1	157.9	3.0	447.1	285.7	156.3	5.1	454.8	454.8
Mar. . . .	34.95	33.63	34.81	33.12	450.4	287.9	158.8	3.7	450.4	288.6	156.9	4.9	459.1	459.1
Apr. . . .	35.90	34.17	35.72	33.66	461.6	297.1	160.0	4.5	462.5	296.2	161.5	4.8	471.2	472.1
May. . . .	36.52	33.93	36.35	34.27	467.0	304.2	159.1	3.8	464.7	303.0	155.6	6.1	477.8	475.4
June. . . .	36.73	33.73	36.53	34.80	472.9	308.6	160.6	3.7	470.0	306.4	158.9	4.7	483.1	480.3
July. . . .	37.42	34.12	37.26	35.05	475.7	312.3	160.9	2.5	474.3	310.1	160.0	4.1	486.9	485.5
Aug. . . .	37.25	33.91	37.06	35.32	478.5	313.2	160.0	5.3	475.1	315.3	157.0	2.9	489.0	485.7
Sept. P. . . .	37.28	33.99	37.08	35.31	480.9	315.2	160.1	5.6	479.9	317.2	158.5	4.2	491.0	490.0

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

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

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

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

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

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

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

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

Date	Total loans and investments <sup>1</sup>	Seasonally adjusted					Not seasonally adjusted							
		Loans				Securities		Total loans and investments <sup>1</sup>	Loans				Securities	
		Total <sup>1</sup>	Plus loans sold <sup>2</sup>	Commercial and industrial <sup>3</sup>		U.S. Treasury	Other <sup>4</sup>		Total <sup>1</sup>	Plus loans sold <sup>2</sup>	Commercial and industrial <sup>3</sup>		U.S. Treasury	Other <sup>4</sup>
				Total	Plus loans sold <sup>2</sup>						Total	Plus loans sold <sup>2</sup>		
1970—Dec. 31 . . .	435.5	291.7	294.7	110.0	112.1	57.9	85.9	446.8	299.0	301.9	112.5	114.6	61.7	86.1
1971—Dec. 31 . . .	484.8	320.3	323.1	115.9	117.5	60.1	104.4	497.9	328.3	331.1	118.5	120.2	64.9	104.7
1972—Dec. 31 . . .	556.4	377.8	380.4	129.7	131.4	61.9	116.7	571.4	387.3	389.9	132.7	134.4	67.0	117.1
1973—July 25 . . .	608.8	427.5	431.5	151.2	153.7	59.8	121.5	607.4	429.3	433.3	151.6	154.1	56.5	121.7
Aug. 29 . . .	617.4	435.9	440.6	153.4	156.3	57.9	123.6	613.4	435.2	439.9	152.0	154.9	54.9	123.3
Sept. 26 . . .	620.2	439.1	443.7	153.7	156.6	56.4	124.7	619.9	440.7	444.7	153.8	156.7	55.1	124.8
Oct. 31 . . .	624.2	441.1	445.7	153.6	156.5	55.1	128.0	624.0	440.9	445.6	152.9	155.8	56.0	127.0
Nov. 28 . . .	628.4	445.5	449.8	155.0	157.7	55.0	127.9	628.2	443.9	448.3	154.1	156.8	57.8	126.5
Dec. 31 . . .	630.3	447.3	451.6	155.8	158.4	52.8	130.2	647.3	458.5	462.8	159.4	162.0	58.3	130.6
1974—Jan. 30 <sup>5</sup> . . .	638.0	452.3	456.7	157.8	160.4	54.4	131.3	637.6	448.3	452.7	158.7	158.7	58.7	130.6
Feb. 27 <sup>6</sup> . . .	645.7	457.1	462.1	158.9	161.6	56.2	132.4	640.4	451.5	456.4	157.3	160.0	57.5	131.5
Mar. 27 <sup>6</sup> . . .	654.9	466.3	471.2	164.4	167.2	56.2	132.4	651.4	461.1	466.0	164.2	167.0	57.3	133.0
Apr. 24 <sup>6</sup> . . .	663.2	473.7	479.1	168.9	172.0	56.7	132.8	660.5	470.4	475.8	169.6	172.7	56.1	134.0
May 29 <sup>6</sup> . . .	668.6	478.0	483.7	171.9	175.0	56.7	132.9	665.1	476.9	482.5	171.3	174.4	53.6	134.6
June 30 <sup>5,6</sup> . . .	673.9	481.3	486.7	173.9	176.8	57.1	135.5	677.9	488.5	493.9	176.5	179.4	52.8	136.6
July 31 <sup>6</sup> . . .	681.3	490.4	495.8	176.8	179.7	55.4	135.5	680.1	492.8	498.2	177.2	180.1	51.7	135.7
Aug. 28 <sup>6</sup> . . .	686.7	496.4	501.3	179.5	182.4	54.7	135.6	682.2	495.4	500.3	177.9	180.8	51.4	135.3
Sept. 25 <sup>6</sup> . . .	681.6	494.3	499.2	179.7	182.5	51.7	135.6	681.2	495.3	500.2	179.8	182.6	50.1	135.8

<sup>1</sup> Adjusted to exclude domestic commercial interbank loans.  
<sup>2</sup> Loans sold are those sold outright by commercial banks to own subsidiaries, foreign branches, holding companies, and other affiliates.  
<sup>3</sup> Beginning June 30, 1972, commercial and industrial loans were reduced by about \$400 million as a result of loan reclassifications at one large bank.  
<sup>4</sup> Beginning June 30, 1971, Farmers Home Administration insured notes totaling approximately \$700 million are included in "Other securities" rather than in "Loans."  
<sup>5</sup> Beginning June 30, 1974, data revised to include one large mutual savings bank that merged with a nonmember commercial bank. Total loans and investments were increased by about \$600 million of which \$500 million were in loans and \$100 million in "other securities."

<sup>6</sup> Beginning Aug. 28, 1974, loans sold outright to bank affiliates reflect a newly issued definition of the group of affiliates included as well as a somewhat different group of reporting banks. Total loans were decreased by \$500 million on the new basis; commercial and industrial loans were decreased by \$100 million.

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

PRINCIPAL ASSETS AND LIABILITIES AND NUMBER, BY CLASS OF BANK

(Amounts in millions of dollars)

Classification by FRS membership and FDIC insurance	Loans and investments				Cash assets <sup>3</sup>	Total assets—Total liabilities and capital accounts <sup>4</sup>	Deposits						Borrowings	Total capital accounts	Number of banks
	Total	Loans <sup>1</sup>	Securities				Total <sup>3</sup>	Interbank <sup>3</sup>		Other					
			U.S. Treasury	Other <sup>2</sup>				Demand	Time	Demand		Time <sup>5</sup>			
										U.S. Govt.	Other				
Last-Wednesday-of-month series <sup>6</sup>															
<b>All commercial banks:</b>															
1941—Dec. 31...	50,746	21,714	21,808	7,225	26,551	79,104	71,283	10,982	44,349	15,952	23	7,173	14,278		
1947—Dec. 31...	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
1960—Dec. 31...	199,509	117,642	61,003	20,864	52,150	257,552	229,843	17,079	1,799	5,945	133,379	71,641	163	20,986	13,472
1970—Dec. 31...	461,194	313,334	61,742	86,118	93,643	576,242	480,940	30,608	1,975	7,938	209,335	231,084	19,375	42,958	13,686
1971—Dec. 31...	516,564	346,930	64,930	104,704	99,832	640,255	537,946	32,205	2,908	10,169	220,375	272,289	25,912	47,211	13,783
1972—Dec. 31...	598,808	414,696	67,028	117,084	113,128	739,033	616,037	33,854	4,194	10,875	252,223	314,891	38,083	52,658	13,927
1973—Sept. 26...	646,710	466,840	55,080	124,790	100,030	779,730	630,360	27,720	7,190	8,210	228,420	358,820	56,280	55,620	14,102
Oct. 31...	654,390	471,340	56,010	127,040	111,720	800,760	646,030	32,830	6,820	5,680	241,130	359,570	60,620	56,510	14,134
Nov. 28...	659,280	475,010	57,770	126,500	104,140	797,180	638,740	30,130	7,010	4,350	238,540	358,710	62,870	56,730	14,163
Dec. 31...	683,799	494,947	58,277	130,574	118,276	835,224	681,847	36,839	6,773	9,865	263,367	365,002	58,994	58,128	14,171
1974—Jan. 30 <sup>p</sup> ...	673,520	484,240	58,730	130,550	103,070	810,500	651,410	31,510	6,620	9,500	233,310	370,470	65,770	58,270	14,180
Feb. 27 <sup>p</sup> ...	679,130	490,180	57,500	131,450	102,230	816,200	650,970	31,320	6,200	6,620	232,930	373,900	67,970	58,560	14,202
Mar. 27 <sup>p</sup> ...	687,670	497,430	57,260	132,980	104,070	827,600	658,490	31,590	6,490	6,070	235,360	378,980	69,740	59,050	14,236
Apr. 24 <sup>p</sup> ...	694,660	504,560	56,060	134,040	101,770	833,340	665,970	30,870	7,290	5,850	235,460	386,500	67,320	59,590	14,261
May 29 <sup>p</sup> ...	697,970	509,780	53,630	134,560	114,585	850,625	678,265	34,070	8,200	5,880	237,265	392,850	69,560	59,870	14,290
June 26 <sup>p</sup> ...	707,670	519,290	52,340	136,040	105,280	852,600	679,100	30,480	8,860	8,070	237,350	394,340	68,730	60,140	14,338
July 31 <sup>p</sup> ...	713,280	525,940	51,680	135,660	106,830	863,770	689,300	32,720	9,530	4,250	242,430	400,370	67,440	60,990	14,368
Aug. 28 <sup>p</sup> ...	713,760	527,040	51,440	135,280	99,530	855,880	682,020	29,930	9,820	3,940	234,140	404,190	66,340	60,940	14,384
Sept. 25 <sup>p</sup> ...	711,890	526,020	50,110	135,760	106,060	862,530	685,780	29,280	10,450	7,180	234,680	404,190	66,730	61,230	14,384
<b>Members of F.R. System:</b>															
1941—Dec. 31...	43,521	18,021	19,539	5,961	23,113	68,121	61,717	10,385	140	1,709	37,136	12,347	4	5,886	6,619
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
1960—Dec. 31...	165,619	99,933	49,106	16,579	45,756	216,577	193,029	16,437	1,639	5,287	112,393	57,273	130	17,398	6,174
1970—Dec. 31...	365,940	253,936	45,399	66,604	81,500	465,644	384,596	29,142	1,733	6,460	168,032	179,229	18,578	34,100	5,767
1971—Dec. 31...	405,087	277,717	47,633	79,738	86,189	511,353	425,380	30,612	2,549	8,427	174,385	209,406	25,046	37,279	5,727
1972—Dec. 31...	465,788	329,548	48,715	87,524	96,566	585,125	482,124	31,958	3,561	9,024	197,817	239,763	36,357	41,228	5,704
1973—Sept. 26...	498,322	368,842	38,372	91,108	85,802	611,359	486,975	26,182	6,480	6,740	175,016	272,557	52,485	42,972	5,718
Oct. 31...	504,120	371,866	39,375	92,879	96,251	628,710	499,110	31,142	6,112	4,601	185,324	271,931	56,772	43,618	5,723
Nov. 28...	507,176	374,148	40,752	92,276	89,652	624,258	491,405	28,522	6,298	3,359	182,931	270,295	58,865	43,759	5,736
Dec. 31...	528,124	391,032	41,494	95,598	100,098	655,898	526,837	34,782	5,843	8,273	202,564	275,374	55,611	44,741	5,735
1974—Jan. 30...	518,541	381,344	41,699	95,498	88,960	635,219	501,260	30,003	5,690	7,621	178,457	279,489	61,585	44,829	5,744
Feb. 27...	522,816	385,879	40,922	96,015	87,753	639,172	500,113	29,753	5,273	5,084	178,731	281,272	63,865	45,054	5,747
Mar. 27...	529,961	392,461	40,537	96,963	89,568	649,114	506,641	30,083	5,558	4,817	180,862	285,321	65,428	45,491	5,754
Apr. 24...	535,917	399,092	39,273	97,532	87,005	653,285	512,792	29,396	6,364	4,743	179,927	292,362	62,859	45,896	5,763
May 29...	538,801	403,619	37,282	97,900	99,155	669,357	524,837	32,452	7,274	4,746	182,060	298,305	64,820	46,090	5,763
June 26...	546,777	411,334	36,214	99,229	90,089	669,578	524,101	28,961	7,928	6,282	181,957	298,973	64,270	46,280	5,763
July 31...	552,619	418,065	35,860	98,694	91,430	680,511	533,807	31,153	8,598	3,180	186,360	304,516	63,042	46,907	5,767
Aug. 28...	552,823	418,705	35,878	98,240	84,947	673,296	527,373	28,487	8,887	2,958	179,429	307,812	61,781	46,814	5,767
Sept. 25 <sup>p</sup> ...	550,837	417,623	34,683	98,531	91,002	679,160	531,195	27,831	9,522	5,782	180,114	307,946	62,171	47,054	5,767
Call date series															
<b>Insured banks:</b>															
<b>Total:</b>															
1941—Dec. 31...	49,290	21,259	21,046	6,984	25,788	76,820	69,411	10,654	1,762	41,298	15,699	10	6,844	13,426	
1947—Dec. 31...	114,274	37,583	67,941	8,750	36,926	152,733	141,851	12,615	54	1,325	92,975	34,882	61	9,734	13,398
1960—Dec. 31...	198,011	117,092	60,468	20,451	51,836	255,669	228,401	16,921	1,667	5,932	132,533	71,348	149	20,628	13,119
1970—Dec. 31 <sup>8</sup> ...	458,919	312,006	61,438	85,475	92,708	572,682	479,174	30,233	1,874	7,898	208,037	231,132	19,149	42,427	13,302
1971—Dec. 31...	514,097	345,386	64,691	104,020	98,281	635,805	535,703	31,824	2,792	10,150	219,102	271,835	25,629	46,731	13,602
1972—Dec. 31...	594,502	411,525	66,679	116,298	111,333	732,519	612,822	33,366	4,113	10,820	250,693	313,830	37,556	52,166	13,721
1973—June 30...	630,379	452,587	57,532	120,261	101,716	762,250	625,316	30,559	5,446	10,408	235,174	343,729	48,413	55,240	13,842
Dec. 31...	678,113	490,527	57,961	129,625	116,266	827,081	677,358	36,248	6,429	9,856	261,530	363,294	57,531	57,603	13,964
1974—Apr. 24...	693,489	503,653	189,837	98,997	826,736	664,070	30,539	6,634	5,913	234,435	386,550	66,160	59,757	14,043	
<b>National member:</b>															
1941—Dec. 31...	27,571	11,725	12,039	3,806	14,977	43,433	39,458	6,786	1,088	23,262	8,322	4	3,640	5,117	
1947—Dec. 31...	65,280	21,428	38,674	5,178	22,024	88,182	82,023	8,375	35	795	53,541	19,278	45	5,409	5,005
1960—Dec. 31...	107,546	63,694	32,712	11,140	28,675	139,261	124,911	9,829	611	3,265	71,660	39,546	111	11,098	4,530
1970—Dec. 31 <sup>8</sup> ...	271,760	187,554	34,203	50,004	56,028	340,764	283,663	18,051	982	4,740	122,298	137,592	13,100	24,868	4,620
1971—Dec. 31...	302,756	206,758	36,386	59,612	59,191	376,318	314,085	17,511	1,828	6,014	128,441	160,291	18,169	27,065	4,599
1972—Dec. 31...	350,743	247,041	37,185	66,516	67,390	434,810	359,319	19,096	2,155	6,646	146,800	184,622	26,706	30,342	4,612
1973—June 30...	369,856	270,188	31,651	68,018	61,336	449,772	364,129	16,640	2,874	6,181	137,116	201,318	33,804	31,867	4,629
Dec. 31...	398,236	293,555	30,962	73,718	70,711	489,470	395,767	20,357	3,876	5,955	152,705	212,874	39,696	33,125	4,659
1974—Apr. 24...	404,972	299,182	105,790	59,806	486,163	384,314	16,492	3,997	3,636	135,188	225,000	45,627	34,026	4,688	

For notes see p. A-17.



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

(Amounts in millions of dollars)

Classification by FRS membership and FDIC insurance	Loans and investments				Cash assets <sup>3</sup>	Total assets— Total liabilities and capital accounts <sup>4</sup>	Deposits					Bor- row- ings	Total capital ac- counts	Num- ber of banks	
	Total	Loans <sup>1</sup>	Securities				Total <sup>3</sup>	De- mand	Time	Other					Time <sup>5</sup>
			U.S. Treasury	Other <sup>2</sup>						U.S. Govt.	Other				
Call date series															
<b>Insured banks (cont.):</b>															
<b>State member:</b>															
1941—Dec. 31....	15,950	6,295	7,500	2,155	8,145	24,688	22,259	3,739	621	13,874	4,025	1	2,246	1,502	
1947—Dec. 31....	32,566	11,200	19,240	2,125	10,822	43,879	40,505	3,978	381	27,068	9,062	9	3,055	1,918	
1960—Dec. 31....	58,073	36,240	16,394	5,439	17,081	77,316	68,118	6,608	1,028	2,022	40,733	17,727	20	6,299	
1970—Dec. 31....	94,760	66,963	11,196	16,600	25,472	125,460	101,512	11,091	750	1,720	45,734	42,218	5,478	9,232	
1971—Dec. 31....	102,813	71,441	11,247	20,125	26,998	135,517	111,777	13,102	721	2,412	45,945	49,597	6,878	10,214	
1972—Dec. 31....	115,426	82,889	11,530	21,008	29,176	150,697	123,186	12,862	1,406	2,378	51,017	55,523	9,651	10,886	
1973—June 30....	121,052	91,095	9,429	20,527	26,891	155,017	123,016	12,671	2,005	1,986	45,322	61,032	12,725	11,231	
Dec. 31....	130,240	97,828	10,532	21,880	29,387	166,780	131,421	14,425	1,968	2,318	49,859	62,851	15,914	11,617	
1974—Apr. 24....	132,211	100,876	31,335		27,008	166,929	127,944	12,918	2,084	1,114	44,173	67,655	18,210	12,145	
<b>Nonmember:</b>															
1941—Dec. 31....	5,776	3,241	1,509	1,025	2,668	8,708	7,702	129	53	4,162	3,360	6	959	6,810	
1947—Dec. 31....	16,444	4,958	10,039	1,448	4,083	20,691	19,342	262	4	149	12,366	6,558	7	1,271	
1960—Dec. 31....	32,411	17,169	11,368	3,874	6,082	39,114	35,391	484	27	645	20,140	14,095	19	3,232	
1970—Dec. 31....	92,399	57,489	16,039	18,871	11,208	106,457	93,998	1,091	141	1,438	40,005	51,322	571	8,326	
1971—Dec. 31....	108,527	67,188	17,058	24,282	12,092	123,970	109,841	1,212	242	1,723	44,717	61,946	582	9,451	
1972—Dec. 31....	128,333	81,594	17,964	28,774	14,767	147,013	130,316	1,408	552	1,796	52,876	73,685	1,199	10,938	
1973—June 30....	139,471	91,304	16,452	31,716	13,490	157,461	138,171	1,248	567	2,241	52,735	81,379	1,884	12,143	
Dec. 31....	149,638	99,143	16,467	34,027	16,167	170,831	150,170	1,467	586	1,582	58,966	87,569	1,920	12,862	
1974—Apr. 24....	156,305	103,594	52,711		12,183	173,645	151,812	1,130	553	1,163	55,072	93,894	2,322	13,587	
<b>Noninsured nonmember:</b>															
1941—Dec. 31....	1,457	455	761	241	763	2,283	1,872	329	1,291	253	13	329	852		
1947—Dec. 31....	2,009	474	1,280	255	576	2,643	2,251	177	185	181	1,392	478	4	325	
1960—Dec. 31....	1,498	550	535	413	314	1,883	1,443	159	132	13	846	293	14	358	
1970—Dec. 31....	3,079	2,132	304	642	934	4,365	2,570	375	101	40	1,298	756	226	532	
1971—Dec. 31....	3,147	2,224	239	684	1,551	5,130	2,923	380	116	19	1,273	1,134	283	480	
1972—Dec. 31....	4,865	3,731	349	785	1,794	7,073	3,775	488	81	55	1,530	1,620	527	491	
1973—June 30....	5,915	4,732	345	838	1,892	8,196	4,438	488	145	26	1,779	2,000	885	500	
Dec. 31....	6,192	4,927	316	949	2,010	8,650	4,996	591	344	9	1,836	2,215	1,463	524	
<b>Total nonmember:</b>															
1941—Dec. 31....	7,233	3,696	2,270	1,266	3,431	10,992	9,573	457	5,504	3,613	18	1,288	7,662		
1947—Dec. 31....	18,454	5,432	11,318	1,703	4,659	23,334	21,591	439	190	167	13,758	7,036	12	1,596	
1960—Dec. 31....	33,910	17,719	11,904	4,287	6,396	40,997	36,834	643	160	657	20,986	14,388	33	3,590	
1970—Dec. 31....	95,478	59,621	16,342	19,514	12,143	110,822	96,568	1,466	243	1,478	41,303	52,078	796	8,558	
1971—Dec. 31....	111,674	69,411	17,297	24,966	13,643	129,100	112,764	1,592	359	1,742	45,990	63,081	866	9,932	
1972—Dec. 31....	133,198	85,325	18,313	29,559	16,562	154,085	134,091	1,895	633	1,850	54,406	75,305	1,726	11,429	
1973—June 30....	145,386	96,036	16,797	32,554	15,381	165,657	142,608	1,736	712	2,267	54,514	83,379	2,770	12,643	
Dec. 31....	155,830	104,070	16,783	34,976	18,177	179,480	155,165	2,057	930	1,592	60,802	89,784	3,383	13,386	

<sup>1</sup> Loans to farmers directly guaranteed by CCC were reclassified as securities and Export-Import Bank portfolio fund participations were reclassified from loans to securities effective June 30, 1966. This reduced "Total loans" and increased "Other securities" by about \$1 billion. "Total loans" include Federal funds sold, and beginning with June 1967 securities purchased under resale agreements, figures for which are included in "Federal funds sold, etc." on p. A-18.

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

See also table (and notes) at the bottom of p. A-26.

<sup>2</sup> See first two paragraphs of note 1.

<sup>3</sup> Reciprocal balances excluded beginning with 1942.

<sup>4</sup> Includes items not shown separately. See also note 1.

<sup>5</sup> See third paragraph of note 1 above.

<sup>6</sup> From the last-Wednesday-of-the-month series, figures for call dates are shown for June and December as soon as they became available.

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

<sup>8</sup> Figure takes into account the following changes, which became effective June 30, 1969: (1) inclusion of consolidated reports (including figures for all bank-premises subsidiaries and other significant majority-owned domestic subsidiaries) and (2) reporting of figures for total loans

and for individual categories of securities on a gross basis—that is, before, deduction of valuation reserves—rather than net as previously reported.

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

Figures for member banks before 1970 include mutual savings banks as follows: three before Jan. 1960 and two through Dec. 1960. Those banks are not included in insured commercial banks.

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

Beginning Dec. 31, 1973, member banks exclude and noninsured non-member banks include a noninsured trust company which is a member of the Federal Reserve System.

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

Figures are partly estimated except on call dates.

For revisions in series before June 30, 1947, see July 1947 BULLETIN, pp. 870-71.

## ASSETS BY CLASS OF BANK, APRIL 24, 1974

(Amounts in millions of dollars)

Account	Insured commercial banks	Member banks <sup>1</sup>					Non-member banks <sup>1</sup>
		Total	Large banks			All other	
			New York City	City of Chicago	Other large		
Cash bank balances, items in process.....	98,997	86,814	23,527	3,984	31,456	27,847	12,183
Currency and coin.....	9,913	7,516	589	157	2,413	4,358	2,397
Reserves with Federal Reserve Banks.....	29,848	29,848	6,515	1,859	10,521	10,954	.....
Demand balances with banks in United States.....	23,711	15,647	5,741	297	3,023	6,586	8,064
Other balances with banks in United States.....	2,036	1,323	57	5	738	524	733
Balances with banks in foreign countries.....	822	704	196	54	363	91	119
Cash items in process of collection.....	32,646	31,776	10,429	1,613	14,400	5,334	870
Total securities held—Book value.....	189,837	137,126	15,221	5,322	45,992	70,592	52,711
Bank investment portfolios.....	184,037	131,387	13,460	4,751	42,919	70,258	52,650
U.S. Treasury.....	54,236	37,728	4,221	1,153	12,088	20,265	16,508
Other U.S. Government agencies.....	28,568	18,297	1,333	621	5,063	11,280	10,271
States and political subdivisions.....	95,554	71,288	7,197	2,783	24,610	36,697	24,266
All other.....	5,679	4,075	708	193	1,157	2,016	1,605
Trading-account securities.....	5,799	5,738	1,761	571	3,073	334	61
Federal funds sold and securities resale agreements.....	33,019	23,831	2,221	1,230	9,949	10,432	9,187
Other loans.....	470,634	376,227	71,145	21,841	143,675	139,566	94,406
Total loans and securities.....	693,489	537,183	88,586	28,392	199,615	220,590	156,305
Fixed assets—Buildings, furniture, real estate.....	13,715	10,549	1,051	417	4,303	4,778	3,167
Investments in subsidiaries not consolidated.....	1,523	1,505	684	115	652	54	18
Customer acceptances outstanding.....	5,277	5,041	3,155	294	1,392	200	236
Other assets.....	13,735	11,999	3,163	596	5,360	2,879	1,736
Total assets.....	826,736	653,091	120,166	33,798	242,778	256,349	173,645

<sup>1</sup> Member banks exclude a noninsured trust company that is a member of the Federal Reserve System, and two national banks outside the continental United States.

<sup>2</sup> See table (and notes), *Deposits Accumulated for Payment of Personal Loans*, p. 26.

<sup>3</sup> Demand deposits adjusted are demand deposits other than domestic commercial interbank and U.S. Govt., less cash items reported as in process of collection.

NOTE.—Data include consolidated reports, including figures for all bank-premises subsidiaries and other significant majority-owned domestic subsidiaries. Figures for individual categories of securities are reported on a gross basis—that is, before deduction of valuation reserves. Back data in lesser detail were shown in previous BULLETINS. Details may not add to totals because of rounding.

## LIABILITIES AND CAPITAL BY CLASS OF BANK, APRIL 24, 1974

(Amounts in millions of dollars)

Account	Insured commercial banks	Member banks <sup>1</sup>					Non-member banks <sup>1</sup>
		Total	Large banks			All other	
			New York City	City of Chicago	Other large		
Demand deposits.....	270,887	213,522	46,507	8,500	74,314	84,200	57,365
Mutual savings banks.....	1,036	963	343	1	172	447	74
Other individuals, partnerships, and corporations.....	207,861	158,832	25,198	6,424	57,258	69,951	49,030
U.S. Government.....	5,913	4,750	661	164	2,131	1,794	1,163
States and political subdivisions.....	15,431	10,929	436	211	3,294	6,988	4,503
Foreign governments, central banks, etc.....	1,504	1,483	1,243	21	210	8	21
Commercial banks in United States.....	24,560	23,739	11,719	1,371	7,811	2,838	821
Banks in foreign countries.....	4,943	4,708	3,421	128	1,048	111	236
Certified and officers' checks, etc.....	9,637	8,118	3,485	180	2,390	2,063	1,519
Time and savings deposits.....	393,184	298,736	40,788	14,810	108,725	134,414	94,447
Savings deposits.....	130,762	95,709	6,201	2,052	33,679	53,777	35,053
Accumulated for personal loan payment <sup>2</sup> .....	478	346	.....	.....	62	284	131
Mutual savings banks.....	509	498	259	49	164	25	12
Other individuals, partnerships, and corporations.....	197,527	151,586	24,183	9,668	55,180	62,555	45,941
U.S. Government.....	459	335	32	25	118	159	125
States and political subdivisions.....	49,011	36,515	2,168	1,623	15,484	17,241	12,496
Foreign governments, central banks, etc.....	8,311	8,163	4,437	865	2,819	42	148
Commercial banks in United States.....	5,806	5,304	3,371	496	1,137	300	502
Banks in foreign countries.....	319	280	137	31	82	30	39
Total deposits.....	664,070	512,258	87,295	23,310	183,039	218,614	151,812
Federal funds purchased and securities sold under agreements to repurchase.....	57,316	55,343	12,303	6,379	28,100	8,561	1,973
Other liabilities for borrowed money.....	8,844	8,495	3,183	113	3,919	1,279	350
Mortgage indebtedness.....	868	686	80	5	439	163	181
Bank acceptances outstanding.....	5,401	5,165	3,259	301	1,402	203	236
Other liabilities.....	22,541	18,465	3,574	1,232	7,366	6,292	4,075
Total liabilities.....	759,040	600,412	109,694	31,340	224,266	235,113	158,628
Minority interest in consolidated subsidiaries.....	4	2	.....	.....	.....	2	3
Total reserves on loans/securities.....	7,934	6,507	1,445	426	2,412	2,223	1,427
Reserves for bad debts (IRS).....	7,646	6,317	1,444	426	2,352	2,095	1,329
Other reserves on loans.....	122	80	1	.....	9	70	42
Reserves on securities.....	166	110	.....	.....	52	58	57
Total capital accounts.....	59,757	46,170	9,027	2,033	16,100	19,011	13,587
Capital notes and debentures.....	4,200	3,441	787	57	1,680	918	758
Equity capital.....	55,557	42,729	8,240	1,976	14,420	18,093	12,828
Preferred stock.....	61	43	18	.....	11	14	18
Common stock.....	14,257	10,821	2,160	562	3,536	4,562	3,436
Surplus.....	24,033	18,547	3,466	1,135	6,689	7,258	5,485
Undivided profits.....	16,376	12,703	2,592	236	3,932	5,944	3,674
Other capital reserves.....	831	615	4	42	252	316	216
Total liabilities, reserves, minority interest, capital account.....	826,736	653,091	120,166	33,798	242,778	256,349	173,645
Demand deposits adjusted <sup>3</sup> .....	207,767	153,256	23,697	5,353	49,972	74,234	54,511
<b>Selected ratios:</b>							
Percentage of total assets							
Cash and balances with other banks.....	12.0	13.3	19.6	11.8	13.0	10.9	7.0
Total securities held.....	23.0	21.0	12.7	15.7	18.9	27.5	30.3
U.S. Treasury.....	6.6	5.8	3.5	3.4	5.0	7.9	9.5
States and political subdivisions.....	11.6	10.9	6.0	8.2	10.1	14.3	14.0
All other trading account securities.....	4.1	3.4	1.7	2.4	2.6	5.2	6.8
Trading account securities.....	.7	.9	1.5	1.7	1.3	.1	.....
Other loans and Federal funds sold.....	60.9	61.3	61.1	68.3	63.3	58.5	59.6
All other assets.....	4.1	4.5	6.7	4.2	4.8	3.1	3.0
Total loans and securities.....	83.9	82.3	73.7	84.0	82.2	86.1	90.0
Reserves for loans and securities.....	1.0	1.0	1.2	1.3	1.0	.9	.8
Equity capital—Total.....	6.7	6.5	6.9	5.8	5.9	7.1	7.4
Total capital accounts.....	7.2	7.1	7.5	6.0	6.6	7.4	7.8
Number of Banks.....	14,043	5,759	13	9	156	5,581	8,284

For notes see opposite page.

ASSETS AND LIABILITIES OF LARGE COMMERCIAL BANKS

(In millions of dollars)

Wednesday	Total loans and investments	Loans													
		Federal funds sold, etc. <sup>1</sup>					Other								
		Total	To commercial banks	To brokers and dealers involving—		To others	Total	Commercial and industrial	Agricultural	For purchasing or carrying securities				To nonbank financial institutions	
				U.S. Treasury securities	Other securities					U.S. Treasury secs.	Other secs.	U.S. Treasury secs.	Other secs.	Pers. and sales finan. cos., etc.	Other
<i>Large banks—Total</i>															
1973															
Sept. 5.....	355,015	15,714	13,603	1,487	238	386	259,852	107,012	3,351	1,379	5,074	180	2,946	9,172	17,193
12.....	358,259	16,825	14,334	2,014	245	232	260,927	107,516	3,342	1,087	5,205	177	2,947	9,150	17,200
19.....	355,219	14,333	11,758	2,036	238	301	261,451	108,138	3,337	875	5,217	176	2,939	9,245	17,151
26.....	353,958	12,894	11,619	818	189	268	261,622	108,183	3,327	849	5,474	167	2,944	9,026	17,392
1974															
Aug. 7.....	397,759	16,646	13,558	1,962	437	689	297,465	126,373	3,846	1,451	4,381	111	2,699	10,190	21,745
14.....	395,339	15,466	13,113	1,229	450	674	296,440	126,479	3,836	1,055	4,277	109	2,682	9,956	21,771
21.....	393,550	14,686	12,368	1,334	401	583	296,046	126,832	3,854	634	3,786	104	2,675	9,894	21,844
28.....	397,220	16,525	12,021	3,193	428	883	297,797	126,725	3,827	2,111	3,888	102	2,693	9,852	21,926
Sept. 4 <sup>p</sup> .....	397,557	15,987	13,468	1,446	406	667	298,278	127,422	3,813	567	3,841	97	2,676	10,295	21,880
11 <sup>p</sup> .....	400,989	17,171	13,932	1,782	669	788	299,858	127,937	3,793	1,958	4,393	93	2,652	10,202	21,961
18 <sup>p</sup> .....	399,613	16,473	12,254	2,637	779	803	300,321	128,631	3,764	1,445	4,473	94	2,659	10,187	22,205
25 <sup>p</sup> .....	395,375	15,419	12,004	1,854	750	811	298,021	128,342	3,737	947	3,838	95	2,644	9,892	21,971
<i>New York City</i>															
1973															
Sept. 5.....	75,557	1,992	1,815	46	.....	131	60,588	30,494	75	1,266	2,987	41	681	2,818	5,748
12.....	77,204	1,812	1,768	15	.....	29	61,146	30,787	73	975	3,065	38	677	2,831	5,808
19.....	76,299	1,569	1,515	25	.....	29	60,991	30,866	73	762	3,195	38	670	2,838	5,819
26.....	75,905	1,742	1,697	16	.....	29	60,959	30,958	78	728	3,405	37	679	2,687	5,909
1974															
Aug. 7.....	90,799	2,019	1,903	55	.....	61	74,148	37,601	140	1,322	2,724	30	563	3,520	8,246
14.....	89,600	1,730	1,558	57	.....	115	73,102	37,625	138	909	2,660	29	556	3,430	8,267
21.....	89,434	1,895	1,649	165	1	80	72,525	37,682	137	567	2,223	24	557	3,415	8,292
28.....	91,238	1,894	1,607	208	.....	79	74,440	37,787	132	2,016	2,414	24	566	3,346	8,372
Sept. 4 <sup>p</sup> .....	91,376	1,880	1,635	207	1	37	73,967	38,134	129	492	2,296	24	559	3,557	8,408
11 <sup>p</sup> .....	92,745	1,442	1,214	185	7	36	75,235	38,341	125	1,683	2,829	23	559	3,373	8,478
18 <sup>p</sup> .....	92,969	1,895	1,711	140	.....	44	75,411	38,620	123	1,198	3,051	22	556	3,455	8,518
25 <sup>p</sup> .....	90,898	2,101	1,903	156	.....	42	73,790	38,608	121	698	2,452	21	550	3,377	8,333
<i>Outside New York City</i>															
1973															
Sept. 5.....	279,458	13,722	11,788	1,441	238	255	199,264	76,518	3,276	113	2,087	139	2,265	6,354	11,445
12.....	281,055	15,013	12,566	1,999	245	203	199,781	76,729	3,269	112	2,140	139	2,270	6,319	11,392
19.....	278,920	12,764	10,243	2,011	238	272	200,460	77,272	3,264	113	2,022	138	2,269	6,407	11,332
26.....	278,053	11,152	9,922	802	189	239	200,663	77,225	3,249	121	2,069	130	2,265	6,339	11,483
1974															
Aug. 7.....	306,960	14,627	11,655	1,907	437	628	223,317	88,772	3,706	129	1,657	81	2,136	6,670	13,499
14.....	305,739	13,736	11,555	1,172	450	559	223,338	88,854	3,698	146	1,617	80	2,126	6,526	13,504
21.....	304,116	12,791	10,719	1,169	400	503	223,521	89,150	3,717	67	1,563	80	2,118	6,479	13,552
28.....	305,982	14,631	10,414	2,985	428	804	223,357	88,938	3,695	95	1,474	78	2,127	6,506	13,554
Sept. 4 <sup>p</sup> .....	306,181	14,107	11,833	1,239	405	630	224,311	89,288	3,684	75	1,545	73	2,117	6,738	13,472
11 <sup>p</sup> .....	308,244	15,729	12,718	1,597	662	752	224,623	89,596	3,668	275	1,564	70	2,093	6,829	13,483
18 <sup>p</sup> .....	306,644	14,578	10,543	2,497	779	759	224,910	90,011	3,641	247	1,422	72	2,103	6,732	13,687
25 <sup>p</sup> .....	304,477	13,318	10,101	1,698	750	769	224,231	89,734	3,616	249	1,386	74	2,094	6,515	13,638

For notes see p. A-24.

ASSETS AND LIABILITIES OF LARGE COMMERCIAL BANKS—Continued

(In millions of dollars)

Loans (cont.)						Investments					Wednesday		
Other (cont.)						U.S. Treasury securities							
Real estate	To commercial banks		Consumer installment	Foreign govts. <sup>2</sup>	All other	Total	Bills	Certificates	Notes and bonds maturing—				
	Domestic	Foreign							Within 1 yr.	1 to 5 yrs.		After 5 yrs.	
<b>Large banks—</b>													
<b>Total</b>													
<b>1973</b>													
52,199	3,551	4,769	31,614	1,311	20,101	22,918	3,705	.....	3,966	12,635	2,612	.....	Sept. 5
52,480	3,639	4,807	31,703	1,324	20,350	23,324	3,981	.....	3,962	12,731	2,650	.....	12
52,816	3,344	4,726	31,736	1,311	20,440	22,505	3,107	.....	4,070	12,682	2,646	.....	19
53,021	3,305	4,684	31,866	1,255	20,129	22,249	3,036	.....	4,094	12,463	2,656	.....	26
<b>1974</b>													
58,886	3,924	6,877	34,419	2,075	20,488	21,284	2,458	.....	3,538	11,519	3,769	.....	Aug. 7
59,154	3,968	6,725	34,468	1,875	20,085	21,429	2,545	.....	3,644	11,447	3,793	.....	14
59,341	3,808	6,808	34,508	1,895	20,063	20,976	2,119	.....	3,438	11,161	4,258	.....	21
59,428	3,758	6,871	34,651	1,656	20,309	21,130	2,328	.....	3,615	10,900	4,287	.....	28
59,437	3,880	6,906	34,727	1,680	21,057	21,268	2,632	.....	3,831	10,709	4,096	.....	Sept. 4 <sup>p</sup>
59,561	3,686	6,857	34,766	1,621	20,378	21,782	3,202	.....	3,819	10,701	4,060	.....	11 <sup>p</sup>
59,693	3,727	6,755	34,824	1,639	20,225	20,876	2,472	.....	3,737	10,636	4,031	.....	18 <sup>p</sup>
59,771	3,650	6,544	34,917	1,590	20,083	20,068	1,771	.....	3,721	10,610	3,966	.....	25 <sup>p</sup>
<b>New York City</b>													
<b>1973</b>													
5,851	1,335	1,981	2,397	668	4,246	3,988	1,184	.....	612	1,719	473	.....	Sept. 5
5,921	1,395	2,016	2,399	654	4,507	4,639	1,571	.....	600	1,920	548	.....	12
5,998	1,242	1,964	2,378	673	4,475	4,166	1,144	.....	636	1,849	537	.....	19
6,061	1,232	1,919	2,399	628	4,239	3,824	943	.....	630	1,721	530	.....	26
<b>1974</b>													
7,073	1,581	3,172	2,499	933	4,744	3,823	446	.....	419	1,736	1,222	.....	Aug. 7
7,125	1,630	2,993	2,512	870	4,358	4,093	644	.....	473	1,754	1,222	.....	14
7,186	1,571	3,078	2,536	860	4,397	4,291	400	.....	402	1,912	1,577	.....	21
7,213	1,586	3,186	2,555	885	4,358	4,264	364	.....	356	1,895	1,649	.....	28
7,226	1,766	3,226	2,557	892	4,701	4,788	910	.....	431	1,846	1,601	.....	Sept. 4 <sup>p</sup>
7,239	1,561	3,176	2,572	832	4,444	5,315	1,558	.....	402	1,824	1,531	.....	11 <sup>p</sup>
7,283	1,604	3,145	2,580	869	4,387	4,591	949	.....	403	1,768	1,471	.....	18 <sup>p</sup>
7,290	1,561	3,042	2,622	863	4,252	4,021	418	.....	418	1,720	1,465	.....	25 <sup>p</sup>
<b>Outside New York City</b>													
<b>1973</b>													
46,348	2,216	2,788	29,217	643	15,855	18,930	2,521	.....	3,354	10,916	2,139	.....	Sept. 5
46,559	2,244	2,791	29,304	670	15,843	18,685	2,410	.....	3,362	10,811	2,102	.....	12
46,818	2,102	2,762	29,358	638	15,965	18,339	1,963	.....	3,434	10,833	2,109	.....	19
46,960	2,073	2,765	29,467	627	15,890	18,425	2,093	.....	3,464	10,742	2,126	.....	26
<b>1974</b>													
51,813	2,343	3,705	31,920	1,142	15,744	17,461	2,012	.....	3,119	9,783	2,547	.....	Aug. 7
52,029	2,338	3,732	31,956	1,005	15,727	17,336	1,901	.....	3,171	9,693	2,571	.....	14
52,155	2,237	3,730	31,972	1,035	15,666	16,685	1,719	.....	3,036	9,249	2,681	.....	21
52,215	2,172	3,685	32,096	771	15,951	16,866	1,964	.....	3,259	9,005	2,638	.....	28
52,211	2,114	3,680	32,170	788	16,356	16,480	1,722	.....	3,400	8,863	2,495	.....	Sept. 4 <sup>p</sup>
52,322	2,125	3,681	32,194	789	15,934	16,467	1,644	.....	3,417	8,877	2,529	.....	11 <sup>p</sup>
52,410	2,123	3,610	32,244	770	15,838	16,285	1,523	.....	3,334	8,868	2,560	.....	18 <sup>p</sup>
52,481	2,089	3,502	32,295	727	15,831	16,047	1,353	.....	3,303	8,890	2,501	.....	25 <sup>p</sup>

For notes see p. A-24.

## ASSETS AND LIABILITIES OF LARGE COMMERCIAL BANKS—Continued

(In millions of dollars)

Wednesday	Investments (cont.)					Cash items in process of collection	Reserves with F.R. Banks	Currency and coin	Balances with domestic banks	Investments in subsidiaries not consolidated	Other assets	Total assets/total liabilities
	Other securities											
	Total	Obligations of States and political subdivisions		Other bonds, corp. stocks, and securities								
		Tax warrants <sup>3</sup>	All other	Certif. of participation <sup>4</sup>	All other <sup>5</sup>							
<i>Large banks—Total</i>												
1973												
Sept. 5.....	56,531	7,770	38,285	2,015	8,461	32,746	19,256	3,976	10,362	1,299	20,970	443,624
12.....	57,183	7,691	38,779	1,989	8,724	31,613	22,045	4,355	9,913	1,300	20,695	448,182
19.....	56,930	7,532	38,605	2,009	8,784	29,878	21,373	4,294	9,925	1,300	20,575	442,564
26.....	57,193	7,382	38,625	2,092	9,094	28,988	24,156	4,354	10,176	1,303	20,566	443,501
1974												
Aug. 7.....	62,364	6,874	41,354	2,516	11,620	29,836	23,040	4,143	10,020	1,596	28,514	494,908
14.....	62,004	6,770	41,152	2,542	11,540	31,066	23,656	4,474	9,909	1,598	28,341	494,383
21.....	61,842	6,562	41,192	2,539	11,549	29,080	24,950	4,502	9,654	1,610	27,587	490,933
28.....	61,768	6,508	41,072	2,541	11,647	30,011	20,482	4,721	10,624	1,639	27,916	492,613
Sept. 4 <sup>p</sup> .....	62,024	6,660	41,193	2,539	11,632	37,769	25,671	4,350	11,563	1,626	29,307	507,843
11 <sup>p</sup> .....	62,178	6,652	41,123	2,603	11,800	32,897	22,681	4,711	11,187	1,616	29,185	503,266
18 <sup>p</sup> .....	61,943	6,581	41,063	2,557	11,742	31,479	21,833	4,709	10,955	1,628	28,700	498,917
25 <sup>p</sup> .....	61,867	6,540	40,840	2,612	11,875	31,218	25,167	4,758	10,716	1,590	29,540	498,364
<i>New York City</i>												
1973												
Sept. 5.....	8,989	2,198	4,685	618	1,488	9,076	4,910	490	4,271	615	6,762	101,681
12.....	9,607	2,210	5,166	589	1,642	9,583	8,085	500	4,264	614	6,520	106,770
19.....	9,573	2,143	5,160	587	1,683	9,217	4,718	488	4,530	613	6,661	102,526
26.....	9,380	2,069	5,045	594	1,672	9,825	6,372	494	4,800	614	6,553	104,563
1974												
Aug. 7.....	10,809	2,183	5,874	544	2,208	10,133	7,823	490	4,267	710	9,171	123,393
14.....	10,675	2,143	5,762	546	2,224	10,294	7,288	499	4,346	715	9,479	122,221
21.....	10,723	2,059	5,900	547	2,217	9,037	7,877	483	3,994	723	8,900	120,448
28.....	10,640	2,055	5,766	540	2,279	10,861	5,540	508	4,573	728	8,994	122,442
Sept. 4 <sup>p</sup> .....	10,741	2,118	5,838	518	2,267	11,368	8,475	487	4,821	748	9,359	126,634
11 <sup>p</sup> .....	10,753	2,108	5,780	513	2,352	10,396	8,310	514	4,827	727	9,497	127,016
18 <sup>p</sup> .....	11,072	2,351	5,878	509	2,334	9,642	5,007	507	4,803	728	9,306	122,962
25 <sup>p</sup> .....	10,986	2,355	5,655	541	2,435	10,833	7,215	522	4,586	713	9,928	124,695
<i>Outside New York City</i>												
1973												
Sept. 5.....	47,542	5,572	33,600	1,397	6,973	23,670	14,346	3,486	6,091	684	14,208	341,943
12.....	47,576	5,481	33,613	1,400	7,082	22,030	13,960	3,855	5,651	686	14,175	341,412
19.....	47,357	5,389	33,445	1,422	7,101	20,661	16,655	3,806	5,395	687	13,914	340,038
26.....	47,813	5,313	33,580	1,498	7,422	19,163	17,784	3,860	5,376	689	14,013	338,938
1974												
Aug. 7.....	51,555	4,691	35,480	1,972	9,412	19,703	15,217	3,653	5,753	886	19,343	371,515
14.....	51,329	4,627	35,390	1,996	9,316	20,772	16,368	3,975	5,563	883	18,862	372,162
21.....	51,119	4,503	35,292	1,992	9,332	20,043	17,073	4,019	5,660	887	18,687	370,485
28.....	51,128	4,453	35,306	2,001	9,368	19,150	14,942	4,213	6,051	911	18,922	370,171
Sept. 4 <sup>p</sup> .....	51,283	4,542	35,355	2,021	9,365	26,401	17,196	3,863	6,742	878	19,948	381,209
11 <sup>p</sup> .....	51,425	4,544	35,343	2,090	9,448	22,501	14,371	4,197	6,360	889	19,688	376,250
18 <sup>p</sup> .....	50,871	4,230	35,185	2,048	9,408	21,837	16,826	4,202	6,152	900	19,394	375,955
25 <sup>p</sup> .....	50,881	4,185	35,185	2,071	9,440	20,385	17,952	4,236	6,130	877	19,612	373,669

For notes see page A-24.

ASSETS AND LIABILITIES OF LARGE COMMERCIAL BANKS—Continued

(In millions of dollars)

Deposits															Wednesday
Demand									Time and savings						
Total	IPC	States and political subdivisions	U.S. Govt.	Domestic interbank		Foreign		Certified and officers' checks	Total <sup>6</sup>	IPC		States and political subdivisions	Domestic interbank	Foreign govts. <sup>2</sup>	
				Commer- cial	Mutual sav- ings	Govts., etc. <sup>2</sup>	Commer- cial banks			Sav- ings	Other				
<i>Large banks—</i>															<i>Total</i>
<i>1973</i>															
153,018	112,082	6,053	1,146	22,131	796	953	3,419	6,438	190,485	56,203	97,590	22,635	5,505	8,132	.....Sept. 5
152,899	112,479	5,827	1,639	21,331	718	913	3,531	6,461	190,459	56,090	97,070	23,000	5,758	8,148	.....12
150,787	109,544	5,798	3,596	20,741	671	944	3,371	6,122	190,684	56,001	97,454	22,720	5,914	8,181	.....19
151,080	107,225	6,468	5,299	20,173	684	872	3,678	6,681	190,870	56,049	97,549	22,843	5,980	8,017	.....26
<i>1974</i>															
152,368	109,934	5,793	1,408	21,389	712	1,378	5,358	6,396	217,093	57,548	116,449	24,311	7,203	10,115	.....Aug. 7
153,828	113,213	5,960	1,143	20,692	651	1,116	5,247	5,806	217,998	57,419	117,364	24,249	7,201	10,220	.....14
150,969	110,239	5,555	2,847	20,471	582	1,171	4,824	5,280	218,809	57,280	118,024	24,316	7,265	10,313	.....21
153,287	111,840	5,586	1,732	21,251	612	1,172	4,861	6,233	219,453	57,079	118,853	24,266	7,332	10,240	.....28
163,837	117,732	6,094	1,343	24,974	698	1,149	5,178	6,669	219,454	57,062	118,777	24,240	7,445	10,311	.....Sept. 4 <sup>p</sup>
158,643	115,076	5,799	1,735	22,815	635	1,442	5,079	6,062	219,904	56,960	119,256	24,334	7,434	10,242	.....11 <sup>p</sup>
158,108	113,851	5,609	4,579	21,342	603	1,211	4,966	5,947	219,282	56,881	118,532	24,365	7,546	10,290	.....18 <sup>p</sup>
156,387	111,882	6,301	4,331	20,383	571	1,302	5,134	6,483	220,273	56,885	119,005	24,525	7,728	10,407	.....25 <sup>p</sup>
<i>New York City</i>															
<i>1973</i>															
40,351	24,070	318	81	9,508	411	755	2,378	2,830	35,323	4,976	20,689	2,153	3,488	3,965	.....Sept. 5
40,631	23,476	399	201	9,994	379	691	2,437	3,054	35,080	4,946	20,140	2,326	3,708	3,905	.....12
40,130	23,357	348	530	9,691	346	749	2,323	2,786	35,331	4,934	20,395	2,151	3,890	3,883	.....19
41,475	22,986	583	1,028	9,765	364	710	2,643	3,396	35,182	4,942	20,279	2,117	3,968	3,790	.....26
<i>1974</i>															
42,875	23,601	305	138	10,657	363	1,121	3,949	2,741	45,012	4,991	26,421	1,983	4,481	6,213	.....Aug. 7
42,537	24,558	440	125	9,794	337	896	3,977	2,410	45,448	4,986	26,950	1,888	4,412	6,221	.....14
40,818	23,471	314	562	9,649	292	880	3,570	2,080	45,500	4,968	26,953	1,939	4,392	6,244	.....21
44,274	25,167	297	345	10,498	321	994	3,629	3,023	45,751	4,935	27,563	1,840	4,324	6,070	.....28
45,901	25,865	409	151	11,521	361	941	3,767	2,886	45,909	4,916	27,606	1,863	4,366	6,115	.....Sept. 4 <sup>p</sup>
44,113	24,638	303	335	11,057	326	1,258	3,735	2,461	46,178	4,916	27,956	1,880	4,310	6,043	.....11 <sup>p</sup>
42,499	24,147	301	974	9,644	313	1,005	3,584	2,531	46,104	4,902	27,781	1,782	4,424	6,119	.....18 <sup>p</sup>
44,073	24,829	494	820	9,848	285	1,069	3,685	3,043	46,285	4,902	27,635	1,880	4,527	6,214	.....25 <sup>p</sup>
<i>Outside New York City</i>															
<i>1973</i>															
112,667	88,012	5,735	1,065	12,623	385	198	1,041	3,608	155,162	51,227	76,901	20,482	2,017	4,167	.....Sept. 5
112,268	89,003	5,428	1,438	11,337	339	222	1,094	3,407	155,379	51,144	76,930	20,674	2,050	4,243	.....12
110,657	86,187	5,450	3,066	11,050	325	195	1,048	3,336	155,353	51,067	77,059	20,569	2,024	4,298	.....19
109,605	84,239	5,885	4,271	10,408	320	162	1,035	3,285	155,688	51,107	77,270	20,726	2,012	4,227	.....26
<i>1974</i>															
109,493	86,333	5,488	1,270	10,732	349	257	1,409	3,655	172,081	52,557	90,028	22,328	2,722	3,902	.....Aug. 7
111,291	88,655	5,520	1,018	10,898	314	220	1,270	3,396	172,550	52,433	90,414	22,361	2,789	3,999	.....14
110,151	86,768	5,241	2,285	10,822	290	291	1,254	3,200	173,309	52,312	91,071	22,377	2,873	4,069	.....21
109,013	86,673	5,289	1,387	10,753	291	178	1,232	3,210	173,702	52,144	91,290	22,426	3,008	4,170	.....28
117,936	91,867	5,685	1,192	13,453	337	208	1,411	3,783	173,545	52,146	91,171	22,377	3,079	4,196	.....Sept. 4 <sup>p</sup>
114,530	90,438	5,496	1,400	11,758	309	184	1,344	3,601	173,726	52,044	91,300	22,454	3,124	4,199	.....11 <sup>p</sup>
115,609	89,704	5,308	3,605	11,698	290	206	1,382	3,416	173,178	51,979	90,751	22,583	3,122	4,171	.....18 <sup>p</sup>
112,314	87,053	5,807	3,511	10,535	286	233	1,449	3,440	173,988	51,983	91,370	22,645	3,201	4,193	.....25 <sup>p</sup>

For notes see p. A-24.

ASSETS AND LIABILITIES OF LARGE COMMERCIAL BANKS—Continued

(In millions of dollars)

Wednesday	Federal funds purchased, etc. <sup>7</sup>	Borrowings from—		Other liabilities, etc. <sup>8</sup>	Reserves for—		Total capital accounts	Memoranda						
		F.R. Banks	Others		Loans	Securities		Total loans and investments (gross) adjusted <sup>9</sup>	Demand deposits adjusted <sup>10</sup>	Large negotiable time CD's included in time and savings deposits <sup>11</sup>			Gross liabilities of banks to their foreign branches	
										Total	Issued to IPC's	Issued to others		
<i>Large banks—Total</i>														
<i>1973</i>														
Sept. 5	39,876	708	5,814	18,093	4,572	65	30,993	258,412	337,861	96,995	69,115	47,252	21,863	1,512
12	44,144	739	5,937	18,393	4,574	65	30,972	259,779	340,286	98,316	69,058	46,678	22,380	1,942
19	39,597	1,674	6,046	18,218	4,627	65	30,866	260,682	340,117	96,572	69,236	46,871	22,365	1,801
26	38,447	3,708	6,147	17,729	4,633	65	30,822	259,592	339,034	96,620	68,846	46,460	22,386	1,731
<i>1974</i>														
Aug. 7	54,516	2,286	6,112	24,019	5,066	62	33,386	296,629	380,277	99,735	85,993	59,707	26,286	3,499
14	52,459	2,268	6,010	23,333	5,069	62	33,356	294,825	378,258	100,927	86,877	60,641	26,236	2,910
21	50,284	2,375	5,923	24,145	5,074	62	33,292	294,556	377,374	98,571	87,813	61,071	26,742	3,694
28	48,646	2,632	5,866	24,333	5,086	62	33,248	298,543	381,441	100,293	88,442	61,757	26,685	3,012
Sept. 4 <sup>p</sup>	53,030	2,572	5,935	24,310	5,116	62	33,527	296,917	380,209	99,751	88,443	61,527	26,916	3,002
11 <sup>p</sup>	53,265	1,927	5,988	24,760	5,198	62	33,519	299,411	383,371	101,196	88,934	62,081	26,853	3,328
18 <sup>p</sup>	49,413	2,575	6,053	24,809	5,148	62	33,467	300,813	383,632	100,708	88,167	61,305	26,862	3,334
25 <sup>p</sup>	47,678	4,418	5,745	25,233	5,144	62	33,424	297,786	379,721	100,455	89,130	61,786	27,344	2,911
<i>New York City</i>														
<i>1973</i>														
Sept. 5	7,838	15	2,635	6,372	1,304	.....	7,843	59,430	72,407	21,686	21,665	14,090	7,575	1,113
12	12,608	20	2,795	6,483	1,304	.....	7,849	59,795	74,041	20,853	21,414	13,623	7,791	1,485
19	8,116	645	2,857	6,309	1,339	.....	7,799	59,803	73,542	20,692	21,663	13,826	7,837	1,413
26	8,894	1,049	2,801	6,073	1,346	.....	7,743	59,772	72,976	20,857	21,436	13,627	7,809	1,378
<i>1974</i>														
Aug. 7	14,085	.....	2,098	9,184	1,390	.....	8,749	72,683	87,315	21,947	28,767	18,836	9,931	2,305
14	13,230	130	2,119	8,618	1,392	.....	8,747	71,644	86,412	22,324	29,146	19,406	9,740	1,798
21	12,375	.....	2,076	9,579	1,389	.....	8,711	71,200	86,214	21,570	29,333	19,332	10,001	2,639
28	11,007	.....	2,163	9,154	1,399	.....	8,694	73,141	88,045	22,570	29,519	19,801	9,718	2,131
Sept. 4 <sup>p</sup>	13,189	440	2,155	8,847	1,405	.....	8,788	72,446	87,975	22,861	29,615	19,832	9,783	1,820
11 <sup>p</sup>	14,785	.....	2,260	9,473	1,409	.....	8,798	73,902	89,970	22,325	29,837	20,162	9,675	2,068
18 <sup>p</sup>	12,132	250	2,387	9,418	1,417	.....	8,755	73,991	89,654	22,239	29,746	20,027	9,719	2,246
25 <sup>p</sup>	10,934	1,527	2,236	9,507	1,424	.....	8,709	72,427	87,434	22,572	29,969	19,931	10,038	1,793
<i>Outside New York City</i>														
<i>1973</i>														
Sept. 5	32,038	693	3,179	11,721	3,268	65	23,150	198,982	265,454	75,309	47,450	33,162	14,288	399
12	31,536	719	3,142	11,910	3,270	65	23,123	199,984	266,245	77,463	47,644	33,055	14,589	457
19	31,481	1,029	3,189	11,909	3,288	65	23,067	200,879	266,575	75,880	47,573	33,045	14,528	388
26	29,553	2,659	3,346	11,656	3,287	65	23,079	199,820	266,058	75,763	47,410	32,833	14,577	353
<i>1974</i>														
Aug. 7	40,431	2,286	4,014	14,835	3,676	62	24,637	223,946	292,962	77,788	57,226	40,871	16,355	1,194
14	39,229	2,138	3,891	14,715	3,677	62	24,609	223,181	291,846	78,603	57,731	41,235	16,496	1,112
21	37,909	2,375	3,847	14,566	3,685	62	24,581	223,356	291,160	77,001	58,480	41,739	16,741	1,055
28	37,639	2,632	3,703	15,179	3,687	62	24,554	225,402	293,396	77,723	58,923	41,956	16,967	881
Sept. 4 <sup>p</sup>	39,841	2,132	3,780	15,463	3,711	62	24,739	224,471	292,234	76,890	58,828	41,695	17,133	1,182
11 <sup>p</sup>	38,480	1,927	3,728	15,287	3,789	62	24,721	225,509	293,401	78,871	59,097	41,919	17,178	1,260
18 <sup>p</sup>	37,281	2,325	3,666	15,391	3,731	62	24,712	226,822	293,978	78,469	58,421	41,278	17,143	1,088
25 <sup>p</sup>	36,744	2,891	3,509	15,726	3,720	62	24,715	225,359	292,287	77,883	59,161	41,855	17,306	1,118

1 Includes securities purchased under agreements to resell.  
 2 Includes official institutions and so forth.  
 3 Includes short-term notes and bills.  
 4 Federal agencies only.  
 5 Includes corporate stocks.  
 6 Includes U.S. Govt. and foreign bank deposits, not shown separately.  
 7 Includes securities sold under agreements to repurchase.

8 Includes minority interest in consolidated subsidiaries.  
 9 Exclusive of loans and Federal funds transactions with domestic commercial banks.  
 10 All demand deposits except U.S. Govt. and domestic commercial banks, less cash items in process of collection.  
 11 Certificates of deposit issued in denominations of \$100,000 or more.



COMMERCIAL AND INDUSTRIAL LOANS OF LARGE COMMERCIAL BANKS

(In millions of dollars)

Industry	Outstanding					Net change during—							
	1974					1974			1974			1974	1973
	Sept. 25	Sept. 18	Sept. 11	Sept. 4	Aug. 28	Sept.	Aug.	July	III	II	I	1st half	2nd half
Durable goods manufacturing:													
Primary metals.....	1,927	1,943	1,933	1,880	1,871	56	5	1	62	-23	79	56	-229
Machinery.....	8,897	9,014	8,750	8,606	8,545	352	42	-16	378	779	1,069	1,848	615
Transportation equipment.....	3,436	3,438	3,412	3,392	3,367	69	171	89	329	229	358	587	362
Other fabricated metal products.....	3,095	3,111	3,063	3,036	2,995	100	38	122	260	235	267	502	71
Other durable goods.....	5,132	5,146	5,111	5,027	4,985	147	190	183	520	560	349	909	-73
Nondurable goods manufacturing:													
Food, liquor, and tobacco.....	4,420	4,399	4,329	4,295	4,200	220	175	88	483	-344	124	-220	733
Textiles, apparel, and leather.....	4,237	4,328	4,352	4,374	4,357	-120	241	-11	110	338	570	908	-205
Petroleum refining.....	1,780	1,760	1,788	1,787	1,745	35	-87	549	497	68	-176	-108	203
Chemicals and rubber.....	3,451	3,447	3,388	3,357	3,309	142	108	75	325	355	255	610	-150
Other nondurable goods.....	2,639	2,665	2,614	2,599	2,575	64	61	31	156	222	116	338	91
Mining, including crude petroleum and natural gas.....	4,484	4,503	4,489	4,497	4,432	52	50	192	294	74	312	386	-156
Trade: Commodity dealers.....	1,376	1,388	1,400	1,426	1,459	-83	-32	-78	-193	-630	357	-273	588
Other wholesale.....	6,368	6,320	6,280	6,308	6,334	34	-56	140	118	364	471	835	194
Retail.....	6,923	6,965	6,936	7,061	6,996	-73	-259	86	-246	556	540	1,096	-19
Transportation.....	6,135	6,116	6,038	6,033	6,084	51	60	-79	32	34	105	139	80
Communication.....	2,415	2,388	2,371	2,372	2,383	32	-45	-73	-86	326	149	475	-91
Other public utilities.....	8,045	7,875	7,847	7,804	7,611	434	-59	749	1,124	1,335	-291	1,044	1,330
Construction.....	6,450	6,488	6,437	6,409	6,456	-6	161	85	240	623	34	657	11
Services.....	11,789	11,840	11,827	11,825	11,775	14	41	86	141	404	188	592	927
All other domestic loans.....	9,787	9,739	9,787	9,731	9,661	126	171	102	399	576	541	1,117	682
Bankers' acceptances.....	1,314	1,287	1,369	1,316	1,352	-38	-138	-227	-403	381	62	443	-123
Foreign commercial and industrial loans.....	4,490	4,587	4,594	4,548	4,527	-37	-336	179	-194	506	105	611	-361
Total classified loans.....	108,590	108,747	108,115	107,683	107,019	1,571	502	2,273	4,346	6,968	5,584	12,552	4,480
Total commercial and industrial loans of large commercial banks.....	128,342	128,631	127,937	127,422	126,725	1,617	634	2,506	4,757	7,608	5,856	13,464	5,309

See NOTE to table below.

"TERM" COMMERCIAL AND INDUSTRIAL LOANS OF LARGE COMMERCIAL BANKS

(In millions of dollars)

Industry	Outstanding									Net change during—				
	1974									1974			1973	1974
	Sept. 25	Aug. 28	July 31	June 26	May 29	Apr. 24	Mar. 27	Feb. 27	Jan. 30	III	II	I	IV	1st half
Durable goods manufacturing:														
Primary metals.....	1,133	1,104	1,116	1,105	1,111	1,083	1,064	1,046	1,092	28	41	-40	-203	1
Machinery.....	3,896	3,789	3,572	3,286	3,213	3,145	3,114	3,037	2,950	610	172	248	186	420
Transportation equipment.....	1,535	1,419	1,373	1,410	1,424	1,423	1,365	1,367	1,324	125	45	81	18	126
Other fabricated metal products.....	1,066	1,000	996	954	960	934	911	911	938	112	43	17	23	60
Other durable goods.....	2,268	2,198	2,169	2,107	2,012	1,972	1,915	1,837	1,737	161	192	143	-16	335
Nondurable goods manufacturing:														
Food, liquor, and tobacco, textiles, apparel, and leather.....	1,649	1,604	1,604	1,571	1,584	1,533	1,529	1,527	1,514	78	42	38	14	80
Petroleum refining.....	1,151	1,171	1,182	1,128	1,120	1,147	1,089	1,043	1,032	23	39	86	-25	125
Chemicals and rubber.....	1,097	1,048	996	963	954	934	945	901	920	134	18	12	13	30
Other nondurable goods.....	1,778	1,790	1,760	1,737	1,686	1,690	1,603	1,569	1,570	41	134	42	9	176
Mining, including crude petroleum and natural gas.....	1,204	1,189	1,149	1,171	1,157	1,145	1,139	1,080	1,069	33	32	57	-18	89
Trade: Commodity dealers.....	3,339	3,319	3,197	3,130	3,172	3,284	3,245	3,203	3,153	209	-115	287	-32	172
Other wholesale.....	139	166	155	141	144	144	140	129	137	-2	1	13	11	14
Retail.....	1,449	1,419	1,446	1,406	1,404	1,335	1,323	1,315	1,265	43	83	133	12	216
Transportation.....	2,527	2,529	2,512	2,428	2,514	2,543	2,480	2,376	2,249	99	-52	274	59	222
Communication.....	4,349	4,322	4,352	4,425	4,474	4,414	4,417	4,311	4,327	-76	8	97	41	105
Other public utilities.....	1,029	1,021	1,030	1,030	1,033	978	966	940	947	-1	64	106	2	170
Construction.....	3,672	3,664	3,539	3,443	3,356	3,196	3,154	3,245	3,298	229	289	-98	416	191
Services.....	2,272	2,218	2,183	2,130	1,984	1,908	1,898	1,940	1,943	142	232	-7	-87	225
All other domestic loans.....	5,350	5,301	5,273	5,273	5,263	5,223	5,076	5,004	4,937	77	197	27	330	224
Foreign commercial and industrial loans.....	3,122	3,074	3,058	3,017	2,945	2,935	2,808	2,384	2,692	105	209	206	17	245
Total loans.....	46,426	45,845	45,227	44,403	43,906	43,335	42,531	41,486	41,563	2,023	1,872	1,738	918	3,610

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

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

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

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

(In billions of dollars)

Class of bank, and quarter or month	Type of holder					Total deposits, IPC
	Financial business	Nonfinancial business	Consumer	Foreign	All other	
<b>All commercial banks:</b>						
1970—Sept.....	17.0	88.0	51.4	1.4	10.0	167.9
Dec.....	17.3	92.7	53.6	1.3	10.3	175.1
1971—Mar.....	18.3	86.3	54.4	1.4	10.5	170.9
June.....	18.1	89.6	56.2	1.3	10.5	173.8
Sept.....	17.9	91.5	57.5	1.2	9.7	177.9
Dec.....	18.5	98.4	58.6	1.3	10.7	187.5
1972—June.....	17.9	97.6	60.5	1.4	11.0	188.4
Sept.....	18.0	101.5	63.1	1.4	11.4	195.4
Dec.....	18.9	109.9	65.4	1.5	12.3	208.0
1973—Mar.....	18.6	102.8	65.1	1.7	11.8	200.0
June.....	18.6	106.6	67.3	2.0	11.8	206.3
Sept.....	18.8	108.3	69.1	2.1	11.9	210.3
Dec.....	19.1	116.2	70.1	2.4	12.4	220.1
1974—Mar.....	18.9	108.4	70.6	2.3	11.0	211.2
June.....	18.3	112.1	71.2	2.2	11.1	214.9
<b>Weekly reporting banks:</b>						
1971—Dec.....	14.4	58.6	24.6	1.2	5.9	104.8
1972—Dec.....	14.7	64.4	27.1	1.4	6.6	114.3
1973—Aug.....	14.3	59.5	27.3	1.9	6.1	109.1
Sept.....	14.5	60.6	27.2	1.9	6.5	110.8
Oct.....	15.0	61.7	27.3	2.0	6.6	112.5
Nov.....	14.8	62.9	27.5	2.1	6.7	113.9
Dec.....	14.9	66.2	28.0	2.2	6.8	118.1
1974—Jan.....	15.2	63.8	28.4	2.3	6.7	116.5
Feb.....	14.1	62.1	26.9	2.3	6.2	111.5
Mar.....	14.7	61.5	27.6	2.1	6.3	112.1
Apr.....	14.7	62.2	29.6	2.1	6.2	114.7
May.....	14.2	62.3	28.0	2.1	6.1	112.7
June.....	14.1	63.3	28.1	2.0	6.3	113.8
July.....	14.4	63.6	28.4	2.1	6.5	115.1
Aug. <sup>2</sup> .....	14.1	62.7	27.9	1.9	5.9	112.5

<sup>1</sup> Including cash items in process of collection.

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

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

## DEPOSITS ACCUMULATED FOR PAYMENT OF PERSONAL LOANS

(In millions of dollars)

Class of bank	Dec. 31, 1972	June 30, 1973	Dec. 31, 1973	Apr. 24, 1974	Class of bank	Dec. 31, 1972	June 30, 1973	Dec. 31, 1973	Apr. 24, 1974
All commercial.....	559	538	507	478	All member—Cont.				
Insured.....	554	533	503	478	Other large banks <sup>1</sup> .....	69	63	58	62
National member.....	311	304	288	282	All other member <sup>1</sup> .....	313	312	294	284
State member.....	71	71	64	64	All nonmember.....	177	163	155	.....
All member.....	381	375	352	346	Insured.....	172	158	152	131
					Noninsured.....	5	5	3	.....

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

NOTE.—Hypothecated deposits, as shown in this table, are treated one way in monthly and weekly series for commercial banks and in another way in call-date series. That is, they are excluded from "Time deposits" and "Loans" in the monthly (and year-end) series as shown on pp. A-16; from the figures for weekly reporting banks as shown on pp. A-20-A-24 (consumer instalment loans); and from the figures in the table at the bottom of p. A-15. But they are included in the figures for "Time deposits" and "Loans" for call dates as shown on pp. A-16-A-19.

**LOANS SOLD OUTRIGHT BY COMMERCIAL BANKS**

(Amounts outstanding; in millions of dollars)

Date	To selected related institutions.					To all others except banks		
	Total	By type of loan			Total	By type of loan		
		Commercial and industrial	Real estate	All other		Commercial and industrial	All other	
1974—June 5	5,648	2,986		2,662	1,469	384	1,085	
12	5,493	2,999		2,494	1,446	374	1,072	
19	5,380	2,888		2,492	1,450	391	1,059	
26	5,372	2,943		2,429	1,429	382	1,047	
July 3	5,460	2,947		2,513	1,479	439	1,040	
10	5,491	2,949		2,542	1,436	396	1,040	
17	5,501	2,973		2,528	1,420	381	1,039	
24	5,572	3,050		2,522	1,428	389	1,039	
31	5,411	2,905		2,506	1,481	440	1,041	
Aug. 7	5,419	2,846		2,573	1,422	401	1,021	
14	5,502	2,882		2,620	1,413	408	1,005	
21	5,438	2,834		2,604	1,432	434	998	
28 <sup>1</sup>	5,396	3,033		2,363	1,472	491	981	
Aug. 28 <sup>2</sup>	4,893	2,883	188	1,822				
Sept. 4	4,916	2,875	187	1,854				
11	4,932	2,902	185	1,845				
18	4,837	2,826	178	1,833				
25	4,913	2,830	178	1,905				

<sup>1</sup> To bank's own foreign branches, nonconsolidated nonbank affiliates of the bank, the bank's holding company (if not a bank), and nonconsolidated nonbank subsidiaries of the holding company.

<sup>2</sup> Change in series. As of Aug. 28, 1974, the panel of reporting banks was revised to include only large weekly reporting banks, and those banks were asked to report only loans sold to a newly defined group of related types of institutions (for enumeration of these types, see footnote 1). A detailed comparison of the old and new data for Aug. 28, 1974, appears in the "Announcements" section of this BULLETIN.

**COMMERCIAL AND FINANCE COMPANY PAPER AND BANKERS ACCEPTANCES OUTSTANDING**

(In millions of dollars)

End of period	Commercial and finance company paper				Dollar acceptances										
	Total	Placed through dealers		Placed directly		Total	Held by—					Based on—			
		Bank related	Other <sup>1</sup>	Bank related	Other <sup>2</sup>		Accepting banks			F.R. Banks		Others	Imports into United States	Exports from United States	All other
							Total	Own bills	Bills bought	Own acct.	Foreign corr.				
1965	9,300		1,903	7,397	3,392	1,223	1,094	129	187	144	1,837	792	974	1,626	
1966	13,645		3,089	10,556	3,603	1,198	983	215	193	191	2,022	997	829	1,778	
1967	17,085		4,901	12,184	4,317	1,906	1,447	459	164	156	2,090	1,086	989	2,241	
1968	21,173		7,201	13,972	4,428	1,544	1,344	200	58	109	2,717	1,423	952	2,053	
1969	32,600	1,216	10,601	3,078	17,705	5,451	1,567	1,318	249	64	3,674	1,889	1,153	2,408	
1970	33,071	409	12,262	1,940	18,460	7,058	2,694	1,960	735	57	4,057	2,601	1,561	2,895	
1971	32,126	495	10,923	1,478	19,230	7,889	3,480	2,689	791	261	3,894	2,834	1,546	3,509	
1972	34,721	930	11,242	1,707	20,842	6,898	2,706	2,006	700	106	3,907	2,531	1,909	2,458	
1973—Aug.	37,149	1,350	7,676	3,758	24,365	7,734	1,968	1,598	370	84	522	5,159	2,268	2,945	2,520
Sept.	37,641	1,353	8,845	3,878	23,565	8,170	2,099	1,629	470	145	548	5,379	2,296	3,289	2,585
Oct.	41,602	1,319	11,727	3,549	25,007	8,237	2,042	1,731	311	107	589	5,499	2,345	3,222	2,670
Nov.	42,945	1,317	12,824	3,655	25,149	8,493	2,566	2,129	437	71	604	5,252	2,320	3,340	2,833
Dec.	41,073	1,311	11,751	3,570	24,441	8,892	2,837	2,318	519	68	581	5,406	2,273	3,499	3,120
1974—Jan.	45,491	1,429	13,990	4,072	26,090	9,101	2,706	2,251	454	68	589	5,738	2,334	3,492	3,275
Feb.	47,164	1,449	15,897	4,080	25,738	9,364	2,854	2,328	525	69	592	6,200	2,434	3,182	3,748
Mar.	44,690	1,508	13,320	4,537	25,125	10,166	2,986	2,413	573	296	684	6,500	2,827	2,979	4,361
Apr.	44,677	1,664	13,327	5,170	24,516	10,692	3,232	2,744	488	216	700	6,544	2,900	2,833	4,959
May	46,171	1,807	13,631	5,277	25,456	11,727	3,089	2,642	447	373	732	7,532	2,952	2,899	5,876
June	44,846	1,635	13,249	5,317	24,645	13,174	3,535	3,066	469	304	795	8,540	3,287	3,219	6,668
July	45,561	1,553	13,636	5,497	24,875	15,686	3,499	2,983	516	218	1,023	10,947	3,589	3,774	8,323
Aug.	46,479	1,730	14,292	5,207	25,250	16,167	3,388	2,866	522	277	1,202	11,300	3,585	3,933	8,649

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

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

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

**PRIME RATE CHARGED BY BANKS**

(Per cent per annum)

Effective date	Rate	Effective date	Rate	Effective date	Rate	Effective date	Rate
1973—June 8.....	7½■	1974—Jan. 7.....	9½-9¾■	1974—Apr. 11.....	9¾-9⁹/₁₀-	1974—June 3.....	11½■-11⁹/₁₀-
19.....	7½■-7¾	14.....	9½-9¾■	15.....	10■-10¹/₁₀-	7.....	11¾-11½■-
25.....	7¾■	29.....	9⁹/₁₀-	19.....	10¼	10.....	11⁹/₁₀
July 2.....	7¾■-8	Feb. 11.....	9-9¼■9⁹/₁₀	19.....	10-10¹/₁₀-	21.....	11½■
9.....	7¾■-8■	19.....	9■-9¼	23.....	10¾■-10⁹/₁₀	24.....	11½■-11¾
3.....	8-8¼■	25.....	8⁷/₁₀-8¾■-9	24.....	10¾■-	25.....	11½■-11¾-
17.....	8¼■-8½	26.....	8⁷/₁₀-8¾■	25.....	10⁹/₁₀-	26.....	11⁹/₁₀
18.....	8¼■-8½■	Mar. 4.....	8½-8⁷/₁₀-	25.....	10¾-10⁹/₁₀-	28.....	11¾■-11⁹/₁₀
23.....	8½■	5.....	8¾	26.....	10⁹/₁₀-	July 3.....	11¾■-11⁹/₁₀-
30.....	8½-8¾■	19.....	8¾-8⁹/₁₀-	30.....	10½■-11	5.....	11⁹/₁₀-12■
Aug. 6.....	8¾-9■	21.....	8¾■	May 2.....	10½-10⁹/₁₀-	9.....	12■-12¼
7.....	9■	22.....	8⁹/₁₀-9	3.....	10⁹/₁₀-10¾■	23.....	10¾-12■-
13.....	9-9¼■	26.....	9■	6.....	10⁹/₁₀-10¾-	Aug. 20.....	10¾-12■
21.....	9¼■-9½	28.....	9■-9¼	7.....	11■	Sept. 26.....	10¾-11½-
22.....	9½■	29.....	9-9¼■-9½	10.....	11-11¼■	11¾-12■	
28.....	9½-9¾■	Apr. 2.....	9¼■-9⁹/₁₀-	13.....	11¼■-11⁹/₁₀		
29.....	9¾■	3.....	9¼-9⁹/₁₀-	17.....	11¼-11-⁹/₁₀		
Sept. 14.....	9¾■-10	4.....	9½-9½■-	20.....	11½■		
18.....	10■	5.....	9⁹/₁₀-9½-				
27.....	9¾-10■	8.....	9¾■-9⁹/₁₀-				
Oct. 22.....	9½-9¾-10■		10				
24.....	9½-9¾■-10						

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

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

**RATES ON BUSINESS LOANS OF BANKS**

Center	Size of loan (in thousands of dollars)											
	All sizes		1-9		10-99		100-499		500-999		1,000 and over	
	Aug. 1974	May 1974	Aug. 1974	May 1974	Aug. 1974	May 1974	Aug. 1974	May 1974	Aug. 1974	May 1974	Aug. 1974	May 1974
<b>Short-term</b>												
35 centers.....	12.40	11.15	11.74	10.50	12.34	11.06	12.60	11.41	12.48	11.32	12.34	11.06
New York City.....	12.38	11.08	12.14	10.70	12.82	11.25	12.85	11.54	12.35	11.24	12.32	11.00
7 Other Northeast.....	13.17	11.65	13.07	11.31	13.20	11.69	13.34	12.01	13.29	11.94	13.05	11.40
8 North Central.....	12.36	11.09	11.25	9.59	12.42	10.80	12.68	11.36	12.49	11.37	12.25	11.00
7 Southeast.....	11.85	10.88	11.41	10.43	11.60	10.69	11.84	10.92	11.84	10.93	12.00	10.94
8 Southwest.....	11.95	10.82	10.83	10.32	11.62	10.67	12.02	10.97	12.15	10.84	11.99	10.78
4 West Coast.....	12.15	11.19	12.38	11.01	12.29	11.27	12.30	11.34	12.33	11.30	12.07	11.13
<b>Revolving credit</b>												
35 centers.....	12.46	11.21	12.06	11.00	12.46	11.27	12.47	11.36	12.35	11.32	12.48	11.19
New York City.....	12.48	11.47	12.72	10.76	12.49	11.16	12.60	11.27	12.58	11.31	12.46	11.49
7 Other Northeast.....	12.38	11.35	13.60	11.36	12.86	11.52	12.04	11.36	11.57	11.02	12.49	11.38
8 North Central.....	12.72	11.06	12.38	11.63	12.31	11.37	12.45	11.35	12.06	11.19	12.87	11.00
7 Southeast.....	12.44	10.58	9.54	10.00	11.42	10.17	11.03	10.51	11.74	11.00	13.27	10.52
8 Southwest.....	12.81	11.84	12.74	11.73	12.43	11.28	13.03	11.79	12.57	12.12	12.88	11.79
4 West Coast.....	12.35	11.01	12.69	10.71	12.60	11.37	12.53	11.39	12.49	11.31	12.31	10.93
<b>Long-term</b>												
35 centers.....	11.74	11.41	11.76	10.61	11.85	10.82	12.30	10.92	12.43	11.58	11.57	11.48
New York City.....	9.72	12.64	10.43	10.67	12.56	11.50	12.72	11.90	12.26	12.06	9.33	12.74
7 Other Northeast.....	12.74	11.27	12.70	10.81	11.83	11.03	12.60	11.01	12.20	11.76	13.01	11.26
8 North Central.....	13.12	11.14	11.27	9.49	11.47	10.13	12.27	11.10	12.69	11.66	13.40	11.13
7 Southeast.....	10.27	11.03	11.05	10.19	10.83	9.96	11.69	11.49	11.06	9.96	8.30	11.50
8 Southwest.....	13.43	10.83	12.09	11.51	12.84	11.32	12.06	10.64	12.41	11.36	14.22	10.65
4 West Coast.....	12.41	9.97	11.38	11.31	13.09	11.06	11.82	9.40	13.43	11.34	12.32	9.81

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

**MONEY MARKET RATES**

(Per cent per annum)

Period	Prime commercial paper <sup>1</sup>		Finance co. paper placed directly, 3- to 6-months <sup>2</sup>	Prime bankers acceptances, 90 days <sup>1</sup>	Federal funds rate <sup>3</sup>	U.S. Government securities <sup>4</sup>						
	90-119 days	4- to 6-months				3-month bills <sup>5</sup>		6-month bills <sup>5</sup>		9- to 12-month issues		3- to 5-year issues <sup>6</sup>
						Rate on new issue	Market yield	Rate on new issue	Market yield	1-year bill (market yield) <sup>5</sup>	Other <sup>6</sup>	
1967.....		5.10	4.89	4.75	4.22	4.321	4.29	4.630	4.61	4.71	4.84	5.07
1968.....		5.90	5.69	5.75	5.66	5.339	5.34	5.470	5.47	5.46	5.62	5.59
1969.....		7.83	7.16	7.61	8.21	6.677	6.67	6.853	6.86	6.79	7.06	6.85
1970.....		7.72	7.23	7.31	7.17	6.458	6.39	6.562	6.51	6.49	6.90	7.37
1971.....		5.11	4.91	4.85	4.66	4.348	4.33	4.511	4.52	4.67	4.75	5.77
1972.....		4.66	4.69	4.52	4.47	4.071	4.07	4.466	4.49	4.77	4.86	5.85
1973.....		8.20	8.15	7.40	8.08	7.041	7.03	7.178	7.20	7.01	7.30	6.92
1973—Sept.....	10.31	10.23	8.90	10.19	10.78	8.478	8.29	8.537	8.45	8.07	8.44	7.16
Oct.....	9.14	8.92	7.84	9.07	10.01	7.155	7.22	7.259	7.32	7.17	7.42	6.81
Nov.....	9.11	8.94	7.94	8.73	10.03	7.866	7.83	7.823	7.96	7.40	7.66	6.96
Dec.....	9.28	9.08	8.16	8.94	9.95	7.364	7.45	7.444	7.56	7.01	7.38	6.80
1974—Jan.....	8.86	8.66	7.92	8.72	9.65	7.755	7.77	7.627	7.65	7.01	7.46	6.94
Feb.....	8.00	7.82	7.40	7.83	8.97	7.060	7.12	6.874	6.96	6.51	6.93	6.77
Mar.....	8.64	8.42	7.76	8.43	9.35	7.986	7.96	7.829	7.83	7.34	7.86	7.33
Apr.....	9.92	9.79	8.43	9.61	10.51	8.229	8.33	8.171	8.32	8.08	8.66	7.99
May.....	10.82	10.62	8.94	10.68	11.31	8.430	8.23	8.496	8.40	8.21	8.78	8.24
June.....	11.18	10.96	9.00	10.79	11.93	8.145	7.90	8.232	8.12	8.16	8.71	8.14
July.....	11.93	11.72	9.00	11.88	12.92	7.752	7.55	8.028	7.94	8.04	8.89	8.39
Aug.....	11.79	11.65	9.31	12.08	12.01	8.744	8.96	8.853	9.11	8.88	9.54	8.64
Sept.....	11.36	11.23	9.41	11.06	11.34	8.363	8.06	8.599	8.53	8.52	8.95	8.38
Week ending—												
1974—June 1.....	10.56	10.31	9.00	10.75	11.54	7.983	8.04	8.205	8.26	8.06	8.46	8.07
8.....	10.78	10.53	9.00	10.75	11.45	8.300	8.05	8.426	8.16	8.15	8.61	8.06
15.....	10.98	10.75	9.00	10.75	11.60	8.260	8.23	8.324	8.32	8.14	8.68	8.06
22.....	11.33	11.10	9.00	10.75	11.85	8.177	7.88	8.175	8.04	8.10	8.66	8.09
29.....	11.65	11.48	9.00	10.90	11.97	7.841	7.45	8.003	7.96	8.24	8.88	8.33
July 6.....	12.00	11.81	9.00	11.31	13.55	7.808	7.53	8.055	8.15	8.38	9.09	8.47
13.....	12.18	11.95	9.00	12.00	13.34	7.892	7.45	8.480	8.05	8.13	9.09	8.60
20.....	12.15	11.95	9.00	12.00	13.04	7.702	7.72	7.876	7.83	7.80	8.67	8.35
27.....	11.73	11.50	9.00	12.00	12.60	7.604	7.43	7.700	7.64	7.81	8.62	8.08
Aug. 3.....	11.43	11.23	9.00	12.00	12.29	7.698	7.84	8.055	8.38	8.38	9.19	8.55
10.....	11.60	11.48	9.00	12.00	12.09	8.505	8.75	8.660	8.82	8.49	9.27	8.59
17.....	11.73	11.63	9.05	12.08	12.02	8.763	8.75	8.719	8.78	8.50	9.33	8.58
24.....	11.95	11.80	9.65	12.16	12.23	8.846	9.29	8.899	9.41	9.25	9.71	8.69
31.....	12.00	11.85	9.65	12.10	11.84	9.908	9.37	9.930	9.61	9.38	9.93	8.69
Sept. 7.....	11.84	11.72	9.41	11.79	11.64	9.167	9.34	9.283	9.39	9.14	9.65	8.61
14.....	11.75	11.63	9.43	11.46	11.48	9.099	9.10	8.980	8.92	8.69	9.14	8.52
21.....	11.43	11.25	9.50	10.95	11.41	8.185	7.64	8.203	8.30	8.40	8.74	8.35
28.....	10.68	10.58	9.35	10.36	11.12	7.002	6.81	7.928	7.91	8.10	8.53	8.14

<sup>1</sup> Beginning Aug. 15, 1974, the rate is the average of the midpoint of the range of daily dealer closing rates offered for domestic issues; prior data are averages of the most representative daily offering rate quoted by dealers.

