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OCTOBER 1976

FEDERAL RESERVE  
BULLETIN

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# FEDERAL RESERVE BULLETIN

NUMBER 10 □ VOLUME 62 □ OCTOBER 1976

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## Recent Growth in Activities of U.S. Offices of Foreign Banks

*This article was prepared in the International Banking Section of the Division of International Finance.*

The rapid expansion of activities of foreign bank offices in the United States in recent years constitutes an increasingly important phase in the widespread growth of international banking. Assets of U.S. banking offices of foreign banks have increased more than two and a half times since November 1972, when the Federal Reserve first began collecting monthly balance sheet data on their operations. Although a few foreign banks have made highly publicized acquisitions of existing U.S. banks, most of the growth has resulted from the expansion in size and number of their U.S. banking offices.

Foreign bank offices are located in major money market centers, primarily in New York and California. In addition, the number of foreign bank offices in Illinois has expanded significantly since passage of State legislation in 1973 permitting the establishment of branches in one part of downtown Chicago, but total assets held by these offices are still relatively small. Foreign banks have a few offices in certain other States and in Puerto Rico and the Virgin Islands. Most States, however, either make no legal provisions concerning foreign bank offices or specifically prohibit such banks from conducting a banking business through offices within their respective jurisdictions.

As of August 1976, 194 U.S. offices of foreign banks reported \$61.9 billion in total assets—equal to about 12 per cent of total assets held at domestic offices of the large U.S. banks with which they compete most actively in money market operations, in the transfer of funds for international payments, and in the financing of international trade. (Large U.S. banks hold more than half of the assets of all U.S. commercial banks.) Moreover, commer-

cial and industrial loans made by U.S. offices of foreign banks amounted to one-fifth of the loans made by large U.S. banks to domestic and foreign borrowers.

U.S. offices of foreign banks have also become major participants in the U.S. Federal funds market, where they place short-dated funds or borrow for liquidity needs. Many offices actively arbitrage between the U.S. Federal funds market and foreign markets, especially Euro-currency markets. Thus, these offices, acting as extensions of their parent banks, have increasingly served as channels through which economic and financial conditions in their home countries influence U.S. financial markets and vice versa. Consequently, their growth, which has paralleled the rapid expansion in assets of U.S. banks' foreign branches and overseas subsidiaries, has contributed significantly to the integration of international financial markets.

The rapid growth and current scale of operations of foreign bank offices in the United States have drawn attention to their increasing significance in U.S. banking and credit markets and have highlighted major differences in the legal and regulatory treatment of these offices as compared with domestic U.S. banks. In recognition of these differences, the Board of Governors of the Federal Reserve System in late 1974 proposed legislation that would establish uniform national treatment for foreign banks in the United States, thereby placing them on a non-discriminatory basis vis-a-vis U.S. banks. The Congress has held hearings on this and other proposals but has not passed legislation.

### FORMS OF ORGANIZATION

Foreign banks conduct their U.S. banking activities primarily through agencies, branches, and U.S.-chartered bank subsidiaries. The se-

lection of organizational forms reflects the type of business in which the foreign bank is engaged and the legal and regulatory differences pertaining to the establishment, powers, and regulation of each type of office.

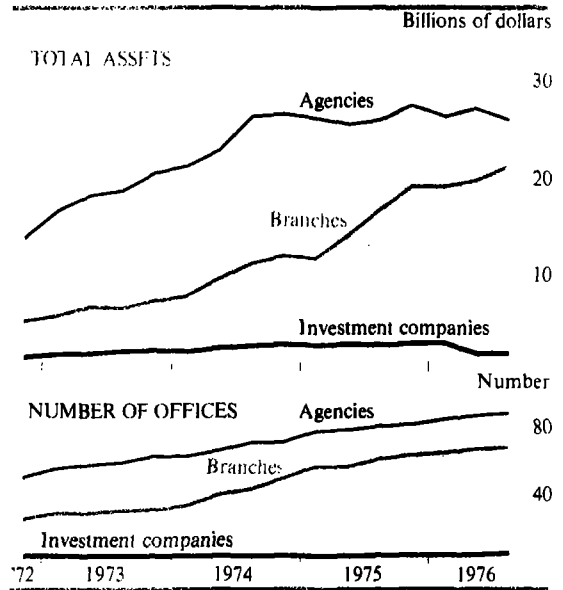
**AGENCIES**

Although individual State laws permitting the establishment of agencies and branches of foreign banks differ, agencies are considered to be banking offices that lend and transfer funds but do not accept deposits from domestic residents; however, they may accept credit balances, which resemble deposits in important respects. In California, agencies of foreign banks may accept deposits from foreigners upon receipt of written authorization from the State banking authorities.

As seen in Chart 1, agencies are the most important form of organization for U.S.-based foreign banking offices both in the number of offices and in total volume of assets. In New York State, agencies are established by Canadian banks and by banks of other countries that are unable to operate branches there because of New York State reciprocity requirements. (The reciprocity requirements preclude a foreign bank from establishing a branch in New York unless New York-chartered banks are permitted to conduct specified banking activities through offices in the country under whose laws the foreign bank is authorized.) Japanese banks in New York, with two exceptions, also use the agency form. The absence of limits on the amount of loans and credits that an agency may make to an individual borrower enables Japanese agencies to finance the needs of their large customers with less difficulty.

Agencies are also the dominant form of foreign bank organization in California because under California State law foreign branches cannot accept domestic deposits that are not insured by the Federal Deposit Insurance Corporation. Current Federal law does not provide FDIC insurance for any deposits of U.S. branches of foreign banks. California agencies are also not subject to loan limits to individual borrowers unless they accept deposits from foreigners.

**CHART 1**  
Growth in U.S. offices of foreign banks by type of office



F.R. data.

Agency assets expanded rapidly from late 1972 to mid-1974; thereafter, these assets have remained relatively stable despite a steady increase in the number of agency offices. This pattern primarily reflects changes in the growth of Japanese agencies, which account for two-thirds of all agency assets.

**BRANCHES**

In States where they are permitted, branches of foreign banks conduct a full-service banking business, including the acceptance of deposits from domestic and foreign residents. Branches are limited in the amount of credit they can provide to an individual borrower, but these limits are not uniform in all States. For example, in New York such limits are determined by the capital and surplus of the parent bank, whereas in Illinois, loan limits are more complex but large loans to individual customers may be made if funded by borrowings from related institutions.

Branch office assets have almost quadrupled since the initiation of monthly reports in No-

vember 1972. Although starting from a much smaller base, this increase has exceeded that of agencies. The expansion of continental European bank branches in New York has accounted for the major portion of this growth.

## SUBSIDIARIES

Foreign banks also own banks chartered in the United States. Virtually all bank subsidiaries of foreign banks have a State charter because of the requirement in U.S. law that all directors of nationally chartered banks be U.S. citizens. A number of these subsidiaries serve the needs of particular ethnic groups associated with the home country of the parent bank. Since their deposits are insured by the FDIC, subsidiaries frequently engage in a deposit and loan business with consumers and small businesses. Subsidiaries provide trust services, primarily in States where a foreign bank cannot open a branch. Lending limits for subsidiaries, as for domestic U.S. banks, are based on their own capital. Several subsidiaries are members of the Federal Reserve System.

In order to acquire or establish a bank subsidiary, foreign banks must receive the approval of the Board of Governors of the Federal Reserve System under the Bank Holding Company Act. That Act subjects a foreign bank holding company to restrictions against owning chartered banks in more than one State, although several foreign banks own subsidiaries in two States under "grandfather" provisions. However, foreign banks, regardless of whether they own a U.S. banking subsidiary, may have branches or agencies in more than one State, provided such offices are permitted under State law. The Bank Holding Company Act also restricts foreign bank holding companies from acquiring significant interests in U.S. commercial enterprises, including securities firms. Consequently, a few foreign banks that have wanted to maintain U.S. securities firms as affiliates have avoided the bank subsidiary form of operation. Foreign banks may own securities affiliates in conjunction with U.S. branches or agencies, however.

The number of U.S.-based foreign bank sub-

sidaries has increased by only eight since November 1972. However, assets of foreign bank subsidiaries have tripled since then, for a gain of nearly \$9 billion. Almost half of this gain resulted from several large, highly publicized acquisitions of assets of existing U.S. banks.

## OTHER

A limited number of European banks have chosen to establish so-called investment companies chartered under New York State law. These companies resemble agencies in their activities, including the maintenance of credit balances in lieu of deposits, but in addition they have powers to deal in securities, subject to certain limitations. The assets of investment companies, currently five in number, have grown very little.

Recently a Japanese bank utilized a new form of entry by establishing under Section 25 of the Federal Reserve Act an Agreement corporation to conduct international banking activities in Texas, where the bank did not have the option of establishing a banking subsidiary, branch, or agency.

Many foreign banks also have representative offices in several States. These offices act as sales and information-gathering posts for their head offices but do not make loans or accept deposits. Some representative offices are eventually upgraded to branch or agency status in States that permit branch or agency operations. Representative offices are generally exempt from banking regulation. However, the State of California requires them to obtain a license from the State Superintendent of Banking. Although two-thirds of these offices are located in New York, significant numbers are in California, Illinois, and Texas.

## NOTES ON CONTRIBUTORS

Several factors have contributed to the marked growth of foreign banks in the United States and to the specialized nature of their operations. The increase—more than fourfold—in the size

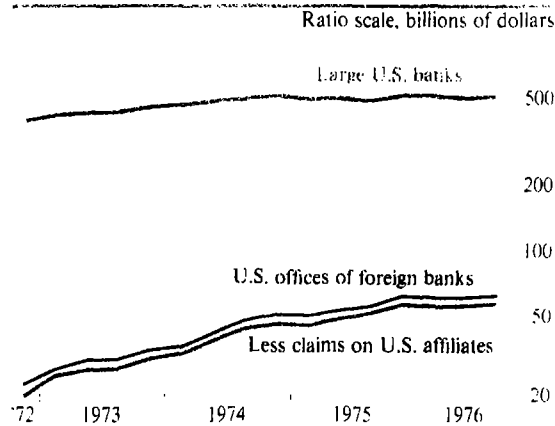
of the Euro-dollar market since 1970 and, generally, the use of the U.S. dollar as a vehicle for international transactions have spurred banks in major industrial countries to establish a presence in the United States in order to clear the progressively larger volume of dollar transactions generated by their expanding international activities, to manage their liquidity positions, and to take advantage of arbitrage opportunities in international money markets.

Foreign banks have also established U.S. offices to finance trade and working capital needs and to provide foreign exchange, payments, and other corporate services for large home-country corporations that have invested in the United States. These investments have increased significantly since 1971. In addition, foreign banks compete with U.S. banks in financing trade of U.S. businesses with their home countries and in meeting the financing needs of multinational companies.

**ASSETS**

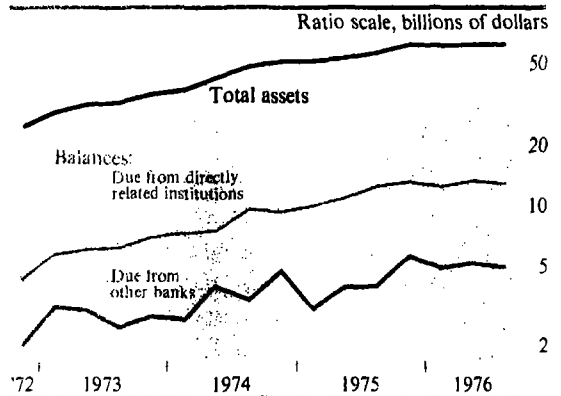
U.S. affiliates of foreign banks increased their assets by \$37 billion, or more than 150 per cent, in the past 4 years (Chart 2). In comparison, assets at domestic offices of large U.S. banks increased by \$107 billion, or about 28 per cent,

**CHART 2**  
Total assets of U.S. offices of foreign banks and large U.S. banks



F.R. data. Large U.S. banks consist of member banks that report weekly to the Federal Reserve. Assets of four foreign-owned banks are included in both groups.

**CHART 3**  
Total assets and clearing balances held by U.S. offices of foreign banks



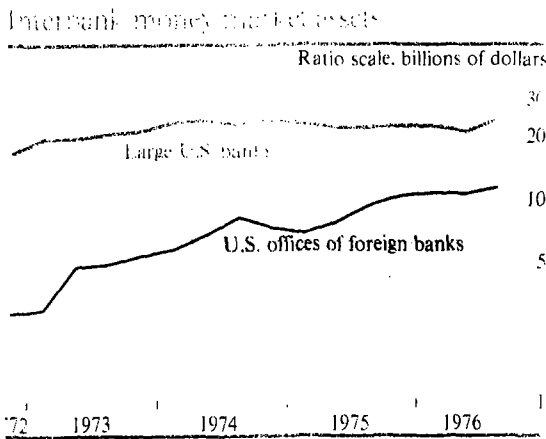
F.R. data. Balances due from other banks include cash items in process of collection, demand deposits due from U.S. banks (with reciprocal demand deposits reported on a net basis) and deposits due from foreign banks (with reciprocal demand deposits reported on a gross basis). Balances due from directly related institutions include all claims on directly related institutions in the United States and abroad including deposit balances, overdrafts, or loans.

over the same period. Growth in both number and assets of U.S.-based foreign bank offices—especially agencies and branches—has been based primarily on the expansion of clearing transactions, money market activities, and commercial lending. As shown in Chart 3, the major importance of these offices in clearing international payments and in engaging in foreign exchange transactions has resulted in a rising volume of collection items and working balances due from other banks, including related institutions here and abroad. Such items constitute a significant proportion of activities on both sides of their balance sheets.

Compared with large U.S. banks, U.S. offices of foreign banks also have a higher proportion of interbank claims relative to non-bank loans, vividly illustrating the role that these offices have assumed in managing the liquid dollar assets of their parent bank networks. As a result of operations in both the U.S. Federal funds and the Euro-dollar markets, interbank money market claims of these offices currently equal about half those of large U.S. banks (Chart 4).

Interbank claims expanded rapidly during the first half of 1974 and in 1975 as U.S. offices

CHART 4



F.R. data. Includes all loans, advances, and time deposits that represent claims on U.S. and foreign commercial banks.

of continental European banks significantly increased their placements in the United States of dollar balances received from parent bank networks and foreign customers. The continued expansion of interbank assets in 1976, however, reflected a growing volume of interbank placements in the Euro-dollar market by U.S. branches of continental European banks. This expansion of interbank claims counterbalanced a slowdown and subsequent decline in growth of commercial and industrial and other nonbank loans.

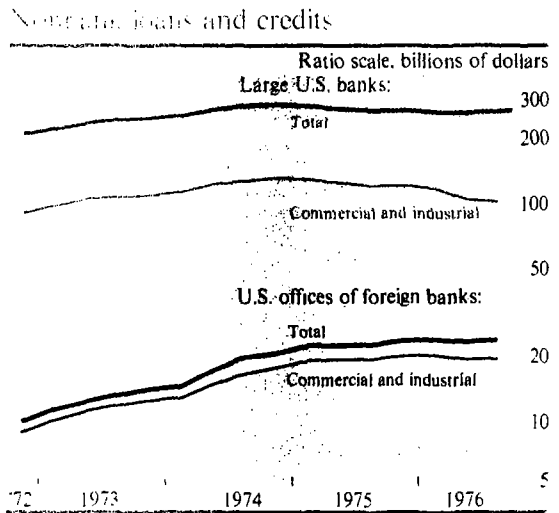
The structure of the asset portfolio of U.S. offices of foreign banks also reflects their large-scale lending to multinational customers. Thus, as seen in Chart 5, more than 80 per cent of the loan portfolios of these offices consist of commercial and industrial loans. In comparison, approximately half of the nonbank loans made by large U.S. banks consist of such diverse credits as mortgages, consumer loans, and agricultural loans. Moreover, greater than 20 per cent of the commercial and industrial loans of U.S. offices of foreign banks consist of claims on foreigners, compared with less than 5 per cent of such loans of large U.S. banks.

In contrast to the decline in commercial and industrial loans at large U.S. banks since early 1975, U.S. offices of foreign banks continued to expand such loans to both domestic and foreign borrowers throughout 1975, albeit at a slower pace than earlier. But in the first half

of 1976, they also suffered a decline. This pattern suggests that both groups of banks were affected, although to a different degree, by the weaker loan demand resulting from the recession in the United States, a slowdown in the growth of world trade, and a shift of corporate borrowers from bank credit to other sources of funds.

U.S. branches and agencies of foreign banks hold only limited amounts of U.S. Government and tax-exempt securities, whereas such securities comprise approximately one-fifth of the asset portfolios of large U.S. banks. However, U.S. subsidiaries of foreign banks include a significant portion of these securities among their total assets (see Appendix Table). In fact, the asset portfolios of U.S. subsidiaries of foreign banks, which tend to conduct a more diversified banking business than agencies and branches, resemble the portfolios of large U.S. banks.

CHART 5



F.R. data. Nonbank loans and credits include commercial and industrial, mortgage, agricultural, and other loans made to nonbanks and foreign official institutions, but exclude sales of Federal funds and loans for purchasing or carrying securities.

## LIABILITIES

The specialized nature of the activities of U.S. offices of foreign banks also results in sharp contrasts between the structure of their liabilities and that of large U.S. banks. Reflecting the



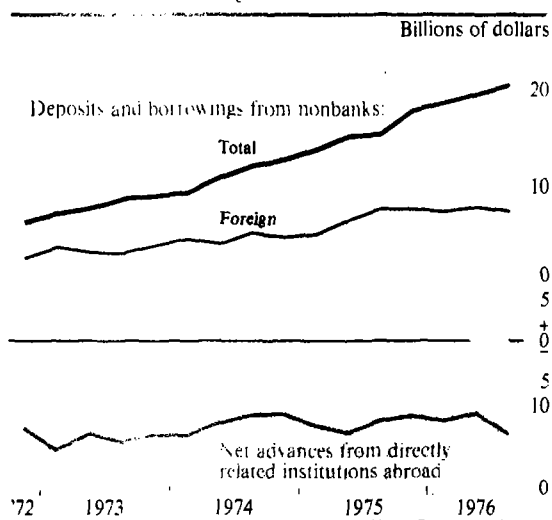
wholesale activities of agencies and branches, U.S. offices of foreign banks fund only a third of their total assets with deposits and other borrowings from nonbanks, whereas large U.S. banks fund about two-thirds of their total assets in this manner. Nevertheless, as seen in Chart 6, deposits and borrowings from nonbanks have risen from approximately \$6 billion in November 1972 to more than \$20 billion as of August 1976, constituting the single most important source of funds for U.S. offices of foreign banks.

The growth in deposits and borrowings from nonbanks has stemmed from two quite different sources (see Appendix Table). U.S. agencies and branches of foreign banks have accounted for \$7.3 billion of the increase; nearly two-thirds of this amount was derived from foreign sources, mostly in the form of foreign corporate and foreign official time deposits and other non-bank foreign borrowings. U.S. branches of continental European banks provided an active channel for shifting funds from the Euro-dollar market to the United States following the highly publicized collapse in mid-1974 of a German bank heavily engaged in foreign exchange activities. Subsequently, these banks continued to receive funds from foreign nonbank customers that wished to maintain dollar balances in the United States for reasons related to favorable interest differentials between U.S. and foreign money markets, or portfolio diversification, or exchange controls imposed by other countries.

U.S. banking subsidiaries of foreign banks accounted for about \$6.8 billion of the increase in deposits and other borrowings from nonbanks. This increase, however, consisted largely of domestic liabilities; domestic non-bank demand deposits increased about \$1.9 billion and domestic time deposits and other borrowings from nonbanks about \$4.3 billion. Such deposits increased considerably as a result of acquisitions of several existing large U.S. banks by foreign banks during this period.

U.S. agencies and branches of foreign banks also rely heavily on net borrowings from parent banks and other related institutions abroad to fund their lending activities. This dependency parallels the behavior of foreign branches of

CHART 6  
U.S. offices of foreign banks: sources of funds



F.R. data. Deposits and borrowings consist of credit balances, deposits, and all other borrowings from nonbanks and official institutions. Net interbank borrowings consist of domestic and foreign interbank money market liabilities less domestic and foreign interbank money market assets. Net advances from directly related institutions abroad include all liabilities to these institutions less all claims due from them.

U.S. banks, which also fund a significant share of their activities through advances from their parent banks and affiliated organizations. U.S. subsidiaries of foreign banks, on the other hand, transfer more limited amounts of funds to and from parent banks. From a low of about \$5 billion in early 1973, net advances to all U.S. offices of foreign banks from their parent organizations increased to \$8½ billion through late 1974, but have changed relatively little since. This stable pattern in aggregate net advances from related institutions abroad conceals considerable diversity among offices of different national origin, however. For specific groups of branches and agencies, net flows vis-a-vis parent banks and affiliated organizations abroad fluctuate in response to changing interest rate differentials between U.S. and foreign money markets and to regulatory policies of central banks.

Nevertheless, over the long run, U.S. branches and agencies of all foreign banks have manifested a strong tendency to depend signifi-

cantly on their parent bank organizations for funding their U.S. activities.

U.S. offices of foreign banks—while very active in both lending and borrowing interbank funds—have consistently relied on other banks as an additional net source of funds, except in recent months. Net interbank borrowing rose slowly from approximate balance in November 1972 to a peak of \$4 billion in February 1975, then tapered off, and since May 1976 has been in near balance.

The aggregate trend of net interbank borrowing, as in the case of net borrowing from directly related foreign institutions, reflects a composite of very diverse patterns among U.S. banking offices of different national origins. U.S. branches of banks of continental Western Europe, especially Switzerland, and to a lesser extent the United Kingdom, have persistently increased the volume of their gross and net interbank placements. An especially marked increase occurred in mid-1974, when a number of foreign banks shifted assets from the Euro-dollar market to their U.S. affiliates in the wake of severe strains in international financial markets. U.S. agencies of Canadian banks have also been significant net interbank lenders, although the levels of both gross and net interbank placements have declined over the period.

U.S. agencies of Japanese banks, on the other hand, have accounted for most of the net interbank borrowing of all U.S. offices of foreign banks. In fact, the increase in their net interbank borrowing from \$1 billion in late 1972 to \$6.5 billion at the end of 1974 and the decline thereafter to a level of around \$5 billion since April 1976 has been a dominant influence on the over-all trend of net interbank borrowing of U.S. offices of foreign banks.

## NATIONAL ORIGIN

Although, as a group, U.S. offices of foreign banks engage in a more specialized range of operations than large U.S. banks, offices of different national origin reveal considerable divergence in patterns of growth and in the specific types of activities in which they engage.

The activities and growth of these offices are shaped not only by economic and financial conditions in the United States but also by economic and financial conditions and by banking and exchange regulations in the home countries of the parent banks. Reflecting responses to a wide variety of conditions abroad, the composition of foreign bank activities by country of parent bank has changed markedly since November 1972 (Chart 7).

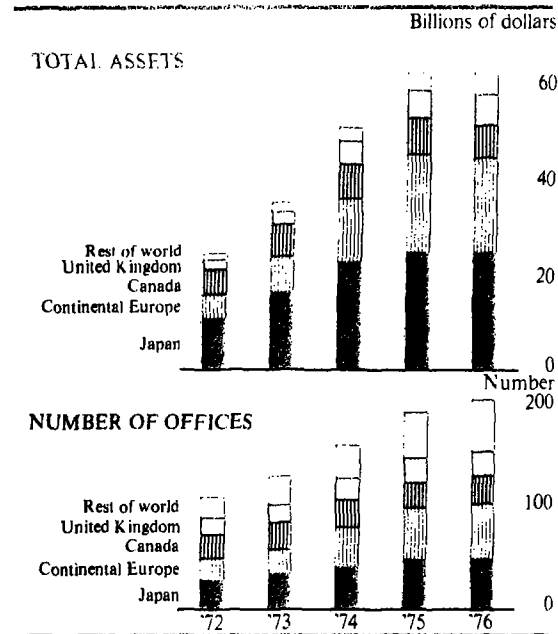
## JAPAN

Japanese bank offices in this country have concentrated on financing Japanese trade both with the United States and with other countries, and on financing U.S. subsidiaries of Japanese corporations. Commercial and industrial loans of these offices—currently accounting for about half the total for all foreign banks—rose from \$5.4 billion in November 1972 to \$10.8 billion in December 1974. Thereafter, these commercial loans declined gradually as a result of the sharp drop-off in U.S.-Japanese bilateral trade and Japanese trade with other countries.

U.S. offices of Japanese banks have remained heavily dependent upon net interbank borrowing from U.S. banks and on net advances from related foreign institutions for funding their lending operations. A substantial proportion of advances from related institutions abroad represents funds borrowed from U.S. banks in the name of parent Japanese banks and then recorded as advances by parent banks to their New York agencies. Similarly, agencies of Japanese banks also raise funds from U.S. banks that are recorded as liabilities of Japanese agencies in California, which in turn show these funds as advances to affiliated agencies in New York.

Following a request by the Board of Governors of the Federal Reserve System in June 1973 that U.S. agencies and branches of foreign banks voluntarily maintain reserves on increases in net borrowings from foreign banks above base-period levels, net advances from related institutions abroad have remained stable; on the other hand, advances from California agencies of Japanese banks to their New York and other U.S. affiliates have risen to more than \$4 billion.

## CHART 7

U.S. offices of foreign banks  
by national origin

F.R. data: 1972-75, November; 1976, August.

Total assets of U.S. offices of Japanese banks increased by \$2 billion in the past 2 years compared with an increase of \$11 billion in the previous year and three-quarters (Chart 7). This marked change in trend reflected a decline in Japanese agency assets beginning in early 1975, following earlier rapid increases. As a result, Japanese banks' share of assets of all U.S. offices of foreign banks shrank moderately, from 45 per cent in November 1972 to 40 per cent (\$24.8 billion) in August 1976.

## CONTINENTAL WESTERN EUROPE

U.S. offices of continental Western European banks concentrate heavily on money market and clearing activities and engage in less trade financing than do U.S. offices of Japanese banks. This is evidenced by large clearing and interbank items on their balance sheets and by the smaller volume of commercial and industrial loans relative to total assets. Moreover, these offices supply on a net basis to the Federal funds

and Euro-dollar markets large amounts of funds received from nonbank deposits and from related offices abroad. Two-thirds of these nonbank deposits are due to foreigners.

U.S. offices of banks in continental Western Europe have nearly quadrupled their assets from \$5 billion in November 1972 to \$19 billion as of August 1976, with their share of assets of all U.S.-based foreign bank offices increasing from 21 per cent to 31 per cent. U.S. offices of Swiss banks have accounted for a major share of this growth; currently they account for about one-third of the total assets of this group. U.S. offices whose parent banks are located in Germany, Italy, France, and—to a lesser extent—the Netherlands have also reached significant levels of activity.

In contrast to the preference of Japanese banks for the agency form of organization for conducting their U.S. operations, continental European banks have relied primarily on branches for expanding their activities in the United States. These branches more than tripled in number from November 1972 to August 1976, with an especially sharp expansion in 1974, and their total assets rose by more than \$10 billion. Assets of U.S. subsidiaries also increased by \$3 billion, about half of which reflected an acquisition of assets of a large New York bank that failed in late 1974.

During 1975 branches of continental Western European banks continued to expand their balance sheets in response to a more rapid decline in European than in U.S. short-term interest rates—resulting in continued inflows of funds through these branches into the U.S. interbank market—and in response to the growth in activities of branches newly established in 1974. In 1976, however, as the level of foreign deposits and advances from related banks abroad failed to expand further, branches increased their net interbank placements at a slower pace.

## CANADA

U.S. offices of Canadian banks, long active in the U.S. money markets, have concentrated on managing and clearing U.S. dollar balances for their parent banks, which derive dollar balances

from a wide variety of sources, including Canadian subsidiaries of U.S. corporations, U.S. and Canadian residents, offices in the Caribbean, and Euro-dollar operations. These balances are invested in the U.S. interbank market and in the Euro-dollar market. The money market position of these offices fluctuates quite sharply in the short run as Canadian banks shift funds among U.S., Canadian, Euro-dollar, and other short-term money markets. Over the longer run, however, the volume of net liabilities to parent banks in Canada has not increased; this may reflect in part a higher effective cost of these funds resulting from the request that reserves be held against increases in net borrowings from foreign banks and related institutions abroad. While their money market operations have remained relatively stable, U.S. offices of Canadian banks have steadily increased their commercial and industrial loans to a current level of \$2.2 billion. Since the end of 1973, total assets of these offices have ranged mostly between \$6.5 billion and \$7.5 billion.

#### UNITED KINGDOM

U.S. offices of banks in the United Kingdom held \$6.4 billion in assets as of August 1976, an increase of \$4.4 billion from November 1972. Of this increase, \$1.4 billion represented the acquisition of a major banking network in California. That acquisition substantially augmented retail loans and, to a lesser extent,

commercial and industrial loans to U.S. customers of U.K. subsidiaries in the United States and added significantly to their nonbank demand and time deposits. Most of the remaining expansion reflected a steady growth of commercial and industrial loans and of net lending in interbank markets by branch offices. This asset growth was funded by net advances from related offices abroad and by a significant increase in foreign time deposits.

#### OTHER COUNTRIES

U.S. offices of banks in other countries increased their total assets by \$3.3 billion, to \$4.4 billion as of August 1976. Banks from 5 Latin American countries, 10 Asian countries, and Australia have participated in this increase. These banks have relied on agency and branch offices much more than on subsidiaries for conducting their U.S. activities. U.S. agencies of these banks have expanded commercial and industrial and other loans as well as their net lending to parent banks and overseas affiliates. This growth in assets has been accompanied by an expansion of foreign credit balances and interbank borrowing. U.S. branches of these banks have been active in expanding commercial and industrial loans and are net interbank lenders. They rely primarily on foreign deposits and net borrowing from parent banks and affiliates for funding their operations. □

## APPENDIX TABLE

## Assets and liabilities of U.S. offices of foreign banks, August 1976

In millions of dollars

Item	All reporters	Agencies	Branches	Commercial banks	New York investment companies
<b>ASSETS</b>					
<b>Total</b> .....	<b>61,921</b>	<b>25,868</b>	<b>21,221</b>	<b>13,245</b>	<b>1,586</b>
<b>STANDARD BANKING ASSETS</b> .....	44,125	16,925	14,467	11,448	1,285
Loans and credits.....	23,806	10,276	6,157	6,798	575
Commercial and industrial.....	19,608	9,755	5,645	3,783	425
U.S.....	14,976	7,990	3,444	3,243	299
Foreign.....	4,632	1,765	2,201	540	126
Other loans.....	4,198	521	512	3,015	150
Money market assets.....	11,851	3,374	7,209	975	293
Interbank loans and deposits.....	11,161	3,018	6,977	874	293
U.S.....	7,270	2,383	4,048	738	100
Foreign.....	3,892	634	2,929	136	193
Loans for purchasing or carrying securities.....	690	357	232	101	1
Securities.....	3,729	659	456	2,436	179
Miscellaneous.....	4,738	2,616	646	1,239	237
<b>CLEARING BALANCES</b> .....	4,902	1,059	2,342	1,354	148
<b>DUE FROM DIRECTLY RELATED INSTITUTIONS</b> .....	12,894	7,884	4,412	443	154
U.S.....	5,384	4,451	758	121	54
Foreign.....	7,510	3,433	3,655	323	100
<b>LIABILITIES</b>					
<b>Total</b> .....	<b>61,921</b>	<b>25,868</b>	<b>21,221</b>	<b>13,245</b>	<b>1,586</b>
<b>STANDARD BANKING LIABILITIES</b> .....	35,782	12,567	11,274	11,097	845
Liabilities to nonbanks.....	20,356	2,082	8,001	9,732	541
Demand deposits and credit balances.....	4,652	498	961	3,030	163
U.S.....	3,591	272	474	2,784	61
Foreign.....	1,062	226	487	246	102
Time and savings deposits and other borrowings.....	15,704	1,584	7,040	6,702	378
U.S.....	9,407	458	2,918	6,008	22
Foreign.....	6,298	1,126	4,122	694	356
Interbank.....	11,210	7,871	2,643	593	102
U.S.....	10,268	7,769	1,877	525	97
Foreign.....	942	101	767	68	6
Miscellaneous.....	4,216	2,614	629	771	202
<b>CLEARING LIABILITIES</b> .....	3,196	1,107	1,323	454	312
<b>DUE TO DIRECTLY RELATED INSTITUTIONS</b> .....	20,942	11,872	8,458	348	264
U.S.....	5,771	3,040	2,499	212	19
Foreign.....	15,172	8,832	5,960	135	244
<b>CAPITAL ACCOUNTS AND RESERVES</b> .....	2,001	322	166	1,347	166

NOTE.—Details may not add to totals due to rounding.

# Changes in Time and Savings Deposits at Commercial Banks, January–April 1976

For the 3 months ending April 30, 1976, the growth of time and savings deposits of individuals, partnerships, and corporations (IPC) at insured commercial banks proceeded at approximately the same moderate pace observed during the three previous survey quarters. The most recent survey conducted jointly by the Federal Reserve System and the Federal Deposit Insurance Corporation (FDIC) indicates that time and savings deposits, IPC, rose at a 9.6 per cent annual rate to a level of \$401 billion, not seasonally adjusted, after having risen at a 9.2 per cent rate in the previous 3 months. With interest rates paid on consumer-type time and savings deposits remaining near the maximum allowable rates at most banks and with short-term Treasury bill issues yielding below 5 per cent during most of the period, savings deposits and small denomination (less than \$100,000) time deposits expanded sharply for the second consecutive quarter. In contrast, large-denomination (\$100,000 and over) certificates of deposit (CD's)—both negotiable and nonnegotiable—declined in absolute volume, as banks cut offering rates to slow inflows of such deposits in light of other strong deposit inflows and the continuing weak demand for business loans.<sup>1</sup>

The aggregate weighted-average interest cost on savings and small-denomination time deposits remained at 5.54 per cent—the result of a balancing in the growth of low-cost savings deposits and relatively higher-cost consumer-type time deposits. The survey data also indicate that neither bank size nor location is related to

the average rates offered on specific types of deposits. However, the largest banks, because they hold proportionately more savings than consumer-type time deposits, pay a lower overall average rate on the total of consumer-type time and savings deposits.

## SAVINGS DEPOSITS

With yields on market securities relatively low, offering rates on banks' savings deposits—a significant volume of which earn interest from day of deposit to day of withdrawal—were particularly attractive, and such deposits expanded at an annual rate of about 30 per cent over the February to April interval. This increase—the largest since the survey began in 1968—was mainly a reaction to the rate advantage of commercial bank savings deposits relative to money market assets; in early January the 3-month Treasury bill rate dropped below the ceiling on commercial bank savings deposits for the first time in more than 3 years.

In addition to the inducement offered by relatively attractive rates, regulatory changes in November 1975 permitting profitmaking organizations to hold savings deposits also contributed to the acceleration in growth of such deposits. For the 3 months ending in April, savings balances of businesses at the approximately 320 large commercial banks for which data are available accounted for about one-fifth of the total savings deposit inflows at those banks. According to a survey conducted by the Federal Reserve, a significant proportion of the rise in business savings during the November–December 1975 period probably reflected transfers from demand balances. However, in view of the rate incentives that prevailed during the February–April period, a substantial portion of

NOTE.—Virginia Lewis and John R. Williams of the Board's Division of Research and Statistics prepared this article.

<sup>1</sup>Business loans at all commercial banks declined \$1.7 billion, not seasonally adjusted, during the February–April period.

the funds deposited in business accounts during that period probably represented a substitution of savings deposits for relatively low-yielding alternative market assets.

## SMALL-DENOMINATION TIME DEPOSITS

Growth in the outstanding volume of small-denomination time deposits remained strong over the January–April interval, registering about a 14.0 per cent annual rate of growth. Deposits with original maturities greater than 4 years recorded the sharpest percentage increase, in large part because Regulation Q permits higher rates to be paid on longer-maturity deposits. Since certificates maturing in 4 years or more were first offered in mid-1973, their proportion of total small-denomination time deposits has

increased from 3.8 to 32.7 per cent in April 1976. For the previous survey year alone, these longer-maturity, small-denomination time deposits increased their relative share of consumer-type time deposits by more than 6.0 percentage points. Nevertheless, after having declined absolutely in late 1975, small-denomination time deposits maturing in less than 1 year displayed positive growth for the second consecutive quarter, perhaps reflecting use of such deposits as temporary investments while yields on market instruments remained low.

## LARGE-DENOMINATION TIME DEPOSITS

Between January and April commercial banks allowed a substantial volume of large-denomination time deposits to run off, reflecting pro-

TABLE 1

Types of time and savings deposits of individuals, partnerships, and corporations held by insured commercial banks on survey dates, July 31, 1975–April 30, 1976

Type of deposit	Number of issuing banks				Amount (in millions of dollars)				Percentage change in deposits (quarterly rate)	
	1975		1976		1975		1976		Oct. 31– Jan. 31	Jan. 31– Apr. 30
	July 31	Oct. 31	Jan. 31	Apr. 30	July 31	Oct. 31	Jan. 31	Apr. 30		
Total time and savings deposits ..	14,305	14,378	14,369	14,449	375,731	383,485	392,385	401,673	2.3	2.4
Savings .....	14,088	14,214	14,206	14,287	151,965	154,282	165,470	178,190	7.3	7.7
Time deposits in denominations of less than \$100,000—Total .....	14,194	14,280	14,266	14,347	128,771	131,580	136,953	141,868	4.1	3.6
Accounts with original maturity of—										
Less than 1 year .....	13,587	13,719	13,699	13,824	37,443	31,262	38,424	40,019	3.1	4.2
1 up to 2½ years .....	13,858	14,003	14,024	14,129	35,872	35,397	36,006	36,093	1.7	.2
2½ up to 4 years .....	12,592	12,659	12,732	12,829	19,500	20,318	20,453	19,357	.7	-5.4
4 up to 6 years .....	12,047	12,188	12,296	12,471	32,658	34,553	36,773	39,785	6.4	8.2
6 years and over:										
Negotiable deposits .....	4,371	4,623	5,230	5,491	1,464	1,664	2,150	2,648	29.2	23.2
Nonnegotiable deposits .....	2,098	2,296	2,534	2,729	1,834	2,386	3,147	3,966	31.9	26.0
All maturities: Open accounts—Passbook or statement form <sup>1</sup> .....	3,866	3,921	3,898	3,990	31,125	31,820	32,622	33,876	2.5	3.8
Time deposits in denominations of \$100,000 or more .....	8,442	8,699	8,684	8,719	89,008	92,241	85,049	76,047	-7.8	-10.6
Negotiable CD's .....	3,976	3,960	3,808	3,758	62,830	64,895	58,840	52,725	-9.3	-10.4
Nonnegotiable CD's and open account .....	4,943	5,230	5,357	5,502	26,178	27,346	26,209	23,322	-4.2	-11.0
Christmas savings and other special funds .....	9,039	8,226	8,826	9,011	5,987	5,382	4,913	5,568	-8.7	13.3

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

NOTE.—Data were compiled jointly by the Board of Governors of the Federal Reserve System and the Federal Deposit Insurance

Corporation. The information was reported by a probability sample of all insured commercial banks.

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

TABLE 2

Small-denomination time and savings deposits, IPC, held by insured commercial banks on January 31, 1976 and April 30, 1976, by type of deposit, by most common rate paid on new deposits in each category, and by size of bank

Deposit group, and distribution of deposits by most common rate	All banks		Size of bank (total deposits in millions of dollars)				All banks		Size of bank (total deposits in millions of dollars)			
			Less than 100		100 and over				Less than 100		100 and over	
	Apr. 30	Jan. 31	Apr. 30	Jan. 31	Apr. 30	Jan. 31	Apr. 30	Jan. 31	Apr. 30	Jan. 31	Apr. 30	Jan. 31
	Number of banks, or percentage distribution						Amount of deposits (in millions of dollars), or percentage distribution					
<b>Savings deposits:</b>												
Issuing banks.....	14,287	14,206	13,369	13,254	918	952	178,190	165,470	69,092	65,208	109,098	100,262
Distribution:												
Total.....	100	100	100	100	100	100	100	100	100	100	100	100
4.00 or less.....	5.3	5.9	5.3	5.8	6.3	6.1	4.0	4.0	3.0	3.3	4.8	4.6
4.01-4.50.....	5.5	5.6	5.1	5.2	11.6	11.6	8.2	9.1	5.2	6.1	10.0	11.0
4.51-5.00.....	89.2	88.5	89.6	89.0	82.1	82.3	87.8	86.9	91.8	90.6	85.2	84.4
MEMO: paying ceiling rate <sup>2</sup> .....	89.1	88.5	89.6	88.9	81.6	82.1	87.3	86.6	91.7	90.4	84.6	84.1
<b>Time deposits in denomina- tions of less than \$100,000:</b>												
<b>Maturing in—</b>												
<b>Less than 1 year:</b>												
Issuing banks.....	13,824	13,699	12,905	12,748	919	951	40,019	38,424	17,348	17,129	22,671	21,295
Distribution:												
Total.....	100	100	100	100	100	100	100	100	100	100	100	100
5.00 or less.....	6.5	7.7	6.6	7.8	6.0	6.1	4.6	6.4	2.7	5.3	6.1	7.3
5.01-5.50.....	93.5	92.3	93.4	92.2	94.0	93.9	95.4	93.6	97.3	94.7	93.9	92.7
MEMO: paying ceiling rate <sup>2</sup> .....	92.3	91.7	92.3	91.5	92.1	93.2	93.5	93.0	95.7	94.1	91.7	92.0
<b>1 up to 2½ years:</b>												
Issuing banks.....	14,129	14,024	13,218	13,083	911	941	36,093	36,006	23,763	23,854	12,330	12,152
Distribution:												
Total.....	100	100	100	100	100	100	100	100	100	100	100	100
5.50 or less.....	1.8	1.7	1.8	1.7	1.6	1.7	2.2	1.7	1.6	1.0	3.2	3.0
5.51-6.00.....	98.2	98.3	98.2	98.3	98.4	98.3	97.8	98.3	98.4	99.0	96.8	97.0
MEMO: paying ceiling rate <sup>2</sup> .....	97.4	97.2	97.4	97.2	96.7	96.6	97.0	97.1	97.9	98.0	95.4	95.1
<b>2½ up to 4 years:</b>												
Issuing banks.....	12,829	12,732	11,946	11,815	883	917	19,357	20,453	11,726	12,357	7,631	8,096
Distribution:												
Total.....	100	100	100	100	100	100	100	100	100	100	100	100
5.50 or less.....	.1	( <sup>1</sup> )	.1	( <sup>1</sup> )	.1	.1	.1	( <sup>1</sup> )	.2	( <sup>1</sup> )	.1	( <sup>1</sup> )
5.51-6.00.....	1.2	1.1	1.2	1.0	1.6	1.6	1.2	1.1	.5	.4	2.3	2.1
6.01-6.50.....	98.7	98.9	98.7	99.0	98.3	98.3	98.7	98.9	99.3	99.6	97.6	97.9
MEMO: paying ceiling rate <sup>2</sup> .....	98.3	98.7	98.4	98.5	97.2	97.7	98.0	98.4	98.6	98.8	97.0	97.7
<b>4 up to 6 years:</b>												
Issuing banks.....	12,471	12,296	11,593	11,382	878	914	39,785	36,773	20,100	18,076	19,685	18,697
Distribution:												
Total.....	100	100	100	100	100	100	100	100	100	100	100	100
6.50 or less.....	1.2	1.1	1.2	1.1	1.7	1.7	1.3	.3	.5	.3	2.2	.5
6.51-7.00.....	15.4	15.1	15.8	15.5	10.4	10.0	9.5	10.0	11.3	11.3	7.6	8.7
7.01-7.25.....	83.4	83.8	83.0	83.4	87.9	88.3	89.2	89.7	88.2	88.4	90.2	90.8
MEMO: paying ceiling rate <sup>2</sup> .....	83.2	83.5	82.8	83.1	87.3	87.9	88.9	89.3	87.8	87.8	90.1	90.7
<b>6 years and over—</b>												
<b>Negotiable deposits:</b>												
Issuing banks.....	5,491	5,230	5,178	4,923	313	307	2,648	2,150	1,614	1,308	1,034	842
Distribution:												
Total.....	100	100	100	100	100	100	100	100	100	100	100	100
6.00 or less.....	.4	.3	.3	.2	2.7	1.0	.2	.4	.2	.6	.3	.1
6.01-7.00.....	.9	1.0	.7	.9	3.6	2.7	1.7	1.6	2.1	2.1	.9	.6
7.01-7.50.....	98.7	98.7	99.0	98.9	93.7	96.3	98.1	98.0	97.7	97.3	98.8	99.3
MEMO: paying ceiling rate <sup>2</sup> .....	94.8	95.9	95.0	96.1	90.7	92.5	93.0	92.0	96.1	96.0	88.0	85.7
<b>6 years and over—Non-     negotiable deposits:</b>												
Issuing banks.....	2,729	2,534	2,242	2,011	487	523	3,966	3,147	1,095	776	2,871	2,371
Distribution:												
Total.....	100	100	100	100	100	100	100	100	100	100	100	100
6.00 or less.....	.8	1.2	.8	1.4	.4	.6	.2	.1	.5	.3	.1	.1
6.01-7.00.....	.6	.7	.2	.4	2.6	1.6	2.7	4.3	.2	( <sup>1</sup> )	3.6	5.6
7.01-7.50.....	98.6	98.1	99.0	98.2	97.0	97.8	97.1	95.6	99.3	99.7	96.3	94.3
MEMO: paying ceiling rate <sup>2</sup> .....	96.5	96.0	97.0	96.3	94.0	94.8	95.6	92.3	96.8	94.6	95.1	91.5

For notes, see p. 831.



longed weak business loan demand, coupled with the rapid growth in consumer-type time and savings deposits. This continues the pattern that began in early 1975; between January 1975 and April 1976 the outstanding volume of large-denomination time deposits—including negotiable and nonnegotiable CD's and open accounts—contracted by \$26.0 billion. Moreover, the decline was proportionally divided between negotiable and nonnegotiable deposits, with both

categories declining approximately 25 per cent. With yields on commercial paper and on other money market instruments dropping from 10 to 25 basis points, rates of interest on large-denomination time deposits also declined during the 3 months ending in April. At the end of April, three-fourths of all large CD's outstanding were at banks offering rates of less than 5.5 per cent; the proportion in January was about three-fifths. □

TABLE 3

Average of most common interest rates paid on various categories of time and savings deposits, IPC, at insured commercial banks on April 30, 1976

Bank location and size of bank (total deposits in millions of dollars)	Savings and small-denomination time deposits	Savings	Time deposits in denominations of less than \$100,000						
			Total	Maturing in—				6 years and over—	
				Less than 1 year	1 up to 2½ years	2½ up to 4 years	4 up to 6 years	Negotiable deposits	Nonnegotiable deposits
<b>All banks:</b>									
All size groups . . . . .	5.54	4.92	6.32	5.47	5.99	6.49	7.21	7.47	7.47
Less than 10 . . . . .	5.77	4.91	6.23	5.47	5.99	6.50	7.20	7.50	7.49
10-50 . . . . .	5.69	4.94	6.35	5.49	5.99	6.49	7.22	7.49	7.49
50-100 . . . . .	5.57	4.96	6.35	5.48	5.99	6.49	7.22	7.41	7.48
100-500 . . . . .	5.49	4.90	6.33	5.47	5.99	6.49	7.21	7.47	7.48
500 and over . . . . .	5.40	4.90	6.31	5.46	5.98	6.49	7.21	7.43	7.46
<b>Banks in</b>									
<b>Selected large SMSA's<sup>1</sup>:</b>									
All size groups . . . . .	5.44	4.92	6.32	5.47	5.98	6.48	7.21	7.44	7.46
Less than 10 . . . . .	5.62	4.93	6.30	5.48	5.98	6.47	7.18	7.50	7.48
10-50 . . . . .	5.50	4.94	6.35	5.48	5.98	6.47	7.20	7.48	7.48
50-100 . . . . .	5.51	4.95	6.35	5.48	5.98	6.49	7.22	7.35	7.44
100-500 . . . . .	5.45	4.91	6.31	5.47	5.99	6.50	7.22	7.49	7.47
500 and over . . . . .	5.40	4.91	6.31	5.46	5.97	6.48	7.21	7.41	7.46
<b>All other SMSA's:</b>									
All size groups . . . . .	5.53	4.87	6.33	5.48	5.99	6.49	7.22	7.48	7.49
Less than 10 . . . . .	5.68	4.86	6.34	5.48	6.00	6.50	7.20	7.50	7.50
10-50 . . . . .	5.66	4.90	6.38	5.48	5.99	6.49	7.23	7.49	7.48
50-100 . . . . .	5.58	4.94	6.34	5.48	6.00	6.50	7.22	7.50	7.50
100-500 . . . . .	5.49	4.88	6.32	5.46	5.99	6.49	7.21	7.45	7.48
500 and over . . . . .	5.37	4.75	6.27	5.49	6.00	6.50	7.20	7.50	7.50
<b>Banks outside SMSA's:</b>									
All size groups . . . . .	5.75	4.95	6.32	5.48	5.99	6.50	7.22	7.50	7.50
Less than 10 . . . . .	5.79	4.91	6.22	5.47	5.99	6.50	7.21	7.49	7.50
10-50 . . . . .	5.77	4.95	6.34	5.49	5.99	6.50	7.22	7.50	7.50
50-100 . . . . .	5.70	4.99	6.37	5.48	6.00	6.50	7.23	7.50	7.50
100-500 . . . . .	5.61	4.89	6.39	5.47	5.96	6.45	7.21	7.48	7.50
500 and over . . . . .	5.79	5.00	6.45	5.50	6.00	6.50	7.25	7.50	7.50

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

New York City  
Los Angeles-Long Beach  
Chicago  
Philadelphia  
Detroit  
San Francisco-Oakland  
Washington, D.C.  
Boston  
Pittsburgh  
St. Louis  
Baltimore  
Cleveland  
Houston  
Newark

Minneapolis-St. Paul  
Seattle-F Everett  
Milwaukee  
Atlanta  
Cincinnati  
Paterson-Clifton-Passaic  
Dallas  
Buffalo  
San Diego  
Miami  
Kansas City  
Denver  
San Bernardino-Riverside  
Indianapolis

San Jose  
New Orleans  
Tampa-St. Petersburg  
Portland  
Phoenix  
Columbus  
Rochester  
San Antonio  
Dayton  
Louisville  
Sacramento  
Memphis  
Ft. Worth  
Birmingham

Albany-Schenectady-Troy  
Akron  
Hartford  
Norfolk-Portsmouth  
Syracuse  
Gary-Hammond-E. Chicago  
Oklahoma City  
Honolulu  
Ft. Lauderdale-Hollywood  
Jersey City  
Salt Lake City  
Omaha  
Nashville-Davidson  
Youngstown-Warren

Richmond  
Jacksonville  
Flint  
Tulsa  
Orlando  
Charlotte  
Wichita  
West Palm Beach  
Des Moines  
Ft. Wayne  
Baton Rouge  
Rockford  
Jackson, Miss.

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

## APPENDIX TABLES

## 1. Savings deposits

Most common interest rates paid by insured commercial banks on new deposits on April 30, 1976

Group	Total	Most common rate paid (per cent)				Total	Most common rate paid (per cent)			
		4.00 or less	4.50	5.00	Memo: ceiling rate <sup>3</sup>		4.00 or less	4.50	5.00	Memo: ceiling rate <sup>3</sup>
NUMBER OF BANKS					MILLIONS OF DOLLARS					
All banks.....	14,287	764	785	12,738	12,728	178,190	7,226	14,561	156,403	155,634
Size of bank (total deposits in millions of dollars):										
Less than 10.....	4,444	423	131	3,890	3,890	5,655	406	123	5,126	5,126
10-50.....	7,673	254	489	6,930	6,925	43,272	1,209	2,587	39,476	39,369
50-100.....	1,252	29	59	1,164	1,164	20,164	434	894	18,836	18,836
100-500.....	736	45	83	608	605	38,915	1,981	3,796	33,138	32,903
500 and over.....	182	13	23	146	144	70,184	3,196	7,161	59,827	59,400

## 2. Time deposits, IPC, in denominations of less than \$100,000—

Maturing in less than 1 year

Most common interest rates paid by insured commercial banks on new deposits on April 30, 1976

Group	Total	Most common rate paid (per cent)			Total	Most common rate paid (per cent)		
		5.00 or less	5.50	Memo: ceiling rate <sup>3</sup>		5.00 or less	5.50	Memo: ceiling rate <sup>3</sup>
NUMBER OF BANKS				MILLIONS OF DOLLARS				
All banks.....	13,824	902	12,922	12,759	40,019	1,845	38,174	37,403
Size of bank (total deposits in millions of dollars):								
Less than 10.....	4,276	354	3,922	3,901	1,651	78	1,573	1,530
10-50.....	7,387	439	6,948	6,881	10,813	251	10,562	10,522
50-100.....	1,242	54	1,188	1,131	4,884	139	4,745	4,553
100-500.....	737	40	697	683	9,221	514	8,707	8,551
500 and over.....	182	15	167	163	13,450	863	12,587	12,247

## 3. Time deposits, IPC, in denominations of less than \$100,000—

Maturing in 1 up to 2½ years

Most common interest rates paid by insured commercial banks on new deposits on April 30, 1976

Group	Total	Most common rate paid (per cent)			Total	Most common rate paid (per cent)		
		5.50 or less	6.00	Memo: ceiling rate <sup>3</sup>		5.50 or less	6.00	Memo: ceiling rate <sup>3</sup>
NUMBER OF BANKS				MILLIONS OF DOLLARS				
All banks.....	14,129	256	13,873	13,758	36,093	784	35,309	35,017
Size of bank (total deposits in millions of dollars):								
Less than 10.....	4,363	80	4,283	4,279	5,052	66	4,986	4,984
10-50.....	7,607	143	7,464	7,384	15,400	282	15,118	15,039
50-100.....	1,248	19	1,229	1,215	3,311	36	3,275	3,235
100-500.....	730	9	721	710	5,064	97	4,967	4,885
500 and over.....	181	5	176	170	7,266	303	6,963	6,874

For notes to Appendix Tables 1-8, see p. 831.

4. Time deposits, IPC, in denominations of less than \$100,000—  
Maturing in 2½ years up to 4 years

Most common interest rates paid by insured commercial banks on new deposits on April 30, 1976

Group	Total	Most common rate paid (per cent)			Total	Most common rate paid (per cent)		
		6.00 or less	6.50	Memo: ceiling rate <sup>3</sup>		6.00 or less	6.50	Memo: ceiling rate <sup>3</sup>
		NUMBER OF BANKS				MILLIONS OF DOLLARS		
All banks.....	12,829	170	12,659	12,614	19,357	260	19,097	18,968
Size of bank (total deposits in millions of dollars):								
Less than 10.....	3,569	33	3,536	3,536	1,684	9	1,675	1,675
10-50.....	7,162	76	7,086	7,053	7,970	53	7,917	7,839
50-100.....	1,215	45	1,170	1,167	2,072	15	2,057	2,050
100-500.....	712	14	698	691	2,945	(2)	(2)	2,867
500 and over.....	171	2	169	167	4,686	(2)	(2)	4,537

5. Time deposits, IPC, in denominations of less than \$100,000—  
Maturing in 4 years up to 6 years

Most common interest rates paid by insured commercial banks on new deposits on April 30, 1976

Group	Total	Most common rate paid (per cent)				Total	Most common rate paid (per cent)			
		6.50 or less	7.00	7.25	Memo: ceiling rate <sup>3</sup>		6.50 or less	7.00	7.25	Memo: ceiling rate <sup>3</sup>
		NUMBER OF BANKS					MILLIONS OF DOLLARS			
All banks.....	12,471	149	1,926	10,396	10,369	39,785	514	3,769	35,502	35,383
Size of bank (total deposits in millions of dollars):										
Less than 10.....	3,454	22	780	2,652	2,652	1,849	5	327	1,517	1,517
10-50.....	6,944	81	957	5,906	5,884	13,294	53	1,515	11,726	11,631
50-100.....	1,196	32	97	1,067	1,067	4,957	29	434	4,494	4,494
100-500.....	704	10	77	617	612	8,435	127	743	7,565	7,541
500 and over.....	173	4	15	154	154	11,250	300	750	10,200	10,200

6. Time deposits, IPC, in denominations of less than \$100,000—  
Maturing in 6 years or more—negotiable and nonnegotiable deposits

Most common interest rates paid by insured commercial banks on new deposits on April 30, 1976

Group	Total	Most common rate paid (per cent)				Total	Most common rate paid (per cent)			
		6.50 or less	7.00	7.50	Memo: ceiling rate <sup>3</sup>		6.50 or less	7.00	7.50	Memo: ceiling rate <sup>3</sup>
		NUMBER OF BANKS					MILLIONS OF DOLLARS			
All banks.....	8,219	78	31	8,110	7,835	6,614	75	88	6,451	6,253
Size of bank (total deposits in millions of dollars):										
Less than 10.....	1,670			1,670	1,572	184			184	180
10-50.....	4,792	42	7	4,743	4,614	1,785	5	(1)	1,780	1,737
50-100.....	958	16	10	932	908	740	33	7	700	694
100-500.....	626	16	12	598	580	1,488	(2)	(2)	1,462	1,434
500 and over.....	173	4	2	167	161	2,417	(2)	(2)	2,325	2,208

For notes to Appendix Tables 1-8, see p. 831.

7. Negotiable CD's, IPC, in denominations of \$100,000 or more

Most common interest rates paid by insured commercial banks on new deposits on April 30, 1976

Group	Most common rate paid (per cent)							Most common rate paid (per cent)						
	Total	5.00 or less	5.50	6.00	6.50	7.00	7.50 or more	Total	5.00 or less	5.50	6.00	6.50	7.00	7.50 or more
	NUMBER OF BANKS							MILLIONS OF DOLLARS						
All banks	3,758	676	838	919	359	242	724	52,725	23,808	15,714	6,323	2,922	2,712	1,246
Size of bank (total deposits in millions of dollars):														
Less than 10	646	56	164	216	45	28	137	174	16	35	68	15	12	28
10-50	2,224	291	472	548	232	144	537	2,401	399	473	596	298	120	515
50-100	413	126	68	84	39	59	37	1,717	295	344	368	352	82	276
100-500	318	129	92	48	31	8	10	4,712	1,969	1,536	598	447	48	114
500 and over	157	74	42	23	12	3	3	43,721	21,129	13,326	4,693	1,810	2,450	313

8. Nonnegotiable CD's and open account deposits, IPC, in denominations of \$100,000 or more

Most common interest rates paid by insured commercial banks on new deposits on April 30, 1976

Group	Most common rate paid (per cent)							Most common rate paid (per cent)						
	Total	5.00 or less	5.50	6.00	6.50	7.00	7.50 or more	Total	5.00 or less	5.50	6.00	6.50	7.00	7.50 or more
	NUMBER OF BANKS							MILLIONS OF DOLLARS						
All banks	5,502	1,278	1,365	1,260	578	531	490	23,322	7,106	9,990	4,003	1,078	657	488
Size of bank (total deposits in millions of dollars):														
Less than 10	667	217	91	163	69	27	100	168	51	15	26	25	33	18
10-50	3,264	585	752	736	421	446	324	3,022	632	643	778	323	388	258
50-100	860	222	277	255	34	37	35	2,264	556	1,109	382	45	129	43
100-500	553	201	186	86	42	18	20	5,879	1,875	2,422	908	498	78	98
500 and over	158	53	59	20	12	3	11	11,989	3,992	5,801	1,909	187	29	71

NOTES TO APPENDIX TABLES 1-8:

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

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

<sup>3</sup> See p. A-8 for maximum interest rates payable on time and savings deposits at the time of each survey. Note that the ceiling rate is included in the rate interval in the column to the left.

NOTE.—Data were compiled from information reported by a probability sample of member and insured nonmember commercial banks. The data were expanded to provide universe estimates.

Figures exclude banks that reported no interest rate paid and that held no deposits on the survey dates, and they also exclude a few banks that had discontinued issuing these instruments but still had some deposits outstanding on the survey date. Dollar amounts may not add to totals because of rounding.

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

NOTES TO TABLE 2:

<sup>1</sup> Less than .05 per cent.

<sup>2</sup> See p. A-8 for maximum interest rates payable on time and savings deposits at the time of each survey. Note that the ceiling rate is included in rate interval in the line above.

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

deposit inflows during the 30-day period. If the rate changed during that period, the rate reported was the rate prevailing on the largest dollar volume of inflows from the time of the last rate change to the survey date.

While rate ranges of ¼ or ½ of a percentage point are shown in this and other tables, the most common rate reported by most banks was the top rate in the range; for example, 4.00, 4.50, etc. Some deposit categories exclude a small amount of deposits outstanding in a relatively few banks that no longer issue these types of deposits and are not included in the number of issuing banks.

Figures may not add to totals because of rounding.

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## Statement to Congress

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*Statement by Philip C. Jackson, Jr., Member, Board of Governors of the Federal Reserve System, before the Subcommittee on Commerce, Consumer, and Monetary Affairs of the Committee on Government Operations, U.S. House of Representatives, September 16, 1976.*

I welcome the opportunity to testify today before the Subcommittee on Commerce, Consumer, and Monetary Affairs regarding the issue of enforcement of the Truth in Lending Act. The Board of Governors appreciates your interest in our enforcement efforts. As you are aware, the Board's staff and members of the subcommittee staff have met on a number of occasions during the last few weeks in preparation for these hearings. I would like to begin by presenting an overview of the Federal Reserve System's previous effort at enforcement of Truth in Lending and the new plan for enforcement of all consumer laws and regulations in the future.

The Federal Reserve System has a dual responsibility under the Truth in Lending Act. First, the Board of Governors has the responsibility to issue regulations to implement the Act. To this end, the Board issued Regulation Z in 1969. These regulations apply to *all* persons and entities who regularly extend consumer credit. This task also includes the issuance of numerous amendments and interpretations designed to resolve uncertainties as to the impact of the legislation. The staff has also issued more than 1,100 public position letters regarding the Regulation.

While the Board's emphasis has been on rulewriting, the Federal Reserve System also has responsibility to enforce the Regulation among some 1,050 State chartered banks that are members of the System. This enforcement responsibility is carried out in the first instance

by the 12 Federal Reserve Banks, which maintain a force of examining personnel who perform annual examinations of the State member banks.

Compliance by State member banks is monitored through a review of each bank's formal policies and procedures, as well as an examination of the actual practices followed. To illustrate, compliance with Truth in Lending requirements is verified through review of the bank's policies and procedures in granting direct and indirect consumer loans, the disclosure forms used in connection with those loans, and copies of its advertising. Violations are called to the attention of management with a view toward informing the bank of the law's requirements, obtaining correction, and getting the bank to adopt measures to prevent future occurrences. Violations and the bank management's plan for correction are also noted on a separate page in the Examination Report. Depending upon the nature and seriousness of the violation, the Federal Reserve Bank, in transmitting a copy of the Examination Report to the bank, may highlight the violation and ask for management's response by a given date as to the action taken to prevent recurrences of the violation. Of course, during any subsequent examination, a determination is made as to whether violations previously cited have been corrected.

Enforcement of the Truth in Lending Act is also carried out through the investigation of consumer complaints concerning the State member banks. During the first half of 1976, the 12 Federal Reserve Banks handled 1,131 complaints. Two-thirds of these complaints were investigated by the Reserve Banks, as they related to State member banks. The remaining one-third involved creditors not under the System's direct supervision and were forwarded to the appropriate enforcement agency. Where

violations of the Act have been found, the banks are told to correct them. The Board is made aware of compliance deficiencies at State member banks by the Reserve Banks, which prepare a quarterly report for the Board summarizing the consumer complaint activity.

The Board and the Federal Reserve Banks have taken a number of steps to provide examiners with the training and investigatory tools needed to perform effective Truth in Lending compliance reviews. Before Regulation Z became effective (July 1, 1969), members of the Board's staff conducted seminars for examiners at the Federal Reserve Banks explaining the requirements of the Regulation. This program was repeated in 1973. In addition, the Board prepared an extensive examination manual and checklist on Truth in Lending designed to be used by examiners for enforcing Regulation Z. In connection with the Fair Credit Billing Act, the Board conducted intensive reviews of the new requirements for both the key examination personnel of the Reserve Banks and for persons from the other Federal enforcement agencies. In addition, the Federal Reserve Banks have held numerous training sessions for examiners, particularly newly appointed examiners.

Each System examiner attends our Assistant Examiner and Examiner Schools, which devote time to explaining Regulation Z and to training examiners to determine whether State member banks are in compliance with the law. It should be noted that some examiners from State banking departments also attend the System's schools.

Since enactment of the Truth in Lending Act in 1968, the Board has conducted an extensive consumer and creditor educational program relating to the Act and to Regulation Z. Education to assist the consumer in understanding the information and other benefits that the legislation is intended to provide is regarded as very important. Newspaper articles, interviews, and radio appearances continue to be used in our efforts to acquaint the general public with the Truth in Lending Act. Consumer affairs liaison officers and staff at the Federal Reserve Banks also conduct frequent meetings and seminars for creditor and consumer groups.

The Board believes that education of creditors is an important device in preventing noncompliance problems. As an example of this educational program, following the passage of the recent Fair Credit Billing Amendments to the Act and the Board's issuance of implementing amendments to Regulation Z, the Board's staff participated in numerous meetings and seminars for the purpose of explaining to creditors the new provisions and requirements. Approximately 6,200 creditors attended these meetings, which were held throughout the United States during 1975.

The System has also distributed more than two million copies of a pamphlet that contains provisions of both the Act and Regulation Z, as well as questions and answers concerning compliance matters. In addition, more than 3½ million copies of a leaflet explaining the basics of Truth in Lending to consumers have been distributed, including more than a half-million copies of a Spanish language version. Our staff is developing similar pamphlets on the provisions of the Fair Credit Billing and Equal Credit Opportunity Acts.

Up to this point, the System has been able to utilize the standard bank examination process to determine State member bank compliance with Truth in Lending. However, with the growth of consumer credit legislation, we recognize the need for expanding our enforcement efforts. These new consumer-oriented laws, all of which have been enacted during the past 2 years, include the Fair Credit Billing Act, Equal Credit Opportunity Act, Consumer Leasing Act, Home Mortgage Disclosure Act, Real Estate Settlement Procedures Act, and the provisions of the Federal Trade Commission Improvement Act relating to unfair and deceptive acts and practices by banks. In recognition of this expansion, the Board has recently approved the following program.

1. The establishment of a special consumer compliance examination school to be held in Washington, D.C. This school will acquaint examiners more fully with the requirements of the many consumer credit regulations and the methods for enforcing them. The first school is scheduled to begin September 27, 1976, and

additional schools will be scheduled thereafter.

2. Institution of an intensive educational and advisory service in each Federal Reserve Bank to assist State member banks in their efforts toward compliance. Each Reserve Bank is establishing a team of specialists to assist State member banks in complying with the Board's consumer regulations.

3. Special examination of State member banks shortly to be initiated by bank examiners who have received special training in the consumer credit regulations. These examinations ordinarily would be conducted and scheduled to coincide with the regular commercial examinations, but they may, at times, be scheduled separately. After the first 24 months of the program (December 31, 1978), a thorough evaluation of the program would be conducted.

4. The immediate formation of a special task force, comprised of representatives from the Board and the examining departments of the Federal Reserve Banks, to study and promptly report to the Board on the following issues:

a. The implementation of specific examination procedures to carry out consumer regulation compliance.

b. The appropriate sample size needed to measure a bank's compliance with the regulations, for example, the quantity of disclosure forms, finance charge computations, and annual percentage rate calculations to be reviewed.

c. The determination of what steps should be taken when violations are discovered.

d. The expansion of the System's public education program to inform creditors and consumers about the new consumer legislation.

5. A plan to involve the new Consumer Advisory Council to the fullest extent possible in bringing to its attention Truth in Lending abuses.

The efforts outlined above should result in an even more effective enforcement program. In this connection, the Comptroller of the Currency and the Federal Deposit Insurance Corporation have also been evaluating existing procedures. During the last 3 months, the staff of the Board has been working with the staffs of these two agencies toward developing a uniform

approach to examinations of commercial banks. To date, the product of this effort includes development of examination manuals, report pages, training manuals, and interagency instructors for the agencies' consumer regulations training schools.

The subcommittee also requested that the Board present its position on the merits of three issues relating to noncompliance disclosure. These issues are: (1) notification to individual borrowers that their loan transaction may contain a violation of some section of the Truth in Lending regulations; (2) disclosure through the media of the degree of individual bank noncompliance with Truth in Lending regulations; and (3) the relationship of disclosure to the self-enforcing nature of the Truth in Lending Act.

The Board believes it would be premature to take positions on these issues prior to receipt of the task force report mentioned earlier. These issues involve numerous and difficult considerations that the Board believes need the results of further analysis and experience before being decided. I can assure you, however, that the Board will give these matters the attention they deserve, and I would be happy to report to you when the Board finally adopts its positions. However, in order to be as helpful to this subcommittee as possible, I would like to now raise some of our primary concerns with the points you mention.

As the Board has repeatedly indicated both in testimony and reports to the Congress, the majority of violations of the Truth in Lending Act are purely technical in nature. Given the highly complex nature of the Regulation, technical violations will occur due to unintentional and inevitable human error. An example of such an error would be the failure to denote a prepaid finance charge as such (although it is disclosed as a finance charge). In most violations, the customer is neither overcharged nor misled. It may be unwarranted to notify borrowers and/or the media that a bank has committed such technical violations. Such a procedure may unduly encourage a proliferation of civil actions to be brought against the offending bank even when only technical violations have occurred.

Much of the present complexity of the Act and Regulation Z reflects the impact of the civil liability considerations. The threat of severe penalties for relatively minor technical violations has led many creditors to seek greater certainty by requesting official Board amendments and interpretations, which further complicate the Regulation. Although private causes of action provide an important enforcement tool for the Act, the Board believes that the Congress should carefully review the present civil liability provisions to determine whether modification of them might reduce needless litigation and the resulting regulatory complications.

