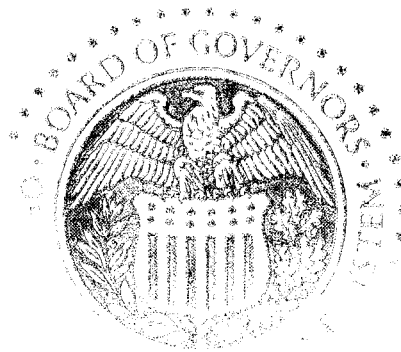


FEDERAL RESERVE BULLETIN

September 1962



BOARD OF GOVERNORS
OF THE FEDERAL RESERVE SYSTEM

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Interest Rates in the Current Cycle

INTEREST RATES in U. S. financial markets have risen much less since the February 1961 trough in economic activity than they did in the recovery and expansion phases of the two previous economic cycles.

Declines in rates from the May 1960 business downturn to the trough were also smaller than in earlier recessions, as the charts on the next two pages show.

Both short- and long-term rates had been falling for several months before the recent recession began, however. And rates on longer-term Government securities continued to decline for several months after economic activity began to recover. These developments were in contrast to earlier experience, when turning points in economic activity and in interest rates were more nearly coincident.

With much of the drop in rates coming before the downturn in business activity, total declines in rates in 1960-61 were more nearly comparable to those of earlier cycles than were the declines during the recession itself.

During the 1950's interest rates fluctuated cyclically around a rising trend. In each successive cycle they reached new highs. Similarly each cyclical low was above the preceding one.

Since early 1961, however, rate movements have not followed this rising trend. Because net advances in the past year and a half have been moderate, rates in mid-September were below levels reached a year and a half after the previous trough. While short-term rates have risen somewhat this year, long-term rates have shown

net declines and in some instances are below levels at the recession trough.

GENERAL INFLUENCES

The rising trend in interest rates during the 1950's was one facet of the vigorous expansion in economic demands and the accompanying inflationary pressures that occurred in most leading industrial countries after World War II. In the United States heavy spending by businesses, consumers, and State and local governments—much of it debt-financed—led during most of the decade to upward pressures on interest rates as well as on commodity prices and equity values.

Twice during the 1950's—in 1953-54 and again in 1957-58—recessions interrupted the upward course of activity. In those periods the Federal Reserve directed its policy toward encouraging bank credit and monetary expansion in an effort to stimulate economic recovery and renewed growth. In most other years, however, the System acted to limit the expansion of bank credit and money in order to counter inflationary tendencies.

In 1959, a year of economic expansion, private borrowing reached record levels. At the same time the Federal Government incurred its highest peacetime deficit. These heavy demands for funds, resulting pressures on bank reserves, and widespread expectations that the 1960's would be marked not only by rapid economic growth but also by higher commodity prices all helped to push interest rates to the highest levels since the early 1930's.

In the second half of 1959 there was a lull in economic activity associated with a long-drawn-out strike in the steel industry. But most interest rates continued to rise through December as investors prepared for expected boom conditions after the strike settlement and as security markets reacted to heavy Treasury borrowing.

The boom expected after the steel strike did not develop, and business activity moved sideways during the early months of 1960. In mid-spring activity gave signs of turning down, private credit demands abated somewhat, and credit conditions generally eased.

During this period, the fiscal position of the Federal Government was undergoing sharp change. In 1959 the Treasury had borrowed \$8.6 billion, net, but in the first half of 1960 higher tax receipts from the previous year's expansion enabled it to repay \$5.8 billion of Federal debt.

With the reversal of the major influences that had led to their run-up during 1959,

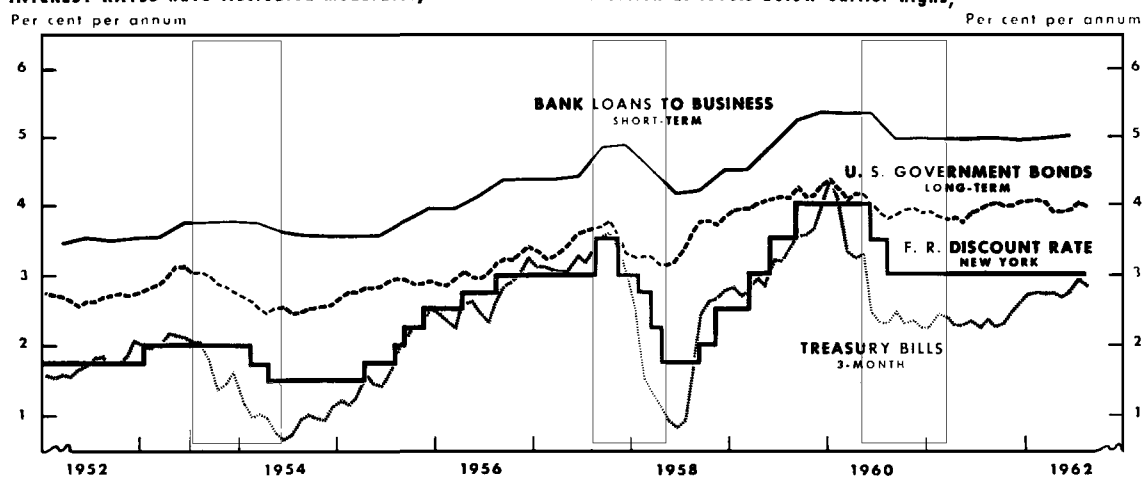
market interest rates crested around the turn of the year and then declined.

Rates continued downward during the recession but market expectations that economic expansion would soon resume moderated the declines. The recession in fact turned out to be mild and brief. Activity was rising again by early spring 1961 and continued briskly upward through the summer. Then the pace of the advance slowed, and a year later there is still a significant margin of unutilized manpower and plant.

With the slower rate of economic expansion, projections of growth rates were revised downward, fears of imminent inflation were largely dispelled, and private demands for funds—though substantial—fell below earlier expectations.

Meanwhile, the flow of private savings to banks and nonbank financial intermediaries continued large. Corporate savings were high as earnings improved and depreciation allowances increased. Growth in time deposits at commercial banks, after accelerating

INTEREST RATES have fluctuated moderately since the 1961 recession at levels below earlier highs,



NOTE.—Monthly averages of daily figures except for FHA mortgages, data for which are end of quarter mid-1953 through mid-1955 and monthly thereafter. Rates for Treasury bills are

market yields. Corporate and State and local bonds, from Moody's Investors Service. FHA mortgages are Federal Reserve compilations from average prices reported by FHA; light-

during the recession and early recovery, rose at an even faster rate in early 1962 when banks raised their rates on such deposits. These factors served to moderate upward pressures on interest rates in financial markets during the recovery-expansion period.

Because of the continued availability of manpower and other resources for economic expansion, the Federal Reserve has maintained a policy of monetary ease much longer after the recession than in earlier cycles. This has been a further factor in limiting the rise in interest rates.

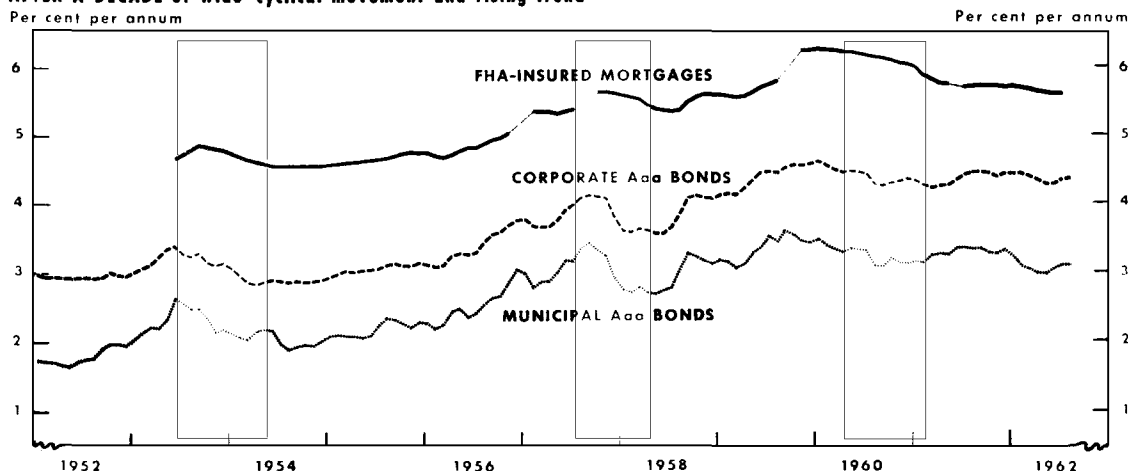
Total bank reserves have risen more than in the two earlier upswings, and in September 1962 free reserves still totaled several hundred million dollars. After comparable periods in previous expansions, banks had large net borrowed reserves, as the chart on the following page shows.

Monetary and debt management policies in the recent period have had to take increased account of international interest-rate relationships because of a continuing, large

deficit in the U. S. balance of international payments. This deficit has resulted in part from net outflows of both short- and long-term capital and credit. There has been a particular risk that declines in short-term rates to levels as low as those reached in earlier cycles would add to the deficit, both by encouraging outflows of those liquid funds that are sensitive to international rate differentials and by weakening foreign confidence in the dollar.

Several Federal Reserve actions have been taken to help deal with these concurrent problems of international payments deficit and the slack in domestic economic activity. The revision of Regulation Q permitting member banks to pay higher interest rates on time and savings deposits effective January 1, 1962, and the February 1961 extension of Federal Reserve open market operations to include longer-term securities both helped to facilitate flows of funds to domestic capital markets. Along with the maintenance of the discount rate at 3 per cent since

AFTER A DECADE of wide cyclical movement and rising trend



weight lines indicate periods of adjustment to changes in contractual rates when no data were available. Latest data shown,

Aug., except for bank loans, first half of June. Shaded areas indicate recession periods.

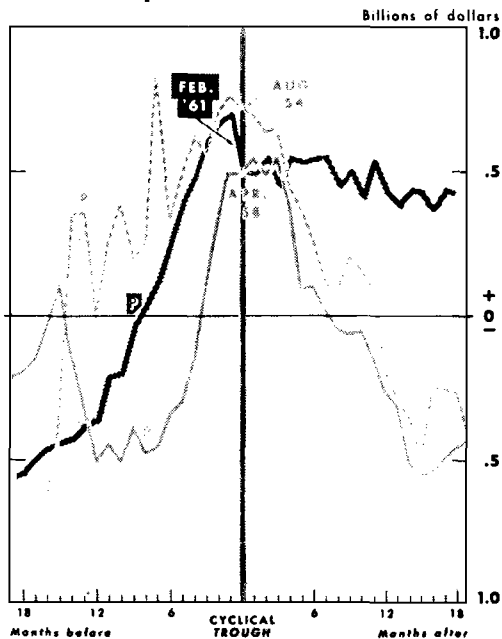
the summer of 1960, these actions also served to limit declines in short-term rates.

Higher rates paid by banks on time and savings deposits this year have made such deposits more competitive with short-term securities as investment outlets, and have stimulated bank interest in longer-term securities for their own portfolios. Federal Reserve purchases of longer-term securities in

for Treasury investment accounts at about the same time, involving substantial purchases of longer-term securities and sales of short-term issues, had similar effects.

Treasury debt management operations have also been adapted in light of the balance of payments problem. The supply of Federal securities due within 1 year increased by nearly \$18 billion from the end of January 1961 to the end of August 1962. This increase has played a major role in limiting declines in short-term rates. Over the same period, however, Treasury debt extension—accomplished largely through advance refunding of outstanding intermediate- and long-term securities—has served to lengthen the average maturity of the total marketable debt.

FREE RESERVES remain high in current expansion



NOTE.—Member bank free reserves are excess reserves less borrowings from the Federal Reserve. Monthly averages of daily figures. "P" indicates upper turning point in economic cycle.

the open market, particularly in the second quarter of 1961, supplied additional bank reserves around the recession low without adding directly to downward pressures on short-term rates.

These purchases also moderated upward pressures on longer-term yields, thus facilitating the record volume of corporate bond flotations that occurred then. Transactions

SHORT-TERM RATES

Rates in short-term markets have fluctuated less sharply in the 1960-62 period than in 1957-59, as the chart on page 1105 shows. When compared with the more moderate rate movements in the 1953-55 period, however, recent short-term rate experience looks less unusual.

Short rates in the recent period have differed from those in both previous cycles in three major respects. Instead of coinciding with or following the crest in business activity, they turned down 5 months before the economic turning point and declined more than a percentage point in those 5 months. At their lows they remained well above the extreme lows reached in earlier cycles. And they have advanced less in the expansion.

Early decline. The initial downturn of short-term rates in early 1960 resulted largely from changed market expectations regarding future demand and supply forces. When it became apparent after the steel

strike that private demands for credit would fall far short of what had been anticipated and that the Treasury would soon be shifting to a much larger than expected surplus, the sharp rate advances of late 1959 were reversed. Subsequently, as business activity slowed and monetary policy eased, short-term rates declined further.

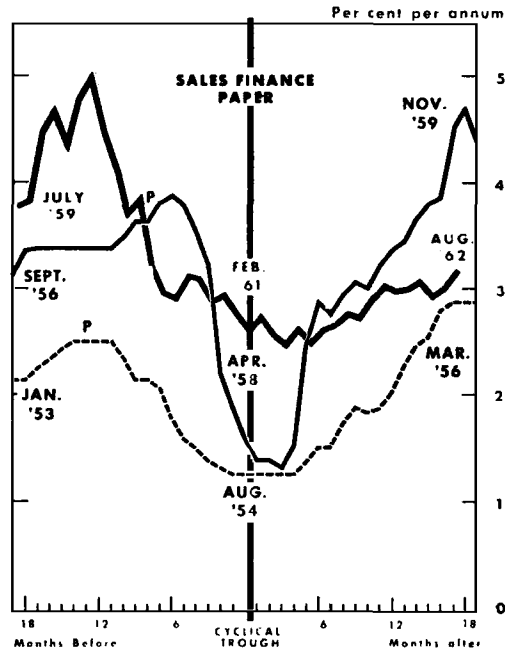
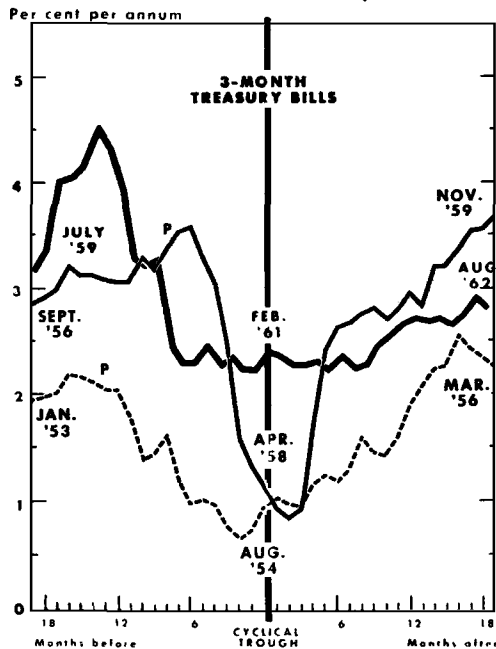
In the first 7 months of 1960, Treasury bill rates dropped more than they had in the 1953-54 downswing and four-fifths as much as in 1957-58.

Leveling-off of decline. Beginning in early August 1960, 6 months ahead of the recession trough, bill rates stabilized and for the next 14 months fluctuated in an unusually narrow range, at around 2.35 per cent. Other short-term rates, having declined less sharply, continued to move gradually lower until the summer of 1961.

Flattening of Treasury bill rates in the latter part of 1960 was partly attributable to the large outflows of short-term capital and gold that occurred in that period. To some extent the capital outflows siphoned off funds that might otherwise have gone into short-term Treasury securities. They also led market participants to assume that the Federal Reserve, in an attempt to reduce such outflows, would not lower discount rates or use open market operations to achieve as marked a degree of monetary ease as earlier patterns of System countercyclical policy might have suggested. Market opinions along these lines were reinforced by the widespread belief that the recession would be mild and short.

A seasonal swing in the Treasury's fiscal position—from substantial surplus in the first half of the year to a moderate deficit in the last half—also served to maintain rates

SHORT-TERM RATES remained above extreme lows of earlier recessions and have risen less in the current expansion



NOTE.—Rates are monthly averages of daily figures; for Treasury bills, market yields; for sales finance paper, 3- to

6-month maturities. "P" indicates upper turning point in economic cycle. Terminal dates are first and last months plotted.

on bills in late 1960. The Treasury had made net debt repayments of nearly \$6 billion in the first half and reduced by more than \$9 billion the volume of marketable Federal debt due within 1 year. But it was a net borrower again in the second half, when debt due within 1 year showed a net increase of nearly \$5 billion.

Domestic economic activity continued to decline through January and February 1961,

CHANGE IN PUBLIC HOLDINGS OF MARKETABLE FEDERAL DEBT DUE WITHIN 1 YEAR

[In billions of dollars]

Reason for change	First half of—		
	1954	1958	1961
Shortening due to time.	7.4	10.5	12.0
Extensions in refundings.	-14.0	-12.5	-5.2
New cash borrowing.	2.5	.3	4.6
Retirement.	-9.1	-4.9	-7.2
Net effect of time and Treas. debt management¹.	-13.2	-6.6	4.2
Official account transactions ². . . . .	.8	-1.2	1.9
Total change.	-12.4	-7.8	6.2

¹ Figures exclude official account holdings (that is, those of Federal Reserve and Federal agencies and trust funds).

² Minus sign indicates purchases from public.

and capital outflows and gold losses remained large. It was at this time that the Federal Reserve extended the maturity range of its open market purchases to include longer-term securities, and the Treasury began to emphasize short-term securities in its cash borrowing and refinancing operations.

These actions, together with sales from Treasury investment accounts, increased the market supply of short-term Federal debt. Although the Treasury carried out an advance refunding in March, issuing \$6 billion of intermediate-term obligations in exchange for shorter-term securities, this op-

eration was designed to achieve a moderate increase in the average maturity of the debt with minimum impact on market rates.

The accompanying table shows that Treasury debt management accounted for more of the increase in public short-term debt holdings in the first half of 1961 than Federal Reserve and Treasury investment account operations. Gross sales by the Federal Reserve, however, were much larger than net sales, and they were often made in periods when short-term rates were under downward pressure.

A further development that added to the volume of liquid assets was the decision of large New York City banks, in early 1961, to offer marketable time certificates of deposit. This action provided a new higher-yielding investment outlet to investors with short-term funds.

The increased supplies of short-term securities from these sources were absorbed by strong demands from both nonbank investors and banks. Nonbank investors bought short-term securities in volume, partly with funds raised by record second-quarter corporate borrowing in the capital markets. And commercial banks, with their reserve positions remaining easy, also added to their short-term Government security portfolios.

The persistence of short-term rates at relatively high levels encouraged banks to concentrate their investments in short-term securities. At the same time the general market expectation that demands for bank loans would expand with economic recovery, and that monetary ease might be succeeded by restraint as in earlier economic upswings, made banks reluctant to extend their investments to longer-term securities.

Had it not been for the large growth in short-term Federal debt during the first half of 1961, strong investor demands might well

have depressed rates on these issues to lower levels, as in 1954 and 1958, when short-term Federal debt available to the public was declining.

Changes since mid-1961. After showing little change during the summer and early autumn of 1961, short-term rates rose around the year-end, with the Treasury bill rate moving up to about 2.70 per cent.

This year-end advance in the rate was partly a reflection of a larger than seasonal rise in credit demands and market reactions to a large gold outflow. With the domestic economic picture showing further improvement and with the balance of payments position remaining unfavorable, monetary policy was adjusted to aim for a somewhat smaller rate of bank reserve expansion than had prevailed in earlier months.

During the first half of 1962 short-term rates fluctuated narrowly at levels slightly above those reached at the end of 1961. While commercial bank holdings of short-term Government securities rose very little in this period, total short-term Federal debt rose another \$2.5 billion, following an increase of nearly \$5 billion in the preceding 6 months.

In addition to these developments affecting the market supply of Treasury securities, higher rates on commercial bank time certificates of deposit attracted nonbank funds. And the banks that received such funds generally sought to place them in investments paying higher returns than short-term securities.

All of these influences helped to offset continued strong demand for short-term investments—from nonfinancial corporations, foreign accounts, and State and local government agencies—which might otherwise have depressed short-term rates in the first half of the year.

In late June and early July most market rates rose briefly, the bill rate to nearly 3 per cent. The increase was partly the market's reaction to measures announced by Canada in late June to protect the Canadian dollar. Some investors speculated that similar actions involving higher interest rates might be taken to deal with the U. S. balance of payments problem.

Also, there was widespread discussion of proposals for immediate reductions in taxes to stimulate domestic economic expansion. Such reductions would have added to the budget deficit and thus to Treasury borrowing requirements. Proposals for tax reductions were often accompanied by discussion of an offsetting shift in monetary policy.

In August the President deferred his request for a tax cut until early 1963, and balance of payments figures becoming available for the second quarter of 1962 showed some improvement. With these developments, and with nonbank demand for short-term securities remaining strong, Treasury bill rates turned down again.

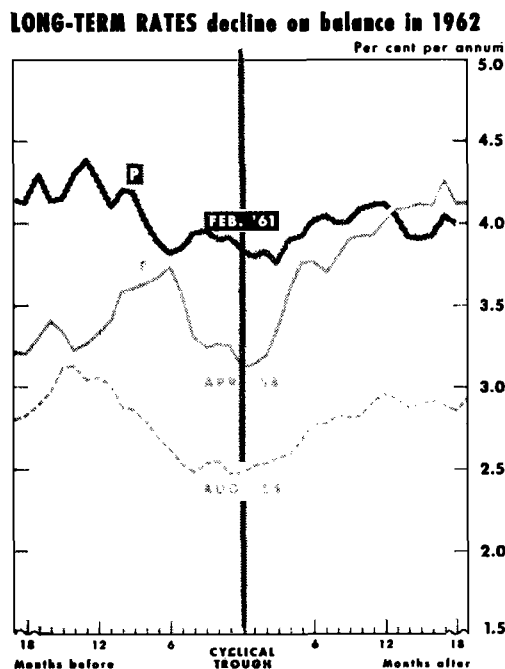
LONG-TERM RATES

Net advances in long-term rates during the expansion have been small, due in the main, to the same factors that limited increases in short term rates. These factors included the moderate pace of the recovery after its initial phase, heavy flows of private saving, and continued monetary ease. Additional influences were the abatement of earlier expectations of inflation and the consequent shift in investor preferences from equities to fixed-income securities, and the increased demand from banks for longer-term investments.

Developments in 1960-61. Rates on Treasury and corporate bonds began to decline with short-term rates in early January 1960,

before the May peak in business activity. They turned up in the third quarter, but only briefly, and did not advance again until the second quarter of 1961.

A continuing, though moderate, decline



NOTE.—Monthly averages of yields on U. S. Treasury bonds, due or callable after 10 years; after 12 years for Feb.-Mar. 1953. "P" indicates upper turning point in economic cycle.

in yields on Treasury bonds for several months after the February 1961 trough contrasted both with the relative stability of Treasury bill rates in the same period and with developments in earlier recessions, when Treasury bond yields as well as other long-term rates began to move up about the same time as business in general.

Demands for long-term funds turned down in the first quarter of 1961. New corporate offerings were held down by expectations of still lower rates and by the moderate size of immediate cash needs.

In April corporate bond yields began to advance, and a flood of new flotations in the second quarter drove corporate offerings to record levels. Treasury bond yields, however, continued to move downward into May.

Early 1961 was the period when official purchases of longer-term Government securities were begun, both for the Federal Reserve open market account and Treasury investment accounts. In the 6 months ending with July, \$2.7 billion of securities due in more than 1 year were acquired for these accounts, including \$1.4 billion of bonds due in more than 5 years. Official purchases—which in these 6 months amounted to more than a third of total dealer sales of such bonds—first added somewhat to downward pressures on long-term rates and then cushioned advances in long-term rates in the early recovery period. After July, purchases for official accounts declined.

The upturn of long-term rates in the second quarter of 1961 occurred as the early vigor of the recovery became evident. For a time the rate advance was rapid despite continued official account purchases of Treasury bonds. In late summer international tensions over Berlin gave an additional fillip to long-term yields, particularly on Governments.

After mid-1961 the volume of new corporate issues declined substantially from the record rate of the second quarter, but heavy flotations of State and local government issues and a steadily rising volume of mortgage financing maintained aggregate private demand for long-term funds during the rest of the year.

Most long-term rates declined when the pace of the economic expansion slackened in September. After early November they

rose moderately. At the year-end rates on long-term Government bonds were somewhat above, and those on most other bonds slightly below, their summer highs.

Developments during 1962. From late February to mid-May 1962, although short-term rates remained relatively stable, long-term rates declined. These declines erased much of the earlier advances in Treasury and corporate bond yields and brought yields on State and local government bonds to a 4-year low in May.

In part the declines were due to the market reappraisal of prospects for commodity prices, economic growth, and interest rates. In part they reflected a steady expansion of funds flowing into capital markets through banks and other financial intermediaries.

Of special importance in the latter connection was the advance in interest rates on commercial bank time and savings deposits allowed under revised regulations. The increased rates paid on these deposits, together with their accelerated growth, gave banks a strong incentive to acquire securities yielding higher after-tax returns, such as State and local government issues, mortgages, and intermediate-term Treasury issues.

Banks acquired nearly \$3 billion of

municipal issues in the first 6 months of 1962, and market rates on such securities declined substantially more than those on other types of seasoned long-term bonds. Increases in bank holdings of mortgages, while less dramatic than the rise for municipals, added to an already heavy volume of mortgage lending by other intermediaries and contributed to the further easing of terms on mortgage contracts. Rates on FHA-insured mortgages, which had trended downward throughout the recession and most of the expansion phase of the cycle, were lower in July 1962 than at any time since April 1959.

With economic activity continuing to advance in the second quarter of 1962, investors began to question whether the contracyclical decline in long-term rates would continue, and rates leveled off. During the May-June decline in stock prices bond yields were fairly stable. They rose briefly in late June and early July in response to uncertainties stemming from international balance of payments developments and the discussion of possible changes in Government economic policies that were also affecting short-term rates. In August long-term rates turned down again and have since fluctuated narrowly around levels well below their early 1962 highs.

Interest Rates and Monetary Policy

by STEPHEN H. AXILROD and RALPH A. YOUNG

INTEREST RATES are prices that reflect future returns on current investments and represent the means by which these future services or income can be translated into present values. In this way they help individuals and businesses decide how to allocate resources between current spending and investments for future returns. They are also an influence on the allocation of financial saving between cash and earning assets.

In a market economy interest rates are formed in financial markets in response to the major forces influencing supplies of and demands for loanable funds. In these markets there are many interest rates. Rates differ, for instance, according to the quality of the borrower and the risk-limiting provisions of the loan contract. Rates are also distinguishable by size of loan transaction; purpose of loan, such as business or consumption; institutional factors, such as government guarantees; and maturity of loan. The combined tendency of all the different rates represents the level of rates in the over-all credit market.

During recent years many facets of interest rates have been re-examined by scholars and students here and abroad. Attention has centered at times on cyclical swings in the average level of rates; in other instances, on the longer-term movement of rates; and on yet other occasions, on determinants of the pattern of rates by term to

maturity. Attempts to explain these various aspects of interest-rate behavior raise questions about the basic economic function of rates; the relation of rates to cyclical changes in economic activity, to inflation or deflation, and to economic growth; and the bearing of interest differentials among countries on worldwide capital movements, gold flows, and international payments generally.

The relationship between interest-rate movements and governmental policies, particularly monetary policy, has been of particular concern. In this context, attention has been especially directed to the extent to which interest-rate movements, on the one hand, have been the product of governmental policies or, on the other hand, have

reflected economic forces in private sectors of the economy, which have also necessarily been affected by the course and strength of public policies.

This paper attempts to disentangle the diverse influences on interest rates in order to help clarify the role that monetary policy and operations play in their determination and movement. Trends in interest rates are first discussed briefly, with emphasis on the transition from wartime regulation of rates in the 1940's to market determination of rates in the 1950's. With this background, we first discuss short-run interest-rate variations, giving particular attention to the role of bank credit and money, and then analyze

STAFF PAPERS—*In addition to its regular contents, the Federal Reserve Bulletin from time to time includes special papers on economic and financial subjects. These papers, prepared originally for the information of the Board of Governors by individuals on its staff, are selected for publication because of their general interest. The authors are responsible for the analyses and conclusions set forth.*

the basic forces influencing the longer-term trends in the level of rates that accompany economic growth.

Later sections consider, in this order, the economic factors that shape the maturity structure of rates, how interest rates are influenced by and related to international capital flows, and the connection between interest-rate variations and monetary policy.

The literature of economics contains a number of theories that help to explain interest rates, and this article draws on many of the explanations that have been advanced. For instance, some writers have focussed on the saving-investment process; some on the cash and liquidity position of the public; and some on the relationship between interest rates and the return on capital. Others have looked generally to the supply of and demand for loanable funds and the institutional organization for channeling and balancing these flows. Yet others have emphasized that interest rates are one among many mutually interdependent elements in the economy and that they are determined—along with output and prices of goods and services—as labor, product, and financial markets interact and come into balance.¹

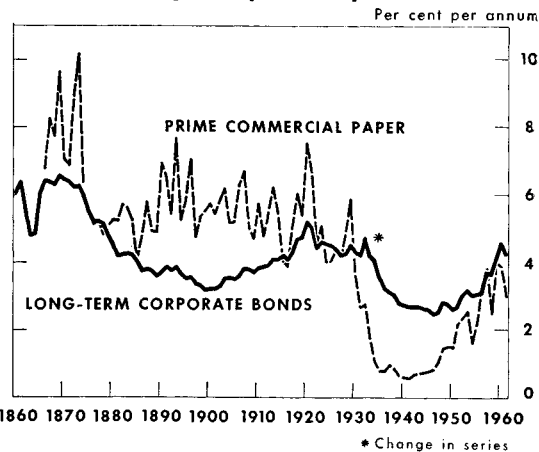
¹ The literature on interest rates is vast. A representative selection of modern works originally written in English and devoted wholly or in part to the subject would include:

- I. Fisher, *Theory of Interest* (New York: The Macmillan Co., 1930);
- W. W. Riefler, *Money Rates and Money Markets in the United States* (New York and London: Harper and Bros., 1930);
- F. H. Knight, "Interest," *Encyclopedia of the Social Sciences*, Vol. VII (New York: The Macmillan Co., 1932);
- J. M. Keynes, *The General Theory of Employment, Interest and Money* (New York: Harcourt, Brace and Co., 1936);
- J. R. Hicks, *Value and Capital* (Oxford: Oxford University Press, 1939);
- D. H. Robertson, "Mr. Keynes and the Rate of Interest," *Essays in Monetary Theory* (London: P. S. King, 1940);

HISTORICAL PERSPECTIVE

Perspective on how interest rates function in a market economy is afforded by looking at interest-rate data available over the past century. But the comparison involves two problems. First, the comparability of the

INTEREST RATES, both long- and short-term, fluctuate widely over past 100 years



NOTE.—Annual data. Yields for corporate bonds for period 1860-1932 are adjusted series for railroad bonds, compiled by Macauley. After 1932, they represent basic yields on 30-year corporate bonds of highest quality (Durand series).

statistical record diminishes as one moves backward in history. And second, the period has been one of continuing and broad social and economic change, including an expanding role for government, a changed structure and level of taxation, and growth of intermediary financial institutions that channel savings. These changes must necessarily be taken into account in interpreting

- F. Modigliani, "Liquidity Preference and the Theory of Interest and Money," *Econometrica* (January 1944);
- D. Patinkin, *Money, Interest and Prices* (Evanston: Row, Peterson and Co., 1956);
- M. J. Bailey, "Saving and the Rate of Interest," *Journal of Political Economy* (August 1957);
- J. W. Conard, *An Introduction to the Theory of Interest* (Berkeley: University of California Press, 1959);
- W. J. Baumol, "Stocks, Flows and Monetary Theory," *Quarterly Journal of Economics* (February 1962).

differing levels and relationships of rates over long periods.

During the past hundred years short- and long-term interest rates, as measured by annual data, have moved through several long cycles. They have also experienced many fluctuations of shorter duration, as the chart on the preceding page brings out.

As regards long-term rates, a long cycle is traced by the decline in corporate bond rates from 1870 to the turn of the century and the subsequent rise to around 1920. After 1920, long-term rates declined moderately for some years and then quite sharply during the 1930's.

Meanwhile, short-term rates passed through several swings of moderately long duration. They also exhibited shorter-term fluctuations of much wider amplitude than long-term rates. The extreme peaks shown for short-term rates sometimes coincided with acute tensions in credit markets that preceded some cyclical downturns.

In the 1930's short-term rates fell precipitately below long-term rates, and both short and long rates reached levels considerably lower than for any long period in the nation's history. Students of financial history now generally agree that these low rates were caused by an especially severe and worldwide depression.

Both short and long rates remained low through the 1940's and both rose from 1950 to 1960, with the rises interrupted briefly by three periods of cyclical contraction. At each successive peak of the economic cycles during the 1950's, market yields on private and governmental obligations generally rose to or settled at levels somewhat above those reached at the preceding peak.

During the first cyclical upswing of the 1960's, however, this pattern gave indica-

tion of changing. After a year and a half of recovery and further economic expansion, interest rates during the first half of 1962 had not reached the levels attained during the equivalent period of the preceding cyclical rise, 1958-60.

Influence of World War II. Continuance of a low level of interest rates through the 1940's was the product of national policies adopted to cope with a world war and its aftermath. The U. S. Government financed its expenditures in World War II in part by selling Government securities to the banking system at prices and yields assured by Federal Reserve operations; a rapid expansion in demand deposits was the corresponding increase in the banking system's liabilities.

The full inflationary potential of this money-creation process was not manifested until after the war because materials allocations, rationing, consumer instalment credit regulation, and price controls were in effect. In the early postwar period, as supplies of goods and services became increasingly available, materials allocations and rationing were removed and price and other controls were dismantled. As the public in these circumstances began to use its large wartime backlog of cash and liquidity in order to satisfy pent-up demand for goods and services, the average level of prices rose rapidly.

Meanwhile, the wartime financing policy of assured prices and yields on Government securities was carried over into the postwar period because it was uncertain how security holders would respond to withdrawal of this support in a period of transition from a wartime to a peacetime economy. In effect, this policy made the Federal Reserve the residual buyer in the market for the securities that private savers or financial

institutions did not wish to hold. Thus, it gave a money quality to all interest-bearing marketable Federal debt and transferred to the market the ultimate control over the economy's money-creation process.

Period of free markets. A resurgence of inflationary conditions, evidenced by sharp increases in the average level of prices, followed the outbreak of hostilities in Korea. At this time there was some further experimenting with special credit controls, including regulation of both consumer installment credit and real estate credit; also reserve requirements for commercial banks were raised temporarily. But inflationary demands could not be contained because the monetary and debt management policies that had been pursued during and immediately after World War II were resulting in an unregulated monetary expansion.

With inflationary pressures persisting, public concern was increasingly directed at the Treasury-Federal Reserve policy of pegging Government securities prices and yields at fixed levels and at the harmful effects that an unregulated supply of money was having on the value of the dollar. To give monetary policy the freedom to cope with conditions giving rise to this concern, the Treasury and the Federal Reserve agreed in March 1951 to discontinue official pegging of interest rates on Government securities. This agreement became known as the Treasury-Federal Reserve accord.

As monetary policy became free to regulate bank credit and monetary expansion in the interest of sustainable economic growth and a stable value for the dollar, and as the economy continued to expand—with temporary variations—market interest rates and security prices began to fluctuate in response to short-run shifts in the supply of and demand for funds. The longer-run movement of rates also came to reflect un-

derlying forces of domestic and international expansion that were leading in this period to a rise in rates from earlier exceptionally low levels.

FLUCTUATIONS IN INTEREST RATES

Like any other price, the movement of market interest rates depends on shifting supply and demand conditions. The various major forces that affect the supply of and demand for funds and thereby shape the movement and course of the average level of interest rates interact constantly on one another, and they are also constantly being tempered and modified by responses to changes in rates. In this interplay the various forces—such as saving out of income, bank credit and monetary expansion, investment decisions, and expectations of both suppliers and users of funds—reflect diverse developments in all sectors of the economy and the credit market.

Flexibility of rates. While interest rates generally respond to changes in supply-demand relationships, rates in some segments of the credit market do not respond to the extent that would seem to be indicated by such changes.

The most sensitive interest rates are those determined in central credit markets. These include yields on obligations of the U. S. Government, of State and local governments, and of major corporations, as well as rates on short-term open market loans that entail little or no customer relationship between lender and borrower. As shown in the chart on the next page, they are quite responsive to cyclical changes in economic activity, with short-term rates showing larger swings than long-term rates.

Certain types of interest rates, however, do not immediately reflect changes in the supply of credit relative to demand. They

often respond to such changes only after a lag. One such rate is that charged customers by banks on prime business loans; a second, mortgage interest rates; and a third, consumer credit rates. In some instances a stated interest rate may not change, but the effective rate to borrowers may be varied through other changes such as the

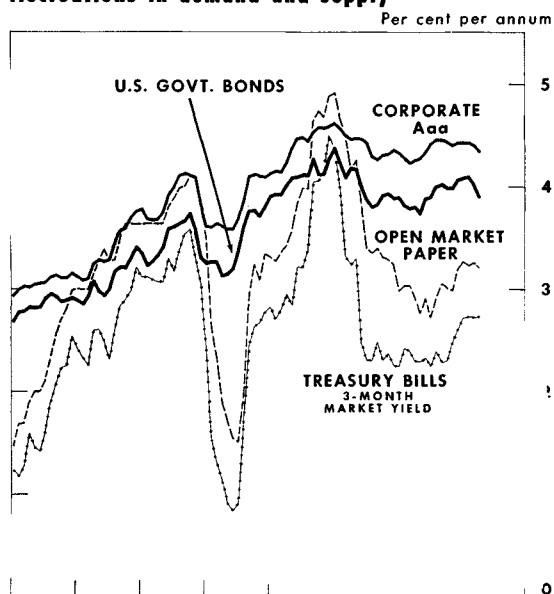
amount they must leave in the custody of lenders or the discount from the face value of the loan that investors may require to raise the actual interest rate above the contract rate.

Bank rates charged customers on most types of loans tend to change less continuously than rates on obligations traded in the market. For one thing, banks typically hold their loans to maturity. For another, many borrowers, especially those whose size and area of operation may be restricted, rely on banks for practically all of their financing. This tends to make bank borrowers either comparatively unresponsive to interest-rate changes or unable to take advantage of alternatives, which, while apparently cheaper as to interest rate, might involve offsetting costs and inconveniences. Still another factor is that banks generally believe that changes in loan rates are disturbing to long-term customer and competitive relationships.

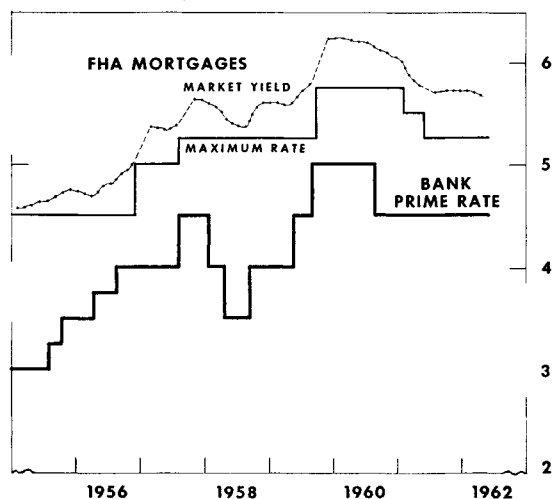
In making adjustments in rates, therefore, banks look more to longer-term considerations of expected growth of loan demand in relation to deposit growth than to short-run variations in the supply of loanable funds relative to current demands. Nevertheless, average interest rates on short- and long-term bank loans to business do show some variations in response to changed supply-demand relationships. And the larger the loan, the more do interest rates tend to vary over a short period, as large customers tend to be more mobile in seeking financing and as banks, therefore, become more responsive to costs of credit from competing sources, such as capital markets and other institutional lenders.

Interest rates, output, and prices. The investment, saving, and monetary forces shap-

MOST INTEREST RATES highly responsive to fluctuations in demand and supply



OTHER RATES less so



ing interest-rate variations also influence movements in total output and the average level of prices. In other words, changes in market interest rates, output, and prices can be considered the joint product of these forces. While the tendency is for all, at least in the short run, to be subject to upward or downward pressures together, they generally move at different paces. Moreover, the rate of change in each depends in part on the degree of pressure to which other rates are being subjected.

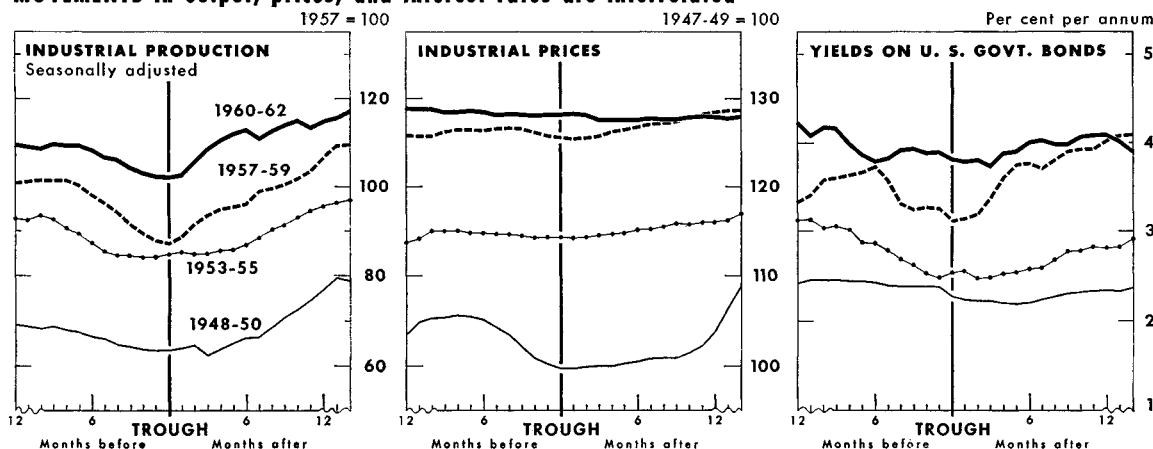
This is not simply a matter of the extent to which movements of interest rates, output, and the average prices of output complement each other. It also pertains to the degree to which each is a substitute for the others—that is, with the degree to which pressures in one area can be diverted to another. For example, at high levels of resource utilization, a rise in interest rates that is tempered or delayed by rapid expansion of bank credit will be reflected in a tendency for average prices of goods and services to rise. Or when the economy is expanding in a period when resources are underutilized, the economy's ability to bring these resources into production and to increase saving as

real incomes rise tends to temper upward interest-rate pressures.

In general, in a cyclical economy, interest rates tend to be relatively low in periods of lessened economic activity when there is keener competition in the sale of products and services, reduced borrowing demands, and a tendency for the average prices of goods and services to recede. On the other hand, they will tend to be higher in periods of expanded economic activity, when demands for final products are strong, credit demands are high relative to the supply of funds, and prices are tending to rise.

Bank credit, money, and interest-rate variations. Downward and upward tendencies in the level of interest rates are conditioned in part by countercyclical changes in bank reserves, bank credit, and money. When economic activity is at reduced levels, bank reserve positions are generally easy. This is partly because demands for bank loans are low and partly because the actions of the monetary authority are working to increase the availability and lower the cost of bank reserves. As banks seek investment outlets for their surplus funds, they add to market ease on the supply side.

MOVEMENTS in output, prices, and interest rates are interrelated



With expansion in bank credit, the money supply rises—this supply being defined as currency and demand deposits held by the public. Time and savings deposits in commercial banks also rise. This expansion in the liquidity of consumers and business may increase their willingness to spend. It may also make them want to purchase other financial assets, particularly the riskier types, which extends the market area of downward pressures on interest rates.

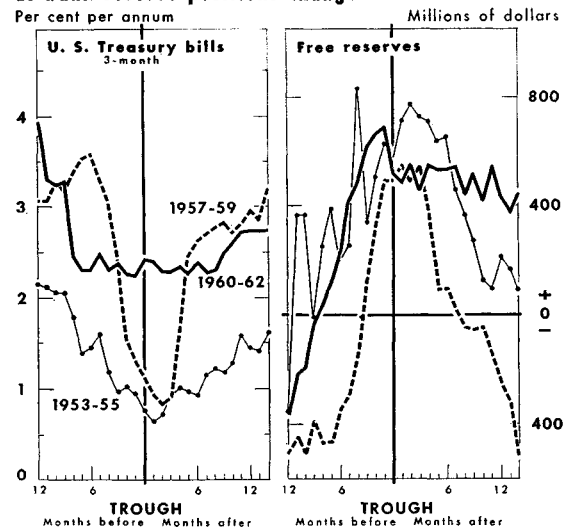
The increased availability of credit from banks and the expanded demands of banks and the public for securities help drive market interest rates down, perhaps below levels that are reflections of the longer-run profitability of investment at the time. This provides one stimulus to recovery in investment and economic activity.

Another stimulus to expansion of borrowing derives from any rise in spending associated with greater liquidity of the economy as currency and bank deposits held by the public expand. The greater demand for goods and services enhances the expected profitability of business investment and thereby the willingness to bid for borrowed funds at existing market rates.

Capital gains, resulting from higher prices of securities in a period of declining interest rates, also may contribute to increased borrowing and spending. The rise in capital values of assets, as people are willing to pay more for a given income, increases the liquidity of holders and thereby influences their willingness to spend and also to borrow to finance part of their spending. At the same time, additional borrowing may occur mainly for speculative reasons as purchasers seek longer-term financial assets in the hope of realizing capital gains. Lenders in some degree may also be more willing to lend in a period of declining rates since

the opportunity to realize capital gain upon sale increases the liquidity of their portfolio of marketable earning assets. This may increase their incentive actively to seek new borrowers, including some who might under more restrictive conditions be regarded as unacceptable.

SHORT-TERM INTEREST RATES rise and fall as bank reserve positions change



Renewed expansion in the demand for credit first tends to reduce the degree of market ease and then to tighten credit conditions and put market interest rates under upward pressure. As the economy approaches a high level of resource use, as expansion in output is limited by the existing small margin of unutilized resources, and as investment demand tends to outrun the supply of saving, prices of output and interest rates both tend to rise. In these circumstances, limitations on the expansion of bank credit and money, so as to keep total demand for goods and services in line with the economy's capacity to produce, put additional upward pressures on market rates, in a sense displacing the effect of pressures making for rising prices. The

higher interest rates, in some degree, reduce business and consumer spending and borrowing demands; the lower capital values associated with higher interest rates reinforce such a reduction.

Expectations of borrowers and lenders, interacting with basic supply and demand conditions, may affect the intensity of interest-rate movements. If borrowers expect interest rates to decline, for instance, they may withdraw from the market, and this will add to downward pressures on rates. If, however, borrowers do not expect the lower rates to continue, they may anticipate future borrowing needs in the present and bring about upward rate pressures, even though basic supply conditions in credit markets have in fact not changed.

Widely held expectations of inflation may accentuate upward pressures on both prices of goods and interest rates. These expectations will produce at the same time an increased demand pressure on interest rates and a reduced supply of loan funds. On the demand side, borrowers will seek either to beat the higher costs of money in the future or to gain the advantage of falling real costs of interest on obligations assumed in the present. On the supply side, lenders will either raise the interest returns they insist on obtaining to compensate for the risks of a falling purchasing power or seek outright ownership and a variable return rather than a contractual interest investment. A diminishing of inflationary expectations, on the other hand, will tend to be accompanied by downward pressures on interest rates and reductions in the prices of equities, as investors become less inclined to hedge against price rises.

Credit availability as an aspect of market conditions. As mentioned earlier, all interest rates are not equally responsive to changing

credit conditions. In markets characterized by lessened interest-rate sensitivity, lenders' willingness to make funds available and borrowers' ability to obtain them depend not so much on the loan rate as on the availability of funds.

When credit demands press actively against the supply of funds in market sectors where interest rates tend to be less flexible, lenders—who always tend to be selective to some degree in satisfying borrowers—adhere to stricter lending standards, screen creditworthiness of borrowers more carefully, and tend to give first priority to customers of long standing. Under these circumstances many borrowers are obliged to shop more intensively to find banks or other lenders whose loan standards and terms they can meet, and some would-be borrowers fail to find accommodation.

An increase in demand for funds relative to supply, therefore, not only causes interest rates to rise but also has a direct effect on the ease with which borrowers can obtain funds and on the amounts they can obtain. Similarly, limitations on the supply of bank credit and hence in some degree on over-all credit availability tend to be accompanied by both rising interest rates and increased nonprice allocation of funds as lending standards become more strict. Thus, it should be kept in mind that changes in supply or demand conditions for credit are not always, or in all market sectors, completely reflected in changes in interest rates. They are also reflected in changes in the availability of lendable funds and in the ease with which borrowers can find accommodation.

BASIC FORCES SHAPING INTEREST-RATE TRENDS

To understand the behavior of interest rates, it is important to distinguish the longer-run trend in rates from cyclical and other short-

run variations in rates. In practice, of course, what we call long-run forces are always present and they influence short-run changes, while the effects of short-run forces may also ramify into the future.

The trend of interest rates over the longer run is basically shaped by the nonmonetary forces affecting the economy's propensities to save and invest. One of these forces is the progress of technology, which affects the efficiency or productivity of capital and also, along with prospective demands for goods and services produced, the expected profitability of investment. Another force is represented by the attitudes and desires that influence the public's willingness to defer current consumption, and thus to save.

Interest rates and growth. Growth rates of the economy over long periods have been associated with varying interest-rate trends. For example, the economy has moved through periods of rapid growth sometimes with a falling trend of interest rates and sometimes with a rising trend.

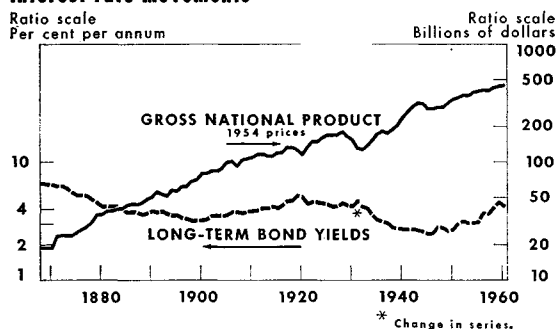
Economic growth necessarily depends on the extent to which resources are diverted from the production of goods for current consumption and are invested in tangible capital or expended on services applied to research, development, and education. These investments and expenditures will increase the future output of desired consumer goods.

In a modern economy in which both public and private sectors play important roles, choice in the use of resources for future as against current consumption is made partly through public decisions as to governmental taxation, spending, and investment. But to an even greater extent, it depends on decisions of a multitude of individuals and businesses effected through competitive bidding in the market.

If, for an extended period, an economy

sustaining high capacity utilization has a large demand for investment goods, and also has a high propensity on the part of the public to save, relatively rapid and stable growth could occur at comparatively low interest rates. A society with high and rising consumption standards relative to production, and a low propensity to invest and

ECONOMIC GROWTH associated with varying interest-rate movements



NOTE.—GNP in constant (1954) prices. For long-term bonds, see note to chart on p. 1111.

save, will have a slower rate of growth. If, in order to accelerate growth under those conditions, domestic investment is encouraged, reduced consumption will be required to expand saving while maintaining a stable level of prices. In this way resources can be released to meet the expanded investment demand without upward pressures on prices and interest rates.

But in periods of high and rising standards of consumption—including public facilities such as water, sewage disposal, hospitals, schools and roads, which both provide consumer services and contribute to economic growth—expansion of economic growth is likely to entail rising, or comparatively high, interest rates as consumers, businesses, and governmental units all compete vigorously for available funds. Interest rates on the average will reach a level that induces a flow of saving from the public

adequate to balance the expanded credit demands of the economy, or that results in the exclusion of enough financing demands to balance the existing savings flow, or both. Thus, the trend of interest rates that accompanies different rates of economic growth depends, in the final analysis, on the public's propensities to save and to invest.

Capital outlays and credit demand. The economy's financing demands rest in large part on its propensity to invest in tangible assets—on the needs of business for more and better plant and equipment, and for inventory; on the needs of individuals for more and better durable goods and houses; and on the needs of State and local governments to finance an ever-expanding complex of public facilities. Deficits in the Federal Government's budget also augment the demand for funds, while budgetary surpluses augment the supply of funds from private saving.