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

<sup>3</sup> Seven-day averages for week ending Wednesday. Beginning with statement week ending July 25, 1973, weekly averages are based on the daily average of the range of rates on a given day weighted by the volume of transactions at these rates. For earlier statement weeks, the averages

were based on the daily effective rate—the rate considered most representative of the day's transactions, usually the one at which most transactions occurred.

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

<sup>5</sup> Bills quoted on bank-discount-rate basis.

<sup>6</sup> Selected note and bond issues.

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

**BOND AND STOCK YIELDS**

(Per cent per annum)

Period	Government bonds					Corporate bonds							Stocks		
	United States (long-term)	State and local			Aaa utility		Total <sup>1</sup>	By selected rating		By group			Dividend/price ratio		Earnings/price ratio
		Total <sup>1</sup>	Aaa	Baa	New issue	Recently offered		Aaa	Baa	Industrial	Railroad	Public utility	Preferred	Common	Common
1970.....	6.59	6.42	6.12	6.75	8.68	8.71	8.51	8.04	9.11	8.26	8.77	8.68	7.22	3.83	6.46
1971.....	5.74	5.62	5.22	5.89	7.62	7.66	7.94	7.39	8.56	7.57	8.38	8.13	6.75	3.14	5.41
1972.....	5.63	5.30	5.04	5.60	7.31	7.34	7.63	7.21	8.16	7.35	7.99	7.74	7.27	2.84	5.50
1973.....	6.30	5.22	4.99	5.49	7.74	7.75	7.80	7.44	8.24	7.60	8.12	7.83	7.23	3.06	7.12
1973—Sept.....	6.42	5.13	4.90	5.41	7.88	7.99	8.06	7.63	8.63	7.89	8.37	8.09	7.38	3.13	7.09
Oct.....	6.26	5.03	4.76	5.31	7.90	7.94	7.96	7.60	8.41	7.76	8.24	8.04	7.18	3.05	.....
Nov.....	6.31	5.21	5.03	5.46	7.90	7.94	8.02	7.67	8.42	7.81	8.28	8.11	7.40	3.36	.....
Dec.....	6.35	5.14	4.90	5.43	8.00	8.04	8.05	7.68	8.48	7.84	8.28	8.17	7.76	3.70	8.37
1974—Jan.....	6.56	5.23	5.03	5.49	8.21	8.21	8.15	7.83	8.58	7.97	8.34	8.27	7.60	3.64	.....
Feb.....	6.54	5.25	5.05	5.49	8.12	8.23	8.17	7.85	8.59	8.01	8.27	8.33	7.47	3.81	.....
Mar.....	6.81	5.44	5.20	5.71	8.46	8.44	8.27	8.01	8.65	8.12	8.35	8.44	7.56	3.65	8.96
Apr.....	7.04	5.76	5.45	6.06	8.99	8.95	8.50	8.25	8.88	8.39	8.51	8.68	7.83	3.86	.....
May.....	7.07	6.06	5.89	6.30	9.24	9.13	8.68	8.37	9.10	8.55	8.73	8.86	8.11	4.00	.....
June.....	7.03	6.17	5.95	6.41	9.38	9.40	8.85	8.47	9.34	8.69	8.89	9.08	8.25	4.02	10.30
July.....	7.18	6.70	6.34	7.10	10.20	10.04	9.10	8.72	9.55	8.95	9.08	9.35	8.40	4.42	.....
Aug.....	7.33	6.70	6.38	7.10	10.07	10.19	9.36	9.00	9.77	9.16	9.30	9.70	8.61	4.90	.....
Sept.....	7.30	6.77	6.49	7.18	10.38	10.30	9.67	9.24	10.12	9.44	9.46	10.11	8.93	5.45	.....
Week ending—															
1974—Aug. 3.....	7.24	6.69	6.40	7.05	10.31	10.28	9.23	8.86	9.67	9.07	9.23	9.48	8.55	4.61	.....
10.....	7.31	6.60	6.25	7.00	9.82	10.15	9.29	8.93	9.70	9.11	9.27	9.57	8.50	4.47	.....
17.....	7.35	6.64	6.30	7.05	10.10	10.02	9.34	8.98	9.74	9.12	9.30	9.67	8.52	4.82	.....
24.....	7.30	6.71	6.35	7.15	10.26	10.28	9.39	9.03	9.78	9.17	9.30	9.77	8.64	5.05	.....
31.....	7.36	6.88	6.60	7.25	9.99	10.26	9.47	9.07	9.86	9.25	9.34	8.97	8.76	5.24	.....
Sept. 7.....	7.33	6.86	6.60	7.20	10.31	10.24	9.53	9.13	9.95	9.32	9.37	9.96	9.02	5.40	.....
14.....	7.31	6.79	6.50	7.20	10.27	10.30	9.61	9.20	10.05	9.40	9.43	10.05	8.92	5.42	.....
21.....	7.31	6.76	6.45	7.20	10.37	10.26	9.69	9.29	10.17	9.49	9.47	10.14	8.54	5.49	.....
28.....	7.27	6.68	6.40	7.10	10.46	10.27	9.75	9.32	10.26	9.52	9.53	10.24	8.82	5.50	.....
Number of issues <sup>2</sup> .....	12	20	5	5	.....	.....	121	20	30	41	30	40	14	500	500

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

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

NOTE.—Annual yields are averages of monthly or quarterly data. Bonds: Monthly and weekly yields are computed as follows: (1) U.S. Govt.: Averages of daily figures for bonds maturing or callable in 10 years or more; from Federal Reserve Bank of New York. (2) State and local

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

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

NOTES TO TABLES ON OPPOSITE PAGE:

Security Prices:

NOTE.—Annual data are averages of monthly figures. Monthly and weekly data are averages of daily figures unless otherwise noted and are computed as follows: U.S. Govt. bonds, derived from average market yields in table on p. A-30 on basis of an assumed 3 per cent, 20-year bond. Municipal and corporate bonds, derived from average yields as computed by Standard and Poor's Corp., on basis of a 4 per cent, 20-year bond; Wed. closing prices. Common stocks, derived from component common stock prices. Average daily volume of trading, normally conducted 5 days per week for 3½ hours per day, or 27½ hours per week. In recent years shorter days and/or weeks have cut total weekly trading to the following number of hours:

Stock Market Customer Financing:

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

<sup>2</sup> In addition to assigning a current loan value to margin stock generally, Regulations T and U permit special loan values for convertible bonds and stock acquired through exercise of subscription rights.

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

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

**SECURITY PRICES**

Period	Bond prices (per cent of par)			Common stock prices										Volume of trading in stocks (thousands of shares)	
				New York Stock Exchange											
	U.S. Govt. (long-term)	State and local	Corporate AAA	Standard and Poor's index (1941-43=10)				New York Stock Exchange index (Dec. 31, 1965=50)					American Stock Exchange total index (Aug. 31, 1973=100)	NYSE	AMEX
				Total	Industrial	Railroad	Public utility	Total	Industrial	Transportation	Utility	Finance			
1970.....	60.52	72.3	61.6	83.22	91.29	32.13	54.48	45.72	48.03	32.14	37.24	54.64	96.63	10,532	3,376
1971.....	67.73	80.0	65.0	98.29	108.35	41.94	59.33	54.22	57.92	44.35	39.53	70.38	113.40	17,429	4,234
1972.....	68.71	84.4	65.9	109.20	121.79	44.11	56.90	60.29	65.73	50.17	38.48	78.35	120.10	16,487	4,447
1973.....	62.80	85.4	63.7	107.43	120.44	38.05	53.47	57.42	63.08	37.74	37.69	70.12	103.80	16,374	3,004
1973—Sept.....	61.81	86.2	61.3	105.61	118.52	35.49	52.31	56.71	62.25	35.82	36.79	72.23	101.88	17,320	2,055
Oct.....	63.13	86.9	62.1	109.84	123.42	38.24	53.22	59.26	65.29	39.03	37.47	74.98	107.97	18,387	3,388
Nov.....	62.71	85.6	62.1	102.03	114.64	39.74	48.30	54.59	60.15	36.31	34.73	67.85	99.91	19,044	3,693
Dec.....	62.37	86.1	62.9	94.78	106.16	41.48	45.73	50.39	55.12	34.69	33.47	62.49	88.39	19,227	3,553
1974—Jan.....	60.66	85.2	62.3	96.11	107.18	44.37	48.60	51.39	55.77	36.85	35.89	64.80	95.32	16,506	2,757
Feb.....	60.83	85.3	62.0	93.45	104.13	41.85	48.13	50.01	54.02	36.26	35.27	62.81	95.11	13,517	2,079
Mar.....	58.70	83.5	61.3	97.44	108.98	42.57	47.90	52.15	56.80	38.39	35.22	64.47	99.10	14,745	2,123
Apr.....	57.01	80.2	60.3	92.46	103.66	40.26	44.03	49.21	53.95	35.87	32.59	58.72	93.57	12,109	1,752
May.....	56.81	77.3	59.7	89.67	101.17	37.04	39.35	47.35	52.53	33.62	30.25	52.85	84.71	12,512	1,725
June.....	57.11	73.2	59.5	89.79	101.62	37.31	37.46	47.14	52.63	33.76	29.20	51.20	82.88	12,268	1,561
July.....	55.97	71.9	58.5	82.82	93.54	35.63	35.37	43.27	48.35	31.01	27.50	44.23	77.92	12,459	1,610
Aug.....	54.95	71.6	57.6	76.03	85.51	35.06	34.00	39.86	44.19	29.41	26.72	40.11	74.97	12,732	1,416
Sept.....	55.13	71.0	56.2	68.12	76.54	31.55	30.93	35.69	39.29	25.86	24.94	36.42	65.70	13,998	1,808
Week ending—															
1974—Sept. 7.....	54.91	69.9	56.1	70.38	79.27	32.72	31.00	36.80	40.77	26.66	25.14	36.21	68.26	14,756	1,694
14.....	55.11	70.8	56.2	67.88	76.39	31.13	30.20	35.49	39.18	25.55	24.57	35.57	65.22	13,591	2,069
21.....	55.06	71.2	56.3	68.31	76.81	31.67	30.68	35.73	39.38	25.68	24.73	36.69	64.82	15,420	1,976
28.....	55.38	72.1	56.3	67.28	75.35	31.82	31.85	35.42	38.70	25.39	25.33	37.44	65.59	12,176	1,200

For notes see opposite page.

**STOCK MARKET CUSTOMER FINANCING**

(In millions of dollars)

End of period	Margin credit at brokers and banks <sup>1</sup>										Free credit balances at brokers <sup>4</sup>	
	Regulated <sup>2</sup>									Unregulated <sup>3</sup>		
	By source			By type							Nonmargin stock credit at banks	
	Total	Brokers	Banks	Margin stock		Convertible bonds		Subscription issues				
			Brokers	Banks	Brokers	Banks	Brokers	Banks		Margin accts.	Cash accts.	
1973—Aug.....	7,081	6,056	1,025	5,830	949	210	61	16	15	1,952	348	1,462
Sept.....	6,954	5,949	1,005	5,730	929	204	60	15	16	1,909	379	1,632
Oct.....	7,093	5,912	1,181	5,690	1,105	203	59	19	17	1,878	419	1,713
Nov.....	6,774	5,671	1,003	5,460	1,027	197	60	14	16	1,917	464	1,685
Dec.....	6,382	5,251	1,131	5,050	1,070	189	46	12	15	1,866	454	1,700
1974—Jan.....	6,343	5,323	1,020	5,130	961	182	45	11	14	1,845	445	1,666
Feb.....	6,462	5,423	1,039	5,230	977	183	46	10	16	1,843	420	1,604
Mar.....	6,527	5,519	1,008	5,330	944	180	48	9	16	1,869	425	1,583
Apr.....	6,567	5,558	1,009	5,370	952	179	44	9	13	1,868	415	1,440
May.....	6,381	5,361	1,020	5,180	963	172	44	9	13	1,858	395	1,420
June.....	6,345	5,260	1,085	5,080	1,027	172	45	8	13	1,721	395	1,360
July.....	5,996	4,925	1,071	4,760	1,013	158	45	7	13	1,739	402	1,391
Aug.....		4,672		4,510		156		6			427	1,382

For notes see opposite page.

**EQUITY STATUS OF MARGIN ACCOUNT DEBT AT BROKERS**

(Per cent of total debt, except as noted)

End of period	Total debt (millions of dollars) <sup>1</sup>	Equity class (per cent)					
		80 or more	70-79	60-69	50-59	40-49	Under 40
1973—Aug.	5,830	5.0	8.4	16.4	19.6	24.2	26.4
Sept.	5,730	5.0	13.9	18.9	23.9	23.5	16.8
Oct.	5,690	7.2	10.0	19.9	22.6	22.1	18.2
Nov.	5,460	5.4	6.1	12.0	16.9	19.5	40.1
Dec.	5,050	5.8	7.7	14.4	17.4	20.3	34.2
1974—Jan.	5,130	5.5	8.0	14.2	22.6	25.8	24.0
Feb.	5,230	5.4	7.4	13.3	22.6	28.0	23.3
Mar.	5,330	5.0	7.0	11.4	19.4	30.2	27.1
Apr.	5,370	4.4	6.0	9.9	16.5	26.5	37.0
May	5,180	4.2	5.1	8.5	13.7	23.3	45.3
June	5,080	4.0	5.0	7.7	12.6	21.8	49.1
July	4,760	4.0	4.8	7.9	13.3	22.2	47.9
Aug.	4,510	3.5	4.0	6.6	11.2	18.4	56.3

<sup>1</sup> Note 1 appears at the bottom of p. A-30.

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

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

(Per cent of total, except as noted)

End of period	Net credit status	Equity class of accounts in debit status		Total balance (millions of dollars)
		60 per cent or more	Less than 60 per cent	
1973—Aug.	35.9	45.6	18.5	5,650
Sept.	37.4	53.1	9.4	5,740
Oct.	38.5	46.7	14.8	5,860
Nov.	37.5	42.2	20.3	5,882
Dec.	39.4	40.0	20.6	5,935
1974—Jan.	38.3	42.7	18.0	6,596
Feb.	39.4	43.3	24.9	6,740
Mar.	40.0	41.2	18.9	6,784
Apr.	39.6	42.3	19.4	6,526
May	37.8	40.0	22.2	6,544
June	40.3	37.4	22.4	6,538
July	40.2	36.5	23.2	6,695
Aug.	39.9	34.0	26.0	6,783

NOTE.—Special miscellaneous accounts contain credit balances that may be used by customers as the margin deposit required for additional purchases. Balances may arise as transfers based on loan values of other collateral in the customer's margin account or deposits of cash (usually sales proceeds) occur.

**MUTUAL SAVINGS BANKS**

(In millions of dollars)

End of period	Loans		Securities			Cash	Other assets	Total assets—Total liabilities and general reserve accts.	Deposits	Other liabilities	General reserve accounts	Mortgage loan commitments classified by maturity (in months)				
	Mortgage	Other	U.S. Govt.	State and local govt.	Corporate and other <sup>1</sup>							3 or less	3-6	6-9	Over 9	Total
1970	57,775	2,255	3,151	197	12,876	1,270	1,471	78,995	71,580	1,690	5,726	619	322	302	688	1,931
1971	62,069	2,808	3,334	385	17,674	1,389	1,711	89,369	81,440	1,810	6,118	1,047	627	463	1,310	3,447
1972 <sup>3</sup>	67,563	2,979	3,510	873	21,906	1,644	2,117	100,593	91,613	2,024	6,956	1,593	713	609	1,624	4,539
1973—July	71,219	3,819	3,190	1,093	22,683	1,555	2,202	105,761	95,355	3,044	7,362	1,626	906	636	1,367	4,535
Aug.	71,713	3,986	3,037	999	22,277	1,551	2,227	105,789	94,882	3,496	7,411	1,302	840	718	1,315	4,174
Sept.	72,034	4,200	2,945	957	21,799	1,491	2,345	105,771	95,183	3,134	7,453	1,411	762	589	1,197	3,959
Oct.	72,367	4,181	3,007	939	21,276	1,501	2,285	105,557	94,944	3,139	7,474	1,318	771	510	1,096	3,695
Nov.	72,760	4,424	2,948	925	21,150	1,519	2,264	105,991	95,259	3,201	7,530	1,272	685	479	1,079	3,515
Dec.	73,231	3,871	2,957	926	21,383	1,968	2,314	106,651	96,496	2,566	7,589	1,250	598	405	1,008	3,261
1974—Jan.	73,440	4,161	2,925	936	21,623	1,686	2,312	107,083	96,792	2,665	7,626	1,171	587	439	998	3,196
Feb.	73,647	4,584	2,846	942	21,923	1,618	2,316	107,877	97,276	2,919	7,681	1,232	562	407	952	3,153
Mar.	73,957	4,825	2,851	934	22,302	1,634	2,373	108,876	98,557	2,595	7,724	1,302	525	413	929	3,168
Apr.	74,181	4,425	2,852	951	22,366	1,601	2,347	108,722	98,035	2,943	7,744	1,214	584	401	994	3,193
May	74,011	4,388	2,750	893	22,241	1,656	2,355	108,295	97,391	3,173	7,731	1,129	608	400	1,014	3,151
June	74,281	4,274	2,758	880	22,324	1,651	2,488	108,654	98,190	2,688	7,776	1,099	602	328	1,001	3,031
July	74,541	4,311	2,650	884	22,383	1,402	2,487	108,660	97,713	3,144	7,803	990	586	316	1,076	2,968

<sup>1</sup> Also includes securities of foreign governments and international organizations and non-guaranteed issues of U.S. Govt. agencies.

<sup>2</sup> Commitments outstanding of banks in New York State as reported to the Savings Banks Assn. of the State of New York. Data include building loans beginning with Aug. 1967.

<sup>3</sup> Balance sheet data beginning 1972 are reported on a gross-of-valuation-reserves basis. The data differ somewhat from balance sheet data previously reported by National Assn. of Mutual Savings Banks which

were net of valuation reserves. For most items, however, the differences are relatively small.

NOTE.—NAMS data; figures are estimates for all savings banks in the United States and differ somewhat from those shown elsewhere in the BULLETIN; the latter are for call dates and are based on reports filed with U.S. Govt. and State bank supervisory agencies.



## LIFE INSURANCE COMPANIES

(In millions of dollars)

End of period	Total assets	Government securities				Business securities			Mortgages	Real estate	Policy loans	Other assets
		Total	United States	State and local	Foreign <sup>1</sup>	Total	Bonds	Stocks				
1970.....	207,254	11,068	4,574	3,306	3,188	88,518	73,098	15,420	74,375	6,320	16,064	10,909
1971.....	222,102	11,000	4,455	3,363	3,182	99,805	79,198	20,607	75,496	6,904	17,065	11,832
1972.....	239,730	11,372	4,562	3,367	3,443	112,985	86,140	26,845	76,948	7,295	18,003	13,127
1973—July <sup>r</sup> .....	247,264	11,413	4,443	3,387	3,583	118,205	91,455	26,750	78,335	7,551	18,895	12,865
Aug. <sup>r</sup> .....	247,890	11,405	4,414	3,390	3,601	118,012	91,727	26,285	78,781	7,592	19,252	12,848
Sept. <sup>r</sup> .....	250,453	11,407	4,375	3,396	3,636	119,364	91,843	27,521	79,187	7,639	19,597	13,259
Oct. <sup>r</sup> .....	251,925	11,456	4,421	3,397	3,638	119,885	92,105	27,780	79,677	7,713	19,870	13,324
Nov. <sup>r</sup> .....	251,178	11,574	4,514	3,404	3,656	118,100	92,265	25,835	80,371	7,771	20,039	13,323
Dec. <sup>r</sup> .....	252,436	11,403	4,328	3,412	3,663	117,715	91,796	25,919	81,369	7,693	20,199	14,057
1974—Jan.....	253,531	11,465	4,410	3,463	3,592	119,079	93,082	25,997	81,490	7,816	20,242	13,439
Feb.....	254,739	11,535	4,429	3,518	3,588	119,715	93,672	26,043	81,745	7,825	20,382	13,537
Mar.....	255,847	11,766	4,595	3,511	3,660	119,936	94,037	25,899	81,971	7,831	20,538	13,805
Apr.....	256,583	11,594	4,317	3,526	3,751	120,466	95,010	25,456	82,469	7,795	20,830	13,429
May.....	257,518	11,606	4,318	3,538	3,750	120,642	95,721	24,921	82,750	7,840	21,067	13,613
June.....	258,398	11,617	4,290	3,562	3,765	120,526	95,934	24,592	83,228	7,878	21,321	13,828
July.....	259,187	11,675	4,304	3,572	3,802	120,404	96,507	23,897	83,697	7,924	21,581	13,906

<sup>1</sup> Issues of foreign governments and their subdivisions and bonds of the International Bank for Reconstruction and Development.

NOTE.—Institute of Life Insurance estimates for all life insurance companies in the United States.

Figures are annual statement asset values, with bonds carried on an amortized basis and stocks at year-end market value. Adjustments for interest due and accrued and for differences between market and book values are not made on each item separately but are included, in total in "Other assets."

## SAVINGS AND LOAN ASSOCIATIONS

(In millions of dollars)

End of period	Assets				Total assets—Total liabilities	Liabilities					Mortgage loan commitments outstanding at end of period <sup>4</sup>
	Mortgages	Investment securities <sup>1</sup>	Cash	Other		Savings capital	Net worth <sup>2</sup>	Borrowed money <sup>3</sup>	Loans in process	Other	
1970.....	150,331	13,020	3,506	9,326	176,183	146,404	12,401	10,911	3,078	3,389	4,452
1971.....	174,250	18,185	2,857	10,731	206,023	174,197	13,592	8,992	5,029	4,213	7,328
1972.....	206,182	21,574	2,781	12,590	243,127	206,764	15,240	9,782	6,209	5,132	11,515
1973.....	232,104	21,027		19,227	272,358	227,254	17,108	17,100	4,676	6,220	9,532
1973—Aug.....	227,778	21,001		18,704	267,483	220,243	16,896	15,634	6,449	8,261	12,249
Sept.....	229,182	20,025		19,008	268,215	222,086	16,782	16,255	6,064	7,028	10,799
Oct.....	230,195	20,618		19,295	270,108	223,033	17,041	16,435	5,535	8,064	9,909
Nov.....	231,089	21,220		19,449	271,758	224,304	17,330	16,312	5,011	8,801	9,717
Dec.....	232,104	21,027		19,227	272,358	227,254	17,108	17,100	4,676	6,220	9,532
1974—Jan.....	232,980	22,378		19,502	274,860	229,435	17,333	16,663	4,380	7,049	9,788
Feb.....	234,426	23,327		19,901	277,654	231,264	17,623	16,431	4,304	8,032	10,740
Mar.....	236,514	23,970		20,429	280,913	235,436	17,488	16,652	4,492	6,845	12,018
Apr.....	239,027	23,520		20,902	283,449	235,218	17,763	18,087	4,807	7,574	12,933
May.....	241,650	23,680		21,538	286,868	235,731	18,074	19,282	5,050	8,731	12,493
June.....	243,791	22,975		21,733	288,499	238,421	17,893	20,274	5,044	6,867	11,744
July.....	245,529	23,024		22,045	290,598	237,938	18,157	21,635	4,878	7,990	10,854
Aug. <sup>p</sup> .....	247,076	22,065		22,503	291,644	236,783	18,436	22,844	4,562	9,019	9,890

<sup>1</sup> Excludes stock of the Federal Home Loan Bank Board. Compensating changes have been made in "Other assets."

<sup>2</sup> Includes net undistributed income, which is accrued by most, but not all, associations.

<sup>3</sup> Advances from FHLBB and other borrowing.

<sup>4</sup> Data comparable with those shown for mutual savings banks (on preceding page) except that figures for loans in process are not included above but are included in the figures for mutual savings banks.

<sup>5</sup> Beginning 1973, participation certificates guaranteed by the Federal Home Loan Mortgage Corporation, loans and notes insured by the Farmers Home Administration and certain other Government-insured mortgage-type investments, previously included in mortgage loans, are

included in other assets. The effect of this change was to reduce the mortgage total by about \$0.6 billion.

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

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

FEDERAL FISCAL OPERATIONS: SUMMARY

(In millions of dollars)

Period	U.S. budget			Means of financing							Other means of financing, net <sup>3</sup>	
	Receipts	Outlays	Surplus or deficit (-)	Borrowings from the public					Less: Cash and monetary assets			
				Public debt securities	Agency securities	Less: Investments by Govt. accounts <sup>1</sup>		Less: Special notes <sup>2</sup>	Equals: Total	Treasury operating balance		Other
						Special issues	Other					
<b>Fiscal year:</b>												
1971	188,392	211,425	-23,033	27,211	-347	6,616	801		19,448	710	-710	3,587
1972	208,649	231,876	-23,227	29,131	-1,269	6,796	1,623		19,442	1,362	1,108	6,003
1973	232,225	246,526	-14,301	30,881	216	11,712	109		19,275	2,459	-1,613	-4,129
1974 <sup>p</sup>	264,847	268,343	-3,495	16,918	912	13,673	1,140		3,017	-3,417	534	-2,405
<b>Half year:</b>												
1972—July-Dec.	106,062	118,579	-12,517	22,038	876	5,996	-468		17,386	956	-1,520	-5,434
1973—Jan.-June	126,163	127,947	-1,784	8,843	-660	5,716	577		1,889	1,503	-93	1,305
1974—July-Dec.	124,253	130,360	-6,107	11,756	477	5,376	845		6,013	-2,202	-191	-2,299
1974—Jan.-June <sup>p</sup>	140,594	137,983	2,612	5,162	435	8,297	295		-2,996	-1,215	725	-106
<b>Month:</b>												
1973—Aug.	21,365	22,110	-745	2,842	301	3,080	625		-563	-4,105	5,921	3,118
Sept.	25,007	20,736	4,271	-406	40	-753	-176		564	5,207	346	718
Oct.	17,637	23,092	-5,455	1,037	29	-292	-36		1,395	-2,588	-43	1,431
Nov.	20,208	22,099	-1,891	1,561	273	-3,508	3,139		2,202	-1,010	-48	-1,368
Dec.	21,987	19,686	2,302	5,861	-174	5,584	-3,025		3,128	5,693	-54	209
1974—Jan.	23,476	23,671	-195	-1,714	12	-1,069	139		-773	168	544	1,681
Feb.	20,226	21,030	-804	2,503	-17	2,489	159		-162	-2,877	-84	-1,995
Mar.	16,818	22,905	-6,086	3,813	394	-155	52		4,309	690	191	2,657
Apr.	29,657	22,273	7,384	-2,597	37	-93	35		-2,502	3,125	1,319	-438
May	19,243	23,981	-4,739	2,773	-28	2,947	-211		8	-5,032	1,120	-1,423
June <sup>p</sup>	31,174	24,123	7,052	385	37	4,178	121		-3,877	2,711	-125	-588
July	20,939	24,411	-3,472	1,109	-126	-858	198		1,644	-2,705	-658	-1,534
Aug.	23,620	25,408	-1,787	6,447	-56	4,133	-25		2,283	-1,012	83	-1,425

End of period	Selected balances										Memo: Debt of Govt.-sponsored corps.—Now private <sup>5</sup>
	Treasury operating balance				Borrowing from the public.						
	F.R. Banks	Tax and loan accounts	Other depositaries <sup>4</sup>	Total	Public debt securities	Agency securities	Less: Investments of Govt. accounts <sup>1</sup>		Less: Special notes <sup>2</sup>	Equals: Total	
							Special issues	Other			
<b>Fiscal year:</b>											
1971	1,274	7,372	109	8,755	398,130	12,163	82,740	22,400	825	304,328	37,086
1972	2,344	7,934	139	10,117	427,260	10,894	89,536	24,023	825	323,770	41,814
1973	4,038	8,433	106	12,576	458,142	11,109	101,248	24,133	825	343,045	51,325
1974 <sup>p</sup>	2,919	6,152	88	9,159	475,060	12,021	114,921	25,273	825	346,062	65,411
<b>Calendar year:</b>											
1972	1,856	8,907	310	11,073	449,298	11,770	95,532	23,556	825	341,155	43,459
1973	2,543	7,760	70	10,374	469,898	11,586	105,555	24,978	825	349,058	59,857
<b>Month:</b>											
1973—Aug.	847	2,217	8	3,072	461,845	11,419	105,593	25,076	825	341,769	54,409
Sept.	1,626	6,582	71	8,279	461,439	11,459	104,840	24,900	825	342,333	56,691
Oct.	1,839	3,781	71	5,691	462,476	11,488	104,548	24,864	825	343,727	59,330
Nov.	1,945	2,666	70	4,681	464,037	11,760	101,040	28,003	825	345,930	59,317
Dec.	2,543	7,760	70	10,374	469,898	11,586	106,624	24,978	825	349,058	59,857
1974—Jan.	2,844	7,628	69	10,542	468,184	11,598	105,555	25,117	825	348,285	59,566
Feb.	2,017	5,579	69	7,665	470,687	11,581	108,044	25,276	825	348,123	59,282
Mar.	1,372	6,915	69	8,356	474,500	11,975	107,889	25,328	825	352,433	59,897
Apr.	2,814	8,576	89	11,480	471,903	12,012	107,796	25,363	825	349,931	61,151
May	3,134	3,226	88	6,448	474,675	11,984	110,743	25,152	825	349,939	62,650
June <sup>p</sup>	2,919	6,152	88	9,159	475,060	12,021	114,921	25,273	825	346,062	65,411
July	3,822	2,544	88	6,454	447,344	11,895	114,063	25,471	6	347,706	59,857
Aug.	3,303	2,049	91	5,443	481,792	11,831	118,196	25,446		349,980	65,411

<sup>1</sup> With the publication of the Oct. 1974, Federal Reserve BULLETIN, these series have been corrected (beginning in fiscal year 1971) to exclude special issues held by the Federal home loan banks and the General Services Adm. Participation Certificate Trust, which are not Government accounts.

<sup>2</sup> Represents non-interest-bearing public debt securities issued to the International Monetary Fund and international lending organizations. New obligations to these agencies are handled by letters of credit.

<sup>3</sup> Includes accrued interest payable on public debt securities, deposit funds, miscellaneous liability and asset accounts, and seigniorage.

<sup>4</sup> As of Jan. 3, 1972, the Treasury operating balance was redefined to exclude the gold balance and to include previously excluded "Other depositaries"

(deposits in certain commercial depositories that have been converted from a time to a demand basis to permit greater flexibility in Treasury cash management).

<sup>5</sup> Includes debt of Federal home loan banks, Federal land banks, R.F.K. Stadium Fund, FNMA (beginning Sept. 1968), and FICB and banks for cooperatives (both beginning Dec. 1968).

<sup>6</sup> Beginning July 1974, public debt securities excludes \$825 million of notes issued to International Monetary Fund to conform with Office of Management and Budget's presentation of the budget.

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

FEDERAL FISCAL OPERATIONS: DETAIL

(In millions of dollars)

Period	Budget receipts																	
	Total	Individual income taxes					Corporation income taxes		Social insurance taxes and contributions					Excise taxes	Customs	Estate and gift	Misc. receipts <sup>4</sup>	
		Withheld	Pres. Election Campaign Fund <sup>1</sup>	Non-withheld	Re-funds	Net total	Gross receipts	Re-funds	Employment taxes and contributions <sup>2</sup>		Unempl. insur.	Other net receipts <sup>3</sup>	Net total					
									Pay-roll taxes	Self-empl.								
<b>Fiscal year:</b>																		
1971.....	188,392	76,490	.....	24,262	14,522	86,230	30,320	3,535	39,751	1,948	3,673	3,206	48,578	16,614	2,591	3,735	3,858	
1972.....	208,649	83,200	.....	25,679	14,143	94,737	34,926	2,760	44,088	2,032	4,357	3,437	53,914	15,477	3,287	5,436	3,633	
1973.....	232,225	98,093	.....	27,017	21,866	103,240	39,045	2,893	52,505	2,371	6,051	3,614	64,542	16,260	3,188	4,917	3,921	
1974 <sup>p</sup> .....	264,847	111,857	.....	27	30,819	23,957	118,760	41,789	3,125	62,886	3,008	6,907	4,049	76,849	16,885	3,334	5,009	5,355
<b>Half year:</b>																		
1972—July—Dec.....	106,062	46,056	.....	5,784	688	51,152	15,315	1,459	22,493	165	2,437	1,773	26,867	8,244	1,551	2,333	2,059	
1973—Jan.—June.....	126,164	52,037	.....	221,233	21,179	52,094	23,730	1,434	30,013	2,206	3,616	1,841	37,657	8,016	1,637	2,584	1,861	
1974—Jan.—June <sup>p</sup> .....	140,495	58,896	.....	6,207	999	58,170	16,589	1,494	29,965	201	2,974	1,967	35,109	8,966	1,633	2,514	2,768	
<b>Month:</b>																		
1973—Aug.....	21,365	9,083	.....	451	257	9,277	904	209	7,087	.....	1,357	335	8,779	1,434	303	494	382	
Sept.....	25,007	7,940	.....	3,903	135	11,707	5,477	230	4,177	177	103	317	5,409	1,436	238	373	597	
Oct.....	17,637	8,752	.....	550	71	9,230	1,515	462	4,119	24	217	351	4,712	1,459	291	454	437	
Nov.....	20,209	9,811	.....	261	66	10,006	939	287	5,578	.....	825	321	6,724	1,563	301	462	501	
Dec.....	21,987	8,887	.....	362	115	9,134	6,201	105	3,760	.....	89	299	4,149	1,536	224	333	515	
1974—Jan.....	23,476	9,296	.....	5,076	45	14,327	1,722	160	4,439	170	244	378	5,232	1,263	304	455	334	
Feb.....	20,226	9,505	.....	3,945	1,851	8,601	1,066	248	7,080	214	761	346	8,400	1,315	239	423	429	
Mar.....	16,818	9,662	.....	2,186	8,631	3,219	5,887	338	5,059	228	96	338	5,721	1,211	277	465	377	
Apr.....	29,657	9,946	.....	13,118	6,313	14,764	5,893	430	4,390	1,603	552	351	6,896	1,275	286	371	602	
May.....	19,243	10,083	.....	5,120	5,651	5,641	1,318	218	7,196	311	2,190	339	10,036	1,391	295	437	343	
June <sup>p</sup> .....	31,174	10,404	.....	4,084	4,621	14,029	9,313	236	4,757	281	88	329	5,455	1,464	301	344	503	
July.....	20,939	10,227	.....	957	378	10,806	1,796	310	5,005	.....	418	358	5,781	1,517	325	418	607	
Aug.....	23,620	10,223	.....	491	229	10,485	1,084	256	7,813	.....	1,363	368	9,544	1,415	355	453	540	

Period	Budget outlays														
	Total	National defense	Intl. affairs	Space research	Agriculture	Natural resources	Commerce and transp.	Com. dev. and housing	Education and manpower	Health and welfare	Veterans	Interest	General govt.	General revenue revenue sharing	Intra-govt. transactions <sup>5</sup>
<b>Fiscal year:</b>															
1972.....	231,876	78,336	3,786	3,422	7,061	3,759	11,197	4,216	10,198	81,538	10,747	20,584	4,889	.....	-7,858
1973.....	246,526	76,023	3,132	3,311	6,051	559	12,505	4,162	10,822	91,343	12,004	22,836	5,519	6,636	-8,379
1974 <sup>p</sup> .....	268,343	78,793	4,175	3,228	5,183	-990	12,549	5,129	10,575	105,577	13,370	28,101	6,485	6,106	-9,938
1975 <sup>7</sup> .....	304,445	87,729	4,103	3,272	2,729	3,128	13,400	5,667	11,537	126,353	13,612	29,122	6,774	6,174	-10,717
<b>Half year:</b>															
1972—July—Dec.....	118,578	35,329	1,639	1,676	4,616	330	6,199	2,637	5,133	43,213	5,740	10,619	2,869	2,617	-4,039
1973—Jan.—June.....	127,947	40,694	1,493	1,635	1,435	229	6,306	1,525	5,749	48,130	6,264	12,217	2,650	4,019	-4,340
1974—Jan.—June <sup>p</sup> .....	130,360	37,331	1,617	1,501	3,472	763	7,387	3,215	4,772	48,978	6,518	13,440	3,088	3,032	-4,753
1974—Jan.—June <sup>p</sup> .....	137,983	41,462	2,558	1,727	1,711	-1,753	5,162	1,914	5,803	56,599	6,852	14,661	3,397	3,074	-5,185
<b>Month:</b>															
1973—Aug.....	22,110	6,670	277	262	440	573	1,090	779	954	7,976	1,053	2,209	502	-3	-672
Sept.....	20,736	6,095	205	246	-35	422	957	712	661	8,302	970	2,392	643	16	-849
Oct.....	23,092	6,607	282	248	503	416	1,260	561	8,040	1,058	2,135	479	1,494	.....	-850
Nov.....	22,099	6,900	276	246	782	424	912	36	805	8,373	1,194	2,401	438	29	-717
Dec.....	19,686	6,079	219	221	-228	-130	1,064	316	619	8,534	1,143	2,169	498	.....	-816
1974—Jan.....	23,671	6,793	351	251	756	-544	886	331	983	9,067	1,204	2,353	636	1,532	-929
Feb.....	21,030	6,509	224	231	138	58	363	198	932	8,979	1,088	2,466	520	1	-677
Mar.....	22,904	6,686	345	252	205	759	746	263	1,036	9,310	1,194	2,508	499	.....	-898
Apr.....	22,273	6,751	336	293	89	-1,618	740	373	925	9,505	1,165	2,455	586	1,540	-867
May.....	23,981	7,243	312	278	313	428	875	352	662	10,087	1,180	2,516	498	1	-763
June <sup>p</sup> .....	24,123	7,468	1,050	423	210	-836	1,562	397	1,263	9,655	1,020	2,314	648	.....	-1,052
July.....	24,411	5,862	369	216	-60	498	1,099	693	854	10,060	1,258	2,525	466	1,538	-967
Aug.....	25,408	6,905	260	247	-61	514	2,257	773	925	9,925	1,236	2,477	727	.....	-778

<sup>1</sup> Collections of these receipts, totaling \$2,427 million for fiscal year 1973, were included as part of nonwithheld income taxes prior to Feb. 1974.  
<sup>2</sup> Old-age, disability, and hospital insurance, and Railroad Retirement accounts.  
<sup>3</sup> Supplementary medical insurance premiums and Federal employee retirement contributions.  
<sup>4</sup> Deposits of earnings by Federal Reserve Banks and other miscellaneous receipts.  
<sup>5</sup> Consists of Government contributions for employee retirement and of interest received by trust funds.

<sup>6</sup> Contains retroactive payments of \$2,617 million for fiscal 1972.  
<sup>7</sup> Estimate presented in *Budget of the U.S. Government, Fiscal Year 1975*. Breakdown does not add to total because special allowances for contingencies, Federal pay increase (excluding Department of Defense), and acceleration of energy research and development, totaling \$1,561 million, are not included.

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

**GROSS PUBLIC DEBT, BY TYPE OF SECURITY**

(In billions of dollars)

End of period	Total gross public debt <sup>1</sup>	Public issues (interest-bearing)										Special issues <sup>5</sup>
		Total	Marketable					Con-vertible bonds	Nonmarketable			
			Total	Bills	Certifi-cates	Notes	Bonds <sup>2</sup>		Total <sup>3</sup>	Foreign issues <sup>4</sup>	Sav-ings bonds & notes	
1967—Dec.....	344.7	284.0	226.5	69.9	.....	61.4	95.2	2.6	54.9	3.1	51.7	57.2
1968—Dec.....	358.0	296.0	236.8	75.0	.....	76.5	85.3	2.5	56.7	4.3	52.3	59.1
1969—Dec.....	368.2	295.2	235.9	80.6	.....	85.4	69.9	2.4	56.9	3.8	52.2	71.0
1970—Dec.....	389.2	309.1	247.7	87.9	.....	101.2	58.6	2.4	59.1	5.7	52.5	78.1
1971—Dec.....	424.1	336.7	262.0	97.5	.....	114.0	50.6	2.3	72.3	16.8	54.9	85.7
1972—Dec.....	449.3	351.4	269.5	103.9	.....	121.5	44.1	2.3	79.5	20.6	58.1	95.9
1973—Sept.....	461.4	354.1	262.4	99.8	.....	120.7	41.9	2.3	89.5	28.2	60.3	105.4
Oct.....	462.5	355.5	264.0	101.6	.....	120.7	41.8	2.3	89.2	27.8	60.5	105.1
Nov.....	464.0	360.5	270.2	107.7	.....	124.6	37.8	2.3	88.0	26.1	60.8	101.6
Dec.....	469.9	360.7	270.2	107.8	.....	124.6	37.8	2.3	88.2	26.0	60.8	107.1
1974—Jan.....	468.2	360.1	270.1	107.8	.....	124.6	37.7	2.3	87.7	25.3	61.0	106.2
Feb.....	470.7	360.0	269.7	107.9	.....	126.1	35.7	2.3	88.1	25.4	61.3	108.6
Mar.....	474.5	364.2	273.6	111.9	.....	126.1	35.6	2.3	88.3	25.2	61.6	108.5
Apr.....	471.9	361.7	270.5	107.3	.....	127.6	35.5	2.3	89.0	25.7	61.9	108.4
May.....	474.7	361.5	269.6	107.9	.....	128.4	33.2	2.3	89.6	26.0	62.1	111.3
June.....	475.1	357.8	266.6	105.0	.....	128.4	33.1	2.3	89.0	25.0	62.4	115.4
July.....	475.3	*359.7	268.8	107.3	.....	128.4	33.0	2.3	*88.7	*25.3	62.7	*114.6
Aug.....	481.8	*362.0	272.1	110.6	.....	127.7	33.9	2.3	*87.6	*24.1	62.8	*118.7
Sept.....	481.5	362.7	272.6	111.1	.....	127.7	33.8	2.3	87.8	24.1	63.0	117.4

<sup>1</sup> Includes non-interest-bearing debt (of which \$617 million on Sept. 30, 1974, was not subject to statutory debt limitation).

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

<sup>3</sup> Includes (not shown separately): depository bonds, retirement plan bonds, Rural Electrification Administration bonds, State and local government bonds, and Treasury deposit funds.

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

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

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

**OWNERSHIP OF PUBLIC DEBT**

(Par value, in billions of dollars)

End of period	Total gross public debt	Held by—		Held by private investors									
		U.S. Govt. agencies and trust funds	F.R. Banks	Total	Com-mercial banks	Mutual savings banks	Insur-ance companies	Other corporations	State and local govts.	Individuals		Foreign and inter-national <sup>1</sup>	Other misc. investors <sup>2</sup>
										Savings bonds	Other securities		
1967—Dec.....	344.7	73.1	49.1	222.4	63.8	4.2	9.0	12.2	24.1	51.2	22.3	15.8	19.9
1968—Dec.....	358.0	76.6	52.9	228.5	66.0	3.8	8.4	14.2	24.9	51.9	23.3	14.3	21.9
1969—Dec.....	368.2	89.0	57.2	222.0	56.8	3.1	7.6	10.4	27.2	51.8	29.0	11.2	25.0
1970—Dec.....	389.2	97.1	62.1	229.9	62.7	3.1	7.4	7.3	27.8	52.1	29.1	20.6	19.9
1971—Dec.....	424.1	106.0	70.2	247.9	65.3	3.1	7.0	11.4	25.4	54.4	18.8	46.9	15.6
1972—Dec.....	449.3	116.9	69.9	262.5	67.7	3.4	6.6	9.8	28.9	57.7	16.2	55.3	17.0
1973—Aug.....	461.8	128.7	76.1	257.1	55.1	2.9	6.3	11.5	27.7	59.8	17.2	59.2	17.3
Sept.....	461.4	127.8	76.2	257.4	55.4	2.9	6.3	9.2	29.0	59.8	17.3	58.5	18.9
Oct.....	462.5	127.4	78.5	256.5	56.3	2.9	6.3	10.2	28.5	60.0	17.0	57.5	17.9
Nov.....	464.0	127.1	77.1	259.8	58.5	2.9	6.2	11.1	28.9	60.3	16.9	56.2	18.9
Dec.....	469.9	129.6	78.5	261.7	60.3	2.9	6.4	10.9	29.2	60.3	16.9	55.6	19.3
1974—Jan.....	468.2	128.7	78.2	261.2	60.2	2.8	6.3	10.7	29.9	60.5	16.9	52.8	21.1
Feb.....	470.7	131.3	78.2	261.1	58.2	2.8	6.0	10.9	30.7	60.8	17.0	53.6	21.2
Mar.....	474.5	131.2	79.5	263.8	59.5	2.8	6.1	11.7	30.4	61.1	17.3	54.9	20.0
Apr.....	471.9	131.1	80.0	260.7	56.8	2.7	5.9	10.5	30.1	61.4	17.8	55.9	19.7
May.....	474.7	133.9	81.4	259.4	54.8	2.6	5.8	11.2	29.2	61.7	18.3	57.3	18.5
June.....	475.1	138.2	80.5	256.4	53.2	2.6	5.9	10.8	28.3	61.9	18.8	57.7	17.3
July.....	475.3	*137.5	78.1	259.7	53.9	2.6	5.7	11.3	28.8	62.2	19.4	56.9	18.8
Aug.....	481.8	141.6	81.1	259.0	53.0	2.6	5.7	11.0	29.2	62.3	20.3	56.0	19.0

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

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

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

The debt and ownership concepts were altered beginning with the Mar. 1969 BULLETIN. The new concepts (1) exclude guaranteed securities and (2) remove from U.S. Govt. agencies and trust funds and add to other miscellaneous investors the holdings of certain Govt.-sponsored but privately owned agencies and certain Govt. deposit accounts. Beginning in July 1974, total gross public debt includes Federal Financing Bank bills and excludes notes issued to the IMF (\$825 million).

## OWNERSHIP OF MARKETABLE SECURITIES, BY MATURITY

(Par value, in millions of dollars)

Type of holder and date	Total	Within 1 year			1-5 years	5-10 years	10-20 years	Over 20 years
		Total	Bills	Other				
<b>All holders:</b>								
1971—Dec. 31.....	262,038	119,141	97,505	21,636	93,648	29,321	9,530	10,397
1972—Dec. 31.....	269,509	130,422	103,870	26,552	88,564	29,143	15,301	6,079
1973—Dec. 31.....	270,224	141,571	107,786	33,785	81,715	25,134	15,659	6,145
1974—July 31.....	268,782	142,245	107,321	34,924	77,200	26,952	17,346	5,040
Aug. 31.....	272,111	142,901	110,581	32,320	79,366	28,996	14,953	5,896
<b>U.S. Govt. agencies and trust funds:</b>								
1971—Dec. 31.....	18,444	1,380	605	775	7,614	4,676	2,319	2,456
1972—Dec. 31.....	19,360	1,609	674	935	6,418	5,487	4,317	1,530
1973—Dec. 31.....	20,962	2,220	631	1,589	7,714	4,389	5,019	1,620
1974—July 31.....	21,425	2,703	469	2,234	6,989	4,665	5,717	1,351
Aug. 31.....	21,394	2,581	478	2,103	7,749	4,753	4,673	1,637
<b>Federal Reserve Banks:</b>								
1971—Dec. 31.....	70,218	36,032	31,033	4,999	25,299	7,702	584	601
1972—Dec. 31.....	69,906	37,750	29,745	8,005	24,497	6,109	1,414	136
1973—Dec. 31.....	78,516	46,189	36,928	9,261	23,062	7,504	1,577	184
1974—July 31.....	78,103	48,171	35,464	12,707	19,967	7,954	1,753	259
Aug. 31.....	81,131	48,332	38,492	9,840	21,024	9,893	1,423	459
<b>Held by private investors:</b>								
1971—Dec. 31.....	173,376	81,729	65,867	15,862	60,735	16,943	6,627	7,340
1972—Dec. 31.....	180,243	91,063	73,451	17,612	57,649	17,547	9,570	4,413
1973—Dec. 31.....	170,746	93,162	70,227	22,935	50,939	13,241	9,063	4,341
1974—July 31.....	169,254	91,371	71,388	19,983	50,244	14,333	9,876	3,430
Aug. 31.....	169,586	91,988	71,611	20,377	50,593	14,350	8,857	3,800
<b>Commercial banks:</b>								
1971—Dec. 31.....	51,363	14,920	8,287	6,633	28,823	6,847	555	217
1972—Dec. 31.....	52,440	18,077	10,289	7,788	27,765	5,654	864	80
1973—Dec. 31.....	45,737	17,499	7,901	9,598	22,878	4,022	1,065	272
1974—July 31.....	40,051	11,266	3,528	7,738	22,720	4,801	1,021	242
Aug. 31.....	39,371	12,025	3,424	8,601	21,428	4,837	809	277
<b>Mutual savings banks:</b>								
1971—Dec. 31.....	2,742	416	235	181	1,221	499	281	326
1972—Dec. 31.....	2,609	590	309	281	1,152	469	274	124
1973—Dec. 31.....	1,955	562	222	340	750	211	300	131
1974—July 31.....	1,577	326	103	223	700	199	252	101
Aug. 31.....	1,491	322	104	218	666	177	230	98
<b>Insurance companies:</b>								
1971—Dec. 31.....	5,679	720	325	395	1,499	993	1,366	1,102
1972—Dec. 31.....	5,220	799	448	351	1,190	976	1,593	661
1973—Dec. 31.....	4,956	779	312	467	1,073	1,278	1,301	523
1974—July 31.....	4,484	468	130	338	1,021	1,282	1,264	446
Aug. 31.....	4,512	552	200	352	976	1,310	1,297	377
<b>Nonfinancial corporations:</b>								
1971—Dec. 31.....	6,021	4,191	3,280	911	1,492	301	16	20
1972—Dec. 31.....	4,948	3,604	1,198	2,406	1,198	121	25	1
1973—Dec. 31.....	4,905	3,295	1,695	1,600	1,281	260	54	15
1974—July 31.....	4,764	2,743	1,408	1,335	1,635	314	58	15
Aug. 31.....	4,659	2,931	1,842	1,089	1,322	344	41	19
<b>Savings and loan associations:</b>								
1971—Dec. 31.....	3,002	629	343	286	1,449	587	162	175
1972—Dec. 31.....	2,873	820	498	322	1,140	605	226	81
1973—Dec. 31.....	2,103	576	121	455	1,011	320	151	45
1974—July 31.....	1,894	399	67	332	895	370	208	25
Aug. 31.....	1,776	391	49	342	835	330	196	25
<b>State and local governments:</b>								
1971—Dec. 31.....	9,823	4,592	3,832	760	2,268	783	918	1,263
1972—Dec. 31.....	10,904	6,159	5,203	956	2,033	816	1,298	598
1973—Dec. 31.....	9,829	5,845	4,483	1,362	1,870	778	1,003	332
1974—July 31.....	8,558	4,925	3,535	1,390	1,611	749	1,031	244
Aug. 31.....	8,613	5,153	3,932	1,221	1,545	762	883	270
<b>All others:</b>								
1971—Dec. 31.....	94,746	56,261	49,565	6,696	23,983	6,933	3,329	4,237
1972—Dec. 31.....	101,249	61,014	55,506	5,508	23,171	8,906	5,290	2,868
1973—Dec. 31.....	101,261	64,606	55,493	9,113	22,076	6,372	5,189	3,023
1974—July 31.....	107,926	71,244	62,617	8,627	21,662	6,618	6,042	2,357
Aug. 31.....	109,164	70,614	62,060	8,554	23,821	6,590	5,401	2,734

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

Data complete for U.S. Govt. agencies and trust funds and F.R. Banks, but data for other groups include only holdings of those institutions that report. The following figures show, for each category, the number and proportion reporting: (1) 5,585 commercial banks, 476 mutual savings

banks, and 734 insurance companies combined, each about 90 per cent; (2) 466 nonfinancial corporations and 486 savings and loan assns., each about 50 per cent; and (3) 503 State and local govts., about 40 per cent.

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

**DAILY-AVERAGE DEALER TRANSACTIONS**

(Par value, in millions of dollars)

Period	U.S. Government securities								U.S. Govt. agency securities	
	Total	By maturity				By type of customer				
		Within 1 year	1-5 years	5-10 years	Over 10 years	U.S. Govt. securities dealers	U.S. Govt. securities brokers	Commercial banks		All other <sup>1</sup>
1973—Aug.....	3,366	2,403	706	172	85	566	874	1,044	881	771
Sept.....	3,884	3,021	644	158	61	583	1,182	1,142	977	1,048
Oct.....	3,384	2,798	374	163	48	568	954	1,073	789	810
Nov.....	4,022	3,001	485	447	89	655	1,188	1,173	1,007	810
Dec.....	3,889	3,167	348	317	58	675	1,051	1,123	1,040	869
1974—Jan.....	3,659	3,074	325	215	45	706	889	1,103	962	695
Feb.....	4,229	3,192	402	561	74	795	1,058	1,299	1,077	1,019
Mar.....	3,697	2,814	450	369	64	744	892	1,071	991	733
Apr.....	3,338	2,682	438	173	45	614	836	951	937	710
May.....	3,542	2,645	693	133	72	711	905	991	936	861
June.....	3,084	2,549	385	110	41	693	759	877	755	978
July.....	2,566	2,114	348	66	38	490	685	681	710	1,044
Aug.....	3,097	2,407	389	238	64	554	876	789	878	856
Week ending—										
1974—Aug. 7.....	3,058	2,456	469	84	50	635	755	898	770	630
14.....	3,111	2,070	519	409	112	637	809	809	856	802
21.....	2,573	1,968	294	244	67	444	729	658	741	846
28.....	3,246	2,703	303	212	27	458	1,027	750	1,012	990
Sept. 4.....	3,828	3,292	267	225	45	659	1,104	860	1,205	1,050
11.....	4,201	3,507	413	237	44	739	1,373	988	1,101	1,062
18.....	4,040	3,304	380	301	55	675	1,444	937	985	1,440
25.....	4,256	3,410	483	302	62	631	1,461	1,147	1,017	1,518

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

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

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

**DAILY-AVERAGE DEALER POSITIONS**

(Par value, in millions of dollars)

Period	U.S. Government securities, by maturity					U.S. Govt. agency securities
	All maturities	Within 1 year	1-5 years	5-10 years	Over 10 years	
1973—Aug.....	1,788	1,977	-94	-107	12	273
Sept.....	3,201	2,958	316	-111	38	799
Oct.....	3,073	2,858	93	56	67	904
Nov.....	3,618	3,034	95	350	139	1,185
Dec.....	4,441	3,697	223	396	124	1,400
1974—Jan.....	3,653	3,210	51	262	130	1,324
Feb.....	4,081	2,707	537	647	190	1,435
Mar.....	2,587	2,149	50	287	102	1,045
Apr.....	1,536	1,577	-121	62	17	719
May.....	495	421	-33	66	41	791
June.....	594	447	52	78	16	1,226
July.....	263	219	-50	90	4	935
Aug.....	2,487	1,819	228	356	84	1,073
Week ending—						
1974—July 3.....	9	-117	18	86	21	972
10.....	-113	-220	-14	92	29	776
17.....	-274	-271	-89	86	.....	872
24.....	26	17	-77	93	-7	1,019
31.....	1,505	1,483	-52	85	-10	1,077
Aug. 7.....	2,027	1,960	-6	78	-5	934
14.....	3,300	2,350	344	500	106	1,049
21.....	2,463	1,661	257	416	129	1,112
28.....	2,004	1,199	300	405	100	1,102

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

**DAILY-AVERAGE DEALER FINANCING**

(In millions of dollars)

Period	All sources	Commercial banks		Corporations <sup>1</sup>	All other
		New York City	Elsewhere		
1973—Aug.....	2,318	829	327	386	777
Sept.....	4,244	1,620	877	441	1,306
Oct.....	3,721	1,253	918	328	1,223
Nov.....	4,469	1,809	900	570	1,190
Dec.....	5,468	2,322	1,147	671	1,329
1974—Jan.....	4,802	1,747	1,253	658	1,143
Feb.....	4,837	1,545	1,501	533	1,257
Mar.....	3,817	1,196	952	485	1,185
Apr.....	2,449	600	728	287	833
May.....	1,637	26	486	213	913
June.....	2,477	241	884	268	1,083
July.....	1,710	6	596	216	892
Aug.....	4,138	988	1,248	548	1,354
Week ending—					
1974—July 3....	1,527	-283	602	152	1,055
10....	1,725	65	588	170	902
17....	1,343	-140	554	228	700
24....	1,497	-18	595	204	715
31....	2,282	212	669	296	1,106
Aug. 7....	3,704	992	1,087	499	1,126
14....	4,452	1,292	1,427	622	1,111
21....	4,513	1,023	1,445	489	1,556
28....	3,986	644	1,098	617	1,628

<sup>1</sup> All business corporations, except commercial banks and insurance companies.

NOTE.—Averages of daily figures based on the number of calendar days in the period. Both bank and nonbank dealers are included. See also NOTE to the table on the left.



MAJOR BALANCE SHEET ITEMS OF SELECTED FEDERALLY SPONSORED CREDIT AGENCIES

(In millions of dollars)

End of period	Federal home loan banks						Federal National Mortgage Assn. (secondary market operations)		Banks for cooperatives		Federal intermediate credit banks		Federal land banks	
	Assets			Liabilities and capital			Mortgage loans (A)	Debentures and notes (L)	Loans to cooperatives (A)	Bonds (L)	Loans and dis-counts (A)	Bonds (L)	Mortgage loans (A)	Bonds (L)
	Ad-vances to mem-bers	Invest-ments	Cash and de-posits	Bonds and notes	Mem-ber de-posits	Capital stock								
1970.....	10,614	3,864	105	10,183	2,332	1,607	15,502	15,206	2,030	1,755	4,974	4,799	7,186	6,395
1971.....	7,936	2,520	142	7,139	1,789	1,618	17,791	17,701	2,076	1,801	5,669	5,503	7,917	7,063
1972.....	7,979	2,225	129	6,971	1,548	1,756	19,791	19,238	2,298	1,944	6,094	5,804	9,107	8,012
1973—Aug...	13,511	2,016	111	12,562	1,091	2,064	22,319	21,186	2,865	2,310	7,065	6,727	10,441	9,390
Sept...	14,298	2,908	102	14,062	1,178	2,089	22,826	21,537	2,738	2,560	7,170	6,833	10,592	9,388
Oct...	14,799	3,498	106	15,362	1,270	2,107	23,348	22,243	2,711	2,728	7,130	6,901	10,781	9,838
Nov...	14,866	3,649	77	15,362	1,545	2,112	23,912	22,404	2,662	2,704	7,029	6,890	10,926	9,838
Dec...	15,147	3,537	157	15,362	1,745	2,122	24,175	23,001	2,577	2,670	7,198	6,861	11,071	9,838
1974—Jan...	15,188	2,843	121	14,556	1,692	2,246	24,424	23,131	3,123	2,741	7,163	6,956	11,245	10,048
Feb...	14,904	2,680	116	13,906	1,936	2,294	24,541	23,092	3,211	2,828	7,277	7,029	11,402	10,282
Mar...	14,995	2,779	124	13,906	2,027	2,306	24,888	23,515	3,143	2,878	7,545	7,162	11,467	10,282
Apr...	16,020	1,615	82	13,902	2,067	2,337	25,264	23,668	2,891	2,810	7,850	7,403	11,878	10,843
May...	17,103	1,956	96	14,893	2,215	2,376	25,917	25,089	2,694	2,674	8,195	7,585	12,142	10,843
June...	17,642	2,564	115	16,393	2,158	2,413	26,559	25,232	2,733	2,449	8,479	7,860	12,400	10,843
July...	18,582	2,578	150	17,390	1,954	2,450	27,304	25,878	3,008	2,477	8,706	8,212	12,684	11,782
Aug...	19,653	2,052	80	18,759	1,935	2,495	28,022	26,639	3,026	2,622	8,548	8,380	12,941	11,782

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

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

NEW ISSUES OF STATE AND LOCAL GOVERNMENT SECURITIES

(In millions of dollars)

Period	All issues (new capital and refunding)								Total amount delivered <sup>3</sup>	Issues for new capital						
	Total	Type of issue				Type of issuer				Total	Use of proceeds					
		General obligations	Revenue	HAA <sup>1</sup>	U.S. Govt. loans	State	Special district and stat. auth.	Other <sup>2</sup>			Education	Roads and bridges	Utilities <sup>4</sup>	Housing <sup>5</sup>	Veterans' aid	Other purposes
1970.....	18,164	11,850	6,082	131	103	4,174	5,595	8,399	18,110	5,062	1,532	3,525	466	.....	7,526	
1971.....	24,962	15,220	8,681	1,000	62	5,999	8,714	10,246	24,495	5,278	2,642	5,214	2,068	.....	9,293	
1972.....	23,652	13,305	9,332	959	57	4,991	9,496	9,165	22,073	4,981	1,689	4,638	1,910	.....	6,741	
1973.....	23,970	12,257	10,632	1,022	58	4,212	9,507	10,249	22,408	4,311	1,458	5,654	2,639	.....	8,335	
1973—May...	1,939	825	1,106	.....	8	291	945	703	1,775	299	233	430	224	.....	588	
June...	2,152	1,025	861	261	5	189	1,082	881	2,144	542	102	643	334	.....	523	
July...	2,028	1,458	564	.....	6	516	363	1,149	2,001	391	231	366	3	.....	1,009	
Aug...	1,657	1,067	588	.....	2	529	498	630	1,602	311	30	352	290	.....	618	
Sept...	1,750	721	741	285	2	236	838	675	1,653	327	66	579	384	.....	298	
Oct...	2,313	1,344	964	.....	6	337	842	1,135	2,163	299	142	412	251	.....	1,060	
Nov...	2,257	866	1,383	.....	9	243	1,247	766	1,929	356	42	596	247	.....	687	
Dec...	2,089	919	995	173	1	450	1,022	616	1,954	372	165	487	344	.....	582	
1974—Jan...	2,198	1,402	794	.....	2	208	823	1,163	2,130	595	36	373	56	.....	1,070	
Feb...	1,934	1,155	778	.....	1	473	523	938	1,869	449	53	612	39	.....	717	
Mar...	1,982	1,160	590	227	5	346	776	856	1,868	359	258	349	241	.....	660	
Apr...	2,364	1,694	660	.....	10	360	849	1,155	2,325	505	9	595	178	.....	1,038	
May...	2,211	1,130	1,075	.....	6	443	1,018	745	2,153	390	107	685	7	.....	964	

<sup>1</sup> Only bonds sold pursuant to 1949 Housing Act, which are secured by contract requiring the Housing Assistance Administration to make annual contributions to the local authority.

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

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

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

<sup>5</sup> Includes urban redevelopment loans.

NOTE.—Security Industries Assn. data; par amounts of long-term issues based on date of sale unless otherwise indicated. Components may not add to totals due to rounding.



**TOTAL NEW ISSUES**

(In millions of dollars)

Period	Gross proceeds, all issues <sup>1</sup>										
	Total	Noncorporate				Corporate					
		U.S. Govt. <sup>2</sup>	U.S. Govt. agency <sup>3</sup>	State and local (U.S.) <sup>4</sup>	Other <sup>5</sup>	Total	Bonds			Stock	
							Total	Publicly offered	Privately placed	Preferred	Common
1970.....	88,666	14,831	16,181	17,762	949	38,945	30,315	25,384	4,931	1,390	7,240
1971.....	105,233	17,325	16,283	24,370	2,165	45,090	32,123	24,775	7,354	3,670	9,291
1972.....	96,522	17,080	12,825	23,070	1,589	41,957	28,896	19,434	9,462	3,367	9,694
1973.....	100,417	19,057	23,883	22,700	1,385	33,391	22,268	13,649	8,620	3,372	7,750
1973—June.....	7,943	559	1,706	2,046	53	3,578	2,757	1,358	1,398	216	606
July.....	7,643	490	2,471	1,992	60	2,631	1,870	857	1,013	226	536
Aug.....	8,019	3,097	1,600	1,474	42	1,806	1,382	792	590	94	330
Sept.....	8,091	2,432	2,100	1,630	15	1,915	1,366	684	682	119	430
Oct.....	8,924	485	2,612	2,232	196	3,398	2,358	1,805	553	355	685
Nov.....	12,553	4,521	2,200	2,224	45	3,563	2,257	1,669	589	637	668
Dec.....	6,635	148	1,032	1,966	251	3,238	2,469	1,552	917	196	573
1974—Jan. 6.....						3,392	2,956	2,115	842	152	284
Feb.....						2,687	2,101	1,684	418	268	318
Mar.....						3,141	2,384	2,020	364	395	361
Apr.....						2,952	2,140	1,594	546	356	456
May.....						3,166	2,958	2,350	609	65	143
June.....						2,944	2,417	1,939	478	112	415

Period	Gross proceeds, major groups of corporate issuers											
	Manufacturing		Commercial and miscellaneous		Transportation		Public utility		Communication		Real estate and financial	
	Bonds	Stocks	Bonds	Stocks	Bonds	Stocks	Bonds	Stocks	Bonds	Stocks	Bonds	Stocks
1970.....	9,192	1,320	1,963	2,540	2,213	47	8,016	3,001	5,053	83	3,878	1,638
1971.....	9,426	2,152	2,272	2,390	1,998	420	7,605	4,195	4,227	1,592	6,601	2,212
1972.....	4,821	1,809	2,645	2,882	2,862	185	6,392	4,965	3,692	1,125	8,485	2,095
1973.....	4,329	643	1,283	1,559	1,881	43	5,585	4,661	3,535	1,369	5,661	2,860
1973—June.....	703	25	133	89	183	.....	1,099	497	303	29	337	181
July.....	364	169	139	112	250	1	651	269	244	60	223	151
Aug.....	230	49	149	129	83	15	419	90	320	5	182	136
Sept.....	270	78	149	96	140	2	334	252	228	16	244	106
Oct.....	472	52	63	147	114	.....	342	608	633	46	734	193
Nov.....	383	93	61	92	241	4	584	496	296	499	692	122
Dec.....	485	18	145	285	226	6	569	319	350	27	693	115
1974—Jan. 6.....	866	29	135	125	127	.....	1,192	249	142	4	493	30
Feb.....	353	36	51	143	5	1	536	293	372	25	784	87
Mar.....	419	161	40	71	76	.....	850	446	310	21	690	58
Apr.....	1,113	9	209	56	6	.....	446	685	279	5	86	57
May.....	860	15	329	72	44	.....	837	75	655	3	235	44
June.....	406	44	311	138	5	16	859	288	352	1	484	39

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

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

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

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

<sup>5</sup> Foreign governments and their instrumentalities, International Bank for Reconstruction and Development, and domestic nonprofit organizations.

<sup>6</sup> Beginning Jan. 1974 noncorporate figures are no longer published by the SEC.

NOTE.—Securities and Exchange Commission estimates of new issues maturing in more than 1 year sold for cash in the United States.

**NET CHANGE IN OUTSTANDING CORPORATE SECURITIES**

(In millions of dollars)

Period	Derivation of change, all issuers <sup>1</sup>								
	All securities			Bonds and notes			Common and preferred stocks		
	New issues	Retirements	Net change	New issues	Retirements	Net change	New issues	Retirements	Net change
1970.....	38,707	9,079	29,628	29,495	6,667	22,825	9,213	2,411	6,801
1971.....	46,687	9,507	37,180	31,917	8,190	23,728	14,769	1,318	13,452
1972.....	42,306	10,224	32,082	27,065	8,003	19,062	15,242	2,222	13,018
1973.....	33,559	11,804	21,754	21,501	8,810	12,691	12,057	2,993	9,064
1973—II.....	9,140	2,470	6,669	5,769	1,664	4,106	3,370	806	2,564
III.....	6,532	2,150	4,382	4,521	1,579	2,941	2,012	571	1,441
IV.....	10,711	4,378	6,334	7,013	3,786	3,227	3,698	591	3,107
1974—I <sup>p</sup> .....	8,973	2,031	6,942	6,810	1,442	5,367	2,163	588	1,575
II <sup>p</sup> .....	9,637	2,048	7,589	7,847	1,584	6,263	1,790	465	1,326

Period	Type of issues											
	Manu- facturing		Commercial and other <sup>2</sup>		Transpor- tation <sup>3</sup>		Public utility		Communi- cation		Real estate and financial <sup>1</sup>	
	Bonds & notes	Stocks	Bonds & notes	Stocks	Bonds & notes	Stocks	Bonds & notes	Stocks	Bonds & notes	Stocks	Bonds & notes	Stocks
1971.....	6,585	2,534	827	2,290	900	800	6,486	4,206	3,925	1,600	5,005	2,017
1972.....	1,995	2,094	1,409	2,471	711	254	5,137	4,844	3,343	1,260	7,045	2,096
1973.....	801	658	-109	1,411	1,044	-93	4,265	4,509	3,165	1,399	3,523	1,181
1973—II.....	632	-2	119	327	327	7	1,136	1,276	842	562	1,049	395
III.....	165	450	108	247	414	-44	1,217	557	752	77	284	154
IV.....	-131	147	-162	460	176	-13	1,068	1,506	1,051	575	1,225	431
1974—I <sup>p</sup> .....	906	324	-11	363	-37	-35	2,172	827	675	76	1,662	20
II <sup>p</sup> .....	1,921	-12	698	213	-13	12	1,699	1,038	1,080	-7	877	82

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

exclude foreign sales and include sales of securities held by affiliated companies, special offerings to employees, and also new stock issues and cash proceeds connected with conversions of bonds into stocks. Retirements are defined in the same way and also include securities retired with internal funds or with proceeds of issues for that purpose.

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

**OPEN-END INVESTMENT COMPANIES**

(In millions of dollars)

Year	Sales and redemption of own shares			Assets (market value at end of period)			Month	Sales and redemption of own shares			Assets (market value at end of period)		
	Sales <sup>1</sup>	Redemptions	Net sales	Total <sup>2</sup>	Cash position <sup>3</sup>	Other		Sales <sup>1</sup>	Redemptions	Net sales	Total <sup>2</sup>	Cash position <sup>3</sup>	Other
1962.....	2,699	1,123	1,576	21,271	1,315	19,956	1973—Aug..	239	432	-193	49,553	4,567	44,986
1963.....	2,460	1,504	952	25,214	1,341	23,873	Sept...	330	395	-65	52,322	4,641	47,681
1964.....	3,404	1,875	1,528	29,116	1,329	27,787	Oct... ..	305	559	-254	51,952	4,168	47,784
1965.....	4,359	1,962	2,395	35,220	1,803	33,417	Nov... ..	502	542	-40	45,814	4,126	41,688
1966.....	4,671	2,005	2,665	34,829	2,971	31,858	Dec... ..	349	392	-43	46,518	4,002	42,516
1967.....	4,670	2,745	1,927	44,701	2,566	42,135	1974—Jan... ..	334	325	9	47,094	4,226	42,863
1968.....	6,820	3,841	2,979	52,677	3,187	49,490	Feb... ..	215	303	-88	45,958	4,447	41,511
1969.....	6,717	3,661	3,056	48,291	3,846	44,445	Mar... ..	297	346	-49	44,423	4,406	40,017
1970.....	4,624	2,987	1,637	47,618	3,649	43,969	Apr... ..	262	327	-65	42,679	4,426	38,253
1971.....	5,145	4,751	774	56,694	3,163	53,531	May... ..	323	320	3	41,015	4,389	36,626
1972.....	4,892	6,563	-1,671	59,831	3,035	56,796	June... ..	337	276	61	40,040	4,461	35,579
1973.....	4,358	5,651	1,261	46,518	4,002	42,516	July... ..	442	352	90	37,669	4,609	33,060
							Aug... ..	446	339	127	35,106	4,953	30,153

<sup>1</sup> Includes contractual and regular single-purchase sales, voluntary and contractual accumulation plan sales, and reinvestment of investment income dividends; excludes reinvestment of realized capital gains dividends.  
<sup>2</sup> Market value at end of period less current liabilities.

<sup>3</sup> Cash and deposits, receivables, all U.S. Govt. securities, and other short-term debt securities, less current liabilities.

NOTE.—Investment Company Institute data based on reports of members, which comprise substantially all open-end investment companies registered with the Securities and Exchange Commission. Data reflect newly formed companies after their initial offering of securities.

**CORPORATE PROFITS, TAXES, AND DIVIDENDS**

(In billions of dollars)

Year	Profits before taxes	Income taxes	Profits after taxes	Cash dividends	Undistributed profits	Corporate capital consumption allowances <sup>1</sup>	Quarter	Profits before taxes	Income taxes	Profits after taxes	Cash dividends	Undistributed profits	Corporate capital consumption allowances <sup>1</sup>
1968	87.6	39.9	47.8	23.6	24.2	46.8	1972—III	100.2	41.8	58.4	27.8	30.6	66.7
1969	84.9	40.1	44.8	24.3	20.5	51.9	IV	108.2	45.2	63.1	28.2	34.9	68.2
1970	74.0	34.8	39.3	24.7	14.6	56.0	1973—I	120.4	48.9	71.5	28.7	42.8	69.2
1971	83.6	37.5	46.1	25.0	21.1	60.4	II	124.9	50.9	74.0	29.1	44.9	70.8
1972	99.2	41.5	57.7	27.3	30.3	66.3	III	122.7	49.9	72.9	29.8	43.1	71.6
1973	122.7	49.8	72.9	29.6	43.3	71.2	IV	122.7	49.5	73.2	30.7	42.5	73.1
							1974—I	138.7	53.6	85.1	31.6	53.5	74.1
							II	143.5	57.9	85.6	32.5	53.0	75.7

<sup>1</sup> Includes depreciation, capital outlays charged to current accounts, and accidental damages.

NOTE.—Dept. of Commerce estimates. Quarterly data are at seasonally adjusted annual rates.