The Board has taken one action and is considering another that may assist in reducing unnecessary litigation. The Board has adopted procedures implementing the provisions of Public Laws 94-222 and 94-239, which provide a defense for creditors relying upon letters issued by duly authorized officials of the Board in connection with Regulations B and Z. In addition, the Board is considering the development of standardized Truth in Lending disclosure forms, or portions of forms, on which creditors could rely in complying with the Act. It is hoped that these forms will prove especially beneficial to those creditors, such as small retailers, who do not have access to, or cannot afford, specialized legal counsel to design their own forms.

While these measures should reduce the present volume of litigation and help alleviate confusion resulting from the complexity of the Act and the Regulation, the Board has asked that the Congress also study the possibility of limiting the penalty provisions of the statute to violations that actually interfere with the consumer's ability to make meaningful comparisons of credit terms. Only a limited number of terms

seem to be genuinely helpful in this regard. These probably include the annual percentage rate, the finance charge, the amount financed, and the repayment schedule. Perhaps only material misstatements of these terms should be brought to the attention of consumers and civil liability should attach only when such misstatements have occurred. This would leave technical violations to be dealt with by administrative remedies. Under present law, a creditor may be penalized for purely technical violations of which the consumer may have been unaware at the time and which in no way entered into the decision to accept or reject the credit terms offered. This situation lends itself to abuse and has overburdened some courts with Truth in Lending litigation.

From 1972 through September 1975, approximately 6,100 suits were filed in Federal District courts alleging violations of the Truth in Lending Act. This indicates to some degree that the self-enforcement mechanism within the Act is being exercised. Many of these suits, however, were the result of technical violations being committed and were not initiated solely on the basis of a violation of the Act, but as a part of a bankruptcy or other collection proceeding; thus, it would appear that the thrust of civil actions brought under the Act has not been directed to improving those pertinent disclosure items that assist consumers in shopping for credit. The Board shares the concern of the Congress that these issues concerning compliance with Truth in Lending and other consumer-oriented regulations must be resolved.

The Board sincerely appreciates the opportunity to come before this subcommittee and to be of assistance to it in its oversight responsibilities. I would be more than glad to answer any questions you may have. □



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# Record of Policy Actions of the Federal Open Market Committee

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MEETING HELD ON AUGUST 17, 1976

## 1. Domestic Policy Directive

Preliminary estimates of the Commerce Department indicated that growth in real output of goods and services had slowed to a rate of 4.4 per cent in the second quarter from the rate of 9.2 per cent to which it had accelerated in the first quarter. The preliminary estimates also indicated that the fixed-weighted price index for gross domestic business product<sup>1</sup> had risen at an annual rate of 4.6 per cent in the second quarter, up from the relatively low rate of 3.7 per cent in the first quarter. Staff projections continued to suggest that real GNP would expand at a moderate pace in the current quarter and that moderate growth in output would continue well into 1977. The projections also suggested that average prices in the current quarter and in subsequent quarters would rise somewhat faster than they had during the second quarter.

Retail sales, which had declined in May and then rebounded in June, fell again in July and in current dollars were no higher than in March. In July sales were particularly weak at automobile outlets and at food and general merchandise stores. Sales of automobiles apparently picked up in early August, owing in part to special sales incentives provided by manufacturers.

In contrast with the recent behavior of consumer demands, business demands for plant and equipment appeared to be gaining some momentum. New orders for nondefense capital goods rose in June for the sixth consecutive month. While orders in real terms were still below the pre-recession peak in the summer of 1974, they were up substantially from the level of last December. Unfilled orders for nondefense capital goods, which had declined persist-

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<sup>1</sup>Gross domestic business product (GDBP) includes product originating in farm and nonfarm businesses. It excludes product originating in government, in households and nonprofit institutions, and in the rest of the world (and accruing to U.S. residents).

ently since the summer of 1974, stabilized in May and June. In addition, contract awards for commercial and industrial buildings (measured in terms of floor space) advanced in June. More significantly, from the first to the second quarter, contract awards expanded sharply to the highest level since the first quarter of 1975.

The index of industrial production increased only a little in July. As in June, output of both durable and nondurable consumer goods was about unchanged. The expansion in production of business equipment slowed more in June than had been indicated at first, and the rise continued at a reduced rate in July. Over-all output of materials increased slightly, reflecting further gains among durable goods materials. Capacity utilization in the materials-producing industries registered 81 per cent, the same as in May and June.

Over the 4-month period April through July the rise in industrial production slowed to an annual rate of about 5 per cent from a rate of about 12 per cent over the first 3 months of the year. This retardation apparently was in response to an accumulation of nondurable goods inventories beyond desired levels as well as to the easing in consumer demands. Over-all output of nondurable goods grew no further after March. Output of durable goods continued to advance, but the rise was somewhat less rapid than earlier in the year and was concentrated in production of steel and other durable goods materials.

In manufacturing, both employment (adjusted for strikes) and the average workweek continued to change little in July. However, employment gains were large in State and local government, trade, and services. In consequence, total nonfarm payroll employment rose substantially after 2 months of little change. The civilian labor force, as well as total employment, apparently increased sharply, and the unemployment rate rose further—to 7.8 per cent in July from 7.5 per cent in June. From May to July unemployment rates for adult males and for household heads rose along with the rate for females.

The employment gains in July suggested that wage and salary disbursements had risen, after having fallen in June for the first time in 16 months. In addition, a large increase in transfer payments was anticipated, owing to a cost-of-living increase of 6.4 per cent in social security payments. As a result, the expansion in total

personal income—which had slowed in June—was estimated to have accelerated considerably in July.

Private housing starts were little higher in the second quarter than in the first, as had been reported at the time of the July meeting of the Committee; data for July were not yet available at the time of the August meeting. In June, the latest month for which figures were reported, total mortgage debt financed by savings and loan associations reached a new high, and their outstanding mortgage commitments were near a record level at the end of the month. The ready availability of mortgage credit was helping to keep mortgage interest rates from rising significantly even though demands for such credit were increasing.

The index of average hourly earnings for private nonfarm production workers advanced more in July than in June. Over the first 7 months of this year, however, the rise in the index was somewhat below the rapid rate of increase during 1975. In the second quarter, productivity in the private business sector of the economy continued to improve at a good pace, and the rate of increase in labor costs per unit of output remained moderate.

The wholesale price index for all commodities continued to rise at a moderate rate in July. Prices of industrial commodities, which had risen more in June than on the average during the first 4 months of the year, rose at a somewhat higher rate in July. The advance was accounted for in large part by increases in prices for three major groups of commodities: fuels and power, metals and metal products, and lumber and plywood. At the same time, average prices of farm products and foods declined, reflecting mainly decreases in prices of livestock and meats.

The consumer price index rose at an annual rate of about 6 per cent in June and also over the second quarter, compared with a rate of only 3 per cent over the first quarter and more than 7 per cent over the second half of 1975. The sharp first-quarter deceleration and the subsequent acceleration were attributable in large part to prices of foods and petroleum products: Foods advanced throughout the second quarter after having declined throughout the first, and gas and oil increased in May and June after having declined for 5 months.

Staff projections for the second half of 1976 differed little from those of 4 weeks earlier; they continued to suggest that the slack-

ening in economic growth in recent months would prove to be temporary. It was expected that expansion in business fixed investment would accelerate and that business investment in inventories would increase further as manufacturers and distributors endeavored to maintain stocks in line with rising sales. It was anticipated that disposable personal income and personal consumption expenditures would grow at faster rates than they had in the second quarter and that residential construction activity would continue to recover. Projected growth in State and local government expenditures for goods and services was a little stronger now than a month earlier.

The U.S. foreign trade balance—which had remained in deficit in May, according to revised figures—was in still larger deficit in June, reflecting an upsurge in imports of fuels from a reduced level. In the second quarter as a whole, however, the deficit in the trade balance was slightly below that in the first quarter. Exports of agricultural products rose considerably in the latest quarter, and exports of other commodities continued their upward trend in response to further recovery in economic activity abroad. However, the gain in exports was offset by an expansion in imports of fuels, which reflected rising business activity in this country and declining domestic production of fuels. Imports of other commodities were about unchanged after having risen sharply in the first quarter.

The average value of the dollar against leading foreign currencies changed little in the interval between the July and August meetings of the Committee. On balance, the dollar remained close to the level reached in April following the rise of some 15 per cent during the previous 12 months.

Late in the inter-meeting period, a rise in the German mark, triggered by substantial orders for marks just before the month-end, revived market expectations that the relatively low rate of inflation in Germany would eventually require a revaluation of the mark. The mark's rise exerted pressure on the exchange-rate margins maintained among certain European currencies; this pressure subsided in the wake of significant increases in interest rates in Belgium and the Netherlands.

Total loans and investments at U.S. commercial banks increased further during July. For the first time in many months, most of the gain in the total was accounted for by an increase in loans. Outstanding business loans rose, on a seasonally adjusted basis,

and with outstanding commercial paper of nonfinancial businesses continuing to expand, total short-term business credit advanced for the third consecutive month.

Bank holdings of securities changed little during July. While holdings of U.S. Government securities declined—in contrast to the preceding 18 months when acquisitions of Treasury securities had accounted for the bulk of the expansion in total bank credit—holdings of other securities, chiefly short-term State and local government notes, increased.

The narrowly defined money stock ( $M_1$ ) grew at a seasonally adjusted annual rate of nearly 7 per cent in July, after the mild contraction in June that had resulted in part from a large increase in U.S. Treasury cash balances. Much of the renewed growth in July appears to have reflected a reversal of the earlier build-up in Treasury balances. Over the first 7 months of this year the annual growth rate of  $M_1$  averaged about  $5\frac{3}{4}$  per cent.

Growth of  $M_2$  and  $M_3$  accelerated in July—to annual rates of 12.5 and 13.2 per cent, respectively—reflecting not only the rebound in  $M_1$  but also increased flows into savings and consumer-type time deposits at commercial banks and thrift institutions. Savings accounts at commercial banks, which had held steady in June after several months of rapid growth, expanded rapidly in July. Inflows at thrift institutions, which had fallen off somewhat in June, resumed the strong growth evident over the first 5 months of the year.

The bank credit proxy expanded at a much slower rate in July, following the surge that had developed in June when banks, partly to increase deposit totals on their midyear statements, raised the outstanding amount of negotiable CD's by nearly \$2.5 billion. In July banks resumed net redemptions of CD's, reducing their amounts outstanding by about \$1 billion.

System open market operations since the July meeting had been guided by the Committee's decision to seek bank reserve and money market conditions consistent with moderate growth in the monetary aggregates over the period ahead. As the inter-meeting period progressed, incoming data suggested that in the July–August period growth in  $M_1$  and  $M_2$  would be close to the midpoints of the ranges specified by the Committee. In these circumstances, System open market operations were directed toward maintaining conditions of

reserve availability consistent with a Federal funds rate of about  $5\frac{1}{4}$  per cent—the rate prevailing at the time of the July meeting and the midpoint of the operating range that the Committee had specified for the inter-meeting period.

With the Federal funds rate holding at about  $5\frac{1}{4}$  per cent, with money growth remaining moderate, and with other data suggesting less economic strength than had been generally anticipated, interest rates declined somewhat further during the inter-meeting period. In short-term markets these declines ranged from about 10 to 20 basis points; the market yield on 3-month Treasury bills was 5.14 per cent on the day before this meeting compared with 5.23 per cent on the day before the July meeting. In early August major commercial banks responded to the further declines in short-term market rates by cutting the rate on their prime business loans from  $7\frac{1}{4}$  to 7 per cent.

In markets for longer-term securities, rate declines during the inter-meeting period also ranged up to nearly 20 basis points. Investor demand was strong for the new securities offered in the Treasury's large mid-August refinancing. Three new Treasury issues were involved: \$2 billion of a 3-year note, auctioned on August 3 to yield 6.91 per cent; \$1 billion of a 25-year bond, auctioned on August 6 to yield 8.01 per cent; and \$4 billion—or more, at the discretion of the Treasury—of an 8 per cent, 10-year note, sold at par on subscriptions accepted through August 4. Subscriptions for the 10-year note were heavy, and the Treasury announced that it had made allotments totaling \$7.6 billion. Accordingly, new cash raised in the refinancing amounted to \$6.1 billion, instead of the \$2.5 billion originally announced. Even so, prices of the new Treasury securities—particularly the two longer-term issues—rose to a premium in the secondary market. Prices also rose in the markets for corporate and municipal bonds. The volume of new debt offerings in those markets declined about seasonally in July and was expected to remain relatively modest in August.

The unexpectedly large sale of 10-year notes by the Treasury boosted its net cash borrowing in July and the first half of August to \$11.5 billion. As a result, Treasury cash needs for the remainder of the third quarter were expected to be covered with no difficulty.

At its July meeting, the Committee had agreed that from the

second quarter of 1976 to the second quarter of 1977 average rates of growth in the monetary aggregates within the following ranges appeared to be consistent with broad economic aims:  $M_1$ , 4½ to 7 per cent;  $M_2$ , 7½ to 9½ per cent; and  $M_3$ , 9 to 11 per cent. The associated range for growth in the bank credit proxy was 5 to 8 per cent. It was agreed that the longer-term ranges, as well as the particular aggregates for which such ranges were specified, would be subject to review and modification at subsequent meetings. It also was understood that short-run factors might cause growth rates from month to month to fall outside the ranges contemplated for annual periods.

In the discussion of current policy at this meeting, it was brought out that the accelerated expansion in  $M_1$  since early this year, taken in conjunction with the reduced rate of growth in nominal GNP and with relatively little change in interest rates, could indicate that the downward shift in the demand for money that was so evident in the latter part of 1975 was proceeding much more slowly. It was also suggested that  $M_1$  and  $M_2$  might grow at moderate rates over the August–September period, although wide fluctuations in Treasury deposits could have an impact on the rate of monetary growth from month to month. With respect to  $M_2$ , inflows to banks of time and savings deposits other than money market CD's might be temporarily restrained in August by payments for the new 8 per cent, 10-year note sold by the Treasury.

It was anticipated that demands in credit markets would be modest in the weeks ahead. The monthly volume of corporate and of State and local government bonds offered to the public in the August–September period was expected to be well below the average in the first 6 months of this year. However, dealers in Government securities held a large volume of U.S. Government and Federal agency issues that had yet to be distributed to ultimate holders.

During the Committee's discussion at this meeting no member expressed substantial disagreement with the staff projection of moderate growth in real GNP, although several members did stress the elements of weakness that had developed in the past few months. It was felt that uncertainty about the precise course of economic developments had increased, and a few members who earlier had viewed the outlook as somewhat stronger than suggested

by the staff projections no longer did so. One member who had been concerned about the possibility of a boom during the next 12 months—with attendant shortages, bottlenecks, and intensified upward price pressures—now regarded that as unlikely.

While agreeing that moderate growth in the economy was the most likely outcome, a few members suggested that one could place more emphasis on the elements of current and potential weakness in the situation. With respect to consumer demands, for example, one could note that retail sales of automobiles had been stimulated to a degree by extension of maturities on instalment credit, which could not be counted on as a continuing stimulus; that sales of other consumer goods had not been especially buoyant; and that the rapid rise in prices of various consumer services might be dampening growth in sales of goods. It was also noted that questions could be raised about the outlook for residential construction, for purchases of goods and services by State and local governments, and for business fixed investment. With respect to the last, while the expansion in new orders for nondefense capital goods was promising, one member noted that it did not seem to be confirmed by reports from machine tool producers. Moreover, one member observed that business attitudes toward both fixed and inventory investment might be more conservative in this expansion than in the past because of the severe impact of the preceding recession on many businessmen who had forgotten about the business cycle.

It was repeatedly pointed out, however, that the current lull in the expansion had not lasted long enough to suggest that a decline in economic activity was imminent. In this connection it was stressed that detailed studies of business cycles in the United States and other industrial countries had revealed that the expansion phase was frequently characterized by retardation in growth of activity or even a brief minor decline at some time during its second year. Afterwards growth accelerated again. In large part, those subcyclical movements reflected minor and transitory inventory adjustments. The notion that a business cycle expansion is a continuous upward movement at a constant or gradually diminishing rate does not conform to experience.

In general, Committee members felt that the pace of expansion in over-all economic activity would soon pick up again. Business



fixed investment was seen to be recovering, even if at a slower pace than had been anticipated. It was noted that, in addition to the rise in new orders for nondefense capital goods over the first 6 months of the year, the physical volume of contracts for commercial and industrial buildings was increasing for the first time in this business expansion, and that construction of pipelines, power plants, and refineries for some time had been an expansive force. Moreover, corporate profits had experienced a considerable recovery. It was observed that business confidence had been badly shaken by the severity of the recession—especially because many businessmen had come to believe that fluctuations in business activity could be prevented or at least minimized—but that now confidence was gradually reviving and business fixed investment was again becoming the driving force of the economy. The caution that now existed, it was noted, assured avoidance of excesses and promised continuance of the expansion.

As to policy for the period immediately ahead, Committee members in general advocated continuation of the current stance. Most members favored directing operations toward maintaining about the current Federal funds rate. Accordingly, they preferred to give more weight than usual to money market conditions in formulating the operating instructions contained in the last paragraph of the domestic policy directive, and they advocated specifying a relatively narrow range for the Federal funds rate centered on the prevailing rate of  $5\frac{1}{4}$  per cent. A range of 5 to  $5\frac{1}{2}$  per cent was suggested.

Some members preferred to specify a somewhat wider range for the Federal funds rate and to continue to base operating decisions in the period immediately ahead primarily on the behavior of the monetary aggregates. However, the range they favored— $4\frac{3}{4}$  to  $5\frac{3}{4}$  per cent—also was centered on the prevailing rate of  $5\frac{1}{4}$  per cent.

One or two members indicated that, whereas a case might be made for a slight easing in money market conditions in reaction to the elements of weakness in the business expansion, they were not prepared to urge that case. A number of reasons were advanced by various members against such a course at this time: Liquidity already was ample to finance a good rate of expansion; the degree of easing that was being contemplated was too slight to have a

beneficial effect in the short run, and the pace of expansion in activity probably would have picked up long before the easing would have had much effect; and any easing at this time might be misinterpreted—perhaps increasing rather than allaying uncertainties and making business attitudes still more cautious.

There was near unanimity in the preferences expressed for ranges of growth in the monetary aggregates over the August–September period. The members favored a 2-month range of 4 to 8 per cent for  $M_1$  and either 7½ to 11½ or 7 to 11 per cent for  $M_2$ .

At the conclusion of the discussion the Committee decided to seek to maintain prevailing bank reserve and money market conditions over the period immediately ahead, provided that monetary aggregates appeared to be growing at about the rates now expected. Specifically, the Committee concluded that growth in  $M_1$  and  $M_2$  over the August–September period at annual rates within ranges of 4 to 8 per cent and 7½ to 11½ per cent, respectively, would be appropriate. As at other recent meetings, the Committee decided that, in assessing the behavior of the aggregates, approximately equal weight should be given to  $M_1$  and  $M_2$ .

It was agreed that System operations until the next meeting would be directed toward maintaining the weekly-average Federal funds rate at about its current level of 5¼ per cent. The members also agreed that, if growth in the aggregates should appear to be deviating significantly from the rates expected, the weekly-average Federal funds rate might be expected to vary in an orderly fashion within a range of 5 to 5½ per cent. As customary, 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.

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

The information reviewed at this meeting suggests that growth in real output of goods and services is remaining moderate in the current quarter. In July industrial production changed little, but total employment expanded by a substantial amount. The civilian labor force also increased sharply, and the unemployment rate rose from 7.5 to 7.8 per cent. Retail sales declined in July, following the rebound in June. The rise in the wholesale price index for all

commodities remained moderate, as average prices of farm products and foods declined. However, average prices of industrial commodities rose more than in other recent months. So far this year the advance in the index of average wage rates has been somewhat below the rapid rate of increase during 1975.

The average value of the dollar against leading foreign currencies has remained relatively steady in recent weeks, despite some disturbances in exchange markets for European currencies. In June the U.S. foreign trade deficit increased, but the deficit for the second quarter as a whole was somewhat smaller than that for the first quarter.

$M_1$ , which had declined slightly in June, expanded appreciably in July. Inflows of the time and savings deposits included in the broader aggregates were considerably stronger than in June, and growth in  $M_2$  and  $M_3$  was rapid. Market interest rates have declined somewhat further in recent weeks.

In light of the foregoing developments, it is the policy of the Federal Open Market Committee to foster financial conditions that will encourage continued economic expansion, while resisting inflationary pressures and contributing to a sustainable pattern of international transactions.

To implement this policy, while taking account of developments in domestic and international financial markets, the Committee seeks to maintain prevailing bank reserve and money market conditions over the period immediately ahead, provided that monetary aggregates appear to be growing at about the rates currently expected.

Votes for this action: Messrs. Burns, Volcker, Black, Coldwell, Gardner, Jackson, Kimbrel, Lilly, Partee, Wallich, Winn, and Guffey. Absent and not voting: Mr. Balles. (Mr. Guffey voted as *alternate* for Mr. Balles.)

## 2. Open Market Operations in Federal Agency Issues

At this meeting the Committee reviewed its current practices with regard to System operations in Federal agency issues. In the discussion it was noted that operations in such securities had proved to be useful in achieving the Committee's reserve objectives. At the conclusion of the discussion, the members agreed to continue the System's participation in the markets for the securities of the various agencies.

\* \* \* \* \*

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 a month after the meeting and are subsequently published in the BULLETIN.

# Law Department

## Statutes, regulations, interpretations, and decisions

### Credit by Brokers and Dealers

The Board of Governors has adopted amendments to its Regulation T instituting a uniform margin requirement in connection with options writing.

1. Effective January 1, 1977, section 220.3(d) is amended and a new paragraph (i) is added as follows:

#### Section 220.3—General Account

\* \* \* \* \*

(d) **Adjusted debit balance.** For the purpose of this part, the adjusted debit balance of a general account, special bond account, or special convertible debt security account shall be calculated by taking the sum of the following items:

\* \* \* \* \*

(5) The amount of margin as provided for in paragraph (i) of this section and section 220.8 (the Supplement to Regulation T) for each transaction involving the issuance, endorsement or guarantee of any put, call or combination thereof.

\* \* \* \* \*

(i) **Options.** (1) The amount to be included in the adjusted debit balance of an account as the margin required for each transaction involving the issuance, endorsement or guarantee of any put or call shall be such amount as the Board shall prescribe from time to time in section 220.8 (the Supplement to Regulation T) as the margin required for the writing of options, increased by any unrealized loss on each such commitment, or reduced by any excess of the exercise price over the current market value of the underlying security in the case of a call or any excess of the current market value of the underlying security over the exercise price in the case of a put. Such sum, however, shall not exceed the current market value of the underlying security in the case of a call, or the exercise price in case of a put, nor be less than \$250 in the case of either a call or a put.

Such sum need not be included in the adjusted debit balance when there is held in the account any of the following:

(i) The underlying security in the case of a call or a short position in the underlying security in the case of a put;

(ii) Securities immediately convertible into or exchangeable for the underlying security without restriction or the payment of money in the case of a call, provided that the right to convert or exchange does not expire on or before the expiration date of the option;

(iii) An agreement under which a bank, which is holding the underlying securities or the required cash, is obligated to deliver, in the case of a call, or accept, in the case of a put, the underlying securities against payment of the exercise price upon exercise of the option;

(iv) A long position in a call on the same number of shares of the same underlying security which does not expire before the expiration date of the call issued, endorsed or guaranteed, provided that there is also added to the adjusted debit balance the amount, if any, by which the exercise price of such long position exceeds the exercise price of the call issued, endorsed or guaranteed;

(v) A long position in a put on the same number of shares of the same underlying security which does not expire before the expiration date of the put issued, endorsed or guaranteed, provided that there is also added to the adjusted debit balance the amount, if any, by which the exercise price of the put issued, endorsed or guaranteed exceeds the exercise price of such long position; or

(vi) A warrant to purchase the underlying security, in the case of a call, which does not expire on or before the expiration date of the call, provided that there is also added to the adjusted debit balance the amount, if any, by which the exercise price of the warrant exceeds the exercise price of the call, issued, endorsed or guaranteed. A warrant used in lieu of the required margin under this provision shall have no loan value in the account.

(2) When a security held in the account serves in lieu of the margin required for a call, such security shall be valued at no greater than the exercise price of the call.

(3) When a short position held in the account serves in lieu of the margin required for a put, the amount prescribed by paragraph (d)(3) of this section as the amount to be added to the adjusted debit balance in respect of short sales shall be increased by any unrealized loss on the position.

(4) When both a put and a call are issued, endorsed or guaranteed in a general account, special bond account or special convertible debt security account on the same number of shares of the same underlying security with the same expiration date and the same exercise price (a straddle), the amount of margin required shall be the margin on either the put or the call whichever is greater plus any unrealized loss on the other option.

(5) Any security position held in the account which serves in lieu of the margin required for a put or a call shall be unavailable to support any other option transaction in the account.

(6) The customer may either designate at the time the option order is entered which security position held in the account is to serve in lieu of the margin required or have a standing agreement with the creditor as to the method to be used for making the determination on any given day as to which security position will be used in lieu of the margin to support an option transaction.

2. Effective January 1, 1977, section 220.4(i) is amended and a new subparagraph (6) is added to paragraph (j) as set forth below:

Section 220.4—Special Accounts

\* \* \* \* \*

(i) **Special bond account.** In a special bond account a creditor may effect and finance transactions in exempted securities and registered non-equity securities for any customer.<sup>5</sup> Call options may be issued, endorsed or guaranteed in this account on shares of any underlying equity security which is held in this account because it is an exempted security.

(j) **Special convertible debt security account.**\*\*\*

(6) Without regard to the margin required for the writing of options in section 220.8(j) (Supplement to Regulation T), call options may be issued, endorsed or guaranteed in this account on the number of shares of an underlying security into

which a margin debt security held in the account is convertible, and put options may be issued, endorsed or guaranteed in this account on the number of shares of an underlying security sold short in the account. Such option positions may be carried in the account in conformity with the requirements of section 220.3(d) and (i).

3. Effective January 1, 1977, a new paragraph (j) is added to section 220.8 as set forth below:

Section 220.8—Supplement

\* \* \* \* \*

(j) **Margin required for the writing of options.** The amount to be included in the adjusted debit balance of a general account, special bond account or special convertible debt security account pursuant to paragraphs (d)(5) and (i) of section 220.3, as the margin required for the issuance, endorsement or guarantee of any put or call shall be 30 per cent of the current market value of the underlying security with an adjustment for any applicable increase or reduction.

**Unfair or Deceptive Acts or Practices**

The Federal Trade Commission Act as amended (Public Law 93-637) requires each of the Federal bank supervisory agencies to establish a separate division of consumer affairs and to institute a procedure for handling consumer complaints regarding unfair or deceptive acts or practices of banks under their jurisdiction. Pursuant to § 18(f) of that Act, the Board of Governors has instituted a procedure for receiving and handling consumer complaints regarding State-chartered banks that are members of the Federal Reserve System.

Effective September 27, 1976, the Board of Governors amends 12 CFR Chapter II by adding a new Part 227, to read as follows:

Section 227.1—Definitions

For the purposes of this Part,<sup>1</sup> unless the context indicates otherwise, the following definitions apply:

(a) **Board** means the Board of Governors of the Federal Reserve System.

(b) **Consumer complaint** means an allegation by or on behalf of an individual, group of individ-

<sup>1</sup>The words "this Part," as used herein, mean Title 12, Chapter II, Part 227 of the Code of Federal Regulations, cited as 12 CFR 227 and designated as Regulation AA.

uals, or other entity that a particular act or practice of a State member bank is unfair or deceptive, or in violation of a regulation issued by the Board pursuant to a Federal statute, or in violation of any other Act or regulation under which the bank must operate.

(c) **State member bank** means a bank that is chartered by a State and is a member of the Federal Reserve System.

(d) Unless the context indicates otherwise, "bank" shall be construed to mean a "State member bank," and "complaint" to mean a "consumer complaint."

**Section 227.2—Consumer Complaint Procedure**

(a) **Submission of complaints.** (1) Any consumer having a complaint regarding a State member bank is invited to submit it to the Federal Reserve System. The complaint should be submitted in writing, if possible, and should include the following information:

- (i) a description of the act or practice that is thought to be unfair or deceptive, or in violation of existing law or regulation, including all relevant facts;
- (ii) the name and address of the bank that is the subject of the complaint; and
- (iii) the name and address of the complainant.

(2) Consumer complaints should be made to:

- (i) the Director, Division of Consumer Affairs, Board of Governors of the Federal Reserve System, Washington, D.C. 20551; or
- (ii) the Federal Reserve Bank of the District in which the bank is located. The addresses of the Federal Reserve Banks are as follows:

Federal Reserve Bank of Boston  
30 Pearl Street  
Boston, Massachusetts 02106

Federal Reserve Bank of New York  
33 Liberty Street  
New York, New York 10045

Federal Reserve Bank of Philadelphia  
100 North 6th Street  
Philadelphia, Pennsylvania 19105

Federal Reserve Bank of Cleveland  
1455 East Sixth Street  
Cleveland, Ohio 44101

Federal Reserve Bank of Richmond  
100 North Ninth Street  
Richmond, Virginia 23261

Federal Reserve Bank of Atlanta  
104 Marietta Street, N.W.  
Atlanta, Georgia 30303

Federal Reserve Bank of Chicago  
230 South LaSalle Street  
Chicago, Illinois 60690

Federal Reserve Bank of St. Louis  
411 Locust Street  
St. Louis, Missouri 63166

Federal Reserve Bank of Minneapolis  
250 Marquette Street  
Minneapolis, Minnesota 55480

Federal Reserve Bank of Kansas City  
925 Grand Avenue  
Kansas City, Missouri 64198

Federal Reserve Bank of Dallas  
400 South Akard Street  
Dallas, Texas 75222

Federal Reserve Bank of San Francisco  
400 Sansome Street  
San Francisco, California 94120

(b) **Response to complaints.** Within 15 business days of receipt of a written complaint by the Board or a Federal Reserve Bank, a substantive response or an acknowledgment setting a reasonable time for a substantive response will be sent to the individual making the complaint.

(c) **Referrals to other agencies.** Complaints received by the Board or a Federal Reserve Bank regarding an act or practice of an institution other than a State member bank will be forwarded to the Federal agency having jurisdiction over that institution.

**Rules Regarding Delegation of Authority**

The Board of Governors has delegated to the Committee on Federal Reserve Bank Activities certain responsibilities with respect to supervision of the sale by Federal Reserve Banks of real property in connection with construction programs.

1. Effective September 8, 1976, paragraph 6 of section 265.1a is amended to read as follows:

**Section 265.1a—Specific Functions Delegated to Board Members**

(a) **The Committee on Federal Reserve Bank Activities**, consisting of at least three members of the Board designated by the Chairman, is authorized, to act upon matters as set forth in this section pursuant to the twenty-second paragraph of section 4 and 11(j) of the Federal Reserve Act (12 U.S.C. §§ 307 and 248(j)) and subject to such general guidelines as may be prescribed by the Board. With respect to any approval action taken by the Committee pursuant to authority delegated herein involving a controversial matter, a policy consideration, or an expenditure of funds exceeding \$500,000, the Committee will inform the Board by memo before giving notice of its approval to the Reserve Bank. For a period of three days, any member of the Board may request that the matter be scheduled for review by the Board. The Committee is authorized:

\* \* \* \* \*

(6) To approve or disapprove specific Reserve Bank proposals to acquire or dispose of real property for current or future building purposes, provided that the Board has previously authorized the

general Reserve Bank expansion or building program in connection with which the real property is being sought or disposed of and provided that each proposed acquisition requires commitment of no more than one million dollars (\$1,000,000).

The Board of Governors has delegated to the Secretary of the Federal Open Market Committee authority to approve policy record entries for inclusion in the annual report if no Board member has asked for review at a Board meeting of a draft distributed for review by Board members individually.

2. Effective September 1, 1976 section 265.2 is amended by adding a new paragraph (i) to read as follows:

**Section 265.2—Specific Functions Delegated to Board Employees and to Federal Reserve Banks**

\* \* \* \* \*

(i) **The Secretary of the Federal Open Market Committee** (or, in his absence, the Deputy Secretary) is authorized:

To approve for inclusion in the Board's annual report to Congress records of policy actions of the Federal Open Market Committee.

\* \* \* \* \*

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

**Orders Under Section 3 of Bank Holding Company Act**

Agri-Bank Corporation,  
Webster City, Iowa

*Order Approving  
Formation of Bank Holding Company*

Agri-Bank Corporation, Webster City, Iowa, 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 The Farmers National Bank of Webster City, Webster City, Iowa ("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. The Board has considered the application and all comments received, including those of the Comptroller of the Currency, in light of the factors set forth in § 3(c) of the Act (12 U.S.C. § 1842(c)).

Applicant, a nonoperating corporation with no subsidiaries, was organized for the purpose of becoming a bank holding company through the acquisition of Bank. Bank, with deposits of \$32.2 million,<sup>1</sup> is the largest of six banking organizations and controls approximately 41 per cent of the total deposits in the relevant banking market.<sup>2</sup> Upon acquisition of Bank, Applicant would control the 66th largest banking organization in Iowa, holding

<sup>1</sup>All banking data are as of December 31, 1975.

<sup>2</sup>The relevant banking market is approximated by Hamilton County.

.27 per cent of the total commercial bank deposits in the State. Inasmuch as the proposed transaction is merely a reorganization whereby the shareholders who presently control Bank directly will control Bank indirectly through Applicant, and since Applicant presently has no subsidiaries nor engages in any activities, consummation of the proposal would not eliminate existing or potential competition or increase the concentration of banking resources in the relevant market. Therefore, competitive considerations are consistent with approval of the application.

The financial and managerial resources of Applicant, which are dependent upon those of Bank, are considered to be generally satisfactory, and their future prospects appear favorable. Although Applicant will incur some debt as a result of this proposal, it appears that the projected earnings to be derived from Bank by way of dividends should provide Applicant with sufficient revenue to meet its debt service requirements and preferred stock dividends without adversely affecting the financial position of Bank. While the principals of Applicant have certain interests in and relationships with other banking organizations in the State of Iowa, the financial and managerial resources of such organizations are such that they may be regarded as generally consistent with approval of the application. Accordingly, considerations relating to banking factors are consistent with approval of the application. While no major changes are contemplated in Bank's services, considerations relating to the convenience and needs of the community to be served are consistent with approval of the application. Accordingly, it is the Board's judgment that the proposed transaction would be consistent with 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 Chicago pursuant to delegated authority.

By order of the Board of Governors, effective September 29, 1976.

Governors Coldwell, Jackson, Partee, and Lilly. Absent and not voting: Chairman Burns and Governor Wallich.

(Signed) GRIFFITH L. GARWOOD,  
[SEAL] Assistant Secretary of the Board.

First Wewoka Bancorporation, Inc.,  
Wewoka, Oklahoma

*Order Denying  
Formation of Bank Holding Company*

First Wewoka Bancorporation, Inc., Wewoka, 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)) ("Act") of formation of a bank holding company through acquisition of 80 per cent or more of the voting shares of First National Bank in Wewoka, Wewoka, 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, including those submitted by the Comptroller of the Currency recommending denial of the application, in light of the factors set forth in § 3(c) of the Act (12 U.S.C. § 1842(c)).

Applicant is a nonoperating company formed for the express purpose of becoming a bank holding company through the acquisition of Bank. The proposed transaction involves the transfer of control of Bank from individuals to a corporation owned by the same individuals. Bank holds deposits of approximately \$11.3 million,<sup>1</sup> representing 20.9 per cent of the total deposits in commercial banks in the Seminole County banking market,<sup>2</sup> and ranks as the second largest of six banks operating in the market. Since the subject proposal is essentially a corporate reorganization and Applicant has no subsidiaries, it does not appear that consummation of the proposal would have any adverse effects on existing or potential competition, increase the concentration of banking resources, or have other adverse effects on any other banks in any relevant area. Thus, the Board

<sup>1</sup>All banking data are as of December 31, 1975.

<sup>2</sup>The Seminole County banking market, the relevant geographic market for purposes of analyzing the competitive effects of the subject proposal, is approximated by all of Seminole County, Oklahoma.

Voting for this action: Vice Chairman Gardner and



concludes that competitive considerations are consistent with approval of the application.

Under § 3(c) of the Act, the Board is required to consider the financial and managerial resources and future prospects of the proposed bank holding company and the bank to be acquired. With respect to the subject application, it appears that the future prospects of Applicant are entirely dependent upon the profitable operations of Bank. In this regard, Applicant proposes to service a debt of more than \$430,000,<sup>3</sup> which it will incur as part of this transaction, over a twelve-year period primarily through dividends from Bank. In view of Bank's operating history, the Board is unable to conclude that Applicant's projected earnings for Bank are reasonable or attainable. The Board is of the view that the future earnings of Bank would not provide Applicant with the financial flexibility necessary to meet its debt servicing requirements as well as any unexpected problems that might arise at Bank. Furthermore, the dividends involved in the subject proposal may not provide Applicant with the necessary financial strength to service its acquisition debt while maintaining Bank's capital position. On the basis of the foregoing and other facts of record, the Board concludes that the considerations relating to the banking factors weigh against approval of the application.<sup>4</sup>

As stated previously, the proposed formation of Applicant merely represents a restructuring of Bank's ownership with no changes in Bank's operations or services. Consequently, considerations relating to the convenience and needs of the community to be served lend no weight toward approval of the application. Moreover, in view of Applicant's debt servicing requirements, consummation of the subject proposal could diminish Bank's ability to continue to serve the area as a viable banking alternative.

On the basis of all of the facts of record, it is the Board's judgment that the subject proposal would result in a bank holding company with financial resources that would be inadequate to service its debt while maintaining Bank's capital account. Accordingly, the Board concludes that consummation of the proposed transaction would

not be in the public interest and that the application should be denied.

By order of the Board of Governors, effective September 22, 1976.

Voting for this action: Chairman Burns and Governors Gardner, Wallich, Coldwell, Jackson, and Lilly. Absent and not voting: Governor Partee.

(Signed) RICHARD D. ABRAHAMSON,  
[SEAL.] Assistant Secretary of the Board.

First Bank System, Inc.,  
Minneapolis, Minnesota

#### *Order Approving Acquisition of Bank*

First Bank System, Inc., Minneapolis, Minnesota, a bank holding company within the meaning of the Bank Holding Company Act, has applied for the Board's approval under § 3(a)(3) of the Act (12 U.S.C. § 1842(a)(3)) to acquire all of the voting shares, less directors' qualifying shares, of First National Bank of Burnsville, Burnsville, Minnesota ("Bank"), a proposed new 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, including those of the Minnesota Commissioner of Banks and the Independent Bankers Association of Minnesota ("Protestants"), in light of the factors set forth in § 3(c) of the Act (12 U.S.C. § 1842(c)).

Applicant controls 49 banks in Minnesota with aggregate deposits of \$3.9 billion,<sup>1</sup> representing approximately 26.4 per cent of the total commercial bank deposits in Minnesota, and is the largest banking organization in the State.<sup>2</sup> Since Bank is a proposed new bank, its acquisition by Applicant would not immediately increase Applicant's share of commercial bank deposits in the State.

Bank is a new bank which has received preliminary charter approval from the Comptroller of the Currency and is to be located in Burnsville, a suburban community within the Minneapolis-St. Paul banking market.<sup>3</sup> With 16 subsidiaries in the

<sup>3</sup>Two hundred thousand dollars of the total indebtedness is to be injected into Bank to strengthen its capital.

<sup>4</sup>The Comptroller of the Currency recommended denial of this application primarily on the basis of the financial considerations involved. When given an opportunity to respond to the Comptroller's comments, Applicant did not do so.

<sup>1</sup>In all, Applicant controls a total of 86 banks located in five States with aggregate deposits of \$5.7 billion.

<sup>2</sup>Unless otherwise noted, banking data are as of December 31, 1975.

<sup>3</sup>The Minneapolis-St. Paul market is approximated by the RMA, adjusted to include all of Carver County.

Minneapolis-St. Paul market (the relevant market), Applicant controlled, as of June 30, 1975, deposits of \$2.8 billion, representing about 39 per cent of the market deposits, and was the largest banking organization in the market. The second and third largest banking organizations in the market controlled, respectively, about 28.7 per cent and 3.4 per cent of the market deposits. Since Bank is a proposed new bank, consummation of Applicant's proposal would not eliminate any existing competition, nor would it have any immediate effect on Applicant's share of commercial bank deposits in the market. Although Applicant is the largest banking organization in the market, it is noted that its growth in the market in the recent past has been primarily internal; it has acquired only one bank in the market since 1956. Since that time, 37 charters for new banks within the market have been issued, and Applicant's market share has declined slightly from 43.0 per cent to 39.0 per cent. In the market, Applicant faces competition from over 100 commercial banking organizations.

In its analysis of the subject application, the Board has also considered the comments and requests for a hearing submitted by Protestants. Generally speaking, Protestants contend that the proposal would have anticompetitive effects and have requested a hearing to discuss the impact this proposal would have upon competition and the concentration of financial resources in the relevant market. Protestants argue that the area to be served by Bank cannot support another bank at this time and that the acquisition of Bank by Applicant will adversely affect the viability of two new banks in the proposed service area of Bank.

The Board has examined the records of the hearings held in connection with the chartering of Bank, the written submissions of Protestants, and the responses thereto by Applicant and concludes that a formal hearing would not add significant new information or raise issues not already discussed at length in the written submissions of Protestants and Applicant and in the record of the hearings held by the Comptroller of the Currency in December 1973 and November 1974. In view of the failure of Protestants to present new information, raise new issues or demonstrate that a hearing would elicit new information or present new issues, the Board concludes that the record is sufficiently complete to enable it to make an informed judgment. Accordingly, Protestants' requests for a formal hearing are hereby denied.

The Board has analyzed the information sub-

mitted by Protestants in support of the issues they have raised and, for the reasons set forth hereinafter, it is the Board's judgment that the issues raised by Protestants are not sufficient to warrant denial of the subject application.

With respect to the first issue, the Board disagrees with Protestants' assessment of the adverse effects that the proposal would have on the viability of the two new banks in the proposed service area of the Bank. The only bank in Burnsville opened in 1972 and in 1975 became a subsidiary of American Bancorporation, the third largest banking organization in the market with total deposits of \$243 million. This bank has total deposits of \$6.4 million and appears to be well established in the market. The second new bank in the proposed service area of Bank has obtained \$5.9 million of deposits since it opened in 1974, and has become profitable in its second year of operation. On the basis of the record, the Board concludes that the attractive growth of the Burnsville area in recent years<sup>4</sup> and the corresponding demand for banking services will continue to support existing banks, and Applicant's new bank will not seriously threaten their viability.

Similarly, the Board is unable to conclude that Protestants' assessment of the effects that this acquisition would have on the concentration of financial resources in the relevant market is correct. On the contrary, the record indicates that the Minneapolis-St. Paul area has been experiencing substantial economic growth. As noted above, this growth has resulted in new banking entrants and has reduced Applicant's market share of total deposits. Furthermore, there is no evidence in the record to suggest that Applicant is using its size and resources to the disadvantage of other banking organizations to preempt a desirable future banking location before a new bank is needed, or that this acquisition in and of itself would significantly affect the trend towards deconcentration of financial resources in the relevant market. On the basis of the facts of record, including the records of the two chartering hearings, the submissions of Protestants, and the submissions of Applicant, the Board concludes that, given the growth of the market, the large number of competing organizations, and the propensity for deconcentration,

<sup>4</sup>The population of Dakota County, which includes Burnsville, has increased 53.6 per cent from 1960-1970. The population for this county is estimated to have increased an additional 12.0 per cent from 1970-1973.

consummation of this proposal would not result in a concentration of financial resources in the relevant market or adversely affect competition in the relevant market.

Accordingly, on the basis of the facts of record and having considered the comments of Protestants, the Board concludes that consummation of the proposed acquisition would not have significant adverse effects on existing or potential competition and that competitive considerations are consistent with approval of the application.

The financial and managerial resources of Applicant and its subsidiaries are regarded as generally satisfactory based upon the information in the record, including all bank examination information available to the Board. Bank, a proposed new bank, has no financial or operating history; however, its prospects as a subsidiary of Applicant appear favorable. Considerations relating to banking factors, therefore, are consistent with approval of the application.

Bank will serve as an additional full service banking facility to the residents of the area, including the businesses and customers of the new shopping center in which Bank will be located. Applicant has proposed that Bank will offer some services not being comparably offered by nearby banks and Bank will be open more hours than the other banks in the service area. Accordingly, these considerations relating to the convenience and needs of the community to be served lend some weight toward approval of the application. It is the Board's judgment that the proposed acquisition would be in the public interest and that the application should be approved.

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

By order of the Board of Governors, effective September 15, 1976.

Voting for this action: Vice Chairman Gardner and Governors Wallich, Coldwell, and Jackson. Present and

abstaining: Governor Lilly. Absent and not voting: Chairman Burns and Governor Partee.

(Signed) GRIFFITH L. GARWOOD,  
[SEAL.] *Assistant Secretary of the Board.*

The First National Bancorporation, Inc.,  
Denver, Colorado

*Order Approving Acquisition of Bank*

The First National Bancorporation, Inc., Denver, Colorado, a bank holding company within the meaning of the Bank Holding Company Act, has applied for the Board's approval under § 3(a)(3) of the Act [12 U.S.C. § 1842(a)(3)] to acquire 80 per cent or more of the voting shares of The First National Bank of Montrose, Montrose, Colorado ("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, including those submitted by the Attorney General of the State of Colorado and by the Comptroller of the Currency,<sup>1</sup> in light of the factors set forth in § 3(c) of the Act [12 U.S.C. § 1842(c)].

Applicant, the largest banking organization in Colorado, controls 11 banks (including the largest bank in the State) with aggregate deposits of \$1.2 billion, representing approximately 16 per cent of the total deposits held by commercial banks in that State.<sup>2</sup> Colorado currently has 10 multi-bank holding companies that collectively control approximately 67 per cent of the total deposits and 34 per cent of all the banks in the State. The five largest banking organizations (all multi-bank holding companies) control approximately 57 per cent of total deposits and 25 per cent of all banks

<sup>1</sup>In a letter to the Board, dated March 30, 1976, the Comptroller of the Currency recommended approval of this application stating that it was in the public interest. The Attorney General of Colorado, in a letter to the Board, dated March 17, 1976, while not recommending denial of the application, requested that the Board consider issues pertaining to concentration in the Colorado banking industry, competition in both the State and relevant banking markets, convenience and needs of the community to be served, and public benefits to be derived from consummation of the proposal. The Board's conclusions with respect to these issues as they relate to this application are herein set forth.

<sup>2</sup>All banking data are as of June 30, 1975, unless otherwise indicated.

in Colorado. Acquisition of Bank<sup>3</sup> by Applicant would contribute to some extent to increasing deposit concentration in Colorado; however, the Board regards the effects upon concentration to be only slight inasmuch as Applicant's share of State deposits would increase by no more than approximately four-tenths of one per cent.

Bank (deposits of \$30 million) is the larger of two banks<sup>4</sup> in the relevant banking market<sup>5</sup> and controls approximately 63 per cent of the total deposits in that market. Applicant has no subsidiaries operating in the relevant banking market, and its closest bank subsidiary to Bank is located 61 miles to the northwest of Montrose. It appears that no meaningful competition currently exists between Bank and any of Applicant's subsidiary banks, and that it is unlikely that significant competition between these institutions would develop in the future in view of the distances involved. On the basis of the facts of record, the Board concludes that consummation of the proposal would not have any significant adverse effect upon existing competition in the relevant banking market.

Applicant, as the largest banking organization in Colorado, appears to possess the financial and managerial resources necessary to establish a *de novo* bank in the relevant market and, thereby, to increase the number of banking alternatives operating therein. Although population per banking office for the market is 7,800,<sup>6</sup> compared to 9,300 for the State, and deposits per bank in the market<sup>7</sup> are below the average deposits per bank for the entire State, Montrose is growing rapidly and exhibits good prospects for continued growth in population, income, and employment opportunities.<sup>8</sup> As a result, the Montrose banking market may be regarded as marginally attractive for *de*

*novo* entry in the future. In light of the future economic prospects for the Montrose area and Applicant's ability to effect an alternative means of entry into the area, consummation of this proposal would eliminate Applicant as a potential *de novo* entrant into the relevant market. However, the effects of this elimination are minimized by the existence of several other potential entrants into the relevant market, including several Colorado multi-bank holding companies that have not entered the market but have the resources to do so. Inasmuch as the relevant market is only marginally attractive for *de novo* entry in the future and there exist other potential entrants into that market, it is the Board's judgment that, on balance, consummation of Applicant's proposal would have only slightly adverse effects upon potential competition.

The financial and managerial resources and future prospects of Applicant, its subsidiaries, and Bank are considered to be generally satisfactory based upon information in the record, including all bank examination information available to the Board. In addition, Applicant's overall financial condition will enable it to augment the capital of any of its subsidiaries should there be a need to do so in the future. Accordingly, the Board regards the banking factors as being consistent with approval of the application.

Affiliation of Bank with Applicant would enable Bank to receive Applicant's financial and managerial expertise and would provide a variety of additional services to the market. In view of the increase in economic activity that is expected in the Montrose area, it appears that the provision of these additional services by Applicant, through Bank, will have some beneficial effect upon the area in providing for its convenience and needs for banking services. Accordingly, the Board concludes that the considerations relating to the convenience and needs of the community to be served lend weight toward approval of the application and are sufficient to outweigh any slightly adverse effects that the proposal may have on potential competition. It is the Board's judgment that consummation of the proposed acquisition would be in the public interest and that the application should be approved.

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

<sup>3</sup>Bank is the 18th largest independent bank and the 50th largest of the 277 banks in Colorado.

<sup>4</sup>The smaller bank is a subsidiary of the second largest banking organization in Colorado. In addition, a new bank opened on August 30, 1976, in Olathe, which is ten miles north of Montrose.

<sup>5</sup>The relevant banking market is approximated by the eastern portion of Montrose County, which is divided in half by the Uncompahgre Forest.

<sup>6</sup>This figure is reduced to 5,200 when the new bank in Olathe is taken into account.

<sup>7</sup>Nevertheless, the market's average for deposits per bank is nearly double that of any of the three adjacent counties.

<sup>8</sup>From 1970-1975, the populations of Montrose County and town, respectively, increased 13.6 and 25.9 per cent. In addition, the average household income for Montrose County increased 85.6 per cent during the same period.

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 30, 1976.

Voting for this action: Vice Chairman Gardner and Governors Wallich, Jackson, and Lilly. Voting against this action: Governor Coldwell. Absent and not voting: Chairman Burns and Governor Partee.

(Signed) GRIFFITH L. GARWOOD,  
[SEAL.] *Assistant Secretary of the Board.*

#### *Dissenting Statement of Governor Coldwell*

I would deny the application of The First National Bancorporation, Inc., to acquire The First National Bank of Montrose ("Bank"), since I believe that the proposal would have significant adverse effects upon both concentration of banking resources in the State of Colorado and potential competition in the relevant banking market. In my view, such adverse effects are not clearly outweighed by other considerations reflected in the record and, therefore, the application should be denied.

Colorado is a State whose banking resources are becoming more concentrated, as is evidenced by the fact that ten multi-bank holding companies control approximately 67 per cent of the total deposits held by commercial banks in the State and 34.3 per cent of all the banks in the State. The five largest banking organizations (all multi-bank holding companies) control approximately 57 per cent of total deposits and 25.6 per cent of all the banks. Furthermore, among the nation's unit banking States, Colorado ranks as one of the most concentrated in terms of commercial bank deposits and among those shows the highest rate of concentration over the past seven years. Applicant, the largest bank holding company (controlling the largest bank) in Colorado, has 11 subsidiary banks and controls approximately 15.8 per cent of the total deposits held by commercial banks in that State. Applicant has been engaged in an aggressive plan of expansion since its formation in 1968 and the present proposal represents a further effort by Applicant to entrench its leading position in the State through the acquisition of a market's leading banking organization. Bank holds 63 per cent of the deposits in its market. Approval of this application would enable the State's largest banking

organization to acquire Bank, and, thereby, to continue what I regard as an undesirable trend toward increased concentration of banking resources in Colorado. This result is further exacerbated by the fact that Applicant has chosen the largest bank as a means of expanding into a new market.

In addition to the adverse effects upon concentration and banking structure in Colorado, I am concerned about the impact that the proposal would have upon potential competition in the relevant market. The Board's majority concludes, and the record supports the conclusion, that the market is somewhat attractive for *de novo* entry. It is clear that Applicant possesses the capabilities to enter the Montrose area through the establishment of a new banking organization and that Applicant must be perceived as a likely entrant into that market. Accordingly, consummation of this proposal would eliminate Applicant as a potential entrant into the market and, since the proposal involves the largest bank in that market, that elimination would have significant adverse effects upon potential competition.

Therefore, in view of the rapidly increasing concentration of banking resources in Colorado, the aggressive expansion of Applicant, and the adverse effects of this proposal upon potential competition, the application should be denied unless the anticompetitive effects of the proposal are clearly outweighed in the public interest by the probable effect of the transaction in meeting the convenience and needs of the community to be served.

The Board's majority has concluded that the anticompetitive effects of this proposal are outweighed by benefits that would accrue to the public. I disagree with that conclusion. Bank appears to be a strong, well-capitalized, independent institution that is already maintaining its competitive standing against the other Montrose bank, which is a subsidiary of the State's second largest bank holding company. The benefits to the public that may result from this acquisition are, in my view, weak and insufficient to outweigh the anticompetitive effects inherent in this acquisition. If the affiliation of Bank with another banking organization is thought to be desirable and beneficial to the public, such affiliation should be with another banking organization that is not one of the larger banking organizations in Colorado.

For the foregoing reasons, I would deny the application.

IB&T Corp.,  
Pocatello, Idaho

*Order Approving Acquisition of Bank*

IB&T Corp., Pocatello, Idaho, a bank holding company within the meaning of the Bank Holding Company Act, has applied for the Board's approval under § 3(a)(3) of the Act (12 U.S.C. § 1842(a)(3)) to acquire 80 per cent of more of the voting shares of First Bank of Troy, Troy, Idaho ("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, including those of the Idaho Department of Finance recommending approval of the subject application, 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, the fourth largest banking organization in Idaho, controls one bank with total deposits of \$209 million, representing 7.94 per cent of the total deposits in commercial banks in the State.<sup>1</sup> Acquisition of Bank (deposits of \$22 million) would increase Applicant's share of State-wide deposits by .82 of one per cent. Consummation of the proposed transaction would not result in a significant increase in the concentration of banking resources in Idaho, nor would it alter Applicant's Statewide ranking.

Bank is the second largest of four banks located in the Moscow-Troy, Idaho banking market (the relevant banking market for purposes of this proposal), and controls 35 per cent of market deposits. Applicant's nearest office is 33 miles from Bank and no significant competition exists between them. Under Idaho banking law, Applicant could branch *de novo* into the Moscow-Troy market but such entry appears unlikely in view of the fact that the area has been growing less rapidly than other parts of the State. In view of the foregoing and other factors of record, the Board concludes that approval of this application would not have any significant adverse effects upon competition.

The financial and managerial resources of Applicant and its subsidiary are considered satisfactory and their future prospects appear favorable.

As a result of consummation of this proposal, Bank's financial and managerial resources and future prospects will be strengthened. Accordingly, considerations relating to banking factors lend weight toward approval of the application. While no major changes are contemplated in Bank's services, the proposal will improve Bank's ability to continue to serve its customers and the community. Therefore, considerations relating to convenience and needs of the community to be served are consistent with, and lend some weight toward, approval of the application. Accordingly, it is the Board's judgment that the proposed acquisition would be in the public interest and should be approved.

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

By order of the Board of Governors, effective September 10, 1976.

Voting for this action: Chairman Burns and Governors Gardner, Wallich, and Coldwell. Absent and not voting: Governors Jackson, Partee, and Lilly.

(Signed) GRIFFITH L. GARWOOD,  
[SEAL.] Assistant Secretary of the Board.

Lisco State Company,  
Lisco, Nebraska

*Order Approving  
Formation of a Bank Holding Company*

Lisco State Company, Lisco, Nebraska ("Applicant"), has applied for prior approval pursuant to section 3(a)(1) of the Bank Holding Company Act of 1956 (12 U.S.C. 1842(a)(1)) and section 225.3(a) of Regulation Y (12 CFR 225.3(a)) to become a bank holding company through the acquisition of 89 per cent or more of the voting shares of Lisco State Bank, Lisco, Nebraska ("Bank").

Notice of the application, affording an opportunity for interested persons to submit comments and views, has been given in accordance with section 3(b) of the Act (41 *Federal Register* 30068). Time for filing comments and views has expired and the application and all comments received have been

<sup>1</sup>Unless otherwise indicated, all banking data are as of December 31, 1975.

considered in light of the factors set forth in section 3(c) of the Act (12 U.S.C. 1842(c)).

Upon acquisition of Bank (deposits of \$3.6 million), Applicant would control the 356th largest bank in Nebraska, holding .05 per cent of total deposits in commercial banks in the State.<sup>1</sup> Bank is the smallest of the three banks located in Garden County, which approximates the relevant banking market, and controls 20.52 per cent of deposits therein. Acquisition of Bank would result in no immediate change in banking services available in the relevant market.

Applicant's principal shareholder has ownership interests in one Colorado and two Nebraska one-bank holding companies. The subsidiary banks of these holding companies are located considerable distances from Bank and operate in different banking markets. Inasmuch as the proposal to form a bank holding company represents a restructuring of the existing ownership of Bank into corporate form, consummation of the proposal would eliminate neither existing nor potential competition, nor does it appear that there would be any adverse effects on other banks in the trade area.

The financial and managerial resources and future prospects of Applicant, which are dependent on those of Bank, are considered satisfactory and consistent with approval. The debt to be incurred by Applicant appears to be serviceable from the income derived from Bank without having an adverse effect on the financial condition of either Applicant or Bank. Accordingly, considerations relating to banking factors are consistent with approval of the application.

Although consummation of the proposal would cause no changes in the banking services offered by Bank, considerations relating to the convenience and needs of the community to be served are consistent with approval. It has been determined that consummation of the transaction would be in the public interest and that the application should be approved.

On the basis of the record, the application is approved for the reasons summarized above. The transaction involving acquisition of shares of Bank shall not be consummated before the thirtieth calendar day following the effective date of this Order and Bank should not be acquired later than three months after the effective date of this Order, unless

such period is extended for good cause by the Board of Governors or by the Federal Reserve Bank of Kansas City pursuant to delegated authority.

By order of the Secretary of the Board, acting pursuant to delegated authority from the Board of Governors, effective September 16, 1976.

(Signed) GRIFFITH L. GARWOOD,  
[SEAL.] *Assistant Secretary of the Board.*

M & S BanCorp,  
Janesville, Wisconsin

#### *Order Approving Acquisition of Bank*

M & S BanCorp, Janesville, Wisconsin, a bank holding company within the meaning of the Bank Holding Company Act, has applied for the Board's approval under § 3(a)(3) of the Act (12 U.S.C. § 1842(a)(3)) to acquire 98.83 per cent of the voting shares of Merchants Bank of Evansville, Evansville, Wisconsin ("Bank").

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

Applicant, the seventeenth largest banking organization in Wisconsin, controls two banks with aggregate deposits of approximately \$84 million, representing 0.6 per cent of the total deposits in commercial banks in the State.<sup>1</sup> Acquisition of Bank, which opened for business on May 3, 1976, would neither immediately increase Applicant's share of commercial bank deposits in Wisconsin nor result in a significant increase in the concentration of banking resources in the State.

Bank recently commenced operations in Evansville, a city located in the south-central portion of Wisconsin, with a population of approximately 3,000 persons, according to the 1970 Census. Prior to Bank's entry a few months ago, only one other bank operated in Evansville. Applicant, through its two existing subsidiary banks, is the largest of 14 banking organizations in the relevant

<sup>1</sup>Unless otherwise indicated, all banking data are as of December 31, 1975.

<sup>1</sup>All banking data are as of June 30, 1975, and reflect bank holding company formations and acquisitions approved through August 31, 1976.

banking market<sup>2</sup> and controls approximately 21 per cent of total deposits in that market. The second largest banking organization therein controls 19 per cent of total deposits in the market. The office of Applicant's banking subsidiary closest to Bank is in Janesville, 16 miles southwest of Evansville. However, neither of Applicant's subsidiary banks may branch into Evansville because of the "home office protection" afforded by Wisconsin's restrictive branching laws. Accordingly, in view of the fact that this proposal involves the acquisition of essentially a *de novo* bank, it appears that the proposed transaction would have no significant adverse effects on existing or potential competition. Therefore, based upon all facts of record, the Board has determined that competitive considerations are consistent with approval of the application.

The financial and managerial resources and future prospects of Applicant, its subsidiary banks, and Bank are regarded as generally satisfactory. Therefore, considerations relating to banking factors are consistent with approval of the application. The addition of a second banking alternative in Evansville should enhance banking competition and thus increase services to the residents of the area. In fact, apparently in response to Bank's formation, the other competing bank has increased both the interest paid on savings accounts and its banking hours to include Saturday morning banking services. Accordingly, considerations relating to the convenience and needs of the community to be served lend weight toward approval of the application. It is the Board's judgment that the proposed acquisition would be in the public interest and that the application should be approved.

On the basis of the record, the application is approved for the reasons summarized above. The transaction shall not be 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 Chicago pursuant to delegated authority.

By order of the Board of Governors, effective September 22, 1976.

Voting for this action: Chairman Burns and Gover-

nors Gardner, Wallich, Coldwell, Jackson and Lilly. Absent and not voting: Governor Partee.

(Signed) RICHARD D. ABRAHAMSON,  
[SEAL.] Assistant Secretary of the Board.

National Detroit Corporation,  
Detroit, Michigan

*Order Approving Acquisition of Bank*

National Detroit Corporation, Detroit, Michigan, a bank holding company within the meaning of the Bank Holding Company Act, has applied for the Board's approval under § 3(a)(3) of the Act (12 U.S.C. § 1842(a)(3)) to acquire all of the voting shares, less directors' qualifying shares, of National Bank of Port Huron, Port Huron, Michigan ("Bank"), a proposed new 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, including those of The Commercial and Savings Bank of St. Clair County, St. Clair, Michigan ("Commercial Bank") and the Peoples Bank of Port Huron, Port Huron, Michigan ("Peoples Bank"), in light of the factors set forth in § 3(c) of the Act (12 U.S.C. § 1842(c)).

Applicant controls five banks in Michigan with aggregate deposits of \$4.9 billion, representing approximately 16.7 per cent of the total commercial bank deposits in Michigan, and is the largest banking organization in the State.<sup>1</sup> Since Bank is a proposed new bank, its acquisition by Applicant would not immediately increase Applicant's share of commercial bank deposits in the State.

Applicant is seeking to make its initial entry into the Port Huron banking market (the relevant market),<sup>2</sup> and Bank will be located in the city of Port Huron. Applicant has no offices within the relevant market and the nearest office of any of Applicant's subsidiary banks to Bank's proposed location is 40 miles southwest of Bank in the Detroit banking market.

In its consideration of the subject application, the Board has also considered the comments sub-

<sup>1</sup>Unless otherwise indicated, all banking data are as of December 31, 1975.

<sup>2</sup>The Port Huron market is approximated by St. Clair County, excluding a small western portion that includes the town of Capac. All market data are as of June 30, 1975.

<sup>2</sup>The Janesville-Beloit banking market is the relevant market in this case and is approximated by Rock County, Wisconsin.



mitted by the two Protestants. Generally speaking, Protestants contend that the proposal would have anticompetitive effects and would adversely affect the viability of existing banks in the market. The Board has analyzed the information submitted by each of the Protestants and, for the reasons set forth below, it is the Board's judgment that the issues raised by Protestants are not sufficient to warrant denial of the subject application.<sup>3</sup>

The first Protestant, Commercial Bank, principally argues that consummation of the proposal would (1) increase market concentration, (2) hinder market deconcentration and (3) adversely affect Peoples Bank. Commercial Bank contends that the relevant market for analyzing the competitive effects of this proposal encompasses the six-county area of Wayne, Oakland, Macomb, Washtenaw, Livingston and St. Clair counties. It is the Board's opinion, however, that Protestant Commercial Bank's definition of the relevant market is too broad as it includes the Detroit banking market and portions of several other banking markets<sup>4</sup> and that the correct market for purposes of analyzing the competitive effects of this proposal is the Port Huron market as defined above (see footnote two). It is the Board's view that consummation of this proposal, would add an additional full service banking competitor to this highly concentrated market in which the three largest banking organizations hold approximately 86 per cent of the total commercial bank deposits and would increase the likelihood of eventual market deconcentration. Finally, the Board disagrees with Commercial Bank's assessment of the adverse effect that consummation of the proposal would have on Peoples Bank. The Board notes that

Peoples Bank increased its deposits 13.6 per cent between year-end 1974 and 1975, that its return on assets for 1975 was far in excess of the State-wide average for like-sized banks, and that it was better capitalized during 1975 than the average like-sized banks in Michigan.

The second Protestant, Peoples Bank, contends that the Port Huron area has experienced significant economic deterioration since the hearings held by the Comptroller of the Currency in connection with the chartering of Bank, and therefore, the Port Huron area could not now support an additional bank. The record shows that the population of St. Clair County increased 7.4 per cent from 1970-1975. At the same time, the banking organizations with their head offices in St. Clair County increased their deposits at almost twice the average rate for all banks in the State for the period June 1974 to December 1975. Similarly, the record does not support Peoples Bank's assessment of the effect this acquisition would have on the existing banks in the market. With the exception of a small branch of a bank whose main office is located outside of the relevant market, the banking organizations in the market are well established institutions, and as noted above, those banking organizations with their head offices in St. Clair County have experienced significant deposit growth. As already noted, Peoples Bank itself has experienced above average growth of deposits and an above average return on its assets. On the basis of the above and other facts of record, the Board is of the view that the Port Huron banking market will continue to support the existing banks in the market and that Bank will not have a serious adverse effect upon those institutions.

Having considered the comments of the Protestants and all of the facts of record, the Board concludes that consummation of the proposed acquisition would not have an adverse effect on future competition and that Applicant's acquisition of Bank can be reasonably expected to stimulate competition in this highly concentrated market by introducing an additional banking alternative without significantly adversely affecting any of the existing banks in the market. Therefore, for the reasons summarized above, the Board concludes that competitive considerations are consistent with, and lend some weight toward, approval of the application.

The financial and managerial resources and future prospects of Applicant and its subsidiaries are regarded as satisfactory. As a proposed new bank,

<sup>3</sup>Protestant Peoples Bank, in its original submission, requested that the Board hold a hearing on the application. Under § 3(b) of the Act, the Board is required to hold a hearing only when the primary supervisor of the bank to be acquired recommends disapproval of the application (12 U.S.C. § 1842(b)). In this case, the Comptroller of the Currency issued a preliminary charter approval on October 21, 1975 and has not subsequently recommended that the application be denied. Thus, there was no statutory requirement that a hearing be held. Protestant Peoples Bank submitted written material in support of its protest and by letter of May 27, 1976, withdrew its request for a formal hearing.

<sup>4</sup>In conjunction with its consideration of a recent application by Michigan National Corporation, Bloomfield Hills, Michigan, to acquire Peoples Bank and Trust, N.A., Trenton, Michigan. (Board Order of August 24, 1976), the Board had occasion to consider the proper definition of the Detroit banking market and found that it was approximated by the counties of Macomb, Oakland and Wayne.

Bank has no financial or operating history; however, its prospects as a subsidiary of Applicant appear favorable. Considerations relating to banking factors, therefore, are consistent with approval of the application.

Bank will serve as an additional full service banking alternative to the residents of Port Huron, increasing the number of banks in that city from two to three. Bank will offer all services normally considered to be full service banking including trust services, selected week-day evening hours, and Saturday hours. Accordingly, these considerations relating to the convenience and needs of the community to be served lend some weight toward approval of the application. It is the Board's judgment that the proposed acquisition would be in the public interest and that the application should be approved.

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

By order of the Board of Governors, effective September 27, 1976.

Voting for this action: Chairman Burns and Governors Gardner, Wallich, Jackson, Partee, and Lilly. Absent and not voting: Governor Coldwell.

(Signed) GRIFFITH L. GARWOOD,  
*Assistant Secretary of the Board.*

[SEAL]

Roger Billings, Incorporated  
Delphos, Kansas

*Order Approving Acquisition of  
Additional Shares of Bank*

Roger Billings, Incorporated, Delphos, Kansas, a registered bank holding company,<sup>1</sup> has applied

<sup>1</sup>Applicant registered as a bank holding company in 1971 at the request of the Federal Reserve Bank of Kansas City. Under § 225.2(b) of the Board's Regulation Y (12 CFR § 225.2(b)) a rebuttable presumption exists that Applicant controls The State Bank of Delphos, Delphos, Kansas; however, the Board has not previously made a determination that Applicant controls that bank.

for the Board's approval under § 3(a)(3) of the Act (12 U.S.C. § 1842(a)(3)) to acquire an additional 4.6 per cent of the voting shares of The State Bank of Delphos, Delphos, Kansas ("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 currently owns 22.2 per cent of the voting shares of Bank,<sup>2</sup> and also engages in insurance activities.<sup>3</sup> Bank, with total deposits of approximately \$4.5 million,<sup>4</sup> controls approximately .05 per cent of the total deposits in commercial banks in the State and is the fourth largest of the five banks in the relevant market with approximately 15.2 per cent of the total deposits in the market.<sup>5</sup> Applicant proposes to acquire 23 shares of Bank from a principal shareholder of Bank and Applicant.

The proposed acquisition of additional shares of Bank would have no effect on competition, since Applicant and its officers, directors and principal shareholders together already control a majority of Bank's outstanding voting shares. Thus, competitive considerations are consistent with approval of the application.