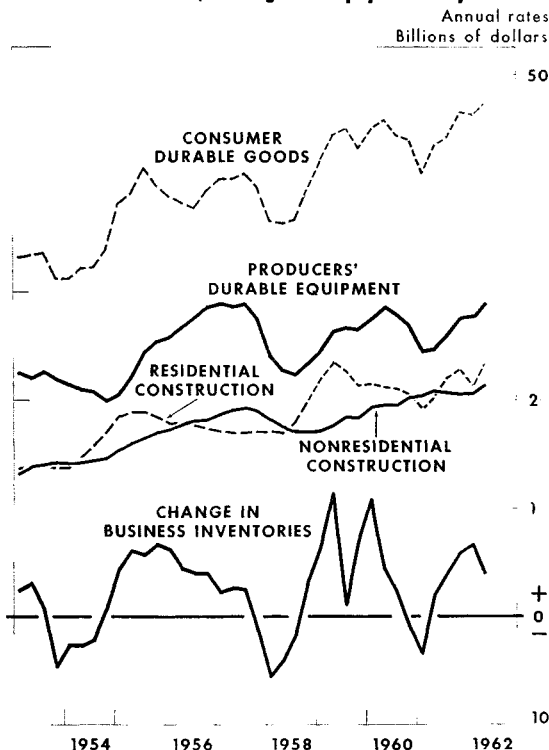
In addition to domestic demands, there are financing demands from abroad. A net outflow of funds abroad, by diverting domestic saving to foreign markets, will put upward pressure on domestic interest rates. A net inflow of funds from abroad will have the opposite effect.

Businesses are the most volatile source of private investment demands, and the pace of economic growth is intimately related to the amount and character of their investments. Their demand turns largely on the expected profitability of investment. As this rises, so does investment demand, and so does the rate of interest, if other conditions remain unchanged. In one sense, therefore, the interest rate depends on the marginal productivity or efficiency of capital. The income from the added output of goods and services associated with new investment is a fundamental basis for the bor-

rower's ability and willingness to pay the interest earned by the nation's saving.

Consumers are also an important source of investment demand, and variations in their demand have at times had a significant

CAPITAL OUTLAYS of businesses, and of consumers, change sharply over cycle

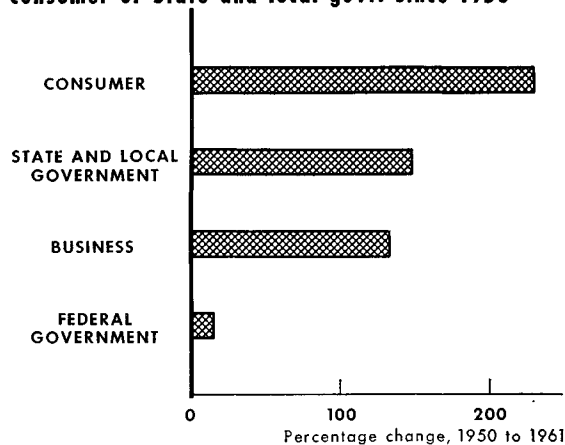


influence on the course of economic activity and of credit markets. Their credit demands are strongly influenced by the comparison that consumers make between their ability to carry debt—that is, to pay the interest costs and amortization—and the present and expected return the good may yield in terms of service. Consumer appraisals of such returns versus debt charges are necessarily affected by variations in personal income, consumer debt positions, and the over-all economic and credit situation.

Domestic demands for credit have ex-

panded rapidly since World War II. A noteworthy fact, as the chart shows, is that debt of consumers and State and local governments has grown even faster than business debt since 1950. Business investment during this period was financed mostly out of re-

BUSINESS BORROWING rises less than consumer or State and local govt. since 1950



NOTE.—Data from flow-of-funds accounts.

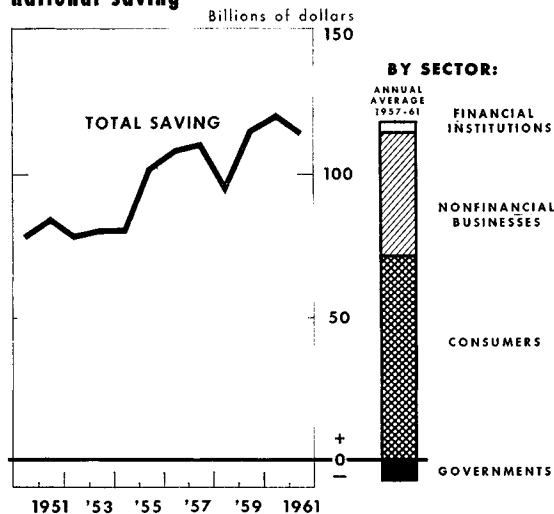
tained earnings and capital consumption allowances. Expansion in capital outlays—whether business, governmental, or individual—generally contributes to upward interest-rate pressures, however, even though not financed by borrowing. When financed out of current income or receipts, such outlays absorb funds that might otherwise have been saved in the form of financial assets and thereby been made available to meet borrowing demands from the rest of the economy.

Savings and the supply of funds. Over the long run, the supply of loanable funds rests on the willingness of savers to restrain spending out of current income and to make the funds they save available to others. Consumer saving is the largest source of funds to financial markets; in recent years, as shown in the chart, it has provided about

three-fifths of the economy's gross saving. Most consumer funds flow into markets through financial institutions as intermediaries, but consumers also at times purchase substantial amounts of securities directly.

Nonfinancial businesses also supply funds to financial markets. In contrast to consumers, businesses place a large proportion of their funds in financial assets on a more or less temporary basis. They are active investors in highly liquid instruments, such as short-term U. S. Government securities, which can be readily converted into cash to meet liabilities as they come due or to finance increased investment outlays.

CONSUMERS the major source of national saving



NOTE.—Data from flow-of-funds accounts.

In general, the public places its financial saving in a variety of financial assets, including currency, bank deposits, claims on nonbank financial institutions, and securities. The amount that the public wants to save in any particular form depends on its portfolio preferences. These, in turn, reflect the character and needs of the savers, as well

as the terms and conditions on which financial outlets are available to them.

The actual amount of saving in the form of currency and deposits with commercial banks, however, is strongly influenced by monetary policy, as its actions affect the volume of bank reserves and, thereby, through the process of bank credit expansion, the volume of currency and deposits.² Over the long run, under conditions of high employment and stable prices, the banking system's reserves need to grow enough to permit an expansion of the money supply and also of time and savings deposits in line with what the public wants to save in such forms considering its other portfolio preferences.

Thus, the rate of growth in the money supply, and also in bank credit, may change from one comparatively long period to another in accordance with changes in the asset structure desired by the public, as influenced in part by shifting liquidity preferences. Shifts in liquidity preference—for instance, a changing desire to hold money as compared with securities or interest-bearing deposits—may influence market interest rates as the aggregate and composition of demand for securities change.

With continued expansion in nonbank sources of credit and in nonbank outlets for savings, only a comparatively small share of the aggregate demand for credit can be satisfied by expanding bank credit, if excessive growth in the money supply or closely related assets is to be avoided. Available estimates indicate that, during the decade of the 1950's, the share of bank credit

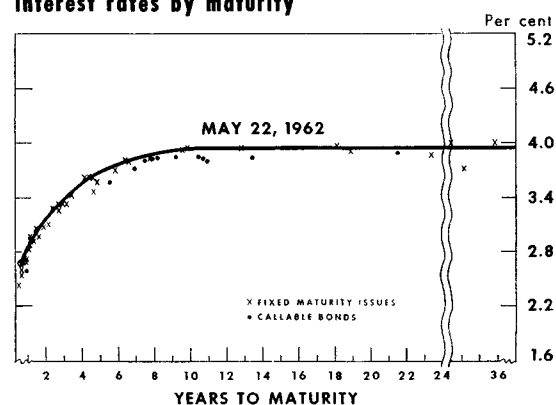
² The amount of bank deposits associated with any particular level of reserves, however, will be larger or smaller, depending on the public's relative preferences for currency, demand deposits, or time deposits. Expansion will be larger, for example, to the degree that the public prefers time deposits, which have a lower reserve requirement than demand deposits.

expansion averaged annually about one-fifth of total credit expansion. And the share of the total provided by expansion of demand or monetary deposits averaged less than one-tenth.

INTEREST-RATE PATTERNS

The discussion so far has dealt with influences affecting the general level of rates, but we have also noted that the behavior of short-term rates contrasts markedly with that of long-term rates. Differences in interest rates according to maturity are an important aspect of market functioning. These differences in rates according to maturity create what is called the term structure—or maturity pattern—of rates.

YIELD CURVE shows differences in interest rates by maturity



Within the term structure, short-term instruments tend to serve somewhat different needs from long-term ones, though there is a good deal of substitutability in function between the two. From the borrower's point of view, long-term instruments are better suited to financing investments that yield their return over long time periods, such as plant, equipment, and housing; and short-term instruments are better adapted to more current needs such as inventory stocking or borrowing to pay taxes. From the lender's

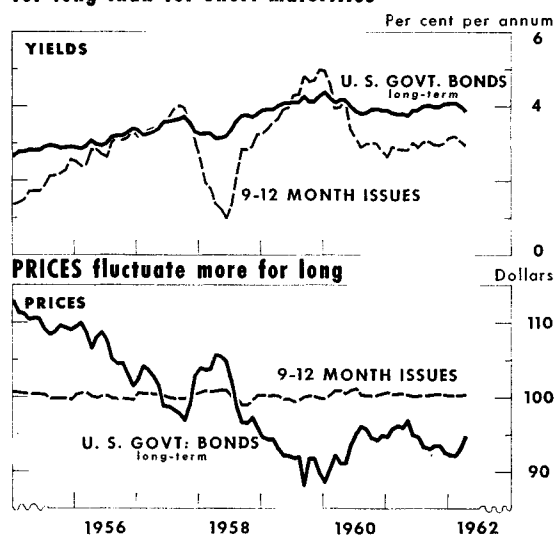
or investor's viewpoint, short-term instruments are more suitable than long-term ones as a repository for liquidity funds and for funds that may have to be called upon to meet near-term liabilities, while long-term instruments are more appropriate from the standpoint of assuring investment yields over long periods.

Nevertheless, borrowers and investors often switch among instruments of different maturities as credit conditions change. Investors in U. S. Government securities, for example, vary the maturity composition of their portfolios as relative yields change or in anticipation of future yield changes.

Various writers on economics have advanced different theories as to what are the dominant influences on the term structure of rates. Before discussing these various theories, two facts about short- and long-term rates should be noted. First, observation of changes in the maturity structure of rates over a period of time shows that rates on long maturities fluctuate within a narrower range than do those on short maturities, whereas in terms of price the long maturities fluctuate more. Secondly, for much of the time short-term and long-term rates rise and fall together, so that the whole spectrum of rates tends to move together in a fairly systematic fashion. But short-term rates generally change at a more rapid pace than long-term ones, and for some periods the directions of the movements even diverge.

These aspects of the term structure of interest rates are illustrated in the accompanying chart, which compares price and interest-rate movements for short- and long-term U. S. Government securities over the past several years. During this period long-term rates have generally been above short-term rates. Over the past century, however, no one maturity pattern of rates has

YIELDS fluctuate less for long than for short maturities



predominated. In many of the years before 1930, as the chart on page 1111 shows, short-term rates in the United States were above long-term rates.

Influences on maturity relationships of rates. A number of factors condition the relationship among interest rates according to maturities. Four can be distinguished. One is the degree of liquidity of the instruments themselves. Another is the portfolio preferences of the institutional investors that channel the lion's share of individual savings into market instruments. A third influence is what investors and borrowers expect future interest-rate and market trends to be. And a fourth relates to the maturity composition of the outstanding debt that has been made available to the markets by issuers.

Liquidity of instrument. Some analysts have stressed that interest is paid to compensate holders of securities for the fact that securities, in contrast to money, entail a risk of loss in capital value and a cost of portfolio administration. Thus, interest rates would tend to be high on the least liquid

securities—that is, those with characteristics remote from money—and low on securities that are nearest to money in character.

Short-dated market instruments fluctuate relatively little in price and in most instances can be readily bought and sold. As already indicated, they provide an outlet for funds that may have to be used on short notice to make current payments or to meet contingencies. The interest rate on such instruments tends to be lower than that on longer-term and less readily marketable securities, since investors are willing to accept a lower return for liquidity. Generally, liquidity considerations would make the market yield curve slope upward; that is, interest rates would rise as maturities lengthened.

Hedging behavior of institutions. Banks and other financial institutions find it prudent to manage their portfolios in a way that, for operating purposes and considering the maturity character and potential variability of their liabilities or prospective commitments, hedges against uncertain fluctuations in security yields and prices.³ Also, large business corporations that have funds temporarily in excess of their requirements for current payments usually invest such funds in maturities that coincide with projected future payments needs or that provide for contingencies.

To illustrate, the liabilities of commercial banks are largely short-term and are volatile and subject to potentially large swings. This requires frequent sales of assets. To reduce uncertainties about the amount of cash that can be obtained from such sales, banks tend to invest fairly heavily in short-term securities since they fluctuate least in price.

³ The role of institutional influences in determining the maturity pattern of interest rates is emphasized in W. Braddock Hickman's exploratory analysis of "The Term Structure of Interest Rates" for the Financial Research Program of the National Bureau of Economic Research (1942, unpublished).

On the other hand, some financial institutions—such as insurance companies—emphasize investments in longer-term securities because the comparative stability and longer-run predictability of their liabilities reduce the extent to which they may incur capital losses from frequent liquidations of assets. By including a large proportion of long-term investments in their portfolios, they avoid the uncertainty of a variable return from constant reinvestment in short-term securities.

Institutional portfolio patterns are in practice less fixed and rigid than the foregoing illustrations imply. Institutions, particularly in the short run, have varying degrees of latitude in adapting the composition of their portfolios to changing market conditions. Commercial banks, for example, with their combination of demand and time liabilities, hold a sizable portion of assets that can readily be shifted from short- to longer-term securities in response to market incentives.

To the extent that different institutions are more active in one market sector than another, the maturity pattern of rates depends on the importance and specialized role of various institutions as buyers or sellers of securities at different periods of time or at different stages of the economic cycle. Since World War II, for example, short-term rates have generally been below long-term rates, but they have risen relative to them during cyclical upswings. In the late stages of the upswing from 1958 to early 1960, they rose above long-term rates. Thus, the upward slope of the maturity curve has become progressively less steep during cyclical upswings. This has reflected in part the cyclical behavior of banks and businesses. In expansion periods these groups sell relatively large amounts of short-term

securities in order to meet growing demands for funds, while in recessions when demands are slack they are heavy buyers of such securities.

Expectational factor. While the two previously mentioned factors have an influence on the term structure of rates, many economists and market observers consider expectations to be the predominant influence. Expectations theorists contend that maturity choices of borrowers and lenders are determined by their expectations as to future rates and that behavior of market participants will cause long-term rates to equalize with the average of short-term rates expected over the future. In its simplest formulation the theory assumes that investors are indifferent to risk, but other formulations allow for the fact that investors may have to be given a premium to undertake the greater risk and administrative costs of longer-term investments.⁴ Since the near-term future is more foreseeable and certain than the longer-term future, and with many lenders seeking to avoid the risks of longer-term lending, the normal tendency of the yield curve would be to slope upward.

Yields on short-term securities are affected by near-term and temporary factors. Yields on long-term securities, however, are influenced less by short-run developments since they are averages of the yields per annum expected over both the short- and longer-run future. Expectations extending a long time into the future are less volatile than near-term expectations. And this tends

⁴ See particularly, F. A. Lutz, "The Structure of Interest Rates" (*Quarterly Journal of Economics*, Vol. 55, November 1940, pp. 36-63) and Hicks, *op. cit.* B. G. Malkiel, "Expectations, Bond Prices, and the Term Structure of Interest Rates" (*Quarterly Journal of Economics*, Vol. 76, May 1962, pp. 197-218) formulates the expectations theory giving explicit recognition to the influence on the term structure of expected movements in bond prices.

to dampen fluctuations in long-term rates, which are more complex and less sensitive than short-term rates. Expectations, then, are one explanation for the greater day-to-day fluctuations in short- as compared with long-term rates.

As the average of rates changes, the expectations of market participants will change and by changing will alter the term structure of rates. For example, if the average of market rates has been low, market opinion may come to expect a general rise in rates. In these circumstances, investors will tend to stress investment in short- rather than long-term securities so as to have cash available for the higher yields expected in the future and to avoid the capital losses associated with long-term investments during periods of rising rates. Meanwhile, borrowers will try to borrow "long" for as many of their needs as possible to avoid the higher rates of the future. This behavior of investors and borrowers will tend to lower short-term rates relative to long-term rates.

The opposite will occur when market opinion anticipates a declining level of rates. Investors will sell short-term securities and buy long-term rates ones so as to increase opportunities for capital gains, while borrowers will emphasize shorter- as against longer-term borrowing. When the average level of rates was comparatively high in cyclical upswings during the postwar period, this shift in supply and demand relationships was an important reason why the yield curve tended to become flat or even slope downward.

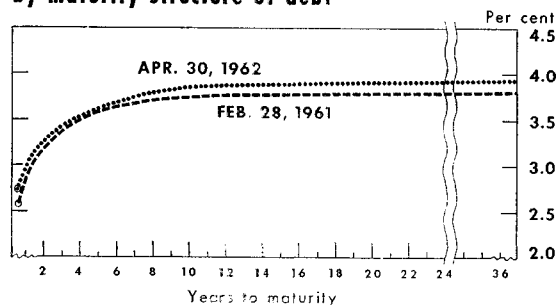
Maturity composition of outstanding securities. Discussion of how the structure of the supply of securities affects the maturity pattern of rates has been stimulated during the past few years by the concurrence of problems in the balance of payments and

the domestic economy. The need to reduce the nation's balance of payments deficit has seemed to call for a rise in interest rates whereas the domestic condition of underutilized resources has favored a low level of rates.

Many observers thought that this apparent dilemma could be resolved at least partially by monetary and debt management measures that would affect specific rates in the term structure through changes in the relative supplies of securities available to the investing public. They considered that it would be desirable to raise short-term rates

Taking such views into consideration, the monetary and debt management authorities cooperated in changing the relative supplies of short- versus long-term Government debt outstanding in an effort to alter the term structure of interest rates, particularly to obtain higher short-term rates than might otherwise have been consistent with domestic conditions. The Treasury issued substantial amounts of short-term securities in its financing operations, and the Federal Reserve in early 1961 adapted its open market operations to include securities of all maturities, though continuing to emphasize short-term issues.

YIELD PATTERNS influenced in part by maturity structure of debt



PUBLICLY HELD MARKETABLE DEBT

MATURITY GROUPING	AMOUNT OUTSTANDING Billions of dollars		PERCENTAGE CHANGE
	Feb. '61	Apr. '62	
WITHIN 1 YEAR	62.3	68.8	+ 10.4
1-5 YEARS	55.6	48.9	- 12.1
5-10 YEARS	15.9	20.5	+28.9
OVER 10 YEARS	21.3	21.6	+ 1.4

NOTE.—Figures are for U. S. Government direct debt.

—by adding to the market supply of short-term U. S. Government securities—in order to discourage outflows of capital. At the same time, reductions in the supply of long-term U. S. Government securities in the market would encourage declines in long-term rates in order to stimulate domestic economic expansion.

Whether, or in what degree, changes in the maturity composition of the outstanding publicly held debt can affect the structure of rates depends on the tendencies and strength of the other forces that influence the rate pattern. In other words, the maturity composition of the debt is only one factor shaping the yield structure. Its influence in a particular market situation has to be considered in conjunction with forces arising out of liquidity needs, institutional portfolio adaptations, and market expectations as to future interest-rate movements.

Interaction of forces. It seems unlikely that the liquidity of instruments—which depends on the extent to which they are readily marketable and likely to change in price—would be significantly affected by changes in the composition of debt, provided these changes were not extreme. A decrease in short-term instruments outstanding, for example, would probably not make them any less marketable or any more subject to price fluctuations. If, however, the investing public came to believe that longer-term obligations would fluctuate less in price than before and become more readily marketable, as compared with short-term, then the term

structure of rates would be affected as the public began to invest more in longer-term obligations in meeting their liquidity needs.

As noted earlier, the hedging propensities of institutions stem from the structure of their liabilities, and this structure is not altered by changes in relative supplies of securities. To the degree that institutional demand for securities is determined by hedging behavior, therefore, a change in the relative supply of securities will bring about some change in the term structure of rates.

If expectations tend to dominate the maturity pattern of rates, a change in the composition of outstanding debt would not by itself have any effect on rate pattern. But it would have such an effect if the change in supply caused expectations about the future course of rates to change. These expectations, however, are the product of many complex psychological and economic forces, and these may not be significantly affected by changes in the structure of the debt outstanding. If changes in relative supplies of market securities are not accompanied by changes in market expectations as to future short-term rates, the portfolio adaptations of institutions and the activities of traders may work to offset the changes in rates that might otherwise be associated with an altered composition of debt. On the other hand, if speculators looking to the near-term future do become convinced that a change in relative supplies will in fact alter the structure of rates over the short run, they may act in that expectation and thereby help bring the change about.

In general, whether in practice the structure of rates can be influenced much or for very long by the relative supplies of short- and long-dated securities depends on how or to what extent changes in these supplies are accompanied by changes in the demand

for securities of differing maturities. Institutions' preferences are not fixed and are not determined solely by the structure of their liabilities. Moreover, professional traders and arbitragers can to a great extent move between the short and long ends of the market.

In time, demands can be expected to shift in response to the initial rate changes that might be brought about by changes in supplies. The rate structure will tend to adjust to reflect more lasting influences. Indeed, in a well organized and flexible market, such adjustments are constantly being made. These adjustments may limit the extent to which changes in relative supplies affect the maturity pattern of rates, or at least the length of time for which any supply-induced changes in maturity pattern will be sustained.⁵

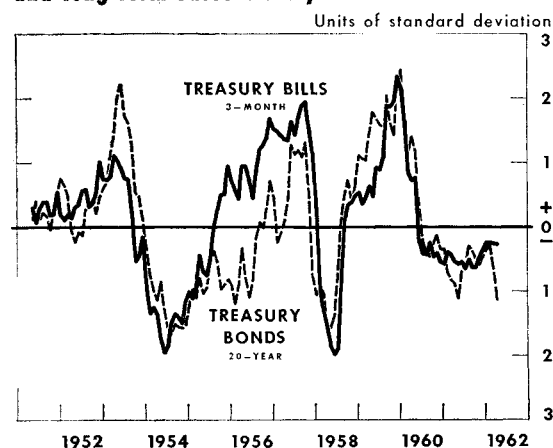
While interest rates in some market sectors are less flexible than in others, and while

⁵ Some empirical work has been done that bears on the extent to which changes in relative supplies of securities affect yields. An as yet unpublished study by Arthur Okun for the Commission on Money and Credit entitled, "Monetary Policy, Debt Management, and Interest Rates: A Quantitative Appraisal" indicates that the effect was extremely small for the period 1946-59. Empirical work by David Meiselman in *The Term Structure of Interest Rates*, (Englewood Cliffs: Prentice-Hall, Inc., 1962) supports the expectations hypothesis as an explanation of rate structure. On the other hand, findings of Hickman, *op. cit.* and J. M. Culbertson, "Term Structure of Interest Rates," (*Quarterly Journal of Economics*, Vol. 71, November 1957, pp. 485-517) do not support the expectations hypothesis. Conard (*op. cit.*) concludes that expectational theory contributes necessary elements to an explanation of rate structure, but that it must be modified to take account of uncertainty and of market segmentation.

Much empirical work remains to be done to illuminate the impact of changing supplies of securities of different maturities on the structure of rates, particularly taking recent Federal Reserve and Treasury operations into account. It would also be desirable to have a clearer view of how time enters into market adjustments; that is, if market demands adjust to offset, or partially offset, variations in relative supplies, how long a period of time is needed for the adjustment?

some markets may be somewhat insulated from others, there seems to be a fairly close relationship between interest rates determined in short- and long-term sectors of central credit markets. This is brought out in the accompanying chart, which measures interest-rate changes in units of standard deviation so as to show each series in terms of its own characteristic pattern of fluctuations.

CYCLICAL CHANGES in short- and long-term rates closely related



NOTE.—Represents differences between observed interest rates and rates calculated from trend line, divided by standard deviation of these differences.

Short- and long-term rates on U. S. Government securities have moved closely together over most of the period since 1950. Changes in credit conditions in one maturity sector of the Government securities market tend to be reflected more or less rapidly in other sectors. These changes also tend to be transmitted, though with varying force, to markets for private securities, affecting the availability of funds and the ease with which financing can be arranged as well as the interest cost.

INTERNATIONAL CAPITAL FLOWS AND DOMESTIC INTEREST RATES

By the early 1950's a greater flexibility of financial markets had been achieved domes-

tically in other major industrial countries as well as in the United States. And these countries also began to experience market fluctuations in interest rates in response to domestic economic developments.

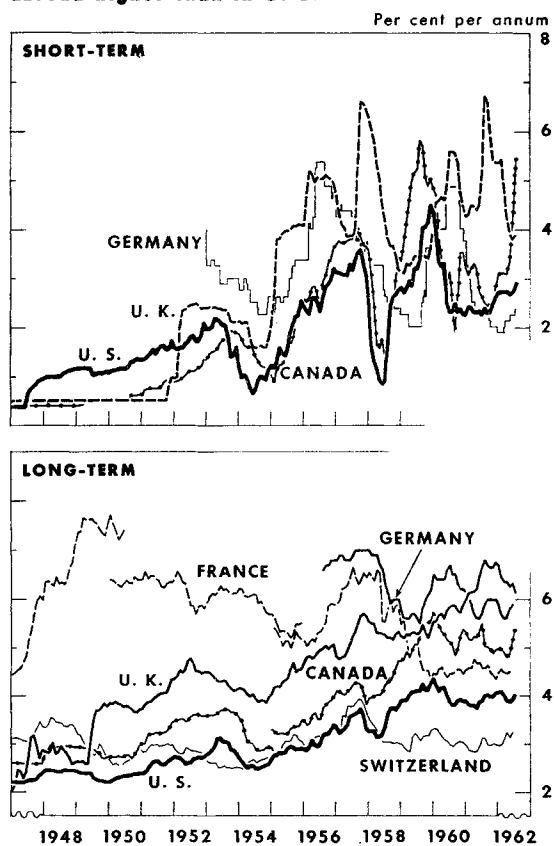
Over the past decade or so, financial conditions and interest rates in these and other important industrial countries have also gradually become more closely interrelated, particularly since establishment in 1949 of new exchange-value relationships by many major countries and establishment by the early 1960's of convertible currency conditions by most of them. As a result of these developments in international payments, the flow of credit and capital between key industrial countries has become more responsive to alternative interest-rate, profit, and capital gain incentives, even though various governmental restrictions on capital movements remain in some important markets.

Interest rates, therefore, have come to respond not only to saving, investment, and monetary forces within a country but also, through the international flow of capital, to such conditions abroad. Partly because of these developments, public financial policies—including monetary policy—have had to give more weight to international considerations in recent years than had been necessary earlier in the postwar era.

Throughout the postwar period interest rates have generally tended to be higher in leading industrial countries abroad than in the United States. In the long-term sector, rates in the United States have been below those in such countries as the United Kingdom, Germany, and Canada, as shown in the following chart. Rates in Switzerland have been lower than U. S. rates in recent years, but the authorities there have maintained these rates through limitations on foreign borrowing. Short-term rates in

the United States have also tended to be on the low side when compared with other principal countries, particularly in the period since the early 1950's.

**INTEREST RATES in industrial countries
abroad higher than in U. S.**



NOTE.—Yields on long-term Government bonds and 3-month Treasury bills.

Responsiveness of capital flows. International capital movements take many forms and are diversely motivated. Some types of capital flows are quite responsive to relative degrees of credit availability among countries and relative levels of market interest rates. In other cases the availability and cost of credit are less important elements—in some cases perhaps minor. In such instances either the profitability of investment

or the safety of funds may play a more dominant role in the nature or direction of capital flow.

Direct investments. The funds invested by U. S. businesses in foreign branches, subsidiaries, or affiliates abroad are influenced to a major extent by the expected marginal productivity and gross profitability of the particular investment. In some instances the financing of these investments may take into account comparisons between the relative cost of credit or capital and ease of financing at home and abroad, but other considerations are often influential. U. S. companies may arrange the financing of their foreign affiliates in the light of foreign currency considerations; some firms, for instance, make it a practice for a foreign affiliate to acquire debts in the currencies in which the bulk of its receipts are denominated. Sometimes, also, the extent to which investments abroad are made in dollars or from local currencies, accumulated or borrowed, is influenced by policies of the foreign government, which in some circumstances may require substantial dollar equity if local concerns are to be acquired.

In situations where considerations such as the foregoing are not of major importance, differential credit conditions here and abroad may play a role in the decision whether to finance an investment mainly through funds provided by the parent company directly or through borrowing abroad. They also affect decisions by companies with foreign branches, subsidiaries, or affiliates as to the employment of funds accumulated from foreign operations, but not at the moment needed for expansion of activities.⁶

⁶ For some enterprises, however, there are tax advantages in keeping such funds abroad; as a result, the interest-rate differentials considered in such instances are likely to be those obtaining between related foreign markets.

NET OUTFLOWS OF PRIVATE U. S. CAPITAL

[In billions of dollars]

Period	Total	Direct investments	Long-term portfolio	Short-term	Unidentified transactions ¹
1953-55 avg...	1.1	.7	.1	.2	-.3
1956.....	3.0	1.9	.6	.5	-.6
1957.....	3.2	2.1	.9	.3	-.7
1958.....	2.8	1.1	1.4	.3	-.4
1959.....	2.4	1.4	.9	.1	-.5
1960.....	3.9	1.7	.9	1.3	.6
1961.....	4.0	1.5	1.0	1.5	.6

¹ Unidentified transactions in the balance of payments; in part these are unrecorded capital flows. Minus sign indicates a net inflow. Details may not add to totals because of rounding.

Portfolio investments. Acquisitions of foreign long-term securities, sometimes referred to as portfolio investment, are another type of capital flow; and these are affected by various institutional factors as well as by the availability and cost of credit. One important institutional influence is the underwriting capability and size of the U. S. capital market, which makes it considerably easier for either domestic or foreign borrowers to float large new issues here than in other markets. Subscriptions to such issues, in view of the role of the United States as an international financial center, are elicited in sizable volume from foreign as well as domestic investors.

The fact that some other industrial countries endeavor to regulate or limit new capital flotations and bank borrowings by foreign obligors in their markets is another institutional influence channeling international financing to U. S. markets. Still a further factor is that of established financing relationships, particularly in the case of Canada. Many of these institutional factors are subject to change, of course. Some industrial countries are making efforts to re-

duce the extent to which their domestic enterprises have recourse to U. S. credit and capital market facilities and also to make their financing facilities more accessible to residents of other countries.

Investment flows into marketable securities are influenced in some measure, nevertheless, by the availability and cost of funds in this country relative to those in other countries. Lower interest rates in the United States than in other major markets combined with a greater availability of funds will induce foreign borrowers to seek accommodation here. At the same time domestic investors may find that foreign borrowers are willing to offer more attractive yields than those prevailing on comparable domestic securities.

Investors and borrowers will look not only to the current prices and yields of securities—both new and existing issues—but also to prospective prices and yields. Since investors may hold securities in their portfolios for a short as well as a long time, and since borrowers are looking to the most advantageous timing in terms of market receptiveness, expectations as to future market conditions will influence both investment and borrowing decisions. Investors will be influenced by potential capital gains or losses, and borrowers by their expectations as to future credit costs. Thus, the attractiveness of foreign investments depends in part on current credit conditions, but also on investor and borrower evaluations of the forces, including public financial policies, that affect the future direction in which security prices and yields may move.

At times, international flows of portfolio funds, both long- and short-term, represent a shift from unsettled to more settled markets. Even though these flows may not be wholly or initially in response to differen-

tials in credit conditions and interest rates, such considerations may have some effect on the particular direction, or volume, of their flow. Their movement, in turn, will affect in varying degrees prevailing credit conditions and rate levels.

Short-term funds. Still a further kind of international credit flow, which is mainly short- to intermediate-term in nature, represents trade financing. This type of capital movement arises mainly because of the volume of international trade, but the source of financing, whether domestic or foreign, is often influenced by the availability and cost of credit. In 1960 and 1961, for example, the increased availability of bank funds in the United States at attractive interest rates, as compared with rates charged for trade financing by foreign banks, contributed to the large increase in capital outflows from this country.⁷ With domestic loan demand at comparatively reduced levels during much of the period, U. S. banks were willing to lend to borrowers financing foreign trade. These borrowers often paid higher rates than domestic customers of similar credit standing. In some instances U. S. banks made a deliberate effort to find creditworthy foreign borrowers as an adjunct to extending their international banking business.

Finally, there is a category of international credit flows, again mainly short-term, that is in fairly direct response to disparities in credit availability and interest rates between major markets. There is always a sizable pool of short-term funds, both foreign and domestic, that is seeking the best

⁷In some short-term foreign bank lending in this period, credit availability and interest rates were of less importance than other factors. For example, some lending had the purpose of providing balance of payments assistance to countries with which the banks concerned maintain close banking relationships.

possible interest return, and these funds are prepared to flow to various markets whenever short-term interest differentials make such shifts significantly more profitable after taxes and whenever the funds can be placed at minimum risk.

Interest-rate differentials and forward exchange. In taking advantage of short-term interest differentials, investors often seek to cover the risk of adverse exchange-rate movements during the period in which funds are lodged abroad. They cover this risk through reverse transactions in forward exchange, and the forward exchange rate in relation to the spot rate is thereby strongly influenced by the differential in short-term interest rates between two major international markets. The difference between spot and forward exchange rates, in fact, can at times be taken as something of a measure of the interest-rate differential.⁸

Use of the forward exchange market to cover exchange risks from short-term movements of funds has certain implications for the actual responsiveness of capital flows to interest-rate differentials and for the sensitivity of credit conditions as between countries. A substantial volume of covered short-term capital flows will in fact be activated only in situations in which the position of the forward exchange rate permits a profitable return upon repatriation of the funds.

⁸The risk of exchange fluctuation in short-term capital movements is ordinarily covered through transactions in forward exchange. Forward rates, if they responded only to capital movements, would tend to settle eventually at a point that would eliminate the incentive for net short-term capital flows from one market to another. (In practice, the situation is complicated by a multiplicity of short-term rates with varying differentials.) The interest differential would, in other words, come to be offset by the cost of forward cover. But the forward market is also used by traders to cover their future commitments. Because of this mix of users, activity in the forward market does not always tend to eliminate the incentive for short-term capital flows.

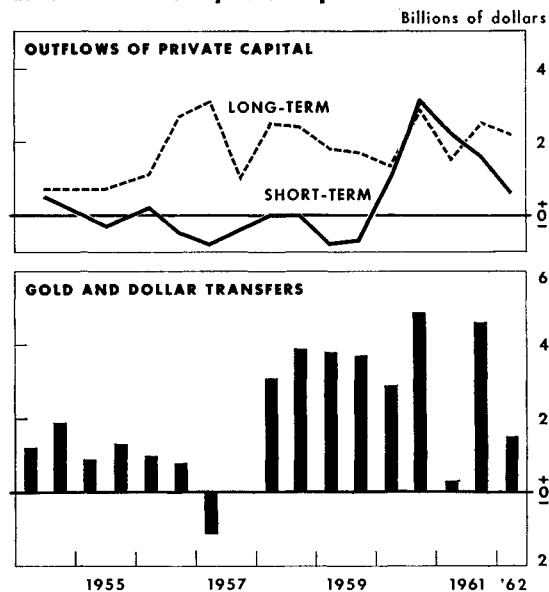
This means that short-term capital flows in response to interest differentials tend generally to be self-limiting through the adjustment in the cost of forward cover, as it comes to offset the interest differential, rather than through complete adjustment in relative interest rates. As a result, short-term interest differentials between markets may persist for some time, although differentials may be narrowed if market participants are willing to engage actively in uncovered foreign placement of funds.

International flows of funds and domestic policies. An outflow of funds from a country with low rates to one with high rates is one of the many international developments that may have to be reconciled with efforts to maintain domestic economic activity at high levels without inflation. Outflows of credit and capital, if not offset by other elements in the payments account, may entail undue drains on reserves of gold and foreign exchange. Such drains cannot long be continued without adjustments to help reduce the drain to amounts that are consistent with longer-term monetary stability.

If a country's international payments were in over-all balance—with deficits tending to alternate with surpluses over time—a large outflow of credit and capital induced by temporary influences in any particular year might not be a very significant development. But in the United States for the past several years the balance of payments has been characterized by persistent over-all deficits. Over these years foreign industrial countries have been able to compete effectively in world export markets; they have had their trade receipts supplemented by continuing expenditures and grants by the U. S. Government to foster the defense and economic growth of the free world; and they have ex-

perienced sizable inflows of capital from the United States because of the profitability of investment abroad and the generally higher interest-rate levels in a period of rapid economic growth. Although the basic balance of payments position of the United States is being gradually and steadily improved, continued large outflows of credit

HEAVY CAPITAL OUTFLOWS in recent years adverse to monetary reserve position



NOTE.—Capital outflows are net of recorded foreign private capital inflows other than flows into liquid assets in the United States. "Errors and omissions" in the balance of payments have been included with short-term capital.

and capital under conditions of payments deficit tend to keep this country's international and domestic monetary reserve position under pressure.

When a country's basic reserve position is under pressure because of such developments in the balance of payments, the response of the monetary and debt management authorities will depend upon domestic economic and financial conditions at the time. In a period of underutilization of resources, one response might be an endeavor to change the relative supplies of securities

in the market. This would have as an objective putting some upward pressure on short-term interest rates, which might have some influence on the most interest-sensitive of capital flows. At the same time, in the process of maintaining a general monetary situation favorable to the employment of additional domestic resources, long-term rates would come under downward pressure. But because of complications described earlier, market forces operative at the time might limit or even counterbalance any sustained effects on the relationship between short-term and long-term interest rates.

Another response open to the monetary authority might be action to moderate temporarily the availability of bank credit and to encourage for the time being some rise in interest rates, particularly short-term rates. The resulting change in credit conditions might be sufficient to keep the capital outflow within tolerable bounds. Domestic needs for bank credit and monetary expansion at the time would limit this type of response, however, and in any event such a response would have to be applied with care so as to avoid bearing adversely on domestic forces of economic advance.

Changes either in relative supplies of securities or in bank credit availability would have the objective of helping to limit capital outflows in a situation in which such flows were intensifying an adverse payments balance. As the balance of payments situation improved, the need for applying special monetary efforts to this problem would of course diminish.

International role of capital flows. Movements of credit and capital among countries without undue handicaps of governmental restriction are in general an essential element in the mechanism of international adjustment, however. International flows of

funds, both short- and long-term, provide a means of financing temporary balance of payments deficits. They also provide a way by which capital resources of the world can be mobilized and transferred from countries where funds are plentiful in relation to demand to those where they are in short supply because of demands deriving from rapid expansion, thus helping to finance economic growth in many countries. The interest-rate differentials that emerge provide one indication of differentials in the supply and availability of funds relative to demand country by country.

If the money and capital markets of countries with convertible currencies were free of institutional and governmental restrictions inhibiting the movement of funds between them, the level or structure of rates in one country would tend to influence rates in other countries. Insofar as short-term interest rates are concerned, this influence would be limited by circumstances in which the cost of forward cover against exchange risks offset the interest differential. Other risks, such as unsettled economic or political conditions, would also impede the international flow of capital.

Flows of capital that did occur, however, would bring about interest-rate adjustment not only in the capital-losing country but also in capital-receiving countries. As funds flowed into the latter, their internal interest rates would tend to decline. This would reduce the incentive to foreign borrowing by its businessmen and governmental units and to the placement of foreign funds in its markets.

When international flows of credit and capital are consistent with over-all payments balance, the impact of international considerations on domestic financial policies tends to be minimized. On the other hand, when

such outflows are a factor in a persisting payments imbalance, not only are they a conditioning influence upon a country's financial policy, as has been mentioned, but they also carry the threat of activating speculative movements of funds, which could only aggravate the international payments problem. In view of this, the Treasury, through its Stabilization Fund, and the Federal Reserve System have found it desirable, through operations in the spot and forward foreign exchange markets conducted with the knowledge and cooperative facilities of central banks of other convertible currency countries, to anticipate and provide protection against the threat of volatile movements of speculative funds. The Treasury began such operations in early 1961 and the Federal Reserve in early 1962. These operations have not been intended to interfere with movements of credit and capital among countries that reflect, or are in response to, basic differences in credit conditions and interest-rate levels among them.

In a world economy in which forces of transportation, communication, industrial technology, trade, and community of interest are bringing countries closer together, it is inevitable that policies of each country, particularly in the financial area, should represent the interaction of both domestic and external forces. In such a world, an effective international payments system based on ready interconvertibility of currencies contributes to the common welfare. Under a convertible currency system, money and credit markets, savings and investment processes, and interest levels of the important participant countries tend to become more closely interlinked. Monetary policy in these circumstances has become obliged to adapt itself to both domestic and international considerations.

MONETARY POLICY AND INTEREST RATES

Monetary policy attempts to provide the public with the cash balances and bank credit necessary to sustainable growth in output at high levels of employment and to maintenance of a stable purchasing power for the dollar. At the same time, the formulation of monetary policy must take into consideration international developments as they impinge, directly or indirectly, on domestic economic conditions.

In attempting to reach its policy goals, the Federal Reserve takes actions—for example, open market operations or changes in discount rates or reserve requirements—that have an immediate impact on the availability and cost of bank reserves. These actions influence interest rates and conditions of credit availability mainly by affecting bank credit and the supply of money. Countercyclical changes in bank credit and money add at the margin to downward pressures on interest rates during recession and to upward pressures in expansions.⁹

Open market operations and the securities market. In its day-to-day operations the System relies on open market operations as its most sensitive instrument for affecting bank reserves. While operations in securities of varying maturities may have some differential effect on particular market interest rates, increases or decreases in the supply of funds in the market resulting from the multiple expansion or contraction of bank credit based on fractional bank reserve requirements have a much greater impact on rates.

The System is continuously buying and selling securities in the open market as it

⁹ At the same time, Federal Reserve efforts to accommodate seasonal fluctuations in the demand for bank credit tend to reduce day-to-day or week-to-week variations in rates that might otherwise be associated with seasonal swings in economic activity.

accommodates seasonal demands for money and credit, attempts to offset cyclical economic swings, and supplies the bank reserves needed for long-term growth. Although the net change in the System's securities portfolio tends to be small over any fairly short period of time, the System each year undertakes a large gross volume of transactions in response to seasonal and other temporary variations in reserve availability that otherwise would give rise to undesirable market instability.

In order to minimize the direct impact on markets of its sizable day-to-day transactions, much the larger part of System operations are effected in short-term securities, the market for which is much broader than that for longer-term issues.¹⁰ The System also conducts operations in other maturities when market developments or other circumstances make such operations appropriate.

Trading in the short end of the market is very active, because groups such as banks and nonfinancial businesses continually buy and sell in response to short-run and seasonal changes in their liquidity positions and needs for funds. The short-term area also receives the major share of the impact of cyclical changes in the flow of bank reserves and loan demand, in the flow of funds to business from profits and depreciation allowances that are not used for operations or plant expansion, and in the large holdings of foreign governments, monetary authorities, and private institutions of short-term dollar assets. Thus, the market for short-term securities is broad, and trading is large and continuous.

¹⁰ For discussion of the advantages of operations in the short-term area see R. A. Young and C. A. Yager, "The Economics of Bills Preferably" (*Quarterly Journal of Economics*, August 1960) and W. W. Riefler, "Open Market Operations in Long-term Securities" (Federal Reserve BULLETIN, November 1958).

Long-term markets, in contrast, are comparatively narrow and thin, because many buyers of long-term securities tend to retain them for long periods and are not generally in-and-out traders for short-term gain. In 1961, for example, the combined total of purchases and sales of U. S. Government securities maturing within 1 year, as reported by principal dealers, amounted to about \$200 billion, excluding transactions between dealers. On the other hand, the comparable total for Government securities maturing in more than 5 years was only \$10 billion.¹¹ With trading in longer-term sectors less active than in the short-term sector, market orders—particularly if they are for large amounts—are not always executed promptly, and discontinuities in trading activity can arise more frequently. In other words, in these sectors sellers and buyers do not so readily reach mutually satisfactory agreements regarding the price and amount of the transaction.

System operations in any maturity area of the market necessarily affect other areas. The operations themselves have a comparatively small effect, but changes in the supply of funds to markets as banks expand (or contract) credit by a multiple of the change in their reserves set in motion forces that influence all market sectors in some degree. Banks use the additional funds to make loans or to invest in securities. Banks tend to be most active in the short-end of the market, but they are also sizable participants in other market areas, particularly if they are large banks.

Changes in yield relationships in this process affect other lenders and borrowers in credit markets, whose preferences for various market instruments shift with

¹¹ Transactions in the 1-5 year range were \$40 billion, and it is believed that most of these were toward the shorter end of the range.

changing returns and costs. For many lenders and borrowers, in other words, there is a high degree of substitutability as among financing instruments, especially in the short run. As market participants take advantage of the most profitable areas of investment or borrow in the areas of least cost, changes in credit availability initially having an impact mostly in a single area become reflected in all.

The flexibility of borrowers, lenders, and investors in central credit markets limits the extent to which the structure of rates can be altered through operations in one sector of the market or through buying in one sector and selling in another. For instance, if short-term rates remain high, there are limits as to how far long-term rates can fall: many borrowers will come to prefer long-term instruments and many lenders or investors short-term instruments, with the result that declines in long- relative to short-term rates will be tempered.

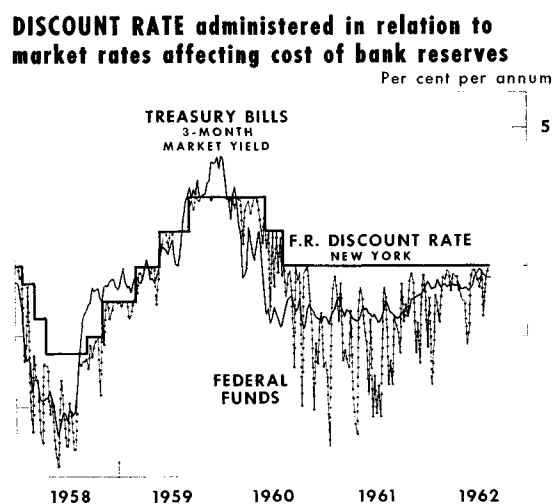
Relation of discount rate to market rates. In deciding on the amount of reserves that should be provided through open market operations, the Federal Reserve takes into account various aspects of the economy's

credit and liquidity situation and of member bank reserve positions. One consideration is the growth of banks' total reserves in relation to growth trends in bank credit and the money supply. Another is the public's disposition with regard to the holding of demand deposits as compared with time and savings accounts and the relative growth of these forms of liquid assets. Banks' liquidity positions and over-all conditions in credit markets, in relation to current levels of and tendencies in economic activity, also have to be considered.

In determining how open market operations will affect the potential for bank credit and monetary expansion, monetary authorities also consider the amount of reserves member banks have obtained at their own initiative by borrowing at the Reserve Banks or are likely to obtain at prevailing discount rates. In addition, the amount of excess, or unused, reserves that they hold must be taken into account.

The amount of Federal Reserve credit supplied through member bank borrowing at the Reserve Banks is necessarily influenced by the relation between the discount rate and short-term market rates. For this reason, the discount rate is ordinarily kept in fairly close alignment with short-term market rates. This avoids giving member banks either too much or too little incentive for using a facility that is intended to meet banking contingencies and temporary needs for reserve funds. Although the discount rate is administered in relation to the level and structure of market interest rates, the market rates themselves are primarily the product of the forces of demand for and supply of credit—mainly domestic but partly international in origin.

For the past 2 years the discount rate has been kept unchanged at a level above



short-term market rates. This has helped to communicate to the market the System's intention, in its formulation of monetary policy, of taking into account short-term interest rates as they affect the balance of payments position.

Although the discount rate has been above market rates during this period, this situation did not act as a brake on bank credit expansion during most of the time. With ample reserve funds made available through open market operations, and with loan demand only moderate, banks generally had little occasion to borrow. And whatever temporary reserve funds they needed, they were able to obtain in the Federal funds market. During most of the period the demand for reserve funds from banks was moderate and not sufficient to bid the Federal funds rate—which is essentially the price of borrowing excess reserves from other banks—as high as the discount rate.

Changes in reserve requirements. Changes in reserve requirements, although less flexible and adaptable than open market and discount operations, have been used from time to time to influence bank reserve positions. Such changes have generally been applied to situations of more than temporary significance. Reserve requirement percentages have been reduced in recession periods, for instance, in order to make bank reserves available simultaneously to all parts of the country. At times, changes in requirements have also been made to help offset sustained gold flows or to accommodate structural adjustments in the banking system.

When reserve requirements are changed, the aggregate effect on market rates is little different from open market operations, although the timing of the effect may differ. In the case of open market transactions,

most of the impact of the operation on rates is through the multiple expansion or contraction of bank credit based on the change in bank reserves, as has been explained, and this works itself out over a fairly short time span. The operations themselves, however, may be undertaken gradually over a period of time. In the case of a reserve requirement change, all of the impact of the change theoretically would be effected through bank credit changes, but the impact of these changes on market interest rates may be fairly immediate since the requirements become effective on a selected date. In view of this potentiality, open market operations of an offsetting character may be used to cushion the impact, thus spreading out the market effects over a longer period.

Psychological factors. Because of psychological factors in the market, Federal Reserve actions may have some effect on interest rates in addition to, and possibly before, those resulting from changes in bank reserve positions. Such effects may occur at times when System operations change the degree of ease or restraint on bank reserve positions, and the market misconstrues the extent of change involved. They may also occur when changes in the discount rate are announced. The market may interpret the change to indicate a radical shift in policy when it reflects only a minor one—or when it simply represents a technical adjustment to bring the discount rate into closer alignment with short-term market rates and has no fundamental policy significance. Whatever the immediate cause, however, interest-rate movements prompted by expectations of reserve banking actions are not likely to be long sustained, unless accompanied by changes in basic supply and demand conditions.

Summation. Monetary policy formulation under present-day circumstances is unavoidably a joint problem of providing monetary and credit conditions conducive to sustainable expansion in the domestic economy and of preventing credit flows from being themselves a cause of imbalance in the country's international payments and thus a source of instability for its monetary reserve position. For monetary policy to exert a constructive influence towards stable prices, orderly economic growth, and balance in international payments, market interest rates cannot help but fluctuate in response to variations in the supply of and demand for funds as eco-

nomie activity varies and international credit conditions change.

In order to moderate cyclical swings in economic activity and/or persistent imbalances in international payments, monetary policy action will have the effect of adding at the margin to upward or downward rate pressures that reflect variations in domestic or international activity. As the economy moves forward along its long-run path of development, market interest rates on the average will tend to the level that is reflective of basic preferences for saving, investment, and liquidity.

Treasury and Federal Reserve Foreign Exchange Operations

This joint interim report reflects the Treasury-Federal Reserve policy of making available additional information on foreign exchange operations from time to time. The Federal Reserve Bank of New York acts as agent for both the Treasury and the Federal Open Market Committee of the Federal Re-

serve System in the conduct of foreign exchange operations.

This report was prepared by Charles A. Coombs, Vice President in charge of the Foreign Department of the New York Reserve Bank. It covers the period March 1961-August 1962.

The resumption of foreign exchange operations by the U. S. Treasury in March 1961 and by the Federal Reserve System in February 1962 has been part of a cooperative effort by Treasuries and central banks on both sides of the Atlantic to create a first line of defense against disorderly speculation in the foreign exchange markets. Recognizing that the dollar is the cornerstone of the entire international currency system, this cooperative effort has mainly taken the form of arrangements between the United States and other leading industrial countries adapted to the special needs of the countries involved. Continuous, close consultation among all of the Treasuries and central banks concerned has avoided any conflicts of policy or operations within the group as a whole.

BACKGROUND TO OPERATIONS

Under fair weather conditions, speculation can and does play a highly useful role in the foreign exchange market by helping to correct temporary deviations of spot and forward rates from the levels appropriate to underlying payment trends. Thus a decline in the spot or forward rate of one cur-

rency resulting from a temporary market imbalance may stimulate new demand for that currency by alert traders expecting a rebound in the rates.