**CURRENT ASSETS AND LIABILITIES OF NONFINANCIAL CORPORATIONS**

(In billions of dollars)

End of period	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. <sup>1</sup>	Other				U.S. Govt. <sup>1</sup>	Other		
1970	187.4	492.3	50.2	7.7	4.2	201.9	193.3	35.0	304.9	6.6	204.7	10.0	83.6
1971	204.9	518.8	55.7	10.7	3.5	208.8	200.3	39.7	313.9	4.9	207.3	12.2	89.5
1972—II	215.0	536.5	56.0	8.9	2.8	217.8	207.7	43.1	321.5	4.9	208.5	11.4	96.7
III	219.2	547.5	57.7	7.8	2.9	224.1	212.2	42.8	328.3	4.7	212.1	12.7	98.8
IV	224.3	563.1	60.5	9.9	3.4	230.5	215.1	43.6	338.8	4.0	221.6	14.1	99.1
1973—I	231.8	579.2	61.2	10.8	3.2	235.7	222.8	45.5	347.4	4.1	222.8	15.7	104.7
II	237.7	596.8	62.3	9.6	2.9	245.6	230.3	46.0	359.1	4.5	232.5	13.9	108.1
III	241.9	613.6	62.2	9.5	3.0	254.2	238.2	46.6	371.7	4.4	240.8	15.3	111.2
IV	245.3	631.4	65.2	10.7	3.5	255.8	247.0	49.3	386.1	4.3	252.0	16.6	113.3
1974—I	253.2	653.9	62.8	11.7	3.2	265.6	258.9	51.6	400.7	4.5	256.7	18.7	120.7
II	257.4	673.3	62.2	10.4	3.4	278.7	269.7	48.8	415.8	4.7	268.4	17.4	125.3

<sup>1</sup> Receivables from, and payables to, the U.S. Govt. exclude amounts offset against each other on corporations' books.

NOTE.—Based on Securities and Exchange Commission estimates.

**BUSINESS EXPENDITURES ON NEW PLANT AND EQUIPMENT**

(In billions of dollars)

Period	Total	Manufacturing		Mining	Transportation			Public utilities		Communications	Other <sup>1</sup>	Total (S. A. A. R.)
		Durable	Non-durable		Railroad	Air	Other	Electric	Gas and other			
1971	81.21	14.15	15.84	2.16	1.67	1.88	1.38	12.86	2.44	10.77	18.05	
1972	88.44	15.64	15.72	2.45	1.80	2.46	1.46	14.48	2.52	11.89	20.07	
1973	99.74	19.25	18.76	2.74	1.96	2.41	1.66	15.91	2.76	12.85	21.40	
1972—I	19.38	3.29	3.32	.58	.48	.50	.32	3.19	.44	2.72	4.55	86.79
II	22.01	3.71	3.92	.61	.48	.73	.39	3.61	.62	2.95	4.98	87.12
III	21.86	3.86	3.87	.59	.38	.61	.35	3.67	.72	2.84	4.97	87.67
IV	25.20	4.77	4.61	.63	.47	.63	.40	4.01	.73	3.39	5.57	91.94
1973—I	21.50	3.92	3.88	.63	.46	.52	.32	3.45	.50	2.87	4.94	96.19
II	24.73	4.65	4.51	.71	.46	.72	.43	3.91	.68	3.27	5.40	97.76
III	25.04	4.84	4.78	.69	.48	.57	.44	4.04	.77	3.19	5.24	100.90
IV	28.48	5.84	5.59	.71	.56	.60	.47	4.54	.82	3.53	5.83	103.74
1974—I	24.10	4.74	4.75	.68	.50	.47	.34	3.85	.52	3.19	5.05	107.27
II	28.16	5.59	5.69	.78	.64	.61	.49	4.56	.75	3.60	5.46	111.40
III	28.02	5.78	5.64	.77	.60	.49	.70	4.49	.86	8.70	5.46	113.00

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

<sup>2</sup> Anticipated by business.

NOTE.—Dept. of Commerce and Securities and Exchange Commission estimates for corporate and noncorporate business; excludes agriculture, real estate operators, medical, legal, educational, and cultural service, and nonprofit organizations.

## MORTGAGE DEBT OUTSTANDING BY TYPE OF HOLDER

(In millions of dollars)

Type of holder, and type of property	End of year			End of quarter				
	1970	1971	1972	1973			1974	
				II	III	IV	I	II
<b>ALL HOLDERS</b> .....	451,726	499,758	565,196	600,197	619,996	635,137	646,280	663,324
1- to 4-family.....	280,175	307,200	345,500	366,202	378,382	386,489	392,053	402,053
Multifamily <sup>1</sup> .....	58,023	67,367	76,585	81,130	83,521	85,394	86,760	88,425
Commercial.....	82,292	92,333	107,673	115,150	119,504	123,915	127,228	131,275
Farm.....	31,236	32,858	35,438	37,715	38,589	39,339	40,239	41,571
<b>PRIVATE FINANCIAL INSTITUTIONS</b> .....	355,929	394,239	450,371	480,242	495,044	505,583	514,110	527,251
1- to 4-family.....	231,317	253,540	288,169	307,423	316,754	322,296	327,146	335,332
Multifamily <sup>1</sup> .....	45,796	52,498	59,293	62,429	63,566	64,723	65,555	66,750
Commercial.....	68,697	78,345	92,387	99,364	103,429	107,078	109,891	113,338
Farm.....	10,119	9,856	10,522	11,026	11,295	11,486	11,518	11,831
<i>Commercial banks</i> <sup>2</sup> .....	73,275	82,515	99,314	109,114	114,788	119,068	121,668	125,968
1- to 4-family.....	42,329	48,020	57,004	62,181	65,484	67,998	69,351	71,802
Multifamily <sup>1</sup> .....	3,311	3,984	5,778	6,469	6,745	6,932	7,178	7,432
Commercial.....	23,284	26,306	31,751	35,224	37,181	38,696	39,664	41,066
Farm.....	4,351	4,205	4,781	5,240	5,378	5,442	5,475	5,668
<i>Mutual savings banks</i> .....	57,948	61,978	67,556	70,634	72,034	73,231	73,957	74,264
1- to 4-family.....	37,342	38,641	41,650	43,003	44,738	44,247	44,462	44,426
Multifamily <sup>1</sup> .....	12,594	14,386	15,490	16,394	16,567	16,843	17,011	17,081
Commercial.....	7,893	8,901	10,354	11,178	11,670	12,084	12,425	12,698
Farm.....	119	50	62	59	59	57	59	59
<i>Savings and loan associations</i> .....	150,371	174,250	206,182	222,580	229,182	232,104	236,514	243,791
1- to 4-family.....	124,970	142,275	167,049	180,423	185,706	188,051	191,529	197,349
Multifamily <sup>1</sup> .....	13,830	17,355	20,783	21,880	22,391	22,561	22,800	23,379
Commercial.....	11,531	14,620	18,350	20,277	21,085	21,492	22,185	23,063
<i>Life insurance companies</i> .....	74,375	75,496	77,319	77,914	79,040	81,180	81,971	83,228
1- to 4-family.....	26,676	24,604	22,466	21,816	21,826	22,000	21,804	21,755
Multifamily <sup>1</sup> .....	16,061	16,773	17,242	17,686	17,863	18,387	18,566	18,858
Commercial.....	25,989	28,518	31,932	32,685	33,493	34,806	35,617	36,511
Farm.....	5,649	5,601	5,679	5,727	5,858	5,987	5,984	6,104
<b>FEDERAL AND RELATED AGENCIES</b> .....	32,992	39,357	45,790	48,991	53,008	55,664	58,430	62,533
1- to 4-family.....	21,993	26,453	30,147	31,276	33,725	35,454	37,168	39,782
Multifamily <sup>1</sup> .....	3,359	4,555	6,086	7,128	8,171	8,489	8,923	9,643
Commercial.....	16	11						
Farm.....	7,624	8,338	9,557	10,587	11,112	11,721	12,339	13,108
<i>Government National Mortgage Association</i> .....	5,222	5,323	5,113	3,908	4,429	4,029	3,604	3,618
1- to 4-family.....	2,902	2,770	2,490	1,300	1,462	1,330	1,189	1,194
Multifamily <sup>1</sup> .....	2,304	2,542	2,623	2,608	2,967	2,699	2,415	2,424
Commercial.....	16	11						
<i>Farmers Home Administration</i> .....	767	819	837	900	1,000	1,200	1,300	1,400
1- to 4-family.....	330	398	387	430	480	550	596	642
Farm.....	437	421	450	470	520	650	704	758
<i>Federal Housing and Veterans Administrations</i> .....	3,505	3,389	3,338	3,293	3,446	3,476	3,514	3,617
1- to 4-family.....	2,771	2,517	2,199	1,998	2,046	2,013	1,964	1,978
Multifamily <sup>1</sup> .....	734	872	1,139	1,295	1,400	1,463	1,550	1,639
<i>Federal National Mortgage Association</i> .....	15,502	17,791	19,791	21,413	22,831	24,175	24,875	26,559
1- to 4-family.....	15,181	16,681	17,697	18,521	19,479	20,370	20,516	21,691
Multifamily <sup>1</sup> .....	321	1,110	2,094	2,892	3,352	3,805	4,359	4,868
Federal land banks (farm only).....	7,187	7,917	9,107	10,117	10,592	11,071	11,635	12,350
<i>Federal Home Loan Mortgage Corporation</i> .....	357	964	1,789	2,029	2,423	2,604	2,637	3,191
1- to 4-family.....	357	934	1,754	1,973	2,294	2,446	2,472	2,951
Multifamily <sup>1</sup> .....		30	35	56	129	158	165	240
<i>GNMA Pools</i> .....	452	3,154	5,815	7,331	8,287	9,109	10,865	11,798
1- to 4-family.....	452	3,153	5,620	7,054	7,964	8,745	10,431	11,326
Multifamily <sup>1</sup> .....		1	195	277	323	364	434	472
<b>INDIVIDUALS AND OTHERS</b> <sup>3</sup> .....	62,805	66,162	69,035	70,964	71,944	73,890	73,740	73,540
1- to 4-family.....	26,865	27,207	27,184	27,503	27,903	28,739	27,739	26,939
Multifamily <sup>1</sup> .....	8,868	10,314	11,206	11,573	11,784	12,182	12,282	12,032
Commercial.....	13,579	13,977	15,286	15,786	16,075	16,837	17,337	17,937
Farm.....	13,493	14,664	15,359	16,102	16,182	16,132	16,382	16,632

<sup>1</sup> Structure of five or more units.<sup>2</sup> Includes loans held by nondeposit trust companies but not bank trust departments.<sup>3</sup> Includes some U.S. agencies for which amounts are small or separate data are not readily available.

NOTE.—Based on data from various institutional and Government sources, with some quarters estimated in part by Federal Reserve in conjunction with the Federal Home Loan Bank Board and the Dept. of Commerce. Separation of nonfarm mortgage debt by type of property, where not reported directly, and interpolations and extrapolations where required, estimated mainly by Federal Reserve.

FEDERAL NATIONAL MORTGAGE ASSOCIATION AND FEDERAL HOME LOAN MORTGAGE CORPORATION—  
SECONDARY MORTGAGE MARKET ACTIVITY

(In millions of dollars)

End of period	FNMA						FHLMC							
	Mortgage holdings		Mortgage transactions (during period)		Mortgage commitments		Mortgage holdings			Mortgage transactions (during period)		Mortgage commitments		
	Total <sup>1</sup>	FHA-insured	VA-guaranteed	Purchases	Sales	Made during period	Out-standing	Total	FHA VA	Conventional	Purchases	Sales	Made during period	Out-standing
1970.....	15,492	11,063	4,429	5,079	20	8,047	5,203	325	325	.....	325	.....	.....	.....
1971.....	17,791	12,681	5,110	3,574	336	9,828	6,497	968	821	147	778	64	.....	182
1972.....	19,791	14,624	5,112	3,699	211	8,797	8,124	1,789	1,503	286	1,298	408	1,606	198
1973.....	24,175	16,852	6,352	6,127	71	8,914	7,889	2,604	1,743	861	1,334	409	1,629	186
1973—Aug...	22,319	16,085	5,761	699	.....	1,019	9,809	2,307	1,728	579	161	.....	208	291
Sept...	22,831	16,293	5,937	633	.....	724	9,602	2,423	1,729	694	126	.....	143	288
Oct...	23,348	16,510	6,101	659	.....	264	8,918	2,527	1,742	785	113	.....	63	218
Nov...	23,912	16,734	6,294	656	.....	200	8,690	2,565	1,746	819	46	.....	45	207
Dec...	24,175	16,852	6,352	410	40	158	7,889	2,604	1,743	861	50	2	43	186
1974—Jan...	24,424	17,008	6,348	350	.....	110	6,715	2,621	1,736	885	34	8	26	161
Feb...	24,529	17,050	6,336	242	.....	489	6,768	2,625	1,730	895	21	6	49	185
Mar...	24,875	17,315	6,340	462	1	1,646	7,913	2,638	1,724	914	29	2	595	748
Apr...	25,263	17,450	6,503	526	.....	2,154	9,292	2,722	1,756	967	101	.....	400	1,037
May...	25,917	17,725	6,794	821	.....	1,145	9,475	2,986	1,827	1,159	281	.....	1,486	2,221
June...	26,559	17,966	7,079	770	.....	537	9,019	3,191	1,877	1,314	222	.....	628	2,598
July...	27,304	18,250	7,384	886	.....	1,175	9,044	3,309	1,883	1,426	129	.....	1,127	3,583
Aug...	28,022	18,526	7,704	868	2	1,202	9,115	3,451	1,886	1,565	155	.....	81	3,500

<sup>1</sup> Includes conventional loans not shown separately.  
NOTE.—Data from FNMA and FHLMC, respectively.  
For FNMA: Holdings include loans used to back bond issues guaranteed by GNMA. Commitments include some multifamily and nonprofit hospital loan commitments in addition to 1- to 4-family loan commitments accepted in FNMA's free market auction system, and through the FNMA-GNMA Tandem Plan (Program 18).

For FHLMC: Data for 1970 begin with Nov. 26, when the FHLMC became operational. Holdings and transactions cover participations as well as whole loans. Holdings include loans used to back bond issues guaranteed by GNMA. Commitments cover the conventional and Govt.-underwritten loan programs.

TERMS AND YIELDS ON NEW HOME MORTGAGES

Period	Conventional mortgages							FHLBB series <sup>3</sup>	HUD series <sup>4</sup>	FHA-insured loans—yield in private secondary market <sup>5</sup>
	Terms <sup>1</sup>				Yields (per cent) in primary market					
	Contract rate (per cent)	Fees and charges (per cent) <sup>2</sup>	Maturity (years)	Loan/price ratio (per cent)	Purchase price (thous. of dollars)	Loan amount (thous. of dollars)	FHLBB series <sup>3</sup>			
1970.....	8.27	1.03	25.1	71.7	35.5	25.2	8.44	8.52	9.03	
1971.....	7.60	.87	26.2	74.3	36.3	26.5	7.74	7.75	7.70	
1972.....	7.45	.88	27.2	76.8	37.3	28.1	7.60	7.64	7.52	
1973.....	7.78	1.11	26.3	77.3	37.1	28.1	7.95	8.30	.....	
1973—Aug.....	7.77	1.08	26.7	76.7	38.6	28.9	7.94	8.85	.....	
Sept.....	7.98	1.19	26.6	77.3	37.2	28.2	8.17	8.95	9.18	
Oct.....	8.12	1.20	26.1	76.9	38.5	29.0	8.31	8.80	8.97	
Nov.....	8.22	1.08	26.0	75.5	38.9	28.8	8.39	8.75	8.86	
Dec.....	8.31	1.12	25.6	75.5	37.7	28.0	8.49	8.75	8.78	
1974—Jan.....	8.33	1.16	26.4	76.3	38.8	28.9	8.52	8.65	.....	
Feb.....	8.40	1.33	25.9	76.5	37.8	28.5	8.62	8.55	8.54	
Mar.....	8.43	1.35	26.4	77.3	39.1	29.5	8.64	8.60	8.66	
Apr.....	8.47	1.21	26.1	77.3	38.5	29.2	8.67	8.90	9.17	
May.....	8.55	1.20	25.8	76.8	37.9	28.8	8.74	9.15	9.46	
June.....	8.65	1.25	26.3	76.9	39.7	30.1	8.85	9.25	9.46	
July.....	8.75	1.28	26.1	74.4	40.5	29.6	8.96	9.40	9.85	
Aug. <sup>9</sup> .....	8.82	1.36	27.1	76.7	40.6	30.6	9.04	9.60	10.33	

<sup>1</sup> 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, as compiled by Federal Home Loan Bank Board in cooperation with Federal Deposit Insurance Corporation. Data are not strictly comparable with earlier figures beginning Jan. 1973.  
<sup>2</sup> Fees and charges—related to principal mortgage amount—include loan commissions, fees, discounts, and other charges, but exclude closing costs related solely to transfer of property ownership.  
<sup>3</sup> Effective rate, reflecting fees and charges as well as contract rates

(as shown in first column of this table) and an assumed prepayment at end of 10 years.  
<sup>4</sup> Rates on first mortgages, unweighted and rounded to the nearest 5 basis points.  
<sup>5</sup> Based on opinion reports submitted by field offices of prevailing local conditions as of the first of the succeeding month. Yields are derived from weighted averages of private secondary market prices for Sec. 203, 30-year mortgages with minimum downpayment and an assumed prepayment at the end of 15 years. Any gaps in data are due to periods of adjustment to changes in maximum permissible contract interest rates.

NOTE TO TABLE AT BOTTOM OF PAGE A-46:

American Life Insurance Association data for new commitments of \$100,000 and over each on mortgages for multifamily and nonresidential nonfarm properties located largely in the United States. The 15 companies account for a little more than one-half of both the total assets and the nonfarm mortgages held by all U.S. life insurance companies. Averages, which are based on number of loans, vary in part with loan composition by type and location of property, type and purpose of loan, and loan

amortization and prepayment terms. Data for the following are limited to cases where information was available or estimates could be made: capitalization rate (net stabilized property earnings divided by property value); debt coverage ratio (net stabilized earnings divided by debt service); and per cent constant (annual level payment, including principal and interest, per \$100 of debt). All statistics exclude construction loans, increases in existing loans in a company's portfolio, reapprovals, and loans secured by land only.

**FEDERAL NATIONAL MORTGAGE ASSOCIATION AUCTIONS OF COMMITMENTS TO BUY HOME MORTGAGES**

Item	Date of auction											
	1974											
	Apr. 22	May 6	May 20	June 3	June 17	July 1	July 15	July 29	Aug. 12	Aug. 26	Sept. 9	Sept. 23
Amounts (millions of dollars):												
Govt.-underwritten loans												
Offered <sup>1</sup> .....	333.6	256.0	217.7	85.1	38.5	271.7	379.5	151.6	207.9	309.6	176.1	57.2
Accepted.....	168.5	111.1	82.8	71.5	31.5	103.0	193.5	73.4	97.7	93.0	98.6	38.2
Conventional loans												
Offered <sup>1</sup> .....	80.3	74.3	41.4	26.1	21.6	39.7	60.4	36.8	45.8	59.0	46.5	22.1
Accepted.....	40.9	29.8	23.6	20.5	11.2	23.6	29.9	18.1	19.4	24.9	30.9	19.0
Average yield (per cent) on short-term commitments <sup>2</sup>												
Govt.-underwritten loans.....	9.18	9.34	9.48	9.54	9.54	9.65	9.90	9.98	10.12	10.38	10.59	10.56
Conventional loans.....	9.21	9.44	9.63	9.70	9.69	9.76	9.90	10.02	10.16	10.42	10.71	10.66

<sup>1</sup> Mortgage amounts offered by bidders are total bids received.  
<sup>2</sup> Average accepted bid yield (before deduction of 38 basis-point fee paid for mortgage servicing) for home mortgages assuming a prepayment

period of 12 years for 30-year loans, without special adjustment for FNMA commitment fees and FNMA stock purchase and holding requirements. Commitments mature in 4 months.

**MAJOR HOLDERS OF FHA-INSURED AND VA-GUARANTEED RESIDENTIAL MORTGAGE DEBT**

(End of period, in billions of dollars)

Holder	Dec. 31, 1971	Dec. 31, 1972	Mar. 31, 1973	June 30, 1973	Sept. 30, 1973	Dec. 31, 1973	Mar. 31, 1974
All holders.....	120.8	131.1	132.4	133.6	133.8	135.0	136.7
FHA.....	81.3	86.4	86.6	86.4	85.6	85.0	85.0
VA.....	39.5	44.7	45.8	47.2	48.2	50.0	51.7
Commercial banks.....	11.3	11.7	11.7	11.7	11.7	11.5	11.6
FHA.....	8.3	8.5	8.5	8.5	8.4	8.2	8.3
VA.....	3.0	3.2	3.2	3.2	3.3	3.3	3.3
Mutual savings banks.....	28.2	28.6	28.7	28.7	28.6	28.4	28.8
FHA.....	16.1	16.0	15.9	15.8	15.7	15.5	15.7
VA.....	12.1	12.6	12.8	12.9	12.9	12.9	13.1
Savings and loan assns.....	24.3	28.9					
FHA.....	13.7	15.4	29.5	29.8	30.1	29.7	29.8
VA.....	10.6	13.5					
Life insurance cos.....	15.8	14.7	14.4	14.0	13.7	13.6	13.3
FHA.....	10.8	10.0	9.8	9.5	9.3	9.2	9.0
VA.....	5.0	4.7	4.6	4.5	4.4	4.4	4.3
Others.....	41.2	47.2	48.2	49.4	50.0	52.1	53.2
FHA.....	32.4	36.5					
VA.....	8.8	10.7					

NOTE.—VA-guaranteed residential mortgage debt is for 1- to 4-family properties while FHA-insured includes some debt in multifamily structures.

Detail by type of holder partly estimated by Federal Reserve for first and third quarters, and for most recent quarter.

**COMMITMENTS OF LIFE INSURANCE COMPANIES FOR INCOME PROPERTY MORTGAGES**

Period	Number of loans	Total amount committed (millions of dollars)	Averages						
			Loan amount (thousands of dollars)	Contract interest rate (per cent)	Maturity (yrs./mos.)	Loan-to-value ratio (per cent)	Capitalization rate (per cent)	Debt coverage ratio	Per cent constant
1970.....	912	2,341.1	2,567	9.93	22/8	74.7	10.8	1.32	11.1
1971.....	1,664	3,982.5	2,393	9.07	22/10	74.9	10.0	1.29	10.4
1972.....	2,132	4,986.5	2,339	8.57	23/3	75.2	9.6	1.29	9.8
1972—June.....	268	683.2	2,549	8.55	23/0	75.4	9.5	1.29	9.8
July.....	170	421.2	2,478	8.56	23/0	74.5	9.5	1.31	9.8
Aug.....	178	515.7	2,897	8.54	23/0	74.9	9.5	1.27	9.9
Sept.....	152	354.1	2,329	8.58	23/4	75.7	9.5	1.28	9.8
Oct.....	159	343.5	2,161	8.65	23/0	75.8	9.6	1.29	9.9
Nov.....	180	371.7	2,065	8.63	23/2	74.7	9.6	1.28	9.9
Dec.....	130	363.9	2,799	8.64	22/8	74.4	9.8	1.37	9.9
1973—Jan.....	134	397.4	2,966	8.66	23/6	74.7	9.6	1.32	9.9
Feb.....	202	459.9	2,277	8.60	23/4	75.0	9.7	1.33	9.9
Mar.....	198	504.3	2,547	8.61	22/7	74.7	9.7	1.33	9.8
Apr.....	200	459.0	2,295	8.60	23/9	75.5	9.8	1.32	9.8
May.....	205	492.1	2,401	8.68	23/3	74.8	9.6	1.28	9.9
June.....	229	541.8	2,366	8.65	23/7	73.7	9.5	1.31	9.8

See NOTE on p. A-45.

## TOTAL CREDIT

(In millions of dollars)

End of period	Total	Instalment					Noninstalment				
		Total	Auto- mobile paper	Other consumer goods paper	Home improve- ment loans <sup>1</sup>	Personal loans	Total	Single- payment loans	Charge accounts		Service credit
									Retail outlets	Credit cards <sup>2</sup>	
1965.....	89,883	70,893	28,437	18,483	3,736	20,237	18,990	7,671	5,724	706	4,889
1966.....	96,239	76,245	30,010	20,732	3,841	21,662	19,994	7,972	5,812	874	5,336
1967.....	100,783	79,428	29,796	22,389	4,008	23,235	21,355	8,558	6,041	1,029	5,727
1968.....	110,770	87,745	32,948	24,626	4,239	25,932	23,025	9,532	5,966	1,227	6,300
1969.....	121,146	97,105	35,527	28,313	4,613	28,652	24,041	9,747	5,936	1,437	6,921
1970.....	127,163	102,064	35,184	31,465	5,070	30,345	25,099	9,675	6,163	1,805	7,456
1971.....	138,394	111,295	38,664	34,353	5,413	32,865	27,099	10,585	6,397	1,953	8,164
1972.....	157,564	127,332	44,129	40,080	6,201	36,922	30,232	12,256	7,055	1,947	8,974
1973.....	180,486	147,437	51,130	47,530	7,352	41,425	33,049	13,241	7,783	2,046	9,979
1973—Aug.....	171,978	140,810	50,232	43,505	7,009	40,064	31,168	13,111	6,475	2,130	9,452
Sept.....	173,035	142,093	50,557	44,019	7,120	40,397	30,942	13,088	6,229	2,106	9,519
Oct.....	174,840	143,610	51,092	44,632	7,235	40,651	31,230	13,145	6,554	2,036	9,495
Nov.....	176,969	145,400	51,371	45,592	7,321	41,116	31,569	13,161	6,761	2,024	9,623
Dec.....	180,486	147,437	51,130	47,530	7,352	41,425	33,049	13,241	7,783	2,046	9,979
1974—Jan.....	178,686	146,575	50,617	47,303	7,303	41,352	32,111	13,117	6,894	1,981	10,119
Feb.....	177,522	145,927	50,386	46,781	7,343	41,417	31,595	13,159	6,136	1,882	10,418
Mar.....	177,572	145,768	50,310	46,536	7,430	41,492	31,804	13,188	6,097	1,842	10,677
Apr.....	179,495	147,047	50,606	47,017	7,573	41,851	32,448	13,315	6,556	1,878	10,699
May.....	181,680	148,852	51,076	47,588	7,786	42,402	32,828	13,331	6,948	1,999	10,550
June.....	183,425	150,615	51,641	48,099	7,930	42,945	32,810	13,311	7,002	2,104	10,393
July.....	184,805	152,142	52,082	48,592	8,068	43,400	32,663	13,192	6,936	2,204	10,331
Aug.....	187,369	154,472	52,772	49,322	8,214	44,164	32,897	13,202	6,983	2,282	10,430

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

<sup>2</sup> Service station and miscellaneous credit-card accounts and home-heating-oil accounts.

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

## CONSUMER CREDIT HELD BY COMMERCIAL BANKS

(In millions of dollars)

End of period	Total	Instalment								Non- instalment		
		Total	Automobile paper		Other consumer goods paper			Home improve- ment loans	Personal loans		Single- payment loans	
			Purchased	Direct	Mobile homes	Credit cards	Other		Check credit			Other
1965.....	35,652	28,962	10,209	5,659	.....	4,166	2,571	.....	6,357	6,690		
1966.....	38,265	31,319	11,024	5,956	.....	4,681	2,647	.....	7,011	6,946		
1967.....	40,630	33,152	10,972	6,232	.....	5,469	2,731	.....	7,748	7,478		
1968.....	46,310	37,936	12,324	7,102	.....	1,307	2,858	798	8,160	8,374		
1969.....	50,974	42,421	13,133	7,791	.....	2,639	6,082	1,081	8,699	8,553		
1970.....	53,867	45,398	12,918	7,888	.....	3,792	3,071	1,336	9,280	8,469		
1971.....	60,556	51,240	13,837	9,277	4,423	4,419	3,236	1,497	10,050	9,316		
1972.....	70,640	59,783	16,320	10,776	5,786	5,288	5,122	1,789	11,158	10,857		
1973.....	81,248	69,495	19,038	12,218	7,223	6,649	6,054	3,982	12,187	11,753		
1973—Aug.....	79,036	67,381	18,771	12,190	6,825	5,792	5,923	3,863	1,982	12,035		
Sept.....	79,526	67,918	18,886	12,160	6,956	5,909	5,978	3,903	2,027	12,099		
Oct.....	80,281	68,627	19,123	12,262	7,106	5,991	6,012	3,950	2,060	12,123		
Nov.....	80,830	69,161	19,198	12,306	7,208	6,171	6,035	3,979	2,085	12,179		
Dec.....	81,248	69,495	19,038	12,218	7,223	6,649	6,054	3,982	2,144	12,187		
1974—Jan.....	81,081	69,429	18,885	12,113	7,237	6,826	6,041	3,944	2,167	12,216		
Feb.....	80,909	69,246	18,770	12,028	7,285	6,770	6,063	3,937	2,173	12,220		
Mar.....	80,918	69,232	18,775	11,985	7,333	6,667	6,082	3,958	2,169	12,263		
Apr.....	81,750	69,944	18,896	12,039	7,399	6,761	6,208	4,028	2,180	12,433		
May.....	82,527	70,721	19,037	12,100	7,491	6,887	6,323	4,135	2,199	12,549		
June.....	83,417	71,615	19,220	12,169	7,564	7,076	6,420	4,224	2,230	12,712		
July.....	84,078	72,384	19,377	12,250	7,623	7,222	6,484	4,316	2,266	12,846		
Aug.....	84,982	73,302	19,511	12,344	7,681	7,491	6,541	4,409	2,312	13,013		

See also NOTE to table at top of page.

**INSTALMENT CREDIT HELD BY NONBANK LENDERS**

(In millions of dollars)

End of period	Finance companies					Other financial lenders			Retail outlets			
	Total	Auto- mobile paper	Other consumer goods paper		Home improve- ment loans	Per- sonal loans	Total	Credit unions	Mis- cellaneous lenders <sup>1</sup>	Total	Auto- mobile dealers	Other retail outlets
			Mobile homes	Other								
1965.....	23,851	9,218	4,343		232	10,058	8,289	7,324	965	9,791	315	9,476
1966.....	24,796	9,342	4,925		214	10,315	9,315	8,255	1,060	10,815	277	10,538
1967.....	24,576	8,627	5,069		192	10,688	10,216	9,003	1,213	11,484	287	11,197
1968.....	26,074	9,003	5,424		166	11,481	11,717	10,300	1,417	12,018	281	11,737
1969.....	27,846	9,412	5,775		174	12,485	13,722	12,028	1,694	13,116	250	12,866
1970.....	27,678	9,044	2,464	3,237	199	12,734	15,088	12,986	2,102	13,900	218	13,682
1971.....	28,883	9,577	2,561	3,052	247	13,446	17,021	14,770	2,251	14,151	226	13,925
1972.....	32,088	10,174	2,916	3,589	492	14,912	19,511	16,913	2,598	15,950	261	15,689
1973.....	37,243	11,927	3,378	4,434	917	16,587	22,567	19,609	2,958	18,132	299	17,833
1973—Aug.....	35,634	11,583	3,187	4,194	771	15,899	21,808	18,961	2,847	15,987	296	15,691
1973—Sept.....	35,993	11,721	3,235	4,265	809	15,963	22,129	19,207	2,922	16,053	297	15,756
1973—Oct.....	36,365	11,859	3,269	4,316	847	16,074	22,315	19,339	2,976	16,303	300	16,003
1973—Nov.....	36,887	11,949	3,310	4,371	886	16,371	22,505	19,517	2,988	16,847	302	16,545
1973—Dec.....	37,243	11,927	3,378	4,434	917	16,587	22,567	19,609	2,958	18,132	299	17,833
1974—Jan.....	37,140	11,754	3,392	4,460	940	16,594	22,301	19,429	2,872	17,705	296	17,409
1974—Feb.....	37,148	11,710	3,406	4,486	968	16,578	22,413	19,430	2,983	17,120	293	16,827
1974—Mar.....	37,005	11,624	3,324	4,497	1,018	16,542	22,562	19,550	3,012	16,969	292	16,677
1974—Apr.....	37,291	11,684	3,364	4,547	1,057	16,639	22,753	19,704	3,049	17,059	293	16,766
1974—May.....	37,751	11,810	3,413	4,583	1,097	16,848	23,203	20,053	3,150	17,177	294	16,883
1974—June.....	38,159	11,957	3,449	4,626	1,114	17,013	23,630	20,501	3,129	17,211	296	16,915
1974—July.....	38,479	12,040	3,505	4,664	1,118	17,152	23,968	20,825	3,143	17,311	297	17,014
1974—Aug.....	38,943	12,267	3,539	4,680	1,097	17,360	24,677	21,402	3,275	17,550	299	17,251

<sup>1</sup> Savings and loan associations and mutual savings banks.

See also NOTE to table at top of preceding page.

**FINANCE RATES ON SELECTED TYPES OF INSTALMENT CREDIT**

(Per cent per annum)

Month	Commercial banks					Finance companies				
	New auto- mobiles (36 mos.)	Mobile homes (84 mos.)	Other consumer goods (24 mos.)	Personal loans (12 mos.)	Credit- card plans	Automobiles		Mobile homes	Other consumer goods	Personal loans
						New	Used			
1972—July.....	9.97	10.77	12.39	12.73	17.25	11.84	16.57	12.25	19.38	21.26
1972—Aug.....	10.02	10.71	12.47	12.72	17.25	11.85	16.62	.....	.....	.....
1972—Sept.....	10.02	10.67	12.47	12.70	17.25	11.88	16.71	12.41	19.15	21.05
1972—Oct.....	10.01	10.66	12.38	12.70	17.23	11.86	16.67	.....	.....	.....
1972—Nov.....	10.02	10.85	12.44	12.63	17.23	11.89	16.78	12.41	18.90	21.22
1972—Dec.....	10.01	10.69	12.55	12.77	17.24	11.92	16.87	.....	.....	.....
1973—Jan.....	10.01	10.54	12.46	12.65	17.13	11.89	16.08	12.51	19.04	21.00
1973—Feb.....	10.05	10.76	12.51	12.76	17.16	11.86	16.20	.....	.....	.....
1973—Mar.....	10.04	10.67	12.48	12.71	17.19	11.85	16.32	12.54	18.92	20.79
1973—Apr.....	10.04	10.64	12.50	12.74	17.19	11.88	16.44	.....	.....	.....
1973—May.....	10.05	10.84	12.48	12.78	17.22	11.91	16.52	12.73	18.88	20.76
1973—June.....	10.08	10.57	12.57	12.78	17.24	11.94	16.61	.....	.....	.....
1973—July.....	10.10	10.84	12.51	12.75	17.21	12.02	16.75	12.77	18.93	20.55
1973—Aug.....	10.25	10.95	12.66	12.84	17.22	12.13	16.86	.....	.....	.....
1973—Sept.....	10.44	11.06	12.67	12.96	17.23	12.28	16.98	12.90	18.69	20.52
1973—Oct.....	10.53	10.98	12.80	13.02	17.23	12.34	17.11	.....	.....	.....
1973—Nov.....	10.49	11.19	12.75	12.94	17.23	12.40	17.21	13.12	18.77	20.65
1973—Dec.....	10.49	11.07	12.86	13.12	17.24	12.42	17.31	.....	.....	.....
1974—Jan.....	10.55	11.09	12.78	12.96	17.25	12.39	16.56	13.24	18.90	20.68
1974—Feb.....	10.53	11.25	12.82	13.02	17.24	12.33	16.62	.....	.....	.....
1974—Mar.....	10.50	10.92	12.82	13.04	17.23	12.29	16.69	13.15	18.69	20.57
1974—Apr.....	10.51	11.07	12.81	13.00	17.25	12.28	16.76	.....	.....	.....
1974—May.....	10.63	10.96	12.88	13.10	17.25	12.36	16.86	13.07	18.90	20.47
1974—June.....	10.81	11.21	13.01	13.20	17.23	12.50	17.06	.....	.....	.....
1974—July.....	10.96	11.46	13.14	13.42	17.20	12.58	17.18	13.21	19.26	20.59
1974—Aug.....	11.15	11.71	13.10	13.45	17.17	12.67	17.32	.....	.....	.....

NOTE.—Rates are reported on an annual percentage rate basis as specified in Regulation Z (Truth in Lending) of the Board of Governors. Commercial bank rates are "most common" rates for direct loans with

specified maturities; finance company rates are weighted averages for purchased contracts (except personal loans). For back figures and description of the data, see Bulletin for Sept. 1973.



## INSTALMENT CREDIT EXTENDED AND REPAYED

(In millions of dollars)

Period	Total	Type				Holder			
		Automobile paper	Other consumer goods paper	Home improvement loans	Personal loans	Commercial banks	Finance companies	Other financial lenders	Retail outlets
Extensions									
1966.....	82,832	27,192	26,329	2,223	27,088	30,073	25,897	10,368	16,494
1967.....	87,171	26,320	29,504	2,369	28,978	31,382	26,461	11,238	18,090
1968.....	99,984	31,083	33,507	2,534	32,860	37,395	30,261	13,206	19,122
1969.....	109,146	32,553	38,332	2,831	35,430	40,955	32,753	15,198	20,240
1970.....	112,158	29,704	43,873	2,963	35,528	42,960	31,952	15,720	21,526
1971.....	124,281	34,873	47,821	3,244	38,343	51,237	32,935	17,966	22,143
1972.....	142,951	40,194	55,599	4,006	43,152	59,339	38,464	20,607	24,541
1973.....	165,083	46,453	66,859	4,728	47,043	69,726	43,221	23,414	28,722
1973—Aug.....	14,294	3,968	5,961	408	3,957	6,195	3,685	1,943	2,471
Sept.....	13,691	3,939	5,537	410	3,805	5,809	3,602	2,019	2,261
Oct.....	14,149	3,912	5,911	415	3,911	6,060	3,623	1,951	2,515
Nov.....	14,275	3,819	5,978	402	4,076	6,222	3,564	2,029	2,460
Dec.....	12,677	3,315	5,254	429	3,679	5,124	3,279	1,897	2,377
1974—Jan.....	13,714	3,492	5,662	373	4,187	5,715	3,693	1,911	2,395
Feb.....	13,541	3,389	5,647	409	4,096	5,794	3,656	1,861	2,230
Mar.....	13,823	3,484	5,933	424	3,982	5,710	3,497	1,976	2,640
Apr.....	14,179	3,545	6,034	447	4,153	5,838	3,671	2,054	2,616
May.....	14,669	3,769	6,156	468	4,276	6,023	3,832	2,140	2,674
June.....	14,387	3,731	6,043	425	4,188	6,076	3,729	2,040	2,542
July.....	14,635	3,812	6,164	416	4,243	6,129	3,685	2,201	2,620
Aug.....	14,394	3,887	5,993	388	4,126	6,034	3,476	2,290	2,594
Repayments									
1966.....	77,480	25,619	24,080	2,118	25,663	27,716	24,952	9,342	15,470
1967.....	83,988	26,534	27,847	2,202	27,405	29,549	26,681	10,337	17,421
1968.....	91,667	27,931	31,270	2,303	30,163	32,611	28,763	11,705	18,588
1969.....	99,786	29,974	34,645	2,457	32,710	36,470	30,981	13,193	19,142
1970.....	107,199	30,137	40,721	2,506	33,835	40,398	31,705	14,354	20,742
1971.....	115,050	31,393	44,933	2,901	35,823	45,395	31,730	16,033	21,892
1972.....	126,914	34,729	49,872	3,218	39,095	50,796	35,259	18,117	22,742
1973.....	144,978	39,452	59,409	3,577	42,540	60,014	38,066	20,358	26,540
1973—Aug.....	12,399	3,293	5,168	298	3,640	5,146	3,241	1,738	2,274
Sept.....	12,332	3,406	5,072	322	3,532	5,167	3,144	1,757	2,264
Oct.....	12,449	3,427	5,149	308	3,565	5,212	3,287	1,703	2,247
Nov.....	12,549	3,471	5,154	301	3,623	5,345	3,143	1,814	2,247
Dec.....	12,267	3,338	5,001	332	3,596	5,088	3,151	1,766	2,262
1974—Jan.....	12,797	3,433	5,193	356	3,815	5,254	3,418	1,823	2,302
Feb.....	12,870	3,394	5,340	323	3,813	5,430	3,423	1,692	2,325
Mar.....	13,206	3,544	5,596	308	3,758	5,479	3,452	1,827	2,448
Apr.....	13,026	3,498	5,483	312	3,733	5,470	3,375	1,784	2,397
May.....	13,407	3,601	5,607	315	3,884	5,573	3,528	1,855	2,451
June.....	13,301	3,577	5,615	335	3,774	5,564	3,405	1,835	2,497
July.....	13,310	3,563	5,610	320	3,817	5,541	3,513	1,819	2,437
Aug.....	12,882	3,443	5,444	309	3,686	5,463	3,166	1,851	2,402
Net change									
1966.....	5,352	1,573	2,249	105	1,425	2,357	945	1,026	1,024
1967.....	3,183	-214	1,657	167	1,573	1,833	-220	901	669
1968.....	8,317	3,152	2,237	231	2,697	4,784	1,498	1,501	534
1969.....	9,360	2,579	3,687	374	2,720	4,485	1,772	2,005	1,098
1970.....	4,959	-343	3,152	457	1,693	2,977	-168	1,366	784
1971.....	9,231	3,480	2,888	343	2,520	5,842	1,205	1,933	251
1972.....	16,037	5,465	5,727	788	4,057	8,543	3,205	2,490	1,799
1973.....	20,105	7,001	7,450	1,151	4,503	9,712	5,155	3,056	2,182
1973—Aug.....	1,895	675	793	110	317	1,049	444	205	197
Sept.....	1,359	533	465	88	273	642	458	262	-3
Oct.....	1,700	485	762	107	346	848	336	248	268
Nov.....	1,726	348	824	101	453	877	421	215	213
Dec.....	410	-23	253	97	83	36	128	131	115
1974—Jan.....	917	59	469	17	372	461	275	88	93
Feb.....	671	-5	307	86	283	364	233	169	-95
Mar.....	617	-60	337	116	224	231	45	149	192
Apr.....	1,153	47	551	135	420	368	296	270	219
May.....	1,262	168	549	153	392	450	304	285	223
June.....	1,086	154	428	90	414	512	324	205	45
July.....	1,325	249	554	96	426	588	172	382	183
Aug.....	1,512	444	549	79	440	571	310	439	192

NOTE.—Monthly estimates are seasonally adjusted and include adjustments for differences in trading days. Annual totals are based on data not seasonally adjusted.

Estimates are based on accounting records and often include finance charges. Renewals and refinancing of loans, purchases and sales of in-

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

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

## MARKET GROUPINGS

(1967 = 100)

Grouping	1967 pro- por- tion	1973 aver- age	1973				1974								
			Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug. <sup>a</sup>	Sept. <sup>b</sup>
Total index.....	100.0	125.6	126.8	127.0	127.5	126.5	125.4	124.6	124.7	124.9	125.7	125.8	125.6	125.1	125.5
Products, total.....	62.21	123.4	124.3	124.3	125.3	124.0	122.9	122.4	122.6	122.7	123.8	124.0	124.1	123.0	122.7
Final products.....	48.95	121.3	122.4	122.7	123.7	122.6	121.2	120.6	121.0	120.8	122.4	122.6	123.0	121.7	121.5
Consumer goods.....	28.53	131.7	132.3	132.6	133.5	131.3	129.2	128.3	128.5	128.5	129.7	130.2	130.1	129.4	128.4
Equipment.....	20.42	106.7	108.5	108.9	110.1	110.1	109.8	109.9	110.1	110.1	112.2	112.0	112.9	111.0	111.8
Intermediate products.....	13.26	131.1	131.0	130.6	131.1	129.1	129.2	129.1	128.2	129.4	129.2	128.9	128.0	128.1	127.5
Materials.....	37.79	129.3	131.3	131.1	131.5	130.7	129.7	128.3	128.8	128.7	129.1	128.8	128.0	128.7	129.8
Consumer goods.....															
Durable consumer goods.....	7.86	139.0	138.2	137.3	138.5	134.6	128.2	126.4	128.5	130.9	132.8	133.5	132.0	130.4	128.0
Automotive products.....	2.84	136.8	129.8	131.4	133.7	120.6	108.0	106.6	108.0	113.8	116.1	117.3	114.9	116.1	112.4
Autos.....	1.87	125.4	118.4	122.5	124.8	106.2	90.0	86.4	86.3	97.7	100.3	99.6	101.5	103.1	99.6
Auto parts and allied goods.....	.97	158.9	151.8	148.4	150.9	147.8	142.6	145.5	149.8	144.7	146.5	151.3	140.5	141.0	136.9
Home goods.....	5.02	140.3	142.9	140.9	141.2	142.5	139.6	137.5	140.1	140.6	142.3	142.7	141.7	138.5	136.9
Appliances, TV, and radios.....	1.41	144.8	149.4	143.4	140.4	147.9	138.4	131.9	135.8	135.2	137.7	141.2	139.0	132.2	.....
Appliances and A/C.....	.92	156.9	159.8	159.3	154.7	172.2	153.9	148.2	150.0	148.6	152.6	155.3	145.6	.....	.....
TV and home audio.....	.49	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Carpeting and furniture.....	1.08	150.0	153.3	153.9	152.7	150.1	153.5	153.3	154.5	158.2	157.4	157.2	155.7	155.9	.....
Misc. home goods.....	2.53	133.6	134.8	134.1	136.8	136.3	134.4	134.2	136.3	136.0	138.3	137.4	137.3	134.8	134.8
Nondurable consumer goods.....	20.67	129.0	130.1	130.8	131.5	130.2	129.5	129.1	128.7	127.6	128.5	129.0	129.3	129.0	128.5
Clothing.....	4.32	116.0	118.0	116.8	117.3	120.3	116.3	114.5	112.0	106.2	107.0	108.9	108.6	.....	.....
Consumer staples.....	16.34	132.4	133.2	134.5	135.2	132.8	133.0	133.0	133.1	133.2	134.2	134.3	134.8	134.9	134.3
Consumer foods and tobacco.....	8.37	122.2	122.2	123.3	126.5	125.0	126.9	125.9	125.7	123.9	124.7	124.7	125.5	125.4	125.4
Nonfood staples.....	7.98	143.1	144.8	146.2	144.3	141.1	139.4	140.4	140.8	143.1	144.3	144.4	144.6	145.0	143.8
Consumer chemical products.....	2.64	153.3	153.4	156.2	154.9	156.7	157.8	159.0	160.3	159.7	157.5	156.8	154.6	155.0	.....
Consumer paper products.....	1.91	121.3	124.4	122.5	123.6	120.5	119.4	119.9	119.1	119.4	124.7	123.9	124.4	125.5	.....
Consumer fuel and lighting.....	3.43	147.5	149.7	151.9	147.8	140.7	136.7	137.4	138.2	143.7	145.1	146.0	148.1	148.1	.....
Residential utilities.....	2.25	156.8	160.9	161.9	158.0	149.8	145.6	148.6	149.0	151.6	153.2	155.3	157.8	.....	.....
Equipment.....															
Business equipment.....	12.74	122.6	125.8	126.2	127.8	126.9	126.8	127.3	127.6	127.9	130.2	130.2	131.2	128.0	128.8
Industrial equipment.....	6.77	120.1	124.1	124.5	125.6	124.9	125.3	126.6	126.8	127.6	129.6	129.0	129.8	130.0	130.0
Building and mining equip.....	1.45	120.4	123.7	124.7	126.0	126.0	128.5	130.3	131.3	133.5	135.0	137.4	136.3	136.9	135.4
Manufacturing equipment.....	3.85	113.0	117.3	117.3	118.2	118.5	119.3	120.6	121.1	122.1	124.1	121.9	124.0	123.6	124.0
Power equipment.....	1.47	138.5	142.3	143.0	144.6	140.3	138.7	138.7	137.3	136.6	138.4	139.0	138.9	139.4	140.0
Commercial, transit, farm eq.....	5.97	125.5	127.7	128.1	130.3	129.2	128.5	128.2	128.7	128.2	130.9	131.5	132.6	125.7	127.4
Commercial equipment.....	3.30	135.0	138.2	140.1	141.3	139.3	139.8	139.8	140.8	140.4	141.5	142.7	143.7	134.0	136.0
Transit equipment.....	2.00	109.8	109.6	109.8	111.4	111.1	109.5	109.3	109.4	106.7	110.2	110.4	111.4	107.3	110.8
Farm equipment.....	.67	125.1	129.4	123.5	132.4	133.4	129.2	126.0	126.1	131.2	140.2	140.6	141.4	140.0	.....
Defense and space equipment.....	7.68	80.2	79.8	80.0	80.9	81.9	81.4	80.9	81.0	80.6	82.2	81.7	82.6	83.0	83.6
Military products.....	5.15	80.3	79.1	79.3	80.0	81.3	80.6	80.2	80.5	79.9	81.2	79.7	81.4	82.0	82.8
Intermediate products.....															
Construction products.....	5.93	134.2	134.9	134.3	133.7	131.1	133.0	131.3	129.6	130.8	130.8	129.6	128.2	127.5	127.0
Misc. intermediate products.....	7.34	128.6	128.1	127.5	129.0	127.4	126.3	127.4	127.5	128.2	127.9	128.4	127.8	128.7	.....
Materials.....															
Durable goods materials.....	20.91	130.1	132.3	132.2	133.0	132.7	129.8	127.3	127.2	127.3	128.3	127.5	126.0	128.6	130.3
Consumer durable parts.....	4.75	127.8	129.9	128.2	128.4	121.0	113.0	109.3	110.6	112.5	114.7	114.1	115.2	117.3	117.2
Equipment parts.....	5.41	119.3	122.1	122.7	125.8	125.3	123.9	122.6	121.6	120.1	122.5	122.1	120.8	126.2	125.0
Durable materials nec.....	10.75	136.5	138.7	139.0	138.7	141.6	140.0	137.6	137.5	137.5	137.2	136.2	133.3	134.8	138.8
Nondurable goods materials.....	13.99	129.1	130.3	130.1	130.7	129.2	131.1	131.1	131.9	131.9	130.9	131.3	131.0	130.3	129.9
Textile, paper, and chem. mat.....	8.58	139.8	141.9	141.4	142.4	140.1	143.4	141.7	143.1	143.9	143.3	143.6	143.6	142.8	142.0
Nondurable materials n.e.c.....	5.41	112.2	112.0	112.3	112.1	111.9	111.7	114.3	114.7	112.7	111.4	111.9	111.0	110.3	110.7
Fuel and power, industrial.....	2.89	123.9	128.3	126.9	124.9	123.1	121.5	122.5	122.6	123.2	124.7	126.3	127.7	123.5	126.8
Supplementary groups.....															
Home goods and clothing.....	9.34	129.0	131.3	129.8	130.2	132.4	128.8	126.9	127.0	124.6	126.0	127.1	126.4	123.6	122.8
Containers.....	1.82	139.9	139.8	141.2	142.3	141.0	148.4	144.3	151.4	147.0	141.5	141.6	142.1	141.4	.....
Gross value of products in market structure (In billions of 1963 dollars)															
Products, total.....	286.3	449.8	449.8	452.6	456.9	449.1	445.4	442.5	443.9	445.4	449.5	449.7	447.4	445.7	444.6
Final products.....	221.4	346.1	346.3	349.7	353.3	346.9	342.5	339.9	342.3	342.9	347.2	347.7	346.6	344.1	343.7
Consumer goods.....	156.3	239.7	239.0	241.7	243.6	237.8	233.6	230.6	232.7	233.8	235.9	236.6	235.3	234.9	232.8
Equipment.....	65.3	106.4	107.3	108.0	109.5	109.0	108.9	109.1	109.4	109.0	111.2	111.2	111.4	109.4	110.7
Intermediate products.....	64.9	103.7	103.5	103.1	103.6	102.5	103.1	102.6	101.9	102.5	102.2	102.0	100.8	101.6	100.6

For NOTE see p. A-51.

INDUSTRY GROUPINGS

(1967 = 100)

Grouping	1967 pro- por- tion	1973 aver- age	1973				1974								
			Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug. <sup>a</sup>	Sept. <sup>e</sup>
<b>Manufacturing</b> .....	88.55	125.2	126.3	126.4	127.4	126.4	125.3	124.5	124.6	124.8	125.7	125.6	125.2	124.7	125.5
Durable.....	52.33	122.1	123.3	123.5	124.3	123.1	121.1	119.4	120.4	120.7	122.1	122.1	121.6	120.5	121.4
Nondurable.....	36.22	129.6	130.7	130.4	131.3	131.2	131.4	131.5	130.9	130.4	130.9	130.8	130.4	130.5	131.2
Mining and utilities.....	11.45	128.9	131.3	131.5	130.6	126.9	125.4	126.9	127.3	127.8	128.0	128.1	128.8	128.0	128.9
Mining.....	6.37	110.2	111.8	111.9	111.3	110.4	109.9	111.7	112.2	111.3	111.0	110.2	110.0	107.6	109.7
Utilities.....	5.08	152.3	155.8	156.2	154.6	147.6	144.9	146.1	146.5	148.7	149.2	150.6	152.4	153.4	153.1
<b>Durable manufactures</b>															
<b>Primary and fabricated metals</b> .....	12.55	128.8	129.5	130.6	131.0	130.5	130.4	127.6	128.2	127.5	128.1	128.4	127.7	126.5	128.8
Primary metals.....	6.61	127.1	127.8	128.7	128.9	130.7	129.5	125.0	125.3	124.0	124.6	124.7	124.4	123.3	126.7
Iron and steel, subtotal.....	4.23	121.6	122.7	123.6	124.2	127.7	125.5	119.4	119.6	116.4	118.0	118.5	119.2	120.0	120.0
Fabricated metal products.....	5.94	130.7	131.5	132.4	133.1	130.0	131.4	130.6	131.6	131.3	131.9	132.5	131.3	130.0	131.0
<b>Machinery and allied goods</b> .....	32.44	117.3	118.9	118.9	119.9	118.6	115.2	113.8	114.8	115.5	117.5	117.7	117.2	116.2	116.6
Machinery.....	17.39	125.9	130.0	129.2	130.4	130.9	128.6	127.2	128.4	128.2	129.7	130.4	129.8	127.6	127.6
Nonelectrical machinery.....	9.17	125.1	130.0	130.0	130.3	130.2	129.4	128.1	129.8	130.7	131.9	131.7	131.2	132.0	132.0
Electrical machinery.....	8.22	126.8	129.8	128.5	130.5	131.6	127.7	126.2	126.8	125.3	127.4	129.0	128.3	122.6	122.6
Transportation equipment.....	9.29	109.2	107.3	108.8	109.8	103.0	95.7	93.9	95.0	97.8	100.6	99.4	98.7	99.6	100.5
Motor vehicles and parts.....	4.56	138.1	133.9	136.4	137.8	124.6	112.7	109.2	110.2	116.4	119.6	116.9	117.3	118.0	118.8
Aerospace and misc. trans. eq.....	4.73	81.4	81.7	82.3	82.9	82.2	79.3	79.3	80.3	80.0	82.4	82.6	80.9	81.9	82.8
Instruments.....	2.07	138.4	141.5	141.0	142.6	142.7	143.0	142.8	142.8	143.8	146.1	147.5	146.7	146.5	146.0
Ordnance, private and Govt.....	3.69	85.4	83.7	83.8	84.3	86.1	85.2	84.2	84.9	84.3	86.1	86.4	87.2	87.9	88.7
<b>Lumber, clay, and glass</b> .....	4.44	129.5	128.8	129.7	129.3	127.8	129.7	127.4	128.1	128.9	128.0	126.4	125.5	124.3	124.2
Lumber and products.....	1.65	128.9	128.9	127.4	127.3	126.3	126.1	127.1	126.1	126.8	126.8	125.6	121.6	122.1	.....
Clay, glass, and stone products.....	2.79	129.9	128.8	131.2	130.4	128.7	131.8	127.6	129.3	130.3	128.7	126.9	127.7	125.7	.....
<b>Furniture and miscellaneous</b> .....	2.90	135.2	138.2	136.1	136.4	135.3	133.4	135.2	136.8	136.8	138.9	138.5	139.7	138.2	138.0
Furniture and fixtures.....	1.38	126.3	130.4	128.8	127.9	124.9	124.2	125.4	126.8	128.8	129.7	131.1	131.6	128.1	.....
Miscellaneous manufactures.....	1.52	143.3	145.3	142.9	144.3	144.5	141.8	144.2	145.8	144.1	147.3	145.3	147.1	147.5	.....
<b>Nondurable manufactures</b>															
<b>Textiles, apparel, and leather</b> .....	6.90	114.7	117.5	116.8	116.7	118.8	116.2	115.3	112.4	109.3	109.8	108.5	108.0	106.5	109.6
Textile mill products.....	2.69	127.1	130.2	130.2	129.4	130.9	128.4	127.6	125.0	123.4	124.0	125.1	125.8	124.6	.....
Apparel products.....	3.33	112.9	115.4	114.9	115.3	118.5	116.4	113.6	110.0	105.8	105.0	102.1	102.7	.....	.....
Leather and products.....	.88	83.6	86.4	83.1	82.9	82.9	77.6	83.7	83.0	79.5	83.9	81.6	72.9	72.1	.....
<b>Paper and printing</b> .....	7.92	122.1	122.1	121.3	121.9	121.2	121.7	122.2	122.5	121.2	121.3	122.3	121.6	122.8	123.1
Paper and products.....	3.18	135.4	134.8	135.3	136.2	136.7	138.7	137.6	140.2	135.4	135.1	136.7	136.1	134.2	.....
Printing and publishing.....	4.74	113.2	113.6	112.1	112.3	110.8	110.4	111.9	110.7	111.7	111.9	112.7	112.1	115.1	114.4
<b>Chemicals, petroleum, and rubber</b> .....	11.92	149.3	150.9	151.1	151.6	151.6	151.5	151.2	151.3	153.5	153.0	153.7	153.6	153.9	153.8
Chemicals and products.....	7.86	150.1	153.0	152.7	153.0	154.5	154.9	155.3	155.5	156.2	156.2	156.9	155.7	156.0	156.5
Petroleum products.....	1.80	127.4	126.0	130.4	129.5	125.5	120.5	116.9	117.3	126.9	126.1	126.2	127.6	126.5	123.3
Rubber and plastics products.....	2.26	164.0	163.6	161.9	164.5	162.3	164.3	163.5	164.2	165.5	163.7	164.5	167.0	168.0	.....
<b>Foods and tobacco</b> .....	9.48	121.9	122.2	121.7	124.7	123.0	125.4	126.2	125.3	124.3	126.5	125.3	124.8	125.1	125.1
Foods.....	8.81	122.7	123.2	122.4	125.4	124.5	126.3	127.2	126.5	125.9	127.8	127.1	126.6	126.8	126.7
Tobacco products.....	.67	111.6	109.1	113.7	115.8	104.2	113.3	112.1	110.4	104.6	109.4	102.9	101.5	.....	.....
<b>Mining</b>															
<b>Metal, stone, and earth minerals</b> .....	1.26	118.1	120.4	120.9	121.3	122.0	121.4	119.9	119.7	117.5	117.9	112.4	113.8	108.4	114.7
Metal mining.....	.51	130.8	136.6	138.3	135.2	135.2	135.2	132.2	132.9	127.4	128.1	121.1	121.1	106.3	.....
Stone and earth minerals.....	.75	109.5	109.5	109.2	111.7	113.1	111.9	111.6	110.7	110.7	111.0	106.4	108.8	109.9	.....
<b>Coal, oil, and gas</b> .....	5.11	108.3	109.5	109.7	108.8	107.5	107.0	109.6	110.2	109.8	109.2	109.7	109.1	107.4	108.4
Coal.....	.69	103.6	109.8	103.0	104.1	110.4	108.7	112.7	114.7	110.3	112.4	118.3	115.6	100.7	112.4
Oil and gas extraction.....	4.42	109.0	109.7	110.8	109.6	107.0	106.8	109.1	109.5	109.7	108.8	108.4	108.1	108.5	107.8
<b>Utilities</b>															
Electric.....	3.91	160.7	165.1	165.3	163.4	155.6	153.0	154.6	155.1	158.3	159.0	160.3	162.7	.....	.....
Gas.....	1.17	124.2	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....

NOTE.—Data for the complete year of 1972 are available in a pamphlet *Industrial Production Indexes 1972* from Publications Services, Division of Administrative Services, Board of Governors of the Federal Reserve System, Washington, D.C. 20551.

Published groupings include series and subtotals not shown separately. Figures for individual series and subtotals are published in the monthly *Business Indexes* release.

Indexes without seasonal adjustment are no longer being published in the *Bulletin*, but they are available in the Board's monthly release *Industrial Production* (the G.12.3), which is available upon request to Publications Services, Board of Governors of the Federal Reserve System, Washington, D.C. 20551.

SELECTED BUSINESS INDEXES

(1967=100, except as noted)

Period	Industrial production											Total retail sales <sup>3</sup>	Prices <sup>4</sup>			
	Total	Market						In- dustry	Capacity utilization in mfg. (1967 output = 100)	Con- struc- tion con- tracts	Nonag- ricul- tural em- plov- ment- Total <sup>1</sup>		Manu- facturing <sup>2</sup>		Consumer	Wholesale com- modity
		Products					Manu- facturing						Em- plov- ment	Pay- rolls		
		Total	Con- sumer goods	Equip- ment	Inter- mediate	Mat- erials										
1955.....	58.5	56.6	54.9	59.5	48.9	62.6	61.5	58.2	90.0	.....	76.9	92.9	61.1	59	80.2	87.8
1956.....	61.1	59.7	58.2	61.7	53.7	65.3	63.1	60.5	88.2	.....	79.6	93.9	64.6	61	81.4	90.7
1957.....	61.9	61.1	59.9	63.2	55.9	65.3	63.1	61.2	84.5	.....	80.3	92.2	65.4	64	84.3	93.3
1958.....	57.9	58.6	57.1	62.6	50.0	63.9	56.8	56.9	75.1	.....	78.0	83.9	60.3	64	86.6	94.6
1959.....	64.8	64.4	62.7	68.7	54.9	70.5	65.5	64.1	81.4	.....	81.0	88.1	67.8	69	87.3	94.8
1960.....	66.2	66.2	64.8	71.3	56.4	71.0	66.4	65.4	80.1	.....	82.4	88.0	68.8	70	88.7	94.9
1961.....	66.7	66.9	65.3	72.8	55.6	72.4	66.4	65.6	77.6	.....	82.1	84.5	68.0	70	89.6	94.5
1962.....	72.2	72.1	70.8	77.7	61.9	76.9	72.4	71.4	81.4	.....	84.4	87.3	73.3	75	90.6	94.8
1963.....	76.5	76.2	74.9	82.0	65.6	81.1	77.0	75.8	83.0	86.1	86.1	87.8	76.0	79	91.7	94.5
1964.....	81.7	81.2	79.6	86.8	70.1	87.3	82.6	81.2	85.5	89.4	88.6	89.3	80.1	83	92.9	94.7
1965.....	89.2	88.1	86.8	93.0	78.7	93.0	91.0	89.1	89.0	93.2	92.3	93.9	88.1	91	94.5	96.6
1966.....	97.9	97.9	96.1	98.6	93.0	99.2	99.8	98.3	91.9	94.8	97.1	99.9	97.8	97	97.2	99.8
1967.....	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	87.9	100.0	100.0	100.0	100.0	100	100.0	100.0
1968.....	105.7	105.8	105.8	106.6	104.7	105.7	105.7	105.7	87.7	113.2	103.1	101.4	108.3	109	104.2	102.5
1969.....	110.7	109.7	109.0	111.1	106.1	112.0	112.4	110.5	86.5	123.7	106.7	103.2	116.6	114	109.8	106.5
1970.....	106.6	106.0	104.5	110.3	96.3	111.7	107.7	105.2	78.3	123.1	107.2	98.0	114.1	120	116.3	110.4
1971.....	106.8	106.4	104.7	115.7	89.4	112.6	107.4	105.2	75.0	145.4	107.3	93.9	116.3	122	121.2	113.9
1972.....	115.2	113.8	111.9	123.6	95.5	121.1	117.4	114.0	78.6	165.3	110.5	96.7	130.2	142	125.3	119.8
1973.....	125.6	123.4	121.3	131.7	106.7	131.1	129.3	125.2	83.0	181.3	114.8	101.9	146.9	.....	133.1	134.7
1973—Aug.....	126.5	123.7	121.4	131.2	107.6	132.1	130.9	126.1	583.3	199.0	115.0	102.1	146.7	162	135.1	142.1
Sept.....	126.8	124.3	122.4	132.3	108.5	131.0	131.3	126.3	182.0	115.3	102.1	149.8	163	135.5	139.7	
Oct.....	127.0	124.3	122.7	132.6	108.9	130.6	131.1	126.4	191.0	116.0	102.9	151.7	164	136.6	138.7	
Nov.....	127.5	125.3	123.7	133.5	110.1	131.1	131.5	127.4	82.6	194.0	116.4	103.3	155.8	164	137.6	139.2
Dec.....	126.5	124.0	122.6	131.3	110.1	129.1	130.7	126.4	161.0	116.4	103.2	153.7	161	138.5	141.8	
1974—Jan.....	125.4	122.9	121.2	129.2	109.8	129.2	129.7	125.3	.....	155.0	116.2	102.6	151.6	164	139.7	146.6
Feb.....	124.6	122.4	120.6	128.3	109.9	129.1	128.3	124.5	80.5	187.0	116.6	101.8	151.1	165	141.5	149.5
Mar.....	124.7	122.6	121.0	128.5	110.1	128.2	128.8	124.6	.....	181.0	116.6	101.5	150.5	168	143.1	151.4
Apr.....	124.9	122.7	120.8	128.5	110.1	129.4	128.7	.....	.....	167.0	116.8	101.9	147.9	169	144.0	152.7
May.....	125.7	123.8	122.4	129.7	112.2	129.2	129.1	125.7	80.1	188.0	117.1	102.0	154.4	172	145.6	155.0
June.....	125.8	124.0	122.6	130.2	112.0	128.9	128.8	125.6	.....	166.0	117.1	102.0	155.5	170	147.1	155.7
July.....	125.6	124.1	123.0	130.1	112.9	128.0	128.0	125.2	.....	177.0	117.0	101.7	156.6	177	148.3	161.7
Aug.....	125.1	123.0	121.7	129.4	111.0	128.1	128.7	124.7	79.2	170.0	117.1	101.2	158.0	179	150.2	167.4
Sept.....	125.3	122.7	121.5	128.4	111.8	127.5	129.8	125.5	.....	.....	117.1	101.1	159.7	177	.....	167.2

<sup>1</sup> Employees only; excludes personnel in the Armed Forces.  
<sup>2</sup> Production workers only.  
<sup>3</sup> F.R. index based on Census Bureau figures.  
<sup>4</sup> Prices are not seasonally adjusted. Latest figure is final.  
<sup>5</sup> Figure is for 3rd quarter 1973.  
 NOTE.—All series: Data are seasonally adjusted unless otherwise noted.  
 Capacity utilization: Based on data from Federal Reserve, McGraw-Hill Economics Department, and Dept. of Commerce.

Construction contracts; McGraw-Hill Informations Systems Company F.W. Dodge Division, monthly index of dollar value of total construction contracts, including residential, nonresidential, and heavy engineering; does not include data for Alaska and Hawaii.  
 Employment and payrolls: Based on Bureau of Labor Statistics data; includes data for Alaska and Hawaii beginning with 1959.  
 Prices: Bureau of Labor Statistics data.

CONSTRUCTION CONTRACTS AND PRIVATE HOUSING PERMITS

(In millions of dollars, except as noted)

Type of ownership and type of construction	1972	1973	1973					1974							
			Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.
Total construction <sup>1</sup> .....	90,979	100,071	10,303	8,151	8,983	7,905	6,133	5,954	6,610	7,911	8,929	10,158	8,480	9,295	8,416
By type of ownership:															
Public.....	24,043	26,686	2,968	2,328	2,055	2,140	1,855	2,135	2,212	2,481	2,336	3,082	2,968	3,242	3,311
Private <sup>1</sup> .....	66,936	73,385	7,335	5,822	6,928	5,765	4,277	3,819	4,398	5,430	6,593	7,076	5,512	6,053	5,105
By type of construction:															
Residential building <sup>1</sup> .....	44,975	46,246	4,233	3,638	3,673	3,299	2,341	2,231	2,678	3,374	3,924	3,862	3,546	3,350	3,060
Nonresidential building.....	27,021	31,761	3,241	2,719	2,758	2,655	2,210	2,307	2,260	2,752	2,842	3,120	2,989	3,698	3,246
Nonbuilding.....	18,983	22,064	2,828	1,794	2,552	1,951	1,581	1,415	1,672	1,785	2,163	3,176	1,945	2,247	2,110
Private housing units authorized..... (In thousands, S.A., A.R.)	2,219	1,820	1,777	1,656	1,379	1,361	1,285	1,282	1,325	1,410	1,296	1,120	1,106	1,017	912

<sup>1</sup> Because of improved procedures for collecting data for 1-family homes, some totals are not strictly comparable with those prior to 1968. To improve comparability, earlier levels may be raised by approximately 3 per cent for total and private construction, in each case, and by 8 per cent for residential building.

NOTE.—Dollar value of construction contracts as reported by the McGraw-Hill Informations Systems Company, F.W. Dodge Division. Totals of monthly data exceed annual totals because adjustments—negative—are made in accumulated monthly data after original figures have been published.  
 Private housing units authorized are Census Bureau series for 14,000 reporting areas with focal building permit systems.

VALUE OF NEW CONSTRUCTION ACTIVITY

(In millions of dollars)

Period	Total	Private							Public				
		Total	Residential	Nonresidential				Total	Military	Highway	Conservation and development	Other <sup>2</sup>	
				Total	Buildings								Other
					Industrial	Commercial	Other buildings <sup>1</sup>						
1962 <sup>3</sup>	59,965	42,096	25,150	16,946	2,842	5,144	3,631	5,329	17,869	1,266	6,365	1,523	8,715
1963 <sup>4</sup>	64,563	45,206	27,874	17,332	2,906	4,995	3,745	5,686	19,357	1,179	7,084	1,694	9,400
1964	67,413	47,030	28,010	19,020	3,565	5,396	3,994	6,065	20,383	910	7,133	1,750	10,590
1965	73,412	51,350	27,934	23,416	5,118	6,739	4,735	6,824	22,062	830	7,550	2,019	11,663
1966	76,002	51,995	25,715	26,280	6,679	6,879	5,037	7,685	24,007	727	8,405	2,194	12,681
1967	77,503	51,967	25,568	26,399	6,131	6,982	4,993	8,293	25,536	695	8,591	2,124	14,126
1968	86,626	59,021	30,565	28,456	6,021	7,761	4,382	10,292	27,605	808	9,321	1,973	15,503
1969	93,728	65,404	33,200	32,204	6,783	9,401	4,971	11,049	27,964	879	9,250	1,783	16,052
1970	94,167	66,071	31,864	34,207	6,538	9,754	5,125	12,790	28,096	718	9,981	1,908	15,489
1971	109,950	80,079	43,267	36,812	5,423	11,619	5,437	14,333	29,871	901	10,658	2,095	16,217
1972	124,077	93,893	54,288	39,605	4,676	13,462	5,898	15,569	30,184	1,087	10,429	2,172	16,496
1973 <sup>r</sup>	135,456	102,894	57,623	45,271	6,243	15,453	5,888	17,687	32,562	1,170	10,559	2,313	18,520
1973—July	137,172	105,562	59,145	46,417	6,477	15,976	6,093	17,871	31,610	1,231	10,727	2,097	17,555
Aug.	137,351	105,475	59,280	46,195	6,436	15,754	5,854	18,151	31,876	1,100	10,606	2,226	17,944
Sept.	137,283	104,119	58,048	46,071	6,820	15,446	5,674	18,131	33,164	1,026	11,128	2,354	18,656
Oct.	136,446	103,280	56,316	46,964	6,748	15,762	5,860	18,594	33,166	1,079	10,566	2,300	19,221
Nov.	135,692	102,270	54,548	47,722	7,080	16,054	5,727	18,861	33,422	1,060	10,952	2,362	19,048
Dec.	133,222	100,110	52,357	47,753	7,343	15,890	5,913	18,607	33,112	1,082	11,168	2,314	18,548
1974—Jan.	132,863	98,023	49,720	48,303	6,831	15,762	6,058	19,652	34,840	1,305	12,043	2,044	19,448
Feb.	136,604	99,092	48,963	50,129	7,869	16,650	6,143	19,467	37,512	1,361	12,465	2,510	21,176
Mar.	135,880	99,442	49,090	50,352	7,500	16,652	6,336	19,864	36,438	1,401	10,985	2,463	21,589
Apr.	138,277	99,323	49,438	49,885	6,920	16,296	6,264	20,405	38,954	1,505	12,209	2,665	22,595
May	140,511	100,237	49,604	50,633	7,606	16,408	5,890	20,729	40,274	1,181	12,322	2,692	24,079
June	138,613	100,128	49,244	50,884	8,027	16,425	6,034	20,398	38,485	1,169	11,632	3,306	22,378
July	136,215	98,027	48,485	49,542	7,158	15,953	5,915	20,516	38,188	1,131	.....	.....	.....
Aug. <sup>p</sup>	134,373	95,733	47,084	48,649	7,215	15,287	5,855	20,292	38,640	977	.....	.....	.....

<sup>1</sup> Includes religious, educational, hospital, institutional, and other buildings.

<sup>2</sup> Sewer and water, formerly shown separately, now included in "Other."  
<sup>3</sup> Beginning July 1962, reflects inclusion of new series affecting most private nonresidential groups.

<sup>4</sup> Beginning 1963, reflects inclusion of new series under "Public" (to State and local govt. activity only).

NOTE.—Census Bureau data; monthly series at seasonally adjusted annual rates.

PRIVATE HOUSING ACTIVITY

(In thousands of units)

Period	Starts			Completions			Under construction (end of period)			Mobile home shipments	New 1-family homes sold and for sale			
	Total	1-family	2-or-more family	Total	1-family	2-or-more family	Total	1-family	2-or-more family		Units		Median prices (in thousands of dollars) of units	
											Sold	For sale (end of period)	Sold	For sale
1963	1,603	1,012	591	.....	.....	.....	.....	.....	.....	151	560	265	18.0	18.7
1964	1,529	971	558	.....	.....	.....	.....	.....	.....	191	565	250	18.9	19.6
1965	1,473	964	509	.....	.....	.....	.....	.....	.....	217	575	228	20.0	21.3
1966	1,165	779	386	.....	.....	.....	.....	.....	.....	217	461	196	21.4	22.8
1967	1,292	844	448	.....	.....	.....	.....	.....	.....	240	487	190	22.7	23.6
1968	1,508	899	608	1,320	859	461	.....	.....	.....	318	490	218	24.7	24.6
1969	1,467	811	656	1,399	808	592	885	350	535	413	448	228	25.6	27.0
1970	1,434	813	621	1,418	802	617	922	381	541	401	485	227	23.4	26.2
1971	2,052	1,151	901	1,706	1,014	692	1,254	505	749	497	656	294	25.2	25.9
1972	2,357	1,309	1,048	1,972	1,143	828	1,586	640	947	576	718	416	27.6	28.3
1973	2,045	1,132	913	2,014	1,174	840	1,599	583	1,016	567	620	456	32.5	32.9
1973—Aug.	2,030	1,108	921	1,854	1,114	740	1,719	663	1,056	543	557	462	33.2	31.7
Sept.	1,844	990	854	1,944	1,152	792	1,716	650	1,066	479	557	453	33.2	32.1
Oct.	1,674	957	718	1,973	1,121	851	1,679	636	1,043	458	505	451	33.3	32.3
Nov.	1,675	938	737	1,949	1,128	821	1,666	624	1,042	490	511	447	34.0	32.6
Dec.	1,403	767	636	1,873	1,050	823	1,647	616	1,031	456	433	446	35.7	32.9
1974—Jan.	1,464	793	671	1,916	1,026	890	1,604	596	1,008	469	474	450	34.2	33.4
Feb.	1,922	1,056	866	1,891	1,018	873	1,620	601	1,019	449	516	459	34.9	33.5
Mar.	1,499	962	537	1,885	973	912	1,563	597	966	475	585	453	36.0	34.0
Apr.	1,630	996	634	1,695	883	812	1,542	600	942	435	570	449	37.7	34.3
May	1,471	931	540	1,677	882	795	1,510	597	913	451	601	441	35.6	34.7
June	1,596	1,014	582	1,859	1,091	768	1,482	580	902	441	530	435	35.3	35.0
July	1,331	948	383	1,651	918	733	1,449	582	867	380	518	431	37.1	35.3
Aug. <sup>p</sup>	1,126	824	302	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....

NOTE.—All series except prices, seasonally adjusted. Annual rates for starts, completions, mobile home shipments, and sales. Census data except mobile homes, which are private, domestic shipments as reported by

the Mobile Home Manufacturers' Assn. and seasonally adjusted by Census Bureau. Data for units under construction seasonally adjusted by Federal Reserve.

## LABOR FORCE, EMPLOYMENT, AND UNEMPLOYMENT

(In thousands of persons, except as noted)

Period	Total non-institutional population (N.S.A.)	Not in labor force (N.S.A.)	Total labor force (S.A.)	Civilian labor force (S.A.)					Unemployment rate <sup>2</sup> (per cent; S.A.)
				Total	Employed <sup>1</sup>			Unemployed	
					Total	In non-agricultural industries	In agriculture		
1968.....	135,562	53,291	82,272	78,737	75,920	72,103	3,817	2,817	3.6
1969.....	137,841	53,602	84,240	80,734	77,902	74,296	3,606	2,832	3.5
1970.....	140,182	54,280	85,903	82,715	78,627	75,165	3,462	4,088	4.9
1971.....	142,596	55,666	86,929	84,113	79,120	75,732	3,387	4,993	5.9
1972.....	145,775	56,785	88,991	86,542	81,702	78,230	3,472	4,840	5.6
1973.....	148,263	57,222	91,040	88,714	84,409	80,957	3,452	4,304	4.9
1973—Sept.....	148,782	57,484	91,664	89,373	85,133	81,757	3,376	4,240	4.7
Oct.....	149,001	56,955	92,038	89,749	85,649	82,194	3,455	4,100	4.6
Nov.....	149,208	57,040	92,186	89,903	85,649	82,088	3,561	4,254	4.7
Dec.....	149,436	57,453	92,315	90,033	85,669	82,026	3,643	4,364	4.8
1974—Jan.....	149,656	58,303	92,801	90,543	85,811	82,017	3,794	4,732	5.2
Feb.....	149,857	58,165	92,814	90,556	85,803	81,951	3,852	4,753	5.2
Mar.....	150,066	58,183	92,747	90,496	85,863	82,164	3,699	4,633	5.1
Apr.....	150,283	58,547	92,556	90,313	85,775	82,264	3,511	4,538	5.0
May.....	150,507	58,349	92,909	90,679	85,971	82,514	3,457	4,708	5.2
June.....	150,710	55,952	93,130	90,919	86,165	82,872	3,293	4,754	5.2
July.....	150,922	55,426	93,387	91,167	86,312	82,907	3,405	4,855	5.3
Aug.....	151,135	56,456	93,281	91,061	86,187	82,744	3,443	4,874	5.4
Sept.....	151,367	57,706	94,067	91,850	86,538	83,027	3,511	5,312	5.8

<sup>1</sup> Includes self-employed, unpaid family, and domestic service workers.<sup>2</sup> Per cent of civilian labor force.

NOTE.—Bureau of Labor Statistics. Information relating to persons 16 years of age and over is obtained on a sample basis. Monthly data relate

to the calendar week that contains the 12th day; annual data are averages of monthly figures. Description of changes in series beginning 1967 is available from Bureau of Labor Statistics.

## EMPLOYMENT IN NONAGRICULTURAL ESTABLISHMENTS, BY INDUSTRY DIVISION

(In thousands of persons)

Period	Total	Manufacturing	Mining	Contract construction	Transportation & public utilities	Trade	Finance	Service	Government
1968.....	67,915	19,781	606	3,285	4,310	14,084	3,382	10,623	11,845
1969.....	70,284	20,167	619	3,435	4,429	14,639	3,564	11,229	12,202
1970.....	70,593	19,349	623	3,381	4,493	14,914	3,688	11,612	12,535
1971.....	70,645	18,529	602	3,411	4,442	15,142	3,796	11,869	12,856
1972.....	72,764	18,933	607	3,521	4,495	15,683	3,927	12,309	13,290
1973.....	75,567	19,820	625	3,648	4,611	16,288	4,053	12,866	13,657
SEASONALLY ADJUSTED									
1973—Sept.....	75,961	19,882	633	3,700	4,629	16,388	4,078	12,995	13,656
Oct.....	76,363	20,016	639	3,694	4,671	16,465	4,088	13,044	13,746
Nov.....	76,679	20,095	644	3,711	4,654	16,520	4,095	13,122	13,838
Dec.....	76,626	20,090	646	3,732	4,644	16,398	4,101	13,128	13,887
1974—Jan.....	76,526	20,006	654	3,636	4,684	16,417	4,109	13,136	13,884
Feb.....	76,813	19,904	656	3,757	4,691	16,472	4,124	13,215	13,994
Mar.....	76,804	19,851	655	3,725	4,676	16,487	4,127	13,240	14,043
Apr.....	76,941	19,921	659	3,659	4,668	16,549	4,130	13,248	14,107
May.....	77,136	19,942	664	3,662	4,664	16,594	4,145	13,329	14,136
June.....	77,101	19,961	665	3,599	4,653	16,602	4,140	13,365	14,116
July.....	77,047	19,913	669	3,534	4,648	16,665	4,133	13,376	14,109
Aug. <sup>a</sup> .....	77,113	19,841	670	3,552	4,653	16,663	4,143	13,431	14,160
Sept. <sup>b</sup> .....	77,146	19,864	675	3,502	4,646	16,651	4,154	13,442	14,212
NOT SEASONALLY ADJUSTED									
1973—Sept.....	76,238	20,132	641	3,944	4,671	16,367	4,082	12,982	13,419
Oct.....	76,914	20,168	640	3,923	4,680	16,515	4,076	13,057	13,855
Nov.....	77,322	20,202	643	3,822	4,659	16,780	4,079	13,096	14,041
Dec.....	77,391	20,110	642	3,639	4,644	17,113	4,080	13,062	14,101
1974—Jan.....	75,620	19,818	642	3,280	4,618	16,290	4,072	12,913	13,987
Feb.....	75,792	19,738	641	3,329	4,616	16,127	4,087	13,056	14,198
Mar.....	76,117	19,726	642	3,405	4,634	16,187	4,102	13,147	14,274
Apr.....	76,706	19,777	653	3,527	4,635	16,425	4,118	13,274	14,293
May.....	77,225	19,825	664	3,658	4,664	16,535	4,141	13,422	14,316
June.....	77,897	20,107	679	3,779	4,718	16,677	4,181	13,552	14,204
July.....	76,913	19,835	683	3,778	4,704	16,632	4,199	13,537	13,545
Aug. <sup>a</sup> .....	77,063	20,040	685	3,847	4,695	16,589	4,201	13,538	13,468
Sept. <sup>b</sup> .....	77,426	20,139	683	3,733	4,688	16,631	4,158	13,429	13,965

NOTE.—Bureau of Labor Statistics; data include all full- and part-time employees who worked during, or received pay for, the pay period that includes the 12th of the month. Proprietors, self-employed

persons, domestic servants, unpaid family workers, and members of Armed Forces are excluded.