The financial condition and managerial resources of Applicant and Bank are considered satisfactory. Applicant will not incur any debt in connection with this acquisition and the banking factors are consistent with approval. Although there will be no immediate change in the services or facilities of Bank as a result of this acquisition of additional voting shares, considerations relating to the convenience and needs of the community

<sup>2</sup>Applicant acquired additional shares of Bank during 1973 and 1974 without the prior approval of the Board. At the request of the Federal Reserve Bank of Kansas City, Applicant divested those shares and filed this application to reacquire them.

<sup>3</sup>Applicant claims § 4(c)(ii) as authority for its continuing to engage in its nonbanking activities. In the event the Board determines that Applicant is not entitled to that exemption, Applicant has agreed to either file an application pursuant to § 4(c)(8) or divest itself of the shares of Bank it has applied to acquire and thus reduce its holdings of Bank's stock to less than 25 per cent of the outstanding voting shares.

<sup>4</sup>All banking data are as of December 31, 1975.

<sup>5</sup>The relevant market is approximated by northern Ottawa and southern Cloud Counties.

to be served are consistent with approval of the application. Therefore, it is the Board's judgment that the proposed transaction is consistent with 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 the Federal Reserve Bank of Kansas City.

By order of the Board of Governors, effective September 14, 1976.

Voting for this action: Chairman Burns and Governors Gardner, Coldwell, Jackson and Lilly. Absent and not voting: Governors Wallich and Partee.

(Signed) GRIFFITH L. GARWOOD,  
[SEAL.] *Assistant Secretary of the Board.*

#### **Orders Under Section 4 Of Bank Holding Company Act**

C.I.T. Financial Corporation,  
New York, New York

##### *Order Approving Acquisition of Assets*

C.I.T. Financial Corporation, New York, New York, has applied for the Board's approval under § 4(c)(8) of the Bank Holding Company Act ("Act") (12 U.S.C. § 1843(c)(8)) and § 225.4(b)(2) of the Board's Regulation Y (12 CFR § 225.4(b)(2)), to acquire substantially all of the assets of Guardian Commercial Corporation, Roslyn, Heights, New York, a company that engages in consumer finance activities. Such activities have been determined by the Board to be closely related to banking (12 CFR § 225.4(a)(1)).

Notice of the application, affording opportunity for interested persons to submit comments and views on the public interest factors has been duly published (41 *Federal Register* 2169). The time for filing comments and views has expired, and the Board has considered the applications and all comments received in light of the public interest factors set forth in § 4(c)(8) of the Act (12 U.S.C. § 1843(c)(8)).

On the basis of the record, the Board has determined that the balance of the public interest factors the Board is required to consider under § 4(c)(8)

is favorable. Accordingly, the application is hereby approved for the reasons set forth in the Board's Statement, which will be released at a later date. This determination is subject to the conditions set forth in § 225.4(c) of Regulation Y and to the Board's authority to require such modification or termination of the activities of a holding company or any of its subsidiaries as the Board finds necessary to assure compliance with the provisions and purposes of the Act and the Board's regulations and orders issued thereunder, or to prevent evasion thereof.

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 the Board or by the Federal Reserve Bank of New York.

By order of the Board of Governors, effective August 27, 1976.

Voting for this action: Vice Chairman Gardner and Governors Wallich, Coldwell, Partee, and Lilly. Absent and not voting: Chairman Burns and Governor Jackson.

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

#### **Statement by Board of Governors of the Federal Reserve System regarding the application by C.I.T. Financial Corporation for approval to acquire assets of Guardian Commercial Corporation**

C.I.T. Financial Corporation, New York, New York, a bank holding company within the meaning of the Bank Holding Company Act, applied for the Board's approval, under § 4(c)(8) of the Act (12 U.S.C. § 1843(c)(8)) and § 225.4(b)(2) of the Board's Regulation Y (12 CFR § 225.4(b)(2)), to acquire substantially all of the assets of 27 subsidiary consumer finance offices of Guardian Commercial Corporation ("Guardian"), Roslyn Heights, New York. Consumer finance activities have been determined by the Board to be closely related to banking (12 CFR § 225.4(a)(1)). By Order of August 27, 1976, the Board acted to approve the application for the reasons that are set forth in this Statement.

Applicant controls one bank, National Bank of North America ("Bank"). Bank, with total domestic deposits of \$2.2 billion, representing 1.6 per cent of the total commercial bank deposits in the State, is a full-service commercial bank with

141 offices in the New York City metropolitan area and is the tenth largest bank in New York State.<sup>1</sup> Applicant has total assets of about \$7 billion and engages in four principal lines of activity: business and consumer finance, banking, manufacturing and merchandising, and insurance.<sup>2</sup> Applicant, with approximately 1,000 consumer and business finance offices located throughout the United States, Puerto Rico and Canada, is one of the largest diversified finance companies in the United States. Business and consumer finance activities comprise approximately 50 per cent of Applicant's assets and 56 per cent of Applicant's net income.

Guardian, with total assets of approximately \$36 million, is a subsidiary of First Jersey National Corporation ("FJNC"), Jersey City, New Jersey, a registered bank holding company, and engages through its three direct subsidiaries, Guardian Loan Company, Tilden Commercial Alliance, and Tilden Life Insurance, in consumer and sales financing, automobile and equipment lease financing, the sale of credit life and credit accident and health insurance in connection with extensions of credit, and the reinsuring of credit life and credit disability insurance. Applicant proposed to acquire approximately \$12 million of Guardian's assets, representing substantially all of the assets relating to the consumer finance business of 27 subsidiary offices of Guardian located in the four States of Pennsylvania, New Jersey, Delaware and Connecticut. These assets include consumer finance and sales finance receivables, customer lists, furniture, fixtures, and leasehold interests.

Applicant and Guardian operate one office each in the Wilmington and Harrisburg markets. Applicant and Guardian operate two offices and five offices, respectively, in the Philadelphia-Camden market. Accordingly, consummation of this acquisition would result in the elimination of some existing competition. However, in each of these markets the share of the estimated total dollar volume of direct consumer loans outstanding held by Applicant and Guardian combined is less than 1 per cent, and a large number of small loan companies operate in each of the markets. Fur-

thermore, the facts of record of this application indicate that the consumer finance activities of Guardian have not been profitable due to its high cost of obtaining operating funds. This situation has necessitated a contraction of Guardian's consumer finance business and the closing of numerous loan offices. Unless the operating difficulties in the consumer finance business of Guardian are overcome, FJNC may find it more expedient to liquidate additional finance offices than to continue to incur the losses associated with such operations. On the basis of these considerations, the Board concludes, with respect to existing competition, that Guardian does not have a significant competitive presence in the markets it serves.

With respect to potential and future competition, the facts of record show that Applicant has the financial and managerial capabilities to open additional offices in markets where it presently competes with Guardian and to expand on a *de novo* basis into other attractive areas presently served by Guardian. However, in view of Guardian's uncertain viability as a competitor in the markets it serves and the unsuccessful attempt by FJNC over the last three years to sell Guardian, it does not appear that any significant competition between Applicant and Guardian would be likely to develop in the future absent approval of this application. The Board further notes that Guardian's uncertain future, past operating performance, and relatively wide geographic diversification within Pennsylvania and New Jersey, tend to lessen its attractiveness as a "going concern" acquisition vehicle for bank holding companies that have not yet entered the consumer finance field. In light of the foregoing and other facts of record, it appears conjectural whether Applicant's acquisition of Guardian would foreclose an amount of future or potential competition that would be regarded as significant.

Under § 4(c)(8) of the Act, the Board is required to consider the public benefits that are likely to be derived from the acquisition of a nonbanking concern by a bank holding company and, in the context of this application, the Board believes that some public benefit may reasonably be expected to result from consummation of the proposal. Consummation of the proposal would insure a continuity of services to Guardian's existing loan customers, while relieving FJNC of the necessity of funding Guardian's consumer finance business and enabling FJNC to retain Guardian's other, more profitable activities, particularly its leasing

<sup>1</sup>All banking data are as of December 31, 1975.

<sup>2</sup>Certain of Applicant's nonbanking activities are subject to review under § 4(a)(2) of the Act. It is anticipated that this review will be completed shortly. Pending completion of this review, Applicant may not commingle the assets of Guardian with assets that might be subject to divestiture or for which Applicant may be required to file an application to retain pursuant to § 4(c)(8) of the Act.

activities. In addition, Applicant has committed to expand the services offered to current and prospective customers by making available larger loans (where permitted by State law) and real estate loans, and by offering additional credit insurance coverage. Applicant would bring to the markets served by Guardian its substantial financial and managerial resources and broadened, more sophisticated, financing services. While the Board is concerned about some aspects of this proposal to which adverse weight has been accorded in previous Orders dealing with similar proposals by other bank holding companies,<sup>3</sup> the Board concludes that, on balance, this proposal can be expected to result in benefits to the public that are sufficient to outweigh possible adverse effects.

Board of Governors of the Federal Reserve System, September 23, 1976.

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

<sup>3</sup>The Board has previously indicated that it will view a proposed acquisition of a going concern as offering substantially diminished returns to the public interest where the Applicant is a leading bank holding company with a substantial and growing consumer finance subsidiary that has achieved a significant presence in the industry and where the Applicant has the expertise, managerial talent, and financial resources to expand its operations by means other than acquisition (see the Board's Order denying Citicorp's applications to acquire Amfac Credit Corporation, West Coast Credit Corporation and Federal Discount Corporation, 61 Federal Reserve BULLETIN 896 (1975)). Although some of these elements are present in the proposed acquisition, the Board notes that Applicant is a diversified corporation that engages primarily in nonbanking activities and already derives the majority of its income from consumer and business finance activities. Accordingly, this proposal does not present the possibility that the resources of its bank may give the holding company some competitive advantage in the performance of the nonbanking activity; and, there is otherwise no evidence in the record to indicate that consummation of this proposal, in and of itself, would result in any undue concentration of resources, conflicts of interests, or unsound banking practices.

Citicorp,  
New York, New York

*Order Approving De Novo Expansion of the  
Activities of Gateway Life Insurance Company*

Citicorp, New York, New York, a bank holding company within the meaning of the Bank Holding Company Act, has applied for the Board's approval, under § 4(c)(8) of the Act and § 225.4(b)(2) of the Board's Regulation Y, to ex-

pand the activities of its indirect subsidiary Gateway Life Insurance Company ("Gateway"), Phoenix, Arizona.<sup>1</sup> Gateway, a subsidiary of Applicant's consumer finance subsidiary, Nationwide Financial Services Corporation ("Nationwide"), St. Louis, Missouri, currently engages in the activity of underwriting, as reinsurer, credit life and credit accident and health insurance directly related to extensions of credit by Nationwide in the 13 States in which Nationwide operated at the time of its acquisition by Applicant in 1973.<sup>2</sup> If the instant proposal is approved, Applicant proposes to expand Gateway's reinsurance activities *de novo* to include Applicant's lending subsidiaries in 13 additional States<sup>3</sup> and the Commonwealth of Puerto Rico. Applicant further proposes to modify the scope of Gateway's underwriting activities by causing Gateway to act as a direct underwriter, rather than as reinsurer, in those States in which it has developed the greatest reinsurance experience. This modification of the activity would be instituted on a selective State-by-State basis. The Board has previously determined that the activity of direct underwriting or underwriting as reinsurer of credit life and credit accident and health insurance which is directly related to extensions of credit by the bank holding company system is closely related to banking.<sup>4</sup>

Notice of the application, affording opportunity for interested persons to submit comments and views on the public interest factors, has been duly published (41 *Federal Register* 32668 (1976)). The time for filing comments and views has expired, and the Board has considered the application

<sup>1</sup>By Order dated September 11, 1973, the Board approved Applicant's application to acquire Gateway and thereby to engage in underwriting/reinsuring activities [38 *Federal Register* 26507 (1973)].

<sup>2</sup>These States are: Arizona, California, Colorado, Georgia, Louisiana, Missouri, Nevada, New Mexico, Oklahoma, Oregon, Utah, Washington, and Wyoming.

<sup>3</sup>The additional States are: Alabama, Florida, Idaho, Indiana, Maryland, Mississippi, Montana, Nebraska, New York, North Carolina, South Dakota, Texas, and Virginia.

<sup>4</sup>By Order dated May 21, 1973, the Board approved the application of Northwest Bancorporation, Minneapolis, Minnesota, to acquire Banco Credit Life Insurance Company [38 *Federal Register* 14205 (1973)]. In that Order, the Board stated:

In adopting Section 225.4(a)(10), the Board did not consider the underwriting of long term, high value decreasing term life insurance where age is a factor in the rate to be charged. Accordingly, underwriting insurance of this type, which is commonly offered in connection with real estate mortgage loans, is not regarded as having been determined to be closely related to banking under Section 225.4(a)(10).

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, the largest banking organization in New York State and the second largest banking organization in the United States, controls two subsidiary banks with aggregate domestic deposits of approximately \$19.5 billion, representing about 14.4 per cent of the total deposits in commercial banks in New York State.<sup>5</sup> Applicant engages in a variety of permissible nonbank activities through 85 direct and indirect domestic nonbank subsidiaries. Applicant's nonbank activities include mortgage banking activities,<sup>6</sup> leasing activities, consumer and sales finance activities, and insurance agency activities for the sale of insurance which is directly related to extensions of credit.

Gateway's activities will be limited to acting as direct underwriter or as reinsurer of credit life and credit accident and health insurance directly related to extensions of credit by Nationwide and Applicant's other lending subsidiaries. Since this proposal essentially involves a *de novo* expansion and modification of Applicant's existing underwriting/reinsuring activities, approval of this proposal would not have any adverse effects on either existing or potential competition in any relevant market.

Credit life and credit accident and health insurance is generally made available by banks and other lenders and is designed to assure repayment of a loan in the event of death or disability of the borrower. In connection with its addition of the underwriting of such insurance to the list of permissible activities for bank holding companies, the Board stated:

To assure that engaging in the underwriting of credit life and credit accident and health insurance can reasonably be expected to be in the public interest, the Board will only approve applications in which an applicant demonstrates that approval will benefit the consumer or result in other public benefits. Normally, such a

showing would be made by a projected reduction in rates or increase in policy benefits due to bank holding company performance of this service. (12 CFR § 225.4(a)(10) n. 7)

Applicant's proposal involves two aspects: (1) the expansion of reinsurance activities into 13 additional States and the Commonwealth of Puerto Rico, and (2) the conversion of some of the existing reinsurance activities into direct underwriting activities. Applicant has stated that following approval of this proposal, Gateway will offer at reduced premiums the several types of credit insurance policies that it will reinsure in the additional areas it proposes to enter. Applicant's proposed rate reductions vary according to the various *prima facie* rates established in each of the respective additional States and in Puerto Rico. Thus, Applicant's proposal involves rate reductions for credit life insurance ranging from 2.3 per cent to 15 per cent below the maximum allowable premium rates established in each respective State and Puerto Rico, and rate reductions for credit accident and health insurance of 5 per cent below the maximum allowable rate established in each respective State and Puerto Rico. The Board is of the view that these reductions in insurance premiums which Applicant proposes to establish are procompetitive and in the public interest. With regard to the portion of Applicant's proposal relating to the conversion of reinsurance activities into direct underwriting activities in those States where Applicant has already gained reinsurance experience, the Board regards this change as being primarily a change in form which will not materially alter the facts considered by the Board in connection with the original approval of Applicant's acquisition of Gateway. In this regard, Applicant will maintain the public benefits to which it was previously committed.

Based upon the foregoing and other considerations reflected in the record, including a commitment by Applicant to maintain on a continuing basis the public benefits that the Board has found to be reasonably expected to result from this proposal and upon which the approval of this proposal is based, the Board has determined that the balance of the public interest factors the Board is required to consider under § 4(c)(8) is favorable. Accordingly, the application is hereby approved. This determination is subject to the conditions set forth in § 225.4(c) of Regulation Y and to the Board's authority to require such modification or termination of the activities of a holding company or any

<sup>5</sup>All banking data are as of December 31, 1975.

<sup>6</sup>Applicant engages in mortgage banking activities through Advance Mortgage Company ("Advance"), Southfield, Michigan, a nonbank subsidiary which Applicant acquired on June 15, 1970. Under the provisions of § 4(a)(2) of the Act, Applicant may not retain the shares of Advance beyond December 31, 1980, without Board approval. By order dated December 26, 1973, the Board denied Applicant's application to retain Advance pursuant to § 4(c)(8) of the Act [60 Federal Reserve BULLETIN 50].

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

By order of the Board of Governors, effective September 20, 1976.

Voting for this action: Chairman Burns and Governors Gardner, Wallich, Jackson, and Lilly. Absent and not voting: Governors Coldwell and Partee.

(Signed) RICHARD D. ABRAHAMSON,  
[SEAL] *Assistant Secretary of the Board.*

First Security Corporation,  
Salt Lake City, Utah

*Order Amending Requirement  
for Filing a Plan of Divestiture*

By Order dated July 30, 1976, the Board denied further extensions of time for divestiture by First Security Corporation, Salt Lake City, Utah ("FSC"), of First Security Savings and Loan Association, Pocatello, Idaho ("FSS&L"), a company engaged in the business of operating a savings and loan association, and determined not to process FSC's tendered application to retain FSS&L pursuant to § 4(c)(8) of the Bank Holding Company Act. The Board's Order required FSC to divest itself of any and all direct or indirect interest in and control over FSS&L by no later than November 1, 1976. FSC was further directed to file a plan of divestiture with the Board by no later than September 15, 1976.

By letter dated August 25, 1976, and attachments thereto, FSC has requested that the Board grant reconsideration of its July 30 Order. The Board expects to act on such petition shortly and has determined that pending its action it is appropriate to extend the deadline by which FSC is to file a plan of divestiture with the Board. Accordingly, in the event the Board acts to deny the petition, FSC is hereby directed to file a plan of divestiture no later than two weeks subsequent to the date of such Board action.

By order of the Board of Governors, effective September 15, 1976.

Voting for this action: Vice Chairman Gardner and Governors Wallich, Coldwell, Jackson, and Lilly. Absent and not voting: Chairman Burns and Governor Partee.

(Signed) GRIFFITH L. GARWOOD,  
[SEAL] *Assistant Secretary of the Board.*

Hampton Bankshares Corporation, Clayton  
Bankshares Corporation, and Crestwood Bank  
Shares Corporation, St. Louis, Missouri

*Order Approving  
Retention of Clayton Trust Company*

Hampton Bankshares Corporation, Clayton Bankshares Corporation, and Crestwood Bank Shares Corporation, all of St. Louis, Missouri, bank holding companies within the meaning of the Bank Holding Company Act, have each applied for the Board's approval, under § 4(c)(8) of the Act and § 225.4(b)(2) of the Board's Regulation Y, to retain indirectly 32.8 percent<sup>1</sup> of the voting shares of Clayton Trust Company, Clayton, Missouri ("Company"), a company that engages in activities that may be carried on by a trust company including providing services of a trust, fiduciary, agency, or custodian nature. Such activities have been determined by the Board to be closely related to banking (12 CFR § 225.4(a)(4)).

Notice of the applications, affording opportunity for interested persons to submit comments and views on the public interest factors, has been duly published (41 *Federal Register* 27133). The time for filing comments and views has expired, and the Board has considered 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)(8)).

Each Applicant is a separate one-bank holding company and each controls a different bank; Applicants are affiliated with each other through common ownership. Their three subsidiary banks have aggregate deposits of approximately \$272.4 million.<sup>2</sup> Company, which commenced operations in 1973, was organized by the individual who serves as chief executive officer and is principal shareholder of each of Applicants. In 1974, the shares of Company were placed in a voting trust

<sup>1</sup>Applicants have applied to retain in the aggregate 98.32 per cent of Company's outstanding voting shares.

<sup>2</sup>All banking data are as of December 31, 1975.

and voting trust certificates were issued to Applicants' three subsidiary banks. As a result, each Applicant controls approximately 32.8 per cent of the voting shares of Company.<sup>3</sup> Company had total trust assets of approximately \$12.5 million as of April 30, 1976.

In acting on applications submitted pursuant to § 4(c)(8) of the Act, the Board analyzes an application to retain a company engaged in § 4(c)(8) activities by the same standards that it analyzes an application to acquire a company engaged in such activities. In addition, the Board analyzes the competitive effects of a proposal both at the time of the acquisition and at the time of the application for retention. Applicants acquired their interests in Company from Company's organizer through the above-described voting trust arrangement. That transaction was essentially a reorganization in which control of voting shares of Company was transferred from an individual to companies, not then engaged directly or indirectly in providing trust services, but controlled by the same individual and the transaction does not appear to have had any significant adverse effects on competition at that time. At present, Company competes with several other companies offering similar services in the St. Louis market.<sup>4</sup>

The retention of Company by Applicants should

<sup>3</sup>Section 2(g)(2) of the Act provides in pertinent part that for purposes of the Act "shares held or controlled directly or indirectly by trustees for the benefit of . . . a company . . . shall be deemed to be controlled by such company." The shares of Company that are subject to the voting trust are held for the benefit of Applicants' subsidiary banks and thus are deemed to be controlled indirectly by Applicants.

It is the Board's judgment that Applicants, by acquiring control of Company without prior Board approval, violated the Act. It appears, however, from the facts of record that such violations resulted from a misunderstanding of the statutes applicable to nonbanking activities of bank holding companies and were inadvertent. Applicants mistakenly believed that control of shares of Company was permissible without Board approval under section 4(c)(5) and 4(c)(1)(C) of the Act. The Board has scrutinized the underlying facts surrounding the acquisition of shares of Company without prior Board approval. In particular, the Board notes that Company's activities are in every respect permissible under section 4(c)(8) of the Act and that Applicants took prompt action in bringing their activities into compliance with the Act by applying for Board approval upon being advised by the Federal Reserve Bank of Kansas City of the violations. Upon an examination of all the facts of record, the Board believes that the facts are such that they do not warrant denial of the application to retain shares of Company.

<sup>4</sup>The St. Louis market is approximated by the City and County of St. Louis, portions of St. Charles and Jefferson Counties, Missouri, and portions of Madison and St. Clair Counties in Illinois.

provide benefits to the public by assuring a convenient and continued source of trust and related services. There is no evidence in the record indicating that retention of Company would lead to 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 that, in accordance with the provisions of section 4(c)(8), retention of shares of Company by Applicants can reasonably be expected to result in benefits to the public that outweigh possible adverse effects. Accordingly, the applications are 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 orders issued thereunder, or to prevent evasion thereof.

By order of the Board of Governors, effective September 27, 1976.

Voting for this action: Chairman Burns and Governors Gardner, Wallich, Jackson, Partee, and Lilly.  
Absent and not voting: Governor Coldwell.

(Signed) GRIFFITH L. GARWOOD,  
[SEAL.] *Assistant Secretary of the Board.*

Philadelphia National Corporation,  
Philadelphia, Pennsylvania

*Order Approving Acquisitions  
of Liberal Finance Company and  
Liberal Consumer Discount Company*

Philadelphia National Corporation, Philadelphia, Pennsylvania, 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 (12 U.S.C. § 1843(c)(8)) and § 225.4(b)(2) of the Board's Regulation Y (12 CFR § 225.4(b)(2)), to purchase, through Signal Finance Corporation, Pittsburgh, Pennsylvania ("Signal"), a wholly-owned indirect subsidiary of Applicant engaged in the consumer finance business, all the outstanding shares of Liberal Finance Company and Liberal Consumer Discount Company ("Liberal Companies"), both of Edwardsville, Pennsylvania, both of which engage in the



activities of making instalment loans for personal, family or household purposes; purchasing sales finance contracts in connection with the sale of personal, family or household goods or services; selling credit life insurance and credit disability insurance (both of which will be reinsured by existing subsidiaries of Applicant) and casualty insurance in connection with personal instalment loans made and sales contracts purchased, and generally engaging in the business of a consumer finance company. Upon approval of these applications, the name of the Liberal Companies will be changed to "Signal Consumer Discount Company." All of the above activities have been determined by the Board to be closely related to banking (12 CFR § 225.4(a)(1) and (9)).

Notice of the applications, affording opportunity for interested persons to submit comments and views on the public interest factors, has been duly published (41 *Federal Register* 141). The time for filing comments and views has expired, and the Board has considered the applications 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, the third largest banking organization in Pennsylvania, controls The Philadelphia National Bank ("Bank") with total domestic deposits of \$2.4 billion.<sup>1</sup> Signal Financial Corporation, Pittsburgh, Pennsylvania ("Financial"), is a holding company and direct parent of Signal, the corporation through which Applicant will acquire the Liberal Companies, and is a wholly-owned subsidiary of Applicant.<sup>2</sup> Financial's subsidiaries are engaged in consumer lending and, to a lesser extent, the sale of credit related life, disability, and property insurance to its customers through 73 consumer loan offices in twelve States, two insurance companies, and a thrift and loan association in California.

The Liberal Companies with total assets of \$1.6 million together are engaged at a common location in Edwardsville, Pennsylvania, in the general consumer finance business including the extension of direct personal loans, the purchase of retail instalment paper and the sale of credit-related

insurance. Applicant's direct subsidiary, Financial, conducts through its subsidiaries including Signal, substantially the same activities as the Liberal Companies. Bank is also active in consumer lending and credit insurance sales. The Liberal Companies' only office is located in the Wilkes-Barre market;<sup>3</sup> within that market, 25 consumer finance companies operate 36 offices. In addition, 16 commercial banks operate 46 offices and there are at least 7 large credit unions active in consumer lending.

Financial operates offices in northeastern Pennsylvania, its office nearest to that of the Liberal Companies is 21 miles distant. However, they operate in separate geographic markets and service area overlap is minimal. Bank does not maintain an office in the Wilkes-Barre market and has not originated or purchased a significant amount of consumer loans in the market. Accordingly, the proposal would not eliminate significant existing competition.

Applicant, through Financial, is a potential entrant into the Wilkes-Barre market. However, there are also numerous other entrants. Of the more than 200 consumer finance organizations in Pennsylvania alone, only 25 are currently represented in the Wilkes-Barre market. The Wilkes-Barre market is considered competitive with no significant barriers to entry known to exist. Hence, no adverse effects on potential competition in the Wilkes-Barre market are expected. The current owners of the Liberal Companies have committed themselves to the sale of their business and subsequent retirement. Since the Liberal Companies appear to be so small and nonaggressive, the probability of their branching is minimal. Hence, the Liberal Companies are not considered likely entrants to other markets and their disappearance is not likely to affect potential competition.

The proposed acquisition of the Liberal Companies through Signal is expected to yield public benefits. Applicant intends to market aggressively the larger and longer term loans permissible under the Pennsylvania Consumer Discount Act. Applicant also plans the introduction of reduced rate loans to select customers within a year. Upon consummation of this proposal, credit insurance rates at the Edwardsville office of Signal Consumer

<sup>1</sup>All banking data are as of December 31, 1975, unless otherwise indicated.

<sup>2</sup>Applicant acquired Financial with Board authorization by Board Order of June 18, 1973 (38 *Federal Register* 16679 (1973)). At that time, Financial was known as Signet Corporation.

<sup>3</sup>The Wilkes-Barre market encompasses the northern half of Luzerne County, the southwestern half of Wyoming County below the Susquehanna River, and the southern tip of Lackawanna County.

Discount Company would be reduced from the maximums permitted by Pennsylvania law.<sup>4</sup> Furthermore, it is expected that customers will be afforded greater expedience in insurance claims handling because Applicant owns the reinsurer of insurance that would be sold at that office. Moreover, 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 interest, unsound banking practices or other adverse effects on the public interest.

Based on the foregoing and other considerations reflected in the record, the Board has determined, in accordance with the provisions of section 4(c)(8) of the Act, that consummation of the proposal can reasonably be expected to produce benefits to the public that outweigh possible adverse effects. Accordingly, the applications are hereby approved. This determination is subject to the conditions set forth in § 225.4(c) of Regulation Y (12 CFR § 225.4(c)) and to the authority of the Board to require such modification or termination of the activities of a holding company or any of its subsidiaries as the Board may find necessary to assure compliance with the provisions and purposes of the Act and the Board's regulations or 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 the Board or by the Federal Reserve Bank of Philadelphia, pursuant to authority hereby delegated.

By order of the Board of Governors, effective September 24, 1976.

Voting for this action: Chairman Burns and Governors Wallieh, Jackson, Partee, and Lilly. Present and abstaining: Governor Gardner. Absent and not voting: Governor Coldwell.

(Signed) GRIFFITH L. GARWOOD,  
Assistant Secretary of the Board.

[SEAL.]

Harlan National Company,  
Harlan, Iowa

*Order Approving Formation  
of Bank Holding Company and  
Engaging in Insurance Agency Activities*

Harlan National Company, Harlan, Iowa, 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 98.2 per cent of the voting shares of The Harlan National Bank, Harlan, Iowa ("Bank").

At the same time, Applicant has applied, pursuant to § 4(c)(8) of the Bank Holding Company Act (12 U.S.C. § 1843(c)(8)) and § 225.4(b)(2) of the Board's Regulation Y (12 CFR § 225.4(b)(2)), for permission to acquire voting shares of Bank Insurance Agency, Harlan, Iowa ("Agency"), and thereby engage as agent in the sale of credit life and credit accident and health insurance directly related to extensions of credit or the provision of other financial services by Bank and Applicant. Such activities have been determined by the Board in §225.4(a)(9)(ii) (a) and (b) of Regulation Y to be permissible for bank holding companies, subject to Board approval of individual proposals in accordance with procedures of § 225.4(b).

Notice of the applications, affording opportunity for interested persons to submit comments and views, has been given in accordance with §§ 3 and 4 of the Act (41 *Federal Register* 26077). The time for filing comments and views has expired, and the Board has considered the applications and all comments received in light of the factors set forth in § 3(c) of the Act and the considerations specified in § 4(c)(8) of the Act.

By Order dated October 31, 1975, the Board of Governors denied the application of Harlan National Company to become a bank holding company through the acquisition of Bank (40 *Federal Register* 52440).<sup>1</sup> Thereafter, Applicant filed a Request for Reconsideration pursuant to § 262.3(g)(5) of the Board's Rules of Procedure (12 CFR § 262.3(g)(5)). By Order dated June 11, 1976 (41 *Federal Register* 26077), the Board agreed to reconsider the application.

<sup>4</sup>Board Order of June 18, 1973, approving the acquisition of Financial by Applicant was conditioned on Financial's commitment to sell credit-related insurance at rates below those that would otherwise apply to such insurance sold by the underwriter. Premiums on credit life insurance will be reduced by 3.3 per cent and premiums on credit disability insurance by 5 per cent.

<sup>1</sup>In view of this action, the Board considered the application to acquire Agency to be moot.

Applicant is a nonoperating corporation organized for the purposes of becoming a bank holding company through acquisition of Bank and of acquiring the insurance agency business of the principal shareholders of Bank. Bank (\$24.6 million in deposits) controls .2 of 1 per cent of the total commercial bank deposits in Iowa. Bank is the largest of seven commercial banks operating in the Shelby County banking market (the relevant market),<sup>2</sup> holding approximately 30 per cent of the total commercial bank deposits in the market. Inasmuch as the proposal represents merely a restructuring of Bank's ownership from individuals to a corporation owned by the same individuals and Applicant has no other subsidiary banks, acquisition of Bank by Applicant would have no adverse effects on competition in any relevant area. Accordingly, the Board concludes that competitive considerations are consistent with approval of the application.

In its earlier Order denying the application, the Board noted that the financial and managerial resources and future prospects of Bank were generally satisfactory but expressed concern over such factors as applied to Applicant. In the Board's view, Applicant lacked the necessary financial flexibility and resources to meet its annual debt servicing requirements as well as any unforeseen financial problems that might arise at Bank. This situation was aggravated by the substantial acquisition debt involved in the formation of another bank holding company, First National Company of Missouri Valley, Inc., Missouri Valley, Iowa,<sup>3</sup> also wholly owned by Applicant's sole owner, Mr. Fred R. Horne, Jr., and the apparent lack of sufficient financial resources on Mr. Horne's part to retire the personal debt associated with both the previously approved formation and the instant proposal without adversely affecting the resources of the subsidiary banks.

In connection with its Request for Reconsideration, Applicant has submitted current information with respect to the financial conditions of Bank, Mr. Horne and the First National Company of Missouri Valley. This new information indicates that Applicant will have significantly greater financial resources and flexibility as a result of the improvement in both Bank's capital and earnings

position and Mr. Horne's personal financial condition. The strengthened financial condition of Bank and Mr. Horne and the recent actions of Mr. Horne to reduce to an acceptable level the acquisition debt involved in the Missouri Valley formation causes the Board to believe that the acquisition debt involved in both the proposed formation of Applicant and in the Missouri Valley formation can now be serviced by both holding companies as well as by the resources of Mr. Horne without adversely affecting the subsidiary banks.

Accordingly, the Board is of the view that considerations relating to the financial and managerial resources and future prospects of Applicant's proposal are now consistent with approval of the application. The Board, however, reiterates its concern with holding company formations involving substantial acquisition debt where, as here, the owner or owners are already principals in one or more other bank holding companies whose formations likewise involved a considerable amount of acquisition debt incurred by both the proposed holding company and the principals. As it has previously stated,<sup>4</sup> the Board believes it advisable to apply to such cases the more restrictive standards regularly applied in analyzing multibank holding company proposals.

With respect to convenience and needs considerations, Applicant proposes to increase business and installment loans and to host local seminars for area farmers. These considerations are consistent with approval of the application. Accordingly, it is the Board's view that consummation of the proposal to form a bank holding company would be consistent with the public interest and that the application to acquire Bank should be approved.

With respect to the proposed acquisition of Agency, there is no evidence in the record indicating that proposal would result in any undue concentration of resources, unfair competition, conflicts of interests, unsound banking practices, or other adverse effects on the public interest. On the other hand, approval of the application would allow the continued convenience to Bank's customers of a readily accessible source of credit-related insurance services. This result is regarded as being in the public interest.

Based on the foregoing and other considerations

<sup>2</sup>All banking data are as of December 31, 1975.

<sup>3</sup>Approved by the Board, February 20, 1973, 38 *Federal Register* 5512 (March 1, 1973).

<sup>4</sup>BHCo. Inc., Hardin, Montana, 60 *Federal Reserve Bulletin* 123 (1974); Nebraska Banco, Inc., Ord, Nebraska, 62 *Federal Reserve Bulletin* 638 (1976).

reflected in the record, it is the Board's judgment that considerations relating to the factors under § 3(c) of the Act and the balance of the public interest factors under § 4(c)(8) of the Act both favor approval of Applicant's proposals.

Accordingly, the applications are approved for the reasons summarized above. The acquisition of Bank shall not be made before the thirtieth calendar day following the effective date of this Order. The acquisition of Bank and the commencement of insurance agency activities shall be made not later than three months after the effective date of this Order, unless such period is extended for good cause by the Board, or by the Federal Reserve Bank of Chicago pursuant to delegated authority. The determination as to Applicant's insurance activities is subject to the conditions set forth in §225.4(c) of Regulation Y and to the Board's authority to require reports by, and make examinations of, holding companies and their subsidiaries and to require such modification or termination of the activities of a bank holding company or any of its subsidiaries as the Board finds necessary to assure compliance with the provisions and purposes of the Act and the Board's regulations and orders issued thereunder, or to prevent evasion thereof.

By order of the Board of Governors, effective September 20, 1976.

Voting for this action: Chairman Burns and Governors Gardner, Wallich, Coldwell, Jackson, and Lilly. Absent and not voting: Governor Partee.

(Signed) RICHARD D. ABRAHAMSON,  
[SEAL.] *Assistant Secretary of the Board.*

First Progressive Bank,  
Brewton, Alabama

*Order Approving Application to Become a  
Member of the Federal Reserve System*

First Progressive Bank, Brewton, Alabama ("Applicant"), a proposed new bank chartered under the laws of the State of Alabama, has applied, pursuant to section 9 of the Federal Reserve Act [12 U.S.C. 321-338] and the Board's Regulation H [12 CFR 208], to become a member of the Federal Reserve System.

Applicant, which has not opened for business, was organized in 1974 for the purpose of obtaining

a State bank charter and engaging in a commercial banking business. After denial of its initial application for a State bank charter, Applicant reapplied and its application was approved by the State Banking Department of Alabama by letter dated July 11, 1975. Approval of Applicant's charter was conditioned, in part, upon Applicant obtaining insurance coverage for its deposits from the Federal Deposit Insurance Corporation ("FDIC"). Consequently, Applicant filed an application for insurance pursuant to section 5 of the Federal Deposit Insurance Act [12 U.S.C. 1815]. That application was denied by the FDIC on the basis of the FDIC's unfavorable findings with regard to the future earnings prospects of Applicant and the convenience and needs of the community to be served.

Under section 9 of the Federal Reserve Act, the Board, in acting upon an application to become a member of the Federal Reserve System, is required to consider the financial condition of the applying bank, the general character of its management, and whether or not the corporate powers of the institution are consistent with the purposes of the Federal Reserve Act. In addition, under section 4(b) of the Federal Deposit Insurance Act [12 U.S.C. 1814], the admission to membership in the Federal Reserve System of an uninsured State bank automatically confers deposit insurance upon the bank from the time the Board certifies to the FDIC that the bank is a member of the Federal Reserve System. The Board's certificate to the FDIC is required to state that the Board has given consideration to the factors enumerated in section 6 of the Federal Deposit Insurance Act [12 U.S.C. 1816], namely, the financial history and condition of the bank; the adequacy of its capital structure; the bank's future earnings prospects; the general character of its management; the convenience and needs of the community to be served by the bank; and whether or not the bank's corporate powers are consistent with the purposes of the Federal Deposit Insurance Act.

The Board has considered the subject application and all comments received with respect thereto, including those submitted by First National Bank of Brewton, Brewton, Alabama, and by Bank of Brewton, Brewton, Alabama (hereinafter referred to as "Protestants"), in light of the statutory factors enumerated above, and, on the basis of the record, the Board makes the following findings.

Brewton is located in southwestern Alabama

and is the seat of Escambia County (population 34,906). The population of Brewton and contiguous East Brewton was 9,083 as of the 1970 Census. According to Applicant, its proposed service area would include the eastern three-quarters of Escambia County, Alabama, the southern portion of adjacent Conecuh County, Alabama, and fringe areas of Santa Rosa and Escambia Counties, Florida. The economic base of the area is diversified, consisting of agricultural, forest and manufacturing production, as well as service activities related to Brewton's position as the county seat. In recent years the area has derived significant economic benefit from newly developed oil fields, and it is estimated that the residents of the Jay, Florida-Brewton, Alabama, area will derive significant income from future oil production. On balance, it appears that the area has experienced moderate though steady growth. Between 1970 and 1973, the per capita income of Escambia County increased by approximately 20 per cent. Personal income for the same period increased by an even greater percentage. Retail sales in the Brewton-East Brewton area increased from \$48.9 million in 1970 to \$72 million in 1974. During the first nine months of 1975 retail sales in Escambia County increased by 5.5 per cent while Statewide retail sales declined by 2.7 per cent. Deposits in Escambia County, Alabama, commercial banks increased from \$48 million in 1968 to \$107 million in 1974, an increase of 121 per cent. From 1974 to 1975, deposits in First National Bank of Brewton and Bank of Brewton, the only banks in Brewton, grew by 16.6 per cent and 10.5 per cent, respectively. Based on the foregoing and other information in the record, it is apparent that the economy of the area that would be served by Applicant has expanded in recent years, and in the Board's view, it is reasonable to conclude that it will continue to expand in the foreseeable future.

Presently Protestants operate five banking offices in the Brewton area. Despite the fact that most of the services that would be provided by Applicant are currently being offered by Protestants, the record reflects a desire on the part of a significant number of local residents for a locally owned bank such as Applicant. Approval of the subject application would result in an additional banking alternative being made available to residents of the area. Based on the local economic conditions and the apparent local support the Applicant would enjoy, the Board concludes that considerations with regard to the convenience and needs of the

community to be served by Applicant are consistent with approval of the subject application.

Applicant has no operating history, and its future earnings prospects are, of course, related to the amount of deposits Applicant will be able to attract. The FDIC, in denying Applicant's application for deposit insurance, questioned whether Applicant could attract sufficient deposits to achieve profitability within a reasonable time. The FDIC's uncertainty as to Applicant's ability to achieve profitability in a reasonable period of time was apparently due, at least in part, to the FDIC's view of the prevailing economic conditions in the area. The Board views the local economic conditions and prospects of the area as generally favorable to the introduction of an additional banking alternative. The Board's assessment of the prospects for the area is based on the information of record, including some financial and population data that were not available to the FDIC in November 1975, the time of the FDIC's action.

Applicant would be located about five blocks from the main business section of Brewton. Although removed somewhat from the principal area of commercial activity, Applicant should benefit by its ability to provide ample parking facilities not currently available in the downtown area. Businesses currently operating in the vicinity and the establishment of new businesses nearby should further enhance Applicant's profitability. In general, it appears that Applicant's location, while it may not be optimum, is sufficiently attractive to enable Applicant to operate at a profitable level. Furthermore, as mentioned previously, there are indications in the record of strong community support for a new bank in the area of Brewton. Applicant's initial stock offering of \$1 million was oversubscribed. According to Applicant, the 260 subscribers to its stock (none of whom will own more than 5 per cent of the stock) have each pledged to bring all of his or her banking business to Applicant. From the list provided by Applicant, it appears that many of its subscribers are owners of businesses or self employed professionals who will be able to provide Applicant with an initial nucleus of customers to serve. In the Board's judgment, such expressions of local support for the proposal are a positive factor not only with respect to the convenience and needs of the community but also with respect to the future earnings prospects of Applicant.

In assessing the future earnings prospects of Applicant, the Board has also considered the views

of the staff of the State Banking Department,<sup>1</sup> the staff of the FDIC, the Federal Reserve Bank of Atlanta and the Board's staff, all of which project that Applicant will achieve profitability by the end of its third year of operation. Protestants have averred that Applicant would not achieve profitability in that period due primarily to lower deposit projections and higher operating and fixed expense projections than were used by the above organizations. It is the Board's judgment that the Protestant's projections with regard to deposits and expenses of Applicant are overly pessimistic and therefore do not accurately reflect the likely profitability of Applicant. Based on the above information and other information in the record, the Board has concluded that Applicant's future earnings prospects are consistent with approval of the subject application.

While Applicant has no operating or financial history, it appears that it would open with adequate capital structure. The general character of Applicant's management also appears satisfactory, particularly in view of the fact that Applicant's executive vice president would be an experienced banker familiar with the area. The corporate powers of Applicant are consistent with the Federal Reserve Act and the Federal Deposit Insurance Act.

In view of the foregoing discussion and having considered the facts of record and all the comments of Protestants in light of the statutory factors the Board must consider under section 9 of the Federal Reserve Act and section 6 of the Federal Deposit Insurance Act, it is the Board's judgment that the application should be approved.

Protestant, First National Bank of Brewton, has expressed the opinion that the decision of the FDIC denying deposit insurance for Applicant creates a presumption against the Applicant in this proceeding such that the Board must deny the present application unless the Applicant can produce evidence that overcomes that presumption. In acting on the subject application, the Board has carefully considered the findings of the FDIC. The Board does not believe, however, that those findings create any presumption as to the relevant statutory

factors that must be considered by the Board, and it has accordingly considered the subject application *de novo*.

The Board recognizes that in seeking membership in the Federal Reserve System Applicant was following an alternative means of obtaining FDIC insurance after the FDIC itself had denied such insurance. However, Applicant's motive in filing this application is not a relevant statutory consideration. The proposal before the Board is an application for membership in the Federal Reserve System and only incidentally may it be considered an application for Federal deposit insurance. Such membership provides certain benefits to member banks but also carries with it certain obligations not applicable to insured nonmember banks. Federal banking laws reflect the judgment of Congress that a State bank, in order to obtain Federal deposit insurance, need not become a member of the Federal Reserve System, but that if a State bank chooses to become a member and thereby subject itself to all of the laws and regulations applicable to member banks, then the deposits of such bank will automatically be subject to Federal deposit insurance.<sup>2</sup> Congress has required the Board, when passing on a membership application, to consider the same statutory factors as does the FDIC in passing upon an insurance application. Implicit in this statutory structure is the potential for differing judgments by the two agencies on similar facts. The Board's responsibility, however, is to exercise its independent judgment with respect to the subject application after giving due regard to the recommendations and findings of other agencies and organizations, and, based on the record, it is the Board's judgment that the application should be, and it is, hereby approved for the reasons summarized herein.

By order of the Board of Governors, effective September 27, 1976.

Voting for this action: Vice Chairman Gardner and Governors Wallich, Jackson, Partee, and Lilly. Absent and not voting: Chairman Burns and Governor Coldwell.

(Signed) GRIFFITH L. GARWOOD,  
[SEAL.] Assistant Secretary of the Board.

<sup>1</sup> Under applicable State law, the Superintendent of the State Banking Department, before granting a certificate, is required to satisfy himself that there is sufficient business to support the proposed bank in the community, Code of Alabama, Tit. 5, § 88. Approval of Applicant's charter application therefore reflects a favorable determination by State authorities with regard to the future earnings prospects of Applicant.

<sup>2</sup> Congress has similarly provided that a decision of the Comptroller of the Currency to charter a national bank will carry with it both membership in the Federal Reserve System and Federal deposit insurance [12 U.S.C. 222, 501a].

**ORDERS APPROVED UNDER BANK HOLDING COMPANY ACT****By the Board of Governors**

During September 1976, the Board of Governors approved the applications listed below. The orders have been published in the Federal Register, and copies are available upon request to Publications Services, Division of Administrative Services, Board of Governors of the Federal Reserve System, Washington, D.C. 20551.

**Section 3**

<i>Applicant</i>	<i>Bank(s)</i>	<i>Board action (effective date)</i>	<i>Federal Register citation</i>
FAM Financial Incorporated, Macksville, Kansas	The Farmers and Merchants State Bank, Macksville, Kansas	9/7/76	41 F.R. 39388 9/15/76
First City Bancorporation of Texas, Inc., Houston, Texas	Red Bird National Bank, Dallas, Texas	9/15/76	41 F.R. 41970 9/24/76
Fishback Insurance Agency, Inc., Brookings, South Dakota	First National Bank in Brookings, Brookings, South Dakota	9/17/76	41 F.R. 41971 9/24/76
King Ranch, Inc., Kingsville, Texas	Kleberg First National Bank of Kingsville, Kingsville, Texas	9/27/76	41 F.R. 43960 10/5/76
Lawrence Bancshares, Inc., Lawrence, Kansas	Lawrence National Bank and Trust Company, Lawrence, Kansas	9/21/76	41 F.R. 42992 9/29/76

**ORDER APPROVED UNDER THE BANK MERGER ACT—**

<i>Applicant</i>	<i>Bank(s)</i>	<i>Board action (effective date)</i>	<i>Federal Register citation</i>
Bankers Trust New York Corporation, New York, New York and Bankers Trust Company of Western New York, Jamestown, New York	Bankers Trust of Suffolk, National Association, Patchogue, New York and Bankers Trust Company of Rochester, Rochester, New York	9/7/76	41 F.R. 41967 9/24/76

## PENDING CASES INVOLVING THE BOARD OF GOVERNORS\*

*Michigan National Corporation v. Board of Governors*, September 1976, U.S.C.A. for the 6th Circuit.

*First Security Corporation v. Board of Governors*, filed August 1976, U.S.C.A. for the 10th Circuit.

*Anthony R. Martin-Trigona v. Board of Governors*, filed August 1976, U.S.C.A. for the District of Columbia.

*First State Bank of Clute, Texas, et al. v. Board of Governors*, filed July 1976, U.S.C.A. for the 5th Circuit.

*International Bank v. Board of Governors, et al.*, filed July 1976, U.S.D.C. for the District of Columbia.

*North Lawndale Economic Development Corporation v. Board of Governors*, filed June 1976, U.S.C.A. for the 7th Circuit.

*Central Wisconsin Bankshares, Inc. v. Board of Governors*, filed June 1976, U.S.C.A. for the 7th Circuit.

*A.R. Martin-Trigona v. Board of Governors, et al.*, filed June 1976, U.S.D.C. for the District of Columbia.

*National Urban League, et al. v. Office of the Comptroller of the Currency, et al.*, filed April 1976, U.S.D.C. for the District of Columbia Circuit.

*Farmers & Merchants Bank of Las Cruces, New Mexico v. Board of Governors*, filed April 1976, U.S.C.A. for the District of Columbia Circuit.

*United States ex rel. A.R. Martin-Trigona v. Arthur F. Burns, et al.*, March 1976, U.S.D.C. for the District of Columbia.

*Grandview Bank & Trust Company v. Board of Governors*, filed March 1976, U.S.C.A. for the Eighth Circuit.

*Association of Bank Travel Bureaus, Inc. v. Board of Governors*, filed February 1976, U.S.C.A. for the Seventh Circuit.

*Memphis Trust Company v. Board of Governors*, filed February 1976, U.S.D.C. for the Western District of Tennessee.

*First Lincolnwood Corporation v. Board of Governors*, filed February 1976, U.S.C.A. for the Seventh Circuit.

*Helen C. Hatten, et al. v. Board of Governors*, filed January 1976, U.S.D.C. for the District of Connecticut.

*International Bank v. Board of Governors*, filed December 1975, U.S.C.A. for the District of Columbia.

*Roberts Farms, Inc. v. Comptroller of the Currency, et al.*, filed November 1975, U.S.D.C. for the Southern District of California.

*National Computer Analysts, Inc. v. Decimus Corporation, et al.*, filed November 1975, U.S.D.C. for the District of New Jersey.

†*Peter E. Blum v. First National Holding Corporation*, filed November 1975, U.S.D.C. for the Northern District of Georgia.

†*Peter E. Blum v. Morgan Guaranty Trust Co., et al.*, filed October 1975, U.S.D.C. for the Northern District of Georgia.

†*Logan v. Secretary of State, et al.*, filed September 1975, U.S.D.C. for the District of Columbia.

*Florida Association of Insurance Agents, Inc. v. Board of Governors, and National Association of Insurance Agents, Inc. v. Board of Governors*, filed August 1975, actions consolidated in U.S.C.A. for the Fifth Circuit.

†‡*David R. Merrill, et al. v. Federal Open Market Committee of the Federal Reserve System*, filed May 1975, U.S.D.C. for the District of Columbia, appeal pending, U.S.C.A. for the District of Columbia.

*Curvin J. Trone v. United States*, filed April 1975, U.S. Court of Claims.

*Louis J. Roussel v. Board of Governors*, filed April 1975, U.S.D.C. for the Eastern District of Louisiana.

*Georgia Association of Insurance Agents, et al. v. Board of Governors*, filed October 1974, U.S.C.A. for the Fifth Circuit.

*Alabama Association of Insurance Agents, et al. v. Board of Governors*, filed July 1974, U.S.C.A. for the Fifth Circuit.

†*Investment Company Institute v. Board of Governors*, dismissed July 1975, U.S.D.C. for

\*This list of pending cases does not include suits against the Federal Reserve Banks in which the Board of Governors is not named a party.

† Decisions have been handed down in these cases, subject to appeals noted.

‡ The Board of Governors is not named as a party in this action.



the District of Columbia, appeal pending, U.S.C.A. for the District of Columbia Circuit.

*East Lansing State Bank v. Board of Governors*, filed December 1973, U.S.C.A. for the Sixth Circuit.

†*Consumers Union of the United States, Inc., et al. v. Board of Governors*, filed September 1973, U.S.D.C. for the District of Columbia.  
*Bankers Trust New York Corporation v. Board of Governors*, filed May 1973, U.S.C.A. for the Second Circuit.

# Announcements

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## REGULATION AA

The Board of Governors of the Federal Reserve System on September 28, 1976, published its procedures for handling complaints by consumers alleging unfair or deceptive practices by banks.

The Board embodied its consumer complaint procedures in a new Regulation AA, effective immediately. The regulation formalizes procedures for handling consumer complaints, in use since early this year, under statutes for which the Congress has given the Board implementing responsibilities.

In an announcement the Board emphasized that any consumer having a complaint regarding an unfair or deceptive practice by a bank, or a violation of law or regulation, can obtain an investigation of the complaint by submitting it, preferably in writing, to the Director of the Division of Consumer Affairs at the Board of Governors of the Federal Reserve System, Washington, D.C. 20551. Complaints may also be registered at the Federal Reserve Bank for the district in which the bank is located.

The Board said the complaint should describe the bank practice or action objected to, give the name and address of the bank concerned, and furnish the name and address of the person complaining.

The Board will attempt to make a substantive reply within 15 days; if that is not possible, the Board will acknowledge the complaint within 15 days and set a reasonable time within which a substantive reply will be made.

The Board will receive complaints regarding any bank. For banks other than State-chartered banks that are members of the Federal Reserve System, complaints will be referred to the relevant Federal bank regulator (Comptroller of the Currency for national banks and Federal Deposit Insurance Corporation for State-chartered banks that are not members of the Federal Reserve System).

The Board noted that more than 2 years ago it established a separate Office of Saver and Con-

sumer Affairs to administer consumer legislation for which the Board writes regulations or has other responsibilities. These laws now include the Truth in Lending Act, the Fair Credit Billing Act, the Equal Credit Opportunity Act, the Home Mortgage Disclosure Act, the Consumer Leasing Act, the Fair Credit Reporting Act, and the provisions against unfair and deceptive practices by banks in recent amendments to the Federal Trade Commission Act.

The Board said its procedures for dealing with consumer complaints are designed to:

1. Assure consumers of prompt and responsive action on complaints involving State member banks, and prompt referral of complaints involving other banks.
2. Through records kept of complaints, and of findings concerning them, provide the means to single out banking practices or acts that are widespread or frequent enough to require possible regulatory action by the Board.

The Board obtains quarterly reports from the FDIC and the Comptroller on the number and nature of complaints they receive.

In announcing procedures by which consumers can get the assistance of the Federal Reserve in investigating complaints alleging unfair or deceptive practices by banks, the Board said the following:

The Board's complaint procedure is not limited to those persons who are customers of the State member bank in question, nor to those acts or practices which are already the subject of Federal regulation. Any person with knowledge of an act or practice which that person considers unfair or deceptive may utilize the complaint procedure.

Similarly, while a consumer complaint may arise under an existing Federal statute or Board regulation, a complaint may also be directed at an act or practice which is either expressly authorized, or not prohibited, by current Federal or State laws or regulation.

However, the complaint procedure does not apply to requests for general information or

publications such as statistical data. Nor does it apply to complaints regarding such matters as monetary policy, fiscal policy, or Treasury issues.

## REGULATION F: Amendment

The Board of Governors has amended Regulation F (Securities of Member State Banks) to make its reporting requirements conform to comparable rules of the Securities and Exchange Commission, effective November 15, 1976.

The Board acted under the Depository Institutions Act of 1974 that requires the Board to make its Regulation F conform to like SEC rules unless the Board determines that such changes are unnecessary or inappropriate.

Under the amended regulation, State member banks that are subject to Regulation F will file expanded quarterly reports to include a condensed balance sheet, a summary statement of changes in financial position, a narrative analysis of results of company operations, and additional financial disclosures deemed appropriate by management. The amended regulation provides also for certain changes in accounting procedures—including revised reporting treatment of a bank's reserve for loan losses, of subordinated debt, of unearned income on loans, and of direct loan financing—and for specified additional information in the annual financial reports of certain larger member banks subject to Regulation F.

The amendment as adopted was substantially similar to changes in Regulation F proposed by the Board in February, except that the due date of the new quarterly report will be 45 days after the end of the quarter, instead of 30 days.

## REGULATION T: Amendment

The Board of Governors has adopted an amendment to its Regulation T (Credit by Brokers and Dealers), effective January 1, 1977. The amendment is designed to prevent the excessive use of credit in connection with the issuance, endorsement, or guarantee of puts and calls, which are options to sell or buy stock.

The principal effect of the amendment to Regulation T will be to set the level of margin required for the writing of uncovered options at 30 per cent of the market value of the underlying security, with additional adjustment for unrealized losses and gains. This is the current minimum require-

ment of the major stock exchanges, and it is not anticipated that the amendment will require material changes in current industry practices.

No margin will be required where the option is covered, that is, where the security itself or its equivalent is held in the option writer's account. The amendment specifies what the Board regards as adequate cover.

The amendment will apply to brokers and dealers when they effect transactions in options written by their customers. Under a previous Board ruling no credit could be extended by brokers and dealers to their customers for the purchase of options.

## REGULATION Y: Ruling

The Board of Governors announced on October 13, 1976, that it will continue to allow automobile leasing to be an activity permissible to bank holding companies under the conditions of its existing personal property leasing regulation.

The Board issued public notice on November 11, 1975, of a request for comment on the question of whether automobile leasing should continue to be a permissible activity for bank holding companies and, if so, under what conditions and limitations. The Board also held a public hearing on the question last March 23.

These actions were taken after the National Automobile Dealers Association had sought judicial review of the Board's leasing regulation insofar as it permitted bank holding companies to engage in auto leasing. The case had been remanded to the Board for further study.

Automobile leasing has been a permissible activity since April 17, 1974, when the Board permitted bank holding companies to engage in the general activity of leasing real or personal property under certain conditions.

On the basis of the record before it, the Board concluded that automobile leasing by bank holding companies is essentially financial rather than commercial, is equivalent to a bank's lending functions, does not cause unfair competition, and is not contrary to the provisions of the Consumer Leasing Act of 1976.

The Board also added a footnote to the regulation providing a more specific definition of the requirement that a lease may only be made by a bank holding company on a nonoperating basis. The definition specifies, among other things, that for the purposes of automobile leasing “. . . the

bank holding company may not, directly or indirectly, provide for the servicing, repair or maintenance of the leased vehicle (or) provide for the loan of an automobile during servicing of the leased vehicle; purchase insurance for the lessee. . . ."

## REGULATION Z: Amendments

The Board of Governors has announced adoption of regulatory amendments to carry out provisions of the Consumer Leasing Act of 1976 requiring disclosure of terms under which personal property is leased.

The amendments to Regulation Z (Truth in Lending) will become effective March 23, 1977, when the Consumer Leasing Act becomes effective. The Act requires accurate, meaningful disclosure of the terms of leases of personal property, basically automobiles and furniture, leased primarily for personal, family, or household use, for more than 4 months and for which the total contractual obligation is less than \$25,000. Enforcement will be the responsibility of the same agencies that enforce the Truth in Lending Act.<sup>1</sup>

The disclosures required by the Consumer Leasing Act have been added as a new section (Section 226.15) of Regulation Z. Other amendments have been made elsewhere in the regulation to comply with the Act, including the provisions of sections dealing with general disclosures, definitions, advertising, and exemptions of States with substantially similar laws.

To assist in compliance with the new law the Board will propose sample disclosure forms for use with leases of personal property subject to the Act. Proper use of these forms will ensure compliance with the Board's regulation.

The amendments to Regulation Z reflect consideration of written suggestions and comment received by the Board following publication of proposed consumer leasing disclosure rules on July 1, 1976, and consideration of testimony received in a hearing held by the Board on August 3, 1976.

<sup>1</sup>Enforcement agencies are: Comptroller of the Currency, Board of Directors of the Federal Deposit Insurance Corporation, Federal Home Loan Bank Board (acting directly or through the Federal Savings and Loan Corporation), Administrator of the National Credit Union Administration, Civil Aeronautics Board, Secretary of Agriculture, Farm Credit Administration, Board of Governors of the Federal Reserve System, and the Federal Trade Commission.

The main disclosures required are as follows:

1. A brief description of the leased property adequate to identify it to both parties to the lease.
2. The total amount of any payment or payments the lessee is to pay at the consummation of the lease, such as a refundable security deposit, advance payment, or the like.
3. The number, amount, and due dates of periodic payments and their total.
4. The total amount of taxes, fees, and other charges involved.
5. Identification of those responsible for maintaining or servicing the leased property.
6. The means by which any penalty or delinquency charge will be determined, and the amount.
7. A statement as to whether the lessee has an option to purchase the property at the end of the lease term, or earlier, and at what price.
8. A statement of the conditions under which either party to the lease may terminate it, and the method used in determining any penalty or other charge.
9. A statement that the lessee shall be responsible for the difference between the estimated value of the property leased and its realized value at the end of the lease or upon earlier termination, if such liability exists.
10. A statement that in an open-end lease the lessee may obtain a professional appraisal of the property by an independent third party at the end of the lease or upon earlier termination, and that this appraisal will be binding.
11. When the lessee's liability at the end of the lease term is based upon the estimated value of the property:

--A statement of the value of the property at the consummation of the lease, the itemized total lease obligation at the end of the lease, and the difference between them.

—When the estimated value of the leased property exceeds three times the average monthly lease payment for the property concerned, a statement that there is a rebuttable presumption that the estimated value is unreasonable and can only be collected by legal action of the lessor, taken at his expense, with certain exceptions.

The final regulation permits lessors to understate the estimated value of the property in leases with a purchase option as a safety factor in open-end automobile leasing.

At the same time, the Board exempted from the amendments many applications of the Act to leases

of personal property that are incidental to the lease of real property, such as furniture in a rented, furnished apartment.

In letters to the Senate and House banking committees, the Board said neither the Act nor its legislative history mentions combined leases of real and personal property. After considering all comments received on this question, the Board concluded that an exemption provides the most equitable solution pending specific legislative action, and imposes the smaller burden on consumers and lessors.

A new paragraph has been added to the advertising requirements of the regulation to permit the use of merchandise tags without full advertising disclosures when a number of items are being leased, so long as the tags clearly and conspicuously refer to a posted schedule of required disclosures.

The requirement in the July 1 proposal that all disclosures be made on a single page has been eliminated.

The consumer leasing requirements do not apply to:

1. Transactions over \$25,000.
2. Agricultural credit transactions.

3. Leases of personal property that are incident to the lease of real property and that provide that the lessee (a) has no liability for the value of the property at the end of the lease other than for abnormal wear and tear and (b) has no option to purchase the property leased.

## PROPOSED AMENDMENT

The Board of Governors has proposed to ease its rules to permit interlocking relationships between a member bank and a minority bank (Regulation L—Interlocking Bank Relationships under the Clayton Act). The Board will receive comment through November 15, 1976.

## NEW PUBLICATION

### *Annual Statistical Digest*

The first issue of the *Annual Statistical Digest*, which covers the period 1971–75, is now available. The purpose of the *Digest* is twofold: First, to provide historical data for many of the tables in the statistical section of the Federal Reserve BULLETIN. Second, to make available materials that are no longer being published in the BULLETIN;

henceforth these materials to be published only in the *Digest*. The *Digest* is designed to provide a convenient source of economic, and especially financial, data for a broad range of users. The availability of such a publication is considered to be of particular importance in view of the changes that are expected to be made soon in the statistical section of the BULLETIN.

Many of the series in the *Digest* represent continuations of series that appear in *Banking and Monetary Statistics, 1941–70*. In such cases, the table in the *Digest* usually overlaps its counterpart table in *Banking and Monetary Statistics* by repeating the last week or month of the data for 1970.

Copies of the *Digest* are available from Publications Services, Division of Administrative Services, Board of Governors of the Federal Reserve System, Washington, D.C. 20551. The cost is \$5.00 per copy except for each paid BULLETIN subscription the cost is \$4.00 per copy.

## INDUSTRIAL PRODUCTION DATA AVAILABILITY

The four major industrial production series (1976 revision) that were published for the period 1963–75 in the June 1976 BULLETIN—total, consumer goods, business equipment, and materials—are now available for the period 1954–75 with corrected rounding and have been mailed with the October 1976 G.12.3 release.

Also, the data that are obtainable in computer tape form (page 812, September BULLETIN) have been printed out for noncomputer users and may be ordered at a cost of \$28.80 from Publications Services, Division of Administrative Services, Board of Governors of the Federal Reserve System, Washington, D.C. 20551. These printed data—both seasonally adjusted and not seasonally adjusted—generally begin in 1954 and end in March 1976; a listing in ascending F.R. code order is also included.

## CHANGES IN BOARD STAFF

The Board's Office of Saver and Consumer Affairs was changed to the Division of Consumer Affairs effective October 1, 1976. This redesignation reflects the expanding responsibilities of this department within the Board's organizational framework.

Robert S. Plotkin, Assistant Director of the Office of Saver and Consumer Affairs, has been named Assistant Director, Division of Banking Supervision and Regulation, effective September 28, 1976.

**SYSTEM MEMBERSHIP:  
Admission of State Banks**

The following banks were admitted to membership

in the Federal Reserve System during the period September 16, 1976, through October 15, 1976:

*Ohio*

Canal Winchester ..... The Central Trust  
Company of Canal Winchester

*Illinois*

Northbrook ..... Bank of the North Shore

*Utah*

Salt Lake City ..... Tracey-Collins  
Bank & Trust Company

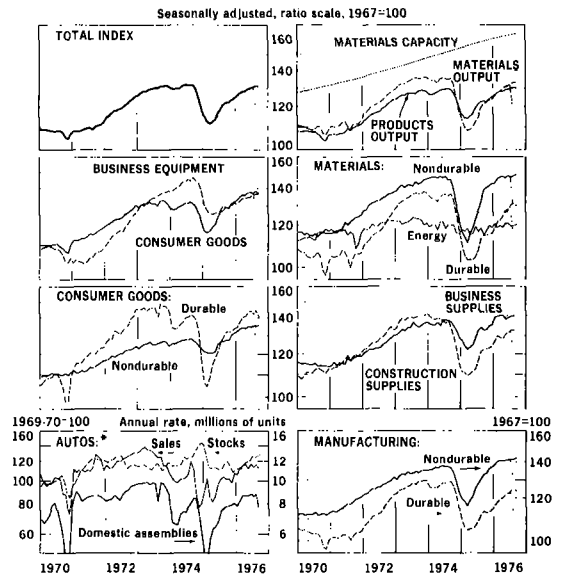
# Industrial Production

Released for publication October 15

Industrial production is estimated to have been unchanged in September, following increases of 0.5 per cent in each of the two preceding months. In September, production losses from the auto strike more than offset post-strike gains in the rubber and bituminous coal industries; the net effect of these strike developments reduced the total index by an estimated 0.3 per cent. In September, at 131.3 per cent of the 1967 average, total industrial production remained slightly below its peak of 131.9 per cent reached in June 1974.

Output of consumer goods declined by approximately 0.7 per cent, reflecting the effects of the auto strike. Auto assemblies, at a 7.7-million-unit annual rate in September, were down from an 8.8 million rate in August. Production of consumer durable goods other than autos and utility vehicles expanded further in September, and output of nondurable consumer goods rose somewhat. Production of business equipment is estimated to have increased 0.3 per cent in September, after having increased slightly in August (based on revised data). Output of construction products and business supplies increased further.

Materials production was about unchanged in September as some renewed increases in nondurable materials production, notably chemicals, were offset by declines in steel and automotive parts.



F.R. indexes, seasonally adjusted. Latest figures: September. \* Auto sales and stocks include imports.

Industrial production	Seasonally adjusted, 1967 = 100				Per cent changes from		
	1976				Month ago	Year ago	Q2 to Q3
	June	July	Aug. <sup>a</sup>	Sept. <sup>a</sup>			
<b>Total</b> .....	<b>130.1</b>	<b>130.7</b>	<b>131.3</b>	<b>131.3</b>	<b>.0</b>	<b>7.5</b>	<b>1.3</b>
Products, total .....	129.5	129.7	130.2	130.2	.0	6.0	.9
Final products .....	127.6	127.7	128.4	128.1	.2	5.4	.8
Consumer goods .....	137.8	137.3	138.3	137.3	.7	6.4	.4
Durable goods .....	144.2	142.2	145.1	140.8	-3.0	6.5	.1
Nondurable goods .....	135.1	135.4	135.4	135.9	.4	6.5	.7
Business equipment .....	135.0	136.3	136.5	136.9	.3	6.0	1.5
Intermediate products .....	135.9	136.9	137.1	137.8	.5	8.0	1.6
Construction products .....	131.8	132.9	133.1	133.8	.5	9.4	2.4
Materials .....	131.1	132.3	133.0	133.1	.1	10.0	1.9

<sup>a</sup>Preliminary.

<sup>a</sup>Estimated.