On the other hand, when the exchange markets become seriously unsettled by political or economic uncertainties, normally beneficial speculation may quickly become transformed into a perverse, and sometimes even sinister, force. The latter type of speculation may be motivated, on the one hand, either by a natural desire to protect capital values or, on the other hand, by the prospect of a quick capital gain. In such periods of market anxiety, abrupt declines in the spot or forward rate for a given currency may take on a grossly exaggerated significance, the exchange market may become a prey of purely imaginary fears, and selling or buying pressures on the exchanges may quickly acquire cumulative force. Even minor speculative squalls may have disturbing effects upon the normal flow of trade and payments, while very severe attacks have on occasion forced governments into unwanted changes of currency parities.

Official foreign intervention in markets. Although foreign central banks have for many

years intervened in their foreign exchange markets to protect their currencies against speculative disturbances, the United States had refrained from such operations from the end of World War II until early 1961. This difference of approach goes back to the Bretton Woods Agreements. Under the Articles of Agreement of the International Monetary Fund, member countries agreed to establish par values for their currencies in terms of gold or the U. S. dollar and to limit fluctuations in their exchange rates to no more than 1 per cent above or below the par value. In many cases, foreign countries have fulfilled their obligation to the International Monetary Fund by purchasing or selling U. S. dollars against their own currencies in order to keep their exchange rates from rising above the "ceiling" or falling below the "floor." Foreign central banks may also operate in the exchange markets between the margins, and many central banks do so to prevent sharp movements in the rates. As the exchange rate moves upward (or downward) a country may buy (or sell) dollars against its currency to slow the rate movement, or even to halt it completely at some point within the official margins. Such purchases and sales, by ironing out sharp fluctuations in rates, help to maintain orderly conditions in the exchange markets, thereby facilitate the flow of trade and payments, and contribute materially to the maintenance of confidence in currencies.

Foreign official intervention on the exchanges is generally conducted through purchases and sales of U. S. dollars, the principal reserve currency. Such exchange intervention results in changes in official holdings of dollars, increasing them when the demand for the foreign currency is strong and reducing them when demand is weak. Most major countries hold only a part of

their reserves in dollars—sometimes a very small part; the rest are held mainly in gold. If exchange intervention is undertaken on a large scale, such countries may acquire more dollars than they wish to hold; if so, they will convert their excess dollars into gold. Conversely they may have to sell gold to acquire the dollars necessary for support operations.

Role of dollar convertibility into gold. The willingness of foreign central banks to acquire and hold dollars as part of their reserves depends on the assured convertibility of such dollars into gold at a fixed price. As part of the Bretton Woods system, this assurance is provided by the United States, which undertakes to maintain a fixed par value for the dollar by standing ready to buy or sell gold against dollars at a fixed price of \$35 per ounce in whatever amounts may be requested by foreign monetary authorities. This system of defining and maintaining the parity of the dollar in terms of gold, while the parities of other currencies are maintained by buying and selling dollars, has greatly encouraged the development of an international gold exchange standard. Under this system the United States serves as banker for the dollar exchange reserves, now more than \$11 billion, of 82 countries throughout the world.

As banker for the international currency system, the role of the United States until recent years has been largely passive. Although foreign central banks resisted declines in their currency rates toward their floors, they had no obligation or incentive to resist similar declines in the dollar against their own currencies. As the dollar came under pressure from time to time in world exchange markets, the dollar rate therefore tended to slip to the floor. At this point foreign central banks would then fulfill their

obligation to take the surplus supply of dollars off the market. If they wished, they would then convert part or all of these dollars into gold.

Currency crisis of 1960. This passive stance by the United States, in which both the rates for the dollar against foreign currencies and the accumulation of dollar reserves by foreign central banks were left entirely to market forces, and to the unilateral decisions of foreign monetary authorities, gave rise to no serious problems for many years after the war. By 1960, however, successive U. S. balance of payments deficits had brought about both heavy gold losses and sizable increases in our dollar liabilities to foreigners. At this point, the dollar became subject to rumors of impending changes in U. S. international financial policy, with widespread doubts developing abroad as to whether the U. S. Government could and would maintain the \$35 price for gold.

The resultant wave of speculation against the dollar was effectively stemmed in early 1961 by a Presidential pledge to maintain the gold price, to make our entire gold reserve available to defend the dollar, and, if necessary, to draw upon the IMF as a supplementary source of reserves. Most fundamental of all, of course, was announcement of action to correct the balance of payments deficit, and this program has subsequently shown gradual but solid results.

Effects of revaluation of mark and guilder. Meanwhile, the recovery of confidence in the dollar remained vulnerable to sudden shocks, and these were not long in coming. On the weekend of March 4, 1961, the German Government announced the upward revaluation of the mark by 5 per cent. Shortly after that the Netherlands Govern-

ment announced a similar change in the guilder parity.

However effective these moves may ultimately prove to be as a contribution to international balance of payments equilibrium, their immediate effect was a shattering blow to market confidence in the system of fixed currency parities. All major currencies immediately became labeled as candidates for either revaluation or devaluation, and an unparalleled flood of speculative funds swept across the exchanges.

Speculation on a revaluation of the Swiss franc became particularly intense, with the result that more than \$300 million flowed into that country in 4 days. Most of the dollars acquired by the Swiss National Bank and other continental financial centers were the counterpart of a major speculative attack on sterling, with the Bank of England suffering heavy reserve losses.

At this critical juncture, the central bank Governors attending the monthly meeting of the Bank for International Settlements in Basle announced that their central banks were cooperating in the exchange markets. The scale of this cooperation in credits to the Bank of England reached a total of more than \$900 million and played a vital role in providing a breathing space during which more fundamental measures could be taken by the British Government.

TREASURY INTERVENTION IN THE MARKET

Although the dollar emerged relatively unscathed from the first speculative attacks, the massive reshuffling of foreign-owned funds resulted in heavy accumulations of dollars by certain foreign central banks, with the possible consequence of sizable drains upon U. S. gold reserves. Anticipations of a second revaluation of the German mark generated a continuing heavy flow of funds

to Frankfurt, with the result that the dollar reserves of the German Federal Bank rose to \$4.1 billion by March 31 as compared with its gold reserves of \$3.2 billion.

Operations in German marks. The disruptive effect of such speculation on the normal flow of German trade and payments was reflected in a scramble by non-Germans with contractual liabilities in marks to anticipate their requirements. Meanwhile German residents sought to hedge against contracts payable to them in dollars or other foreign currencies. The forward exchange market could hardly cope with such an abrupt swing in expectations, with the result that the premium on the forward mark or, viewed the other way, the discount on the forward dollar, rose to nearly 4 per cent. At that exaggerated level it tended to reinforce expectations of a further revaluation of the mark.

The limited availability of forward cover, even at such expensive rates, diverted commercial hedging demands into foreign purchases of spot marks to cover future mark contracts and German borrowing of dollars, both in New York and in the Euro-dollar market, as a hedge against dollar receivables. The resultant shift of the leads and lags in commercial payments against the dollar and in favor of the mark created a potentially dangerous situation. This situation became the subject of conversations on Friday, March 10, 1961, among officials of the German Federal Bank, Federal Reserve Bank of New York, and U. S. Treasury. There emerged the decision to undertake on the following Monday, March 13, forward sales of marks in the N. Y. market by the N. Y. Federal Reserve Bank as agent of the U. S. Treasury, with the dual objective of providing an ample supply of forward marks as an alternative to anticipatory

purchases of spot marks by foreigners and dollar borrowing by Germans, and in the process, of driving down the forward premium on the mark as closely as possible to the 1 per cent level.

These forward sales of marks by the U. S. Treasury were undertaken under a "parallel" arrangement, generously suggested by the German Federal Bank, which agreed to supply the U. S. Treasury with marks (should they be needed), at the time the contracts matured, at the same rate as that at which the marks had been sold by the U. S. Treasury. In effect, the U. S. Treasury's forward commitments were entirely protected against any risk of loss. Forward operations undertaken under this arrangement were later supplemented by forward sales by the U. S. Treasury on the basis of \$100 million equivalent of German marks obtained by the United States under the \$587 million German debt repayment in April 1961.

Table 1 illustrates the scope and pattern of the Treasury's forward mark operations. From March 13 to the end of the month, the Treasury forcefully resisted the speculative inflow to Germany by selling over \$118 million equivalent of marks for delivery in 3 months. Market demand for forward marks then gradually declined, perhaps partly owing to the reassuring effect of official operations on so sizable a scale. But by mid-June the outstanding forward mark commitments of the U. S. Treasury had risen to \$340 million.

As the first of the forward contracts began to mature, the tide turned and the spot dollar rate gradually rose off the floor to which it had been pinned for many months. The improvement in the spot dollar rate was attributable in part to a market demand for dollars required to pay the U. S. Treas-

ury for the forward mark purchases previously contracted for. Coordinated intervention by the German Federal Bank and the U. S. Treasury in the spot mark market also helped to strengthen the dollar rate.

With the crisis of confidence more or less weathered, it seemed desirable to allow the forward premium on the mark to rise somewhat, thereby increasing the cost of forward cover and further dampening commercial hedging demand. As a consequence, the Treasury's outstanding balance of the forward mark commitments declined rapidly after mid-June as the daily rate of new sales fell far below maturing contracts. In September, in a market also strongly influenced by the Berlin crisis, forward sales were discontinued entirely as a normal flow of forward marks from private sources reappeared. By early December the Treasury's forward mark commitments had been fully liquidated.

By thus offsetting a large-scale flow of speculative funds that proved to be reversi-

ble within 9 months, the U. S. Treasury operations in forward marks clearly helped both the United States and Germany. The short-term capital outflow from the United States was held down, and the U. S. payments deficit thereby reduced, while the German Federal Bank could restrain its dollar accumulations from becoming too large and also prevent the German money market from being flooded with a heavy volume of liquid funds. More generally, the forward mark operation apparently calmed a badly shaken exchange market, which needed time and the assurance of intergovernmental cooperation to recover confidence.

As previously mentioned, the U. S. Treasury had acquired, in April 1961, \$100 million in marks as part of a German Government debt payment totaling \$587 million. While about half of this mark balance was used to settle forward contracts maturing in the fall of 1961, the remainder was converted into dollars in September to make

TABLE 1
TREASURY FORWARD OPERATIONS IN GERMAN MARKS, MARCH 13-DECEMBER 13, 1961

[Dollar equivalent, in millions]

Month	Future commitments (beginning of month)	New sales (during month)	Maturing contracts not renewed (during month)	Future commitments (end of month)	Premium on 3-month forward mark (per cent per annum, end of month)
March (13-31) .....	.....	118.7	.....	118.7	1.47
April.....	118.7	104.4	.....	223.1	1.59
May.....	223.1	78.4	.....	301.5	1.39
June.....	301.5	52.8	-86.5	267.8	2.21
July.....	267.8	32.9	-98.1	202.6	1.45
August.....	202.6	12.7	-89.3	126.0	1.02
September.....	126.0	.3	-76.6	49.7	.88
October.....	49.7	.....	-35.5	14.2	.76
November.....	14.2	.....	-14.0	.2	.80
December (1-13).....	.2	.....	-.2	.....	1.00

final payment to the U. S. lending agencies concerned.

The experience with the forward mark operation had proved sufficiently encouraging, however, to suggest that the U. S. Treasury might usefully acquire moderate amounts of spot marks when that currency temporarily weakened late in 1961. These mark acquisitions by the U. S. Treasury reached a total of approximately \$55 million equivalent and have been employed in several operations during the first half of 1962 to support the dollar rate during periods of temporary pressure. These operations have not only proved useful in producing the desired firming of the dollar rate but have also proved reversible. Later strengthening of the dollar rate has permitted replenishment of earlier drafts on the Treasury's mark balances.

Operations in Swiss francs. The second major exchange operation initiated by the U. S. Treasury during 1961 was in forward Swiss francs. The March 1961 revaluations of the German mark and Dutch guilder resulted in a burst of speculation on a similar revaluation of the Swiss franc and a heavy flow of short-term speculative funds to Switzerland. This influx created a serious problem of excessive liquidity on the Swiss money market while also raising the dollar exchange reserves of the Swiss National Bank far above traditional levels.

These dollar acquisitions by the Swiss National Bank could have been converted immediately into gold by purchases from the U. S. Treasury. But in the interests of international financial cooperation, the Swiss National Bank refrained from effecting such conversions in order to loan back to the Bank of England a large proportion of the dollar inflow to Switzerland.

There was in near prospect, however, the

likelihood of a massive British Government drawing from the International Monetary Fund which would result in a liquidation of the short-term credits received by the Bank of England from the Swiss National Bank and other European central banks. Accordingly, the Swiss National Bank seemed likely to convert large amounts of surplus dollar holdings into gold unless some means could be found to stimulate an outflow of private funds from Switzerland.

The basic obstacle to such an outflow of private funds from Switzerland came from the lingering fears and hopes of many private individuals that the Swiss franc would somehow or other provide a safer haven than other currencies against a wide range of political, military, and financial risks. But it had become quite clear to both Swiss and U. S. central bank officials that the hot money inflow into Switzerland was disguising a significant deterioration in the basic balance of payments of Switzerland and that, when some recovery of confidence in currency parities reappeared, a cessation of this hot money inflow would result in a strengthening of the dollar against the Swiss franc and in drains on the gold and dollar reserves of the Swiss National Bank. Thus, the piling up of hot money in Swiss commercial banks was essentially a temporary, reversible phenomenon that might properly be dealt with by compensatory action by the two central banks concerned.

After extensive discussions among officials of the U. S. Treasury, the N. Y. Federal Reserve Bank, and the Swiss National Bank, it appeared that a useful start could be made in offsetting such temporary inflows of hot money by providing adequate incentives to the re-export of private investment funds from Switzerland on a hedged, or covered, basis. Partly because of specula-

tive fears or hopes of a revaluation of the Swiss franc, the premium on the forward Swiss franc had risen to roughly 1 $\frac{7}{8}$ per cent at which levels it was prohibitively costly to cover short-term placements in New York, London, or other financial markets abroad.

Consequently, in July 1961 the U. S. Treasury agreed to supply through the agency of the Swiss National Bank forward Swiss francs to the market at rates sufficiently attractive to induce the Swiss commercial banks and other short-term investors to move funds into the dollar market. These forward operations were begun in a limited, experimental fashion on the basis of relatively small Swiss franc balances previously acquired by the U. S. Treasury.

With the emergence of the Berlin crisis in August 1961, however, the problem was complicated by a renewed flow of hot money to Switzerland, and the Treasury accordingly enlarged the scope of its forward operations. To provide a broader base for such operations, the Swiss National Bank agreed to provide a sizable line of credit in Swiss francs to the U. S. Treasury which could be drawn upon by issuance of 3-month certificates of indebtedness carrying a rate of 1 $\frac{1}{4}$ per cent and denominated in Swiss francs. As the Treasury's forward commitments rose rapidly, it availed itself of its drawing rights to the extent of 200 million Swiss francs (\$46 million equivalent) in October 1961. By the end of November the Treasury's forward sales had reached \$152.5 million equivalent, which meant a roughly corresponding reduction in the dollar reserves of the Swiss National Bank and in Swiss gold purchases from the U. S. Treasury.

During December the Treasury's forward commitments declined somewhat (\$15 mil-

lion of maturing contracts were paid off by the Treasury rather than renewed). This happened largely because Swiss commercial banks wanted to increase their franc assets for year-end window-dressing. New contracts of \$9 million equivalent were undertaken at the end of January 1962. And in January and February all contracts were rolled over at maturity, so that by the end of February the Treasury's outstanding forward franc market commitments amounted to \$146.5 million equivalent.

In February 1962 the Swiss franc began to weaken, as had been expected with Switzerland's large current-account deficit and the tapering off of the short-term capital inflow. In these circumstances, the Swiss National Bank had to supply dollars to the market and, by the end of May, the N. Y. Federal Reserve Bank as agent of the U. S. Treasury had sold \$139 million to the Swiss National Bank.

If the U. S. Treasury had elected to meet these dollar requirements of the Swiss National Bank by accepting Swiss francs in payment, the resultant increase in the Treasury's franc balances would have been adequate to liquidate nearly all of the forward Swiss franc market contracts outstanding. But a rapid liquidation of these forward contracts would have tended to recreate too much liquidity on the Swiss money market. Accordingly, the Swiss National Bank suggested that the U. S. Treasury might accept gold rather than Swiss francs in payment of part of the Swiss dollar requirements. Swiss gold sales to the U. S. Treasury amounted to \$74 million. The remaining \$65 million required by the Swiss were paid for in Swiss francs.

The Swiss franc balances were gradually used to liquidate \$55 million of maturing forward contracts, which by the end of

May 1962 were less than \$91.5 million equivalent outstanding. The \$46 million certificates of indebtedness issued to the Swiss National Bank in the autumn of 1961 were also fully liquidated, as the Treasury found its forward position could be sustained on a smaller cash reserve. In effect, the program of forward sales of Swiss francs, initiated by the U. S. Treasury in July 1961, proved to be a self-liquidating operation, as the swing developing in the Swiss payments position would have permitted nearly complete liquidation of the forward operation within a matter of 10 months. And the forward operations helped both the United States and Switzerland by damping U. S. gold losses from speculative money movements while relieving the Swiss market of too much liquidity.

Unfortunately the pendulum began to swing back. During the latter part of May 1962, capital funds again flowed to Switzerland in response to speculation caused by the Canadian devaluation and by the subsequent sharp decline of the New York stock market. But meanwhile the financial resources and market techniques available to the U. S. Government had been strongly reinforced by the entrance of the Federal Reserve System into the foreign exchange field. As subsequently outlined, a coordinated program involving the U. S. Treasury, the Federal Reserve System, and the Swiss National Bank succeeded in minimizing the impact of potentially dangerous speculative pressures.

Operations in Netherlands guilders. After the revaluation of the Netherlands guilder on March 7, 1961, the premium on the 3-month forward guilder rose to well over 2 per cent and remained there until the end of April. The premium encouraged a further inflow of short-term funds into the

Netherlands and deterred any covered outflow.

In this context, early in May the U. S. and Netherlands authorities discussed whether the United States should intervene in the forward guilder market to reduce the guilder premium to levels more consistent with interest rates on dollar and guilder investments. These discussions between the U. S. and Netherlands authorities produced their first tangible results in July, when the Netherlands Bank, whose dollar reserves were to be depleted by a large British IMF guilder drawing (for conversion into dollars) in August, agreed to sell spot guilders to the United States and to provide for U. S. investment of these guilders in Dutch Treasury bills. It was agreed that it would be useful for the Treasury to acquire modest guilder balances for possible use in exchange operations in the future. Accordingly, the Netherlands Bank sold \$15 million equivalent of guilders to the U. S. Treasury during September.

As expectations of another revaluation of the guilder withered away, the forward guilder premium declined to more normal levels. But towards the end of 1961, rumors questioning the stability of exchange parities and the beginning of continental commercial bank repatriations of funds for year-end window-dressing operations induced a renewed rise in both spot and forward guilder rates. By December 20 the premium on the 3-month forward guilder was again over 2 per cent (though moving erratically) and was clearly out of line with comparative interest rates.

Although the premium declined somewhat after the turn of the year, the U. S. Treasury concluded that it might usefully test the market by a small offering of forward guilders which might succeed in nudg-

ing the rate down to a more normal level. After further negotiations it was agreed that the Netherlands Bank would sell forward guilders in the market for the Treasury's account.

The sales were first made in January 1962 and reached \$20.8 million equivalent by early February. As the availability of forward cover stimulated Netherlands investment demand for short-term placements in New York and other financial markets, the spot guilder rate weakened to about par and, in the process, enabled the U. S. Treasury to acquire more spot guilders from the Netherlands Bank against dollars.

The forward operations were terminated on February 13 as the Netherlands money market had become less liquid, and the U. S. Treasury later liquidated each contract at maturity. The remaining guilder balances of the U. S. Treasury were used to intervene occasionally in the market to slow down a strong rise of the guilder spot rate during the spring months as a result of a tightening of liquidity in the Netherlands financial market. Also a sizable foreign exchange inflow was expected as a result of the Philips Lamp stock issue.

Operations in Italian lire. A continuing surplus in Italy's balance of payments has made the Italian lira one of the strongest continental currencies. From mid-April 1961 until the present the lira has usually remained at its upper limit against the dollar.

In these circumstances, in late 1961 discussions began on the possibility of U. S. Treasury operations in the lira market. In January 1962 it was agreed that the Treasury would take over a substantial block of forward lire contracts from the Italian foreign exchange office and that the Bank of Italy would simultaneously extend to the

Treasury a \$150 million line of credit in lire to support such spot as well as forward operations in lire as might appear desirable.

The Treasury made the first drawing on this line of credit on January 26, 1962, when it issued a 3-month certificate of indebtedness for the equivalent of \$25 million in lire. It made a second drawing of \$50 million in March, and a third drawing of \$75 million in August.

Both spot and forward operations by the U. S. Treasury in lire are continuing and have lessened the accumulation of dollar reserves during the recent seasonal inflows to Italy.

BEGINNING OF FEDERAL RESERVE OPERATIONS

While the exchange operations undertaken by the Treasury with the limited resources of its Stabilization Fund had yielded encouraging results, Federal Reserve officials—with the full concurrence of the Treasury—considered whether it might not also be desirable to reactivate Federal Reserve exchange operations. After many months study, the Federal Open Market Committee on February 13, 1962, authorized open market transactions in foreign currencies.¹

Currencies involved. Under this authorization, the Special Manager of the Open Market Account for foreign currency operations received Committee approval to inaugurate operations by purchasing from the Stabilization Fund at market rates the following foreign currencies in order to open accounts with the central banks responsible for these currencies and develop procedures for future operations (Table 2).

¹The text of the authorization appears in the Appendix, pp. 1150-53.

TABLE 2
FEDERAL RESERVE PURCHASES OF FOREIGN
CURRENCIES FROM THE U.S. TREASURY

Currency	Dollar equivalent (in millions)
German marks.....	32.0
Swiss francs.....	.5
Netherlands guilders.....	.5
Italian lire.....	.5

Accounts had previously been opened, and maintained for some years with more or less nominal balances, with the central banks of Canada, Great Britain, and France.

With the authorization of the Committee, the Special Manager proceeded to negotiate a series of reciprocal credit, or swap, facilities with seven foreign central banks and with the Bank for International Settlements. The amounts and dates of these swap arrangements are shown in Table 3.

Mechanics of swap arrangements. The details of the swap arrangements varied somewhat from agreement to agreement, reflecting differing institutional arrangements and operational procedures among the central banks. However, certain general principles

ran throughout all of the agreements. They may be summarized as follows.

1. A swap constitutes a reciprocal credit facility under which a central bank agrees to exchange on request its own currency for the currency of the other party up to a maximum amount over a limited period of time, such as 3 months or 6 months.

2. If such a standby swap between the Federal Reserve and the Bank of England, for example, were to be drawn upon by the Federal Reserve, the Federal Reserve would credit the dollar account of the Bank of England with \$50 million at a rate of, say \$2.80 to the pound while obtaining in exchange a credit on the books of the Bank of England of about £18 million. Both parties would agree to reverse the transaction on a specified date, say, within 3 months, at the same rate of exchange, thus providing each with forward cover against the remote risk of a devaluation of either currency.

3. The foreign currency obtained by each party as a result of such cross credits to each other's accounts would, unless disbursed in exchange operations, be invested

TABLE 3
FEDERAL RESERVE RECIPROCAL CURRENCY AGREEMENTS

Other party to agreement	Amount (in millions of dollars)	Date (of original agreement)	Term (in months)
		1962	
Bank of France.....	50	March 1	3
Bank of England.....	50	May 31	3
Netherlands Bank.....	50	June 14	3
National Bank of Belgium.....	50	June 20	6
Bank of Canada.....	250	June 26	3
Bank for International Settlements ¹	100	July 16	3
Swiss National Bank.....	100	July 16	3
German Federal Bank.....	50	August 2	3
Total for all banks.....	700		

¹ In Swiss francs.

² Announced on Sunday, June 25.

in a time deposit or other investment instrument, earning an identical rate of interest of, say, 2 per cent and subject to call on 2 days' notice.

4. After consultation with the other, each party would be free to draw upon the foreign currency acquired under the swap to conduct spot transactions or meet forward exchange obligations.

5. Each swap arrangement is renewable upon agreement of both parties.

Use of swaps. Use of these various swap arrangements has followed a varied pattern. The \$250 million swap with the Bank of Canada was immediately drawn upon through a cross-crediting of Canadian and U. S. dollars as part of a Canadian stabilization program. The Canadian Government also received financial assistance from the International Monetary Fund, the Export-Import Bank, and the Bank of England.

In the swaps with the Bank of France, the Bank of England, and the National Bank of Belgium, in amounts of \$50 million each, the standby facility was immediately drawn upon by the Federal Reserve in order to test communications, investment procedures, and other operational arrangements. In both the French and British swaps, no occasion has arisen for either party to use the proceeds of the swap in exchange operations. Consequently, after one renewal on June 1, the swap with the Bank of France was liquidated in advance of maturity on August 2 and placed on a standby basis. The swap with the Bank of England, which matured on August 30, was similarly placed on a standby basis.

The swaps of \$100 million each with the Swiss National Bank and the Bank for International Settlements were negotiated as standby facilities but with anticipation of an early necessity for their use to mop up

a speculative flow of hot money to Switzerland in June and early July of 1962. Similarly, a standby swap with the Netherlands Bank has been actively utilized to mop up temporary flows of funds to the Netherlands. Finally, the \$50 million swap with the German Federal Bank was negotiated as a standby facility and no drawings have been effected to date.

Swiss francs. As previously noted, the standby swap arrangements of \$100 million each negotiated in mid-July by the Federal Reserve with the Swiss National Bank and the Bank for International Settlements anticipated an early drawing on these swaps to mop up surplus dollars taken in by the Swiss National Bank. Under these swap arrangements, the Federal Reserve drew, during July and August, \$60 million of Swiss francs under its swap arrangement with the Bank for International Settlements and \$50 million equivalent in Swiss francs under the swap with the Swiss National Bank. The total proceeds of \$110 million in Swiss francs were immediately employed to buy back an equivalent amount of dollars on the books of the Swiss National Bank.

During the same period, the U. S. Treasury enlarged somewhat its forward operations in Swiss francs and thereby absorbed an additional amount of dollars held by the Swiss National Bank. As a result of these operations, the dollar holdings of the Swiss National Bank were substantially reduced, and the Bank purchased no more than \$50 million of gold from the United States during a period of intense speculation following the June decline in the New York and other stock exchanges.

Federal Reserve drawings under the Swiss franc swaps also indirectly served to absorb excess liquidity on the Swiss money market since the Swiss francs supplied under

the swap by the Bank for International Settlements came from deposits of Swiss commercial banks. The Swiss National Bank similarly absorbed Swiss francs from the market by various forward operations involving investments by Swiss commercial banks in U. S. Treasury bills on a covered basis. Subsequently, the speculative fever subsided, the dollar strengthened significantly against the Swiss franc, and the Federal Reserve has already begun to acquire Swiss franc balances in anticipation of an eventual liquidation of the drawing under these two swaps.

Netherlands guilders and Belgian francs. Similarly, a heavy influx of funds into the Netherlands following the stock market declines in June was absorbed by drawings upon the Federal Reserve swap with the Netherlands Bank, combined with a resumption of Treasury forward operations in Dutch guilders. Sizable foreign payments for certain special purposes by the Netherlands have since reduced the dollar holdings of the Netherlands Bank and thereby enabled the Federal Reserve to completely repay drawings under the swap, which has now reverted to a standby facility.

Here again, U. S. Government exchange operations have succeeded in dealing with what proved to be a reversible flow of funds and, as a result, the Netherlands Bank refrained entirely from purchases of gold from the United States during this difficult period. Intervention on a small scale in Belgian francs by drafts upon the swap with the National Bank of Belgium has served a similar purpose, with subsequent repurchases of Belgian francs by the Federal Reserve as the dollar strengthened.

Canadian dollars. The \$250 million Federal Reserve swap with the Bank of Canada on June 25, 1962, played an important role

in a broad program of international financial cooperation designed to reinforce the Canadian Government's efforts to defend the Canadian dollar. Between January 1 and June 25, about \$900 million, or 44 per cent of Canada's gold and dollar reserves of \$2,056 million were swept away by a mounting balance of payments deficit which threatened to force the Canadian dollar off its newly established parity. If this had happened, it would have been an extremely serious setback, not only to Canada but to the entire international financial system of fixed parities, and might easily have touched off a worldwide burst of speculation against other currencies, including the U. S. dollar.

In this atmosphere of emergency, a combined program of \$1,050 million was put together within 4 days. This included a \$300 million Canadian drawing upon the Fund, a \$250 million swap between the Federal Reserve and the Bank of Canada, a \$100 million credit to the Bank of Canada from the Bank of England, and a \$400 million standby credit to the Canadian Government by the Export-Import Bank. Announcement of financial assistance on this massive scale, coupled with a Canadian Government announcement of fiscal and other measures of restraint, immediately broke the speculative wave. Between June 25 and the end of August, Canada recovered more than \$500 million of its earlier reserve losses. Once again, the potentialities of central bank and intergovernmental financial cooperation in defending currency parities against essentially reversible flows of speculative funds was demonstrated.

The great bulk of the exchange operations undertaken by the Federal Reserve for its own account have involved transactions directly with foreign central banks, rather than in the exchange market. The

foreign central banks have continued their policy of active direct participation in the market, and their activity has been supplemented from time to time by appropriate Treasury operations. The Federal Reserve has not thus far undertaken any forward operations in the exchange markets for its own account. Spot operations in support of the dollar in the markets have so far been limited to moderate sales of German marks, sometimes accompanied by similar sales of marks by the Treasury. These transactions have proved fully reversible, with both the Federal Reserve and Treasury subsequently replenishing their mark holdings as the dollar strengthened.

COORDINATION OF TREASURY AND FEDERAL RESERVE EXCHANGE OPERATIONS

Treasury and Federal Reserve exchange operations are continuously coordinated by frequent telephone communications each day between Treasury and Federal Reserve officials concerned with market operations. At 2:30 p.m. each day the Foreign Ex-

change Trading Desk in the Foreign Department of the Federal Reserve Bank of New York provides a full and detailed report over a Treasury and Federal Reserve telephone conference circuit, of exchange rates, market conditions, and operations undertaken during the day by both the Federal Reserve and the Treasury Stabilization Fund. The very fact that the Special Manager of the System Account is an officer of the Federal Reserve Bank of New York which also conducts exchange operations on behalf of the Treasury eliminates, insofar as is humanly possible, any risk of an inadvertent clash of operations by the two agencies and greatly facilitates the task of insuring a coordination of both Federal Reserve and Treasury operations with the foreign central banks concerned.

With both agencies pursuing identical policy objectives and employing a single instrument of operations, it has proved possible during recent months to carry out an effective meshing of Federal Reserve and Treasury operations in several European currencies.

APPENDIX

AUTHORIZATION REGARDING OPEN MARKET TRANSACTIONS IN FOREIGN CURRENCIES

Pursuant to Section 12A of the Federal Reserve Act and in accordance with Section 214.5 of Regulation N (as amended) of the Board of Governors of the Federal Reserve System, the Federal Open Market Committee takes the following action governing open market operations incident to the opening and maintenance by the Federal Reserve Bank of New York (hereafter sometimes referred to as the New York Bank) of accounts with foreign central banks.

I. ROLE OF FEDERAL RESERVE BANK OF NEW YORK

The New York Bank shall execute all transactions pursuant to this authorization (hereafter sometimes referred to as transactions in foreign currencies) for the System Open Market Account, as defined in the Regulation of the Federal Open Market Committee.

II. BASIC PURPOSES OF OPERATIONS

The basic purposes of System operations in and holdings of foreign currencies are:

(1) To help safeguard the value of the dollar in international exchange markets;

(2) To aid in making the existing system of international payments more efficient and in avoiding disorderly conditions in exchange markets;

(3) To further monetary cooperation with central banks of other countries maintaining convertible currencies, with the International Monetary Fund, and with other international payments institutions;

(4) Together with these banks and institutions, to help moderate temporary imbalances in international payments that may adversely affect monetary reserve positions; and

(5) In the long run, to make possible growth in the liquid assets available to international money markets in accordance with the needs of an expanding world economy.

III. SPECIFIC AIMS OF OPERATIONS

Within the basic purposes set forth in Section II, the transactions shall be conducted with a view to the following specific aims:

(1) To offset or compensate, when appropriate, the effects on U. S. gold reserves or dollar liabilities of those fluctuations in the international flow of payments to or from the United States that are deemed to reflect temporary disequilibrating forces or transitional market unsettlement;

(2) To temper and smooth out abrupt changes in spot exchange rates and moderate forward premiums and discounts judged to be disequilibrating;

(3) To supplement international exchange arrangements such as those

made through the International Monetary Fund; and

(4) In the long run, to provide a means whereby reciprocal holdings of foreign currencies may contribute to meeting needs for international liquidity as required in terms of an expanding world economy.

IV. ARRANGEMENTS WITH FOREIGN CENTRAL BANKS

In making operating arrangements with foreign central banks on System holdings of foreign currencies, the New York Bank shall not commit itself to maintain any specific balance, unless authorized by the Federal Open Market Committee.

The Bank shall instruct foreign central banks regarding the investment of such holdings in excess of minimum working balances in accordance with Section 14 (e) of the Federal Reserve Act.

The Bank shall consult with foreign central banks on coordination of exchange operations.

Any agreements or understandings concerning the administration of the accounts maintained by the New York Bank with the central banks designated by the Board of Governors under Section 214.5 of Regulation N (as amended) are to be referred for review and approval to the Committee, subject to the provision of Section VIII., paragraph 1, below.

V. AUTHORIZED CURRENCIES

The New York Bank is authorized to conduct transactions for System Account in such currencies and within the limits that the Federal Open Market Committee may from time to time specify.

VI. METHODS OF ACQUIRING AND SELLING FOREIGN CURRENCIES

The New York Bank is authorized to purchase and sell foreign currencies in the form of cable transfers through spot or forward transactions on the open market at home and abroad, including transactions with the Stabilization Fund of the Secretary of the Treasury established by Section 10 of the Gold Reserve Act of 1934 and with foreign monetary authorities.

Unless the Bank is otherwise authorized, all transactions shall be at prevailing market rates.

VII. PARTICIPATION OF FEDERAL RESERVE BANKS

All Federal Reserve banks shall participate in the foreign currency operations for System Account in accordance with paragraph 3 G (1) of the Board of Governors' Statement of Procedure with Respect to Foreign Relationships of Federal Reserve Banks dated January 1, 1944.

VIII. ADMINISTRATIVE PROCEDURES

The Federal Open Market Committee authorizes a Subcommittee consisting of the Chairman and the Vice Chairman of the Committee and the Vice Chairman of the Board of Governors (or in the absence of the Chairman or of the Vice Chairman of the Board of Governors the members of the Board designated by the Chairman as alternates, and in the absence of the Vice Chairman of the Committee his alternate) to give instructions to the Special Manager, within the guidelines issued by the Committee, in cases in which it is necessary to reach a decision on operations before the Committee can be consulted.

All actions authorized under the pre-

ceding paragraph shall be promptly reported to the Committee.

The Committee authorizes the Chairman, and in his absence the Vice Chairman of the Committee, and in the absence of both, the Vice Chairman of the Board of Governors:

(1) With the approval of the Committee, to enter into any needed agreement or understanding with the Secretary of the Treasury about the division of responsibility for foreign currency operations between the System and the Secretary;

(2) To keep the Secretary of the Treasury fully advised concerning System foreign currency operations, and to consult with the Secretary on such policy matters as may relate to the Secretary's responsibilities;

(3) From time to time, to transmit appropriate reports and information to the National Advisory Council on International Monetary and Financial Problems.

IX. SPECIAL MANAGER OF SYSTEM OPEN MARKET ACCOUNT

A Special Manager of the Open Market Account for foreign currency operations shall be selected in accordance with the established procedures of the Federal Open Market Committee for the selection of the Manager of the System Open Market Account.

The Special Manager shall direct that all transactions in foreign currencies and the amounts of all holdings in each authorized foreign currency be reported daily to designated staff officials of the Committee, and shall regularly consult with the designated staff officials of the Committee on current tendencies in the flow of interna-

tional payments and on current developments in foreign exchange markets.

The Special Manager and the designated staff officials of the Committee shall arrange for the prompt transmittal to the Committee of all statistical and other information relating to the transactions in and the amounts of holdings of foreign currencies for review by the Committee as to conformity with its instructions.

The Special Manager shall include in his reports to the Committee a statement of bank balances and investments payable in foreign currencies, a statement of net profit or loss on transactions to date, and a sum-

mary of outstanding unmatured contracts in foreign currencies.

X. TRANSMITTAL OF INFORMATION TO TREASURY DEPARTMENT

The staff officials of the Federal Open Market Committee shall transmit all pertinent information on System foreign currency transactions to designated officials of the Treasury Department.

XI. AMENDMENT OF AUTHORIZATION

The Federal Open Market Committee may at any time amend or rescind this authorization.

Law Department

Administrative interpretations, new regulations, and similar material

Foreign Branches of National Banks

By act of Congress approved August 15, 1962 (Public Law 87-588), an additional paragraph was added to Section 25 of the Federal Reserve Act (12 U.S.C. 601 et seq.), authorizing the Board of Governors of the Federal Reserve System, by regulation, to permit national bank branches in foreign countries to exercise such further powers, with certain exceptions, as may be usual in connection with the transaction of the business of banking in the places where such branches transact business. The text of the act is as follows:

AN ACT

To improve the usefulness of national bank branches in foreign countries.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That Section 25 of the Federal Reserve Act, as amended, is amended by adding the following new paragraph at the end thereof:

"Regulations issued by the Board of Governors of the Federal Reserve System under this section, in addition to regulating powers which a foreign branch may exercise under other provisions of law, may authorize such a foreign branch, subject to such conditions and requirements as such regulations may prescribe, to exercise such further powers as may be usual in connection with the transaction of the business of banking in the places where such foreign branch shall transact business. Such regulations shall not authorize a foreign branch to engage in the general business of producing, distributing, buying or selling goods, wares, or merchandise; nor, except to such limited extent as the Board may deem to be necessary with respect to securities issued by any 'foreign state' as defined in Section 25(b) of this Act, shall such regulations authorize a foreign branch to engage or participate, directly or indirectly, in the business of underwriting, selling, or distributing securities."

Approved August 15, 1962.

Federal Reserve Branch Bank Buildings

By act of Congress, approved August 31, 1962 (Public Law 87-622), Sections 3 and 10 of the Federal Reserve Act (12 U.S.C. 521, 522) were amended to require the approval of the Board of Governors of the Federal Reserve System before a Federal Reserve Bank contracts for the erection of a branch bank building, and to increase from

\$30,000,000 to \$60,000,000, the aggregate amount which may be expended for such buildings. Text of the act is as follows:

AN ACT

To amend Section 10 and Section 3 of the Federal Reserve Act, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the ninth paragraph of Section 10 of the Federal Reserve Act, as amended (U.S.C., Title 12, Sec. 522), is amended by striking out "\$30,000,000" and inserting "\$60,000,000."

SEC. 2. Section 3 of the Federal Reserve Act, as amended (U.S.C., title 12, Sec. 521), is hereby further amended by adding at the end thereof the following paragraph:

"No Federal Reserve bank shall have authority hereafter to enter into any contract or contracts for the erection of any branch bank building of any kind or character or to authorize the erection of any such building, except with the approval of the Board of Governors of the Federal Reserve System."

Approved August 31, 1962.

Termination of Reserve City Designations

Pursuant to the Board's Rule for Classification of Reserve Cities, as recently amended (1962 BULLETIN 975), the reserve city designations of Topeka and Wichita, Kansas, were terminated, effective August 23, 1962, and that of Kansas City, Kansas, was terminated, effective September 6, 1962. These actions by the Board are codified as §§ 204.54 and 204.55 of Title 12, Part 204, Code of Federal Regulations, reading as follows:

§ 204.54. *Termination of designations of reserve cities.*

In accordance with paragraph (e) of § 204.51, as revised effective July 28, 1962, member banks in Topeka, Kansas, and Wichita, Kansas, have submitted written requests for the termination of the designations of such cities as reserve cities, and, acting pursuant to such paragraph (e) the Board of Governors has granted such requests. Accordingly, the designations of Topeka, Kansas, and Wichita, Kansas, as reserve cities are hereby terminated effective August 23, 1962.

§ 204.55. *Termination of Kansas City, Kansas, designation as reserve city.*

In accordance with paragraph (e) of § 204.51, as revised effective July 28, 1962, member banks in

Kansas City, Kansas, have submitted written requests for the termination of the designation of such city as a reserve city, and, acting pursuant to such paragraph (e) of § 204.51, the Board of Governor has granted such request. Accordingly, the designation of Kansas City, Kansas, as a reserve city is hereby terminated effective September 6, 1962.

Orders Under Bank Merger Act

The Board of Governors of the Federal Reserve System has issued the following Orders and Statements with respect to applications for approval of the merger or acquisition of assets of certain banks:

THE CONNECTICUT BANK AND TRUST COMPANY, HARTFORD, CONNECTICUT

In the matter of the application of The Connecticut Bank and Trust Company for approval of merger with The Wallingford Bank and Trust Company.

ORDER APPROVING MERGER OF BANKS

There has come before the Board of Governors, pursuant to the Bank Merger Act of 1960 (12 U.S.C. 1828(c)), an application by The Connecticut Bank and Trust Company, Hartford, Connecticut, a member bank of the Federal Reserve System, for the Board's prior approval of the merger of that bank and The Wallingford Bank and Trust Company, Wallingford, Connecticut, under the charter and title of the former and, as an incident to the merger, a branch would be operated at the location of The Wallingford Bank and Trust Company. Notice of the proposed merger, in form approved by the Board, has been published pursuant to said Act.

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

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

Dated at Washington, D. C., this 17th day of August, 1962.

By order of the Board of Governors.

Voting for this action: Chairman Martin, and Governors Balderston, Mills, Robertson, Shepardson, and King. Absent and not voting: Governor Mitchell.

(Signed) KENNETH A. KENYON,
Assistant Secretary.

[SEAL]

STATEMENT

The Connecticut Bank and Trust Company, Hartford, Connecticut ("Connecticut Bank"), with deposits of approximately \$441 million, a State member bank, has applied, pursuant to the Bank Merger Act (12 U.S.C. 1828(c)), for the Board's prior approval of the merger of that bank and The Wallingford Bank and Trust Company, Wallingford, Connecticut ("Wallingford Bank"), with deposits of approximately \$8.6 million. Under the application and Plan of Merger the two banks would emerge under the charter and title of Connecticut Bank, and as an incident to the merger, Connecticut Bank would operate a branch at the location of Wallingford Bank. This would increase from 30 to 31 the approved branches of Connecticut Bank.

Under the Act, the Board is required to consider (1) the financial history and condition of each of the banks involved, (2) the adequacy of its capital structure, (3) its future earnings prospects, (4) the general character of its management, (5) whether its corporate powers are consistent with the purposes of 12 U.S.C., Ch. 16 (the Federal Deposit Insurance Act), (6) the convenience and needs of the community to be served, and (7) the effect of the transaction on competition (including any tendency toward monopoly). The Board may not approve the transaction unless, after considering all these factors, it finds the transaction to be in the public interest.

Banking factors. The financial condition and capital structure of each of the banks are satisfactory, as would be true of the resulting bank. The earnings prospects of the resulting bank are favorable and its management would be competent.

No inconsistency with the purposes of 12 U.S.C., Ch. 16, is indicated.

Convenience and needs of the communities. The main office of Connecticut Bank, which oper-

ates 29 branches and has one additional branch approved but not yet operating, is located in Hartford which is the capital and largest city in Connecticut (population about 162,000). The service area of Connecticut Bank has an estimated population of 700,000. The economy of the service area is supported primarily by diversified manufacturing. Farming is also a significant economic factor. There are located in Hartford the home offices of about 50 insurance companies.

Wallingford (population about 30,000), in New Haven County, (population about 660,000) is located some 23 miles south of Hartford. The town is largely industrialized, having 62 manufacturing establishments employing about 5,600 persons.

Since Connecticut law prohibits the establishment by a commercial bank of a de novo branch in another city in which an independent commercial bank has its head office, Wallingford Bank is the only commercial bank which may legally establish branches in the city. The proposed merger would permit the further expansion of banking facilities which should increase competition and contribute materially to the growth of the community.

The majority of Wallingford Bank's loans are in mortgages and, as a result of heavy requests for such credit, it originates, sells and services mortgages. The proposed merger would help meet the demand for mortgage and other types of credit as well, and would provide an element of convenience not only in this respect but in other banking services, including the services of a much larger trust department which would replace the relatively inactive trust department of Wallingford Bank.

Competition. Connecticut Bank is the second largest financial institution in the State. Ninety per cent of its total deposits originate in the three counties of Hartford, Tolland and Windham which are located in the approximate northeastern quarter of the State and constitute its primary service area. Connecticut Bank has no branch offices in any major Connecticut city except Hartford. Although it has a branch or branches in seven of the State's eight counties, it does not appear to be a major factor competitively in counties other than the three just mentioned.

Wallingford Bank is located in New Haven County, 23 miles south of Connecticut Bank's main office in Hartford and 7 miles south of that

bank's nearest branches in Meriden, which has a population of approximately 52,000 and which is also located in New Haven County. There are no banking facilities between Wallingford and Meriden. Wallingford Bank's primary service area is almost encircled by other communities within a 5 to 7 mile range and each of these communities has offices or branches of banks many times the size of Wallingford Bank.

The proposed merger should have no significant effect on other banks in the primary service area of Connecticut Bank. In the Wallingford area some increase in competition should result, since Connecticut Bank would become a competitor with the Wallingford branch of Union and New Haven Trust Company (local deposits of approximately \$11 million) and with Dime Savings Bank in Wallingford (deposits of approximately \$16 million). As previously indicated, the proposed merger would permit the further expansion of banking facilities in Wallingford, thus providing additional competition for the banks which presently have offices in the area. Only slight competition between Connecticut Bank and Wallingford Bank would be eliminated.

Summary and conclusion. The proposed merger would provide broader and more convenient banking services and facilities needed in the Wallingford area to meet the demands generated by substantial growth both in population and industry. The transaction would eliminate no competition except the small amount now existing between Connecticut Bank and Wallingford Bank, but at the same time should result in an increase in the over-all competition among the banking offices now operating in the Wallingford area.

Accordingly the Board finds the proposed merger to be in the public interest.

STATE-PLANTERS BANK OF COMMERCE AND TRUSTS, RICHMOND, VIRGINIA

In the matter of the application of State-Planters Bank of Commerce and Trusts for approval of merger with The Suburban Bank.

ORDER APPROVING MERGER OF BANKS

There has come before the Board of Governors, pursuant to the Bank Merger Act of 1960 (12 U.S.C. 1828(c)), an application by State-Planters

Bank of Commerce and Trusts, Richmond, Virginia, a member bank of the Federal Reserve System, for the Board's prior approval of the merger of that bank and The Suburban Bank, Henrico County (Richmond), Virginia, under the charter and title of the former, the head office and two branches of The Suburban Bank to be operated as branches of State-Planters Bank of Commerce and Trusts. Notice of the proposed merger, in form approved by the Board, has been published pursuant to said Act.

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

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

Dated at Washington, D. C., this 22nd day of August, 1962.

By order of the Board of Governors.

Voting for this action: Chairman Martin, and Governors Balderston, Mills, Shepardson, and King. Absent and not voting: Governors Robertson and Mitchell.

(Signed) KENNETH A. KENYON,
Assistant Secretary.

[SEAL]

STATEMENT

State-Planters Bank of Commerce and Trusts, Richmond, Virginia ("State-Planters"), with deposits of about \$218 million, has applied, pursuant to the Bank Merger Act of 1960 (12 U.S.C. 1828(c)), for the Board's prior approval of the merger of that bank and The Suburban Bank, Henrico County (Richmond), Virginia ("Suburban"), with deposits of about \$3.5 million. Under the Agreement of Merger the banks would merge under the charter and title of State-Planters, and the Agreement and application contemplate that the three offices of Suburban would become branches of State-Planters, increasing from 15 to 18 the offices operated by that bank.

Under the Act, the Board is required to consider (1) the financial history and condition of each of the banks involved, (2) the adequacy of its capital structure, (3) its future earnings prospects, (4) the general character of its management, (5) whether its corporate powers are consistent with the purposes of 12 U.S.C., Ch. 16 (the Federal Deposit Insurance Act), (6) the convenience and needs of the community to be served, and (7) the effect of the transaction on competition (including any tendency toward monopoly). The Board may not approve the transaction unless, after considering all these factors, it finds the transaction to be in the public interest.

Banking factors. The financial history and condition of State-Planters are satisfactory. The bank's capital structure is adequate and its future earnings prospects are favorable. These attributes would also characterize the resulting bank, which would be under State-Planters' competent management.

Suburban was organized in 1959 as an affiliate of State-Planters. The bank's officers are persons formerly associated with State-Planters, four of Suburban's ten directors are members of State-Planters' Advisory Board, and over 85 per cent of the shares of Suburban are owned by persons owning over 50 per cent of the stock of State-Planters. Suburban, which began operations in May of 1960, was organized with the expectation of its merger with, and the operation of its offices as branches by, State-Planters at the end of five years of actual operation of Suburban as a unit bank in accordance with State law which, however, was amended effective June 29, 1962. Under the existing law no waiting period is required. Operation of Suburban's offices as branches of State-Planters, rather than as offices of an affiliated bank, would effect administrative and operating economies.

No inconsistency with the purposes of 12 U.S.C., Ch. 16 is indicated.

Convenience and needs of the communities. The three offices of Suburban are situated near the western limits of the city of Richmond and serve a rapidly expanding suburban area. Consummation of the proposal would have little effect on the convenience and needs of Richmond, nor would the proposal significantly affect the present convenience and needs of the area served by Suburban. Branches of other large Richmond

banks already are located in the service area of Suburban.

Competition. State-Planters has 9 of its 15 offices in the Richmond area, but none of these offices is in the service area of Suburban. Because of this and the close relationships between the two banks, little competition, if any, exists or may be expected to exist between these affiliated banks.

State-Planters' position as the second largest bank in Virginia and in Richmond would not be changed by consummation of the proposed transaction. Suburban's nearest bank competitors are offices of the largest and fourth largest commercial banks in Richmond. Consummation of the transaction would not adversely affect other banks operating in the resulting bank's service area.

Summary and conclusion. The proposed merger would unite two banks affiliated through common ownership, otherwise closely related, and between which there is no significant competition. This would increase efficiency and provide more effective competition for other banks with offices in the area served by Suburban.

Accordingly, the Board finds that the proposed transaction would be in the public interest.

LAWRENCE SAVINGS AND TRUST COMPANY, NEW CASTLE, PENNSYLVANIA

In the matter of the application of Lawrence Savings and Trust Company for approval of acquisition of assets of First National Bank in Wampum.

ORDER APPROVING ACQUISITION OF BANK'S ASSETS

There has come before the Board of Governors, pursuant to the Bank Merger Act of 1960 (12 U.S.C. 1828(c)), an application by Lawrence Savings and Trust Company, New Castle, Pennsylvania, a member bank of the Federal Reserve System, for the Board's prior consent to its acquisition of the assets and assumption of the liabilities of First National Bank in Wampum, Wampum, Pennsylvania, and, as an incident thereto, Lawrence Savings and Trust Company has applied, under Section 9 of the Federal Reserve Act, for the Board's prior approval of the establishment of a branch by that bank at the present location of First National Bank in Wampum. Notice

of the proposed acquisition of assets and assumption of liabilities, in form approved by the Board of Governors, has been published pursuant to said Bank Merger Act.

Upon consideration of all relevant material, including the reports furnished by the Comptroller of the Currency, the Federal Deposit Insurance Corporation, and the Department of Justice on the competitive factors involved in the proposed transaction,

IT IS HEREBY ORDERED, for the reasons set forth in the Board's Statement of this date, that said applications be and hereby are approved, provided that said acquisition of assets and assumption of liabilities and establishment of a branch shall not be consummated (a) within seven calendar days following the date of this Order, or (b) later than three months after said date.

Dated at Washington, D. C., this 22nd day of August, 1962.

By order of the Board of Governors.

Voting for this action: Chairman Martin, and Governors Balderston, Mills, Robertson, Shepardson, and King. Absent and not voting: Governor Mitchell.

(Signed) KENNETH A. KENYON,
Assistant Secretary.