Beginning with 1970, series has been adjusted to Mar. 1971 benchmark.

**CONSUMER PRICES**

(1967 = 100)

Period	All items	Food	Housing						Apparel and upkeep	Transportation	Health and recreation							
			Total	Rent	Home-ownership	Fuel oil and coal	Gas and electricity	Furnishings and operation			Total	Medical care	Personal care	Reading and recreation	Other goods and services			
1929.....	51.3	48.3	.....	76.0	.....	.....	.....	.....	48.5	.....	.....	.....	.....	.....	.....	.....	.....	.....
1933.....	38.8	30.6	.....	54.1	.....	.....	.....	.....	36.9	.....	.....	.....	.....	.....	.....	.....	.....	.....
1941.....	44.1	38.4	53.7	57.2	.....	40.5	81.4	.....	44.8	44.2	.....	37.0	41.2	47.7	49.2	.....	.....	.....
1945.....	53.9	50.7	59.1	58.8	.....	48.0	79.6	.....	61.5	47.8	.....	42.1	55.1	62.4	56.9	.....	.....	.....
1960.....	88.7	88.0	90.2	91.7	86.3	89.2	89.6	93.8	89.6	89.6	85.1	79.1	90.1	87.3	87.8	.....	.....	.....
1965.....	94.5	94.4	94.9	96.9	92.7	94.6	99.4	95.3	93.7	95.9	93.4	89.5	95.2	95.9	94.2	.....	.....	.....
1966.....	97.2	99.1	97.2	98.2	96.3	97.0	99.6	97.0	96.1	97.2	96.1	93.4	97.1	97.5	97.2	.....	.....	.....
1967.....	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	.....	.....	.....
1968.....	104.2	103.6	104.2	102.4	105.7	103.1	100.9	104.4	105.4	103.2	105.0	106.1	104.2	104.7	104.6	.....	.....	.....
1969.....	109.8	108.9	110.8	105.7	116.0	105.6	102.8	109.0	111.5	107.2	110.3	113.4	109.3	108.7	109.1	.....	.....	.....
1970.....	116.3	114.9	118.9	110.1	128.5	110.1	107.3	113.4	116.1	112.7	116.2	120.6	113.2	113.4	116.0	.....	.....	.....
1971.....	121.3	118.4	124.3	115.2	133.7	117.5	114.7	118.1	119.8	118.6	122.2	128.4	116.8	119.3	120.9	.....	.....	.....
1972.....	125.3	123.5	129.2	119.2	140.1	118.5	120.5	121.0	122.3	119.9	126.1	132.5	119.8	122.8	125.5	.....	.....	.....
1973.....	133.1	141.4	135.0	124.2	146.7	136.0	126.4	124.9	126.8	123.8	130.2	137.7	125.2	125.9	129.0	.....	.....	.....
1973—Aug.....	135.1	149.4	135.2	125.0	147.0	132.8	125.8	125.3	126.5	124.5	130.5	137.6	125.7	126.1	129.4	.....	.....	.....
Sept.....	135.5	148.3	136.6	125.4	149.2	133.6	126.5	126.1	128.3	123.9	131.1	138.3	126.3	126.8	129.9	.....	.....	.....
Oct.....	136.6	148.4	138.1	125.9	151.5	141.1	127.4	126.7	129.6	125.0	132.1	140.6	127.3	127.2	130.3	.....	.....	.....
Nov.....	137.6	150.0	139.4	126.3	152.6	155.6	129.8	127.5	130.5	125.8	132.6	140.9	128.1	127.5	130.8	.....	.....	.....
Dec.....	138.5	151.3	140.6	126.9	153.6	172.8	131.0	128.0	130.5	126.7	133.0	141.4	129.2	127.6	131.3	.....	.....	.....
1974—Jan.....	139.7	153.7	142.2	127.3	154.8	194.6	134.3	129.0	128.8	128.1	133.7	142.2	129.8	128.3	131.8	.....	.....	.....
Feb.....	141.5	157.6	143.4	128.0	155.8	202.0	137.3	130.1	130.4	129.3	134.5	143.4	130.8	126.8	132.3	.....	.....	.....
Mar.....	143.1	159.1	144.9	128.4	157.2	201.5	140.0	132.6	132.2	132.0	135.4	144.8	131.8	129.5	132.8	.....	.....	.....
Apr.....	144.0	158.6	146.0	128.8	158.2	206.5	141.9	134.0	133.6	134.4	136.3	145.6	133.1	130.4	133.6	.....	.....	.....
May.....	145.6	159.7	147.6	129.3	159.4	211.0	143.9	137.0	135.0	137.6	137.7	147.2	134.9	132.0	134.4	.....	.....	.....
June.....	147.1	160.3	149.2	129.8	161.2	214.2	144.5	139.2	135.7	140.7	139.4	149.4	136.5	133.5	135.8	.....	.....	.....
July.....	148.3	160.5	150.9	130.3	163.2	218.5	146.2	141.4	135.3	142.6	141.0	151.4	137.8	134.6	137.7	.....	.....	.....
Aug.....	150.2	162.8	152.8	130.9	165.4	220.9	148.5	143.9	138.1	143.4	142.6	153.7	139.3	135.2	139.4	.....	.....	.....

NOTE.—Bureau of Labor Statistics index for city wage-earners and clerical workers.

**WHOLESALE PRICES: SUMMARY**

(1967 = 100, except as noted)

Period	All commodities	Farm products	Processed foods and feeds	Industrial commodities													
				Total	Textiles, etc.	Hides, etc.	Fuel, etc.	Chemicals, etc.	Rubber, etc.	Lumber, etc.	Paper, etc.	Metals, etc.	Machinery and equipment	Furniture, etc.	Non-metallic minerals	Transportation equipment <sup>1</sup>	Miscellaneous
1960.....	94.9	97.2	89.5	95.3	99.5	90.8	96.1	101.8	103.1	95.3	98.1	92.4	92.0	99.0	97.2	.....	93.0
1965.....	96.6	98.7	95.5	96.4	99.8	94.3	95.5	99.0	95.9	95.9	96.2	96.4	93.9	96.9	97.5	.....	95.9
1966.....	99.8	105.9	101.2	98.5	100.1	103.4	97.8	99.4	97.8	100.2	98.8	96.8	96.8	98.0	98.4	.....	97.7
1967.....	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	.....	100.0
1968.....	102.5	102.5	102.2	102.5	103.7	103.2	98.9	99.8	103.4	113.3	101.1	102.6	103.2	102.8	103.7	.....	102.2
1969.....	106.5	109.1	107.3	106.0	106.0	108.9	100.9	99.9	105.3	125.3	104.0	108.5	106.5	104.9	107.7	100.8	105.2
1970.....	110.4	111.0	112.0	110.0	107.2	110.1	105.9	102.2	108.6	113.7	108.2	116.7	111.4	107.5	113.3	104.5	109.9
1971.....	113.9	112.9	114.3	114.0	108.0	114.0	114.2	104.2	109.2	127.0	110.1	119.0	115.5	109.9	122.4	110.3	112.8
1972.....	119.1	125.0	120.8	117.9	113.6	131.3	118.6	104.2	109.3	144.3	113.4	123.5	117.9	111.4	126.1	113.8	114.6
1973.....	134.7	176.3	148.1	125.9	123.8	143.1	134.3	110.0	112.4	177.2	122.1	132.8	121.7	115.2	130.2	115.1	119.7
1973—Sept.....	139.7	200.4	156.3	127.4	126.8	143.8	137.4	111.5	112.8	181.9	124.4	134.4	122.6	116.0	129.9	114.5	121.1
Oct.....	138.7	188.4	153.1	128.5	128.5	143.8	139.3	112.7	114.0	180.3	125.8	135.9	123.1	116.6	130.9	115.9	121.0
Nov.....	139.2	184.0	151.9	130.1	130.0	143.0	144.1	113.5	114.8	184.7	127.6	138.5	123.8	117.2	131.5	116.1	121.3
Dec.....	141.8	187.2	155.7	132.2	131.4	141.9	151.5	115.6	116.5	186.1	128.7	141.8	124.6	117.5	132.6	117.3	121.6
1974—Jan.....	146.6	202.6	162.1	135.3	133.8	142.6	162.5	118.2	117.7	183.7	131.8	145.0	126.0	119.0	138.7	118.6	123.5
Feb.....	149.5	205.6	164.7	138.2	135.2	143.4	177.4	120.2	119.8	184.1	132.9	148.0	127.0	120.2	142.1	118.9	124.6
Mar.....	151.4	197.0	163.0	142.4	136.1	143.4	189.0	127.3	123.8	191.3	137.2	154.7	129.0	121.3	144.2	119.1	125.8
Apr.....	152.7	186.2	159.1	146.6	137.5	145.4	197.9	132.3	129.4	200.2	114.4	161.2	130.8	122.9	146.7	119.4	128.2
May.....	155.0	180.8	158.9	150.5	139.1	146.3	204.3	137.0	133.7	198.0	146.6	168.7	134.1	124.5	150.7	121.4	133.2
June.....	155.7	168.6	157.4	153.6	141.7	146.0	210.5	142.8	135.6	192.2	147.5	174.0	137.2	126.1	152.3	122.8	134.3
July.....	161.7	180.8	167.6	157.8	142.1	146.6	221.7	148.4	139.5	188.6	153.3	180.3	140.3	128.2	156.4	125.1	135.2
Aug.....	167.4	189.2	179.7	161.6	142.3	146.2	226.0	158.5	143.4	183.7	162.9	185.6	144.3	129.8	157.6	126.7	135.4
Sept.....	167.2	182.7	176.8	162.9	142.1	148.1	225.0	161.7	145.6	180.4	164.2	187.1	146.8	132.8	159.8	127.7	136.3

<sup>1</sup> Dec. 1968=100.

## GROSS NATIONAL PRODUCT

(In billions of dollars)

Item	1929	1933	1941	1950	1969	1970	1971	1972	1973	1973			1974	
										II	III	IV	I	II
Gross national product.....	103.1	55.6	124.5	284.8	930.3	977.1	1,054.9	1,158.0	1,294.9	1,277.9	1,308.9	1,344.0	1,358.8	1,383.8
Final purchases.....	101.4	57.2	120.1	278.0	922.5	972.6	1,048.6	1,149.5	1,279.6	1,267.2	1,297.0	1,316.1	1,341.9	1,370.3
Personal consumption expenditures.....	77.2	45.8	80.6	191.0	579.5	617.6	667.1	729.0	805.2	799.0	816.3	823.9	840.6	869.1
Durable goods.....	9.2	3.5	9.6	30.5	90.8	91.3	103.9	118.4	130.3	132.1	132.4	124.3	123.9	129.5
Nondurable goods.....	37.7	22.3	42.9	98.1	245.9	263.8	278.4	299.7	338.0	332.7	343.8	352.1	364.4	375.8
Services.....	30.3	20.1	28.1	62.4	242.7	262.6	284.8	301.9	336.9	334.2	340.1	347.4	352.4	363.8
Gross private domestic investment.....	16.2	1.4	17.9	54.1	139.0	136.3	153.7	179.3	209.4	205.1	209.0	224.5	210.5	211.8
Fixed investment.....	14.5	3.0	13.4	47.3	131.1	131.7	147.4	170.8	194.0	194.4	197.1	195.5	193.6	198.3
Nonresidential.....	10.6	2.4	9.5	27.9	98.5	100.6	104.6	116.8	136.8	135.6	139.0	141.9	145.2	149.4
Structures.....	5.0	.9	2.9	9.2	34.2	36.1	37.9	41.1	47.0	46.2	47.9	49.3	51.3	52.2
Producers' durable equipment.....	5.6	1.5	6.6	18.7	64.3	64.4	66.6	75.7	89.8	89.4	91.1	92.6	93.9	97.2
Residential structures.....	4.0	.6	3.9	19.4	32.6	31.2	42.8	54.0	57.2	58.7	58.1	53.6	48.4	48.8
Nonfarm.....	3.8	.5	3.7	18.6	32.0	30.7	42.3	53.4	56.7	58.4	57.6	53.0	47.8	48.0
Change in business inventories.....	1.7	-1.6	4.5	6.8	7.8	4.5	6.3	8.5	15.4	10.7	11.8	28.9	16.9	13.5
Nonfarm.....	1.8	-1.4	4.0	6.0	7.7	4.3	4.9	7.8	11.4	7.7	7.4	24.0	13.1	10.4
Net exports of goods and services.....	1.1	.4	1.3	1.8	1.9	3.6	-.2	-6.0	3.9	.5	6.7	9.3	11.3	-1.5
Exports.....	7.0	2.4	5.9	13.8	55.5	62.9	65.4	72.4	100.4	95.4	103.7	113.6	131.2	138.5
Imports.....	5.9	2.0	4.6	12.0	53.6	59.3	65.6	78.4	96.4	94.9	96.9	104.3	119.9	140.0
Government purchases of goods and services.....	8.5	8.0	24.8	37.9	210.0	219.5	234.2	255.7	276.4	273.3	276.9	286.4	296.3	304.4
Federal.....	1.3	2.0	16.9	27.9	98.8	96.2	97.6	104.9	106.6	106.2	106.2	111.3	111.5	114.3
National defense.....			13.8	14.1	78.4	74.6	71.2	74.8	74.4	74.0	73.3	75.3	75.8	76.6
Other.....			3.1	4.3	20.4	21.6	26.5	30.1	32.2	32.2	32.0	33.1	35.7	37.7
State and local.....	7.2	6.0	7.9	19.5	111.2	123.3	136.6	150.8	169.8	167.1	171.6	177.9	184.8	190.1
Gross national product in constant (1958) dollars.....	203.6	141.5	263.7	355.3	725.6	722.5	746.3	792.5	839.2	837.4	840.8	845.7	830.5	827.1

NOTE.—Dept. of Commerce estimates. Quarterly data are seasonally adjusted totals at annual rates. For back data and explanation of series, see the *Survey of Current Business* (generally the July issue) and the Aug. 1966 Supplement to the *Survey*.

## NATIONAL INCOME

(In billions of dollars)

Item	1929	1933	1941	1950	1969	1970	1971	1972	1973	1973			1974	
										II	III	IV	I	II <sup>a</sup>
National income.....	86.8	40.3	104.2	241.1	766.0	800.5	857.7	946.5	1,065.6	1,051.2	1,077.3	1,106.3	1,118.5	1,130.2
Compensation of employees.....	51.1	29.5	64.8	154.6	566.0	603.9	643.1	707.1	786.0	776.7	793.3	814.8	828.8	848.3
Wages and salaries.....	50.4	29.0	62.1	146.8	509.7	542.0	573.6	626.8	691.6	683.6	698.2	717.0	727.6	744.6
Private.....	45.5	23.9	51.9	124.4	405.6	426.9	449.5	491.4	545.1	538.7	550.8	565.8	573.8	588.3
Military.....	.3	.3	1.9	5.0	19.0	19.6	19.4	20.5	20.6	20.3	20.2	21.0	21.0	20.9
Government civilian.....	4.6	4.9	8.3	17.4	85.1	95.5	104.7	114.8	126.0	124.5	127.2	130.2	132.8	135.4
Supplements to wages and salaries.....	.7	.5	2.7	7.8	56.3	61.9	69.5	80.3	94.4	93.1	95.1	97.7	101.2	103.7
Employer contributions for social insurance.....	.1	.1	2.0	4.0	27.8	29.7	33.1	38.6	48.4	47.8	48.8	50.1	52.3	53.2
Other labor income.....	.6	.4	.7	3.8	28.4	32.2	36.4	41.7	46.0	45.4	46.3	47.6	48.9	50.5
Proprietors' income.....	15.1	5.9	17.5	37.5	67.2	66.9	69.2	75.9	96.1	92.8	99.3	103.2	98.4	89.9
Business and professional.....	9.0	3.3	11.1	24.0	50.5	50.0	52.0	54.9	57.6	57.1	57.7	58.4	59.3	60.7
Farm.....	6.2	2.6	6.4	13.5	16.7	16.9	17.2	21.0	38.5	35.6	41.5	44.9	39.1	29.1
Rental income of persons.....	5.4	2.0	3.5	9.4	22.6	23.9	25.2	25.9	26.1	25.7	26.2	26.4	26.4	26.3
Corporate profits and inventory valuation adjustment.....	10.5	-1.2	15.2	37.7	79.8	69.2	78.7	92.2	105.1	105.0	105.2	106.4	107.7	105.6
Profits before tax.....	10.0	1.0	17.7	42.6	84.9	74.0	83.6	99.2	122.7	124.9	122.7	122.7	138.7	143.5
Profits tax liability.....	1.4	.5	7.6	17.8	40.1	34.8	37.5	41.5	49.8	50.9	49.9	49.5	53.6	57.9
Profits after tax.....	8.6	.4	10.1	24.9	44.8	39.3	46.1	57.7	72.9	74.0	72.9	73.2	85.1	85.6
Dividends.....	5.8	2.0	4.4	8.8	24.3	24.7	25.0	27.3	29.6	29.1	29.8	30.7	31.6	32.5
Undistributed profits.....	2.8	-1.6	5.7	16.0	20.5	14.6	21.1	30.3	43.3	44.9	43.1	42.5	53.5	53.0
Inventory valuation adjustment.....	.5	-2.1	-2.5	-5.0	-5.1	-4.8	-4.9	-7.0	-17.6	-20.0	-17.5	-16.3	-31.0	-37.9
Net interest.....	4.7	4.1	3.2	2.0	30.5	36.5	41.6	45.6	52.3	51.1	53.2	55.5	57.5	60.1

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



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

(In billions of dollars)

Item	1929	1933	1941	1950	1969	1970	1971	1972	1973	1973			1974	
										II	III	IV	I	II <sup>P</sup>
Gross national product.....	103.1	55.6	124.5	284.8	930.3	977.1	1,054.9	1,158.0	1,294.9	1,277.9	1,308.9	1,344.0	1,358.8	1,383.8
Less: Capital consumption allowances.....	7.9	7.0	8.2	18.3	81.6	87.3	93.7	102.9	110.8	110.5	111.5	113.9	115.8	118.6
Indirect business tax and nontax liability.....	7.0	7.1	11.3	23.3	85.9	93.5	102.7	110.0	119.2	118.6	120.4	121.3	122.6	125.9
Business transfer payments.....	.6	.7	.5	.8	3.8	4.0	4.3	4.6	4.9	4.8	4.9	5.0	5.1	5.2
Statistical discrepancy.....	.7	.6	.4	1.5	-6.1	-6.4	-2.3	-3.8	-5.0	-6.5	-4.9	-2.6	-6.3	.3
Plus: Subsidies less current surplus of government enterprises.....	-.1	.....	.1	.2	1.0	1.7	1.1	2.3	.6	.7	.3	-.1	-2.7	-3.7
Equals: National income.....	86.8	40.3	104.2	241.1	766.0	800.5	857.7	946.5	1,065.6	1,051.2	1,077.3	1,106.3	1,118.8	1,130.2
Less: Corporate profits and inventory valuation adjustment.....	10.5	-1.2	15.2	37.7	79.8	69.2	78.7	92.2	105.1	105.0	105.2	106.4	107.7	105.6
Contributions for social insurance.....	.2	.3	2.8	6.9	54.2	57.7	63.8	73.0	91.2	90.2	92.1	93.9	99.1	100.8
Excess of wage accruals over disbursements.....	.....	.....	.....	.....	.....	.0	.6	.0	-.1	-.3	.0	.0	.0	-.6
Plus: Government transfer payments.....	.9	1.5	2.6	14.3	61.9	75.1	89.0	98.6	113.0	111.3	114.1	117.1	123.1	130.6
Net interest paid by government and consumers.....	2.5	1.6	2.2	7.2	28.7	31.0	31.2	33.0	38.3	37.7	39.3	40.4	40.8	41.9
Dividends.....	5.8	2.0	4.4	8.8	24.3	24.7	25.0	27.3	29.6	29.1	29.8	30.7	31.6	32.5
Business transfer payments.....	.6	.7	.5	.8	3.8	4.0	4.3	4.6	4.9	4.8	4.9	5.0	5.1	5.2
Equals: Personal income.....	85.9	47.0	96.0	227.6	750.9	808.3	864.0	944.9	1,055.0	1,039.2	1,068.0	1,099.3	1,112.5	1,134.6
Less: Personal tax and nontax payments.....	2.6	1.5	3.3	20.7	116.5	116.6	117.6	142.4	151.3	147.2	154.2	159.9	161.9	168.2
Equals: Disposable personal income.....	83.3	45.5	92.7	206.9	634.4	691.7	746.4	802.5	903.7	892.1	913.9	939.4	950.6	966.5
Less: Personal outlays.....	79.1	46.5	81.7	193.9	596.2	635.5	685.9	749.9	829.4	822.5	840.7	850.1	866.2	894.9
Personal consumption expenditures.....	77.2	45.8	80.6	191.0	579.5	617.6	667.1	729.0	805.2	799.0	816.3	823.9	840.6	869.1
Consumer interest payments.....	1.5	.5	.9	2.4	15.8	16.8	17.7	19.8	22.9	22.5	23.4	24.0	24.4	24.8
Personal transfer payments to foreigners.....	.3	.2	.2	.5	.9	1.0	1.1	1.1	1.3	1.0	.9	2.2	1.2	1.0
Equals: Personal saving.....	4.2	-.9	11.0	13.1	38.2	56.2	60.5	52.6	74.4	69.6	73.2	89.3	84.4	71.5
Disposable personal income in constant (1958) dollars.....	150.6	112.2	190.3	249.6	513.6	534.8	555.4	580.5	619.6	618.2	621.8	622.9	610.3	603.5

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

PERSONAL INCOME

(In billions of dollars)

Item	1972	1973	1973					1974							
			Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	June	July <sup>P</sup>	Aug <sup>P</sup>
Total personal income.....	944.9	1,055.0	1,067.6	1,080.4	1,090.8	1,100.0	1,107.1	1,107.0	1,113.4	1,117.1	1,125.2	1,135.2	1,143.5	1,158.5	1,165.2
Wage and salary disbursements.....	626.8	691.7	697.2	704.5	711.0	717.9	722.2	722.5	728.3	732.1	737.1	745.3	753.2	759.7	762.1
Commodity-producing industries.....	225.4	251.9	253.7	257.4	260.0	263.1	264.5	262.1	264.6	265.3	267.4	270.0	272.6	273.3	276.2
Manufacturing only.....	175.8	196.6	197.8	200.4	202.9	205.2	205.8	204.1	204.9	205.5	207.8	210.1	212.5	214.0	215.5
Distributive industries.....	151.0	165.1	166.2	168.2	169.1	171.1	170.9	172.0	172.8	173.9	175.3	177.8	179.1	180.8	181.0
Service industries.....	115.3	128.2	129.7	130.7	131.5	132.3	134.7	135.3	137.0	138.2	139.1	141.1	142.6	143.5	145.1
Government.....	135.0	146.6	147.5	148.2	150.4	151.4	152.1	153.0	153.8	154.6	155.3	156.3	158.9	162.1	159.8
Other labor income.....	41.7	46.0	46.3	46.7	47.1	47.6	48.0	48.5	48.9	49.4	49.9	50.5	51.1	51.7	52.3
Proprietors' income.....	75.9	96.1	99.1	102.1	103.2	103.4	103.3	100.8	98.5	96.0	92.8	89.9	86.9	89.0	91.0
Business and professional.....	54.9	57.6	57.6	57.8	58.3	58.5	58.4	58.7	59.4	59.9	60.2	60.8	61.2	61.9	62.4
Farm.....	21.0	38.5	41.5	44.3	44.9	44.9	44.9	42.1	39.1	36.1	32.6	29.1	25.7	27.1	28.6
Rental income.....	25.9	26.1	26.2	26.4	26.4	26.4	26.4	26.4	26.4	26.4	25.5	26.7	26.7	26.6	26.6
Dividends.....	27.3	29.6	30.0	30.0	30.2	30.4	31.6	31.4	31.6	31.9	32.1	32.5	33.0	33.1	33.2
Personal interest income.....	78.6	90.6	92.5	93.7	94.8	96.0	97.0	97.5	98.3	99.0	100.4	102.0	103.5	104.4	105.1
Transfer payments.....	103.2	117.8	119.4	120.4	121.7	122.1	122.6	126.7	128.4	129.5	134.6	135.8	137.0	142.5	143.4
Less: Personal contributions for social insurance.....	34.5	42.8	43.3	43.5	43.7	43.8	43.8	46.7	46.8	47.0	47.2	47.6	47.9	48.5	48.5
Nonagricultural income.....	916.5	1,008.0	1,017.6	1,027.6	1,037.0	1,046.1	1,052.9	1,055.5	1,064.9	1,071.6	1,083.1	1,096.6	1,106.8	1,121.7	1,126.9
Agricultural income.....	28.4	47.1	50.0	52.9	53.8	53.9	54.2	51.5	48.5	45.5	42.1	38.6	36.8	36.7	38.4

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

1. SUMMARY OF FLOW OF FUNDS ACCOUNTS FOR THE YEAR 1973

(Seasonally adjusted annual rates; in billions of dollars)

Transaction category	Sector	Private domestic nonfinancial sectors								Rest of the world	U.S. Govt.		Financial sectors										All sectors	Discrepancy	Natl. saving and investment						
		Households		Business		State and local govts.		Total			U	S	Total		Fed. spons. credit agencies		Monetary auth.		Coml. banks		Pvt. 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	229.6		112.6		.2		342.5		-1		-8.2		10.5		.2		.1		4.4		5.7		344.7		344.7		1			
2	Capital consumption	115.7		95.2				211.0						3.1						1.7		1.4		214.1		214.1		2			
3	Net saving (1-2)	113.9		17.4		.2		131.5		-1		-8.2		7.4		.2		.1		2.7		4.3		130.6		130.7		3			
4	Gross investment (5+10)	235.6		98.8		-5.4		329.1		2.1		-7.7		13.7		.3		.1		6.0		7.4		337.3		7.4		337.6		4	
5	Private capital expenditures	174.1		160.5				334.7						5.0						3.0		2.0		339.7		5.0		339.7		5	
6	Consumer durables	130.3						130.3																130.3				130.3		6	
7	Residential construction	37.5		19.5				57.0						.2								.2		57.2				57.2		7	
8	Plant and equipment	6.3		125.7				132.0						4.8						3.0		1.8		136.8				136.8		8	
9	Inventory change			15.4				15.4															15.4				15.4		9		
10	Net financial investment (11-12)	61.5		-61.7		-5.4		-5.6		2.1		-7.7		8.7		.3		.1		2.9		5.4		-2.4		2.4		-2.1		10	
11	Financial uses	130.8		43.9		7.9		182.6		17.4		4.3		217.8		22.0		7.8		100.2		87.7		422.1		2.4		15.3		11	
12	Financial sources		69.3		105.5		13.3	188.1		15.3		12.0		209.1		21.8		7.7		97.3		82.3		424.6				17.4		12	
13	Gold and official foreign exchange									*		-2		-2									-2		-2					13	
14	Treasury currency											4		4									4		4		*			14	
15	Demand deposits and currency	13.1		-3		-3		12.5		2.5		-1.8		2.4	16.0	.1		3.4		.3	12.6	2.0		15.5	16.0	.4				15	
16	Private domestic	13.1		-3		-3		12.5						2.4	15.0	.1		3.9		.3	11.0	2.0		14.9	15.0	.1				16	
17	U.S. Government											-1.8		-1.5				-5					-1.8	-1.5	.3					17	
18	Foreign									2.5				2.5				-1					2.5	2.5						18	
19	Time and savings accounts	67.7		1.4		7.2		76.3		2.9		-2		.1	79.1					50.9		.1	28.1	79.1	79.1					19	
20	At commercial banks	39.5		1.4		7.2		48.1		2.9		-2		.1	50.9					50.9		.1	28.1	50.9	50.9					20	
21	At savings institutions	28.2						28.2						*	28.1							*	28.1	28.1	28.1					21	
22	Life insurance reserves	7.3						7.3							7.2								7.2	7.3	7.3					22	
23	Pension fund reserves	24.4						24.4				2.1			22.3								22.3	24.4	24.4					23	
24	Interbank items													7.9	7.9			-1.6	3.5	9.5	4.4		7.9	7.9						24	
25	Corporate shares	-8.2			7.4			-8.2	7.4	2.8	-2			13.4	.8					.1	1.2	13.4	-4	8.0	8.0					25	
26	Credit market instruments	29.7	72.8	9.1	77.6	.4	12.3	39.3	162.7	.7	7.7	3.0	9.7	188.3	51.2	20.3	19.6	9.2		86.6	10.6	72.2	21.0	231.3	231.3					26	
27	U.S. Government securities	20.4		-1.8		.2		18.8		.3		*	9.8	10.3	19.6	1.3	19.6	9.3		-1.3		.9		29.4	29.4						27
28	State and local obligations	4.3		-1	1.8	.2	11.9	4.4	13.7					9.3						5.7		3.6		13.7	13.7						28
29	Corporate and foreign bonds	1.1			9.2			1.1	9.2	.1	1.0			11.3	2.3					.5	*	10.9	2.3	12.5	12.5						29
30	Home mortgages	-9	44.2		-9			-9	43.3			-1.2	-1	43.9	-1.5	6.4				11.0		26.5	-1.5	41.7	41.7						30
31	Other mortgages	1.4	1.4		28.4			1.4	29.8			.6		28.1	.3	4.0				8.8		15.4	.3	30.2	30.2						31
32	Consumer credit		22.9		3.3			3.3	22.9					19.7						10.6		9.0		22.9	22.9						32
33	Bank loans n.e.c.		1.8		34.0				35.8					52.1	13.5					52.1		8.4		52.1	52.1						33
34	Other loans	3.5	2.5	7.8	5.1		.3	11.3	7.9	.3	3.9	3.6		13.7	17.0	8.5		*		-8	5.5	5.9	11.5	28.8	28.8						34
35	Security credit	-2	-4.6					-2	-4.6	*	-2			-8.0	-3.4					-3.4		-4.6	-3.4	-8.2	-8.2						35
36	To brokers and dealers	-2						-2		*				-3.2	-3.4					-3.2		-3.4	-3.4	-3.4	-3.4						36
37	To others		-4.6					-4.6			-2			-4.8						-2		-4.6	-4.8	-4.8	-4.8						37
38	Taxes payable				2.3	.6		.6	2.3			2.2			.3							.1		2.8	2.7	-1					38
39	Trade credit		.6	24.1	20.1		1.1	24.1	21.8	1.0	1.9	.3	1	.7								.7		26.0	23.7	-2.3					39
40	Equity in noncorporate business	-4.4			-4.4			-4.4	-4.4															-4.4	-4.4						40
41	Miscellaneous claims	1.5	.4	9.6	2.5			11.1	2.9	7.6	6.3	1.0	-4	12.8	27.8	1.7	2.2		.8	7.2	17.5	.9	7.4	32.4	36.7	4.3					41
42	Sector discrepancies (1-4)	-6.0		13.8		5.6		13.4		-2.2		-5		-3.3		*				-1.6		-1.7		7.4		7.4		7.2			42

2. SUMMARY OF FUNDS RAISED AND ADVANCED IN U.S. CREDIT MARKETS

(Seasonally adjusted annual rates; in billions of dollars)

Transaction category, or sector	1965	1966	1967	1968	1969	1970	1971	1972	1973	1973		1974 <sup>p</sup>	
										H1	H2	H1	
Funds raised, by type and sector													
1 Total funds raised by nonfinancial sectors.....	69.9	67.9	82.4	95.9	91.8	98.2	147.4	169.4	187.4	199.9	174.8	188.7	1
2 Excluding equities.....	69.6	66.9	80.0	95.9	88.0	92.5	135.9	158.9	180.1	192.5	167.8	182.3	2
3 U.S. Government.....	1.8	3.6	13.0	13.4	-3.6	12.8	25.5	17.3	9.7	17.8	1.6	8.2	3
4 Public debt securities.....	1.3	2.3	8.9	10.3	-1.3	12.9	26.0	13.9	7.7	16.6	-1.2	7.0	4
5 Budget agency issues.....	.5	1.3	4.1	3.1	-2.4	-.1	-.5	3.4	2.0	1.2	2.8	1.2	5
6 All other nonfinancial sectors.....	68.1	64.3	69.4	82.5	95.5	85.4	121.9	152.1	177.7	182.1	173.2	180.5	6
7 Corporate equities.....	.3	1.0	2.4	*	3.9	5.8	11.5	10.5	7.2	7.4	7.0	6.4	7
8 Debt instruments.....	67.9	63.3	67.0	82.6	91.6	79.7	110.4	141.6	170.4	174.6	166.2	174.1	8
9 Debt capital instruments.....	38.8	38.9	45.7	50.6	50.6	57.6	84.2	94.9	97.1	96.4	97.7	96.0	9
10 State and local government securities.....	7.3	5.6	7.8	9.5	9.9	11.2	17.6	14.4	13.7	11.6	15.8	16.4	10
11 Corporate and foreign bonds.....	5.9	11.0	15.9	14.0	13.0	20.6	19.7	13.2	10.2	9.4	10.9	16.3	11
12 Mortgages.....	25.6	22.3	22.0	27.1	27.7	25.7	46.9	67.3	73.2	75.4	71.0	63.2	12
13 Home mortgages.....	15.4	11.7	11.5	15.1	15.7	12.8	26.1	39.6	43.3	44.8	41.9	37.4	13
14 Other residential.....	3.6	3.1	3.6	3.4	4.7	5.8	8.8	10.3	8.4	9.7	7.1	8.3	14
15 Commercial.....	4.4	5.7	4.7	6.4	5.3	5.3	10.0	14.8	17.0	16.8	17.3	13.5	15
16 Farm.....	2.2	1.8	2.3	2.2	1.9	1.8	2.0	2.6	4.4	4.2	4.6	4.2	16
17 Other private credit.....	29.0	24.4	21.3	32.0	41.0	22.1	26.3	46.7	73.4	78.2	68.6	78.1	17
18 Bank loans n.e.c.....	14.1	10.7	9.5	13.1	15.3	6.4	9.3	21.8	38.6	47.1	30.1	43.0	18
19 Consumer credit.....	9.6	6.4	4.5	10.0	10.4	6.0	11.2	19.2	22.9	25.1	20.8	12.7	19
20 Open-market paper.....	-.3	1.0	2.1	1.6	3.3	3.8	-.9	-1.6	1.8	-2.3	6.0	14.7	20
21 Other.....	5.6	6.2	5.1	7.2	12.0	5.9	6.6	7.3	10.0	8.3	11.7	7.7	21
22 By borrowing sector.....	68.1	64.3	69.4	82.5	95.5	85.4	121.9	152.1	177.7	182.1	173.2	180.5	22
23 Debt instruments.....	67.9	63.3	67.0	82.6	91.6	79.7	110.4	141.6	170.4	174.6	166.2	174.1	23
24 Foreign.....	2.4	1.8	4.0	2.7	3.2	2.7	4.6	4.7	7.7	8.4	7.1	20.2	24
25 State and local governments.....	7.7	6.3	7.9	9.8	10.7	11.3	17.8	14.2	12.3	9.8	14.7	14.6	25
26 Households.....	28.3	22.7	19.3	30.0	31.7	23.4	39.8	63.1	72.8	73.3	72.3	53.1	26
27 Nonfinancial business.....	29.5	32.5	35.7	40.1	46.0	42.3	48.2	59.6	77.6	83.2	72.1	86.2	27
28 Farm.....	3.3	3.1	3.6	2.8	3.2	3.2	4.1	4.9	8.6	7.5	9.7	9.0	28
29 Nonfarm noncorporate.....	5.7	5.4	5.0	5.6	7.4	5.3	8.7	10.4	9.3	11.2	7.4	7.0	29
30 Corporate.....	20.4	24.0	27.2	31.7	35.5	33.8	35.4	44.4	59.7	64.4	55.0	70.1	30
31 Corporate equities.....	.3	1.0	2.4	*	3.9	5.8	11.5	10.5	7.2	7.4	7.0	6.4	31
32 Foreign.....	-.3	-.3	.1	-.2	.5	.1	*	-.4	-.2	-.4	*	.3	32
33 Corporate business.....	*	1.3	2.4	-.2	3.4	5.7	11.4	10.9	7.4	7.8	7.0	6.1	33
Totals including equities.....													
34 Foreign.....	2.7	1.5	4.0	2.8	3.7	2.7	4.6	4.3	7.5	8.0	7.1	20.5	34
35 Nonfinancial business.....	29.4	33.8	38.1	39.9	49.4	48.0	59.6	70.5	85.1	91.0	79.1	92.3	35
36 Corporate.....	20.4	25.3	29.6	31.5	38.9	39.5	46.8	55.3	67.2	72.3	62.0	76.2	36
37 Memo: U.S. Govt. cash balance.....	-1.0	-.4	1.2	-1.1	.4	2.8	3.2	-.3	-1.7	3.8	-7.1	-2.4	37
Totals net of changes in U.S. Govt. cash balances.....													
38 Total funds raised.....	70.9	68.3	81.3	97.1	91.4	95.5	144.2	169.7	189.0	196.2	181.9	191.0	38
39 By U.S. Government.....	2.8	4.0	11.8	14.5	-4.0	10.0	22.3	17.6	11.4	14.1	8.7	10.6	39
Private domestic net investment and borrowing in credit markets													
Total, households and business													
1 Total capital outlays <sup>1</sup> .....	173.1	190.6	188.1	207.6	226.7	224.2	253.5	293.0	334.7	328.8	340.5	334.1	1
2 Capital consumption <sup>2</sup> .....	110.3	118.5	128.4	140.4	154.3	166.0	178.9	194.3	211.0	207.8	214.1	218.1	2
3 Net physical investment.....	62.8	72.2	59.7	67.2	72.4	58.2	74.6	98.7	123.7	121.0	126.3	116.0	3
4 Net funds raised.....	57.8	56.5	57.5	69.9	81.1	71.4	99.4	133.6	157.9	164.3	151.4	145.3	4
5 Excess net investment <sup>3</sup> .....	5.1	15.7	2.2	-2.7	-8.7	-13.2	-24.8	-34.9	-34.2	-43.3	-25.1	-29.3	5
Total business													
6 Total capital outlays.....	83.6	96.4	93.4	97.9	108.9	108.0	117.1	134.3	160.5	152.7	168.4	168.8	6
7 Capital consumption.....	50.5	54.2	58.5	63.2	69.5	74.6	80.3	88.2	95.2	93.5	97.0	100.9	7
8 Net physical investment.....	33.1	42.3	35.0	34.7	39.4	33.5	36.8	46.0	65.3	59.2	71.4	67.9	8
9 Net debt funds raised.....	29.5	32.5	35.7	40.1	46.0	42.3	48.2	59.6	77.6	83.2	72.1	86.2	9
10 Corporate equity issues.....	*	1.3	2.4	-.2	3.4	5.7	11.4	10.9	7.4	7.8	7.0	6.1	10
11 Excess net investment <sup>3</sup> .....	3.7	8.5	-3.2	-5.2	-10.0	-14.5	-22.8	-24.5	-19.8	-31.8	-7.7	-24.4	11
Corporate business													
12 Total capital outlays.....	62.3	76.5	71.4	75.0	83.7	84.0	87.2	102.5	121.5	115.2	127.8	132.2	12
13 Capital consumption.....	35.2	38.2	41.5	45.1	49.8	53.6	57.7	63.0	67.5	66.5	68.4	70.8	13
14 Net physical investment.....	27.1	38.3	29.9	29.9	33.9	30.4	29.5	39.4	54.0	48.7	59.4	61.5	14
15 Net debt funds raised.....	20.4	24.0	27.2	31.7	35.5	33.8	35.4	44.4	59.7	64.4	55.0	70.1	15
16 Corporate equity issues.....	*	1.3	2.4	-.2	3.4	5.7	11.4	10.9	7.4	7.8	7.0	6.1	16
17 Excess net investment <sup>3</sup> .....	6.7	13.0	.4	-1.6	-5.0	-9.1	-17.3	-15.8	-13.1	-23.6	-2.6	-14.8	17
Households													
18 Total capital outlays.....	89.6	94.2	94.6	109.7	117.8	116.2	136.4	158.8	174.1	176.2	172.1	165.2	18
19 Capital consumption.....	59.9	64.3	69.9	77.2	84.8	91.4	98.6	106.1	115.7	114.4	117.1	117.2	19
20 Net physical investment.....	29.7	29.9	24.7	32.5	33.0	24.7	37.8	52.7	58.4	61.8	55.0	48.1	20
21 Net funds raised.....	28.3	22.7	19.3	30.0	31.7	23.4	39.8	63.1	72.8	73.3	72.3	53.1	21
22 Excess net investment <sup>3</sup> .....	1.4	7.2	5.4	2.5	1.3	1.4	-2.1	-10.4	-14.4	-11.5	-17.3	-5.0	22

<sup>1</sup> Capital outlays are totals for residential and nonresidential fixed capital, net change in inventories, and consumer durables, except outlays by financial business.

<sup>2</sup> Capital consumption includes amounts for consumer durables and excludes financial business capital consumption.

<sup>3</sup> Excess of net investment over net funds raised.

NOTE.—Data revised for all periods. Full statements for sectors and transaction types are available on a quarterly basis and annually for flows and for amounts outstanding. Requests for these statements should be addressed to the Flow of Funds Section, Division of Research and Statistics, Board of Governors of the Federal Reserve System, Washington, D.C. 20551.

Funds raised by type and sector. Credit flows included here are the net amounts raised by households, nonfinancial business, governments, and foreigners. All funds raised by financial sectors are excluded. U.S. Government budget issues (line 5) are loan participation certificates issued by CCC, Export-Import Bank, FNMA, and GNMA, together with security issues by FHA, Export-Import Bank, and TVA. Issues by Federally sponsored credit agencies are excluded as borrowing by financial institutions. Such issues are on p. A-59.2, line 11. Corporate equity issues are net cash issues by nonfinancial and foreign corporations. Mortgages exclude loans in process. Open market paper is commercial paper issued by nonfinancial corporations plus bankers' acceptances.

3. DIRECT AND INDIRECT SOURCES OF FUNDS TO CREDIT MARKETS

(Seasonally adjusted annual rates; in billions of dollars)

Transaction category, or sector	1965	1966	1967	1968	1969	1970	1971	1972	1973	1973		1974 <sup>a</sup>	
										H1	H2	H1	
1 Total funds advanced in credit markets to nonfinancial sectors.....	69.6	66.9	80.0	95.9	88.0	92.5	135.9	158.9	180.1	192.5	167.8	182.3	1
By public agencies and foreign													
2 Total net advances.....	8.9	11.9	11.3	12.2	15.7	28.1	41.7	18.3	33.2	41.0	25.4	38.9	2
3 U.S. Government securities.....	3.7	3.4	6.8	3.4	.7	15.9	33.8	8.4	11.0	20.6	1.3	9.0	3
4 Residential mortgages.....	.4	2.8	2.1	2.8	4.6	5.7	5.7	5.2	7.6	5.0	10.2	11.4	4
5 FHLB advances to S&L's.....	.7	.9	-2.5	.9	4.0	1.3	-2.7	*	7.2	8.0	6.3	6.8	5
6 Other loans and securities.....	4.1	4.8	4.9	5.1	6.3	5.2	4.9	4.6	7.5	7.4	7.6	7.1	6
By agency—													
7 U.S. Government.....	2.8	4.9	4.6	4.9	2.9	2.8	3.2	2.6	3.0	.9	5.0	2.6	7
8 Sponsored credit agencies.....	2.2	5.1	-.1	3.2	8.9	10.0	3.2	7.0	20.3	18.3	22.2	20.0	8
9 Monetary authorities.....	3.8	3.5	4.8	3.7	4.2	5.0	8.9	.3	9.2	10.1	8.3	6.2	9
10 Foreign.....	.1	-1.6	2.0	.3	-.3	10.3	26.4	8.4	.7	11.6	-10.1	10.2	10
11 Agency borrowing not included in line 1.....	2.1	4.8	-.6	3.5	8.8	8.2	3.8	6.2	19.6	17.4	21.8	14.1	11
Private domestic funds advanced													
12 Total net advances.....	62.8	59.8	68.1	87.2	81.1	72.6	98.1	146.7	166.5	168.8	164.2	157.5	12
13 U.S. Government securities.....	*	5.4	5.7	13.3	4.8	5.2	-4.4	15.2	18.4	14.7	22.2	13.4	13
14 State and local obligations.....	7.3	5.6	7.8	9.5	9.9	11.2	17.6	14.4	13.7	11.6	15.8	16.4	14
15 Corporate and foreign bonds.....	6.0	10.3	16.0	13.8	12.5	20.0	19.5	13.2	10.1	9.1	11.0	14.9	15
16 Residential mortgages.....	18.6	12.0	13.0	15.5	15.7	12.8	29.1	44.6	44.1	49.4	38.8	34.2	16
17 Other mortgages and loans.....	31.6	27.4	23.1	35.9	42.2	24.6	33.7	59.5	87.4	92.0	82.8	85.5	17
18 Less: FHLB advances.....	.7	.9	-2.5	.9	4.0	1.3	-2.7	*	7.2	8.0	6.3	6.8	18
Private financial intermediation													
19 Credit market funds advanced by private financial institutions.....	62.9	45.4	63.5	75.3	55.3	74.9	110.7	153.4	158.8	179.0	138.7	142.1	19
20 Commercial banking.....	28.7	17.5	35.9	38.7	18.2	35.1	50.6	70.5	86.6	93.7	79.5	78.0	20
21 Savings institutions.....	14.3	7.9	15.0	15.6	14.5	16.9	41.4	49.3	35.1	49.4	20.8	35.0	21
22 Insurance and pension funds.....	13.6	15.5	12.9	14.0	12.7	17.3	13.3	17.7	22.1	21.3	22.9	22.6	22
23 Other finance.....	6.2	4.5	-.3	7.0	9.9	5.7	5.3	15.8	15.0	14.6	15.5	6.4	23
24 Sources of funds.....	62.9	45.4	63.5	75.3	55.3	74.9	110.7	153.4	158.8	179.0	138.7	142.1	24
25 Private domestic deposits.....	38.4	22.5	50.0	45.9	2.6	63.2	90.3	97.5	84.9	102.3	67.4	87.4	25
26 Credit market borrowing.....	7.9	3.2	-.4	8.5	18.8	-.3	9.3	20.3	31.6	36.5	26.7	22.0	26
27 Other sources.....	16.6	19.8	13.9	21.0	34.0	12.0	11.0	35.5	42.4	40.2	44.6	32.7	27
28 Foreign funds.....	.8	3.7	2.3	2.6	9.3	-8.5	-3.2	5.2	6.5	5.2	7.7	11.7	28
29 Treasury balances.....	-1.0	-.5	.2	-.2	*	2.9	2.2	.7	-1.0	-.3	-1.7	-2.7	29
30 Insurance and pension reserves.....	11.4	13.6	12.0	11.4	10.8	13.1	9.1	13.1	16.7	15.9	17.6	17.8	30
31 Other, net.....	5.4	3.0	-.6	7.2	13.8	4.4	2.9	16.5	20.2	19.3	21.0	5.9	31
Private domestic nonfinancial investors													
32 Direct lending in credit markets.....	7.9	17.6	4.2	20.4	44.5	-2.6	-3.2	13.7	39.3	26.4	52.2	37.4	32
33 U.S. Government securities.....	2.9	8.4	-1.4	8.1	17.0	-9.0	-14.0	1.6	18.8	15.7	21.8	10.1	33
34 State and local obligations.....	2.6	2.6	-2.5	-.2	8.7	-1.2	.6	2.1	4.4	5.5	3.3	6.3	34
35 Corporate and foreign bonds.....	1.0	2.0	4.6	4.7	6.6	10.7	9.3	5.2	1.1	-.2	2.4	2.6	35
36 Commercial paper.....	1.5	2.3	1.9	5.8	10.2	-4.4	-.6	4.0	11.3	2.8	19.8	15.1	36
37 Other.....	-.1	2.3	1.7	2.1	2.0	1.4	1.5	.8	3.8	2.6	4.9	3.4	37
38 Deposits and currency.....	40.5	24.4	52.1	48.3	5.4	66.6	93.7	101.9	88.8	108.0	69.6	96.5	38
39 Time and savings accounts.....	32.7	20.3	39.3	33.9	-2.3	56.1	81.0	85.2	76.3	94.4	58.1	85.6	39
40 Large negotiable CD's.....	3.6	-.2	4.3	3.5	-13.7	15.0	7.7	8.7	18.5	27.2	9.9	32.5	40
41 Other at commercial banks.....	16.0	13.3	18.3	17.5	3.4	24.2	32.9	30.6	29.5	29.3	29.8	27.0	41
42 At savings institutions.....	13.2	7.3	16.7	12.9	8.0	16.9	40.4	45.9	28.2	37.9	18.4	26.1	42
43 Money.....	7.8	4.1	12.8	14.5	7.7	10.5	12.7	16.7	12.6	13.6	11.6	10.9	43
44 Demand deposits.....	5.6	2.1	10.6	12.1	4.8	7.1	9.3	12.3	8.6	7.9	9.3	11.8	44
45 Currency.....	2.1	2.0	2.1	2.4	2.8	3.5	3.4	4.4	3.9	5.7	2.2	9.1	45
46 Total of credit market instr., deposits, and currency.....	48.4	42.0	56.3	68.7	49.9	64.1	90.5	115.7	128.1	134.3	121.9	133.9	46
47 Public support rate (in per cent).....	12.8	17.9	14.1	12.7	17.8	30.4	30.7	11.5	18.4	21.3	15.1	21.3	47
48 Private financial intermediation (in per cent).....	100.1	75.9	93.2	86.4	68.3	103.1	112.8	104.5	95.4	106.0	84.5	90.2	48
49 Total foreign funds.....	.8	2.1	4.3	2.9	9.1	1.8	23.2	13.6	7.2	16.9	-2.4	21.9	49
Corporate equities not included above													
1 Total net issues.....	3.5	4.8	5.5	6.4	10.0	10.4	14.8	12.9	8.0	9.7	6.4	9.4	1
2 Mutual fund shares.....	3.2	3.7	3.0	5.8	4.8	2.6	1.1	-.7	-1.6	-2.0	-1.2	-.2	2
3 Other equities.....	.3	1.1	2.5	.6	5.2	7.7	13.6	13.6	9.6	11.6	7.6	9.5	3
4 Acquisitions by financial institutions.....	6.1	6.0	9.1	10.8	12.2	11.4	19.3	16.0	13.4	13.1	13.8	12.2	4
5 Other net purchases.....	-2.6	-1.2	-3.6	-4.4	-2.2	-1.0	-4.5	-3.1	-5.4	-3.4	-7.4	-2.8	5

Notes

- Line 1. Line 2 of p. A-59.1.
- 2. Sum of lines 3-6 or 7-10.
- 6. Includes farm and commercial mortgages.
- 11. Credit market funds raised by Federally sponsored credit agencies. Included below in lines 13 and 33. Includes all GNMA-guaranteed security issues backed by mortgage pools.
- 12. Line 1 less line 2 plus line 11. Also line 19 less line 26 plus line 32. Also sum of lines 27, 32, 39, and 44.
- 17. Includes farm and commercial mortgages.
- 25. Lines 39 + 44.
- 26. Excludes equity issues and investment company shares. Includes line 18.
- 28. Foreign deposits at commercial banks, bank borrowings from foreign branches, and liabilities of foreign banking agencies to foreign affiliates.

- 29. Demand deposits at commercial banks.
- 30. Excludes net investment of these reserves in corporate equities.
- 31. Mainly retained earnings and net miscellaneous liabilities.
- 32. Line 12 less line 19 plus line 26.
- 33-37. Lines 13-17 less amounts acquired by private finance. Line 37 includes mortgages.
- 39-44. See line 25.
- 45. Mainly an offset to line 9.
- 46. Lines 32 plus 38 or line 12 less line 27 plus line 45.
- 47. Line 2/line 1.
- 48. Line 19/line 12.
- 49. Lines 10 plus 28.

Corporate equities

Line 1 and 3. Includes issues by financial institutions.

## 4. SECTOR STATEMENTS OF SAVINGS AND INVESTMENT

(Seasonally adjusted annual rates; in billions of dollars)

Category	1965	1966	1967	1968	1969	1970	1971	1972	1973	1973		1974 <sup>p</sup>	
										H1	H2	H1	
Households, personal trusts, and nonprofit organizations													
1 Personal income.....	538.9	587.2	629.3	688.9	750.9	808.3	864.0	944.9	1055.0	1026.4	1083.7	1123.1	1
2 - Personal taxes & nontaxes.....	65.7	75.4	83.0	97.9	116.5	116.6	117.6	142.4	151.3	145.6	157.0	164.9	2
3 = Disposable personal income.....	473.2	511.9	546.3	591.0	634.4	691.7	746.4	802.5	903.7	880.8	926.6	958.3	3
4 - Personal outlays.....	444.8	479.3	506.0	551.2	596.2	635.5	685.9	749.9	829.4	813.4	845.4	879.4	4
5 = Personal saving, NIA basis.....	28.4	32.5	40.4	39.8	38.2	56.2	60.5	52.6	74.3	67.4	81.3	78.9	5
6 + Credits from Govt. insur. <sup>1</sup> .....	4.7	5.6	5.5	6.1	7.1	8.8	9.2	11.1	11.5	12.9	10.2	9.7	6
7 + Capital gains dividends <sup>2</sup> .....	.9	1.3	1.7	2.5	2.5	.9	.8	1.4	.9	1.3	6.2	1.0	7
8 + Net durables in consumption.....	14.8	15.2	12.4	16.7	16.2	10.6	16.5	24.4	27.1	30.4	23.8	22.6	8
9 = Net saving.....	48.9	54.6	60.0	65.0	64.1	76.4	86.9	89.4	113.9	112.0	115.8	112.2	9
10 + Capital consumption.....	59.9	64.3	69.9	77.2	84.8	91.4	98.6	106.1	115.7	114.4	117.1	117.2	10
11 = Gross saving.....	108.8	118.9	129.9	142.2	148.9	167.9	185.5	195.5	229.6	226.4	232.9	229.4	11
12 Gross investment.....	115.3	129.3	134.9	145.5	145.4	167.7	186.1	203.8	235.6	233.5	237.8	235.7	12
13 Capital expend. (net of sales).....	89.6	94.2	94.6	109.7	117.8	116.2	136.4	158.8	174.1	176.2	172.1	165.2	13
14 Residential construction.....	19.1	18.9	17.0	21.1	22.0	19.6	26.9	34.3	37.5	37.6	37.5	31.7	14
15 Consumer durable goods.....	66.3	70.8	73.1	84.0	90.8	91.3	103.9	118.4	130.3	132.2	128.4	127.0	15
16 Nonprofit plant and equip.....	4.1	4.5	4.5	4.5	5.1	5.3	5.6	6.0	6.3	6.4	6.2	6.5	16
17 Net financial investment.....	25.7	35.1	40.3	35.9	27.6	51.5	49.7	45.0	61.5	57.3	65.7	70.5	17
18 Net acquis. of financial assets.....	55.3	58.4	64.0	69.6	56.8	74.1	92.8	114.0	130.8	127.0	134.5	124.6	18
19 Deposits and credit market instruments <sup>3</sup> .....	40.2	41.6	48.8	54.3	42.5	54.5	72.3	93.6	110.4	107.3	113.6	106.3	19
20 Demand deposits and currency.....	7.7	3.9	11.2	12.3	1.5	11.2	11.0	11.8	13.1	10.4	15.7	10.1	20
21 Time and savings accounts.....	28.0	20.5	34.8	30.3	6.0	44.4	70.3	75.4	67.7	79.0	56.4	72.3	21
22 At commercial banks.....	14.9	13.2	18.1	17.4	-2.0	27.5	29.8	29.5	39.5	41.1	38.0	46.3	22
23 At savings institutions.....	13.2	7.3	16.7	12.9	8.0	16.9	40.4	45.9	28.2	37.9	18.4	26.1	23
24 Credit market instruments.....	4.5	17.3	2.7	11.7	35.0	-1.1	-8.9	6.4	29.7	17.9	41.5	23.9	24
25 U.S. Govt. securities.....	2.5	7.7	1.5	5.6	12.8	-9.7	-14.4	.6	20.4	20.0	20.8	13.0	25
26 State and local obligations.....	1.7	3.6	-2.2	-8	9.6	-8	-2	1.0	4.3	3.2	5.4	4.9	26
27 Corporate and foreign bonds.....	1.0	2.0	4.6	4.7	6.6	10.7	9.3	5.2	1.1	-2.2	2.4	2.6	27
28 Commercial paper.....	* 2.7	-2.1	.7	4.8	-1.5	-3.9	1.5	3.5	-4.5	11.4	2.1	2.8	28
29 Mortgages.....	-.8	1.3	.9	1.5	1.1	.1	.2	-1.8	.5	-5.1	1.5	1.3	29
30 Mutual fund shares.....	3.2	3.7	3.0	5.8	4.8	2.6	1.1	-7	-1.6	-2.0	-1.2	-2	30
31 Other corporate shares.....	-5.4	-4.6	-7.3	-12.3	-8.6	-4.4	-6.5	-4.7	-6.6	-4.3	-8.9	-3.6	31
32 Life insurance reserves.....	4.8	4.7	5.1	4.6	5.0	5.2	6.2	6.6	7.3	7.2	7.3	3.3	32
33 Pension fund reserves.....	12.2	14.7	14.6	15.5	16.3	19.1	21.6	23.8	24.4	24.8	23.9	20.6	33
34 Net investment in noncorp. business.....	-1.9	-3.2	-3.8	-2.2	-3.5	-4.7	-4.7	-7.4	-4.4	-6.5	-2.3	-9.2	34
35 Security credit.....	.9	.2	2.2	2.1	-1.8	-.9	-.5	1	-.2	-1.0	.6	1.4	35
36 Miscellaneous.....	1.3	1.2	1.5	1.8	2.1	2.6	2.3	2.7	1.5	1.4	1.6	2.0	36
37 Net increase in liabilities.....	29.5	23.2	23.7	33.7	29.2	22.5	43.1	68.9	69.3	69.7	68.8	54.1	37
38 Credit market instruments.....	28.3	22.7	19.3	30.0	31.7	23.4	39.8	63.1	72.8	73.3	72.3	53.1	38
39 Home mortgages.....	15.2	12.7	10.4	14.6	16.1	12.5	24.2	38.4	44.2	44.3	44.1	38.6	39
40 Other mortgages.....	1.2	1.3	1.2	1.1	1.3	1.4	1.2	1.4	1.4	1.4	1.4	1.4	40
41 Installment cons. credit.....	8.2	5.4	3.2	8.3	9.4	5.0	9.2	16.0	20.1	22.0	18.2	11.4	41
42 Other consumer credit.....	1.4	1.0	1.4	1.7	1.0	1.1	2.0	3.1	2.8	3.1	2.5	1.3	42
43 Bank loans n.e.c.....	1.4	.4	1.9	2.5	1.0	.9	1.8	2.8	1.8	.9	2.7	-1.5	43
44 Other loans <sup>4</sup> .....	.9	2.0	1.3	1.7	3.0	2.6	1.4	1.3	2.5	1.6	3.4	2.0	44
45 Security credit.....	.7	-.1	3.7	2.9	-3.4	-1.8	2.6	4.7	-4.6	-4.6	-4.5	.1	45
46 Trade debt.....	.2	.3	.4	.5	.5	.5	.3	.6	.6	.6	.6	.6	46
47 Miscellaneous.....	.3	.4	.3	.4	.4	.4	.3	.5	.4	.4	.4	.4	47
48 Discrepancy (11-12).....	-6.5	-10.4	-5.0	-3.3	3.5	.2	-.5	-8.3	-6.0	-7.1	-4.9	-6.3	48
<b>Memoranda:</b>													
<b>Net physical investment:</b>													
<b>(A) Residential construction</b>													
49 Expenditures.....	19.1	18.9	17.0	21.1	22.0	19.6	26.9	34.3	37.5	37.6	37.5	31.7	49
50 - Capital consumption.....	7.1	7.4	7.8	8.3	8.7	9.0	9.3	10.0	10.4	10.4	10.3	10.5	50
51 - Home mortgages.....	15.2	12.7	10.4	14.6	16.1	12.5	24.2	38.4	44.2	44.3	44.1	38.6	51
52 = Excess net investment.....	-3.3	-1.1	-1.2	-1.8	-2.8	-1.9	-6.6	-14.1	-17.0	-17.1	-16.9	-17.4	52
<b>(B) Consumer durables</b>													
53 Expenditures.....	66.3	70.8	73.1	84.0	90.8	91.3	103.9	118.4	130.3	132.2	128.4	127.0	53
54 - Capital consumption.....	51.5	55.6	60.7	67.4	74.6	80.7	87.5	94.1	103.3	101.9	104.6	104.4	54
55 = Net investment.....	14.8	15.2	12.4	16.7	16.2	10.6	16.5	24.4	27.1	30.4	23.8	22.6	55
56 - Consumer credit.....	9.6	6.4	4.5	10.0	10.4	6.0	11.2	19.2	22.9	25.1	20.8	12.7	56
57 = Excess net investment.....	5.2	8.8	7.9	6.7	5.9	4.5	5.2	5.2	4.1	5.3	3.0	10.0	57
<b>(C) Nonprofit plant and equipment</b>													
58 Expenditures.....	4.1	4.5	4.5	4.5	5.1	5.3	5.6	6.0	6.3	6.4	6.2	6.5	58
59 - Capital consumption.....	1.2	1.3	1.4	1.5	1.6	1.7	1.9	2.0	2.1	2.1	2.2	2.2	59
60 - Nonprofit mortgages.....	1.2	1.3	1.2	1.1	1.3	1.4	1.2	1.4	1.4	1.4	1.4	1.4	60
61 = Excess net investment.....	1.8	2.0	1.9	1.9	2.2	2.2	2.5	2.6	2.7	2.9	2.6	2.8	61

NOTE.—Data revised for all periods; 1974 H1 based on preliminary and incomplete information. For other notes see p. A-59.13.

## 4. SECTOR STATEMENTS OF SAVING AND INVESTMENT—Continued

(Seasonally adjusted annual rates; in billions of dollars)

Category	1965	1966	1967	1968	1969	1970	1971	1972	1973	1973		1974 <sup>P</sup>
										H1	H2	H1
<b>Nonfinancial business—Total</b>												
1 Income before taxes <sup>1</sup> .....	129.5	139.1	136.2	142.4	139.5	128.2	137.5	155.2	183.9	179.0	188.8	181.0
2 Gross saving.....	71.8	77.1	78.4	79.8	80.4	80.3	90.6	104.1	112.6	110.8	114.5	114.4
3 Gross investment.....	63.0	69.0	72.6	70.2	74.4	73.6	80.4	89.3	98.8	95.8	101.9	100.9
4 Capital expenditures.....	83.6	96.4	93.4	97.9	108.9	108.0	117.1	134.3	160.5	152.7	168.4	168.8
5 Fixed investment.....	74.0	81.6	85.2	90.9	101.1	103.5	110.8	125.7	145.2	142.3	148.0	152.8
6 Business plant and equipment.....	65.8	75.5	77.2	82.0	90.5	92.0	95.0	106.4	125.7	121.7	129.7	136.0
7 Nonfarm home residential construction <sup>2</sup> .....	.7	-.7	2.0	1.1	.1	.9	3.0	2.1	-.6	1.0	-2.1	-.9
8 Multifamily residential.....	7.4	6.8	6.1	7.8	10.4	10.6	12.8	17.3	20.0	19.7	20.4	17.7
9 Change in inventories <sup>3</sup> .....	9.6	14.8	8.2	7.1	7.8	4.5	6.3	8.5	15.4	10.4	20.4	16.0
10 Net financial investment.....	-20.6	-27.5	-20.8	-27.8	-34.4	-34.5	-36.7	-45.0	-61.7	-56.8	-66.5	-67.9
11 Net acquisition of financial assets.....	21.2	13.7	18.0	30.6	30.2	14.8	25.3	33.8	43.9	51.4	36.4	57.7
12 Net increase in liabilities.....	41.8	41.1	38.8	58.3	64.7	49.2	62.0	78.7	105.5	108.2	102.8	125.6
13 Corporate share issues.....	*	1.3	2.4	-.2	3.4	5.7	11.4	10.9	7.4	7.8	7.0	6.1
14 Credit market instruments.....	29.5	32.5	35.7	40.1	46.0	42.3	48.2	59.6	77.6	83.2	72.1	86.2
15 Bonds.....	5.4	10.2	14.7	12.9	12.0	19.8	18.9	12.7	11.0	10.5	11.4	15.9
16 Home mortgages.....	.2	-1.0	1.1	.4	-.4	.3	1.9	1.2	-.9	.4	-2.1	-1.3
17 Other mortgages.....	9.1	9.3	9.4	10.9	10.8	11.6	19.5	26.2	28.4	29.3	27.6	24.5
18 Bank loans n.e.c.....	12.2	10.6	7.9	11.1	14.5	5.8	5.9	16.1	34.0	41.9	26.1	35.1
19 Other loans.....	2.6	3.4	2.7	4.8	9.2	4.9	1.9	3.3	5.1	1.0	9.1	12.0
20 Trade debt.....	12.1	10.2	8.9	17.4	21.2	8.6	5.3	15.4	20.1	19.3	20.8	31.9
21 Other liabilities.....	.3	-2.9	-8.2	1.0	-5.9	-7.3	-2.9	-7.1	.4	-2.1	2.9	1.4
22 Discrepancy (2-3).....	8.9	8.2	5.8	9.6	6.0	6.7	10.2	14.8	13.8	15.0	12.6	13.5
<b>Farm business<sup>4</sup></b>												
1 New income <sup>1</sup> .....	14.8	16.1	14.8	14.7	16.7	16.9	17.2	21.0	38.5	33.9	43.2	34.1
2 Net saving.....	*	*	*	*	*	-.1	*	.1	.3	.2	.4	.5
3 Capital consumption.....	5.0	5.3	5.7	6.2	6.6	6.4	7.0	7.5	8.4	8.2	8.6	9.1
4 Corporate.....	.2	.2	.3	.3	.3	.4	.5	.6	.6	.6	.6	.7
5 Noncorporate.....	4.8	5.1	5.5	6.0	6.2	6.0	6.5	6.9	7.8	7.6	8.0	8.5
6 Current surplus = gross saving <sup>5</sup> .....	5.0	5.3	5.7	6.2	6.5	6.3	6.9	7.6	8.7	8.5	9.0	9.7
7 Gross investment.....	5.0	5.3	5.7	6.2	6.5	6.3	6.9	7.6	8.7	8.5	9.0	9.7
8 Capital expenditures.....	6.3	5.8	7.3	6.3	6.6	7.0	8.4	8.4	13.9	12.5	15.4	15.5
9 Plant and equipment.....	4.9	5.4	6.0	5.7	5.9	6.3	6.4	7.1	9.5	8.8	10.1	11.3
10 Residential construction.....	.5	.5	.6	.5	.6	.5	.6	.6	.6	.4	.6	.7
11 Change in inventories.....	1.0	-2.2	.7	.1	.1	.2	1.4	.7	4.0	3.3	4.7	3.5
12 Net financial investment.....	-1.4	-.5	-1.6	-.1	-.1	-.7	-1.4	-.8	-5.2	-4.0	-6.4	-5.9
13 Net acquisition of financial assets.....	.3	.2	.4	.6	.5	.6	.7	.9	.7	.7	.7	.9
14 Demand deposits and currency.....	.1	.1	.2	.1	.1	.1	.1	.3	*	*	*	.1
15 Miscellaneous assets.....	.2	.2	.3	.4	.4	.5	.6	.7	.7	.7	.7	.8
16 Insurance receivables.....	.1	.2	.2	.3	.4	.4	.5	.6	.6	.6	.6	.6
17 Equity in sponsored agencies <sup>6</sup> .....	*	*	*	.1	.1	.1	.1	.2	.2	.2	.2	.2
18 Net increase in liabilities.....	1.6	.7	2.0	.7	.6	1.4	2.1	1.7	5.9	4.8	7.0	6.7
19 Credit market instruments.....	3.3	3.1	3.6	2.8	3.2	3.2	4.1	4.9	8.6	7.5	9.7	9.0
20 Mortgages.....	2.2	1.8	2.3	2.2	1.9	1.8	2.0	2.6	4.4	4.2	4.6	4.2
21 Bank loans n.e.c.....	.7	.9	.7	.4	.6	.8	1.3	1.8	3.0	2.4	3.6	3.3
22 Other loans.....	.3	.4	.6	.2	.6	.6	.7	.5	1.2	.9	1.5	1.6
23 U.S. Government.....	.1	*	.2	-.1	-.1	*	*	*	.1	.1	.2	.2
24 FICB.....	.3	.4	.5	.2	.6	.7	.7	.4	1.1	.9	1.3	1.7
25 Trade debt.....	.7	.9	.8	.3	.7	.9	1.1	1.5	1.5	1.5	1.5	1.7
26 Proprietor net investment <sup>8</sup> .....	-2.3	-3.3	-2.5	-2.4	-3.2	-2.8	-3.1	-4.6	-4.2	-4.2	-4.1	-4.0
<b>Nonfarm noncorporate business</b>												
1 Net income <sup>1</sup> .....	50.7	53.8	56.4	58.9	60.0	60.3	62.2	65.3	67.7	67.2	68.3	69.8
2 Capital consumption.....	10.2	10.7	11.2	11.9	13.1	14.6	15.7	17.7	19.3	18.7	20.0	21.0
3 Current surplus = gross saving <sup>5</sup> .....	10.2	10.7	11.2	11.9	13.2	14.6	15.7	17.7	19.3	18.7	20.0	21.0
4 Gross investment.....	10.2	10.7	11.2	11.9	13.2	14.6	15.7	17.7	19.3	18.7	20.0	21.0
5 Capital expenditures.....	15.0	14.1	14.7	16.6	18.6	16.9	21.6	23.4	25.1	24.9	25.2	26.1
6 Fixed capital.....	14.2	13.5	14.5	16.1	17.6	18.3	21.7	25.3	26.6	27.2	25.9	24.2
7 Plant and equipment.....	8.6	9.1	9.3	9.8	10.6	10.6	11.5	12.2	12.9	13.0	12.9	12.9
8 Home construction <sup>2</sup> .....	.1	-.6	.7	.3	-.3	.2	1.2	.8	-.5	.3	-1.3	-.8
9 Multifamily residential.....	5.5	5.1	4.5	5.9	7.3	7.5	9.1	12.3	14.2	14.0	14.4	12.2
10 Change in inventories.....	.7	.6	.2	.5	1.0	-1.4	-.1	-1.9	-1.5	-2.3	-.6	-3.1
11 Net financial investment.....	-4.7	-3.4	-3.5	-4.7	-5.4	-2.4	-5.9	-5.6	-6.2	-6.2	-5.3	-.1
12 Net acquisition of financial assets.....	.7	.9	.8	1.0	1.3	1.3	1.5	2.1	2.3	2.0	2.6	.9
13 Demand deposits and currency.....	*	*	*	*	*	*	*	*	*	*	*	*
14 Consumer credit.....	.4	.5	.4	.5	.6	.6	.7	1.1	1.3	1.0	1.6	-.1
15 Miscellaneous assets.....	.3	.4	.4	.5	.7	.7	.8	1.0	1.0	1.0	1.0	1.0
16 Net increase in liabilities.....	5.4	4.3	4.3	5.6	6.7	3.7	7.4	7.7	8.0	8.2	7.8	1.0
17 Credit market instruments.....	5.7	5.4	5.0	5.6	7.4	5.3	8.7	10.4	9.3	11.2	7.4	7.0
18 Mortgages.....	3.2	2.4	3.7	3.4	3.8	4.9	8.0	9.2	7.1	8.7	5.4	6.7
19 Home mortgages.....	.1	-.5	.6	.2	-.2	.2	1.0	.6	-.4	-.2	-1.1	-.6
20 Multifamily.....	2.8	2.4	2.8	2.7	3.6	4.3	6.2	7.3	3.6	4.9	7.0	6.1
21 Commercial.....	.3	.4	.3	.5	.4	.4	.9	1.3	1.6	1.5	1.6	1.2
22 Bank loans n.e.c.....	1.0	1.3	.6	1.1	2.1	-.6	.2	.7	.4	.3	.5	-1.1
23 Other loans <sup>7</sup> .....	1.6	1.7	.6	1.0	1.5	1.0	.5	.4	1.8	2.1	1.5	1.4
24 Trade debt, net.....	-.7	-1.2	.7	*	-.5	-.2	.3	.2	-1.0	-.7	-1.3	-.9
25 Proprietor net investment <sup>8</sup> .....	.4	.1	-1.3	.2	-.2	-1.8	-1.6	-2.8	-.3	-2.3	1.8	-5.2

NOTE.—Data revised for all periods; 1974 H1 based on preliminary and incomplete information. For other notes see p. A-59.13.

## 4. SECTOR STATEMENTS OF SAVING AND INVESTMENT—Continued

(Seasonally adjusted annual rates; in billions of dollars)

Category	1965	1966	1967	1968	1969	1970	1971	1972	1973	1973		1974 <sup>p</sup>	
										H1	H2	H1	
Nonfinancial corporate business													
1 Profits before tax.....	65.7	71.1	66.1	72.2	67.9	55.7	63.1	76.0	95.2	96.2	94.2	111.3	1
2 - Profits tax accruals.....	27.5	30.0	28.3	34.0	33.6	27.5	29.7	33.3	40.5	41.1	40.0	46.2	2
3 - Net dividends paid.....	16.8	18.1	18.8	20.8	20.7	20.0	20.2	22.1	23.6	22.6	24.7	28.2	3
4 = Undistributed profits.....	21.3	22.9	19.0	17.5	13.6	8.3	13.3	20.7	31.0	32.5	29.6	36.4	4
5 + Foreign branch profits.....	1.8	1.8	2.1	2.5	2.5	2.3	2.0	2.1	3.7	2.9	4.5	10.7	5
6 + Investment valuation adjustment.....	-1.7	-1.8	-1.1	-3.3	-5.1	-4.8	-4.9	-7.0	-17.6	-18.2	-16.9	-34.1	6
7 + Capital consumption allowance.....	35.2	38.2	41.5	45.1	49.8	53.6	57.7	63.0	67.5	66.5	68.4	70.8	7
8 = Gross internal funds.....	56.6	61.2	61.5	61.7	60.7	59.4	68.0	78.7	84.6	83.6	85.6	83.7	8
9 Gross investment (10+16).....	47.7	53.0	55.7	52.1	54.7	52.7	57.8	64.0	70.8	68.6	72.9	70.2	9
10 Capital expenditures.....	62.3	76.5	71.4	75.0	83.7	84.0	87.2	102.5	121.5	115.2	127.8	132.2	10
11 Fixed investment.....	54.4	62.1	64.1	68.6	76.9	78.4	82.1	92.8	108.6	105.8	111.4	116.6	11
12 Plant and equipment.....	52.3	61.1	61.9	66.5	74.0	75.1	77.1	87.1	103.3	99.9	106.7	111.8	12
13 Home construction.....	.1	-.6	.7	.3	-.3	.2	1.2	.8	-.5	.3	-1.3	-.8	13
14 Multifamily residential.....	1.9	1.7	1.6	1.8	3.2	3.1	3.8	4.9	5.8	5.7	6.0	5.5	14
15 Change in inventories <sup>3</sup> .....	7.9	14.4	7.3	6.4	6.7	5.7	5.1	9.7	12.9	9.4	16.3	15.7	15
16 Net financial investment.....	-14.5	-23.5	-15.7	-22.9	-28.9	-31.3	-29.4	-38.5	-50.7	-46.6	-54.8	-62.0	16
17 Net acquisition of financial assets.....	20.2	12.6	16.8	29.0	28.4	12.9	23.1	30.8	40.9	48.7	33.1	55.9	17
18 Liquid assets.....	2.6	-3.7	4.8	8.0	2.3	-.4	10.6	4.0	6.9	16.4	-2.4	16.7	18
19 Demand deposits and currency.....	.3	.3	1.5	1.7	2.6	.9	.5	-.1	.7	.7	-1.2	-.2	19
20 Time deposits.....	2.3	-1.4	2.1	.4	-2.4	1.7	3.6	3.1	1.4	7.3	-4.5	6.1	20
21 U.S. Government securities.....	-2.5	-1.2	-2.5	.3	-2.3	.5	2.2	-2.4	-1.8	-.6	-3.0	-3.3	21
22 State and local obligations.....	.9	-1.0	-.3	.5	-1.0	-.6	1.0	1.0	-.1	1.8	-2.0	1.0	22
23 Commercial paper.....	.5	-.2	4.2	4.2	4.0	.5	2.4	.8	5.2	6.0	4.5	5.9	23
24 Security RP's <sup>2</sup> .....	1.1	-.2	-.2	.9	1.4	-3.4	.8	1.6	2.6	1.3	3.8	7.1	24
25 Consumer credit.....	.2	.5	.3	*	.3	.7	.6	1.6	2.0	2.2	1.8	2.2	25
26 Trade credit.....	14.0	12.0	8.3	18.6	22.7	8.4	5.7	20.0	24.1	20.4	27.8	33.9	26
27 Miscellaneous assets.....	3.4	3.7	3.5	2.4	3.0	4.2	6.2	5.2	7.9	9.7	6.0	3.1	27
28 Foreign direct investment <sup>10</sup> .....	3.3	3.0	2.7	1.1	2.2	3.6	3.8	1.5	3.6	3.8	3.5	1.6	28
29 Foreign currencies.....	-.3	.1	.1	.5	-.4	-.4	1.4	1.8	2.6	4.3	.9	-.1	29
30 Insurance receivables.....	.4	.6	.7	.8	1.1	.9	1.0	1.9	1.6	1.6	1.6	1.6	30
31 Equity in sponsored agencies.....	*	*	*	*	.1	.1	*	*	*	*	*	*	31
32 Net increase in liabilities.....	34.8	36.1	32.5	51.9	57.4	44.2	52.5	69.3	91.6	95.3	88.0	117.9	32
33 Net funds raised in markets.....	20.4	25.3	29.6	31.5	38.9	39.5	46.8	55.3	67.2	72.3	62.0	76.2	33
34 Net new share issues.....	*	1.3	2.4	-.2	3.4	5.7	11.4	10.9	7.4	7.8	7.0	6.1	34
35 Debt instruments.....	20.4	24.0	27.2	31.7	35.5	33.8	35.4	44.4	59.7	64.4	55.0	70.1	35
36 Tax-exempt bonds <sup>11</sup> .....	.....	.....	.....	.....	.....	.....	.1	.5	1.8	1.7	1.9	1.6	36
37 Corporate bonds <sup>10</sup> .....	5.4	10.2	14.7	12.9	12.0	19.8	18.8	12.2	9.2	8.8	9.5	14.3	37
38 Mortgages.....	3.9	4.2	4.5	5.7	4.6	5.2	11.4	15.6	16.1	16.8	15.5	12.4	38
39 Home mortgages.....	.1	-.5	.6	.2	-.2	.2	1.0	.6	-.4	-.2	-1.1	-.6	39
40 Multifamily mortgages.....	.9	.7	.8	.7	1.2	1.5	2.6	3.0	2.5	2.7	2.2	2.2	40
41 Commercial mortgages.....	2.9	4.0	3.1	4.8	3.7	3.6	7.9	12.0	14.1	13.8	14.3	10.9	41
42 Bank loans n.e.c.....	10.5	8.3	6.6	9.6	11.8	5.6	4.4	13.5	30.6	39.2	22.1	32.9	42
43 Open-market paper.....	-.3	1.0	1.5	1.6	2.7	2.6	-1.5	-.5	-.3	-3.9	3.3	6.8	43
44 Finance company loans.....	.6	-.1	-.3	1.7	4.3	.4	1.9	2.8	2.0	1.4	2.5	2.2	44
45 U.S. Government loans.....	.3	.4	.2	.2	.1	.3	.2	.2	.3	.4	.3	-.1	45
46 Profit tax liability.....	2.2	.2	-4.7	2.9	-3.3	-3.7	2.0	-.1	2.3	2.6	2.1	5.3	46
47 Trade debt.....	12.1	10.6	7.4	17.2	21.0	7.4	3.8	13.7	19.6	18.6	20.7	31.0	47
48 Miscellaneous liabilities.....	.1	.1	.3	.3	.8	1.0	-.1	.4	2.5	1.9	3.2	5.3	48
49 Discrepancy.....	8.9	8.2	5.8	9.6	6.0	6.7	10.2	14.8	13.8	15.0	12.6	13.5	49
50 Memo—Net trade credit.....	1.8	1.4	.9	1.4	1.8	.9	1.9	6.3	4.5	1.8	7.1	2.9	50
51 Profits tax payments.....	25.8	30.6	32.3	32.2	36.4	30.3	27.8	33.7	38.1	38.7	37.5	41.4	51
Per cent ratios:													
52 Effective tax rate.....	41.9	42.2	42.8	47.0	49.5	49.4	47.0	43.8	42.6	42.7	42.4	41.5	52
53 Capital outlays/internal funds.....	116.1	125.1	116.2	121.6	137.8	141.4	128.3	130.1	143.6	137.8	149.3	157.9	53
54 Credit market borrowing/capital expenditures.....	32.8	31.4	38.1	42.3	42.4	40.2	40.6	43.3	49.2	55.9	43.1	53.0	54

NOTE.—Data revised for all periods; 1974 H1 based on preliminary and incomplete information. For other notes see p. A-59.13.