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# Financial and Business Statistics

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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	Other F.R. assets	Total <sup>3</sup>			
	Total	Bought outright <sup>2</sup>	Held under repurchase agreement							
<b>Averages of daily figures</b>										
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—Dec.....	79,701	78,833	868	1,298	3,414	1,079	85,642	11,567	400	8,668
1974—Dec.....	86,679	85,202	1,477	703	2,734	3,129	93,967	11,630	400	9,179
1975—Sept.....	89,191	87,531	1,660	396	1,823	3,060	95,277	11,599	500	9,797
Oct.....	90,476	89,547	929	191	1,945	3,521	96,931	11,599	500	9,877
Nov.....	90,934	89,560	1,374	61	2,480	3,481	97,817	11,599	500	10,010
Dec.....	92,108	91,225	883	127	3,029	3,534	99,651	11,599	500	10,094
1976—Jan.....	92,998	91,524	1,474	79	2,684	3,505	100,172	11,599	500	10,177
Feb.....	94,610	92,812	1,798	76	2,375	3,384	101,369	11,599	500	10,267
Mar.....	94,880	93,503	1,377	58	2,204	3,412	101,336	11,599	500	10,436
Apr.....	93,243	92,187	1,056	44	2,236	4,144	100,317	11,599	500	10,501
May.....	95,967	94,049	1,918	121	2,071	4,051	102,951	11,599	500	10,552
June.....	95,592	94,289	1,303	120	2,678	4,069	103,106	11,598	530	10,623
July.....	97,105	96,210	895	123	2,721	4,375	104,799	11,598	700	10,648
Aug.....	98,458	96,058	2,400	104	2,512	3,739	105,393	11,598	700	10,690
Sept. <sup>p</sup> .....	98,797	96,689	2,108	76	2,895	3,681	105,896	11,598	703	10,737
<b>Week ending—</b>										
1976—July 7.....	99,935	97,531	2,404	126	2,461	4,566	107,883	11,598	700	10,641
14.....	95,804	95,804	.....	176	3,448	4,460	104,239	11,598	700	10,641
21.....	96,359	95,988	371	59	2,680	4,579	104,046	11,598	700	10,656
28.....	96,352	95,794	558	159	2,471	4,087	103,424	11,598	700	10,664
Aug. 4.....	98,096	95,387	2,709	157	2,450	4,020	105,395	11,598	700	10,658
11.....	94,828	94,828	.....	122	2,513	4,239	102,015	11,598	700	10,681
18.....	97,336	95,714	1,622	85	2,754	3,587	104,231	11,598	700	10,695
25.....	101,312	96,996	4,316	68	2,274	3,388	107,745	11,598	700	10,698
Sept. 1.....	100,655	97,203	3,452	93	2,573	3,657	107,748	11,598	700	10,702
8.....	97,388	97,277	111	45	2,441	3,505	103,645	11,598	700	10,720
15.....	93,935	93,935	.....	61	3,467	3,709	101,426	11,598	700	10,735
22 <sup>p</sup> .....	99,629	97,086	2,543	44	3,136	3,693	107,051	11,598	700	10,741
29 <sup>p</sup> .....	103,069	98,252	4,817	88	2,425	3,675	109,860	11,598	700	10,753
<b>Daily figures for—</b>										
<b>End of month</b>										
1976—July.....	97,524	95,316	2,208	48	2,211	3,946	104,385	11,598	700	10,602
Aug.....	100,949	96,660	4,289	64	1,984	3,665	107,470	11,598	700	10,645
Sept. <sup>p</sup> .....	103,507	98,405	5,102	323	2,275	3,800	110,743	11,598	800	10,757
<b>Wednesday</b>										
1976—July 7.....	98,386	96,985	1,401	71	3,038	4,538	106,593	11,598	700	10,641
14.....	96,809	96,809	.....	1,013	3,862	4,400	106,427	11,598	700	10,644
21.....	96,286	96,286	.....	125	3,546	4,411	104,708	11,598	700	10,661
28.....	98,125	95,247	2,878	676	2,965	3,941	106,157	11,598	700	10,667
Aug. 4.....	100,262	95,341	4,921	770	3,596	4,088	109,515	11,598	700	10,667
11.....	92,795	92,795	.....	599	3,367	4,209	101,270	11,598	700	10,692
18.....	101,719	96,220	5,499	286	3,825	3,105	109,619	11,598	700	10,698
25.....	100,787	97,607	3,180	73	3,300	4,041	108,750	11,598	700	10,698
Sept. 1.....	102,282	96,408	5,874	271	3,186	4,528	111,135	11,598	700	10,715
8.....	97,098	96,320	778	40	2,844	3,622	103,925	11,598	700	10,733
15.....	94,006	94,006	.....	167	4,283	3,587	102,288	11,598	700	10,738
22 <sup>p</sup> .....	101,363	98,409	2,954	51	3,341	3,669	108,850	11,598	700	10,750
29 <sup>p</sup> .....	106,276	98,076	8,200	324	2,904	3,749	113,972	11,598	700	10,757

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

<sup>2</sup> Includes, beginning 1969, securities loaned—fully guaranteed by U.S. Govt. securities pledged with F.R. Banks—and excludes (if any) securities sold and scheduled to be bought back under matched sale—purchase transactions.

<sup>3</sup> Includes acceptances. For holdings of acceptances on Wed. and end-of-month dates, see p. A-10.

<sup>4</sup> Beginning July 1973, this item includes certain deposits of domestic nonmember banks and foreign-owned banking institutions held with member banks and redeposited in full with F.R. Banks in connection

Notes continued on opposite page.

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

(In millions of dollars)

Factors absorbing reserve funds									Period or date
Currency in circulation	Treasury cash holdings	Deposits, other than member bank reserves with F.R. Banks			Other F.R. liabilities and capital	Member bank reserves			
		Treasury	Foreign	Other <sup>4</sup>		With F.R. Banks	Currency and coin <sup>5</sup>	Total <sup>6</sup>	
<b>Averages of daily figures</b>									
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.
71,646	323	1,892	406	717	2,942	28,352	6,635	35,068	1973—Dec.
78,951	220	1,741	357	874	3,266	29,767	7,174	36,941	1974—Dec.
81,907	362	3,415	308	798	3,169	27,215	7,431	34,646	1975—Sept.
82,215	387	4,940	271	632	3,208	27,254	7,313	34,567	Oct.
83,740	415	4,333	297	649	3,276	27,215	7,356	34,571	Nov.
85,810	452	3,955	259	906	3,247	27,215	7,773	34,989	Dec.
84,625	496	5,903	287	916	3,225	26,995	8,445	35,575	1976—Jan.
84,002	527	8,811	280	716	3,231	26,168	7,646	33,953	Feb.
85,014	511	7,653	264	810	3,252	26,366	7,456	33,967	Mar.
86,565	524	5,211	254	815	3,203	26,345	7,568	34,063	Apr.
87,389	507	7,215	286	655	3,314	26,236	7,838	34,228	May
88,547	510	6,778	252	784	3,275	25,711	7,903	33,774	June
89,423	469	7,404	262	945	3,310	25,933	8,064	34,146	July
89,548	454	7,797	275	979	3,326	26,001	7,989	34,141	Aug.
89,872	434	8,270	249	1,071	3,315	25,724	8,114	33,994	Sept. <sup>9</sup>
<b>Week ending—</b>									
89,231	510	10,415	257	1,025	3,232	26,153	8,220	34,521	1976—July 7
89,971	476	7,121	255	772	3,212	25,370	8,400	33,919	14
89,582	443	5,622	282	945	3,286	26,842	7,429	34,420	21
89,077	456	6,218	250	1,043	3,427	25,915	8,155	34,219	28
89,226	443	7,623	288	1,023	3,398	26,351	8,190	34,691	Aug. 4
89,759	439	5,416	224	934	3,136	25,088	8,324	33,562	11
89,897	436	6,067	352	909	3,253	26,311	7,946	34,408	18
89,484	432	10,135	240	943	3,394	26,111	7,556	33,818	25
89,273	423	10,126	259	1,245	3,538	25,884	8,017	34,052	Sept. 1
89,917	419	6,735	267	1,062	3,095	25,168	8,242	33,564	8
90,355	410	3,768	262	1,197	3,206	25,261	8,414	33,835	15
89,883	425	9,316	229	953	3,371	25,913	7,432	33,501	22 <sup>9</sup>
89,450	425	12,303	220	914	3,529	26,069	8,360	34,586	29 <sup>9</sup>
<b>Daily figures for—</b>									
<b>End of month</b>									
88,948	454	8,739	295	953	3,525	24,371	8,190	32,712	July
89,494	412	10,795	254	962	3,716	24,782	8,017	32,950	Aug.
89,636	425	13,296	393	1,024	3,625	25,499	8,275	33,923	Sept. <sup>9</sup>
<b>Wednesday</b>									
90,014	492	7,478	260	800	3,134	27,354	8,220	35,722	1976—July 7
90,120	446	6,987	234	743	3,246	27,593	8,400	36,142	14
89,529	431	5,042	277	1,142	3,309	27,937	7,429	35,515	21
89,297	432	6,320	227	1,134	3,523	28,189	8,155	36,493	28
89,662	427	5,856	264	1,063	3,145	32,062	8,190	40,402	Aug. 4
90,181	431	4,666	199	921	3,136	24,726	8,324	33,200	11
89,961	419	9,323	222	815	3,390	28,485	7,946	36,582	18
89,513	419	10,167	219	1,873	3,512	26,043	7,556	33,750	25
89,683	412	9,959	216	2,227	3,410	28,241	8,017	36,409	Sept. 1
90,590	416	3,421	292	967	3,123	28,148	8,242	36,544	8
90,349	414	5,684	327	1,112	3,283	24,155	8,414	32,729	15
89,826	425	10,841	230	877	3,363	26,336	7,432	33,449	22 <sup>9</sup>
89,769	425	12,212	245	920	3,649	29,807	8,360	34,324	29 <sup>9</sup>

with voluntary participation by nonmember institutions in the F.R. System's program of credit restraint.

As of Dec. 12, 1974, the amount of voluntary nonmember bank and foreign-agency and branch deposits at F.R. Banks that are associated with marginal reserves are no longer reported. However, two amounts are reported: (1) deposits voluntarily held as reserves by agencies and branches of foreign banks operating in the United States; and (2) Euro-dollar liabilities.

<sup>5</sup> Part allowed as reserves Dec. 1, 1959—Nov. 23, 1960; all allowed thereafter. Beginning Jan. 1963, figures are estimated except weekly averages. Beginning Sept. 12, 1968, amount is based on close-of-business figures for reserve period 2 weeks previous to report date.

<sup>6</sup> Beginning with week ending Nov. 15, 1972, includes \$450 million of

reserve deficiencies on which F.R. Banks were allowed to waive penalties for transition period associated with bank adaptation to Regulation J, as amended effective Nov. 9, 1972. For 1973, allowable deficiencies included are (beginning with first statement week of quarter): Q1, \$279 million; Q2, \$172 million; Q3, \$112 million; Q4, \$84 million. For 1974, Q1, \$67 million, Q2, \$58 million. Transition period ended after 1974. Q2. Beginning with week ending Nov. 19, 1975, adjusted to include waivers of penalties for reserve deficiencies in accordance with Board policy, effective Nov. 19, 1975, of permitting transitional relief on a graduated basis over a 24-month period when a nonmember bank merges into an existing member bank, or when a nonmember bank joins the Federal Reserve System.

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	Seasonal	Excess	Borrowings	Excess	Borrowings	Excess	Borrowings		
1965—Dec.	22,719	22,267	452	454	.....	41	111	15	23	67	228	330	92
1967—Dec.	25,260	24,915	345	238	.....	18	40	8	13	50	105	267	80
1968—Dec.	27,221	26,766	455	765	.....	100	230	15	85	90	270	250	180
1969—Dec.	28,031	27,774	257	1,086	.....	56	259	18	27	6	479	177	321
1970—Dec.	29,265	28,993	272	321	.....	34	25	7	4	42	264	189	28
1971—Dec.	31,329	31,164	165	107	.....	25	35	1	8	-35	22	174	42
1972—Dec.	31,353	31,134	219	1,049	.....	-20	301	13	55	-42	429	-160	264
1973—Dec.	35,068	34,806	262	1,298	41	-23	74	43	28	28	761	133	435
1974—Dec.	36,941	36,602	339	703	32	132	80	5	18	39	323	163	282
1975—Sept.	34,646	34,447	199	396	61	17	68	27	2	23	141	132	185
Oct.	34,567	34,411	156	191	65	42	31	-23	.....	3	32	134	128
Nov.	34,571	34,281	290	61	28	50	7	34	.....	42	5	164	49
Dec.	34,989	34,727	262	127	13	64	63	-18	.....	89	26	127	38
1976—Jan.	35,575	35,366	209	79	9	52	9	-18	17	3	13	172	40
Feb.	33,953	33,939	14	76	11	-147	20	-14	1	-2	16	177	39
Mar.	33,967	33,531	436	58	8	177	21	36	2	108	14	115	21
Apr.	34,063	33,974	89	44	11	2	.....	-4	8	-47	15	138	21
May	34,228	33,846	382	121	11	13	29	-69	2	297	33	141	57
June	33,774	33,657	117	120	20	22	26	91	7	-125	22	129	65
July	34,146	34,076	70	123	24	-41	37	-18	13	-27	11	156	62
Aug.	34,141	33,844	297	104	28	58	28	59	6	61	20	119	50
Sept. <sup>1</sup>	33,994	33,690	304	76	30	43	22	-3	3	-90	4	124	47
Week ending—													
1975—Sept. 1	34,529	34,228	301	222	50	28	.....	24	.....	81	58	168	164
10	34,098	34,104	-6	385	53	45	215	-31	.....	-66	34	136	136
17	34,552	34,285	267	327	60	79	.....	19	11	17	174	152	142
24	34,617	34,584	33	395	64	-66	79	-2	.....	28	115	73	201
1976—Mar. 1	34,088	33,678	410	85	8	98	31	11	11	122	14	179	29
10	33,379	33,276	103	48	8	53	26	-18	.....	-67	3	135	19
17	33,710	33,509	201	40	8	26	.....	21	.....	13	22	141	18
24	33,562	33,451	111	78	8	-27	36	-13	.....	70	23	81	19
31	34,236	33,838	398	36	10	105	.....	10	.....	109	14	174	22
Apr. 7	33,587	33,464	123	24	11	-13	.....	-16	.....	17	4	135	20
14	33,762	33,589	173	61	10	8	29	15	.....	-15	32	151	14
21	34,447	34,317	130	40	10	-4	.....	-22	18	41	2	115	20
28	34,384	34,272	112	54	11	16	.....	27	.....	-43	26	112	28
May 5	35,296	34,855	441	30	11	65	3	6	.....	216	.....	154	27
12	33,720	33,753	-33	55	9	-43	34	3	3	-112	2	119	16
19	34,136	33,891	245	122	11	40	40	-14	6	80	34	139	42
26	33,597	33,519	78	136	12	-53	53	30	.....	10	32	91	51
June 2	33,825	33,372	453	242	17	60	.....	-15	14	244	79	164	149
9	33,127	33,197	-70	93	14	-42	36	-13	17	-153	5	138	35
16	33,971	33,400	571	49	16	118	.....	68	.....	210	11	175	38
23	33,594	33,774	-180	165	21	-106	62	-30	.....	-134	45	90	58
30	34,866	34,341	525	165	28	95	14	37	.....	213	24	180	127
July 7	34,521	33,959	562	126	26	317	21	50	.....	22	1	173	104
14	33,919	33,890	29	176	23	-93	78	-28	57	24	3	126	38
21	34,420	34,192	228	59	23	88	.....	19	.....	-20	10	141	49
28	34,219	34,187	32	159	27	-129	63	-6	.....	52	33	115	63
Aug. 4	34,691	34,255	436	157	22	86	86	53	.....	113	16	184	55
11	33,562	33,598	-36	122	26	-74	41	-38	24	-53	18	129	39
18	34,408	34,071	337	85	27	119	.....	21	2	13	37	184	46
25	33,818	33,700	118	68	29	-22	.....	5	.....	64	15	71	53
Sept. 1	34,052	33,762	290	93	32	45	30	4	.....	81	6	160	57
8	33,564	33,291	273	45	29	82	.....	30	21	-6	1	167	44
15	33,835	33,576	259	61	28	62	.....	-20	14	60	6	157	41
22	33,501	33,449	52	44	29	-6	.....	-44	.....	-225	1	42	43
29 <sup>1</sup>	34,586	34,374	212	88	34	-100	31	63	.....	-53	5	122	52

<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, \$84 million. Beginning 1974, Q1, \$67 million; Q2, \$58 million. Transition period ended after second quarter, 1974. For weeks for which figures are preliminary, figures by class of bank do not add to the total because adjusted data by class are not available.

Beginning with week ending Nov. 19, 1975, adjusted to include waivers of penalties for reserve deficiencies in accordance with Board policy, effective Nov. 19, 1975, of permitting transitional relief on a graduated basis over a 24-month period when a nonmember bank merges into an

existing member bank, or when a nonmember bank joins the Federal Reserve System.

<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.

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

Effective Apr. 19, 1973, the Board's Regulation A, which governs lending by F.R. 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 surplus, or deficit (-)		Gross transactions		Net transactions			Loans to dealers <sup>3</sup>	Borrowings from dealers <sup>4</sup>	Net loans
		Borrowings at F.R. Banks	Net inter-bank Federal funds trans.	Amount	Per cent of avg. required reserves	Purchases	Sales	Total two-way transactions <sup>2</sup>	Purchases of net buying banks	Sales of net selling banks			
<b>Total—46 banks</b>													
1976—Aug. 4	178	95	12,589	-12,506	82.3	19,498	6,909	4,615	14,883	2,294	2,202	1,357	845
11	-58	75	16,357	-16,490	111.4	22,636	6,279	4,326	18,310	1,952	3,337	1,168	2,169
18	55	14	15,043	-15,002	99.0	21,530	6,487	4,408	17,122	2,079	2,734	1,392	1,342
25	145		13,555	-13,410	91.8	20,425	6,869	4,362	16,063	2,507	2,319	1,321	998
Sept. 1	151	30	13,301	-13,180	89.8	20,840	7,539	4,621	16,219	2,918	2,617	980	1,638
8	120		16,843	-16,723	115.6	24,246	7,404	4,548	19,698	2,855	3,728	848	2,881
15	179	14	17,798	-17,633	119.9	23,809	6,011	4,160	19,648	1,851	4,916	1,155	3,760
22	-9		14,964	-14,973	104.4	21,509	6,545	4,537	16,971	2,008	3,220	892	2,328
29	56	36	13,114	-13,094	87.7	20,643	7,529	4,176	16,468	3,354	2,298	1,131	1,167
<b>8 in New York City</b>													
1976—Aug. 4	3	86	3,514	-3,598	59.0	4,712	1,198	1,195	3,518	3	1,290	309	981
11	-45	41	5,083	-5,170	87.5	5,886	803	803	5,083		1,910	301	1,609
18	56		4,630	-4,575	75.0	5,487	857	856	4,631		1,783	228	1,556
25	41		4,510	-4,469	76.8	5,216	706	706	4,510		1,580	322	1,258
Sept. 1	58	30	5,192	-5,165	87.7	5,881	688	689	5,192		1,885	226	1,659
8	104		7,180	-7,075	123.1	7,726	547	546	7,180		2,290	300	1,990
15	144		6,109	-5,965	102.7	6,558	448	448	6,109		2,230	292	1,937
22	21		4,519	-4,498	80.3	5,230	711	711	4,519		1,968	287	1,681
29	-4	31	5,323	-5,357	90.8	6,080	758	758	5,323		1,400	146	1,254
<b>38 outside New York City</b>													
1976—Aug. 4	176	9	9,075	-8,908	97.9	14,786	5,711	3,420	11,365	2,291	912	1,048	-136
11	-13	34	11,274	-11,321	127.3	16,750	5,475	3,523	13,226	1,952	1,427	867	561
18	-1	14	10,413	-10,428	115.3	16,043	5,630	3,552	12,491	2,079	951	1,165	-214
25	104		9,045	-8,941	101.7	15,209	6,164	3,656	11,553	2,507	739	999	-260
Sept. 1	93		8,109	-8,016	91.2	14,959	6,850	3,932	11,027	2,918	732	753	-21
8	15		9,663	-9,647	110.6	16,520	6,857	4,002	12,518	2,855	1,439	548	891
15	35	14	11,688	-11,668	131.2	17,251	5,563	3,712	13,539	1,851	2,686	863	1,823
22	-30		10,445	-10,474	119.8	16,279	5,834	3,826	12,453	2,008	1,251	605	647
29	60	5	7,791	-7,737	85.7	14,563	6,772	3,418	11,145	3,354	898	985	-87
<b>5 in City of Chicago</b>													
1976—Aug. 4	65		5,430	-5,364	355.0	6,037	607	607	5,430		345	450	-105
11	-13	24	6,248	-6,284	417.0	6,808	560	560	6,248		459	413	46
18	11	2	5,661	-5,652	361.0	6,291	630	615	5,676	16	306	444	-138
25	31		5,267	-5,237	350.3	5,902	635	606	5,296	29	244	525	-281
Sept. 1	18		5,458	-5,440	361.9	6,200	743	716	5,485	27	227	351	-124
8	36		6,234	-6,198	423.4	6,851	618	618	6,234		480	259	221
15		14	6,420	-6,435	405.9	6,973	553	553	6,420		674	174	500
22	1		5,834	-5,833	390.6	6,475	641	641	5,834		422	256	165
29	37		5,204	-5,167	345.3	5,854	650	650	5,204		272	542	-270
<b>33 others</b>													
1976—Aug. 4	111	9	3,645	-3,544	46.7	8,749	5,104	2,813	5,936	2,291	567	597	-31
11	-1	10	5,026	-5,037	68.2	9,942	4,915	2,963	6,979	1,952	968	453	515
18	-12	12	4,752	-4,776	63.8	9,752	5,000	2,937	6,815	2,063	645	720	-75
25	74		3,778	-3,705	50.8	9,307	5,529	3,050	6,257	2,478	495	473	21
Sept. 1	76		2,651	-2,576	35.4	8,759	6,108	3,217	5,542	2,891	505	402	103
8	-21		3,429	-3,450	47.5	9,669	6,239	3,384	6,284	2,855	959	289	669
15	35		5,268	-5,233	71.6	10,278	5,010	3,159	7,119	1,851	2,012	689	1,323
22	-30		4,611	-4,641	64.0	9,804	5,193	3,185	6,619	2,008	830	348	481
29	23	5	2,587	-2,570	34.1	8,709	6,121	2,768	5,941	3,354	626	443	183

<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. Beginning with week ending Jan. 7, 1976, adjusted to include waivers of penalties for reserve deficiencies in accordance with Board policy change effective Nov. 19, 1975.

<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. Revised data for Jan. 1976 may be obtained from the Public Information Office, Office of the Secretary, Board of Governors of the Federal Reserve System, Washington, D.C. 20551.

**CURRENT RATES**

(Per cent per annum)

Federal Reserve Bank	Loans to member banks									Loans to all others under last par. Sec. 13 <sup>4</sup>		
	Under Secs. 13 and 13a <sup>1</sup>			Under Sec. 10(b) <sup>2</sup>								
				Regular rate			Special rate <sup>3</sup>					
	Rate on 9/30/76	Effective date	Previous rate	Rate on 9/30/76	Effective date	Previous rate	Rate on 9/30/76	Effective date <sup>3</sup>	Previous rate	Rate on 9/30/76	Effective date	Previous rate
Boston	5½	1/19/76	6	6	1/19/76	6½	6½	1/19/76	7	8½	1/19/76	9
New York	5½	1/19/76	6	6	1/19/76	6½	6½	1/19/76	7	8½	1/19/76	9
Philadelphia	5½	1/19/76	6	6	1/19/76	6½	6½	1/19/76	7	8½	1/19/76	9
Cleveland	5½	1/19/76	6	6	1/19/76	6½	6½	1/19/76	7	8½	1/19/76	9
Richmond	5½	1/19/76	6	6	1/19/76	6½	6½	1/19/76	7	8½	1/19/76	9
Atlanta	5½	1/19/76	6	6	1/19/76	6½	6½	1/19/76	7	8½	1/19/76	9
Chicago	5½	1/19/76	6	6	1/19/76	6½	6½	1/19/76	7	8½	1/19/76	9
St. Louis	5½	1/23/76	6	6	1/23/76	6½	6½	1/23/76	7	8½	1/23/76	9
Minneapolis	5½	1/19/76	6	6	1/19/76	6½	6½	1/19/76	7	8½	1/19/76	9
Kansas City	5½	1/19/76	6	6	1/19/76	6½	6½	1/19/76	7	8½	1/19/76	9
Dallas	5½	1/19/76	6	6	1/19/76	6½	6½	1/19/76	7	8½	1/19/76	9
San Francisco	5½	1/19/76	6	6	1/19/76	6½	6½	1/19/76	7	8½	1/19/76	9

<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. Advances secured by mortgages on 1- to 4-family residential property are made at the Section 13 rate.

<sup>3</sup> Applicable to special advances described in Section 201.2(e)(2) of Regulation A.

<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, 1955	2½	2½	1964—Nov. 24, 30	3½-4 4	4 4	1971—Nov. 11, 19, 13, 17, 24	4¾-5 4¾ 4½-4¾ 4½-4¾ 4½	5 4¾ 4¾ 4½ 4½
1956—Apr. 13, 20, Aug. 24, 31	2½-3 2¾-3 2¾-3 3	2¾ 2¾ 3 3	1965—Dec. 6, 13	4 -4½ 4½	4½ 4½	1973—Jan. 15, Feb. 26, Mar. 2, Apr. 23, May 4, 11, 18, June 11, 15, July 2, Aug. 14, 23	5 5 -5½ 5½ 5½-5¾ 5¾ 6 6 -6½ 6½ 7 7 -7½ 7½	5 5½ 5½ 5½ 5¾ 6 6 6½ 6½ 7 7½ 7½
1957—Aug. 9, 23, Nov. 15, Dec. 2	3 -3½ 3½ 3 -3½ 3	3 3½ 3 3	1967—Apr. 7, 14, Nov. 20, 27	4 -4½ 4 -4½ 4½	4 4 4½ 4½	1968—Mar. 15, 22, Apr. 19, 26, Aug. 16, 30, Dec. 18, 20	4½-5 5 5 -5½ 5½ 5½ 5½ 5½ 5½	5 5 5½ 5½ 5½ 5½ 5½ 5½
1958—Jan. 22, 24, Mar. 7, 13, 21, Apr. 18, May 9, Aug. 15, Sept. 12, 23, Oct. 24, Nov. 7	2¾-3 2¾-3 2¾-3 2¾-2¾ 2¾ 1¾-2¼ 1¾ 1¾-2 1¾-2 2 2 -2½ 2½	3 2¾ 2¾ 2¾ 2¾ 1¾ 1¾ 2 2 2 2 2½	1969—Apr. 4, 8, 1970—Nov. 11, 13, 16, Dec. 1, 4, 11	5½-6 6 5¾-6 5¾-6 5¾ 5½-5¾ 5½-5¾ 5½ 5½	6 6 5¾ 5¾ 5¾ 5½ 5½ 5½	1974—Apr. 25, 30, Dec. 9, 16, 1975—Jan. 6, 10, 24, Feb. 5, 7, Mar. 10, 14, May 16, 23, 1976—Jan. 19, 23, In effect, Sept. 30, 1976	7½-8 8 7¾-8 7¾ 7¼-7¾ 7¼-7¾ 7¼ 6¾-7¼ 6¾ 6¾-6¾ 6¾ 6 -6¼ 6 5½-6 5½ 5½	8 8 7¾ 7¾ 7¾ 7¼ 7¼ 7¼ 6¾ 6¾ 6¾ 6 6 5½ 5½ 5½
1959—Mar. 6, 16, May 29, June 12, Sept. 11, 18	2½-3 3 3 -3½ 3½ 3½-4 4	3 3 3 3½ 3½ 4	1971—Jan. 8, 15, 19, 22, 29, Feb. 13, 19, July 16, 23	5½-5½ 5½ 5 -5½ 5 -5½ 5 4¾-5 4¾ 4¾-5 5	5½ 5½ 5½ 5½ 5½ 5 5 4¾ 4¾ 5 5			
1960—June 3, 10, 14, Aug. 12, Sept. 9	3½-4 3½-4 3½-4 3 -3½ 3	4 3½ 3½ 3 3						
1963—July 17, 26	3 -3½ 3½	3½ 3½						

NOTE.—Rates under Secs. 13 and 13a (as described in table and notes above).

**RESERVE REQUIREMENTS ON DEPOSITS OF MEMBER BANKS**

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

Effective date 1	Net demand 2				Time 3 (all classes of banks)		
	Reserve city		Other		Savings	Other time	
	0-5	Over 5	0-5	Over 5		0-5	Over 5
In effect Jan. 1, 1963 .....	16½		12			4	
1966—July 14, 21 .....					4	4	5
Sept. 8, 15 .....							6
1967—Mar. 2 .....					3½	3½	
Mar. 16 .....					3	3	
1968—Jan. 11, 18 .....	16½	17	12	12½			
1969—Apr. 17 .....	17	17½	12½	13			
1970—Oct. 1 .....							5

Beginning Nov. 9, 1972

Effective date	Net demand 2,4					Savings	Time 3					
	0-2	2-10	10-100	100-400	Over 400		Other time					
							0-5, maturing in—			Over 5½, maturing in—		
30-179 days	180 days to 4 years	4 years or more	30-179 days	180 days to 4 years	4 years or more							
1972—Nov. 9 .....	8	10	12	6 16½	17½	7 3			7 5			
Nov. 16 .....				13								
1973—July 19 .....		10½	12½	13½	18							
1974—Dec. 12 .....					17½				6		3	
1975—Feb. 13 .....	7½	10	12	13	16½							
Oct. 30 .....						3		8 1		3	8 1	
1976—Jan. 8 .....						3	8 2½			8 2½		
In effect Sept. 30, 1976 .....	7½	10	12	13	16½	3	8 2½	8 1	6	8 2½	8 1	

Present legal limits:

	Minimum	Maximum
Net demand deposits, reserve city banks .....	10	22
Net demand deposits, other banks .....	7	14
Time deposits .....	3	10

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

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

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

(c) Since Oct. 16, 1969, member banks have been required under Regulation M to maintain reserves against foreign branch deposits computed on the basis of net balances due from domestic offices to their foreign branches 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 4 per cent. The requirement was 10 per cent originally, was increased to 20 per cent on Jan. 7, 1971, was reduced to 8 per cent effective June 21, 1973, and was reduced to the current 4 per cent effective May 22, 1975. 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.

3 Effective Jan. 5, 1967, time deposits such as Christmas and vacation club accounts became subject to same requirements as savings deposits. Beginning Nov. 10, 1975, profitmaking businesses may maintain savings deposits of \$150,000 or less at member banks. For details of 1975 action, see Regulations D and Q, and also BULLETINS for Oct. 1975, p. 708, and Nov. 1975, p. 769.

Notes 2(b) and 2(c) above are also relevant to time deposits.

4 Effective Nov. 9, 1972, a new criterion was adopted to designate reserve cities, and on the same date requirements for reserves against net demand deposits of member banks were restructured to provide that each

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

5 A marginal reserve requirement was in effect between June 21, 1973, and Dec. 11, 1974, against increases in the aggregate of the following types of obligations: (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 existing reserve requirements on time deposits, and (c) beginning July 12, 1973, funds from sales of finance bills. The requirement applied to balances above a specified base, but was not applicable to banks having obligations of these types aggregating less than \$10 million. For details, including percentages and maturity classifications, see "Announcements" in BULLETINS for May, July, Sept., and Dec. 1973 and Sept. and Nov. 1974.

6 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.

7 See columns above for earliest effective date of this rate.

8 The average of reserves on savings and other time deposits must be at least 3 per cent, the minimum specified by law. For details, see Regulation D.

NOTE.—Required reserves must be held in the form of deposits with F.R. Banks or vault cash.

**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 and size of deposit	Effective date				Type and size of deposit	Effective date					
	July 20, 1966	Sept. 26, 1966	Apr. 19, 1968	Jan. 21, 1970		July 1, 1973	Nov. 1, 1973	Nov. 27, 1974	Dec. 23, 1974		
Savings deposits.....	4	4	4	4½	Savings deposits.....	5	5	5	5		
Other time deposits: <sup>1</sup>					Other time deposits (multiple- and single-maturity): <sup>1, 2</sup>						
Multiple maturity: <sup>2</sup>					Less than \$100,000:						
30-89 days.....	4	4	4	4½	30-89 days.....	5	5	5	5		
90 days to 1 year.....	5	5	5	5	90 days to 1 year.....	5½	5½	5½	5½		
1-2 years.....				5½	5½	5½	1-2½ years.....	6	6	6	6
2 years or more.....				5¾	5¾	5¾	2½ years or more.....	6½	6½	6½	6½
Single-maturity:					Minimum denomination of \$1,000: <sup>4</sup>						
Less than \$100,000:					4-6 years.....	(5)	7¼	7¼	7¼		
30 days to 1 year.....	5½	5	5	5	6 years or more.....	(5)	(5)	(5)	(5)		
1-2 years.....				5½	5½	5½	Governmental units.....	(6)	(6)	7½	7½
2 years or more.....				5¾	5¾	5¾	\$100,000 or more.....	(3)	(3)	(3)	(3)
\$100,000 or more:											
30-59 days.....	5½	5½	5½	(3)							
60-89 days.....			5¾	(3)							
90-179 days.....			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	May 16, 1973
180 days to 1 year	7 per cent	
1 year or more	7½ per cent	

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

<sup>4</sup> Effective Dec. 4, 1975, the \$1,000 minimum denomination does not apply to time deposits representing funds contributed to an Individual Retirement Account established pursuant to 26 U.S.C. (I.R.C. 1954) §408.

<sup>5</sup> Between July 1 and Oct. 31, 1973, there was no ceiling for certificates maturing in 4 years or more with minimum denominations 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 denominations of \$1,000. There is no limitation on the amount of these certificates that banks may issue.

<sup>6</sup> Prior to Nov. 27, 1974, no distinction was made between the time deposits of governmental units and of other holders, insofar as Regulation Q ceilings on rates payable were concerned. Effective Nov. 27, 1974, governmental units were permitted to hold savings deposits and could receive interest rates on time deposits with denominations under \$100,000 irrespective of maturity, as high as the maximum rate permitted on such deposits at any Federally insured depository institution.

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)

Period	Outright transactions in U.S. Govt. securities, by maturity (excluding matched sale-purchase transactions)														
	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
1974.....	11,660	5,830	4,550	450	.....	-1,314	797	.....	-697	434	.....	1,675	196	.....	205
1975.....	11,562	5,599	6,431	3,886	.....	-3,553	2,863	.....	4,275	1,510	.....	-4,697	1,070	.....	848
1975—Aug...	312	282	400	2,002	.....	-2,144	150	.....	1,299	64	.....	-1,444	47	.....	300
Sept...	2,118	.....	200	.....	.....	278	562	.....	-278	137	.....	.....	124	.....	.....
Oct...	1,263	766	400	.....	.....	48	.....	.....	-48	.....	.....	.....	.....	.....	.....
Nov...	983	652	919	43	.....	-265	267	.....	-135	155	.....	300	244	.....	100
Dec...	1,984	.....	200	31	.....	28	118	.....	-28	78	.....	.....	71	.....	.....
1976—Jan...	243	1,239	600	37	.....	.....	170	.....	.....	100	.....	.....	73	.....	.....
Feb...	1,664	.....	389	40	.....	-1,153	117	.....	174	63	.....	968	59	.....	200
Mar...	1,069	511	600	38	.....	349	185	107	-349	63	.....	.....	24	.....	.....
Apr...	2,869	1,355	1,000	27	.....	72	249	70	-72	51	.....	.....	38	.....	.....
May...	1,335	1,224	403	.....	.....	2,602	.....	.....	-3,105	.....	.....	418	.....	.....	85
June...	2,719	524	350	83	.....	-449	617	.....	449	195	.....	.....	96	.....	.....
July...	279	1,413	875	.....	.....	59	.....	.....	-59	.....	.....	.....	.....	.....	.....
Aug...	1,100	.....	.....	42	.....	-1,525	301	.....	-79	72	.....	1,354	65	.....	250

Period	Total outright <sup>1</sup>			Matched sale-purchase transactions (U.S. Govt. securities)		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		Gross purchases	Sales or redemptions	Repurchase agreements, net	Outright	Repurchase agreements		
	1970.....	12,362	5,214	2,160	12,177	12,177	33,859	33,859	4,988	.....	.....	.....	.....	-6	.....
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	.....	272
1973.....	18,121	4,880	4,592	45,780	45,780	74,755	74,795	8,610	865	239	29	-2	-36	.....	9,227
1974.....	13,537	5,830	4,682	64,229	62,801	71,333	70,947	1,984	3,087	322	469	511	420	.....	6,149
1975.....	20,892	5,599	9,559	151,205	152,132	140,311	139,538	7,434	1,616	246	-392	163	-35	.....	8,539
1975—Aug...	2,574	282	2,389	14,234	13,730	8,146	6,881	663	353	40	90	-1	156	.....	1,222
Sept...	2,940	.....	200	19,931	19,835	16,664	14,857	4,451	394	1	203	14	94	.....	5,155
Oct...	1,263	766	400	15,886	16,113	13,699	13,838	186	284	.....	-124	49	50	.....	445
Nov...	1,693	652	919	14,442	15,207	14,342	17,275	-2,047	.....	1	-169	-21	-300	.....	-2,537
Dec...	2,281	.....	200	10,559	10,058	8,464	7,247	2,797	.....	.....	118	15	385	.....	3,315
1976—Jan...	563	1,239	600	11,407	11,503	18,135	14,919	2,037	239	.....	187	5	98	.....	2,567
Feb...	2,003	.....	200	7,551	7,957	17,753	20,943	-982	297	1	-236	-70	-109	.....	-1,101
Mar...	1,380	618	600	12,697	12,082	16,000	14,783	763	.....	.....	217	-138	-31	.....	812
Apr...	3,233	1,425	1,000	15,138	14,899	17,456	15,963	2,061	.....	.....	-155	-50	162	.....	2,019
May...	1,335	1,224	403	12,417	12,355	20,355	21,203	-1,202	240	20	-155	-50	162	.....	-1,080
June...	3,709	524	350	20,973	21,205	14,409	13,643	3,834	.....	22	22	-78	229	.....	4,086
July...	279	1,413	875	10,522	10,468	12,947	14,657	-3,773	.....	.....	-231	-31	-339	.....	-4,375
Aug...	1,579	.....	.....	16,389	16,180	26,641	24,655	3,357	.....	27	95	-68	220	.....	3,577

<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 (millions of dollars): June 1971, 955; Sept. 1972, 38; Aug. 1973, 351; Sept. 1973, 836; Nov. 1974, 131; Mar. 1975, 1,560; Aug. 1975, 1,989.

<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. Details may not add to totals because of rounding.



**CONSOLIDATED STATEMENT OF CONDITION OF ALL FEDERAL RESERVE BANKS**

(In millions of dollars)

Item	Wednesday					End of month		
	1976					1976		1975
	Sept. 29	Sept. 22	Sept. 15	Sept. 8	Sept. 1	Sept. 30	Aug. 31	Sept. 30
<b>Assets</b>								
Gold certificate account.....	11,598	11,598	11,598	11,598	11,598	11,598	11,598	11,599
Special Drawing Rights certificate account.....	700	700	700	700	700	800	700	500
Cash.....	365	360	360	350	362	370	365	403
Loans:								
Member bank borrowings.....	324	51	167	40	271	323	64	283
Other.....								
Acceptances:								
Bought outright.....	212	225	245	258	258	207	262	698
Held under repurchase agreements.....	507	201		63	610	631	546	250
Federal agency obligations:								
Bought outright.....	6,757	6,757	6,757	6,778	6,778	6,757	6,778	5,789
Held under repurchase agreements.....	295	70		25	220	323	141	293
U.S. Govt. securities:								
Bought outright:								
Bills.....	38,372	38,705	34,923	37,216	37,304	38,245	37,556	35,422
Certificates—Special.....								
Other.....								
Notes.....	46,482	46,482	45,915	45,915	45,915	46,897	45,915	43,400
Bonds.....	6,465	6,465	6,411	6,411	6,411	6,506	6,411	5,104
Total bought outright <sup>1</sup> .....	91,319	91,652	87,249	89,542	89,630	91,648	89,882	83,926
Held under repurchase agreements.....	7,905	2,884		753	5,654	4,779	4,148	3,072
Total U.S. Govt. securities.....	99,224	94,536	87,249	90,295	95,284	96,427	94,030	86,998
Total loans and securities.....	107,319	101,840	94,418	97,459	103,421	104,668	101,821	94,311
Cash items in process of collection.....	28,174	28,866	10,497	8,715	8,541	27,046	7,576	6,720
Bank premises.....	354	353	353	352	350	354	350	306
Operating equipment.....	26	22	22	22	22	26	22	4
Other assets:								
Denominated in foreign currencies.....	638	646	664	660	645	738	645	247
All other.....	2,731	2,648	2,548	2,588	3,511	2,682	2,648	2,702
Total assets.....	131,905	127,033	121,160	122,444	129,150	128,282	125,725	116,792
<b>Liabilities</b>								
F.R. notes.....	79,802	79,861	80,385	80,622	79,742	79,674	79,624	72,563
Deposits:								
Member bank reserves.....	29,807	26,336	24,155	28,148	28,241	25,499	24,782	25,913
U.S. Treasury—General account.....	12,212	10,841	5,684	3,421	9,959	13,296	10,795	8,075
Foreign.....	245	230	327	292	216	393	254	324
Other:								
All other <sup>2</sup> .....	920	877	1,112	967	2,227	1,024	962	616
Total deposits.....	43,184	38,284	31,278	32,828	40,643	40,212	36,793	34,928
Deferred availability cash items.....	5,270	5,525	6,214	5,871	5,355	4,771	5,592	5,829
Other liabilities and accrued dividends.....	1,248	1,081	1,117	1,065	1,037	1,205	1,276	1,165
Total liabilities.....	129,504	124,751	118,994	120,386	126,777	125,862	123,285	114,485
<b>Capital accounts</b>								
Capital paid in.....	965	965	965	965	965	965	965	914
Surplus.....	929	929	929	929	929	929	929	897
Other capital accounts.....	507	388	272	164	479	526	546	496
Total liabilities and capital accounts.....	131,905	127,033	121,160	122,444	129,150	128,282	125,725	116,792
Marketable U.S. Govt. securities held in custody for foreign and international accounts.....	49,219	49,835	49,856	49,519	48,540	49,690	48,294	41,360

**Federal Reserve Notes—Federal Reserve Agents' Accounts**

F.R. notes outstanding (issued to Bank).....	85,571	85,653	85,538	85,315	85,446	85,526	85,209	78,643
Collateral held against notes outstanding:								
Gold certificate account.....	11,595	11,596	11,596	11,596	11,595	11,595	11,597	11,596
Special Drawing Rights certificate account.....	394	394	394	394	394	421	394	302
Acceptances.....								
U.S. Govt. securities.....	75,230	75,230	75,180	74,930	74,930	75,230	74,930	69,330
Total collateral.....	87,219	87,220	87,170	86,920	86,919	87,246	86,921	81,228

<sup>1</sup> See note 2 on p. A-2.

<sup>2</sup> See note 4 on p. A-2.

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

(In millions of dollars)

Item	Wednesday					End of month		
	1976					1976		1975
	Sept. 29	Sept. 22	Sept. 15	Sept. 8	Sept. 1	Sept. 30	Aug. 31	Sept. 30
Loans—Total	324	51	168	41	271	323	64	283
Within 15 days	311	41	156	36	248	299	46	251
16-90 days	13	10	12	5	23	24	18	32
91 days to 1 year								
Acceptances—Total	719	426	245	321	868	838	808	948
Within 15 days	569	284	54	112	645	691	585	353
16-90 days	109	135	151	165	175	105	174	288
91 days to 1 year	41	7	40	44	48	42	49	307
U.S. Govt. securities—Total	99,224	94,536	87,749	90,295	95,284	96,427	94,030	86,998
Within 15 days <sup>1</sup>	12,142	7,663	4,022	4,640	8,428	6,688	5,643	5,608
16-90 days	17,066	16,908	14,672	16,256	17,428	17,269	18,713	19,533
91 days to 1 year	26,061	26,010	25,181	26,025	26,054	27,864	26,300	22,198
1-5 years	29,034	29,034	28,694	28,694	28,694	29,559	28,694	30,099
5-10 years	9,896	9,896	9,709	9,709	9,709	9,981	9,709	5,893
Over 10 years	5,025	5,025	4,971	4,971	4,971	5,066	4,971	3,667
Federal agency obligations—Total	7,052	6,827	6,757	6,803	6,998	7,080	6,919	6,082
Within 15 days <sup>1</sup>	327	102		106	301	355	275	303
16-90 days	383	383	415	276	208	383	208	201
91 days to 1 year	967	967	967	981	1,049	967	996	613
1-5 years	3,267	3,267	3,267	3,245	3,245	3,245	3,245	3,073
5-10 years	1,415	1,415	1,415	1,502	1,502	1,415	1,502	1,310
Over 10 years	693	693	693	693	693	693	693	582

<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>		
1975—Aug.	23,269.4	10,628.8	5,125.1	12,640.5	7,515.4	130.4	335.0	124.4	86.2	71.2
Sept.	23,181.9	10,585.0	5,153.0	12,596.9	7,443.8	128.8	330.7	123.8	85.1	70.0
Oct.	24,137.1	11,801.5	4,921.3	12,335.6	7,414.3	134.0	364.0	118.7	83.5	69.8
Nov.	24,067.7	11,529.9	4,937.3	12,537.8	7,600.5	134.0	360.8	119.5	84.9	71.5
Dec.	23,565.1	10,970.9	4,932.5	12,594.2	7,661.8	131.0	351.8	118.4	84.7	71.6
1976—Jan.	23,845.0	11,517.7	4,789.0	12,327.3	7,538.3	132.4	366.0	115.4	82.9	70.3
Feb.	25,528.4	12,212.0	5,324.6	13,316.4	7,991.8	140.9	375.4	128.1	89.6	74.6
Mar.	26,474.4	12,629.6	5,560.9	13,844.8	8,283.9	144.6	377.5	131.4	92.5	77.2
Apr.	25,792.8	12,482.8	5,302.4	13,310.0	8,007.7	140.3	374.9	124.6	88.4	74.2
May	25,490.9	12,179.0	5,327.1	13,311.9	7,984.7	139.3	380.2	126.9	88.2	73.3
June	26,625.6	12,844.3	5,561.2	13,781.3	8,220.1	145.0	400.8	131.9	90.9	75.1
July	27,102.3	13,354.2	5,497.7	13,748.1	8,250.4	145.9	405.0	128.7	89.9	74.9
Aug.	27,877.1	13,221.1	5,935.8	14,656.0	8,720.2	144.8	400.6	138.2	91.9	74.8

<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 include some cities and counties not designated as SMSA's.  
 For back data see pp. 634-35 of the July 1972 BULLETIN.

**MEASURES OF THE MONEY STOCK**

(In billions of dollars)

Period	Seasonally adjusted					Not seasonally adjusted				
	M <sub>1</sub>	M <sub>2</sub>	M <sub>3</sub>	M <sub>4</sub>	M <sub>5</sub>	M <sub>1</sub>	M <sub>2</sub>	M <sub>3</sub>	M <sub>4</sub>	M <sub>5</sub>
Composition of measures is described in the NOTE below.										
1973—Dec.	270.5	571.4	919.5	634.9	982.9	278.3	576.5	921.8	640.5	985.8
1974—Dec.	283.1	612.4	981.6	702.2	1,071.4	291.3	617.5	983.8	708.0	1,074.3
1975—Aug.	293.2	650.6	1,060.6	729.3	1,139.3	290.0	647.2	1,057.1	728.4	1,138.3
Sept.	293.6	652.9	1,068.1	731.9	1,147.1	291.7	649.5	1,062.8	732.2	1,145.5
Oct.	293.4	655.8	1,075.8	736.7	1,156.6	292.3	653.2	1,070.4	736.9	1,154.1
Nov.	295.6	662.1	1,086.5	743.9	1,168.3	297.4	660.2	1,080.6	743.0	1,163.5
Dec.	294.8	664.3	1,092.9	747.2	1,175.8	303.2	669.3	1,094.6	752.8	1,178.1
1976—Jan.	295.1	670.2	1,103.7	749.4	1,182.9	301.0	675.3	1,107.1	753.7	1,185.6
Feb.	296.5	678.5	1,117.2	753.8	1,192.6	292.9	675.3	1,113.3	748.4	1,186.3
Mar.	298.0	683.4	1,127.4	756.5	1,200.5	295.2	683.3	1,129.0	755.1	1,200.8
Apr.	301.7	691.9	1,141.2	763.4	1,212.7	303.3	696.7	1,149.4	766.1	1,218.7
May	303.3	697.2	1,151.5	765.4	1,219.7	298.4	695.6	1,152.4	763.0	1,219.7
June	303.1	700.3	1,159.2	770.9	1,229.8	302.4	701.7	1,164.3	770.8	1,233.2
July	304.8	707.6	1,172.0	777.2	1,241.6	305.1	708.0	1,175.9	776.9	1,244.8
Aug.	306.3	713.4	1,184.8	777.7	1,249.1	303.0	710.0	1,181.3	776.3	1,247.6

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 deposits open account, and time certificates of deposit 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 deposits

of mutual savings banks, savings and loan shares, and credit union shares (nonbank thrift).

M<sub>4</sub>: M<sub>2</sub> plus large negotiable CD's.

M<sub>5</sub>: M<sub>3</sub> plus large negotiable CD's.

For a description of the latest revisions in M<sub>1</sub>, M<sub>2</sub>, M<sub>3</sub>, M<sub>4</sub>, and M<sub>5</sub>, see "Revision of Money Stock Measures" on pp. 82-87 of the Feb., 1976 BULLETIN. Beginning Oct. 1975, money stock measures and related data have been revised to incorporate benchmark data from the Dec. 31, 1975, call report.

Latest monthly and weekly figures are available from the Board's H.6 release. Back data are available from the Banking Section, Division of Research and Statistics.

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

(In billions of dollars)

Period	Seasonally adjusted						Not seasonally adjusted						U.S. Govt. deposits <sup>5</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>			
		Dem- and de- pos- its	Time and savings deposits		Total			Mem- ber	Demand deposits		Time and savings deposits			Total <sup>4</sup>	
			CD's <sup>1</sup>	Other					CD's <sup>1</sup>	Other					
1973—Dec.	61.5	209.0	63.5	300.9	364.4	348.0	62.7	156.5	56.3	215.7	64.0	298.2	362.2	345.3	6.3
1974—Dec.	67.8	215.3	89.8	329.3	419.1	369.2	69.0	159.7	58.5	222.2	90.5	326.3	416.7	366.3	4.9
1975—Aug.	71.9	221.3	78.8	357.4	436.2	410.0	72.1	155.8	59.0	217.8	81.1	357.3	438.4	409.9	2.7
Sept.	72.0	221.6	79.1	359.2	438.3	415.2	71.9	157.0	59.7	219.9	82.7	357.7	440.4	413.3	3.9
Oct.	72.6	220.8	80.9	362.4	443.3	420.0	72.5	156.6	60.3	219.9	83.7	360.8	444.5	417.2	3.4
Nov.	73.4	222.1	81.8	366.5	448.3	424.4	73.9	159.0	61.4	223.5	82.9	362.8	445.6	420.4	3.5
Dec.	73.7	221.0	82.9	369.6	452.4	428.6	75.1	162.1	62.6	228.1	83.5	366.2	449.6	425.3	4.1
1976—Jan.	74.2	220.8	79.2	375.2	454.4	433.5	73.8	162.0	62.1	227.2	78.5	374.3	452.8	431.9	3.8
Feb.	75.1	221.5	75.4	381.9	457.3	438.8	74.1	155.7	59.9	218.8	73.0	382.5	455.5	438.0	4.5
Mar.	75.7	222.3	73.1	385.4	458.5	444.0	75.1	156.8	60.2	220.1	71.8	388.1	459.9	445.7	3.9
Apr.	76.7	225.0	71.4	390.2	461.7	449.3	76.3	161.7	62.3	227.0	69.4	393.4	462.8	452.6	3.8
May	77.4	226.0	68.2	393.9	462.1	454.3	77.2	157.1	61.0	221.2	67.4	397.2	464.6	456.7	3.7
June	77.6	225.5	70.6	397.3	467.9	458.9	77.8	159.1	62.3	224.6	69.1	399.3	468.4	462.4	4.7
July	78.2	226.6	69.6	402.8	472.4	464.4	78.8	160.1	62.7	226.3	68.9	403.0	471.8	467.9	3.4
Aug.	78.6	227.6	64.4	407.1	471.5	471.4	78.9	158.3	62.4	224.1	66.3	407.0	473.3	471.3	3.6

<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, for savings capital at savings and loan associations, and for credit union shares.

<sup>3</sup> Based on most recent call report single-day observations.

<sup>4</sup> Total deposits include, in addition to the member and domestic non-member deposits shown, deposits due to foreign and international institutions at F. R. Banks and M<sub>1</sub> type balances at agencies and branches of foreign banks.

<sup>5</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>2</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.				S.A.	N.S.A.
					Total	Time and savings	Demand		Total	Time and savings	Demand			
							Private	U.S. Govt.			Private	U.S. Govt.		
1973—Dec....	34.98	33.69	34.68	32.78	442.8	279.7	158.1	5.0	447.5	278.5	164.0	5.0	449.4	454.0
1974—Dec.1..	36.63	35.90	36.37	34.42	486.9	322.9	160.6	3.4	491.8	321.7	166.6	3.5	495.3	500.1
1975—Aug....	34.88	34.67	34.69	32.77	496.3	328.4	165.1	2.8	494.8	330.5	162.3	2.0	503.3	501.8
Sept....	34.99	34.59	34.80	32.77	498.4	329.8	165.6	3.0	499.1	332.2	164.0	2.9	505.5	506.1
Oct.1..	34.79	34.60	34.58	32.61	500.1	333.1	164.0	3.0	500.4	334.7	163.3	2.5	508.0	508.3
Nov....	34.73	34.67	34.44	32.43	505.9	336.1	165.9	3.9	503.6	334.3	166.7	2.6	514.1	511.9
Dec....	34.75	34.62	34.49	32.44	506.0	338.7	164.4	3.0	510.9	337.2	170.7	3.1	514.4	519.3
1976—Jan.1..	34.32	34.24	34.08	32.17	506.2	338.9	164.7	2.6	511.1	337.9	170.3	2.9	514.1	519.0
Feb....	34.05	33.97	33.83	31.85	507.6	339.5	165.5	2.6	504.2	337.5	163.4	3.4	515.6	512.2
Mar....	34.00	33.95	33.78	31.75	507.8	339.4	165.8	2.5	506.4	339.6	163.9	2.9	516.0	514.7
Apr....	34.02	33.98	33.87	31.87	509.8	340.2	167.2	2.5	511.9	340.2	168.8	2.9	517.3	519.4
May....	34.14	34.02	33.93	31.95	507.8	338.3	167.2	2.3	506.0	339.9	163.4	2.8	515.3	513.6
June....	34.34	34.21	34.12	32.01	513.9	342.3	167.9	3.7	512.7	342.5	166.7	3.6	522.3	521.2
July....	34.39	34.25	34.15	32.19	514.9	344.2	168.0	2.7	513.9	343.7	167.7	2.5	523.6	522.7
Aug....	34.53	34.43	34.32	32.17	513.6	341.1	168.7	3.9	511.3	342.7	165.9	2.7	522.5	520.2

<sup>1</sup> Averages of daily figures. Member bank reserve series reflect actual reserve requirement percentages with no adjustment to eliminate the effect of changes in Regulations D and M. There are breaks in series because of changes in reserve requirements effective Dec. 12, 1974, Feb. 13, May 22, and Oct. 30, 1975, and Jan. 8, 1976. In addition, effective Jan. 1, 1976, statewide branching in New York was instituted. The subsequent merger of a number of banks raised required reserves because of higher reserve requirements on aggregate deposits at these banks.

<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, loans sold to bank-related institutions, and certain other nondeposit items. This series for deposits is referred to as "the adjusted bank credit proxy."

NOTE: Back data and estimates of the impact of required reserve changes may be obtained from the Banking Section, Division of Research and Statistics, Board of Governors of the Federal Reserve System, Washington, D.C. 20551.

**LOANS AND INVESTMENTS AT ALL COMMERCIAL BANKS**

(In billions of dollars)

Date	Seasonally adjusted							Not seasonally adjusted						
	Total loans and investments <sup>1</sup>	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>		
1971—Dec. 31....	485.7	320.9	323.7	116.1	117.7	60.6	104.2	497.9	328.3	331.1	118.5	120.2	64.9	104.7
1972—Dec. 31....	558.0	378.9	381.5	130.2	131.9	62.6	116.5	571.4	387.3	389.9	132.7	134.4	67.0	117.1
1973—Dec. 31....	633.4	449.0	453.3	156.4	159.0	54.5	129.9	647.3	458.5	462.8	159.4	162.0	58.3	130.6
1974—Dec. 31 <sup>5</sup> ..	690.4	500.2	505.0	183.3	186.0	50.4	139.8	705.6	510.7	515.5	186.8	189.6	54.5	140.5
1975—Sept. 24....	712.7	491.5	496.0	175.4	178.2	76.7	144.5	712.5	492.8	497.3	175.8	178.6	75.4	144.3
Oct. 29....	716.3	495.0	499.7	176.3	179.2	76.0	145.3	714.6	493.7	498.4	175.3	178.2	75.9	144.9
Nov. 26....	722.2	498.5	503.2	177.1	179.9	76.8	146.9	722.4	497.6	502.3	176.3	179.3	79.4	145.4
Dec. 31....	721.1	496.9	501.3	176.0	178.5	79.4	144.8	737.0	507.4	511.8	179.3	181.8	84.1	145.5
1976—Jan. 28 <sup>6</sup> ...	723.3	497.3	501.6	176.6	179.1	81.0	145.0	721.4	492.6	496.9	174.4	176.9	84.8	144.0
Feb. 25 <sup>6</sup> ...	726.7	497.8	502.3	175.1	177.8	84.4	144.5	720.8	491.9	496.4	173.5	176.2	85.4	143.6
Mar. 31 <sup>6</sup> ...	731.2	499.7	503.9	171.4	174.0	88.2	143.3	729.6	496.9	501.1	171.3	173.9	89.3	143.5
Apr. 28 <sup>6</sup> ...	734.5	500.5	504.7	170.5	173.1	90.0	144.0	732.1	496.7	500.9	170.6	173.2	90.2	145.2
May 26 <sup>6</sup> ...	737.6	500.6	505.0	170.7	173.4	93.0	144.0	735.1	500.0	504.4	170.8	173.5	90.5	144.6
June 30 <sup>6</sup> ...	738.8	500.7	505.2	170.2	173.0	94.0	144.1	743.3	507.2	511.7	172.4	175.2	90.8	145.3
July 28 <sup>6</sup> ...	743.1	504.7	509.2	171.0	173.8	92.7	145.7	740.3	505.2	509.7	170.7	173.5	89.5	145.6
Aug. 25 <sup>6</sup> ...	748.7	507.6	511.6	171.0	173.5	95.0	146.1	746.1	508.5	512.5	170.3	172.8	91.8	145.8
Sept. 29 <sup>6</sup> ...	752.5	511.4	515.3	172.0	174.5	94.0	147.1	752.9	513.3	517.2	172.5	175.0	92.6	147.0

<sup>1</sup> Adjusted to exclude domestic commercial interbank loans.

<sup>2</sup> Loans sold are those sold outright to banks' own foreign branches, nonconsolidated nonbank affiliates of the banks, the banks' holding company (if not a bank), and nonconsolidated nonbank subsidiaries of the holding company. Prior to Aug. 28, 1974, the institutions included had been defined somewhat differently, and the reporting panel of banks was also different. On the new basis, both "Total loans" and "Commercial and industrial loans" were reduced by about \$100 million.

<sup>3</sup> Reclassification of loans at one large bank reduced these loans by about \$400 million as of June 30, 1972 and by about \$1.2 billion as of March 31, 1976.

<sup>4</sup> Farmers Home Administration insured notes included in "Other securities" rather than in loans beginning June 30, 1971, when such notes totaled about \$700 million.

<sup>5</sup> Data beginning June 30, 1974, include one large mutual savings bank that merged with a nonmember commercial bank. As of that date there were increases of about \$500 million in loans, \$100 million in "Other securities," and \$600 million in "Total loans and investments."

As of Oct. 31, 1974, "Total loans and investments" of all commercial banks were reduced by \$1.5 billion in connection with the liquidation of one large bank. Reductions in other items were: "Total loans," \$1.0 billion (of which \$0.6 billion was in "Commercial and industrial loans"), and "Other securities," \$0.5 billion. In late November "Commercial and industrial loans" were increased by \$0.1 billion as a result of loan reclassifications at another large bank.

NOTE.—Total loans and investments: Back data for 1959-75 available from Banking Section, Division of Research and Statistics; for 1948-58, see Aug. 1968 BULLETIN, pp. A-94-A-97. For description of seasonally adjusted series for total loans and investments, see Dec. 1971 BULLETIN, pp. 971-73 and for commercial and industrial loans, see July 1972 BULLETIN, p. 683. Data are for last Wed. of month except for June 30 and Dec. 31 are call dates.





## ASSETS BY CLASS OF BANK, MARCH 31, 1976

(Assets and liabilities are shown in millions of dollars.)

Assets	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.....	119,026	101,773	26,340	4,185	39,319	31,929	17,260
Currency and coin.....	11,216	8,440	714	158	2,845	4,723	2,776
Reserves with F.R. Banks.....	28,525	28,525	4,702	2,065	11,946	9,812	.....
Demand balances with banks in U.S.....	27,671	17,248	6,704	102	3,187	7,255	10,430
Other balances with banks in U.S.....	6,586	4,267	40	16	1,593	2,618	2,319
Balances with banks in foreign countries.....	2,910	2,530	169	41	1,465	856	1,379
Cash items in process of collection.....	42,119	40,763	14,010	1,803	18,283	6,666	1,356
<b>Total securities held—Book value.....</b>	<b>229,529</b>	<b>162,998</b>	<b>17,581</b>	<b>7,459</b>	<b>53,826</b>	<b>84,131</b>	<b>66,534</b>
U.S. Treasury—Total <sup>4</sup> .....							
Other U.S. Govt. agencies—Total <sup>4</sup> .....							
States and political subdivisions <sup>4</sup> .....							
All other securities <sup>4</sup> .....							
Unclassified total <sup>4</sup> .....							
Trading account securities.....	5,664	5,584	2,364	772	2,189	259	79
U.S. Treasury <sup>4</sup> .....							
Other U.S. Govt. agencies <sup>4</sup> .....							
States and political subdivisions <sup>4</sup> .....							
All other trading acct. securities <sup>4</sup> .....							
Unclassified <sup>4</sup> .....							
Bank investment portfolios.....	223,865	157,414	15,217	6,687	51,637	83,872	66,454
U.S. Treasury.....	85,372	61,367	7,315	3,137	20,840	30,074	24,007
Other U.S. Govt. agencies.....	32,946	20,181	873	324	5,869	13,115	12,765
States and political subdivisions.....	100,143	72,384	6,666	3,083	24,090	38,545	27,759
All other portfolio securities.....	5,404	3,482	363	143	838	2,138	1,923
F.R. stock and corporate stock.....	1,506	1,259	243	82	457	478	248
Federal funds sold and securities resale agreement.....	36,012	27,144	1,684	1,484	13,321	10,655	8,893
Commercial banks.....	31,447	22,809	979	1,110	10,490	10,231	8,663
Brokers and dealers.....	3,200	3,019	352	344	2,008	314	181
Others.....	1,365	1,316	354	30	824	109	49
Other loans gross.....	491,706	379,905	68,332	20,815	143,842	146,916	111,801
Less: Unearned income on loans.....	11,218	7,829	407	83	2,741	4,599	3,388
Reserves for loan loss.....	6,063	4,858	1,081	331	1,812	1,634	1,205
Other loans, net.....	474,425	367,217	66,844	20,401	139,289	140,683	107,207
Gross other loans, by category:							
Real estate loans—Total.....	138,288	98,569	8,778	2,007	36,408	51,377	39,719
Construction and land development.....	15,933	13,096	3,203	502	6,177	3,214	2,836
Secured by farmland.....	6,111	2,644	6	15	287	2,336	3,466
Secured by residential.....	78,347	56,662	3,953	923	20,954	30,831	21,686
One to four family residences.....	73,858	53,354	3,509	827	19,709	29,309	20,504
FHA insured.....	8,212	7,108	560	32	3,888	2,608	1,104
Conventional.....	65,646	46,246	2,949	75	15,821	26,701	19,400
Multi-family residences.....	4,489	3,308	444	96	1,244	1,522	1,182
FHA insured.....	431	365	126	25	100	113	66
Conventional.....	4,058	2,943	318	71	1,144	1,409	1,115
Secured by other properties.....	37,897	26,167	1,615	567	8,990	14,996	11,731
Loans to financial institutions.....	37,463	35,574	13,065	4,772	14,761	2,975	1,887
Loans to real estate investment trusts.....	10,381	10,072	3,877	1,536	3,930	728	309
Loans to domestic commercial banks.....	3,069	2,407	799	111	1,066	431	662
Loans to banks in foreign countries.....	5,687	5,560	2,526	327	2,299	408	126
Loans to other depository institutions.....	2,408	2,281	601	15	1,495	170	126
Loans to other financial institutions.....	15,918	15,254	5,262	2,783	5,971	1,238	664
Loans to security brokers and dealers.....	6,125	6,017	4,085	627	1,182	122	108
Other loans to purchase/carry securities.....	3,868	3,238	405	35	1,619	920	630
Loans to farmers—except real estate.....	20,433	11,779	78	170	2,607	8,525	9,034
Commercial and industrial loans.....	167,013	138,858	34,725	10,642	54,574	38,977	28,155
Loans to individuals—Total.....	105,656	74,974	4,846	1,604	27,304	41,223	30,681
Instalment loans.....	83,121	58,674	3,291	903	21,703	32,777	24,447
Passenger automobiles.....	34,120	22,443	489	157	6,895	14,902	11,677
Residential-repair/modernize.....	5,853	4,175	261	35	1,739	2,140	1,678
Credit cards and related plans.....	11,923	10,519	1,080	511	6,032	2,897	1,403
Charge account credit cards.....	9,216	8,270	772	481	4,828	2,897	946
Check and revolving credit plans.....	2,707	2,249	308	30	1,204	707	457
Other retail consumer goods.....	15,122	10,491	183	92	3,836	6,380	4,631
Mobile homes.....	8,628	6,187	107	36	2,279	3,765	2,441
Other.....	6,494	4,304	76	56	1,557	2,615	2,190
Other instalment loans.....	16,103	11,046	1,278	108	3,201	6,458	5,037
Single payment loans to individuals.....	22,535	16,300	1,555	701	5,601	8,443	6,234
All other loans.....	12,859	11,293	2,350	678	5,386	2,879	1,565
Total loans and securities, net.....	741,472	558,612	86,352	29,426	206,893	235,947	182,881
Direct lease financing.....	4,200	3,988	636	129	2,619	604	212
Fixed assets—Buildings, furniture, real estate.....	17,832	13,368	1,454	560	5,437	5,916	4,466
Investment in unconsolidated subsidiaries.....	1,982	1,958	810	152	3,992	71	24
Customer acceptances outstanding.....	9,731	1,440	4,814	350	3,992	284	29
Other assets.....	25,301	22,440	7,940	1,677	9,061	3,761	2,907
<b>Total assets.....</b>	<b>919,546</b>	<b>711,585</b>	<b>128,347</b>	<b>36,481</b>	<b>268,246</b>	<b>278,512</b>	<b>208,043</b>

<sup>1</sup> Member banks exclude and nonmember banks include 5 noninsured trust companies that are members of the Federal Reserve System, and member banks exclude 2 national banks outside the continental United States.

<sup>2</sup> See table (and notes), *Deposits Accumulated for Payment of Personal Loans*, p. 24.

<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.

<sup>4</sup> Not available.

NOTE.—Data include consolidated reports, including figures for all bank-premises subsidiaries and other significant majority-owned domestic subsidiaries. Figures for total loans are shown on a gross basis before deduction of valuation reserve and on a net basis after deduction of valuation reserve. Securities are reported on a gross basis only.

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, MARCH 31, 1976

(Assets and liabilities are shown in millions of dollars.)

Liability and capital Accounts	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.....	294,953	231,623	52,202	8,997	83,922	86,501	63,331
Mutual savings bank.....	1,033	941	432	2	222	284	92
Other individuals, partnerships, and corporations.....	228,651	173,801	29,202	6,577	65,625	72,397	54,849
U.S. Government.....	2,474	1,798	121	25	661	990	676
States and political subdivisions.....	15,860	11,183	502	191	3,471	7,019	4,677
Foreign governments, central banks, etc.....	1,434	1,388	1,168	18	172	30	47
Commercial banks in United States.....	29,608	28,550	13,167	1,756	10,215	3,413	1,058
Banks in foreign countries.....	5,482	5,353	4,089	136	1,011	117	130
Certified and Officers' checks, etc.....	10,410	8,610	3,522	291	2,545	2,252	1,801
Time deposits.....	285,241	213,442	33,200	13,467	78,372	88,403	71,799
Accumulated for personal loan payments.....	197	152	.....	.....	12	139	45
Mutual savings banks.....	553	537	297	2	193	45	16
Other individuals, partnerships, and corporations.....	219,140	161,988	22,954	9,460	58,504	71,069	57,152
U.S. Government.....	618	478	91	1	201	186	141
States and political subdivisions.....	46,328	32,819	1,032	1,442	14,147	16,198	13,508
Foreign governments, central banks, etc.....	8,550	8,337	5,122	1,136	2,047	33	213
Commercial banks in United States.....	8,504	7,843	3,001	1,340	2,786	716	661
Banks in foreign countries.....	1,351	1,288	703	86	482	17	63
Savings deposits.....	179,421	129,091	8,650	2,706	47,534	70,201	50,330
Individuals and nonprofit organizations.....	170,989	123,059	8,247	2,616	45,430	66,767	47,930
Corporations and other profit organizations.....	5,437	3,978	192	66	1,677	2,042	1,459
U.S. Government.....	2,925	1,988	161	23	418	1,385	938
All other.....	68	65	50	.....	8	7	3
Total deposits.....	759,615	574,155	94,053	25,169	209,828	245,105	185,460
Federal funds purchased and securities sold under agree- ments to repurchase.....	57,248	54,654	11,733	7,536	27,819	7,566	2,594
Commercial banks.....	35,330	34,269	6,625	5,261	18,388	3,995	1,061
Brokers and dealers.....	5,608	5,408	751	1,001	2,967	689	200
Others.....	16,309	14,976	4,357	1,273	6,464	2,881	1,333
Other liabilities for borrowed money.....	4,467	4,164	1,913	58	1,872	321	304
Mortgage indebtedness.....	770	554	53	.....	304	.....	216
Bank acceptances outstanding.....	10,385	10,094	5,431	352	4,026	285	291
Other liabilities.....	15,212	13,223	4,266	897	5,164	2,897	2,065
Total liabilities.....	847,697	656,844	117,448	34,028	249,013	256,355	190,930
Subordinated notes and debentures.....	4,549	3,676	916	84	1,698	978	873
Equity capital.....	67,300	51,065	9,983	2,368	17,535	21,178	16,240
Preferred stock.....	53	34	.....	.....	10	24	20
Common stock.....	15,699	11,631	2,259	570	3,875	4,928	4,070
Surplus.....	27,112	20,277	3,906	1,149	7,279	7,944	6,836
Undivided profits.....	22,710	17,906	3,745	600	5,962	7,600	4,807
Other capital reserves.....	1,725	1,218	75	50	410	684	508
Total liabilities and equity capital.....	919,546	711,585	128,347	36,481	268,246	278,512	208,043
Demand deposits adjusted.....	220,752	160,512	24,904	5,413	54,763	75,432	60,241
Average for last 15 or 30 days:							
Average cash and due from bank.....	117,460	101,147	26,918	4,255	38,935	31,039	16,316
Average Federal funds sold and securities purchased under agreements to resell.....	36,716	27,406	1,767	1,379	12,856	11,404	9,340
Average total loans.....	486,101	371,737	68,027	20,768	140,866	142,077	114,363
Average time deposits of \$100,000 or more.....	144,427	120,645	30,152	11,156	50,764	28,574	23,781
Average total deposits.....	751,437	567,916	91,522	25,125	207,676	243,593	183,520
Average Federal funds purchased and securities sold under agreements to repurchase.....	59,318	56,753	14,503	7,312	27,223	7,715	2,565
Average other liabilities for borrowed money.....	4,093	3,813	1,666	47	1,815	286	280
Standby letters of credit outstanding.....	9,756	9,304	4,800	950	2,940	614	452
Time deposits of \$100,000 or more.....	123,946	103,711	26,372	9,098	42,807	25,434	20,235
Certificates of deposit.....	119,853	99,898	24,706	9,051	40,992	23,148	19,955
Other time deposits.....	23,301	20,501	5,253	2,159	9,478	3,610	2,800
Number of banks.....	14,368	5,778	11	9	155	5,603	8,595

For notes see opposite page.