[SEAL]

STATEMENT

Lawrence Savings and Trust Company, New Castle, Pennsylvania ("Lawrence"), a State member bank with deposits of approximately \$25.5 million, has applied, pursuant to the Bank Merger Act (12 U.S.C. 1828(c)), for the Board's prior approval of its acquisition of the assets and assumption of the deposit liabilities of First National Bank in Wampum, Wampum, Pennsylvania ("Wampum Bank"), with deposits of approximately \$1.6 million. As contemplated by the application and the Agreement of Purchase and Sale, the present office of Wampum Bank would become a branch of Lawrence, thus increasing from four to five the branch offices currently operated by Lawrence. As an incident to the foregoing, Lawrence has also applied, under Section 9 of the Federal Reserve Act, for the Board's prior approval of the establishment of a branch by that bank at the present location of Wampum Bank.

Under the Act, the Board is required to consider (1) the financial history and condition of each of the banks involved, (2) the adequacy of

its capital structure, (3) its future earnings prospects, (4) the general character of its management, (5) whether its corporate powers are consistent with the purposes of 12 U.S.C., Ch. 16 (the Federal Deposit Insurance Act), (6) the convenience and needs of the community to be served, and (7) the effect of the transaction on competition (including any tendency toward monopoly). The Board may not approve the transaction unless, after considering all these factors, it finds the transaction to be in the public interest.

Banking factors. The financial condition and capital structure of each of the banks are satisfactory, as would be true of the resulting bank. The proposed transaction would have the effect of adding management strength and a basis for improved earning power to what has been the operation of the Wampum Bank, whose earnings have been declining in recent years and are below the average for similar size banks in the Fourth Federal Reserve District. The earnings prospects of Lawrence are good, as would be the case with the resulting bank which would be under the competent management of Lawrence.

No inconsistency with the purposes of 12 U.S.C., Ch. 16, is indicated.

Convenience and needs of the communities. New Castle (population about 44,000), seat of Lawrence County (population about 113,000), is located in the western part of Pennsylvania 45 miles north of Pittsburgh and 29 miles southeast of Youngstown, Ohio. New Castle's economy is supported primarily by diversified industry which produces primary metals, machinery, stone, glass and clay, fabricated materials, and mining products.

Wampum, Pennsylvania (population about 1,100), is primarily a residential community, many of whose residents are employed in nearby communities.

The record indicates that an office in Wampum of the resulting bank would more adequately serve the convenience and needs of the community.

Competition. The main office of Lawrence is eight and one-half miles from Wampum Bank and the principal competition between the two banks is centered in the Ellwood City area where the service areas of two branches of Lawrence overlap the service area of Wampum Bank, which is located five miles northwest of Ellwood City.

These two branches of Lawrence have deposits of approximately \$8.9 million as compared with Wampum Bank's total deposits of approximately \$1.5 million. Conventional real estate loans comprise about 81 per cent of Wampum Bank's portfolio, while the loan portfolio of Lawrence is more diversified. Lawrence operates a complete trust department, while Wampum Bank does not exercise trust powers. Competition between the two institutions has rapidly declined in recent years. There exists between them substantial common ownership of stock and interlocking directorates.

There are currently 5 banks with head offices in Lawrence County operating a total of 16 branches in the county. Of these institutions, Lawrence currently ranks second in size and first with respect to the number of banking offices operated. While the proposed acquisition would move Lawrence into first place with respect to deposits and loans, it would do so by only a slender margin. The proposed acquisition would have little effect on competition in New Castle. Its principal effect would be to strengthen Lawrence's position in the Wampum-Ellwood City area where competition is offered presently by the largest bank in the county as well as a branch of a far larger Pittsburgh bank. Neither of these institutions would be adversely affected by the proposed acquisition.

Summary and conclusion. The proposed acquisition would provide the Wampum community with a branch of a progressive bank capable of serving more fully the banking needs of the community. Very little competition would be eliminated by the acquisition.

Accordingly, the Board finds the proposed transaction to be in the public interest.

FARMERS AND MERCHANTS BANK OF
LAWRENCEVILLE, LAWRENCEVILLE,
VIRGINIA

In the matter of the application of Farmers and Merchants Bank of Lawrenceville for approval of merger with Bank of Alberta.

ORDER APPROVING MERGER OF BANKS

There has come before the Board of Governors, pursuant to the Bank Merger Act of 1960 (12 U.S.C. 1828(c)), an application by Farmers and

Merchants Bank of Lawrenceville, Lawrenceville, Virginia, a member bank of the Federal Reserve System, for the Board's prior approval of the merger of that bank and Bank of Alberta, Alberta, Virginia, under the charter and title of the former, the office of Bank of Alberta to be operated as a branch of Farmers and Merchants Bank of Lawrenceville. Notice of the proposed merger, in form approved by the Board, has been published pursuant to said Act.

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

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

Dated at Washington, D. C., this 27th day of August, 1962.

By order of the Board of Governors.

Voting for this action: Chairman Martin, and Governors Balderston, Mills, Shepardson, and King. Absent and not voting: Governors Robertson and Mitchell.

(Signed) KENNETH A. KENYON,
Assistant Secretary.

[SEAL]

STATEMENT

Farmers and Merchants Bank of Lawrenceville, Lawrenceville, Virginia ("Farmers"), with deposits of about \$8.7 million, has applied, pursuant to the Bank Merger Act of 1960 (12 U.S.C. 1828(c)), for the Board's prior approval of the merger of that bank and Bank of Alberta, Alberta, Virginia ("Alberta Bank"), with deposits of about \$1.5 million. Under the Plan of Merger the banks would merge under the charter and title of Farmers, and the Plan and application contemplate that the office of Alberta Bank would become a branch of Farmers.

Under the Act, the Board is required to consider (1) the financial history and condition of each of the banks involved, (2) the adequacy of

its capital structure, (3) its future earnings prospects, (4) the general character of its management, (5) whether its corporate powers are consistent with the purposes of 12 U.S.C., Ch. 16 (the Federal Deposit Insurance Act), (6) the convenience and needs of the community to be served, and (7) the effect of the transaction on competition (including any tendency toward monopoly). The Board may not approve the transaction unless, after considering all these factors, it finds the transaction to be in the public interest.

Banking factors. The financial history and condition and capital structures of both banks are satisfactory. Farmers' management is capable and its earnings prospects are favorable. These favorable attributes also would characterize the resulting bank. Consummation of the proposal would provide strengthened management and a basis for improved earnings relative to those of Alberta Bank.

There is no indication that the powers of any of the banks are or would be inconsistent with 12 U.S.C., Ch. 16.

Convenience and needs of the communities. Lawrenceville (population about 2,000) is the seat and principal business center of Brunswick County (population about 18,000), which is situated southwest of Petersburg on the Virginia-North Carolina border. Dependent principally on agriculture and having important lumber and lumber products operations, the area's economic prospects are favorable.

Alberta (population about 500) is situated in Brunswick County, 10 miles north of Lawrenceville. The application indicates a limited growth potential for the town, which economically is dependent primarily on tobacco and a few small industries.

Farmers and the Alberta Bank are the only banks located in Brunswick County. Farmers' service area includes all of Brunswick County and extends into portions of the adjoining Virginia and North Carolina counties. Alberta Bank's primary service area, which is within the primary service area of Farmers, is confined to the northern portion of Brunswick County and a portion of adjoining Dinwiddie County on the north.

The effect of the proposal would bear principally upon the convenience and needs of the area served by Alberta Bank. Its consummation would bring to that area the office of a bank whose size

and progressive management would make possible improved banking services and a more economic banking operation that should benefit the local economy. Alberta Bank, unlike Farmers, does not offer trust services. These would become more conveniently available in the Alberta area under the proposal. Also, the loan limit of the resulting bank would be about \$140,000, compared to Alberta Bank's loan limit of about \$20,000. This loan limit has not enabled Alberta Bank to serve the credit needs of several of its customers. A number of borrowers from Farmers reside or do business in the Alberta area, and many of them were referred to Farmers by Alberta Bank.

Competition. Consummation of the proposal would eliminate one of the two banks now in Brunswick County and existing competition between them. Alberta Bank, however, has not been a strong competitor with Farmers in view of the below average net operating income of Alberta Bank during recent years, its small loan limit, and low ratio of loans to deposits.

The Bank of McKenney, Inc., McKenney, Dinwiddie County, Virginia, is located 12 miles northwest of Alberta within the primary service area of Alberta Bank. The Bank of McKenney, with about the same volume of deposits as Alberta Bank, competes with four other larger banks. The substitution of a branch of Farmers for Alberta Bank should not materially affect the growth or future of The Bank of McKenney.

Summary and conclusion. Consummation of the proposed transaction would not reduce the number of banking offices available to the public, nor have an adverse effect on other banks not parties to the transaction, which would continue to compete for business from the service areas of the two banks involved. The proposal would bring to the area served by Alberta Bank, which has not provided Farmers with effective competition, the broader facilities of a bank better able to satisfy the local banking needs.

Accordingly, the Board finds that the proposed transaction would be in the public interest.

Orders Under Section 3 of Bank Holding Company Act

The Board of Governors of the Federal Reserve System has issued the following Orders and State-

ments with respect to applications by bank holding companies for approval of the acquisition of voting shares of certain banks.

COMMERCIAL ASSOCIATES, INC., PENSACOLA, FLORIDA

In the matter of the application of Commercial Associates, Inc. for permission to become a bank holding company by acquiring stock of two banks in Florida.

ORDER APPROVING APPLICATION UNDER BANK HOLDING COMPANY ACT

There has come before the Board of Governors, pursuant to Section 3(a)(1) of the Bank Holding Company Act of 1956 (12 U.S.C. 1842) and Section 4(a)(1) of the Board's Regulation Y (12 CFR 222.4(a)(1)), an application by Commercial Associates, Inc., Pensacola, Florida, for the Board's prior approval of action whereby Applicant would become a bank holding company through the acquisition of more than 50 per cent of the voting shares of The Commercial National Bank of Pensacola, Pensacola, Florida, and the Bank of Gulf Breeze, Gulf Breeze, Florida. Notice of receipt of said application was published in the Federal Register on March 30, 1962 (27 F. R. 3017), which notice provided for the filing of comments and views regarding the proposed acquisition. No comments or views have been received.

IT IS HEREBY ORDERED, for the reasons set forth in the Board's Statement of this date, that the said application be and hereby is granted, and the acquisition by Applicant of more than 50 per cent of the voting shares of the above-mentioned banks is hereby approved, provided that such acquisition shall not be consummated (a) within seven calendar days after the date of this Order or (b) later than three months after said date.

Dated at Washington, D. C. this 29th day of August, 1962.

By order of the Board of Governors.

Voting for this action: Chairman Martin and Governors Balderston, Mills, Robertson, Shepardson, and King. Absent and not voting: Governor Mitchell.

(Signed) KENNETH A. KENYON,
Assistant Secretary.

[SEAL]

STATEMENT

Commercial Associates, Inc., Pensacola, Florida ("Applicant"), has applied, pursuant to Section 3(a)(1) of the Bank Holding Company Act of 1956 ("the Act"), for the Board's prior approval of action that would result in Applicant becoming a bank holding company—namely, acquisition of more than 50 per cent of the voting shares of The Commercial National Bank of Pensacola, Pensacola, Florida ("Commercial"), with deposits of approximately \$4 million, and the Bank of Gulf Breeze, Gulf Breeze, Florida ("Gulf Breeze"), with deposits of approximately \$1.5 million.

Views and recommendations of supervisory authorities. As required by Section 3(b) of the Act, the Board notified the Comptroller of the Currency and the Commissioner of Banking for the State of Florida of the receipt of the application and requested their views. The Comptroller of the Currency recommended that the application be approved, and the State Commissioner of Banking issued a Certificate of Approval.

Statutory factors. Section 3(c) of the Act requires the Board to take into consideration the following five factors: (1) the financial history and condition of the holding company and the banks concerned; (2) their prospects; (3) the character of their management; (4) the convenience, needs and welfare of the communities and area concerned; and (5) whether the effect of the acquisitions would be to expand the size or extent of the bank holding company system involved beyond limits consistent with adequate and sound banking, the public interest, and the preservation of competition in the field of banking.

Discussion. It is proposed that Applicant would become a bank holding company by a consolidation of two existing corporations, Commercial Associates, Incorporated (CAI) and Gulf Commercial Holding Corporation (GCH), the principal assets of which are shares in Commercial and Gulf Breeze, and by acquiring the stock in Commercial and Gulf Breeze now held by one R. A. Hepner and by Garden Properties, Inc., of which the Hepner family is sole owner. The Hepner family, through the stock ownership of Mr. Hepner individually and of Garden Properties, holds substantial interests in CAI and GCH. Thus, the proposed transaction would have the effect of consolidating the interests of the shareholders of CAI,

GCH, and Garden Properties in Commercial and Gulf Breeze, together with the shares of the banks personally held by R. A. Hepner, except for his director's qualifying shares. These interests presently own 51.8 per cent of the outstanding shares of Commercial and 51.6 per cent of the shares of Gulf Breeze.

After consummation of the proposal, Applicant would own 50.7 per cent of the outstanding shares of Gulf Breeze and 51.6 per cent of the shares of Commercial. The Hepner family would own or control about 45 per cent of the 144,100 shares of Applicant immediately following the proposed transaction, but contemplated sales of a portion of their holdings would reduce their interest in Applicant to 40 per cent.

The financial history, condition, prospects, and management of the banks are satisfactory, as are the proposed financial structure, proposed management, and prospects of Applicant.

Also, it appears in this case that, by reason of their closer affinity through the holding company, the banks involved might in due course bring to bear a more concerted effort to better serve the public in regard to banking convenience and needs and economic welfare.

The two banks involved are about six miles apart: Commercial is located in the city of Pensacola, and Gulf Breeze is located in the city of Gulf Breeze, a recently formed municipality about five miles southeast of Pensacola across Escambia Bay. Access between the two cities is by a four-lane bridge approximately four miles in length. Commercial and Gulf Breeze each hold deposits and loans which originate in the primary service area of the other. However, there are factors in this case which suggest that this may not be entirely due to active competition between the two banks for such business, and geographical and other considerations would appear to place certain practical limitations on the extent to which significant competition might develop between them in the future. Although the proposed holding company system might serve to reduce to some extent the degree of existing competition between Commercial and Gulf Breeze, the creation of a somewhat stronger competitive force in an over-all area served by several much larger banks would offer compensating public benefits.

The affiliation of these banks through the holding company arrangement would have little effect

on the concentration of the banking structure in the area. The total resources controlled by the proposed holding company would not represent an undue concentration, nor would formation of the holding company materially alter the present situation with respect to concentration. Applicant would be relatively small in terms of the over-all banking business in the Pensacola area; as of December 31, 1961, aggregate deposits of the proposed subsidiary banks were \$5,358,000, which represented only 6.4 per cent of total deposits of all banks in the Pensacola area. This consideration, when related to the other circumstances bearing on the application, leads to the conclusion that the proposal would not create a holding company system the size or extent of which would exceed limits consistent with adequate and sound banking, the public interest, and the preservation of competition in the field of banking.

Viewing the relevant facts in light of the purposes of the Act and the factors enumerated in Section 3(c) thereof, it is the judgment of the Board that the proposed formation of a holding company system embracing The Commercial National Bank of Pensacola and the Bank of Gulf Breeze would not be inconsistent with the statutory objectives and the public interest and, accordingly, that the application should be approved.

THE FIRST VIRGINIA CORPORATION,
ARLINGTON, VIRGINIA

In the matter of the application of The First Virginia Corporation for prior approval of the acquisition of 80 per cent or more of the outstanding voting shares of Farmers and Merchants National Bank, Winchester, Virginia.

ORDER DENYING APPLICATION
UNDER BANK HOLDING COMPANY ACT

There has come before the Board of Governors, pursuant to Section 3(a)(2) of the Bank Holding Company Act of 1956 (12 USC 1842) and Section 4(a)(2) of Federal Reserve Regulation Y (12 CFR 222.4(a)(2)), an application on behalf of The First Virginia Corporation, Arlington, Virginia, for the Board's prior approval of the acquisition of 80 per cent or more of the outstanding voting shares of Farmers and Merchants National Bank, Winchester, Virginia.

A Notice of Receipt of Application was pub-

lished in the Federal Register on December 7, 1961 (26 F.R. 11742), which provided an opportunity for submission of comments and views regarding the proposed acquisition, and the time for filing such comments and views has expired and all comments and views filed with the Board have been considered by it.

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

Dated at Washington, D. C., this 29th day of August, 1962.

By order of the Board of Governors.

Voting for this action: Chairman Martin, and Governors Balderston, Robertson, Shepardson, King, and Mitchell. Voting against this action: Governor Mills.

(Signed) KENNETH A. KENYON,

Assistant Secretary.

[SEAL]

STATEMENT

The First Virginia Corporation ("First" or "Applicant"), Arlington, Virginia, a registered bank holding company, has applied, pursuant to Section 3(a)(2) of the Bank Holding Company Act of 1956 ("the Act"), for the Board's approval of the acquisition of 80 per cent or more of the outstanding voting shares of Farmers and Merchants National Bank ("Farmers"), Winchester, Virginia.¹

Views and recommendations of supervisory authority. As required by Section 3(b) of the Act, the Board gave notice of the application to the Comptroller of the Currency, who expressed no objection to approval.

Statutory factors. Section 3(c) of the Act requires the Board to take into consideration the following five factors: (1) the financial history and condition of the holding company and bank concerned; (2) their prospects; (3) the character of their management; (4) the convenience, needs, and welfare of the communities and the area concerned; and (5) whether the effect of the acquisition would be to expand the size or extent of the bank holding company system involved beyond limits consistent with adequate and sound banking, the public interest, and the preservation of competition in the field of banking.

¹ Also pending are applications by First for approval of its acquisition of controlling stock interests in Southern Bank of Norfolk, Peoples' Bank of Mt. Jackson, and Shenandoah County Bank and Trust Company, Woodstock.

Discussion. First presently controls six banks, all in Virginia, having a total of 22 offices and total deposits of \$116 million, based on figures for December 31, 1961 and taking into account First's subsequent acquisition of Richmond Bank and Trust Company and the consolidation in 1962 of Mount Vernon Bank and Trust Company with Old Dominion National Bank of Fairfax County (now Mount Vernon National Bank and Trust Company of Fairfax County). Of the system's total deposits, about \$47 million are held by Old Dominion Bank, Arlington. Farmers, the largest of three banks in Winchester, had four offices and about \$22 million in total deposits as of December 31, 1961.

Except insofar as the classification of First's capital stock, discussed hereinafter, may relate to these factors, there is nothing in the financial history and condition, or in the prospects, of First itself that would seem to be unfavorable to the proposed acquisition. Its banks have been operated successfully and soundly and their prospects are favorable. At the same time, Farmers' financial history and condition are also satisfactory and consequently there is no indication in this respect of a need for affiliation with a holding company. Moreover, Farmers has prospered as the largest bank in its community and its prospects as an independent bank are good. Its management is capable and it is believed that continuity of management can be adequately provided by the bank's own efforts.

With respect to the convenience, needs, and welfare of the communities and area concerned, the Applicant cites benefits expected to flow from the acquisition relating to Farmers' ability to meet present and future credit needs in its area. The Applicant asserts it could assist Farmers in raising capital if needed in the future. Indirect benefits to the public expected to result from the holding company's assistance in such matters as business development, auditing, and personnel recruitment and training, are also cited. The holding company affiliation might facilitate the granting of participations in loans in excess of the bank's lending limit, and there is some evidence of a local demand for such loans.

On the whole, however, the Applicant's assertions with respect to the fourth factor are cast in terms of *possible* future developments and needs, rather than in terms of present or reasonably

predictable inadequacies of banking facilities in the Winchester area. So far as appears, the banks serving Winchester and its environs are providing a satisfactory measure of service in relation to their markets, and there seems to be no reason for believing that they cannot continue to do so. Farmers itself, the largest bank in the vicinity, appears to be in a good position to keep abreast of area demands for banking service generally.

Upon consideration of this application in the light of the first four statutory factors, therefore, the Board is unable to find significant support for approval.

With respect to the fifth statutory factor, the proposed acquisition would seem to be consistent with adequate and sound banking. However, from the standpoint of its effect on banking competition the Board does not view the application favorably and, in the absence of affirmative grounds for approval under the first four factors, the Board concludes that the acquisition would not be consistent with the public interest.

Existing competition between Farmers and First's present subsidiaries does not appear to be substantial and the extent of potential competition between them is conjectural. Also, the size of the holding company system relative to the total banking resources of the State is presently not a cause for concern, and the proposed acquisition would have a relatively slight effect thereon; in addition, it would have little effect on First's position in the northern Virginia area where most of its subsidiaries are located (although First holds a considerably higher percentage of banking resources in that area than of resources in the entire State).

On the other hand, Farmers now holds about 50 per cent of the deposits and 50 per cent of the banking offices of Winchester banks. Shenandoah Valley National Bank, a subsidiary of a holding company that is exempt from the Act, holds about 31 per cent of such deposits and 25 per cent of such offices.³ The only other bank in Winchester is Commercial & Savings Bank. There are two other banks in Frederick County and 13 more within a 20-mile radius of Winchester, but each of these banks, except Shenandoah Valley National Bank, is less than half the size of Farmers and most of them are beyond Farmers' principal area of competition.

³ The figures in this paragraph are as of December 31, 1961.

While the transfer of control of the bank to the holding company would not in itself change the present distribution of banking resources in the Winchester area, it may be assumed that Farmers' affiliation with the holding company would, in net effect over a period of time, benefit Farmers in its competitive efforts. It may also be assumed that Shenandoah Valley National Bank, being a subsidiary of a group banking system with substantial resources, would not be materially disadvantaged by such improvement in Farmers' competitive capacity as might result. The acquisition would, however, leave Commercial & Savings Bank not only the smallest bank but also the only independent bank in Winchester. Thus, apart from derogating from the present balance of competition between independent and holding company banking in the area, the acquisition would tend to increase the competitive disadvantage of smaller area banks without any substantial likelihood of beneficial effects on competition.

The present case is somewhat comparable, in this aspect, to the situation presented in *Matter of Northwest Bancorporation*, 47 Federal Reserve BULLETIN 408 (1961); the Board's decision in that matter was affirmed in *Northwest Bancorporation v. Board of Governors of the Federal Reserve System* (C.A. 8, 1962) 303 F. 2d 832. In that case it was pointed out that the presence of another holding company system in the area may be directly relevant to the question whether the proposed particular acquisition by the applicant holding company would expand its system in a manner that would adversely affect potential banking competition. It was there held that the Bank Holding Company Act "requires the Board to consider the whole field of banking competition, including the possible adverse effect of the expansion of bank holding company groups upon the competitive position of the banks in the area concerned that are not controlled by holding companies." (47 Fed. Res. BULLETIN at 411.)

On the basis of these facts and principles, it is concluded that, while the immediate effects might not be particularly detrimental to competition, the proposed acquisition of control of Farmers by First would be potentially anticompetitive.

For the reasons heretofore stated, it is the Board's judgment that the acquisition here proposed would be inconsistent with the preservation of banking competition and with the public inter-

est under the fifth statutory factor, and that, in the absence of offsetting benefits to the public or other favorable considerations under the first four statutory factors, the application should therefore be denied.

This case also presents special circumstances, described in the following paragraphs, that bear upon the "character of the management" of the applicant holding company in a broad and impersonal sense and upon whether the proposed expansion of the holding company system would be consistent with the public interest; these circumstances, in the Board's opinion, would themselves preclude approval of the application in the absence of overriding favorable considerations.

The holding company's capital stock is divided into two classes of common stock, Class A and Class B, in such manner that holders of the Class B stock are able to perpetuate their voting control of the company despite their minority ownership of the company's total outstanding common stock. Article IV of the Articles of Incorporation of First contains the following provisions:

* * *

"(d) Except as otherwise specifically provided in this section or as may otherwise be specifically required by law, the entire voting powers shall be vested in the holders of the Class B Common Stock . . . the holders of said Class A Common Stock, voting separately and as a class, shall have the following voting rights:

"(1) To elect twenty per centum in number of each class of directors of the corporation (the word class here refers to a classification of the directors with respect to the term for which they shall severally hold office rather than to a director representing a particular class of stock) up for election, but in no event less than one director. . . .

"(2) To vote upon any amendment to the Articles of Incorporation of the corporation which would adversely alter or change the privileges, special rights or power given to such stock.

"(3) In addition to the foregoing voting powers, the holders of the Class A Common Stock shall have all additional voting powers as may be required by law."

* * *

All shares of both classes of stock have equal rights to dividends and upon liquidation. The principal distinction in rights and powers between the two classes is in the distribution of voting power with respect to the election of directors. The Class A shareholders' right to elect a minimum of one director in each class up for election would permit them to elect more than 20 per cent of any such class that numbered less than five. However, these voting provisions effectively preclude the Class A shareholders from electing a majority of the cor-

poration's directors at any time, even though they hold a majority of the holding company's common stock.

Originally, First had only one class of stock, all of which was owned by Old Dominion Bank, Arlington. After two classes of stock were authorized in December 1958, the shareholders of Old Dominion Bank exchanged their shares of the bank's stock for Class B shares of First.

At the present time there are authorized 1.5 million shares of Class B stock and 5 million shares of Class A stock. There are outstanding 1,095,792 shares of Class B stock, of which a majority was owned by officers and directors of First as of March 31, 1962, and presumably still is. The ownership of a large majority of the Class B stock, including the holdings just mentioned, stems directly from stockholdings in Old Dominion Bank prior to the exchange of that bank's shares for those of First, although the number of Class B stockholders has increased from about 200 when the Class B stock was first issued to approximately 624.

There are now 1,439,868 shares of Class A stock outstanding. Initially, in October 1959, 600,000 shares were issued through public sale, which was followed by a 2 per cent stock dividend in 1960. In October 1961, the Class A shareholders voted to increase the 1.5 million shares of Class A stock originally authorized to 5 million shares. The holders of more than 77 per cent of the Class A shares voted for the increase, with less than 3 per cent voting against. In 1962, 113,520 Class A shares were issued to shareholders of Richmond Bank and Trust Company in exchange for their shares in that bank and 712,908 shares were issued to the shareholders of Mount Vernon Bank and Trust Company upon its consolidation with Old Dominion National Bank of Fairfax County (now called Mount Vernon National Bank and Trust Company of Fairfax County). Prior to that consolidation, the Class A stock represented just under 40 per cent of the total equity in the holding company. Following the consolidation, the Class A shareholders owned, and they now own, about 57 per cent of the total equity. Thus, the consolidation, which was not subject to approval by the Board, gave the Class A shareholders a majority interest in the holding company for the first time, while voting control was retained by the Class B shareholders.

Where a corporation has a single class of stock, minority stockholders may, as a practical matter, exercise control of the corporation, but in such cases there is always a latent power which can be exercised whenever the majority chooses to act. This is not so with a capital structure such as is here involved, since it precludes the owners of the majority interest from ever exercising control over the affairs of the corporation.

The proposed acquisition of Farmers would increase the equity interest of Class A shareholders in First to about 65 per cent without increasing their minority voting power. It is not merely the quantitative increase from 57 to 65 per cent that gives the Board concern, but rather the fact that the correspondence of equity ownership with control has already been eliminated, and that any further acquisitions by the method here proposed and without further investment by the Class B shareholders would further increase the disparity between their control of the venture and their proportionate investment in it. If all of the presently authorized shares of both classes were issued, the Class A shareholders would have approximately a 77 per cent ownership interest as against 23 per cent for Class B. If the balance of the authorized Class A stock were issued without additional Class B stock being issued, the Class A stockholders would have approximately an 82 per cent interest.

It is true that no increase in the authorized Class A stock may be voted without the affirmative vote of the holders of two-thirds of the Class A stock, and that the increase from 1.5 million to 5 million shares authorized received a clearly favorable vote of Class A shareholders in spite of the fact that no pre-emptive rights attached. It may be argued that, since existing Class A shareholders have been willing to permit the reduction of their proportionate interest in the corporation to such extent, and since persons to whom Class A shares are offered are free to reject the offers if the terms, including those as to voting rights, are not to their liking, the matter is therefore one of freedom of contract involving no need for special protection of shareholders' interests. Whatever weight this argument might carry in the ordinary business context, it does not, in the Board's view, negate the Board's responsibilities under the Bank Holding Company Act with respect to the acquisition of control of banks by bank holding companies.

There are now about 4,450 class A shareholders. Not only do they hold a 57 per cent equity interest in the corporation but they represent about 88 per cent of the total number of stockholders. Each time a bank is acquired by First through the issuance of Class A stock a new segment of the public is added to the roster of owners; yet these "public" stockholders' voice in the affairs of the corporation is not increased and the broader distribution of the Class A stock in fact further diminishes the participation of individual Class A stockholders in the control of First's affairs.

The Act requires the Board to consider the "character of management" of an applicant holding company. This term comprehends not only the personal competence and integrity of the directors and officers of the company, but also the organizational relationship of management to ownership, particularly where, as in this case, the ownership of the holding company derives to a significant degree from the ownership of the banks and would, as proposed, do so increasingly. The present capital structure of First is expressly designed to permit expansion of the holding company through the increase of public ownership. Not only is the Class A stock to be used for acquisition of additional banks but the public market for the stock is cited as one of the advantages to be obtained by bank shareholders in exchanging their less marketable shares. This and other aspects of proposed exchanges may make the Class A shares economically attractive to offerees in spite of the fact that proportionate voting rights do not attach. Nevertheless, they are common shares and carry no preferential rights to offset the lack of full voting power.

In enacting the Bank Holding Company Act, Congress concerned itself with the way in which competition might be injured by the concentration of banking resources in holding company systems. Within the legitimate scope of this concern, however, is consideration of the extent to which a holding company's control of its banks is ultimately concentrated in the owners of the holding company. The Board takes the position that, however that ownership may be distributed, the distribution of voting power of the holding company should be reasonably related thereto. If, to accomplish desired expansion, the management must ask the public generally and the owners of banks in particular to join management in ownership

with the same economic risks and benefits, then management should be willing to be appropriately accountable to them.

In practice, the charting of a corporation's course can often be entrusted completely to management even though it has a minority interest. The fact that voting control may rest in others should not, in the ordinary case, interfere with effective control by management so long as it is well exercised. Good performance provides assurance enough to management that its effective control can continue, and it would be the rare case in which assurance of that control in a minority by the device of nonvoting or limited-voting stock should accomplish anything except the perpetuation of control in those who no longer enjoy the confidence of the majority. In such event, it would be difficult to see why the majority owners, with their prime interest in the success of the corporation, should not be able to elect management of their own choice.

These views do not in any way reflect on the competence or the integrity of the present management of First Virginia. Under the Act, the Board must consider not merely the extent to which the power of a holding company may presently be exercised through the control of banks in a given market, but also the potential extent of its exercise. Similarly, it is appropriate for the Board to consider the extent to which concentrated control of a holding company itself could be exercised by a relatively small proportion of the owners.

For this purpose, it is not enough that Virginia law gives corporations generally the freedom to limit the voting rights of common stock, or that stockholders may have recourse to the courts if improper advantage is taken of their limited rights. Where banks as quasi-public institutions are concerned, the public interest, as reflected in the regulatory and supervisory authority established by Congress, calls for optimum standards applied in advance of difficulty so long as their application does not unduly hamper economic and competitive bank operation. Therefore, with regard for the present and future integrity of the banking industry in general the Board cannot view the expansion of bank holding companies through the device of issuing common stock with limited voting power, in the circumstances described herein, as being in the public interest.

Thus, in any case involving an existing or proposed capital structure of the nature herein discussed, while other considerations may be found that may be sufficiently favorable to approval of a particular acquisition to outweigh the adverse aspects of the applicant's stock structure, such other considerations would have to be unusually compelling to permit the Board to deviate from the policy herein expressed. In the instant case, such overriding favorable considerations are absent, so that the findings as to First's capital structure simply add weight to the other findings, previously discussed, that in the Board's judgment require denial of this application.

Conclusion. On the basis of all the relevant facts as contained in the record before the Board and in the light of the factors set forth in Section 3(c) of the Act and the underlying purposes of the Act, it is the Board's judgment that the proposed acquisition would not be consistent with the public interest and that the application should therefore be denied.

DISSENTING STATEMENT OF GOVERNOR MILLS

In applying the five statutory factors of the Bank Holding Company Act of 1956 to consideration of the application of The First Virginia Corporation, Arlington, Virginia, for approval of acquisition of shares of Farmers and Merchants National Bank, Winchester, Virginia, attention must focus on the fifth factor—whether the effect of the acquisition would be to expand the size or extent of the bank holding company system involved beyond limits consistent with adequate and sound banking, the public interest, and the preservation of competition in the field of banking—the fourth factor—the convenience, needs and welfare of the communities and the area concerned—and, lastly, the third factor—the character of the managements of the holding company and the bank concerned—in that order of relevance and importance to this case.

At the year end of 1961 The First Virginia Corporation (including one bank acquired and another merged into its system in 1962) is estimated to have controlled through its subsidiary banks 3.3 per cent of the total of commercial bank deposits of the State of Virginia, which would be increased to 3.9 per cent by acquisition of the Farmers and Merchants National Bank, Winchester. On the one hand, consummation of the pro-

posal would not increase the size of The First Virginia Corporation as a proportion of the total commercial banking resources of the State of Virginia to an extent that would be contrary to the public interest. On the other hand, the mobilization of financial resources under a centralized administrative control would offer opportunities for their economically constructive deployment throughout the areas in which the holding company would be represented. The standing of the management and the financial history and condition of The First Virginia Corporation make a record that passes the conventional tests for grading an applicant holding company and is such as to warrant the conclusion that these opportunities would be realized. The experienced managements of its subsidiary banks contribute to the applicant's favorable prospects.

Moreover, on the basis of local standards, acquisition of Farmers and Merchants National Bank by First Virginia Corporation is in harmony with my interpretation of the Bank Holding Company Act of 1956, which conceives that applications subject to its provisions should be honored when representing the freely expressed wishes of all parties concerned unless good and sufficient reasons can be cited that would call for their denial. The fact that Farmers and Merchants National Bank has 50 per cent of the deposits of Winchester banks, that its largest competitor, the Shenandoah National Bank, has 31 per cent of such deposits, and that both banks would be bank holding company controlled if the application were approved, does not argue for its denial. The Board has objected to a situation affecting two bank holding companies that already occupy a dominant financial position over a wide extent of the territory wherein an expansion was proposed that would have resulted in pairing off the subsidiary bank facilities of the two bank holding companies as the sole source of commercial bank services in a single community. In this case neither bank holding company occupies a dominant position in the commercial banking structure of the State of Virginia and as the possibility of such a future development is a matter of pure conjecture, it is not pertinent to deciding the application. Presently there is more reason to believe that approval of the application, by stimulating stronger competition between relative banking equals, would benefit the community of Winchester and

the surrounding area, which is served by a considerable number of independent banks large enough to compete on their own capabilities and to offer alternative banking facilities to those available in Winchester proper.

The discussion regarding the propriety of the capital structure chosen by The First Virginia Corporation that is set out at length in the statement of the majority of the Board denying the application, bears on managerial considerations. No matter what dislike there may be for a corporate practice that fails to give proportionate voting rights to shareholders assumed to be entitled to that privilege, where such a practice enjoys legal sanction it is beyond challenge by the Board and cannot properly be recorded as an adverse factor calling for the denial of an application. In

giving unfavorable weight in its decision in the instant case to a form of capital structure adopted by The First Virginia Corporation pursuant to the laws of the State of Virginia, the Board is in effect presuming to dispense a sort of vigilante justice and to write a blue sky law of its own that preempts the police powers of the General Assembly of the State of Virginia. Furthermore, although the Board can properly recommend that the Congress amend the Bank Holding Company Act of 1956 to provide that bank holding companies conform their capital structures to specified requirements, it lacks authority to anticipate enactment of such legislation by a unilateral action that undertakes to accomplish that purpose.

This is a close case but should be approved.

National Summary of Business Conditions

Released for publication September 14

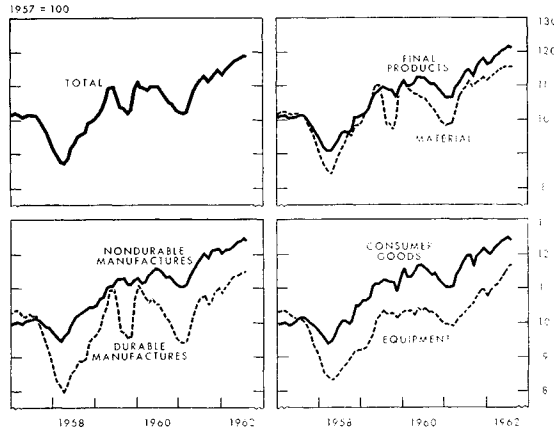
Industrial production and construction activity were unchanged in August. Personal income changed little and retail sales, which had risen sharply in July, were about maintained. The unemployment rate increased as the labor force showed an unusually large rise. Seasonally adjusted bank credit increased reflecting in part a substantial expansion in loans. Between mid-August and mid-September, common stock prices showed little net change.

INDUSTRIAL PRODUCTION

Industrial production was unchanged in August at 119 per cent of the 1957 average. While output of consumer durable goods declined, activity in business equipment industries increased slightly further and production of materials was maintained.

Output of television sets, furniture, and some other home goods declined further in August. Auto assemblies, which had risen substantially in July following settlement of a strike, were down slightly in August after allowance for the model-changeover curtailment. Reported schedules for September indicate a seasonal recovery in assemblies. Output of freight and passenger equipment increased further in August while production of most other types of business equipment was maintained.

INDUSTRIAL PRODUCTION



Federal Reserve indexes, seasonally adjusted. Monthly figures, latest shown are for August.

Changes in production among materials were generally small. Output of iron and steel, which had declined about one-fourth through the spring, increased moderately in August. Production of nondurable materials declined somewhat.

CONSTRUCTION

The value of new construction activity in August, at a seasonally adjusted annual rate of \$62.2 billion, was unchanged from July and slightly below the record level reached in June. Residential construction activity declined further in August while some types of business construction increased and public activity recovered to its June level.

EMPLOYMENT

Seasonally adjusted employment in nonfarm establishments declined slightly in August as reductions in manufacturing were offset only in part by gains in service industries, government, and some other lines. Layoffs at automobile plants, associated with the model-changeover curtailment in production, accounted for about one-half the reduction in manufacturing employment. Average weekly hours in manufacturing continued to decline. Reflecting mainly an unusually large increase in the civilian labor force, the unemployment rate rose to 5.8 per cent from 5.3 per cent in July.

DISTRIBUTION

Retail sales, after a rise of 3 per cent in July to a new high, were about maintained in August. Sales at durable goods stores declined, reflecting a moderate decrease in sales of new domestic and imported cars to a seasonally adjusted annual rate of about 7 million units. Sales declined at department stores, to 114 per cent of the 1957-59 average from 115 in July, but advanced at most other types of outlets selling nondurable goods.

COMMODITY PRICES

Prices of industrial commodities, materials and finished products, generally have continued to change little in recent weeks. Prices of livestock,

which had increased moderately earlier this summer, rose 5 per cent in the first ten days of September to a level more than 10 per cent above a year earlier. The reduction in marketings of meat animals during the week including Labor Day was much larger than usual. Subsequently, marketings increased substantially and prices turned down.

BANK CREDIT AND RESERVES

Total commercial bank credit, seasonally adjusted, increased in August by more than it had declined in July. Loans rose by more than in other recent months. Holdings of U. S. Government securities increased somewhat following a large decline in July while holdings of other securities rose at a less rapid rate than earlier. The money supply declined; U. S. Government deposits at commercial banks increased substantially. Time deposits rose moderately further.

Total reserves and required reserves of member banks declined in August. Excess reserves rose

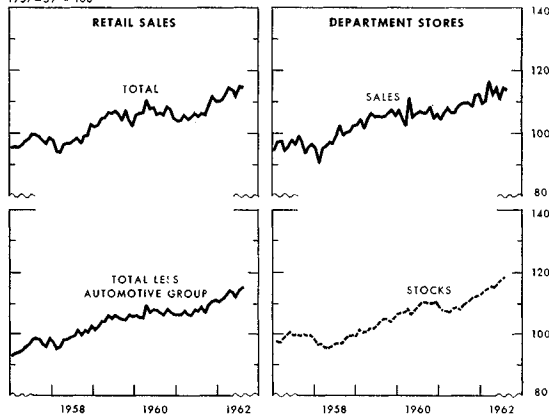
somewhat but member bank borrowings from the Federal Reserve also increased. Reserves were absorbed principally through a reduction in float and an outflow of gold. Reserves were supplied largely through increases in Federal Reserve holdings of U. S. Government securities.

SECURITY MARKETS

Yields on State and local government bonds declined considerably between mid-August and mid-September and those on corporate bonds declined moderately. Yields on long-term Treasury obligations changed little at slightly below the 4 per cent level while yields on 3-month Treasury bills fluctuated around 2.80 per cent. On September 5 the Treasury announced an advance refunding, giving holders of \$26.8 billion of securities that mature in early 1963 an option to exchange them for 1967 and 1972 obligations. The Treasury has limited the exchanges to \$6 billion of the 1967 issue and \$3 billion of the 1972 obligation.

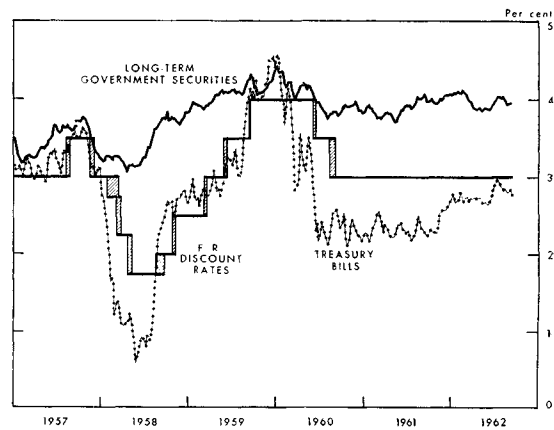
RETAIL TRADE

1957-59 = 100



Federal Reserve indexes, seasonally adjusted; retail sales based on Department of Commerce data. Monthly figures; latest for stocks is July, for other series, August.

INTEREST RATES



Discount rate, range or level for all F. R. Banks. Weekly average market yields for U. S. Government bonds maturing in 10 years or more and for 90-day Treasury bills. Latest figures shown are for week ending September 14.

Guide to Tabular Presentation

SYMBOLS AND ABBREVIATIONS

e	Estimated	IPC	Individuals, partnerships, and corporations
c	Corrected	A	Assets
p	Preliminary	L	Liabilities
r	Revised	S	Financial sources of funds: net change in liabilities
rp	Revised preliminary		Financial uses of funds: net acquisitions of assets
I, II, III, IV	Quarters		Amounts insignificant in terms of the particular unit (e.g., less than 500,000 when the unit is millions)
n.a.	Not available		(1) Zero, (2) no figure to be expected, or (3) figure delayed
n.e.c.	Not elsewhere classified		
S.A.	Monthly (or quarterly) figures adjusted for seasonal variation		
N.S.A.	Monthly (or quarterly) figures not adjusted for seasonal variation		

GENERAL INFORMATION

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

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

“U.S. Govt. securities” may include guaranteed issues of U.S. Govt. agencies as well as direct obligations of the Treasury. “State and local govt.” also includes municipalities, special districts, and other political subdivisions.

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

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

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The data for F. R. Banks, member banks, and department stores, and consumer credit are derived from regular reports made to the Board; production indexes are compiled by the Board on the basis of data collected by other agencies; figures for gold stock, currency, Federal finance, and Federal business-type activities are obtained from Treasury statements; the remaining data are obtained largely from other sources. For many of the banking and monetary series back data and descriptive text are available in *Banking and Monetary Statistics* and its *Supplements* (see list of publications at end of the BULLETIN).

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

[In millions of dollars]

Period or date	Factors supplying reserve funds							Factors absorbing reserve funds									
	F. R. Bank credit outstanding						Gold stock	Treasury currency outstanding	Currency in circulation	Treasury cash holdings	Deposits, other than member bank reserves, with F. R. Banks			Other F. R. accounts	Member bank reserves		
	U. S. Govt. securities			Dis-counts and ad-vances	Float ¹	To-tal ²					Treasury	For-ign	Other ¹		With F. R. Banks	Cur-rency and coin ³	Total
	Total	Bought out-right	Re-purchase agree-ments														
Averages of daily figures																	
Week ending—																	
1962																	
Jan. 3	28,931	28,720	211	356	2,355	31,695	16,889	5,586	33,919	429	441	290	297	1,053	17,740	3,062	20,802
10	28,784	28,717	67	79	2,059	30,972	16,883	5,587	33,661	434	380	240	261	1,043	17,421	2,871	20,292
17	28,520	28,501	19	89	1,870	30,529	16,839	5,586	33,386	440	435	232	292	1,040	17,130	2,926	20,056
24	28,279	28,279	.....	72	1,786	30,185	16,839	5,589	33,070	442	439	220	305	1,043	17,094	2,878	19,972
31	28,310	28,310	.....	94	1,227	29,678	16,832	5,590	32,793	450	424	213	296	1,042	16,882	2,876	19,758
Feb. 7	28,588	28,588	.....	122	1,117	29,873	16,804	5,584	32,776	460	359	223	277	1,042	17,125	2,573	19,698
14	28,575	28,575	.....	120	1,050	29,791	16,789	5,585	32,888	448	444	197	252	1,022	16,914	2,606	19,520
21	28,090	28,062	28	122	1,655	29,913	16,790	5,586	32,870	447	433	197	274	1,163	16,904	2,676	19,580
28	28,285	28,285	.....	108	1,340	29,778	16,790	5,588	32,857	439	470	227	285	1,156	16,721	2,764	19,485
Mar. 7	28,433	28,419	14	156	1,339	29,974	16,772	5,587	32,908	440	401	214	283	1,100	16,987	2,497	19,484
14	28,502	28,463	39	118	1,252	29,917	16,724	5,590	33,066	441	461	224	234	1,053	16,751	2,597	19,348
21	28,487	28,415	72	198	1,446	30,176	16,709	5,586	33,048	446	460	219	224	1,027	17,048	2,617	19,665
28	28,679	28,651	28	151	1,248	30,121	16,666	5,587	32,951	433	481	197	318	1,028	16,966	2,682	19,648
Apr. 4	29,150	28,996	154	140	1,029	30,361	16,609	5,591	33,050	433	400	220	351	1,025	17,080	2,583	19,663
11	29,281	29,134	147	125	1,156	30,603	16,609	5,589	33,274	432	458	252	327	1,030	17,027	2,477	19,504
18	29,030	28,957	73	140	1,412	30,622	16,585	5,584	33,356	425	480	204	364	960	17,002	2,684	19,686
25	29,033	28,882	151	150	1,500	30,722	16,523	5,586	33,244	428	518	209	354	963	17,115	2,763	19,878
May 2	29,188	29,093	95	128	1,351	30,704	16,494	5,590	33,133	419	607	213	366	958	17,091	2,777	19,868
9	29,634	29,467	167	112	1,245	31,025	16,490	5,594	33,267	419	502	224	372	956	17,369	2,482	19,851
16	29,532	29,511	21	129	1,276	30,970	16,456	5,595	33,406	423	537	219	342	996	17,098	2,717	19,815
23	29,341	29,341	.....	112	1,667	31,153	16,434	5,593	33,327	419	599	237	327	1,132	17,138	2,693	19,831
30	29,560	29,560	.....	151	1,191	30,935	16,434	5,594	33,331	418	524	208	344	1,130	17,007	2,802	19,809
June 6	29,837	29,837	.....	117	1,211	31,198	16,434	5,597	33,534	413	474	209	367	1,077	17,155	2,646	19,801
13	29,672	29,672	.....	107	1,304	31,115	16,435	5,602	33,663	402	503	211	339	1,056	16,976	2,662	19,638
20	29,433	29,356	77	180	1,779	31,423	16,434	5,604	33,654	400	509	274	337	996	17,291	2,747	20,038
27	29,320	29,233	87	216	1,668	31,236	16,433	5,600	33,584	396	550	343	266	886	17,244	2,818	20,062
July 4	29,884	29,707	177	153	1,498	31,597	16,435	5,600	33,863	391	533	330	290	699	17,527	2,713	20,240
11	29,962	29,870	92	81	1,627	31,729	16,412	5,602	34,155	394	452	294	301	700	17,447	2,694	20,141
18	29,304	29,304	.....	178	2,039	31,561	16,298	5,601	34,091	388	496	315	298	607	17,265	2,829	20,094
25	29,230	29,230	.....	74	1,968	31,315	16,269	5,603	33,901	404	551	221	317	641	17,152	2,850	20,002
Aug. 1	29,592	29,592	.....	85	1,346	31,066	16,168	5,604	33,813	414	428	234	343	643	16,962	2,876	19,838
8	30,194	30,194	.....	171	1,150	31,559	16,148	5,603	33,938	417	488	217	331	692	17,226	2,589	19,815
15	30,177	30,160	17	145	1,279	31,642	16,148	5,596	34,059	402	598	198	375	703	17,050	2,763	19,813
22	29,902	29,890	12	171	1,684	31,795	16,147	5,597	34,003	397	553	189	325	827	17,247	2,763	20,010
29	30,019	30,019	.....	92	1,287	31,433	16,112	5,601	33,870	404	502	192	314	820	17,044	2,872	19,916
End of month																	
1962																	
June	29,663	29,493	170	76	1,462	31,261	16,435	5,598	33,770	379	612	334	293	700	17,206	2,570	19,776
July	29,786	29,786	.....	73	1,138	31,040	16,147	5,603	33,869	404	390	248	355	642	16,885	3,054	19,939
Aug.	30,358	30,246	112	101	1,124	31,618	16,098	5,547	33,913	413	478	168	311	871	17,110	3,031	20,141
Wednesday																	
1962																	
July 4	30,334	30,194	140	113	1,579	32,090	16,435	5,602	34,058	398	490	306	294	692	17,889	2,721	20,610
11	29,487	29,445	42	57	1,583	31,179	16,298	5,600	34,142	397	436	335	219	704	16,844	3,083	19,927
18	29,020	29,020	.....	669	1,889	31,616	16,298	5,602	34,007	398	435	269	313	644	17,451	3,042	20,493
25	29,180	29,180	.....	136	1,452	30,808	16,208	5,603	33,810	414	565	237	303	639	16,651	3,138	19,789
Aug. 1	29,959	29,959	.....	194	1,084	31,280	16,148	5,601	33,845	423	333	256	344	639	17,189	3,024	20,213
8	30,173	30,173	.....	647	934	31,796	16,148	5,604	34,032	421	592	197	340	699	17,267	2,798	20,065
15	30,264	30,143	121	329	1,388	32,020	16,148	5,596	34,042	404	597	178	336	834	17,373	3,077	20,450
22	29,958	29,873	85	548	1,295	31,837	16,148	5,598	33,930	409	593	170	316	828	17,338	3,074	20,412
29	30,143	30,143	.....	118	1,005	31,300	16,098	5,603	33,897	414	490	169	313	817	16,901	3,172	20,073

¹ Beginning with 1960 reflects a minor change in concept, see Feb. 1961 BULL., p. 164.

² Includes industrial loans and acceptances, when held. (Industrial loan program discontinued Aug. 21, 1959.) For holdings of acceptances on Wed. and end-of-month dates, see subsequent tables on F. R. Banks. See also note 1.

³ Part allowed as reserves Dec. 1, 1959–Nov. 23, 1960; all allowed thereafter. Beginning with Jan. 1962 figures are estimated except for weekly averages.