## 4. SECTOR STATEMENTS OF SAVING AND INVESTMENT—Continued

(Seasonally adjusted annual rates; in billions of dollars)

Category	1965	1966	1967	1968	1969	1970	1971	1972	1973	1973		1974 <sup>p</sup>	
										H1	H2	H1	
State and local governments—General funds <sup>1</sup>													
1 Total receipts, NIA basis	75.5	85.2	93.5	107.1	119.7	135.0	152.2	177.2	193.5	191.1	195.9	202.7	1
2 Total expenditures, NIA basis	74.5	83.9	95.1	107.5	119.0	133.2	148.8	164.9	184.4	179.3	189.4	200.1	2
3 Net surplus, NIA basis	1.0	1.3	-1.6	-.3	-.7	1.8	3.4	12.3	9.2	11.8	6.5	2.6	3
4 - Retirement credit to households	3.3	4.2	4.1	4.8	5.5	6.3	6.3	7.9	9.4	9.9	9.0	8.9	4
5 = Gross saving	-2.3	-3.0	-5.6	-5.2	-4.8	-4.5	-2.9	4.5	-3.1	1.9	-2.4	-6.3	5
6 Net financial investment	-3.2	-2.8	-5.1	-4.9	-9.3	-4.3	-12.1	-2.7	-5.4	-5.0	-5.8	-8.2	6
7 Net acquisition of financial assets	4.8	4.0	3.4	5.6	1.9	7.6	6.4	12.2	7.9	5.8	10.0	7.3	7
8 Total deposits and currency	2.0	2.1	3.6	3.0	-4.5	7.2	8.2	8.3	6.9	8.4	5.4	6.1	8
9 Demand deposits and currency	-.4	.8	1.2	-.2	1.4	-2.9	1.0	1.5	-.3	.2	-.8	-1.1	9
10 Time deposits	2.4	1.3	2.4	3.2	-5.9	10.0	7.2	6.8	7.2	8.2	6.3	7.2	10
11 Credit market instruments	2.8	1.8	-.3	2.3	6.4	.3	-2.0	3.6	.4	-3.1	4.0	.6	11
12 U.S. Government securities	2.8	1.9	-.4	2.2	6.4	.2	-1.8	3.4	.2	-3.7	4.1	.3	12
13 Direct	2.8	2.5	-.8	-.5	3.1	.9	-1.3	4.0	1.2	-.3	2.6	.3	13
14 U.S. Government agency securities	-.1	-.6	.4	2.7	3.4	-.8	-.5	-.6	-1.0	-3.4	1.4	.3	14
15 State and local obligations	-.1	-.1	-.1	-.1	-.1	-.2	-.3	-.2	-.2	.5	-.1	.3	15
16 Home mortgages	-.1	-.1	-.1	-.1	-.1	-.1	-.1	-.1	-.1	-.1	-.1	-.1	16
17 Taxes receivable	.1	.1	.2	.3	.3	.1	.3	.3	.6	.6	.6	.6	17
18 Net increase in liabilities	8.0	6.8	8.6	10.4	11.2	11.8	18.5	14.9	13.3	10.8	15.8	15.5	18
19 Credit market borrowing	7.7	6.3	7.9	9.8	10.7	11.3	17.8	14.2	12.3	9.8	14.7	14.6	19
20 State and local obligations	7.3	5.6	7.8	9.5	9.9	11.2	17.5	13.8	11.9	9.9	13.9	14.9	20
21 Short-term	.6	.7	1.8	1.1	2.8	2.3	2.5	-.7	-.2	-1.5	1.0	.4	21
22 Other	6.7	5.0	5.9	9.4	7.2	8.9	15.0	14.5	12.2	11.5	12.9	14.4	22
23 U.S. Government loans	.4	.6	.2	.3	.7	.1	.4	.3	.3	-.1	.8	-.2	23
24 Trade debt	.3	.5	.6	.6	.5	.5	.7	.7	1.1	1.1	1.1	.9	24
25 Discrepancy (5-6)	.9	-.2	-.5	-.3	4.5	-.2	9.1	7.1	5.1	6.9	3.4	1.9	25
U.S. Government <sup>2</sup>													
1 Total receipts, NIA basis	124.7	142.5	151.2	175.0	197.3	192.0	198.5	227.2	258.5	252.0	265.0	285.8	1
2 Total expenditures, NIA basis	123.5	142.8	163.6	181.5	189.2	203.9	220.3	244.7	264.1	261.3	267.0	286.1	2
3 Net surplus, NIA basis	1.2	-.2	-12.4	-6.5	8.1	-11.9	-21.9	-17.5	-5.6	-9.3	-2.0	-.3	3
4 - Insurance credits to households <sup>3</sup>	1.4	1.4	1.4	1.3	1.6	2.5	2.9	3.2	2.1	3.1	1.2	.8	4
5 = Gross saving	-.2	-1.6	-13.8	-7.8	6.5	-14.4	-24.8	-20.7	-7.8	-12.3	-3.2	-1.2	5
6 Net financial investment	-.9	-.8	-12.8	-8.4	6.1	-15.2	-24.9	-21.1	-7.7	-13.6	-1.7	-.3	6
7 Net acquisition of financial assets	3.0	5.4	2.9	7.4	3.7	7.7	4.2	-.1	4.3	7.9	.8	7.9	7
8 Gold, SDR's and official foreign exchange <sup>4</sup>	.1	-.2	.4	2.0	1.4	-2.0	-2.2	-.3	-.1	-.1	-.1	1.0	8
9 Demand deposits and currency	-1.4	-.1	1.0	-1.7	1.1	2.5	3.3	-1.0	-1.8	3.2	-6.8	-1.6	9
10 Time deposits	-.1	-.1	-.1	-.1	-.2	.3	.1	.1	-.2	.2	-.6	-.3	10
11 Credit market instruments	2.8	4.9	4.6	4.9	2.9	2.8	3.2	2.6	3.0	.9	5.0	2.6	11
12 Sponsored agency issues	-.1	1.3	-.1	-.1	-1.3	-.1	-.1	-.1	-.1	-.1	-.1	-.1	12
13 Home mortgages	-.1	.6	.7	.8	.1	-.1	-.3	-.6	-1.2	-2.5	.1	.1	13
14 Other mortgages	-.1	.2	.2	.3	.6	.5	.4	-.4	.6	.3	.9	.9	14
15 Other loans	2.9	2.8	3.8	3.7	3.5	2.6	3.2	2.9	3.6	3.1	4.0	2.5	15
16 Taxes receivable	1.2	-.7	-4.4	1.7	-2.6	-2.3	1.4	-.8	2.2	2.3	2.1	4.6	16
17 Trade credit	.4	1.2	1.5	.6	.9	-.8	-1.7	-.8	.3	.9	-.3	.1	17
18 Miscellaneous	-.1	.4	-.1	-.2	.1	.3	.1	.1	1.0	.4	1.5	1.1	18
19 Net increase in liabilities	3.9	6.2	15.7	15.9	-2.5	15.9	29.1	21.0	12.0	21.5	2.6	8.2	19
20 Treasury currency & SDR certificates <sup>5</sup>	-.2	.9	.7	.4	.3	.6	.5	.5	.4	.6	.3	.2	20
21 Credit market instruments	1.8	3.6	13.0	13.4	-3.6	12.8	25.5	17.3	9.7	17.8	1.6	8.2	21
22 Savings bonds	-.6	.7	.9	.4	-.4	.3	2.4	3.3	2.7	3.6	1.9	3.2	22
23 Direct excluding savings bonds	.7	1.7	8.0	9.9	-.9	12.6	23.6	10.6	5.0	13.1	-.3	3.8	23
24 Agency issues and mortgages <sup>6</sup>	.5	1.3	4.1	3.1	-2.4	-.1	-.5	3.4	2.0	1.2	2.8	1.2	24
25 Life and retirement reserves	1.4	1.4	1.4	1.3	1.6	2.5	2.9	3.2	2.1	3.1	1.2	.8	25
26 Trade debt	-.5	.7	.6	-.3	-.3	-.6	-.7	-.1	.1	-.3	.6	-.8	26
27 Miscellaneous	.7	1.2	1.3	1.1	-.4	.6	.6	.4	.2	.6	-.2	-.8	27
28 Discrepancy (5-6)	.6	-.8	-1.0	.6	.4	.8	.1	.4	-.1	1.3	-1.4	-.9	28
29 Memo: Corporate tax receipts, net	28.1	32.8	35.1	35.0	39.2	33.4	32.0	37.3	41.6	41.5	41.6	45.4	29
Federally sponsored credit agencies <sup>8</sup>													
1 Current surplus	.1	.1	.1	.1	.1	.1	.1	.1	.2	.2	.3	.3	1
2 Net acquisition of financial assets	2.3	5.1	-.1	3.2	9.2	10.8	3.4	6.6	22.0	18.8	25.2	19.4	2
3 Demand deposits and currency	-.1	-.1	-.1	-.1	-.1	-.1	-.1	-.1	-.1	-.1	-.1	-.1	3
4 Credit market instruments	2.2	5.1	-.1	3.2	8.9	10.0	3.2	7.0	20.3	18.3	22.2	20.0	4
5 U.S. Government securities	.1	1.0	-.1	-.1	-.4	1.9	-1.2	-.4	1.3	-.7	3.4	-3.0	5
6 Residential mortgages	.5	1.9	1.1	1.6	3.9	5.4	5.6	5.5	8.4	7.2	9.6	11.5	6
7 Farm mortgages	.6	.7	.7	.5	.6	.5	.7	1.2	2.0	1.9	2.0	2.4	7
8 Other loans	1.0	1.6	-1.8	1.2	4.8	2.3	-2.0	.8	8.5	9.9	7.2	9.1	8
9 To coops (BC)	.1	.2	.2	.1	.2	.3	.3	.3	.3	1.0	-.4	.6	9
10 To farmers (FICB)	.3	.4	.5	.2	.6	.7	.7	.4	1.1	.9	1.3	1.7	10
11 To S & L's (FHLB)	.7	.9	-2.5	.9	4.0	1.3	-2.7	-.1	7.2	8.0	6.3	6.8	11
12 Miscellaneous assets	.1	-.1	-.1	-.1	.3	.8	.2	-.4	1.7	.5	2.9	-.4	12
13 Net increase in liabilities	2.2	5.0	-.2	3.2	9.1	10.8	3.3	6.5	21.8	18.5	25.0	19.1	13
14 Credit market instruments	2.1	4.8	-.6	3.5	8.8	8.2	3.8	6.2	19.6	17.4	21.8	14.1	14
15 Sponsored agency issues	1.9	5.1	-.6	3.2	9.1	8.2	3.8	6.2	19.6	17.4	21.8	14.1	15
16 U.S. Government loans	.2	-.2	-.1	-.2	-.3	-.3	-.3	-.3	-.3	-.3	-.3	-.3	16
17 Miscellaneous liabilities	.1	.2	.5	-.3	.4	2.5	-.5	.3	2.2	1.2	3.2	4.9	17
18 Discrepancy	-.1	.1	-.1	.1	.1	.1	-.1	-.1	-.1	-.1	-.1	-.1	18

NOTE.—Data revised for all periods; 1974 H1 based on preliminary and incomplete information. For other notes see p. A-59.13.



## 4. SECTOR STATEMENTS OF SAVING AND INVESTMENT—Continued

(Seasonally adjusted annual rates; in billions of dollars)

Category	1965	1966	1967	1968	1969	1970	1971	1972	1973	1973		1974 <sup>a</sup>	
										H1	H2		
<b>Monetary authorities<sup>1</sup></b>													
1 Current surplus.....	*	*	*	*	*	*	-1	1	1	1	1	.2	1
2 Net acquisition of financial assets.....	-2.3	4.2	4.9	3.6	4.2	5.3	8.3	2.2	7.8	9.0	6.7	11.5	2
3 Gold and foreign exchange <sup>2</sup> .....	-1.3	-.3	-.5	-1.2	-.1	-1.4	-.8	-.4	-.2	-.4	*	.2	3
4 Treasury currency and SDR cfts.....	.2	.7	.5	.2	.1	.7	.5	.7	.4	.4	.4	.4	4
5 F.R. float.....	-.4	.3	.1	.9	*	.8	.1	-.4	-.9	-1.1	-.7	.5	5
6 F.R. loans to domestic banks.....	-.1	.1	*	*	*	.2	-.3	1.9	-.7	-.2	-1.3	4.4	6
7 Credit market instruments.....	3.8	3.5	4.8	3.7	4.2	5.0	8.9	.3	9.2	10.1	8.3	6.2	7
8 U.S. Government securities.....	3.7	3.5	4.8	3.8	4.2	5.0	8.7	.4	9.3	10.2	8.3	5.7	8
9 Acceptances.....	.1	*	*	-.1	*	*	.2	-.2	*	-.1	*	.5	9
10 Bank loans n.e.c.....	*	*	*	*	*	*	*	*	*	*	*	*	10
11 Net increase in liabilities.....	2.2	4.2	4.8	3.6	4.1	5.3	8.4	2.1	7.7	8.8	6.6	11.4	11
12 Member bank reserves.....	.4	1.3	1.3	.8	.2	2.1	3.6	-2.1	1.4	-.5	3.3	6.5	12
13 Vault cash of coml. banks <sup>3</sup> .....	.3	.6	.5	1.3	.1	-.3	.5	1.1	2.0	-1.0	5.0	-4.3	13
14 Demand deposits and currency.....	2.0	2.3	3.0	1.5	3.3	3.1	4.4	3.2	3.4	9.7	-2.9	9.4	14
15 Due to U.S. Government.....	*	.2	.9	-1.0	.5	-.4	.9	-1.1	-.5	3.9	-4.9	*	15
16 Due to rest of the world <sup>4</sup> .....	.1	.2	*	.1	-.1	*	.1	-.1	-.1	.1	-.3	.3	16
17 Currency outside banks.....	2.1	2.0	2.1	2.4	2.8	3.5	3.4	4.4	3.9	5.7	2.2	9.1	17
18 Taxes payable.....	-1.5	*	*	*	*	*	*	*	.1	.1	.1	.1	18
19 Miscellaneous liabilities.....	*	-.1	*	.1	.5	.4	-.2	-.1	.8	.5	1.0	-.4	19
<b>Commercial banking<sup>5</sup></b>													
1 Current surplus.....	2.1	2.5	2.3	3.0	3.7	3.3	2.9	3.5	4.4	4.3	4.5	4.8	1
2 Plant and equipment.....	.9	1.0	1.0	1.3	1.9	2.1	2.3	2.7	3.0	2.9	3.2	3.1	2
3 Net acquisition of financial assets.....	29.8	21.3	40.9	46.3	22.0	45.2	58.5	78.3	100.2	113.9	86.6	89.0	3
4 Demand deposits and currency.....	*	*	.1	*	*	.1	.1	.2	.3	*	.6	-.3	4
5 Total bank credit.....	28.6	18.1	37.4	40.1	17.2	36.6	51.4	75.4	83.3	89.7	76.8	77.3	5
6 Credit market instruments.....	28.7	17.5	35.9	38.7	18.2	35.1	50.6	70.5	86.6	93.7	79.5	78.0	6
7 U.S. Government securities.....	-2.8	-3.1	9.4	3.3	-10.0	10.4	6.9	6.5	-1.3	-4.1	1.6	4.0	7
8 Direct.....	-3.4	-3.4	6.5	2.1	-9.7	6.9	3.1	2.4	-8.8	-9.7	-7.9	-1.6	8
9 Agency issues.....	.6	.3	2.9	1.2	-.3	3.5	3.8	4.1	7.6	5.6	9.5	5.6	9
10 Other securities and mortgages.....	10.8	7.1	14.6	15.5	5.6	13.9	23.8	25.7	25.9	23.3	28.5	21.6	10
11 State and local obligations.....	5.2	2.3	9.1	8.6	.2	10.7	12.6	7.2	5.7	3.6	7.8	7.2	11
12 Corporate bonds.....	-.1	.1	.8	.3	-.1	.8	1.3	1.7	.5	-.3	1.3	.1	12
13 Home mortgages.....	3.2	2.4	2.5	3.5	3.0	.9	5.7	9.0	11.0	11.0	11.0	8.3	13
14 Other mortgages.....	2.5	2.3	2.2	3.2	2.4	1.6	4.2	7.8	8.8	9.1	8.4	6.0	14
15 Other credit excluding security.....	20.7	13.5	11.9	20.0	22.7	10.7	19.8	38.4	62.0	74.5	49.4	52.5	15
16 Consumer credit.....	4.6	2.6	2.4	5.7	4.7	2.9	6.7	10.1	10.6	12.1	9.1	4.8	16
17 Bank loans n.e.c.....	16.4	9.8	7.5	15.7	17.6	5.8	12.4	28.5	52.1	63.4	40.9	44.5	17
18 Open-market paper.....	-.3	1.1	2.0	-1.4	.5	2.0	.8	-.2	-.8	-.9	-.6	3.2	18
19 Corporate equities.....	.1	.1	.1	.1	*	.1	*	.1	.1	.1	.....	.....	19
20 Security credit.....	-.2	.6	1.5	1.3	-1.1	1.4	.8	4.8	-3.4	-4.1	-2.7	-.7	20
21 Vault cash and member bank reserves.....	.7	1.9	1.8	2.0	.3	1.8	4.1	-1.0	3.5	-1.5	8.4	2.2	21
22 Other interbank claims.....	.1	*	1.0	.7	1.6	1.7	1.7	1.4	6.0	14.1	-2.0	5.0	22
23 Miscellaneous assets.....	.5	1.2	.7	3.4	2.8	5.0	1.2	2.3	7.2	11.6	2.9	4.9	23
24 Net increase in liabilities.....	28.5	20.1	39.1	44.4	19.8	43.6	56.8	76.3	97.3	111.1	83.5	86.6	24
25 Demand deposits, net.....	5.2	1.6	12.0	13.3	4.9	11.2	13.0	16.3	12.6	9.8	15.4	2.1	25
26 U.S. Government.....	-1.0	-.5	.2	-.2	*	2.9	2.2	.7	-1.0	-.3	-1.7	-2.7	26
27 Other <sup>6</sup> .....	6.2	2.1	11.8	13.5	4.9	8.3	10.8	15.6	13.6	10.1	17.1	4.7	27
28 Time deposits.....	20.1	13.3	23.9	20.7	-9.5	38.0	41.4	42.3	50.9	61.1	40.8	62.3	28
29 Large negotiable CD's.....	3.7	-.6	4.7	3.1	-12.5	15.2	8.7	9.8	20.0	30.2	9.8	32.0	29
30 Other at commercial banks.....	16.4	13.8	19.1	17.4	2.9	22.4	32.4	33.0	30.3	30.3	30.4	30.2	30
31 At foreign banking agencies.....	.1	*	.1	.2	.2	.4	.3	-.5	.6	.6	.6	.1	31
32 Corporate equities.....	-.1	*	*	-.1	*	.1	.6	1.2	1.2	1.9	.5	1.0	32
33 Credit market debt <sup>7</sup> .....	1.9	*	.1	1.4	5.8	-5.0	3.2	4.4	10.6	12.8	8.5	7.7	33
34 Federal Reserve float.....	-.4	.3	.1	.9	*	.8	.1	-.4	-.9	-1.1	-.7	.5	34
35 Borrowing at Federal Reserve Banks.....	-.1	.1	*	*	*	.2	-.3	1.9	-.7	-.2	-1.3	4.4	35
36 Other interbank claims.....	.1	*	1.0	.7	1.6	1.7	1.7	1.4	6.0	14.1	-2.0	5.0	36
37 Taxes payable.....	-.1	*	-.1	-.1	.1	.3	*	-.2	.1	.2	*	.2	37
38 Miscellaneous liabilities.....	1.8	5.0	2.3	7.6	16.9	-3.7	-2.7	9.3	17.5	12.5	22.4	3.6	38
39 Liabilities to foreign affiliates.....	.1	2.9	.7	2.3	7.9	-6.9	-4.1	.9	1.1	.8	1.3	5.6	39
40 Other.....	1.8	2.0	1.6	5.3	8.9	3.2	1.3	8.4	16.4	11.7	21.1	-2.1	40
41 Discrepancy.....	-.1	.2	-.4	-.1	-.3	-.4	-1.1	-1.1	-1.6	-1.4	-1.7	-.7	41

NOTE.—Data revised for all periods; 1974 H1 based on preliminary and incomplete information. For other notes see p. A-59.13.

## 4. SECTOR STATEMENTS OF SAVING AND INVESTMENT—Continued

(Seasonally adjusted annual rates; in billions of dollars)

Category	1965	1966	1967	1968	1969	1970	1971	1972	1973	1973		1974 <sup>a</sup>
										H1	H2	H1
Commercial banks												
1 Current surplus .....	2.1	2.5	2.3	3.0	3.7	3.3	2.9	3.5	4.4	4.3	4.5	4.8
2 Plant and equipment .....	.9	1.0	1.0	1.3	1.9	2.1	2.3	2.7	3.0	2.9	3.2	3.1
3 Net acquisition of financial assets .....	29.9	20.3	39.8	43.5	13.6	38.0	56.6	77.3	88.6	95.4	81.8	81.7
4 Total bank credit .....	28.5	17.5	36.8	39.6	11.6	34.7	51.1	73.5	77.9	85.2	70.7	73.3
5 Credit market instruments .....	28.4	17.0	35.3	38.3	12.7	33.3	50.3	68.8	80.9	88.3	73.5	73.3
6 U.S. Government securities .....	-2.9	-3.1	9.2	3.2	-10.1	10.5	7.0	6.0	-1.3	-3.8	1.2	4.0
7 Direct .....	-3.4	-3.4	6.3	2.0	-9.8	7.0	3.2	2.1	-8.8	-9.2	-8.3	-1.4
8 Agency issues .....	.6	.3	2.9	1.2	-.3	3.5	3.8	3.9	7.5	5.5	9.4	5.4
9 Other securities and mortgages .....	10.7	7.0	14.3	15.5	5.3	13.6	23.9	25.3	25.7	23.3	28.0	21.4
10 State and local obligations .....	5.2	2.3	9.0	8.6	-.2	10.5	12.8	7.1	5.6	3.6	7.7	7.0
11 Corporate bonds .....	-1.1	.1	.8	.3	-.1	.8	1.3	1.4	-.4	-.3	1.2	1.1
12 Home mortgages .....	3.1	2.4	2.4	3.5	3.0	.7	5.6	9.0	11.0	11.2	10.8	8.3
13 Other mortgages .....	2.5	2.3	2.2	3.2	2.3	1.6	4.2	7.8	8.7	8.9	8.4	6.1
14 Other credit excluding security .....	20.6	13.1	11.8	19.5	17.5	9.1	19.4	37.6	56.5	68.7	44.3	47.9
15 Consumer credit .....	4.6	2.6	2.4	5.7	4.7	2.9	6.7	10.1	10.6	12.1	9.1	4.8
16 Bank loans n.e.c. ....	16.3	9.3	7.3	15.3	12.3	4.2	11.9	27.7	46.7	57.6	35.8	39.9
17 Open-market paper .....	-.3	1.1	2.0	-1.4	.5	2.0	.8	-.2	-.8	-.9	-.6	3.2
18 Security credit .....	.1	.5	1.5	1.3	-1.1	1.4	.8	4.7	-3.0	-3.1	-2.8	*. 18
19 Interbank claims .....	.7	2.0	1.8	2.1	.4	2.0	4.0	1.5	5.8	4.6	7.0	4.4
20 Vault cash and member bank reserves .....	.7	1.9	1.8	2.0	.3	1.8	4.1	-1.0	3.5	-1.5	8.4	2.2
21 Deposits at foreign banking agencies .....	*	*	*	*	.1	.2	-.1	2.5	2.3	6.1	-1.4	2.2
22 Miscellaneous assets .....	.7	.9	1.3	1.9	1.6	1.3	1.5	2.3	4.9	5.6	4.2	4.0
23 Net increase in liabilities .....	28.6	19.1	38.1	41.7	11.5	36.3	54.9	75.3	85.7	92.6	78.8	79.3
24 Demand deposits, net .....	5.5	1.6	11.9	12.3	4.6	4.6	13.0	20.1	13.0	9.1	16.9	-5.6
25 U.S. Government .....	-1.0	-.5	.2	-.2	*	2.9	2.2	7	-1.0	-.3	-1.7	-2.7
26 Other .....	6.4	2.1	11.6	12.5	4.6	1.7	10.7	19.4	14.0	9.4	18.6	-2.9
27 Time deposits .....	20.0	13.3	23.8	20.6	-9.7	37.6	41.1	42.8	50.3	60.5	40.2	62.2
28 Large negotiable CD's .....	3.7	-.6	4.7	3.1	-12.5	15.2	8.7	9.8	20.0	30.2	9.8	32.0
29 Other .....	16.4	13.8	19.1	17.4	2.9	22.4	32.4	33.0	30.3	30.3	30.4	30.2
30 Corporate equities .....	-.1	*	*	-.1	*	.1	.6	1.2	1.2	1.9	.5	1.0
31 Corporate bonds .....	.8	.1	.3	.3	-.2	.1	.9	1.1	*	-.3	.4	1.8
32 Security RP's .....	1.1	-.2	-.2	1.0	1.6	-3.3	1.1	1.7	3.3	3.0	3.6	7.9
33 Profit tax liabilities .....	-.1	*	-.1	-.1	.1	.3	*	-.2	.1	.2	*	.2
34 Interbank liabilities .....	-.4	.3	1.0	1.6	1.6	2.5	1.6	.5	2.1	6.8	-2.6	7.6
35 Federal Reserve float .....	-.4	.3	.1	.9	.8	.1	-.4	-.9	-.1	-.7	-.5	.5
36 Borrowing at Federal Reserve Banks .....	-.1	.1	*	*	*	.2	-.3	1.9	-.7	-.2	-1.3	4.4
37 Demand deposits of foreign banking agencies .....	.1	.1	.9	.7	.8	1.2	1.3	-1.2	2.6	5.4	-.3	1.7
38 Time deposits of foreign banking agencies .....	.....	.....	.....	.....	.....	.1	*	.3	.1	.1	.2	.2
39 Loans from affiliates .....	.....	.....	.....	.....	.6	.1	.3	-.4	-.4	.4	-1.2	-.4
40 Loans from foreign banking agencies .....	.....	.....	.1	*	.1	.1	.1	.2	1.4	2.1	.7	1.3
41 Miscellaneous liabilities .....	1.8	4.1	1.4	6.1	13.5	-5.6	-3.2	8.1	15.7	11.5	19.9	4.2
42 Liabilities to foreign branches .....	.3	2.7	.2	1.8	6.8	-7.2	-4.8	.5	.4	.2	.5	3.2
43 Other .....	1.5	1.4	1.2	4.3	6.7	1.5	1.5	7.7	15.3	11.2	19.4	1.0
44 Discrepancy .....	-.1	.2	-.4	-.1	-.3	-.4	-1.1	-1.1	-1.6	-1.4	-1.7	-.7

NOTE.—Data revised for all periods; 1974 H1 based on preliminary and incomplete information. For other notes see p. A-59.13.

4. SECTOR STATEMENTS OF SAVING AND INVESTMENT—Continued

(Seasonally adjusted annual rates; in billions of dollars)

Category	1965	1966	1967	1968	1969	1970	1971	1972	1973	1973		1974 <sup>p</sup>	
										H1	H2	H1	
Domestic affiliates of commercial banks													
1 Net acquisition of financial assets.....					4.5	-.9	.2	-.6	1.3	2.2	.4	1.8	1
2 Bank loans n.e.c.....					3.9	-1.0	-.1	-.2	1.7	1.8	1.6	2.1	2
3 Loans to affiliate banks.....					.6	.1	.3	-.4	-.4	.4	-1.2	-.4	3
4 Net increase in liabilities.....					4.5	-.9	.2	-.6	1.3	2.2	.4	1.8	4
5 Commercial paper issues.....					4.2	-1.9	-.4	.7	2.2	3.3	1.2	4.1	5
6 Miscellaneous liabilities.....					.3	1.0	.6	-1.3	-1.0	-1.1	-.8	-2.4	6
Edge Act corporations and agencies of foreign banks													
1 Net acquisition of financial assets.....	-.2	.7	.7	2.5	2.7	7.7	1.2	1.2	9.9	16.5	3.3	4.9	1
2 Credit market instruments.....	.2	.4	.4	.4	1.3	2.7	.1	1.7	3.9	3.9	3.9	2.7	2
3 U.S. Government securities.....	.1	-.1	.1	*	*	-.1	-.2	.3	.1	.....	.2	.1	3
4 State and local obligations.....	*	*	.1	-.1	*	.2	-.2	*	*	*	.1	.1	4
5 Corporate bonds.....	*	*	*	*	*	*	.....	.3	*	*	.1	*	5
6 Bank loans n.e.c.....	.1	.4	.1	.4	1.3	2.6	.5	1.1	3.7	3.9	3.5	2.5	6
7 Open-market paper.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	7
8 Corporate equities.....	.1	.1	.1	.1	*	.1	*	.1	.1	.1	.....	.....	8
9 Security credit.....	-.3	.1	.....	.....	.....	.....	.....	.1	-.4	-1.0	.1	-.7	9
10 Demand deposits at commercial banks.....	.1	.1	.9	.7	.8	1.2	1.3	-1.2	2.6	5.4	-.3	1.7	10
11 Time deposits at commercial banks.....	.....	.....	.....	.....	.....	.1	*	.3	.1	.1	.2	.2	11
12 Loans to banks.....	-.1	-.1	.1	*	.1	.1	.1	.2	1.4	2.1	.7	1.3	12
13 Miscellaneous assets.....	-.2	.2	-.7	1.4	.3	3.5	-.4	*	2.3	5.8	-1.3	-.3	13
14 Net increase in liabilities.....	-.2	.7	.7	2.5	2.7	7.7	1.2	1.2	9.9	16.5	3.3	4.9	14
15 Demand deposits in money stock.....	-.2	*	.1	1.0	.3	6.6	*	-3.7	-.4	.7	-1.5	7.6	15
16 Time deposits.....	.1	*	.1	.2	.2	.4	.3	-.5	.6	.6	.6	.1	16
17 Deposits of banks.....	*	*	*	*	.1	.2	-.1	2.5	2.3	6.1	-1.4	2.2	17
18 Loans from banks.....	*	.1	*	.1	.2	.1	1.6	.8	5.1	6.8	3.4	-6.1	18
19 Miscellaneous liabilities.....	*	.6	.5	1.2	1.9	.4	-.6	2.0	2.3	2.3	2.2	1.1	19
20 Due to foreign affiliates.....	-.2	.3	.5	.5	1.2	.2	.7	.4	.7	.6	.8	2.4	20
21 Other.....	.1	.3	*	.7	.8	.2	-1.3	1.6	1.5	1.7	1.4	-1.3	21
Banks in U.S. possessions													
1 Net acquisition of financial assets.....	.1	.3	.3	.3	1.1	.5	.5	.5	.5	-.2	1.1	.7	1
2 Demand deposits and currency.....	*	*	.1	*	*	.1	.1	.2	.3	*	.6	-.3	2
3 Credit market instruments.....	.1	.1	.1	.1	.2	.1	.3	.3	.1	-.3	.5	-.1	3
4 U.S. Government securities.....	*	*	*	*	*	*	.2	.2	-.1	-.3	.2	-.1	4
5 State and local obligations.....	*	*	*	*	*	*	*	.1	.1	*	.1	*	5
6 Corporate bonds.....	*	*	*	*	*	*	*	*	*	*	.....	*	6
7 Home mortgages.....	.1	*	.1	*	.1	.1	.1	*	*	-.2	.2	*	7
8 Commercial mortgages.....	*	*	*	*	.1	*	*	*	.1	.1	*	*	8
9 Miscellaneous assets.....	*	.1	.1	.1	.9	.3	.1	*	.1	.1	*	1.1	9
10 Net increase in deposit liabilities.....	.1	.3	.3	.3	1.1	.5	.5	.5	.5	-.2	1.1	.7	10

NOTE.—Data revised for all periods; 1974 H1 based on preliminary and incomplete information. For other notes see p. A-59.13.

## 4. SECTOR STATEMENTS OF SAVING AND INVESTMENT—Continued

(Seasonally adjusted annual rates; in billions of dollars)

Category	1965	1966	1967	1968	1969	1970	1971	1972	1973	1973		1974 <sup>p</sup>	
										H1	H2	H1	
Private nonbank financial institutions—Total													
1 Current surplus	1.4	1.6	1.3	.2	-.1	1.7	4.4	5.0	5.7	5.4	6.0	5.6	1
2 Physical investment (life insurance)	.4	.5	.6	1.1	1.2	1.2	1.8	2.1	2.0	2.6	1.4	1.6	2
3 Net acquisition of financial assets	42.5	35.6	43.2	52.4	46.4	55.2	84.9	107.5	87.7	100.3	75.1	83.7	3
4 Demand deposits and currency	.4	-.3	.7	.9	-.4	1.0	1.1	1.6	2.0	2.0	2.0	.1	4
5 Time deposits (MSB)	*	*	*	*	-.1	.2	.2	.2	.1	.2	.....	.....	5
6 Savings and loan shares (Cr. union)	-.1	-.4	.2	-.2	-.1	.1	.1	.2	*	1.0	-.1	1.6	6
7 Corporate equities	6.0	5.9	9.0	10.7	12.2	11.3	19.3	15.9	13.4	13.0	13.8	12.2	7
8 Credit market instruments	34.2	27.9	27.6	36.6	37.1	39.8	60.1	82.8	72.2	85.3	59.2	64.1	8
9 U.S. Government securities	-.1	.1	-.2	2.0	-.2	3.8	2.6	7.1	.9	3.1	-.2	-.7	9
10 State and local obligations	-.5	.7	1.2	1.2	1.0	1.8	4.4	5.1	3.6	2.6	4.6	3.0	10
11 Corporate and foreign bonds	7.8	9.2	11.9	9.9	7.4	11.6	13.9	13.2	10.9	12.7	9.1	15.8	11
12 Home mortgages	11.9	5.2	8.0	8.6	8.6	7.6	17.8	30.7	26.5	33.2	19.7	19.6	12
13 Other mortgages	7.8	6.7	6.7	7.2	7.6	10.1	14.6	16.8	15.4	16.5	14.3	14.2	13
14 Consumer credit	4.3	2.7	1.5	3.8	4.8	1.8	3.3	6.4	9.0	9.9	8.2	5.7	14
15 Other loans	2.9	3.2	.6	3.8	9.9	3.1	3.5	3.5	5.9	7.3	4.5	6.3	15
16 Security credit	.4	*	3.2	2.8	-.3	-.1	2.5	3.9	-.4	-.5	-.3	-.1	16
17 Trade credit	.2	.2	.3	.3	.4	.5	.3	1.2	.7	.7	.6	.6	17
18 Miscellaneous assets	1.5	2.2	2.1	1.3	.8	3.6	1.4	1.7	3.9	3.5	4.2	5.2	18
19 Net increase in liabilities	41.5	36.1	45.0	53.1	49.2	55.0	82.2	103.5	82.3	95.1	69.4	78.2	19
20 Time and savings accounts	13.1	6.9	17.0	12.7	7.9	17.0	40.6	46.1	28.1	38.9	17.3	27.7	20
21 Insurance and pension reserves	15.6	18.1	18.2	18.8	19.7	21.8	24.8	27.1	29.5	29.0	30.0	27.1	21
22 Corporate equities	3.3	3.8	3.1	6.5	6.1	4.5	2.7	1.3	-.4	.3	-.1	2.0	22
23 Credit market instruments	6.0	3.2	-.5	7.1	13.0	4.7	6.2	15.9	21.0	23.7	18.2	14.3	23
24 Corporate bonds	1.9	.8	1.0	.8	1.7	3.0	4.2	5.8	2.3	3.3	1.3	1.9	24
25 Mortgage loans in process	*	-.9	1.0	.2	.6	2.0	1.2	-.5	.4	-.3	-.5	*	25
26 Other mortgages	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	26
27 Bank loans n.e.c.	2.3	-.1	-.2	2.4	2.1	-.6	1.4	5.9	8.4	9.4	7.4	7.7	27
28 Other loans	1.9	4.5	-.5	3.5	8.9	1.5	-.5	2.5	11.5	10.1	12.8	4.5	28
29 Open-market paper	1.2	3.5	2.0	2.6	4.9	.2	1.2	2.5	4.3	2.0	6.6	-.2	29
30 FHLB loans	.7	.9	-.2	.9	4.0	1.3	-.2	7.2	8.0	6.3	6.8	3.0	30
31 Security credit	.4	.8	3.2	3.5	-.3	1.0	1.1	4.1	-.3	-.5	-.2	.5	31
32 Taxes payable	.2	*	-.1	.2	.1	.2	.1	.2	.1	.2	.1	.1	32
33 Miscellaneous liabilities	3.0	3.4	4.2	4.4	5.4	5.8	7.0	8.8	7.4	8.7	6.1	6.6	33
34 Discrepancy	*	1.6	2.5	-.2	1.5	.3	*	-.1	-.1	-.2	-.1	-.1	34
Savings and loan associations													
1 Current surplus	1.0	.9	.9	1.0	1.0	1.0	1.2	1.5	1.8	1.8	1.8	1.8	1
2 Net acquisition of financial assets	10.2	4.6	9.7	9.7	9.3	14.1	29.8	37.1	29.2	39.2	19.2	30.3	2
3 Demand deposits and currency	*	-.5	-.3	-.4	-.2	1.3	.5	.6	.6	.2	1.0	.2	3
4 Credit market instruments	9.6	4.2	9.2	10.2	9.9	11.6	29.2	36.4	27.1	37.9	16.4	27.1	4
5 U.S. Government securities	.5	.4	1.6	.7	.3	1.2	5.2	4.3	*	2.7	-.2	3.2	5
6 Home mortgages	7.1	2.9	6.0	7.2	7.7	7.2	17.3	24.8	22.0	28.7	15.2	18.7	6
7 Other mortgages	1.9	.9	1.5	2.1	1.8	3.0	6.6	7.2	4.9	6.3	3.6	5.0	7
8 Consumer credit	.1	.9	.1	-.1	-.2	.3	.1	.2	.2	.2	.2	.1	8
9 Miscellaneous assets	.6	.9	.9	-.1	-.4	2.2	.1	1.5	1.2	1.8	3.0	.9	9
10 Net increase in liabilities	9.4	4.0	9.3	8.9	8.4	13.3	29.0	35.5	27.4	37.1	17.6	28.6	10
11 Savings shares	8.5	3.6	10.6	7.4	3.9	10.9	27.8	32.6	20.5	26.8	14.2	19.2	11
12 Credit market instruments	.8	.1	-.7	1.1	4.1	1.8	-.1	2.0	6.0	8.4	3.5	8.6	12
13 Mortgage loans in process	*	-.9	1.0	.2	.1	.6	2.0	1.2	-.5	.4	-.3	.5	13
14 Bank loans n.e.c.	.2	.1	-.1	-.1	.1	-.1	.7	.7	.3	.7	.7	1.7	14
15 FHLB advances	.7	.9	-.2	.9	4.0	1.3	-.2	7.2	8.0	6.3	6.8	15	15
16 Taxes payable	.1	.4	.4	.4	.4	.6	1.2	.9	.9	1.9	-.1	.8	16
17 Miscellaneous liabilities	.1	.4	.4	.4	.4	.6	1.2	.9	.9	1.9	-.1	.8	17
18 Discrepancy	.2	.3	.5	.3	.1	.2	.3	-.2	-.1	-.3	.2	.1	18
Mutual savings banks													
1 Current surplus	.3	.2	.1	.2	.3	.3	.4	.4	.6	.5	.6	.6	1
2 Net acquisitions of financial assets	4.0	2.8	5.4	4.6	3.1	4.7	10.4	11.0	6.0	9.7	2.2	5.5	2
3 Demand deposits and currency	*	*	*	.1	*	.1	*	.1	.2	.2	.2	-.2	3
4 Time deposits	*	*	*	*	-.1	.2	.2	.2	.1	.2	.....	.....	4
5 Corporate equities	.2	*	.2	.3	.2	.3	.5	.6	.4	.6	.1	.4	5
6 Credit market instruments	3.7	2.6	5.0	4.1	2.9	3.8	9.6	9.8	5.0	8.4	1.7	5.7	6
7 U.S. Government securities	-.3	-.5	-.3	-.2	-.5	.3	.9	1.4	-.5	.2	-.2	.6	7
8 State and local obligations	-.1	-.1	*	*	*	*	.2	.5	*	.3	-.2	.8	8
9 Corporate bonds	-.1	.3	2.1	1.3	.3	1.2	3.9	2.1	-.1	-.2	-.9	1.8	9
10 Home mortgages	2.7	1.6	1.8	1.4	1.4	.9	1.3	3.0	2.6	2.7	2.5	1.1	10
11 Other mortgages	1.4	1.1	1.4	1.4	1.3	.9	2.7	2.6	3.1	3.5	2.7	2.2	11
12 Consumer credit	.1	.1	.1	.1	.1	.1	.1	.3	.2	.4	.1	.2	12
13 Commercial paper	*	.1	*	*	.1	.2	.2	-.2	-.1	-.1	*	-.4	13
14 Security RP's	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	14
15 Miscellaneous assets	.1	.1	.1	.3	*	.3	.2	.4	.3	.3	.3	-.4	15
16 Savings deposits	3.6	2.6	5.1	4.2	2.6	4.4	9.9	10.2	4.7	8.0	1.5	4.6	16
17 Miscellaneous liabilities	.1	*	.1	.1	.2	.1	.1	.2	.6	.7	.5	.1	17
18 Discrepancy	*	*	*	-.1	*	.1	*	-.2	-.1	-.5	.4	-.4	18

NOTE.—Data revised for all periods; 1974 H1 based on preliminary and incomplete information. For other notes see p. A-59.13.

4. SECTOR STATEMENTS OF SAVING AND INVESTMENT—Continued

(Seasonally adjusted annual rates; in billions of dollars)

Category	1965	1966	1967	1968	1969	1970	1971	1972	1973	1973		1974 <sup>a</sup>	
										H1	H2	H1	
<b>Credit unions</b>													
1 Net acquisition of financial assets	1.0	.8	1.2	1.1	1.4	1.7	2.9	3.4	2.9	4.1	1.7	3.9	1
2 Demand deposits and currency	*	*	.1	*	*	.2	.1	.1	*	*	*	*	2
3 Savings and loan shares	-.1	-.4	.2	-.2	-.1	.1	.2	.2	.2	1.0	-1.1	1.6	3
4 Credit market instruments	1.0	1.1	.9	1.3	1.6	1.5	2.6	3.1	2.9	3.1	2.8	2.3	4
5 U.S. Government securities	*	.1	.1	*	-.2	.4	.8	.8	.2	.3	.2	.2	5
6 Home mortgages	*	.1	*	*	*	.1	*	.2	*	*	*	*	6
7 Consumer credit	1.0	.9	.7	1.3	1.7	1.0	1.8	2.1	2.7	2.8	2.6	2.1	7
8 Credit union shares	1.0	.8	1.2	1.1	1.4	1.7	2.9	3.4	2.9	4.1	1.7	3.9	8
<b>Life insurance companies</b>													
1 Current surplus	1.0	1.1	.8	.6	.9	.8	1.0	1.6	1.8	1.7	1.8	1.9	1
2 Physical investment	.4	.5	.6	.7	.8	1.0	1.4	1.0	1.3	1.3	1.2	1.5	2
3 Net acquisition of financial assets	8.7	8.2	8.7	9.8	9.2	9.9	12.7	15.0	16.6	16.4	16.8	15.2	3
4 Demand deposits and currency	*	*	*	.1	*	.1	.2	.1	.4	-.4	-.2	-.2	4
5 Corporate equities	.7	.3	1.0	1.4	1.7	2.0	3.6	3.5	3.6	4.0	3.1	2.2	5
6 Credit market instruments	7.5	7.7	7.4	7.7	6.7	7.0	8.1	10.3	12.1	11.1	13.0	12.3	6
7 U.S. Government securities	-.4	-.4	-.3	-.1	-.3	.1	-.2	.3	.1	.3	-.1	-.6	7
8 State and local obligations	-.3	-.4	-.1	-.2	*	.1	.1	*	*	*	.1	.3	8
9 Corporate bonds	2.8	2.4	3.8	3.9	1.5	1.5	5.5	7.0	5.9	5.8	5.9	5.0	9
10 Home mortgages	1.1	.6	-.5	-.7	-.1	-.1	-.2	-.1	-.5	-.2	.3	-.3	10
11 Other mortgages	3.8	4.0	3.4	3.2	3.1	3.6	3.2	4.0	4.3	3.3	5.4	5.1	11
12 Open-market paper	.1	.1	.1	.1	.9	.8	.6	.2	*	1.5	-1.5	1.2	12
13 Policy loans	.5	1.4	.9	1.2	2.5	2.2	1.0	.9	2.2	1.4	3.1	1.7	13
14 Miscellaneous assets	.5	.2	.3	.6	.9	.8	.9	1.0	.9	.9	.9	.9	14
15 Net increase in liabilities	7.9	8.0	9.1	9.2	9.3	10.2	13.3	15.3	15.1	15.2	15.0	14.0	15
16 Life insurance reserves	4.7	4.6	5.0	4.6	4.9	5.1	6.1	6.5	7.2	7.1	7.3	7.3	16
17 Pension fund reserves	2.1	2.1	2.6	2.9	2.9	3.3	5.2	6.0	5.2	5.0	5.3	4.4	17
18 Taxes payable	*	.1	-.1	.2	.1	.1	-.1	*	*	*	*	*	18
19 Miscellaneous liabilities	1.2	1.2	1.6	1.5	1.4	1.7	2.1	2.9	2.7	3.0	2.4	2.3	19
20 Discrepancy	-.3	.3	.6	-.7	.2	.1	.3	1.0	-1.0	-.8	-1.2	-.9	20
<b>Private pension funds</b>													
1 Net acquisition of financial assets	5.5	7.2	6.6	6.4	6.3	7.1	7.3	6.8	7.7	7.0	8.5	6.5	1
2 Demand deposits and currency	*	*	.4	.3	*	.2	-.2	.2	.4	.8	.1	.4	2
3 Corporate equities	3.1	3.7	4.6	4.7	5.4	4.6	8.9	7.1	5.3	4.7	5.9	3.8	3
4 Credit market instruments	2.1	2.6	.7	1.1	.6	2.4	-1.6	-.5	2.0	1.6	2.3	1.2	4
5 U.S. Government securities	*	-.5	-.6	.4	-.2	.2	-.3	1.0	.6	.5	.8	.2	5
6 Corporate bonds	1.5	2.5	1.1	.6	.6	2.1	-.7	-.8	1.6	1.5	1.7	1.9	6
7 Home mortgages	.6	.6	.2	*	.1	.1	-.6	-.7	-.3	-.4	-.1	-.9	7
8 Miscellaneous assets	.3	.9	.8	.4	.3	*	.1	.1	.1	-.1	.2	1.0	8
<b>State and local Government employee retirement funds</b>													
1 Net acquisition of financial assets	3.3	4.2	4.1	4.8	5.5	6.3	6.3	7.9	9.4	9.9	9.0	8.9	1
2 Demand deposits and currency	*	.1	.1	.1	-.1	.1	.1	.1	.2	-.1	.4	-.1	2
3 Corporate equities	.4	.5	.7	1.3	1.8	2.1	3.2	3.5	3.9	4.3	3.5	3.2	3
4 Credit market instruments	2.9	3.7	3.3	3.4	3.8	4.0	3.0	4.3	5.3	5.6	5.0	5.8	4
5 U.S. Government securities	.2	.1	-.8	.4	-.3	-.3	-1.6	-.6	.1	-.1	.3	-.7	5
6 Direct	.1	*	-1.0	-.2	-.5	-.3	-1.2	-.5	-.1	-.2	*	-.4	6
7 Agency issues	.1	.2	.1	.6	.2	*	-.3	-.1	.2	.2	.3	-.3	7
8 State and local obligations	-.3	-.1	-.1	*	-.1	-.3	.1	-.1	-.6	-.1	-.2	-.2	8
9 Corporate bonds	2.3	2.9	3.7	2.6	3.6	3.8	4.2	5.3	5.9	6.6	5.3	6.6	9
10 Mortgages	.7	.8	.5	.4	.6	.8	.3	-.3	-.1	.1	-.3	.2	10
<b>Other insurance companies</b>													
1 Current surplus	-.1	.5	.4	.1	-.1	.8	1.8	2.0	1.9	2.0	1.8	1.8	1
2 Net acquisition of financial assets	1.2	2.1	2.0	3.1	2.9	5.5	6.6	7.9	5.6	5.7	5.5	5.9	2
3 Demand deposits and currency	-.1	*	*	.1	*	.1	.1	*	*	-.4	.4	*	3
4 Corporate equities	.1	.4	.3	.8	1.0	1.0	2.5	3.0	2.2	2.4	2.0	2.0	4
5 Credit market instruments	1.1	1.5	1.4	1.9	1.6	3.9	3.8	3.7	2.8	3.0	2.6	3.3	5
6 U.S. Government securities	*	-.4	-.7	-.2	-.5	.1	-.4	-.4	-.1	-.3	.1	-.1	6
7 State and local obligations	.4	1.3	1.4	1.0	1.2	1.5	3.9	4.8	3.9	3.7	4.1	4.1	7
8 Corporate bonds	.6	.6	.7	1.2	.8	2.3	.3	-.7	-1.0	-.3	-1.6	-.9	8
9 Commercial mortgages	*	*	*	*	*	*	*	*	*	*	*	.1	9
10 Trade credit	.2	.2	.3	.3	.4	.5	.3	1.2	.7	.7	.6	.6	10
11 Net increase in liabilities	1.7	1.9	2.2	2.7	3.9	3.9	4.1	5.4	3.7	3.6	3.7	4.0	11
12 Corporate equities	.1	.1	.1	.2	.5	.4	.6	.5	.5	.4	.5	.4	12
13 Taxes payable	.1	*	*	*	.1	.1	-.1	.1	*	*	*	*	13
14 Policy payables	1.5	1.8	2.1	2.5	3.3	3.4	3.6	4.8	3.2	3.2	3.2	3.6	14
15 Discrepancy	.4	.2	.6	-.2	.9	-.8	-.8	-.4	-.1	-.1	*	*	15

NOTE.—Data revised for all periods; 1974 H1 based on preliminary and incomplete information. For other notes see p. A-59.13.

## 4. SECTOR STATEMENTS OF SAVING AND INVESTMENT—Continued

(Seasonally adjusted annual rates; in billions of dollars)

Category	1965	1966	1967	1968	1969	1970	1971	1972	1973	1973		1974 <sup>p</sup>	
										H1	H2	H1	
1 Current surplus of group.....	-.7	-1.1	-1.0	-1.8	-2.2	-1.1	*	-.5	-.3	-.6	*	-.5	1
Finance companies													
1 Net acquisition of financial assets.....	5.9	2.3	.7	5.2	8.1	.9	4.4	11.0	10.4	10.8	10.0	5.1	1
2 Demand deposits and currency.....	.2	.2	.1	.1	.1	.2	.3	.3	.2	.3	.2	.2	2
3 Home mortgages.....	.5	-.6	.4	.6	.3	.1	1.1	4.1	1.4	2.0	.7	.4	3
4 Consumer credit.....	3.2	1.6	.5	2.3	2.8	.5	1.3	3.8	5.9	6.5	5.3	3.3	4
5 Other loans (to business).....	2.0	1.1	-.3	2.2	5.0	.1	1.8	2.8	2.9	2.0	3.7	1.3	5
6 Net increase in liabilities.....	5.2	3.1	1.2	5.7	8.3	1.6	4.2	9.3	9.4	9.8	9.0	4.4	6
7 Corporate bonds.....	1.9	.8	1.0	.8	1.6	2.5	3.8	5.4	1.8	2.7	.9	1.5	7
8 Bank loans n.e.c.....	2.2	-1.2	-1.8	2.3	1.9	-1.1	*	3.8	4.1	4.9	3.3	2.0	8
9 Open-market paper.....	1.2	3.5	2.0	2.6	4.9	.2	.4	*	3.5	2.3	4.8	1.0	9
10 Taxes payable.....	.1	*	-.1	*	*	*	*	*	.1	*	.1	.1	10
Real estate investment trusts													
1 Physical investment.....				.4	.3	.2	.4	1.1	.7	1.2	.2	.1	1
2 Multifamily structures.....				.1	.1	.1	.1	.4	.2	.4	.1	*	2
3 Nonresidential structures.....				.2	.2	.2	.3	.8	.5	.8	.2	.1	3
4 Financial assets.....				.3	1.0	2.4	2.6	5.0	5.6	6.1	5.1	3.0	4
5 Home mortgages.....				*	.1	.5	.7	1.4	1.3	1.3	1.2	.6	5
6 Multifamily mortgages.....				.1	.3	.6	.7	1.2	.7	.9	.6	.7	6
7 Commercial mortgages.....				.1	.4	1.0	1.1	2.3	2.5	2.6	2.4	1.0	7
8 Miscellaneous assets.....				.1	.1	.3	*	.2	1.1	1.3	.9	.7	8
9 Financial sources of funds.....				.7	1.3	2.7	3.0	6.1	6.3	7.3	5.3	3.1	9
10 Corporate equities.....				.4	.8	1.4	.9	1.5	.7	1.8	-.4	1.8	10
11 Credit market instruments.....				.3	.5	1.3	2.1	4.6	5.6	5.5	5.7	1.3	11
12 Mortgages.....				.2	.2	.1	.1	.5	.3	.5	.1	.3	12
13 Multifamily residential.....				.1	.1	*	*	.2	.1	.2	*	.1	13
14 Commercial mortgages.....				.1	.2	.1	.1	.3	.2	.4	.1	.2	14
15 Corporate bonds.....				.1	.5	.4	.7	1.4	.6	.7	.4	.4	15
16 Bank loans n.e.c.....				.1	.2	.6	.7	1.3	4.0	4.5	3.4	3.9	16
17 Commercial paper.....							.8	2.5	.7	-.2	1.7	-3.3	17
Open-end investment companies													
1 Current surplus.....	-1.1	-1.2	-1.5	-2.2	-2.2	-.9	-.6	-1.1	-.6	-1.0	-.3	-.7	1
2 Net acquisition of financial assets.....	2.2	2.5	1.5	3.6	2.6	1.7	.6	-1.8	-2.2	-2.9	-1.5	-.9	2
3 Demand deposits and currency.....	.1	*	.2	.1	-.1	*	.1	.3	.3	.6	*	-.3	3
4 Corporate equities.....	1.3	1.0	1.9	2.5	1.7	1.2	.4	-1.8	-2.3	-3.7	-.9	-1.4	4
5 Credit market instruments.....	.8	1.5	-.5	.9	.9	.5	*	*	-.2	.2	-.6	.8	5
6 U.S. Government securities.....	.4	.6	-.5	.2	-.5	.2	-.3	.1	.5	.7	-.2	-.6	6
7 Corporate bonds.....	.4	.4	*	.4	.2	.7	-.6	.2	-.9	-1.5	-.3	-.4	7
8 Open-market paper.....	.3	.5	*	.3	1.2	-.4	-.3	-.3	.2	.9	-.5	1.8	8
9 Net share issues <sup>3</sup> .....	3.2	3.7	3.0	5.8	4.8	2.6	1.1	-.7	-1.6	-2.0	-1.2	-.2	9
Security brokers and dealers													
1 Net acquisition of financial assets.....	.5	.9	3.4	3.8	-3.1	.8	1.4	4.3	-3.5	-5.7	-1.3	.2	1
2 Demand deposits and currency.....	.3	.1	.2	.5	-.1	-.3	*	*	*	*	*	*	2
3 Corporate equities.....	.3	.1	.4	-.2	.4	.1	.2	.1	.4	.7	.1	1.9	3
4 Credit market instruments.....	-.2	.8	-.3	.6	.1	2.3	-1.3	.2	.6	-.9	2.2	-1.6	4
5 U.S. Government securities.....	-.3	.7	-.8	.8	*	1.7	-1.6	.2	*	-1.2	1.2	-2.4	5
6 State and local obligations.....	-.2	*	*	*	-.2	.6	.1	-.1	.2	-.4	.9	-1.1	6
7 Corporate bonds.....	.3	.1	.4	-.2	.4	.1	.2	.1	.4	.7	.1	1.9	7
8 Security credit.....	.4	*	3.2	2.8	-3.5	-1.3	2.5	3.9	-4.6	-5.5	-3.6	-.1	8
9 Net increase in liabilities.....	.4	.8	3.2	3.5	-3.1	1.0	1.1	4.1	-3.5	-5.7	-1.2	.4	9
10 Security credit.....	.4	.8	3.2	3.5	-3.0	1.0	1.1	4.1	-3.4	-5.7	-1.2	.5	10
11 From banks.....	-.5	.6	.8	1.0	-1.0	1.9	.7	3.9	-3.2	-4.6	-1.8	-.9	11
12 Customer credit balances.....	.9	.2	2.3	2.4	-2.0	-1.0	.5	.2	-.2	-1.1	.6	1.5	12
13 Taxes payable.....	*	*	.1	*	-.1	.....	*	*	*	*	*	-.1	13

NOTE.—Data revised for all periods; 1974 H1 based on preliminary and incomplete information. For other notes see p. A-59.13.

## 4. SECTOR STATEMENTS OF SAVING AND INVESTMENT—Continued

(Seasonally adjusted annual rates; in billions of dollars)

Category	1965	1966	1967	1968	1969	1970	1971	1972	1973	1973		1974 <sup>p</sup>
										H1	H2	H1
<i>Rest of the world</i>												
1 Net U.S. exports . . . . .	6.9	5.3	5.2	2.5	1.9	3.6	-2	-6.0	3.9	-1	8.0	5.8
2 U.S. exports . . . . .	39.2	43.4	46.2	50.6	55.5	62.9	65.5	72.4	100.4	92.1	108.6	134.9
3 U.S. imports . . . . .	32.3	38.1	41.0	48.1	53.6	59.3	65.6	78.4	96.4	92.2	100.6	129.2
4 Transfer receipts from United States . . . . .	2.8	2.8	3.0	2.9	2.9	3.2	3.6	3.8	3.9	3.6	4.1	3.7
5 Current account balance (4-1) . . . . .	-4.1	-2.4	-2.2	4	1.0	-4	3.8	9.8	-1	3.8	-3.9	-2.1
6 Net financial investment . . . . .	-3.8	-2.0	-1.2	.9	3.4	.8	13.6	11.6	2.1	11.6	-7.3	-2.2
7 Net acquisition of financial assets . . . . .	1.9	3.3	7.6	8.5	10.3	5.9	22.7	19.7	17.4	28.2	6.7	34.4
8 Gold and SDR's . . . . .	1.7	.6	1.2	1.2	-1.0	.8	1.3	.6	.5	.3	.4	.1
9 U.S. demand deposits and currency . . . . .	1.4	.4	.3	.6	-.3	.2	-.3	1.5	.2	.3	.4	.3
10 Time deposits . . . . .	-.6	-.3	1.2	-.3	1.1	-1.7	.5	2.7	2.9	4.1	1.7	3.6
11 U. S. corporate equities . . . . .	-.4	-.3	.7	.2	1.6	-.7	.8	2.3	2.8	2.8	2.7	2.5
12 Credit market instruments . . . . .	-.1	-1.6	2.0	-.3	-.3	10.3	26.4	8.4	.7	11.6	-10.1	10.2
13 U.S. Government securities . . . . .	-.2	-2.4	-.1	-.5	-1.5	9.1	26.3	8.4	.3	11.0	-10.4	6.4
14 U.S. corporate bonds . . . . .	-.1	.6	2.1	-.6	1.0	.7	-.3	.1	.3	.3	-.1	1.4
15 Acceptances . . . . .	.*	.2	.*	.6	1.0	.5	-.2	-.1	.3	.3	.*	2.4
16 Security credit . . . . .	.*	.*	.1	.*	.2	.*	.*	.1	.*	.*	.*	.1
17 Trade credit . . . . .	-.1	.5	.4	.9	.8	1.4	.1	.8	1.0	1.2	1.8	1.7
18 Miscellaneous assets . . . . .	-.4	3.4	1.6	3.4	8.0	-5.6	-6.8	3.4	7.6	9.2	5.9	15.5
19 U. S. bank liabilities . . . . .												
20 To foreign affiliates . . . . .	.1	2.9	.7	2.3	7.9	-6.9	-4.1	.9	1.1	.8	1.3	5.6
21 Direct investment in U.S. . . . .	.1	.1	.3	.3	.8	1.0	-.1	.4	2.5	1.9	3.2	5.3
22 Other . . . . .	-.5	.4	.7	.7	.8	.3	-2.6	2.1	4.0	6.5	1.4	4.5
23 Net increase in liabilities . . . . .	5.6	5.3	8.8	7.6	6.9	5.1	9.1	8.2	15.3	16.6	14.0	36.6
24 U.S. off. ign. exch. & net IMF position . . . . .	.4	.*	1.1	2.1	.3	-2.5	-1.7	-.2	-.2	-.5	.1	.1
25 Foreign corporate shares . . . . .	.3	-.3	.1	.2	.5	.*	.*	.4	-.2	-.4	.*	.3
26 Credit market instruments . . . . .	2.4	1.8	4.0	2.7	3.2	2.7	4.6	7.7	8.4	7.1	20.2	25
27 Corporate bonds . . . . .	.5	.7	1.2	1.1	1.0	.9	1.0	1.0	.6	1.1	1.4	2.6
28 Bank loans n.e.c. . . . .	.5	.2	.3	-.5	-.2	-.3	1.6	2.9	2.8	4.3	1.3	2.4
29 Other loans . . . . .	1.5	1.2	3.0	2.1	2.4	2.1	2.1	.8	3.9	3.5	4.3	8.8
30 Security debt . . . . .	.*	.*	.2	.2	.*	.*	.*	.1	-.2	-.3	.*	.1
31 Trade debt . . . . .	-.1	.3	.5	.4	.8	1.0	.5	.5	1.9	.7	3.1	2.8
32 Miscellaneous liabilities . . . . .	2.5	3.4	2.9	2.1	2.4	4.0	5.6	3.5	6.3	8.8	3.9	12.1
33 U.S. Government equity in IBRD, etc. . . . .	.1	.4	.1	.1	.2	.3	.3	.3	.3	.3	.4	.7
34 Foreign currency held in United States . . . . .	-.4	.4	-.1	.5	-.5	.5	1.4	3.6	4.8	6.6	3.0	4.7
35 U.S. direct investment abroad . . . . .	3.3	3.0	2.7	1.1	2.2	3.6	3.8	1.5	3.6	3.8	3.5	1.6
36 Other . . . . .	-.4	.*	.2	.4	.4	-.4	.3	-1.9	-2.5	-2.0	-3.0	5.1
36 Discrepancy . . . . .	-.3	-.4	-1.0	-.5	-2.3	-1.2	-9.8	-1.8	-2.2	-7.8	3.4	.2

NOTE.—Data revised for all periods; 1974 H1 based on preliminary and incomplete information.

## Notes to Table 4

**Households**

1 Imputed saving associated with growth of government life insurance and retirement reserves.

2 From open-end investment companies.

3 Excludes corporate equities.

4 Policy loans, hypothecated deposits, and U.S. Govt. loans to nonprofit organizations.

**Business**

1 Excludes imputed rental income from owner-occupied houses.

2 Change in work in process.

3 After inventory valuation adjustment.

4 Includes corporate farms.

5 Noncorporate net income is treated as payment in full to proprietors in the household sector. Gross saving consists of capital consumption allowances plus, in farm business, corporate farm retained profits.

6 Shares in FICB's, Banks for Coops, and land banks.

7 Loans from U.S. Govt., commercial loans from finance companies, and bankers' acceptances.

8 Includes earnings retained in business; see note 5 above.

9 Loans to commercial banks.

10 Foreign investment excludes amounts financed by bond issues abroad, and bond issues outside the U.S. are excluded from financial sources of funds above.

11 Industrial pollution control revenue bonds. These are formally issued by state and local government authorities, but they finance private investment and are secured in interest and principal by the industrial user of the funds.

**Governments**

1 Retirement funds are on p. A-59.11.

2 Unified budget basis for all years. Excludes sponsored agencies shown below.

3 Govt. life insurance, employee retirement, and R.R. retirement programs.

4 1970-72 allocations of SDR's are excluded from these tables on transactions.

5 SDR certificates are held by the Federal Reserve System.

6 Loan participation certificates and securities issued by Export-Import Bank, GNMA, CCC, Federal Housing Administration, Postal Service, and TVA. Includes mortgage liabilities of Defense Dept. and Coast Guard and Farmers Home Administration insured notes.

7 Home loan banks, land banks, intermediate credit banks, banks for

cooperatives, Federal National Mortgage Association (before 1969, secondary market operations only), and mortgage pools issuing GNMA-guaranteed securities.

**Banking**

1 Federal Reserve System plus those Treasury accounts included in "Member Bank Reserves, Federal Bank Credit, and Related Items" (p. A-4). Excludes Exchange Stabilization Fund, which is in U.S. Govt. accounts.

2 Includes F.R. holdings of foreign currencies. On Special Drawing Rights, see notes 5 and 7 to Governments table. SDR certificates as assets of the Federal Reserve are on line 4 of this table.

3 Includes vault cash of nonmember banks.

4 IMF deposits are net in line 3.

5 Combined statement for all commercial banks as reported on p. A-17, their domestic affiliates as reported on p. A-27 for loans sold and commercial paper issued, Edge Act corporations, U.S. agencies of foreign banks, and banks in U.S. possessions overseas. The figures consolidate commercial banks, but claims between commercial banks and the other groups included in the sector are shown in both lending and borrowing in the statement.

6 Net of F.R. float, shown separately in line 31.

7 Net issues of bonds and equities, commercial paper of bank affiliates, borrowings from nonbank lenders in security RP's, and bank loans to foreign banking agencies.

**Nonbank finance**

1 Excludes deposits at FHLB, which are included in Miscellaneous, line 9.

2 Used as a measure of net increase in liabilities to households.

3 Includes retained capital gains dividends.

**Rest of the world**

1 The current balance is shown here from the viewpoint of the rest of the world and is thus opposite in sign from U.S. balance of payments statements and U.S. national income accounts. Excludes capital transfers.

2 Net purchases of gold and Special Drawing Rights from the U.S. only. Excludes acquisitions of gold from outside the U.S. Also excludes 1970-72 allocations of SDR's.

3 Net of U.S. issues in foreign markets to finance U.S. investment abroad.

4 Bankers' acceptances and loans from U.S. Government.

5 Errors and omissions in U.S. balance of payments statement.

NOTE.—Quarterly figures and background information concerning these tables are available on request to

the Flow of Funds Section, Board of Governors of the Federal Reserve System, Washington, D.C. 20551.

### 5. FINANCIAL ASSETS AND LIABILITIES, DECEMBER 31, 1973

(Amounts outstanding in billions of dollars)

(A) All sectors

Transaction category	Private domestic nonfinancial sectors								Rest of the world	U.S. Government		Financial sectors										Total <sup>1</sup>	Discrepancies					
	Households		Business		State and local governments		Total			A	L	Total	Federally sponsored credit agencies		Monetary authority		Commercial banks		Private nonbank finance									
	A	L	A	L	A	L	A	L					A	L	A	L	A	L	A	L	A			L				
1 Total assets	2302.3		528.0		98.5		2928.8		200.8		102.9		2041.8		79.0		105.5		755.2		1102.0		5274.2		26.2	1		
2 Total liabilities		661.1		925.1		282.4		1788.6		194.2		408.6		1926.5		77.5		105.7		714.5		1028.8		4317.9			2	
3 Gold									47.3		2.3		11.6				11.6							61.1			3	
4 Official foreign exchange																											4	
5 IMF position										.6		.6													.6		5	
6 Treasury currency												7.4		9.1			9.1							9.1	7.4	-1.7	6	
7 Demand dep. and currency	170.2		55.4		14.7		240.3		10.6		12.6		19.4	298.5	.3		65.0	1.0	233.5	18.2			283.0	298.5	15.4	7		
8 Private domestic	170.2		55.4		14.7		240.3						19.4	275.1	.3		61.8	1.0	213.3	18.2			259.8	275.1	15.4	8		
9 U.S. Government											12.6			12.7			2.9		9.9				12.6	12.7	.1	9		
10 Foreign									10.6					10.6			.3		10.3				10.6	10.6		10		
11 Time and savings accounts	635.6		21.5		44.4		701.5		12.8		.4		1.2	715.9					367.7	1.2	348.2	715.9	715.9			11		
12 At commercial banks	287.8		21.5		44.4		353.7		12.8		.4		.8	367.7					367.7	.8		367.7	367.7			12		
13 At savings institutions	347.8						347.8						.4	348.2						.4	348.2	348.2	348.2	348.2			13	
14 Life insurance reserves	150.3						150.3				7.6		142.7									142.7	150.3	150.3			14	
15 Pension fund reserves	307.8						370.8				35.4		272.4									272.4	307.8	307.8			15	
16 Interbank claims													57.1	57.1			4.4	37.8	52.8	19.4			57.1	57.1			16	
17 Corporate shares <sup>2</sup>	744.4						744.4		24.8				198.7	46.5					.7		198.0	46.5	968.0	46.5			17	
18 Other credit mkt. instr.	256.4	634.8	74.5	679.2	35.7	193.5	366.5	1507.5	61.5	68.5	65.2	354.4	1646.3	209.1	75.9	68.9	80.0		653.5	23.8	836.4	116.4	2139.6	2139.6			18	
19 U.S. Govt. securities <sup>3</sup>	105.3		5.4		31.0		141.7		54.8			333.1	225.6	68.9	4.0	68.9	80.5		88.8		52.4		422.1	422.1			19	
20 State & local govt. oblig.	50.5		4.0	2.4	2.5	187.6	57.1	190.0					132.9						95.7		37.3		190.0	190.0			20	
21 Corp. & ign. bonds	58.8			207.5			56.8	207.5	2.3	16.6			204.9	39.9					6.2	4.1	198.7	35.8	264.0	264.0			21	
22 Home mortgages	10.1	379.0		5.3	2.2		12.3	384.4			3.9	1.3	374.1	4.7	31.6				68.0		274.6	4.7	390.3	390.3			22	
23 Other mortgages	28.0			223.4			28.0	247.9			4.8		218.5	1.5	15.4				51.1		150.0	1.5	249.3	249.3			23	
24 Consumer credit		180.5	31.9				31.9	180.5					148.6						81.2		67.4		180.5	180.5			24	
25 Bank loans n.e.c.		24.7		180.5				205.2		13.0			255.9	37.6					255.9	8.0	29.6		255.9	255.9			25	
26 Other loans	5.7	26.1	33.1	60.1		5.9	38.8	92.0	4.4	38.9	56.5		87.7	56.5	24.9		.1		6.7	11.7	56.0	44.8	187.4	187.4			26	
27 Security credit	4.8	13.1					4.8	13.1	.3	.2			24.2	16.0					15.1		9.1	16.0	29.3	29.3			27	
28 To brokers and dealers	4.8						4.8		.3				10.8	16.0					10.8		16.0		16.0	16.0			28	
29 To others		13.1						13.1		.2			13.4						4.3		9.1		13.4	13.4			29	
30 Taxes payable				15.6	3.7		3.7	15.6			11.9			3.0								1.8	15.6	18.5		2.9	30	
31 Trade credit <sup>4</sup>		6.8	240.9	212.6		8.9	240.9	228.3	8.3	9.0	4.3	3.5	6.5								6.5		280.0	240.9	-19.1		31	
32 Miscellaneous	32.8	6.4	135.8	17.7			168.6	24.1	35.1	115.8	5.4	.3	67.7	165.3	2.8	8.6			2.7		32.2	69.3	32.7	84.7	276.9	305.5	28.6	32

For notes see facing page.



5. FINANCIAL ASSETS AND LIABILITIES, December 31, 1973—Continued

(Amounts outstanding in billions of dollars)

(B) Private nonbank financial institution

Transaction category	Sector		Savings and loan assns.		Mutual savings banks		Credit unions		Life insurance cos.		Private pension funds		State and local govt. retirement funds		Other insurance cos.		Finance cos.		Real estate investment trusts		Open-end investment cos.		Security brokers and dealers			
	A	L	A	L	A	L	A	L	A	L	A	L	A	L	A	L	A	L	A	L	A	L	A	L		
1 Total assets.....	1102.0		272.4		106.6		24.6		244.6		133.3		81.6		68.8		88.4		17.0		46.5		18.4		1	
2 Total liabilities.....		1028.8		255.3		99.0		24.6		231.5		133.3		81.6		46.1		80.4		14.4		46.5		16.1	2	
3 Demand deposits and currency	18.2		3.4		1.2		1.0		2.1		2.3		1.0		1.5		3.5				1.2		1.1		3	
4 Time and savings accounts.....	1.2	348.2		227.3		.8	96.3	.4	24.6																4	
5 At commercial banks.....	.8				.8																				5	
6 At savings institutions.....	.4	348.2		227.3			96.3	.4	24.6																6	
7 Life insurance reserves.....		142.7							142.7																7	
8 Pension fund reserves.....		272.4							57.5		133.3		81.6												8	
9 Corporate shares <sup>2</sup> .....	198.0	46.5			4.0				25.9		89.2		18.6		19.6						38.3	46.5	2.4		9	
10 Other credit mkt. instr.....	836.4	116.4	257.5	22.0	98.2		23.2		204.6		36.8		62.1		41.1		84.9	80.1	15.1	14.4	7.0		5.8		10	
11 U.S. Govt. securities <sup>3</sup> .....	52.4		22.8		7.1		2.6		4.4		4.3		4.6		3.4						1.2		2.0		11	
12 State & local govt. secs.....	37.3				.9				3.4				1.4		30.4								1.1		12	
13 Corp. and fgn. bonds.....	198.7	35.8			13.1				92.5		29.8		49.4		7.2		33.9		1.9		4.2		2.6		13	
14 Home mortgages.....	274.6	4.7	188.1	4.7	44.2		1.0		22.0		2.7						12.5		4.1					14		
15 Other mortgages.....	150.0	1.5	44.1		29.0				59.2				6.7		.2				11.0	1.5					15	
16 Consumer credit.....	67.4		2.6		1.7		19.6										43.4								16	
17 Bank loans n.e.c.....		29.6		2.1																					17	
18 Other loans.....	58.0	44.8		15.1	2.1				23.2								29.0	25.7		4.0	1.6				18	
19 Security credit.....	9.1	16.0																					9.1	16.0	19	
20 To brokers and dealers.....		16.0																						16.0	20	
21 Other.....	9.1																						9.1		21	
22 Taxes payable.....		1.8		.2																					.2	22
23 Trade credit.....	6.5								.8						.3											23
24 Miscellaneous.....	32.7	84.7	11.5	5.8	2.5	2.6			12.0	30.5	4.9			6.5	45.8				1.9						24	

<sup>1</sup> Excess of total assets over liabilities consists of gold (row 3) and corporate shares (row 17) other than investment co. shares less total discrepancies (row 1), which are not included in sector assets.

<sup>2</sup> 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.

<sup>3</sup> Includes savings bonds, other nonmarketable debt held by the public, issues by agencies in the

budget (CCC, Export-Import Bank, GNMA, TVA, FHA) and by sponsored credit agencies in financial sectors, and loan participation certificates. Postal savings system deposits are included in line 32.

<sup>4</sup> Business asset is corporate only. Noncorporate trade credit is deducted in liability total to conform to quarterly flow tables.