ASSETS AND LIABILITIES OF LARGE COMMERCIAL BANKS▲

(In millions of dollars)

Wednesday	Total loans and investments <sup>1</sup>	Loans														Real estate
		Federal funds sold, etc. <sup>2</sup>						Other								
		Total	To commercial banks	To brokers and dealers involving—		To others	Total <sup>1</sup>	Com-mercial and industrial	Agricultural	For purchasing or carrying securities		To nonbank financial institutions				
				U.S. Treasury securities <sup>1</sup>	Other securities					U.S. Treasury secs.	Other secs.	Pers. and sales finance cos., etc.	Other			
<b>Large banks—Total</b>																
<b>1975</b>																
Sept. 3	386,194	16,941	14,762	1,190	477	512,274,570	119,213	3,642	696	3,486	99	2,274	9,274	19,870	59,279	
10	389,312	18,754	14,989	2,549	619	597,274,529	119,245	3,637	1,118	3,514	96	2,276	9,037	19,763	59,285	
17	387,843	16,705	13,065	2,359	671	610,275,220	119,481	3,648	1,602	3,628	94	2,270	9,099	19,526	59,337	
24	383,948	14,503	12,177	1,310	392	624,273,886	119,243	3,643	763	3,239	81	2,272	9,022	19,395	59,351	
<b>1976</b>																
Aug. 4	388,969	18,946	15,929	1,611	715	691,268,089	110,953	4,176	1,058	6,395	79	2,527	7,049	17,607	61,875	
11	390,949	20,533	15,758	3,189	817	769,268,658	111,033	4,173	1,717	6,507	82	2,544	6,961	17,501	61,911	
18	391,647	19,412	15,613	2,198	719	882,269,133	110,782	4,173	1,204	7,020	83	2,539	7,159	17,455	61,960	
25	390,049	19,356	15,914	2,110	594	738,267,602	110,673	4,179	1,170	6,637	82	2,551	6,855	17,304	61,958	
Sept. 1	393,119	20,705	17,536	1,635	653	881,269,475	111,137	4,191	1,613	6,815	78	2,554	6,887	17,316	62,055	
8	395,136	23,455	19,584	2,424	752	695,268,911	111,238	4,203	1,632	6,391	79	2,537	6,800	17,276	62,082	
15	397,347	23,315	18,190	3,608	701	816,270,748	111,853	4,205	2,224	6,463	78	2,536	6,884	17,297	62,260	
22	392,506	18,791	15,574	1,819	622	776,270,243	112,166	4,202	1,226	6,714	76	2,532	6,624	17,110	62,362	
29	392,830	18,689	15,701	1,685	517	786,270,430	112,347	4,247	1,035	6,368	81	2,558	6,636	17,131	62,423	
<b>New York City</b>																
<b>1975</b>																
Sept. 3	90,051	2,608	2,428	30	150	70,409	37,216	107	603	2,198	29	414	3,193	7,796	8,928	
10	90,074	1,196	982	26	188	70,865	37,387	108	1,023	2,258	29	412	3,230	7,715	8,931	
17	90,164	1,523	1,267	54	202	70,999	37,346	109	1,308	2,319	29	408	3,225	7,655	8,975	
24	89,591	2,151	1,849	36	72	194,70,063	37,311	109	707	1,948	15	408	3,214	7,519	9,026	
<b>1976</b>																
Aug. 4	86,431	1,726	1,292	147	62	225,65,614	32,551	85	867	3,686	13	388	2,415	6,589	9,277	
11	86,762	2,257	1,613	337	75	232,66,035	32,634	81	1,497	3,734	14	390	2,420	6,500	9,251	
18	88,221	2,201	1,186	570	78	367,66,485	32,477	79	1,028	4,278	16	393	2,578	6,511	9,280	
25	87,261	2,554	1,792	482	68	212,65,503	32,309	79	1,042	3,970	16	396	2,345	6,504	9,233	
Sept. 1	87,758	1,701	946	356	81	318,66,564	32,604	81	1,499	3,960	15	394	2,457	6,548	9,249	
8	86,242	1,266	851	277	81	57,65,932	32,626	82	1,513	3,636	15	392	2,382	6,415	9,211	
15	88,070	2,505	1,658	572	78	197,66,583	32,796	80	1,618	3,737	15	389	2,512	6,453	9,240	
22	86,769	1,526	956	387	69	114,65,743	32,725	81	1,074	3,754	14	386	2,251	6,374	9,211	
29	85,768	1,177	689	258	32	198,65,360	32,864	83	909	3,520	14	386	2,245	6,298	9,181	
<b>Outside New York City</b>																
<b>1975</b>																
Sept. 3	296,143	14,333	12,334	1,160	477	362,204,161	81,997	3,535	93	1,288	70	1,860	6,081	12,074	50,351	
10	299,238	17,558	14,007	2,523	619	409,203,664	81,858	3,529	95	1,256	67	1,864	5,807	12,048	50,354	
17	297,679	15,182	11,798	2,305	671	408,204,221	82,135	3,539	294	1,309	65	1,862	5,874	11,871	50,362	
24	294,357	12,352	10,328	1,274	320	430,203,823	81,932	3,534	56	1,291	66	1,864	5,808	11,876	50,325	
<b>1976</b>																
Aug. 4	302,538	17,220	14,637	1,464	653	466,202,475	78,402	4,091	191	2,709	66	2,139	4,634	11,018	52,598	
11	304,187	18,276	14,145	2,852	742	537,202,623	78,399	4,092	220	2,773	68	2,154	4,541	11,001	52,660	
18	303,426	17,211	14,427	1,628	641	515,202,648	78,305	4,094	176	2,742	67	2,146	4,581	10,944	52,680	
25	302,788	16,802	14,122	1,628	526	526,202,099	78,364	4,100	128	2,667	66	2,155	4,510	10,800	52,725	
Sept. 1	305,361	19,004	16,590	1,279	572	563,202,911	78,533	4,110	114	2,855	63	2,160	4,430	10,768	52,806	
8	308,894	22,189	18,733	2,147	671	638,202,979	78,612	4,121	119	2,755	64	2,145	4,418	10,861	52,871	
15	309,277	20,810	16,532	3,036	623	619,204,165	79,057	4,125	606	2,726	63	2,147	4,372	10,844	53,020	
22	305,737	17,265	14,618	1,432	553	662,204,500	79,441	4,121	152	2,960	62	2,146	4,373	10,736	53,151	
29	307,062	17,512	15,012	1,427	485	588,205,070	79,483	4,164	126	2,848	67	2,172	4,391	10,833	53,242	

▲ Effective with changes in New York State branch banking laws, beginning Jan. 1, 1976, three large New York City banks are now reporting combined totals for previously affiliated banks that have been converted to branches.

The principal effects of these changes were to increase the reported data for New York City (total assets, by about \$5.5 billion) and to decrease the

reported data for "Outside New York City" (total assets, by about \$4.0 billion).

Historical data (from Jan. 1972) on a basis comparable with 1976 data are available from the Public Information Department of the Federal Reserve Bank of New York on request.

For other notes see p. A-22.

ASSETS AND LIABILITIES OF LARGE COMMERCIAL BANKS▲—Continued

(In millions of dollars)

Loans (cont.)						Investments										Wednesday	
Other (cont.)					U.S. Treasury securities					Other securities							
To commercial banks	Domestic	Foreign	Consumer installment	Foreign govts. <sup>3</sup>	All other	Loan loss reserve and unearned income on loans <sup>1</sup>	Total	Bills	Notes and bonds maturing—			Total	Obligations of States and political subdivisions		Other bonds, corp. stocks, and securities		
									Within 1 yr.	1 to 5 yrs.	After 5 yrs.		Tax warrants <sup>4</sup>	All other	Certif. of participation <sup>5</sup>		All other <sup>6</sup>
<i>Large banks—Total</i>																	
1975																	
2,286	5,846	34,742	1,530	18,123	5,790	34,432	9,056	4,972	17,361	3,043	60,251	6,262	40,045	2,376	11,568	.....	Sept. 3
2,334	5,785	34,774	1,432	18,043	5,810	35,388	9,644	5,331	17,393	3,020	60,641	6,500	40,084	2,396	11,661	.....	10
2,434	5,713	34,840	1,414	17,939	5,805	35,158	9,845	5,386	17,045	2,882	60,760	6,552	40,253	2,374	11,581	.....	17
2,473	5,864	34,904	1,452	17,992	5,808	35,160	10,076	5,354	16,862	2,868	60,399	6,462	39,938	2,349	11,650	.....	24
1976																	
1,996	5,973	37,042	1,809	18,094	8,544	42,745	11,918	6,443	21,106	3,278	59,189	5,864	40,069	2,476	10,780	.....	Aug. 4
1,878	5,827	37,101	1,804	18,218	8,599	42,376	11,533	6,351	21,091	3,401	59,382	6,122	40,168	2,455	10,637	.....	11
2,016	6,130	37,208	1,749	18,287	8,632	43,546	11,012	6,240	22,000	4,294	59,556	6,152	40,217	2,459	10,728	.....	18
1,785	5,887	37,377	1,806	17,956	8,618	43,385	11,397	6,142	21,546	4,300	59,706	6,073	40,199	2,509	10,925	.....	25
1976																	
1,915	5,999	37,559	1,847	18,143	8,634	43,141	10,791	6,141	22,128	4,081	59,798	6,130	40,250	2,656	10,762	.....	Sept. 1
1,654	5,899	37,655	1,928	18,203	8,666	42,632	10,585	6,162	21,823	4,062	60,138	6,578	40,354	2,545	10,661	.....	8
1,838	5,818	37,725	1,943	18,312	8,688	43,267	10,978	6,238	22,001	4,050	60,017	6,298	40,305	2,560	10,854	.....	15
1,759	6,168	37,849	1,851	18,305	8,701	43,603	11,331	6,194	22,038	4,040	59,869	6,210	40,126	2,648	10,885	.....	22
1,904	6,111	37,969	1,879	18,379	8,638	43,422	10,934	6,127	22,238	4,123	60,289	6,410	40,319	2,400	11,160	.....	29
New York City																	
1975																	
1,032	2,568	3,552	614	3,961	1,802	7,630	1,880	598	4,309	843	9,404	1,371	5,875	173	1,985	.....	Sept. 3
1,033	2,506	3,558	535	3,950	1,810	8,524	2,533	631	4,550	810	9,489	1,402	5,922	177	1,988	.....	10
1,063	2,407	3,564	529	3,863	1,801	7,843	2,318	607	4,231	687	9,799	1,550	6,167	178	1,904	.....	17
1,054	2,536	3,568	530	3,920	1,802	7,756	2,265	650	4,136	705	9,621	1,513	6,025	173	1,910	.....	24
1976																	
744	2,634	3,814	545	3,670	1,664	9,756	3,224	924	4,618	990	9,335	1,594	6,092	185	1,464	.....	Aug. 4
627	2,443	3,821	495	3,812	1,684	9,123	2,765	911	4,451	996	9,347	1,590	6,118	188	1,451	.....	11
753	2,663	3,836	504	3,786	1,697	10,229	2,709	1,004	5,123	1,393	9,306	1,498	6,162	203	1,443	.....	18
637	2,541	3,866	548	3,707	1,690	9,978	2,838	954	4,948	1,238	9,226	1,431	6,139	192	1,464	.....	25
1976																	
746	2,619	3,870	548	3,699	1,725	10,221	2,735	1,026	5,274	1,186	9,272	1,442	6,175	281	1,374	.....	Sept. 1
667	2,469	3,864	603	3,773	1,716	9,749	2,511	997	5,051	1,190	9,295	1,490	6,187	280	1,338	.....	8
816	2,416	3,884	567	3,784	1,724	9,656	2,678	1,025	4,829	1,124	9,326	1,467	6,226	280	1,353	.....	15
689	2,692	3,935	518	3,766	1,727	10,312	3,448	970	4,843	1,051	9,188	1,423	6,130	290	1,345	.....	22
791	2,621	3,934	525	3,644	1,655	9,969	2,904	930	5,009	1,126	9,262	1,437	6,166	290	1,369	.....	29
Outside New York City																	
1975																	
1,254	3,278	31,190	916	14,162	3,988	26,802	7,176	4,374	13,052	2,200	50,847	4,891	34,170	2,203	9,583	.....	Sept. 3
1,301	3,279	31,216	897	14,093	4,000	26,864	7,111	4,700	12,843	2,210	51,152	5,098	34,162	2,219	9,673	.....	10
1,371	3,306	31,276	885	14,076	4,004	27,315	7,527	4,779	12,814	2,195	50,961	5,002	34,086	2,196	9,677	.....	17
1,419	3,328	31,336	922	14,072	4,006	27,404	7,811	4,704	12,726	2,163	50,778	4,949	33,913	2,176	9,740	.....	24
1976																	
1,252	3,339	33,228	1,264	14,424	6,880	32,989	8,694	5,519	16,488	2,288	49,854	4,270	33,977	2,291	9,316	.....	Aug. 4
1,251	3,384	33,280	1,309	14,406	6,915	33,253	8,768	5,440	16,640	2,405	50,035	4,532	34,050	2,267	9,186	.....	11
1,263	3,467	33,372	1,245	14,501	6,935	33,317	8,303	5,236	16,877	2,901	50,250	4,654	34,055	2,256	9,285	.....	18
1,148	3,346	33,511	1,258	14,249	6,928	33,407	8,559	5,188	16,598	3,062	50,480	4,642	34,060	2,317	9,461	.....	25
1976																	
1,169	3,380	33,689	1,299	14,444	6,909	32,920	8,056	5,115	16,854	2,895	50,526	4,688	34,075	2,375	9,388	.....	Sept. 1
987	3,430	33,791	1,325	14,430	6,950	32,883	8,074	5,165	16,772	2,872	50,843	5,088	34,167	2,265	9,323	.....	8
1,022	3,402	33,841	1,376	14,528	6,964	33,611	8,300	5,213	17,172	2,926	50,691	4,831	34,079	2,280	9,501	.....	15
1,070	3,476	33,914	1,333	14,539	6,974	33,291	7,883	5,224	17,195	2,989	50,681	4,787	33,996	2,358	9,540	.....	22
1,113	3,490	34,035	1,354	14,735	6,983	33,453	8,030	5,197	17,229	2,997	51,027	4,973	34,153	2,110	9,791	.....	29

For notes see pp. A-18 and A-22.

ASSETS AND LIABILITIES OF LARGE COMMERCIAL BANKS▲—Continued

(In millions of dollars)

Wednesday	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 <sup>1</sup>	Deposits						
								Demand						
								Total	IPC	States and political subdivisions	U.S. Govt.	Domestic interbank		Foreign govts., etc. <sup>3</sup>
		Commercial	Mutual sav-ings											
<i>Large banks—Total</i>														
1975														
Sept. 3	37,023	22,697	4,836	11,750	1,752	37,483	501,735	165,982	120,825	6,271	1,255	24,638	795	1,215
10	31,811	21,040	4,967	10,723	1,753	38,337	497,943	160,562	119,082	6,161	1,485	21,680	725	1,144
17	32,397	18,735	5,004	11,264	1,751	37,868	494,862	162,191	118,751	5,921	2,777	22,177	713	1,297
24	28,676	22,445	5,067	11,609	1,747	38,071	491,563	154,991	114,055	6,140	1,454	21,616	663	1,038
1976														
Aug. 4	36,692	25,324	4,838	11,253	2,124	45,880	515,080	167,253	119,730	6,210	3,084	24,470	879	1,193
11	32,998	18,588	5,216	11,556	2,151	44,701	506,159	161,392	118,537	5,573	1,643	22,001	788	1,193
18	33,295	21,653	5,348	11,612	2,155	45,133	510,843	161,896	118,387	5,570	2,621	22,214	778	1,028
25	31,131	18,838	5,421	11,674	2,114	44,937	504,164	158,539	115,471	5,445	1,797	23,040	734	1,126
Sept. 1	35,358	21,805	5,308	12,176	2,136	45,773	515,675	166,689	120,365	6,346	1,127	24,617	845	1,023
8	36,446	22,214	5,209	11,550	2,119	46,255	518,929	166,596	121,168	5,788	1,701	24,829	849	1,011
15	39,051	17,964	5,444	12,028	2,116	46,157	520,107	175,122	126,196	6,148	4,737	24,031	764	1,176
22	33,460	19,404	5,474	10,502	2,120	45,277	508,743	162,256	117,377	6,010	2,603	23,142	744	1,138
29	35,985	23,215	5,615	11,885	2,116	46,035	517,681	166,042	119,195	5,601	2,694	24,000	761	1,017
<i>New York City</i>														
1975														
Sept. 3	11,349	6,392	675	4,800	798	12,871	126,936	46,748	27,193	616	126	11,005	463	996
10	10,557	6,791	705	4,596	790	13,525	127,038	44,898	26,893	547	234	10,096	411	929
17	10,759	4,377	684	4,952	791	12,703	124,430	45,913	26,832	567	321	10,692	407	1,014
24	9,554	6,212	693	5,533	799	12,896	125,278	44,348	25,539	654	204	10,923	377	828
1976														
Aug. 4	12,442	7,475	691	4,489	946	15,865	128,339	47,113	26,565	607	567	11,335	481	925
11	11,436	5,373	718	4,917	954	14,717	124,877	45,601	25,888	526	214	10,337	422	978
18	11,245	7,009	733	4,759	956	15,259	128,182	45,664	26,523	495	455	10,286	425	796
25	11,047	5,288	722	5,285	949	15,062	125,614	45,420	25,871	465	307	11,064	388	898
Sept. 1	11,991	7,080	740	5,409	954	15,640	129,572	47,476	26,540	596	83	11,623	479	798
8	11,479	7,877	746	4,737	951	16,183	128,215	45,572	26,149	482	138	10,908	457	778
15	12,263	5,086	735	5,388	949	15,730	128,221	49,614	28,074	523	1,354	11,284	400	946
22	11,845	5,373	755	4,422	949	15,169	125,282	45,736	25,068	651	399	11,514	391	907
29	14,181	6,949	766	5,046	956	15,906	129,572	48,704	26,585	515	386	11,930	405	780
<i>Outside New York City</i>														
1975														
Sept. 3	25,674	16,305	4,161	6,950	954	24,612	374,799	119,234	93,632	5,655	1,129	13,633	332	219
10	21,254	14,249	4,262	6,127	963	24,812	370,905	115,664	92,189	5,614	1,251	11,584	314	215
17	21,638	14,358	4,320	6,312	960	25,165	370,432	116,278	91,919	5,354	2,456	11,485	306	283
24	19,122	16,233	4,374	6,076	948	25,175	366,285	110,643	88,516	5,486	1,250	10,693	286	210
1976														
Aug. 4	24,250	17,849	4,147	6,764	1,178	30,015	386,741	120,140	93,165	5,603	2,517	13,135	398	268
11	21,562	13,215	4,498	6,639	1,197	29,984	381,282	115,791	92,649	5,047	1,429	11,664	366	215
18	22,050	14,644	4,615	6,853	1,199	29,874	382,661	116,232	91,864	5,075	2,166	11,928	353	232
25	20,084	13,550	4,699	6,389	1,165	29,875	378,550	113,119	89,600	4,980	1,490	11,976	346	228
Sept. 1	23,367	14,725	4,568	6,767	1,182	30,133	386,103	119,213	93,825	5,750	1,044	12,994	366	225
8	24,967	14,337	4,463	6,813	1,168	30,072	390,714	121,024	95,019	5,306	1,563	13,921	392	233
15	26,788	12,878	4,709	6,640	1,167	30,427	391,886	125,508	98,122	5,625	3,383	12,747	364	230
22	21,615	14,031	4,719	6,080	1,171	30,108	383,461	116,520	92,309	5,359	2,204	11,628	353	231
29	21,804	16,266	4,849	6,839	1,160	30,129	388,109	117,338	92,610	5,086	2,308	12,070	356	237

For notes see pp. A-18 and A-22.

ASSETS AND LIABILITIES OF LARGE COMMERCIAL BANKS▲—Continued

(In millions of dollars)

Demand (cont.)		Deposits (cont.)						Federal funds purchased, etc. <sup>8</sup>	Borrowings from—		Other liabilities, etc. <sup>9</sup>	Total equity capital and sub. notes/debentures <sup>10</sup>	Wednesday
Foreign commercial banks	Certified and officers' checks	Total <sup>7</sup>	IPC		States and political subdivisions	Domestic inter-bank	Foreign govts. <sup>3</sup>		F.R. Banks	Other			
			Savings	Other									
<i>Large banks—Total</i>													
1975													
5,024	5,959	223,614	65,645	114,958	22,483	7,815	11,409	49,065	85	4,036	22,992	35,961	Sept. 3
4,651	5,634	224,118	65,622	115,413	22,213	7,742	11,798	48,051	1,589	4,075	23,604	35,944	10
4,941	5,614	223,787	65,607	115,204	22,144	7,770	11,782	45,215	201	4,014	23,579	35,875	17
5,034	4,991	225,853	65,613	116,585	22,271	7,999	11,985	45,895	1,182	4,023	23,665	35,954	24
1976													
5,303	6,384	221,988	80,379	105,516	20,029	6,344	8,126	59,805	707	3,889	21,428	40,010	Aug. 4
5,290	6,367	221,959	80,515	105,419	20,093	6,338	8,006	56,904	562	3,885	21,451	40,006	11
5,265	6,033	221,548	80,555	105,316	19,966	6,242	7,924	60,453	213	3,941	22,879	39,913	18
5,117	5,809	221,780	80,777	105,450	20,141	6,004	7,870	57,959	.....	3,847	22,076	39,963	25
1975													
5,095	7,271	221,423	80,937	105,378	19,824	6,002	7,776	61,621	210	3,941	21,681	40,110	Sept. 1
5,398	5,852	221,432	81,340	105,046	19,765	5,932	7,885	65,778	.....	3,790	21,279	40,054	8
5,390	6,680	221,052	81,280	104,932	19,659	5,863	7,856	57,515	131	4,042	22,205	40,040	15
5,344	5,898	222,285	81,593	105,704	19,672	5,915	7,919	58,824	24	3,801	21,492	40,061	22
5,742	7,032	223,647	82,061	106,371	19,778	5,926	7,944	62,488	259	3,786	21,332	40,127	29
New York City													
1975													
3,747	2,602	47,799	7,291	27,562	1,552	3,454	7,110	12,221	.....	1,941	8,330	9,897	Sept. 3
3,358	2,430	47,810	7,282	27,374	1,552	3,310	7,421	12,481	1,502	1,913	8,514	9,920	10
3,637	2,443	47,597	7,268	27,212	1,539	3,208	7,528	10,726	.....	1,895	8,415	9,884	17
3,768	2,055	48,096	7,263	27,457	1,517	3,227	7,674	11,879	568	1,890	8,572	9,925	24
1976													
3,922	2,711	42,045	8,956	22,938	1,303	2,838	5,051	15,968	600	1,731	9,465	11,417	Aug. 4
3,962	3,274	41,853	8,953	22,918	1,256	2,829	4,967	14,614	287	1,783	9,296	11,443	11
4,000	2,684	41,762	8,942	22,921	1,291	2,788	4,916	16,774	.....	1,754	10,781	11,447	18
3,834	2,593	41,528	8,930	23,033	1,281	2,592	4,848	15,755	.....	1,603	9,844	11,464	25
1975													
3,773	3,584	41,390	8,901	23,009	1,227	2,600	4,805	18,232	210	1,528	9,280	11,456	Sept. 1
4,097	2,563	41,070	8,943	22,772	1,197	2,533	4,813	19,602	.....	1,567	8,930	11,474	8
3,938	3,095	40,676	8,940	22,507	1,164	2,479	4,781	15,051	.....	1,422	9,970	11,488	15
4,017	2,789	40,707	8,968	22,537	1,159	2,457	4,759	16,293	.....	1,642	9,420	11,484	22
4,349	3,754	40,903	9,024	22,519	1,227	2,456	4,754	16,991	215	1,664	9,610	11,485	29
Outside New York City													
1975													
1,277	3,357	175,815	58,354	87,396	20,931	4,361	4,299	36,844	85	2,095	14,662	26,064	Sept. 3
1,293	3,204	176,308	58,340	88,039	20,661	4,432	4,377	35,570	87	2,162	15,090	26,024	10
1,304	3,171	176,190	58,339	87,992	20,605	4,562	4,254	34,489	201	2,119	15,164	25,991	17
1,266	2,936	177,757	58,350	89,128	20,754	4,772	4,311	34,016	614	2,133	15,093	26,029	24
1976													
1,381	3,673	179,943	71,423	82,578	18,726	3,506	3,075	43,837	107	2,158	11,963	28,593	Aug. 4
1,328	3,093	180,106	71,562	82,501	18,837	3,509	3,039	42,290	275	2,102	12,155	28,563	11
1,265	3,349	179,786	71,613	82,395	18,675	3,454	3,008	43,679	213	2,187	12,098	28,466	18
1,283	3,216	180,252	71,847	82,417	18,860	3,412	3,022	42,204	.....	2,244	12,232	28,499	25
1975													
1,322	3,687	180,033	72,036	82,369	18,597	3,402	2,971	43,389	.....	2,413	12,401	28,654	Sept. 1
1,301	3,289	180,362	72,397	82,274	18,568	3,399	3,072	46,176	.....	2,223	12,349	28,580	8
1,452	3,585	180,376	72,340	82,425	18,495	3,384	3,075	42,464	131	2,620	12,235	28,552	15
1,327	3,109	181,578	72,625	83,167	18,513	3,458	3,160	42,531	24	2,159	12,072	28,577	22
1,393	3,278	182,744	73,037	83,852	18,551	3,470	3,190	45,497	44	2,122	11,722	28,642	29

For notes see pp. A-18 and A-22.

## ASSETS AND LIABILITIES OF LARGE COMMERCIAL BANKS▲—Continued

(In millions of dollars)

Wednesday	Memoranda												Gross liabilities of banks to their foreign branches		
	Total loans (gross) ad-justed <sup>11</sup>	Total loans and invest-ments (gross) ad-justed <sup>11</sup>	De-mand deposits ad-justed <sup>12</sup>	Large negotiable time CD's included in time and savings deposits <sup>13</sup>			All other large time deposits <sup>14</sup>			Savings ownership categories					
				Total	Issued to IPC's	Issued to others	Total	Issued to IPC's	Issued to others	Individuals and non-profit organizations	Part-nerships and cor-pora-tions for profit <sup>15</sup>	Do-mestic govern-mental units		All other <sup>16</sup>	
<i>Large banks—Total</i>															
<i>1975</i>															
Sept. 3	280,253	374,936	103,066	81,897	55,266	26,631	33,381	18,099	15,282	65,645					2,327
10	281,770	377,799	105,586	82,456	55,665	26,791	33,395	18,152	15,243	65,622					2,353
17	282,231	378,149	104,840	82,161	55,376	26,785	33,311	18,235	15,076	65,607					2,613
24	279,547	375,106	103,245	84,263	56,808	27,455	33,305	18,217	15,088	65,613					2,304
<i>1976</i>															
Aug. 4	277,654	379,588	103,007	66,672	44,211	22,461	28,097	15,343	12,754	76,154	3,240	897	88	3,781	
11	280,154	381,912	104,750	66,534	44,092	22,442	28,003	15,306	12,697	76,206	3,301	919	89	4,211	
18	279,548	382,650	103,766	65,963	43,777	22,186	27,993	15,397	12,596	76,181	3,335	955	84	5,763	
25	277,877	380,968	102,571	65,937	43,857	22,080	28,117	15,448	12,669	76,294	3,420	984	79	4,708	
Sept. 1	279,363	382,302	105,587	65,382	43,360	22,022	27,711	15,412	12,299	76,413	3,453	998	73	3,583	
8	279,794	382,564	103,620	65,120	43,134	21,986	27,701	15,384	12,317	76,682	3,543	1,010	105	3,427	
15	282,723	386,007	107,303	64,618	42,755	21,863	27,608	15,408	12,200	76,672	3,506	1,019	83	4,698	
22	280,402	383,874	103,051	65,543	43,463	22,080	27,383	15,219	12,164	76,901	3,534	1,074	84	4,123	
29	280,152	383,863	103,363	66,017	43,703	22,314	27,664	15,518	12,146	77,265	3,603	1,120	73	4,633	
<i>New York City</i>															
<i>1975</i>															
Sept. 3	71,359	88,393	24,268	29,062	19,267	9,795	8,051	5,005	3,046	7,291				1,528	
10	71,856	89,869	24,011	29,111	19,126	9,985	8,065	5,000	3,065	7,282				1,605	
17	71,993	89,635	24,141	28,903	18,951	9,952	7,995	4,974	3,021	7,268				1,765	
24	71,113	88,490	23,667	29,570	19,356	10,214	7,870	4,850	3,020	7,263				1,482	
<i>1976</i>															
Aug. 4	66,968	86,059	22,769	23,099	14,752	8,347	6,014	4,262	1,752	8,432	297	163	64	2,909	
11	67,736	86,206	23,614	23,056	14,793	8,263	5,877	4,211	1,666	8,423	309	157	64	3,332	
18	68,444	87,979	23,678	22,815	14,690	8,125	5,988	4,262	1,725	8,414	309	157	62	4,949	
25	67,318	86,522	23,002	22,718	14,867	7,851	5,878	4,210	1,668	8,407	317	151	55	3,792	
Sept. 1	68,298	87,791	23,779	22,519	14,685	7,834	5,913	4,306	1,607	8,386	317	150	48	2,828	
8	67,396	86,440	23,047	22,177	14,505	7,672	5,948	4,291	1,657	8,396	325	143	79	2,488	
15	68,338	87,320	24,713	21,704	14,134	7,570	5,984	4,350	1,634	8,403	325	155	57	3,970	
22	67,351	86,851	21,978	21,770	14,246	7,524	5,881	4,229	1,652	8,405	331	174	58	3,342	
29	66,712	85,943	22,207	21,766	14,162	7,604	6,003	4,275	1,728	8,459	333	183	49	3,616	
<i>Outside New York City</i>															
<i>1975</i>															
Sept. 3	208,894	286,543	78,798	52,835	35,999	16,836	25,330	13,094	12,236	58,354				799	
10	209,914	287,930	81,575	53,345	36,539	16,806	25,330	13,152	12,178	58,340				748	
17	210,238	288,514	80,699	53,258	36,425	16,833	25,316	13,261	12,055	58,339				848	
24	208,434	286,616	79,578	54,693	37,452	17,241	25,435	13,367	12,068	58,350				822	
<i>1976</i>															
Aug. 4	210,686	293,529	80,238	43,573	29,459	14,114	22,083	11,081	11,002	67,722	2,943	734	24	872	
11	212,418	295,706	81,136	43,478	29,299	14,179	22,126	11,095	11,031	67,783	2,992	762	25	879	
18	211,104	294,671	80,088	43,148	29,087	14,061	22,006	11,135	10,871	67,767	3,026	798	22	814	
25	210,559	294,446	79,569	43,219	28,990	14,229	22,239	11,238	11,001	67,887	3,103	833	24	916	
Sept. 1	211,065	294,511	81,808	42,863	28,675	14,188	21,798	11,106	10,692	68,027	3,136	848	25	755	
8	212,398	296,124	80,573	42,943	28,629	14,314	21,753	11,093	10,660	68,286	3,218	867	26	939	
15	214,385	298,687	82,590	42,914	28,621	14,293	21,624	11,058	10,566	68,269	3,181	864	26	728	
22	213,051	297,023	81,073	43,773	29,217	14,556	21,502	10,990	10,512	68,496	3,203	900	26	781	
29	213,440	297,920	81,156	44,251	29,541	14,710	21,661	11,243	10,418	68,806	3,270	937	24	1,017	

▲ See p. A-18.

1 Loan loss reserve and unearned income on loans had been reported as liability items through Mar. 24, 1976. Since then the item is netted against total loans, and therefore against total assets also. As a proxy for this item prior to Mar. 31, 1976, reserves for loans have been used to calculate year-ago figures.

2 Includes securities purchased under agreements to resell.

3 Includes official institutions and so forth.

4 Includes short-term notes and bills.

5 Federal agencies only. 6 Includes corporate stocks.

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

8 Includes securities sold under agreements to repurchase.

9 Includes minority interest in consolidated subsidiaries. Beginning Mar. 31, 1976, also includes deferred tax portion of reserves for loans.

10 Includes reserves for securities. Beginning Mar. 31, 1976, also includes contingency portion of reserves for loans.

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

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

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

14 All other time deposits issued in denominations of \$100,000 or more (not included in large negotiable CD's).

15 Other than commercial banks. 16 Domestic and foreign commercial banks, and official international organizations.

Note.—Effective Mar. 24, 1976, in the city of Chicago and Mar. 31, 1976, in the San Francisco District reclassification of loans resulted in the following major revisions: commercial and industrial, —\$1,168 million; other nonbank financial institutions, +\$185 million; real estate, +\$783 million; other loans, +\$200 million. These reclassifications are not reflected for earlier dates.

## COMMERCIAL AND INDUSTRIAL LOANS OF LARGE COMMERCIAL BANKS

(In millions of dollars)

Industry	Outstanding					Net change during—							
	1976					1976			1976			1976	1975
	Sept. 29	Sept. 22	Sept. 15	Sept. 8	Sept. 1	Sept.	Aug.	July	III	II	I	1st half	2nd half
Durable goods manufacturing:													
Primary metals.....	2,059	2,042	2,038	1,955	1,946	106	-69	-76	-39	73	-48	25	50
Machinery.....	4,645	4,690	4,669	4,719	4,727	-95	-132	-162	-389	-429	-296	-725	-1,668
Transportation equipment.....	2,428	2,410	2,376	2,367	2,405	35	-177	-108	-250	-315	-52	-367	-465
Other fabricated metal products.....	1,689	1,711	1,713	1,713	1,708	-11	-10	-32	-53	-144	-87	-231	-750
Other durable goods.....	3,506	3,556	3,567	3,542	3,524	1	22	-129	-106	106	53	159	-688
Nondurable goods manufacturing:													
Food, liquor, and tobacco.....	3,394	3,376	3,299	3,267	3,268	-126	119	38	31	92	-509	-417	468
Textiles, apparel, and leather.....	3,505	3,546	3,603	3,589	3,562	-32	135	81	184	235	395	630	-532
Petroleum refining.....	2,503	2,488	2,280	2,211	2,220	382	-120	-62	200	79	-138	-59	-116
Chemicals and rubber.....	2,534	2,522	2,545	2,575	2,552	-1	-13	64	50	-167	-40	-207	-431
Other nondurable goods.....	1,883	1,909	1,902	1,902	1,918	-22	-24	14	-32	17	90	107	-415
Mining, including crude petroleum and natural gas.....	6,963	6,946	6,894	6,899	6,819	310	19	-97	232	330	448	778	1,065
Trade: Commodity dealers.....	1,562	1,478	1,514	1,396	1,451	132	-88	-250	-206	121	65	186	477
Other wholesale.....	6,032	6,004	5,976	5,947	5,945	76	-2	114	188	48	357	405	-181
Retail.....	6,302	6,221	6,012	6,163	6,232	44	54	-113	-15	392	133	525	-517
Transportation.....	5,162	5,196	5,215	5,225	5,265	-125	-73	-320	-518	-157	-231	-388	3
Communication.....	1,487	1,476	1,537	1,540	1,554	-82	-50	-133	-265	57	-289	-232	-158
Other public utilities.....	5,699	5,730	5,807	5,752	5,759	-110	-379	-37	-526	113	-885	-772	-198
Construction.....	4,221	4,263	4,265	4,208	4,247	-52	38	-7	-21	-177	-706	-883	-436
Services.....	10,407	10,458	10,458	10,419	10,439	35	-29	-178	-172	-309	69	-240	-15
All other domestic loans.....	7,420	7,342	7,298	7,225	7,308	223	-48	270	445	-862	-2,566	-3,428	643
Bankers acceptances.....	3,538	3,368	3,407	3,265	3,005	739	147	-306	580	-337	-1,650	-1,987	2,685
Foreign commercial and industrial loans.....	5,619	5,722	5,790	5,696	5,744	-141	317	-231	-55	304	82	386	757
Total classified loans.....	92,558	92,454	92,165	91,575	91,598	1,286	-363	-1,660	-737	-930	-5,805	-6,735	-422
Comm. paper included in total classified loans <sup>1</sup> .....	326					50	-97	-95	-142	24	7	31	197
Total commercial and industrial loans of large commercial banks.....	112,347	112,166	111,853	111,238	111,137	1,674	-287	-1,807	-420	-893	-6,994	-7,887	-942

For notes see table below.

## "TERM" COMMERCIAL AND INDUSTRIAL LOANS OF LARGE COMMERCIAL BANKS

(In millions of dollars)

Industry	Outstanding										Net change during—				
	1976										1976			1975	1976
	Sept. 29	Aug. 25	July 28	June 30	May 26	Apr. 28	Mar. 31	Feb. 25	Jan. 28	III	II	I	IV	1st half	
Durable goods manufacturing:															
Primary metals.....	1,214	1,146	1,191	1,241	1,293	1,283	1,291	1,335	1,341	-27	-50	-81	34	-131	
Machinery.....	2,675	2,748	2,901	3,029	3,088	3,055	3,144	3,072	3,117	-354	-115	-169	-424	-284	
Transportation equipment.....	1,381	1,357	1,399	1,505	1,488	1,632	1,691	1,643	1,686	-124	-186	76	-78	-110	
Other fabricated metal products.....	756	765	767	799	879	919	909	1,035	1,041	-43	-110	-115	-244	-225	
Other durable goods.....	1,736	1,758	1,763	1,815	1,843	1,871	1,793	1,838	1,874	-79	22	-30	-189	-8	
Nondurable goods manufacturing:															
Food, liquor, and tobacco.....	1,435	1,463	1,444	1,403	1,334	1,366	1,391	1,536	1,547	32	12	-187	107	-175	
Textiles, apparel, and leather.....	1,144	1,159	1,123	1,116	1,075	1,044	993	1,055	1,032	28	123	-2	-108	121	
Petroleum refining.....	1,908	1,606	1,659	1,707	1,781	1,785	1,685	1,886	1,859	201	22	-146	-136	-124	
Chemicals and rubber.....	1,464	1,460	1,444	1,466	1,462	1,495	1,540	1,603	1,588	-2	-74	-82	-43	-156	
Other nondurable goods.....	935	948	982	986	961	979	962	942	925	-51	24	74	-168	98	
Mining, including crude petroleum and natural gas.....	5,342	5,144	5,125	5,227	5,117	5,015	4,904	4,731	4,528	115	323	420	637	743	
Trade: Commodity dealers.....	209	186	191	207	206	180	190	182	196	2	17	18	22	35	
Other wholesale.....	1,394	1,340	1,308	1,308	1,355	1,312	1,344	1,279	1,290	86	-36	68	-43	32	
Retail.....	2,134	2,080	2,061	2,032	2,031	2,036	2,008	1,987	2,007	102	24	12	-157	36	
Transportation.....	3,934	3,941	4,032	4,237	4,246	4,252	4,250	4,329	4,291	-303	-13	-140	-1	-153	
Communication.....	903	948	937	990	1,008	984	998	1,095	1,101	-87	-8	-83	-51	-91	
Other public utilities.....	3,604	3,689	3,895	3,908	3,811	3,770	3,898	3,940	3,995	-304	10	-81	13	-71	
Construction.....	1,696	1,716	1,690	1,744	1,755	1,876	1,915	2,141	2,258	-48	-171	-266	-178	-437	
Services.....	4,967	4,917	4,948	5,097	5,240	5,317	5,368	5,147	5,038	-130	-271	233	13	-38	
All other domestic loans.....	2,419	2,356	2,415	2,350	2,349	2,507	2,700	3,093	3,396	69	-350	-599	55	-949	
Foreign commercial and industrial loans.....	3,522	3,462	3,141	3,157	3,121	3,085	2,984	3,001	2,999	365	173	63	158	236	
Total loans.....	44,772	44,189	44,416	45,324	45,443	45,763	45,958	46,870	47,109	-552	-634	-1,017	-781	-1,651	

<sup>1</sup> Reported the last Wednesday of each month.

NOTE.—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, 1PC
	Financial business	Nonfinancial business	Consumer	Foreign	All other	
<b>All insured commercial banks:</b>						
1970—Dec. ....	17.3	92.7	53.6	1.3	10.3	175.1
1971—Dec. ....	18.5	98.4	58.6	1.3	10.7	187.5
1972—Dec. ....	18.9	109.9	65.4	1.5	12.3	208.0
1973—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 ....	18.2	112.1	71.4	2.2	11.1	215.0
Sept. ....	17.9	113.9	72.0	2.1	10.9	216.8
Dec. ....	19.0	118.8	73.3	2.3	11.7	225.0
1975—Mar. ....	18.6	111.3	73.2	2.3	10.9	216.3
June ....	19.4	115.1	74.8	2.3	10.6	222.2
Sept. ....	19.0	118.7	76.5	2.2	10.6	227.0
Dec. ....	20.1	125.1	78.0	2.4	11.3	236.9
1976—Mar. ....	19.9	116.9	77.2	2.4	11.4	227.9
June ....	20.3	121.2	78.8	2.5	11.4	234.2
<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—Dec. ....	14.9	66.2	28.0	2.2	6.8	118.1
1974—Dec. ....	14.8	66.9	29.0	2.2	6.8	119.7
1975—Aug. ....	14.4	64.6	29.1	2.0	5.9	116.1
Sept. ....	14.7	65.5	29.6	2.1	6.2	118.1
Oct. ....	15.1	66.7	29.0	2.2	6.3	119.3
Nov. ....	15.4	68.1	29.4	2.2	6.4	121.6
Dec. ....	15.6	69.9	29.9	2.3	6.6	124.4
1976—Jan. ....	15.2	68.0	30.3	2.2	6.7	122.4
Feb. ....	15.3	65.6	29.2	2.2	6.4	118.7
Mar. ....	15.4	65.2	30.8	1.8	6.2	119.5
Apr. ....	15.1	65.5	33.6	1.8	6.0	122.0
May ....	15.7	67.8	26.4	2.2	6.1	118.2
June ....	16.1	67.3	31.2	2.0	6.1	122.6
July ....	16.3	64.8	33.3	2.3	5.8	122.5
Aug. ....	15.0	61.4	29.2	1.8	5.6	112.9

<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, 1974	June 30, 1975	Dec. 31, 1975	Mar. 31, 1976	Class of bank	Dec. 31, 1974	June 30, 1975	Dec. 31, 1975	Mar. 31, 1976
Insured .....	387	335	280	197	Other large banks <sup>1</sup> .....	69	74	76	12
National member .....	236	223	188	117	All other member <sup>1</sup> .....	206	186	146	139
State member .....	39	36	35	35	All nonmember .....	115	79	58	.....
All member .....	275	260	223	152	Insured .....	112	76	58	45
					Noninsured .....	3	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 p. A-14; from the figures for weekly reporting banks as shown on pp. A-18-A-22 (consumer instalment loans); and from the figures in the table at the bottom of p. A-13. But they are included in the figures for "Time deposits" and "Loans" for call dates as shown on pp. A-14-A-17.

## LOANS SOLD OUTRIGHT BY LARGE COMMERCIAL BANKS

(Amounts outstanding; in millions of dollars)

Date	To selected related institutions <sup>1</sup>			
	Total	By type of loan		
		Commercial and industrial	Real estate	All other
1976—June 2.....	4,432	2,757	204	1,471
9.....	4,424	2,767	205	1,452
16.....	4,478	2,839	205	1,434
23.....	4,442	2,810	205	1,427
30.....	4,491	2,837	206	1,448
July 7.....	4,530	2,862	219	1,449
14.....	4,518	2,826	212	1,480
21.....	4,549	2,825	207	1,517
28.....	4,529	2,823	209	1,497
Aug. 4.....	4,598	2,886	209	1,503
11.....	4,298	2,613	209	1,476
18.....	4,103	2,538	211	1,354
25.....	3,990	2,508	213	1,269
Sept. 1.....	3,952	2,491	210	1,251
8.....	3,935	2,426	213	1,296
15.....	3,818	2,354	213	1,251
22.....	3,826	2,386	211	1,229
29.....	3,920	2,463	222	1,235

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

NOTE.—Series changed on Aug. 28, 1974. For a comparison of the old and new data for that date, see p. 741 of the Oct. 1974 BULLETIN. Revised figures received since Oct. 1974 that affect that comparison are shown in note 2 to this table in the Dec. 1974 BULLETIN, p. A-27.

## COMMERCIAL PAPER AND BANKERS ACCEPTANCES OUTSTANDING

(In millions of dollars)

End of period	Commercial paper						Dollar acceptances									
	All issuers	Financial companies <sup>1</sup>		Non-financial companies <sup>4</sup>	Bank-related <sup>5</sup>		Total	Held by—						Based on—		
		Dealer-placed <sup>2</sup>	Directly-placed <sup>3</sup>		Dealer-placed	Directly-placed		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. <sup>6</sup>				
1966.....	13,645	2,332	10,556	757	.....	3,603	1,198	983	215	193	191	2,022	997	829	1,778	
1967.....	17,085	2,790	12,184	2,111	.....	4,317	1,906	1,447	459	164	156	2,090	1,086	989	2,241	
1968.....	21,173	4,427	13,972	2,774	.....	4,428	1,544	1,344	200	58	109	2,717	1,423	952	2,053	
1969.....	32,600	6,503	20,741	5,356	1,160	3,134	5,451	1,367	1,318	249	64	146	3,674	1,889	1,153	2,408
1970.....	33,071	5,514	20,424	7,133	352	1,997	7,058	2,694	1,960	735	57	250	4,057	2,601	1,561	2,895
1971.....	32,126	5,297	20,582	6,247	524	1,449	7,889	3,480	2,689	791	261	254	3,894	2,834	1,546	3,509
1972.....	34,721	5,655	22,098	6,968	1,226	1,411	6,898	2,706	2,006	700	106	179	3,907	2,531	1,909	2,458
1973.....	41,073	5,487	27,204	8,382	1,938	2,943	8,892	2,837	2,318	519	68	581	5,406	2,273	3,499	3,120
1974.....	49,144	4,611	31,839	12,694	1,814	6,518	18,484	4,226	3,685	542	999	1,109	12,150	4,023	4,067	10,394
1975—July..	49,352	6,018	31,263	12,072	1,649	7,038	16,930	4,778	4,275	503	685	329	11,138	3,474	3,865	9,591
Aug..	49,810	5,645	32,172	11,993	1,511	7,392	16,456	4,546	3,988	558	840	304	10,766	3,305	3,806	9,344
Sept..	48,257	5,574	30,496	12,187	1,482	7,316	16,790	5,002	4,190	812	948	302	10,538	3,313	3,783	9,693
Oct..	50,394	6,360	32,308	11,726	1,634	7,114	17,304	5,213	4,288	924	1,047	284	10,760	3,467	3,947	9,890
Nov..	49,512	6,389	32,003	11,120	1,715	6,974	17,875	6,497	5,684	813	727	279	10,372	3,545	3,888	10,443
Dec..	47,690	6,239	31,276	10,175	1,762	6,892	18,727	7,333	5,899	1,435	1,126	293	9,975	3,726	4,001	11,000
1976—Jan..	48,858	6,072	31,305	11,481	1,657	6,918	18,677	6,294	5,367	927	1,230	248	10,904	3,891	3,906	10,880
Feb..	49,927	6,401	31,534	11,992	1,567	6,753	19,060	5,950	5,255	695	1,051	231	11,827	3,977	4,039	11,044
Mar..	49,300	6,428	31,239	11,633	1,634	6,773	18,901	6,340	5,651	689	883	245	11,433	4,027	4,193	10,681
Apr..	49,572	6,246	31,143	12,183	1,658	6,304	19,559	6,126	5,305	821	995	344	12,094	4,258	4,258	11,043
May..	50,537	6,443	31,866	12,228	1,724	5,974	19,681	6,175	5,397	778	875	440	12,147	4,267	4,304	11,110
June..	50,011	6,075	31,198	12,738	1,710	6,297	19,783	6,171	5,378	793	1,027	427	12,157	4,384	4,308	11,091
July..	51,138	6,187	32,513	12,438	1,655	5,936	19,544	5,473	5,255	218	656	447	12,968	4,611	4,327	10,606

<sup>1</sup> Financial companies are institutions engaged primarily in activities such as, but not limited to, commercial, savings, and mortgage banking; sales, personal, and mortgage financing; factoring, finance leasing, and other business lending; insurance underwriting; and other investment activities.

<sup>2</sup> As reported by dealers; includes all financial company paper sold in the open market.

<sup>3</sup> As reported by financial companies that place their paper directly with investors.

<sup>4</sup> Nonfinancial companies include public utilities and firms engaged primarily in activities such as communications, construction, manufacturing, mining, wholesale and retail trade, transportation, and services.

<sup>5</sup> Included in dealer- and directly-placed financial company columns. Coverage of bank-related companies was expanded in Aug. 1974. Most of the increase resulting from this expanded coverage occurred in directly-placed paper.

<sup>6</sup> Beginning November 1974, the Board of Governors terminated the System guarantee on acceptances purchased for foreign official accounts.



**PRIME RATE CHARGED BY BANKS**

(Per cent per annum)

Effective date	Rate	Effective date	Rate	Effective date	Rate	Monthly average rate
1974—Apr. 11	10	1975—Jan. 9	10¼	1975—July 18	7¼	1975—July 7.15
19	10¼	15	10	28	7½	Aug. 7.66
25	10½	20	9¾	Aug. 12	7¾	Sept. 7.88
May 2	10¾	28	9½	Sept. 15	8	Oct. 7.96
6	11	Feb. 3	9¼	Oct. 27	7¾	Nov. 7.53
10	11¼	10	9	Nov. 5	7½	Dec. 7.26
17	11½	18	8¾	Dec. 2	7¼	1976—Jan. 7.00
June 26	11¾	24	8½	Jan. 12	7	Feb. 6.75
July 5	12	Mar. 5	8¼	21	6¾	Mar. 6.75
Oct. 7	11¾	10	8	June 1	7	Apr. 6.75
21	11½	18	7¾	7	7¼	May 6.75
28	11¼	24	7½	Aug. 2	7	June 7.20
Nov. 4	11	May 20	7¼			July 7.25
14	10¾	June 9	7			Aug. 7.01
25	10½					Sept. 7.00

**RATES ON BUSINESS LOANS OF BANKS**

Center	All sizes		Size of loan (in thousands of dollars)									
			1-9		10-99		100-499		500-999		1,000 and over	
	Aug. 1976	May 1976	Aug. 1976	May 1976	Aug. 1976	May 1976	Aug. 1976	May 1976	Aug. 1976	May 1976	Aug. 1976	May 1976
<b>Short-term</b>												
35 centers	7.80	7.44	9.06	8.91	8.58	8.38	7.99	7.78	7.84	7.52	7.61	7.18
New York City	7.48	6.99	8.85	8.84	8.40	8.29	7.91	7.65	7.77	7.29	7.36	6.83
7 Other Northeast	8.18	7.79	9.41	9.24	8.84	8.58	8.25	7.99	8.16	7.95	7.98	7.45
8 North Central	7.70	7.44	8.65	8.39	8.50	8.21	7.85	7.62	7.71	7.46	7.55	7.29
7 Southeast	7.95	7.66	9.33	9.20	8.76	8.65	8.00	7.84	7.85	7.20	7.54	7.25
8 Southwest	7.75	7.51	8.83	8.75	8.24	8.13	7.80	7.71	7.61	7.48	7.55	7.11
4 West Coast	8.15	7.75	9.26	9.14	8.79	8.51	8.28	8.00	8.06	7.71	8.05	7.61
<b>Revolving credit</b>												
35 centers	7.87	7.36	8.70	9.23	8.33	8.12	8.02	7.59	7.80	7.35	7.88	7.32
New York City	8.14	7.42	7.25	.....	8.26	7.73	7.70	7.49	7.56	7.29	8.19	7.43
7 Other Northeast	7.59	7.78	8.00	8.92	8.22	7.84	7.67	7.44	8.36	7.58	7.47	7.83
8 North Central	7.96	7.48	8.94	9.19	9.03	8.69	8.50	7.99	7.74	7.74	7.90	7.34
7 Southeast	7.48	8.01	8.75	9.85	8.40	8.95	8.16	8.35	.....	8.15	7.13	7.69
8 Southwest	7.81	7.50	8.74	8.93	8.09	8.23	8.20	7.67	7.47	7.23	7.80	7.48
4 West Coast	7.73	7.15	9.10	8.61	8.08	7.84	7.95	7.39	7.91	7.14	7.68	7.12
<b>Long-term</b>												
35 centers	8.45	8.02	9.61	9.21	9.02	8.80	8.55	8.16	8.60	8.33	8.40	7.92
New York City	8.52	7.85	.....	7.68	8.27	8.45	8.05	8.45	8.44	8.51	8.56	7.76
7 Other Northeast	8.62	7.35	9.40	9.10	9.43	9.19	8.93	8.52	7.50	8.10	8.70	6.64
8 North Central	8.05	8.59	8.83	8.38	9.07	8.28	8.26	7.94	8.36	9.08	7.92	8.65
7 Southeast	8.88	8.03	9.60	9.49	9.08	8.90	9.88	7.70	8.18	7.75	8.06	8.01
8 Southwest	8.42	7.89	10.85	10.53	9.04	8.92	8.23	8.40	8.69	7.64	8.30	7.74
4 West Coast	8.67	8.23	9.28	9.43	8.58	8.97	8.81	7.73	10.00	8.29	8.46	8.26

## 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>3</sup>	Federal funds rate <sup>4</sup>	U.S. Government securities <sup>5</sup>						
	90-119 days	4 to 6 months				3-month bills <sup>6</sup>		6-month bills <sup>6</sup>		9- to 12-month issues		3- to 5-year issues <sup>7</sup>
						Rate on new issue	Market yield	Rate on new issue	Market yield	1-year bill (market yield) <sup>6</sup>	Other <sup>7</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	4.44	4.071	4.07	4.466	4.49	4.77	4.86	5.85
1973.....	8.20	8.15	7.40	8.08	8.74	7.041	7.03	7.178	7.20	7.01	7.30	6.92
1974.....	10.05	9.87	8.62	9.92	10.51	7.886	7.84	7.926	7.95	7.71	8.25	7.81
1975.....	6.26	6.33	6.16	6.30	5.82	5.838	5.80	6.122	6.11	6.30	6.70	7.55
1975—Sept.....	6.79	6.86	6.53	6.83	6.24	6.383	6.42	6.870	6.92	7.20	7.54	8.22
Oct.....	6.35	6.48	6.43	6.28	5.82	6.081	5.96	6.385	6.25	6.48	6.89	7.80
Nov.....	5.78	5.91	5.79	5.79	5.22	5.468	5.48	5.751	5.80	6.07	6.40	7.51
Dec.....	5.88	5.97	5.86	5.72	5.20	5.504	5.44	5.933	5.85	6.16	6.51	7.50
1976—Jan.....	5.15	5.27	5.16	5.08	4.87	4.961	4.87	5.238	5.14	5.44	5.71	7.18
Feb.....	5.13	5.23	5.09	4.99	4.77	4.852	4.88	5.144	5.20	5.53	5.78	7.18
Mar.....	5.25	5.37	5.27	5.18	4.84	5.047	5.00	5.488	5.44	5.82	6.12	7.25
Apr.....	5.08	5.23	5.14	5.03	4.82	4.878	4.86	5.201	5.18	5.54	5.85	6.99
May.....	5.44	5.54	5.38	5.53	5.29	5.185	5.20	5.600	5.62	5.98	6.36	7.35
June.....	5.83	5.94	5.78	5.77	5.48	5.443	5.41	5.784	5.77	6.12	6.52	7.40
July.....	5.54	5.67	5.53	5.50	5.31	5.278	5.23	5.597	5.53	5.82	6.21	7.24
Aug.....	5.35	5.47	5.46	5.32	5.29	5.153	5.14	5.416	5.40	5.64	5.99	7.04
Sept.....	5.33	5.45	5.31	5.28	5.25	5.075	5.08	5.311	5.30	5.50	5.79	6.84
Week ending—												
1976—June 5.....	5.88	6.00	5.78	5.92	5.54	5.578	5.53	5.952	5.90	6.27	6.66	7.52
12.....	5.88	6.00	5.88	5.82	5.44	5.459	5.44	5.768	5.75	6.11	6.55	7.42
19.....	5.90	6.00	5.88	5.74	5.47	5.380	5.38	5.695	5.74	6.07	6.50	7.38
26.....	5.78	5.90	5.75	5.69	5.48	5.356	5.34	5.722	5.71	6.06	6.44	7.32
July 3.....	5.70	5.80	5.50	5.69	5.58	5.368	5.36	5.754	5.75	6.08	6.46	7.36
10.....	5.72	5.81	5.63	5.66	5.37	5.412	5.34	5.768	5.61	5.90	6.35	7.30
17.....	5.53	5.65	5.53	5.48	5.27	5.190	5.15	5.430	5.44	5.72	6.13	7.18
24.....	5.48	5.65	5.50	5.47	5.30	5.226	5.23	5.536	5.54	5.84	6.17	7.26
31.....	5.38	5.50	5.30	5.34	5.28	5.194	5.17	5.497	5.45	5.74	6.12	7.21
Aug. 7.....	5.38	5.50	5.50	5.34	5.36	5.151	5.16	5.473	5.46	5.72	6.11	7.12
14.....	5.38	5.50	5.50	5.34	5.25	5.181	5.17	5.422	5.42	5.65	6.04	7.06
21.....	5.38	5.50	5.50	5.33	5.29	5.143	5.15	5.390	5.40	5.64	5.95	7.04
28.....	5.30	5.43	5.40	5.30	5.28	5.138	5.11	5.380	5.35	5.59	5.92	6.98
Sept. 4.....	5.35	5.45	5.35	5.28	5.28	5.091	5.09	5.351	5.35	5.56	5.88	6.91
11.....	5.38	5.50	5.34	5.31	5.25	5.087	5.11	5.333	5.31	5.53	5.83	6.88
18.....	5.38	5.50	5.35	5.30	5.22	5.099	5.10	5.309	5.31	5.52	5.79	6.84
25.....	5.28	5.38	5.25	5.26	5.21	5.028	5.05	5.236	5.27	5.43	5.72	6.80
Oct. 2.....	5.25	5.38	5.25	5.25	5.32	5.072	5.06	5.325	5.30	5.48	5.74	6.80

<sup>1</sup> Averages of the most representative daily offering rate quoted by dealers.

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

<sup>3</sup> 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>4</sup> Seven-day averages of daily effective rates for week ending Wednesday. Since July 19, 1973, the daily effective Federal funds rate is an average of the rates on a given day weighted by the volume of transactions at these

rates. Prior to this date, the daily effective rate was the rate considered most representative of the day's transactions, usually the one at which most transactions occurred.

<sup>5</sup> Except for new bill issues, yields are averages computed from daily closing bid prices.

<sup>6</sup> Bills quoted on bank-discount-rate basis.

<sup>7</sup> Selected note and bond issues.

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

**BOND AND STOCK YIELDS**

(Per cent per annum)

Period	Government bonds					Corporate bonds					Stocks				
	United States (long-term)	State and local			Aaa utility		Total <sup>1</sup>	By selected rating		By group			Dividend/price ratio		Earnings/price ratio
		Total <sup>1</sup>	Aaa	Baa	New issue	Recently offered		Aaa	Baa	Industrial	Railroad	Public utility	Preferred	Common	Common
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
1974.....	6.99	6.19	5.89	6.53	9.33	9.34	8.98	8.57	9.50	8.78	8.98	9.27	8.23	4.47	11.60
1975.....	6.98	7.05	6.42	7.62	9.40	9.41	9.46	8.83	10.39	9.25	9.39	9.88	8.38	4.31	9.03
1975—Sept.....	7.29	7.40	6.70	7.96	9.68	9.57	9.55	8.95	10.38	9.35	9.42	9.98	8.56	4.39	9.12
Oct.....	7.29	7.40	6.67	8.01	9.45	9.43	9.51	8.86	10.37	9.32	9.40	9.94	8.58	4.22	.....
Nov.....	7.21	7.41	6.64	8.08	9.20	9.26	9.44	8.78	10.33	9.27	9.36	9.83	8.50	4.07	.....
Dec.....	7.17	7.29	6.50	7.96	9.36	9.21	9.45	8.79	10.35	9.26	9.37	9.87	8.57	4.14	8.61
1976—Jan.....	6.94	7.08	6.22	7.81	8.70	8.79	9.33	8.60	10.24	9.16	9.32	9.68	8.16	3.80	*8.26
Feb.....	6.92	6.94	6.04	7.76	8.63	8.63	9.23	8.55	10.10	9.12	9.25	9.50	8.00	3.67	.....
Mar.....	6.87	6.90	5.99	7.72	8.62	8.61	9.18	8.52	9.99	9.10	9.16	9.43	8.07	3.65	.....
Apr.....	6.73	6.61	5.68	7.50	8.48	8.52	9.04	8.40	9.83	8.98	9.05	9.27	8.04	3.66	.....
May.....	6.99	6.85	5.88	7.75	8.82	8.77	9.06	8.58	9.76	9.00	8.96	9.31	8.06	3.76	.....
June.....	6.92	6.83	5.85	7.75	8.72	8.73	9.05	8.62	9.72	8.96	8.88	9.36	8.10	3.75	.....
July.....	6.85	6.71	5.71	7.64	8.63	8.63	8.97	8.56	9.63	8.90	8.81	9.26	8.08	3.64	.....
Aug.....	6.79	6.53	5.51	7.48	8.52	8.50	8.85	8.45	9.49	8.79	8.75	9.07	7.99	3.74	.....
Sept.....	6.70	6.42	5.40	7.36	8.29	8.33	8.72	8.38	9.30	8.66	8.66	8.91	7.90	3.71	.....
Week ending—															
1976—Aug. 7..	6.80	6.57	5.54	7.52	8.60	8.60	8.92	8.51	9.58	8.85	8.80	9.16	8.01	3.70	.....
14..	6.75	6.53	5.50	7.47	8.49	8.49	8.87	8.48	9.50	8.82	8.75	9.10	8.02	3.73	.....
21..	6.82	6.53	5.52	7.47	.....	8.46	8.82	8.42	9.45	8.77	8.75	9.02	8.01	3.71	.....
28..	6.79	6.50	5.49	7.44	8.47	8.44	8.80	8.42	9.44	8.74	8.71	9.02	7.90	3.81	.....
Sept. 4..	6.77	6.43	5.42	7.38	8.38	8.38	8.78	8.41	9.41	8.72	8.69	8.98	7.93	3.74	.....
11..	6.73	6.43	5.40	7.38	8.28	8.35	8.75	8.38	9.35	8.67	8.71	8.95	7.97	3.71	.....
18..	6.70	6.41	5.40	7.35	8.28	8.30	8.73	8.39	9.31	8.66	8.67	8.92	7.90	3.74	.....
25..	6.66	6.42	5.40	7.35	8.23	8.29	8.68	8.36	9.24	8.63	8.63	8.85	7.85	3.64	.....
Oct. 2..	6.69	6.40	5.40	7.34	8.29	8.29	8.68	8.37	9.22	8.63	8.60	8.86	7.84	3.72	.....
Number of issues <sup>2</sup> .....	16	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 weekly, 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 Investors Service. (3) Corporate, rates for "New issue" and "Recently offered" Aaa utility bonds, weekly averages compiled by the Board of Governors of the Federal Reserve System; and rates for seasoned issues, 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 as of end of period. Preferred stock ratio based on 8 median yields for a sample of non-callable issues—12 industrial and 2 public utility. Common stock ratios on the 500 stocks in the price index. Quarterly earnings are seasonally adjusted at annual rates.

NOTES TO TABLES ON OPPOSITE PAGE:

Security Prices:

<sup>1</sup> Standard and Poor's corporate series. Effective July 1976, Standard and Poor added a new financial group, including banks and insurance companies, to the index. Stocks in this revised group are 400 industrials (formerly 425), 20 transportation (formerly 15 rail), 40 public utility (formerly 60), and 40 financial.

NOTE.—Annual data are averages of daily or weekly 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-28 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, presently conducted 5 days per week for 6 hours per day.

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 (Dec. 1970 BULLETIN, p. 920). 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	Common stock prices											American Stock Exchange total index (Aug. 31, 1973=100)	Volume of trading in stocks (thousands of shares)			
	Bond prices (per cent of par)			New York Stock Exchange												
				Standard and Poor's index (1941-43=10)				New York Stock Exchange index (Dec. 31, 1965=50)								
	U.S. Govt. (long-term)	State and local	Corporate AAA	Total	Industrial	Transportation	Public utility	Finance	Total	Industrial	Transportation				Utility	Finance
1970.....	60.52	72.3	61.6	83.22	91.29	.....	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	.....	59.33	.....	54.22	57.92	44.35	39.53	70.38	113.40	15,381	4,234
1972.....	68.71	84.4	65.9	109.20	121.79	.....	56.90	.....	60.29	65.73	50.17	38.48	78.35	129.10	16,487	4,447
1973.....	62.80	85.4	63.7	107.43	120.44	.....	53.47	.....	57.42	63.08	37.74	37.69	70.12	103.80	16,374	3,003
1974.....	57.45	76.3	58.8	82.85	92.91	.....	38.91	.....	43.84	48.08	31.89	29.82	49.67	79.97	13,883	1,908
1975.....	57.44	68.9	56.2	85.17	96.15	.....	41.21	.....	45.73	51.88	30.73	31.45	46.62	83.15	18,568	2,150
1975—Sept.....	55.23	66.1	55.8	84.62	94.96	.....	40.53	.....	44.97	50.05	29.46	30.65	43.38	84.26	12,717	1,439
Oct.....	55.23	66.1	56.0	88.57	99.29	.....	42.59	.....	46.87	52.26	30.79	31.87	44.36	83.46	15,893	1,629
Nov.....	55.77	66.2	56.3	90.07	100.86	.....	43.77	.....	47.64	52.91	32.09	32.99	45.10	85.60	16,795	1,613
Dec.....	56.03	67.4	56.1	88.74	94.89	.....	43.25	.....	46.78	51.89	31.61	32.75	43.86	82.50	15,859	1,977
1976—Jan.....	57.75	69.7	57.0	96.86	108.45	.....	46.99	.....	51.31	57.00	35.78	35.23	48.83	91.47	32,794	3,070
Feb.....	57.86	68.8	57.1	100.64	113.43	.....	47.22	.....	53.73	59.79	38.53	36.12	52.06	100.58	31,375	4,765
Mar.....	58.23	69.2	57.3	101.08	113.73	.....	45.67	.....	54.01	60.30	39.17	35.43	52.61	104.04	23,069	3,479
Apr.....	59.33	71.3	58.2	101.93	114.67	.....	46.07	.....	54.28	60.62	38.66	35.69	52.71	103.00	18,770	2,368
May.....	57.38	69.1	56.5	101.16	113.76	.....	45.70	.....	53.87	60.22	39.71	35.40	50.99	103.65	17,796	2,127
June.....	57.86	69.3	56.8	101.78	114.50	.....	45.61	.....	54.23	60.70	40.41	35.16	51.82	103.57	18,965	2,177
July.....	58.38	71.1	57.1	104.20	117.01	14.94	47.48	11.83	55.70	62.10	42.12	36.49	54.06	105.24	18,977	2,280
Aug.....	58.88	74.1	57.9	103.29	115.63	14.47	48.81	11.97	55.06	61.09	40.63	37.56	54.22	102.79	15,758	1,605
Sept.....	59.54	74.8	58.8	105.45	117.87	14.32	50.50	11.96	56.16	62.2	40.33	38.47	54.37	102.82	18,406	1,856
Week ending—																
1976—Sept. 4...	59.03	74.7	58.5	103.45	115.80	14.32	49.24	11.92	55.21	61.11	40.27	37.84	54.09	102.23	15,492	1,510
11...	59.33	75.1	58.8	104.76	117.27	14.38	50.28	12.0	55.91	61.89	40.33	37.47	54.51	102.94	17,383	1,825
18...	59.59	74.6	58.8	104.81	117.36	14.21	50.73	12.0	55.96	61.91	40.04	38.78	54.10	102.48	17,974	1,696
25...	59.86	74.6	59.2	107.06	120.05	14.43	51.31	12.07	57.14	63.32	40.79	39.35	55.07	103.81	21,786	2,416

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								
	Total	Brokers	Banks	Margin stock		Convertible bonds		Subscription issues		Nonmargin stock credit at banks		Margin accts.
			Brokers	Banks	Brokers	Banks	Brokers	Banks				
1975—Aug.....	6,197	5,365	832	5,220	791	142	30	3	11	2,457	515	1,500
Sept.....	6,251	5,399	852	5,250	811	145	30	4	10	2,520	470	1,455
Oct.....	6,455	5,448	1,007	5,300	956	144	36	4	15	2,311	545	1,495
Nov.....	6,527	5,519	1,008	5,370	958	146	37	3	13	2,270	490	1,470
Dec.....	6,500	5,540	960	5,390	909	147	36	3	15	2,281	475	1,525
1976—Jan.....	6,568	5,568	1,000	5,420	946	146	34	2	20	2,321	655	1,975
Feb.....	7,152	6,115	1,037	5,950	984	162	34	3	20	2,333	685	2,065
Mar.....	7,617	6,575	1,042	6,410	988	162	34	3	20	2,355	595	1,935
Apr.....	7,932	6,856	1,076	6,690	1,023	163	32	3	21	2,325	570	1,740
May.....	8,110	7,103	1,007	6,940	957	161	31	2	19	2,357	540	1,655
June.....	8,276	7,248	1,028	7,080	976	166	33	2	19	2,368	540	1,680
July.....	8,417	7,519	898	7,340	854	176	28	3	16	2,317	530	1,635
Aug.....	8,683	7,622	1,061	7,450	1,008	167	34	5	19	2,368	555	1,605

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
1975—Aug..	5,220	5.5	6.8	11.3	20.7	31.0	24.7
Sept..	5,250	5.1	7.3	10.6	19.6	31.0	26.5
Oct..	5,300	5.5	6.7	11.2	21.8	29.7	25.2
Nov..	5,370	5.2	6.7	12.2	23.2	28.6	24.0
Dec..	5,390	5.3	6.9	11.6	22.3	28.8	25.0
1976—Jan..	5,420	7.0	9.4	18.3	21.3	28.8	15.5
Feb..	5,950	6.8	8.9	17.4	29.0	22.6	15.3
Mar..	6,410	6.0	8.7	16.0	29.0	25.0	16.0
Apr..	6,690	6.1	7.7	12.9	27.7	30.2	15.4
May..	6,940	5.8	7.2	12.4	23.8	34.2	16.6
June..	7,080	6.3	7.7	14.4	32.2	25.4	14.1
July..	7,340	6.1	8.0	13.0	27.7	31.1	14.0
Aug..	7,450	6.0	7.0	13.0	28.0	32.1	18.0

<sup>1</sup> Note 1 appears at the bottom of p. A-28.