BANK RESERVES AND RELATED ITEMS

RESERVES AND BORROWINGS OF MEMBER BANKS

[In millions of dollars]

Period	All member banks					Reserve city banks									
						New York City					City of Chicago				
	Reserves			Bor- row- ings at F. R. Banks	Free re- serves	Reserves			Bor- row- ings at F. R. Banks	Free re- serves	Reserves			Bor- row- ings at F. R. Banks	Free re- serves
	Total held	Re- quired	Excess			Total held	Re- quired	Excess			Total held	Re- quired	Excess		
1929—June.....	2,314	2,275	42	974	-932	762	755	7	174	-167	161	161	1	63	-62
1933—June.....	12,160	1,797	363	184	179	861	792	69	69	69	211	133	78	n.a.	n.a.
1939—Dec.....	11,473	6,462	5,011	3	5,008	5,623	3,012	2,611	n.a.	n.a.	1,141	601	540	n.a.	n.a.
1941—Dec.....	12,812	9,422	3,390	5	3,385	5,142	4,153	989	n.a.	n.a.	1,143	848	295	n.a.	n.a.
1945—Dec.....	16,027	14,536	1,491	334	1,157	4,118	4,070	48	192	-144	939	924	14	.....	14
1947—Dec.....	17,261	16,275	986	224	762	4,404	4,299	105	38	67	1,024	1,011	13	.....	7
1950—Dec.....	17,391	16,364	1,027	142	885	4,742	4,616	125	58	67	1,199	1,191	8	5	3
1951—Dec.....	20,310	19,484	826	657	169	5,275	5,231	44	151	-107	1,356	1,353	3	64	-61
1952—Dec.....	21,180	20,457	723	1,593	-870	5,357	5,328	30	486	-456	1,406	1,409	-4	232	-236
1953—Dec.....	19,920	19,227	693	441	252	4,762	4,748	14	115	-101	1,295	1,295	1	37	-36
1954—Dec.....	19,279	18,576	703	246	457	4,508	4,497	12	62	-50	1,210	1,210	-1	15	-16
1955—Dec.....	19,240	18,646	594	839	-245	4,432	4,397	35	197	-162	1,166	1,164	2	85	-83
1956—Dec.....	19,535	18,883	652	688	-36	4,448	4,392	57	147	-91	1,149	1,138	12	97	-86
1957—Dec.....	19,420	18,843	577	710	-133	4,336	4,303	34	139	-105	1,136	1,127	8	85	-77
1958—Dec.....	18,899	18,383	516	557	-41	4,033	4,010	23	102	-81	1,077	1,070	7	39	-31
1959—Dec.....	18,932	18,450	482	906	-424	3,920	3,930	-10	99	-109	1,038	1,038	.....	104	-104
1960—Dec.....	19,283	18,527	756	87	669	3,687	3,658	29	19	10	958	953	4	8	-4
1961—June.....	19,042	18,430	612	63	549	3,698	3,658	40	.....	40	970	964	6	1	5
1961—Aug.....	19,223	18,619	604	67	537	3,645	3,629	16	9	7	970	967	3	2	1
Sept.....	19,367	18,783	584	37	547	3,686	3,681	6	4	2	966	963	3	1	2
Oct.....	19,660	19,153	507	65	442	3,733	3,716	16	4	12	983	985	-1	23	-24
Nov.....	19,840	19,218	622	105	517	3,697	3,660	37	23	14	985	982	3	16	-13
Dec.....	20,118	19,550	568	149	419	3,834	3,826	7	57	-50	987	987	.....	22	-22
1962—Jan.....	20,089	19,473	616	70	546	3,811	3,763	48	7	41	987	982	5	3	2
Feb.....	19,571	19,069	502	68	434	3,680	3,664	17	6	11	955	954	1	4	-3
Mar.....	19,547	19,077	470	91	379	3,693	3,705	-12	12	-24	964	949	15	21	-6
Apr.....	19,723	19,213	510	69	441	3,752	3,692	60	10	50	940	953	-13	7	-20
May.....	19,817	19,320	497	63	434	3,724	3,713	11	1	10	990	983	7	4	3
June.....	19,924	19,453	471	100	371	3,781	3,774	7	19	-12	976	977	-1	2	-3
July.....	20,046	19,514	532	89	443	3,766	3,732	34	16	18	1,000	989	10	4	6
Aug.....	^p 19,922	^p 19,357	^p 565	127	^p 438	^p 3,709	^p 3,684	^p 24	17	^p 7	^p 1,017	^p 1,013	^p 4	18	^p -14
Week ending—															
1961—Aug. 2....	19,286	18,809	477	75	402	3,739	3,747	-8	12	-20	996	992	4	.....	.....
9....	19,208	18,651	557	123	434	3,683	3,660	23	21	2	971	971	.....	5	-5
16....	19,197	18,593	604	62	542	3,597	3,609	-12	6	-18	969	967	2	5	-3
23....	19,202	18,605	597	37	560	3,613	3,610	2	.....	2	965	960	5	.....	5
30....	19,160	18,566	594	37	557	3,607	3,594	13	2	11	965	962	2	.....	2
1962—Mar. 7....	19,484	19,038	446	90	356	3,700	3,694	6	8	-2	962	955	7	8	-1
14....	19,348	18,870	478	53	425	3,648	3,632	16	.....	16	932	936	-4	1	-5
21....	19,665	19,181	484	133	351	3,754	3,759	-5	13	-18	959	952	7	69	-62
28....	19,648	19,189	459	86	373	3,748	3,735	13	23	-9	960	958	2	17	-15
Apr. 4....	19,663	19,146	517	75	442	3,728	3,709	19	9	10	939	938	1	4	-2
11....	19,504	19,060	444	60	384	3,629	3,620	9	9	.....	938	936	2	8	-7
18....	19,686	19,194	492	75	417	3,667	3,664	3	23	-19	947	949	-3	10	-13
25....	19,878	19,328	550	85	465	3,753	3,732	21	9	12	972	966	6	5	1
May 2....	19,868	19,410	458	63	395	3,828	3,792	36	.....	36	985	987	-2	9	-11
9....	19,852	19,393	459	46	413	3,757	3,743	14	.....	14	995	988	6	3	3
16....	19,815	19,328	487	64	423	3,695	3,680	15	5	10	978	982	-4	5	-9
23....	19,831	19,299	532	47	485	3,727	3,707	20	.....	20	989	980	9	1	8
30....	19,809	19,202	607	86	521	3,765	3,683	82	.....	82	1,006	974	32	1	31
June 6....	19,801	19,289	512	55	457	3,740	3,733	7	.....	7	962	970	-7	.....	-7
13....	19,638	19,245	393	47	346	3,691	3,689	2	1	.....	963	959	4	.....	4
20....	20,038	19,568	470	124	346	3,831	3,807	24	36	-12	982	986	-4	7	-12
27....	20,062	19,569	493	168	325	3,827	3,813	14	35	-22	993	986	7	1	6
July 4....	20,240	19,697	543	120	423	3,907	3,867	40	30	10	1,012	999	14	4	10
11....	20,141	19,595	546	55	491	3,764	3,746	19	11	8	980	985	-5	.....	-5
18....	20,094	19,532	562	163	399	3,694	3,688	7	40	-33	981	986	-4	11	-15
25....	20,002	19,427	575	59	516	3,753	3,678	75	.....	75	984	972	12	2	10
1962—Aug. 1....	19,838	19,404	434	70	364	3,768	3,753	15	.....	15	1,024	1,016	8	3	5
8....	19,815	19,325	490	156	334	3,706	3,704	3	18	-15	1,012	1,010	2	18	-16
15....	19,813	19,216	597	130	467	3,667	3,630	37	8	29	997	999	-2	23	-25
22....	20,010	19,468	542	156	386	3,716	3,704	12	40	-27	1,026	1,022	4	26	-22
29....	^p 19,916	^p 19,381	^p 535	73	^p 462	^p 3,691	^p 3,677	15	8	7	1,024	1,019	5	10	-5

For notes see opposite page.

RESERVES AND BORROWINGS OF MEMBER BANKS—Continued

[In millions of dollars]

Period	Other reserve city banks					Country banks				
	Reserves			Borrowings at F. R. Banks	Free reserves	Reserves			Borrowings at F. R. Banks	Free reserves
	Total held	Required	Excess			Total held	Required	Excess		
1929—June.....	761	749	12	409	-397	632	610	22	327	-305
1933—June.....	648	528	120	58	62	441	344	96	126	-30
1939—Dec.....	3,140	1,953	1,188	n.a.	n.a.	1,568	897	671	n.a.	n.a.
1941—Dec.....	4,317	3,014	1,303	n.a.	n.a.	2,210	1,406	804	n.a.	n.a.
1945—Dec.....	6,394	5,976	418	96	322	4,576	3,566	1,011	46	965
1947—Dec.....	6,861	6,589	271	123	148	4,972	4,375	597	57	540
1950—Dec.....	6,689	6,458	232	50	182	4,761	4,099	663	29	634
1951—Dec.....	7,922	7,738	184	354	-170	5,756	5,161	596	88	508
1952—Dec.....	8,323	8,203	120	639	-519	6,094	5,518	576	236	340
1953—Dec.....	7,962	7,877	85	184	-99	5,901	5,307	594	105	489
1954—Dec.....	7,927	7,836	91	117	-26	5,634	5,032	602	52	550
1955—Dec.....	7,924	7,865	60	398	-338	5,716	5,220	497	159	338
1956—Dec.....	8,078	7,983	96	300	-204	5,859	5,371	488	144	344
1957—Dec.....	8,042	7,956	86	314	-228	5,906	5,457	449	172	277
1958—Dec.....	7,940	7,883	57	254	-198	5,849	5,419	430	162	268
1959—Dec.....	7,954	7,912	41	490	-449	6,020	5,569	450	213	237
1960—Dec.....	7,950	7,851	100	20	80	6,689	6,066	623	40	583
1961—June.....	7,823	7,740	83	17	66	6,551	6,068	483	45	438
1961—Aug.....	7,940	7,883	57	13	44	6,668	6,141	527	43	484
Sept.....	7,993	7,930	63	13	50	6,722	6,209	513	19	494
Oct.....	8,147	8,122	26	18	8	6,797	6,330	466	20	446
Nov.....	8,241	8,184	57	44	13	6,917	6,393	524	22	502
Dec.....	8,367	8,308	59	39	20	6,931	6,429	502	31	471
1962—Jan.....	8,311	8,257	54	34	20	6,979	6,471	509	26	483
Feb.....	8,094	8,047	47	25	22	6,842	6,405	437	33	404
Mar.....	8,106	8,065	41	26	15	6,784	6,358	426	32	394
Apr.....	8,195	8,158	37	28	9	6,836	6,410	425	24	401
May.....	8,231	8,174	57	21	36	6,872	6,449	422	37	385
June.....	8,270	8,229	41	45	-4	6,896	6,473	423	34	389
July.....	8,309	8,266	43	40	3	6,972	6,526	445	29	416
Aug.....	¹ 8,179	² 8,128	³ 51	47	⁴	⁵ 7,017	⁶ 6,531	⁷ 486	45	⁸ 441
Week ending—										
1961—Aug. 2.....	7,967	7,931	35	20	15	6,585	6,140	445	38	407
9.....	7,927	7,885	42	31	11	6,627	6,135	491	66	425
16.....	7,919	7,873	46	13	33	6,712	6,144	568	38	531
23.....	7,963	7,890	73	2	71	6,661	6,144	517	35	480
30.....	7,919	7,868	51	5	46	6,671	6,142	528	30	499
1962—Mar. 7.....	8,041	8,022	19	34	-15	6,782	6,367	415	40	375
14.....	8,014	7,958	57	27	30	6,753	6,344	409	25	384
21.....	8,151	8,111	40	19	21	6,801	6,359	442	32	410
28.....	8,174	8,134	41	24	17	6,766	6,363	403	22	381
Apr. 4.....	8,199	8,143	56	17	40	6,796	6,356	440	45	395
11.....	8,165	8,118	47	26	21	6,773	6,387	386	17	369
18.....	8,205	8,171	34	19	15	6,867	6,409	458	23	435
25.....	8,223	8,182	41	53	-12	6,929	6,448	481	18	463
May 2.....	8,233	8,199	34	19	14	6,822	6,432	390	35	355
9.....	8,249	8,214	35	18	17	6,851	6,448	403	25	377
16.....	8,220	8,192	28	20	8	6,921	6,473	447	34	414
23.....	8,194	8,155	39	20	19	6,921	6,457	464	26	438
30.....	8,230	8,119	110	24	86	6,809	6,427	382	61	321
June 6.....	8,201	8,152	49	26	23	6,897	6,434	463	29	433
13.....	8,174	8,139	36	13	23	6,810	6,458	352	33	318
20.....	8,307	8,274	33	64	-31	6,919	6,501	418	17	401
27.....	8,325	8,288	38	69	-31	6,918	6,483	435	63	372
July 4.....	8,433	8,342	91	57	34	6,888	6,488	399	29	369
11.....	8,359	8,322	36	13	23	7,037	6,542	496	31	464
18.....	8,324	8,301	24	97	-73	7,094	6,556	538	15	523
25.....	8,298	8,243	55	22	33	6,966	6,532	433	35	398
Aug. 1.....	8,172	8,142	30	27	4	6,874	6,493	381	40	340
8.....	8,151	8,121	30	66	-34	6,945	6,491	455	54	401
15.....	8,158	8,088	70	49	21	6,991	6,499	492	50	443
22.....	8,232	8,199	33	52	-19	7,035	6,543	492	38	454
29.....	8,138	8,104	34	21	13	⁹ 7,061	¹⁰ 6,580	¹¹ 481	34	¹² 447

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

NOTE.—Averages of daily figures. Beginning with Jan. 1962 reserves are estimated except for weekly averages.
Total reserves held: Based on figures at close of business through

Nov. 1959; thereafter on closing figures for balances with F. R. Banks and opening figures for allowable cash; see also note 3 to preceding table.
Required reserves: Based on deposits as of opening of business each day.

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

DISCOUNT RATES

FEDERAL RESERVE BANK DISCOUNT RATES

[Per cent per annum]

Federal Reserve Bank	Discounts for and advances to member banks						Advances to all others under last par. Sec. 13 ³		
	Advances and discounts under Secs. 13 and 13a ¹			Advances under Sec. 10(b) ²			Rate on Aug. 31	Effective date	Previous rate
	Rate on Aug. 31	Effective date	Previous rate	Rate on Aug. 31	Effective date	Previous rate			
Boston	3	Aug. 23, 1960	3½	3½	Aug. 23, 1960	4	4	Aug. 23, 1960	4½
New York	3	Aug. 12, 1960	3½	3½	Aug. 12, 1960	4	4½	June 10, 1960	5
Philadelphia	3	Aug. 19, 1960	3½	3½	Aug. 19, 1960	4	4½	Aug. 19, 1960	5
Cleveland	3	Aug. 12, 1960	3½	3½	Aug. 12, 1960	4	4½	Aug. 12, 1960	5
Richmond	3	Aug. 12, 1960	3½	3½	Aug. 12, 1960	4	4	Aug. 12, 1960	4½
Atlanta	3	Aug. 16, 1960	3½	3½	Aug. 16, 1960	4	4½	Aug. 16, 1960	5
Chicago	3	Aug. 19, 1960	3½	3½	Aug. 19, 1960	4	4½	June 10, 1960	5
St. Louis	3	Aug. 19, 1960	3½	3½	Aug. 19, 1960	4	4	Aug. 19, 1960	4½
Minneapolis	3	Aug. 15, 1960	3½	3½	Aug. 15, 1960	4	4	Aug. 15, 1960	4½
Kansas City	3	Aug. 12, 1960	3½	3½	Aug. 12, 1960	4	4	Aug. 12, 1960	4½
Dallas	3	Sept. 9, 1960	3½	3½	Sept. 9, 1960	4	4½	Sept. 9, 1960	5
San Francisco	3	Sept. 2, 1960	3½	3½	Sept. 2, 1960	4	4½	June 3, 1960	5

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

secured by FICB securities are limited to 15 days.

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

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

FEDERAL RESERVE BANK DISCOUNT RATES

[Per cent per annum]

Effective date	Range (or level) all F. R. Banks	F. R. Bank of N. Y.	Effective date	Range (or level) all F. R. Banks	F. R. Bank of N. Y.	Effective date	Range (or level) all F. R. Banks	F. R. Bank of N. Y.
In effect Dec. 31, 1932	2½-3½	2½	1950			1957—Cont.		
1933			Aug. 21	1½-1¾	1¾	Nov. 15	3 -3½	3
Mar. 3	2½-3½	3½	25	1¾	1¾	Dec. 2	3	3
4	3½	3½	1953			1958		
Apr. 7	3 -3½	3	Jan. 16	1¾-2	2	Jan. 22	2¾-3	3
May 26	2½-3½	2½	23	2	2	24	2¾-3	2¾
Oct. 20	2 -3½	2	1954			Mar. 7	2¼-3	2¼
1934			Feb. 5	1¾-2	1¾	13	2¼-2¾	2¼
Feb. 2	1½-3½	1½	15	1¾	1¾	21	2¼	2¼
Mar. 16	1½-3	1½	Apr. 14	1½-1¾	1¾	Apr. 18	1¾-2¼	1¾
1935			16	1½-1¾	1½	May 9	1¾	1¾
Jan. 11	1½-2½	1½	May 21	1½	1½	Aug. 15	1¾-2	1¾
May 14	1½-2	1½	1955			Sept. 12	1¾-2	2
1937			Apr. 14	1½-1¾	1½	23	2	2
Aug. 27	1 -2	1	15	1½-1¾	1¾	Oct. 24	2 -2½	2
Sept. 4	1 -1½	1	May 2	1¾	1¾	Nov. 7	2½	2½
1942			Aug. 4	1¾-2¼	1¾	1959		
Apr. 11	1	1	5	1¾-2¼	2	Mar. 6	2½-3	3
Oct. 15	1 ½-1	1	12	2 -2¼	2	16	3	3
30	1 ½	1 ½	Sept. 9	2 -2¼	2¼	May 29	3 -3½	3½
1946			13	2¼	2¼	June 12	3½	3½
Apr. 25	1 ½-1	1	Nov. 18	2¼-2½	2½	Sept. 11	3½-4	4
May 10	1	1	23	2½	2½	18	4	4
1948			1956			1960		
Jan. 12	1 -1¼	1¼	Apr. 13	2½-3	2¾	June 3	3½-4	4
19	1¼	1¼	20	2¾-3	2¾	10	3½-4	3½
Aug. 13	1¼-1½	1½	Aug. 24	2¾-3	3	14	3½	3½
23	1½	1½	31	3	3	Aug. 12	3 -3½	3
1957			1957			Sept. 9	3	3
Aug. 9	3 -3½	3	Aug. 9	3 -3½	3	1962		
23	3½	3½	23	3½	3½	In effect Aug. 31	3	3

¹ Preferential rate of ½ of 1 per cent for advances secured by U. S. Govt. securities maturing in 1 year or less. The rate of 1 per cent was continued for discounts of and advances secured by eligible paper.

NOTE.—Discount rates under Secs. 13 and 13a (as described in table above). For data before 1933, see *Banking and Monetary Statistics*, pp. 439-42.

The rates charged by the F. R. Bank of N. Y. on repurchase contracts

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

MAXIMUM INTEREST RATES PAYABLE ON TIME AND SAVINGS DEPOSITS

[Per cent per annum]

Type of deposit	Effective date		
	Jan. 1, 1936	Jan. 1, 1957	Jan. 1, 1962 ¹
Savings deposits held for:			
1 year or more	2½	3	4
Less than 1 year			3½
Postal savings deposits held for:			
1 year or more	2½	3	4
Less than 1 year			3½
Other time deposits payable in:			
1 year or more	2½	3	4
6 months-1 year			3½
90 days-6 months	2	2½	2½
Less than 90 days	1	1	1

NOTE.—Maximum rates that may be paid by member banks as established by the Board of Governors under provisions of Regulation Q. Under this Regulation the rate payable by a member bank may not in any event exceed the maximum rate payable by State banks or trust companies on like deposits under the laws of the State in which the member bank is located. Effective Feb. 1, 1936, maximum rates that may be paid by insured nonmember commercial banks, as established by the F.D.I.C., have been the same as those in effect for member banks.

Maximum rate payable on all types of time and savings deposits: Nov. 1, 1933-Jan. 31, 1935, 3 per cent; Feb. 1, 1935-Dec. 31, 1935, 2½ per cent.

MARGIN REQUIREMENTS

[Per cent of market value]

Regulation	Effective date		
	Oct. 16, 1958	July 28, 1960	July 10, 1962
Regulation T:			
For extensions of credit by brokers and dealers on listed securities	90	70	50
For short sales	90	70	50
Regulation U:			
For loans by banks on stocks	90	70	50

NOTE.—Regulations T and U, prescribed in accordance with Securities Exchange Act of 1934, limit the amount of credit that may be extended on a security by prescribing a maximum loan value, which is a specified percentage of its market value at the time of extension; margin requirements are the difference between the market value (100%) and the maximum loan value.

RESERVE REQUIREMENTS OF MEMBER BANKS

[Per cent of deposits]

Effective date ¹	Net demand deposits ²			Time deposits	
	Central reserve city banks ³	Reserve city banks	Country banks	Central reserve and reserve city banks	Country banks
In effect Dec. 31, 1948..	26	22	16	7½	7½
1949—May 1, 5.....	24	21	15	7	7
June 30, July 1.....	20	14	6	6	6
Aug. 1, 11.....	23½	19½	13	5	5
Aug. 16, 18.....	23	19	12		
Aug. 25.....	22½	18½			
Sept. 1.....	22	18			
1951—Jan. 11, 16.....	23	19	13	6	6
Jan. 25, Feb 1.....	24	20	14		
1953—July 1, 9.....	22	19	13		
1954—June 16, 24.....	21			5	5
July 29, Aug. 1.....	20	18	12		
1958—Feb. 27, Mar. 1.....	19½	17½	11½		
Mar. 20, Apr. 1.....	19	17	11		
Apr. 17.....	18½				
Apr. 24.....	18	16½			
1960—Sept. 1.....	17½				
Nov. 24.....			12		
Dec. 1.....	16½				
In effect Sept. 1, 1962..		16½	12	5	5
Present legal requirement:					
Minimum.....		10	7	3	3
Maximum.....		422	14	6	6

¹ When two dates are shown, first-of-month or midmonth dates record changes at country banks, and other dates (usually Thurs.) record changes at central reserve or reserve city banks.

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

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

⁴ Before July 28, 1959, the minimum and maximum legal requirements for central reserve city banks were 13 and 26 per cent, respectively, and the maximum for reserve city banks was 20 per cent.

NOTE.—All required reserves were held on deposit with Federal Reserve Banks, June 21, 1917, until late 1959. Since then, member banks have also been allowed to count vault cash as reserves, as follows: Country banks—in excess of 4 and 2½ per cent of net demand deposits effective Dec. 1, 1959 and Aug. 25, 1960, respectively. Central reserve city and reserve city banks—in excess of 2 and 1 per cent effective Dec. 3, 1959 and Sept. 1, 1960, respectively. Effective Nov. 24, 1960, all vault cash.

DEPOSITS, CASH, AND RESERVES OF MEMBER BANKS

[In millions of dollars]

Item	All member banks	Central Reserve city banks		Reserve city banks	Country banks	Item	All member banks	Reserve city banks			Country banks
		New York City	Chicago					New York City ²	City of Chicago ²	Other ²	
						Four weeks ending July 25, 1962					
Gross demand:						Gross demand:					
Total	129,013	25,196	6,126	50,655	47,036	Total	125,500	24,168	6,177	48,840	46,315
Interbank	14,218	4,259	1,253	7,116	1,590	Interbank	13,561	3,998	1,232	6,802	1,530
U. S. Govt.	6,817	1,421	383	2,782	2,231	U. S. Govt.	5,576	1,192	323	2,208	1,853
Other	107,978	19,516	4,490	40,757	43,215	Other	106,363	18,978	4,623	39,829	42,933
Net demand ¹	106,548	20,197	5,180	41,310	39,861	Net demand ¹	105,061	19,869	5,297	40,350	39,545
Time	75,509	8,245	2,617	29,720	34,927	Time	75,957	8,381	2,759	29,595	35,222
Demand balances due from domestic banks.	7,245	116	88	2,067	4,974	Demand balances due from domestic banks.	6,883	111	94	1,944	4,734
Currency and coin	2,771	203	35	874	1,659	Currency and coin	2,748	208	37	855	1,648
Balances with F. R. Banks.	17,348	3,577	955	7,480	5,337	Balances with F. R. Banks.	17,121	3,506	978	7,323	5,313
Total reserves held.	20,119	3,780	990	8,354	6,996	Total reserves held.	19,869	3,714	1,015	8,178	6,961
Required	19,562	3,745	986	8,302	6,530	Required	19,353	3,697	1,012	8,137	6,506
Excess	557	35	4	52	466	Excess	516	17	3	41	455
						Four weeks ending Aug. 22, 1960					

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

¹ Demand deposits subject to reserve requirements are gross demand deposits minus cash items in process of collection and demand balances

due from domestic banks.

² Net demand deposits of the 6 reserve city banks transferred from the reserve city total to New York City (3 banks) and the city of Chicago (3 banks) average about \$315 and \$200 millions, respectively; time deposits, \$105 and \$120 millions.

CONSOLIDATED STATEMENT OF CONDITION

[In millions of dollars]

Item	Wednesday					End of month		
	1962					1962		1961
	Aug. 1	Aug. 8	Aug. 15	Aug. 22	Aug. 29	Aug.	July	Aug.
Assets								
Gold certificate account.....	14,665	14,673	14,672	14,661	14,611	14,609	14,665	16,142
Redemption fund for F. R. notes.....	1,206	1,201	1,199	1,210	1,206	1,208	1,206	1,045
Total gold certificate reserves.....	15,871	15,874	15,871	15,871	15,817	15,817	15,871	17,187
Cash.....	380	387	382	395	394	403	380	418
Discounts and advances:								
For member banks.....	179	632	314	533	107	90	57	47
For nonmember banks, etc.....	15	15	15	15	11	11	16	.....
Acceptances—Bought outright.....	42	42	39	36	34	35	42	34
Held under repurchase agreement.....	1						1	
U. S. Govt. securities:								
Bought outright:								
Bills.....	3,007	3,177	3,147	2,877	2,970	2,984	2,834	2,659
Certificates—Special.....								
Other.....	5,745	5,771	9,488	9,488	9,518	9,538	5,745	1,683
Notes.....	17,341	17,356	13,639	13,639	13,733	13,772	17,341	19,827
Bonds.....	3,866	3,869	3,869	3,869	3,922	3,952	3,866	3,528
Total bought outright.....	29,959	30,173	30,143	29,873	30,143	30,246	29,786	27,697
Held under repurchase agreement.....			121	85		112		
Total U. S. Govt. securities.....	29,959	30,173	30,264	29,958	30,143	30,358	29,786	27,697
Total loans and securities.....	30,196	30,862	30,632	30,542	30,295	30,494	29,902	27,778
Cash items in process of collection.....	4,818	4,496	5,861	4,967	4,415	3,998	4,468	3,867
Bank premises.....	106	106	106	107	107	107	107	110
Other assets:								
Denominated in foreign currencies.....	418	358	358	358	366	317	418	.....
All other.....	350	370	183	203	223	229	345	187
Total assets.....	52,139	52,453	53,393	52,443	51,617	51,365	51,491	49,547
Liabilities								
F. R. notes.....	28,770	28,962	28,955	28,858	28,821	28,900	28,771	27,605
Deposits:								
Member bank reserves.....	17,189	17,267	17,373	17,338	16,901	17,110	16,885	16,620
U. S. Treasurer—General account.....	333	592	597	593	490	478	390	543
Foreign.....	256	197	178	170	169	168	248	270
Other.....	344	340	336	316	313	311	355	291
Total deposits.....	18,122	18,396	18,484	18,417	17,873	18,067	17,878	17,724
Deferred availability cash items.....	3,734	3,562	4,473	3,672	3,410	2,874	3,330	2,810
Other liabilities and accrued dividends.....	66	69	70	68	68	75	68	61
Total liabilities.....	50,692	50,989	51,982	51,015	50,172	49,916	50,047	48,200
Capital Accounts								
Capital paid in.....	459	460	460	460	460	460	459	430
Surplus.....	888	888	888	888	888	888	888	817
Other capital accounts.....	100	116	63	80	97	101	97	100
Total liabilities and capital accounts.....	52,139	52,453	53,393	52,443	51,617	51,365	51,491	49,547
Contingent liability on acceptances purchased for foreign correspondents.....	80	80	78	74	72	71	80	137
U. S. Govt. securities held in custody for foreign account.....	6,039	6,252	6,298	6,465	6,450	6,407	6,026	5,903

Federal Reserve Notes—Federal Reserve Agents' Accounts

F. R. notes outstanding (issued to Bank).....	30,504	30,506	30,585	30,576	30,550	30,505	30,513	29,138
Collateral held against notes outstanding:								
Gold certificate account.....	7,820	7,790	7,790	7,790	7,775	7,745	7,820	9,075
Eligible paper.....	37	125	27	30	12	15	8	9
U. S. Govt. securities.....	23,840	23,840	23,840	23,855	23,855	23,885	23,840	21,380
Total collateral.....	31,697	31,755	31,657	31,675	31,642	31,645	31,668	30,464

STATEMENT OF CONDITION OF EACH BANK ON AUGUST 31, 1962

[In millions of dollars]

Item	Total	Boston	New York	Phila- del- phia	Cleve- land	Rich- mond	Atlan- ta	Chi- cago	St. Louis	Minne- apolis	Kan- sas City	Dallas	San Fran- cisco
Assets													
Gold certificate account	14,609	706	3,714	731	1,174	970	803	2,540	600	292	657	605	1,817
Redemption fund for F. R. notes	1,208	69	283	72	103	101	73	216	51	28	48	38	126
Total gold certificate reserves	15,817	775	3,997	803	1,277	1,071	876	2,756	651	320	705	643	1,943
F. R. notes of other Banks	451	49	88	55	20	30	56	28	13	35	16	21	40
Other cash	403	30	71	21	34	27	34	67	21	12	12	16	58
Discounts and advances:													
Secured by U. S. Govt. securities	90	7	24	1	*	11	3	23	2	3	11	5	*
Other	11	1	3	1	1	*	1	2	*	*	*	1	1
Acceptances:													
Bought outright	35		35										
Held under repurchase agreement													
U. S. Govt. securities:													
Bought outright	30,246	1,571	7,497	1,726	2,541	1,966	1,623	5,077	1,197	653	1,317	1,223	3,855
Held under repurchase agreement	112		112										
Total loans and securities	30,494	1,579	7,671	1,728	2,542	1,977	1,627	5,102	1,199	656	1,328	1,229	3,856
Cash items in process of collection	5,061	362	975	301	414	392	365	819	222	163	262	237	549
Bank premises	107	3	9	3	8	5	14	24	6	4	7	13	11
Other assets:													
Denominated in foreign currencies	317	15	187	18	30	14	17	44	11	7	13	18	43
All other	229	14	55	13	18	15	13	38	9	6	10	9	29
Total assets	52,879	2,827	12,953	2,942	4,343	3,531	3,002	8,878	2,132	1,203	2,353	2,186	6,529
Liabilities													
F. R. notes	29,351	1,732	6,796	1,818	2,576	2,402	1,693	5,368	1,239	571	1,205	872	3,079
Deposits:													
Member bank reserves	17,110	667	4,634	762	1,264	725	917	2,561	626	447	836	997	2,674
U. S. Treasurer—General account	478	34	82	27	27	23	22	63	37	20	49	21	73
Foreign	168	8	251	9	15	7	9	22	5	4	7	9	22
Other	311	2	256	1	2	2	1	1	*	*	1	1	44
Total deposits	18,067	711	5,023	799	1,308	757	949	2,647	668	471	893	1,028	2,813
Deferred availability cash items	3,937	312	724	239	319	298	278	644	172	126	191	201	433
Other liabilities and accrued dividends	75	4	19	4	6	5	4	12	3	2	3	3	10
Total liabilities	51,430	2,759	12,562	2,860	4,209	3,462	2,924	8,671	2,082	1,170	2,292	2,104	6,335
Capital Accounts													
Capital paid in	460	22	124	26	43	21	25	65	16	11	19	26	62
Surplus	888	42	243	51	83	40	47	124	31	20	37	50	120
Other capital accounts	101	4	24	5	8	8	6	18	3	2	5	6	12
Total liabilities and capital accounts	52,879	2,827	12,953	2,942	4,343	3,531	3,002	8,878	2,132	1,203	2,353	2,186	6,529
Ratio of gold certificate reserves to deposit and F. R. note liabilities combined (per cent):													
Aug. 31, 1962	33.4	31.7	33.8	30.7	32.9	33.9	33.2	34.4	34.1	30.7	33.6	33.8	33.0
July 31, 1962	33.7	34.5	34.2	32.8	31.1	33.6	33.1	35.2	32.4	30.2	33.2	33.4	34.1
Aug. 31, 1961	37.6	34.0	38.7	36.6	37.4	38.4	33.9	37.0	35.7	33.8	39.0	38.6	39.8
Contingent liability on acceptances purchased for foreign correspondents	71	3	19	4	7	3	4	10	2	2	3	4	10

Federal Reserve Notes—Federal Reserve Agent's Accounts

F. R. notes outstanding (issued to Bank)	30,505	1,792	7,019	1,877	2,731	2,490	1,759	5,484	1,295	663	1,239	937	3,219
Collateral held against notes outstanding:													
Gold certificate account	7,745	480	1,600	465	720	700	485	1,400	340	130	310	215	900
Eligible paper	15			2					2		11		
U. S. Govt. securities	23,885	1,390	5,600	1,500	2,100	1,820	1,400	4,300	1,010	560	950	755	2,500
Total collateral	31,645	1,870	7,200	1,967	2,820	2,520	1,885	5,700	1,352	690	1,271	970	3,400

¹ After deducting \$230 million participations of other F. R. Banks.
² After deducting \$117 million participations of other F. R. Banks.

³ After deducting \$52 million participations of other F. R. Banks.

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

[In millions of dollars]

Type of holding	Wednesday					End of month		
	1962					1962		1961
	Aug. 1	Aug. 8	Aug. 15	Aug. 22	Aug. 29	Aug.	July	Aug.
Discounts and advances—Total	194	647	329	548	118	101	73	47
Within 15 days	175	629	327	546	104	87	54	45
16 days to 90 days	19	18	2	2	14	14	19	2
Acceptances—Total	43	42	39	36	34	35	43	34
Within 15 days	13	11	9	10	11	9	13	12
16 days to 90 days	30	31	30	26	23	26	30	22
U. S. Government securities—Total	29,959	30,173	30,264	29,958	30,143	30,358	29,786	27,697
Within 15 days ¹	4,118	4,157	501	437	403	407	4,048	266
16 days to 90 days	1,565	1,621	1,679	4,837	4,844	4,968	1,565	1,192
91 days to 1 year	11,687	11,795	15,818	12,418	12,517	12,547	11,584	11,853
Over 1 year to 5 years	10,156	10,167	9,833	9,833	9,940	9,987	10,156	11,914
Over 5 years to 10 years	2,219	2,219	2,219	2,219	2,225	2,233	2,219	2,252
Over 10 years	214	214	214	214	214	216	214	220

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

CONVERTIBLE FOREIGN CURRENCIES HELD BY FEDERAL RESERVE BANKS

[In millions of U. S. dollar equivalents]

End of period	Total	Pounds sterling	Canadian dollars	French francs	German marks	Italian lire	Netherlands guilders	Swiss francs
1962—Feb.	9		*		7	1	1	1
Mar.	84		*	50	32	1	1	1
Apr.	84		*	50	32	1	1	1
May	134	50	*	50	32	1	1	1

BANK DEBITS AND DEPOSIT TURNOVER

Period	Debits to demand deposit accounts ¹ [In billions of dollars]							Annual rate of turnover of demand deposits ¹					
	All reporting centers	Leading centers					337 other reporting centers ³	Leading centers				337 other reporting centers ³	
		New York		6 others ²				New York		6 others ²			
		N.S.A.	S.A.	N.S.A.	S.A.	N.S.A.		S.A.	N.S.A.	S.A.	N.S.A.	S.A.	N.S.A.
1954	1,887.4		738.9		390.1		758.4		42.3		25.8		19.2
1955	2,043.5		766.9		431.7		845.0		42.7		27.3		20.4
1956	2,200.6		815.9		462.9		921.9		45.8		28.8		21.8
1957	2,356.8		888.5		489.3		979.0		49.5		30.4		23.0
1958	2,439.8		958.7		487.4		993.6		53.6		30.0		22.9
1959	2,679.2		1,023.6		545.3		1,110.3		56.4		32.5		24.5
1960	2,838.8		1,102.9		577.6		1,158.3		60.0		34.8		25.7
1961	3,111.1		1,278.8		622.7		1,209.6		70.0		36.8		26.1
1961—Aug.	255.5	105.4	100.9	51.4	51.4	101.3	103.2	71.1	66.9	37.2	36.1	26.4	26.1
Sept.	246.6	107.8	100.3	52.0	49.0	102.0	97.3	72.3	71.4	37.4	36.9	26.5	26.5
Oct.	274.7	113.6	113.7	54.0	54.3	104.7	106.7	75.6	75.1	38.3	37.7	27.0	27.0
Nov.	272.6	115.2	112.5	54.4	54.2	104.2	105.9	75.3	75.0	38.5	37.9	26.8	27.2
Dec.	286.6	114.0	120.3	55.0	57.5	104.8	108.8	73.4	77.4	38.7	39.5	26.8	27.5
1962—Jan.	294.6	110.3	118.1	58.2	61.5	109.3	115.1	70.9	71.6	40.6	40.3	27.7	27.6
Feb.	239.5	103.3	94.3	54.4	49.0	105.4	96.1	68.1	64.6	38.4	36.3	27.1	25.9
Mar.	293.2	118.1	124.7	57.5	59.7	107.9	108.8	78.2	80.5	40.9	43.2	27.6	27.7
Apr.	281.5	118.1	117.2	59.1	58.0	111.3	106.3	78.4	76.9	41.7	42.6	28.2	27.3
May	295.5	119.1	122.1	57.6	59.8	110.3	113.6	78.8	79.0	40.8	41.5	28.0	28.4
June	291.8	115.7	121.9	57.9	59.4	108.8	110.5	77.3	83.0	41.3	43.0	27.8	28.7
July	279.7	114.4	111.4	59.0	57.5	112.3	110.7	77.3	76.1	42.1	41.2	28.6	28.5
Aug.	281.2	115.8	110.8	57.4	57.5	110.8	112.9	78.8	74.3	41.4	39.9	28.3	27.9

¹ Excludes interbank and U. S. Govt. demand accounts or deposits.

² Boston, Philadelphia, Chicago, Detroit, San Francisco, and Los Angeles.

³ Before April 1955, 338 centers.

DENOMINATIONS IN CIRCULATION

[In millions of dollars]

End of period	Total in circulation ¹	Coin and small denomination currency						Large denomination currency							
		Total	Coin	\$1 ²	\$2	\$5	\$10	\$20	Total	\$50	\$100	\$500	\$1,000	\$5,000	\$10,000
1939.....	7,598	5,553	590	559	36	1,019	1,772	1,576	2,048	460	919	191	425	20	32
1941.....	11,160	8,120	751	695	44	1,355	2,731	2,545	3,044	724	1,433	261	556	24	46
1945.....	28,515	20,683	1,274	1,039	73	2,313	6,782	9,201	7,834	2,327	4,220	454	801	7	24
1947.....	28,868	20,020	1,404	1,048	65	2,110	6,275	9,119	8,850	2,548	5,070	428	782	5	17
1950.....	27,741	19,305	1,554	1,113	64	2,049	5,998	8,529	8,438	2,422	5,043	368	588	4	12
1955.....	31,158	22,021	1,927	1,312	75	2,151	6,617	9,940	9,136	2,736	5,641	307	438	3	12
1956.....	31,790	22,598	2,027	1,369	78	2,196	6,731	10,194	9,192	2,771	5,704	292	407	3	14
1958.....	32,193	22,856	2,182	1,494	83	2,186	6,624	10,288	9,337	2,792	5,886	275	373	3	9
1959.....	32,591	23,264	2,304	1,511	85	2,216	6,672	10,476	9,326	2,803	5,913	261	341	3	5
1960.....	32,869	23,521	2,427	1,533	88	2,246	6,691	10,536	9,348	2,815	5,954	249	316	3	10
1961—July.....	32,477	23,299	2,475	1,460	88	2,151	6,622	10,505	9,177	2,761	5,862	242	304	3	5
Aug.....	32,609	23,390	2,491	1,463	89	2,154	6,647	10,547	9,219	2,768	5,898	242	302	3	5
Sept.....	32,658	23,415	2,506	1,475	88	2,163	6,656	10,527	9,243	2,766	5,926	241	301	3	5
Oct.....	32,836	23,552	2,532	1,494	89	2,180	6,671	10,586	9,283	2,773	5,959	241	301	3	5
Nov.....	33,538	24,154	2,563	1,534	90	2,246	6,866	10,856	9,384	2,814	6,021	241	299	3	5
Dec.....	33,918	24,388	2,582	1,588	92	2,313	6,878	10,935	9,531	2,869	6,106	242	300	3	10
1962—Jan.....	32,774	23,400	2,552	1,485	91	2,178	6,575	10,519	9,374	2,804	6,027	239	297	3	5
Feb.....	32,880	23,530	2,562	1,477	91	2,178	6,644	10,579	9,350	2,791	6,017	239	296	3	5
Mar.....	33,018	23,651	2,580	1,484	91	2,188	6,686	10,622	9,367	2,795	6,032	238	294	3	5
Apr.....	33,159	23,742	2,612	1,497	92	2,190	6,680	10,670	9,418	2,812	6,066	238	294	3	5
May.....	33,518	24,057	2,637	1,515	93	2,225	6,789	10,798	9,461	2,831	6,089	238	295	3	5
June.....	33,770	24,267	2,652	1,516	93	2,231	6,837	10,937	9,503	2,850	6,111	239	295	3	5
July.....	33,869	24,327	2,671	1,512	94	2,214	6,814	11,021	9,542	2,868	6,134	239	294	3	5

¹ Outside Treasury and F.R. Banks. Before 1955 the totals shown as in circulation were less than totals of coin and paper currency shown by denomination by amounts of unassorted currency (not shown separately).

² Paper currency only; \$1 silver coins reported under coin.

NOTE.—Condensed from Circulation Statement of United States Money, issued by the Treasury.

KINDS OUTSTANDING AND IN CIRCULATION

[In millions of dollars]

Kind of currency	Total outstanding July 31, 1962 ¹	Held in the Treasury			Held by F. R. Banks and agents	Currency in circulation ¹		
		As security against gold and silver certificates	Treasury cash	For F. R. Banks and agents		July 31, 1962	June 30, 1962	July 31, 1961
Gold.....	16,147	(15,871)	² 276					
Gold certificates.....	(15,871)			³ 13,055	2,816			
F. R. notes.....	30,515		78		1,739	28,698	28,586	27,398
Treasury currency—Total.....	5,603	(2,255)	50		381	5,171	5,183	5,079
Standard silver dollars.....	487	74	39		10	363	360	332
Silver bullion.....	2,181	2,181						
Silver certificates.....	(2,255)				305	1,950	1,979	2,047
Subsidiary silver coin.....	1,713		5		34	1,673	1,663	1,555
Minor coin.....	642		2		6	635	629	589
United States notes.....	347		4		26	317	318	315
In process of retirement ⁴	234		*		*	233	233	243
Total—July 31, 1962.....	⁵ 52,265	(18,126)	404	13,055	4,937	33,869		
June 30, 1962.....	⁵ 52,195	(18,435)	379	13,342	4,705		33,770	
July 31, 1961.....	⁵ 52,171	(19,571)	465	14,407	4,822			32,477

¹ Outside Treasury and F.R. Banks. Includes any paper currency held outside the United States and currency and coin held by banks. Estimated totals for Wed. dates are shown in table on p. 1175.

² Includes \$156 million reserve against United States notes.

³ Consists of credits payable in gold certificates: (1) the Gold Certificate Fund—Board of Governors, F.R.S., and (2) the Redemption Fund for F.R. notes.

⁴ Redeemable from the general fund of the Treasury. (F.R. Banks and national banks no longer have liability for their currency included herein, as payment therefor has been made to the Treasury as required by law.)

⁵ Does not include all items shown, as some items represent the security for other items; gold certificates are secured by gold, and silver certificates by standard silver dollars and monetized silver bullion. Duplications are shown in parentheses.

NOTE.—Condensed from Circulation Statement of United States Money issued by the Treasury. For explanation of currency reserves and security features, see the Circulation Statement or the Aug. 1961 BULL., p. 936.

MONEY SUPPLY AND RELATED DATA

[In billions of dollars]

Period	Seasonally adjusted				Not seasonally adjusted				
	Money supply			Time deposits adjusted ¹	Money supply			Time deposits adjusted ¹	U. S. Govt. demand deposits ¹
	Total	Currency component	Demand deposit component		Total	Currency component	Demand deposit component		
1954—Dec.....	132.3	27.4	104.9	48.4	135.6	27.9	107.7	48.0	5.0
1955—Dec.....	135.2	27.8	107.4	50.2	138.6	28.4	110.2	49.6	3.4
1956—Dec.....	136.9	28.2	108.7	52.1	140.3	28.8	111.5	51.4	3.4
1957—Dec.....	135.9	28.3	107.5	57.5	139.3	28.9	110.4	56.7	3.5
1958—Dec.....	141.2	28.6	112.6	65.5	144.7	29.2	115.5	64.6	3.9
1959—Dec.....	142.0	28.9	113.2	67.4	145.6	29.5	116.1	66.6	4.9
1960—Dec.....	141.2	28.9	112.2	72.7	144.7	29.6	115.2	72.1	4.7
1961—Dec.....	145.7	29.6	116.1	82.5	149.4	30.2	119.2	81.8	4.9
1961—Aug.....	142.9	29.1	113.9	79.8	141.6	29.2	112.4	80.2	5.5
Sept.....	143.5	29.2	114.3	80.5	143.1	29.3	113.8	80.9	5.2
Oct.....	144.2	29.3	114.9	81.3	144.5	29.4	115.1	81.5	6.4
Nov.....	144.9	29.4	115.5	82.0	146.3	29.7	116.6	81.5	5.8
Dec.....	145.7	29.6	116.1	82.5	149.4	30.2	119.2	81.8	4.9
1962—Jan.....	145.9	29.7	116.3	84.1	149.0	29.5	119.5	83.5	3.8
Feb.....	145.5	29.7	115.8	85.8	145.3	29.3	115.9	85.4	4.6
Mar.....	145.7	29.9	115.8	87.5	144.2	29.6	114.6	87.4	5.1
Apr.....	146.1	30.0	116.0	88.7	146.2	29.8	116.4	88.9	3.8
May.....	145.7	30.0	115.7	89.6	143.6	29.8	113.8	89.9	7.0
June.....	145.6	30.1	115.4	90.7	144.0	30.0	113.9	91.1	7.2
July.....	145.7	30.2	115.5	91.8	144.2	30.3	113.9	92.2	7.1
Aug. ^p	145.2	30.2	114.9	92.5	143.8	30.3	113.5	93.0	6.8
Half month									
1962—May 1.....	146.2	30.0	116.2	89.3	145.0	29.9	115.2	89.5	6.3
2.....	145.3	30.0	115.3	89.8	142.3	29.7	112.6	90.2	7.7
June 1.....	145.6	30.1	115.5	90.4	144.3	30.1	114.2	90.9	6.1
2.....	145.5	30.2	115.3	90.9	143.6	30.0	113.6	91.4	8.3
July 1.....	145.7	30.2	115.5	91.6	144.0	30.5	113.4	92.1	8.2
2.....	145.7	30.2	115.5	91.9	144.7	30.2	114.5	92.3	6.0
Aug. 1.....	145.6	30.2	115.4	92.2	145.0	30.4	114.6	92.7	5.4
2 ^p	144.8	30.2	114.6	92.7	142.6	30.2	112.4	93.2	8.1

Week ending—	Not seasonally adjusted					Week ending—	Not seasonally adjusted				
	Money supply			Time deposits adjusted ¹	U. S. Govt. demand deposits ¹		Money supply			Time deposits adjusted ¹	U. S. Govt. demand deposits ¹
	Total	Currency component	Demand deposit component				Total	Currency component	Demand deposit component		
1961—May 3.....	142.4	28.6	113.9	77.0	3.2	1962—May 2.....	145.9	29.5	116.4	89.2	4.8
10.....	141.7	28.9	112.9	77.4	3.9	9.....	145.1	30.0	115.2	89.5	6.3
17.....	141.1	28.8	112.3	77.6	4.5	16.....	144.6	29.8	114.7	89.7	6.5
24.....	139.6	28.7	111.0	77.9	5.8	23.....	142.0	29.8	112.2	90.1	8.0
31.....	140.0	28.6	111.4	78.1	5.0	30.....	142.1	29.6	112.5	90.4	7.5
June 7.....	140.9	29.0	111.9	78.3	4.0	June 6.....	143.5	30.0	113.5	90.7	7.1
14.....	142.5	29.0	113.6	78.4	2.2	13.....	144.8	30.1	114.6	91.0	5.3
21.....	141.9	28.9	113.0	78.6	5.7	20.....	145.0	30.0	114.9	91.1	6.8
28.....	140.1	28.7	111.4	78.8	5.7	27.....	142.8	29.9	112.9	91.4	8.6
July 5.....	140.5	29.2	111.3	79.3	6.1	July 4.....	143.3	30.2	113.1	91.9	9.5
12.....	141.3	29.4	111.9	79.3	4.5	11.....	143.9	30.6	113.4	92.1	8.2
19.....	141.9	29.2	112.7	79.5	3.1	18.....	144.7	30.4	114.3	92.2	6.6
26.....	141.8	29.0	112.8	79.7	2.8	25.....	144.3	30.2	114.2	92.3	6.0
Aug. 2.....	142.4	29.0	113.4	79.9	6.0	Aug. 1.....	145.0	30.0	114.9	92.5	5.8
9.....	142.4	29.4	113.0	80.0	5.1	8.....	145.2	30.5	114.7	92.6	5.6
16.....	142.4	29.3	113.1	80.2	4.8	15.....	144.8	30.4	114.4	92.8	5.0
23.....	140.5	29.2	111.3	80.3	6.1	22.....	142.5	30.4	112.1	93.0	5.4
30.....	140.9	29.0	111.9	80.4	5.6	29 ^p	142.7	30.1	112.6	93.3	7.9
Sept. 6.....	142.0	29.4	112.6	80.6	5.4	Sept. 5 ^p	143.8	30.4	113.5	93.5	7.8
13.....	143.6	29.4	114.2	80.8	3.6	12.....	.....	.....	.....	.....	.....
20.....	144.6	29.3	115.3	80.9	4.4	19.....	.....	.....	.....	.....	.....

¹ At all commercial banks.

NOTE.—Averages of daily figures. For back data see Aug. 1962 BULL., pp. 941-51. Money supply consists of (1) demand deposits at all commercial banks other than those due to domestic commercial banks and

the U. S. Govt., less cash items in process of collection and F. R. float; (2) foreign demand balances at F. R. Banks; and (3) currency outside the Treasury, the F. R. S., and the vaults of all commercial banks. Time deposits adjusted are time deposits at all commercial banks other than those due to domestic commercial banks and the U. S. Govt.