6. SUMMARY OF CREDIT MARKET DEBT OWED BY NONFINANCIAL SECTORS<sup>1</sup>

(Amounts outstanding at end of year; in billions of dollars)

Transaction category, or sector	1962	1963	1964	1965	1966	1967	1968	1969	1970	1971	1972	1973	
<b>Debt outstanding, by type and sector</b>													
1 Total credit market debt owed by nonfinancial sectors	842.6	900.6	967.5	1037.6	1102.8	1181.6	1276.9	1363.9	1456.7	1592.3	1751.4	1930.4	1
2 U.S. Government	250.2	254.1	260.4	262.2	265.8	278.8	292.2	288.6	301.4	327.4	344.7	354.4	2
3 Public debt securities	246.9	251.0	256.4	257.7	260.0	268.9	279.2	278.0	290.8	316.9	330.8	338.5	3
4 Budget agency securities <sup>2</sup>	3.3	3.2	4.0	4.5	5.8	9.9	13.0	10.6	10.5	10.5	13.9	15.9	4
5 All other nonfinancial sectors	592.4	646.5	707.1	775.4	837.0	902.8	984.7	1075.3	1155.3	1264.9	1406.8	1576.0	5
6 Debt capital instruments	417.8	453.4	490.6	530.0	568.9	613.4	663.7	713.3	771.5	855.5	950.5	1046.3	6
7 State and local govt. securities	81.2	86.9	92.9	100.3	105.9	113.7	123.2	133.1	144.4	162.0	176.3	190.0	7
8 Corporate and foreign bonds	91.7	96.6	101.6	108.0	118.6	133.5	147.3	159.3	180.5	200.8	214.2	224.1	8
9 Mortgages	244.9	269.9	296.1	321.7	344.4	366.3	393.2	420.9	446.6	492.8	560.0	632.2	9
10 Home mortgages	162.7	177.9	193.5	208.9	220.6	232.1	247.1	262.8	275.6	301.4	341.0	384.4	10
11 Other residential	25.8	29.0	33.6	37.2	40.3	43.9	47.3	52.0	57.8	66.6	76.9	85.3	11
12 Commercial	41.1	46.2	50.0	54.5	60.1	64.8	71.3	76.6	81.9	91.9	106.7	123.7	12
13 Farm	15.2	16.8	18.9	21.2	23.3	25.5	27.5	29.5	31.2	32.9	35.4	38.8	13
14 Other private credit	174.6	193.0	216.5	245.5	268.1	289.4	321.0	362.0	383.8	409.4	456.2	529.7	14
15 Bank loans n.e.c.	64.4	70.7	79.8	93.8	104.6	114.1	127.2	142.5	148.8	158.1	179.6	218.2	15
16 Consumer credit	63.8	71.7	80.3	89.9	96.2	100.8	110.8	121.1	127.2	138.4	157.6	180.5	16
17 Open market paper	3.8	3.9	4.5	4.2	5.2	7.4	9.0	12.3	16.1	15.2	13.6	15.4	17
18 Other	42.6	46.8	51.9	57.6	62.1	67.2	74.0	86.0	91.8	97.8	105.5	115.5	18
19 By borrowing sector	592.4	646.5	707.1	775.4	837.0	902.8	984.7	1075.3	1155.3	1264.9	1406.9	1576.0	19
20 Foreign	27.9	31.1	36.0	38.9	39.9	42.8	45.3	47.5	50.6	55.8	61.0	68.5	20
21 State and local governments	83.2	89.1	95.4	103.1	109.3	117.3	127.2	137.9	149.2	167.0	181.2	193.5	21
22 Households	251.9	276.9	304.9	333.2	354.7	374.0	404.3	435.9	459.3	498.8	562.0	634.8	22
23 Nonfinancial business	229.4	249.3	270.8	300.3	333.1	368.7	407.9	454.0	496.2	543.3	602.5	679.2	23
24 Farm	23.9	26.4	29.0	32.2	35.8	39.2	41.9	45.1	48.3	52.0	56.9	64.5	24
25 Nonfarm noncorporate	30.6	35.1	40.4	46.2	51.6	56.3	62.1	69.3	74.7	83.4	93.8	103.1	25
26 Corporate	175.0	187.8	201.3	221.8	245.7	272.9	303.9	339.5	373.2	407.8	451.8	511.6	26
<b>Holdings of credit market claims<sup>3</sup></b>													
1 Total credit market debt claims against nonfinancial sectors	842.6	900.6	967.5	1037.6	1102.8	1181.6	1276.9	1363.9	1456.7	1592.3	1751.4	1930.4	1
<i>Held by public agencies and foreign—</i>													
2 Total	89.8	96.3	104.1	112.8	124.2	135.2	146.8	161.5	190.0	231.3	250.3	283.2	2
3 U.S. Govt. securities	44.9	48.7	52.2	55.9	59.3	66.1	69.5	70.2	86.1	119.9	128.3	139.3	3
4 Residential mortgages	8.5	7.2	7.1	7.4	10.2	12.3	15.1	19.7	25.5	31.1	36.3	43.9	4
5 FHLB advances to S & L's	3.5	4.8	5.3	6.0	6.9	4.4	5.3	9.3	10.6	7.9	8.0	15.1	5
6 Other loans plus securities	32.9	35.6	39.5	43.4	47.7	52.4	56.9	62.2	67.8	72.4	77.6	84.8	6
<i>By agency—</i>													
7 U.S. Government	30.8	32.2	34.9	37.7	42.0	46.6	51.1	54.0	56.7	59.2	62.2	65.2	7
8 Sponsored credit agencies	13.7	15.3	16.0	18.3	23.4	23.3	26.5	35.4	45.4	48.6	55.6	75.9	8
9 Monetary authorities	30.9	33.8	37.2	41.0	44.5	49.3	53.0	57.2	62.2	71.1	71.3	80.6	9
10 Foreign	14.4	15.0	15.9	15.9	14.3	16.1	16.1	14.9	25.7	52.4	61.1	61.5	10
11 Agency debt not in line 1	10.1	11.5	12.1	14.2	19.0	18.4	21.9	30.6	38.9	43.2	49.4	68.9	11
<i>Private domestic holdings—</i>													
12 Total	762.8	815.8	875.5	938.9	997.6	1064.8	1152.0	1233.1	1305.5	1404.1	1550.5	1716.2	12
13 U.S. Govt. securities	213.5	215.1	218.3	218.2	223.6	229.3	242.6	247.4	252.7	249.2	264.4	282.8	13
14 State and local obligations	81.2	86.9	92.9	100.3	105.9	113.7	123.2	133.1	144.4	162.0	176.3	190.0	14
15 Corporate and foreign bonds	91.0	95.9	100.7	107.3	117.3	132.5	146.4	158.9	178.8	198.5	211.6	221.8	15
16 Residential mortgages	181.8	201.5	221.9	240.5	252.5	265.4	281.0	296.7	309.5	338.3	382.9	427.0	16
17 Other mortgages and loans	198.8	221.2	247.1	278.7	305.3	328.2	364.0	406.3	430.8	464.1	523.3	609.8	17
18 Less—FHLB advances	3.5	4.8	5.3	6.0	6.9	4.4	5.3	9.3	10.6	7.9	8.0	15.1	18
<i>Private financial intermediation—</i>													
19 Credit market claims held by private fin. inst.	582.3	632.6	689.5	752.3	796.9	860.3	935.5	991.9	1066.6	1177.6	1331.0	1489.8	19
20 Commercial banking	231.9	249.5	272.2	300.9	317.3	353.1	391.9	410.7	445.7	496.3	566.9	653.5	20
21 Savings institutions	135.1	152.5	168.7	183.0	191.3	206.2	221.7	236.0	252.8	294.5	343.8	378.9	21
22 Insurance and pension funds	181.0	192.7	205.5	219.1	234.6	247.5	261.6	274.3	291.5	304.9	322.6	344.7	22
23 Other finance	34.3	37.9	43.1	49.3	53.8	53.5	60.4	70.9	76.6	81.9	97.7	112.8	23
24 Sources of funds	582.3	632.6	689.5	752.3	796.9	860.3	935.5	991.9	1066.6	1177.6	1331.0	1489.8	24
25 Private domestic deposits	335.5	366.6	401.5	439.9	461.2	511.0	556.9	559.6	622.8	713.1	810.7	895.4	25
26 Credit market debt	28.8	35.0	40.6	48.5	51.7	51.3	59.7	78.9	78.7	88.0	108.6	140.2	26
27 Other sources	218.0	231.0	247.4	264.0	284.1	298.0	318.9	353.4	365.2	376.5	411.7	454.2	27
28 Foreign funds	10.3	11.8	14.3	15.0	18.7	21.0	23.6	32.9	24.5	21.2	26.4	33.0	28
29 Treasury balances	7.2	6.5	6.5	5.5	5.0	5.2	5.0	5.1	7.9	10.2	10.9	9.9	28
30 Insurance and pension reserves	150.0	159.6	170.5	181.5	195.7	206.5	216.9	228.9	242.3	249.8	260.1	281.4	30
31 Other, net	50.5	53.0	56.0	61.9	64.6	65.4	73.5	86.6	90.5	95.3	114.3	130.0	31
<i>Private domestic nonfinancial investors—</i>													
32 Credit market claims	209.3	218.2	226.6	235.1	252.4	255.7	276.2	320.1	317.5	314.5	328.1	366.5	32
33 U.S. Govt. securities	104.9	109.4	110.4	113.3	121.7	120.3	128.3	145.3	136.3	122.3	123.9	141.7	33
34 State and local obligations	36.3	38.1	40.5	43.1	45.7	43.1	42.9	51.2	49.9	50.5	52.7	57.1	34
35 Corporate and foreign bonds	11.2	11.2	11.9	13.5	15.2	19.0	23.7	30.3	41.0	50.5	55.6	56.8	35
36 Commercial paper	3.8	4.6	6.9	8.4	10.7	12.6	18.4	28.6	24.2	23.6	27.5	38.8	36
37 Other	53.1	54.9	56.8	56.7	59.0	60.7	62.8	64.7	66.1	67.6	68.4	72.1	37
38 Deposits and currency	366.4	400.1	436.6	477.1	500.4	552.3	600.6	606.1	672.8	766.6	868.5	957.2	38
39 Time and savings accounts	222.3	251.0	280.1	312.8	332.0	371.2	405.0	402.8	459.0	540.0	625.3	701.5	39
40 Large negotiable CD's	5.8	9.2	11.4	15.0	14.8	19.1	22.6	8.9	23.9	31.6	40.3	58.9	40
41 Other at commercial banks	89.0	99.2	110.2	126.2	138.3	156.6	174.1	177.6	201.7	234.7	265.3	294.8	41
42 At savings institutions	127.6	142.7	158.4	171.6	178.9	195.5	208.3	216.3	233.3	273.7	319.6	347.8	42
43 Money	144.0	149.0	156.5	164.3	168.3	181.1	195.6	203.3	213.8	226.6	243.3	255.7	43
44 Demand deposits	113.2	115.6	121.4	127.1	129.2	139.8	151.9	156.7	163.8	173.1	185.4	193.9	44
45 Currency	30.8	33.4	35.1	37.2	39.2	41.3	43.7	46.6	50.0	53.4	57.9	61.8	45
46 Total of credit market instruments, deposits, and currency	575.6	618.2	663.2	712.2	752.7	808.1	876.8	926.2	990.4	1081.1	1196.6	1323.7	46
47 Public holdings as per cent of total	10.7	10.7	10.8	10.9	11.3	11.4	11.5	11.8	13.0	14.5	14.3	14.7	47
48 Private fin. intermediation (in per cent)	76.3	77.5	78.8	80.1	79.9	80.8	81.2	80.4	81.7	83.9	85.8	86.8	48
49 Total foreign funds	24.7	26.8	30.2	30.9	33.0	37.0	39.7	47.8	50.2	73.6	87.5	94.5	49

<sup>1</sup> Excludes corporate equities both as assets and as liabilities.

<sup>2</sup> Includes U.S. Govt. liability for home mortgages not in U.S. Govt. securities on p. A-59.17.

<sup>3</sup> For notes see p. A-59.2.

7. SUMMARY OF PRINCIPAL ASSETS AND LIABILITIES

(Amounts outstanding at end of year; in billions of dollars)

Transaction category, or sector	1962	1963	1964	1965	1966	1967	1968	1969	1970	1971	1972	1973	
Demand deposits and currency													
1 Total assets	166.6	171.6	180.2	187.4	191.3	206.3	221.1	229.3	243.6	261.0	281.3	298.5	1
2 Money supply	158.5	163.8	172.2	180.5	184.7	198.6	214.6	222.3	234.0	248.3	268.3	285.7	2
3 Domestic sectors	155.2	160.3	168.0	176.1	180.0	193.5	208.9	216.3	227.9	241.9	260.3	275.1	3
4 Households	78.4	81.7	86.5	94.2	98.1	109.4	121.7	123.3	134.5	145.5	157.3	170.2	4
5 Nonfinancial business	46.4	46.5	47.0	47.4	47.7	49.3	51.2	53.8	54.8	55.5	55.6	55.4	5
6 Farm	5.9	5.7	5.9	6.0	6.0	6.1	6.3	6.4	6.5	6.6	6.9	6.9	6
7 Nonfarm noncorporate	12.5	12.5	12.5	12.5	12.5	12.5	12.5	12.5	12.5	12.5	12.5	12.5	7
8 Corporate	28.0	28.3	28.6	28.9	29.2	30.7	32.4	34.9	35.8	36.3	36.2	35.9	8
9 State and local governments	9.4	10.9	12.5	12.1	13.0	14.1	13.9	15.3	12.5	13.5	15.0	14.7	9
10 Financial sectors	11.2	11.2	11.5	11.8	11.6	12.4	13.3	13.0	14.0	15.3	17.0	19.4	10
11 Mail float	9.9	9.9	10.4	10.5	9.5	8.3	8.8	10.9	12.0	12.1	15.3	15.4	11
12 Rest of the world	3.2	3.5	4.2	4.4	4.8	5.1	5.7	6.0	6.2	6.5	8.0	10.6	12
13 U.S. Government	8.1	7.8	7.9	7.0	6.6	7.7	6.5	7.0	9.5	12.7	13.1	12.7	13
14 Total banking system liability	166.6	171.6	180.2	187.4	191.3	206.3	221.1	229.3	243.6	261.0	281.3	298.5	14
15 Monetary authorities	32.1	34.9	36.8	38.8	41.2	44.2	45.7	48.9	52.0	56.4	60.4	65.0	15
16 Commercial banking	134.5	136.7	143.4	148.6	150.1	162.2	175.4	180.4	191.6	204.6	220.9	233.5	16
Time deposits and savings accounts													
1 Total held	226.5	256.1	286.5	319.7	338.8	379.6	412.9	411.5	466.5	548.4	636.9	715.9	1
2 Commercial banking liability	98.6	113.0	127.6	147.7	159.8	183.7	204.5	195.1	233.1	274.5	316.8	367.7	2
3 Households	79.9	89.4	101.1	115.9	127.9	146.0	163.4	161.5	189.0	218.8	248.3	287.8	3
4 Corporate business	8.4	10.8	10.8	13.1	11.7	13.8	14.2	11.8	13.5	17.1	20.2	21.5	4
5 State and local governments	6.5	8.1	9.8	12.2	13.5	15.9	19.1	13.2	23.2	30.4	37.2	44.4	5
6 U.S. Government	.3	.3	.3	.3	.2	.3	.4	.2	.5	.5	.6	.4	6
7 Mutual savings banks	.2	.1	.2	.2	.2	.2	.1	.3	.3	.5	.6	.8	7
8 Foreign	3.4	4.3	5.4	6.0	6.3	7.6	7.3	8.4	6.7	7.2	9.9	12.8	8
9 Savings institutions liability	127.9	143.1	159.0	172.0	179.0	195.8	208.4	216.4	233.4	274.0	320.1	348.2	9
10 Mutual savings banks	41.3	44.6	48.8	52.4	55.0	60.1	64.5	67.1	71.6	81.4	91.6	96.3	10
11 Credit unions	6.3	7.2	8.2	9.2	10.0	11.2	12.3	13.7	15.4	18.3	21.7	24.6	11
12 Savings and loan associations	80.2	91.3	101.9	110.4	114.0	124.5	131.6	135.5	146.4	174.2	206.8	227.3	12
13 Held by: Households	79.9	90.9	101.4	110.0	113.9	124.2	131.5	135.5	146.3	174.0	206.3	226.9	13
14 Credit unions	.4	.4	.5	.4	.1	.3	.1	*	.1	.2	.4	.4	14
U.S. Government securities <sup>1</sup>													
1 Total outstanding	258.4	263.9	270.5	274.2	282.9	295.4	312.1	317.6	338.8	369.1	392.7	422.1	1
2 Included in public debt	246.9	251.0	256.4	257.7	260.0	268.9	279.2	278.0	290.8	316.9	330.8	338.5	2
3 Household savings bonds	46.9	48.0	49.0	49.6	50.2	51.1	51.5	51.1	51.4	53.8	57.1	59.8	3
4 Direct excluding savings bonds	200.0	202.9	207.4	208.1	209.8	217.8	227.7	226.8	239.4	263.0	273.7	278.7	4
5 Short-term marketable	99.8	101.1	105.8	108.8	110.2	118.9	119.4	128.4	133.8	130.4	143.5	153.1	5
6 Other direct	100.2	101.9	101.6	99.3	99.5	98.9	108.3	98.4	105.6	132.7	130.1	125.6	6
7 Other budget issues	1.5	1.4	2.2	2.6	4.0	8.2	11.3	9.1	9.0	9.0	12.5	14.6	7
8 Sponsored agency issues <sup>2</sup>	10.0	11.5	11.9	13.8	18.9	18.4	21.6	30.6	38.9	43.2	49.4	68.9	8
9 Total holdings, by sector	258.4	263.9	270.5	274.2	282.9	295.4	312.1	317.6	338.8	369.1	392.7	422.1	9
10 U.S. Government (agency sec.)	*	*	*	*	1.4	1.3	1.4	.1	.1	.1	*	*	10
11 Sponsored credit agencies	1.8	2.2	1.8	1.9	2.9	2.9	2.7	2.3	4.2	3.1	2.7	4.0	11
12 Federal Reserve System	30.8	33.6	37.0	40.8	44.3	49.1	52.9	57.2	62.1	70.8	71.2	80.5	12
13 Short-term marketable	20.7	25.6	28.2	31.9	36.5	39.2	32.6	37.6	38.5	39.5	41.2	50.6	13
14 Other direct	10.1	8.0	8.8	8.9	7.8	9.9	20.4	19.5	23.7	30.7	28.7	27.9	14
15 Agency issues									.6	1.3	2.0	15	
16 Foreign	12.3	12.9	13.4	13.2	10.8	12.9	12.4	10.6	19.7	46.0	54.4	54.8	16
17 Short-term marketable	9.2	8.7	8.5	7.6	6.7	7.6	5.9	3.7	11.5	25.4	26.7	21.0	17
18 Other	3.1	4.2	4.9	5.6	4.1	5.3	6.5	7.0	8.2	20.6	27.7	33.8	18
19 Private domestic nonfinancial	104.9	109.4	110.4	113.3	121.7	120.3	128.3	145.3	136.3	122.3	123.9	141.7	19
20 Household savings bonds	46.9	48.0	49.0	49.6	50.2	51.1	51.5	51.1	51.4	53.8	57.1	59.8	20
21 Direct excluding savings bonds	53.1	55.6	55.3	56.3	59.9	57.2	61.6	72.3	60.9	49.6	47.9	52.6	21
22 Short-term marketable	32.3	33.9	31.3	33.6	34.7	33.4	39.2	51.5	38.5	28.7	29.9	35.5	22
23 Other direct	20.8	21.7	24.0	22.7	25.1	23.9	22.5	20.8	22.4	20.9	18.0	17.0	23
24 Agency issues	5.0	5.7	6.0	6.8	10.0	9.7	12.6	19.8	21.6	16.6	15.6	26.2	24
25 Loan participations			.2	.6	1.5	2.2	2.6	2.1	2.4	2.2	3.3	3.1	25
26 Commercial banking	71.4	68.5	68.8	66.0	62.9	72.3	75.5	65.5	75.9	83.6	90.0	88.8	26
27 Short-term marketable	27.7	24.0	28.2	26.7	21.8	27.3	29.1	24.9	30.3	24.9	30.3	28.5	27
28 Other direct	39.4	39.8	35.4	33.5	35.0	35.9	36.2	30.7	32.2	40.7	37.7	30.7	28
29 Agency issues	4.4	4.7	5.2	5.8	6.1	9.0	10.2	9.9	13.4	17.9	22.0	29.6	29
30 Nonbank finance	37.1	37.3	39.1	38.9	39.1	36.8	38.8	36.6	40.4	43.3	50.4	52.4	30
31 Short-term marketable	8.1	7.0	7.8	7.4	8.5	8.6	10.0	8.7	10.9	8.8	12.8	13.4	31
32 Other direct	26.8	27.8	28.5	28.3	26.6	23.8	22.7	20.1	19.0	19.6	19.7	16.3	32
33 Agency issues	2.2	2.4	2.8	3.3	3.9	4.4	6.1	7.8	10.5	14.9	19.7	22.7	33
34 Memo: Held by private domestic nonfinancial, banks, and nonbank finance	213.5	215.1	218.3	218.2	223.6	229.3	242.6	247.4	252.7	249.2	264.4	282.8	34

<sup>1</sup> Where not shown separately, loan participations are included with agency issues.

<sup>2</sup> These issues are outside the budget and outside the U.S. Government

sector in flow of funds accounts. They are included in credit market debt of financial institutions.

## 7. SUMMARY OF PRINCIPAL ASSETS AND LIABILITIES—Continued

(Amounts outstanding at end of year; in billions of dollars)

Transaction category, or sector	1962	1963	1964	1965	1966	1967	1968	1969	1970	1971	1972	1973	
State and local government securities													
1 Total liabilities	81.2	86.9	92.9	100.3	105.9	113.7	123.2	133.1	144.4	162.0	176.3	190.0	1
2 Short-term	3.7	4.1	4.9	5.5	6.2	8.0	8.1	10.9	13.3	15.7	15.1	14.8	2
3 Long-term	77.5	82.8	88.0	94.8	99.8	105.7	115.1	122.2	131.1	146.2	161.2	175.2	3
4 Total assets	81.2	86.9	92.9	100.3	105.9	113.7	123.2	133.1	144.4	162.0	176.3	190.0	4
5 Households	31.0	32.0	34.6	36.4	40.0	37.7	37.0	46.1	45.4	45.2	46.2	50.5	5
6 Corporate business	2.7	3.8	3.7	4.6	3.6	3.3	3.8	2.8	2.2	3.2	4.2	4.0	6
7 State and local governments, general funds	2.6	2.3	2.2	2.2	2.1	2.1	2.2	2.2	2.4	2.1	2.3	2.5	7
8 Commercial banking	26.2	30.1	33.7	38.9	41.2	50.3	58.9	59.5	70.2	82.8	90.0	95.7	8
9 Mutual savings banks	5.4	4.4	4.3	3.3	3.2	2.2	2.2	2.2	2.4	2.4	2.4	2.4	9
10 Life insurance companies	4.0	3.9	3.8	3.5	3.1	3.0	3.2	3.2	3.3	3.4	3.4	3.4	10
11 State and local governments, retirement funds	3.8	3.3	2.9	2.6	2.5	2.4	2.4	2.3	2.0	2.1	2.0	1.4	11
12 Other insurance companies	9.9	10.6	11.0	11.3	12.6	14.1	15.1	16.3	17.8	21.7	26.5	30.4	12
13 Brokers and dealers	.5	.5	.7	.5	.5	.5	.5	.4	.9	1.0	.9	1.1	13
Corporate and foreign bonds													
1 Total liabilities	102.4	109.0	116.6	125.7	137.2	153.4	168.3	181.7	206.1	231.4	251.8	264.0	1
2 Corporate business	84.5	88.4	92.4	97.8	108.0	122.7	135.6	147.6	167.3	186.1	198.3	207.5	2
3 Commercial banks	2.2	2.8	1.7	1.7	2.0	2.2	2.0	2.0	2.1	3.0	4.1	4.1	3
4 Finance companies	10.7	12.2	14.3	16.1	16.9	17.9	18.8	20.3	22.9	26.7	32.1	33.9	4
5 REITS								1.1	.6	1.0	1.4	1.9	5
6 Rest of the world	7.2	8.2	9.2	10.2	10.5	10.8	11.7	11.7	13.2	14.7	15.9	16.6	6
7 Total assets	102.4	109.0	116.6	125.7	137.2	153.4	168.3	181.7	206.1	231.4	251.8	264.0	7
8 Households	11.2	11.2	11.9	13.5	15.2	19.0	23.7	30.3	41.0	50.5	55.6	56.8	8
9 Commercial banking	.8	.8	.9	.8	.9	1.7	2.0	1.9	2.7	4.0	5.7	6.2	9
10 Mutual savings banks	3.5	3.2	3.1	2.9	3.2	5.3	6.6	6.9	8.1	12.0	14.2	13.1	10
11 Life insurance companies	53.2	56.0	58.3	61.1	63.5	67.3	71.2	72.7	74.1	79.6	86.6	92.5	11
12 Private pension funds	18.1	19.6	21.2	22.7	25.2	26.4	27.0	27.6	29.7	29.0	28.2	29.8	12
13 State and local governments, retirement funds	10.7	12.8	14.9	17.2	20.2	23.9	26.6	30.2	33.9	38.1	43.4	49.4	13
14 Other insurance companies	2.1	2.0	2.4	3.0	3.6	4.3	5.5	6.3	8.6	8.9	8.1	7.2	14
15 Open-end investment companies	1.6	1.8	2.1	2.6	2.9	3.0	3.4	3.6	4.3	4.9	5.1	4.2	15
16 Brokers and dealers	.6	.8	.9	1.2	1.3	1.7	1.5	1.8	1.9	2.1	2.2	2.6	16
17 Rest of the world	.7	.7	.9	.7	1.3	.9	.9	.4	1.7	2.3	2.6	2.3	17
Corporate equities													
1 Total at market value	505.7	597.0	662.1	749.0	682.7	869.5	1027.6	907.6	900.6	1046.1	1223.1	968.0	1
2 Open-end investment companies	21.3	25.2	29.1	35.2	34.8	44.7	52.7	48.3	47.6	56.7	59.8	46.5	2
3 Other sectors	484.4	571.8	633.0	713.7	647.8	824.8	975.0	859.4	852.9	989.5	1163.2	921.4	3
4 Market value of holdings	505.7	597.0	662.1	749.0	682.7	869.5	1027.6	907.6	900.6	1046.1	1223.1	968.0	4
5 Households	437.9	514.8	566.5	637.5	576.9	733.7	865.1	750.0	733.6	833.7	939.1	744.4	5
6 Commercial banking	.1	.1	.1	.2	.2	.3	.4	.4	.5	.5	.6	.7	6
7 Mutual savings banks	1.0	1.2	1.3	1.4	1.5	1.7	1.9	2.2	2.5	3.0	3.6	4.0	7
8 Life insurance companies	6.3	7.1	7.9	9.1	8.8	10.9	13.2	13.7	15.4	20.6	26.8	25.9	8
9 Private pension funds	21.9	27.7	33.5	40.7	39.5	51.1	61.4	61.6	67.2	88.6	114.9	89.2	9
10 State and local governments, retirement funds	.8	1.0	1.3	1.6	2.1	2.8	4.1	5.9	8.0	11.2	14.7	18.6	10
11 Other insurance companies	8.6	10.0	11.4	12.0	11.0	13.0	14.6	13.3	13.2	16.6	21.8	19.6	11
12 Open-end investment companies	18.3	22.1	25.6	30.9	28.9	39.2	46.1	40.9	39.7	48.6	51.7	38.3	12
13 Brokers and dealers	.3	.6	.7	1.0	1.1	1.5	1.3	1.6	1.7	1.9	2.0	2.4	13
14 Rest of the world	10.3	12.5	13.8	14.6	12.6	15.5	19.6	18.1	18.7	21.4	27.8	24.8	14
Total mortgages													
1 Total mortgage debt	248.6	274.3	300.1	325.8	347.4	370.2	397.5	425.3	451.7	499.9	568.7	639.6	1
2 U.S. Government	1.7	1.8	1.8	1.8	1.8	1.7	1.7	1.6	1.5	1.4	1.3	1.3	2
3 Savings and loan associations	2.0	2.5	2.2	2.2	1.3	2.3	2.4	2.5	3.1	5.0	6.2	4.7	3
4 REITS							.2	.4	.5	.7	1.2	1.5	4
5 Private nonfinancial sectors	244.9	269.9	296.1	321.7	344.4	366.3	393.2	420.9	446.6	492.8	560.0	632.2	5
6 Total assets	248.6	274.3	300.1	325.8	347.4	370.2	397.5	425.3	451.7	499.9	568.7	639.6	6
7 Households	34.5	34.8	35.1	34.3	35.7	36.6	38.1	39.2	39.3	39.5	37.6	38.1	7
8 U.S. Government	6.3	5.8	5.7	5.6	6.4	7.3	8.4	9.1	9.5	9.5	9.3	8.7	8
9 State and local governments, general funds	2.1	2.2	2.2	2.1	2.1	2.2	2.2	2.2	2.1	2.2	2.2	2.2	9
10 Sponsored credit agencies	5.9	5.4	5.7	6.8	9.4	11.1	13.3	17.8	23.6	29.9	36.6	47.0	10
11 Commercial banking	34.5	39.4	44.0	49.7	54.4	59.0	65.7	70.7	73.3	82.5	99.3	119.1	11
12 Savings and loan associations	78.8	90.9	101.3	110.3	114.4	121.8	130.8	140.2	150.3	174.3	206.2	232.1	12
13 Mutual savings banks	32.3	36.2	40.6	44.6	47.3	50.5	53.5	56.1	57.9	62.0	67.6	73.2	13
14 Credit unions	.5	.5	.5	.6	.6	.7	.7	.7	.8	.8	1.0	1.0	14
15 Life insurance companies	46.9	50.5	55.2	60.0	64.6	67.5	70.0	72.0	74.4	75.5	77.3	81.2	15
16 Private pension funds	1.9	2.2	2.7	3.3	3.9	4.1	4.1	4.2	4.3	3.7	3.0	2.7	16
17 State and local governments, retirement funds	2.2	2.6	3.1	3.7	4.5	5.0	5.4	6.0	6.8	7.1	6.8	6.7	17
18 Other insurance companies	.1	.1	.1	.1	.1	.2	.2	.2	.2	.2	.2	.2	18
19 Finance companies	2.7	3.5	3.9	4.5	3.9	4.3	4.9	5.7	5.9	7.0	11.1	12.5	19
20 REITS							.2	1.1	3.2	5.8	10.6	15.1	20
Bank loans not elsewhere classified													
1 Total liabilities	72.2	80.1	89.8	106.2	115.9	123.4	139.1	157.2	162.9	175.2	203.8	255.9	1
2 Nonfinancial business	52.1	57.1	62.8	75.0	85.5	93.4	104.5	119.1	124.9	130.8	146.4	180.5	2
3 Households	8.1	8.8	10.3	11.7	12.0	13.9	16.4	17.3	18.2	20.1	22.9	24.7	3
4 Rest of the world	4.1	4.7	6.7	7.2	7.1	6.8	6.3	6.1	5.7	7.3	10.2	13.0	4
5 Financial sectors	7.8	9.5	10.0	12.4	11.3	9.3	11.9	14.6	14.1	17.1	24.1	37.6	5

7. SUMMARY OF PRINCIPAL ASSETS AND LIABILITIES—Continued

(Amounts outstanding at end of year; in billions of dollars)

Transaction category, or sector	1962	1963	1964	1965	1966	1967	1968	1969	1970	1971	1972	1973	
Credit market debt claims <sup>1</sup>													
1 Total credit market liabilities	881.4	947.1	1020.1	1100.3	1173.5	1251.3	1358.5	1473.5	1574.2	1723.5	1909.4	2139.6	1
Owed by:													
2 Nonfinancial sectors	842.6	900.6	967.5	1037.6	1102.8	1181.6	1276.9	1363.9	1456.7	1592.3	1751.4	1930.4	2
3 U. S. Government	250.2	254.1	260.4	262.2	265.8	278.8	292.2	288.6	301.4	327.4	344.7	354.4	3
4 Foreign	27.9	31.1	36.0	38.9	39.9	42.8	45.3	47.5	50.6	55.8	61.0	68.5	4
5 Private domestic	564.5	615.4	671.0	736.5	797.1	860.0	939.4	1027.8	1104.7	1209.1	1345.8	1507.5	5
6 Households	251.9	276.9	304.9	333.2	354.7	374.0	404.3	435.9	459.3	498.8	562.0	634.8	6
7 Farm business	23.9	26.4	29.0	32.3	35.8	39.2	41.9	45.1	48.3	52.0	56.9	64.5	7
8 Nonfarm noncorp. business	30.6	35.1	40.4	46.2	51.6	56.5	62.1	69.5	74.7	83.4	93.8	103.1	8
9 Corporate nonfin. business	175.0	187.8	201.3	221.8	245.7	272.9	303.9	339.5	373.2	407.8	451.8	511.6	9
10 State and local govts.	83.2	89.1	95.4	103.1	109.3	117.3	127.2	137.9	149.2	167.0	181.2	193.5	10
11 Financial sectors	38.9	46.5	52.6	62.7	70.7	69.6	81.6	109.6	117.5	131.2	158.0	209.1	11
12 Sponsored credit agencies	10.1	11.5	12.1	14.2	19.0	18.4	21.9	30.6	38.9	43.2	49.4	68.9	12
13 Commercial banks		.2	1.4	3.3	3.2	3.3	4.6	6.0	2.8	4.7	7.6	10.9	13
14 Bank affiliates								4.2	2.3	2.0	2.6	4.9	14
15 Foreign banking agencies	*	*	.1	.1	.1	.1	.2	.3	.4	2.1	2.9	8.0	15
16 Savings and loan assns.	5.6	7.6	7.8	8.7	8.7	7.0	8.2	12.3	14.1	14.1	16.0	22.0	16
17 Finance companies	23.1	27.2	31.2	36.5	39.6	40.8	46.5	55.3	56.9	61.1	70.7	80.1	17
18 REITS							.3	.8	2.1	4.1	8.8	14.4	18
19 Total credit market liabilities	881.4	947.1	1020.1	1100.3	1173.5	1251.3	1358.5	1473.5	1574.2	1723.5	1909.4	2139.6	19
Held by:													
20 Private domestic nonfin. sectors	209.3	218.2	226.6	235.1	252.4	255.7	276.2	320.1	317.5	314.5	328.1	366.5	20
21 Households	149.6	154.5	160.9	166.0	183.0	184.9	196.7	231.1	230.0	221.2	227.6	256.4	21
22 Nonfarm noncorp. business	5.9	6.3	6.6	7.1	7.6	8.0	8.5	9.1	9.7	10.4	11.4	12.7	22
23 Corporate business	33.8	36.8	38.6	38.9	36.8	38.2	44.1	46.6	44.3	51.3	53.9	61.8	23
24 State and local governments	19.9	20.6	20.4	23.1	24.9	24.6	26.9	33.3	33.6	31.6	35.2	35.7	24
25 U.S. Government	30.8	32.2	34.9	37.7	42.0	46.6	51.1	54.0	56.7	59.2	62.2	65.2	25
26 Financial institutions	627.0	681.7	742.7	811.6	864.8	932.9	1015.0	1084.5	1174.3	1297.3	1458.0	1646.3	26
27 Sponsored credit agencies	13.7	15.3	16.0	18.3	23.4	23.3	26.5	35.4	45.4	48.6	55.6	75.9	27
28 Federal Reserve System	30.9	33.8	37.2	41.0	44.5	49.3	53.0	57.2	62.2	71.1	71.3	80.6	28
29 Commercial banking	231.9	249.5	272.2	300.9	317.3	353.1	391.9	410.7	445.7	496.3	566.9	653.5	29
30 Commercial banks	229.7	247.3	269.9	298.3	314.1	349.5	387.7	401.0	434.3	484.6	553.4	634.3	30
31 Bank affiliates								3.9	3.0	2.8	2.6	4.3	31
32 Foreign banking agencies	1.9	1.7	1.8	2.0	2.4	2.8	3.2	4.5	7.2	7.3	9.0	12.9	32
33 Banks in U.S. possessions	.4	.5	.5	.6	.7	.9	1.0	1.2	1.3	1.6	1.9	2.0	33
34 Private nonbank finance	350.4	383.1	417.2	451.4	479.7	507.2	543.6	581.2	620.9	681.3	764.1	836.4	34
35 Savings and loan assns.	85.9	99.2	110.2	119.8	124.4	133.4	143.3	153.2	164.7	194.0	230.4	257.5	35
36 Mutual savings banks	43.6	47.0	51.2	54.9	57.6	62.6	66.9	69.8	73.5	83.4	93.1	98.2	36
37 Credit unions	5.6	6.3	7.2	8.2	9.4	10.2	11.5	13.1	14.6	17.2	20.3	23.2	37
38 Life insurance companies	116.9	123.3	130.2	137.7	145.4	152.8	160.5	167.2	174.2	182.3	192.6	204.6	38
39 Private pension funds	23.0	25.2	27.5	29.6	32.2	33.0	34.0	34.6	37.0	35.4	34.9	36.8	39
40 State and local governments, rtr. funds	23.2	25.6	28.3	31.3	34.9	38.3	41.6	45.5	49.5	52.5	56.8	62.1	40
41 Other insurance companies	17.8	18.6	19.4	20.5	22.0	23.5	25.4	27.0	30.9	34.6	38.3	41.1	41
42 Finance companies	28.6	33.1	37.1	42.8	44.9	45.5	50.6	59.2	59.9	64.0	74.8	84.9	42
43 REITS							.2	1.1	3.2	5.8	10.6	15.1	43
44 Open-end investment cos.	2.6	2.7	3.0	3.8	5.4	4.8	5.8	6.7	7.2	7.2	7.2	7.0	44
45 Security brokers and dealers	3.1	2.1	2.9	2.7	3.5	3.2	3.8	3.9	6.3	4.9	5.1	5.8	45
46 Rest of the world	14.4	15.0	15.9	15.9	14.3	16.1	16.1	14.9	25.7	52.4	61.1	61.5	46
Total claims and their relation to total financial assets													
1 Total credit market liabilities	881.4	947.1	1020.1	1100.3	1173.5	1251.3	1358.5	1473.5	1574.2	1723.5	1909.4	2139.6	1
Other liabilities													
2 Official foreign exchange	1.2	1.2	1.2	1.6	1.6	2.8	4.8	5.1	2.6	.9	.7	.6	2
3 Treasury currency and SDR certificates	2.8	2.8	2.8	3.1	4.0	4.6	5.1	5.3	6.0	6.4	7.0	7.4	3
4 Deposits at finan. insts.	393.1	427.7	466.7	507.2	530.1	585.9	634.0	640.8	710.1	809.4	918.2	1014.4	4
5 Banking system	265.2	284.6	307.7	335.1	351.2	390.1	425.6	424.4	476.7	535.4	598.1	666.2	5
6 Demand dep. and currency	166.6	171.6	180.2	187.4	191.3	206.3	221.1	229.3	243.6	261.0	281.3	298.5	6
7 Time and svgs. deposits	98.6	113.0	127.6	147.7	159.8	183.7	204.5	195.1	233.1	274.5	316.8	367.7	7
8 Savings institutions	127.9	143.1	159.0	172.0	179.0	195.8	208.4	216.4	233.4	274.0	320.1	348.2	8
9 Insurance and pension reserves	201.6	219.3	238.6	259.7	274.2	300.7	326.4	342.4	367.8	408.0	457.5	458.1	9
10 U.S. Government	22.6	23.9	25.3	26.7	28.1	29.5	30.8	32.4	34.9	37.8	41.0	43.0	10
11 Insurance sector	179.0	195.4	213.3	232.9	246.1	271.2	295.6	310.0	332.9	370.2	416.5	415.1	11
12 Security credit	13.9	16.7	16.8	18.0	18.7	25.8	32.3	25.7	24.9	28.7	37.5	29.3	12
13 Trade debt	89.1	96.7	104.6	117.8	129.8	140.9	159.8	183.2	193.3	199.4	217.1	240.9	13
14 Profit taxes payable	18.0	19.2	20.4	22.1	22.3	17.4	20.4	17.3	14.2	16.0	15.9	18.5	14
15 Miscellaneous	102.6	110.4	121.4	131.5	145.1	157.9	175.8	206.1	219.1	230.9	259.5	305.5	15
16 Interbank claims	25.5	24.6	26.2	26.6	28.9	31.6	35.3	37.2	41.7	47.3	49.3	57.1	16
17 Investment co. shares	21.3	25.2	29.1	35.2	34.8	44.7	52.7	48.3	47.6	56.7	59.8	46.5	17
18 Total liabilities above	1750.5	1890.9	2048.1	2223.0	2363.0	2563.5	2805.0	2984.9	3201.4	3527.1	3931.9	4317.9	18
+ Financial assets not included in borrowing:													
19 Other corporate shares	484.4	571.8	633.0	713.7	647.8	824.8	975.0	859.4	852.9	989.5	1163.2	921.4	19
20 Gold and SDR's	41.5	42.3	43.0	43.2	43.2	41.6	40.9	41.0	44.7	48.1	55.9	61.1	20
- Floats not included in assets:													
21 Demand dep.—U.S. Govt.	*	.1	-.4	.1	-.2	-.6	-.1	-.7	-.7	-.8	-.3	.1	21
22 Other	9.9	9.9	10.4	10.5	9.5	8.3	8.8	10.9	12.0	12.1	15.3	15.4	22
23 Trade credit	-8.5	-7.7	-8.4	-9.9	-11.8	-11.2	-12.8	-15.1	-14.4	-12.7	-16.8	-19.1	23
- Liabilities not allocated as assets:													
24 Treasury currency	-2.7	-2.6	-2.4	-2.4	-2.2	-2.0	-1.7	-1.5	-1.6	-1.6	-1.7	-1.7	24
25 Taxes payable	3.2	2.4	2.4	2.8	3.6	2.9	4.0	3.5	2.6	2.7	3.0	2.9	25
26 Miscellaneous	2.1	2.1	3.5	4.9	5.3	5.3	7.7	16.8	14.5	16.5	24.1	28.6	26
27 Totals allocated to sectors as assets	2272.3	2500.9	2719.0	2974.0	3049.8	3427.2	3815.2	3871.5	4086.6	4548.4	5127.5	5274.2	27

<sup>1</sup> Excludes corporate equities.

## 8. SECTOR STATEMENTS OF FINANCIAL ASSETS AND LIABILITIES

(Amounts outstanding at end of year; in billions of dollars)

Category	1962	1963	1964	1965	1966	1967	1968	1969	1970	1971	1972	1973	
Households, personal trusts, and nonprofit organizations													
1 Total financial assets.....	1090.6	1218.9	1329.4	1464.4	1460.0	1695.0	1910.3	1853.7	1918.9	2134.5	2405.8	2302.3	1
2 Deposits and credit market instruments <sup>1</sup> .....	435.5	468.4	507.0	547.8	587.9	635.8	690.1	732.3	786.8	859.2	952.8	1062.2	2
3 Demand deposits and currency.....	78.4	81.7	86.5	94.2	98.1	109.4	121.7	123.3	134.5	145.5	157.3	170.2	3
4 Time and savings accounts.....	207.5	232.1	259.5	287.5	306.8	341.5	371.7	377.8	422.3	492.5	567.9	635.6	4
5 At commercial banks.....	79.9	89.4	101.1	115.9	127.9	146.0	163.4	161.5	189.0	218.8	248.3	287.8	5
6 At savings institutions.....	127.6	142.7	158.4	171.6	178.9	195.5	208.3	216.3	233.3	273.7	319.6	347.8	6
7 Credit market instruments.....	149.6	154.5	160.9	166.0	183.0	184.9	196.7	231.1	230.0	221.2	227.6	256.4	7
8 U.S. Government securities.....	72.9	76.5	79.3	81.8	89.5	91.0	96.6	109.4	99.7	85.3	85.9	105.3	8
9 Savings bonds.....	46.9	48.0	49.0	49.6	50.2	51.1	51.5	51.1	51.4	53.8	57.1	59.8	9
10 Short-term marketable.....	10.3	12.7	12.5	12.4	13.2	12.2	20.1	31.7	22.7	10.2	10.9	17.7	10
11 Other direct.....	13.1	12.9	14.2	15.2	17.1	17.4	14.7	13.6	9.9	10.3	7.0	6.7	11
12 Agency issues.....	2.6	2.9	3.7	4.6	9.0	10.3	10.2	13.0	15.7	11.0	10.9	21.1	12
13 State and local obligations.....	31.0	32.0	34.6	36.4	40.0	37.7	37.0	46.1	45.4	45.2	46.2	50.5	13
14 Corporate and foreign bonds.....	11.2	11.2	11.9	13.5	15.2	19.0	23.7	30.3	41.0	50.5	55.6	56.8	14
15 Commercial paper.....	.1	.1	*	*	2.8	.6	1.4	6.1	4.6	.7	2.2	5.7	15
16 Mortgages.....	34.5	34.8	35.1	34.3	35.7	36.6	38.1	39.2	39.3	39.5	37.6	38.1	16
17 Corporate equities.....	437.9	514.8	566.5	637.5	576.9	733.7	865.1	750.0	733.6	833.7	959.1	744.4	17
18 Investment company shares.....	21.3	25.2	29.1	35.2	34.8	44.7	52.7	48.3	47.6	56.7	59.8	46.5	18
19 Other corporate shares.....	416.7	489.6	537.4	602.2	542.1	689.0	812.4	701.7	685.9	777.0	899.3	697.9	19
20 Life insurance reserves.....	92.4	96.6	101.1	105.9	110.6	115.4	120.0	125.0	130.3	136.4	143.0	150.3	20
21 Pension fund reserves.....	109.2	122.7	137.5	153.8	163.6	185.2	206.4	217.4	237.6	271.6	314.5	307.8	21
22 Security credit.....	1.2	1.5	1.7	2.5	2.7	4.9	7.0	5.2	4.4	4.9	5.0	4.8	22
23 Miscellaneous assets.....	14.3	14.8	15.7	17.0	18.2	19.8	21.6	23.8	26.3	28.7	31.3	32.8	23
24 Total liabilities.....	263.5	290.9	319.1	348.7	370.7	394.4	428.4	457.5	480.0	522.8	591.9	661.1	24
25 Credit market instruments.....	251.9	276.9	304.9	333.2	354.7	374.0	404.3	435.9	459.3	498.8	562.0	634.8	25
26 Home mortgages.....	160.4	175.1	191.1	206.3	219.0	229.4	244.0	260.1	272.5	296.4	334.8	379.0	26
27 Other mortgages.....	11.0	12.0	13.1	14.2	15.5	16.7	17.8	19.1	20.5	21.7	23.1	24.5	27
28 Instalment consumer credit.....	48.7	55.5	62.7	70.9	76.2	79.4	87.7	97.1	102.1	111.3	127.3	147.4	28
29 Other consumer credit.....	15.1	16.3	17.6	19.0	20.0	21.4	23.0	24.0	25.1	27.1	30.2	33.0	29
30 Bank loans n.e.c.....	8.1	8.8	10.3	11.7	12.0	13.9	16.4	17.3	18.2	20.1	22.9	24.7	30
31 Other loans.....	8.5	9.2	10.1	11.0	11.9	13.3	15.3	18.3	20.9	22.3	23.6	26.1	31
32 Security credit.....	6.6	8.6	8.4	9.1	9.0	12.7	15.6	12.2	10.4	13.1	17.7	13.1	32
33 Trade credit.....	2.4	2.5	2.8	3.0	3.3	3.7	4.2	4.7	5.2	5.6	6.2	6.8	33
34 Deferred and unpaid life insurance premiums.....	2.7	2.9	3.0	3.3	3.7	3.9	4.3	4.7	5.1	5.4	6.0	6.4	34
Nonfinancial business—Total													
1 Total financial assets.....	236.2	252.3	268.1	290.9	306.3	325.9	358.8	391.8	409.3	437.7	476.1	528.0	1
2 Demand deposits and currency.....	46.4	46.5	47.0	47.4	47.7	49.3	51.2	53.8	54.8	55.5	55.6	55.4	2
3 Time deposits.....	8.4	10.8	10.8	13.1	11.7	13.8	14.2	11.8	13.5	17.1	20.2	21.5	3
4 Credit market instruments.....	39.8	43.0	45.3	45.9	44.4	46.2	52.6	55.7	53.9	61.7	65.3	74.5	4
5 Trade credit.....	92.6	98.8	107.0	121.0	133.0	141.3	160.0	182.7	191.1	196.7	216.8	240.9	5
6 Miscellaneous assets.....	49.1	53.2	58.0	63.5	69.4	75.3	80.8	87.9	96.0	106.7	118.2	135.8	6
7 Total liabilities.....	331.0	360.1	389.4	433.8	477.3	518.0	578.3	643.6	692.2	746.9	822.6	925.1	7
8 Credit market instruments.....	229.4	249.3	270.8	300.3	333.1	368.7	407.9	454.0	496.2	543.3	602.5	679.2	8
9 Bonds.....	84.5	88.4	92.4	97.8	108.0	122.7	135.6	147.6	167.3	186.1	198.3	207.5	9
10 Home mortgages.....	2.4	2.7	2.4	2.6	1.6	2.7	3.2	2.7	3.1	5.0	6.2	5.3	10
11 Other mortgages.....	71.1	80.1	89.5	98.6	108.3	117.5	128.2	139.0	150.6	169.7	195.9	223.4	11
12 Bank loans n.e.c.....	52.2	57.1	62.7	74.9	85.5	93.4	104.5	119.1	124.8	130.7	146.5	180.5	12
13 Other loans.....	19.3	21.0	23.7	26.4	29.7	32.4	36.4	45.6	50.5	51.7	55.0	60.1	13
14 Trade debt, net.....	78.1	85.4	92.3	104.6	114.8	123.7	141.1	162.6	171.3	176.6	192.6	212.6	14
15 Other liabilities.....	23.6	25.5	26.4	29.0	29.4	25.6	29.3	27.0	24.7	27.0	27.5	33.3	15

<sup>1</sup> Excludes corporate equities.

8. SECTOR STATEMENTS OF FINANCIAL ASSETS AND LIABILITIES—Continued

(Amounts outstanding at end of year; in billions of dollars)

Category	1962	1963	1964	1965	1966	1967	1968	1969	1970	1971	1972	1973	
Farm business													
1 Total financial assets . . . . .	7.9	7.8	8.2	8.5	8.7	9.1	9.6	10.2	10.8	11.5	12.4	13.1	1
2 Demand deposits and currency . . . . .	5.9	5.7	5.9	6.0	6.0	6.1	6.3	6.4	6.5	6.6	6.9	6.9	2
3 Miscellaneous assets . . . . .	2.0	2.1	2.3	2.5	2.7	3.0	3.3	3.8	4.3	4.8	5.5	6.2	3
4 Insurance receivables . . . . .	1.7	1.9	2.0	2.2	2.3	2.6	2.8	3.2	3.6	4.1	4.7	5.3	4
5 Equity in sponsored agencies <sup>1</sup> . . . . .	.2	.3	.3	.3	.4	.4	.5	.6	.6	.7	.8	.9	5
6 Total liabilities . . . . .	28.4	31.5	34.5	38.4	42.8	47.1	50.0	53.9	58.1	62.9	69.2	78.3	6
7 Credit market instruments . . . . .	23.9	26.4	29.0	32.3	35.8	39.2	41.9	45.1	48.3	52.0	56.9	64.5	7
8 Mortgages . . . . .	15.2	16.8	18.9	21.2	23.3	25.5	27.5	29.5	31.2	32.9	35.4	38.8	8
9 Bank loans n.e.c. . . . .	6.1	6.7	7.0	7.7	8.6	9.3	9.7	10.3	11.2	12.5	14.3	17.3	9
10 Other loans . . . . .	2.6	2.9	3.1	3.5	3.9	4.5	4.7	5.3	5.9	6.7	7.1	8.4	10
11 U.S. Government . . . . .	.7	.8	.9	.9	.9	1.1	1.0	1.0	1.0	1.0	1.1	1.2	11
12 FICB . . . . .	1.8	2.1	2.2	2.5	2.9	3.4	3.7	4.3	5.0	5.7	6.1	7.2	12
13 Trade debt . . . . .	4.5	5.1	5.5	6.1	7.0	7.8	8.1	8.8	9.7	10.8	12.3	13.8	13
Nonfarm noncorporate business													
1 Total financial assets . . . . .	21.8	22.3	23.0	23.7	24.5	25.4	26.3	27.6	28.9	30.4	32.4	34.7	1
2 Demand deposits and currency . . . . .	12.5	12.5	12.5	12.5	12.5	12.5	12.5	12.5	12.5	12.5	12.5	12.5	2
3 Consumer credit . . . . .	5.9	6.3	6.6	7.1	7.6	8.0	8.5	9.1	9.7	10.4	11.4	12.7	3
4 Miscellaneous assets . . . . .	3.3	3.5	3.8	4.1	4.4	4.8	5.3	6.0	6.7	7.5	8.5	9.5	4
5 Insurance receivables . . . . .	3.3	3.5	3.7	4.0	4.3	4.7	5.2	5.8	6.5	7.3	8.3	9.2	5
6 Equity in sponsored agencies <sup>1</sup> . . . . .	.1	.1	.1	.1	.1	.1	.1	.2	.2	.2	.2	.2	6
7 Total liabilities . . . . .	32.5	36.3	41.3	46.5	50.6	56.2	61.7	69.1	74.5	83.6	94.8	103.1	7
8 Credit market instruments . . . . .	30.6	35.1	40.4	46.2	51.6	56.5	62.1	69.5	74.7	83.4	93.8	103.1	8
9 Mortgages . . . . .	17.8	20.6	24.0	27.1	29.5	33.2	36.7	40.4	45.3	53.3	62.6	69.9	9
10 Home . . . . .	1.2	1.4	1.2	1.3	.8	1.4	1.6	1.4	1.5	2.5	3.1	2.7	10
11 Multifamily . . . . .	13.6	15.8	19.1	21.8	24.2	27.0	29.7	33.3	37.7	43.8	51.1	57.0	11
12 Commercial . . . . .	3.0	3.4	3.7	4.0	4.5	4.8	5.3	5.8	6.1	7.0	8.4	9.9	12
13 Bank loans n.e.c. . . . .	4.5	5.2	5.7	6.6	8.0	8.6	9.7	11.8	11.2	11.4	12.1	12.5	13
14 Other loans . . . . .	8.3	9.3	10.8	12.4	14.1	14.7	15.8	17.2	18.2	18.7	19.1	20.9	14
15 Trade debt, net . . . . .	1.9	1.2	.8	3	-1.0	-3	-4	-4	-2	.2	1.0	*	15
16 Trade debt . . . . .	15.5	14.7	14.7	14.3	13.5	14.7	13.5	13.9	13.0	13.1	13.6	12.0	16
17 Trade receivables . . . . .	13.6	13.6	13.9	14.0	14.5	15.0	13.9	14.3	13.1	13.0	12.6	12.0	17
Nonfinancial corporate business													
1 Total financial assets . . . . .	206.5	222.2	237.0	258.7	273.0	291.5	322.8	354.0	369.7	395.8	431.2	480.2	1
2 Liquid assets . . . . .	59.6	64.2	65.1	67.8	64.1	68.8	76.7	78.9	78.5	89.1	93.1	100.1	2
3 Demand deposits and currency . . . . .	28.0	28.3	28.6	28.9	29.2	30.7	32.4	34.9	35.8	36.3	36.2	35.9	3
4 Time deposits . . . . .	8.4	10.8	10.8	13.1	11.7	13.8	14.2	11.8	13.5	17.1	20.2	21.5	4
5 U.S. Govt. securities . . . . .	16.8	16.7	15.2	12.7	11.5	8.9	9.3	7.0	7.5	9.7	7.2	5.4	5
6 State and local obligations . . . . .	2.7	3.8	3.7	4.6	3.6	3.3	3.8	2.8	2.2	3.2	4.2	4.0	6
7 Open-market paper . . . . .	3.7	4.6	6.3	6.7	6.5	10.7	14.8	18.9	19.4	21.8	22.6	27.9	7
8 Security R.P.'s . . . . .	. . . . .	. . . . .	.6	1.7	1.5	1.3	2.2	3.6	.2	1.1	2.7	5.3	8
9 Consumer credit . . . . .	10.6	11.6	12.9	13.2	13.7	14.0	14.0	14.3	15.0	15.6	17.1	19.2	9
10 Trade credit . . . . .	92.6	98.8	107.0	121.0	133.0	141.3	160.0	182.7	191.1	196.7	216.8	240.9	10
11 Miscellaneous assets . . . . .	43.8	47.5	51.9	56.9	62.3	67.4	72.2	78.1	85.1	94.4	104.2	120.1	11
12 Foreign direct investment . . . . .	37.2	40.7	44.4	49.2	53.9	58.3	61.6	66.6	73.0	79.8	86.0	97.7	12
13 Foreign currencies . . . . .	.8	.7	1.1	.8	.9	1.1	1.6	1.3	.9	2.3	4.1	6.7	13
14 Insurance receivables . . . . .	5.7	6.0	6.4	6.8	7.3	8.0	8.8	9.9	10.8	11.9	13.7	15.3	14
15 Equity in sponsored agencies . . . . .	.1	.1	.1	.1	.1	.1	.2	.2	.3	.4	.4	.4	15
16 Total liabilities . . . . .	270.2	292.3	313.7	348.9	383.9	414.7	466.6	520.7	559.6	600.4	658.6	743.8	16
17 Credit market instruments . . . . .	175.0	187.8	201.3	221.8	245.7	272.9	303.9	339.5	373.2	407.8	451.8	511.6	17
18 Tax-exempt bonds . . . . .	. . . . .	. . . . .	. . . . .	. . . . .	. . . . .	. . . . .	. . . . .	. . . . .	. . . . .	. . . . .	. . . . .	. . . . .	18
19 Corporate bonds . . . . .	84.5	88.4	92.4	97.8	108.0	122.7	135.6	147.6	167.3	186.1	198.3	207.5	19
20 Mortgages . . . . .	40.5	45.4	49.0	52.8	57.1	61.6	67.2	71.8	77.0	88.5	104.1	120.2	20
21 Home . . . . .	1.2	1.4	1.2	1.3	.8	1.4	1.6	1.4	1.5	2.5	3.1	2.7	21
22 Multifamily . . . . .	12.2	13.2	14.5	15.3	16.1	16.9	17.5	18.7	20.2	22.8	25.8	28.3	22
23 Commercial . . . . .	27.1	30.8	33.3	36.2	40.2	43.3	48.1	51.8	55.3	63.2	75.2	89.3	23
24 Bank loans n.e.c. . . . .	41.5	45.2	50.1	60.7	68.9	75.5	85.1	97.0	102.5	106.9	120.0	150.7	24
25 Open-market paper . . . . .	1.6	1.3	1.5	1.2	2.2	3.7	5.3	8.0	10.6	9.1	8.6	8.2	25
26 Finance company loans . . . . .	5.6	6.3	7.0	7.6	7.5	7.2	9.0	13.3	13.7	15.6	18.4	20.4	26
27 U.S. Govt. loans . . . . .	1.1	1.2	1.4	1.7	2.0	2.2	1.7	1.8	2.1	1.6	1.8	2.2	27
28 Profit taxes payable . . . . .	15.9	17.5	18.0	20.2	20.4	15.6	18.5	15.2	11.5	13.3	13.3	15.6	28
29 Trade debt . . . . .	71.7	79.1	86.0	98.1	108.7	116.2	133.4	154.2	161.7	165.6	179.3	198.9	29
30 Miscellaneous liabilities . . . . .	7.6	7.9	8.4	8.8	9.1	9.9	10.8	11.8	13.3	13.7	14.3	17.7	30
31 Memo: Net trade credit . . . . .	20.9	19.7	21.0	22.8	24.2	25.1	26.6	28.5	29.3	31.2	37.5	42.0	31

<sup>1</sup> Shares in FICB's, banks for coops, and land banks.

8. SECTOR STATEMENTS OF FINANCIAL ASSETS AND LIABILITIES—Continued

(Amounts outstanding at end of year; in billions of dollars)

Category	1962	1963	1964	1965	1966	1967	1968	1969	1970	1971	1972	1973
State and local governments—General funds <sup>1</sup>												
1 Total financial assets	37.2	41.3	44.5	49.3	53.4	56.8	62.3	64.3	71.8	78.3	90.5	98.5
2 Demand deposits and currency	9.4	10.9	12.5	12.1	13.0	14.1	13.9	15.3	12.5	13.5	15.0	14.7
3 Time deposits	6.5	8.1	9.8	12.2	13.5	15.9	19.1	13.2	23.2	30.4	37.2	44.4
4 Credit market instruments	19.9	20.6	20.4	23.1	24.9	24.6	26.9	33.3	33.6	31.6	35.2	35.7
5 U.S. Government securities	15.2	16.1	16.0	18.8	20.7	20.3	22.5	28.9	29.1	27.3	30.8	31.0
6 Direct	14.4	15.1	15.2	18.0	20.5	19.7	19.2	22.2	23.2	21.9	25.9	27.1
7 U.S. Government agency securities	.8	1.0	.8	.9	.2	.7	.3	6.7	5.9	5.5	4.9	3.9
8 State and local obligations	2.6	2.3	2.2	2.2	2.1	2.1	2.2	2.2	2.4	2.1	2.3	2.5
9 Home mortgages	2.1	2.2	2.2	2.1	2.1	2.2	2.2	2.2	2.1	2.2	2.2	2.2
10 Taxes receivable	1.5	1.7	1.8	1.9	2.0	2.2	2.5	2.4	2.5	2.8	3.1	3.7
11 Total liabilities	86.0	92.2	98.7	106.7	113.5	122.1	132.6	143.8	155.7	174.2	189.0	202.4
12 Credit market instruments	83.2	89.1	95.4	103.1	109.3	117.3	127.2	137.9	149.2	167.0	181.2	193.5
13 State and local obligations	81.2	86.9	92.9	100.3	105.9	113.7	123.2	133.1	144.4	161.9	175.7	187.6
14 Short-term	3.7	4.1	4.9	5.5	6.2	8.0	8.1	10.9	13.3	15.7	15.1	17.8
15 Other	77.5	82.8	88.0	94.8	99.8	105.7	115.1	122.2	131.1	146.1	160.6	174.8
16 U.S. Government loans	2.0	2.2	2.5	2.8	3.4	3.6	4.0	4.7	4.8	5.2	5.5	5.9
17 Trade debt	2.8	3.0	3.3	3.7	4.2	4.8	5.4	5.9	6.5	7.1	7.8	8.9
U.S. Government												
1 Total financial assets	60.3	63.9	68.3	71.2	75.5	78.9	85.9	89.6	90.9	95.3	97.0	102.9
2 Gold, SDR's, and official foreign exchange	1.2	1.2	1.0	1.1	.9	1.3	3.3	4.7	3.6	2.1	2.6	2.9
3 Demand deposits and currency	8.1	7.7	8.3	6.9	6.8	8.3	6.6	7.7	10.2	13.5	13.3	12.6
4 Time deposits	.3	.3	.3	.3	.2	.3	.4	.2	.5	.6	.6	.4
5 Credit market instruments	30.8	32.2	34.9	37.7	42.0	46.6	51.1	54.0	56.7	59.2	62.2	65.2
6 Sponsored agency issues	.5	.1	* *	* *	1.4	1.3	1.4	.1	* *	* *	* *	* *
7 Home mortgages	4.5	4.1	4.0	3.9	4.5	5.2	6.0	6.1	6.0	5.7	5.1	3.9
8 Other mortgages	1.7	1.7	1.7	1.7	1.9	2.1	2.4	3.0	3.5	3.8	4.2	4.8
9 Other loans	24.5	26.3	29.2	32.0	34.3	38.0	41.3	44.7	47.2	49.7	52.9	56.5
10 To rest of the world	14.9	16.0	17.5	19.0	19.8	22.3	24.4	26.5	27.7	29.5	31.7	33.4
11 To others	9.6	10.4	11.7	13.0	14.5	15.7	16.9	18.2	19.5	20.1	21.2	23.1
12 Taxes receivable	13.3	15.1	16.2	17.4	16.7	12.3	14.0	11.4	9.1	10.5	9.8	11.9
13 Trade credit	2.0	2.5	2.7	3.1	4.4	5.8	6.4	7.3	6.6	4.9	4.0	4.3
14 Miscellaneous assets	4.6	4.9	4.8	4.7	4.4	4.3	4.1	4.2	4.4	4.6	4.4	5.4
15 Total liabilities	280.0	285.1	292.4	296.4	303.2	319.1	334.4	332.0	346.7	375.5	396.4	408.6
16 Treasury currency and SDR certificates	2.8	2.8	2.8	3.1	4.0	4.6	5.1	5.3	6.0	6.4	7.0	7.4
17 Credit market instruments	250.2	254.1	260.4	262.2	265.8	278.8	292.2	288.6	301.4	327.4	344.7	354.4
18 Savings bonds	46.9	48.0	49.0	49.6	50.2	51.1	51.5	51.1	51.4	53.8	57.1	59.8
19 Short-term marketable	99.8	101.1	105.8	108.8	110.2	118.9	119.4	128.4	133.8	130.4	143.5	153.1
20 Other direct	100.2	101.9	101.6	99.3	99.5	98.9	108.3	98.4	105.6	132.7	130.1	125.6
21 Budget agency issues	.1	.2	.2	.3	.3	.5	1.9	1.6	1.9	2.5	4.5	5.3
22 Loan participations	1.4	1.2	2.0	2.4	3.7	7.7	9.4	7.5	7.1	6.5	8.0	9.3
23 Home mortgages	1.7	1.8	1.8	1.8	1.8	1.7	1.7	1.6	1.5	1.4	1.3	1.3
24 Trade debt	3.7	3.6	3.4	3.9	4.5	5.1	5.1	4.8	4.2	3.5	3.4	3.5
25 Life insurance reserves	6.6	6.8	6.9	7.0	7.1	7.2	7.2	7.3	7.4	7.4	7.5	7.6
26 Retirement fund reserves	16.0	17.2	18.4	19.7	21.0	22.3	23.6	25.1	27.5	30.4	33.5	35.4
27 Miscellaneous liabilities	.8	.7	.6	.6	.8	1.0	1.2	.9	.3	.3	.3	.3
Federally sponsored credit agencies <sup>2</sup>												
1 Total financial assets	14.3	15.8	16.5	18.8	23.8	23.7	27.0	36.1	46.9	50.3	56.9	79.0
2 Demand deposits and currency	.2	.2	.2	.2	.2	.2	.2	.2	.2	.2	.2	.3
3 Credit market instruments	13.7	15.3	16.0	18.3	23.4	23.3	26.5	35.4	45.4	48.6	55.6	75.9
4 U.S. Government securities	1.8	2.2	1.8	1.9	2.9	2.9	2.7	2.3	4.2	3.1	2.7	4.0
5 Mortgages	5.9	5.4	5.7	6.8	9.4	11.1	13.3	17.8	23.6	29.9	36.6	47.0
6 Home	2.8	2.1	2.0	2.5	4.4	5.5	7.2	11.0	16.1	20.9	25.2	31.6
7 Multifamily	* *	* *	* *	* *	* *	* *	* *	* *	.3	1.1	2.3	4.3
8 Farm (FLB)	3.1	3.3	3.7	4.3	5.0	5.6	6.1	6.7	7.2	7.9	9.1	11.1
9 Other loans	6.1	7.7	8.5	9.6	11.1	9.3	10.5	15.3	17.6	15.6	16.4	24.9
10 To coops (BC)	.7	.8	1.0	1.1	1.3	1.5	1.6	1.7	2.0	2.0	2.3	2.6
11 To farmers (FICB)	1.8	2.1	2.2	2.5	2.9	3.4	3.7	4.3	5.0	5.7	6.1	7.2
12 To S & L's (FHLB)	3.5	4.8	5.3	6.0	6.9	4.4	5.3	9.3	10.6	7.9	8.0	15.1
13 Miscellaneous assets	.4	.3	.3	.3	.3	.3	.3	.5	1.3	1.5	1.1	2.8
14 Total liabilities	13.7	15.1	15.7	18.0	23.0	22.8	26.1	35.2	46.0	49.3	55.8	77.5
15 Credit market instruments	10.1	11.5	12.1	14.2	19.0	18.4	21.9	30.6	38.9	43.2	49.4	68.9
16 Sponsored agency issues	10.0	11.5	11.9	13.8	18.9	18.4	21.6	30.6	38.9	43.2	49.4	68.9
17 U.S. Government loans	.1	.1	.1	.3	.1	.1	.3	.3	.3	.3	.3	.3
18 Miscellaneous liabilities	3.6	3.6	3.7	3.8	4.0	4.4	4.2	4.5	7.1	6.1	6.4	8.6
19 Deposits at FHLB's	1.2	1.2	1.2	1.0	1.0	1.4	1.4	1.0	2.3	1.8	1.5	1.7
20 Capital subscriptions	1.9	1.9	1.9	2.0	2.3	2.4	2.2	2.4	2.7	2.8	3.1	3.7
21 Other	.5	.5	.5	.7	.6	.6	.6	1.1	2.0	1.5	1.7	3.1

<sup>1</sup> Employee retirement funds are on page A-59.26.

<sup>2</sup> This group consists of Federal home loan banks, Federal National Mortgage Association, Federal intermediate credit banks, banks for co-

operatives, and Federal land banks. These agencies are privately owned and are excluded from U.S. Government budget accounts as of 1961 and from U.S. Government figures in these accounts for all years.



8. SECTOR STATEMENTS OF FINANCIAL ASSETS AND LIABILITIES—Continued

(Amounts outstanding at end of year; in billions of dollars)

Category	1962	1963	1964	1965	1966	1967	1968	1969	1970	1971	1972	1973
Monetary authorities												
1 Total financial assets	55.3	57.5	60.8	63.1	67.3	72.1	75.8	80.0	85.2	93.5	96.5	105.5
2 Gold and foreign exchange <sup>1</sup>	16.0	15.6	15.6	14.3	14.0	13.5	12.4	12.3	10.9	10.1	10.5	11.5
3 Treasury currency and SDR certificates	5.4	5.4	5.2	5.4	6.2	6.6	6.8	6.8	7.5	8.0	8.7	9.1
4 F.R. float	2.9	2.6	2.6	2.2	2.5	2.6	3.4	3.4	4.3	4.3	4.0	3.1
5 F.R. loans to domestic banks	*	*	2.1	1.1	2.1	2.2	2.2	2.2	3.1	3.1	2.0	1.3
6 Credit market instruments	30.9	33.8	37.2	41.0	44.5	49.3	53.0	57.2	62.2	71.1	71.3	80.6
7 U.S. Govt. securities	30.8	33.6	37.0	40.8	44.3	49.1	52.9	57.2	62.1	70.8	71.2	80.5
8 Short-term marketable	20.7	25.6	28.2	31.9	36.5	39.2	42.6	46.6	50.0	53.4	57.9	61.8
9 Other direct	10.1	8.0	8.8	8.9	7.8	9.9	20.4	19.5	23.7	30.7	28.7	27.9
10 Agency issues										6.6	1.3	2.0
11 Acceptances	.1	.2	*	.2	.2	.2	.1	.1	.1	.3	.1	.1
12 Bank loans n.e.c.	*	*	*	*	*	*	*	*	*	*	*	*
13 Total liabilities	55.2	57.3	61.4	63.6	67.8	72.6	76.2	80.4	85.6	94.0	96.9	105.7
14 Member bank reserves	17.5	17.0	18.1	18.4	19.8	21.1	21.9	22.1	24.2	27.8	25.6	27.1
15 Vault cash of commercial banks	4.5	4.3	4.5	4.9	5.5	5.9	7.2	7.3	7.0	7.5	8.7	10.7
16 Demand deposits and currency	32.1	34.9	36.8	38.8	41.2	44.2	45.7	48.9	52.0	56.4	60.4	65.0
17 Due to U.S. Government	1.0	1.2	1.4	1.4	1.6	2.8	1.5	2.0	1.6	2.5	2.2	2.9
18 Due to rest of the world	3.3	3.2	3.3	2.4	4.3	4.3	4.3	4.3	3.3	3.5	4.4	5.3
19 Currency outside banks	30.8	33.4	35.1	37.2	39.2	41.3	43.7	46.6	50.0	53.4	57.9	61.8
20 Profit taxes payable	1.0	1.0	1.0	1.3	1.2	1.2	1.3	1.8	2.2	2.2	2.0	2.7
21 Other	1.0	1.0	1.3	1.3	1.2	1.2	1.3	1.8	2.2	2.1	2.0	2.7
Commercial banking <sup>2</sup>												
1 Total financial assets	269.3	287.5	313.7	343.5	363.7	404.6	450.8	473.0	518.2	576.7	655.0	755.2
2 Demand deposits and currency	1.1	1.1	2.2	1.1	2.2	4.2	2.2	3.3	4.4	5.5	7.7	11.0
3 Total bank credit	240.0	258.6	281.8	310.4	327.4	364.8	404.9	422.6	459.2	510.6	586.0	669.3
4 Credit market instruments	231.9	249.5	272.2	300.9	317.3	353.7	391.9	410.7	445.7	496.3	566.9	653.5
5 U.S. Govt. securities	71.4	68.5	68.8	66.0	62.9	72.3	75.5	65.5	75.9	83.6	90.0	88.8
6 Short-term direct	27.7	24.9	28.2	26.7	21.8	27.3	29.1	24.9	30.3	24.9	30.3	28.5
7 Other direct	39.4	39.8	35.4	33.5	35.0	35.9	36.2	30.7	32.2	40.7	37.7	30.7
8 Agency issues	4.4	4.7	5.2	5.8	6.1	9.0	10.2	9.9	13.4	17.9	22.0	29.6
9 Other securities and mortgages	61.5	70.4	78.6	89.4	96.5	111.0	126.6	132.2	146.2	169.3	195.0	220.9
10 State and local obligations	26.2	30.1	33.7	38.9	41.2	50.3	58.9	59.5	70.2	82.8	90.0	95.7
11 Corporate bonds	8.8	8.8	8.8	8.8	8.8	9.9	1.7	2.0	1.9	2.7	4.0	5.7
12 Home mortgages	22.1	24.9	27.2	30.4	32.8	35.3	38.8	41.4	42.3	48.0	57.0	68.0
13 Other mortgages	12.3	14.5	16.8	19.3	21.6	23.7	26.9	29.3	30.9	34.5	42.3	51.1
14 Other credit exc. security	99.0	110.7	124.9	145.6	157.9	169.8	189.8	213.0	223.6	243.4	281.9	343.8
15 Consumer credit	23.7	27.2	31.0	35.7	38.3	40.6	46.3	51.0	53.9	60.6	70.6	81.2
16 Bank loans n.e.c.	72.2	80.1	89.8	106.2	115.9	123.4	139.1	157.2	162.9	175.2	203.8	255.9
17 Open-market paper	2.4	2.5	3.1	2.7	3.7	5.8	4.4	4.9	6.9	7.7	7.5	6.7
18 Hypothecated deposits	8.8	8.8	1.0	1.1	1.1	1.1	1.1	1.1	1.1	1.1	1.1	1.1
19 Corporate equities	1.1	1.1	1.1	1.1	1.1	1.1	1.1	1.1	1.1	1.1	1.1	1.1
20 Security credit	8.0	9.0	9.4	9.3	9.9	11.3	12.7	11.5	13.0	13.8	18.5	15.1
21 Member bank reserves	17.5	17.0	18.1	18.4	19.8	21.1	21.9	22.1	24.2	27.8	25.6	27.1
22 Vault cash	4.5	4.3	4.5	4.9	5.5	5.9	7.2	7.3	7.0	7.5	8.7	10.7
23 Other interbank claims	6.6	7.7	9.9	9.9	9.9	1.9	2.6	4.2	5.9	7.6	9.0	15.0
24 Miscellaneous assets	6.5	6.8	8.3	8.8	10.0	10.7	14.1	16.5	21.5	22.7	25.0	32.2
25 Total liabilities	248.6	267.0	291.5	320.0	339.0	378.2	422.7	443.5	487.0	543.2	618.3	714.5
26 Demand deposits, net	134.5	136.7	143.4	148.6	150.1	162.2	175.4	180.4	191.6	204.6	220.9	233.5
27 U.S. Government	7.2	6.5	6.5	5.5	5.0	5.2	5.0	5.1	7.9	10.2	10.9	9.9
28 Other	127.4	130.1	136.9	143.1	145.2	156.9	170.4	175.3	183.7	194.4	210.1	223.7
29 Time deposits	98.6	113.0	127.6	147.7	159.8	183.7	204.5	195.1	233.1	274.5	316.8	367.7
30 Large negotiable CD's	6.2	9.9	12.6	16.3	15.7	20.3	23.5	10.9	26.1	34.8	44.5	64.5
31 Other at commercial banks	92.1	102.7	114.6	130.9	143.6	162.8	180.2	183.2	205.6	238.0	271.1	301.4
32 At foreign banking agencies	.3	.4	.4	.5	.5	.6	.8	1.0	1.4	1.7	1.2	1.8
33 Credit market debt	*	3	1.5	3.4	3.3	3.4	4.8	10.6	5.6	8.8	13.2	23.8
34 Federal Reserve float	2.9	2.6	2.6	2.2	2.5	2.6	3.4	3.4	4.3	4.3	4.0	3.1
35 Borrowing at F.R. Banks	*	*	.2	.1	.2	.1	.2	.2	.3	*	2.0	1.3
36 Other interbank claims	.6	.7	.9	.9	.9	1.9	2.6	4.2	5.9	7.6	9.0	15.0
37 Profit taxes payable	1.1	1.1	1.1	1.1	1.1	1.1	1.1	1.1	1.1	1.1	1.1	1.1
38 Miscellaneous liabilities	10.8	13.1	14.6	16.4	21.4	23.7	31.2	49.0	45.2	42.5	51.8	69.3
39 Liabilities to foreign affiliates	3.7	4.0	4.6	4.7	7.6	8.3	10.6	18.6	11.6	7.6	8.5	9.6
40 Other	7.1	9.1	10.0	11.8	13.8	15.3	20.6	30.4	33.6	34.9	43.3	59.7

<sup>1</sup> Monetary gold stock and F.R. holdings of foreign currencies. Exchange Stabilization Fund holdings of gold and foreign exchange are in U.S. Govt. account, p. A-59.22.

<sup>2</sup> Consists of chartered commercial banks, their domestic affiliates,

Edge Act corporations, agencies of foreign banks, and banks in U.S. possessions. Edge Act corporations and agencies of foreign banks appear together in these tables as "foreign banking agencies."

<sup>3</sup> Gross of bad debt reserves.