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	
1975—Aug.....	43.5	40.6	16.0	7,494
Sept.....	45.3	38.9	15.8	7,515
Oct.....	44.4	40.1	15.5	7,362
Nov.....	45.3	40.2	14.5	7,425
Dec.....	43.8	40.8	15.4	7,290
1976—Jan.....	45.8	44.0	10.3	7,770
Feb.....	44.4	44.7	10.9	8,040
Mar.....	44.0	46.0	10.4	8,050
Apr.....	43.0	45.0	12.0	7,990
May.....	41.4	46.2	12.4	8,030
June.....	40.6	49.0	10.4	8,150
July.....	40.5	48.7	10.8	8,300
Aug.....	42.1	46.5	11.4	8,320

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 ac- counts	Mortgage loan commitments <sup>2</sup> classified by maturity (in months)				
	Mort- gage	Other	U.S. Govt.	State and local govt.	Corpo- rate and other <sup>1</sup>							3 or less	3-6	6-9	Over 9	Total
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.....	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.....	74,891	3,812	2,555	930	22,550	2,167	2,645	109,550	98,701	2,888	7,961	664	418	232	726	2,040
1975.....	77,127	4,028	4,777	1,541	27,964	2,367	3,195	120,999	109,796	2,770	8,433	896	301	203	403	1,803
1975—July...	76,097	4,396	3,965	1,436	26,976	1,835	3,004	117,709	106,533	2,970	8,208	957	463	266	526	2,212
Aug....	76,310	4,405	4,187	1,451	27,104	1,730	3,067	118,254	106,745	3,255	8,254	981	431	237	573	2,222
Sept....	76,429	4,487	4,279	1,495	27,033	1,783	3,136	118,643	107,560	2,778	8,304	1,011	372	256	499	2,138
Oct....	76,655	4,481	4,368	1,523	27,106	1,805	3,152	119,089	107,812	2,950	8,328	950	368	275	394	1,987
Nov....	76,855	4,550	4,601	1,551	27,421	1,872	3,223	120,073	108,480	3,215	8,378	972	323	222	379	1,896
Dec....	77,221	4,023	4,740	1,545	27,992	2,330	3,205	121,056	109,873	2,755	8,428	896	301	203	403	1,803
1976—Jan....	77,308	4,839	4,918	1,581	28,473	1,961	3,245	122,325	110,979	2,892	8,455	923	315	195	426	1,859
Feb....	77,413	5,243	5,211	1,765	29,035	1,853	3,301	123,821	112,019	3,275	8,527	930	352	184	401	1,867
Mar....	77,738	5,366	5,452	1,867	30,043	1,740	3,321	125,526	114,090	2,859	8,577	1,092	360	251	427	2,130
Apr....	78,046	5,027	5,533	2,149	30,707	1,647	3,361	126,470	114,752	3,106	8,612	1,175	398	281	436	2,290
May....	78,286	5,103	5,660	2,318	31,179	1,539	3,385	127,470	115,521	3,296	8,654	1,237	419	290	480	2,426
June....	78,735	5,158	5,578	2,357	31,537	1,532	3,425	128,324	116,774	2,847	8,703	1,174	438	215	575	2,402
July <sup>p</sup> ...	79,328	5,363	5,585	2,395	32,071	1,512	3,457	129,712	117,782	3,165	8,764	1,201	423	185	624	2,433

<sup>1</sup> Also includes securities of foreign governments and international organizations and nonguaranteed 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.

<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.—NAMSB estimates for all savings banks in the United States.

**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 <sup>1</sup>	State and local	Foreign <sup>2</sup>	Total	Bonds	Stocks				
1971.....	222,102	10,373	3,828	3,363	3,182	100,432	79,825	20,607	75,496	6,904	17,065	11,832
1972.....	239,730	10,637	3,827	3,367	3,443	113,720	86,875	26,845	76,948	7,295	18,003	13,127
1973.....	252,436	10,519	3,444	3,412	3,663	118,599	92,680	25,919	81,369	7,693	20,199	14,057
1974.....	263,349	10,900	3,372	3,667	3,861	119,637	97,717	21,920	86,234	8,331	22,862	15,385
1975.....	289,304	13,758	4,736	4,508	4,514	135,317	107,256	28,061	89,167	9,621	24,467	16,974
1975—July.....	279,550	11,894	3,788	3,934	4,172	131,130	103,586	27,544	88,060	9,048	23,892	15,589
Aug.....	280,700	12,140	3,819	4,106	4,215	131,473	104,434	27,039	88,208	9,104	23,963	15,812
Sept.....	282,065	12,253	3,821	4,165	4,267	132,037	105,440	26,597	88,331	9,197	24,099	16,148
Oct.....	285,015	12,858	4,342	4,193	4,323	133,865	106,250	27,615	88,481	9,342	24,242	16,227
Nov.....	287,122	13,243	4,613	4,260	4,370	134,961	107,040	27,921	88,657	9,450	24,343	16,468
Dec.....	289,304	13,758	4,736	4,508	4,514	135,317	107,256	28,061	89,167	9,621	24,467	16,974
1976—Jan.....	293,870	14,036	5,102	4,652	4,282	140,309	109,474	30,835	89,395	9,661	24,498	15,971
Feb.....	296,479	14,816	5,132	4,790	4,894	141,658	110,647	31,011	89,543	9,726	24,633	16,103
Mar.....	298,625	15,701	5,093	5,016	5,592	142,310	110,816	31,494	89,474	9,798	24,754	16,588
Apr.....	299,983	15,917	5,198	5,100	5,619	143,197	111,757	31,440	89,489	9,852	24,873	16,655
May.....	301,754	15,975	5,141	5,146	5,688	144,496	113,087	31,409	89,529	9,909	24,978	16,867
June.....	304,728	15,947	4,863	5,196	5,888	147,193	114,583	32,610	89,691	10,004	25,142	16,751
July <sup>2</sup> .....	307,005	16,672	5,150	5,263	6,259	148,617	116,101	32,516	89,753	10,050	25,257	16,656

<sup>1</sup> Direct and guaranteed obligations. Excludes Federal agency securities, which are included here with business securities.

<sup>2</sup> Issues of foreign governments and their subdivisions and bonds of the International Bank for Reconstruction and Development.

NOTE.—Estimates of the American Council of Life Insurance for all life insurance companies in the United States. Figures are annual statement values, with bonds carried on an amortized basis and stocks at market value.

**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	
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 <sup>5</sup> .....	231,733	21,055		19,117	271,905	226,968	17,056	17,172	4,667	6,042	9,526
1974.....	249,293	23,240		22,991	295,524	242,959	18,436	24,780	3,244	6,105	7,454
1975.....	278,693	30,900		28,802	338,395	286,042	19,776	20,730	5,187	6,659	10,675
1975—Aug.....	267,717	31,694		27,127	326,538	273,504	19,495	19,216	4,995	9,328	12,673
Sept.....	270,600	30,786		27,745	329,131	277,201	19,414	20,031	5,128	7,357	12,585
Oct.....	273,596	31,652		28,145	333,393	279,465	19,663	20,306	5,207	8,752	11,748
Nov.....	275,919	32,498		28,610	337,027	281,711	19,919	20,413	5,164	9,820	11,365
Dec.....	278,693	30,900		28,802	338,395	286,042	19,776	20,709	5,187	6,680	10,675
1976—Jan.....	280,071	34,271		29,716	344,058	291,418	19,948	19,630	5,051	8,011	11,111
Feb.....	282,487	36,128		30,251	348,866	295,364	20,162	18,746	5,134	9,460	12,878
Mar.....	286,556	36,722		30,462	353,740	302,436	20,211	18,220	5,379	7,494	14,445
Apr.....	290,727	36,437		30,663	357,827	305,234	20,475	17,759	5,787	8,572	15,512
May.....	294,759	37,005		31,268	363,032	308,284	20,688	17,670	6,156	10,234	16,620
June.....	299,574	35,316		31,708	366,598	313,326	20,761	18,251	6,464	7,796	16,639
July.....	303,815	36,029		32,112	371,956	316,510	20,997	18,439	6,640	9,370	16,328
Aug. <sup>2</sup> .....	308,035	35,852		32,459	376,346	318,668	21,262	18,944	6,702	10,770	15,826

<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 opposite 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 Govt.-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								
	Receipts	Outlays	Surplus or deficit (-)	Borrowings from the public					Less: Cash and monetary assets		Other means of financing, net <sup>2</sup>	
				Public debt securities	Agency securities	Less: Investments by Govt. accounts		Less: Special notes <sup>1</sup>	Equals: Total	Treasury operating balance		Other
						Special issues	Other					
<b>Fiscal year:</b>												
1973	232,225	246,526	-14,301	30,881	216	11,712	109	19,275	2,459	-1,613	-4,129	
1974	264,932	268,392	-3,460	16,918	903	13,673	1,140	3,009	-3,417	889	-2,077	
1975	280,997	324,601	-43,604	58,953	-1,069	8,112	-1,081	50,853	-1,570	1,890	-6,920	
1976	300,005	365,610	-65,605	87,244	-90	6,581	-2,239	82,813	7,246	550	-9,412	
<b>Half year:</b>												
1974—July—Dec.	139,607	153,147	-13,540	18,429	-689	2,840	150	14,751	-3,228	557	-3,881	
1975—Jan.—June	141,189	171,202	-30,013	40,524	-423	5,272	-1,231	36,059	1,657	1,643	-2,746	
1975—July—Dec.	139,453	184,545	-45,092	43,460	-39	4,739	-1,186	49,347	866	-980	-4,368	
1976—Jan.—June	160,552	181,066	-20,513	43,784	-51	11,320	-1,053	33,466	6,380	1,530	-5,044	
<b>Month:</b>												
1975—Aug.	23,604	30,654	-7,050	9,472	6	2,384	-94	7,189	-630	-262	-1,032	
Sept.	28,615	29,044	-429	5,935	9	2,151	-367	8,463	6,961	446	-627	
Oct.	19,316	32,425	-13,109	8,352	-5	3,656	260	11,743	-203	-348	815	
Nov.	21,745	29,401	-7,656	4,800	-3	749	-390	5,936	-3,844	392	-1,732	
Dec.	25,995	31,792	-5,797	9,850	-24	1,860	-249	8,215	1,971	166	-281	
1976—Jan.	25,634	30,725	-5,091	7,757	-2	-393	328	7,820	3,532	114	918	
Feb.	20,845	29,833	-8,987	9,465	5	1,062	-564	8,972	64	-125	-46	
Mar.	20,431	29,054	-8,623	6,620	-6	-623	-83	7,320	-4,032	-288	-3,018	
Apr.	33,348	32,476	872	1,483	-32	50	4	1,398	3,517	545	1,792	
May	22,679	28,410	-5,731	8,699	-9	5,130	-549	4,109	-3,383	502	-1,259	
June	37,615	30,567	7,048	9,760	-8	6,094	-189	3,847	6,682	782	-3,431	
July	22,660	33,906	-11,247	4,114	-139	-1,645	-345	5,964	-4,784	-229	270	
Aug.	27,360	29,571	-2,211	8,782	353	1,711	-1,310	8,733	1,658	299	-4,565	

End of period	Selected balances										Memo: Debt of Govt.-sponsored corps.—Now private <sup>4</sup>
	Treasury operating balance				Borrowing from the public.						
	F.R. Banks	Tax and loan accounts	Other depositories <sup>3</sup>	Total	Public debt securities	Agency securities	Less: Investments of Govt. accounts		Less: Special notes <sup>1</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	7,634	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	2,919	6,152	88	9,159	475,060	12,012	114,921	25,273	825	346,053	65,411
1975	5,773	1,475	343	7,591	533,188	10,943	123,033	24,192	(5)	396,906	76,092
1976	11,972	2,856	7	14,835	620,432	10,853	129,614	21,952		479,719	
<b>Calendar year:</b>											
1973	2,543	7,760	70	10,374	469,898	11,586	106,624	24,978	825	349,058	59,857
1974	3,113	2,745	70	5,928	492,664	11,323	117,761	25,423	(5)	360,804	76,459
1975	7,286	1,159	7	8,452	576,649	10,904	118,294	23,006		446,253	78,842
<b>Month:</b>											
1975—Aug.	2,349	1,214	-141	3,423	547,711	10,926	122,990	23,752		411,895	76,659
Sept.	8,074	2,162	529	10,765	533,647	10,935	120,839	23,385		420,358	77,026
Oct.	8,517	1,251	559	10,327	561,999	10,931	117,183	23,645		432,102	78,016
Nov.	4,919	1,558	9	6,485	566,799	10,928	116,434	23,255		438,037	78,451
Dec.	7,286	1,159	7	8,452	576,649	10,904	118,294	23,006		446,253	78,842
1976—Jan.	10,077	1,899	7	11,982	584,405	10,902	117,901	23,333		454,072	79,355
Feb.	10,350	1,682	7	12,039	584,405	10,902	117,901	23,333		463,045	78,359
Mar.	7,145	864	7	8,016	600,490	10,901	118,340	22,686		470,365	78,712
Apr.	9,808	1,723	7	11,537	601,973	10,870	118,390	22,690		471,763	80,039
May	6,746	1,407	7	8,159	610,672	10,861	123,520	22,140		475,872	77,665
June	11,972	2,856	7	14,835	620,432	10,853	129,614	21,952		479,719	79,325
July	8,739	1,312		10,051	624,546	10,714	127,969	21,607		485,683	80,123
Aug.	10,795	914		11,709	633,328	11,066	129,680	20,297		494,417	

<sup>1</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>2</sup> Includes accrued interest payable on public debt securities until June 1973 and total accrued interest payable to the public thereafter; deposit funds; miscellaneous liability (includes checks outstanding) and asset accounts; seigniorage; increment on gold; fiscal 1974 conversion of interest receipts of Govt. accounts to an accrual basis; gold holdings, gold certificates and other liabilities, and gold balance beginning Jan. 1974; and net gain/loss for U.S. currency valuation adjustment beginning June 1975.

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

(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>4</sup> Includes debt of Federal home loan banks, Federal land banks, R.F.K. Stadium Fund, FNMA (beginning Sept. 1968), and Federal intermediate credit banks and banks for cooperatives (both beginning Dec. 1968).

<sup>5</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>3</sup>		
		Withheld	Pres. election campaign fund	Non-withheld	Re-funds	Net total	Gross receipts	Re-funds	Employment taxes and contribution <sup>1</sup>		Unempl. insur.					Other net receipts <sup>2</sup>	Net total
									Payroll taxes	Self-empl.							
<b>Fiscal year:</b>																	
1973.....	232,225	98,093	.....	27,017	21,866	103,246	39,045	2,893	52,505	2,371	6,051	3,614	64,542	16,260	3,188	4,917	3,921
1974.....	264,932	112,092	28	30,812	23,952	118,052	41,744	3,125	62,878	3,008	6,837	4,051	76,780	16,844	3,334	5,035	5,369
1975.....	280,997	122,071	32	34,296	34,013	122,388	45,747	5,125	71,789	3,417	6,770	4,466	86,441	16,551	3,676	4,611	6,711
1976.....	300,005	123,408	34	35,528	27,367	131,003	46,783	5,374	76,391	3,518	8,054	4,752	92,714	16,963	4,074	5,216	8,026
<b>Half year:</b>																	
1974—July—Dec.....	139,607	61,378	.....	7,098	1,016	67,461	18,247	2,016	34,418	254	2,914	2,187	39,774	8,761	1,958	2,284	3,140
1975—Jan.—June.....	141,190	60,694	.....	27,198	32,997	54,926	27,500	3,109	37,371	3,163	3,856	2,279	46,667	7,790	1,718	2,327	3,370
1976—Jan.—June.....	139,453	59,549	.....	7,649	1,362	65,835	18,810	2,735	35,443	268	2,861	2,314	40,886	8,759	1,927	2,573	3,397
1976—Jan.—June.....	160,552	63,859	33	27,879	26,004	65,767	27,973	2,639	40,947	3,250	5,193	2,438	51,828	8,204	2,147	2,643	4,630
<b>Month:</b>																	
1975—Aug.....	23,604	10,246	.....	488	331	10,403	1,045	425	8,085	.....	1,257	372	9,713	1,394	302	430	742
Sept.....	28,615	9,182	.....	4,809	382	13,609	6,277	264	5,555	251	75	400	6,280	1,430	312	431	539
Oct.....	19,316	9,983	.....	589	-81	10,653	1,694	821	4,501	.....	259	395	5,206	1,462	343	396	382
Nov.....	21,745	10,195	.....	283	124	10,354	1,072	399	6,950	.....	716	377	7,994	1,476	310	428	511
Dec.....	25,995	10,738	.....	571	109	11,200	6,884	354	5,043	17	110	395	5,565	1,482	347	386	485
1976—Jan.....	25,634	9,518	1	5,843	86	15,276	1,771	218	5,540	225	223	442	6,430	1,335	348	401	292
Feb.....	20,845	10,938	7	933	4,100	7,778	1,203	422	8,330	237	693	370	9,631	1,354	288	475	538
Mar.....	20,431	11,377	9	2,532	8,646	5,272	6,485	621	5,796	275	129	435	6,635	1,344	384	450	482
Apr.....	33,348	10,029	7	12,723	7,512	15,248	6,727	607	6,179	1,832	952	386	9,349	1,353	357	387	535
May.....	22,679	10,749	6	573	5,171	6,157	1,396	380	9,132	359	2,940	380	12,811	1,329	349	489	528
June.....	37,615	11,249	3	5,275	490	16,037	10,391	391	5,969	322	254	425	6,971	1,489	421	442	2,255
July.....	22,660	10,731	.....	1,018	549	11,201	1,885	372	5,937	.....	723	408	7,068	1,510	389	454	524
Aug.....	27,360	11,813	.....	542	267	12,088	1,111	422	9,328	.....	1,822	464	11,614	1,476	394	547	552

Period	Budget outlays														
	Total	National defense	Intl. affairs	General science, space, and tech.	Agriculture	Natural resources, enviro., and energy	Commerce and transp.	Com. and region. development	Educational, training, employment, and social serv.	Health and welfare	Veterans	Interest	General Govt., law enforce., and justice	Revenue shar. and fiscal assistance	Undistrib. off-setting receipts <sup>4</sup>
<b>Fiscal year:</b>															
1974.....	268,392	78,569	3,593	3,977	2,230	6,571	13,096	4,911	11,598	106,505	13,386	28,072	5,789	6,746	-16,651
1975.....	324,601	86,585	4,358	3,989	1,660	9,537	16,010	4,431	15,248	136,252	16,597	30,974	6,031	7,005	-14,075
1976.....	365,610	90,216	4,462	4,197	1,994	11,674	17,239	5,023	17,678	160,497	18,444	35,500	6,277	7,114	-14,704
TQ <sup>5,6</sup> .....	102,100	26,000	2,000	1,200	900	3,900	5,300	1,700	4,900	42,100	4,400	9,500	1,800	2,000	-3,600
1977 <sup>5</sup> .....	400,000	101,600	7,100	4,500	1,800	15,100	16,400	6,000	18,400	172,700	17,800	40,200	6,900	7,400	-16,800
<b>Month:</b>															
1975—Aug.....	30,654	8,248	433	376	85	813	2,173	570	1,658	12,453	1,457	2,672	549	237	-1,071
Sept.....	29,044	6,923	47	398	507	844	1,899	440	1,571	12,738	1,334	2,859	548	4	-1,068
Oct.....	32,425	8,192	362	398	312	740	1,965	462	896	13,575	1,518	2,957	492	1,592	-1,035
Nov.....	29,401	7,533	419	405	196	786	1,203	315	1,653	12,612	1,624	2,996	531	15	-887
Dec.....	31,792	7,981	290	409	175	814	1,994	433	1,515	13,721	1,704	2,820	1,154	1	-1,221
1976—Jan.....	30,725	6,915	351	336	228	718	1,819	421	1,478	13,714	1,626	2,813	121	1,627	-1,441
Feb.....	29,833	6,120	320	413	315	1,833	900	421	1,530	13,360	1,696	3,143	570	53	-841
Mar.....	29,054	7,752	320	379	44	935	-672	270	1,809	14,382	1,659	3,407	567	16	-1,814
Apr.....	32,476	7,994	249	360	-51	984	1,610	464	1,606	13,679	1,652	3,356	420	1,605	-1,452
May.....	28,410	7,136	292	348	270	924	466	448	1,258	13,229	1,555	3,220	617	96	-1,449
June.....	30,567	8,134	1,077	371	-181	929	1,238	528	1,738	13,501	1,248	2,652	668	32	-1,368
July.....	33,906	7,462	902	403	99	1,313	2,056	450	1,348	14,066	1,367	3,298	502	1,776	-1,136
Aug.....	29,571	7,268	395	417	130	1,106	651	531	1,473	13,885	1,385	2,831	601	111	-1,213

<sup>1</sup> Old-age, disability, and hospital insurance, and Railroad Retirement accounts.  
<sup>2</sup> Supplementary medical insurance premiums and Federal employee retirement contributions.  
<sup>3</sup> Deposits of earnings by F. R. Banks and other miscellaneous receipts.  
<sup>4</sup> Consists of interest received by trust funds, rents and royalties on the Outer Continental Shelf, and Govt. contributions for employee retirement.  
<sup>5</sup> Estimates presented in *Mid-session Review of the 1977 Budget*, July 16, 1976. Figures for outlay categories exclude special allowances for

civilian agency pay raises totaling \$800 million for fiscal year 1977, and therefore do not add to totals.  
<sup>6</sup> Effective in calendar year 1976, the fiscal year for the U.S. Govt. is being changed from July 1—June 30 to Oct. 1—Sept. 30. The period July 1—Sept. 30 of 1976, data for which are shown separately from fiscal year 1976 and fiscal year 1977 totals, will be a transition quarter.

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>3</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>	Savings bonds and notes	
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—Dec.	469.9	360.7	270.2	107.8	124.6	37.8	2.3	88.2	26.0	60.8	107.1	
1974—Dec.	492.7	373.4	282.9	119.7	129.8	33.4	2.3	88.2	22.8	63.8	118.2	
1975—Sept.	553.6	431.5	338.9	142.8	158.5	37.7	2.3	90.3	21.5	66.9	121.1	
Oct.	562.0	443.6	350.9	147.1	166.3	37.6	2.3	90.5	21.2	67.2	117.4	
Nov.	566.8	447.5	355.9	151.1	166.1	38.7	2.3	89.3	21.3	67.6	116.7	
Dec.	576.6	457.1	363.2	157.5	167.1	38.6	2.3	91.7	21.6	67.9	118.5	
1976—Jan.	584.4	463.8	369.3	159.6	171.1	38.6	2.3	92.2	21.6	68.2	118.1	
Feb.	593.9	473.7	378.8	162.1	177.6	39.1	2.3	92.7	21.7	68.6	119.2	
Mar.	600.5	480.7	385.3	163.1	183.1	39.0	2.3	93.1	21.7	69.0	118.5	
Apr.	602.0	482.4	386.4	161.8	185.8	38.9	2.3	93.6	21.6	69.4	118.6	
May	610.7	484.4	388.0	161.8	186.5	39.7	2.3	94.1	21.5	69.8	123.7	
June	620.4	489.5	392.6	161.2	191.8	39.6	2.3	94.6	21.5	70.1	129.8	
July	624.5	495.5	397.7	161.4	197.2	39.1	2.3	95.5	21.4	70.8	128.1	
Aug.	633.3	502.5	404.3	161.4	203.0	39.9	2.3	95.9	21.0	71.5	129.8	
Sept.	634.7	505.7	407.7	161.5	206.3	39.8	2.3	95.8	20.8	71.2	127.9	

<sup>1</sup> Includes non-interest-bearing debt (of which \$61.3 million on August 31, 1976, 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 *Monthly Statement of the Public Debt of the United States*, published by 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		
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—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—Dec.	492.7	141.2	80.5	271.0	55.6	2.5	6.1	11.0	29.2	63.4	21.5	58.4	23.2
1975—July	538.2	142.5	81.9	313.8	*71.8	3.7	*7.4	16.2	31.3	65.9	21.8	66.7	*27.6
Aug.	547.2	144.8	82.5	320.4	*74.8	3.9	*7.5	16.0	31.2	66.2	22.6	67.3	*29.1
Sept.	553.6	142.3	87.0	324.4	*78.3	4.0	*7.7	15.0	32.2	66.5	23.0	65.5	*31.1
Oct.	562.0	138.8	87.2	336.0	*79.3	4.2	7.9	17.5	33.8	66.8	*23.8	66.9	*32.2
Nov.	566.8	137.7	85.1	343.9	*82.2	4.4	8.8	20.0	33.9	67.1	*23.9	66.1	*35.5
Dec.	576.6	139.3	87.9	349.4	*85.1	4.5	9.3	20.2	33.8	67.3	*24.0	66.5	*38.6
1976—Jan.	584.4	139.3	89.8	355.3	*86.0	4.7	*10.0	21.2	34.6	67.7	*24.0	68.3	*38.9
Feb.	593.9	139.7	89.0	365.1	*87.2	4.9	*10.1	23.2	36.4	68.0	*25.8	69.6	*39.0
Mar.	600.5	139.1	89.8	371.7	*91.9	5.1	10.4	23.0	37.8	68.4	*26.0	68.1	*40.8
Apr.	602.0	139.1	91.8	371.0	*91.7	5.1	*10.3	23.8	37.7	68.8	*25.8	70.2	*37.4
May	610.7	143.7	90.5	376.4	*91.6	5.3	*10.4	26.0	37.6	69.2	*26.6	71.0	*38.7
June	620.4	149.6	94.4	376.4	*91.8	5.1	10.5	25.0	39.5	69.6	*26.8	69.8	*38.2
July <sup>2</sup>	624.5	147.6	90.7	386.2	94.0	5.3	11.1	27.0	37.2	70.3	26.8	72.8	41.9

<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 pensions 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>								
1973—Dec. 31	270,224	141,571	107,786	33,785	81,715	25,134	15,659	6,145
1974—Dec. 31	282,891	148,086	119,747	28,339	85,311	27,897	14,833	6,764
1975—Dec. 31	363,191	199,692	157,483	42,209	112,270	26,436	14,264	10,530
1976—July 31	397,719	207,463	161,399	46,064	126,716	38,063	13,742	11,735
Aug. 31	404,314	204,787	161,433	43,354	128,994	44,010	13,260	13,263
<b>U.S. Govt. agencies and trust funds:</b>								
1973—Dec. 31	20,962	2,220	631	1,589	7,714	4,389	5,019	1,620
1974—Dec. 31	21,391	2,400	588	1,812	7,823	4,721	4,670	1,777
1975—Dec. 31	19,347	2,769	207	2,562	7,058	3,283	4,233	2,053
1976—July 31	18,001	2,415	436	1,979	6,474	3,015	4,090	2,007
Aug. 31	16,657	2,291	512	1,779	5,784	2,556	3,676	2,350
<b>Federal Reserve Banks:</b>								
1973—Dec. 31	78,516	46,189	36,928	9,261	23,062	7,504	1,577	184
1974—Dec. 31	80,501	45,388	36,990	8,399	23,282	9,664	1,453	713
1975—Dec. 31	87,934	46,845	38,018	8,827	30,518	6,463	1,507	2,601
1976—July 31	90,673	48,453	37,897	10,556	29,200	8,354	1,593	3,073
Aug. 31	94,030	49,192	40,161	9,031	29,814	9,932	1,598	3,495
<b>Held by private investors:</b>								
1973—Dec. 31	170,746	93,162	70,227	22,935	50,939	13,241	9,063	4,341
1974—Dec. 31	180,999	100,298	82,168	18,130	54,206	13,512	8,710	4,274
1975—Dec. 31	255,860	150,078	119,258	30,820	74,694	16,690	8,524	5,876
1976—July 31	289,045	156,595	123,066	33,529	91,042	26,694	8,059	6,655
Aug. 31	293,627	153,304	121,306	31,998	93,396	31,522	7,986	7,418
<b>Commercial banks:</b>								
1973—Dec. 31	45,737	17,499	7,901	9,598	22,878	4,022	1,065	272
1974—Dec. 31	42,755	14,873	6,952	7,921	22,717	4,151	733	280
1975—Dec. 31	64,398	29,875	17,481	12,394	29,629	4,071	552	271
1976—July 31	71,256	28,795	16,334	12,461	36,287	5,417	491	266
Aug. 31	70,015	26,926	14,791	12,135	36,165	6,002	487	435
<b>Mutual savings banks:</b>								
1973—Dec. 31	1,955	562	222	340	750	211	300	131
1974—Dec. 31	1,477	399	207	192	614	174	202	88
1975—Dec. 31	3,300	983	554	429	1,524	448	232	112
1976—July 31	3,890	1,041	407	634	2,014	570	192	73
Aug. 31	4,032	1,059	391	668	2,102	602	188	80
<b>Insurance companies:</b>								
1973—Dec. 31	4,956	779	312	467	1,073	1,278	1,301	523
1974—Dec. 31	4,741	722	414	308	1,061	1,310	1,297	351
1975—Dec. 31	7,565	2,024	1,513	511	2,359	1,592	1,154	436
1976—July 31	9,237	1,775	1,189	586	3,576	2,197	1,140	549
Aug. 31	9,749	2,003	1,349	654	3,748	2,300	1,134	564
<b>Nonfinancial corporations:</b>								
1973—Dec. 31	4,905	3,295	1,695	1,600	1,281	260	54	15
1974—Dec. 31	4,246	2,623	1,859	764	1,423	115	26	59
1975—Dec. 31	9,365	7,105	5,829	1,276	1,967	175	61	57
1976—July 31	14,749	11,707	9,784	1,923	2,653	298	61	29
Aug. 31	15,182	11,244	9,766	1,478	3,595	241	63	39
<b>Savings and loan associations:</b>								
1973—Dec. 31	2,103	576	121	455	1,011	320	151	45
1974—Dec. 31	1,663	350	87	263	835	282	173	23
1975—Dec. 31	2,793	914	518	396	1,558	216	82	22
1976—July 31	4,436	1,963	1,345	618	2,170	206	78	19
Aug. 31	4,393	1,963	1,348	615	2,169	171	72	19
<b>State and local governments:</b>								
1973—Dec. 31	9,829	5,845	4,483	1,362	1,870	778	1,003	332
1974—Dec. 31	7,864	4,121	3,319	802	1,796	815	800	332
1975—Dec. 31	9,285	5,288	4,566	722	1,761	782	896	558
1976—July 31	10,896	6,029	4,922	1,107	2,215	1,078	790	784
Aug. 31	11,298	6,472	5,239	1,233	2,252	1,103	766	706
<b>All others:</b>								
1973—Dec. 31	101,261	64,606	55,493	9,113	22,076	6,372	5,189	3,023
1974—Dec. 31	118,253	77,210	69,330	7,880	25,760	6,664	5,479	3,141
1975—Dec. 31	159,154	103,889	88,797	15,092	35,894	9,405	5,546	4,420
1976—July 31	174,580	105,285	89,085	16,200	42,126	16,927	5,308	4,933
Aug. 31	178,957	103,637	87,876	15,761	43,366	21,103	5,277	5,576

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) 5,511 commercial banks, 471 mutual savings

banks, and 728 insurance companies combined, each about 80 per cent; (2) 451 nonfinancial corporations and 500 savings and loan assns., each about 50 per cent; and (3) 500 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>	
1975—Aug.	5,183	3,375	1,340	333	134	742	1,405	1,185	1,851	845
Sept.	5,566	4,032	1,315	128	91	931	1,405	1,198	2,033	787
Oct.	8,714	5,929	2,332	309	144	1,271	2,675	1,839	2,929	1,250
Nov.	7,594	5,519	1,353	534	189	1,070	2,176	1,875	2,474	1,217
Dec.	7,586	5,919	1,270	278	120	1,190	2,217	1,977	2,202	1,059
1976—Jan.	9,509	7,049	1,765	569	126	1,265	3,118	2,192	2,935	1,417
Feb.	8,329	5,863	1,553	755	158	951	2,389	2,196	2,793	1,163
Mar.	9,044	6,763	1,807	358	116	1,308	2,777	2,276	2,683	1,185
Apr.	10,293	7,667	2,186	306	134	1,341	3,154	2,426	3,372	1,250
May.	8,557	6,002	1,593	700	263	952	2,907	2,128	2,571	1,131
June.	8,582	6,415	1,616	426	126	1,312	2,543	1,983	2,743	1,118
July.	9,663	6,846	1,771	946	99	1,356	3,230	2,078	2,999	1,371
Aug.	10,579	6,170	2,548	1,498	363	1,401	3,284	2,355	3,539	1,557
Week ending—										
1976—Aug. 4.	9,175	5,972	2,235	856	113	1,041	3,004	2,035	3,096	946
11.	10,757	5,581	2,208	2,522	446	1,478	3,106	2,454	3,719	1,432
18.	11,018	6,034	2,754	1,775	453	1,488	3,289	2,557	3,684	1,499
25.	11,111	7,066	2,750	1,003	293	1,370	3,542	2,409	3,791	1,949
Sept. 1.	10,417	6,081	2,979	980	377	1,479	3,267	2,393	3,278	1,720
8.	7,776	4,495	2,295	774	211	1,066	2,248	1,892	2,570	1,321
15.	7,259	4,204	2,098	743	215	852	2,048	1,817	2,541	1,319
22.	11,839	7,519	2,852	1,103	365	1,498	3,922	2,674	3,745	2,368
29.	10,118	6,417	2,395	1,024	283	1,387	3,237	2,230	3,265	1,265

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

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

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

**DAILY-AVERAGE DEALER POSITIONS**

(Par value, in millions of dollars)

Period	U.S. Government securities, by maturity					U.S. Govt. agency securities
	All maturities	Within 1 year	1-5 years	5-10 years	Over 10 years	
1975—Aug.	5,501	4,491	609	262	138	610
Sept.	5,718	5,214	410	56	39	329
Oct.	7,322	6,019	1,091	111	102	491
Nov.	6,752	5,011	640	594	506	953
Dec.	6,061	5,274	322	218	247	982
1976—Jan.	6,305	5,287	449	398	170	694
Feb.	6,263	5,477	381	224	183	602
Mar.	6,884	6,360	286	122	116	537
Apr.	6,733	6,328	190	131	84	508
May.	5,272	4,852	232	126	62	183
June.	5,895	5,489	251	144	11	335
July.	7,118	6,370	254	466	29	568
Aug.	8,511	6,948	493	624	446	806
Week ending—						
1976—July 7.	6,971	5,915	75	975	6	481
14.	7,014	6,184	163	609	58	517
21.	6,800	6,304	186	272	38	703
28.	7,626	6,935	461	209	21	558
Aug. 4.	7,800	6,951	568	284	-2	519
11.	8,783	6,885	607	853	437	753
18.	8,199	6,370	399	781	649	771
25.	8,211	6,696	488	514	514	894

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.

**DAILY-AVERAGE DEALER FINANCING**

(In millions of dollars)

Period	All sources	Commercial banks		Corporations <sup>1</sup>	All other
		New York City	Elsewhere		
1975—Aug.	6,167	1,009	1,148	1,120	2,890
Sept.	6,576	1,160	1,640	972	2,804
Oct.	6,940	1,658	1,792	817	2,673
Nov.	7,215	1,958	1,393	991	2,873
Dec.	7,107	2,001	1,304	1,086	2,716
1976—Jan.	6,766	1,757	1,337	1,147	2,526
Feb.	6,700	1,705	850	1,017	3,128
Mar.	7,175	1,865	1,138	1,225	2,947
Apr.	7,587	1,966	1,734	1,126	2,761
May.	6,089	1,346	1,026	975	2,742
June.	7,326	1,819	1,494	1,258	2,756
July.	7,772	1,496	1,522	1,569	3,185
Aug.	9,264	1,671	1,600	1,879	4,114
Week ending—					
1976—July 7.	6,614	1,276	1,170	1,170	2,998
14.	7,852	1,947	1,802	1,577	2,526
21.	8,280	1,572	1,748	1,494	3,464
28.	7,870	1,263	1,335	1,807	3,466
Aug. 4.	8,781	1,225	1,555	1,974	4,026
11.	8,951	1,751	1,950	1,897	3,353
18.	8,919	1,661	1,637	1,810	3,812
25.	9,150	1,618	1,344	1,793	4,396

Average of daily figures based on number of trading days in the period.  
<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.....	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.....	21,804	3,094	144	21,878	2,484	2,624	29,709	28,201	3,575	3,561	8,848	8,400	13,643	12,427
1975—Aug...	16,945	4,680	89	18,736	2,281	2,660	30,881	28,718	3,738	3,004	10,176	9,715	15,851	14,351
Sept...	17,482	4,247	114	18,720	2,275	2,829	31,157	28,933	3,847	3,109	10,100	9,657	16,044	14,351
Oct...	17,578	4,368	70	18,766	2,291	2,685	31,466	29,373	4,087	3,453	9,933	9,505	16,247	14,774
Nov...	17,606	4,439	87	18,874	2,527	2,690	31,647	29,319	4,041	3,664	8,784	9,319	16,380	14,774
Dec...	17,845	4,376	109	18,863	2,701	2,705	31,916	29,963	3,979	3,643	9,947	9,211	16,564	14,773
1976—Jan...	17,106	5,549	97	18,850	2,971	2,802	31,866	29,809	4,356	3,793	9,944	9,201	16,746	15,243
Feb...	16,380	5,286	69	17,738	3,085	2,829	31,704	29,758	4,546	3,878	10,013	9,254	16,930	15,120
Mar...	15,577	6,063	110	17,714	3,182	2,827	31,564	30,021	4,656	3,918	10,272	9,812	17,264	15,120
Apr...	15,336	6,394	113	17,713	2,990	2,829	31,468	30,148	4,590	3,921	10,762	9,877	17,514	15,834
May...	15,215	5,585	97	17,114	2,891	2,836	32,113	29,805	4,470	3,761	10,823	10,034	17,731	15,834
June...	15,274	3,739	118	17,136	2,949	2,839	32,090	29,863	4,413	3,733	11,188	9,998	17,979	15,834
July...	15,403	5,626	103	17,101	2,907	2,848	32,075	29,845	4,420	3,757	11,417	10,531	18,202	16,340
Aug...	15,751	5,292	95	17,112	3,073	2,854	32,131	30,429	4,360	3,908	11,555	10,643	18,390	16,340

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 F-I-L-B System) are not guaranteed by the U.S. Govt. Loans are gross of valuation reserves 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					
		Gener-al obligations	Reve-nue	HAA <sup>1</sup>	U.S. Govt. loans	State	Special district and stat. auth.	Other <sup>2</sup>			Edu-cation	Roads and bridges	Util-ities <sup>4</sup>	Hous-ing <sup>5</sup>	Veter-ans' aid	Other purposes
1971.....	24,963	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.....	23,653	13,305	9,332	959	57	4,991	9,496	9,165	22,079	4,981	1,689	4,714	1,910	.....	8,785	
1973.....	23,969	12,257	10,632	1,022	58	4,212	9,505	10,249	22,397	4,311	1,458	5,654	2,639	.....	8,335	
1974.....	24,315	13,563	10,212	461	79	4,784	8,638	10,817	23,508	4,730	768	5,634	1,064	.....	11,312	
1975.....	30,607	16,020	14,511	.....	76	7,438	12,441	10,660	29,495	4,689	1,277	7,209	647	.....	15,673	
1975—Aug...	2,786	1,058	1,725	.....	3	376	1,665	747	2,561	379	55	626	67	.....	1,434	
Sept...	2,171	907	1,252	.....	12	357	1,185	614	2,123	279	134	447	48	.....	1,215	
Oct...	2,337	1,120	1,203	.....	14	482	979	855	2,241	212	60	487	44	.....	1,438	
Nov...	2,385	1,040	1,341	.....	4	470	1,244	667	2,318	219	88	618	28	.....	1,365	
Dec...	2,062	995	1,057	.....	10	434	1,043	576	1,990	287	29	495	20	.....	1,159	
1976—Jan...	2,358	1,136	1,211	.....	11	639	1,073	638	2,274	432	95	601	88	.....	1,058	
Feb...	2,722	1,332	1,375	.....	15	446	1,449	810	2,622	360	135	574	130	.....	1,423	
Mar...	3,346	2,173	1,166	.....	7	1,254	824	1,262	3,180	439	215	710	692	.....	1,124	
Apr...	2,440	1,211	1,218	.....	11	457	1,227	746	2,319	356	26	679	367	.....	891	
May...	3,490	1,866	1,611	.....	13	824	1,400	1,256	3,303	710	384	956	70	.....	1,183	
June...	3,028	1,689	1,324	.....	15	590	1,097	1,331	2,807	414	75	745	113	.....	1,460	
July...	2,581	1,164	1,408	.....	9	307	1,219	1,048	2,363	264	19	963	160	.....	957	
Aug...	2,684	1,251	1,426	.....	7	669	1,116	894	2,447	363	95	781	102	.....	1,106	

<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				Total	Corporate				
		U.S. Govt. <sup>2</sup>	U.S. Govt. agency <sup>3</sup>	State and local (U.S.) <sup>4</sup>	Other <sup>5</sup>		Bonds			Stock	
							Total	Publicly offered	Privately placed	Preferred	Common
1972.....	84,792	17,080	12,825	23,070	1,589	40,228	26,132	17,425	8,706	3,370	10,725
1973.....	99,050	19,057	23,883	22,700	1,385	32,025	21,049	13,244	7,802	3,337	7,642
1974.....						38,311	32,066	25,903	6,160	2,253	3,994
1975.....						53,644	42,781	32,603	10,177	3,458	7,405
1975—May.....						5,798	4,298	3,796	502	346	1,154
June.....						5,596	4,594	3,943	651	230	772
July.....						4,327	3,673	2,658	1,014	198	456
Aug. r.....						2,405	1,842	1,356	486	129	434
Sept.....						2,836	1,999	1,414	585	308	529
Oct.....						4,705	3,158	2,389	769	332	1,215
Nov.....						4,068	3,296	1,666	1,630	444	324
Dec. r.....						4,325	3,528	1,761	1,767	462	335
1976—Jan.....						3,373	2,804	2,189	614	139	431
Feb.....						3,827	2,900	2,127	773	173	754
Mar.....						6,632	4,577	3,238	1,347	443	1,604
Apr.....						3,482	2,961	2,350	611	58	463
May.....						4,124	2,934	1,959	975	291	899

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
1972.....	4,560	1,833	2,526	2,786	1,258	148	6,349	4,966	3,709	1,126	7,728	3,242
1973.....	4,199	638	1,318	1,532	1,084	26	5,578	4,691	3,523	1,348	5,344	2,745
1974.....	9,867	544	1,845	940	1,550	22	8,873	3,964	3,710	217	6,218	562
1975.....	17,006	1,670	2,757	1,470	3,439	1	9,658	6,235	3,464	1,002	6,459	488
1975—May.....	2,266	384	242	141	415	1	845	704	153	260	379	10
June.....	2,195	123	384	194	211		838	640	362		603	45
July.....	1,056	64	229	227	338		715	324	254		1,081	22
Aug. r.....	580	101	147	70	17		719	305	93	19	286	68
Sept.....	512	107	57	37	154		723	541	249	48	304	105
Oct.....	810	142	335	152	626		571	676	373	555	443	23
Nov.....	874	229	81	53	1,000		851	424	45	10	444	57
Dec. r.....	1,295	130	473	193	339		539	363	205	27	679	83
1976—Jan.....	1,025	39	330	87	299		662	435	16		472	9
Feb.....	733	435	319	132	650		487	302	151	20	559	37
Mar.....	1,840	405	221	84	323		747	1,411	577	1	876	146
Apr.....	507	60	630	115	329		329	312	448		718	35
May.....	1,176	484	199	136	118	1	643	505	10		790	63

<sup>1</sup> Gross proceeds are derived by multiplying principal amounts or number of units by offering price.  
<sup>2</sup> Includes guaranteed issues.  
<sup>3</sup> Issues not guaranteed.  
<sup>4</sup> See NOTE to table at bottom of preceding page.

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

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

**NET CHANGE IN OUTSTANDING CORPORATE SECURITIES**

(In millions of dollars)

Period	Derivation of change, all issuers <sup>1</sup>								
	All securities			Bonds and notes			Common and preferred stocks		
	New issues	Retirements	Net change	New issues	Retirements	Net change	New issues	Retirements	Net change
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
1974.....	39,334	9,935	29,399	31,554	6,255	25,098	7,980	3,678	4,302
1975.....	53,255	10,991	42,263	40,468	8,583	31,886	12,787	2,408	10,377
1975—I.....	15,211	2,088	13,123	12,759	1,587	11,172	2,452	501	1,951
II.....	15,602	3,211	12,390	11,460	2,336	9,124	4,142	875	3,266
III.....	9,079	2,576	6,503	2,111	4,543	2,425	2,425	465	1,960
IV.....	13,363	3,116	10,247	9,595	2,549	7,047	3,768	567	3,200
1976—I.....	13,671	2,315	11,356	9,404	1,403	8,001	4,267	912	3,355

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 and notes	Stocks	Bonds and notes	Stocks	Bonds and notes	Stocks	Bonds and notes	Stocks	Bonds and notes	Stocks	Bonds and notes	Stocks
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
1974.....	7,404	17	1,116	1,135	341	-20	7,308	3,834	3,499	398	5,428	207
1975.....	13,219	1,607	1,605	1,137	2,165	65	7,236	6,015	2,980	1,084	4,682	468
1975—I.....	5,134	262	373	77	1	1	2,653	1,569	1,269	24	1,742	18
II.....	4,574	500	483	490	429	7	1,977	1,866	810	359	852	43
III.....	1,442	412	221	108	147	53	1,395	1,043	472	97	866	247
IV.....	2,069	433	528	462	1,588	4	1,211	1,537	429	604	1,222	160
1976—I.....	2,966	838	203	149	985	5	1,820	2,174	498	47	1,530	203

<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 preceding 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 <sup>4</sup>			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
1963.....	2,460	1,504	952	25,214	1,341	23,873	1975—Aug...	753	788	-35	41,672	3,660	38,012
1964.....	3,404	1,875	1,528	29,116	1,329	27,787	Sept...	760	874	-114	40,234	3,664	36,570
1965.....	4,359	1,962	2,395	35,220	1,803	33,417	Oct....	914	995	-81	41,860	3,601	38,259
1966.....	4,671	2,005	2,665	34,829	2,971	31,858	Nov....	786	911	-125	42,460	3,733	38,727
1967.....	4,670	2,745	1,927	44,701	2,566	42,135	Dec....	1,040	1,093	-53	42,179	3,748	38,431
1968.....	6,820	3,841	2,979	52,677	3,187	49,490	1976—Jan....	411	538	-127	46,529	3,287	43,242
1969.....	6,717	3,661	3,056	48,291	3,846	44,445	Feb....	262	577	-315	46,540	3,084	43,456
1970.....	4,624	2,987	1,637	47,618	3,649	43,969	Mar....	326	677	-351	46,866	2,881	43,985
1971.....	5,145	4,751	394	55,045	3,038	52,007	Apr....	305	620	-315	45,956	2,683	42,273
1972.....	4,892	6,563	-1,671	59,831	3,035	56,796	May....	241	589	-348	45,122	2,769	42,353
1973.....	4,358	5,651	-1,261	46,518	4,002	42,516	June...	321	599	-278	46,801	2,679	44,122
1974.....	5,346	3,937	1,409	35,777	5,637	30,140	July....	281	596	-315	45,986	2,547	43,439
1975.....	10,057	9,571	486	42,179	3,748	38,431	Aug....	256	536	-280	45,457	2,561	42,896

<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.  
<sup>4</sup> Beginning Jan. 1976, sales and redemption figures exclude money market funds.

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	Quarter	Profits before taxes	Income taxes	Profits after taxes	Cash dividends	Undistributed profits
1968.....	85.6	39.3	46.2	21.9	24.2	1974—I.....	126.3	50.5	75.8	29.9	45.9
1969.....	83.5	39.7	43.8	22.6	21.2	II.....	126.4	53.0	73.3	30.7	42.6
1970.....	71.5	34.5	37.0	22.9	14.1	III.....	138.6	57.6	81.0	31.3	49.7
						IV.....	119.2	48.6	70.6	31.1	39.5
1971.....	82.0	37.7	44.3	23.0	21.3	1975—I.....	94.2	40.2	54.0	31.7	22.3
1972.....	96.2	41.4	54.6	24.6	30.0	II.....	105.8	44.8	61.0	31.9	29.1
1973.....	115.8	48.7	67.1	27.8	39.3	III.....	126.9	54.8	72.1	32.6	39.5
1974.....	127.6	52.4	75.2	30.8	44.4	IV.....	131.3	57.2	74.2	32.2	41.9
1975.....	114.5	49.2	65.3	32.1	33.2	1976—I.....	141.1	61.4	79.7	33.1	46.6

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.....	203.6	529.6	53.3	11.0	3.5	217.6	200.4	43.8	326.0	4.9	215.6	13.1	92.4
1972.....	221.3	574.4	57.5	10.2	3.4	240.0	215.2	48.1	352.2	4.0	230.4	15.1	102.6
1973—IV.....	242.3	643.2	61.6	11.0	3.5	266.1	246.7	54.4	401.0	4.3	261.6	18.1	117.0
1974—I.....	250.1	666.2	59.4	12.1	3.2	276.2	258.4	56.9	416.1	4.5	266.5	20.6	124.5
II.....	253.9	685.4	58.8	10.7	3.4	289.8	269.2	53.5	431.5	4.7	278.5	19.0	129.1
III.....	259.5	708.6	60.3	11.0	3.5	295.5	282.1	56.1	449.1	5.1	287.0	22.7	134.3
IV.....	261.5	712.2	62.7	11.7	3.5	289.7	288.0	56.6	450.6	5.2	287.5	23.2	134.8
1975—I.....	260.4	698.4	60.6	12.1	3.2	281.9	285.2	55.4	438.0	5.3	271.2	21.8	139.8
II.....	269.0	703.2	63.7	12.7	3.3	284.8	281.4	57.3	434.2	5.8	270.1	17.7	140.6
III.....	271.8	716.5	65.6	14.3	3.3	294.7	279.6	59.0	444.7	6.2	273.4	19.4	145.6
IV.....	274.1	731.6	68.1	19.4	3.6	294.6	285.8	60.0	457.5	6.4	281.6	20.7	148.8
1976—I.....	287.6	753.5	68.4	21.7	3.6	307.3	288.8	63.6	465.9	6.4	280.5	23.9	155.0

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

NOTE.—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			
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	15.94	2.76	12.85	21.40	.....
1974.....	112.40	22.62	23.39	3.18	2.54	2.00	2.12	17.63	2.92	13.96	22.05	.....
1975.....	112.78	21.84	26.11	3.79	2.55	1.84	3.18	17.00	3.14	12.74	20.60	.....
1974—II.....	28.16	5.59	5.69	.78	.64	.61	.49	4.56	.75	3.60	5.46	111.40
III.....	28.23	5.65	5.96	.80	.64	.43	.58	4.42	.78	3.39	5.57	113.99
IV.....	31.92	6.64	6.99	.91	.78	.48	.71	4.80	.87	3.78	5.97	116.22
1975—I.....	25.82	5.10	5.74	.91	.59	.44	.62	3.84	.58	3.11	4.88	114.57
II.....	28.43	5.59	6.55	.97	.71	.47	.77	4.15	.79	3.22	5.19	112.46
III.....	27.79	5.16	6.51	.94	.62	.50	.85	4.16	.91	3.14	5.00	112.16
IV.....	30.74	5.99	7.30	.97	.62	.43	.93	4.85	.85	3.26	5.52	111.80
1976—I.....	25.87	4.78	6.18	.92	.49	.26	.72	4.18	.62	2.92	4.82	114.72
II.....	29.70	5.61	7.05	.99	.68	.42	1.02	4.74	.76	3.21	5.21	118.12
III <sup>2</sup> .....	30.54	5.90	7.35	.95	.54	.34	.96	4.90	.98	8.62	5.21	122.96

<sup>1</sup> Includes trade, service, construction, finance, and insurance.  
<sup>2</sup> Anticipated by business.

NOTE.—Dept. of Commerce 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				
	1972	1973	1974	1975			1976	
				II	III	IV	I	II
<b>ALL HOLDERS</b> .....	<b>603,417</b>	<b>682,321</b>	<b>742,522</b>	<b>766,839</b>	<b>782,581</b>	<b>800,440</b>	<b>815,113</b>	<b>837,180</b>
1- to 4-family.....	372,793	416,883	449,937	467,747	479,540	492,191	502,812	519,531
Multifamily.....	82,572	92,877	99,851	99,202	99,246	99,374	99,768	99,944
Commercial.....	112,294	131,308	146,428	150,424	153,530	157,628	159,783	163,158
Farm.....	35,758	41,253	46,306	49,466	50,265	51,247	52,750	54,547
<b>MAJOR FINANCIAL INSTITUTIONS</b> ...	<b>450,000</b>	<b>505,400</b>	<b>542,552</b>	<b>558,179</b>	<b>570,049</b>	<b>581,486</b>	<b>592,061</b>	<b>609,169</b>
Commercial banks <sup>1</sup> .....	99,314	119,068	132,105	133,012	134,514	136,186	137,986	141,086
1- to 4-family.....	57,004	67,998	74,758	75,356	76,149	77,018	78,218	80,218
Multifamily.....	5,778	6,932	7,619	6,816	6,363	5,915	5,515	5,115
Commercial.....	31,751	38,696	43,679	44,598	45,694	46,882	47,812	49,112
Farm.....	4,781	5,442	6,049	6,242	6,308	6,371	6,441	6,641
Mutual savings banks.....	67,556	73,230	74,920	75,796	76,490	77,249	77,738	78,735
1- to 4-family.....	46,229	48,811	49,213	49,458	49,719	50,025	50,344	50,989
Multifamily.....	10,910	12,343	12,923	13,262	13,523	13,792	13,876	14,030
Commercial.....	10,355	12,012	12,722	13,024	13,194	13,373	13,456	13,653
Farm.....	62	64	62	52	54	59	62	63
Savings and loan associations.....	206,182	231,733	249,293	261,336	270,600	278,693	286,556	299,637
1- to 4-family.....	187,049	217,750	201,553	211,290	218,483	224,710	231,337	242,213
Multifamily.....	20,783	22,524	23,683	24,409	24,976	25,417	25,990	27,029
Commercial.....	18,350	21,459	24,057	25,637	27,141	28,566	29,229	30,415
Life insurance companies.....	76,948	81,369	86,234	88,035	88,445	89,358	89,781	89,691
1- to 4-family.....	22,315	20,426	19,026	18,377	17,964	17,602	17,321	16,861
Multifamily.....	17,347	18,451	19,625	19,795	19,756	19,708	19,726	19,374
Commercial.....	31,608	36,496	41,256	43,287	44,085	45,288	45,907	46,456
Farm.....	5,678	5,996	6,327	6,576	6,640	6,760	6,827	7,100
<b>FEDERAL AND RELATED AGENCIES</b> ...	<b>40,157</b>	<b>46,721</b>	<b>58,320</b>	<b>61,470</b>	<b>64,464</b>	<b>66,891</b>	<b>66,760</b>	<b>66,158</b>
Government National Mortgage Association	5,113	4,029	4,846	5,610	6,534	7,438	7,619	5,557
1- to 4-family.....	2,513	1,455	2,248	2,787	3,692	4,728	4,886	3,165
Multifamily.....	2,600	2,574	2,598	2,823	2,842	2,710	2,733	2,392
Farmers Home Administration.....	1,019	1,366	1,432	1,169	1,118	1,109	650	623
1- to 4-family.....	279	743	759	367	343	208	97	70
Multifamily.....	29	29	167	268	134	215	23	23
Commercial.....	320	218	156	176	181	190	96	96
Farm.....	391	376	350	358	460	496	434	434
Federal Housing and Veterans Administration.....	3,338	3,476	4,015	4,297	4,681	4,970	5,143	5,443
1- to 4-family.....	2,199	2,013	2,009	1,915	1,951	1,990	1,922	1,981
Multifamily.....	1,139	1,463	2,006	2,382	2,730	2,980	3,221	3,462
Federal National Mortgage Association.....	19,791	24,175	29,578	30,015	31,055	31,824	31,482	32,028
1- to 4-family.....	17,697	20,370	23,778	23,988	25,049	25,813	25,562	26,112
Multifamily.....	2,094	3,805	5,800	6,027	6,006	6,011	5,920	5,916
Federal land banks.....	9,107	11,071	13,863	15,435	16,043	16,563	17,264	17,978
1- to 4-family.....	13	123	406	497	525	549	563	575
Farm.....	9,094	10,948	13,457	14,938	15,518	16,014	16,701	17,403
Federal Home Loan Mortgage Corporation	1,789	2,604	4,586	4,944	5,033	4,987	4,602	4,529
1- to 4-family.....	1,754	2,446	4,217	4,543	4,632	4,588	4,247	4,166
Multifamily.....	35	158	369	401	401	399	355	363
<b>MORTGAGE POOLS OR TRUSTS</b> <sup>2</sup> ....	<b>14,404</b>	<b>18,040</b>	<b>23,799</b>	<b>29,550</b>	<b>31,483</b>	<b>34,653</b>	<b>37,684</b>	<b>40,803</b>
Government National Mortgage Association	5,504	7,890	11,769	15,437	16,595	18,772	20,479	22,967
1- to 4-family.....	5,353	7,561	11,249	14,856	15,924	18,014	19,693	22,086
Multifamily.....	151	329	520	581	671	758	786	881
Federal Home Loan Mortgage Corporation	441	766	757	1,193	1,323	1,598	1,999	2,153
1- to 4-family.....	331	617	608	1,008	1,105	1,349	1,698	1,831
Multifamily.....	110	149	149	185	218	249	301	322
Farmers Home Administration.....	8,459	9,384	11,273	12,920	13,565	14,283	15,206	15,683
1- to 4-family.....	5,017	5,458	6,782	8,112	8,563	9,194	9,516	9,818
Multifamily.....	131	138	116	116	296	295	542	563
Commercial.....	867	1,124	1,473	1,687	1,765	1,948	2,122	2,195
Farm.....	2,444	2,664	2,902	3,005	2,941	2,846	3,026	3,107
<b>INDIVIDUALS AND OTHERS</b> <sup>3</sup> .....	<b>98,856</b>	<b>112,160</b>	<b>117,851</b>	<b>117,640</b>	<b>116,585</b>	<b>117,410</b>	<b>118,608</b>	<b>121,050</b>
1- to 4-family.....	45,040	51,112	53,331	55,193	55,441	56,403	57,408	59,446
Multifamily.....	21,465	23,982	24,276	22,137	21,330	20,925	20,780	20,474
Commercial.....	19,043	21,303	23,085	22,015	21,470	21,381	21,161	21,231
Farm.....	13,308	15,763	17,159	18,295	18,344	18,701	19,259	19,899

<sup>1</sup> Includes loans held by nondeposit trust companies but not bank trust departments.

<sup>2</sup> Outstanding principal balances of mortgages backing securities insured or guaranteed by the agency indicated.

<sup>3</sup> Other holders include mortgage companies, Real Estate Investment Trusts, State and local credit agencies, State and local retirement funds, noninsured pension funds, credit unions, and U.S. agencies for which amounts are small or separate data are not readily available.

NOTE.—Based on data from various institutional and Govt. 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, if not reported directly, and interpolations and extrapolations where required, are estimated mainly by Federal Reserve. Multifamily debt refers to loans on structures of 5 or more units.

**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
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	1,297	409	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
1974.....	29,578	19,189	8,310	6,953	5	10,765	7,960	4,586	1,904	2,682	2,191	52	4,553	2,390
1975.....	31,824	19,732	9,573	4,263	2	6,106	4,126	4,987	1,824	3,163	1,716	1,020	982	111
1975—Aug...	30,777	19,507	8,942	594	.....	814	5,888	4,942	1,863	3,080	98	145	132	509
Sept...	31,055	19,560	9,122	488	.....	575	5,399	5,033	1,852	3,181	148	31	79	403
Oct...	31,373	19,641	9,309	508	.....	282	4,685	5,119	1,843	3,276	176	59	45	201
Nov...	31,552	19,648	9,430	372	.....	332	4,385	4,971	1,834	3,137	104	225	50	124
Dec...	31,824	19,732	9,573	451	.....	517	4,126	4,987	1,824	3,163	69	30	71	111
1976—Jan...	31,772	19,674	9,554	76	.....	189	3,170	4,958	1,816	3,142	47	57	42	99
Feb...	31,618	19,541	9,521	56	55	355	3,201	4,686	1,802	2,884	51	296	43	87
Mar...	31,482	19,431	9,473	85	22	405	3,120	4,602	1,787	2,815	95	98	93	128
Apr...	31,389	19,368	9,431	103	184	213	2,788	4,520	1,768	2,752	43	86	209	289
May...	32,052	19,296	9,390	877	.....	1,305	3,732	4,486	1,752	2,735	73	64	178	376
June...	32,028	19,238	9,391	240	.....	857	4,153	4,529	1,729	2,801	163	75	72	285
July...	32,011	19,184	9,388	210	597	584	4,245	4,551	1,713	2,838	152	84	39	154
Aug...	32,069	19,180	9,394	277	689	492	4,335	.....	.....	.....	.....	.....	.....	.....

<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 Plans.

For FHLMC: 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.

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

Item	Date of auction											
	1976											
	May 3	May 17	June 1	June 14	June 28	July 12	July 26	Aug. 9	Aug. 23	Sept. 7	Sept. 20	Oct. 4
Amounts (millions of dollars):												
Govt.-underwritten loans												
Offered <sup>1</sup> .....	483.3	634.3	349.5	146.6	261.2	148.3	311.8	190.1	171.3	121.9	99.1	124.3
Accepted.....	222.3	321.4	224.7	98.8	157.5	88.4	212.0	107.4	107.0	68.8	49.1	61.8
Conventional loans												
Offered <sup>1</sup> .....	110.7	128.8	131.4	77.3	93.6	90.7	130.5	136.7	162.1	170.6	151.1	153.8
Accepted.....	60.1	68.9	90.5	70.3	59.2	82.0	105.2	93.4	115.3	117.8	107.6	94.4
Average yield (per cent) on short-term commitments <sup>2</sup>												
Govt.-underwritten loans.....	8.94	9.13	9.20	9.14	9.12	9.05	9.04	9.01	8.97	8.92	8.84	8.80
Conventional loans.....	9.09	9.24	9.31	9.30	9.31	9.27	9.23	9.17	9.14	9.13	9.09	9.07

<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	Sept. 30, 1974	Dec. 31, 1974	Mar. 31, 1975	June 30, 1975	Sept. 30, 1975	Dec. 31, 1975	Mar. 31, 1976
All holders.....	138.6	140.3	142.0	143.0	144.9	147.0	148.3
FHA.....	84.1	84.1	84.3	85.0	85.1	85.4	85.4
VA.....	54.5	56.2	57.7	58.0	59.8	61.6	62.9
Commercial banks.....	10.7	10.4	10.5	9.6	9.7	9.4	9.5
FHA.....	7.4	7.2	7.2	6.4	6.4	6.3	6.3
VA.....	3.3	3.2	3.3	3.2	3.3	3.1	3.2
Mutual savings banks.....	27.8	27.5	27.3	27.2	27.0	27.4	27.7
FHA.....	15.0	14.8	14.7	14.7	14.5	14.7	14.7
VA.....	12.8	12.7	12.6	12.5	12.5	12.7	13.0
Savings and loan assns.....							
FHA.....	29.9	29.9	29.9	30.2	30.4	30.6	
VA.....							
Life insurance cos.....	12.9	12.7	12.5	12.2	12.1	11.8	11.6
FHA.....	8.7	8.6	8.4	8.2	8.1	7.9	7.8
VA.....	4.2	4.2	4.1	4.0	4.0	3.9	3.8
Others.....	57.4	59.9	61.6	62.2	65.7	67.8	
FHA.....							
VA.....							

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
1972.....	2,132	4,986.5	2,339	8.57	23/3	75.2	9.6	1.29	9.8
1973.....	2,140	4,833.3	2,259	8.76	23/3	74.3	9.5	1.29	10.0
1974.....	1,166	2,603.0	2,232	9.47	21/3	74.3	10.1	1.29	10.6
1975.....	599	1,717.0	2,866	10.22	21/9	73.8	10.8	1.33	11.2
1975—Apr.....	32	108.4	3,386	10.02	23/0	75.6	10.8	1.36	10.8
May.....	73	227.5	3,116	10.23	20/9	74.7	10.8	1.30	11.1
June.....	61	167.5	2,745	10.11	21/9	73.0	10.5	1.29	11.2
July.....	53	178.6	3,370	10.19	20/7	74.6	10.9	1.31	11.3
Aug.....	44	106.5	2,420	10.26	21/2	72.7	10.8	1.32	11.4
Sept.....	57	123.8	2,172	10.24	22/8	73.6	10.7	1.37	11.1
Oct.....	57	144.7	2,538	10.29	20/10	74.3	10.7	1.28	11.3
Nov.....	47	252.8	5,378	10.24	22/7	72.7	10.9	1.35	11.2
Dec.....	52	159.4	3,065	10.15	23/4	73.7	11.0	1.34	11.0
1976—Jan.....	32	99.2	3,099	10.25	20/11	74.3	10.7	1.29	11.2
Feb.....	40	140.2	3,506	10.08	20/6	74.2	10.5	1.26	11.0
Mar.....	71	294.6	4,150	10.04	21/11	73.8	10.6	1.30	11.0
Apr.....	78	292.1	3,745	9.88	23/1	73.0	10.4	1.31	10.8
May.....	104	294.8	2,834	9.80	21/2	74.4	10.4	1.30	11.1
June.....	104	297.2	2,858	9.90	20/9	73.9	10.1	1.31	10.6

NOTE.—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.

TERMS AND YIELDS ON NEW HOME MORTGAGES

Period	Conventional mortgages							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>		HUD series <sup>4</sup>
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	7.53
1973.....	7.78	1.11	26.3	77.3	37.1	28.1	7.95	8.30	8.19
1974.....	8.71	1.30	26.3	75.8	40.1	29.8	8.92	9.22	9.55
1975.....	8.75	1.54	26.8	76.1	44.6	33.3	9.01	9.10	9.19
1975—Aug.....	8.63	1.56	26.7	77.0	44.6	33.7	8.89	9.15	9.32
Sept.....	8.70	1.46	26.7	75.9	45.6	34.1	8.94	9.25	9.74
Oct.....	8.75	1.59	27.3	77.5	43.9	33.2	9.01	9.25	9.53
Nov.....	8.74	1.65	27.6	76.5	46.4	34.8	9.01	9.20	9.41
Dec.....	8.74	1.65	27.8	76.9	45.9	34.7	9.01	9.15	9.32
1976—Jan.....	8.71	1.74	27.4	76.9	47.2	35.4	8.99	9.05	9.06
Feb.....	8.67	1.56	26.0	75.1	45.2	33.4	8.93	9.00	9.04
Mar.....	8.67	1.60	27.1	76.4	46.8	35.0	8.93	8.95	.....
Apr.....	8.67	1.52	27.3	75.3	48.5	35.8	8.92	8.90	8.82
May.....	8.75	1.35	26.5	77.5	46.3	35.3	8.97	9.00	9.03
June.....	8.69	1.27	26.5	75.1	48.9	36.2	8.89	9.05	9.05
July.....	8.76	1.29	27.1	75.8	49.4	36.7	8.97	9.05	8.99
Aug. <sup>6</sup> .....	8.81	1.56	27.8	76.0	49.0	36.5	9.03	9.05	8.93

<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.