CONSOLIDATED CONDITION STATEMENT

[In millions of dollars]

Date	Assets									Total assets, net—Total liabilities and capital, net	Liabilities and capital	
	Gold	Treasury currency outstanding	Bank credit						Other securities		Total deposits and currency	Capital and misc. acc., net
			Total	Loans, net	U. S. Government securities							
					Total	Commercial and savings banks	Federal Reserve Banks	Other				
1929—June 29.....	4,037	2,019	58,642	41,082	5,741	5,499	216	26	11,819	64,698	55,776	8,922
1933—June 30.....	4,031	2,286	42,148	21,957	10,328	8,199	1,998	131	9,863	48,465	42,029	6,436
1939—Dec. 30.....	17,644	2,963	54,564	22,157	23,105	19,417	2,484	1,204	9,302	75,171	68,359	6,812
1941—Dec. 31.....	22,737	3,247	64,653	26,605	29,049	25,511	2,254	1,284	8,999	90,637	82,811	7,826
1945—Dec. 31.....	20,065	4,339	167,381	30,387	128,417	101,288	24,262	2,867	8,577	191,785	180,806	10,979
1947—Dec. 31.....	22,754	4,562	160,832	43,023	107,086	81,199	22,559	3,328	10,723	188,148	175,348	12,800
1950—Dec. 31.....	22,706	4,636	171,667	60,366	96,560	72,894	20,778	2,888	14,741	199,009	184,384	14,624
1959—Dec. 31.....	19,456	5,311	255,435	135,867	93,497	65,801	26,648	1,048	26,071	280,202	256,020	24,186
1960—Dec. 31.....	17,767	5,398	266,782	144,704	95,461	67,242	27,384	835	26,617	289,947	263,165	26,783
1961—June 30.....	17,550	5,437	269,828	145,784	96,121	68,104	27,253	764	27,923	292,816	265,604	27,212
1961—Aug. 30.....	17,500	5,600	272,100	145,200	98,500	70,500	27,300	800	28,400	295,100	266,400	28,700
Sept. 27.....	17,500	5,600	276,600	147,200	100,200	72,400	27,100	700	29,200	299,600	271,100	28,500
Oct. 25.....	17,300	5,600	278,300	147,800	101,500	72,800	28,000	700	29,000	301,200	272,400	28,800
Nov. 29.....	17,000	5,600	280,000	149,000	101,900	72,400	28,800	800	29,100	302,600	273,000	29,600
Dec. 30.....	16,889	5,585	285,992	154,017	102,308	72,715	28,881	712	29,667	308,466	280,397	28,070
1962—Jan. 31.....	16,800	5,600	282,600	150,000	102,700	73,500	28,500	700	29,800	305,000	276,300	28,600
Feb. 28.....	16,800	5,600	283,000	151,500	101,400	72,300	28,400	700	30,200	305,400	276,400	29,000
Mar. 28.....	16,600	5,600	284,800	153,300	100,400	71,000	28,800	700	31,100	307,000	278,100	28,900
Apr. 25 ^{1p}	16,500	5,600	287,200	154,800	100,600	70,700	29,000	700	31,800	309,300	280,600	28,700
May 30 ^{1p}	16,400	5,600	288,600	155,900	100,900	70,600	29,600	700	31,800	310,700	281,400	29,300
June 27 ^{1p}	16,400	5,600	291,300	158,100	100,500	70,500	29,400	700	32,700	313,300	284,700	28,600
July 25 ^{1p}	16,200	5,600	291,200	157,700	100,200	70,300	29,200	700	33,400	313,100	284,700	28,400
Aug. 29 ^{1p}	16,100	5,600	293,300	158,800	100,800	70,000	30,100	700	33,700	315,000	285,000	29,900

DETAILS OF DEPOSITS AND CURRENCY

Date	Money supply						Related deposits (not seasonally adjusted)							
	Seasonally adjusted ¹			Not seasonally adjusted			Time ³					U.S. Government		
	Total	Currency outside banks	Demand deposits adjusted ²	Total	Currency outside banks	Demand deposits adjusted ²	Total	Commercial banks	Mutual savings banks ⁴	Postal Savings System	Foreign, net ⁵	Treasury cash holdings	At commercial and savings banks	At F.R. Banks
1929—June 29.....				26,179	3,639	22,540	28,611	19,557	8,905	149	365	204	381	36
1933—June 30.....				19,172	4,761	14,411	21,656	10,849	9,621	1,186	50	264	852	35
1939—Dec. 30.....				36,194	6,401	29,793	27,059	15,258	10,523	1,278	1,217	2,409	846	634
1941—Dec. 31.....				48,607	9,615	38,992	27,729	15,884	10,532	1,313	1,498	2,215	1,895	867
1945—Dec. 31.....				102,341	26,490	75,851	48,452	30,135	15,385	2,932	2,141	2,287	24,608	977
1947—Dec. 31.....	110,500	26,100	84,400	113,597	26,476	87,121	56,411	35,249	17,746	3,416	1,682	1,336	1,452	870
1950—Dec. 31.....	114,600	24,600	90,000	117,670	25,398	92,272	59,247	36,314	20,009	2,923	2,518	1,293	2,989	668
1959—Dec. 31.....	140,200	28,200	112,000	144,824	29,422	115,402	101,779	65,884	34,947	948	3,203	391	5,319	504
1960—Dec. 31.....	139,200	28,200	111,000	144,458	29,356	115,102	108,468	71,380	36,318	770	3,184	377	6,193	485
1961—June 30.....	140,900	28,200	112,700	139,649	29,361	110,288	117,280	79,092	37,486	702	1,250	379	6,638	408
1961—Aug. 30.....	141,300	28,300	113,000	140,000	28,500	111,500	118,600	80,200	37,600	700	1,300	400	5,600	500
Sept. 27.....	141,900	28,500	113,400	141,000	28,600	112,400	119,400	80,800	37,900	700	1,400	400	8,400	500
Oct. 25.....	143,800	28,800	115,000	144,300	28,700	115,700	120,100	81,400	37,900	700	1,300	400	6,000	400
Nov. 29.....	143,400	28,600	114,800	145,200	29,100	116,200	119,800	81,200	38,000	700	1,200	400	5,700	500
Dec. 30.....	144,800	28,700	116,100	150,578	30,053	120,525	121,216	82,145	38,420	651	1,497	422	6,219	465
1962—Jan. 31.....	143,700	29,100	114,600	145,600	28,700	117,000	123,400	84,200	38,600	600	1,300	500	5,200	400
Feb. 28.....	144,400	29,300	115,100	143,600	28,900	114,800	125,200	85,800	38,800	600	1,300	400	5,400	400
Mar. 28.....	144,000	29,200	114,800	141,900	28,900	113,000	127,600	87,700	39,200	600	1,300	400	6,500	500
Apr. 25 ^{1p}	145,700	29,200	116,500	145,800	28,900	116,800	128,400	88,600	39,200	600	1,300	400	4,200	600
May 30 ^{1p}	143,400	29,200	114,200	141,800	29,300	112,500	129,900	90,000	39,300	600	1,300	400	7,500	600
June 27 ^{1p}	143,400	29,300	114,100	141,600	29,300	112,200	131,300	91,000	39,700	600	1,400	400	9,400	600
July 25 ^{1p}	144,300	29,500	114,800	144,200	29,600	114,600	132,400	91,900	39,900	600	1,300	400	5,900	600
Aug. 29 ^{1p}	143,000	29,400	113,600	141,700	29,600	112,100	133,500	92,900	40,000	600	1,200	400	7,800	500

¹ Series begin in 1946; data are available only for last Wed. of the month.
² Other than interbank and U. S. Govt., less cash items in process of collection.

³ Other than interbank, Treasurer's open account, and those of Postal Savings System in banks.

⁴ Before June 30, 1947, includes a small amount of demand deposits. Beginning with June 1961 includes amounts reported by insured mutual savings banks as demand deposits, previously reported as time deposits or other liabilities.

⁵ Reclassification of deposits of foreign central banks in May 1961 reduced this item by \$1,500 million (\$1,500 million to time and \$400 million to demand deposits).

NOTE.—Includes all commercial and mutual savings banks, F. R. Banks, Postal Savings System, and Treasury currency funds (the gold account, Treasury currency account, and Exchange Stabilization Fund).

For description of statement and back figures (except for seasonally adjusted money supply), see Jan. 1948 BULL., pp. 24-43, except that stock of F. R. Banks held by member banks is included in other securities and in capital and misc. accounts, net, and balances of the PSS and the ESF with the Treasury are netted against capital and misc. accounts, net.

For description of seasonally adjusted money supply series and back data, see Aug. 1962 BULL., pp. 941-51.

Except on call dates, figures are partly estimated and are rounded to nearest \$100 million.

PRINCIPAL ASSETS AND LIABILITIES AND NUMBER, BY CLASS OF BANK

[Amounts in millions of dollars]

Class of bank and date	Loans and investments						Total assets—Total liabilities and capital accounts ²	Deposits						Borrowings	Total capital accounts	Number of banks
	Total	Loans	Securities		Cash assets ¹	Total ¹		Interbank ¹		Other						
			U. S. Govt.	Other				Demand	Time	Demand		Time ³				
										U. S. Govt.	Other					
All banks:																
1941—Dec. 31	61,126	26,615	25,511	8,999	27,344	90,908	81,816	10,982		44,355	26,479	23	8,414	14,826		
1945—Dec. 31	140,227	30,362	101,288	8,577	35,415	177,332	165,612	14,065		105,935	45,613	227	10,542	14,553		
1947—Dec. 31 ⁴	134,924	43,002	81,199	10,723	38,388	175,091	161,863	12,793	240	1,346	94,381	53,105	66	11,948	14,714	
1960—Dec. 31	238,623	144,764	67,242	26,617	53,022	298,126	266,196	17,080	1,800	5,949	133,408	107,959	167	24,539	13,986	
1961—June 30	242,192	146,164	68,104	27,923	46,457	295,567	262,547	13,633	462	6,368	125,219	116,865	452	25,405	13,977	
Aug. 30	245,880	147,030	70,490	28,360	43,170	295,760	260,560	13,340	460	5,340	123,250	118,170	1,880	25,570	13,968	
Dec. 30	256,700	154,318	72,715	29,667	57,368	321,394	287,176	17,914	482	5,952	141,979	120,848	482	26,227	13,946	
1962—Jan. 31	255,320	152,030	73,470	29,820	47,740	310,470	274,220	14,190	480	4,910	131,560	123,080	2,200	26,280	13,943	
Feb. 28	256,100	153,580	72,340	30,180	48,540	311,910	275,170	14,110	510	5,090	130,570	124,890	2,310	26,390	13,941	
Mar. 28	257,520	155,460	70,960	31,100	45,560	310,230	273,720	13,750	510	6,260	125,980	127,220	2,420	26,470	13,930	
Apr. 25 ^p	259,550	156,800	70,910	31,840	46,190	312,810	276,310	13,730	520	3,920	130,120	128,020	2,360	26,560	13,920	
May 30 ^p	260,250	157,790	70,620	31,840	46,210	313,470	276,770	13,200	520	7,170	126,270	129,610	2,070	26,760	13,926	
June 27 ^p	263,150	160,000	70,480	32,670	47,220	317,470	280,620	13,580	530	9,150	126,370	130,990	2,360	26,840	13,932	
July 25 ^p	263,150	159,470	70,320	33,360	45,600	315,920	279,450	13,800	530	5,580	127,450	132,090	1,930	26,810	13,931	
Aug. 29 ^p	265,040	161,360	69,990	33,690	45,620	317,740	279,950	13,810	520	7,510	124,900	133,210	2,750	27,030	13,931	
Commercial banks:																
1941—Dec. 31	50,746	21,714	21,808	7,225	26,551	79,104	71,283	10,982		44,349	15,952	23	7,173	14,278		
1945—Dec. 31	124,019	26,083	90,606	7,331	34,806	160,312	150,227	14,065		105,921	30,241	219	8,950	14,011		
1947—Dec. 31 ⁴	116,284	38,057	69,221	9,006	37,502	155,377	144,103	12,792	240	1,343	94,367	35,360	65	10,059	14,181	
1960—Dec. 31	199,509	117,642	61,003	20,864	52,150	257,552	229,843	17,079	1,799	5,945	133,379	71,641	163	20,986	13,472	
1961—June 30	201,848	117,953	61,824	22,071	45,595	253,749	224,997	13,633	461	6,362	125,161	79,380	443	21,745	13,463	
Aug. 30	205,120	118,450	64,160	22,510	42,370	253,580	222,870	13,340	460	5,340	123,190	80,540	1,880	21,870	13,454	
Dec. 30	215,441	124,925	66,578	23,937	56,432	278,561	248,689	17,914	481	5,946	141,920	82,429	471	22,459	13,432	
1962—Jan. 31	213,730	122,420	67,240	24,070	46,910	267,400	235,560	14,190	480	4,910	131,500	84,480	2,200	22,500	13,430	
Feb. 28	214,260	123,780	66,030	24,450	47,670	268,540	236,350	14,110	510	5,090	130,510	86,130	2,310	22,570	13,428	
Mar. 28	215,180	125,380	64,440	25,360	44,680	266,340	234,430	13,750	510	6,260	125,920	87,990	2,420	22,630	13,417	
Apr. 25 ^p	217,260	126,490	64,610	26,160	45,390	269,050	237,070	13,730	520	3,920	130,060	88,840	2,360	22,750	13,407	
May 30 ^p	217,710	127,220	64,340	26,150	45,390	269,440	237,300	13,200	520	7,170	126,210	90,380	2,070	22,910	13,414	
June 27 ^p	220,360	129,170	64,210	26,980	46,370	273,160	240,900	13,580	530	9,150	126,310	91,320	2,360	22,950	13,420	
July 25 ^p	219,980	128,280	64,040	27,660	44,780	271,250	239,460	13,800	530	5,580	127,390	92,160	1,930	22,960	13,419	
Aug. 29 ^p	221,700	129,970	63,710	28,020	44,840	272,940	239,860	13,810	520	7,510	124,840	93,180	2,750	23,140	13,420	
Member banks:																
1941—Dec. 31	43,521	18,021	19,539	5,961	23,123	68,121	61,717	10,385	140	1,709	37,136	12,347	4	5,886	6,619	
1945—Dec. 31	107,183	22,775	78,338	6,070	29,845	138,304	129,670	13,576	64	22,179	69,640	24,210	208	7,589	6,884	
1947—Dec. 31 ⁴	97,846	32,628	57,914	7,304	32,845	132,060	122,528	12,353	50	1,176	80,609	28,340	54	8,464	6,923	
1960—Dec. 31	165,619	99,933	49,106	16,579	45,756	216,577	193,029	16,436	1,639	5,287	112,393	57,272	130	17,398	6,174	
1961—June 30	168,049	99,992	50,361	17,696	40,084	213,719	189,226	13,077	276	5,731	105,568	64,574	382	18,027	6,141	
Aug. 30	170,850	100,379	52,358	18,113	36,940	213,235	186,816	12,787	270	4,738	103,427	65,594	1,822	18,141	6,137	
Dec. 30	179,599	106,232	54,058	19,308	49,579	235,112	209,630	17,195	303	5,381	119,595	67,157	438	18,638	6,113	
1962—Jan. 31	177,966	103,983	54,573	19,410	40,971	224,961	197,480	13,623	305	4,376	110,287	68,889	2,138	18,683	6,107	
Feb. 28	178,389	105,144	53,467	19,778	41,894	226,210	198,380	13,560	332	4,525	109,671	70,292	2,264	18,749	6,099	
Mar. 28	179,254	106,600	52,036	20,618	39,091	224,114	196,395	13,209	335	5,631	105,552	71,868	2,380	18,785	6,085	
Apr. 25 ^p	180,872	107,424	52,103	21,345	39,662	226,233	198,674	13,178	340	3,506	109,048	72,602	2,319	18,877	6,074	
May 30 ^p	181,180	107,980	51,913	21,287	39,702	226,556	198,978	12,689	345	6,463	105,629	73,852	2,002	19,015	6,073	
June 27 ^p	183,588	109,585	51,942	22,061	40,686	230,003	202,232	13,048	355	8,309	105,829	74,691	2,293	19,049	6,070	
July 25 ^p	183,008	108,767	51,612	22,629	39,001	227,806	200,482	13,241	347	4,952	106,611	75,331	1,870	19,060	6,062	
Aug. 29 ^p	184,398	110,331	51,149	22,918	39,107	229,231	200,667	13,232	338	6,695	104,280	76,122	2,682	19,212	6,061	
Mutual savings banks:⁵																
1941—Dec. 31	10,379	4,901	3,704	1,774	793	11,804	10,533			6	10,527			1,241	548	
1945—Dec. 31	16,208	4,279	10,682	1,246	609	17,020	15,385			14	15,371		7	1,592	542	
1947—Dec. 31 ⁴	18,641	4,944	11,978	1,718	886	19,714	17,763		1	3	17,745			1,889	533	
1960—Dec. 31	39,114	27,122	6,239	5,752	872	40,574	36,353		1	4	29	36,318	4	3,553	514	
1961—June 30	40,344	28,211	6,281	5,852	862	41,818	37,551		1	5	58	37,487	9	3,660	514	
Aug. 30	40,760	28,580	6,330	5,850	800	42,180	37,690				60	37,630		3,700	514	
Dec. 30	41,259	29,393	6,136	5,730	936	42,833	38,487		1	7	60	38,420	11	3,768	514	
1962—Jan. 31	41,590	29,610	6,230	5,750	830	43,070	38,660				60	38,600		3,780	513	
Feb. 28	41,840	29,800	6,310	5,730	870	43,370	38,820				60	38,760		3,820	513	
Mar. 28	42,340	30,080	6,520	5,740	880	43,890	39,290				60	39,230		3,840	513	
Apr. 25 ^p	42,290	30,310	6,300	5,680	800	43,760	39,240				60	39,180		3,810	513	
May 30 ^p	42,540	30,570	6,280	5,690	820	44,030	39,390				60	39,330		3,850	512	
June 27 ^p	42,790	30,830	6,270	5,690	850	44,310	39,720				60	39,660		3,890	512	
July 25 ^p	43,170	31,190	6,280	5,700	820	44,670	39,990				60	39,930		3,870	511	
Aug. 29 ^p	43,340	31,390	6,280	5,700	780	44,800	40,090				60	40,030		3,870	511	

For notes see end of table.

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

[Amounts in millions of dollars]

Class of bank and date	Loans and investments					Total assets—Total liabilities and capital accounts ²	Deposits						Borrowings	Total capital accounts	Number of banks
	Total	Loans	Securities		Cash assets ¹		Total ¹	Interbank ¹		Other		Time			
			U. S. Govt.	Other				Demand	Time	Demand					
										U. S. Govt.	Other				
Reserve city member banks:															
New York City: ⁶															
1941—Dec. 31	12,896	4,072	7,265	1,559	6,637	19,862	17,932	4,202	6	866	12,051	807	.....	1,648	36
1945—Dec. 31	26,143	7,334	17,574	1,235	6,439	32,887	30,121	4,640	17	6,940	17,287	1,236	195	2,120	37
1947—Dec. 31	20,393	7,179	11,972	1,242	7,261	27,982	25,216	4,453	12	267	19,040	1,445	30	2,259	37
1960—Dec. 31	27,726	18,465	6,980	2,282	10,301	39,767	33,761	5,289	1,216	1,217	21,833	4,206	.....	3,554	15
1961—June 30	28,220	18,054	7,642	2,524	8,616	38,741	32,225	4,211	167	1,380	19,832	6,635	121	3,634	15
Aug. 30	28,505	17,643	8,186	2,676	7,350	37,795	30,352	3,735	166	888	18,639	6,924	902	3,656	15
Dec. 30	30,297	19,535	7,862	2,900	11,164	43,538	36,818	5,296	191	1,267	23,129	6,935	283	3,683	13
1962—Jan. 31	29,672	18,584	8,152	2,936	9,029	40,856	33,050	4,199	182	978	20,463	7,228	949	3,696	13
Feb. 28	29,895	19,067	7,716	3,112	9,878	41,965	33,944	4,241	202	862	21,163	7,476	1,094	3,706	13
Mar. 28	29,650	19,494	6,826	3,330	8,480	40,147	32,496	3,885	209	1,255	19,481	7,666	1,073	3,689	13
Apr. 25 ^p	29,855	19,380	6,948	3,527	8,063	39,851	32,214	3,859	208	860	19,667	7,620	1,065	3,714	13
May 30 ^p	29,534	19,223	7,167	3,144	8,292	39,746	32,586	3,902	211	1,373	19,178	7,922	606	3,741	13
June 27 ^p	30,253	19,246	7,561	3,446	8,883	41,054	33,620	3,962	216	1,790	19,581	8,071	963	3,735	13
July 25 ^p	29,471	18,852	6,995	3,624	7,578	38,990	32,065	3,923	214	937	18,988	8,003	393	3,748	13
Aug. 29 ^p (old basis)	29,672	19,319	6,619	3,734	7,942	39,576	31,775	3,836	210	1,315	18,247	8,167	1,225	3,764	13
Aug. 29 ^p (new basis)	30,090	19,619	6,709	3,762	8,026	40,085	32,214	3,844	210	1,332	18,552	8,276	1,242	3,806	16
City of Chicago: ⁶															
1941—Dec. 31	2,760	954	1,430	376	1,566	4,363	4,057	1,035	.....	127	2,419	476	.....	288	13
1945—Dec. 31	5,931	1,333	4,213	385	1,489	7,459	7,046	1,312	.....	1,552	3,462	719	.....	377	12
1947—Dec. 31	5,088	1,801	2,890	397	1,739	6,866	6,402	1,217	.....	72	4,201	913	.....	426	14
1960—Dec. 31	7,050	4,485	1,882	683	2,046	9,219	8,197	1,380	61	327	4,899	1,530	35	822	10
1961—June 30	7,020	4,249	2,058	714	1,899	9,068	8,037	1,125	10	380	4,602	1,920	10	848	10
Aug. 30	7,165	4,191	2,227	747	1,769	9,073	7,901	1,190	10	281	4,494	1,926	131	852	10
Dec. 30	7,606	4,626	2,041	940	2,603	10,383	9,283	1,624	14	369	5,268	2,008	35	870	9
1962—Jan. 31	7,292	4,353	2,038	901	1,873	9,333	8,201	1,154	16	229	4,713	2,089	65	873	9
Feb. 28	7,508	4,509	2,078	921	1,896	9,576	8,285	1,183	17	222	4,673	2,190	209	874	9
Mar. 28	7,652	4,503	2,183	966	1,788	9,613	8,208	1,194	16	323	4,383	2,292	329	870	9
Apr. 25 ^p	7,504	4,557	1,880	1,067	1,912	9,592	8,421	1,177	18	158	4,676	2,392	73	877	9
May 30 ^p	7,631	4,592	1,926	1,113	1,928	9,720	8,524	1,118	19	356	4,548	2,483	75	884	9
June 27 ^p	7,866	4,632	1,912	1,322	1,892	9,923	8,674	1,149	20	522	4,443	2,540	83	882	9
July 25 ^p	7,765	4,510	1,907	1,348	1,860	9,795	8,584	1,203	17	256	4,489	2,619	75	890	9
Aug. 29 ^p (old basis)	7,883	4,570	1,923	1,390	1,801	9,852	8,580	1,193	17	361	4,353	2,656	117	895	9
Aug. 29 ^p (new basis)	8,201	4,761	2,001	1,439	1,870	10,247	8,934	1,201	17	384	4,554	2,778	122	925	12
Other reserve city: ⁷															
1941—Dec. 31	15,347	7,105	6,467	1,776	8,518	24,430	22,313	4,356	104	491	12,557	4,806	.....	1,967	351
1945—Dec. 31	40,108	8,514	29,552	2,042	11,286	51,898	49,085	6,418	30	8,221	24,655	9,760	2	2,566	359
1947—Dec. 31	36,040	13,449	20,196	2,396	13,066	49,659	46,467	5,627	12	405	28,990	11,423	1	2,844	353
1960—Dec. 31	62,953	40,002	17,396	5,554	18,668	83,464	75,067	7,989	326	1,960	42,267	22,525	73	6,423	217
1961—June 30	63,670	39,747	18,053	5,870	16,529	82,141	73,557	6,335	62	2,241	39,721	25,199	131	6,684	205
Aug. 30	65,112	40,401	18,650	6,061	15,109	82,161	72,926	6,456	57	1,925	38,890	25,598	552	6,744	205
Dec. 30	68,565	42,379	19,748	6,438	20,216	90,815	81,883	8,350	62	2,103	44,986	26,381	81	6,997	206
1962—Jan. 31	68,056	41,887	19,676	6,493	16,479	86,635	76,866	6,745	71	1,621	41,295	27,134	885	7,024	206
Feb. 28	67,806	41,986	19,183	6,637	16,884	86,764	76,989	6,660	77	1,787	40,787	27,678	796	7,071	206
Mar. 28	68,635	42,713	18,840	7,082	16,089	86,762	77,084	6,678	73	2,213	39,743	28,377	836	7,087	206
Apr. 25 ^p	69,238	42,984	18,891	7,363	16,641	87,944	78,042	6,675	77	1,280	41,266	28,744	1,013	7,106	206
May 30 ^p	69,433	43,304	18,585	7,544	16,523	88,089	77,911	6,314	78	2,688	39,611	29,220	1,058	7,162	206
June 27 ^p	70,354	44,110	18,547	7,697	16,926	89,390	79,373	6,517	82	3,542	39,760	29,472	970	7,195	206
July 25 ^p	70,305	43,969	18,482	7,854	16,409	88,886	78,686	6,633	79	1,927	40,367	29,680	1,159	7,181	207
Aug. 29 ^p (old basis)	70,333	44,540	17,987	7,806	16,180	88,626	78,317	6,662	74	2,639	39,126	29,816	1,058	7,214	200
Aug. 29 ^p (new basis)	69,597	44,049	17,819	7,729	16,027	87,722	77,524	6,646	74	2,599	38,620	29,585	1,036	7,142	194
Country member banks: ⁷															
1941—Dec. 31	12,518	5,890	4,377	2,250	6,402	19,466	17,415	792	30	225	10,109	6,258	4	1,982	6,219
1945—Dec. 31	35,002	5,596	26,999	2,408	10,632	46,059	43,418	1,207	17	5,465	24,235	12,494	11	2,525	6,476
1947—Dec. 31	36,324	10,199	22,857	3,268	10,778	47,553	44,443	1,056	17	432	28,378	14,560	23	2,934	6,519
1960—Dec. 31	67,890	36,981	22,848	8,060	14,740	84,126	76,004	1,778	37	1,783	43,395	29,011	23	6,599	5,932
1961—June 30	69,139	37,942	22,608	8,588	13,039	83,769	75,407	1,406	37	1,730	41,413	30,820	121	6,861	5,911
Aug. 30	70,068	38,144	23,295	8,629	12,712	84,206	75,637	1,406	37	1,644	41,404	31,146	237	6,889	5,907
Dec. 30	73,131	39,693	24,407	9,031	15,595	90,376	81,646	1,925	37	1,641	46,211	31,832	40	7,088	5,885
1962—Jan. 31	72,946	39,159	24,707	9,080	13,590	88,137	79,363	1,525	36	1,548	43,816	32,438	239	7,090	5,879
Feb. 28	73,180	39,582	24,490	9,108	13,236	87,905	79,162	1,476	36	1,654	43,048	32,948	165	7,098	5,871
Mar. 28	73,317	39,890	24,187	9,240	12,734	87,592	78,807	1,452	37	1,840	41,945	33,533	142	7,139	5,857
Apr. 25 ^p	74,275	40,503	24,384	9,388	13,046	88,846	79,997	1,467	37	1,208	43,439	33,846	168	7,180	5,846
May 30 ^p	74,582	40,861	24,235	9,486	12,959	89,001	79,957	1,355	37	2,046	42,292	34,227	263	7,228	5,845
June 27 ^p	75,115	41,597	23,922	9,596	12,985	89,636	80,565	1,420	37	2,455	42,045	34,608	277	7,237	5,842
July 25 ^p	75,467	41,436	24,228	9,803	13,154	90,135	81,147	1,482	37	1,832	42,767	35,029	243	7,241	5,833
Aug. 29 ^p	76,510	41,902	24,620	9,988	13,184	91,177	81,995	1,541	37	2,380	42,554	35,483	282	7,339	5,839

For notes see end of table.

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

[Amounts in millions of dollars]

Class of bank and date	Loans and investments						Total assets—Total liabilities and capital accounts ²	Deposits						Borrowings	Total capital accounts	Number of banks
	Total	Loans	Securities		Cash assets ¹	Total ¹		Interbank ²		Other						
			U. S. Govt.	Other				Demand	Time	Demand		Time				
										U. S. Govt.	Other					
Insured commercial banks:																
1941—Dec. 31	49,290	21,259	21,046	6,984	25,788	76,820	69,411	10,654	1,762	41,298	15,699	10	6,844	13,426		
1945—Dec. 31	121,809	25,765	88,912	7,131	34,292	157,544	147,775	13,883	23,740	80,276	29,876	215	8,671	13,297		
1947—Dec. 31	114,274	37,583	67,941	8,750	36,926	152,733	141,851	12,615	54	1,325	92,975	34,882	61	9,734	13,398	
1958—Dec. 31	183,596	97,730	65,669	20,198	48,689	236,724	214,485	15,653	2,209	4,241	129,214	63,168	67	18,154	13,101	
1959—Dec. 31	188,790	110,299	58,348	20,143	49,158	242,828	218,474	15,300	1,358	5,037	130,720	65,858	602	19,206	13,107	
1960—Dec. 31	198,011	117,092	60,468	20,451	51,836	255,669	228,401	16,921	1,667	5,932	132,533	71,348	149	20,628	13,119	
1961—June 30	200,353	117,400	61,297	21,655	45,329	251,910	223,603	13,475	305	6,352	124,403	79,068	433	21,377	13,129	
Dec. 30	213,904	124,348	66,026	23,531	56,086	276,600	247,176	17,737	333	5,934	141,050	82,122	462	22,089	13,108	
National member banks:																
1941—Dec. 31	27,571	11,725	12,039	3,806	14,977	43,433	39,458	6,786	1,088	23,262	8,322	4	3,640	5,117		
1945—Dec. 31	69,312	13,925	51,250	4,137	20,114	90,220	84,939	9,229	14,013	45,473	16,224	78	4,664	5,017		
1947—Dec. 31	65,280	21,428	38,674	5,178	22,024	88,182	82,023	8,375	35	795	53,541	19,278	45	5,409	5,005	
1958—Dec. 31	99,277	52,627	35,714	10,936	26,781	128,397	116,714	9,035	767	2,292	69,808	34,812	43	9,643	4,578	
1959—Dec. 31	102,615	59,962	31,761	10,892	27,464	132,636	119,638	8,947	514	2,742	71,015	36,421	340	10,302	4,542	
1960—Dec. 31	107,546	63,694	32,712	11,140	28,675	139,261	124,911	9,829	611	3,265	71,660	39,546	111	11,098	4,530	
1961—June 30	108,843	63,440	33,522	11,881	25,274	137,299	122,485	7,749	99	3,541	67,601	43,494	355	11,439	4,524	
Dec. 30	116,402	67,309	36,088	13,006	31,078	150,809	135,511	10,359	104	3,315	76,292	45,441	225	11,875	4,513	
State member banks:																
1941—Dec. 31	15,950	6,295	7,500	2,155	8,145	24,688	22,259	3,739	621	13,874	4,025	1	2,246	1,502		
1945—Dec. 31	37,871	8,850	27,089	1,933	9,731	48,084	44,730	4,411	8,166	24,168	7,986	130	2,945	1,867		
1947—Dec. 31	32,566	11,200	19,240	2,125	10,822	43,879	40,505	3,978	15	381	27,068	9,062	9	3,055	1,918	
1958—Dec. 31	55,588	31,435	18,585	5,568	16,407	73,200	66,102	6,192	1,420	1,530	40,640	16,320	10	5,817	1,734	
1959—Dec. 31	55,264	34,817	15,052	5,396	16,045	73,090	65,069	6,102	825	1,763	39,974	16,406	240	5,962	1,691	
1960—Dec. 31	58,073	36,240	16,394	5,439	17,081	77,316	68,118	6,608	1,028	2,022	40,733	17,727	20	6,299	1,644	
1961—June 30	59,207	36,553	16,839	5,815	14,809	76,420	66,741	5,328	177	2,190	37,967	21,080	27	6,588	1,617	
Dec. 30	63,196	38,924	17,971	6,302	18,501	84,303	74,119	6,835	199	2,066	43,303	21,716	213	6,763	1,600	
Insured nonmember commercial banks:																
1941—Dec. 31	5,776	3,241	1,509	1,025	2,668	8,708	7,702	129	53	4,162	3,360	6	959	6,810		
1945—Dec. 31	14,639	2,992	10,584	1,063	4,448	19,256	18,119	244	1,560	10,635	5,680	7	1,083	6,416		
1947—Dec. 31	16,444	4,958	10,039	1,448	4,083	20,691	19,340	262	4	149	12,366	6,558	7	1,271	6,478	
1958—Dec. 31	28,759	13,682	11,381	3,696	5,504	34,737	31,696	426	22	419	18,766	12,063	13	2,696	6,793	
1959—Dec. 31	30,939	15,534	11,546	3,859	5,651	37,132	33,795	451	20	533	19,732	13,059	21	2,944	6,878	
1960—Dec. 31	32,411	17,169	11,368	3,874	6,082	39,114	35,391	484	27	645	20,140	14,095	19	3,232	6,948	
1961—June 30	32,318	17,416	10,941	3,961	5,247	38,206	34,391	398	29	621	18,835	14,509	51	3,351	6,990	
Dec. 30	34,320	18,123	11,972	4,225	6,508	41,504	37,560	543	30	553	21,456	14,979	24	3,452	6,997	
Noninsured nonmember commercial banks:																
1941—Dec. 31	1,457	455	761	241	763	2,283	1,872	329	1,291	253	13	329	852			
1945—Dec. 31	2,211	318	1,693	200	514	2,768	2,452	181	1,905	365	4	279	714			
1947—Dec. 31	2,009	474	1,280	255	576	2,643	2,251	177	185	18	1,392	478	4	325	783	
1958—Dec. 31	1,568	484	707	377	301	1,927	1,532	146	163	9	890	325	6	332	399	
1959—Dec. 31	1,480	534	589	358	309	1,858	1,429	150	83	13	873	311	12	350	366	
1960—Dec. 31	1,498	550	535	413	314	1,883	1,443	159	132	13	846	293	14	358	352	
1961—June 30	1,495	553	526	416	266	1,839	1,394	158	156	10	758	311	10	368	333	
Dec. 30	1,536	577	553	406	346	1,961	1,513	177	148	12	869	307	8	370	323	
Nonmember commercial banks:																
1941—Dec. 31	7,233	3,696	2,270	1,266	3,431	10,992	9,573	457	5,504	3,613	18	1,288	7,662			
1945—Dec. 31	16,849	3,310	12,277	1,262	4,962	22,024	20,571	425	14,101	6,045	11	1,362	7,130			
1947—Dec. 31	18,454	5,432	11,318	1,703	4,659	23,334	21,591	439	167	13,758	7,036	12	1,596	7,261		
1958—Dec. 31	30,327	14,165	12,088	4,074	5,805	36,664	33,227	572	185	428	19,655	12,387	20	3,028	7,192	
1959—Dec. 31	32,419	16,068	12,134	4,216	5,961	38,990	35,224	601	103	545	20,605	13,370	34	3,294	7,244	
1960—Dec. 31	33,910	17,719	11,904	4,287	6,396	40,997	36,834	643	160	657	20,986	14,388	33	3,590	7,300	
1961—June 30	33,813	17,968	11,467	4,377	5,513	40,045	35,785	556	185	631	19,593	14,820	61	3,719	7,323	
Dec. 30	35,856	18,700	12,525	4,631	6,854	43,465	39,073	719	178	565	22,325	15,286	33	3,822	7,320	
Insured mutual savings banks:																
1941—Dec. 31	1,693	642	629	421	151	1,958	1,789			1,789			164	52		
1945—Dec. 31	10,846	3,081	7,160	606	429	11,424	10,363			12			1,034	192		
1947—Dec. 31	12,683	3,560	8,165	958	675	13,499	12,207			2			1,252	194		
1958—Dec. 31	28,980	19,180	5,215	4,585	752	30,189	27,277			2			2,473	241		
1959—Dec. 31	30,580	20,942	5,016	4,622	686	31,743	28,577			2			2,654	268		
1960—Dec. 31	33,794	23,852	4,787	5,155	766	35,092	31,502			1			2,998	325		
1961—June 30	34,764	24,775	4,741	5,248	756	36,074	32,530			1			3,090	325		
Dec. 30	35,660	25,812	4,690	5,158	828	37,065	33,400			1			3,191	330		

For notes see end of table.

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

[Amounts in millions of dollars]

Class of bank and date	Loans and investments					Total assets—Total liabilities and capital accounts ²	Deposits					Borrowings	Total capital accounts	Number of banks	
	Total	Loans	Securities		Cash assets ¹		Total ¹	Interbank ¹		Other					
			U. S. Govt.	Other				Demand	Time	Demand					Time
										U. S. Govt.	Other				
Noninsured mutual savings banks:															
1941—Dec. 31.....	8,687	4,259	3,075	1,353	642	9,846	8,744		6		8,738		1,077	496	
1945—Dec. 31.....	5,361	1,198	3,522	641	180	5,596	5,022		2		5,020	6	558	350	
1947—Dec. 31 ⁴	5,957	1,384	3,813	760	211	6,215	5,556		1	2	5,553		637	339	
1958—Dec. 31.....	7,341	4,177	2,050	1,113	169	7,589	6,763		1		6,762	1	746	278	
1959—Dec. 31.....	6,981	4,184	1,848	949	143	7,200	6,405		1		6,404	1	705	249	
1960—Dec. 31.....	5,320	3,270	1,453	597	107	5,481	4,850				4,850		555	189	
1961—June 30.....	5,580	3,436	1,540	604	106	5,744	5,020			1	5,019	1	570	189	
Dec. 30.....	5,600	3,581	1,446	572	108	5,768	5,087		1	4	5,083		577	184	

¹ Reciprocal balances excluded beginning with 1942. Reclassification of deposits of foreign central banks in May 1961 reduced interbank deposits by a total of \$1,900 million (\$1,500 million time to other time and \$400 million demand to other demand).

² Includes other assets and liabilities not shown separately.

³ See note 4 on page 1185.

⁴ Beginning with Dec. 31, 1947, the series was revised. A net of 115 noninsured nonmember commercial banks with total loans and investments of about \$110 million were added, and 8 banks with total loans and investments of \$34 million were transferred from noninsured mutual savings to nonmember commercial banks.

⁵ Because preliminary data are rounded to the nearest \$10 million, no amount is shown except on call dates for amounts of less than \$5 million.

⁶ These data reflect the reclassification of New York City and city of Chicago as reserve cities effective July 28, 1962. For details see Aug. 1962 BULLETIN, p. 993.

⁷ Beginning with February 1960 reserve city banks with total loans and investments of \$950 million and total deposits of \$1,070 million were reclassified as country banks.

NOTE.—Data are for all commercial and mutual savings banks in the United States (including Alaska and Hawaii, beginning with 1959).

Commercial banks include (1) all nonmember commercial and (2) all member commercial banks. Member banks include (1) a national bank in the Virgin Islands that became a member on May 31, 1957, (2) a noninsured nondeposit trust company, and (3) a mutual savings bank (2 before July 1961 and 3 before 1960) that became a member in 1941 (these banks are excluded from commercial banks).

Stock savings banks and nondeposit trust cos. are included with commercial banks. Number of banks includes a few noninsured banks, for which asset and liability data are not available. Comparability of figures for classes of banks is affected somewhat by changes in F. R. membership, deposit insurance status, and the reserve classifications of cities and individual banks, and by mergers, etc.

Figures are partly estimated except on call dates.

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

LOANS AND INVESTMENTS AT COMMERCIAL BANKS

[In billions of dollars]

Period	Seasonally adjusted				Not seasonally adjusted			
	Total ¹	Loans ¹	Securities		Total ¹	Loans ¹	Securities	
			U. S. Govt.	Other			U. S. Govt.	Other
1955.....	157.6	80.5	60.4	16.7	160.3	82.0	61.6	16.7
1956.....	161.6	88.0	57.3	16.3	164.5	89.7	58.6	16.3
1957.....	166.4	91.4	57.0	17.9	169.3	93.2	58.2	17.9
1958.....	181.0	95.6	64.9	20.5	184.4	97.5	66.4	20.6
1959.....	185.7	107.8	57.6	20.4	189.5	110.0	58.9	20.5
1960.....	194.5	114.2	59.6	20.7	198.5	116.7	61.0	20.9
1961.....	209.6	121.1	64.7	23.8	214.4	123.9	66.6	23.9
1961—Aug.....	204.0	116.3	65.1	22.6	203.0	116.3	64.2	22.5
Sept.....	206.7	117.4	66.1	23.2	207.5	118.1	66.1	23.3
Oct.....	207.1	118.6	65.3	23.2	208.3	118.5	66.6	23.2
Nov.....	208.3	119.4	65.3	23.6	209.1	119.5	66.2	23.4
Dec.....	209.6	121.1	64.7	23.8	214.4	123.9	66.6	23.9
1962—Jan.....	210.7	120.8	65.7	24.2	210.9	119.6	67.2	24.1
Feb.....	213.3	122.6	66.1	24.6	211.6	121.1	66.0	24.5
Mar.....	215.2	123.8	66.1	25.3	212.4	122.6	64.4	25.4
Apr ^p	214.9	124.4	64.5	26.0	214.7	123.9	64.6	26.2
May ^p	216.1	124.5	65.4	26.2	215.0	124.5	64.3	26.2
June ^p	218.9	125.5	66.4	27.0	217.8	126.6	64.2	27.0
July ^p	217.4	125.7	63.9	27.8	217.4	125.7	64.0	27.7
Aug ^p	219.9	126.9	64.9	28.1	218.6	126.9	63.7	28.0

¹ Adjusted to exclude interbank loans.

Dec. 31 call dates). For description of seasonally adjusted series and back data, see July 1962 BULL., pp. 797-802.

NOTE.—Data are for last Wed. of month (except for June 30 and

RESERVES AND LIABILITIES BY CLASS OF BANK

[In millions of dollars]

Class of bank and call date	Re-serves with F. R. Banks	Cur-rency and coin	Bal-ances with do-mestic banks ⁴	De-mand de-posits ad-justed ⁵	Demand deposits					Time deposits				Bor-rowings	Cap-i-tal ac-counts	
					Interbank		U. S. Govt.	State and local govt.	Certi-fied and offi-cers' checks, etc.	IPC	Inter-bank	U. S. Govt. and Postal Sav-ings	State and local govt.			IPC
					Do-mestic ⁴	For-ign ⁶										
Total:²																
1947—Dec. 31....	17,796	2,216	10,216	87,123	11,362	1,430	1,343	6,799	2,581	84,987	240	111	866	34,383	65	10,059
1960—Dec. 31....	16,720	3,346	13,681	115,120	15,453	1,627	5,945	11,674	4,602	117,103	1,799	262	4,544	66,836	163	20,986
1961—June 30....	16,488	2,903	11,184	112,030	12,568	1,064	6,362	11,849	3,759	109,553	461	288	5,266	73,826	443	21,745
Dec. 30....	16,918	3,689	14,169	122,654	16,574	1,340	5,946	12,242	5,056	124,622	481	283	5,465	76,680	471	22,459
1962—Mar. 26 ⁴	16,520	3,760	11,270	114,720	12,710	1,140	6,780	11,280	3,540	111,460	390	280	6,070	81,680	2,130	22,790
All insured:																
1941—Dec. 31....	12,396	1,358	8,570	37,845	9,823	673	1,762	3,677	1,077	36,544	158	59	492	15,146	10	6,844
1945—Dec. 31....	15,810	1,829	11,075	74,722	12,566	1,248	23,740	5,098	2,585	72,593	70	103	496	29,277	215	8,671
1947—Dec. 31....	17,796	2,145	9,736	85,751	11,236	1,379	1,325	6,692	2,559	83,723	54	111	826	33,946	61	9,734
1960—Dec. 31....	16,720	3,326	13,409	114,292	15,339	1,582	5,932	11,582	4,564	116,388	1,667	262	4,481	66,605	149	20,628
1961—June 30....	16,488	2,885	10,959	111,187	12,443	1,031	6,352	11,754	3,725	108,924	305	288	5,209	73,572	433	21,377
Dec. 30....	16,918	3,670	13,871	121,671	16,440	1,298	5,934	12,149	5,023	123,878	333	283	5,412	76,426	462	22,089
1962—Mar. 26....	16,518	3,740	11,039	113,838	12,625	1,128	6,768	11,192	3,522	110,793	364	284	6,013	81,412	2,117	22,442
Member, total:																
1941—Dec. 31....	12,396	1,087	6,246	33,754	9,714	671	1,709	3,066	1,009	33,061	140	50	418	11,878	4	5,886
1945—Dec. 31....	15,811	1,438	7,117	64,184	12,333	1,243	22,179	4,240	2,450	62,950	64	99	399	23,712	208	7,589
1947—Dec. 31....	17,797	1,672	6,270	73,528	10,978	1,375	1,176	5,504	2,401	72,704	50	105	693	27,542	54	8,464
1960—Dec. 31....	16,720	2,518	8,582	94,594	14,875	1,561	5,287	9,016	4,244	99,134	1,639	237	3,559	53,477	130	17,398
1961—June 30....	16,488	2,142	6,897	92,750	12,061	1,016	5,731	9,241	3,441	92,886	276	263	4,203	60,108	382	18,027
Dec. 30....	16,918	2,813	8,724	100,660	15,924	1,270	5,381	9,487	4,654	105,454	303	260	4,371	62,526	438	18,638
1962—Mar. 26....	16,519	2,866	6,833	94,164	12,203	1,108	6,125	8,616	3,258	93,661	332	261	4,866	66,655	2,063	18,884
June 30....	16,839	2,399	7,182	93,555	12,633	1,163	8,734	9,107	4,080	94,826	351	274	5,096	69,793	735	19,179
New York City:³																
1941—Dec. 31....	5,105	93	141	10,761	3,595	607	866	319	450	11,282	6	.....	29	778	.....	1,648
1945—Dec. 31....	4,015	111	78	15,065	3,535	1,105	6,940	237	1,338	15,712	17	10	20	1,206	195	2,120
1947—Dec. 31....	4,639	151	70	16,653	3,236	1,217	2,679	290	1,105	17,646	12	12	14	1,418	30	2,259
1960—Dec. 31....	3,398	199	147	15,352	4,105	1,184	1,217	305	2,476	19,051	1,216	27	203	3,976	.....	3,554
1961—June 30....	3,563	130	98	16,119	3,462	749	1,180	365	1,825	17,642	167	44	245	6,346	121	3,634
Dec. 30....	3,286	240	143	17,089	4,330	967	1,267	333	2,583	20,213	191	38	162	6,735	283	3,683
1962—Mar. 26....	3,271	231	68	16,005	3,215	824	1,379	243	1,830	17,271	198	43	220	7,387	829	3,707
June 30....	3,495	165	106	15,796	3,643	874	1,918	327	2,390	17,580	210	53	221	7,824	381	3,761
City of Chicago:³																
1941—Dec. 31....	1,021	43	298	2,215	1,027	8	127	233	34	2,152	.....	.....	.....	476	.....	288
1945—Dec. 31....	942	36	200	3,153	1,292	20	1,552	237	66	3,160	.....	.....	.....	719	.....	377
1947—Dec. 31....	1,070	30	175	3,737	1,196	21	72	285	63	3,853	.....	2	9	902	.....	426
1960—Dec. 31....	899	33	171	3,968	1,327	53	327	298	102	4,499	61	2	7	1,521	35	822
1961—June 30....	994	28	111	3,881	1,093	33	380	364	113	4,125	10	2	8	1,910	10	848
Dec. 30....	889	37	158	3,809	1,578	45	369	315	124	4,830	14	5	8	1,996	35	870
1962—Mar. 26....	981	34	94	3,782	1,090	39	369	222	85	4,022	16	5	8	2,280	357	870
June 30....	916	31	94	3,728	1,083	44	546	330	109	4,082	18	7	10	2,581	34	894
Reserve city:																
1941—Dec. 31....	4,060	425	2,590	11,117	4,302	54	491	1,144	286	11,127	104	20	243	4,542	.....	1,967
1945—Dec. 31....	6,326	494	2,174	22,372	6,307	110	8,221	1,763	611	22,281	30	38	160	9,563	2	2,566
1947—Dec. 31....	7,095	562	2,125	25,714	5,497	131	405	2,282	705	26,003	22	45	332	11,045	1	2,844
1960—Dec. 31....	7,354	753	2,610	34,357	7,688	301	1,960	3,329	953	37,986	326	85	1,787	20,652	73	6,423
1961—June 30....	7,104	654	2,071	33,432	6,115	220	2,241	3,286	845	35,590	62	101	2,197	22,901	131	6,684
Dec. 30....	7,533	858	2,542	36,187	8,107	243	2,103	3,520	1,152	40,315	62	110	2,310	23,962	81	6,997
1962—Mar. 26....	7,445	897	2,137	34,137	6,460	231	2,436	3,057	773	35,939	73	110	2,512	25,684	752	7,070
June 30....	7,406	764	2,111	33,710	6,394	228	3,670	3,191	907	36,504	75	110	2,706	26,847	240	7,201
Country:																
1941—Dec. 31....	2,210	526	3,216	9,661	790	2	225	1,370	239	8,500	30	31	146	6,082	4	1,982
1945—Dec. 31....	4,527	796	4,665	23,595	1,199	8	5,465	2,004	435	21,797	17	52	219	12,224	11	2,525
1947—Dec. 31....	4,993	929	3,900	27,424	1,049	7	432	2,647	528	25,203	17	45	337	14,177	23	2,934
1960—Dec. 31....	5,070	1,534	5,655	40,917	1,755	23	1,783	5,083	713	37,598	37	122	1,562	27,327	23	6,599
1961—June 30....	4,828	1,329	4,618	39,318	1,392	14	1,730	5,226	657	35,530	37	116	1,752	28,952	121	6,861
Dec. 30....	5,210	1,678	5,881	43,575	1,910	15	1,641	5,320	796	40,095	37	108	1,891	29,834	40	7,088
1962—Mar. 26....	4,822	1,705	4,535	40,240	1,438	14	1,940	5,093	570	36,429	45	103	2,125	31,304	126	7,237
June 30....	5,023	1,438	4,872	40,321	1,512	17	2,601	5,261	676	36,660	48	104	2,158	32,541	80	7,323
Nonmember:²																
1947—Dec. 31....	.....	544	3,947	13,595	385	55	167	1,295	180	12,284	190	6	172	6,858	12	1,596
1960—Dec. 31....	.....	828	5,099	20,525	578	65	657	2,658	357	17,970	160	25	985	13,378	33	3,590
1961—June 30....	.....	761	4,288	19,280	507	49	631	2,609	318	16,666	185	25	1,063	13,732	61	3,720
Dec. 30....	.....	876	5,446	21,994	649	70	565	2,755	402	19,168	178	23	1,094	14,169	33	3,822

⁴ Beginning with 1942, excludes reciprocal bank balances.

⁵ Through 1960, demand deposits other than interbank and U. S. Govt., less cash items in process of collection; beginning with 1961, demand deposits other than domestic commercial interbank and U. S. Govt., less cash items in process of collection.

⁶ Beginning with June 1961, reclassification of deposits of foreign central banks reduced foreign interbank demand deposits by about \$400 million and interbank time deposits by about \$1,500 million. These amounts are now included in demand and time deposits of individuals, partnerships, and corporations.

NOTE.—Data are for all commercial banks in the United States. These figures exclude data for banks in U. S. possessions except for member banks. During 1941 3 mutual savings banks became members of the FRB; these banks (2 beginning with June 1960 and 1 beginning Sept. 1961) are included in member banks but are not included in all insured or total banks. Comparability of figures for classes of banks is affected somewhat by changes in F. R. membership, deposit insurance status, and the reserve classifications of cities and individual banks, and by mergers, etc.

For other notes see opposite page.