8. SECTOR STATEMENTS OF FINANCIAL ASSETS AND LIABILITIES—Continued

(Amounts outstanding at end of year; in billions of dollars)

Category	1962	1963	1964	1965	1966	1967	1968	1969	1970	1971	1972	1973
<b>Commercial banks</b>												
1 Total financial assets	264.0	281.6	306.4	336.4	355.5	395.4	438.9	452.7	490.7	547.2	624.5	713.1
2 Total bank credit	237.0	255.2	278.3	306.8	323.2	260.0	399.5	411.7	446.4	497.5	571.0	648.9
3 Credit market instruments	229.7	247.3	269.9	298.3	314.1	349.5	387.7	401.0	434.3	484.6	553.4	634.3
4 U.S. Govt. securities	70.8	67.9	68.2	65.3	62.2	71.5	74.7	64.6	75.1	82.9	88.8	87.5
5 Direct	66.4	63.2	63.0	59.5	56.2	62.5	64.5	54.7	61.7	64.9	67.0	58.3
6 Agency issues	4.4	4.7	5.2	5.8	6.1	9.0	10.2	9.9	13.4	17.9	21.8	29.3
7 Other securities and mortgages	61.1	70.0	78.1	88.8	95.8	110.1	125.7	131.1	144.8	168.0	193.3	218.9
8 State and local obligations	26.0	30.0	33.5	38.7	41.0	50.0	58.6	59.2	69.6	82.4	89.5	95.1
9 Corporate bonds	.8	.8	.9	.8	.9	1.6	1.9	1.9	2.7	3.9	5.3	5.8
10 Home mortgages	22.0	24.7	27.0	30.1	32.5	34.9	38.3	40.9	41.8	47.3	56.3	67.3
11 Other mortgages	12.3	14.4	16.7	19.2	21.5	23.6	26.8	29.1	30.7	34.3	42.1	50.7
12 Other credit excluding security	97.8	109.4	123.6	144.1	156.1	167.9	187.4	205.4	214.4	233.7	271.3	327.8
13 Consumer credit	23.7	27.2	31.0	35.7	38.3	40.6	46.3	51.0	53.9	60.6	70.6	81.2
14 Bank loans n.e.c.	71.1	79.0	88.6	104.9	114.2	121.6	136.8	149.6	153.7	165.7	193.3	240.0
15 Open-market paper	3.0	3.2	3.9	3.6	3.6	5.7	4.3	4.8	6.7	7.5	7.3	6.6
16 Security credit	7.3	7.9	8.4	8.5	9.0	10.5	11.8	10.7	12.1	12.9	17.6	14.6
17 Interbank claims	22.1	21.4	22.6	23.3	25.3	27.1	29.1	29.5	31.5	35.5	37.1	42.8
18 Vault cash and member bank reserves	22.0	21.3	22.6	23.3	25.2	27.0	29.1	29.4	31.2	35.3	34.3	37.8
19 Deposits at foreign banking agencies	.1	.1	*	*	.1	.1	.1	.1	.3	.2	.2	2.8
20 Miscellaneous assets	4.9	5.0	5.5	6.2	7.1	8.3	10.2	11.4	12.7	14.2	16.5	21.4
21 Total liabilities	243.3	261.1	284.2	312.8	330.8	369.0	410.7	423.2	459.4	513.7	587.9	672.4
22 Demand deposits, net	133.3	135.6	141.5	147.0	148.6	160.5	172.8	177.4	182.0	195.5	215.6	228.6
23 U.S. Government	7.2	6.5	6.5	5.5	5.0	5.2	5.0	5.1	7.9	10.2	10.9	9.9
24 Other	126.2	129.0	135.0	141.5	143.6	155.2	167.8	172.3	174.1	185.3	204.7	213.7
25 Time deposits	98.3	112.6	127.2	147.2	159.3	183.1	203.7	194.1	231.7	272.8	315.6	365.9
26 Large negotiable CD's	6.2	9.9	12.6	16.3	15.7	20.3	23.5	10.9	26.1	34.8	44.5	64.5
27 Other	92.1	102.7	114.6	130.9	143.6	162.8	180.2	183.2	205.6	238.0	271.1	301.4
28 Corporate bonds	.2	.8	.8	1.6	1.7	2.0	2.2	2.0	2.1	3.0	4.1	4.1
29 Security RP's	.6	.6	.6	1.7	1.5	1.3	2.3	4.0	7.7	10.7	3.5	6.8
30 Profit taxes payable	1.1	.6	.8	.7	.7	.6	.5	.6	1.0	.9	.7	.8
31 Interbank liabilities	3.5	3.2	3.6	3.2	3.5	4.5	6.1	7.7	10.2	11.7	12.2	14.3
32 F.R. float	2.9	2.6	2.6	2.2	2.5	2.6	3.4	3.4	4.3	4.3	4.0	3.1
33 Borrowing at F.R. banks	*	*	.2	.1	.2	.1	.2	.2	.3	*	2.0	1.3
34 Demand deposits of fgn. banking agencies	.5	.5	.5	.7	.7	1.6	2.3	3.1	4.4	5.6	4.4	7.0
35 Time deposits of fgn. banking agencies	*	*	*	*	*	*	*	*	.1	.1	.4	.6
36 Loans from affiliates	.1	.1	.3	.2	.2	.3	.2	.4	.5	.6	.8	2.2
37 Loans from foreign banking agencies	.1	.1	.3	.2	.2	.3	.2	.4	.5	.6	.8	2.2
38 Miscellaneous liabilities	7.1	8.9	9.6	11.4	15.5	17.0	23.0	37.4	31.8	28.1	36.2	51.9
39 Liabilities to foreign branches	.9	1.0	1.1	1.4	4.0	4.2	6.0	12.8	5.7	.9	1.4	1.8
40 Other	6.3	7.9	8.5	10.1	11.5	12.7	17.0	24.6	26.1	27.2	34.8	50.1
<b>Domestic affiliates of commercial banks</b>												
1 Total financial assets								4.5	3.6	3.8	3.2	4.5
2 Bank loans n.e.c.								3.9	3.0	2.8	2.6	4.3
3 Loans to affiliate banks								.6	.7	1.0	.6	.2
4 Total liabilities								4.5	3.6	3.8	3.2	4.5
5 Commercial paper issues								4.2	2.3	2.0	2.6	4.9
6 Miscellaneous liabilities								.3	1.3	1.9	.6	-.4
<b>Edge Act corporations and agencies of foreign banks</b>												
1 Total financial assets	4.4	4.8	6.0	5.8	6.5	7.3	9.8	12.5	20.1	21.4	22.5	32.4
2 Credit market instruments	1.9	1.7	1.8	2.0	2.4	2.8	3.2	4.5	7.2	7.3	9.0	12.9
3 U.S. Govt. securities	.5	.4	.4	.5	.5	.6	.6	.6	.5	.3	.6	.7
4 State and local obligations	.2	.1	.1	.1	.1	.2	.2	.2	.4	.2	.1	.2
5 Corporate bonds	*	*	*	*	*	*	*	*	*	*	*	*
6 Bank loans n.e.c.	1.0	1.1	1.2	1.3	1.7	1.8	2.3	3.6	6.2	6.7	7.8	11.6
7 Open-market paper	.2	.1	.1	.1	.1	.1	.1	.1	.1	.1	.1	.1
8 Corporate equities	.1	.1	.1	.2	.2	.3	.4	.4	.5	.5	.6	.7
9 Security credit	.7	1.1	1.1	.8	.9	.9	.9	.9	.9	.9	.9	.9
10 Demand deposits at commercial banks	.5	.5	.5	.7	.7	1.6	2.3	3.1	4.4	5.6	4.4	7.0
11 Time deposits at commercial banks	*	*	*	*	*	*	*	*	.1	.1	.4	.6
12 Loans to banks	.1	.1	.3	.2	.2	.3	.2	.4	.5	.6	.8	2.2
13 Miscellaneous assets	1.2	1.3	2.2	2.0	2.2	1.5	2.9	3.2	6.7	6.4	6.4	8.6
14 Total liabilities	4.4	4.8	6.0	5.8	6.5	7.3	9.8	12.5	20.1	21.4	22.5	32.4
15 Demand deposits in money stock	1.2	1.1	1.8	1.6	1.5	1.7	2.7	3.0	9.6	9.1	5.4	5.0
16 Time deposits	.3	.4	.4	.5	.5	.6	.8	1.0	1.4	1.7	1.2	1.8
17 Deposits of banks	.1	.1	.1	.1	.1	.1	.1	.1	.3	.2	2.8	5.1
18 Loans from banks	*	*	.1	.1	.1	.1	.2	.3	.4	2.1	2.9	8.0
19 Miscellaneous liabilities	2.7	3.2	3.7	3.6	4.3	4.8	6.0	7.9	8.4	8.3	10.3	12.5
20 Due to foreign affiliates	2.8	3.0	3.5	3.3	3.6	4.1	4.6	5.7	6.0	6.7	7.1	7.8
21 Other	-.1	.1	.2	.3	.7	.7	1.4	2.2	2.4	1.6	3.2	4.7
<b>Banks in U.S. possessions</b>												
1 Total financial assets	.9	1.1	1.3	1.3	1.6	1.9	2.2	3.3	3.8	4.3	4.8	5.2
2 Demand deposits and currency	.1	.1	.2	.1	.2	.2	.2	.3	.4	.5	.7	1.0
3 Credit market instruments	.4	.5	.5	.6	.7	.9	1.0	1.2	1.3	1.6	1.9	2.0
4 U.S. Govt. securities	.1	.2	.1	.1	.2	.2	.2	.2	.3	.4	.6	.6
5 State and local obligations	*	.1	.1	.1	.1	.1	.2	.2	.2	.2	.3	.4
6 Corporate bonds	*	*	*	*	*	*	*	*	.1	.1	.1	.1
7 Mortgages	.1	.2	.2	.3	.3	.4	.4	.4	.6	.7	.7	.7
8 Commercial mortgages	.1	.1	.1	.1	.1	.1	.1	.2	.2	.2	.2	.3
9 Miscellaneous assets	.5	.5	.6	.6	.7	.8	1.0	1.8	2.1	2.1	2.1	2.2
10 Total deposit liabilities	.9	1.1	1.3	1.3	1.6	1.9	2.2	3.3	3.8	4.3	4.8	5.2

8. SECTOR STATEMENTS OF FINANCIAL ASSETS AND LIABILITIES—Continued

(Amounts outstanding at end of year; in billions of dollars)

Category	1962	1963	1964	1965	1966	1967	1968	1969	1970	1971	1972	1973	
<b>Private nonbank financial institutions—Total</b>													
1 Total financial assets	437.5	485.4	533.1	584.7	610.3	672.2	736.3	767.5	820.0	928.6	1065.2	1102.0	1
2 Demand deposits and currency	10.8	10.9	11.1	11.5	11.3	12.0	12.9	12.5	13.5	14.5	16.2	18.2	2
3 Time deposits (mutual savings banks)	.2	.1	.2	.2	.2	.2	.2	.1	.3	.5	.6	.8	3
4 Savings and loan shares (credit unions)	.4	.4	.5	.4	.1	.3	.1	*	.1	.2	.4	.4	4
5 Corporate equities	57.3	69.6	81.6	96.7	92.9	120.0	142.6	139.1	147.8	190.5	235.5	198.0	5
6 Credit market instruments	350.4	383.1	417.2	451.4	479.7	507.2	543.6	581.2	620.9	681.3	764.1	836.4	6
7 U.S. Government securities	37.1	37.3	39.1	38.9	39.1	36.8	38.8	36.6	40.4	43.3	50.4	52.4	7
8 State and local obligations	18.8	18.7	18.7	18.3	19.0	20.2	21.4	22.4	24.2	28.6	33.7	37.3	8
9 Corporate and foreign bonds	89.7	96.2	102.9	110.7	119.9	131.8	141.7	149.1	160.7	174.6	187.8	198.7	9
10 Home mortgages	123.3	137.4	150.3	162.2	167.8	175.6	184.1	193.2	200.6	218.4	249.1	274.6	10
11 Other mortgages	42.1	49.3	57.1	64.9	71.7	78.4	85.6	93.2	103.3	117.9	134.6	150.0	11
12 Consumer credit	23.6	26.6	29.7	34.0	36.7	38.2	42.0	46.8	48.6	51.9	58.3	67.4	12
13 Other loans	15.7	17.5	19.4	22.3	25.6	26.2	30.0	39.9	43.0	46.5	50.1	56.0	13
14 Security credit	4.6	6.1	5.6	6.0	6.0	9.2	12.0	8.5	7.2	9.7	13.6	9.1	14
15 Trade credit	2.2	2.3	2.5	2.6	2.9	3.2	3.5	3.9	4.4	4.7	5.8	6.5	15
16 Miscellaneous assets	11.7	12.8	14.3	15.8	17.4	20.1	21.4	22.2	25.9	27.2	28.9	32.7	16
17 Total liabilities	396.7	441.2	485.9	534.3	561.4	620.1	680.3	714.1	765.0	865.4	990.3	1028.8	17
18 Time and savings accounts	127.9	143.1	159.0	172.0	179.0	195.8	208.4	216.4	233.4	274.0	320.1	348.2	18
19 Insurance and pension reserves	179.0	195.4	213.3	232.9	246.1	271.2	295.6	310.0	332.9	370.2	416.5	415.1	19
20 Investment company shares	21.3	25.2	29.1	35.2	34.8	44.7	52.7	48.3	47.6	56.7	59.8	46.5	20
21 Credit market instruments	28.8	34.7	39.1	45.1	48.3	47.9	55.0	68.4	73.1	79.2	95.4	116.4	21
22 Corporate bonds	10.7	12.2	14.3	16.1	16.9	17.9	18.8	20.4	23.5	27.7	33.5	35.8	22
23 Mortgage loans in process	2.0	2.5	2.2	2.2	1.3	2.3	2.4	2.5	3.1	5.0	6.2	4.7	23
24 Other mortgages							.2	.4	.5	.7	1.2	1.5	24
25 Bank loans n.e.c.	7.8	9.4	10.0	12.3	11.2	9.2	11.7	14.3	13.7	15.1	21.2	29.6	25
26 Other loans	8.3	10.6	12.6	14.5	19.0	18.4	21.9	30.8	32.3	30.8	33.3	44.8	26
27 Open-market paper	4.8	5.8	7.3	8.5	12.0	14.1	16.6	21.5	21.7	22.9	25.4	29.7	27
28 FHLB loans	3.5	4.8	5.3	6.0	6.9	4.4	5.3	9.3	10.6	7.9	8.0	15.1	28
29 Security credit	7.2	8.0	8.4	8.7	9.6	12.7	16.2	13.2	14.2	15.3	19.4	16.0	29
30 Profit taxes payable	.9	.9	.9	1.1	1.1	1.0	1.2	1.3	1.5	1.5	1.7	1.8	30
31 Miscellaneous liabilities	31.7	33.8	36.2	39.2	42.5	46.9	51.2	56.5	62.3	68.5	77.3	84.7	31
<b>Savings and loan associations</b>													
1 Total financial assets	93.6	107.6	119.4	129.6	133.9	143.5	152.9	162.1	176.2	206.0	243.1	272.4	1
2 Demand deposits and currency	2.7	2.8	2.8	2.9	2.3	2.0	1.6	1.4	1.7	2.2	2.8	3.4	2
3 Credit market instruments	85.9	99.2	110.2	119.8	124.4	133.4	143.3	153.2	164.7	194.0	230.4	257.5	3
4 U.S. Government securities	6.0	7.0	7.6	8.2	8.6	10.1	10.9	11.1	12.3	17.5	21.8	22.8	4
5 Home mortgages	69.8	79.1	87.2	94.2	97.4	103.3	110.3	117.9	125.0	142.3	167.0	188.1	5
6 Other mortgages	9.0	11.9	14.2	16.1	17.0	18.5	20.5	22.3	25.4	32.0	39.1	44.1	6
7 Consumer credit	1.1	1.2	1.3	1.4	1.4	1.5	1.6	1.8	2.1	2.2	2.4	2.6	7
8 Miscellaneous assets	5.0	5.5	6.3	6.9	7.2	8.1	8.0	7.6	9.8	9.9	10.0	11.5	8
9 Total liabilities	87.1	100.4	111.5	120.9	124.8	134.0	142.6	150.9	164.2	192.4	227.9	255.3	9
10 Savings shares	80.2	91.3	101.9	110.4	114.0	124.5	131.6	135.5	146.4	174.2	206.8	227.3	10
11 Credit market instruments	5.6	7.6	7.8	8.7	8.7	7.0	8.2	12.3	14.1	14.1	16.0	22.0	11
12 Mortgage loans in process	2.0	2.5	2.2	2.2	1.3	2.3	2.4	2.5	3.1	5.0	6.2	4.7	12
13 Bank loans n.e.c.	.2	.2	.3	.5	.5	.4	.5	.5	.4	1.1	1.8	2.1	13
14 FHLB advances	3.5	4.8	5.3	6.0	6.9	4.4	5.3	9.3	10.6	7.9	8.0	15.1	14
15 Profit taxes payable	*	.1	.1	.1	.1	.1	.1	.1	.1	.2	.2	.2	15
16 Miscellaneous liabilities	1.2	1.4	1.6	1.7	2.1	2.4	2.7	3.0	3.6	4.0	4.9	5.8	16
<b>Mutual savings banks</b>													
1 Total financial assets	46.1	49.7	54.2	58.2	61.0	66.4	71.2	74.2	79.0	89.6	100.6	106.6	1
2 Demand deposits and currency	.8	.8	.8	.8	.8	.8	.8	.9	1.0	.9	1.0	1.2	2
3 Time deposits	.2	.1	.2	.2	.2	.2	.2	.1	.3	.5	.6	.8	3
4 Corporate equities	1.0	1.2	1.3	1.4	1.5	1.7	1.9	2.2	2.5	3.0	3.6	4.0	4
5 Credit market instruments	43.6	47.0	51.2	54.9	57.6	62.6	66.9	69.8	73.5	83.4	93.1	98.2	5
6 U.S. Government securities	6.7	6.5	6.5	6.2	5.7	5.4	5.2	4.7	5.0	6.2	7.6	7.1	6
7 State and local obligations	.5	.4	.4	.3	.3	.2	.2	.2	.2	.4	.9	.9	7
8 Corporate bonds	3.5	3.2	3.1	2.9	3.2	5.3	6.6	6.9	8.1	12.0	14.2	13.1	8
9 Home mortgages	22.1	24.7	27.4	30.1	31.7	33.5	35.0	36.4	37.3	38.6	41.7	44.2	9
10 Other mortgages	10.2	11.5	13.2	14.6	15.7	17.0	18.4	19.7	20.6	23.3	25.9	29.0	10
11 Consumer credit	.3	.3	.4	.5	.6	.8	.9	1.0	1.1	1.2	1.5	1.7	11
12 Commercial paper	.4	.3	.4	.3	.5	.4	.4	.5	.7	1.0	.7	.6	12
13 Security RP's							.1	.3	.4	.7	.8	1.5	13
14 Miscellaneous assets	.5	.7	.7	.8	1.0	1.1	1.4	1.3	1.4	1.8	2.2	2.5	14
15 Savings deposits	41.3	44.6	48.8	52.4	55.0	60.1	64.5	67.1	71.6	81.4	91.6	96.3	15
16 Miscellaneous	.8	.9	1.0	1.1	1.1	1.3	1.4	1.6	1.7	1.8	2.0	2.6	16
<b>Credit unions</b>													
1 Total financial assets	6.3	7.2	8.2	9.2	10.0	11.2	12.3	13.7	15.4	18.3	21.7	24.6	1
2 Demand deposits and currency	.4	.4	.5	.5	.6	.7	.7	.6	.8	.9	1.0	1.0	2
3 Savings and loan shares	.4	.4	.5	.4	.1	.3	.1	*	.1	.2	.4	.4	3
4 Credit market instruments	5.6	6.3	7.2	8.2	9.4	10.2	11.5	13.1	14.6	17.2	20.3	23.2	4
5 U.S. Government securities	.2	.3	.3	.3	.5	.5	.5	.3	.8	1.6	2.4	2.6	5
6 Home mortgages	.5	.5	.5	.6	.6	.7	.7	.7	.8	.8	1.0	1.0	6
7 Consumer credit	4.9	5.5	6.3	7.3	8.3	9.0	10.3	12.0	13.0	14.8	16.9	19.6	7
8 Credit union shares	6.3	7.2	8.2	9.2	10.0	11.2	12.3	13.7	15.4	18.3	21.7	24.6	8

## 8. SECTOR STATEMENTS OF FINANCIAL ASSETS AND LIABILITIES—Continued

(Amounts outstanding at end of year; in billions of dollars)

Category	1962	1963	1964	1965	1966	1967	1968	1969	1970	1971	1972	1973	
Life insurance companies													
1 Total financial assets . . . . .	129.2	136.9	144.9	154.1	161.7	172.1	182.9	190.9	200.5	214.7	232.5	244.6	1
2 Demand deposits and currency . . . . .	1.5	1.5	1.5	1.5	1.5	1.6	1.7	1.6	1.8	1.8	2.0	2.1	2
3 Corporate shares . . . . .	6.3	7.1	7.9	9.1	8.8	10.9	13.2	13.7	15.4	20.6	26.8	25.9	3
4 Credit market instruments . . . . .	116.9	123.3	130.2	137.7	145.4	152.8	160.5	167.2	174.2	182.3	192.6	204.6	4
5 U.S. Government securities . . . . .	6.2	5.9	5.6	5.1	4.7	4.5	4.4	4.1	4.2	4.0	4.3	4.4	5
6 State and local obligations . . . . .	4.0	3.9	3.8	3.5	3.1	3.0	3.2	3.2	3.3	3.4	3.4	3.4	6
7 Corporate bonds . . . . .	53.2	56.0	58.3	61.1	63.5	67.3	71.2	72.7	74.1	79.6	86.6	92.5	7
8 Home mortgages . . . . .	26.4	27.3	28.5	29.6	30.2	29.8	29.0	28.0	26.7	24.6	22.5	22.0	8
9 Other mortgages . . . . .	20.5	23.2	26.6	30.4	34.4	37.8	40.9	44.1	47.7	50.9	54.9	59.2	9
10 Open-market paper . . . . .	.3	.4	.3	.3	.4	.5	.5	1.4	2.1	2.8	3.0	3.0	10
11 Policy loans . . . . .	6.2	6.7	7.1	7.7	9.1	10.1	11.3	13.8	16.1	17.1	18.0	20.2	11
12 Miscellaneous assets . . . . .	4.6	4.9	5.3	5.7	6.0	6.9	7.5	8.3	9.2	10.1	11.1	12.0	12
13 Total liabilities . . . . .	120.3	126.8	134.0	141.9	149.9	159.0	168.1	177.5	187.7	201.0	216.3	231.5	13
14 Life insurance reserves . . . . .	85.8	89.9	94.2	98.9	103.5	108.2	112.9	117.8	122.9	129.0	135.5	142.7	14
15 Pension fund reserves . . . . .	21.6	23.3	25.3	27.3	29.4	32.1	35.0	37.9	41.2	46.4	52.3	57.5	15
16 Profit taxes payable . . . . .	.4	.4	.6	.5	.6	.5	.6	.7	.8	.8	.8	.8	16
17 Miscellaneous liabilities . . . . .	12.4	13.2	14.0	15.2	16.4	18.2	19.7	21.1	22.8	24.9	27.7	30.5	17
Private pension funds													
1 Total financial assets . . . . .	47.3	55.4	63.9	73.6	75.8	89.4	101.4	102.5	110.8	130.5	156.5	133.3	1
2 Demand deposits and currency . . . . .	.7	.8	.9	.9	.9	1.3	1.6	1.6	1.8	1.6	1.9	2.3	2
3 Corporate shares . . . . .	21.9	27.7	33.5	40.7	39.5	51.1	61.4	61.6	67.2	88.6	114.9	89.2	3
4 Credit market instruments . . . . .	23.0	25.2	27.5	29.6	32.2	33.0	34.0	34.6	37.0	35.4	34.9	36.8	4
5 U.S. Government securities . . . . .	3.1	3.4	3.6	3.6	3.1	2.5	2.9	2.8	3.0	2.7	3.7	4.3	5
6 Corporate bonds . . . . .	18.1	19.6	21.2	22.7	25.2	26.4	27.0	27.6	29.7	29.0	28.2	29.8	6
7 Home mortgages . . . . .	1.9	2.2	2.7	3.3	3.9	4.1	4.1	4.2	4.3	3.7	3.0	2.7	7
8 Miscellaneous assets . . . . .	1.7	1.7	2.0	2.3	3.2	4.0	4.4	4.7	4.7	4.8	4.9	4.9	8
State and local government employee retirement funds													
1 Total financial assets . . . . .	24.3	26.9	29.9	33.2	37.4	41.5	46.3	51.8	58.1	64.4	72.2	81.6	1
2 Demand deposits and currency . . . . .	.3	.3	.3	.3	.4	.5	.6	.5	.6	.7	.8	1.0	2
3 Corporate shares . . . . .	.8	1.0	1.3	1.6	2.1	2.8	4.1	5.9	8.0	11.2	14.7	18.6	3
4 Credit market instruments . . . . .	23.2	25.6	28.3	31.3	34.9	38.3	41.6	45.5	59.5	52.5	56.8	62.1	4
5 U.S. Government securities . . . . .	6.5	6.9	7.4	7.6	7.8	7.0	7.3	7.0	6.7	5.1	4.5	4.6	5
6 Short-term marketable . . . . .	.4	.4	.3	.3	.3	.5	.6	.8	.8	.5	.9	1.6	6
7 Other direct . . . . .	5.7	6.1	6.7	6.9	6.8	5.7	5.4	4.6	4.3	3.4	2.5	1.6	7
8 Agency issues . . . . .	.4	.3	.4	.5	.7	.8	1.4	1.6	1.6	1.2	1.1	1.4	8
9 State and local obligations . . . . .	3.8	3.3	2.9	2.6	2.5	2.4	2.4	2.3	2.0	2.1	2.0	1.4	9
10 Corporate bonds . . . . .	10.7	12.8	14.9	17.2	20.2	23.9	26.6	30.2	33.9	38.1	43.4	49.4	10
11 Mortgages . . . . .	2.2	2.6	3.1	3.7	4.5	5.0	5.4	6.0	6.8	7.1	6.8	6.7	11
Other insurance companies													
1 Total financial assets . . . . .	30.1	32.4	34.7	36.5	37.2	40.9	44.9	45.5	49.9	57.4	67.5	68.8	1
2 Demand deposits and currency . . . . .	1.5	1.4	1.4	1.3	1.3	1.3	1.4	1.3	1.4	1.5	1.5	1.5	2
3 Corporate shares . . . . .	8.6	10.0	11.4	12.0	11.0	13.0	14.6	13.3	13.2	16.6	21.8	19.6	3
4 Credit market instruments . . . . .	17.8	18.6	19.4	20.5	22.0	23.5	25.4	27.0	30.9	34.6	38.3	41.1	4
5 U.S. Government securities . . . . .	5.7	5.9	6.0	6.0	5.6	4.9	4.7	4.2	4.3	3.9	3.5	3.4	5
6 State and local obligations . . . . .	9.9	10.6	11.0	11.3	12.6	14.1	15.1	16.3	17.8	21.7	26.5	30.4	6
7 Corporate bonds . . . . .	2.1	2.0	2.4	3.0	3.6	4.3	5.5	6.3	8.6	8.9	8.1	7.2	7
8 Commercial mortgages . . . . .	.1	.1	.1	.1	.1	.2	.2	.2	.2	.2	.2	.2	8
9 Trade credit . . . . .	2.2	2.3	2.5	2.6	2.9	3.2	3.5	3.9	4.4	4.7	5.8	6.5	9
10 Total liabilities . . . . .	17.4	18.4	19.6	21.2	23.0	25.1	27.5	30.9	34.4	38.0	42.9	46.1	10
11 Profit taxes payable . . . . .	.1	.1	.1	.1	.1	.1	.1	.1	.2	.2	.3	.3	11
12 Policy payables . . . . .	17.2	18.3	19.6	21.1	22.9	25.0	27.5	30.8	34.2	37.8	42.6	45.8	12

8. SECTOR STATEMENTS OF FINANCIAL ASSETS AND LIABILITIES—Continued

(Amounts outstanding at end of year; in billions of dollars)

Category	1962	1963	1964	1965	1966	1967	1968	1969	1970	1971	1972	1973	
Finance companies													
1 Total financial assets . . . . .	30.6	34.9	38.9	44.8	47.1	47.7	52.9	61.6	62.5	67.0	78.0	88.4	1
2 Demand deposits and currency . . . . .	2.0	1.8	1.8	2.0	2.1	2.2	2.3	2.4	2.7	2.9	3.2	3.5	2
3 Home mortgages . . . . .	2.7	3.5	3.9	4.5	3.9	4.3	4.9	5.7	5.9	7.0	11.1	12.5	3
4 Consumer credit . . . . .	17.3	19.6	21.6	24.8	26.4	26.9	29.2	32.0	32.4	33.7	37.5	43.4	4
5 Other loans (to business) . . . . .	8.6	10.0	11.6	13.5	14.6	14.3	16.5	21.5	21.6	23.3	26.1	29.0	5
6 Total liabilities . . . . .	23.4	27.4	31.4	36.7	39.8	41.0	46.7	55.5	57.2	61.4	71.0	80.4	6
7 Corporate bonds . . . . .	10.7	12.2	14.3	16.1	16.9	17.9	18.8	20.3	22.9	26.7	32.1	33.9	7
8 Bank loans n.e.c. . . . .	7.6	9.2	9.7	11.8	10.7	8.8	11.1	13.5	12.3	12.3	16.4	20.5	8
9 Open-market paper . . . . .	4.8	5.8	7.3	8.5	12.0	14.1	16.6	21.5	21.7	22.1	22.1	25.7	9
10 Profit taxes payable . . . . .	.3	.3	.2	.3	.2	.2	.2	.2	.3	.3	.3	.4	10
Real estate investment trusts													
1 Physical assets . . . . .							.4	.7	.9	1.4	2.5	3.2	1
2 Multifamily structures . . . . .							.1	.2	.3	.4	.8	1.1	2
3 Nonresidential structures . . . . .							.2	.5	.6	.9	1.7	2.2	3
4 Total financial assets . . . . .							.3	1.3	3.8	6.4	11.4	17.0	4
5 Home mortgages . . . . .							*	.2	.7	1.4	2.8	4.1	5
6 Multifamily mortgages . . . . .							.1	.4	1.0	1.8	2.9	3.7	6
7 Commercial mortgages . . . . .							.1	.5	1.5	2.6	4.9	7.4	7
8 Miscellaneous assets . . . . .							.1	.2	.6	.6	.8	1.9	8
9 Total liabilities . . . . .							.3	.8	2.1	4.1	8.8	14.4	9
10 Credit market instruments . . . . .							.3	.8	2.1	4.1	8.8	14.4	10
11 Mortgages . . . . .							.2	.4	.5	.7	1.2	1.5	11
12 Multifamily residential . . . . .							.1	.1	.2	.2	.4	.5	12
13 Commercial . . . . .							.1	.3	.4	.5	.8	1.0	13
14 Corporate bonds . . . . .								.1	.6	1.0	1.4	1.9	14
15 Bank loans n.e.c. . . . .							.1	.3	.9	1.6	3.0	7.0	15
16 Open-market paper . . . . .										.8	3.2	4.0	16
Open-end investment companies													
1 Total financial assets . . . . .	21.3	25.2	29.1	35.2	34.8	44.7	52.7	48.3	47.6	56.7	59.8	46.5	1
2 Demand deposits and currency . . . . .	.3	.4	.4	.5	.5	.7	.8	.7	.7	.9	.9	1.2	2
3 Corporate shares . . . . .	18.3	22.1	25.6	30.9	28.9	39.2	46.1	40.9	39.7	48.6	51.7	38.3	3
4 Credit market instruments . . . . .	2.6	2.7	3.0	3.8	5.4	4.8	5.8	6.7	7.2	7.2	7.2	7.0	4
5 U.S. Government securities . . . . .	.7	.7	.8	.8	1.4	.9	1.1	.7	.9	.6	.7	1.2	5
6 Corporate bonds . . . . .	1.6	1.8	2.1	2.6	2.9	3.0	3.4	3.6	4.3	4.9	5.1	4.2	6
7 Open-market paper . . . . .	.3	.2	.1	.5	1.0	1.0	1.2	2.4	2.1	1.7	1.4	1.6	7
Security brokers and dealers													
1 Total financial assets . . . . .	8.6	9.4	9.9	10.4	11.3	14.8	18.5	15.4	16.3	17.6	21.9	18.4	1
2 Demand deposits and currency . . . . .	.6	.7	.7	.7	.8	1.0	1.5	1.4	1.1	1.1	1.1	1.1	2
3 Corporate shares . . . . .	.3	.6	.7	1.0	1.1	1.5	1.3	1.6	1.7	1.9	2.0	2.4	3
4 Credit market instruments . . . . .	3.1	2.1	2.9	2.7	3.5	3.2	3.8	3.9	6.3	4.9	5.1	5.8	4
5 U.S. Government securities . . . . .	2.0	.7	1.4	1.1	1.7	1.0	1.8	1.7	3.4	1.8	2.0	2.0	5
6 State and local obligations . . . . .	.5	.5	.7	.5	.5	.5	.5	.4	.9	1.0	.9	1.1	6
7 Corporate bonds . . . . .	.6	.8	.9	1.2	1.3	1.7	1.5	1.8	1.9	2.1	2.2	2.6	7
8 Security credit . . . . .	4.6	6.1	5.6	6.0	6.0	9.2	12.0	8.5	7.2	9.7	13.6	9.1	8
9 Total liabilities . . . . .	7.2	8.0	8.4	8.8	9.7	12.9	16.4	13.3	14.3	15.4	19.6	16.1	9
10 Security credit . . . . .	7.2	8.0	8.4	8.7	9.6	12.7	16.2	13.2	14.2	15.3	19.4	16.0	10
11 From banks . . . . .	5.2	5.3	5.5	5.3	5.8	6.6	7.7	6.7	8.6	9.3	13.1	10.3	11
12 From agencies of foreign banks . . . . .	.7	1.1	1.1	.8	.9	.9	.9	.9	.9	.9	.9	.5	12
13 Customer credit balances . . . . .	1.3	1.6	1.8	2.7	2.9	5.3	7.7	5.7	4.7	5.2	5.4	5.2	13
14 Profit taxes payable . . . . .	*	.1	.1	.1	.1	.2	.2	.1	.2	.1	.2	.2	14

## 8. SECTOR STATEMENTS OF FINANCIAL ASSETS AND LIABILITIES—Continued

(Amounts outstanding at end of year; in billions of dollars)

Category	1962	1963	1964	1965	1966	1967	1968	1969	1970	1971	1972	1973	
Rest of the world													
1 Total financial assets.....	71.7	78.4	84.4	88.0	89.6	98.0	107.9	115.6	125.2	153.5	184.4	200.8	1
2 Gold and SDR's.....	25.4	26.7	27.5	29.4	30.0	29.5	30.0	29.2	32.8	36.8	43.4	47.3	2
3 U.S. demand deposits.....	3.2	3.5	4.2	4.4	4.8	5.1	5.7	6.0	6.2	6.5	8.0	10.6	3
4 U.S. time deposits.....	3.4	4.3	5.4	6.0	6.3	7.6	7.3	8.4	6.7	7.2	9.9	12.8	4
5 U.S. corporate shares.....	10.3	12.5	13.8	14.6	12.6	15.5	19.6	18.1	18.7	21.4	27.8	24.8	5
6 Credit market instruments.....	14.4	15.0	15.9	15.9	14.3	16.1	16.1	14.9	25.7	52.4	61.1	61.5	6
7 U.S. Govt. securities.....	12.3	12.9	13.4	13.2	10.8	12.9	12.4	10.6	19.7	46.0	54.4	54.8	7
8 U.S. corporate bonds <sup>1</sup> .....	.7	.7	.9	.7	1.3	.9	.9	.4	1.7	2.3	2.6	2.3	8
9 Acceptances.....	1.4	1.4	1.6	2.0	2.2	2.2	2.8	3.8	4.3	4.1	4.1	4.4	9
10 Security credit.....	.1	.1	.1	.2	.2	.3	.6	.4	.3	.3	.4	.3	10
11 Trade credit.....	.8	.8	.8	1.0	1.4	1.8	2.7	4.4	5.8	5.9	7.3	8.3	11
12 Miscellaneous assets.....	14.0	15.5	16.5	16.6	20.0	22.1	25.9	34.3	29.1	23.0	26.5	35.1	12
13 U.S. bank liabilities to foreign affiliates.....	3.7	4.0	4.6	4.7	7.6	8.3	10.6	18.6	11.6	7.6	8.5	9.6	13
14 Direct investment in U.S.....	7.6	7.9	8.4	8.8	9.1	9.9	10.8	11.8	13.3	13.7	14.3	17.7	14
15 Other.....	2.7	3.5	3.6	3.1	3.4	3.9	4.5	3.9	4.2	1.8	3.8	7.8	15
16 Total liabilities.....	75.7	82.0	93.9	101.4	107.2	116.2	126.1	134.9	143.2	155.9	170.7	194.2	16
17 U.S. official foreign exchange and net IMF position.....	1.2	1.2	1.2	1.6	1.6	2.8	4.8	5.1	2.6	.9	.7	.6	17
18 Credit market instruments.....	27.9	31.1	36.0	38.9	39.9	42.8	45.3	47.5	50.6	55.8	61.0	68.5	18
19 Corporate bonds.....	7.2	8.2	9.2	10.2	10.5	10.8	11.7	11.7	13.2	14.7	15.9	16.6	19
20 Bank loans n.e.c.....	4.1	4.7	6.7	7.2	7.1	6.8	6.3	6.1	5.7	7.3	10.2	13.0	20
21 Other loans.....	16.7	18.2	20.2	21.5	22.3	25.3	27.3	29.7	31.7	33.8	34.9	38.9	21
22 Security debt.....	.1	.1	.1	.1	.1	.3	.5	.3	.3	.3	.4	.2	22
23 Trade debt.....	2.2	2.2	2.8	2.7	3.0	3.5	3.9	5.2	6.2	6.7	7.2	9.0	23
24 Miscellaneous liabilities.....	44.3	47.3	53.7	58.1	62.5	66.8	71.5	76.8	83.6	92.3	101.4	115.8	24
25 U.S. Government equity in IBRD, etc.....	1.1	1.2	1.2	1.3	1.3	1.4	1.5	1.7	1.9	2.2	2.5	2.8	25
26 Foreign currency held in U.S.....	4.2	4.5	4.8	4.3	4.0	4.1	4.6	4.2	4.7	6.1	9.5	14.3	26
27 U.S. direct investment abroad <sup>1</sup> .....	37.2	40.7	44.4	49.2	53.9	58.3	61.6	66.6	73.0	79.8	86.0	97.7	27
28 Other.....	1.8	1.0	3.3	3.3	3.2	3.0	3.8	4.2	4.0	4.1	3.6	1.0	28

<sup>1</sup> Net of U.S. security issues in foreign markets to finance U.S. investment abroad.

International statistics start on following page.

## 1. U.S. BALANCE OF PAYMENTS SUMMARY

(In millions of dollars. Quarterly figures are seasonally adjusted *unless shown in italics*.)

Line	Credits (+), debits (-)	1971	1972	1973*	1973		1974		
					II <sup>r</sup>	III <sup>r</sup>	IV <sup>r</sup>	I	II <sup>p</sup>
1	Merchandise trade balance 1.....	-2,722	-6,986	471	-363	578	1,210	-74	-1,631
2	Exports.....	42,754	48,768	70,277	16,679	18,152	20,216	22,299	24,089
3	Imports.....	-45,476	-55,754	-69,806	-17,042	-17,574	-19,006	-22,373	-25,720
4	Military transactions, net.....	-2,908	-3,604	-2,201	-763	-547	-58	-493	-636
5	Travel and transportation, net.....	-2,341	-3,055	-2,710	-781	-613	-630	-502	-612
6	Investment income, net 2.....	5,021	4,526	5,291	1,208	1,257	1,378	3,076	1,780
7	U.S. direct investments abroad 2.....	6,385	6,925	9,415	2,210	2,323	2,688	4,619	4,449
8	Other U.S. investments abroad.....	3,444	3,494	4,569	1,098	1,179	1,292	1,500	1,823
9	Foreign investments in the United States 2.....	-4,809	-5,893	-8,693	-2,100	-2,245	-2,602	-3,043	-4,492
10	Other services, net 2.....	2,781	3,110	3,540	815	984	901	921	977
11	Balance on goods and services 3.....	-170	-6,009	4,391	116	1,659	2,801	2,928	-122
					228	-195	3,865	4,029	63
12	Remittances, pensions, and other transfers.....	-1,604	-1,624	-1,943	-411	-412	-717	-390	-461
13	Balance on goods, services, and remittances.....	-1,774	-7,634	2,448	-295	1,247	2,084	2,538	-583
					-187	-623	3,142	3,665	-401
14	U.S. Government grants (excluding military).....	-2,043	-2,173	-1,933	-645	-485	-447	-2,561	-1,395
15	Balance on current account.....	-3,817	-9,807	515	-940	762	1,637	-23	-1,978
					-872	-1,071	2,717	1,036	-1,838
16	U.S. Government capital flows excluding nonscheduled repayments, net 5.....	-2,111	-1,705	-2,938	-565	-608	-1,066	1,307	287
17	Nonscheduled repayments of U.S. Government assets.....	227	137	289	174	4			
18	U.S. Government nonliquid liabilities to other than foreign official reserve agencies.....	-478	238	1,111	485	206	204	36	101
19	Long-term private capital flows, net.....	-4,381	-98	127	-315	1,529	-1,406	466	-1,150
20	U.S. direct investments abroad.....	-4,943	-3,517	-4,872	-973	-710	-1,374	-627	-1,552
21	Foreign direct investments in the United States.....	-115	383	2,537	588	886	712	1,281	1,516
22	Foreign securities.....	-966	-654	-807	-124	-209	-525	-646	-357
23	U.S. securities other than Treasury issues.....	2,289	4,507	4,501	489	1,173	670	687	397
24	Other, reported by U.S. banks.....	-862	-1,158	-581	-239	227	-459	-26	880
25	Other, reported by U.S. nonbanking concerns.....	216	341	-200	-56	162	-430	-203	-274
26	Balance on current account and long-term capital 5.....	-10,559	-11,235	-896	-1,161	1,893	-631	1,786	-2,740
					-1,184	224	1,109	2,163	-2,692
27	Nonliquid short-term private capital flows, net.....	-2,347	-1,541	-4,276	-1,457	97	-1,253	-3,963	-5,468
28	Claims reported by U.S. banks.....	-1,802	-1,457	-3,940	-1,399	222	-1,119	-2,790	-5,168
29	Claims reported by U.S. nonbanking concerns.....	-530	-305	-1,240	-59	-460	-664	-1,636	-460
30	Liabilities reported by U.S. nonbanking concerns.....	-15	221	904	1	335	530	463	160
31	Allocations of Special Drawing Rights (SDR's).....	717	710						
32	Errors and omissions, net.....	-9,776	-1,790	-2,624	908	-364	925	1,209	1,979
33	Net liquidity balance.....	-21,965	-13,856	-7,796	-1,710	-1,626	-959	-968	-6,229
					-2,038	611	-179	-158	-6,609
34	Liquid private capital flows, net.....	-7,788	3,502	2,492	1,997	316	3,620	2,030	1,700
35	Liquid claims.....	-1,097	-1,247	-1,944	923	-521	-493	-2,600	-1,120
36	Reported by U.S. banks.....	-566	-742	-1,103	966	-456	-472	-2,239	-1,246
37	Reported by U.S. nonbanking concerns.....	-531	-505	-841	-73	-65	-21	-361	126
38	Liquid liabilities.....	-6,691	4,749	4,436	1,074	837	4,113	4,630	2,820
39	Foreign commercial banks.....	-6,908	3,716	2,978	723	699	3,229	4,616	1,977
40	International and regional organizations.....	682	104	376	31	-50	384	-585	292
41	Other foreigners.....	-465	929	1,082	320	188	500	599	551
42	Official reserve transactions balance, financed by changes in.....	-29,753	-10,354	-5,304	287	1,942	2,661	1,062	4,529
					769	939	2,982	1,495	-4,104
43	Liquid liabilities to foreign official agencies.....	27,615	9,734	4,452	-730	-1,488	-2,145	-573	4,262
44	Other readily marketable liabilities to foreign official agencies 6.....	-551	399	1,118	259	11	-354	-277	182
45	Nonliquid liabilities to foreign official reserve agencies reported by U.S. Govt.....	341	189	-475	167	-452	-147	-2	443
46	U.S. official reserve assets, net.....	2,348	32	209	17	-13	-15	-210	-358
47	Gold.....	866	547						
48	SDR's.....	-249	-703	9	9				-29
49	Convertible currencies.....	381	35	233					-1
50	Gold tranche position in IMF.....	1,350	153	-33	8	-13	-15	-209	-244
Memoranda:									
51	Transfers under military grant programs (excluded from lines 2, 4, and 14).....	3,204	4,189	2,772	833	758	487	393	543
52	Reinvested earnings of foreign incorporated affiliates of U.S. firms (excluded from lines 7 and 20).....	3,157	4,521						
53	Reinvested earnings of U.S. incorporated affiliates of foreign firms (excluded from lines 9 and 21).....	498	548						
54	Balances excluding allocations of SDR's: Net liquidity.....	-22,682	-14,566	-7,796	-2,038	611	-179	-158	-6,609
55	Official reserve transactions.....	-30,470	-11,064	-5,304	769	939	2,982	1,495	-4,104

For notes see the following page.



2. MERCHANDISE EXPORTS AND IMPORTS

(Seasonally adjusted; in millions of dollars)

	Exports <sup>1</sup>				Imports				Trade balance			
	1971	1972	1973	1974	1971	1972	1973	1974	1971	1972	1973	1974
Month:												
Jan.....	3,601	4,074	4,955	7,111	3,599	4,436	5,244	6,467	2	-361	-289	644
Feb.....	3,695	3,824	5,070	7,606	3,564	4,473	5,483	7,392	130	-649	-413	213
Mar.....	3,790	3,869	5,311	7,674	3,628	4,515	5,414	7,845	160	-647	-103	-171
Apr.....	3,631	3,820	5,494	8,234	3,774	4,417	5,360	8,141	-143	-596	+133	93
May.....	3,746	3,882	5,561	7,630	3,908	4,486	5,703	8,407	-161	-604	-142	-777
June.....	3,672	3,971	5,728	8,357	4,037	4,468	5,775	8,613	-365	-497	-47	-256
July.....	3,573	4,074	5,865	8,307	3,832	4,565	5,829	9,036	-259	-491	+37	-728
Aug.....	3,667	4,197	6,042	8,370	3,913	4,726	6,011	9,502	-247	-530	+32	-1,132
Sept.....	4,487	4,176	6,420	.....	4,179	4,612	5,644	.....	308	-436	+776	.....
Oct.....	2,669	4,316	6,585	.....	3,469	4,738	5,996	.....	-800	-421	+589	.....
Nov.....	3,196	4,473	6,879	.....	3,456	5,148	6,684	.....	-260	-675	+195	.....
Dec.....	3,881	4,558	6,949	.....	4,169	5,002	6,291	.....	-288	-444	+658	.....
Quarter:												
I.....	11,086	11,767	15,337	22,390	10,792	13,403	16,140	21,704	294	-1,657	-804	686
II.....	11,049	11,673	16,783	24,220	11,719	13,370	16,838	25,161	-670	-1,697	-56	-940
III.....	11,727	12,447	18,327	.....	11,924	13,903	17,483	.....	-197	-1,456	+845	.....
IV.....	9,746	13,347	20,413	.....	11,094	14,888	18,972	.....	-1,348	-1,540	+1,441	.....
Year <sup>3</sup> .....	43,549	49,208	70,823	.....	45,563	55,555	69,476	.....	-2,014	-6,347	+1,348	.....

<sup>1</sup> Exports of domestic and foreign merchandise; excludes Dept. of Defense shipments of grant-aid military equipment and supplies under Mutual Security Program.

<sup>2</sup> General imports including imports for immediate consumption plus entries into bonded warehouses.

<sup>3</sup> Sum of unadjusted figures.

NOTE.—Bureau of the Census data. Details may not add to totals because of rounding.

3. U.S. RESERVE ASSETS

(In millions of dollars)

End of year	Total	Gold stock <sup>1</sup>		Con-vertible foreign currencies	Reserve position in IMF	SDR's <sup>3</sup>	End of month	Total	Gold stock		Con-vertible foreign currencies <sup>4</sup>	Reserve position in IMF	SDR's <sup>3</sup>
		Total <sup>2</sup>	Treasury						Total <sup>2</sup>	Treasury			
1960...	19,359	17,804	17,767	.....	1,555	.....	1973						
1961...	18,753	16,947	16,889	116	1,690	.....	Sept....	12,927	10,487	10,410	8	483	1,949
1962...	17,220	16,057	15,978	99	1,064	.....	Oct....	8 14,367	8 11,652	8 11,567	8	8 541	8 2,166
1963...	16,843	15,596	15,513	212	1,035	.....	Nov....	14,373	11,652	11,567	8	547	2,166
1964...	16,672	15,471	15,388	432	769	.....	Dec....	14,378	11,652	11,567	8	552	2,166
1965...	15,450	13,806	13,733	781	863	.....	1974						
1966...	14,882	13,235	13,159	1,321	326	.....	Jan....	14,565	11,652	11,567	59	688	2,166
1967...	14,830	12,065	11,982	2,345	420	.....	Feb....	14,643	11,652	11,567	68	757	2,166
1968...	15,710	10,892	10,367	3,528	1,290	.....	Mar....	14,588	11,652	11,567	9	761	2,166
1969...	516,964	11,859	10,367	52,781	2,324	.....	Apr....	14,651	11,652	11,567	9	824	2,166
1970...	14,487	11,072	10,732	629	1,935	851	May....	14,870	11,652	11,567	66	989	2,163
1971...	612,167	10,206	10,132	6276	585	1,100	June....	14,946	11,652	11,567	94	1,005	2,195
1972...	13,151	10,487	10,410	241	465	1,958	July....	14,912	11,652	11,567	12	1,021	2,227
1973 <sup>8</sup> ...	14,378	11,652	11,567	8	552	2,166	Aug....	15,460	11,652	11,567	224	1,384	2,200
							Sept....	9 15,893	11,652	11,567	246	9 1,713	9 2,282

<sup>1</sup> Includes (a) gold sold to the United States by the IMF with the right of repurchase, and (b) gold deposited by the IMF to mitigate the impact on the U.S. gold stock of foreign purchases for the purpose of making gold subscriptions to the IMF under quota increases. For corresponding liabilities, see Table 5.

<sup>2</sup> Includes gold in Exchange Stabilization Fund.

<sup>3</sup> Includes allocations by the IMF of Special Drawing Rights as follows: \$867 million on Jan. 1, 1970; \$717 million on Jan. 1, 1971; and \$710 million on Jan. 1, 1972; plus net transactions in SDR's.

<sup>4</sup> For holdings of F.R. Banks only, see p. A-11.

<sup>5</sup> Includes gain of \$67 million resulting from revaluation of the German mark in Oct. 1969, of which \$13 million represents gain on mark holdings at time of revaluation.

<sup>6</sup> Includes \$28 million increase in dollar value of foreign currencies revalued to reflect market exchange rates as of Dec. 31, 1971.

<sup>7</sup> Total reserve assets include an increase of \$1,016 million resulting from change in par value of the U.S. dollar on May 8, 1972; of which,

total gold stock is \$828 million (Treasury gold stock \$822 million), reserve position in IMF \$33 million, and SDR's \$155 million.

<sup>8</sup> Total reserve assets include an increase of \$1,436 million resulting from change in par value of the U.S. dollar on Oct. 18, 1973; of which, total gold stock is \$1,165 million (Treasury gold stock \$1,157 million), reserve position in IMF \$54 million, and SDR's \$217 million.

<sup>9</sup> Beginning July 1974, the IMF adopted a technique for valuing the SDR based on a weighted average of exchange rates for the currencies of 16 member countries. The U.S. SDR holdings and reserve position in the IMF are also valued on this basis beginning July 1974. At valuation used prior to July 1974 (SDR 1 = \$1,20633) SDR holdings at end of Sept. amounted to \$2,318 million, reserve position in IMF \$1,734 million, and total U.S. reserve assets \$15,950 million.

NOTE.—See Table 20 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.

NOTES TO TABLE 1 ON OPPOSITE PAGE:

<sup>1</sup> Adjusted to balance of payments basis; excludes transfers under military grants, exports under U.S. military agency sales contracts, and imports of U.S. military agencies.

<sup>2</sup> Fees and royalties from U.S. direct investments abroad or from foreign direct investments in the United States are excluded from investment income and included in "Other services".

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

<sup>4</sup> Includes under U.S. Government grants \$2 billion equivalent, rep-

resenting the refinancing of economic assistance loans to India; a corresponding reduction of credits is shown in line 16.

<sup>5</sup> Includes some short-term U.S. Govt. assets.

<sup>6</sup> Includes changes in long-term liabilities reported by banks in the United States and in investments by foreign official agencies in debt securities of U.S. Federally sponsored agencies and U.S. corporations.

NOTE.—Data are from U.S. Department of Commerce, Bureau of Economic Analysis. Details may not add to totals because of rounding.

## 4. U.S. NET MONETARY GOLD TRANSACTIONS WITH FOREIGN COUNTRIES AND INTERNATIONAL ORGANIZATIONS

(Net sales [—] or net acquisitions; in millions of dollars valued at \$35 per fine ounce through Apr. 1972, at \$38 from May 1972–Sept. 1973, and at \$42.22 thereafter)

Area and country	1963	1964	1965	1966	1967	1968	1969	1970	1971	1972	1973		1974		
											III	IV	I	II	
<b>Western Europe:</b>															
Austria.....	-82	-55	-100	-25			4								
Belgium.....		-40	-83			-58			-110						
France.....	-518	-405	-884	-601		600	325	-129	-473						
Germany, Fed. Rep. of.....		-225					500								
Ireland.....		-1	-2	-2	-2	-52	41	2							
Italy.....		200	-80	-60	-85	-209	-76								
Netherlands.....		-60	-35			-19		-50	-25						
Spain.....	-130	-32	-180					51							
Switzerland.....		-81	-50	-2	-30	-50	-25	-50	-175						
United Kingdom.....	329	618	150	80	-879	-835									
Bank for Intl. Settlements.....							200								
Other.....	1	-6	-35	-49	16	-47	11	-29	-13						
<b>Total.....</b>	<b>-399</b>	<b>-88</b>	<b>-1,299</b>	<b>-659</b>	<b>-980</b>	<b>-669</b>	<b>969</b>	<b>-204</b>	<b>-796</b>						
<b>Canada.....</b>				200	150	50									
<b>Latin American republics:</b>															
Argentina.....	-30			-39	-1	-25	-25	-28							
Brazil.....	72	54	25	-3	-1	*		-23							
Colombia.....		10	29	7			*	-1							
Venezuela.....			-25												
Other.....	-11	-9	-13	-6	11	-40	-29	-80	-5						
<b>Total.....</b>	<b>32</b>	<b>56</b>	<b>17</b>	<b>-41</b>	<b>9</b>	<b>-65</b>	<b>-54</b>	<b>-131</b>	<b>-5</b>						
<b>Asia:</b>															
Iraq.....			-10	-4	-21	-42									
Japan.....				-56				-119							
Lebanon.....		-11		-11	-1	-95			-35						
Malaysia.....						-34			-10						
Philippines.....	25	20	*	-1		9	40	-4	-2						
Saudi Arabia.....						-50									
Singapore.....						-81	11		-30						
Other.....	-13	-6	-14	-14	-22	-75	-9	2-91	39	-3					
<b>Total.....</b>	<b>12</b>	<b>3</b>	<b>-24</b>	<b>-86</b>	<b>-44</b>	<b>-366</b>	<b>42</b>	<b>-213</b>	<b>-38</b>	<b>-3</b>					
<b>All other.....</b>	<b>-36</b>	<b>-7</b>	<b>-16</b>	<b>-22</b>	<b>3-166</b>	<b>3-68</b>	<b>-1</b>	<b>-81</b>	<b>-6</b>						
<b>Total foreign countries.....</b>	<b>-392</b>	<b>-36</b>	<b>-1,322</b>	<b>-608</b>	<b>-1,031</b>	<b>-1,118</b>	<b>957</b>	<b>-631</b>	<b>-845</b>	<b>-3</b>					
<b>Intl. Monetary Fund<sup>4</sup>.....</b>			<b>3-225</b>	<b>177</b>	<b>22</b>	<b>-3</b>	<b>10</b>	<b>-156</b>	<b>-22</b>	<b>-544</b>					
<b>Grand total.....</b>	<b>-392</b>	<b>-36</b>	<b>-1,547</b>	<b>-431</b>	<b>-1,009</b>	<b>-1,121</b>	<b>967</b>	<b>6-787</b>	<b>-867</b>	<b>-547</b>					

<sup>1</sup> Includes purchase from Denmark of \$25 million.<sup>2</sup> Includes purchase from Kuwait of \$25 million.<sup>3</sup> Includes sales to Algeria of \$150 million in 1967 and \$50 million in 1968.<sup>4</sup> Includes IMF gold sales to and purchases from the United States, U.S. payment of increases in its gold subscription to IMF, gold deposits by the IMF (see note 1 (b) to Table 3), and withdrawal of deposits. The first withdrawal (\$17 million) was made in June 1968 and the last withdrawal (\$144 million) was made in Feb. 1972.

IMF sold to the United States a total of \$800 million of gold (\$200 million in 1956, and \$300 million in 1959 and in 1960) with the right of

repurchase; proceeds from these sales invested by IMF in U.S. Treasury securities. IMF repurchased \$400 million in Sept. 1970 and the remaining \$400 million in Feb. 1972.

<sup>5</sup> Payment to the IMF of \$259 million increase in U.S. gold subscription less gold deposits by the IMF.<sup>6</sup> Includes the U.S. payment of \$385 million increase in its gold subscription to the IMF and gold sold by the IMF to the United States in mitigation of U.S. sales to other countries making gold payments to the IMF. The country data include U.S. gold sales to various countries in connection with the IMF quota payments. Such U.S. sales to countries and resales to the United States by the IMF totaled \$548 million each.

## 5. U.S. LIQUID AND OTHER LIABILITIES TO FOREIGN OFFICIAL INSTITUTIONS, AND LIQUID LIABILITIES TO ALL OTHER FOREIGNERS

(In millions of dollars)

End of period	Total	Liquid liabilities to IMF arising from gold transactions <sup>1</sup>	Liabilities to foreign countries										Liquid liabilities to non-monetary intl. and regional organizations <sup>8</sup>
			Official institutions <sup>2</sup>						Liquid liabilities to other foreigners				
			Total	Liquid			Nonmarketable nonconvertible U.S. Treas. bonds and notes <sup>4</sup>	Other readily marketable liabilities <sup>5</sup>	Liquid liabilities to commercial banks abroad <sup>6</sup>	Total	Short-term liabilities reported by banks in U.S.	Marketable U.S. Treas. bonds and notes <sup>3,7</sup>	
				Short-term liabilities reported by banks in U.S.	Marketable U.S. Treas. bonds and notes <sup>3</sup>	Nonmarketable convertible U.S. Treas. bonds and notes							
1962 .....	24,268	800	12,914	11,963	751	.....	200	.....	5,346	3,013	2,565	448	2,195
1963 <sup>9</sup> .....	26,433 26,394	800 800	14,459 14,425	12,467 12,467	1,217 1,183	703 703	63 63	9 9	5,817 5,817	3,397 3,387	3,046 3,046	351 341	1,960 1,965
1964 <sup>9</sup> .....	29,313 29,364	800 800	15,790 15,786	13,224 13,220	1,125 1,125	1,079 1,079	204 204	158 158	7,271 7,303	3,730 3,753	3,354 3,377	376 376	1,722 1,722
1965 .....	29,569	834	15,826	13,066	1,105	1,201	334	120	7,419	4,059	3,587	472	1,431
1966 <sup>9</sup> .....	31,145 31,020	1,011 1,011	14,841 14,896	12,484 12,539	860 860	256 256	328 328	913 913	10,116 9,936	4,271 4,272	3,743 3,744	528 528	906 905
1967 <sup>9</sup> .....	35,819 35,667	1,033 1,033	18,201 18,194	14,034 14,027	908 908	711 711	741 741	1,807 1,807	11,209 11,085	4,685 4,678	4,127 4,120	558 558	691 677
1968 <sup>9</sup> .....	38,687 38,473	1,030 1,030	17,407 17,340	11,318 11,318	529 462	701 701	2,518 2,518	2,341 2,341	14,472 14,472	5,053 4,909	4,444 4,444	609 465	725 722
1969 <sup>9</sup> .....	45,755 45,914	1,019 1,019	15,975 15,998	11,054 11,077	346 346	555 555	2,515 2,515	1,505 1,505	23,638 23,645	4,464 4,589	3,939 4,064	525 525	659 663
1970—Dec. <sup>9</sup> .....	47,009 46,960	566 566	23,786 23,775	19,333 19,333	306 295	429 429	3,023 3,023	695 695	17,137 17,169	4,676 4,604	4,029 4,039	647 565	844 846
1971—Dec. <sup>11</sup> .....	67,681 67,808	544 544	51,209 50,651	39,679 39,018	1,955 1,955	6,060 6,093	3,371 3,441	144 144	10,262 10,949	4,138 4,141	3,691 3,694	447 447	1,528 1,523
1972—Dec. ....	82,853	.....	61,526	40,000	5,236	12,108	3,639	543	14,665	5,035	4,610	425	1,627
Aug. <sup>r</sup> .....	92,483	.....	70,520	45,721	6,906	12,319	3,555	2,019	15,083	5,348	5,013	335	1,532
Sept. <sup>r</sup> .....	91,930	.....	69,777	45,174	6,914	12,319	3,355	2,015	15,031	5,503	5,156	347	1,619
Oct. <sup>r</sup> .....	93,017	.....	69,702	45,212	6,929	12,319	3,233	2,009	15,958	5,536	5,162	374	1,821
Nov. <sup>r</sup> .....	92,393	.....	67,400	43,791	6,207	12,319	3,234	1,849	17,261	5,722	5,312	410	2,010
Dec. <sup>r</sup> .....	92,371	.....	66,810	43,919	5,701	12,319	3,210	1,661	17,647	5,911	5,481	430	2,003
1974—Jan. <sup>r</sup> .....	89,876	.....	63,871	41,556	5,229	12,321	3,210	1,555	18,040	6,044	5,595	449	1,921
Feb. <sup>r</sup> .....	91,807	.....	64,099	41,991	5,192	12,322	3,210	1,384	19,692	6,223	5,813	410	1,793
Mar. <sup>r</sup> .....	95,517	.....	65,527	43,412	5,192	12,329	3,210	1,384	22,028	6,544	6,144	400	1,418
Apr. <sup>r</sup> .....	97,306	.....	67,163	45,184	5,020	12,330	3,210	1,419	22,060	6,789	6,369	420	1,294
May <sup>r</sup> .....	100,641	.....	67,959	46,031	5,013	12,330	3,210	1,430	24,200	6,880	6,510	370	1,547
June <sup>r</sup> .....	103,561	.....	69,993	47,429	5,013	12,330	3,655	1,566	24,712	7,146	6,780	366	1,710
July <sup>r</sup> .....	106,926	.....	71,071	48,427	5,013	12,330	3,655	1,646	26,547	7,503	7,122	381	1,804
Aug. <sup>r</sup> .....	109,545	.....	70,808	48,238	4,940	12,330	3,655	1,645	29,189	7,520	7,150	370	2,028

<sup>1</sup> Includes (a) liability on gold deposited by the IMF to mitigate the impact on the U.S. gold stock of foreign purchases for gold subscriptions to the IMF under quota increases, and (b) U.S. Treasury obligations at cost value and funds awaiting investment obtained from proceeds of sales of gold by the IMF to the United States to acquire income-earning assets.

<sup>2</sup> Includes BIS and European Fund.

<sup>3</sup> Derived by applying reported transactions to benchmark data; breakdown of transactions by type of holder estimated 1962-63.

<sup>4</sup> Excludes notes issued to foreign official nonreserve agencies.

<sup>5</sup> Includes long-term liabilities reported by banks in the United States and debt securities of U.S. Federally-sponsored agencies and U.S. corporations.

<sup>6</sup> Includes short-term liabilities payable in dollars to commercial banks abroad and short-term liabilities payable in foreign currencies to commercial banks abroad and to "other foreigners."

<sup>7</sup> Includes marketable U.S. Treasury bonds and notes held by commercial banks abroad.

<sup>8</sup> Principally the International Bank for Reconstruction and Development and the Inter-American and Asian Development Banks.

<sup>9</sup> Data on the two lines shown for this date differ because of changes in reporting coverage. Figures on first line are comparable with those

shown for the preceding date; figures on second line are comparable to those shown for the following date.

<sup>10</sup> Includes \$101 million increase in dollar value of foreign currency liabilities resulting from revaluation of the German mark in Oct. 1969 as follows: liquid, \$17 million, and other, \$84 million.

<sup>11</sup> Data on the second line differ from those on first line because certain accounts previously classified as "official institutions" are included with "banks"; a number of reporting banks are included in the series for the first time; and U.S. Treasury securities payable in foreign currencies issued to official institutions of foreign countries have been increased in value to reflect market exchange rates as of Dec. 31, 1971.

NOTE.—Based on Treasury Dept. data and on data reported to the Treasury Dept. by banks and brokers in the United States. Data correspond generally to statistics following in this section, except for the exclusion of nonmarketable, nonconvertible U.S. Treasury notes issued to foreign official nonreserve agencies, the inclusion of investments by foreign official reserve agencies in debt securities of U.S. Federally-sponsored agencies and U.S. corporations, and minor rounding differences. Table excludes IMF "holdings of dollars," and holdings of U.S. Treasury letters of credit and non-negotiable, non-interest-bearing special U.S. notes held by other international and regional organizations.

### 6. U.S. LIQUID AND OTHER LIABILITIES TO OFFICIAL INSTITUTIONS OF FOREIGN COUNTRIES, BY AREA

(Amounts outstanding; in millions of dollars)

End of period	Total foreign countries	Western Europe <sup>1</sup>	Canada	Latin American republics	Asia	Africa	Other countries <sup>2</sup>
1967.....	18,194	10,321	1,310	1,582	4,428	250	303
1968 <sup>3</sup> .....	17,407	8,070	1,867	1,865	5,043	259	303
	17,340	8,062	1,866	1,865	4,997	248	302
1969 <sup>3</sup> .....	15,975	7,074	1,624	1,888	4,552	546	291
	15,998	7,074	1,624	1,911	4,552	546	291
1970 <sup>3</sup> .....	23,786	13,620	2,951	1,681	4,713	407	414
	23,775	13,615	2,951	1,681	4,708	407	413
1971 <sup>5</sup> .....	51,209	30,010	3,980	1,414	14,519	415	871
	50,651	30,134	3,980	1,429	13,823	415	870
1972.....	61,526	34,197	4,279	1,733	17,577	777	2,963
1973—Aug.....	70,520	47,260	3,836	2,015	13,637	738	3,034
Sept.....	69,777	47,099	3,759	1,861	13,289	769	3,000
Oct.....	69,702	47,514	3,851	1,938	12,601	735	3,063
Nov.....	67,400	46,002	3,820	2,233	11,474	785	3,086
Dec.....	66,810	45,717	3,853	2,544	10,884	788	3,024
1974—Jan.....	63,871	43,270	3,945	2,446	10,479	838	2,893
Feb.....	64,099	42,391	4,262	2,743	10,878	1,000	2,825
Mar.....	65,527	42,772	4,195	2,887	11,631	1,249	2,793
Apr.....	67,163	42,648	4,309	3,532	12,360	1,402	2,912
May.....	68,014	42,816	4,302	3,384	12,988	1,620	2,904
June.....	69,993	43,200	4,201	4,005	13,992	1,854	2,741
July <sup>6</sup> .....	71,071	42,978	4,125	3,951	15,209	2,055	2,753
Aug <sup>6</sup> .....	70,808	42,131	3,953	4,126	15,526	2,272	2,800

<sup>1</sup> Includes Bank for International Settlements and European Fund.<sup>2</sup> Includes countries in Oceania and Eastern Europe, and Western European dependencies in Latin America.<sup>3</sup> See note 9 to Table 5.<sup>4</sup> Includes \$101 million increase in dollar value of foreign currency liabilities resulting from revaluation of the German mark in Oct. 1969.<sup>5</sup> Data on second line differ from those on the first line because certain accounts previously classified as "Official institutions" are included in "Banks"; a number of reporting banks are included in the series for the first time; and U.S. Treasury liabilities payable in foreign currencies

to official institutions of foreign countries have been increased in value by \$110 million to reflect market exchange rates as of Dec. 31, 1971.

NOTE.—Data represent short- and long-term liabilities to the official institutions of foreign countries, as reported by banks in the United States; foreign official holdings of marketable and nonmarketable U.S. Treasury securities with an original maturity of more than 1 year, except for nonmarketable notes issued to foreign official nonreserve agencies; and investments by foreign official reserve agencies in debt securities of U.S. Federally-sponsored agencies and U.S. corporations.

### 7. SHORT-TERM LIABILITIES TO FOREIGNERS REPORTED BY BANKS IN THE UNITED STATES, BY TYPE

(Amounts outstanding; in millions of dollars)

End of period	To all foreigners							To nonmonetary international and regional organizations <sup>6</sup>					
	Total <sup>1</sup>	Payable in dollars				Payable in foreign currencies	IMF gold investment <sup>5</sup>	Total	Deposits		U.S. Treasury bills and certificates	Other short-term liab. <sup>4</sup>	
		Total	Demand	Time <sup>2</sup>	U.S. Treasury bills and certificates <sup>3</sup>				Demand	Time <sup>2</sup>			
1969.....	40,199	39,770	20,460	6,959	5,015	7,336	429	800	613	62	83	244	223
1970 <sup>7</sup> .....	41,719	41,351	15,785	5,924	14,123	5,519	368	400	820	69	159	211	381
	41,761	41,393	15,795	5,961	14,123	5,514	368	400	820	69	159	211	381
1971 <sup>8</sup> .....	55,404	55,018	10,399	5,209	33,025	6,385	386	400	1,372	73	192	210	896
	55,428	55,036	6,459	4,217	33,025	11,335	392	400	1,367	73	192	210	892
1972—Dec.....	60,689	60,193	8,288	5,596	31,850	14,458	496	.....	1,413	86	202	326	800
1973—Aug.....	67,303	66,693	8,436	6,040	34,257	17,960	611	.....	1,487	178	118	61	1,129
Sept.....	66,914	66,253	8,754	5,987	33,702	17,610	660	.....	1,552	80	100	62	1,311
Oct.....	68,100	67,523	9,108	6,614	32,869	18,932	577	.....	1,768	70	93	173	1,431
Nov.....	68,326	67,704	9,849	6,696	31,977	19,182	622	.....	1,962	73	97	373	1,420
Dec.....	69,002	68,405	11,307	6,849	31,886	18,363	597	.....	1,955	101	86	296	1,471
1974—Jan.....	67,043	66,403	10,822	6,792	29,543	19,246	640	.....	1,853	95	92	286	1,380
Feb.....	69,189	68,420	11,473	6,838	30,274	19,438	770	.....	1,693	77	66	232	1,318
Mar.....	72,735	71,969	11,651	6,967	31,444	21,907	766	.....	1,151	96	66	227	762
Apr.....	74,722	74,016	11,973	7,302	32,676	22,064	706	.....	1,109	60	60	209	780
May.....	78,074	77,421	11,671	7,603	33,983	24,163	653	.....	1,333	95	54	46	1,138
June.....	80,514	79,722	12,856	8,244	23,038	24,583	792	.....	1,593	106	64	91	1,332
July <sup>9</sup> .....	83,775	83,109	12,762	8,820	34,178	27,348	666	.....	1,679	121	60	51	1,488
Aug <sup>9</sup> .....	86,432	85,687	11,805	9,106	33,179	31,597	746	.....	1,855	81	68	146	1,561

For notes see the following page.

**7. SHORT-TERM LIABILITIES TO FOREIGNERS REPORTED BY BANKS IN THE UNITED STATES, BY TYPE—Continued**

(Amounts outstanding; in millions of dollars)

End of period	Total to official, banks and other foreigners						To official institutions <sup>9</sup>					
	Total	Payable in dollars				Payable in foreign currencies	Total	Payable in dollars				Payable in foreign currencies
		Deposits		U.S. Treasury bills and certificates <sup>3</sup>	Other short-term liab. <sup>4</sup>			Deposits		U.S. Treasury bills and certificates <sup>3</sup>	Other short-term liab. <sup>4</sup>	
		Demand	Time <sup>2</sup>					Demand	Time <sup>2</sup>			
1969.....	38,786	20,397	6,876	3,971	7,113	429	11,077	1,930	2,942	3,844	2,159	202
1970.....	40,499	15,716	5,765	13,511	5,138	368	19,333	1,652	2,554	13,367	1,612	148
1970 <sup>7</sup> .....	40,541	15,726	5,802	13,511	5,133	368	19,333	1,652	2,554	13,367	1,612	148
1971 <sup>8</sup> .....	53,632	10,326	5,017	32,415	5,489	386	39,679	1,620	2,504	32,311	3,086	158
1971.....	53,661	6,386	4,025	32,415	10,443	392	39,018	1,327	2,039	31,311	3,177	165
1972—Dec. r.....	59,275	8,203	5,394	31,523	13,659	496	40,000	1,591	2,880	31,453	3,905	171
1973—Aug. r.....	65,817	8,258	5,922	34,196	16,831	611	45,721	1,576	3,355	34,118	6,545	127
Sept. r.....	65,361	8,674	5,887	33,640	16,499	660	45,174	1,633	3,226	33,554	6,634	127
Oct. r.....	66,332	9,038	6,520	32,696	17,501	577	45,212	1,811	3,846	32,613	6,814	127
Nov. r.....	66,364	9,776	6,599	31,604	17,763	622	43,791	2,035	3,802	31,529	6,298	127
Dec. r.....	67,047	11,206	6,763	31,590	16,892	597	43,919	2,125	3,911	31,511	6,245	127
1974—Jan. r.....	65,191	10,728	6,701	29,257	17,865	640	41,556	2,379	3,705	29,152	6,192	127
Feb. r.....	67,496	11,396	6,773	30,042	18,516	770	41,991	2,407	3,703	29,917	6,634	127
Mar. r.....	71,584	11,554	6,902	31,217	21,145	766	43,412	2,631	3,800	31,064	5,790	127
Apr. r.....	73,613	11,913	7,242	32,467	21,284	706	45,184	2,920	3,949	32,312	5,877	127
May r.....	76,741	11,576	7,550	33,937	23,025	653	46,031	2,352	4,025	33,731	5,796	127
June.....	78,921	12,750	8,181	33,947	23,251	792	47,429	2,642	4,277	33,745	6,638	127
July <sup>9</sup> .....	82,096	12,642	8,760	34,128	25,900	666	48,427	2,561	4,468	33,749	7,522	127
Aug. <sup>9</sup> .....	84,577	11,724	9,039	33,033	30,036	746	48,238	2,472	4,447	32,687	8,504	127

End of period	To banks <sup>10</sup>						To other foreigners					
	Total	Payable in dollars				Total	Payable in dollars				Total	
		Deposits		U.S. Treasury bills and certificates	Other short-term liab. <sup>4</sup>		Deposits		U.S. Treasury bills and certificates	Other short-term liab. <sup>4</sup>		
		Demand	Time <sup>2</sup>				Demand	Time <sup>2</sup>				
1969.....	27,709	23,419	16,756	1,999	20	4,644	4,064	1,711	1,935	107	312	226
1970.....	21,166	16,917	12,376	1,326	14	3,202	4,029	1,688	1,886	131	325	220
1970 <sup>7</sup> .....	21,208	16,949	12,385	1,354	14	3,197	4,039	1,688	1,895	131	325	220
1971 <sup>8</sup> .....	13,953	10,034	7,047	850	8	2,130	3,691	1,660	1,663	96	274	228
1971.....	14,643	10,721	3,399	320	8	6,995	3,694	1,660	1,666	96	271	228
1972—Dec. r.....	19,275	14,340	4,658	405	5	9,272	4,610	1,954	2,110	65	481	325
1973—Aug. r.....	20,095	14,599	4,806	358	10	9,425	5,013	1,876	2,209	68	861	483
Sept. r.....	20,187	14,498	5,070	436	8	8,984	5,156	1,972	2,226	77	881	533
Oct. r.....	21,120	15,509	5,250	479	7	9,774	5,162	1,977	2,196	76	912	449
Nov. r.....	22,574	16,766	5,734	474	8	10,550	5,313	2,007	2,323	67	915	495
Dec. r.....	23,127	17,178	6,941	515	11	9,710	5,481	2,140	2,336	68	936	469
1974—Jan. r.....	23,635	17,527	6,329	517	14	10,668	5,595	2,020	2,479	91	1,005	513
Feb. r.....	25,505	19,050	6,857	526	32	11,635	5,813	2,131	2,543	93	1,045	642
Mar. r.....	28,172	21,389	6,572	511	54	14,251	6,144	2,351	2,591	98	1,104	639
Apr. r.....	28,429	21,481	6,601	683	63	14,133	6,369	2,392	2,610	92	1,274	579
May r.....	30,710	23,674	6,913	795	82	15,884	6,511	2,312	2,730	124	1,345	526
June.....	31,491	24,047	7,692	1,002	95	15,259	6,779	2,415	2,902	107	1,355	665
July <sup>9</sup> .....	33,669	26,008	7,649	1,160	204	16,996	7,122	2,432	3,133	175	1,383	539
Aug. <sup>9</sup> .....	36,339	28,571	6,860	1,436	197	20,077	7,150	2,392	3,156	148	1,455	618

<sup>1</sup> Data exclude "holdings of dollars" of the IMF.  
<sup>2</sup> Excludes negotiable time certificates of deposit, which are included in "Other."  
<sup>3</sup> Includes nonmarketable certificates of indebtedness issued to official institutions of foreign countries.  
<sup>4</sup> Principally bankers' acceptances, commercial paper, and negotiable time certificates of deposit through 1971 (first line). See also note 8(a).  
<sup>5</sup> U.S. Treasury bills and certificates obtained from proceeds of sales of gold by the IMF to the United States to acquire income-earning assets. Upon termination of investment, the same quantity of gold was reacquired by the IMF.  
<sup>6</sup> Principally the International Bank for Reconstruction and Development and the Inter-American Development Bank.  
<sup>7</sup> Includes difference between cost value and face value of securities in IMF gold investment account.  
<sup>8</sup> Data on the two lines shown for this date differ because of changes in reporting coverage. Figures on the first line are comparable in coverage with those shown for the preceding date; figures on the second line are comparable with those shown for the following date.

<sup>8</sup> Data on second line differ from those on first line because (a) those liabilities of U.S. banks to their foreign branches and those liabilities of U.S. agencies and branches of foreign banks to their head offices and foreign branches, which were previously reported as deposits, are included in "Other short-term liabilities"; (b) certain accounts previously classified as "Official institutions" are included in "Banks"; and (c) a number of reporting banks are included in the series for the first time.  
<sup>9</sup> Foreign central banks and foreign central govts. and their agencies, and Bank for International Settlements and European Fund.  
<sup>10</sup> Excludes central banks, which are included in "Official institutions."  
 NOTE.—"Short term" refers to obligations payable on demand or having an original maturity of 1 year or less. For data on long-term liabilities reported by banks, see Table 9. Data exclude the "holdings of dollars" of the International Monetary Fund; these obligations to the IMF constitute contingent liabilities, since they represent essentially the amount of dollars available for drawings from the IMF by other member countries. Data exclude also U.S. Treasury letters of credit and non-negotiable, non-interest-bearing special U.S. notes held by the Inter-American Development Bank and the International Development Association.

8. SHORT-TERM LIABILITIES TO FOREIGNERS REPORTED BY BANKS  
IN THE UNITED STATES, BY COUNTRY

(End of period. Amounts outstanding; in millions of dollars)

Area and country	1972		1973		1974						
	Dec. <sup>r</sup>	Nov. <sup>r</sup>	Dec. <sup>r</sup>	Jan. <sup>r</sup>	Feb. <sup>r</sup>	Mar. <sup>r</sup>	Apr. <sup>r</sup>	May <sup>r</sup>	June <sup>r</sup>	July <sup>p</sup>	Aug. <sup>p</sup>
<b>Europe:</b>											
Austria.....	272	166	161	210	279	327	248	298	310	482	528
Belgium-Luxembourg.....	1,094	1,463	1,483	1,593	1,662	1,572	1,795	1,739	1,827	1,819	1,928
Denmark.....	284	527	659	527	456	380	358	261	266	239	251
Finland.....	163	136	165	178	160	169	140	143	174	203	229
France.....	4,441	3,415	3,483	3,241	2,967	2,852	2,767	3,018	3,425	3,763	3,611
Germany.....	5,346	14,227	13,227	12,307	12,357	12,275	13,035	13,778	13,528	12,602	11,873
Greece.....	238	236	389	262	238	343	285	239	232	222	298
Italy.....	1,338	1,224	1,404	1,195	1,119	2,243	1,386	1,435	1,281	1,327	1,101
Netherlands.....	1,468	2,866	2,886	2,522	2,502	2,547	2,507	2,407	2,352	2,232	2,225
Norway.....	978	980	965	962	993	923	923	911	878	894	894
Portugal.....	416	470	534	482	486	450	450	452	411	429	422
Spain.....	256	319	305	264	304	267	289	365	471	548	303
Sweden.....	1,184	1,807	1,885	1,975	1,973	1,733	1,475	1,350	1,211	1,160	1,049
Switzerland.....	2,857	3,091	3,377	3,281	3,513	3,792	4,228	5,137	6,383	7,208	7,821
Turkey.....	97	75	98	221	146	96	92	95	125	134	106
United Kingdom.....	5,011	6,473	6,148	6,440	6,186	7,392	7,697	8,792	8,533	8,294	8,970
Yugoslavia.....	117	76	86	77	94	78	82	86	100	106	100
Other Western Europe <sup>1</sup> .....	1,483	2,926	3,352	3,125	3,007	2,946	3,003	2,494	2,701	2,847	2,671
U.S.S.R.....	11	20	22	26	20	29	52	28	27	27	26
Other Eastern Europe.....	81	101	110	92	96	122	95	104	126	138	147
<b>Total.....</b>	<b>27,136</b>	<b>40,598</b>	<b>40,742</b>	<b>38,982</b>	<b>38,525</b>	<b>40,605</b>	<b>40,905</b>	<b>43,145</b>	<b>44,247</b>	<b>44,657</b>	<b>44,552</b>
<b>Canada.....</b>	<b>3,432</b>	<b>3,779</b>	<b>3,627</b>	<b>3,923</b>	<b>4,217</b>	<b>3,640</b>	<b>4,350</b>	<b>3,983</b>	<b>3,550</b>	<b>3,721</b>	<b>3,250</b>
<b>Latin America:</b>											
Argentina.....	631	766	914	847	895	1,001	1,058	1,180	1,365	1,238	1,175
Bahamas <sup>2</sup> .....	540	806	824	593	1,011	2,016	1,335	1,833	1,348	1,392	3,203
Brazil.....	605	816	860	819	961	837	774	731	782	790	817
Chile.....	137	142	157	178	174	185	224	191	238	263	251
Colombia.....	210	221	247	219	238	238	227	227	217	267	290
Cuba.....	6	6	7	7	8	7	6	6	6	7	6
Mexico.....	831	1,132	1,284	1,323	1,343	1,369	1,374	1,416	1,410	1,448	1,599
Panama.....	167	282	279	281	326	401	408	551	552	558	448
Peru.....	225	124	135	144	154	159	160	162	166	197	184
Uruguay.....	140	112	120	120	115	121	121	132	121	122	115
Venezuela.....	1,078	1,420	1,468	1,460	1,636	1,736	2,297	2,248	2,708	2,599	2,999
Other Latin American republics.....	860	769	880	947	1,026	1,100	1,144	1,053	1,073	1,192	1,072
Netherlands Antilles and Surinam.....	86	63	71	69	61	69	63	95	124	92	103
Other Latin America.....	44	556	359	470	792	659	566	424	450	666	825
<b>Total.....</b>	<b>5,560</b>	<b>7,215</b>	<b>7,606</b>	<b>7,477</b>	<b>8,741</b>	<b>9,896</b>	<b>9,757</b>	<b>10,249</b>	<b>10,561</b>	<b>10,831</b>	<b>13,088</b>
<b>Asia:</b>											
China, People's Rep. of (China Mainland)	39	40	38	38	39	38	39	39	33	39	40
China, Republic of (Taiwan).....	675	764	757	735	715	641	573	620	688	772	842
Hong Kong.....	318	383	372	389	416	452	453	512	462	470	490
India.....	98	71	85	152	183	133	177	264	225	172	131
Indonesia.....	108	160	133	186	175	240	305	220	257	863	785
Israel.....	177	330	327	337	311	302	275	267	256	226	211
Japan.....	15,843	6,726	6,954	6,417	7,440	8,307	8,668	9,060	9,419	9,973	9,897
Korea.....	192	210	195	222	204	180	253	234	262	215	277
Philippines.....	438	497	515	570	604	595	642	731	772	762	715
Thailand.....	171	180	247	336	471	607	536	517	524	451	403
Other.....	1,071	1,138	1,202	1,306	1,196	1,445	1,942	1,886	2,572	3,634	4,272
<b>Total.....</b>	<b>19,131</b>	<b>10,500</b>	<b>10,826</b>	<b>10,690</b>	<b>11,752</b>	<b>12,940</b>	<b>13,861</b>	<b>14,350</b>	<b>15,470</b>	<b>17,578</b>	<b>18,065</b>
<b>Africa:</b>											
Egypt.....	24	63	35	72	72	52	68	71	84	91	105
Morocco.....	12	14	11	11	12	17	15	20	39	54	63
South Africa.....	115	109	114	97	119	148	83	122	102	170	156
Zaire.....	21	24	87	42	30	42	43	52	58	46	46
Other.....	768	824	808	837	1,044	1,335	1,500	1,703	1,911	2,042	2,258
<b>Total.....</b>	<b>939</b>	<b>1,034</b>	<b>1,056</b>	<b>1,059</b>	<b>1,277</b>	<b>1,593</b>	<b>1,709</b>	<b>1,968</b>	<b>2,193</b>	<b>2,403</b>	<b>2,627</b>
<b>Other countries:</b>											
Australia.....	3,027	3,183	3,131	2,986	2,917	2,849	2,979	2,980	2,831	2,848	2,927
All other.....	51	55	59	74	66	60	52	68	69	58	68
<b>Total.....</b>	<b>3,077</b>	<b>3,238</b>	<b>3,190</b>	<b>3,059</b>	<b>2,984</b>	<b>2,909</b>	<b>3,031</b>	<b>3,047</b>	<b>2,900</b>	<b>2,906</b>	<b>2,994</b>
<b>Total foreign countries.....</b>	<b>59,275</b>	<b>66,364</b>	<b>67,047</b>	<b>65,191</b>	<b>67,496</b>	<b>71,584</b>	<b>73,613</b>	<b>76,741</b>	<b>78,921</b>	<b>82,096</b>	<b>84,577</b>
<b>International and regional:</b>											
International <sup>3</sup> .....	951	1,609	1,627	1,536	1,404	863	840	1,038	1,250	1,328	1,512
Latin American regional.....	307	291	272	257	228	226	217	226	222	248	251
Other regional <sup>4</sup> .....	156	62	57	61	61	62	51	69	122	102	93
<b>Total.....</b>	<b>1,413</b>	<b>1,962</b>	<b>1,955</b>	<b>1,853</b>	<b>1,693</b>	<b>1,151</b>	<b>1,109</b>	<b>1,333</b>	<b>1,593</b>	<b>1,679</b>	<b>1,855</b>
<b>Grand Total.....</b>	<b>60,689</b>	<b>68,326</b>	<b>69,002</b>	<b>67,043</b>	<b>69,189</b>	<b>72,735</b>	<b>74,722</b>	<b>78,074</b>	<b>80,514</b>	<b>83,775</b>	<b>86,432</b>

For notes see the following page.