FINANCE RATES ON SELECTED TYPES OF INSTALMENT CREDIT

(Per cent per annum)

Month	Commercial banks					Finance companies				
	New automobiles (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			
1974—Aug.....	11.15	11.71	13.10	13.45	17.21	12.67	17.32	13.43	19.31	20.87
Sept.....	11.31	11.72	13.20	13.41	17.15	12.84	17.61	13.60	19.49	21.11
Oct.....	11.53	11.94	13.28	13.60	17.17	12.97	17.78	13.60	19.49	21.11
Nov.....	11.57	11.87	13.16	13.47	17.16	13.06	17.88	13.60	19.49	21.11
Dec.....	11.62	11.71	13.27	13.60	17.21	13.10	17.89	13.60	19.49	21.11
1975—Jan.....	11.61	11.66	13.28	13.60	17.12	13.08	17.27	13.60	19.80	21.09
Feb.....	11.51	12.14	13.20	13.44	17.24	13.07	17.39	13.60	19.80	21.09
Mar.....	11.46	11.66	13.07	13.40	17.15	13.07	17.52	13.59	20.00	20.82
Apr.....	11.44	11.78	13.22	13.55	17.17	13.07	17.58	13.57	19.63	20.72
May.....	11.39	11.57	13.11	13.41	17.21	13.09	17.65	13.57	19.63	20.72
June.....	11.26	12.02	13.10	13.40	17.10	13.12	17.67	13.78	19.87	20.93
July.....	11.30	11.94	13.13	13.49	17.15	13.09	17.69	13.78	19.87	20.93
Aug.....	11.31	11.80	13.05	13.37	17.14	13.10	17.70	13.78	19.69	21.16
Sept.....	11.33	11.99	13.06	13.41	17.14	13.18	17.73	13.78	19.69	21.16
Oct.....	11.24	12.05	13.00	13.38	17.11	13.15	17.79	13.43	19.66	21.09
Nov.....	11.24	11.76	12.96	13.40	17.06	13.17	17.82	13.43	19.66	21.09
Dec.....	11.25	11.83	13.11	13.46	17.13	13.19	17.86	13.43	19.66	21.09
1976—Jan.....	11.21	11.76	13.14	13.40	17.08	13.18	17.25	13.18	19.58	21.13
Feb.....	11.18	11.77	13.02	13.24	17.14	13.14	17.37	13.18	19.58	21.13
Mar.....	11.13	11.82	13.02	13.13	16.99	13.13	17.48	13.35	19.37	20.87
Apr.....	11.08	11.66	12.95	13.16	17.04	13.13	17.58	13.35	19.37	20.87
May.....	11.00	11.61	12.96	13.27	17.02	13.15	17.64	13.35	19.37	20.87
June.....	11.02	11.82	12.99	13.32	17.04	13.17	17.68	13.35	19.37	20.87
July.....	11.06	11.80	13.02	13.38	16.91	13.16	17.71	13.35	19.37	20.87
Aug.....	11.07	11.84	13.02	13.31	17.01	13.16	17.71	13.35	19.37	20.87

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—TOTAL OUTSTANDING, AND NET CHANGE

(In millions of dollars)

Holder, and type of credit	1973	1974	1975	1976						
				Feb.	Mar.	Apr.	May	June	July	Aug.
<b>Amounts outstanding (end of period)</b>										
<b>TOTAL</b> .....	146,434	155,384	162,237	160,402	160,729	162,334	164,101	166,664	168,674	171,160
<b>By holder:</b>										
Commercial banks.....	71,871	75,846	78,703	77,957	78,039	78,982	79,785	80,850	81,930	82,961
Finance companies.....	35,404	36,208	36,695	36,458	36,450	36,745	37,022	37,490	38,026	38,398
Credit unions.....	19,609	22,116	25,354	25,492	26,025	26,403	26,975	27,842	28,234	28,956
Retailers <sup>1</sup> .....	16,395	17,933	18,002	16,769	16,375	16,448	16,465	16,633	16,660	16,911
Others <sup>2</sup> .....	3,155	3,281	3,483	3,726	3,840	3,756	3,854	3,849	3,824	3,934
<b>By type of credit:</b>										
<b>Automobile, total</b> .....	50,065	50,392	53,028	53,044	53,650	54,572	55,484	56,667	57,659	58,665
Commercial banks.....	31,502	30,994	31,534	31,322	31,580	32,162	32,664	33,269	33,877	34,414
Purchased.....	18,997	18,687	18,353	18,135	18,200	18,472	18,671	18,912	19,151	19,404
Direct.....	12,505	12,306	13,181	13,187	13,381	13,690	13,993	14,358	14,726	15,010
Finance companies.....	10,718	10,618	11,439	11,579	11,695	11,903	12,080	12,333	12,573	12,748
Credit unions.....	7,456	8,414	9,653	9,704	9,908	10,051	10,269	10,601	10,749	11,024
Others.....	389	366	402	439	467	456	471	464	460	479
<b>Mobile homes:</b>										
Commercial banks.....	8,340	8,972	8,704	8,532	8,485	8,439	8,408	8,390	8,384	8,379
Finance companies.....	3,358	3,524	3,451	3,384	3,363	3,351	3,336	3,343	3,333	3,323
<b>Home improvement, total</b> .....	6,950	7,754	8,004	7,973	8,026	8,089	8,209	8,367	8,452	8,562
Commercial banks.....	4,083	4,694	4,965	4,907	4,924	4,978	5,048	5,129	5,192	5,263
<b>Revolving credit:</b>										
Bank credit cards.....	6,838	8,281	9,501	9,408	9,221	9,343	9,402	9,531	9,725	9,924
Bank check credit.....	2,254	2,797	2,810	2,803	2,769	2,775	2,777	2,805	2,835	2,870
<b>All other, total</b> .....	68,629	73,664	76,738	75,258	75,215	75,765	76,485	77,561	78,286	79,438
Commercial banks, total.....	18,854	20,108	21,188	20,985	21,060	21,285	21,486	21,726	21,917	22,112
Personal loans.....	12,873	13,771	14,629	14,549	14,578	14,743	14,871	15,034	15,148	15,308
Finance companies, total.....	20,914	21,717	21,655	21,348	21,247	21,350	21,466	21,675	21,983	22,192
Personal loans.....	16,483	16,961	17,681	17,500	17,434	17,528	17,631	17,811	18,079	18,275
Credit unions.....	11,564	13,037	14,937	15,020	15,333	15,557	15,894	16,402	16,635	17,060
Retailers.....	16,395	17,933	18,002	16,769	16,375	16,448	16,465	16,633	16,660	16,911
Others.....	902	869	956	1,136	1,200	1,125	1,174	1,125	1,091	1,163
<b>Net change (during period)<sup>3</sup></b>										
<b>TOTAL</b> .....	19,676	8,952	6,843	1,123	1,473	1,427	1,474	1,330	1,303	1,403
<b>By holder:</b>										
Commercial banks.....	11,001	3,975	2,851	467	552	575	713	409	619	518
Finance companies.....	4,006	806	483	160	282	325	157	230	264	169
Credit unions.....	2,696	2,507	3,238	420	514	392	521	482	365	386
Retailers.....	1,632	1,538	69	58	108	177	5	214	116	183
Others.....	341	126	202	17	16	-42	78	-5	-61	148
<b>By type of credit:</b>										
<b>Automobile, total</b> .....	5,968	327	2,631	614	663	732	652	526	556	621
Commercial banks.....	4,197	-508	535	303	237	356	340	229	327	377
Purchased.....	2,675	-310	-340	35	99	162	110	32	60	159
Direct.....	1,523	-198	875	267	138	194	230	197	267	218
Finance companies.....	740	-100	821	146	240	224	122	116	108	62
Credit unions.....	1,024	958	1,239	165	192	151	181	186	135	136
Other.....	7	-23	36		-6	2	9	-4	-13	46
<b>Mobile homes:</b>										
Commercial banks.....	1,933	632	-268	-53	-18	-52	-37	-42	-28	-35
Finance companies.....	444	168	-73	-35		-11	-17	*	-9	-16
<b>Home improvement, total</b> .....	1,033	804	248	58	69	39	70	79	19	39
Commercial banks.....	482	611	271	29	41	26	36	29	22	25
<b>Revolving credit:</b>										
Bank credit cards.....	1,430	1,443	1,220	132	192	139	193	98	171	86
Bank check credit.....	478	543	14	18	16	35	44	14	27	-6
<b>All other, total</b> .....	8,389	5,036	3,072	389	550	546	570	655	567	714
Commercial banks, total.....	2,480	1,255	1,080	40	84	70	138	81	101	71
Personal loans.....	1,492	898	858	27	51	69	112	86	70	46
Finance companies, total.....	2,564	803	-64	50	43	119	53	115	170	126
Personal loans.....	1,746	479	717	128	62	116	21	95	143	106
Credit unions.....	1,591	1,473	1,900	241	307	228	326	282	220	240
Retailers.....	1,632	1,538	69	58	108	177	5	214	116	183
Others.....	122	-33	87	1	7	-49	48	-38	-39	96

<sup>1</sup> Excludes 30-day charge credit held by retailers, oil and gas companies, and travel and entertainment companies.<sup>2</sup> Mutual savings banks, savings and loan associations, and auto dealers.<sup>3</sup> Figures for all months are seasonally adjusted and equal extensions minus liquidations (repayments, charge-offs, and other credits).

## INSTALMENT CREDIT EXTENSIONS AND LIQUIDATIONS

(In millions of dollars)

Holder, and type of credit	1973	1974	1975	1976						
				Feb.	Mar.	Apr.	May	June	July	Aug.
<b>Extensions<sup>1</sup></b>										
<b>TOTAL</b> .....	160,228	160,008	163,483	15,045	15,521	15,003	15,041	15,592	15,240	15,685
<b>By holder:</b>										
Commercial banks.....	72,216	72,605	77,131	7,196	7,352	6,989	7,223	7,289	7,358	7,487
Finance companies.....	38,922	35,644	32,582	3,018	2,945	2,913	2,776	2,986	2,861	2,965
Credit unions.....	21,143	22,403	24,151	2,248	2,389	2,386	2,448	2,456	2,329	2,313
Retailers <sup>2</sup> .....	25,440	27,034	27,049	2,347	2,596	2,544	2,313	2,650	2,533	2,548
Others <sup>3</sup> .....	2,507	2,322	2,570	236	238	171	280	211	159	372
<b>By type of credit:</b>										
<b>Automobile, total</b> .....	46,105	43,209	48,103	4,523	4,689	4,583	4,471	4,600	4,477	4,712
Commercial banks.....	29,369	26,406	28,333	2,672	2,699	2,677	2,616	2,660	2,680	2,762
Purchased.....	17,497	15,576	15,761	1,435	1,514	1,475	1,413	1,386	1,417	1,480
Direct.....	11,872	10,830	12,572	1,238	1,185	1,202	1,204	1,274	1,263	1,282
Finance companies.....	9,303	8,630	9,598	930	990	975	914	935	891	937
Credit unions.....	7,009	7,788	9,702	881	964	891	892	968	879	928
Others.....	424	385	470	40	35	40	49	36	27	84
<b>Mobile homes:</b>										
Commercial banks.....	4,438	3,486	2,681	211	233	186	182	204	223	186
Finance companies.....	1,573	1,413	771	55	63	61	49	68	59	54
<b>Home improvement, total</b> .....	4,414	4,571	4,398	405	414	413	385	410	381	400
Commercial banks.....	2,487	2,789	2,722	244	253	259	233	235	240	242
<b>Revolving credit:</b>										
Bank credit cards.....	13,863	17,098	20,428	2,012	2,118	1,985	2,103	2,088	2,152	2,183
Bank check credit.....	3,373	4,227	4,024	392	380	394	422	435	401	413
<b>All other, total</b> .....	86,462	86,004	83,079	7,447	7,624	7,382	7,429	7,786	7,546	7,937
Commercial banks, total.....	18,686	18,599	18,944	1,665	1,669	1,489	1,667	1,666	1,661	1,702
Personal loans.....	12,928	13,176	13,386	1,179	1,182	1,081	1,203	1,221	1,174	1,197
Finance companies, total.....	27,627	25,316	22,135	2,030	1,890	1,874	1,810	1,981	1,907	1,970
Personal loans.....	17,885	16,691	17,333	1,685	1,551	1,545	1,465	1,641	1,535	1,607
Credit unions.....	13,768	14,228	13,992	1,319	1,376	1,446	1,511	1,440	1,403	1,338
Retailers.....	25,440	27,034	27,049	2,347	2,596	2,544	2,313	2,650	2,533	2,548
Others.....	941	827	959	86	93	29	127	50	43	180
<b>Liquidations<sup>1</sup></b>										
<b>TOTAL</b> .....	140,552	151,056	156,640	13,923	14,048	13,576	13,566	14,261	13,937	14,282
<b>By holder:</b>										
Commercial banks.....	61,215	68,630	74,280	6,729	6,800	6,414	6,510	6,879	6,739	6,970
Finance companies.....	34,916	34,838	32,099	2,858	2,663	2,587	2,619	2,756	2,597	2,796
Credit unions.....	18,447	19,896	20,913	1,828	1,875	1,994	1,927	1,974	1,964	1,927
Retailers <sup>2</sup> .....	23,808	25,496	26,980	2,289	2,488	2,367	2,308	2,436	2,417	2,365
Others <sup>3</sup> .....	2,166	2,196	2,368	219	222	214	202	216	220	224
<b>By type of credit:</b>										
<b>Automobile, total</b> .....	40,137	42,883	45,472	3,909	4,026	3,851	3,819	4,074	3,922	4,090
Commercial banks.....	25,172	26,915	27,798	2,370	2,463	2,321	2,276	2,432	2,354	2,385
Purchased.....	14,823	15,886	16,101	1,399	1,416	1,313	1,303	1,354	1,357	1,321
Direct.....	10,349	11,029	11,697	970	1,047	1,008	973	1,077	996	1,064
Finance companies.....	8,563	8,730	8,777	783	752	751	792	819	784	874
Credit unions.....	5,985	6,830	8,463	716	772	740	711	783	745	792
Others.....	417	408	434	40	42	39	39	40	39	39
<b>Mobile homes:</b>										
Commercial banks.....	2,505	2,854	2,949	264	251	237	219	247	251	222
Finance companies.....	1,129	1,245	844	89	63	72	67	68	68	70
<b>Home improvement, total</b> .....	3,381	3,767	4,150	348	344	374	314	330	362	361
Commercial banks.....	2,005	2,178	2,451	216	212	232	197	206	218	216
<b>Revolving credit:</b>										
Bank credit cards.....	12,433	15,655	19,208	1,881	1,926	1,846	1,911	1,990	1,981	2,097
Bank check credit.....	2,894	3,684	4,010	374	364	359	378	421	374	419
<b>All other, total</b> .....	78,072	80,969	80,007	7,058	7,074	6,836	6,859	7,132	6,979	7,023
Commercial banks, total.....	16,205	17,345	17,864	1,625	1,584	1,418	1,529	1,585	1,560	1,631
Personal loans.....	11,435	12,278	12,528	1,151	1,131	1,012	1,091	1,135	1,104	1,151
Finance companies, total.....	25,063	24,513	22,199	1,981	1,846	1,756	1,758	1,866	1,737	1,844
Personal loans.....	16,139	16,212	16,616	1,536	1,489	1,429	1,445	1,546	1,392	1,501
Credit unions.....	12,177	12,755	12,092	1,077	1,069	1,218	1,185	1,158	1,183	1,098
Retailers.....	23,808	25,496	26,980	2,289	2,488	2,367	2,308	2,436	2,417	2,365
Others.....	819	860	872	86	86	77	79	87	82	85

<sup>1</sup> Monthly figures are seasonally adjusted.<sup>2</sup> Excludes 30-day charge credit held by retailers, oil and gas companies and travel and entertainment companies.<sup>3</sup> Mutual savings banks, savings and loan associations, and auto dealers.



## INDUSTRIAL PRODUCTION—1976 REVISION

(Seasonally adjusted, 1967 = 100)

Grouping	SIC code	1967 proportion	1975 average	1975				1976								
				Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug. <sup>1</sup>	Sept. <sup>2</sup>
Gross value of products in market structure (Annual rates, in billions of 1972 dollars)																
Products, total		1286.3	505.9	521.5	521.1	527.1	528.4	531.9	544.3	546.0	545.0	551.5	552.4	552.3	556.6	553.2
Final products		1221.4	393.3	405.3	404.0	409.7	410.6	410.9	421.7	423.0	421.8	427.5	428.3	427.9	432.6	427.0
Consumer goods		1156.3	274.4	284.3	285.0	290.5	292.0	292.3	300.6	299.7	299.9	303.7	305.5	303.5	306.3	302.3
Equipment		165.3	119.0	121.0	119.1	119.3	118.9	119.1	121.1	123.6	122.1	123.7	123.1	124.2	126.2	124.6
Intermediate products		164.9	112.6	116.1	116.6	117.6	117.9	120.8	122.8	122.6	123.0	123.7	124.1	124.1	124.2	126.0
Major industry groupings																
Mining and utilities		12.05	128.5	127.2	127.9	130.5	129.2	131.8	131.5	131.6	131.2	132.0	131.9	130.7	130.9	131.8
Mining		6.36	112.8	111.6	113.8	114.2	112.9	113.6	112.7	113.9	113.5	113.0	114.4	112.3	113.7	114.4
Utilities		5.69	146.0	144.6	143.8	148.8	147.2	152.0	152.5	151.4	150.8	153.0	151.2	151.4	149.9	151.2
Electric		3.88	160.8	159.0	157.3	165.5	162.3	167.4	168.7	167.3	165.7	169.8	167.2			
Manufacturing		87.95	116.3	121.4	121.2	122.7	123.6	125.2	127.0	127.9	128.5	129.6	130.2	131.2	131.7	131.6
Nondurable		35.97	126.4	132.9	133.6	136.2	136.9	138.4	140.2	140.7	140.7	140.9	141.3	141.4	141.7	142.4
Durable		51.98	109.3	113.5	112.7	113.4	114.4	115.8	117.9	119.0	120.1	121.7	122.3	124.1	124.9	124.0
Mining																
Metal mining		10	.51	115.8	113.5	112.5	118.1	117.9	122.2	124.2	122.3	124.3	118.3	118.3	121.6	126.5
Coal	11	12	.69	113.4	112.6	122.2	125.6	109.9	111.2	109.6	114.4	114.4	119.2	122.7	104.8	112.6
Oil and gas extraction	13		4.40	113.3	111.8	112.1	112.3	113.1	112.5	110.1	111.9	111.3	110.8	112.3	111.7	112.4
Stone and earth minerals	14		.75	107.0	108.0	110.9	112.1	111.5	117.1	120.0	119.3	117.5	116.7	116.5	116.5	114.2
Nondurable manufactures																
Foods	20		8.75	123.4	126.2	126.4	128.8	128.5	129.2	130.8	128.3	129.2	131.2	130.5	130.9	131.2
Tobacco products	21		.67	111.8	114.1	113.9	118.5	116.0	117.3	118.8	122.4	115.4	114.5	115.4	113.9	
Textile mill products	22		2.68	122.3	138.3	137.5	141.6	139.0	137.6	138.7	136.4	135.7	138.0	138.1	136.8	136.5
Apparel products	23		3.31	107.6	111.5	115.9	118.3	121.2	123.8	128.0	126.3	126.1	130.3	126.8	125.9	
Paper and products	26		3.21	116.3	124.5	126.5	127.7	129.5	130.3	133.0	132.2	133.9	130.4	139.1	131.8	134.4
Printing and publishing	27		4.72	113.4	114.7	113.2	115.4	118.4	120.0	121.0	121.0	122.0	120.5	119.7	122.0	121.0
Chemicals and products	28		7.74	147.3	154.4	157.5	161.9	163.3	162.9	167.6	170.6	168.7	166.6	170.0	168.5	170.1
Petroleum products	29		1.79	124.1	130.8	125.1	124.9	126.3	125.7	129.1	131.8	131.6	132.7	135.1	134.6	132.2
Rubber & plastic products	30		2.24	166.7	187.6	185.1	185.2	185.3	188.4	196.7	203.5	198.2	185.6	189.1	190.7	194.0
Leather and products	31		.86	76.5	80.9	85.8	87.7	83.2	86.0	86.1	86.0	87.7	91.4	84.0	86.8	78.8
Durable manufactures																
Ordnance, pvt. & govt.	19, 91		3.64	76.6	75.9	72.0	70.0	70.1	69.9	69.5	69.5	69.1	71.4	73.1	74.0	74.8
Lumber and products	24		1.64	107.6	115.8	116.8	114.1	116.4	123.5	123.9	121.1	122.8	123.0	120.3	125.2	122.8
Furniture and fixtures	25		1.37	118.2	128.4	127.9	128.7	130.3	132.7	134.1	130.6	131.7	131.0	130.1	131.6	133.1
Clay, glass, stone prod.	32		2.74	117.9	126.4	127.8	127.5	129.4	128.6	128.5	133.7	132.7	133.9	136.1	137.0	139.0
Primary metals	33		6.57	96.4	97.9	95.4	98.1	92.6	98.1	103.9	101.4	105.4	113.2	111.5	116.9	118.2
Iron and steel			4.21	95.8	93.4	92.0	96.5	89.1	92.9	100.9	97.7	103.5	110.7	110.0	115.3	116.2
Fabricated metal prod.	34		5.93	109.9	115.3	114.4	116.3	117.3	116.6	120.9	120.2	121.5	121.4	124.0	124.8	126.5
Nonelectrical machinery	35		9.15	125.1	125.5	125.4	126.6	128.6	129.0	131.5	132.9	133.5	134.0	133.5	134.8	135.1
Electrical machinery	36		8.05	116.5	120.2	120.1	120.1	122.7	124.7	126.5	127.8	130.0	131.8	132.0	131.0	132.1
Transportation equip.	37		9.27	97.4	105.9	104.4	104.7	106.7	105.8	109.0	111.2	110.6	112.9	112.6	112.8	114.7
Motor vehicles & pts.			4.50	111.1	126.8	126.5	127.1	130.1	126.7	135.2	140.8	141.3	144.3	146.5	147.3	149.8
Aerospace & misc. tr. eq.			4.77	84.5	86.3	83.6	83.6	84.7	86.1	84.3	83.3	81.7	83.3	80.7	80.3	81.7
Instruments	38		2.11	132.3	135.1	136.0	136.4	140.9	142.0	141.8	144.4	145.4	149.0	149.5	151.3	150.0
Miscellaneous mfrs.	39		1.51	128.3	132.1	134.6	137.6	137.3	139.5	140.7	142.5	140.7	145.5	145.9	148.5	142.0

<sup>1</sup> 1972 dollars.

N.B. Published groupings include some series and subtotals not shown separately. For summary description and historical data, see BULLETIN for June 1976, pp. 470-79. Availability of detailed descriptive and historical data will be announced in a forthcoming BULLETIN.



SELECTED BUSINESS INDEXES

(1967=100, except as noted)

Period	Industrial production										Capacity utilization in mfg. (1967 output)	Construction contracts	Manu- facturing <sup>2</sup>		Total retail sales <sup>3</sup>	Prices <sup>4</sup>	
	Total	Market						In- dustry	Nonagri- cultural employ- ment— Total <sup>1</sup>	Employ- ment			Pay- rolls	Consumer		Whole- sale com- modity	
		Products					Materi- als										
		Total	Consumer goods	Equip- ment	Inter- mediate	Manu- facturing											
1955	58.5	56.7	55.4	59.0	50.4	61.6	61.3	58.2	90.0	76.9	92.9	61.1	59	80.2	87.8		
1956	61.1	59.9	58.6	61.2	55.3	64.4	62.9	60.5	88.2	79.6	93.9	64.6	61	81.4	90.7		
1957	61.9	61.2	60.4	62.7	57.5	64.4	62.8	61.2	84.5	80.3	92.2	65.4	64	84.3	93.3		
1958	57.9	58.7	57.6	62.1	51.5	62.9	56.6	56.9	75.1	78.0	83.9	60.3	64	86.6	94.6		
1959	64.8	64.5	63.2	68.1	56.5	69.5	65.3	64.1	81.4	81.0	88.1	67.8	69	87.3	94.8		
1960	66.2	66.3	65.3	70.7	58.0	69.9	66.1	65.4	80.1	68.6	82.4	68.8	70	88.7	94.9		
1961	66.7	67.0	65.8	72.2	57.3	71.3	66.2	65.6	77.6	70.2	82.1	68.0	70	89.6	94.5		
1962	72.2	72.3	71.4	77.1	63.7	75.7	72.1	71.5	81.4	78.1	84.4	73.3	75	90.6	94.8		
1963	76.5	76.4	75.5	81.3	67.5	79.9	76.7	75.8	83.0	86.1	87.8	76.0	79	91.7	94.5		
1964	81.7	80.9	79.8	85.8	71.4	85.2	82.9	81.0	85.5	89.4	88.6	80.1	83	92.9	94.7		
1965	89.8	88.2	87.6	92.6	80.7	90.6	92.4	89.7	89.0	93.2	92.3	93.9	88.1	90	94.5	96.6	
1966	97.7	95.9	95.9	97.3	94.0	96.2	100.7	97.9	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	100.0	100.0	100.0	
1968	106.3	106.2	106.2	105.9	106.5	106.3	106.5	106.4	87.7	113.2	103.2	101.4	108.3	109	104.2	102.5	
1969	111.1	110.3	109.6	109.3	109.3	112.9	112.5	111.0	86.5	123.7	106.9	103.2	116.6	114	109.8	106.5	
1970	107.8	106.9	105.3	109.0	100.1	112.9	109.2	106.4	78.3	123.1	107.7	98.1	114.1	119	116.3	110.4	
1971	109.6	108.5	106.3	114.7	94.7	116.7	111.3	108.2	75.0	145.4	108.1	94.2	116.7	130	121.2	113.9	
1972	119.7	118.0	115.7	124.4	103.8	126.5	122.3	118.9	78.6	165.3	111.9	97.6	131.5	142	125.3	119.8	
1973	129.8	127.1	124.4	131.5	114.5	137.2	133.9	129.8	83.0	179.5	116.8	103.2	149.2	160	133.1	134.7	
1974	129.3	127.3	125.1	128.9	120.0	135.3	132.4	129.4	78.9	169.7	119.1	102.1	157.1	171	147.7	160.1	
1975	117.8	119.3	118.2	124.0	110.2	123.1	115.5	116.3	68.7	166.0	116.9	91.4	151.0	186	161.2	174.9	
1975—Jan.	122.1	122.8	121.5	129.0	111.3	127.6	121.0	121.4	69.0	157.0	117.4	92.0	157.0	189	163.6	177.7	
Oct.	122.2	122.4	120.9	128.7	110.0	128.0	122.0	121.2	166.0	117.8	92.5	158.4	192	164.6	178.9		
Nov.	123.5	123.8	122.3	131.1	110.0	129.3	123.1	122.7	70.7	148.0	117.8	92.4	158.9	192	165.6	178.2	
Dec.	124.4	124.9	123.5	132.3	111.5	129.9	123.3	123.6	137.0	118.1	93.0	162.3	198	166.3	178.7		
1976—Jan.	125.7	126.0	123.9	133.1	111.2	133.6	125.3	125.2	183.0	118.7	94.0	165.9	197	166.7	179.3		
Feb.	127.3	127.4	125.3	134.9	112.1	135.3	127.3	127.0	72.1	170.0	119.0	94.3	165.4	201	167.1	179.3	
Mar.	128.1	128.1	126.4	136.1	112.9	134.9	128.2	127.9	185.0	119.4	94.9	167.4	204	167.5	179.6		
Apr.	128.4	128.0	126.3	136.1	112.9	134.7	129.2	128.5	189.0	119.9	95.5	166.1	205	168.2	181.3		
May	129.6	128.9	127.3	137.4	113.5	135.0	130.6	129.6	73.0	205.0	119.8	95.4	170.7	202	169.2	181.8	
June	130.1	129.5	127.6	137.8	113.8	135.9	131.1	130.2	187.0	119.9	95.3	171.6	206	170.1	183.1		
July	130.7	129.7	127.7	137.3	114.5	136.9	132.3	131.2	184.0	120.2	95.1	173.2	206	171.1	184.3		
Aug.	131.3	130.2	128.4	138.3	115.0	137.1	133.0	131.7	73.6	162.0	120.4	95.3	175.7	210	171.9	183.7	
Sept.	131.3	130.2	128.1	137.3	115.4	137.8	133.1	131.6	120.8	96.1	177.6	.....	.....	.....	.....	184.7	

▲ Revised data for 1955-62, comparable to the revised data beginning 1963 shown below, will be published later.  
 1 Employees only; excludes personnel in the Armed Forces.  
 2 Production workers only. Revised back to 1973.  
 3 F.R. index based on Census Bureau figures.  
 4 Prices are not seasonally adjusted. Latest figure is final.  
 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.  
 Employment and payroll: 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	1974	1975	1975					1976							
			Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.
Total construction contracts <sup>1</sup> .....	93,685	90,237	10,037	7,692	7,767	5,573	5,431	6,390	6,149	8,908	9,408	9,836	10,533	9,774	8,505
By type of ownership:															
Public.....	32,062	31,415	3,040	2,725	2,544	1,597	1,724	1,655	1,719	2,192	2,383	3,915	3,136	3,246	2,505
Private <sup>1</sup> .....	61,623	58,822	6,997	4,967	5,223	3,976	3,708	4,734	4,430	6,716	7,025	5,921	7,397	6,528	5,999
By type of construction:															
Residential building <sup>1</sup> .....	33,567	31,347	2,784	2,966	3,189	2,404	2,233	2,157	2,546	3,618	4,003	3,955	4,166	4,149	4,099
Nonresidential building.....	33,131	30,577	2,666	2,526	2,629	1,859	1,865	1,939	1,996	2,561	2,741	2,819	2,805	3,031	2,536
Nonbuilding.....	26,988	28,313	4,587	2,200	1,949	1,309	1,334	2,294	1,608	2,729	2,664	3,062	3,562	2,594	1,869
Private housing units authorized... (In thousands, S.A., A.R.)	1,074	926	995	1,092	1,111	1,127	1,091	1,147	1,165	1,188	1,082	1,158	1,150	*1,215	1,298

<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 may differ from annual totals because adjustments 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 local building permit systems.

VALUE OF NEW CONSTRUCTION ACTIVITY

(In millions of dollars)

Period	Total <sup>1</sup>	Private							Public <sup>1</sup>				
		Total	Residential	Nonresidential				Public utilities and other	Total	Military	Highway	Conservation and development	Other
				Total	Buildings								
					Industrial	Commercial	Other buildings <sup>2</sup>						
1967.....	78,082	52,546	25,564	26,982	6,021	7,761	4,382	10,759	25,536	695	8,591	2,124	14,126
1968.....	87,093	59,488	30,565	28,923	6,783	7,401	4,971	11,598	27,605	808	9,321	1,973	15,503
1969.....	93,917	65,953	33,200	32,753	6,783	9,401	4,971	11,598	27,964	879	9,250	1,783	16,052
1970.....	94,855	66,759	31,864	34,895	6,518	9,754	5,125	13,498	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.....	124,085	93,901	54,288	39,613	4,676	13,464	5,898	15,575	30,184	1,087	10,429	2,172	16,496
1973.....	137,917	105,412	59,727	45,685	6,243	15,453	5,888	18,101	32,505	1,166	10,505	2,313	18,521
1974.....	138,526	100,179	50,378	49,801	7,902	15,945	5,797	20,157	38,347	1,188	12,069	2,741	22,349
1975.....	132,043	93,034	46,476	46,558	8,017	12,804	5,785	20,152	39,009	1,391	10,345	3,227	24,046
1975—Aug.....	132,178	92,062	46,332	45,730	8,045	12,365	5,581	19,739	40,116	1,403	11,010	3,454	24,249
Sept.....	136,310	95,365	48,375	46,990	7,895	12,369	5,820	20,906	40,945	1,597	10,738	3,429	25,181
Oct.....	136,204	95,561	49,396	46,165	7,591	12,418	5,604	20,552	40,643	1,500	10,425	3,314	25,404
Nov.....	138,040	97,346	50,409	46,937	7,720	12,420	5,754	21,043	40,694	1,617	10,389	3,575	25,113
Dec.....	137,833	98,063	52,061	46,002	7,582	12,209	5,608	20,603	39,770	1,583	10,423	3,670	24,094
1976—Jan.....	136,713	99,345	52,755	46,590	7,522	11,479	5,843	21,746	37,368	1,505	9,808	3,295	22,760
Feb.....	139,030	102,635	55,227	47,408	7,842	12,762	6,024	20,780	36,395	1,598	9,018	3,751	22,028
Mar.....	145,085	107,068	58,119	48,949	7,605	13,346	5,957	22,041	38,017	1,454	9,632	3,385	23,546
Apr.....	143,901	106,004	58,398	47,606	7,227	12,604	5,567	22,208	37,897	1,522	10,575	3,774	22,026
May.....	142,840	106,626	58,346	48,280	6,967	12,331	5,967	23,015	36,214	1,423	9,901	3,546	21,344
June.....	146,444	107,528	59,555	47,973	6,738	12,006	6,499	22,730	38,916	1,368	10,292	3,674	23,582
July.....	145,174	108,408	60,589	47,819	6,097	12,574	6,178	22,970	36,766	1,446	8,030	3,671	23,619
Aug.....	146,410	109,143	60,248	48,895	6,543	12,324	6,586	23,442	37,267	1,439			

<sup>1</sup> Data beginning Jan. 1976 are not strictly comparable with prior data because of change by Census Bureau in its procedure for estimating construction outlays of State and local governments. Such governments accounted for 86 per cent of all public construction expenditures in 1974.

<sup>2</sup> Includes religious, educational, hospital, institutional, and other buildings.

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)			New 1-family homes sold and for sale <sup>1</sup>				
	Total	1-family	2-or-more family	Total	1-family	2-or-more family	Total	1-family	2-or-more family	Mobile home shipments	Units		Median prices (in thousands of dollars) of units	
											Sold	For sale (end of period)	Sold	For sale
1967.....	1,292	844	448	1,320	859	461			240	487	190	22.7	23.6	
1968.....	1,508	899	608	1,399	807	591			318	490	218	24.7	24.6	
1969.....	1,467	811	656	1,399	807	591	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	1,047	1,971	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
1974.....	1,338	888	450	1,692	931	760	1,189	516	673	329	501	407	35.9	36.2
1975.....	1,160	892	268	1,297	866	430	1,003	531	472	216	544	383	39.3	38.9
1975—Aug.....	1,264	979	285	1,267	880	387	1,033	526	507	225	573	378	38.2	37.8
Sept.....	1,304	966	338	1,315	969	346	1,033	528	505	228	571	384	39.7	38.2
Oct.....	1,431	1,093	338	1,115	738	377	1,057	556	501	235	610	389	40.7	38.4
Nov.....	1,381	1,048	333	1,386	992	394	1,056	560	496	230	660	381	41.1	38.6
Dec.....	1,283	962	321	1,329	993	336	1,041	558	482	224	641	378	42.1	38.9
1976—Jan.....	1,236	957	279	1,213	926	287	1,042	564	478	263	573	379	41.6	39.1
Feb.....	1,547	1,295	252	1,299	953	346	1,053	584	469	287	679	384	42.7	39.3
Mar.....	1,417	1,110	307	1,399	1,032	367	1,057	594	463	244	573	389	43.6	39.6
Apr.....	1,367	1,055	312	1,266	986	280	1,061	599	462	237	628	394	43.3	39.8
May.....	1,422	1,065	357	1,360	934	426	1,055	603	452	260	541	399	43.8	40.2
June.....	1,510	1,139	371	1,355	1,039	316	1,066	611	455	233	582	406	46.2	40.5
July.....	1,391	1,130	261	1,248	991	257	1,070	620	450	224	609	410	45.1	40.7
Aug.....	1,542	1,195	347							244				

<sup>1</sup> Merchant builders only.

NOTE.—All series except prices, seasonally adjusted. Annual rates for starts, completions, mobile home shipments, and sales. Census data except

for mobile homes, which are private, domestic shipments as reported by the Mobile Home Manufactured Housing Institute 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 nonagricultural industries	In agriculture		
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
1974.....	150,827	57,587	93,240	91,011	85,935	82,443	3,492	5,076	5.6
1975.....	153,449	58,655	94,793	92,613	84,783	81,403	3,380	7,830	8.5
1975—Sept.....	154,052	59,087	95,298	93,128	85,158	81,646	3,512	7,970	8.6
Oct.....	154,256	58,825	95,377	93,213	85,151	81,743	3,408	8,062	8.6
Nov.....	154,476	59,533	95,272	93,117	85,178	81,877	3,301	7,939	8.5
Dec.....	154,700	59,812	95,286	93,129	85,394	82,158	3,236	7,735	8.3
1976—Jan.....	154,915	60,110	95,624	93,484	86,194	82,851	3,343	7,290	7.8
Feb.....	155,106	60,163	95,601	93,455	86,319	83,149	3,170	7,136	7.6
Mar.....	155,325	60,065	95,866	93,719	86,692	83,513	3,179	7,027	7.5
Apr.....	155,516	59,898	96,583	94,439	87,399	83,982	3,417	7,040	7.5
May.....	155,711	59,988	96,699	94,557	87,697	84,368	3,329	6,860	7.3
June.....	155,925	57,674	96,780	94,643	87,500	84,206	3,294	7,143	7.5
July.....	156,142	56,817	97,473	95,333	87,907	84,566	3,341	7,426	7.8
Aug.....	156,367	57,530	97,634	95,487	87,981	84,557	3,424	7,506	7.9
Sept.....	156,595	59,476	97,348	95,203	87,819	84,533	3,286	7,384	7.8

<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 and public utilities	Trade	Finance	Service	Government
1970.....	70,920	19,349	623	3,536	4,504	15,040	3,687	11,621	12,561
1971.....	71,216	18,572	603	3,639	4,457	15,352	3,802	11,903	12,887
1972.....	73,711	19,090	622	3,831	4,517	15,975	3,943	12,392	13,340
1973.....	76,896	20,068	644	4,015	4,644	16,674	4,091	13,021	13,739
1974.....	78,413	20,046	694	3,957	4,696	17,017	4,208	13,617	14,177
1975.....	76,987	18,342	745	3,462	4,499	16,949	4,473	13,996	14,771
SEASONALLY ADJUSTED									
1975—Sept.....	77,310	18,417	752	3,432	4,467	17,045	4,239	14,113	14,845
Oct.....	77,555	18,493	774	3,402	4,476	17,043	4,246	14,157	14,964
Nov.....	77,574	18,482	766	3,409	4,496	17,010	4,248	14,188	14,975
Dec.....	77,796	18,568	769	3,406	4,477	17,080	4,264	14,229	15,003
1976—Jan.....	78,179	18,722	764	3,428	4,494	17,233	4,266	14,307	14,965
Feb.....	78,368	18,763	763	3,375	4,517	17,326	4,266	14,360	14,998
Mar.....	78,630	18,877	770	3,366	4,498	17,386	4,276	14,422	15,035
Apr.....	78,963	18,973	772	3,399	4,510	17,444	4,293	14,498	15,074
May.....	78,923	18,964	773	3,386	4,498	17,439	4,278	14,514	15,071
June.....	78,943	18,950	779	3,362	4,477	17,460	4,297	14,557	15,061
July.....	79,176	18,933	788	3,373	4,500	17,567	4,303	14,623	15,089
Aug.....	79,317	18,968	749	3,344	4,500	17,611	4,315	14,696	15,134
Sept. <sup>a</sup> .....	79,561	19,113	788	3,331	4,495	17,641	4,345	14,755	15,093
NOT SEASONALLY ADJUSTED									
1975—Sept.....	77,614	18,694	758	3,659	4,503	17,084	4,243	14,113	14,560
Oct.....	78,193	18,687	763	3,620	4,503	17,136	4,238	14,185	15,061
Nov.....	78,339	18,635	763	3,522	4,509	17,313	4,235	14,174	15,188
Dec.....	78,527	18,584	763	3,338	4,477	17,737	4,243	14,158	15,227
1976—Jan.....	77,091	18,495	756	3,061	4,440	17,026	4,223	14,049	15,041
Feb.....	77,339	18,545	752	3,014	4,445	16,926	4,228	14,188	15,241
Mar.....	77,906	18,679	759	3,103	4,462	17,028	4,246	14,307	15,322
Apr.....	78,688	18,813	766	3,270	4,474	17,295	4,276	14,498	15,296
May.....	79,115	18,872	775	3,386	4,494	17,405	4,278	14,616	15,289
June.....	79,900	19,117	795	3,523	4,531	17,552	4,344	14,775	15,168
July.....	78,891	18,821	804	3,582	4,540	17,517	4,368	14,784	14,475
Aug.....	79,170	19,160	763	3,611	4,527	17,552	4,371	14,814	14,372
Sept. <sup>a</sup> .....	79,859	19,396	794	3,511	4,531	17,681	4,349	14,755	14,802

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 1973, series has been adjusted to Mar. 1974 benchmark.



## GROSS NATIONAL PRODUCT

(In billions of dollars)

Item	1950	1970	1972	1973	1974	1975	1975			1976	
							II	III	IV	I	II
<b>Gross national product</b> .....	<b>286.2</b>	<b>982.4</b>	<b>1,171.1</b>	<b>1,306.6</b>	<b>1,413.2</b>	<b>1,516.3</b>	<b>1,482.3</b>	<b>1,548.7</b>	<b>1,588.2</b>	<b>1,636.2</b>	<b>1,675.2</b>
<i>Final purchases</i> .....	279.4	978.6	1,161.7	1,288.6	1,402.5	1,531.0	1,512.3	1,550.6	1,592.5	1,621.4	1,659.2
<b>Personal consumption expenditures</b> .....	<b>192.0</b>	<b>618.8</b>	<b>733.0</b>	<b>809.9</b>	<b>887.5</b>	<b>973.2</b>	<b>960.3</b>	<b>987.3</b>	<b>1,012.0</b>	<b>1,043.6</b>	<b>1,064.7</b>
Durable goods.....	30.8	84.9	111.2	123.7	121.6	131.7	127.0	136.0	141.8	151.4	155.0
Nondurable goods.....	98.2	264.7	299.3	333.8	376.2	409.1	405.8	414.6	421.6	429.1	434.8
Services.....	63.0	269.1	322.4	352.3	389.6	432.4	427.4	436.7	448.6	463.2	474.9
<b>Gross private domestic investment</b> .....	<b>53.8</b>	<b>140.8</b>	<b>188.3</b>	<b>220.0</b>	<b>215.0</b>	<b>183.7</b>	<b>164.4</b>	<b>196.7</b>	<b>201.4</b>	<b>229.6</b>	<b>239.2</b>
<i>Fixed investment</i> .....	47.0	137.0	178.8	202.1	204.3	198.3	194.3	198.6	205.7	214.7	223.2
<i>Nonresidential</i> .....	27.1	100.5	116.8	136.0	149.2	147.1	145.8	146.1	148.7	153.4	157.9
Structures.....	9.3	37.7	42.5	49.0	54.1	52.0	51.2	51.8	52.1	53.2	54.9
Producers' durable equipment.....	17.8	62.8	74.3	87.0	95.1	95.1	94.6	94.3	96.6	100.2	103.0
Residential structures.....	19.9	36.6	62.0	66.1	55.1	51.2	48.6	52.6	57.0	61.3	65.3
Nonfarm.....	18.7	35.1	60.3	64.3	52.7	49.0	46.7	50.2	54.2	58.6	62.9
Change in business inventories.....	6.8	3.8	9.4	17.9	10.7	-14.6	-30.0	-2.0	-4.3	14.8	16.0
Nonfarm.....	6.0	3.7	8.8	14.7	12.2	-17.6	-31.2	-4.2	-9.5	12.7	17.3
<b>Net exports of goods and services</b> .....	<b>1.9</b>	<b>3.9</b>	<b>-3.3</b>	<b>7.1</b>	<b>7.5</b>	<b>20.5</b>	<b>24.4</b>	<b>21.4</b>	<b>21.0</b>	<b>8.4</b>	<b>9.3</b>
Exports.....	13.9	62.5	72.7	101.6	144.4	148.1	142.9	148.2	153.7	154.1	160.3
Imports.....	12.0	58.5	75.9	94.4	136.9	127.6	118.5	126.8	132.7	145.7	151.0
<b>Government purchases of goods and services</b> .....	<b>38.5</b>	<b>218.9</b>	<b>253.1</b>	<b>269.5</b>	<b>303.3</b>	<b>339.0</b>	<b>333.2</b>	<b>343.2</b>	<b>353.8</b>	<b>354.7</b>	<b>362.0</b>
<i>Federal</i> .....	18.7	95.6	102.1	102.2	111.6	124.4	122.4	124.6	130.4	129.2	131.2
National defense.....	14.0	73.5	73.5	73.5	77.3	84.3	83.4	84.6	87.1	86.2	86.0
Other.....	4.7	22.1	28.6	28.7	34.3	40.1	39.0	40.0	43.2	42.9	44.2
State local.....	19.8	123.2	151.0	167.3	191.6	214.5	210.9	218.6	223.4	225.5	230.9
<b>Gross national product in 1972 dollars</b> .....	<b>533.5</b>	<b>1,075.3</b>	<b>1,171.1</b>	<b>1,235.0</b>	<b>1,214.0</b>	<b>1,191.7</b>	<b>1,177.1</b>	<b>1,209.3</b>	<b>1,219.2</b>	<b>1,246.3</b>	<b>1,260.0</b>

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*, Jan. 1976.

## NATIONAL INCOME

(In billions of dollars)

Item	1950	1970	1972	1973	1974	1975	1975			1976	
							II	III	IV	I	II
<b>National income</b> .....	<b>236.2</b>	<b>798.4</b>	<b>951.9</b>	<b>1,064.6</b>	<b>1,135.7</b>	<b>1,207.6</b>	<b>1,182.7</b>	<b>1,233.4</b>	<b>1,264.6</b>	<b>1,304.7</b>	<b>1,337.4</b>
<b>Compensation of employees</b> .....	<b>154.8</b>	<b>609.2</b>	<b>715.1</b>	<b>799.2</b>	<b>875.8</b>	<b>928.8</b>	<b>912.9</b>	<b>935.2</b>	<b>963.1</b>	<b>994.4</b>	<b>1,017.2</b>
<i>Wages and salaries</i> .....	147.0	546.5	633.8	701.2	764.5	806.7	792.8	811.7	836.4	861.5	881.1
Private.....	124.4	430.5	496.2	552.6	604.1	630.8	619.0	634.4	654.1	676.1	692.4
Government and gov't. enterprises.....	22.6	116.0	137.6	148.6	160.4	175.8	173.8	177.3	182.2	185.4	188.7
<i>Supplements to wages and salaries</i> .....	7.8	62.7	81.4	98.0	111.3	122.1	120.1	123.5	126.7	132.9	136.2
Employer contributions for social insurance.....	4.2	30.7	39.4	49.3	55.8	59.7	58.7	60.2	61.6	65.9	67.1
Other labor income.....	3.7	32.0	42.0	48.7	55.5	62.5	61.4	63.3	65.2	67.1	69.0
<b>Proprietors' income with inventory valuation and capital consumption adjustments</b> .....	<b>38.4</b>	<b>65.1</b>	<b>76.1</b>	<b>92.4</b>	<b>86.9</b>	<b>90.2</b>	<b>86.8</b>	<b>95.5</b>	<b>97.2</b>	<b>93.2</b>	<b>100.3</b>
Business and professional.....	24.9	51.2	58.1	60.4	61.1	65.3	62.7	66.3	69.0	71.4	72.8
Farm.....	13.5	13.9	18.0	32.0	25.8	24.9	24.1	29.2	28.3	21.9	27.5
<b>Rental income of persons with capital consumption adjustment</b> .....	<b>7.1</b>	<b>18.6</b>	<b>21.5</b>	<b>21.6</b>	<b>21.0</b>	<b>22.4</b>	<b>22.3</b>	<b>22.4</b>	<b>22.9</b>	<b>23.3</b>	<b>23.1</b>
<b>Corporate profits and inventory valuation adjustment and without capital consumption adjustment</b> .....	<b>37.6</b>	<b>66.4</b>	<b>89.6</b>	<b>97.2</b>	<b>87.8</b>	<b>103.1</b>	<b>97.9</b>	<b>117.9</b>	<b>119.1</b>	<b>129.6</b>	<b>131.8</b>
<i>Profits before tax</i> .....	42.6	71.5	96.2	115.8	127.6	114.5	105.8	126.9	131.3	141.1	146.2
Profits tax liability.....	17.9	34.5	41.5	48.7	52.4	49.2	44.8	54.8	57.2	61.4	63.5
Profits after tax.....	24.7	37.0	54.6	67.1	75.2	65.3	61.0	72.1	74.1	79.7	82.7
Dividends.....	8.8	22.9	24.6	27.8	30.8	32.1	31.9	32.6	32.2	33.1	34.4
Undistributed profits.....	15.9	14.1	30.0	39.3	44.4	33.2	29.1	39.5	41.9	46.6	48.3
Inventory valuation adjustment.....	-5.0	-5.1	-6.6	-18.6	-39.8	-11.4	-7.8	-9.0	-12.3	-11.5	-14.4
Capital consumption adjustment.....	-4.0	1.5	2.5	1.9	-3.0	-11.6	-11.4	-12.6	-13.5	-14.5	-15.4
<b>Net interest</b> .....	<b>2.3</b>	<b>37.5</b>	<b>47.0</b>	<b>52.3</b>	<b>67.1</b>	<b>74.6</b>	<b>74.0</b>	<b>74.9</b>	<b>75.8</b>	<b>78.6</b>	<b>80.3</b>

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	1950	1970	1972	1973	1974	1975	1975			1976	
							II	III	IV	I	II
Gross national product	286.2	982.4	1,171.1	1,306.6	1,413.2	1,516.3	1,482.3	1,548.7	1,588.2	1,636.2	1,675.2
Less: Capital consumption allowances with capital consumption adjustment	23.9	90.8	105.4	117.7	137.7	161.4	158.7	164.4	169.5	173.6	177.7
Indirect business tax and nontax liability	23.4	94.0	111.0	120.2	128.4	138.7	136.5	141.5	144.1	144.9	148.2
Business transfer payments	.8	4.0	4.7	5.4	5.6	6.3	6.2	6.4	6.6	6.8	7.0
Statistical discrepancy	2.0	-2.1	1.7	2.6	6.6	4.4	.1	5.1	6.1	7.2	5.8
Plus: Subsidies less current surplus of government enterprises	.1	2.7	3.6	3.9	.8	2.0	1.9	2.1	2.7	.9	.7
Equals: National income	236.2	798.4	951.9	1,064.6	1,135.7	1,207.6	1,182.7	1,233.4	1,264.6	1,304.7	1,337.4
Less: Corporate profits with inventory valuation and capital consumption adjustments	33.7	67.9	92.1	99.1	84.8	91.6	86.6	105.3	105.6	115.1	116.4
Net interest	2.3	37.5	47.0	52.3	67.1	74.6	74.0	74.9	75.8	78.6	80.3
Contributions for social insurance	7.1	58.7	73.6	91.5	103.4	109.7	108.1	110.3	112.6	119.3	121.4
Wage accruals less disbursements											
Plus: Government transfer payments to persons	14.4	75.9	99.4	113.5	134.6	168.9	169.3	172.7	176.0	181.8	180.6
Personal interest income	8.9	64.3	74.6	84.1	101.4	110.7	109.0	111.0	114.4	118.0	120.7
Dividends	8.8	22.9	24.6	27.8	30.8	32.1	31.9	32.6	32.2	33.1	34.4
Business transfer payments	.8	4.0	4.7	5.4	5.6	6.3	6.2	6.4	6.6	6.8	7.0
Equals: Personal income	226.1	801.3	942.5	1,052.4	1,153.3	1,249.7	1,230.3	1,265.5	1,299.7	1,331.3	1,362.0
Less: Personal tax and nontax payments	20.6	115.3	141.2	150.8	170.4	168.8	142.2	174.0	179.8	183.8	189.5
Equals: Disposable personal income	205.5	685.9	801.3	901.7	982.9	1,080.9	1,088.2	1,091.5	1,119.9	1,147.6	1,172.5
Less: Personal outlays	194.7	635.4	751.9	831.3	910.7	996.9	983.6	1,011.1	1,036.2	1,068.0	1,089.6
Personal consumption expenditures	192.0	618.8	733.0	809.9	887.5	973.2	960.3	987.3	1,012.0	1,043.6	1,064.7
Interest paid by consumer to business	2.3	15.5	17.9	20.2	22.2	22.8	22.4	22.8	23.3	23.4	23.9
Personal transfer payments to foreigners (Net)	.4	1.1	1.0	1.3	1.0	.9	.9	.9	.9	1.0	1.0
Equals: Personal saving	10.8	50.6	49.4	70.3	72.2	84.0	104.5	80.5	83.7	79.5	82.9
Disposable personal income in (1972) dollars	361.9	741.6	801.3	854.7	840.8	855.5	869.7	857.1	867.5	880.4	890.5

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

**PERSONAL INCOME**

(In billions of dollars)

Item	1974	1975	1975					1976							
			Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug. <sup>P</sup>
Total personal income	1153.3	1249.7	1267.5	1277.1	1290.8	1300.2	1308.2	1320.8	1331.4	1341.9	1352.5	1362.9	1370.4	1383.4	1389.5
Wage and salary disbursements	765.0	806.7	813.0	819.1	828.5	836.6	844.0	854.2	861.4	868.8	876.9	883.3	883.1	892.0	896.5
Commodity-producing industries	273.9	275.3	276.4	279.8	282.9	285.7	288.6	292.8	294.9	298.4	301.7	303.5	303.4	306.5	306.6
Manufacturing only	211.4	211.7	212.9	215.5	218.1	220.1	222.8	227.2	229.4	232.2	234.8	235.8	236.2	238.0	239.1
Distributive industries	184.4	195.6	197.9	198.2	200.9	202.5	203.5	206.5	208.8	209.8	212.3	213.9	212.4	214.9	215.7
Service industries	145.9	159.9	161.6	162.4	163.6	166.0	168.8	170.8	172.4	174.1	175.3	177.2	177.7	179.9	182.4
Government	160.9	175.8	177.1	178.8	181.1	182.4	183.2	184.2	185.4	186.6	187.6	188.7	189.6	190.7	191.7
Other labor income	55.5	62.5	63.3	63.9	64.5	65.2	65.8	66.4	67.1	67.7	68.4	69.0	69.7	70.4	71.1
Proprietors' income with inventory valuation and capital consumption adjustments	86.9	90.2	96.1	96.4	97.5	97.1	97.2	95.2	92.4	92.2	96.0	100.0	105.0	103.1	99.8
Business and professional	61.1	65.3	66.5	67.0	68.3	68.7	69.9	70.6	71.3	72.2	72.7	72.5	73.4	73.8	74.0
Farm	25.8	24.9	29.6	29.4	29.2	28.4	27.3	24.6	21.1	20.0	23.3	27.5	31.6	29.2	25.7
Rental income of persons with capital consumption adjustment	21.0	22.4	22.5	22.4	22.9	22.9	22.9	23.2	23.4	23.3	23.3	23.4	22.7	23.4	23.2
Dividends	30.8	32.1	32.6	32.9	32.9	32.9	30.8	32.9	33.3	33.0	33.4	33.9	35.9	35.2	35.4
Personal interest income	101.4	110.7	110.9	112.1	113.2	114.4	115.5	116.7	117.9	119.3	120.0	120.7	121.5	123.0	125.8
Transfer payments	140.3	175.2	179.3	180.7	182.1	182.1	183.4	185.3	189.2	191.3	188.7	187.1	186.8	191.3	192.9
Less: Personal contributions for social insurance	47.6	50.0	50.2	50.4	50.7	51.0	51.4	53.1	53.4	53.7	54.1	54.4	54.3	54.9	55.1
Nonagricultural income	1117.3	1213.4	1226.5	1236.1	1249.9	1260.0	1269.1	1284.4	1298.6	1310.1	1317.3	1323.3	1326.6	1341.8	1351.2
Agricultural income	36.0	36.3	41.0	41.0	40.9	40.2	39.1	36.4	32.8	31.8	35.2	39.6	43.8	41.6	38.3

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







## 1. U.S. INTERNATIONAL TRANSACTIONS—SUMMARY

(In millions of dollars. Quarterly figures are seasonally adjusted except as noted.¹)

Line	Credits (+), debits (-)	1973	1974	1975 <sup>r</sup>	1975 <sup>r</sup>			1976	
					II	III	IV	I <sup>r</sup>	II <sup>r</sup>
1	Merchandise exports	71,410	98,310	107,088	25,851	26,562	27,657	26,836	28,450
2	Merchandise imports	70,499	103,679	98,058	22,568	24,483	25,437	28,510	29,735
3	Merchandise trade balance <sup>2</sup>	911	-5,369	9,030	3,283	2,079	2,220	-1,674	-1,285
4	Military transactions, net	-2,287	-2,083	-883	-378	-115	12	-5	-13
5	Investment income, net	5,178	10,227	6,007	1,531	1,682	1,670	2,279	2,157
6	Other service transactions, net	102	812	2,163	648	619	455	458	715
7	Balance on goods and services <sup>3</sup>	3,905	3,586	16,316	5,084	4,265	4,357	1,058	1,574
8	Unilateral transfers	-3,883	-7,185	-4,620	-1,146	-1,044	-1,251	-1,118	-872
9	Remittances, pensions, and other transfers	-1,945	-1,710	-1,727	-434	-429	-433	-483	-441
10	U.S. Government grants (excluding military)	-1,938	-5,475	-2,893	-712	-615	-818	-635	-431
11	Balance on current account	22	-3,598	11,697	3,938	3,221	3,106	-60	702
12	Not seasonally adjusted				3,934	513	4,305	1,479	625
13	U.S. Govt. capital transactions, other than official reserve assets, net (outflow, -)	-1,492	1,089	-1,731	-422	-401	-453	798	-234
14	Change in U.S. official reserve assets (increase, -)	209	-1,434	-607	-29	-342	89	-773	-1,578
15	Gold	9	-172	-66	-16	-25	-21	-45	14
16	SDR's	-3	-1,265	-466	-7	-95	-57	-237	-798
17	Reserve position in IMF	233	3	-75	-6	-222	167	-491	-794
18	Foreign currencies								
19	Change in U.S. private assets abroad (increase, -)	-13,998	-32,323	-27,523	-7,074	-3,297	-10,375	-8,615	-6,228
20	Bank-reported claims	-5,980	-19,494	-13,487	-3,820	-617	-5,348	-3,582	-4,665
21	Long-term	-933	-1,183	-2,373	-381	-608	-943	-250	-338
22	Short-term	-5,047	-18,311	-11,114	-3,439	-9	-4,405	-3,332	-4,327
23	Nonbank-reported claims	-2,378	-3,221	-1,521	59	-972	-972	-751	-579
24	Long-term	-396	-474	-441	55	-139	-379	-187	233
25	Short-term	-1,982	-2,747	-1,081	4	-833	-593	-564	-812
26	U.S. purchase of foreign securities, net	-671	-1,854	-6,206	-979	-938	-2,361	-2,525	-1,448
27	U.S. direct investments abroad, net	-4,968	-7,753	-6,307	-2,334	-770	-1,694	-1,757	463
28	Change in foreign official assets in the United States (increase, +)	5,145	10,257	5,166	1,913	-1,977	2,272	2,460	3,162
29	U.S. Treasury securities	114	3,282	4,338	818	-2,847	1,069	1,998	2,151
30	Other U.S. Govt. obligations	582	902	891	65	25	307	68	316
31	Other U.S. liabilities reported by U.S. banks	4,126	5,818	-2,158	591	320	134	-275	4
32	Other foreign official assets	323	254	2,095	439	525	762	669	691
33	Change in foreign private assets in the United States (increase, +)	12,220	21,452	8,427	1,576	4,313	3,103	1,454	3,197
34	U.S. bank-reported liabilities	4,702	16,017	647	776	1,639	691	675	3,586
35	Long-term	227	9	-300	-287	-114	146	-91	23
36	Short-term	4,475	16,008	947	1,063	1,753	545	766	3,563
37	U.S. nonbank-reported liabilities	1,035	1,615	171	58	-141	-68	24	-479
38	Long-term	298	-212	345	77	-99	10	-332	-308
39	Short-term	737	1,827	-174	-19	-42	-78	356	-171
40	Foreign private purchases of U.S. Treasury securities, net	-214	697	2,667	-423	2,125	213	453	-586
41	Foreign purchases of other U.S. securities, net	4,041	378	2,505	385	738	1,038	1,030	130
42	Foreign direct investments in the United States, net	2,656	2,745	2,437	780	-48	1,229	-728	547
43	Allocations of SDR's								
44	Discrepancy	-2,107	4,557	4,570	98	-1,517	2,258	4,736	979
45	Owing to seasonal adjustments				-39	-2,561	1,275	1,348	-108
46	Statistical discrepancy in recorded data before seasonal adjustment	-2,107	4,557	4,570	137	1,044	983	3,388	1,087
	<b>Memoranda:</b>								
	Changes in official assets:								
47	U.S. official reserve assets (increase, -)	209	-1,434	-607	-29	-342	89	-773	-1,578
48	Foreign official assets in the U.S. (increase, +)	5,145	10,257	5,166	1,913	-1,977	2,272	2,460	3,162
49	Transfers under military grant programs (excluded from lines 1, 4, and 10 above)	2,809	1,817	2,232	1,202	56	177	50	95

<sup>1</sup> Seasonal factors are no longer calculated for capital transactions—lines 14 through 49.

<sup>2</sup> Adjusted to a balance of payments basis; among other adjustments, excludes military transactions and includes imports into the Virgin Islands.

<sup>3</sup> Differs from the definition of "net exports of goods and services" in the national income and product (GNP) account. The GNP definition

excludes special military sales from exports and U.S. Govt. interest payments from imports.

NOTE.—Data are from U.S. Dept. of Commerce, Bureau of Economic Analysis, *Survey of Current Business*. A detailed description of items in this revised format of U.S. International Transactions will appear in a future issue of the BULLETIN.

## 2. MERCHANDISE EXPORTS AND IMPORTS

(Seasonally adjusted; in millions of dollars)

	Exports <sup>1</sup>				Imports <sup>2</sup>				Trade balance			
	1973	1974	1975	1976	1973	1974 <sup>3</sup>	1975	1976	1973	1974 <sup>3</sup>	1975	1976
<b>Month:</b>												
Jan.....	4,955	7,150	9,374	9,103	5,244	6,498	9,633	9,176	-289	+652	-259	-73
Feb.....	5,070	7,549	8,756	8,800	5,483	7,318	7,927	8,941	-413	+231	+829	-141
Mar.....	5,311	7,625	8,681	8,956	5,414	7,742	7,467	9,607	-103	-117	+1,215	-651
Apr.....	5,494	8,108	8,649	9,394	5,360	8,025	7,959	9,596	+133	+83	+690	-202
May.....	5,561	7,652	8,222	9,578	5,703	8,265	7,263	9,182	-142	-612	+958	+396
June.....	5,728	8,317	8,716	9,716	5,775	8,577	7,103	10,094	-47	-260	+1,613	-377
July.....	5,865	8,307	8,871	10,022	5,829	8,922	7,832	10,849	+37	-615	+1,039	-827
Aug.....	6,042	8,379	8,980	9,688	6,011	9,267	7,877	10,446	+32	-888	+1,103	-758
Sept.....	6,420	8,399	9,104	.....	5,644	8,696	8,196	.....	+776	-297	+908	.....
Oct.....	6,585	8,673	9,226	.....	5,996	8,773	8,169	.....	+589	-100	+1,056	.....
Nov.....	6,879	8,973	9,409	.....	6,684	8,973	8,201	.....	+195	.....	+1,208	.....
Dec.....	6,949	8,862	9,250	.....	6,291	9,257	8,522	.....	+658	-395	+728	.....
<b>Quarter:</b>												
I.....	15,336	22,325	26,811	26,859	16,140	21,558	25,026	27,723	-804	+767	+1,785	-864
II.....	16,783	24,077	25,586	28,688	16,839	24,867	22,325	28,872	-56	-790	+3,261	-184
III.....	18,327	25,085	26,955	.....	17,483	26,885	23,904	.....	+844	-1,800	+3,051	.....
IV.....	20,413	26,508	27,885	.....	18,972	27,003	24,892	.....	+1,441	-495	+2,993	.....
<b>Year<sup>4</sup>.....</b>	<b>70,823</b>	<b>97,908</b>	<b>107,130</b>	<b>.....</b>	<b>69,476</b>	<b>100,251</b>	<b>96,116</b>	<b>.....</b>	<b>+1,347</b>	<b>-2,343</b>	<b>11,014</b>	<b>.....</b>

<sup>1</sup> Exports of domestic and foreign merchandise (f.a.s. value basis); excludes Department of Defense shipments under military grant-aid programs.

<sup>2</sup> General imports, which includes imports for immediate consumption plus entries into bonded warehouses. See also note 3.

<sup>3</sup> Beginning with 1974 data, imports are reported on an f.a.s. transactions value basis; prior data are reported on a Customs import value

basis. For calendar year 1974, the f.a.s. import transactions value was \$100.3 billion, about 0.7 per cent less than the corresponding Customs import value of \$101.0 billion.

<sup>4</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>		Convertible foreign currencies	Reserve position in IMF	SDR's <sup>3</sup>	End of month	Total	Gold stock		Convertible foreign currencies	Reserve position in IMF	SDR's <sup>3</sup>
		Total <sup>2</sup>	Treasury						Total <sup>2</sup>	Treasury			
1961...	18,753	16,947	16,889	116	1,690	.....	1975—						
1962...	17,220	16,057	15,978	99	1,064	.....	Sept.....	16,291	11,599	11,599	247	2,144	2,301
1963...	16,843	15,596	15,513	212	1,035	.....	Oct.....	16,369	11,599	11,599	413	2,192	2,365
1964...	16,672	15,471	15,388	432	769	.....	Nov.....	16,592	11,599	11,599	423	2,234	2,336
							Dec.....	16,226	11,599	11,599	80	2,212	2,335
1965...	15,450	13,806	13,733	781	863	.....	1976—						
1966...	14,882	13,235	13,159	1,321	326	.....	Jan.....	16,622	11,599	11,599	333	2,314	2,376
1967...	14,830	12,065	11,982	2,345	420	.....	Feb.....	16,661	11,599	11,599	296	2,390	2,376
1968...	15,710	10,892	10,367	3,528	1,290	.....	Mar.....	16,941	11,599	11,599	571	2,420	2,351
1969...	16,964	11,859	10,367	4,278	2,324	.....	Apr.....	17,437	11,598	11,598	936	2,378	2,325
							May.....	17,958	11,598	11,598	938	3,113	2,309
1970...	14,487	11,072	10,732	629	1,935	851	June.....	18,477	11,598	11,598	1,365	3,198	2,316
1971...	512,167	10,206	10,132	5,276	585	1,100	July.....	18,246	11,598	11,598	864	3,466	2,318
1972 <sup>5</sup> ...	13,151	10,487	10,410	241	465	1,958	Aug.....	18,586	11,598	11,598	845	3,818	2,325
1973 <sup>7</sup> ...	14,378	11,652	11,567	8	552	2,166	Sept.....	18,946	11,598	11,598	1,039	3,952	2,357
1974...	15,883	11,652	11,652	5	1,852	2,374							

<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> 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>5</sup> Includes \$28 million increase in dollar value of foreign currencies revalued to reflect market exchange rates as of Dec. 31, 1971.

<sup>6</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>7</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 (Treas. gold stock \$1,157 million), reserve position in IMF \$54 million, and SDR's \$217 million.

<sup>8</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 = \$1.20635) SDR holdings at end of September amounted to \$2,453 million, reserve position in IMF, \$4,034 million, and total U.S. reserves assets, \$19,124.

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.