ASSETS AND LIABILITIES OF BANKS IN LEADING CITIES

[In millions of dollars]

Wednesday	Total loans and investments ¹	Loans and investments adjusted ²	Loans adjusted ²	Commercial and industrial	Agricultural	Loans										Real estate	All other	Valuation reserves
						For purchasing or carrying securities				To financial institutions								
						To brokers and dealers		To others		Bank		Nonbank						
						U. S. Govt. securities	Other securities	U. S. Govt. securities	Other securities	Foreign	Domestic commercial	Pers. and sales finan. cos., etc.	Other					
<i>Total—Leading Cities</i>																		
1961																		
Aug. 2	116,510	114,923	70,072	31,499	1,091	620	2,003	106	1,371	582	1,587	3,321	1,745	12,956	16,346	1,568		
9	115,233	114,041	69,623	31,359	1,095	434	1,948	110	1,367	572	1,192	3,266	1,763	12,973	16,304	1,568		
16	116,194	114,555	70,040	31,592	1,101	529	1,893	106	1,370	580	1,639	3,379	1,781	13,002	16,278	1,571		
23	115,649	114,224	69,704	31,498	1,116	426	1,847	104	1,378	551	1,425	3,304	1,786	13,038	16,224	1,568		
30	115,779	114,301	69,551	31,476	1,112	279	1,857	102	1,377	565	1,478	3,254	1,790	13,055	16,253	1,569		
1962																		
July 4	124,658	122,775	75,900	33,183	1,381	513	1,980	89	1,317	767	1,883	3,703	2,486	14,311	17,894	1,724		
11	123,934	122,506	75,539	33,278	1,384	423	1,776	91	1,311	770	1,428	3,471	2,484	14,400	17,877	1,726		
18	123,475	122,271	75,339	33,038	1,396	449	1,749	86	1,319	753	1,204	3,453	2,521	14,469	17,831	1,725		
25	123,213	121,657	75,026	32,954	1,408	289	1,755	83	1,314	736	1,556	3,359	2,528	14,506	17,818	1,724		
Aug. 1	124,212	122,314	75,732	33,146	1,221	363	1,916	92	1,303	740	1,898	3,717	2,542	14,525	17,895	1,728		
8	122,947	121,149	75,236	33,120	1,214	199	1,886	79	1,299	753	1,798	3,480	2,536	14,542	17,856	1,728		
15	124,437	122,717	76,074	33,360	1,218	452	2,009	83	1,306	739	1,720	3,602	2,584	14,604	17,847	1,730		
22	123,850	122,328	75,924	33,418	1,230	349	1,876	79	1,298	740	1,522	3,557	2,582	14,656	17,869	1,730		
29	124,105	122,068	75,975	33,442	1,230	298	1,926	80	1,300	744	2,037	3,505	2,599	14,696	17,883	1,728		
<i>New York City</i>																		
1961																		
Aug. 2	28,691	28,017	17,623	10,447	3	470	1,274	20	420	296	674	1,071	307	764	2,990	439		
9	27,896	27,610	17,256	10,292	3	306	1,231	20	421	293	286	1,072	310	771	2,976	439		
16	28,403	27,884	17,334	10,358	3	281	1,179	20	424	307	519	1,147	311	767	2,977	440		
23	28,210	27,618	17,048	10,303	4	196	1,147	20	426	285	592	1,084	306	775	2,942	440		
30	28,226	27,682	16,939	10,284	4	147	1,151	20	426	289	544	1,030	301	774	2,952	439		
1962																		
July 4	30,292	29,534	18,598	10,913	9	234	1,046	14	400	393	758	1,243	522	982	3,334	492		
11	29,703	29,194	18,350	10,948	9	214	897	14	400	387	509	1,121	523	1,010	3,320	493		
18	29,424	28,977	18,165	10,775	9	236	904	15	408	378	447	1,100	518	1,016	3,299	493		
25	29,268	28,568	18,010	10,788	9	156	886	15	408	368	700	1,049	517	1,020	3,287	493		
Aug. 1	29,885	29,139	18,574	10,930	8	192	1,026	13	404	373	746	1,300	528	1,018	3,277	495		
8	29,039	28,401	18,171	10,900	8	103	973	13	402	380	638	1,091	534	1,023	3,239	495		
15	29,782	29,238	18,680	11,007	8	319	1,048	14	404	365	544	1,216	540	1,024	3,230	495		
22	29,174	28,862	18,440	11,002	8	160	942	14	403	364	312	1,197	555	1,037	3,254	496		
29	29,467	28,738	18,447	11,013	7	145	996	14	404	364	729	1,150	562	1,052	3,236	496		
<i>Outside New York City</i>																		
1961																		
Aug. 2	87,819	86,906	52,449	21,052	1,088	150	729	86	951	286	913	2,250	1,438	12,192	13,356	1,129		
9	87,337	86,431	52,367	21,067	1,092	128	717	90	946	279	906	2,194	1,453	12,202	13,328	1,129		
16	87,791	86,671	52,706	21,234	1,098	248	714	86	946	273	1,120	2,232	1,470	12,235	13,301	1,131		
23	87,439	86,606	52,656	21,195	1,112	230	700	84	952	266	833	2,220	1,480	12,263	13,282	1,128		
30	87,553	86,619	52,612	21,192	1,108	132	706	82	951	276	934	2,224	1,489	12,281	13,301	1,130		
1962																		
July 4	94,366	93,241	57,302	22,270	1,372	279	934	75	917	374	1,125	2,460	1,964	13,329	14,560	1,232		
11	94,231	93,312	57,189	22,330	1,375	209	879	77	911	383	919	2,350	1,961	13,390	14,557	1,233		
18	94,051	93,294	57,174	22,263	1,387	213	845	71	911	375	757	2,353	2,003	13,453	14,532	1,232		
25	93,945	93,089	57,016	22,166	1,399	133	869	68	906	368	856	2,310	2,011	13,486	14,531	1,231		
Aug. 1	94,327	93,175	57,158	22,216	1,213	171	890	79	899	367	1,152	2,417	2,014	13,507	14,618	1,233		
8	93,908	92,748	57,065	22,220	1,206	96	913	66	897	373	1,160	2,389	2,002	13,519	14,617	1,233		
15	94,655	93,479	57,394	22,353	1,210	133	961	69	902	374	1,176	2,386	2,044	13,580	14,617	1,235		
22	94,676	93,466	57,484	22,416	1,222	189	934	65	895	376	1,210	2,360	2,027	13,619	14,615	1,234		
29	94,638	93,330	57,528	22,429	1,223	153	930	66	896	380	1,308	2,355	2,037	13,644	14,647	1,232		

For notes see p. 1194.

ASSETS AND LIABILITIES OF BANKS IN LEADING CITIES—Continued

[In millions of dollars]

Wednesday	Investments						Other securities	Cash assets ³					All other assets	Total assets— Total liabilities and capital accounts
	U. S. Government securities							Total	Balances with domestic banks	Balances with foreign banks	Currency and coin	Reserves with F. R. Banks		
	Total	Bills	Certificates	Notes and bonds maturing—										
				With-in 1 year	1 to 5 years	After 5 years								
<i>Total—Leading Cities</i>														
1961														
Aug. 2	33,790	5,856	1,556	5,498	16,385	4,495	11,061	16,807	2,802	124	1,342	12,539	4,342	149,418
9	33,327	5,386	1,540	5,345	16,565	4,491	11,091	16,887	2,644	121	1,360	12,762	4,375	147,253
16	33,328	5,461	1,520	6,212	15,944	4,191	11,187	16,827	2,853	125	1,347	12,502	4,290	149,734
23	33,322	5,394	1,522	6,312	15,944	4,150	11,198	16,446	2,785	118	1,403	12,140	4,260	146,964
30	33,464	5,632	1,521	6,267	15,918	4,126	11,286	16,330	2,607	130	1,462	12,131	4,364	146,843
1962														
July 4	32,195	3,822	2,124	6,800	14,814	4,635	14,680	18,112	3,112	156	1,419	13,425	4,612	162,132
11	32,237	3,896	2,105	6,778	14,808	4,650	14,730	17,194	2,921	162	1,616	12,495	4,594	159,345
18	32,245	4,024	2,109	6,759	14,731	4,622	14,687	17,725	2,895	154	1,566	13,110	4,596	159,679
25	31,745	3,624	2,095	6,754	14,668	4,604	14,886	17,010	2,807	155	1,582	12,466	4,641	156,239
Aug. 1	31,638	3,573	2,085	6,737	14,667	4,576	14,944	17,453	2,911	152	1,483	12,907	4,754	159,825
8	30,959	3,035	2,077	6,664	14,626	4,557	14,954	17,178	2,683	150	1,499	12,846	4,725	156,300
15	31,747	3,283	2,971	7,135	13,083	5,275	14,896	17,448	2,999	159	1,508	12,782	4,559	161,317
22	31,450	3,103	2,980	7,240	12,906	5,221	14,954	17,473	2,679	164	1,569	13,061	4,443	157,527
29	31,075	2,833	2,968	7,369	12,680	5,225	15,018	17,089	2,674	161	1,630	12,624	4,599	157,219
<i>New York City</i>														
1961														
Aug. 2	7,858	1,852	521	1,203	3,457	825	2,536	3,750	70	54	182	3,444	1,859	38,311
9	7,814	1,814	513	1,147	3,514	826	2,540	3,926	77	46	180	3,623	1,904	37,547
16	7,967	1,993	510	1,398	3,264	802	2,583	3,725	58	54	177	3,436	1,859	37,896
23	7,972	1,981	510	1,440	3,249	792	2,598	3,620	61	50	173	3,336	1,866	37,286
30	8,069	2,197	493	1,327	3,270	782	2,674	3,742	61	62	187	3,432	1,914	37,448
1962														
July 4	7,388	1,845	432	1,476	2,578	1,057	3,548	4,073	88	79	220	3,686	1,851	41,370
11	7,290	1,758	440	1,455	2,583	1,054	3,554	3,635	75	82	227	3,251	1,879	39,752
18	7,268	1,811	438	1,450	2,538	1,031	3,544	4,101	88	78	217	3,718	1,865	40,265
25	6,937	1,513	444	1,465	2,497	1,018	3,621	3,737	82	84	218	3,353	1,910	38,725
Aug. 1	6,895	1,469	442	1,467	2,513	1,004	3,670	4,065	64	77	214	3,710	1,899	40,621
8	6,556	1,198	437	1,424	2,499	998	3,674	3,918	80	78	219	3,541	1,935	38,681
15	6,895	1,303	729	1,541	2,145	1,177	3,663	3,783	75	92	216	3,400	1,838	40,756
22	6,721	1,212	688	1,521	2,157	1,143	3,701	4,115	72	84	221	3,738	1,824	39,087
29	6,560	1,024	698	1,523	2,169	1,146	3,731	3,891	66	88	230	3,507	1,927	39,310
<i>Outside New York City</i>														
1961														
Aug. 2	25,932	4,004	1,035	4,295	12,928	3,670	8,525	13,057	2,732	70	1,160	9,095	2,483	111,107
9	25,513	3,572	1,027	4,198	13,051	3,665	8,551	12,961	2,567	75	1,180	9,139	2,471	109,706
16	25,361	3,468	1,010	4,814	12,680	3,389	8,604	13,102	2,795	71	1,170	9,066	2,431	111,838
23	25,350	3,413	1,012	4,872	12,695	3,358	8,600	12,826	2,724	68	1,230	8,804	2,394	109,678
30	25,395	3,435	1,028	4,940	12,648	3,344	8,612	12,588	2,546	68	1,275	8,699	2,450	109,395
1962														
July 4	24,807	1,977	1,692	5,324	12,236	3,578	11,132	14,039	3,024	77	1,199	9,739	2,761	120,762
11	24,947	2,138	1,665	5,323	12,225	3,596	11,176	13,559	2,846	80	1,389	9,244	2,715	119,593
18	24,977	2,213	1,671	5,309	12,193	3,591	11,143	13,624	2,807	76	1,349	9,392	2,731	119,414
25	24,808	2,111	1,651	5,289	12,171	3,586	11,265	13,273	2,725	71	1,364	9,113	2,731	117,514
Aug. 1	24,743	2,104	1,643	5,270	12,154	3,572	11,274	13,388	2,847	75	1,269	9,197	2,855	119,204
8	24,403	1,837	1,640	5,240	12,127	3,559	11,280	13,260	2,603	72	1,280	9,305	2,790	117,619
15	24,852	1,980	2,242	5,594	10,938	4,098	11,233	13,665	2,924	67	1,292	9,382	2,721	120,561
22	24,729	1,891	2,292	5,719	10,749	4,078	11,253	13,358	2,607	80	1,348	9,323	2,619	118,440
29	24,515	1,809	2,270	5,846	10,511	4,079	11,287	13,198	2,608	73	1,400	9,117	2,672	117,909

For notes see p. 1194.

ASSETS AND LIABILITIES OF BANKS IN LEADING CITIES—Continued

[In millions of dollars]

Wednesday	Deposits											Borrowings		Other liabilities	Capital accounts		
	Total unad-justed ⁴	De-mand de-posits ad-justed ⁵	Demand					Time				From F. R. Banks	From others				
			Total ⁶	IPC	State and local govt.	For-ign ⁷	U. S. Govt.	Do-mestic com-mercial banks	Total ⁸	Sav-ings	Other time						
											IPC					State and local govt.	For-ign ⁷
<i>Total—Leading Cities</i>																	
<i>1961</i>																	
Aug. 2	129,731	62,381	89,427	64,044	5,107	1,682	4,086	11,201	40,304	28,862	6,389	2,783	1,962	122	1,714	5,241	12,610
9	127,484	61,998	87,046	63,157	4,776	1,593	3,079	11,211	40,438	28,955	6,394	2,799	1,975	399	1,439	5,305	12,626
16	129,587	61,017	89,113	64,013	4,712	1,689	4,116	11,557	40,474	28,985	6,336	2,811	2,022	88	1,947	5,488	12,624
23	127,367	61,434	86,846	62,748	4,702	1,667	3,748	11,055	40,521	29,015	6,351	2,811	2,027	5	1,561	5,409	12,622
30	127,039	61,855	86,379	62,935	4,847	1,598	3,568	10,586	40,660	29,030	6,415	2,817	2,083	26	1,674	5,449	12,655
<i>1962</i>																	
July 4	141,339	60,865	94,152	64,819	5,100	1,718	6,626	11,911	47,187	32,740	8,437	3,405	2,228	45	2,279	5,147	13,322
11	138,884	61,567	91,629	65,190	4,632	1,645	4,450	11,989	47,255	32,887	8,415	3,319	2,252	10	1,916	5,224	13,311
18	138,776	61,768	91,537	65,639	4,595	1,752	3,969	11,917	47,239	32,981	8,343	3,283	2,251	634	1,697	5,302	13,270
25	135,872	62,819	88,615	64,644	4,771	1,655	3,557	10,864	47,257	33,044	8,296	3,273	2,263	72	1,657	5,364	13,274
Aug. 1	138,769	62,451	91,527	65,116	5,129	1,671	4,369	11,301	47,242	33,114	8,251	3,252	2,269	133	2,136	5,426	13,361
8	134,707	61,308	87,326	63,018	4,953	1,611	3,070	11,498	47,381	33,242	8,260	3,233	2,289	566	2,219	5,436	13,372
15	140,054	60,518	92,583	64,914	4,848	1,644	5,321	11,871	47,471	33,304	8,296	3,239	2,274	268	2,188	5,453	13,354
22	136,323	60,484	88,735	62,687	4,697	1,605	5,413	11,077	47,588	33,374	8,354	3,246	2,259	494	2,002	5,370	13,338
29	135,630	60,638	87,901	62,583	4,622	1,565	4,917	10,920	47,729	33,404	8,428	3,255	2,282	77	2,547	5,575	13,390
<i>New York City</i>																	
<i>1961</i>																	
Aug. 2	31,234	16,197	24,506	16,660	265	1,261	1,238	3,060	6,728	2,673	2,140	248	1,533	76	638	2,734	3,629
9	30,276	15,949	23,537	16,336	234	1,181	937	2,830	6,739	2,685	2,121	253	1,541	123	719	2,792	3,637
16	30,525	15,795	23,735	16,408	260	1,263	1,088	2,943	6,790	2,694	2,111	260	1,584	.....	906	2,826	3,639
23	30,132	15,845	23,319	16,229	239	1,229	962	2,922	6,813	2,697	2,121	262	1,592	.....	671	2,845	3,638
30	30,047	15,967	23,190	16,422	324	1,138	887	2,770	6,857	2,709	2,141	250	1,617	18	891	2,865	3,627
<i>1962</i>																	
July 4	33,916	15,709	25,915	16,725	420	1,276	1,883	3,169	8,001	3,555	2,481	198	1,589	.....	1,044	2,648	3,762
11	32,434	15,695	24,399	16,421	284	1,217	1,212	2,957	8,035	3,586	2,455	195	1,614	.....	837	2,726	3,755
18	32,823	15,640	24,802	16,626	271	1,335	1,035	3,252	8,021	3,605	2,424	199	1,609	177	850	2,826	3,745
25	31,820	16,158	23,808	16,588	260	1,234	938	2,902	8,012	3,625	2,392	193	1,618	.....	400	2,758	3,747
Aug. 1	33,115	15,998	25,099	16,743	296	1,229	1,246	3,083	8,016	3,643	2,375	197	1,620	.....	1,026	2,702	3,778
8	30,962	15,295	22,897	15,728	256	1,198	886	2,927	8,065	3,677	2,388	195	1,623	115	1,085	2,738	3,781
15	33,214	15,119	25,126	16,362	293	1,202	1,492	3,162	8,088	3,687	2,408	199	1,610	29	1,046	2,691	3,776
22	31,564	15,217	23,442	15,756	247	1,165	1,457	2,794	8,122	3,700	2,438	201	1,604	108	976	2,676	3,763
29	31,523	15,139	23,354	15,727	206	1,141	1,319	2,871	8,169	3,698	2,472	205	1,614	8	1,234	2,782	3,763
<i>Outside New York City</i>																	
<i>1961</i>																	
Aug. 2	98,497	46,184	64,921	47,384	4,842	421	2,848	8,141	33,576	26,189	4,249	2,535	429	46	1,076	2,507	8,981
9	97,208	46,049	63,509	46,821	4,542	412	2,142	8,381	33,699	26,270	4,273	2,546	434	276	720	2,513	8,989
16	99,062	45,222	65,378	47,605	4,452	426	3,028	8,614	33,684	26,291	4,225	2,551	438	88	1,041	2,662	8,985
23	97,235	45,589	63,527	46,519	4,463	438	2,786	8,133	33,708	26,318	4,230	2,549	435	5	890	2,564	8,984
30	96,992	45,888	63,189	46,513	4,523	460	2,681	7,816	33,803	26,321	4,274	2,567	466	8	783	2,584	9,028
<i>1962</i>																	
July 4	107,423	45,156	68,237	48,094	4,680	442	4,743	8,742	39,186	29,185	5,956	3,207	639	45	1,235	2,499	9,560
11	106,450	45,872	67,230	48,769	4,348	428	3,238	9,032	39,220	29,301	5,960	3,124	638	10	1,079	2,498	9,556
18	105,953	46,128	66,735	49,013	4,324	417	2,934	8,665	39,218	29,376	5,919	3,084	642	457	847	2,632	9,525
25	104,052	46,661	64,807	48,056	4,511	421	2,619	7,962	39,245	29,419	5,904	3,080	645	72	1,257	2,606	9,527
Aug. 1	105,654	46,453	66,428	48,373	4,833	442	3,123	8,218	39,226	29,471	5,876	3,055	649	133	1,110	2,724	9,583
8	103,745	46,013	64,429	47,290	4,697	413	2,184	8,571	39,316	29,565	5,872	3,038	666	451	1,134	2,698	9,591
15	106,840	45,399	67,457	48,552	4,555	442	3,829	8,709	39,383	29,617	5,888	3,040	664	239	1,142	2,762	9,578
22	104,759	45,267	65,293	46,931	4,450	440	3,956	8,283	39,466	29,674	5,916	3,045	655	386	1,026	2,694	9,575
29	104,107	45,499	64,547	46,856	4,416	424	3,598	8,049	39,560	29,706	5,956	3,050	668	69	1,313	2,793	9,627

¹ After deduction of valuation reserves.
² Exclusive of loans to domestic commercial banks and after deduction of valuation reserves; individual loan items are shown gross.
³ Excludes cash items in process of collection.
⁴ Total demand and total time deposits.
⁵ Demand deposits other than domestic commercial interbank and U. S. Govt., less cash items in process of collection.
⁶ Includes certified and officers' checks and deposits of mutual savings banks, not shown separately.
⁷ Deposits of foreign governments and official institutions, central banks, international institutions, banks in foreign countries, and foreign branches of U. S. banks other than reporting bank.
⁸ Includes U. S. Govt., postal savings, domestic commercial interbank, and mutual savings banks, not shown separately.

COMMERCIAL AND INDUSTRIAL LOANS OF WEEKLY REPORTING MEMBER BANKS

[Net change in millions of dollars]

Industry ¹	Week					Month			Quarter			Half year	
	1962					1962			1962		1961		
	Aug. 29	Aug. 22	Aug. 15	Aug. 8	Aug. 1	Aug.	July	June	II	I	IV	1st.	1st.
Classification basis	New												Old
Durable goods manufacturing:													
Primary metals	16	11	1	-1	8	24	-62	8	-119	-12	68	-131	
Machinery	-18	-11	17	-8	22	2	-40	25	-50	138	-75	89	-100
Transportation equipment	-18	7	46	5	40	80	-152	55	27	69	26	96	
Other fabricated metal products	-12	-7		-2	8	-14	-26	41	50	76	-41	126	
Other durable goods	-5	5	5	10	5	19	90	51	112	16	-103	128	
Nondurable goods manufacturing:													
Food, liquor, and tobacco	35	-28	46	-23	22	52	-101	31	-152	-345	397	-497	-498
Textiles, apparel, and leather	21	12	32	26	9	101	9	35	42	247	-290	289	177
Petroleum refining	-1	-5	-2	3	12	7	-7	-12	-14	-53	60	-67	81
Chemicals and rubber	-8	-7	7	3	-21	-26	-77	14	37	39	-25	76	
Other nondurable goods	5	7	10	6	-3	25	-35	68	164	10	-64	174	
Mining, including crude petroleum and natural gas	-16		2	4	-10	-19	-10	-10	8	170	380	178	249
Trade: Commodity dealers	20	2	10	-4	14	42	3	-34	-161	-77	357	-237	-325
Other wholesale	8	-2	5	1	19	32	-1	32	52	-18	51	34	-175
Retail	-17	15	25	-7	8	25	-18	2	2	10	10	61	
Transportation, communication, and other public utilities	12	49	15	-16	35	94	3	24	-223	-288	233	-510	-330
Construction	-17	7	26		7	23	10	28	164	18	9	182	53
All other types of business, mainly services	8	-29	-7	-22	11	-40	21	62	127	79	297	205	406
Net change in classified loans	15	15	239	-26	187	429	-391	424	116	80	1,292	196	-463
Commercial and industrial change— all weekly reporting banks	24	58	240	-26	192	488	-400	500	340	94	1,115	434	2-387

¹ Because of reclassifications as of Sept. 27, 1961, many categories are not strictly comparable with prior data; for example, new "mining" includes a part of old "other manufacturing and mining," with which it is compared; a part of "metals and metal products"; and coal, crude petroleum, and natural gas from old "petroleum, coal, chemicals, and rubber." "Other durable" and "other nondurable" were in old "other manufacturing and mining."

² Reflects new coverage; see June 1961 BULL., p. 654.

NOTE.—Data for sample of about 200 banks reporting changes in their larger loans; these banks hold about 95 per cent of total commercial and industrial loans of all weekly reporting member banks and about 70 per cent of those of all commercial banks. End-of-week date shown. Figures for periods other than week are based on weekly changes.

BANK RATES ON SHORT-TERM BUSINESS LOANS

[Per cent per annum]

Area and period	All loans	Size of loan (thousands of dollars)				Area and period	All loans	Size of loan (thousands of dollars)			
		1—10	10—100	100—200	200 and over			1—10	10—100	100—200	200 and over
Year:						Quarter—cont.: ¹					
19 large cities:						New York City:					
1953	3.7	5.0	4.4	3.9	3.5	1961—June	4.75	5.63	5.39	5.06	4.63
1954	3.6	5.0	4.3	3.9	3.4	Sept	4.75	5.65	5.36	5.06	4.64
1955	3.7	5.0	4.4	4.0	3.5	Dec	4.77	5.66	5.37	5.04	4.66
1956	4.2	5.2	4.8	4.4	4.0	1962—Mar	4.78	5.65	5.36	5.04	4.68
1957	4.6	5.5	5.1	4.8	4.5	June	4.78	5.66	5.36	5.09	4.68
1958	4.3	5.5	5.0	4.6	4.1	7 northern and eastern cities:					
1959	5.0	5.8	5.5	5.2	4.9	1961—June	4.95	5.84	5.45	5.15	4.82
1960	5.2	6.0	5.7	5.4	5.0	Sept	5.05	5.86	5.53	5.18	4.93
1961	5.0	5.9	5.5	5.2	4.8	Dec	4.96	5.82	5.51	5.22	4.81
Quarter: ¹						1962—Mar	4.97	5.85	5.53	5.17	4.83
19 large cities:						June	5.00	5.83	5.52	5.21	4.86
1961—June	4.97	5.89	5.53	5.18	4.80	11 southern and western cities:					
Sept	4.99	5.87	5.52	5.19	4.82	1961—June	5.31	6.02	5.65	5.29	5.10
Dec	4.96	5.84	5.52	5.21	4.78	Sept	5.26	5.97	5.62	5.28	5.04
1962—Mar	4.98	5.89	5.54	5.21	4.81	Dec	5.24	5.94	5.62	5.31	5.00
June	5.01	5.89	5.53	5.25	4.83	1962—Mar	5.28	6.01	5.66	5.35	5.03
						June	5.33	6.01	5.65	5.39	5.12

¹ Based on new loans and renewals for first 15 days of month.

NOTE.—Weighted averages. For description see Mar. 1949 BULL., pp. 228-37. Bank prime rate was 3 per cent Jan. 1, 1953-Apr. 26, 1953. Changes thereafter occurred on the following dates (new levels shown, in

per cent): 1953—Apr. 27, 3¼; 1954—Mar. 17, 3; 1955—Aug. 4, 3¼; Oct. 14, 3¼; 1956—Apr. 13, 3¾; Aug. 21, 4; 1957—Aug. 6, 4½; 1958—Jan. 22, 4; Apr. 21, 3½; Sept. 11, 4; 1959—May 18, 4½; Sept. 1, 5; and 1960—Aug. 23, 4½.

MONEY MARKET RATES

[Per cent per annum]

Period	Prime coml. paper, 4- to 6-months ¹	Finance co. paper placed directly, 3- to 6-months ²	Prime bankers' acceptances, 90 days ³	U. S. Government securities (taxable) ⁴						
				3-month bills		6-month bills		9- to 12-month issues		3- to 5-year issues ⁶
				Rate on new issue	Market yield	Rate on new issue	Market yield	Bills (market yield)	Other ⁵	
1959.....	3.97	3.82	3.49	3.405	3.37	3.832	3.79	.....	4.11	4.33
1960.....	3.85	3.54	3.51	2.928	2.87	3.247	3.20	3.41	3.55	3.99
1961.....	2.97	2.68	2.81	2.378	2.36	2.605	2.59	2.81	2.91	3.60
1961—Aug.....	2.92	2.64	2.81	2.402	2.39	2.670	2.66	2.91	3.03	3.80
Sept.....	3.05	2.68	2.84	2.304	2.28	2.689	2.68	2.88	3.03	3.77
Oct.....	3.00	2.79	2.75	2.350	2.30	2.702	2.66	2.90	2.97	3.64
Nov.....	2.98	2.74	2.75	2.458	2.48	2.686	2.70	2.90	2.95	3.68
Dec.....	3.19	2.93	2.87	2.617	2.60	2.875	2.88	2.97	3.03	3.82
1962—Jan.....	3.26	3.05	3.00	2.746	2.72	2.965	2.94	3.19	3.08	3.84
Feb.....	3.22	3.00	3.00	2.752	2.73	2.955	2.93	3.21	3.11	3.77
Mar.....	3.25	3.02	3.00	2.719	2.72	2.883	2.87	2.98	2.99	3.55
Apr.....	3.20	3.09	3.00	2.735	2.73	2.838	2.83	2.90	2.94	3.48
May.....	3.16	2.95	2.91	2.694	2.68	2.789	2.78	2.91	2.98	3.53
June.....	3.25	3.02	2.90	2.719	2.73	2.804	2.80	2.89	3.02	3.51
July.....	3.36	3.20	3.07	2.945	2.92	3.085	3.08	3.17	3.23	3.71
Aug.....	3.30	3.12	3.11	2.837	2.82	3.005	2.99	3.10	3.13	3.57
Week ending—										
1962—Aug. 4.....	3.38	3.13	3.13	2.874	2.85	3.075	3.03	3.19	3.22	3.68
11.....	3.33	3.13	3.13	2.802	2.83	2.990	3.03	3.19	3.19	3.64
18.....	3.25	3.13	3.13	2.867	2.84	3.060	3.00	3.11	3.15	3.58
25.....	3.28	3.13	3.13	2.837	2.82	2.984	2.96	3.04	3.08	3.51
Sept. 1.....	3.30	3.10	3.08	2.806	2.80	2.916	2.93	3.02	3.06	3.51

¹ Averages of daily offering rates of dealers.² Averages of daily rates, published by finance cos., for varying maturities in the 90-179 day range.³ Averages of daily prevailing rates.⁴ Except for new bill issues, yields are averages computed from daily closing bid prices.⁵ Certificates of indebtedness and selected note and bond issues.⁶ Selected note and bond issues.**BOND AND STOCK YIELDS**

[Per cent per annum]

Period	Government bonds				Corporate bonds						Stocks		
	United States (long-term)	State and local			Total ¹	By selected rating		By group			Dividend/price ratio		Earnings/price ratio
		Total ¹	Aaa	Baa		Aaa	Baa	Industrial	Railroad	Public utility	Preferred	Common	Common
1959.....	4.07	3.74	3.35	4.24	4.65	4.38	5.05	4.51	4.75	4.70	4.69	3.23	5.92
1960.....	4.01	3.69	3.26	4.22	4.73	4.41	5.19	4.59	4.92	4.69	4.75	3.46	5.88
1961.....	3.90	3.60	3.27	4.01	4.66	4.35	5.08	4.54	4.82	4.57	4.66	2.98	4.74
1961—Aug.....	4.00	3.62	3.33	3.96	4.73	4.45	5.11	4.60	4.92	4.67	4.69	2.91	.....
Sept.....	4.02	3.64	3.33	4.02	4.74	4.45	5.12	4.61	4.94	4.67	4.69	2.93	4.87
Oct.....	3.98	3.59	3.28	3.98	4.73	4.42	5.13	4.60	4.92	4.66	4.62	2.91	.....
Nov.....	3.98	3.57	3.27	3.96	4.70	4.39	5.11	4.58	4.89	4.63	4.59	2.83	.....
Dec.....	4.06	3.63	3.32	4.04	4.71	4.42	5.10	4.59	4.91	4.62	4.64	2.85	5.10
1962—Jan.....	4.08	3.55	3.21	4.01	4.70	4.42	5.08	4.57	4.92	4.61	4.59	2.97	.....
Feb.....	4.09	3.40	3.08	3.83	4.70	4.42	5.07	4.57	4.90	4.62	4.52	2.95	.....
Mar.....	4.01	3.30	3.03	3.66	4.67	4.39	5.04	4.52	4.88	4.60	4.48	2.95	75.00
Apr.....	3.89	3.21	2.98	3.55	4.63	4.33	5.02	4.46	4.86	4.56	4.45	3.05	.....
May.....	3.88	3.21	2.98	3.55	4.58	4.28	5.00	4.42	4.83	4.50	4.45	3.32	.....
June.....	3.90	3.31	3.06	3.65	4.59	4.28	5.02	4.45	4.86	4.47	4.52	3.78	76.41
July.....	4.02	3.37	3.10	3.72	4.63	4.34	5.05	4.52	4.90	4.48	4.59	3.68	.....
Aug.....	3.97	3.38	3.10	3.74	4.64	4.35	5.06	4.51	4.90	4.50	4.55	3.57	.....
Week ending—													
1962—Aug. 4.....	4.03	3.42	3.13	3.78	4.65	4.37	5.07	4.54	4.90	4.50	4.58	3.61	.....
11.....	4.00	3.44	3.15	3.80	4.64	4.36	5.07	4.54	4.91	4.51	4.57	3.63	.....
18.....	3.98	3.41	3.13	3.78	4.65	4.36	5.07	4.52	4.91	4.51	4.55	3.56	.....
25.....	3.94	3.33	3.05	3.70	4.63	4.34	5.05	4.50	4.91	4.50	4.51	3.49	.....
Sept. 1.....	3.94	3.31	3.03	3.66	4.63	4.33	5.05	4.48	4.90	4.50	4.52	3.56	.....
Number of issues.....	4-10	20	5	5	120	30	30	40	40	40	14	500	500

¹ Includes bonds rated Aa and A, data for which are not shown separately. Because of a limited number of suitable issues, the number of corporate bonds in some groups has varied somewhat.

NOTE.—Annual yields are averages of monthly or quarterly data. Monthly and weekly yields are computed as follows: U.S. Govt. bonds: Averages of daily figures for bonds maturing or callable in 10 years or more.

State and local govt. bonds: General obligations only, based on Thurs.

figures Corp. bonds: Averages of daily figures. Both of these series are from Moody's Investors Service series.

Stocks: Standard and Poor's Corp. series. Dividend/price ratios are based on Wed. figures; earnings/price ratios are as of end of period. Preferred stock ratio is based on 8 median yields for a sample of non-callable issues—12 industrial and 2 public utility; common stock ratios on the 500 stocks in the price index. Quarterly earnings are seasonally adjusted at annual rates.

SECURITY PRICES

Period	Bonds			Common stocks											Volume of trading (in thousands of shares)	
	U. S. Govt. (long-term)	Municipal (high-grade)	Corporate (high-grade)	Standard and Poor's index (1941-43=10)				Securities and Exchange Commission index (1957-59=100)								
				Total	Industrial	Railroad	Public utility	Total	Manufacturing			Transportation	Public utility	Trade, finance, and service		Mining
									Total	Durable	Non-durable					
1959.....	85.49	100.7	95.0	57.38	61.45	35.09	44.15	116.7	116.5	120.8	112.6	115.6	117.6	122.3	95.0	3,242
1960.....	86.22	103.9	94.7	55.85	59.43	30.31	46.86	113.9	110.9	117.3	104.9	95.8	129.3	127.4	73.8	3,042
1961.....	87.55	107.8	95.2	66.27	71.42	32.84	60.18	134.2	126.7	129.2	124.4	105.7	168.4	160.2	92.5	4,085
1961—Aug.....	86.27	106.5	93.9	67.79	71.69	32.76	61.19	137.4	130.1	131.3	129.0	107.0	170.6	164.2	92.8	3,545
Sept.....	86.09	106.6	93.9	67.26	70.89	33.02	62.19	136.2	128.9	131.7	126.4	106.8	168.9	166.4	87.3	3,193
Oct.....	86.61	107.7	94.6	68.00	71.42	34.53	64.15	138.0	129.1	132.2	126.4	110.1	173.9	176.6	90.3	3,318
Nov.....	86.52	108.1	94.9	71.08	74.72	34.30	67.19	144.0	133.7	135.7	131.9	109.9	186.0	187.7	95.1	4,390
Dec.....	85.61	107.3	94.5	71.74	75.81	33.21	65.77	145.8	135.6	138.1	133.3	107.9	188.4	188.0	101.1	4,120
1962—Jan.....	85.34	109.9	94.5	69.07	72.99	33.77	62.69	140.4	130.8	133.6	128.1	108.5	181.4	175.2	104.1	3,677
Feb.....	85.17	110.5	94.5	70.22	74.22	34.23	63.70	142.8	133.4	134.4	132.6	110.5	183.0	176.4	109.7	3,481
Mar.....	86.21	111.9	94.9	70.29	74.22	33.45	64.51	142.9	133.5	134.0	133.1	107.4	184.2	175.2	106.6	3,113
Apr.....	87.69	113.7	95.4	68.05	71.64	32.31	63.86	138.0	128.2	128.0	128.5	103.1	180.3	172.0	103.9	3,263
May.....	87.87	113.5	95.9	62.99	66.32	30.71	58.84	128.3	119.0	117.5	120.6	98.5	167.1	161.6	97.5	5,045
June.....	87.61	111.2	95.7	55.63	58.32	28.05	53.32	114.3	105.7	103.2	108.1	90.2	151.1	141.3	88.3	4,770
July.....	86.07	110.2	95.4	56.97	59.61	28.29	55.51	116.0	106.9	104.4	109.2	90.0	156.7	139.4	90.9	3,532
Aug.....	86.64	110.1	95.3	58.52	61.29	28.09	56.96	119.5	110.4	109.1	111.7	90.6	160.7	143.6	92.7	3,368
Week ending—																
1962—Aug. 4.....	85.97	109.0	95.1	57.98	60.73	28.07	56.28	118.3	109.4	107.6	111.0	90.4	159.3	139.1	93.2	3,378
11.....	86.27	109.1	95.3	57.53	60.22	27.67	56.18	117.1	108.2	106.6	109.8	88.8	157.5	139.6	91.8	2,866
18.....	86.57	110.0	95.3	58.44	61.23	27.87	56.76	120.2	110.9	109.9	111.9	90.2	161.8	145.4	92.1	3,762
25.....	87.03	110.9	95.4	59.51	62.37	28.37	57.68	121.5	112.2	111.3	113.1	92.2	163.1	147.3	93.2	4,099
Sept. 1.....	87.03	111.4	95.6	58.96	61.71	28.43	57.60	120.6	111.4	109.9	112.8	91.5	161.8	146.6	93.3	2,866
Number of issues.....		15	17	500	425	25	50	300	193	108	85	18	34	45	10	.....

NOTE.—Annual data are averages of monthly data. Monthly and weekly data are computed as follows: U. S. Govt. bonds, derived from average market yields in preceding table on basis of an assumed 3 per cent, 20-year bond, averages of daily figures. Municipal and corporate bonds, derived from average yields, as computed by Standard and Poor's Corp., on basis of a 4 per cent, 20-year bond; Wed. closing prices. Common stocks, Standard and Poor's index based on averages of daily figures; Securities and Exchange Commission index on weekly closing prices. Volume of trading, average daily trading in stocks on the N. Y. Stock Exchange for a 5½-hour trading day.

STOCK MARKET CREDIT

[In millions of dollars]

Month	Customer credit				Broker and dealer credit			
	Total securities other than U. S. Govt. securities	Net debit balances with N. Y. Stock Exchange firms secured by—		Bank loans to others than brokers and dealers for purchasing and carrying—		Money borrowed on—		Customers' net free credit balances
		U. S. Govt. securities	Other securities	U. S. Govt. securities	Other securities	U. S. Govt. securities	Other securities	
1958—Dec.....	4,537	146	3,285	63	1,252	234	2,071	1,159
1959—Dec.....	4,461	150	3,280	164	1,181	221	2,362	996
1960—Dec.....	4,415	95	3,222	134	1,193	142	2,133	1,135
1961—Aug.....	5,349	49	3,972	102	1,377	56	2,679	1,208
Sept.....	5,311	46	3,991	109	1,370	64	2,666	1,227
Oct.....	5,333	44	4,029	103	1,301	56	2,654	1,214
Nov.....	5,460	39	4,141	102	1,319	51	2,752	1,213
Dec.....	5,602	35	4,259	125	1,343	48	2,954	1,219
1962—Jan.....	5,464	34	4,111	111	1,353	51	2,860	1,225
Feb.....	5,426	34	4,066	133	1,360	71	2,812	1,190
Mar.....	5,457	34	4,083	105	1,374	52	2,912	1,154
Apr.....	5,491	36	4,079	117	1,412	57	3,015	1,110
May.....	5,408	35	4,000	91	1,408	44	2,845	1,205
June.....	4,938	32	3,605	92	1,333	46	2,194	1,374
July.....	4,876	29	3,562	83	1,314	32	2,091	1,252
Aug.....	5,049	23	3,749	80	1,300	35	2,472	1,127

¹ Reclassification of loans reduced these items by \$66 million, see Dec. 1961 Bull., p. 1436, note 3.
 NOTE.—Data in the first three cols. and last col. are for end of month, in the other cols., for last Wed.
 Net debit balances and broker and dealer credit: ledger balances of member firms of the N. Y. Stock Exchange carrying margin accounts, as reported to the Exchange. Customers' debit and free credit balances exclude balances maintained with the reporting firm by other member firms of national securities exchanges and balances of the reporting firm and of general partners of the reporting firm. Balances are net for each customer—i.e., all accounts of one customer are consolidated. Money borrowed includes borrowings from banks and from other lenders except member firms of national securities exchanges.
 Bank loans to others than brokers and dealers: figures are for weekly reporting member banks. Before July 1959, loans for purchasing or carrying U. S. Govt. securities were reported separately only by N. Y. and Chicago banks. Accordingly, for that period the fifth col. includes any loans for purchasing or carrying such securities at other reporting banks. Composition of series also changed beginning with July 1959; revised data for the new reporting series (but not for the breakdown of loans by purpose) are available back through July 1958 and have been incorporated.

COMMERCIAL AND FINANCE COMPANY PAPER AND BANKERS' ACCEPTANCES OUTSTANDING

[In millions of dollars]

End of period	Commercial and finance company paper			Dollar acceptances											
				Total	Placed through dealers ¹	Placed directly ²	Held by—						Based on—		
	Accepting banks						F. R. Banks		Others	Imports into United States	Exports from United States	Dollar exchange	Goods stored in or shipped between points in—		
	Total	Own bills	Bills bought				Own acct.	Foreign corr.					United States	Foreign countries	
1956	2,183	506	1,677	967	227	155	72	69	50	621	261	329	2	227	148
1957	2,672	551	2,121	1,307	287	194	94	66	76	878	278	456	46	296	232
1958	3,275	840	3,191	1,194	302	238	64	49	68	775	254	349	83	244	263
1959	3,202	677	2,525	1,151	319	282	36	75	82	675	357	309	74	162	249
1960	4,497	1,358	3,139	2,027	662	490	173	74	230	1,060	403	609	122	308	524
1961—July	4,991	1,534	3,457	2,301	915	727	188	32	144	1,210	415	926	45	186	729
Aug.	4,946	1,617	3,329	2,400	970	753	217	34	137	1,259	429	964	49	192	765
Sept.	4,875	1,730	3,145	2,422	946	740	207	35	123	1,318	452	964	59	191	757
Oct.	5,119	1,818	3,301	2,491	1,035	829	206	38	117	1,301	457	949	91	225	769
Nov.	5,349	1,868	3,481	2,555	1,122	871	251	43	110	1,280	461	939	98	287	770
Dec.	4,686	1,711	2,975	2,683	1,272	896	376	51	126	1,234	485	969	117	293	819
1962—Jan.	5,556	1,762	3,794	2,621	1,163	804	359	45	120	1,294	477	946	74	271	853
Feb.	5,520	1,762	3,758	2,559	1,093	788	305	44	113	1,309	472	915	106	223	844
Mar.	5,713	1,876	3,837	2,498	1,072	774	298	42	100	1,284	474	889	86	182	867
Apr.	5,640	1,883	3,757	2,392	981	763	218	36	94	1,281	479	826	74	158	855
May	5,917	1,869	4,048	2,345	949	733	216	33	112	1,251	462	787	96	145	855
June	5,864	1,878	3,986	2,342	965	731	234	60	85	1,232	473	751	145	117	857
July	6,169	2,002	4,167	2,306	1,009	736	273	43	80	1,175	485	705	143	93	881

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

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

³ Beginning with Nov. 1958, series includes all paper with maturity of 270 days or more. Figures on old basis for Dec. were (in millions): total \$2,739; placed directly, \$1,899.

MUTUAL SAVINGS BANKS

[Amounts in millions of dollars]

End of period	Loans		Securities			Cash assets	Other assets	Total assets—Total liabilities and surplus accts.	Deposits ²	Other liabilities	Surplus accounts	Mortgage loan commitments ³	
	Mortgage	Other	U. S. Govt.	State and local govt.	Corporate and other ¹							Number	Amount
1941	4,787	89	3,592	1,786	829	689	11,772	10,503	38	1,231			
1945	4,202	62	10,650	1,257	606	185	16,962	15,332	48	1,582			
1954	14,845	188	8,755	608	3,548	1,026	380	29,350	26,351	261	2,738		
1955	17,279	211	8,464	646	3,366	966	414	31,346	28,182	310	2,854		
1956	19,559	248	7,982	675	3,549	920	448	33,381	30,026	369	2,986		
1957	20,971	253	7,583	685	4,344	889	490	35,215	31,683	427	3,105		
1958	23,038	320	7,270	729	4,971	921	535	37,784	34,031	526	3,227	89,912	1,664
1959 ⁴	24,769	358	6,871	721	4,845	829	552	38,945	34,977	606	3,362	65,248	1,170
1960	26,702	416	6,243	672	5,076	874	589	40,571	36,343	678	3,550	58,350	1,200
1961	28,902	475	6,160	677	5,040	937	640	42,829	38,277	781	3,771	61,855	1,654
1961—June	27,771	417	6,296	687	5,158	861	616	41,806	37,427	720	3,659	66,467	1,674
July	27,972	385	6,314	685	5,160	835	620	41,970	37,450	852	3,668	66,544	1,792
Aug.	28,179	431	6,320	686	5,137	821	629	42,202	37,549	935	3,718	64,910	1,536
Sept.	28,335	455	6,305	687	5,118	867	654	42,422	37,859	823	3,739	65,662	1,526
Oct.	28,513	420	6,185	682	5,062	840	645	42,348	37,844	788	3,716	62,918	1,546
Nov.	28,680	469	6,172	677	5,042	847	642	42,529	37,892	857	3,779	59,882	1,533
Dec.	28,902	475	6,160	677	5,040	937	640	42,829	38,277	781	3,771	61,855	1,654
1962—Jan.	29,145	455	6,245	669	5,064	837	655	43,071	38,446	845	3,780	68,614	1,588
Feb.	29,333	461	6,322	651	5,065	884	661	43,378	38,611	944	3,823	65,839	1,644
Mar.	29,563	508	6,531	633	5,090	896	676	43,897	39,083	973	3,840	69,223	1,698
Apr.	29,833	468	6,315	607	5,055	817	671	43,766	39,032	923	3,811	73,401	1,817
May	30,087	537	6,331	587	5,057	829	670	44,100	39,216	1,016	3,868	78,707	1,897
June	30,404	516	6,291	584	5,064	881	675	44,416	39,638	919	3,859	79,248	1,940

¹ Includes securities of foreign governments and international organizations and U. S. Govt. securities not guaranteed, as well as corporate securities.

² See note 4, p. 1185.

³ Commitments outstanding of banks in N.Y. State as reported to the Savings Banks Association of the State of New York.

⁴ Data reflect consolidation of a large mutual savings bank with a commercial bank.

NOTE.—National Assn. of Mutual Savings Banks data; figures are estimates for all savings banks in the United States and differ somewhat from those shown elsewhere in BULLETIN; the latter are for call dates and are based on reports filed with U. S. Govt. and State bank supervisory agencies. Loans are shown net of valuation reserves.

LIFE INSURANCE COMPANIES

[In millions of dollars]

End of period	Total assets	Government securities				Business securities			Mortgages	Real estate	Policy loans	Other assets
		Total	United States	State and local	Foreign ¹	Total	Bonds	Stocks				
Statement value:												
1941.....	32,731	9,478	6,796	1,995	687	10,174	9,573	601	6,442	1,878	2,919	1,840
1945.....	44,797	22,545	20,583	722	1,240	11,059	10,060	999	6,636	857	1,962	1,738
1954.....	84,486	12,262	9,070	1,846	1,346	37,300	34,032	3,268	25,976	2,298	3,127	3,523
1955.....	90,432	11,829	8,576	2,038	1,215	39,545	35,912	3,633	29,445	2,581	3,290	3,743
1956.....	96,011	11,067	7,555	2,273	1,239	41,543	38,040	3,503	32,989	2,817	3,519	4,076
1957.....	101,309	10,690	7,029	2,376	1,285	44,057	40,666	3,391	35,236	3,119	3,869	4,338
1958.....	107,580	11,234	7,183	2,681	1,370	47,108	42,999	4,109	37,062	3,364	4,188	4,624
1959.....	113,630	11,581	6,868	3,200	1,513	49,666	45,105	4,561	39,197	3,651	4,618	4,937
1960.....	119,576	11,679	6,427	3,588	1,664	51,857	46,876	4,981	41,771	3,765	5,231	5,273
Book value:												
1959—Dec.....	113,650	11,599	6,858	3,221	1,520	48,840	45,157	3,683	39,237	3,678	4,620	5,676
1960—Dec.....	119,576	11,699	6,428	3,606	1,665	51,063	46,967	4,086	41,815	3,796	5,233	5,980
1961—June.....	122,751	11,881	6,369	3,761	1,751	52,308	47,966	4,342	42,945	3,851	5,509	6,257
July.....	123,381	11,972	6,440	3,786	1,745	52,623	48,245	4,378	43,052	3,870	5,541	6,324
Aug.....	123,902	12,021	6,440	3,822	1,759	52,839	48,424	4,415	43,216	3,901	5,580	6,345
Sept.....	124,411	12,057	6,390	3,851	1,816	53,003	48,533	4,470	43,381	3,917	5,618	6,435
Oct.....	125,064	12,093	6,403	3,868	1,822	53,292	48,767	4,525	43,580	3,936	5,652	6,511
Nov.....	125,706	12,133	6,360	3,904	1,869	53,473	48,891	4,582	43,815	3,952	5,683	6,650
Dec.....	126,589	11,893	6,104	3,922	1,867	53,938	49,158	4,780	44,241	3,966	5,720	6,831
1962—Jan.....	127,311	12,155	6,314	3,958	1,883	54,329	49,506	4,823	44,378	3,973	5,768	6,708
Feb.....	127,731	12,196	6,335	3,960	1,901	54,519	49,657	4,862	44,494	3,992	5,792	6,738
Mar.....	128,108	12,248	6,257	4,078	1,913	54,704	49,814	4,890	44,637	3,989	5,834	6,696
Apr.....	128,569	12,341	6,351	4,064	1,926	54,965	50,039	4,926	44,751	4,010	5,880	6,622
May.....	128,931	12,323	6,325	4,050	1,948	55,274	50,307	4,967	44,946	4,024	5,927	6,437
June.....	129,144	12,237	6,230	4,058	1,949	55,445	50,491	4,954	45,142	4,043	5,981	6,296

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

NOTE.—Institute of Life Insurance data; figures are estimates for all life insurance cos. in the United States.

Year-end figures: Annual statement asset values, with bonds carried on an amortized basis and stocks at year-end market value. Month-end figures: Book value of ledger assets. Adjustments for interest due and accrued and for differences between market and book values are not made on each item separately, but are included, in total, in "other assets."

SAVINGS AND LOAN ASSOCIATIONS

[In millions of dollars]

End of period	Assets				Total assets ² — Total liabilities	Liabilities					Mortgage loan commitments
	Mortgages	U. S. Govt. securities	Cash	Other ¹		Savings capital	Reserves and undivided profits	Borrowed money ³	Loans in process	Other	
1941.....	4,578	107	344	775	6,049	4,682	475	256		636	
1945.....	5,376	2,420	450	356	8,747	7,365	644	336		402	
1954.....	26,108	2,013	1,971	1,469	31,633	27,252	2,187	950		1,244	
1955.....	31,408	2,338	2,063	1,789	37,656	32,142	2,557	1,546		1,411	833
1956.....	35,729	2,782	2,119	2,199	42,875	37,148	2,950	1,347		1,430	843
1957.....	40,007	3,173	2,146	2,770	48,138	41,912	3,363	1,379		1,484	862
1958.....	45,627	3,819	2,585	3,108	55,139	47,976	3,845	1,444		1,161	713
1959.....	53,141	4,477	2,183	3,729	63,530	54,583	4,393	2,387		1,293	874
1960.....	60,070	4,595	2,680	4,131	71,476	62,142	4,983	2,197		1,186	968
1961.....	68,833	5,222	3,298	4,743	82,096	70,851	5,721	2,863		1,547	1,114
1962—June.....	64,058	4,997	2,951	4,491	76,497	66,570	5,288	2,029		1,538	1,072
July.....	64,795	4,989	2,724	4,341	76,849	66,681	5,282	2,028		1,554	1,304
Aug.....	65,705	5,055	2,638	4,417	77,815	67,177	5,286	2,160		1,596	1,286
Sept.....	66,507	5,050	2,685	4,500	78,742	67,839	5,290	2,290		1,589	1,734
Oct.....	67,317	5,095	2,766	4,603	79,781	68,565	5,289	2,364		1,579	1,984
Nov.....	68,069	5,177	2,850	4,801	80,897	69,340	5,293	2,445		1,558	2,261
Dec.....	68,833	5,222	3,298	4,743	82,096	70,851	5,721	2,863		1,547	1,114
1962—Jan.....	69,368	5,408	2,933	4,628	82,337	71,342	5,745	2,480		1,488	1,282
Feb.....	69,968	5,503	3,031	4,668	83,170	71,920	5,748	2,384		1,539	1,579
Mar.....	70,769	5,539	3,162	4,761	84,231	72,854	5,751	2,301		1,657	1,668
Apr.....	71,616	5,493	3,084	4,851	85,044	73,240	5,747	2,427		1,795	1,835
May.....	72,587	5,480	3,094	5,264	86,425	74,022	5,753	2,525		1,911	2,214
June.....	73,631	5,413	3,357	5,206	87,607	75,449	6,042	2,890		1,985	2,556

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

² Before 1958 mortgages are net of mortgage pledged shares. Asset items will not add to total assets, which include gross mortgages with no deductions for mortgage pledged shares. Beginning with January 1958, no deduction is made for mortgage pledged shares. These have declined consistently in recent years and amounted to \$42 million at the end of 1957.

³ Consists of advances from FHLB and other borrowing.

NOTE.—Federal Savings and Loan Insurance Corp. data; figures are estimates for all savings and loan assns. in the United States. Data beginning with 1954 are based on monthly reports of insured assns. and annual reports of noninsured assns. Data before 1954 are based entirely on annual reports. Data for current and preceding year are preliminary even when revised.