**8. SHORT-TERM LIABILITIES TO FOREIGNERS REPORTED BY BANKS  
IN THE UNITED STATES, BY COUNTRY—Continued**

(End of period. Amounts outstanding; in millions of dollars)

Supplementary data <sup>5</sup>

Area and country	1972		1973		1974	Area and country	1972		1973		1974
	Apr.	Dec.	Apr.	Dec.	Apr.		Apr.	Dec.	Apr.	Dec.	Apr.
<b>Other Western Europe:</b>						<b>Other Asia—Cont.:</b>					
Cyprus.....	2	3	9	19	10	Kuwait.....	16	39	36	28	.....
Iceland.....	9	9	12	8	11	Laos.....	3	2	3	3	.....
Ireland, Rep. of.....	15	17	22	62	53	Lebanon.....	60	55	55	62	68
<b>Other Latin American republics:</b>						Malaysia.....	25	54	59	58	40
Bolivia.....	53	87	65	68	102	Pakistan.....	58	59	93	105	108
Costa Rica.....	70	92	75	86	88	Ryukyu Islands (incl. Okinawa) <sup>6</sup>	53	.....	.....	.....	.....
Dominican Republic.....	91	114	104	118	137	Saudi Arabia.....	80	344	236	334	303
Ecuador.....	62	121	109	92	90	Singapore.....	45	77	53	141	165
El Salvador.....	83	76	86	90	129	Sri Lanka (Ceylon).....	6	5	6	13	13
Guatemala.....	123	132	127	156	245	Syria.....	6	4	39	5	40
Haiti.....	23	27	25	21	28	Vietnam.....	185	135	98	88	98
Honduras.....	50	58	64	56	71	<b>Other Africa:</b>					
Jamaica.....	32	41	32	39	52	Algeria.....	31	32	51	111	110
Nicaragua.....	66	61	79	99	119	Ethiopia (incl. Eritrea).....	29	57	75	79	118
Paraguay.....	17	22	26	29	40	Ghana.....	11	10	28	20	22
Trinidad & Tobago.....	15	20	17	17	21	Kenya.....	14	23	19	23	20
<b>Other Latin America:</b>						Liberia.....	25	30	31	42	29
Bermuda.....	(2)	(2)	127	242	201	Libya.....	296	393	312	331	.....
British West Indies.....	23	36	100	109	.....	Nigeria.....	56	85	140	78	.....
<b>Other Asia:</b>						Southern Rhodesia.....	2	2	1	2	1
Afghanistan.....	17	25	19	22	11	Sudan.....	5	3	3	3	2
Bahrain.....	18	24	23	24	11	Tanzania.....	6	11	16	12	12
Burma.....	5	2	17	12	.....	Tunisia.....	7	10	11	7	17
Cambodia.....	2	3	3	2	4	Uganda.....	10	7	19	6	11
Iran.....	88	93	114	124	243	Zambia.....	7	28	37	22	.....
Iraq.....	9	10	26	101	.....	<b>All other:</b>					
Jordan.....	2	4	4	6	6	New Zealand.....	27	30	34	39	33

<sup>1</sup> Includes Bank for International Settlements and European Fund.  
<sup>2</sup> Bermuda included with Bahamas through Dec. 1972.  
<sup>3</sup> Data exclude "holdings of dollars" of the International Monetary Fund.

<sup>4</sup> Asian, African, and European regional organizations, except BIS and European Fund, which are included in "Europe."  
<sup>5</sup> Represent a partial breakdown of the amounts shown in the "other" categories (except "Other Eastern Europe").  
<sup>6</sup> Included in Japan after Apr. 1972.

**9. LONG-TERM LIABILITIES TO FOREIGNERS REPORTED  
BY BANKS IN THE UNITED STATES**

(Amounts outstanding; in millions of dollars)

End of period	Total	To intl. and regional	To foreign countries				Country or area						
			Total	Official institutions	Banks <sup>1</sup>	Other foreigners	Germany	United Kingdom	Other Europe	Total Latin America	Japan	Other Asia	All other countries
1970.....	1,703	789	914	695	165	53	110	42	26	152	385	137	62
1971.....	902	446	457	144	257	56	164	52	30	111	3	87	9
1972 <sup>2</sup> .....	{ 1,000	562	439	93	259	87	165	63	32	136	1	32	10
	{ 1,018	580	439	93	259	87	165	63	32	136	1	32	10
1973—Aug.....	1,530	775	755	322	305	127	165	68	265	143	2	95	17
Sept.....	1,502	758	744	318	302	123	165	68	263	145	2	84	18
Oct.....	1,473	735	738	312	305	122	165	68	265	140	2	81	18
Nov.....	1,469	753	717	313	287	117	165	67	246	138	2	80	19
Dec.....	1,467	761	706	310	296	100	165	66	245	132	5	78	16
1974—Jan.....	1,496	821	675	310	275	90	165	65	236	119	2	78	10
Feb.....	1,500	888	612	259	267	86	165	58	231	109	2	35	13
Mar.....	1,558	951	607	259	261	87	165	45	232	111	2	39	13
Apr.....	1,671	1,025	646	294	263	89	165	56	227	133	2	50	13
May.....	1,660	1,005	655	296	285	74	165	56	220	147	2	52	13
June.....	1,653	974	679	321	285	73	165	56	220	146	2	77	12
July <sup>P</sup> .....	1,677	984	693	319	299	75	171	56	233	142	2	77	13
Aug. <sup>P</sup> .....	1,508	997	511	118	316	77	170	60	47	142	1	77	13

<sup>1</sup> Excludes central banks, which are included with "Official institutions."

<sup>2</sup> Data on the two lines shown for this date differ because of changes in reporting coverage. Figures on the first line are comparable in coverage with those shown for the preceding date; figures on the second line are comparable with those shown for the following date.

## 10. ESTIMATED FOREIGN HOLDINGS OF MARKETABLE U.S. TREASURY BONDS AND NOTES

(End of period; in millions of dollars)

	1973					1974							
	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	June	July <sup>a</sup>	Aug. <sup>a</sup>
Europe:													
Belgium-Luxembourg.....	6	7	7	7	7	7	7	7	7	7	7	9	9
Sweden.....	135	165	165	165	235	235	260	260	260	260	260	260	260
Switzerland.....	37	37	37	38	34	33	32	34	33	35	34	35	34
United Kingdom.....	236	247	290	400	423	437	450	439	460	470	427	430	443
Other Western Europe.....	85	85	85	85	86	91	91	90	89	87	89	97	101
Eastern Europe.....	5	5	5	5	5	5	5	5	5	5	5	5	5
Total.....	504	546	588	700	789	808	845	835	854	826	822	836	852
Canada.....	560	560	560	567	582	597	832	847	848	849	849	851	756
Latin America:													
Latin American republics.....	8	9	9	11	11	11	11	11	11	11	11	11	11
Other Latin America.....	3	3	3	3	3	3	3	3	3	5	5	5	5
Total.....	11	12	12	14	14	14	14	14	14	16	16	16	16
Asia:													
Japan.....	5,949	5,950	5,950	5,143	4,552	4,066	3,718	3,703	3,531	3,499	3,498	3,497	3,498
Other Asia.....	9	11	11	11	11	11	11	11	11	12	12	12	12
Total.....	5,959	5,961	5,961	5,154	4,563	4,077	3,729	3,714	3,542	3,510	3,510	3,509	3,510
Africa.....	183	158	158	158	158	158	157	157	157	157	157	156	151
All other.....	25	25	25	25	25	25	25	25	25	25	25	25	25
Total foreign countries.....	7,241	7,261	7,303	6,617	6,131	5,678	5,602	5,592	5,440	5,383	5,379	5,394	5,310
International and regional:													
International.....	1	21	6	1	1	20	51	217	141	174	57	51	102
Latin American regional.....	45	45	47	47	48	49	49	49	44	41	60	75	71
Total.....	46	66	53	48	49	69	100	267	185	214	117	126	173
Grand total.....	7,287	7,327	7,356	6,665	6,179	5,747	5,702	5,859	5,625	5,597	5,496	5,520	5,483

NOTE.—Data represent estimated official and private holdings of marketable U.S. Treasury securities with an original maturity of more than 1 year, and are based on benchmark surveys of holdings and regular monthly reports of securities transactions (see Table 14).

## 11. SHORT-TERM CLAIMS ON FOREIGNERS REPORTED BY BANKS IN THE UNITED STATES, BY TYPE

(Amounts outstanding; in millions of dollars)

End of period	Total	Payable in dollars							Payable in foreign currencies				
		Total	Loans to—			Collections outstanding	Acceptances made for acct. of foreigners	Other	Total	Deposits with foreigners	Foreign govt. securities, coml. and finance paper	Other	
			Total	Official institutions	Banks <sup>1</sup>								Others
1970.....	10,802	10,192	3,051	119	1,720	1,212	2,389	3,985	766	610	352	92	166
1971.....	13,170	12,328	4,503	223	2,613	1,667	2,475	4,243	1,107	842	549	119	174
1972.....	15,471	14,625	5,674	163	2,975	2,535	3,269	3,204	2,478	846	441	223	182
1972 <sup>3</sup> .....	15,676	14,830	5,671	163	2,970	2,538	3,276	3,226	2,657	846	441	223	182
1973—Aug.....	18,980	18,094	6,971	176	4,028	2,767	3,948	3,716	3,458	887	488	151	248
Sept.....	18,727	17,950	6,807	160	3,918	2,729	4,070	3,718	3,355	777	459	143	175
Oct.....	19,300	18,440	6,979	216	3,988	2,775	4,099	3,774	3,588	861	510	187	163
Nov.....	19,590	18,799	7,068	252	4,084	2,732	4,287	3,788	3,655	790	512	131	148
Dec.....	20,721	20,059	7,717	271	4,589	2,857	4,306	4,155	3,881	662	428	119	115
1974—Jan.....	21,083	20,281	7,410	303	4,429	2,678	4,386	4,107	4,377	802	467	162	173
Feb.....	22,970	22,126	7,947	303	4,992	2,652	4,426	4,554	5,199	844	594	121	129
Mar.....	25,656	24,807	9,078	421	5,813	2,844	4,641	5,125	5,962	849	545	160	144
Apr.....	26,564	25,707	9,578	346	6,152	3,079	4,805	5,810	5,515	857	589	99	169
May.....	29,624	28,741	9,960	363	6,384	3,213	5,080	6,486	7,214	884	611	113	160
June.....	32,096	31,139	11,498	386	7,759	3,353	5,106	7,438	7,097	957	687	130	141
July <sup>a</sup> .....	33,357	32,345	10,917	461	8,865	3,590	5,151	9,007	7,270	1,012	636	203	173
Aug. <sup>a</sup> .....	35,045	34,240	11,633	447	7,820	3,366	5,293	9,449	7,864	805	461	180	164

<sup>1</sup> Excludes central banks, which are included with "Official institutions."

<sup>2</sup> Data on second line differ from those on first line because (a) those claims of U.S. banks on their foreign branches and those claims of U.S. agencies and branches of foreign banks on their head offices and foreign branches, which were previously reported as "Loans", are included in

"Other short-term claims"; and (b) a number of reporting banks are included in the series for the first time.

<sup>3</sup> Data on the two lines shown for this date differ because of change 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.



## 12. SHORT-TERM CLAIMS ON FOREIGNERS REPORTED BY BANKS IN THE UNITED STATES, BY COUNTRY

(End of period. Amounts outstanding; in millions of dollars)

Area and country	1972		1973		1974						
	Dec.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	June	July <sup>p</sup>	Aug. <sup>p</sup>
<b>Europe:</b>											
Austria.....	8	14	11	14	36	20	40	32	104	18	72
Belgium-Luxembourg.....	120	145	148	134	143	216	188	155	231	267	208
Denmark.....	59	53	48	50	60	76	57	67	63	42	49
Finland.....	118	89	108	106	93	97	115	124	131	147	151
France.....	330	525	621	649	682	743	721	624	727	701	760
Germany.....	321	392	311	342	382	395	355	441	421	366	379
Greece.....	29	23	35	41	36	37	47	48	49	61	66
Italy.....	255	363	316	313	330	482	507	512	572	442	441
Netherlands.....	108	172	133	139	147	174	169	202	212	165	112
Norway.....	69	82	72	85	91	76	91	96	91	87	136
Portugal.....	19	22	23	25	25	37	29	33	32	30	24
Spain.....	207	189	222	208	180	284	318	322	404	392	382
Sweden.....	164	177	153	135	106	121	132	95	117	119	139
Switzerland.....	125	203	176	240	338	270	327	417	663	386	354
Turkey.....	6	16	10	11	9	16	18	8	10	26	19
United Kingdom.....	997	1,210	1,456	1,490	1,621	2,009	1,627	2,179	2,363	2,282	2,546
Yugoslavia.....	22	19	10	9	15	12	13	25	20	26	25
Other Western Europe.....	20	26	27	19	20	22	28	55	26	19	22
U.S.S.R.....	41	51	46	29	36	33	30	38	47	35	30
Other Eastern Europe.....	49	72	59	64	65	70	65	95	84	105	106
<b>Total.....</b>	<b>3,067</b>	<b>3,843</b>	<b>3,985</b>	<b>4,104</b>	<b>4,416</b>	<b>5,190</b>	<b>4,875</b>	<b>5,568</b>	<b>6,370</b>	<b>5,716</b>	<b>6,019</b>
<b>Canada.....</b>	<b>1,914</b>	<b>1,979</b>	<b>1,960</b>	<b>1,880</b>	<b>2,037</b>	<b>2,243</b>	<b>2,191</b>	<b>2,363</b>	<b>2,195</b>	<b>2,339</b>	<b>2,113</b>
<b>Latin America:</b>											
Argentina.....	379	485	498	521	539	679	686	641	669	683	703
Bahamas <sup>1</sup> .....	519	614	875	579	1,043	1,289	1,126	1,944	1,887	1,559	2,068
Brazil.....	649	826	900	953	958	1,114	1,180	1,315	1,476	1,500	1,521
Chile.....	52	125	151	136	155	180	193	165	182	209	231
Colombia.....	418	413	397	425	428	459	467	473	515	593	678
Cuba.....	13	13	12	11	11	13	13	13	13	12	13
Mexico.....	1,202	1,337	1,370	1,344	1,418	1,426	1,627	1,652	1,718	1,768	1,828
Panama.....	244	263	266	294	297	345	390	406	386	393	395
Peru.....	145	204	178	186	184	194	224	264	280	348	421
Uruguay.....	40	47	55	58	51	44	38	38	40	59	50
Venezuela.....	383	469	517	482	510	586	627	557	605	643	641
Other Latin American republics.....	388	465	490	542	546	600	617	618	663	683	696
Netherlands Antilles and Surinam.....	14	17	13	17	19	29	20	27	41	38	56
Other Latin America.....	36	124	140	356	461	268	281	191	298	231	344
<b>Total.....</b>	<b>4,480</b>	<b>5,403</b>	<b>5,863</b>	<b>5,906</b>	<b>6,621</b>	<b>7,226</b>	<b>7,489</b>	<b>8,303</b>	<b>8,772</b>	<b>8,719</b>	<b>9,644</b>
<b>Asia:</b>											
China, People's Rep. of (China Mainland).....	1	36	31	24	19	27	19	18	23	28	22
China, Republic of (Taiwan).....	194	117	140	119	147	183	231	315	348	392	446
Hong Kong.....	93	124	147	169	189	170	179	166	207	198	271
India.....	14	16	16	16	15	19	18	25	18	20	34
Indonesia.....	87	96	88	105	107	97	71	105	115	116	120
Israel.....	105	155	166	153	140	165	140	135	158	205	205
Japan.....	4,152	6,034	6,400	6,466	6,960	7,857	8,607	9,715	10,798	12,361	12,812
Korea.....	296	369	403	432	477	498	555	632	597	620	706
Philippines.....	149	118	181	189	182	197	228	258	297	292	348
Thailand.....	191	225	273	322	364	405	434	389	416	423	429
Other.....	300	377	394	466	560	521	671	661	712	819	681
<b>Total.....</b>	<b>5,584</b>	<b>7,666</b>	<b>8,238</b>	<b>8,463</b>	<b>9,159</b>	<b>10,138</b>	<b>11,153</b>	<b>12,416</b>	<b>13,689</b>	<b>15,474</b>	<b>16,073</b>
<b>Africa:</b>											
Egypt.....	21	40	35	42	40	42	44	54	58	59	83
Morocco.....	4	7	5	4	4	21	9	4	5	14	10
South Africa.....	143	147	129	133	134	131	153	206	202	210	238
Zaire.....	13	61	60	56	67	61	79	72	91	93	97
Other.....	118	155	159	178	175	210	192	218	266	273	275
<b>Total.....</b>	<b>299</b>	<b>410</b>	<b>388</b>	<b>413</b>	<b>420</b>	<b>466</b>	<b>477</b>	<b>554</b>	<b>622</b>	<b>649</b>	<b>702</b>
<b>Other countries:</b>											
Australia.....	291	251	243	279	268	328	318	353	378	396	414
All other.....	40	36	43	37	49	64	59	66	71	64	78
<b>Total.....</b>	<b>330</b>	<b>287</b>	<b>286</b>	<b>316</b>	<b>317</b>	<b>392</b>	<b>377</b>	<b>420</b>	<b>449</b>	<b>459</b>	<b>492</b>
<b>Total foreign countries.....</b>	<b>15,674</b>	<b>19,589</b>	<b>20,720</b>	<b>21,082</b>	<b>22,969</b>	<b>25,655</b>	<b>26,563</b>	<b>29,623</b>	<b>32,096</b>	<b>33,357</b>	<b>35,044</b>
<b>International and regional.....</b>	<b>3</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>
<b>Grand total.....</b>	<b>15,676</b>	<b>19,590</b>	<b>20,721</b>	<b>21,083</b>	<b>22,970</b>	<b>25,656</b>	<b>26,564</b>	<b>29,624</b>	<b>32,096</b>	<b>33,357</b>	<b>35,045</b>

<sup>1</sup> Includes Bermuda through Dec. 1972.

Note.—Short-term claims are principally the following items payable on demand or with a contractual maturity of not more than 1 year: loans made to, and acceptances made for, foreigners; drafts drawn against foreigners, where collection is being made by banks and bankers for

their own account or for account of their customers in the United States; and foreign currency balances held abroad by banks and bankers and their customers in the United States. Excludes foreign currencies held by U.S. monetary authorities.

### 13. LONG-TERM CLAIMS ON FOREIGNERS REPORTED BY BANKS IN THE UNITED STATES

(Amounts outstanding; in millions of dollars)

End of period	Total	Type					Country or area							
		Payable in dollars					Payable in foreign currencies	United Kingdom	Other Europe	Canada	Latin America	Japan	Other Asia	All other countries
		Loans to—				Other long-term claims								
		Total	Official institutions	Banks <sup>1</sup>	Other foreigners									
1970.....	3,075	2,698	504	236	1,958	352	25	71	411	312	1,325	115	548	292
1971.....	3,667	3,345	575	315	2,455	300	22	130	593	228	1,458	246	583	429
1972.....	4,954	4,539	833	430	3,276	375	40	145	704	406	1,996	319	881	503
	5,029	4,555	836	430	3,289	435	40	145	701	406	2,012	353	900	514
1973—Aug.....	5,522	5,012	1,002	516	3,495	464	46	137	1,007	404	1,961	309	1,157	548
Sept.....	5,408	4,885	1,010	509	3,365	454	70	131	976	418	1,939	256	1,186	501
Oct.....	5,591	5,037	1,041	540	3,456	474	80	130	1,012	491	1,978	252	1,203	514
Nov.....	5,786	5,248	1,127	557	3,563	461	78	138	1,059	484	2,086	255	1,246	516
Dec.....	5,880	5,330	1,129	574	3,627	478	72	140	1,099	490	2,089	247	1,282	533
1974—Jan.....	5,821	5,273	1,115	563	3,595	469	79	137	1,102	486	2,050	263	1,284	509
Feb.....	5,872	5,272	1,171	584	3,517	522	79	144	1,159	457	2,059	249	1,293	511
Mar.....	6,048	5,433	1,245	640	3,548	540	75	146	1,264	473	2,127	248	1,300	490
Apr.....	6,661	6,019	1,542	734	3,744	566	76	191	1,550	478	2,340	246	1,328	529
May.....	6,707	6,090	1,539	755	3,796	549	67	214	1,535	467	2,402	233	1,336	520
June.....	7,000	6,389	1,599	775	4,015	545	66	216	1,666	496	2,462	236	1,411	514
July <sup>2</sup> .....	6,976	6,379	1,460	871	4,048	530	67	239	1,581	483	2,517	261	1,379	516
Aug. <sup>2</sup> .....	6,946	6,355	1,434	894	4,027	523	68	279	1,523	488	2,496	260	1,396	504

<sup>1</sup> Excludes central banks, which are included with "Official institutions."  
<sup>2</sup> Data on the two lines shown for this date differ because of changes in reporting coverage. Figures on the first line are comparable in coverage

with those shown for the preceding date; figures on the second line are comparable with those shown for the following date.

### 14. PURCHASES AND SALES BY FOREIGNERS OF LONG-TERM SECURITIES, BY TYPE

(In millions of dollars)

Period	Marketable U.S. Treas. bonds and notes <sup>1</sup>					U.S. corporate securities <sup>2</sup>			Foreign bonds			Foreign stocks		
	Net purchases or sales					Purchases	Sales	Net purchases or sales	Purchases	Sales	Net purchases or sales	Purchases	Sales	Net purchases or sales
	Total	Intl. and regional	Foreign											
			Total	Official	Other									
1971.....	1,672	130	1,542	1,661	-119	14,593	13,158	1,435	1,687	2,621	-935	1,385	1,439	-57
1972.....	3,316	57	3,258	3,281	-23	19,083	15,015	4,068	1,901	2,932	-1,031	2,532	2,123	409
1973.....	305	-165	470	465	6	18,543	13,810	4,733	1,474	2,467	-993	1,729	1,554	176
1974—Jan.—Aug. <sup>2</sup> .....	-697	124	-821	-761	-60	10,176	8,931	1,245	694	2,121	-1,428	1,418	1,275	142
1973—Aug.....	-51	17	-68	-28	-39	1,328	864	464	96	157	-61	117	125	-8
Sept.....	40	20	20	8	12	1,174	963	212	67	101	-34	115	105	10
Oct.....	29	-13	42	15	27	1,807	1,722	86	97	336	-238	129	131	-2
Nov.....	-691	-5	-686	-722	36	1,948	1,692	256	104	317	-213	156	178	-22
Dec.....	-486	1	-487	-506	19	1,336	1,359	-23	144	209	-65	159	144	15
1974—Jan.....	-432	20	-452	-472	19	1,717	1,454	263	71	364	-292	209	207	2
Feb.....	-45	31	-77	-37	-39	1,202	1,189	13	100	145	-45	206	206	-1
Mar.....	157	166	-10	.....	-10	1,672	1,484	188	102	398	-295	167	183	-16
Apr.....	-234	-82	-152	-171	20	1,060	844	216	103	323	-219	189	155	34
May.....	-28	29	-57	-7	-50	903	852	51	89	154	-64	173	174	-2
June.....	-101	-97	-3	.....	-3	1,174	923	251	74	272	-197	207	117	90
July <sup>2</sup> .....	23	9	14	.....	14	1,048	1,054	-6	94	251	-157	122	116	6
Aug. <sup>2</sup> .....	-37	47	-84	-73	-11	1,398	1,130	269	59	216	-157	146	117	29

<sup>1</sup> Excludes nonmarketable U.S. Treasury bonds and notes issued to official institutions of foreign countries.

<sup>2</sup> Includes State and local govt. securities, and securities of U.S. Govt. agencies and corporations. Also includes issues of new debt securities

sold abroad by U.S. corporations organized to finance direct investments abroad.

NOTE.—Statistics include transactions of international and regional organizations.

**15. NET PURCHASES OR SALES BY FOREIGNERS OF U.S. CORPORATE STOCKS, BY COUNTRY**

(In millions of dollars)

Period	Purchases	Sales	Net purchases or sales (-)	France	Germany	Netherlands	Switzerland	United Kingdom	Other Europe	Total Europe	Canada	Latin America	Asia	Other <sup>1</sup>
1971.....	11,626	10,894	731	87	131	219	168	-49	71	627	-93	37	108	52
1972.....	14,361	12,173	2,188	372	-51	297	642	561	137	1,958	-78	-32	256	83
1973.....	12,762	9,978	2,785	439	2	339	685	366	274	2,104	99	-1	577	5
1974—Jan.—Aug. <sup>p</sup>	5,373	4,905	468	177	37	282	124	-71	30	580	-28	-44	-56	16
1973—Aug.....	575	521	-54											
Sept.....	972	631	341	53	1	60	57	40	34	245	10	11	81	-6
Oct.....	948	734	214	63	6	18	34	15	14	169	*	27	21	-3
Nov.....	1,369	1,272	96	6	-7	5	-34	68	25	62	-26	16	41	4
Dec.....	1,482	1,088	394	106	27	54	68	67	6	327	-18	-9	108	-14
1974—Jan.....	873	878	-5	30	9	32	-64	-25	7	-12	-8	-4	34	-16
Feb.....	976	802	174	68	4	37	43	28	23	202	-27	-42	33	9
Mar.....	743	586	157	39	5	54	-6	-6	33	165	*	1	-9	1
Apr.....	896	846	49	14	-26	40	24	14	25	94	-21	9	-29	-1
May.....	575	559	16	22	17	35	-5	-14	-35	19	-10	-7	-15	2
June.....	576	591	-15	18	7	29	5	-36	-5	19	-7	-15	3	2
July.....	521	513	8	-15	8	33	11	-18	-3	16	13	-7	-15	2
Aug. <sup>p</sup> .....	507	308	199	13	5	39	-9	-48	3	3	3	-2	-14	2
Aug. <sup>p</sup> .....	579	500	79	19	18	16	15	9	-11	65	14	9	-10	*

<sup>1</sup> Includes international and regional organizations.

**16. NET PURCHASES OR SALES BY FOREIGNERS OF U.S. CORPORATE BONDS, BY COUNTRY**

(In millions of dollars)

Period	Total	France	Germany	Netherlands	Switzerland	United Kingdom	Other Europe	Total Europe	Canada	Latin America	Asia	Africa	Other countries	Intl. and regional
1971.....	703	15	35	-1	216	327	39	631	37	19	-2	*	-21	39
1972.....	1,881	336	77	74	135	367	315	1,303	82	22	323	2	*	148
1973.....	1,948	201	-33	-19	307	275	473	1,204	49	44	588	*	10	52
1974—Jan.—Aug. <sup>p</sup>	777	81	33	187	80	255	-50	585	23	18	-20	*	10	161
1973—Aug.....	123	31	1	1	-5	57	10	94	-1	4	2	*	*	24
Sept.....	-2	2	*	*	-1	14	12	26	-1	1	11	*	*	-39
Oct.....	-11	53	*	1	46	-14	1	86	4	1	*	*	*	-103
Nov.....	-138	4	11	-2	28	76	5	122	-21	3	-209	*	*	-33
Dec.....	-19	9	10	4	37	60	32	152	*	16	-183	*	*	-3
1974—Jan.....	89	3	25	*	23	117	-9	159	14	1	-104	*	*	18
Feb.....	-144	1	*	*	*	45	-15	30	-2	-5	-119	*	*	-47
Mar.....	139	1	*	-2	6	-79	-6	-81	-1	6	-1	*	*	215
Apr.....	200	60	3	*	8	23	17	111	4	-1	*	*	*	86
May.....	66	10	*	*	28	19	1	59	3	5	3	*	*	-3
June.....	242	5	3	116	15	64	-17	185	1	4	-3	*	*	56
July <sup>p</sup> .....	-5	-1	*	72	2	36	-11	100	1	5	7	*	10	-128
Aug. <sup>p</sup> .....	190	1	*	1	-1	29	-9	21	2	4	199	*	*	-36

NOTE.—Statistics include State and local govt. securities, and securities of U.S. Govt. agencies and corporations. Also includes issues of new debt securities sold abroad by U.S. corporations organized to finance direct investments abroad.

**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
1971.....	-992	-310	-682	31	-275	-46	-366	-57	32
1972.....	-622	-90	-532	505	-635	-69	-296	-66	29
1973.....	-818	139	-957	-141	-569	-120	-168	3	37
1974—Jan.—Aug. <sup>p</sup>	-1,286	19	-1,305	-424	-1,053	-58	223	-6	14
1973—Aug.....	-69	5	-75	-21	-44	-4	-8	*	3
Sept.....	-25	4	-28	-28	8	-8	-1	*	2
Oct.....	-240	4	-243	-25	-148	-8	-64	1	1
Nov.....	-236	9	-245	-47	-89	-6	-104	*	*
Dec.....	-50	51	-101	-45	-11	-15	-34	2	3
1974—Jan.....	-291	-4	-287	-81	-204	-2	-1	-1	2
Feb.....	-46	6	-52	-62	-11	-9	32	-4	1
Mar.....	-311	4	-315	-24	-288	-15	10	*	3
Apr.....	-185	3	-188	-49	-157	6	12	*	*
May.....	-66	5	-71	-26	-35	-22	10	*	3
June.....	-108	3	-110	-78	-121	-6	94	1	*
July <sup>p</sup> .....	-151	1	-152	-69	-108	-1	24	1	3
Aug. <sup>p</sup> .....	-128	2	-129	-35	-128	-9	42	-1	1

**18. FOREIGN CREDIT AND DEBIT BALANCES IN BROKERAGE ACCOUNTS**

(Amounts outstanding; in millions of dollars)

Period	End of period	Credit balances (due to foreigners)	Debit balances (due from foreigners)
1971—June.....		419	300
Sept.....		333	320
Dec.....		311	314
1972—Mar.....		325	379
June.....		312	339
Sept.....		286	336
Dec.....		372	405
1973—Mar.....		310	364
June.....		316	243
Sept.....		290	255
Dec.....		333	231
1974—Mar. <sup>p</sup> .....		384	227
June <sup>p</sup> .....		354	243

NOTE.—Data represent the money credit balances and money debit balances appearing on the books of reporting brokers and dealers in the United States, in accounts of foreigners with them, and in their accounts carried by foreigners.

**19a. ASSETS OF FOREIGN BRANCHES OF U.S. BANKS**  
(In millions of dollars)

Location and currency form	Month-end	Total	Claims on U.S.			Claims on foreigners					Other
			Total	Parent bank	Other	Total	Other branches of parent bank	Other banks	Official institutions	Non-bank foreigners	
<b>IN ALL FOREIGN COUNTRIES</b>											
Total, all currencies .....	1971—Dec. ....	59,807	4,753	2,300	2,453	53,296	11,210	23,520	1,164	17,401	1,758
	1972—Dec. ....	78,202	4,678	2,113	2,565	71,304	11,504	35,773	1,594	22,432	2,220
	1973—June .....	96,141	4,930	2,325	2,606	87,815	13,149	44,976	1,805	27,885	3,396
	July .....	101,081	5,349	2,502	2,847	92,157	14,941	46,243	1,933	29,041	3,575
	Aug. ....	102,309	5,109	2,286	2,823	93,389	15,289	45,964	2,011	30,125	3,812
	Sept. ....	108,296	4,808	1,917	2,891	98,886	16,782	48,244	2,147	31,712	4,603
	Oct. ....	111,087	4,802	1,831	2,970	101,789	17,721	49,477	2,239	32,352	4,496
	Nov. ....	117,514	5,811	2,848	2,964	106,221	18,525	52,001	2,120	33,574	5,481
	Dec. ....	121,866	4,881	1,882	3,000	112,240	19,207	55,857	2,503	34,673	4,745
	1974—Jan. ....	123,912	4,605	1,552	3,054	114,703	19,497	57,032	2,733	35,441	4,604
	Feb. ....	127,245	4,417	1,614	2,802	117,765	20,341	57,163	2,957	37,304	5,064
	Mar. ....	136,983	7,775	5,172	2,603	124,033	22,379	60,264	3,030	38,360	5,174
	Apr. ....	139,532	5,989	3,414	2,575	128,455	22,854	62,334	3,629	39,638	5,087
	May. ....	145,362	7,882	5,322	2,561	132,066	24,376	64,635	3,645	39,410	5,414
	June. ....	146,877	6,843	4,166	2,677	134,413	24,859	64,345	3,560	41,649	5,621
Payable in U.S. dollars .....	1971—Dec. ....	39,095	4,501	2,294	2,207	34,041	6,658	17,307	861	9,215	553
	1972—Dec. ....	52,636	4,419	2,091	2,327	47,444	7,869	26,251	1,059	12,264	773
	1973—June .....	60,018	4,580	2,276	2,303	54,146	8,118	30,480	1,037	14,510	1,292
	July .....	62,170	4,774	2,467	2,307	55,990	8,852	30,924	1,122	15,092	1,406
	Aug. ....	63,479	4,502	2,227	2,274	57,599	9,660	30,503	1,191	16,244	1,379
	Sept. ....	66,361	4,386	1,865	2,521	60,362	10,315	31,767	1,186	17,093	1,613
	Oct. ....	68,400	4,356	1,789	2,567	62,461	11,223	32,595	1,223	17,419	1,583
	Nov. ....	73,823	5,340	2,788	2,552	66,772	11,938	35,018	1,314	18,502	1,711
	Dec. ....	79,437	4,427	1,844	2,583	73,244	12,829	39,013	1,587	19,815	1,766
	1974—Jan. ....	81,949	4,166	1,515	2,651	76,033	13,253	40,027	1,848	20,905	1,749
	Feb. ....	83,912	4,032	1,559	2,473	77,963	13,769	40,185	2,024	21,985	1,918
	Mar. ....	92,838	7,370	5,088	2,281	83,543	15,776	42,971	1,977	22,818	1,925
	Apr. ....	94,127	5,618	3,367	2,251	86,361	15,954	44,379	2,726	23,302	2,148
	May. ....	100,155	7,537	5,274	2,263	90,145	16,874	47,330	2,840	23,101	2,473
	June. ....	101,509	6,521	4,116	2,405	92,420	17,357	47,753	2,803	24,507	2,568
<b>IN UNITED KINGDOM</b>											
Total, all currencies .....	1971—Dec. ....	34,227	2,693	1,230	1,464	30,675	5,690	15,965	473	8,546	859
	1972—Dec. ....	43,467	2,234	1,138	1,096	40,214	5,659	23,842	606	10,106	1,018
	1973—June .....	51,203	1,875	1,012	864	47,821	5,279	30,223	604	11,716	1,506
	July .....	53,996	2,500	1,492	1,008	49,923	6,274	30,652	646	12,350	1,574
	Aug. ....	52,880	1,877	935	942	49,423	6,849	29,525	677	12,372	1,580
	Sept. ....	55,842	1,473	604	870	52,489	8,022	30,774	659	13,035	1,879
	Oct. ....	57,306	1,833	879	954	53,518	7,970	31,617	685	13,247	1,954
	Nov. ....	61,897	2,230	1,181	1,049	56,808	8,552	33,813	700	13,743	2,859
	Dec. ....	61,732	1,789	738	1,051	57,761	8,773	34,442	735	13,811	2,183
	1974—Jan. ....	63,757	1,484	521	964	60,185	9,123	35,796	907	14,359	2,087
	Feb. ....	63,585	1,477	616	861	59,792	9,209	34,813	916	14,853	2,317
	Mar. ....	68,076	3,070	2,319	751	63,020	10,706	36,192	887	15,235	1,986
	Apr. ....	68,914	2,713	1,876	837	64,104	10,695	36,765	1,073	15,572	2,097
	May. ....	71,935	3,787	2,969	818	65,966	11,759	37,882	889	15,345	2,182
	June. ....	71,307	3,731	2,787	943	65,451	11,886	36,408	812	16,436	2,125
Payable in U.S. dollars .....	1971—Dec. ....	24,210		2,585		21,277	4,135	12,572		4,571	348
	1972—Dec. ....	30,257		2,146		27,664	4,326	17,874		5,464	446
	1973—June .....	32,763		1,784		30,286	3,900	20,341		6,045	693
	July .....	33,381		2,193		30,464	4,042	20,137		6,286	723
	Aug. ....	32,807		1,538		30,569	4,887	19,134		6,549	699
	Sept. ....	34,251		1,348		32,062	5,399	19,759		6,904	840
	Oct. ....	35,511		1,681		33,062	5,769	20,336		6,956	768
	Nov. ....	39,096		2,042		36,218	6,273	22,650		7,296	835
	Dec. ....	40,323		1,642		37,816	6,509	23,899		7,409	865
	1974—Jan. ....	42,131		1,368		39,932	6,825	25,098		8,010	830
	Feb. ....	41,762		1,384		39,409	6,902	24,415		8,093	969
	Mar. ....	46,062		2,967		42,212	8,240	25,365		8,608	882
	Apr. ....	46,419		2,623		42,771	8,262	25,768		8,741	1,024
	May. ....	49,608		3,688		44,784	9,285	26,957		8,542	1,135
	June. ....	49,375		3,632		44,618	9,425	26,097		9,097	1,125
<b>IN BAHAMAS AND CAYMANS<sup>1</sup></b>											
Total, all currencies .....	1971—Dec. ....	8,234	1,274	496	777	6,871		3,620		3,251	90
	1972—Dec. ....	12,642	1,486	214	1,272	10,986		6,663		4,322	170
	1973—June .....	15,649	1,914	402	1,512	13,478		7,939		5,539	257
	July .....	16,392	1,926	347	1,579	14,181		8,416		5,765	285
	Aug. ....	19,258	2,259	576	1,683	16,561		9,796		6,764	438
	Sept. ....	20,673	2,280	489	1,791	17,890		10,596		7,294	504
	Oct. ....	20,698	1,976	272	1,704	18,198		10,618		7,580	524
	Nov. ....	21,692	2,528	824	1,704	18,591		10,468		8,123	572
	Dec. ....	23,771	2,001	313	1,688	21,307		12,302		9,005	463
	1974—Jan. ....	24,071	2,011	228	1,783	21,581		12,232		9,349	479
	Feb. ....	25,657	1,882	170	1,713	23,262		13,293		9,969	513
	Mar. ....	28,444	3,299	1,787	1,512	24,534		14,600		9,934	611
	Apr. ....	28,776	2,280	802	1,478	25,873		15,496		10,376	623
	May. ....	30,862	3,164	1,697	1,467	26,953		17,029		9,924	744
	June. ....	31,217	2,262	816	1,446	28,168		17,537		10,630	787

For notes see p. A-76

**19b. LIABILITIES OF FOREIGN BRANCHES OF U.S. BANKS**  
(In millions of dollars)

Total	To U.S.			To foreigners					Other	Month-end	Location and currency form
	Total	Parent bank	Other	Total	Other branches of parent bank	Other banks	Official institutions	Non-bank foreigners			
<b>IN ALL FOREIGN COUNTRIES</b>											
59,809	3,061	658	2,403	54,679	10,743	29,765	5,472	8,699	2,069	1971—Dec.	Total all currencies,
78,203	3,501	997	2,504	72,121	11,121	41,218	8,351	11,432	2,580	1972—Dec.	
96,141	4,456	1,005	3,451	88,033	12,918	51,897	9,483	13,736	3,652	1973—June	
101,080	4,365	1,198	3,166	92,791	14,642	54,134	9,575	14,440	3,925	July	
102,309	4,599	1,079	3,520	93,571	15,627	54,425	8,494	15,025	4,139	Aug.	
108,296	4,728	1,180	3,548	98,907	16,615	57,803	8,635	15,854	4,661	Sept.	
111,087	4,680	1,298	3,382	101,719	17,253	59,304	9,073	16,089	4,688	Oct.	
117,515	4,776	1,084	3,692	107,092	17,726	63,378	9,553	16,434	5,646	Nov.	
121,866	5,070	1,158	3,912	111,672	18,231	65,636	10,094	17,711	5,125	Dec.	
123,882	5,319	1,738	3,581	113,807	18,531	67,838	9,547	17,890	4,756	1974—Jan.	
127,245	5,856	2,013	3,844	116,440	19,337	67,584	10,119	19,399	4,949	Feb.	
136,983	6,644	2,127	4,517	125,014	21,043	71,948	10,474	21,550	5,324	Mar.	
139,532	6,870	2,368	4,502	127,285	22,469	71,605	11,196	22,015	5,377	Apr.	
145,362	8,105	2,930	5,175	131,366	23,605	74,421	11,404	21,936	5,891	May	
146,876	8,550	3,011	5,539	131,803	23,883	71,889	13,649	22,380	6,524	June	
40,899	2,624	503	2,121	37,024	6,624	21,107	4,391	4,901	1,250	1971—Dec.	Payable in U.S. dollars
54,878	3,050	847	2,202	50,406	7,955	29,229	6,781	6,441	1,422	1972—Dec.	
62,868	3,911	866	3,045	57,174	8,376	34,437	7,247	7,114	1,783	1973—June	
64,390	3,770	1,034	2,737	58,732	9,219	35,089	7,005	7,419	1,888	July	
65,421	4,050	939	3,110	59,280	10,237	35,398	7,165	7,480	2,091	Aug.	
68,610	4,146	1,021	3,125	62,196	10,627	37,260	6,242	8,067	2,269	Sept.	
70,058	4,135	1,139	2,996	63,693	11,312	37,662	6,337	8,382	2,230	Oct.	
75,921	4,190	928	3,262	68,619	11,877	41,703	6,301	8,738	3,112	Nov.	
80,318	4,488	993	3,495	73,221	12,571	43,694	7,327	9,629	2,608	Dec.	
82,212	4,820	1,609	3,211	74,920	12,754	44,990	7,172	10,003	2,473	1974—Jan.	
84,553	5,353	1,860	3,493	76,732	13,337	44,458	7,809	11,128	2,468	Feb.	
93,355	6,086	1,924	4,161	84,471	15,041	49,065	8,205	12,159	2,799	Mar.	
94,887	6,316	2,195	4,121	85,673	15,830	48,252	8,792	12,800	2,898	Apr.	
100,579	7,430	2,741	4,689	89,706	16,628	51,078	9,057	12,943	3,443	May	
102,210	7,944	2,810	5,134	90,274	16,995	49,139	10,937	13,203	3,992	June	
<b>IN UNITED KINGDOM</b>											
34,227	1,653	109	1,544	31,814	3,401	18,833	4,454	5,126	760	1971—Dec.	Total, all currencies
43,467	1,453	113	1,340	41,020	2,961	24,596	6,433	7,030	994	1972—Dec.	
51,203	1,957	122	1,835	47,936	3,321	29,151	7,565	7,899	1,310	1973—June	
53,996	1,875	163	1,711	50,707	3,883	30,797	7,793	8,234	1,414	July	
52,880	2,080	171	1,909	49,293	3,731	30,266	6,730	8,565	1,508	Aug.	
55,842	2,125	161	1,964	51,957	4,118	31,963	6,929	8,947	1,759	Sept.	
57,306	2,026	129	1,897	53,475	4,036	33,341	7,118	8,980	1,805	Oct.	
61,897	2,197	143	2,054	57,042	3,886	36,052	7,680	9,424	2,657	Nov.	
61,732	2,431	136	2,295	57,311	3,944	35,063	8,056	10,248	1,990	Dec.	
63,726	2,429	346	2,083	59,356	4,350	36,996	7,679	10,322	1,941	1974—Jan.	
63,585	2,573	269	2,303	58,956	4,193	35,489	8,160	11,112	2,057	Feb.	
68,076	3,167	353	2,814	63,096	4,587	37,836	8,456	12,217	1,813	Mar.	
68,914	3,123	409	2,714	63,914	4,975	36,700	9,064	13,175	1,877	Apr.	
71,935	3,727	749	2,978	66,111	4,890	39,706	9,111	12,404	2,097	May	
71,307	3,744	606	3,138	65,433	4,913	36,828	11,162	12,530	2,130	June	
24,629	1,405	23	1,383	22,852	2,164	13,840	3,666	3,181	372	1971—Dec.	Payable in U.S. dollars
30,810	1,272	72	1,200	29,002	2,008	17,379	5,329	4,287	535	1972—Dec.	
33,491	1,731	102	1,629	31,185	2,234	18,318	5,971	4,663	575	1973—June	
33,803	1,661	148	1,513	31,549	2,316	18,639	5,855	4,738	593	July	
32,960	1,846	148	1,698	30,433	2,213	18,566	4,995	4,660	681	Aug.	
34,886	1,866	137	1,729	32,213	2,245	19,836	5,110	5,022	807	Sept.	
35,342	1,831	103	1,727	32,781	2,515	20,195	4,934	5,137	730	Oct.	
39,527	1,940	119	1,821	36,032	2,468	23,059	4,971	5,534	1,555	Nov.	
39,658	2,173	113	2,060	36,646	2,519	22,135	5,839	6,152	839	Dec.	
40,979	2,200	329	1,871	37,884	2,846	22,971	5,806	6,262	895	1974—Jan.	
40,930	2,346	243	2,103	37,579	2,729	21,464	6,342	7,044	1,006	Feb.	
45,579	2,927	329	2,598	41,708	3,063	24,300	6,694	7,650	945	Mar.	
46,323	2,878	384	2,494	42,453	3,234	23,382	7,225	8,612	992	Apr.	
49,255	3,480	724	2,756	44,580	3,083	26,128	7,306	8,064	1,194	May	
48,982	3,516	579	2,937	44,228	3,255	23,794	9,010	8,170	1,238	June	
<b>IN BAHAMAS AND CAYMANS</b>											
8,236		747		7,305	1,649	4,539		1,116	183	1971—Dec.	Total, all currencies
12,643		1,220		11,260	1,818	8,105		1,338	163	1972—Dec.	
15,648		1,458		13,863	2,272	10,204		1,387	327	1973—June	
16,391		1,335		14,733	2,691	10,417		1,625	323	July	
19,258		1,315		17,336	3,917	11,623		1,796	408	Aug.	
20,673		1,608		18,464	4,321	12,255		1,887	601	Sept.	
20,698		1,663		18,463	4,591	11,902		1,969	572	Oct.	
21,693		1,559		19,546	4,798	12,973		1,776	588	Nov.	
23,771		1,517		21,803	5,526	14,453		1,824	451	Dec.	
24,071		1,848		21,782	5,293	14,569		1,920	441	1974—Jan.	
25,657		2,166		23,026	5,617	15,248		2,161	465	Feb.	
28,444		2,192		25,692	6,591	16,793		2,309	560	Mar.	
28,776		2,202		26,095	7,200	16,784		2,111	479	Apr.	
30,862		2,567		27,704	8,255	16,759		2,690	591	May	
231,217		2,854		27,723	7,647	17,146		2,931	639	June	

For notes see p. A-76.

**20. DEPOSITS, U.S. TREAS. SECURITIES, AND GOLD HELD AT F.R. BANKS FOR FOREIGN OFFICIAL ACCOUNT**

(In millions of dollars)

End of period	Deposits	Assets in custody	
		U.S. Treas. securities <sup>1</sup>	Earmarked gold
1971.....	294	43,195	13,815
1972.....	325	50,934	215,530
1973—Sept....	250	55,407	15,437
Oct....	426	54,766	217,122
Nov....	420	52,998	17,104
Dec....	251	52,070	17,068
1974—Jan....	392	49,582	17,044
Feb....	542	50,255	17,039
Mar....	366	51,342	17,037
Apr....	517	52,642	17,026
May....	429	54,195	17,021
June....	384	54,442	17,014
July....	330	54,317	16,964
Aug....	372	53,681	16,917
Sept....	411	53,849	16,892

<sup>1</sup> Marketable U.S. Treasury bills, certificates of indebtedness, notes, and bonds and nonmarketable U.S. Treasury securities payable in dollars and in foreign currencies.

<sup>2</sup> The value of earmarked gold increased because of the changes in par value of the U.S. dollar in May 1972, and in Oct. 1973.

NOTE.—Excludes deposits and U.S. Treasury securities held for international and regional organizations. Earmarked gold is gold held for foreign and international accounts and is not included in the gold stock of the United States.

**21. SHORT-TERM LIQUID CLAIMS ON FOREIGNERS REPORTED BY NONBANKING CONCERNS**

(Amounts outstanding; in millions of dollars)

End of period	Total	Payable in dollars		Payable in foreign currencies		United Kingdom	Canada
		Deposits	Short-term investments <sup>1</sup>	Deposits	Short-term investments <sup>1</sup>		
1969.....	1,491	1,062	161	183	86	663	534
1970.....	1,141	697	150	173	121	372	443
1971.....	1,648	1,092	203	234	120	577	587
	1,507	1,078	127	234	68	580	443
1972.....	1,965	1,446	169	307	42	702	485
	2,375	1,912	55	340	68	912	535
1973—July.....	3,338	2,560	136	475	167	1,128	959
Aug.....	3,422	2,642	82	490	209	1,117	940
Sept.....	3,285	2,571	78	476	161	1,142	892
Oct.....	2,991	2,328	66	451	148	1,063	881
Nov.....	3,239	2,602	64	437	136	1,121	922
Dec.....	3,184	2,603	37	431	113	1,128	775
1974—Jan.....	2,858	2,284	59	365	149	1,091	772
Feb.....	3,260	2,624	65	368	203	1,229	868
Mar.....	3,701	3,027	99	358	218	1,373	1,029
Apr.....	3,603	2,983	60	351	209	1,490	929
May.....	3,693	3,031	71	338	230	1,442	983
June.....	3,651	3,031	57	377	185	1,418	932
July.....	3,753	3,194	74	348	138	1,443	835

<sup>1</sup> Negotiable and other readily transferable foreign obligations payable on demand or having a contractual maturity of not more than 1 year from the date on which the obligation was incurred by the foreigner.

<sup>2</sup> Data on the two lines for this date differ because of changes in reporting coverage. Figures on the first line are comparable in coverage with those shown for the preceding date; figures on the second line are comparable with those shown for the following date.

NOTE.—Data represent the liquid assets abroad of large nonbanking concerns in the United States. They are a portion of the total claims on foreigners reported by nonbanking concerns in the United States and are included in the figures shown in Table 22.

**22. SHORT-TERM LIABILITIES TO AND CLAIMS ON FOREIGNERS REPORTED BY NONBANKING CONCERNS, BY TYPE**

(Amount outstanding; in millions of dollars)

End of period	Liabilities			Claims			
	Total	Payable in dollars	Payable in foreign currencies	Total	Payable in dollars	Payable in foreign currencies	
						Deposits with banks abroad in reporter's name	Other
1970—Sept.....	2,512	1,956	557	4,361	3,756	301	305
Dec.....	2,677	2,281	496	4,160	3,579	234	348
1971—Mar.....	2,437	1,975	462	4,515	3,909	232	374
June.....	2,375	1,937	438	4,708	4,057	303	348
Sept.....	2,564	2,109	454	4,894	4,186	383	326
Dec.....	2,704	2,229	475	5,185	4,535	318	333
	2,763	2,301	463	5,004	4,467	290	247
1972—Mar.....	2,844	2,407	437	5,177	4,557	318	302
June.....	2,925	2,452	472	5,331	4,685	376	270
Sept.....	2,933	2,435	498	5,495	4,833	432	230
Dec.....	3,119	2,635	484	5,723	5,074	411	238
	3,536	3,024	511	6,366	5,688	396	282
1973—Mar.....	3,467	2,945	522	7,170	6,268	464	438
June.....	3,442	2,864	578	7,424	6,555	503	366
Sept.....	3,760	3,040	720	7,800	6,840	535	425
Dec.....	4,219	3,437	782	8,558	7,624	489	445
1974—Mar.....	4,691	3,789	902	10,628	9,671	411	546

<sup>1</sup> Data on the two lines shown for this date differ because of changes in reporting coverage. Figures on the first line are comparable with those shown for the

preceding date; figures on the second line are comparable with those shown for the following date.

## 23. SHORT-TERM LIABILITIES TO AND CLAIMS ON FOREIGNERS REPORTED BY NONBANKING CONCERNS

(End of period. Amounts outstanding; in millions of dollars)

Area and country	Liabilities to foreigners					Claims on foreigners				
	1972	1973			1974	1972	1973			1974
	Dec. <sup>r</sup>	June <sup>r</sup>	Sept. <sup>r</sup>	Dec. <sup>r</sup>	Mar. <sup>p</sup>	Dec. <sup>r</sup>	June <sup>r</sup>	Sept. <sup>r</sup>	Dec.	Mar. <sup>p</sup>
<b>Europe:</b>										
Austria.....	2	2	2	3	4	19	17	15	17	16
Belgium-Luxembourg.....	83	81	129	131	221	73	109	112	106	153
Denmark.....	7	19	18	9	17	29	21	21	46	37
Finland.....	4	4	7	7	8	25	21	31	44	42
France.....	167	166	165	168	161	231	325	283	310	413
Germany, Fed. Rep. of.....	164	188	200	236	238	195	278	265	284	336
Greece.....	15	24	33	40	21	35	40	52	51	87
Italy.....	121	103	108	116	136	202	201	201	237	327
Netherlands.....	109	113	115	134	123	84	96	119	118	111
Norway.....	14	13	10	9	9	16	19	21	18	22
Portugal.....	4	4	12	13	24	19	25	24	50	112
Spain.....	81	72	79	77	68	157	140	169	244	414
Sweden.....	13	25	32	48	43	57	49	53	71	74
Switzerland.....	105	81	142	103	94	82	90	67	101	90
Turkey.....	4	3	11	18	26	48	14	17	34	41
United Kingdom.....	1,107	781	857	940	1,129	1,223	1,495	1,544	1,559	1,857
Yugoslavia.....	7	17	22	28	31	12	18	21	49	30
Other Western Europe.....	2	3	3	3	3	12	9	12	15	19
Eastern Europe.....	3	22	24	31	26	42	92	73	104	79
<b>Total.....</b>	<b>2,013</b>	<b>1,722</b>	<b>1,969</b>	<b>2,115</b>	<b>2,383</b>	<b>2,561</b>	<b>3,039</b>	<b>3,100</b>	<b>3,457</b>	<b>4,239</b>
Canada.....	215	250	236	255	321	965	1,305	1,341	1,251	1,532
<b>Latin America:</b>										
Argentina.....	29	24	24	38	49	79	60	65	75	94
Bahamas <sup>1</sup> .....	391	434	364	419	206	662	766	746	633	761
Brazil.....	35	47	42	64	78	172	183	208	230	410
Chile.....	18	13	13	20	6	34	29	34	42	78
Colombia.....	7	7	8	9	18	39	36	43	40	44
Cuba.....	1	*	*	*	*	1	1	1	1	1
Mexico.....	26	36	36	44	68	181	203	185	235	260
Panama.....	18	18	17	13	14	85	83	102	120	178
Peru.....	4	6	10	15	17	36	34	37	49	66
Uruguay.....	7	3	2	2	3	4	5	5	5	6
Venezuela.....	21	23	24	50	69	92	101	104	143	143
Other L.A. republics.....	45	47	58	67	66	95	103	127	134	172
Neih. Antilles and Surinam.....	10	11	7	6	5	13	11	9	12	12
Other Latin America.....	4	19	20	22	37	34	90	105	214	158
<b>Total.....</b>	<b>615</b>	<b>688</b>	<b>625</b>	<b>769</b>	<b>637</b>	<b>1,527</b>	<b>1,705</b>	<b>1,771</b>	<b>1,932</b>	<b>2,382</b>
<b>Asia:</b>										
China, People's Republic of (China Mainland).....	32	31	36	42	20	*	11	48	11	8
China, Rep. of (Taiwan).....	26	37	33	34	53	65	77	77	120	183
Hong Kong.....	12	13	18	41	24	33	40	44	47	65
India.....	7	7	7	14	14	34	29	32	37	36
Indonesia.....	16	15	15	14	13	48	47	52	54	51
Israel.....	19	14	11	25	31	31	27	28	38	38
Japan.....	224	290	348	294	377	468	494	633	821	1,157
Korea.....	21	18	20	37	38	67	46	55	105	109
Philippines.....	16	20	17	17	9	59	64	70	73	88
Thailand.....	5	6	6	6	7	23	24	28	28	53
Other Asia.....	152	141	183	239	355	206	207	207	238	260
<b>Total.....</b>	<b>530</b>	<b>593</b>	<b>694</b>	<b>763</b>	<b>940</b>	<b>1,035</b>	<b>1,066</b>	<b>1,274</b>	<b>1,571</b>	<b>2,048</b>
<b>Africa:</b>										
Egypt.....	32	20	11	25	48	16	23	28	18	15
South Africa.....	8	6	6	14	22	52	51	60	62	69
Zaire.....	1	12	19	19	21	8	15	19	18	20
Other Africa.....	62	67	97	128	134	93	97	95	127	162
<b>Total.....</b>	<b>104</b>	<b>105</b>	<b>134</b>	<b>187</b>	<b>224</b>	<b>170</b>	<b>187</b>	<b>202</b>	<b>225</b>	<b>266</b>
<b>Other countries:</b>										
Australia.....	45	72	94	118	134	83	75	90	97	111
All other.....	14	11	9	12	22	23	26	22	25	30
<b>Total.....</b>	<b>59</b>	<b>83</b>	<b>103</b>	<b>130</b>	<b>156</b>	<b>107</b>	<b>101</b>	<b>111</b>	<b>123</b>	<b>141</b>
International and regional.....	*	*	*	*	29	1	1	*	1	1
<b>Grand total.....</b>	<b>3,536</b>	<b>3,442</b>	<b>3,760</b>	<b>4,219</b>	<b>4,691</b>	<b>6,366</b>	<b>7,424</b>	<b>7,800</b>	<b>8,558</b>	<b>10,628</b>

<sup>1</sup> Includes Bermuda through Dec. 1972.

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.

## 24. LONG-TERM LIABILITIES TO AND CLAIMS ON FOREIGNERS REPORTED BY NONBANKING CONCERNS

(Amounts outstanding; in millions of dollars)

End of period	Total liabilities	Claims										
		Total	Country or area									
			United Kingdom	Other Europe	Canada	Brazil	Mexico	Other Latin America	Japan	Other Asia	Africa	All other
1970—Mar.....	2,358	2,744	159	735	573	181	74	458	158	288	71	47
June.....	2,587	2,757	161	712	580	177	65	477	166	288	76	54
Sept.....	2,785	2,885	157	720	620	180	63	586	144	284	73	58
Dec.....	3,102	2,950	146	708	669	183	60	618	140	292	71	64
1971—Mar.....	3,177	2,983	154	688	670	182	63	615	161	302	77	72
June.....	3,172	2,982	151	687	677	180	63	625	138	312	75	74
Sept.....	2,939	3,019	135	672	765	178	60	597	133	319	85	75
Dec. <sup>1</sup> .....	3,159	3,118	128	705	761	174	60	652	141	327	86	85
	3,138	3,118	128	705	767	174	60	653	136	325	86	84
1972—Mar.....	3,093	3,191	129	713	787	175	60	665	137	359	81	85
June.....	3,300	3,255	108	713	797	188	61	671	161	377	86	93
Sept.....	3,448	3,235	128	695	805	177	63	661	132	389	89	96
Dec. <sup>1</sup> .....	3,540	3,370	163	715	833	184	60	659	156	406	87	109
	3,688	3,472	187	758	868	187	64	703	134	396	82	111
1973—Mar. <sup>r</sup> .....	3,874	3,614	151	816	864	165	63	796	124	410	101	125
June <sup>r</sup> .....	3,857	3,674	174	818	875	146	65	819	130	413	104	131
Sept. <sup>r</sup> .....	4,089	3,844	211	840	894	147	73	827	140	471	104	137
Dec. <sup>r</sup> .....	4,003	3,915	285	785	949	145	79	821	128	470	112	142
1974—Mar. <sup>p</sup> .....	3,871	4,070	360	758	1,007	194	82	798	138	469	115	149

<sup>1</sup> Data on the two lines shown for this date differ because of changes in reporting coverage. Figures on the first line are comparable with those shown for the preceding date; figures on the second line are comparable with those shown for the following date.

## OPEN MARKET RATES

(Per cent per annum)

Month	Canada		United Kingdom				France	Germany, Fed. Rep. of		Netherlands		Switzerland
	Treasury bills, 3 months <sup>1</sup>	Day-to-day money <sup>2</sup>	Prime bank bills, 3 months	Treasury bills, 3 months	Day-to-day money	Clearing banks' deposit rates	Day-to-day money <sup>3</sup>	Treasury bills, 60-90 days <sup>4</sup>	Day-to-day money <sup>5</sup>	Treasury bills, 3 months	Day-to-day money	Private discount rate
1972.....	3.55	3.65	6.06	5.02	4.83	3.84	4.95	3.04	4.30	2.15	1.97	4.81
1973.....	5.43	5.27	10.45	9.40	8.27	7.96	8.92	6.40	10.18	4.07	4.94	5.09
1973—Sept.....	6.41	6.31	12.12	11.37	9.13	9.50	9.73	7.00	9.76	5.67	7.97	5.25
Oct.....	6.56	6.54	11.37	10.75	10.53	9.50	10.99	7.00	10.57	5.25	7.93	5.25
Nov.....	6.48	6.56	13.38	11.76	8.80	9.50	10.96	7.00	11.30	5.29	7.88	5.25
Dec.....	6.39	6.58	13.74	12.41	9.57	9.46	11.14	7.00	11.89	6.41	8.75	5.40
1974—Jan.....	6.31	6.50	13.67	12.09	10.36	9.25	13.63	7.00	10.40	6.50	9.36	6.00
Feb.....	6.10	6.49	13.63	11.94	8.96	9.50	12.48	7.00	9.13	6.50	9.73	6.00
Mar.....	6.24	6.50	14.39	11.95	11.31	9.50	11.88	7.00	11.63	6.00	9.07	6.00
Apr.....	7.18	6.93	13.20	11.53	10.00	9.50	11.81	5.63	5.33	6.64	9.86	6.50
May.....	8.22	7.48	13.31	11.36	10.72	9.50	12.90	6.63	8.36	7.00	9.00	6.50
June.....	8.66	8.36	12.61	11.23	10.58	9.50	13.59	5.63	8.79	7.00	8.98	6.50
July.....	8.88	8.52	13.21	11.20	8.70	9.50	13.75	5.63	9.13	7.50	8.57	7.00
Aug.....	8.76	8.83	12.80	11.24	11.11	9.50	13.68	.....	9.05	7.50	7.09	7.00
Sept.....	8.70	8.84	12.11	10.91	10.69	9.50	13.41	.....	9.00	7.42	.....	.....

<sup>1</sup> Based on average yield of weekly tenders during month.<sup>2</sup> Based on weekly averages of daily closing rates.<sup>3</sup> Rate shown is on private securities.<sup>4</sup> Rate in effect at end of month.<sup>5</sup> Monthly averages based on daily quotations.NOTE.—For description and back data, see "International Finance," Section 15 of *Supplement to Banking and Monetary Statistics, 1962*.

## NOTES TO TABLES 19A AND 19B ON PAGES A-72 AND A73 RESPECTIVELY:

N.B. Major changes in these two tables will be made in the BULLETIN for October.

<sup>1</sup> Cayman Islands included beginning Aug. 1973.<sup>2</sup> Total assets and total liabilities payable in U.S. dollars amounted to \$28,838 million and \$28,954 million, respectively, on June 30, 1974.

NOTE.—Components may not add to totals due to rounding.

For a given month, total assets may not equal total liabilities because some branches do not adjust the parent's equity in the branch to reflect unrealized paper profits and paper losses caused by changes in exchange rates, which are used to convert foreign currency values into equivalent dollar values.



## CENTRAL BANK RATES FOR DISCOUNTS AND ADVANCES TO COMMERCIAL BANKS

(Per cent per annum)

Country	Rate as of August 31, 1974		Country	Rate as of August 31, 1974	
	Per cent	Month effective		Per cent	Month effective
Argentina.....	18.0	Feb. 1972	Italy.....	9.0	Mar. 1974
Austria.....	6.50	May 1974	Japan.....	9.0	Dec. 1973
Belgium.....	8.75	Feb. 1974	Mexico.....	4.5	June 1942
Brazil.....	18.0	Feb. 1972	Netherlands.....	8.0	Dec. 1973
Canada.....	9.25	July. 1974	Norway.....	5.5	Mar. 1974
Denmark.....	10.0	Jan. 1974	Sweden.....	7.0	Aug. 1974
France.....	13.0	June 1974	Switzerland.....	5.5	Jan. 1974
Germany, Fed. Rep. of.....	7.0	June 1973	United Kingdom.....	11.75	May 1974
			Venezuela.....	5.0	Oct. 1970

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;

Japan—Penalty rates (exceeding the basic rate shown) for borrowings from the central bank in excess of an individual bank's quota;

United Kingdom—The Bank's minimum lending rate, which is the average rate of discount for Treasury bills established at the most recent tender plus one-half per cent rounded to the nearest one-quarter per cent above.

Venezuela—2 per cent for rediscounts of certain agricultural paper, 4½ per cent for advances against government bonds, and 5½ per cent for rediscounts of certain industrial paper and on advances against promissory notes or securities of first-class Venezuelan companies.

## FOREIGN EXCHANGE RATES

(In cents per unit of foreign currency)

Period	Australia (dollar)	Austria (schilling)	Belgium (franc)	Canada (dollar)	Denmark (krone)	France (franc)	Germany (Deutsche mark)	India (rupee)	Ireland (pound)	Italy (lira)	Japan (yen)
1970.....	111.36	3.8659	2.0139	95.802	13.334	18.087	27.424	13.233	239.59	1,5945	2,7921
1971.....	113.61	4.0009	2.0598	99.021	13.508	18.148	28.768	13.338	244.42	1,6174	2,8779
1972.....	119.23	4.3228	2.2716	100.937	14.384	19.825	31.364	13.246	250.08	1,7132	3,2995
1973.....	141.94	5.1649	2.5761	99.977	16.603	22.536	37.758	12.071	245.10	1,7192	3,6915
1973—Sept.....	146.83	5.5695	2.7089	99.181	17.480	23.466	41.246	12.987	241.83	1,7691	3,7668
Oct.....	148.22	5.5871	2.7328	99.891	17.692	23.718	41.428	12.938	242.92	1,7656	3,7547
Nov.....	148.22	5.2670	2.5882	100.092	16.744	22.687	38.764	12.767	238.70	1,6904	3,5941
Dec.....	148.33	5.1150	2.4726	100.058	16.089	21.757	37.629	12.328	231.74	1,6458	3,5692
1974—Jan.....	148.23	4.8318	2.3329	100.859	14.981	19.905	35.529	11.854	222.40	1,5433	3,3559
Feb.....	148.50	5.0022	2.4358	102.398	15.570	20.187	36.844	12.131	227.49	1,5275	3,4367
Mar.....	148.55	5.1605	2.5040	102.877	16.031	20.742	38.211	12.415	234.06	1,5687	3,5454
Apr.....	148.41	5.3345	2.5686	103.356	16.496	20.541	39.594	12.711	238.86	1,5720	3,6001
May.....	148.44	5.5655	2.6559	103.916	17.012	20.540	40.635	12.841	241.37	1,5808	3,5847
June.....	148.34	5.5085	2.6366	103.481	16.754	20.408	39.603	12.735	239.02	1,5379	3,5340
July.....	147.99	5.4973	2.6378	102.424	16.858	20.984	39.174	12.759	238.96	1,5522	3,4372
Aug.....	148.24	5.3909	2.5815	102.053	16.547	20.912	38.197	12.525	234.56	1,5269	3,3082
Sept.....	144.87	5.2975	2.5364	101.384	16.111	20.831	37.580	12.316	231.65	1,5103	3,3439
Period	Malaysia (dollar)	Mexico (peso)	Netherlands (guilder)	New Zealand (dollar)	Norway (krone)	Portugal (escudo)	South Africa (rand)	Spain (peseta)	Sweden (krona)	Switzerland (franc)	United Kingdom (pound)
1970.....	32.396	8.0056	27.651	111.48	13.992	3.4978	139.24	1.4280	19.282	23.199	239.59
1971.....	32.989	8.0056	28.650	113.71	14.205	3.5456	140.29	1.4383	19.592	24.325	244.42
1972.....	35.610	8.0000	31.153	119.35	15.180	3.7023	129.43	1.5559	21.022	26.193	250.08
1973.....	40.988	8.0000	35.977	136.04	17.406	4.1080	143.88	1.7178	22.970	31.700	245.10
1973—Sept.....	43.361	8.0000	38.542	145.07	18.048	4.2784	148.50	1.7610	23.769	33.146	241.83
Oct.....	43.641	8.0000	40.011	148.64	18.285	4.3014	148.54	1.7576	23.942	33.019	242.92
Nov.....	41.838	8.0000	37.267	147.74	17.872	4.1155	148.45	1.7479	23.019	31.604	238.70
Dec.....	41.405	8.0000	35.615	144.34	17.651	3.9500	148.66	1.7571	22.026	31.252	231.74
1974—Jan.....	40.094	8.0000	34.009	139.08	16.739	3.7195	148.66	1.7205	20.781	29.727	222.40
Feb.....	40.489	8.0000	35.349	140.31	17.351	3.8567	148.76	1.6933	21.373	31.494	227.49
Mar.....	41.152	8.0000	36.354	143.40	17.734	3.9519	148.88	1.6927	21.915	32.490	234.06
Apr.....	41.959	8.0000	37.416	145.12	18.170	4.0232	148.85	1.7080	22.730	33.044	238.86
May.....	42.155	8.0000	38.509	146.07	18.771	4.1036	148.78	1.7409	23.388	34.288	241.37
June.....	41.586	8.0000	37.757	145.29	18.410	4.0160	148.86	1.7450	22.885	33.449	239.02
July.....	41.471	8.0000	38.043	145.15	18.519	3.9886	149.73	1.7525	22.861	33.739	238.96
Aug.....	42.780	8.0000	37.419	143.73	18.246	3.9277	146.83	1.7466	22.597	33.509	234.56
Sept.....	41.443	8.0000	36.870	139.64	17.993	3.8565	142.69	1.7339	22.333	33.371	231.65

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*.

## GOLD RESERVES OF CENTRAL BANKS AND GOVERNMENTS

(In millions of dollars; valued at \$35 per fine ounce through Apr. 1972, at \$38 from May 1972–Sept. 1973, and at \$42.22 thereafter)

End of period	Estimated total world <sup>1</sup>	Intl. Monetary Fund	United States	Estimated rest of world	Algeria	Argentina	Australia	Austria	Belgium	Canada	China, Rep. of (Taiwan)	Denmark	Egypt
1970.....	41,275	4,339	11,072	25,865	191	140	239	714	1,470	791	82	64	85
1971.....	41,160	4,732	10,206	26,220	192	90	259	729	1,544	792	80	64	85
1972.....	44,890	5,830	10,487	28,575	208	152	281	792	1,638	834	87	69	92
1973—Aug.....		5,826	10,487	.....	208	152	281	793	1,603	834	87	69	92
Sept.....	44,880	5,826	10,487	28,565	208	152	282	793	1,603	834	87	69	92
Oct.....		6,474	11,652	.....	231	169	312	881	1,781	927	97	77	103
Nov.....		6,476	11,652	.....	231	169	212	881	1,781	927	97	77	103
Dec.....	49,850	6,478	11,652	31,720	231	169	311	881	1,781	927	97	77	103
1974—Jan.....		6,478	11,652	.....	231	169	312	882	1,781	927	97	77	103
Feb.....		6,478	11,652	.....	231	169	312	882	1,781	927	97	77	103
Mar.....	49,840	6,478	11,652	31,710	231	169	312	882	1,781	927	97	77	103
Apr.....		6,478	11,652	.....	231	169	312	882	1,781	927	97	77	103
May.....		6,477	11,652	.....	231	169	312	882	1,781	927	97	77	103
June.....	49,835	6,477	11,652	31,705	231	169	312	882	1,781	927	97	77	103
July.....		6,477	11,652	.....	231	169	312	882	1,781	927	97	76	.....
Aug. <sup>2</sup> .....		.....	11,652	.....	231	.....	312	882	1,781	927	97	76	.....

End of period	France	Germany, Fed. Rep. of	Greece	India	Iran	Iraq	Italy	Japan	Kuwait	Lebanon	Libya	Mexico	Netherlands
1970.....	3,532	3,980	117	243	131	144	2,887	532	86	288	85	176	1,787
1971.....	3,523	4,077	98	243	131	144	2,884	679	87	322	85	184	1,909
1972.....	3,826	4,459	133	264	142	156	3,130	801	94	350	93	188	2,059
1973—Aug.....	3,835	4,469	133	264	142	156	3,134	802	102	350	93	182	2,065
Sept.....	3,835	4,469	133	264	142	156	3,134	802	94	350	93	179	2,065
Oct.....	4,261	4,966	148	293	159	173	3,483	891	115	388	103	198	2,294
Nov.....	4,261	4,966	148	293	159	173	3,483	891	105	388	103	198	2,294
Dec.....	4,261	4,966	148	293	159	173	3,483	891	120	388	103	196	2,294
1974—Jan.....	4,262	4,966	148	293	159	173	3,483	891	113	389	103	195	2,294
Feb.....	4,262	4,966	148	293	159	173	3,483	891	120	389	103	194	2,294
Mar.....	4,262	4,966	149	293	159	173	3,483	891	123	389	103	156	2,294
Apr.....	4,262	4,966	149	293	159	173	3,483	891	118	389	103	155	2,294
May.....	4,262	4,966	149	.....	159	173	3,483	891	142	389	103	154	2,294
June.....	4,262	4,966	150	.....	159	173	3,483	891	130	389	103	.....	2,294
July.....	4,262	4,966	150	.....	158	173	3,483	891	130	389	105	.....	2,294
Aug. <sup>2</sup> .....	4,262	4,966	.....	.....	158	173	3,483	891	130	389	.....	.....	2,294

End of period	Pakistan	Portugal	Saudi Arabia	South Africa	Spain	Sweden	Switzerland	Thailand	Turkey	United Kingdom	Uruguay	Venezuela	Bank for Intl. Settlements <sup>2</sup>
1970.....	54	902	119	666	498	200	2,732	92	126	1,349	162	384	-282
1971.....	55	921	108	410	398	200	2,909	82	130	775	148	391	310
1972.....	60	1,021	117	681	541	217	3,158	89	136	800	133	425	218
1973—Aug.....	60	1,035	117	740	542	220	3,162	89	136	797	133	425	205
Sept.....	60	1,036	116	738	542	220	3,162	89	136	797	133	425	213
Oct.....	67	1,154	129	820	602	244	3,512	99	151	886	148	472	227
Nov.....	67	1,159	129	809	602	244	3,513	99	151	886	148	472	237
Dec.....	67	1,163	129	802	602	244	3,513	99	151	886	148	472	235
1974—Jan.....	67	1,167	129	793	602	244	3,513	99	151	886	148	472	271
Feb.....	67	1,171	129	783	602	244	3,513	99	151	886	148	472	277
Mar.....	67	1,176	129	780	602	244	3,513	99	151	886	148	472	274
Apr.....	67	1,180	129	780	602	244	3,513	99	151	886	148	472	271
May.....	67	1,180	129	777	602	244	3,513	99	151	886	148	472	247
June.....	67	1,180	129	781	602	244	3,513	99	151	886	148	472	259
July.....	67	.....	129	788	.....	244	3,513	99	151	.....	.....	472	259
Aug. <sup>2</sup> .....	67	.....	129	778	.....	244	3,513	99	151	.....	.....	472	.....

<sup>1</sup> Includes reported or estimated gold holdings of international and regional organizations, central banks and govts. of countries listed in this table, and also of a number not shown separately here, and gold to be distributed by the Tripartite Commission for the Restitution of Monetary Gold; excludes holdings of the U.S.S.R., other Eastern European countries, and China Mainland.

The figures included for the Bank for International Settlements are the Bank's gold assets net of gold deposit liabilities. This procedure avoids the overstatement of total world gold reserves since most of the gold deposited with the BIS is included in the gold reserves of individual countries.

<sup>2</sup> Net gold assets of BIS, i.e., gold in bars and coins and other gold assets minus gold deposit liabilities.

Board of Governors and Staff shown on following page.

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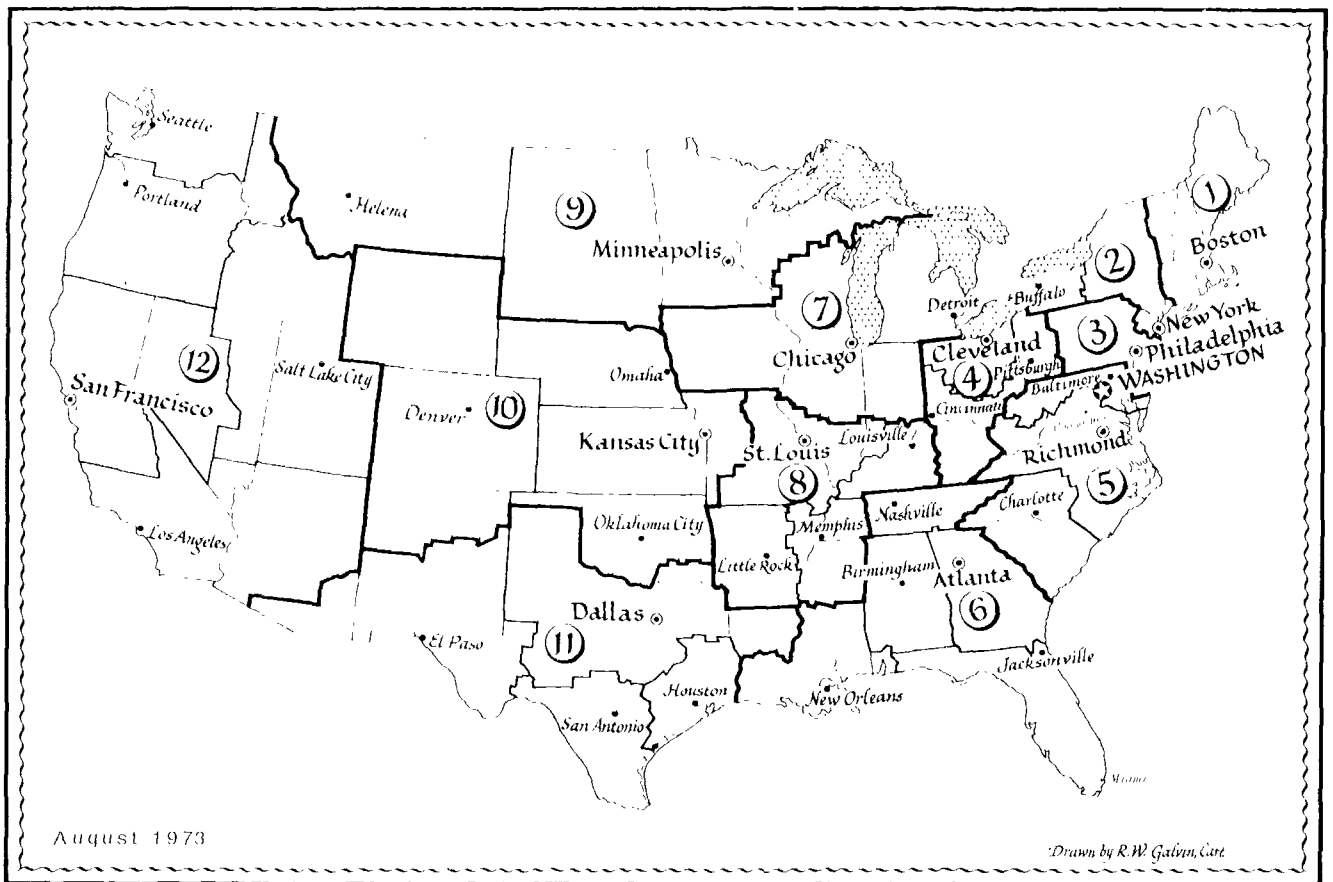
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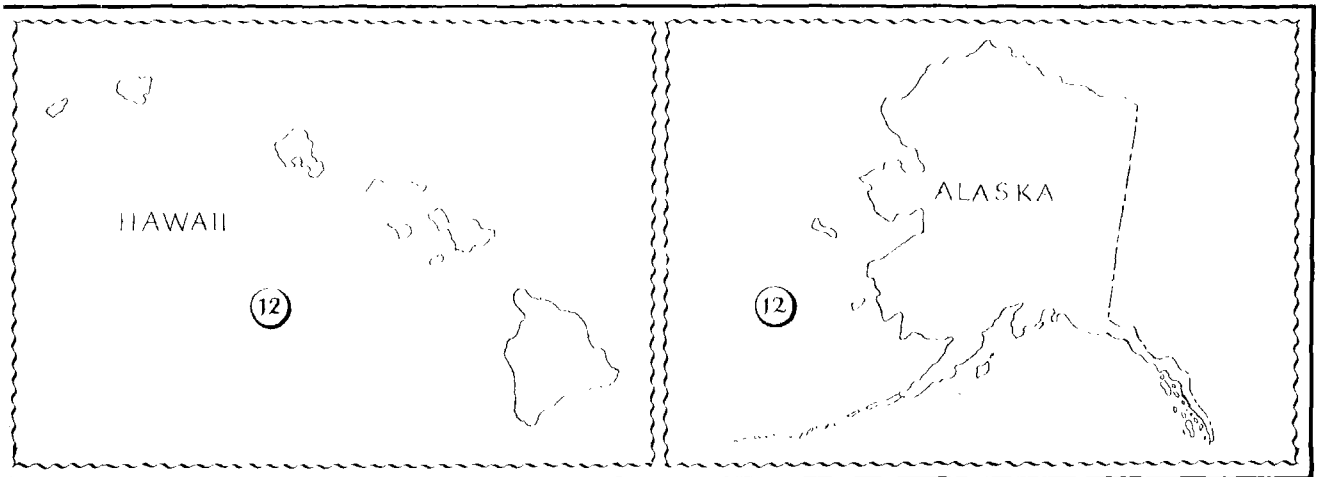
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BOUNDARIES OF FEDERAL RESERVE DISTRICTS AND THEIR BRANCH TERRITORIES



★ (C) THE FEDERAL RESERVE SYSTEM (C) ★



Legend

- Boundaries of Federal Reserve Districts    — Boundaries of Federal Reserve Branch Territories
- ★ Board of Governors of the Federal Reserve System
- ◎ Federal Reserve Bank Cities                    • Federal Reserve Branch Cities
- Federal Reserve Bank Facilities