4. 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>	Int'l. 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	707	1,470	791	82	65	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	791	1,638	834	87	69	92
1973	49,850	6,478	11,652	31,720	231	169	312	881	1,781	927	97	77	103
1974	49,800	6,478	11,652	31,670	231	169	312	882	1,781	927	97	76	103
1975—Sept.	49,750	6,478	11,599	31,675	231	169	312	882	1,781	927	97	76	103
Oct.		6,478	11,599		231	169	312	882	1,781	927	97	76	103
Nov.		6,478	11,599		231	169	312	882	1,781	927	97	76	103
Dec.	49,740	6,478	11,599	31,665	231	169	312	882	1,781	927	97	76	103
1976—Jan.		6,478	11,599		231	169	312	882	1,781	927	97	76	103
Feb.		6,478	11,599		231	169	312	882	1,781	927	97	76	103
Mar.	49,490	6,478	11,599	31,415	231	169	312	882	1,781	916	94	76	103
Apr.		6,478	11,598		231	169	312	882	1,781	916	94	76	103
May		6,478	11,598		231	169	312	882	1,781	916	94	76	103
June	49,565	6,448	11,598	31,520	231	169	312	882	1,781	916	98	76	103
July		6,412	11,598		231		312	882	1,781	916	98	76	103
Aug. <sup>2</sup>		6,412	11,598		231		312	882	1,781	916	98	76	103
					231		312	882	1,781	916		76	103

End of period	France	Germany	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	4,261	4,966	148	293	159	173	3,483	891	120	388	103	196	2,294
1974	4,262	4,966	152	293	158	173	3,483	891	148	389	103	154	2,294
1975—Sept.	4,262	4,966	153	293	158	173	3,483	891	160	389	103	154	2,294
Oct.	4,262	4,966	153	293	158	173	3,483	891	160	389	103	154	2,294
Nov.	4,262	4,966	153	293	158	173	3,483	891	160	389	103	154	2,294
Dec.	4,262	4,966	153	293	158	173	3,483	891	169	389	103	154	2,294
1976—Jan.	4,262	4,966	153	293	158	173	3,483	891	169	389	103	152	2,294
Feb.	4,262	4,966	153	293	158	173	3,483	891	176		103	152	2,294
Mar.	4,262	4,966	153	293	158	173	3,483	891	176		103	152	2,294
Apr.	4,262	4,966	153	293	158	173	3,483	891	183		103		2,294
May	4,262	4,966	153	293	158	173	3,483	891	214		103		2,294
June	4,263	4,966	153	293	158	173	3,483	891	192		103		2,294
July	4,266	4,966	154		158	173	3,483	891	192		103		2,294
Aug. <sup>2</sup>	4,266	4,966	154		158		3,483	891	192		103		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	82	126	1,348	162	384	-282
1971	55	921	108	410	498	200	2,909	82	130	777	148	391	310
1972	60	1,021	117	681	541	217	3,158	89	136	801	133	425	218
1973	67	1,163	129	802	602	244	3,513	99	151	887	148	472	235
1974	67	1,175	129	771	602	244	3,513	99	151	888	148	472	250
1975—Sept.	67	1,175	129	762	602	244	3,513	99	151	888	135	472	254
Oct.	67	1,175	129	754	602	244	3,513	99	151	888	135	472	256
Nov.	67	1,175	129	752	602	244	3,513	99	151	888	135	472	259
Dec.	67	1,170	129	749	602	244	3,513	99	151	888	135	472	246
1976—Jan.	67	1,170	129	753	602	244	3,513	99	151	888	135	472	213
Feb.	67	1,170	129	749	602	244	3,513	99	151	888	135	472	205
Mar.	67	1,170	129	543	602	244	3,513	99	151	888	135	472	206
Apr.	69	1,170	129	539	602	244	3,513	99	151	888	135	472	231
May	69	1,170	129	538	602	244	3,513	99	151	888	135	472	245
June	69	1,170	129	540	602	244	3,514	99	151	888	135	472	290
July	69		129	540	602	244	3,514	99	151			472	298
Aug. <sup>2</sup>	69		129	544		244	3,517	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 People's Republic of China.  
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 assets minus gold deposit liabilities.  
<sup>3</sup> Reflects South African Reserve Bank sale of gold spot and repurchase forward.

### 5. U.S. 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 commercial banks abroad <sup>6</sup>	Liquid liabilities to other foreigners			
			Total	Short-term liabilities reported by banks in U.S.	Marketable U.S. Treas. bonds and notes <sup>3</sup>	Non-marketable U.S. Treas. bonds and notes <sup>4</sup>	Other readily marketable liabilities <sup>5</sup>		Total	Short-term liabilities reported by banks in U.S.	Marketable U.S. Treas. bonds and notes <sup>3,7</sup>	
1964.....	29,364	800	15,786	13,220	1,125	1,283	158	7,303	3,753	3,377	376	1,722
1965.....	29,568	834	15,825	13,066	1,105	1,534	120	7,419	4,059	3,587	472	1,431
1966 <sup>9</sup> .....	(31,144 31,019)	(1,011 1,011)	(14,840 14,895)	(12,484 12,539)	(860 860)	(583 583)	(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)	(14,201 18,194)	(14,034 14,027)	(908 908)	(1,452 1,452)	(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)	(3,219 3,219)	(2,341 2,341)	(14,472 14,472)	(5,053 4,909)	(4,444 4,444)	(609 465)	(725 722)
1969 <sup>9</sup> .....	<sup>10</sup> (45,755 45,914)	(1,109 1,019)	<sup>10</sup> (15,975 15,998)	(11,054 11,077)	(346 346)	<sup>10</sup> (3,070 3,070)	(1,505 1,505)	(23,638 23,645)	(4,464 4,589)	(3,939 4,064)	(525 525)	(659 663)
1970—Dec.....	(47,009 46,960)	(566 566)	(23,786 23,775)	(19,333 19,333)	(306 295)	(3,452 3,452)	(695 695)	(17,137 17,169)	(4,676 4,604)	(4,029 4,039)	(647 565)	(844 846)
1971—Dec. 11.....	(67,681 67,808)	(544 544)	(51,209 50,651)	(39,679 39,018)	(1,955 1,955)	(9,431 9,534)	(144 144)	(10,262 10,949)	(4,138 4,141)	(3,691 3,694)	(447 447)	(1,528 1,523)
1972—Dec.....	82,862	.....	61,526	40,000	5,236	15,747	543	14,666	5,043	4,618	425	1,627
1973—Dec.....	92,490	.....	66,861	44,923	5,701	12,564	1,673	17,694	5,932	5,502	430	2,003
1974—Dec. 9.....	(119,240 119,204)	.....	(76,801 76,823)	(53,057 53,079)	(5,059 5,059)	(16,339 16,339)	(2,346 2,346)	(30,314 30,146)	(8,803 8,913)	(8,305 8,415)	(498 498)	(3,322 3,322)
1975—Aug.....	124,843	.....	79,911	50,150	6,472	19,466	3,999	30,422	9,621	8,950	671	4,889
Sept.....	123,949	.....	78,762	48,594	6,644	19,666	4,030	30,360	9,854	9,153	701	4,973
Oct.....	124,101	.....	80,676	50,111	6,485	19,666	4,255	28,527	9,971	9,232	739	4,927
Nov.....	127,208	.....	80,198	49,634	6,640	19,976	4,353	32,266	10,200	9,490	710	4,544
Dec.....	126,593	.....	80,650	49,513	6,599	19,976	4,521	29,556	10,759	10,028	731	5,628
1976—Jan.....	128,196	.....	81,198	49,487	6,851	20,051	4,809	30,964	10,504	9,766	738	5,530
Feb.....	131,841	.....	82,326	50,429	7,027	20,051	4,819	33,149	10,808	10,060	748	5,558
Mar.....	129,724	.....	82,561	49,634	7,757	20,051	5,119	30,512	10,922	10,118	804	5,729
Apr.....	136,714	.....	84,205	50,538	8,187	20,151	5,329	35,256	11,579	10,758	821	5,674
May.....	139,126	.....	85,630	51,606	8,450	20,151	5,423	36,476	11,361	10,557	804	5,659
June.....	135,234	.....	85,129	50,023	9,167	20,251	5,688	32,654	11,504	10,646	858	5,947
July <sup>p</sup> .....	139,135	.....	85,815	50,467	9,417	20,151	5,780	34,762	11,820	10,932	888	6,738
Aug. <sup>p</sup> .....	138,759	.....	86,679	51,289	9,737	19,801	5,852	32,833	12,206	11,238	968	7,039

<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 Bank for International Settlements; also includes European Fund through Dec. 1972.

<sup>3</sup> Derived by applying reported transactions to benchmark data.

<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 2 lines shown for this date differ because of changes in reporting coverage. Figures on first line are comparable with those

shown for the preceding date; figures on second line are comparable with those shown for the following date.

<sup>10</sup> Includes \$101 million increase in dollar value of foreign currency liabilities resulting from revaluation of the German mark in Oct. 1969.

<sup>11</sup> Data on the second line differ from those on first line because certain accounts previously classified as official institutions are included with banks; a number of reporting banks are included in the series for the first time; and U.S. Treasury securities payable in foreign currencies issued to official institutions of foreign countries have been increased in value to reflect market exchange rates as of Dec. 31, 1971.

<sup>12</sup> Includes \$162 million increase in dollar value of foreign currency liabilities revalued to reflect market exchange rates, as follows: short-term liabilities, \$15 million; and nonmarketable U.S. Treasury notes, \$147 million.

NOTE.—Based on Treasury Dept. data and on data reported to the Treasury Dept. by banks and brokers in the United States. Table excludes IMF holdings of dollars, and 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. 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>
1972.....	61,526	34,197	4,279	1,733	17,577	777	2,963
1973.....	66,861	45,764	3,853	2,544	10,887	788	3,025
1974—Dec. <sup>3</sup> .....	76,801 76,823	44,328 44,328	3,662 3,662	4,419 4,419	18,604 18,626	3,161 3,161	2,627 2,627
1975—Aug.....	79,911	44,301	2,929	4,937	21,379	3,392	2,973
Sept.....	78,762	43,858	3,003	4,840	21,153	3,145	2,763
Oct.....	80,676	45,354	3,044	4,254	22,406	3,018	2,600
Nov.....	80,198	45,095	3,218	4,056	22,263	2,951	2,615
Dec.....	80,650	45,676	3,132	4,448	22,514	2,983	1,897
1976—Jan.....	81,198	45,741	3,416	3,552	23,780	2,724	1,985
Feb.....	82,326	45,091	3,645	3,377	25,462	2,731	2,020
Mar.....	82,561	45,583	3,663	3,779	26,911	2,718	1,907
Apr.....	84,205	43,581	3,600	3,850	28,596	2,805	1,773
May.....	85,630	43,247	3,590	3,827	30,047	3,141	1,777
June.....	85,130	42,425	3,578	4,104	29,879	3,245	1,898
July <sup>p</sup> .....	85,815	42,321	3,410	3,980	30,904	3,134	2,066
Aug. <sup>p</sup> .....	86,679	41,503	3,230	4,379	32,572	3,098	1,897

<sup>1</sup> Includes Bank for International Settlements; also includes European Fund through 1972.<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.

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.

NOTE.—Data represent short- and long-term liabilities to the official

### 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							IMF gold investment	To nonmonetary international and regional organizations <sup>3</sup>					
	Total <sup>1</sup>	Payable in dollars				Payable in foreign currencies	Total		Deposits		U.S. Treasury bills and certificates	Other short-term liab. <sup>6</sup>		
		Total	Deposits		U.S. Treasury bills and certificates <sup>3</sup>				Demand	Time <sup>2</sup>			Demand	Time <sup>2</sup>
			Demand	Time <sup>2</sup>										
1972.....	60,696	60,200	8,290	5,603	31,850	14,457	496	1,412	86	202	326	799		
1973.....	69,074	68,477	11,310	6,882	31,886	18,399	597	1,955	101	83	296	1,474		
1974.....	94,811	94,044	14,051	9,932	35,662	34,399	766	3,171	139	111	497	2,424		
1975—Aug.....	94,325	93,763	12,211	10,394	38,529	32,629	562	4,804	110	148	3,156	1,389		
Sept.....	93,008	92,454	13,402	10,170	36,653	32,230	554	4,901	107	127	3,008	1,659		
Oct.....	92,453	91,818	12,128	10,259	37,728	31,702	635	4,583	132	150	2,397	1,903		
Nov.....	95,861	95,221	12,810	10,076	37,268	35,068	637	4,471	145	156	1,605	2,563		
Dec.....	94,390	93,833	13,564	10,348	37,414	32,506	549	5,293	139	148	2,554	2,451		
1976—Jan.....	95,151	94,542	12,271	10,483	38,789	32,998	600	4,933	114	217	2,498	2,103		
Feb.....	98,159	97,505	13,350	10,222	39,763	34,169	642	4,520	118	162	2,435	1,806		
Mar.....	95,033	94,462	13,091	10,488	37,977	32,907	565	4,768	130	192	2,495	1,952		
Apr.....	102,070	101,303	14,244	10,235	39,430	37,394	763	5,519	140	193	2,739	2,446		
May.....	104,151	103,419	13,846	10,104	40,258	39,211	727	5,512	91	185	2,876	2,361		
June.....	98,688	97,997	14,135	9,973	38,257	35,632	687	5,360	258	160	2,236	2,706		
July.....	101,832	101,159	14,714	10,261	39,653	36,530	673	5,671	483	192	3,137	1,860		
Aug.....	100,999	100,305	14,227	10,210	40,974	34,894	686	5,631	379	148	3,475	1,629		

For notes see opposite 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>8</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>			
1973.....	67,119	11,209	6,799	31,590	16,925	597	43,923	2,125	3,911	31,511	6,248	127
1974—Dec.7.....	91,676 91,640	13,928 13,912	9,995 9,821	35,165 35,165	31,822 31,975	766 766	53,057 53,079	2,951 2,951	4,257 4,167	34,656 34,656	11,066 11,178	127 127
1975—Aug.....	89,522	12,101	10,245	35,373	31,240	562	50,150	2,493	4,102	35,102	8,453	.....
Sept.....	88,107	13,295	10,043	33,645	30,571	554	48,594	2,444	3,886	33,339	8,925	.....
Oct.....	87,870	11,996	10,109	35,330	29,800	635	50,111	2,448	3,877	35,004	8,782	.....
Nov.....	91,390	12,665	9,920	35,663	32,506	637	49,634	2,242	3,579	35,242	8,571	.....
Dec.....	89,097	13,426	10,200	34,860	30,063	549	49,513	2,644	3,423	34,182	9,264	.....
1976—Jan.....	90,217	12,158	10,266	36,291	30,903	600	49,487	2,445	3,291	35,645	8,106	.....
Feb.....	93,638	13,233	10,060	37,328	32,376	642	50,429	2,695	2,908	36,761	8,066	.....
Mar.....	90,264	12,962	10,242	35,482	30,959	565	49,634	2,671	2,767	34,989	9,207	.....
Apr.....	96,551	14,104	10,042	36,691	34,951	763	50,538	2,782	2,319	36,196	9,241	.....
May.....	98,638	13,755	9,919	37,382	36,855	727	51,606	2,799	2,400	36,859	9,547	.....
June.....	93,323	13,877	9,813	36,021	32,925	687	50,023	2,632	2,392	35,532	9,468	.....
July.....	96,161	14,231	10,069	36,517	34,677	667	50,402	2,912	2,251	35,964	9,275	.....
Aug.....	95,360	13,848	10,062	37,499	33,265	686	51,289	2,410	2,224	36,983	9,673	.....

End of period	To banks <sup>9</sup>					To other foreigners					To banks and other foreigners: Payable in foreign currencies		
	Total	Payable in dollars				Total	Payable in dollars						
		Total	Deposits		U.S. Treasury bills and certificates		Other short-term liab. <sup>4</sup>	Total	Deposits			U.S. Treasury bills and certificates	Other short-term liab. <sup>4</sup>
			Demand	Time <sup>2</sup>					Demand	Time <sup>2</sup>			
1973.....	23,196	17,224	6,941	529	11	9,743	5,502	2,143	2,359	68	933	469	
1974—Dec.7.....	38,619 38,560	29,676 29,507	8,248 8,231	1,942 1,910	232 232	19,254 19,134	8,304 8,414	2,729 2,729	3,796 3,744	277 277	1,502 1,664	639 639	
1975—Aug.....	39,371	29,860	6,903	1,623	88	21,245	8,950	2,705	4,520	183	1,542	562	
Sept.....	39,513	29,806	7,962	1,656	89	20,099	9,153	2,889	4,501	217	1,547	554	
Oct.....	37,759	27,891	6,780	1,565	100	19,446	9,232	2,769	4,666	226	1,572	635	
Nov.....	41,756	31,630	7,584	1,544	135	22,367	9,490	2,839	4,797	287	1,568	637	
Dec.....	39,584	29,006	7,534	1,942	335	19,195	10,029	3,248	4,835	342	1,604	549	
1976—Jan.....	40,730	30,364	6,809	1,979	369	21,208	9,766	2,904	4,996	277	1,588	600	
Feb.....	43,209	32,507	7,418	2,036	275	22,777	10,060	3,120	5,116	293	1,532	642	
Mar.....	40,630	29,947	7,248	2,268	217	20,215	10,118	3,044	5,261	276	1,538	565	
Apr.....	46,014	34,493	7,883	2,317	134	24,160	10,757	3,439	5,406	361	1,551	763	
May.....	47,033	35,749	7,737	2,092	151	25,769	10,557	3,219	5,427	372	1,538	727	
June.....	43,300	31,967	8,100	1,882	154	21,831	10,647	3,146	5,539	335	1,626	687	
July.....	45,760	34,096	8,012	2,278	155	23,651	10,997	3,307	5,541	398	1,751	667	
Aug.....	44,070	32,147	7,933	2,206	163	21,845	11,238	3,505	5,632	353	1,747	686	

<sup>1</sup> Data exclude IMF holdings of dollars.<sup>2</sup> Excludes negotiable time certificates of deposit, which are included in "Other short-term liabilities."<sup>3</sup> Includes nonmarketable certificates of indebtedness and Treasury bills issued to official institutions of foreign countries.<sup>4</sup> Includes liabilities of U.S. banks to their foreign branches, liabilities of U.S. agencies and branches of foreign banks to their head offices and foreign branches, bankers' acceptances, commercial paper, and negotiable time certificates of deposit.<sup>5</sup> Principally the International Bank for Reconstruction and Development and the Inter-American and Asian Development Banks.<sup>6</sup> Principally bankers' acceptances, commercial paper, and negotiable time certificates of deposit.<sup>7</sup> Data on the 2 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> Foreign central banks and foreign central govts. and their agencies, Bank for International Settlements, and European Fund through Dec. 1972.<sup>9</sup> Excludes central banks, which are included in "Official institutions."

NOTE.—"Short term" obligations are those 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 International Monetary Fund holdings of dollars; 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 nonnegotiable, noninterest-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—Continued

(End of period. Amounts outstanding; in millions of dollars)

Supplementary data<sup>7</sup>

Area and country	1974		1975		1976	Area and country	1974		1975		1976
	Apr.	Dec.	Apr.	Dec.	Apr. <sup>8</sup>		Apr.	Dec.	Apr.	Dec.	Apr. <sup>9</sup>
Other Western Europe:						Other Asia—Cont.:					
Cyprus.....	10	7	17	6	38	Cambodia.....	4	4	4	4	.....
Iceland.....	11	21	20	33	.....	Jordan.....	6	22	30	39	20
Ireland, Rep. of.....	53	29	29	75	39	Laos.....	3	3	5	2	2
Other Latin American republics:						Lebanon.....	68	126	180	117	.....
Bolivia.....	102	96	93	110	104	Malaysia.....	40	63	92	77	105
Costa Rica.....	88	118	120	125	69	Pakistan.....	108	91	118	74	89
Dominican Republic.....	137	128	214	169	149	Singapore.....	165	245	215	255	.....
Ecuador.....	90	122	157	120	.....	Sri Lanka (Ceylon).....	13	14	13	13	9
El Salvador.....	129	129	144	171	128	Vietnam.....	98	126	70	62	33
Guatemala.....	245	219	255	260	177	Other Africa:					
Haiti.....	28	35	34	38	36	Ethiopia (incl. Eritrea).....	118	95	76	60	70
Honduras.....	71	88	92	99	69	Ghana.....	22	18	13	23	.....
Jamaica.....	52	69	62	41	49	Kenya.....	20	31	32	19	37
Nicaragua.....	119	127	125	133	89	Liberia.....	29	39	33	53	61
Paraguay.....	40	46	38	43	43	Southern Rhodesia.....	1	2	3	1	1
Trinidad and Tobago.....	21	107	31	131	.....	Sudan.....	2	4	14	12	17
Other Latin America:						Tanzania.....	12	11	21	30	18
Bermuda.....	201	116	100	170	.....	Tunisia.....	17	19	23	29	33
British West Indies.....	354	449	627	1,311	.....	Uganda.....	11	13	38	22	.....
Other Asia:						Zambia.....	66	22	18	78	.....
Afghanistan.....	11	18	19	41	54	All other:					
Burma.....	42	65	49	31	.....	New Zealand.....	33	47	36	42	29

<sup>1</sup> Data in the 2 columns shown for this date differ because of changes in reporting coverage. Figures in the first column are comparable in coverage with those for the preceding date; figures in the second column are comparable with those shown for the following date.

<sup>2</sup> Includes Bank for International Settlements.

<sup>3</sup> Comprises Bahrain, Iran, Iraq, Kuwait, Oman, Qatar, Saudi Arabia, and United Arab Emirates (Trucial States).

<sup>4</sup> Comprises Algeria, Gabon, Libya, and Nigeria.

<sup>5</sup> Data exclude holdings of dollars of the International Monetary Fund.

<sup>6</sup> Asian, African, and European regional organizations, except BIS, which is included in "Europe."

<sup>7</sup> Represent a partial breakdown of the amounts shown in the other categories (except "Other Eastern Europe").

### 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	Total Europe	Total Latin America	Middle East <sup>2</sup>	Other Asia <sup>3</sup>	All other countries
1972.....	1,018	580	439	93	259	87	165	63	260	136	.....	33	10
1973.....	1,462	761	700	310	291	100	159	66	470	132	.....	83	16
1974.....	1,285	822	464	124	261	79	146	43	227	115	94	8	20
1975—Aug.....	1,586	372	1,214	871	263	81	120	61	222	123	839	7	23
Sept.....	1,608	395	1,213	873	261	79	118	61	221	121	841	7	23
Oct.....	1,525	311	1,212	868	261	83	118	61	226	126	832	6	24
Nov.....	1,561	297	1,263	894	286	83	115	66	231	147	857	12	24
Dec.....	1,812	415	1,395	931	364	100	214	66	331	140	894	8	24
1976—Jan.....	1,935	306	1,627	1,027	477	123	314	70	448	142	990	16	41
Feb.....	1,919	286	1,631	1,050	473	107	312	69	444	141	1,009	12	26
Mar.....	2,132	182	1,949	1,342	492	115	306	78	443	147	1,305	16	40
Apr.....	2,137	197	1,938	1,372	435	131	309	87	457	108	1,335	14	25
May.....	2,134	135	1,997	1,429	431	137	306	87	453	104	1,399	16	26
June.....	2,255	189	2,065	1,490	434	141	308	88	459	107	1,458	16	26
July.....	2,308	235	2,072	1,479	450	143	307	89	463	117	1,448	17	28
Aug. <sup>4</sup> .....	2,275	246	2,024	1,423	452	149	311	92	469	122	1,394	15	28

<sup>1</sup> Excludes central banks, which are included with "Official institutions."

<sup>2</sup> Comprises oil-exporting countries as follows: Bahrain, Iran, Iraq,

Kuwait, Oman, Qatar, Saudi Arabia, and United Arab Emirates (Trucial States).

<sup>3</sup> Until Dec. 1974 includes Middle East oil-exporting countries.



## 10. ESTIMATED FOREIGN HOLDINGS OF MARKETABLE U.S. TREASURY BONDS AND NOTES

(End of period; in millions of dollars)

Area and country	1974	1975					1976							
	Dec.	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	June	July <sup>a</sup>	Aug. <sup>a</sup>
<b>Europe:</b>														
Belgium-Luxembourg.....	10	14	14	14	13	13	13	13	13	14	13	12	11	9
Germany.....	9	210	217	216	216	215	212	238	247	228	225	227	221	324
Sweden.....	251	278	275	275	275	276	276	276	276	276	281	291	291	275
Switzerland.....	30	41	44	54	58	55	68	72	75	89	99	101	132	171
United Kingdom.....	493	520	501	441	414	363	374	370	386	389	349	380	368	383
Other Western Europe.....	88	102	114	152	165	159	209	213	381	465	472	551	577	572
Eastern Europe.....	5	5	5	5	4	4	4	4	4	4	4	4	4	4
<b>Total.....</b>	<b>885</b>	<b>1,169</b>	<b>1,170</b>	<b>1,157</b>	<b>1,145</b>	<b>1,085</b>	<b>1,156</b>	<b>1,186</b>	<b>1,382</b>	<b>1,465</b>	<b>1,443</b>	<b>1,566</b>	<b>1,604</b>	<b>1,738</b>
<b>Canada.....</b>	<b>713</b>	<b>406</b>	<b>404</b>	<b>400</b>	<b>402</b>	<b>395</b>	<b>395</b>	<b>418</b>	<b>419</b>	<b>425</b>	<b>340</b>	<b>340</b>	<b>341</b>	<b>337</b>
<b>Latin America:</b>														
Latin American republics...	12	13	13	13	33	33	33	33	33	33	34	34	39	39
Netherlands Antilles <sup>1</sup> .....	83	149	149	158	160	161	159	131	121	120	125	141	157	222
Other Latin America.....	5	5	5	6	6	6	7	7	7	7	7	7	7	10
<b>Total.....</b>	<b>100</b>	<b>167</b>	<b>168</b>	<b>177</b>	<b>199</b>	<b>200</b>	<b>200</b>	<b>171</b>	<b>161</b>	<b>160</b>	<b>166</b>	<b>182</b>	<b>203</b>	<b>271</b>
<b>Asia:</b>														
Japan.....	3,498	3,496	3,502	3,520	3,269	3,271	3,268	3,212	3,217	3,217	3,074	3,075	3,077	2,952
Other Asia.....	212	1,518	1,668	1,818	1,869	2,099	2,229	2,436	2,987	3,330	3,800	4,391	4,578	4,885
<b>Total.....</b>	<b>3,709</b>	<b>5,014</b>	<b>5,170</b>	<b>5,339</b>	<b>5,138</b>	<b>5,370</b>	<b>5,497</b>	<b>5,648</b>	<b>6,204</b>	<b>6,547</b>	<b>6,874</b>	<b>7,466</b>	<b>7,655</b>	<b>7,838</b>
<b>Africa.....</b>	<b>151</b>	<b>211</b>	<b>261</b>	<b>311</b>	<b>311</b>	<b>321</b>	<b>340</b>	<b>350</b>	<b>396</b>	<b>411</b>	<b>431</b>	<b>471</b>	<b>501</b>	<b>521</b>
<b>All other.....</b>														
<b>Total foreign countries.....</b>	<b>5,557</b>	<b>6,967</b>	<b>7,173</b>	<b>7,383</b>	<b>7,195</b>	<b>7,372</b>	<b>7,589</b>	<b>7,775</b>	<b>8,561</b>	<b>9,009</b>	<b>9,254</b>	<b>10,026</b>	<b>10,305</b>	<b>10,705</b>
<b>International and regional:</b>														
International.....	97	66	51	324	59	321	593	1,034	957	153	149	583	1,059	1,382
Latin American regional.....	53	20	20	20	14	14	4	4	5	3	-1	-1	9	19
<b>Total.....</b>	<b>150</b>	<b>86</b>	<b>71</b>	<b>344</b>	<b>73</b>	<b>335</b>	<b>597</b>	<b>1,038</b>	<b>961</b>	<b>155</b>	<b>148</b>	<b>581</b>	<b>1,067</b>	<b>1,400</b>
<b>Grand total.....</b>	<b>5,708</b>	<b>7,053</b>	<b>7,245</b>	<b>7,727</b>	<b>7,268</b>	<b>7,707</b>	<b>8,185</b>	<b>8,812</b>	<b>9,521</b>	<b>9,163</b>	<b>9,401</b>	<b>10,607</b>	<b>11,372</b>	<b>12,105</b>

<sup>1</sup> Includes Surinam until Jan. 1976.

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 a benchmark survey of holdings as of Jan. 31, 1971, and monthly transactions reports (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 <sup>2</sup>
1972.....	15,676	14,830	5,671	163	2,970	2,538	3,276	3,226	2,657	846	441	223	182
1973.....	20,723	20,061	7,660	284	4,538	2,838	4,307	4,160	3,935	662	428	119	115
1974.....	39,056	37,859	11,296	381	7,337	3,579	5,637	11,237	9,689	1,196	669	289	238
1975—Aug.....	45,962	44,807	13,474	628	8,352	4,495	5,314	9,977	16,040	1,155	616	240	299
Sept.....	45,843	44,706	12,822	574	7,638	4,610	5,314	10,071	16,499	1,138	581	236	320
Oct.....	48,169	46,848	12,811	649	7,642	4,519	5,465	10,134	18,438	1,321	749	231	341
Nov.....	48,752	47,432	13,562	697	8,392	4,472	5,363	10,610	17,898	1,319	652	340	327
Dec.....	50,248	48,938	13,287	614	7,733	4,939	5,467	11,135	19,049	1,309	633	301	376
1976—Jan.....	51,583	50,338	13,495	697	8,147	4,652	5,311	11,047	20,485	1,246	696	263	286
Feb.....	54,173	52,773	14,303	754	8,762	4,788	5,191	10,994	22,285	1,401	728	241	431
Mar.....	53,580	52,259	13,640	765	8,059	4,817	5,367	11,148	22,105	1,321	794	145	382
Apr.....	55,668	54,219	14,549	769	8,824	4,956	5,325	11,297	23,048	1,449	920	156	373
May.....	57,658	56,240	15,819	1,014	9,532	5,272	5,379	11,310	23,733	1,419	878	141	399
June.....	57,924	56,363	15,182	815	9,124	5,243	5,517	11,541	24,124	1,560	916	158	487
July.....	59,237	57,779	15,597	737	9,673	5,186	5,542	11,451	25,190	1,457	850	132	475
Aug.....	57,750	56,205	15,304	1,038	9,092	5,175	5,495	10,976	24,430	1,546	907	143	496

<sup>1</sup> Excludes central banks which are included with "Official institutions."<sup>2</sup> Includes international and regional organizations.

## 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	1974		1975		1976						
	Dec.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	June	July <sup>a</sup>	Aug. <sup>b</sup>
<b>Europe:</b>											
Austria.....	21	32	15	20	23	22	39	25	35	24	24
Belgium-Luxembourg.....	384	496	352	401	417	430	398	427	537	562	472
Denmark.....	46	54	49	55	55	55	59	57	62	68	50
Finland.....	122	133	128	132	120	128	105	109	125	133	176
France.....	673	1,289	1,471	1,397	1,513	1,256	1,233	1,109	1,145	1,100	928
Germany.....	589	689	441	486	426	474	452	448	384	432	414
Greece.....	64	91	49	55	52	53	63	62	53	70	68
Italy.....	345	418	370	369	402	360	400	492	554	644	617
Netherlands.....	348	285	300	316	267	269	290	267	318	251	266
Norway.....	119	92	71	66	63	66	71	76	71	74	78
Portugal.....	20	19	16	20	20	21	18	32	40	53	57
Spain.....	196	261	249	274	262	231	241	321	285	302	239
Sweden.....	180	182	167	124	111	121	105	116	106	97	143
Switzerland.....	335	337	237	250	278	340	400	355	401	374	442
Turkey.....	15	121	86	59	82	73	68	90	99	81	77
United Kingdom.....	2,580	4,117	4,718	4,588	4,778	4,550	5,295	4,987	5,077	5,435	5,105
Yugoslavia.....	22	55	38	37	49	64	50	47	45	45	40
Other Western Europe.....	22	25	27	26	29	29	27	41	57	42	50
U.S.S.R.....	46	165	103	101	84	85	63	70	70	69	53
Other Eastern Europe.....	131	103	114	125	159	109	107	102	110	147	125
<b>Total.....</b>	<b>6,255</b>	<b>8,964</b>	<b>9,000</b>	<b>8,899</b>	<b>9,190</b>	<b>8,737</b>	<b>9,491</b>	<b>9,232</b>	<b>9,572</b>	<b>10,003</b>	<b>9,424</b>
<b>Canada.....</b>	<b>2,776</b>	<b>2,751</b>	<b>2,817</b>	<b>3,020</b>	<b>2,983</b>	<b>2,917</b>	<b>3,253</b>	<b>3,364</b>	<b>3,166</b>	<b>3,027</b>	<b>3,031</b>
<b>Latin America:</b>											
Argentina.....	720	1,229	1,203	1,246	1,338	1,290	1,374	1,342	1,145	1,143	1,149
Bahamas.....	3,405	6,887	7,577	8,048	10,048	10,324	10,267	11,104	11,460	12,286	11,522
Brazil.....	1,418	1,807	2,225	2,157	2,204	2,318	2,351	2,414	2,692	2,633	2,771
Chile.....	290	381	360	312	343	324	349	352	340	364	352
Colombia.....	713	649	692	654	586	545	539	518	533	537	501
Mexico.....	1,972	2,565	2,813	2,783	3,079	3,034	3,236	3,444	3,494	3,562	3,559
Panama.....	505	904	1,052	1,281	1,193	1,110	787	991	840	697	777
Peru.....	518	565	588	624	634	597	638	621	623	665	666
Uruguay.....	63	56	51	68	62	46	39	33	34	31	31
Venezuela.....	704	980	1,086	1,001	925	1,040	1,077	1,280	1,153	1,237	1,503
Other Latin American republics.....	866	969	980	1,055	1,061	986	1,052	1,153	999	1,078	991
Netherlands Antilles and Surinam.....	62	46	49	53	43	33	32	32	33	28	29
Other Latin America.....	1,142	2,659	1,885	3,085	3,264	2,729	3,718	3,996	3,667	4,121	3,751
<b>Total.....</b>	<b>12,377</b>	<b>19,698</b>	<b>20,561</b>	<b>22,368</b>	<b>24,781</b>	<b>24,375</b>	<b>25,458</b>	<b>27,280</b>	<b>27,015</b>	<b>28,381</b>	<b>27,600</b>
<b>Asia:</b>											
China, People's Rep. of (China Mainland).....	4	11	22	10	17	22	18	9	10	12	4
China, Republic of (Taiwan).....	500	681	737	725	729	775	793	860	863	908	939
Hong Kong.....	223	258	258	234	225	229	200	228	273	296	251
India.....	14	16	21	19	26	25	26	34	38	36	36
Indonesia.....	157	94	105	129	131	162	162	171	160	125	108
Israel.....	255	387	491	419	365	309	314	285	315	269	331
Japan.....	12,518	10,429	10,753	10,121	9,870	10,208	10,118	10,004	10,358	10,340	9,872
Korea.....	955	1,505	1,556	1,605	1,715	1,600	1,713	1,675	1,713	1,614	1,551
Philippines.....	372	347	384	434	507	510	520	559	524	389	459
Thailand.....	458	499	495	535	516	537	533	491	490	465	437
Middle East oil-exporting countries <sup>1</sup> .....	330	506	524	525	600	646	605	742	746	780	836
Other.....	441	665	684	734	705	731	632	785	719	665	838
<b>Total.....</b>	<b>16,226</b>	<b>15,398</b>	<b>16,029</b>	<b>15,489</b>	<b>15,405</b>	<b>15,756</b>	<b>15,635</b>	<b>15,841</b>	<b>16,209</b>	<b>15,898</b>	<b>15,661</b>
<b>Africa:</b>											
Egypt.....	111	130	104	106	101	103	110	106	117	117	115
South Africa.....	329	540	545	547	546	575	631	672	689	698	695
Oil-exporting countries <sup>2</sup> .....	115	215	231	213	230	226	210	211	181	185	268
Other.....	300	410	351	349	330	270	301	336	327	311	317
<b>Total.....</b>	<b>855</b>	<b>1,294</b>	<b>1,231</b>	<b>1,215</b>	<b>1,207</b>	<b>1,174</b>	<b>1,252</b>	<b>1,325</b>	<b>1,314</b>	<b>1,310</b>	<b>1,395</b>
<b>Other countries:</b>											
Australia.....	466	554	535	503	492	521	498	547	548	542	553
All other.....	99	91	73	87	113	98	79	67	100	74	85
<b>Total.....</b>	<b>565</b>	<b>645</b>	<b>609</b>	<b>589</b>	<b>605</b>	<b>619</b>	<b>577</b>	<b>615</b>	<b>647</b>	<b>617</b>	<b>638</b>
<b>Total foreign countries.....</b>	<b>39,055</b>	<b>48,751</b>	<b>50,246</b>	<b>51,581</b>	<b>54,172</b>	<b>53,578</b>	<b>55,666</b>	<b>57,657</b>	<b>57,923</b>	<b>59,236</b>	<b>57,750</b>
<b>International and regional.....</b>		<b>1</b>	<b>1</b>	<b>3</b>	<b>2</b>	<b>3</b>	<b>2</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>
<b>Grand total.....</b>	<b>39,056</b>	<b>48,752</b>	<b>50,248</b>	<b>51,583</b>	<b>54,173</b>	<b>53,580</b>	<b>55,668</b>	<b>57,658</b>	<b>57,924</b>	<b>59,237</b>	<b>57,750</b>

<sup>1</sup> Comprises Bahrain, Iran, Iraq, Kuwait, Oman, Qatar, Saudi Arabia, and United Arab Emirates (Trucial States).

<sup>2</sup> Comprises Algeria, Gabon, Libya, and Nigeria.

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	Total Europe	Canada	Total Latin America	Japan	Middle East <sup>3</sup>	Other Asia <sup>4</sup>	All other countries <sup>2</sup>
		Loans to—				Other long-term claims								
		Total	Official institutions	Banks <sup>1</sup>	Other foreigners <sup>2</sup>									
1972.....	5,063	4,588	844	430	3,314	435	40	853	406	2,020	353	918	514	
1973.....	5,996	5,446	1,160	591	3,694	478	72	1,272	490	2,116	251	1,331	536	
1974.....	7,179	6,490	1,328	931	4,231	609	80	1,907	501	2,614	258	384	537	
1975—Aug.....	8,328	7,456	1,278	1,343	4,835	787	85	2,432	438	3,010	259	237	739	
Sept.....	8,607	7,705	1,343	1,371	4,991	809	93	2,459	508	3,139	265	237	785	
Oct.....	8,948	7,994	1,281	1,536	5,177	840	114	2,567	595	3,175	292	222	865	
Nov.....	9,158	8,137	1,318	1,567	5,253	903	118	2,562	569	3,287	293	249	961	
Dec.....	9,550	8,499	1,375	1,712	5,412	934	116	2,695	555	3,497	296	220	1,011	
1976—Jan.....	9,432	8,369	1,293	1,653	5,423	945	118	2,697	552	3,382	289	205	1,030	
Feb.....	9,531	8,372	1,268	1,652	5,452	1,012	148	2,622	576	3,471	289	210	1,093	
Mar.....	9,800	8,641	1,316	1,740	5,584	1,011	149	2,702	570	3,605	292	296	1,140	
Apr.....	9,980	8,783	1,337	1,842	5,603	1,081	116	2,736	558	3,785	307	196	1,118	
May.....	10,252	9,004	1,381	1,933	5,689	1,133	115	2,831	607	3,973	307	196	1,075	
June.....	10,216	8,957	1,370	1,961	5,626	1,138	121	2,742	590	4,081	324	182	1,037	
July.....	10,386	9,098	1,346	2,085	5,667	1,155	133	2,871	575	4,103	337	183	1,027	
Aug.....	10,961	9,625	1,363	2,132	6,130	1,204	133	3,104	599	4,371	353	187	1,052	

<sup>1</sup> Excludes central banks, which are included with "Official institutions."<sup>2</sup> Includes international and regional organizations.<sup>3</sup> Comprises Middle East oil-exporting countries as follows: Bahrain,

Iran, Iraq, Kuwait, Oman, Qatar, Saudi Arabia, and United Arab Emirates (Trucial States).

<sup>4</sup> Until Dec. 1974 includes Middle East oil-exporting countries.

### 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>2,3</sup>			Foreign bonds <sup>3</sup>			Foreign stocks <sup>3</sup>		
	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 <sup>4</sup>	Official	Other									
1973.....	305	-165	470	465	6	18,574	13,810	4,764	1,474	2,467	-993	1,729	1,554	176
1974.....	-472	101	-573	-642	69	16,207	14,679	1,529	1,036	3,254	-2,218	1,907	1,723	184
1975.....	1,994	180	1,814	1,596	233	20,741	15,321	5,421	2,383	8,683	-6,301	1,541	1,730	-189
1976—Jan.—Aug. <sup>p</sup> .....	4,398	1,065	3,333	3,096	237	16,900	13,352	3,548	2,991	9,024	-6,032	1,295	1,591	-296
1975—Aug.....	9	-67	77	117	-40	1,466	1,345	121	158	318	-160	90	257	-167
Sept.....	192	-14	206	175	31	1,288	1,131	157	194	285	-91	91	81	10
Oct.....	482	272	210	173	38	2,133	1,382	751	195	678	-483	138	162	-24
Nov.....	-459	-270	-189	-159	-29	1,674	1,249	426	248	991	-743	108	79	28
Dec.....	439	262	177	156	21	1,894	964	930	281	1,471	-1,190	148	97	51
1976—Jan.....	478	261	217	210	7	2,834	2,078	756	462	800	-339	145	142	3
Feb.....	627	441	186	176	10	2,503	2,086	417	402	1,547	-1,145	162	222	-60
Mar.....	709	-77	786	731	55	2,524	1,972	552	360	1,293	-933	193	246	-53
Apr.....	-358	-805	447	430	18	2,260	1,689	571	341	763	-422	182	143	40
May.....	238	-7	245	263	-18	1,636	1,501	135	373	822	-450	198	240	-42
June.....	1,205	434	772	717	55	1,820	1,331	489	281	813	-531	162	206	-44
July <sup>p</sup> .....	765	486	279	249	30	1,901	1,515	386	440	2,173	-1,734	128	257	-129
Aug. <sup>p</sup> .....	733	333	400	320	80	1,460	1,193	267	333	811	-478	123	134	-11

<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.<sup>3</sup> Includes transactions of international and regional organizations.<sup>4</sup> Includes transactions (in millions of dollars) of oil-exporting countries in Middle East and Africa as shown in the tabulation in the opposite column:

	Middle East	Africa
1975	1,797	170
1976—Jan.—Aug. <sup>p</sup>	2,659	200
1975—Aug.	80	10
Sept.	150	50
Oct.	150	50
Nov.	51	.....
Dec.	179	10
1976—Jan.	116	20
Feb.	191	10
Mar.	532	45
Apr.	320	15
May	460	20
June	611	40
July <sup>p</sup>	200	30
Aug. <sup>p</sup>	228	20

## 15. NET PURCHASES OR SALES BY FOREIGNERS OF U.S. CORPORATE STOCKS, BY COUNTRY

(In millions of dollars)

Period	Pur- chases	Sales	Net pur- chases or sales (-)	France	Ger- many	Nether- lands	Switzer- land	United King- dom	Total Europe	Canada	Total America Latin	Middle East <sup>1</sup>	Other Asia <sup>2</sup>	Other <sup>3</sup>
1973.....	12,767	9,978	2,790	439	2	339	686	366	2,104	99	4	.....	577	5
1974.....	7,636	7,096	540	203	39	330	36	-377	281	-6	-33	.....	288	17
1975.....	15,347	10,678	4,669	262	251	359	889	594	2,491	361	-7	1,640	142	33
1976—Jan.—Aug. <sup>p</sup>	13,290	10,700	2,590	233	82	-72	91	303	643	231	137	1,438	107	33
1975—Aug.....	1,186	718	468	52	54	47	83	39	304	21	-7	108	25	16
Sept.....	898	646	252	10	6	22	64	7	122	20	-15	83	34	7
Oct.....	1,475	1,047	428	16	-6	17	36	48	143	60	7	190	22	6
Nov.....	1,155	817	338	22	42	-5	42	44	134	36	-1	157	8	2
Dec.....	1,380	691	689	28	38	64	122	32	295	103	-9	289	13	-3
1976—Jan.....	2,087	1,546	541	1	136	-48	-2	88	208	40	76	222	-6	1
Feb.....	2,095	1,724	371	15	12	-14	63	41	133	48	11	175	5	2
Mar.....	2,137	1,555	582	79	26	-6	147	69	327	16	28	153	42	13
Apr.....	1,690	1,279	411	10	10	31	-21	49	84	23	25	254	22	4
May.....	1,209	1,096	113	3	-44	4	21	20	-11	30	7	67	16	4
June.....	1,429	1,176	252	24	-27	2	-47	20	-47	5	11	266	20	3
July <sup>p</sup> .....	1,594	1,361	233	72	-20	-22	-58	5	-32	44	5	209	10	-1
Aug. <sup>p</sup> .....	1,049	962	88	28	-10	-21	-11	12	-19	35	-25	92	-2	7

<sup>1</sup> Comprises Middle East oil-exporting countries as follows: Bahrain, Iran, Iraq, Kuwait, Oman, Qatar, Saudi Arabia, and United Arab Emirates (Trucial States).

<sup>2</sup> Until 1975 includes Middle East oil-exporting countries.

<sup>3</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	Ger- many	Nether- lands	Switzer- land	United Kingdom	Total Europe	Canada	Total Latin America	Middle East <sup>1</sup>	Other Asia <sup>2</sup>	Total Africa	Other countries	Intl. and regional
1973.....	1,948	201	-33	-19	307	275	1,204	49	44	.....	5 88	*	10	52
1974.....	988	96	33	183	96	395	741	45	43	.....	632	*	10	-483
1975.....	752	82	-11	15	117	87	106	128	31	1,553	-42	5	1	-1,030
1976—Jan.—Aug. <sup>p</sup>	982	35	59	-7	157	-15	41	56	26	952	-99	11	-20	14
1975—Aug.....	-347	14	-3	-18	-5	70	-73	6	1	11	1	*	*	-293
Sept.....	94	-14	6	26	-7	*	-19	-5	5	94	-6	*	*	-162
Oct.....	323	1	-50	2	12	78	40	38	11	247	4	3	*	-11
Nov.....	88	39	8	-17	9	-41	-25	-1	6	93	4	1	*	11
Dec.....	242	2	3	3	8	56	74	6	6	150	-11	1	*	16
1976—Jan.....	215	5	-1	1	36	-30	7	29	3	221	-20	-2	-10	-14
Feb.....	47	2	-1	2	20	-2	23	4	6	30	-34	1	*	18
Mar.....	-31	3	-56	-3	5	-11	-70	9	1	35	-20	4	-10	20
Apr.....	160	3	9	-5	4	-26	-25	7	3	179	-13	7	*	4
May.....	22	3	-2	*	23	19	-2	-3	-3	37	6	*	*	-13
June.....	236	6	-1	-2	18	8	29	1	*	224	-19	*	*	*
July <sup>p</sup> .....	153	10	-3	4	35	3	49	2	7	104	-2	1	*	-8
Aug. <sup>p</sup> .....	179	4	-3	-3	16	23	29	9	9	121	5	*	*	6

<sup>1</sup> See note 1 to Table 15.

<sup>2</sup> See note 2 to Table 15.

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 re- gional	Total foreign countries	Eu- rope	Canada	Latin Amer- ica	Asia	Af- rica	Other countries
1973.....	-818	139	-957	-141	-569	-120	-168	3	37
1974.....	-2,034	-60	-1,974	-546	-1,508	-93	142	7	22
1975.....	-6,490	-2,192	-4,299	-53	-3,178	-306	-622	15	-155
1976— Jan.—Aug. <sup>p</sup> .....	-6,328	-1,187	-5,161	-504	-3,812	-34	-624	45	-232
1975—Aug.....	-327	12	-339	24	-202	-164	*	1	2
Sept.....	-81	18	-99	-20	-129	25	24	-1	1
Oct.....	-508	5	-513	48	-460	-48	-55	-3	6
Nov.....	-715	-62	-653	-27	-584	6	2	-2	-48
Dec.....	-1,139	-839	-300	79	-310	9	-79	-1	1
1976—Jan.....	-335	94	-429	-109	-304	-9	-7	-3	2
Feb.....	-1,205	-139	-1,067	33	-973	5	-113	-4	-14
Mar.....	-986	9	-995	-168	-738	-72	-14	-5	2
Apr.....	-382	-94	-288	*	-286	6	-15	4	2
May.....	-491	-158	-333	-19	-233	-39	-77	32	3
June.....	-576	6	-582	-52	-328	10	12	11	-234
July <sup>p</sup> .....	-1,862	-819	-1,044	-130	-853	19	-93	9	3
Aug. <sup>p</sup> .....	-489	-66	-423	-60	-98	47	-317	1	3

## 18. FOREIGN CREDIT AND DEBIT BALANCES IN BROKERAGE ACCOUNTS

(Amounts outstanding; in millions of dollars)

End of period	Credit balances (due to foreigners)	Debit balances (due from foreigners)
1973—Sept.....	290	255
Dec.....	333	231
1974—Mar.....	383	225
June.....	354	241
Sept.....	298	178
Dec.....	293	194
1975—Mar.....	349	209
June.....	380	233
Sept.....	343	258
Dec.....	365	319
1976—Mar.....	411	333

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.





**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>	Farmarked gold
1972.....	325	50,934	215,530
1973.....	251	52,070	217,068
1974.....	418	55,600	16,838
1975—Sept....	324	58,420	16,795
Oct....	297	60,307	16,751
Nov....	346	60,512	16,745
Dec....	352	60,019	16,745
1976—Jan....	294	61,796	16,669
Feb....	412	62,640	16,666
Mar....	305	61,271	16,660
Apr....	305	62,527	16,657
May....	303	63,225	16,647
June....	349	63,212	16,633
July....	295	62,955	16,607
Aug....	254	63,457	16,565
Sept....	392	64,215	16,590

<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. Farmarked 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>		
1973.....	3,164	2,588	37	435	105	1,118	765
1974.....	3,357	2,591	68	429	268	1,350	967
1975—June....	3,250	2,177	214	427	432	997	1,142
July....	3,334	2,207	246	479	402	925	1,122
Aug....	3,562	2,291	239	512	520	1,052	1,322
Sept....	3,696	2,456	266	478	496	1,139	1,261
Oct....	3,527	2,498	351	429	249	1,199	1,167
Nov....	3,922	2,709	468	461	284	1,308	1,382
Dec....	3,782	2,699	332	510	241	1,304	1,148
1976—Jan....	4,206	3,081	374	476	274	1,506	1,312
Feb....	4,416	3,265	377	449	325	1,508	1,357
Mar....	4,410	3,352	393	437	228	1,690	1,325
Apr....	4,936	3,851	412	435	238	2,061	1,354
May....	5,175	4,087	426	455	207	1,912	1,495
June <sup>1</sup> ....	4,923	3,962	345	435	181	1,910	1,257
July <sup>1</sup> ....	5,190	4,172	380	431	207	2,060	1,415

<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.

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
1972—Sept.....	2,933	2,435	498	5,487	4,833	426	228
Dec. 1.....	3,119	2,635	484	5,721	5,074	410	237
	3,417	2,948	469	6,302	5,643	393	267
1973—Mar....	3,320	2,848	472	7,017	6,147	456	414
June....	3,295	2,772	523	7,290	6,448	493	349
Sept....	3,579	2,931	648	7,625	6,698	528	399
Dec....	4,006	3,290	716	8,482	7,569	493	421
1974—Mar....	4,414	3,590	823	10,475	9,541	407	526
June....	5,139	4,184	955	11,046	10,122	429	496
Sept....	5,605	4,656	949	10,698	9,730	430	537
Dec....	5,916	5,007	909	11,276	10,219	473	584
1975—Mar....	5,930	5,068	862	10,929	9,798	453	678
June....	5,924	5,091	834	10,886	9,606	479	801
Sept....	5,997	5,149	849	11,712	10,364	529	819
Dec....	5,958	5,353	605	12,244	11,069	565	611
1976—Mar. <sup>1</sup> ....	6,264	5,598	666	12,808	11,759	487	562

<sup>1</sup> Data on the 2 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				
	1975				1976	1975				1976
	Mar.	June	Sept.	Dec.	Mar. <sup>a</sup>	Mar.	June	Sept.	Dec.	Mar. <sup>a</sup>
<b>Europe:</b>										
Austria.....	26	22	18	14	6	15	13	15	16	17
Belgium-Luxembourg.....	480	340	336	294	291	137	132	131	133	116
Denmark.....	23	14	8	9	12	35	22	24	39	35
Finland.....	16	12	14	14	10	77	87	114	91	36
France.....	151	137	150	148	204	328	287	311	300	372
Germany.....	352	293	276	151	153	276	346	319	357	306
Greece.....	25	27	21	19	25	59	69	56	33	40
Italy.....	109	110	156	173	126	309	300	380	382	408
Netherlands.....	122	143	154	115	165	157	135	139	172	182
Norway.....	9	8	13	20	23	35	41	48	41	58
Portugal.....	13	13	13	4	3	42	32	39	44	45
Spain.....	55	60	75	82	70	360	324	315	408	514
Sweden.....	32	30	47	24	25	66	74	100	62	80
Switzerland.....	155	168	167	130	159	86	113	220	242	207
United Kingdom.....	12	14	22	25	14	33	28	31	27	27
Yugoslavia.....	1,192	1,054	945	970	923	1,655	1,555	1,781	1,905	2,291
Other Western Europe.....	52	45	60	76	91	33	32	24	36	30
Eastern Europe.....	5	4	5	6	6	23	16	19	14	18
Eastern Europe.....	45	49	38	31	33	114	154	170	219	186
<b>Total.....</b>	<b>2,875</b>	<b>2,545</b>	<b>2,518</b>	<b>2,304</b>	<b>2,339</b>	<b>3,838</b>	<b>3,761</b>	<b>4,238</b>	<b>4,519</b>	<b>4,970</b>
<b>Canada.....</b>	<b>263</b>	<b>283</b>	<b>299</b>	<b>295</b>	<b>314</b>	<b>1,859</b>	<b>1,954</b>	<b>2,102</b>	<b>2,124</b>	<b>2,236</b>
<b>Latin America:</b>										
Argentina.....	31	30	28	31	35	76	63	52	58	48
Bahamas.....	387	357	290	270	376	615	631	686	662	882
Brazil.....	121	127	116	96	91	378	349	385	403	470
Chile.....	23	15	13	14	11	69	57	41	38	28
Colombia.....	12	12	14	17	16	54	50	47	49	47
Cuba.....	*	*	*	*	*	1	1	1	1	1
Mexico.....	69	71	81	82	92	336	322	317	352	331
Panama.....	18	27	19	24	17	110	128	103	92	86
Peru.....	18	16	19	23	24	46	50	48	41	36
Uruguay.....	3	3	2	3	2	15	5	5	4	4
Venezuela.....	39	45	56	100	163	180	166	153	167	147
Other L.A. republics.....	65	67	69	71	72	193	179	165	157	167
Neth. Antilles and Surinam.....	56	60	76	35	58	16	13	12	12	7
Other Latin America.....	134	145	142	138	214	196	159	192	301	292
<b>Total.....</b>	<b>975</b>	<b>973</b>	<b>924</b>	<b>903</b>	<b>1,171</b>	<b>2,286</b>	<b>2,171</b>	<b>2,205</b>	<b>2,337</b>	<b>2,546</b>
<b>Asia:</b>										
China, People's Republic of (China Mainland).....	8	6	2	6	5	19	32	45	65	35
China, Rep. of (Taiwan).....	102	100	101	97	111	122	125	152	164	100
Hong Kong.....	19	30	29	18	24	83	85	85	111	67
India.....	10	21	22	7	9	32	39	48	39	60
Indonesia.....	63	87	104	137	137	117	147	137	169	194
Israel.....	62	62	45	29	23	46	60	63	54	42
Japan.....	327	273	279	296	308	1,326	1,250	1,269	1,141	1,170
Korea.....	47	43	63	69	54	165	178	207	265	108
Philippines.....	19	17	15	14	19	83	91	93	99	106
Thailand.....	9	6	8	18	18	30	25	21	22	21
Other Asia.....	642	841	908	1,027	958	394	465	532	555	643
<b>Total.....</b>	<b>1,308</b>	<b>1,488</b>	<b>1,575</b>	<b>1,717</b>	<b>1,667</b>	<b>2,416</b>	<b>2,497</b>	<b>2,652</b>	<b>2,683</b>	<b>2,546</b>
<b>Africa:</b>										
Egypt.....	5	34	34	37	30	24	15	15	22	22
South Africa.....	54	65	79	100	112	104	104	78	93	79
Zaire.....	17	9	9	6	7	18	17	22	28	28
Other Africa.....	137	209	212	240	347	236	218	263	287	239
<b>Total.....</b>	<b>217</b>	<b>323</b>	<b>341</b>	<b>391</b>	<b>502</b>	<b>387</b>	<b>364</b>	<b>388</b>	<b>440</b>	<b>378</b>
<b>Other countries:</b>										
Australia.....	60	37	52	55	47	97	99	79	101	96
All other.....	31	18	21	17	18	45	39	48	39	37
<b>Total.....</b>	<b>91</b>	<b>55</b>	<b>73</b>	<b>73</b>	<b>65</b>	<b>141</b>	<b>138</b>	<b>127</b>	<b>140</b>	<b>133</b>
<b>International and regional.....</b>	<b>201</b>	<b>257</b>	<b>267</b>	<b>276</b>	<b>219</b>	<b>1</b>	<b>1</b>	<b>*</b>	<b>1</b>	<b>1</b>
<b>Grand total.....</b>	<b>5,930</b>	<b>5,924</b>	<b>5,997</b>	<b>5,958</b>	<b>6,277</b>	<b>10,929</b>	<b>10,886</b>	<b>11,712</b>	<b>12,244</b>	<b>12,810</b>

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
1971—Dec.....	3,138	3,068	128	704	717	174	60	653	136	325	86	84
1972—Sept.....	3,448	3,187	128	695	757	177	63	662	132	390	89	96
Dec. 1.....	3,540	3,312	163	715	775	184	60	658	156	406	87	109
	3,603	3,666	191	745	1,141	187	64	703	133	378	86	38
1973—Mar.....	3,781	3,798	156	802	1,151	165	63	796	123	393	105	45
June.....	3,785	3,853	180	805	1,163	146	65	825	124	390	108	48
Sept.....	4,000	3,999	216	822	1,166	147	73	832	134	449	108	51
Dec.....	3,886	4,057	290	761	1,172	145	79	829	125	488	115	53
1974—Mar.....	3,836	4,194	369	737	1,210	194	81	809	123	488	122	61
June.....	3,536	4,191	363	699	1,226	184	138	756	123	515	126	61
Sept.....	3,371	4,324	370	704	1,256	181	145	796	119	571	122	59
Dec.....	3,850	4,544	364	644	1,290	187	153	1,045	112	569	127	54
1975—Mar.....	4,129	4,523	340	655	1,334	182	169	1,008	102	540	139	54
June.....	4,230	4,454	299	634	1,328	182	161	982	98	556	146	68
Sept.....	4,180	4,590	366	620	1,347	177	228	930	95	608	154	67
Dec.....	4,232	4,971	396	589	1,426	171	216	1,251	90	604	168	61
1976—Mar. <sup>a</sup> .....	4,046	5,162	348	586	1,474	182	199	1,386	91	621	214	62

<sup>a</sup> Data on the 2 lines shown for this data 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.

## 25. 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
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
1974.....	7.63	7.69	12.99	11.36	9.85	9.48	12.87	6.06	8.76	6.90	8.21	6.67
1975.....	7.36	7.34	10.57	10.16	10.13	7.23	7.89	3.51	4.23	4.41	3.65	6.25
1975—Sept.....	8.37	7.74	10.43	10.36	9.40	6.50	6.91	3.38	4.25	2.60	.94	5.50
Oct.....	8.28	7.92	11.38	11.42	9.88	6.93	6.53	3.13	3.27	4.22	4.35	5.50
Nov.....	8.44	8.29	11.21	11.10	11.34	7.00	6.74	3.13	3.36	4.67	4.19	5.50
Dec.....	8.59	8.66	10.88	10.82	9.61	7.00	6.42	3.13	3.84	4.88	4.34	5.50
1976—Jan.....	8.59	8.75	9.83	9.87	9.08	5.75	6.38	3.13	3.58	4.52	3.76	5.00
Feb.....	8.70	8.74	8.86	8.81	8.42	6.50	7.27	3.13	3.08	2.86	3.05	5.00
Mar.....	9.04	9.05	8.66	8.46	6.25	6.50	7.63	3.13	3.62	2.50	2.12	4.78
Apr.....	8.97	8.65	9.10	8.97	7.69	6.50	7.56	3.13	2.76	2.96	2.50	4.50
May.....	8.93	8.96	10.31	10.45	10.16	6.50	7.53	3.13	3.68	3.60	3.98	4.50
June.....	8.99	9.04	11.05	10.94	10.69	6.50	7.63	3.13	4.23	5.68	4.82	4.50
July.....	9.02	8.98	11.00	10.89	10.88	6.50	8.33	3.13	4.38	6.94	5.22	4.50
Aug.....	9.12	9.22	10.94	10.88	10.53	6.50	9.50	3.13	4.08	9.27	7.60	4.50
Sept.....	9.11	9.20	.....	12.05	11.88	.....	9.25	3.13	4.20	.....	.....	4.50

<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.

## NOTES TO TABLES 19a AND 19b ON PAGES A-70 AND A-71, RESPECTIVELY:

<sup>1</sup> Cayman Islands included beginning Aug. 1973.<sup>2</sup> Total assets and total liabilities payable in U.S. dollars amounted to \$56,073 million and \$56,633 million, respectively, on July 31, 1976.

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.

## 26. CENTRAL BANK RATES FOR DISCOUNTS AND ADVANCES TO COMMERCIAL BANKS

(Per cent per annum)

Country	Rate as of Sept. 30, 1976		Country	Rate as of Sept. 30, 1976	
	Per cent	Month effective		Per cent	Month effective
Argentina	18.0	Feb. 1972	Italy	12.0	Mar. 1976
Austria	4.0	June 1976	Japan	6.5	Oct. 1975
Belgium	9.0	Aug. 1976	Mexico	4.5	June 1942
Brazil	28.0	May 1976	Netherlands	7.0	Aug. 1976
Canada	9.5	Mar. 1976	Norway	6.0	Sept. 1976
Denmark	8.5	Mar. 1976	Sweden	6.0	June 1976
France	10.5	Sept. 1976	Switzerland	2.0	June 1976
Germany, Fed. Rep. of	3.5	Sept. 1975	United Kingdom	13.0	Sept. 1976
			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 gov't securities for commercial banks or brokers. For countries with more than one rate applicable to such discounts or advances, the rate shown is the one at which it is understood the central bank transacts the largest proportion of its credit operations. Other rates for some of these countries follow:

*Argentina*—3 and 5 per cent for certain rural and industrial paper, depending on type of transaction;

*Brazil*—8 per cent for secured paper and 4 per cent for certain agricultural paper;

*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.

## 27. 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)
1972	119.23	4.3228	2.2716	100.937	14.384	19.825	31.364	13.246	250.08	17132	32995
1973	141.94	5.1649	2.5761	99.977	16.603	22.536	37.758	12.071	245.10	17192	36915
1974	143.89	5.3564	2.5713	102.257	16.442	20.805	38.723	12.460	234.03	15372	34302
1975	130.77	5.7467	2.7253	98.297	17.437	23.354	40.729	11.926	222.16	15328	33705
1975—Sept.	126.87	5.4029	2.5485	97.437	16.445	22.367	38.191	11.281	208.34	14740	33345
Oct.	126.26	5.4586	2.5662	97.557	16.601	22.694	38.737	11.244	205.68	14745	33076
Nov.	126.26	5.4535	2.5618	98.631	16.564	22.684	38.619	11.238	204.84	14721	33053
Dec.	125.38	5.3986	2.5311	98.627	16.253	22.428	38.144	11.134	202.21	14645	32715
1976—Jan.	125.65	5.4300	2.5443	99.359	16.231	22.339	38.425	11.178	202.86	14245	32826
Feb.	125.85	5.4628	2.5554	100.652	16.278	22.351	39.034	11.186	202.62	13021	33157
Mar.	124.79	5.4383	2.5480	101.431	16.273	21.637	39.064	11.157	194.28	12113	33276
Apr.	123.72	5.4964	2.5667	101.668	16.553	21.411	39.402	11.123	184.63	11371	33433
May	123.37	5.4535	2.5517	102.02	16.487	21.272	39.035	11.080	180.79	11676	33444
June	122.75	5.4136	2.5220	102.71	16.314	21.109	38.797	10.980	176.40	11780	33424
July	123.59	5.4500	2.5182	102.86	16.225	20.651	38.842	11.205	178.50	11943	33940
Aug.	124.18	5.5645	2.5632	101.49	16.448	20.131	39.538	11.143	178.28	11936	34410
Sept.	124.25	5.6567	2.6046	102.56	16.694	20.334	40.169	11.036	172.72	11837	34800
Period	Malaysia (ringgit)	Mexico (peso)	Netherlands (guilder)	New Zealand (dollar)	Norway (krone)	Portugal (escudo)	South Africa (rand)	Spain (peseta)	Sweden (krona)	Switzerland (franc)	United Kingdom (pound)
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
1974	41.682	8.0000	37.267	140.02	18.119	3.9506	146.98	1.7337	22.563	33.688	234.03
1975	41.753	8.0000	39.632	121.16	19.180	3.9286	136.47	1.7424	24.141	38.743	222.16
1975—Sept.	38.219	8.0000	37.229	105.50	17.834	3.7048	131.40	1.6914	22.501	36.905	208.35
Oct.	38.931	8.0000	37.658	104.74	18.089	3.7359	114.84	1.6883	22.769	37.555	205.68
Nov.	38.929	8.0000	37.638	104.75	18.116	3.7318	114.69	1.6869	22.788	37.683	204.84
Dec.	38.670	8.0000	37.234	103.77	17.988	3.6836	114.75	1.6765	22.685	37.970	202.21
1976—Jan.	38.696	8.0000	37.429	104.06	17.992	3.6562	114.80	1.6751	22.831	38.418	202.86
Feb.	38.998	8.0000	37.529	104.25	18.098	3.6394	114.79	1.5523	22.861	38.912	202.62
Mar.	39.047	8.0000	37.149	102.42	18.022	3.4987	114.83	1.4947	22.702	38.980	194.28
Apr.	39.032	8.0000	37.215	100.19	18.201	3.3759	114.84	1.4864	22.709	39.531	184.63
May	39.079	8.0000	36.811	99.33	18.184	3.3195	114.85	1.4788	22.653	40.205	180.79
June	39.148	8.0000	36.524	98.09	18.020	3.2145	114.94	1.4724	22.475	40.484	176.40
July	39.589	8.0000	36.643	99.05	17.899	3.1810	114.83	1.4685	22.379	40.242	178.50
Aug.	40.077	8.0000	37.393	99.66	18.150	3.1982	114.84	1.4651	22.660	40.302	178.28
Sept.	39.753	5.0286	38.390	98.87	18.427	3.2062	114.77	1.4721	22.998	40.431	172.72

NOTE.—Averages of certified noon buying rates in New York for cable transfers.

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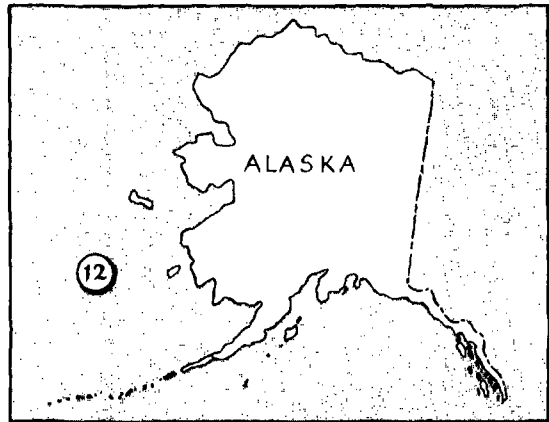
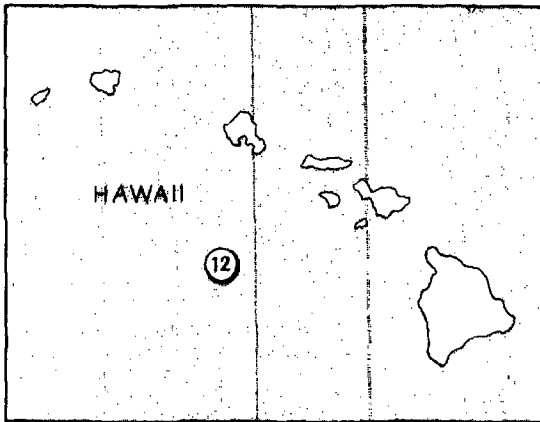
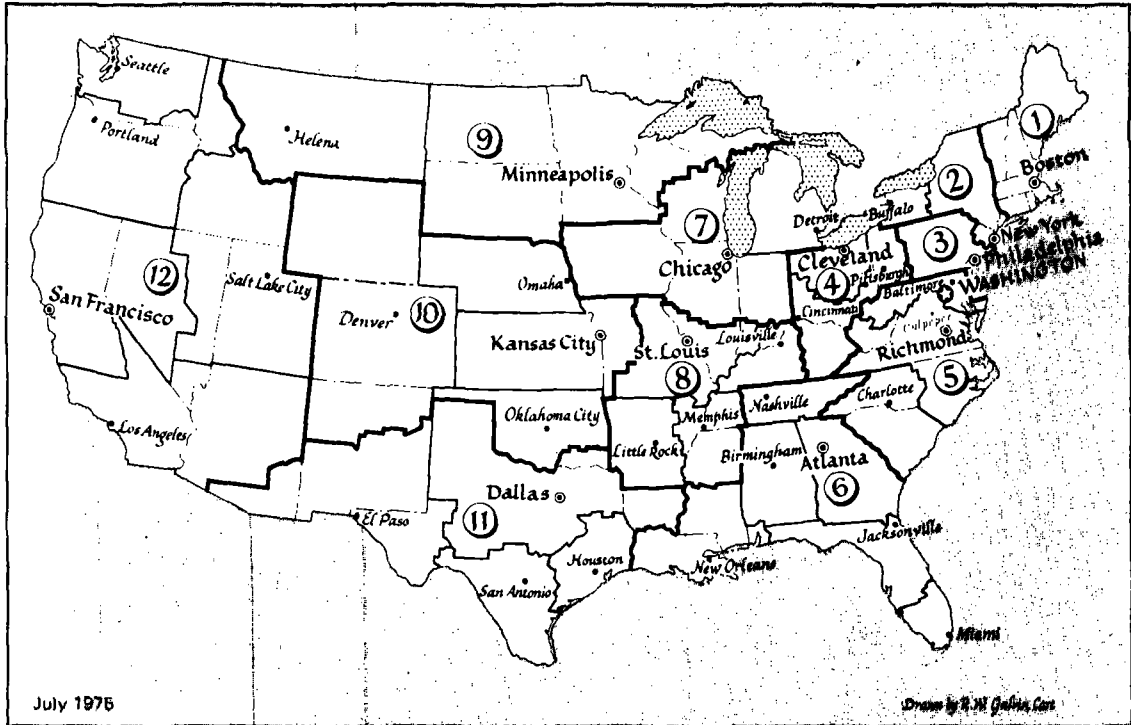
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# The Federal Reserve System

## Boundaries of Federal Reserve Districts and Their Branch Territories



### 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 Facility

# Guide to Tabular Presentation and Statistical Releases

## 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

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