FEDERAL FISCAL OPERATIONS: SUMMARY

[In millions of dollars]

Period	Derivation of U. S. Government cash transactions												
	Receipts from the public, other than debt				Payments to the public, other than debt				Net recs. or payts.	Net cash borrowing or repayment			
	Budget, net	Plus: Trust funds	Less: Intra-govt. ¹	Equals: Total recs. ²	Budget	Plus: Trust funds	Less: Adjustments ³	Equals: Total payts.		Change in debt (direct & agen.)	Less: Invest. by agen. & trusts	Less: Non-cash debt	Equals: Net
Cal. year—1959.....	72,738	18,346	3,480	87,553	79,778	19,759	3,978	95,559	-8,006	10,112	-546	2,079	8,578
1960.....	79,518	21,773	2,946	98,287	77,565	21,285	4,156	94,694	3,593	-549	1,629	491	-2,669
1961.....	78,157	24,115	4,279	97,929	84,463	24,542	4,268	104,738	-6,809	6,791	-434	470	6,755
Fiscal year—1959.....	67,915	16,950	3,161	81,660	80,342	18,462	4,002	94,804	-13,144	9,656	-1,181	2,160	8,678
1960.....	77,763	20,534	3,167	95,078	76,539	20,891	3,129	94,301	777	3,371	953	597	1,821
1961.....	77,659	23,583	3,946	97,242	81,515	23,016	5,003	99,528	-2,286	2,102	870	536	698
1962 ^p	81,360	24,336	3,786	101,853	87,668	24,118	4,195	107,591	-5,738	11,009	483	923	9,602
Half year:													
1960—July-Dec.....	35,329	10,141	1,449	43,992	40,217	10,483	2,013	48,687	-4,695	3,409	-182	468	3,124
1961—Jan.-June.....	42,330	13,442	2,497	53,249	41,298	12,533	2,990	50,840	2,408	-1,307	1,052	68	-2,426
1961—July-Dec.....	35,826	10,673	1,782	44,680	43,165	12,010	1,278	53,898	-9,217	8,098	-	402	9,180
1962—Jan.-June ^p	45,534	13,664	2,004	57,173	44,503	12,107	2,917	53,693	3,480	2,911	1,969	521	4,222
Month:													
1961—July.....	2,982	1,002	188	3,793	6,322	1,872	293	7,902	-4,109	3,498	-863	195	4,167
Aug.....	6,367	3,292	294	9,357	7,631	2,048	-873	10,552	-1,195	1,412	1,291	-442	563
Sept.....	8,945	1,478	180	10,236	6,771	2,203	709	8,266	1,970	448	-545	54	939
Oct.....	3,141	979	239	3,872	7,796	1,994	405	9,385	-5,512	1,934	-905	64	2,775
Nov.....	6,424	2,438	304	8,554	7,485	1,958	225	9,218	-663	1,519	396	417	707
Dec.....	7,967	1,484	577	8,868	7,160	1,934	519	8,576	292	-716	-860	114	30
1962—Jan.....	5,357	866	250	5,968	7,395	2,322	991	8,726	-2,758	608	-737	102	1,243
Feb.....	6,729	2,743	-98	9,567	6,858	2,027	-82	8,967	600	450	369	31	53
Mar.....	9,104	1,828	245	10,685	7,749	2,040	1,525	8,263	2,422	-641	329	223	-1,193
Apr.....	5,754	1,587	279	7,060	7,289	1,867	83	9,074	-2,014	784	-737	39	1,482
May.....	7,024	4,053	222	10,850	7,229	1,591	-340	9,160	1,690	2,386	2,168	85	133
June ^p	11,566	2,586	1,106	13,042	7,983	2,261	741	9,503	3,539	-675	581	41	-1,296
July ^p	3,566	1,194	190	4,567	7,252	1,859	-203	9,314	-4,747	-62	-940	101	778

Period	Effects of operations on Treasurer's account											
	Net operating transactions			Net financing transactions			Change in cash balances		Treasurer's account (end of period)			
	Budget surplus or deficit	Trust funds	Clearing accounts	Agencies & trusts		Change in gross direct public debt	Held outside Treasury	Treasurer's account	Balance	Operating bal.		Other net assets
			Market issuance of sec. ⁴	Invest. in U. S. Govt. sec. ⁴					F. R. banks	Tax and loan accts.		
Fiscal year—1959.....	-12,427	-1,511	-29	71	1,112	8,363	-23	-4,399	5,350	535	3,744	1,071
1960.....	1,224	-359	-149	1,023	-714	1,625	-4	2,654	8,005	504	6,458	1,043
1961.....	-3,856	565	285	-733	-435	2,640	-222	-1,311	6,694	408	5,453	833
1962 ^p	-6,308	219	568	658	-445	9,230	186	3,736	10,430	612	8,815	1,003
Half year:												
1960—July-Dec.....	-4,888	-341	19	-493	275	3,886	52	-1,594	6,411	485	5,165	761
1961—Jan.-June.....	1,032	906	266	-240	-710	-1,246	-274	283	6,694	408	5,453	833
1961—July-Dec.....	-7,339	-1,338	-137	394	1,221	7,198	199	-200	6,494	465	5,157	872
1962—Jan.-June ^p	1,031	1,557	705	264	-1,666	2,032	-13	3,936	10,430	612	8,815	1,003
Month:												
1961—July.....	-3,340	-871	34	24	780	3,433	163	-101	6,593	415	5,287	891
Aug.....	-1,265	1,244	-549	32	-1,397	1,310	-52	-572	6,020	543	4,745	732
Sept.....	2,174	-726	663	108	662	35	-20	2,936	8,956	348	7,754	853
Oct.....	-4,655	-1,015	170	33	828	1,911	30	-2,759	6,197	502	4,834	861
Nov.....	-1,060	479	-560	28	-191	1,350	-17	63	6,261	489	4,930	842
Dec.....	807	-450	106	168	540	-842	95	234	6,494	465	5,157	872
1962—Jan.....	-2,038	-1,455	337	165	1,137	345	4	-1,513	4,981	362	3,552	1,067
Feb.....	-129	716	-66	102	-437	470	12	644	5,626	449	4,172	1,005
Mar.....	1,356	-212	915	55	13	-896	-62	1,293	6,919	403	5,568	948
Apr.....	-1,535	-279	10	-43	455	864	395	-924	5,995	569	4,150	1,276
May.....	-205	2,461	-449	-21	-2,182	2,222	-319	2,145	8,140	526	6,623	991
June ^p	3,583	325	-42	5	-651	-973	-43	2,290	10,430	612	8,815	1,003
July.....	-3,686	-664	-163	-119	992	-325	85	-4,051	6,380	390	5,089	901

¹ Primarily interest payments by Treasury to trust accounts and accumulations to U. S. employees trust funds.
² Includes small adjustments not shown separately.
³ Primarily (1) intragovt. transactions, (2) noncash debt, (3) clearing accounts, and (4) govt. sponsored enterprises.

⁴ Excludes net transactions of govt. sponsored enterprises.
⁵ Primarily military defense, military assistance, and atomic energy.

NOTE.—Treasury Dept. & Bureau of the Budget.

FEDERAL FISCAL OPERATIONS: DETAILS

[In millions of dollars]

Period	Budget receipts										Selected excise taxes (IRS data)				
	Net ²	Transfers to trusts			Re-funds	Total	Indiv. taxes		Corporation taxes	Ex-cise taxes	Emp-loyment taxes	Other receipts	Liquor	To-bacco	Mfrs. and re-tailers
		Old-age	High-way	R. R. re-tire.			With-held	Other							
Fiscal year—1959.....	67,915	7,920	2,074	525	5,114	83,904	29,001	11,733	18,092	10,760	8,854	5,464	3,002	1,807	4,315
1960.....	77,763	10,122	2,539	607	5,237	96,962	31,675	13,271	22,179	11,865	11,159	6,813	3,194	1,932	5,114
1961.....	77,659	11,490	2,798	571	5,976	99,491	32,978	13,175	21,765	12,064	12,502	7,007	3,213	1,991	5,294
1962 ^p	81,360	11,557	2,949	570	6,265	103,786	36,216	14,404	21,296	12,749	12,726	6,395	3,341	2,026	5,536
Half year:															
1960—July-Dec.....	35,329	4,762	1,497	297	872	43,070	16,616	3,185	8,838	6,238	5,063	3,130	1,685	1,007	2,724
1961—Jan.-June.....	42,330	6,728	1,301	274	5,104	56,421	16,362	9,990	12,927	5,826	7,439	3,877	1,528	984	2,570
1962—Jan.-June ^p	35,826	4,741	1,533	278	885	43,575	17,652	3,189	8,259	6,394	5,024	3,057	1,754	1,035	2,656
1962—Jan.-June ^p	45,534	6,816	1,416	292	5,380	60,211	18,564	11,215	13,037	6,355	7,702	3,338	1,587	991	2,880
Month:															
1961—July.....	2,982	291	253	14	178	3,779	1,235	245	520	975	306	498	238	137	1,379
Aug.....	6,367	1,736	269	84	208	8,713	4,654	161	382	1,197	1,821	498	292	196	
Sept.....	8,945	828	267	55	186	10,285	2,662	2,017	3,251	983	884	488	284	169	
Oct.....	3,141	239	258	1	162	3,811	1,399	215	408	1,102	241	446	344	184	
Nov.....	6,424	1,189	231	76	86	8,007	4,767	123	377	1,123	1,266	351	343	184	
Dec.....	7,967	458	255	47	67	8,980	2,935	428	3,322	1,013	505	777	254	165	1,277
1962—Jan.....	5,357	152	233	11	73	5,959	1,245	2,325	466	1,009	353	561	224	140	
Feb.....	6,729	1,620	207	81	743	9,773	5,124	786	400	967	2,080	416	189	116	
Mar.....	9,104	1,119	248	50	1,813	12,354	2,896	832	5,879	1,140	1,188	419	313	215	
Apr.....	5,754	729	230	13	1,417	8,153	1,017	4,330	445	959	745	657	245	158	
May.....	7,024	2,181	264	82	1,101	10,658	5,287	955	469	1,157	2,266	524	305	169	
June ^p	11,566	1,013	233	57	233	13,315	2,994	1,985	5,377	1,123	1,071	765	311	192	
July.....	3,566	436	281	12	165	4,540	1,199	299	525	1,106	450	961			

Period	Budget expenditures												
	Total ²	National de-fense ⁵	Intl. affairs	Space re-search	Agricul-ture	Natural re-sources	Com-merce and transp.	Hous-ing & com. devel.	Health, labor, & welfare	Educa-tion	Vet-erans	Inter-est	Gen-eral govt.
Fiscal year—1959.....	80,342	46,491	3,780	145	6,590	1,670	2,017	970	3,877	732	5,287	7,671	1,466
1960.....	76,539	45,691	1,832	401	4,882	1,714	1,963	122	3,690	866	5,266	9,266	1,542
1961.....	81,515	47,494	2,500	744	5,173	2,006	2,573	320	4,244	943	5,414	9,050	1,709
1962 ^p	87,668	51,042	2,771	1,257	6,036	2,133	2,755	335	4,425	1,076	5,404	9,218	1,874
Half year:													
1960—July-Dec.....	40,217	23,225	1,166	332	2,863	1,058	1,214	208	1,955	408	2,659	4,587	852
1961—Jan.-June.....	41,298	24,269	1,334	412	2,310	948	1,359	112	2,289	535	2,755	4,463	856
1962—Jan.-June.....	43,165	23,982	1,651	481	3,543	1,178	1,262	345	2,396	455	2,724	4,502	953
1962—Jan.-June ^p	44,503	27,060	1,120	776	2,493	955	1,493	-10	2,029	621	2,680	4,716	921
Month:													
1961—July.....	6,322	3,457	223	68	486	153	151	110	345	64	423	773	128
Aug.....	7,631	4,048	264	89	703	235	273	33	421	132	493	739	250
Sept.....	6,771	3,861	288	72	421	218	236	6	350	66	422	740	94
Oct.....	7,796	4,067	363	75	912	220	219	113	413	69	449	718	187
Nov.....	7,485	4,261	326	97	486	188	176	105	459	54	452	744	138
Dec.....	7,160	4,286	172	80	550	166	206	-21	409	68	485	788	157
1962—Jan.....	7,395	4,290	237	96	394	154	190	41	467	113	503	808	186
Feb.....	6,858	4,099	236	101	371	167	258	72	123	108	457	764	118
Mar.....	7,749	4,598	233	140	504	134	311	19	367	102	449	733	161
Apr.....	7,289	4,314	273	141	363	143	214	-10	381	84	438	780	175
May.....	7,229	4,786	-110	155	300	161	231	-29	297	98	434	780	129
June ^p	7,983	4,970	246	142	562	196	290	-105	394	116	399	847	158
July.....	7,252	3,947	95	135	664	191	156	190	453	84	442	834	138

Item	1960		1961				1962		1960		1961				1962	
	III	IV	I	II	III	IV	I	II	III	IV	I	II	III	IV	I	II
	Seasonally adjusted								Not seasonally adjusted							
Cash budget:																
Receipts.....	24.9	24.6	23.3	24.6	24.9	25.3	24.6	26.8	23.4	20.6	24.8	28.5	23.4	21.3	26.2	31.0
Payments.....	23.6	24.3	25.1	26.5	26.2	26.9	27.8	26.8	24.2	24.5	23.4	27.4	26.7	27.2	26.0	27.7
Net.....	1.3	.3	-1.8	-1.9	-1.4	-1.6	-3.2		-.8	-3.9	1.4	1.1	-3.3	-5.9	.3	3.2

For notes, see opposite page.

TOTAL DEBT, BY TYPE OF SECURITY

[In billions of dollars]

End of period	Total gross debt ¹	Total gross direct debt ²	Public issues ³								Special issues ⁶	
			Total	Marketable					Con-vertible bonds	Nonmarketable		
				Total	Bills	Certifi-cates	Notes	Bonds ⁴		Total ⁵		Sav-ings bonds
1941—Dec.	64.3	57.9	50.5	41.6	2.0	.....	6.0	33.6	.....	8.9	6.1	7.0
1945—Dec.	278.7	278.1	255.7	198.8	17.0	38.2	23.0	120.6	.....	56.9	48.2	20.0
1947—Dec.	257.0	256.9	225.3	165.8	15.1	21.2	11.4	118.0	.....	59.5	52.1	29.0
1954—Dec.	278.8	278.8	233.2	157.8	19.5	28.5	28.0	81.8	11.8	63.6	57.7	42.6
1955—Dec.	280.8	280.8	233.9	163.3	22.3	15.7	43.3	81.9	11.4	59.2	57.9	43.9
1956—Dec.	276.7	276.6	228.6	160.4	25.2	19.0	35.3	80.9	10.8	57.4	56.3	45.6
1957—Dec.	275.0	274.9	227.1	164.2	26.9	34.6	20.7	82.1	9.5	53.4	52.5	45.8
1958—Dec.	283.0	282.9	236.0	175.6	29.7	36.4	26.1	83.4	8.3	52.1	51.2	44.8
1959—Dec.	290.9	290.8	244.2	188.3	39.6	19.7	44.2	84.8	7.1	48.9	48.2	43.5
1960—Dec.	290.4	290.2	242.5	189.0	39.4	18.4	51.3	79.8	5.7	47.8	47.2	44.3
1961—Aug.	294.0	293.7	245.1	191.1	40.9	5.5	65.0	79.7	5.2	48.7	47.6	45.6
Sept.	294.0	293.7	245.8	191.9	41.9	5.5	65.2	79.3	5.1	48.8	47.7	45.0
Oct.	296.0	295.7	248.8	195.2	42.6	5.5	67.8	79.3	4.7	48.9	47.7	43.9
Nov.	297.3	297.0	249.4	195.6	43.4	5.5	71.5	75.2	4.7	49.1	47.8	44.2
Dec.	296.5	296.2	249.2	196.0	43.4	5.5	71.5	75.5	4.6	48.6	47.5	43.5
1962—Jan.	296.9	296.5	250.8	197.6	43.9	5.5	71.6	76.6	4.5	48.6	47.5	42.3
Feb.	297.4	297.0	250.8	197.6	44.2	12.4	64.4	76.6	4.5	48.7	47.5	42.8
Mar.	296.5	296.1	249.7	196.5	43.0	12.4	64.5	76.6	4.4	48.8	47.6	42.8
Apr.	297.4	297.0	251.2	198.1	43.4	12.4	64.5	77.8	4.3	48.8	47.6	42.1
May	299.6	299.2	251.2	198.2	43.7	13.5	65.4	75.5	4.3	48.7	47.6	44.3
June	298.6	298.2	249.5	196.1	42.0	13.5	65.5	75.0	4.3	49.2	47.6	44.9
July	298.3	297.9	250.1	196.9	42.8	13.5	65.5	75.0	4.3	49.0	47.7	43.8
Aug.	302.3	301.8	252.5	199.3	43.6	20.4	58.1	77.2	4.2	49.0	47.7	45.4

¹ Includes some debt not subject to statutory debt limitation (amounting to \$374 million on Aug. 31, 1962), and fully guaranteed securities, not shown separately.

² Includes non-interest-bearing debt, not shown separately.

³ Includes amounts held by U. S. Govt. agencies and trust funds, which totaled \$11,745 million on July 31, 1962.

⁴ Includes Treasury bonds and minor amounts of Panama Canal and postal savings bonds.

⁵ Includes Series A investment bonds, depositary bonds, armed forces leave bonds, adjusted service bonds, certificates of indebtedness—Foreign series, and Rural Electrification Administration bonds, and, before 1956, tax and savings notes, not shown separately.

⁶ Held only by U. S. Govt. agencies and trust funds.

NOTE.—Based on daily statement of U. S. Treasury.

OWNERSHIP OF DIRECT AND FULLY GUARANTEED SECURITIES

[Par value in billions of dollars]

End of period	Total gross debt	Held by—		Held by the public									
		U. S. Govt. agencies and trust funds ¹	F. R. Banks	Total	Com-mercial banks ²	Mutual savings banks	Insur-ance companies	Other corpo-rations	State and local govts.	Individuals		Foreign and inter-national ³	Other misc. investors ⁴
										Savings bonds	Other securities		
1941—Dec.	64.3	9.5	2.3	52.5	21.4	3.7	8.2	4.0	.7	5.4	8.2	.4	.5
1945—Dec.	278.7	27.0	24.3	227.4	90.8	10.7	24.0	22.2	6.5	42.9	21.2	2.4	6.6
1947—Dec.	257.0	34.4	22.6	200.1	68.7	12.0	23.9	14.1	7.3	46.2	19.4	2.7	5.7
1954—Dec.	278.8	49.6	24.9	204.2	69.2	8.8	15.3	19.2	14.4	50.0	13.5	6.3	7.6
1955—Dec.	280.8	51.7	24.8	204.3	62.0	8.5	14.6	23.5	15.4	50.2	14.5	7.5	8.1
1956—Dec.	276.7	54.0	24.9	197.8	59.5	8.0	13.2	19.1	16.3	50.1	15.4	7.8	8.4
1957—Dec.	275.0	55.2	24.2	195.5	59.5	7.6	12.5	18.6	16.6	48.2	15.8	7.6	9.0
1958—Dec.	283.0	54.4	26.3	202.3	67.5	7.3	12.7	18.8	16.5	47.7	15.3	7.7	8.9
1959—Dec.	290.9	53.7	26.6	210.6	60.3	6.9	12.5	22.6	18.0	45.9	22.3	12.0	10.1
1960—Dec.	290.4	55.1	27.4	207.9	62.1	6.3	11.9	19.7	18.2	45.7	20.0	13.0	11.2
1961—July	292.6	55.2	27.4	210.0	65.5	6.3	11.5	19.8	18.7	46.1	18.4	12.7	11.0
Aug.	294.0	56.5	27.7	209.8	65.1	6.3	11.5	20.0	18.6	46.2	18.7	12.6	10.6
Sept.	294.0	55.9	27.8	210.3	66.6	6.3	11.5	18.6	18.5	46.3	18.8	12.8	10.9
Oct.	296.0	55.0	28.3	212.9	67.3	6.2	11.6	19.5	18.4	46.4	18.9	12.9	11.6
Nov.	297.3	55.4	29.2	212.7	66.9	6.2	11.5	20.3	18.2	46.5	19.0	13.1	11.0
Dec.	296.5	54.5	28.9	213.1	67.2	6.1	11.4	19.4	18.3	46.4	19.2	13.4	11.6
1962—Jan.	296.9	53.8	28.5	214.6	67.8	6.2	11.6	20.4	18.6	46.5	19.2	12.9	11.2
Feb.	297.4	54.2	28.4	214.8	66.6	6.3	11.5	21.4	18.8	46.6	19.2	13.0	11.5
Mar.	296.5	54.5	29.1	213.0	64.0	6.6	11.5	20.2	19.1	46.6	19.4	13.6	12.0
Apr.	297.4	53.7	29.2	214.4	65.3	6.3	11.5	20.4	19.2	46.6	19.2	13.3	12.5
May	299.6	55.9	29.6	214.1	65.2	6.3	11.5	20.8	19.3	46.6	18.9	13.5	11.8
June	298.6	56.5	29.7	212.5	65.0	6.3	11.3	19.2	19.4	46.6	19.0	14.1	11.6
July	298.3	55.5	29.8	213.0	64.5	6.3	11.5	19.9	19.4	46.7	19.1	14.2	11.3

¹ Includes the Postal Savings System.

² Includes holdings by banks in territories and insular possessions, which amounted to about \$70 million on Dec. 31, 1961.

³ Includes investments of foreign balances and international accounts in the United States.

⁴ Includes savings and loan assns., dealers and brokers, nonprofit institutions, and corporate pension funds.

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

OWNERSHIP OF MARKETABLE SECURITIES, BY MATURITY

[Par value in millions of dollars]

Type of holder and date	Total	Within 1 year			1-5 years	5-10 years	10-20 years	Over 20 years
		Total	Bills	Other				
All holders:								
1959—Dec. 31.....	188,269	78,456	39,643	38,813	61,609	23,625	16,494	8,085
1960—Dec. 31.....	189,015	73,830	39,446	34,384	72,298	18,684	13,224	10,979
1961—Dec. 31.....	195,965	84,428	43,444	40,984	66,360	19,782	11,976	13,419
1962—May 31.....	198,193	89,091	43,747	45,344	57,035	26,177	10,664	15,225
June 30.....	196,072	86,957	42,036	44,921	58,527	26,049	9,319	15,221
U. S. Govt. agencies and trust funds:								
1959—Dec. 31.....	7,394	1,037	260	777	1,909	1,882	1,917	650
1960—Dec. 31.....	8,116	1,482	591	891	2,431	1,602	1,461	1,140
1961—Dec. 31.....	8,484	1,252	583	669	1,860	1,594	1,756	2,022
1962—May 31.....	9,092	1,808	919	889	1,004	2,284	1,504	2,492
June 30.....	8,991	1,687	799	888	1,116	2,266	1,431	2,492
Federal Reserve Banks:								
1959—Dec. 31.....	26,648	18,654	2,626	16,028	6,524	677	765	28
1960—Dec. 31.....	27,384	15,223	3,217	12,006	10,711	1,179	243	28
1961—Dec. 31.....	28,881	17,650	3,349	14,301	8,737	2,227	204	63
1962—May 31.....	29,622	17,287	3,167	14,120	9,821	2,247	204	63
June 30.....	29,663	17,197	2,961	14,236	10,033	2,219	151	63
Held by public:								
1959—Dec. 31.....	154,227	58,765	36,757	22,008	53,176	21,066	13,812	7,407
1960—Dec. 31.....	153,515	57,125	35,638	21,487	59,156	15,903	11,520	9,811
1961—Dec. 31.....	158,600	65,526	39,512	26,014	55,763	15,961	10,016	11,334
1962—May 31.....	159,479	69,996	39,661	30,335	46,210	21,646	8,956	12,670
June 30.....	157,418	68,073	38,276	29,797	47,378	21,564	7,737	12,666
Commercial banks:								
1959—Dec. 31.....	51,841	11,198	5,011	6,187	28,778	9,235	2,173	457
1960—Dec. 31.....	54,260	14,697	6,976	7,721	31,596	5,654	1,775	538
1961—Dec. 31.....	59,073	21,149	9,962	11,187	30,751	5,043	1,724	407
1962—May 31.....	57,209	21,744	7,340	14,404	25,067	8,347	1,578	472
June 30.....	57,038	21,511	7,090	14,421	25,817	7,870	1,390	450
Mutual savings banks:								
1959—Dec. 31.....	6,129	486	191	295	1,401	2,254	1,427	560
1960—Dec. 31.....	5,944	480	144	336	1,544	1,849	897	1,174
1961—Dec. 31.....	5,867	686	181	505	1,514	1,708	662	1,298
1962—May 31.....	6,029	824	304	520	1,414	1,861	591	1,338
June 30.....	5,996	824	307	517	1,455	1,882	505	1,330
Insurance companies:								
1959—Dec. 31.....	9,175	1,024	416	608	2,279	2,422	2,396	1,054
1960—Dec. 31.....	9,001	940	341	599	2,508	2,076	1,433	2,044
1961—Dec. 31.....	9,020	1,228	442	786	2,222	1,625	1,274	2,671
1962—May 31.....	9,190	1,366	556	810	2,008	1,828	1,177	2,811
June 30.....	9,049	1,195	450	745	2,125	1,814	1,100	2,815
Nonfinancial corporations: ¹								
1959—Dec. 31.....	10,741	8,340	5,599	2,741	2,269	58	39	33
1960—Dec. 31.....	10,547	8,697	5,466	3,231	1,747	72	22	8
1961—Dec. 31.....	10,866	9,348	6,217	3,131	1,327	159	23	10
June 30.....	9,887	8,329	5,213	3,116	1,380	138	23	17
Savings and loan associations: ¹								
1959—Dec. 31.....	2,454	322	163	159	858	473	396	406
1960—Dec. 31.....	2,760	446	155	291	895	617	371	431
1961—Dec. 31.....	2,858	531	197	334	705	824	315	483
June 30.....	2,811	477	182	295	705	880	266	483
State and local governments: ²								
1959—Dec. 31.....	10,957	3,933	2,643	1,290	1,785	828	1,382	3,029
1960—Dec. 31.....	10,893	3,974	2,710	1,264	1,320	842	1,250	3,507
1961—Dec. 31.....	11,918	5,005	3,661	1,344	1,030	968	1,050	3,865
June 30.....	11,863	4,854	3,527	1,327	1,100	1,066	961	3,883
All others:								
1959—Dec. 31.....	60,158	28,413	19,772	8,641	18,596	4,965	5,598	2,587
1960—Dec. 31.....	60,440	29,346	20,596	8,750	17,314	6,054	4,713	3,012
1961—Dec. 31.....	61,408	31,179	21,385	9,794	14,658	7,659	4,221	3,692
June 30.....	60,774	30,883	21,506	9,377	14,795	7,915	3,492	3,689

¹ First reported separately in the Feb. 1960 Survey. Monthly figures for Feb.-May 1960 shown in the Sept. 1960 *Treasury Bull.*, pp. 55-56.

² First reported separately in the Dec. 1961 Survey. Monthly figures for Dec. 1960-Sept. 1961 shown in the Feb. 1962 *Treasury Bull.*, pp. 59-60.

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

Data complete for U. S. Govt. agencies and trust funds and F. R. Banks, but for other groups are based on Treasury Survey data. Of total mar-

ketable issues held by groups, the proportion held on latest date and the number of reporting owners surveyed were: (1) about 90 per cent by the 6,200 commercial banks, 509 mutual savings banks, and 814 insurance cos. combined; (2) about 50 per cent by the 473 nonfinancial corps. and 488 savings and loan assns.; and (3) about 60 per cent by 484 State and local govts.

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

DEALER TRANSACTIONS

[Par value, in millions of dollars]

Period	U. S. Government securities									U.S. Govt. agency securities
	Total	By maturity				By type of customer				
		Within 1 year	1-5 years	5-10 years	After 10 years	Dealers and brokers		Commercial banks	All other	
					U. S. Govt. securities	Other				
1961—July.....	1,783	1,441	281	49	13	555	33	708	487	69
Aug.....	1,395	1,173	162	41	19	423	32	519	421	56
Sept.....	1,442	1,185	177	47	34	406	25	608	403	99
Oct.....	1,690	1,389	254	27	20	547	38	695	410	61
Nov.....	1,686	1,295	309	41	43	514	33	691	448	90
Dec.....	1,653	1,328	228	45	52	540	29	698	386	69
1962—Jan.....	1,717	1,478	149	64	26	538	25	716	438	98
Feb.....	1,970	1,520	295	95	60	565	36	832	537	83
Mar.....	1,675	1,332	217	69	56	569	33	659	414	80
Apr.....	1,689	1,350	180	114	45	541	42	653	453	90
May.....	1,694	1,338	218	114	24	564	35	662	433	90
June.....	1,681	1,357	191	100	33	553	29	652	446	89
July.....	1,682	1,457	139	63	23	529	34	621	498	82
Week ending—										
1962—July 4.....	2,056	1,726	224	82	24	627	36	754	639	80
11.....	1,584	1,324	154	80	27	478	30	571	505	107
18.....	1,839	1,608	149	55	27	589	44	690	517	81
25.....	1,539	1,397	95	31	15	528	30	556	425	80
Aug. 1.....	1,652	1,374	143	108	25	482	28	668	474	67
8.....	1,784	1,508	122	125	29	634	31	634	485	89
15.....	1,580	1,305	149	95	31	539	22	616	403	69
22.....	1,593	1,284	180	88	41	545	27	618	404	82
29.....	1,601	1,303	181	81	35	550	31	540	480	76

NOTE.—The transactions data combine market purchases and sales of U. S. Govt. securities dealers reporting to the F. R. Bank of N. Y. They do not include allotments of and exchanges for new U. S. Govt. securities, redemptions of called or matured securities, or purchases or sales of securi-

ties under repurchase agreements, reverse repurchase (resale), or similar contracts. Averages of daily figures based on the number of trading days in the period.

DEALER POSITIONS

[Par value, in millions of dollars]

Period	U. S. Government securities, by maturity				U. S. Govt. agency securities
	All maturities	Within 1 year	1-5 years	After 5 years	
1961—July.....	2,610	2,247	323	40	125
Aug.....	2,535	2,350	175	10	103
Sept.....	2,497	2,339	144	15	107
Oct.....	3,227	3,044	194	-12	105
Nov.....	3,807	3,272	464	71	140
Dec.....	2,939	2,655	260	23	86
1962—Jan.....	2,778	2,589	184	5	93
Feb.....	2,265	1,914	297	54	115
Mar.....	3,056	2,721	228	106	168
Apr.....	3,771	3,388	252	131	193
May.....	3,642	2,985	403	255	196
June.....	3,777	3,398	261	118	293
July.....	2,881	2,818	94	-32	232
Week ending—					
1962—June 6..	3,241	2,856	238	148	229
13..	3,687	3,259	256	172	291
20..	4,155	3,763	277	116	298
27..	3,970	3,607	287	76	323
July 4..	3,481	3,266	172	45	328
11..	3,203	3,110	99	-6	258
18..	3,051	2,999	95	-44	209
25..	2,586	2,580	64	-58	208

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.

Averages of daily figures based on number of trading days in the period

DEALER FINANCING

[In millions of dollars]

Period	All sources	Commercial banks		Corporations ¹	All other
		New York City	Elsewhere		
1961—July.....	2,665	702	470	1,309	184
Aug.....	2,584	655	434	1,220	275
Sept.....	2,416	688	574	982	171
Oct.....	3,077	926	735	1,029	387
Nov.....	3,915	1,173	870	1,477	393
Dec.....	3,088	725	744	1,345	275
1962—Jan.....	2,740	482	596	1,341	320
Feb.....	2,296	426	449	1,218	203
Mar.....	3,025	855	637	1,299	235
Apr.....	3,621	976	835	1,354	456
May.....	3,738	978	769	1,612	379
June.....	3,900	1,092	720	1,798	290
July.....	3,053	636	521	1,631	266
Week ending—					
1962—June 6..	3,299	775	601	1,744	179
13..	3,639	931	678	1,824	206
20..	4,305	1,411	809	1,779	306
27..	4,203	1,210	782	1,823	389
July 4..	3,862	1,035	655	1,737	434
11..	3,380	763	648	1,637	332
18..	3,193	761	588	1,626	218
25..	2,710	407	402	1,697	204

¹ All business corps. except commercial banks and insurance cos.

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 of the opposite table on this page.

U. S. GOVERNMENT MARKETABLE AND CONVERTIBLE SECURITIES, OUTSTANDING AUGUST 31, 1962

[In millions of dollars]

Issue and coupon rate	Amount	Issue and coupon rate	Amount	Issue and coupon rate	Amount	Issue and coupon rate	Amount
Treasury bills		Treasury bills—Cont.		Treasury notes—Cont.		Treasury bonds—Cont.	
Sept. 6, 1962.....	1,902	Feb. 14, 1963.....	704	Aug. 15, 1964.....3¼	5,019	Mar. 15, 1966-71...2½	1,415
Sept. 13, 1962.....	1,901	Feb. 21, 1963.....	700	Oct. 1, 1964.....1½	4,990	June 15, 1967-72...2½	1,332
Sept. 20, 1962.....	1,901	Feb. 28, 1963.....	700	Nov. 15, 1964.....4¾	4,195	Sept. 15, 1967-72...2½	1,952
Sept. 21, 1962 ¹	1,802	Apr. 15, 1963.....	2,001	Apr. 1, 1965.....1½	466	Nov. 15, 1967.....3½	3,604
Sept. 27, 1962.....	1,901	July 15, 1963.....	2,004	May 15, 1965.....4¾	2,113	Dec. 15, 1967-72...2½	2,825
Oct. 4, 1962.....	1,901			Oct. 1, 1965.....1½	315	May 15, 1968.....3½	2,460
Oct. 11, 1962.....	1,902	Certificates		Feb. 15, 1966.....3¾	3,114	Aug. 15, 1968.....3¼	1,258
Oct. 15, 1962.....	2,003	Feb. 15, 1962.....3¼	6,862	Apr. 1, 1966.....1½	675	Feb. 15, 1969.....4	1,844
Oct. 18, 1962.....	1,903	May 15, 1963.....3¼	6,681	Aug. 15, 1966.....4	4,454	Oct. 1, 1969.....4	2,538
Oct. 25, 1962.....	1,899	Aug. 15, 1963.....3½	6,851	Oct. 1, 1966.....1½	357	Aug. 15, 1971.....4	2,806
Nov. 1, 1962.....	1,901	Treasury notes		Apr. 1, 1967.....1½	129	Nov. 15, 1971.....3¾	1,204
Nov. 8, 1962.....	1,903	Oct. 1, 1962.....1½	590	Treasury bonds		Nov. 15, 1974.....3¾	1,171
Nov. 15, 1962.....	1,901	Nov. 15, 1962.....3¼	1,143	Dec. 15, 1959-62...2¼	2,269	May 15, 1975-85...4¼	470
Nov. 23, 1962.....	1,901	Nov. 15, 1962.....3¼	6,082	Dec. 15, 1960-65 ² ...2¼	1,485	June 15, 1978-83...3¼	1,593
Nov. 29, 1962.....	1,902	Feb. 15, 1963.....2¾	2,839	Dec. 15, 1962-67...2½	1,462	Feb. 15, 1980.....4	1,446
Dec. 6, 1962.....	702	Feb. 15, 1963.....3¼	3,642	Aug. 15, 1963.....2½	4,317	Nov. 15, 1980.....3½	1,915
Dec. 13, 1962.....	700	Apr. 1, 1963.....1½	533	Dec. 15, 1963.....2½	4,187	May 15, 1985.....3¼	1,131
Dec. 20, 1962.....	701	May 15, 1963.....4	1,743	Feb. 15, 1964.....3	2,700	Feb. 15, 1990.....3½	4,915
Dec. 27, 1962.....	700	May 15, 1963.....3¼	5,047	June 15, 1964.....2½	2,634	Aug. 15, 1987-92...4¼	365
Jan. 3, 1963.....	700	Oct. 1, 1963.....1½	506	Dec. 15, 1964-69...2½	2,551	Feb. 15, 1995.....3	2,632
Jan. 10, 1963.....	700	Nov. 15, 1963.....4¾	3,011	Feb. 15, 1965.....2¾	4,682	Nov. 15, 1998.....3½	4,461
Jan. 15, 1963.....	2,001	Apr. 1, 1964.....1½	457	Mar. 15, 1965-70...2½	2,425	Convertible bonds	
Jan. 17, 1963.....	700	May 15, 1964.....4¾	4,933	May 15, 1966.....3¼	3,597	Investment Series B	
Jan. 24, 1963.....	703	May 15, 1964.....3¼	3,893	Aug. 15, 1966.....3	1,484	Apr. 1, 1975-80...2¼	
Jan. 31, 1963.....	700	Aug. 15, 1964.....5	2,316	Nov. 15, 1966.....3¾	2,438	4,189	
Feb. 7, 1963.....	700						

¹ Tax anticipation series.

² Partially tax-exempt called for redemption on Dec. 15, 1962.

NOTE.—Direct public issues only. Based on Daily Statement of U. S. Treasury.

NEW ISSUES OF STATE AND LOCAL GOVERNMENT SECURITIES

[In millions of dollars]

Period	All issues (new capital and refunding)								Total amount delivered ⁵	Issues for new capital						
	Total	Type of issue				Type of issuer ³				Total	Use of proceeds ³					
		General obligations	Revenue	PHA ¹	U. S. Govt. loans ²	State	Special district and stat. auth.	Other ⁴			Education	Roads and bridges	Utilities ⁶	Housing ⁷	Veterans' aid	Other purposes
1954.....	6,969	3,380	3,205	374	9	2,047	1,463	3,459	6,789	1,432	2,136	1,270	456	162	1,333	
1955.....	5,976	3,770	1,730	474	2	1,408	1,097	3,472	5,911	1,516	1,362	881	570	169	1,414	
1956.....	5,446	3,577	1,626	199	44	800	983	3,664	5,383	1,455	698	1,399	258	110	1,464	
1957.....	8,925	4,792	1,967	66	99	1,489	1,272	4,163	6,568	2,524	1,036	1,516	113	333	1,352	
1958.....	7,526	5,447	1,777	187	115	1,993	1,371	4,162	7,708	7,441	1,164	1,412	251	339	1,657	
1959.....	7,695	4,778	2,409	333	176	1,686	2,120	3,889	7,423	7,588	2,314	844	1,989	402	355	1,683
1960.....	7,302	4,677	2,097	403	125	1,110	1,985	4,206	7,112	7,257	2,411	1,007	1,318	425	201	1,894
1961.....	8,562	5,721	2,406	315	120	1,928	2,164	4,470	8,298	8,460	2,821	1,167	1,700	385	478	1,909
1961—Mar....	767	612	139	.....	16	252	76	439	711	764	227	52	169	5	100	213
Apr....	727	551	119	51	6	273	97	357	721	723	208	67	66	55	170	156
May....	643	414	217	.....	12	18	209	417	672	641	290	33	161	6	.....	150
June....	1,036	628	394	.....	15	193	264	580	709	1,034	224	257	272	10	.....	271
July....	488	318	103	52	16	115	111	262	965	485	160	69	93	52	.....	110
Aug....	605	423	112	60	10	134	163	309	517	604	281	55	86	61	.....	121
Sept....	742	570	168	.....	4	289	124	328	578	734	282	49	147	4	100	152
Oct....	680	516	150	.....	15	225	76	378	716	678	193	58	125	30	65	208
Nov....	793	376	326	79	12	103	402	288	614	789	150	284	101	80	.....	175
Dec....	675	371	297	1	6	39	325	311	877	606	194	112	162	9	.....	128
1962—Jan....	884	500	344	33	7	218	344	323	690	875	325	252	95	33	.....	169
Feb....	1,124	747	291	80	7	191	294	639	791	1,078	352	264	144	87	25	206
Mar....	629	392	229	.....	8	72	193	364	1,314	617	216	137	141	4	.....	118

¹ Only bonds sold pursuant to 1949 Housing Act; secured by contract requiring the Public Housing Administration to make annual contributions to the local authority.

² Beginning with 1957, coverage is considerably broader than earlier.

³ Classifications before 1957 as to use of proceeds and type of issuer are based principally on issues of \$500,000 or more; smaller issues not classified. As a result some categories, particularly education, are understated relative to later data.

⁴ Municipalities, counties, townships, school districts, and, before 1957, small unclassified issues.

⁵ Excludes U. S. Govt. loans. Based on date of delivery to purchaser (and payment to issuer), which occurs after date of sale.

⁶ Water, sewer, and other utilities.

⁷ Includes urban redevelopment loans.

⁸ Beginning with 1957 this figure differs from that shown on the following page, which is based on *Bond Buyer* data. The principal difference is in the treatment of U. S. Govt. loans.

NOTE.—Beginning with 1957, Investment Bankers Assn. data; par amounts of long-term issues. Based on date of sale unless otherwise indicated. Before 1957, based on *Bond Buyer* data.

NEW SECURITY ISSUES

[In millions of dollars]

Period	Gross proceeds, all issues ¹										Proposed use of net proceeds, all corporate issues ⁵					
	Total	Noncorporate				Corporate					Total	New capital			Retirement of securities	
		U. S. Govt. ²	U. S. Govt. agency ³	U. S. State and local	Other ⁴	Total	Bonds			Stock		Total	New money ⁶	Other purposes		
							Total	Publicly offered	Privately placed	Preferred						Common
1954.....	29,765	12,532	458	6,969	289	9,516	7,488	4,003	3,484	816	1,213	9,365	7,490	6,780	709	1,875
1955.....	26,772	9,628	746	5,977	182	10,240	7,420	4,119	3,301	635	2,185	10,049	8,821	7,957	864	1,227
1956.....	22,405	5,517	169	5,446	334	10,939	8,002	4,225	3,777	636	2,301	10,749	10,384	9,663	721	364
1957.....	30,571	9,601	572	7,449	557	12,884	9,957	6,118	3,839	411	2,516	12,661	12,447	11,784	663	214
1958.....	34,443	12,063	2,321	7,449	1,052	11,558	9,653	6,332	3,320	571	1,334	11,372	10,823	9,907	915	549
1959.....	31,074	12,322	707	7,681	616	9,748	7,190	3,557	3,632	531	2,027	9,527	9,392	8,578	814	135
1960.....	27,541	7,906	1,672	7,230	579	10,154	8,081	4,806	3,275	409	1,664	9,924	9,653	8,758	895	271
1961.....	35,494	12,253	1,448	8,345	302	13,147	9,425	4,706	4,720	449	3,273	12,874	11,979	10,829	1,150	895
1961—June.....	3,494	369	278	1,035	33	1,779	1,495	924	572	40	244	1,744	1,318	1,127	191	426
July.....	1,901	342	.....	463	20	1,075	817	424	392	20	239	1,049	1,028	846	182	22
Aug.....	2,064	392	250	603	5	813	637	225	411	45	131	793	762	662	100	31
Sept.....	1,913	338	193	699	5	678	460	123	336	17	201	658	647	612	36	11
Oct.....	4,410	2,564	.....	643	48	1,155	845	336	509	12	298	1,129	1,090	952	138	40
Nov.....	2,404	357	225	789	46	987	762	414	348	41	184	961	948	908	40	13
Dec.....	2,094	341	.....	654	4	1,094	784	217	567	26	284	1,071	1,000	930	70	71
1962—Jan.....	3,506	1,589	246	866	159	647	504	273	232	2	141	632	592	507	85	39
Feb.....	2,537	361	156	1,123	13	884	728	497	232	9	146	866	859	792	67	7
Mar.....	*1,877	372	.....	*621	38	847	638	386	253	5	204	823	807	709	97	16
Apr.....	*4,075	1,506	461	877	*14	*1,217	*881	*654	*227	*120	*216	*1,185	*1,113	*1,033	*80	*72
May.....	*2,149	352	.....	897	*99	*801	*667	247	*420	*14	120	*785	*760	*621	*139	25
June.....	2,422	363	.....	760	67	1,232	1,063	488	575	46	124	1,214	1,132	953	180	82

Period	Proposed uses of net proceeds, major groups of corporate issuers											
	Manufacturing		Commercial and miscellaneous		Transportation		Public utility		Communication		Real estate and financial	
	New capital ⁸	Retirement of securities	New capital ⁸	Retirement of securities	New capital ⁸	Retirement of securities	New capital ⁸	Retirement of securities	New capital ⁸	Retirement of securities	New capital ⁸	Retirement of securities
1954.....	2,044	190	831	93	501	270	2,675	990	651	60	788	273
1955.....	2,397	533	769	51	544	338	2,254	174	1,045	77	1,812	56
1956.....	3,336	243	682	51	694	20	2,474	14	1,384	21	1,815	17
1957.....	4,104	49	579	29	802	14	3,821	51	1,441	4	1,701	67
1958.....	3,265	195	867	13	778	38	3,605	138	1,294	118	1,014	47
1959.....	1,941	70	812	28	942	15	3,189	15	707	*	1,801	6
1960.....	1,997	79	794	30	672	39	2,754	51	1,036	1	2,401	71
1961.....	3,708	306	1,095	46	680	26	2,892	104	1,427	378	2,176	36
1961—June.....	446	128	120	23	115	7	389	13	16	251	231	5
July.....	428	12	98	2	11	*	269	3	16	*	206	4
Aug.....	255	25	83	1	69	1	215	2	13	.....	127	2
Sept.....	252	8	76	1	28	.....	111	*	75	.....	105	1
Oct.....	271	28	146	1	60	*	306	8	25	.....	281	2
Nov.....	215	10	61	*	56	.....	362	.....	80	.....	174	2
Dec.....	306	18	151	7	32	1	168	40	42	.....	302	6
1962—Jan.....	205	14	99	1	23	1	89	24	73	.....	102	1
Feb.....	131	2	52	*	45	*	148	4	362	.....	122	1
Mar.....	318	2	75	2	74	*	193	1	21	.....	126	10
Apr.....	*384	*67	103	*3	*28	.....	*377	.....	*88	*8	*134	*1
May.....	*270	*5	*100	1	*38	.....	*198	16	*64	.....	*91	3
June.....	342	14	90	4	48	*	410	56	79	.....	163	7

¹ Gross proceeds are derived by multiplying principal amounts or number of units by offering price.
² Includes guaranteed issues.
³ Issues not guaranteed.
⁴ Foreign governments, International Bank for Reconstruction and Development, and domestic nonprofit organizations.
⁵ Estimated gross proceeds less cost of flotation.

⁶ For plant and equipment and working capital.
⁷ Beginning with 1957 this figure differs from that shown on the previous page because this one is based on *Bond Buyer* data.
⁸ All issues other than those for retirement of securities.

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

SALES, PROFITS, AND DIVIDENDS OF LARGE CORPORATIONS

[In millions of dollars]

Industry	1957	1958	1959	1960	1961	1960					1961		1962		
						IV	I	II	III	IV	I	II			
Manufacturing															
Total (180 corps.):															
Sales.....	114,229	105,134	118,423	123,126	122,632	30,526	28,651	31,233	29,541	33,207	33,291	34,591			
Profits before taxes.....	13,349	10,466	14,090	13,463	13,293	3,083	2,693	3,478	2,961	4,161	3,908	4,097			
Profits after taxes.....	7,177	5,714	7,440	7,121	7,180	1,703	1,436	1,838	1,618	2,288	2,033	2,094			
Dividends.....	4,192	4,078	4,342	4,464	4,710	1,201	1,103	1,111	1,117	1,380	1,154	1,158			
Nondurable goods industries (79 corps.):¹															
Sales.....	41,704	41,541	45,442	47,277	49,226	11,971	11,831	12,133	12,205	13,056	12,793	12,984			
Profits before taxes.....	5,010	4,402	5,648	5,570	5,659	1,302	1,324	1,385	1,406	1,545	1,461	1,501			
Profits after taxes.....	2,944	2,574	3,210	3,210	3,246	764	757	772	796	921	816	815			
Dividends.....	1,776	1,785	1,912	1,953	2,036	528	486	486	488	577	512	513			
Durable goods industries (101 corps.):²															
Sales.....	72,525	63,593	72,981	75,849	73,406	18,556	16,820	19,100	17,336	20,151	20,499	21,607			
Profits before taxes.....	8,339	6,065	8,442	7,893	7,634	1,781	1,368	2,094	1,555	2,616	2,447	2,596			
Profits after taxes.....	4,233	3,140	4,231	3,911	3,935	910	679	1,066	822	1,367	1,217	1,278			
Dividends.....	2,416	2,294	2,430	2,510	2,674	673	618	625	629	803	642	644			
Selected industries:															
Foods and kindred products (25 corps.):															
Sales.....	9,987	10,707	11,303	11,901	12,578	3,090	3,021	3,154	3,233	3,169	3,231	3,267			
Profits before taxes.....	1,024	1,152	1,274	1,328	1,424	334	319	360	379	365	336	355			
Profits after taxes.....	497	555	604	631	672	162	150	170	179	174	160	167			
Dividends.....	289	312	344	367	392	95	95	96	99	101	103	103			
Chemicals and allied products (21 corps.):															
Sales.....	10,669	10,390	11,979	12,411	12,788	2,981	2,979	3,250	3,210	3,348	3,372	3,567			
Profits before taxes.....	1,823	1,538	2,187	2,010	2,015	423	438	514	499	564	545	586			
Profits after taxes.....	948	829	1,131	1,061	1,063	238	229	267	260	306	279	297			
Dividends.....	737	717	799	795	843	230	193	189	191	270	198	196			
Petroleum refining (16 corps.):															
Sales.....	13,463	12,838	13,372	13,815	14,409	3,694	3,488	3,398	3,424	4,100	3,771	3,612			
Profits before taxes.....	1,325	919	1,187	1,267	1,255	325	354	270	292	339	343	300			
Profits after taxes.....	1,075	791	969	1,026	1,011	248	272	214	243	283	262	227			
Dividends.....	512	516	518	521	528	133	129	134	131	133	139	142			
Primary metals and products (35 corps.):															
Sales.....	22,468	19,226	21,035	20,898	20,155	4,500	4,396	5,189	5,235	5,335	5,733	5,527			
Profits before taxes.....	2,977	2,182	2,331	2,215	2,020	343	309	560	550	602	620	505			
Profits after taxes.....	1,540	1,154	1,222	1,170	1,090	182	166	295	299	329	320	267			
Dividends.....	873	802	831	840	844	219	207	208	208	221	209	210			
Machinery (25 corps.):															
Sales.....	15,115	14,685	17,095	16,826	17,531	4,297	4,137	4,367	4,295	4,732	4,537	4,916			
Profits before taxes.....	1,457	1,463	1,890	1,499	1,675	323	362	398	384	530	454	490			
Profits after taxes.....	729	734	934	763	837	167	178	202	191	267	225	239			
Dividends.....	416	422	448	482	497	123	121	125	124	128	129	130			
Automobiles and equipment (14 corps.):															
Sales.....	23,453	18,469	22,731	25,738	22,781	6,521	5,293	6,309	4,604	6,577	6,904	7,512			
Profits before taxes.....	2,701	1,332	2,985	3,185	2,788	832	478	840	319	1,151	1,096	1,254			
Profits after taxes.....	1,354	706	1,479	1,527	1,408	400	223	417	173	596	531	595			
Dividends.....	805	758	807	833	967	228	205	207	207	348	215	216			
Public Utility															
Railroad:															
Operating revenue.....	10,491	9,565	9,825	9,514	9,189	2,303	2,129	2,289	2,355	2,414	2,296	2,408			
Profits before taxes.....	1,058	843	845	648	625	168	27	137	184	278	133	.....		
Profits after taxes.....	737	602	578	445	382	142	-12	74	122	200	66	.....		
Dividends.....	438	419	406	385	356	125	86	91	67	112	84	.....		
Electric power:															
Operating revenue.....	9,670	10,195	11,129	11,906	12,594	3,015	3,314	3,007	3,050	3,223	3,399	3,210			
Profits before taxes.....	2,579	2,704	2,983	3,163	3,331	761	918	767	802	844	1,051	835			
Profits after taxes.....	1,413	1,519	1,655	1,793	1,894	452	523	447	447	477	585	472			
Dividends.....	1,069	1,134	1,219	1,307	1,375	337	343	344	335	353	366	371			
Telephone:															
Operating revenue.....	6,467	6,939	7,572	8,111	8,615	2,077	2,090	2,139	2,156	2,230	2,245	2,296			
Profits before taxes.....	1,562	1,860	2,153	2,326	2,478	594	587	614	620	657	648	678			
Profits after taxes.....	788	921	1,073	1,155	1,233	294	290	307	310	326	320	335			
Dividends.....	613	674	743	806	867	207	210	214	218	225	231	232			

¹ Includes 17 cos. in groups not shown separately.

² Includes 27 cos. in groups not shown separately.

NOTE.—*Manufacturing corps.* Data are obtained primarily from published co. reports.

Railroads. Interstate Commerce Commission data for Class I line-haul railroads.

Electric power. Federal Power Commission data for Class A and B electric utilities, except that quarterly figures on operating revenue and profits before taxes are partly estimated by the Federal Reserve to include affiliated nonelectric operations.

Telephone. Data obtained from Federal Communications Commission on revenues and profits for telephone operations of the Bell System Consolidated (including the 20 operating subsidiaries and the Long Lines and General departments of American Telephone and Telegraph Co.) and for 2 affiliated telephone cos. Dividends are for the 20 operating subsidiaries and the 2 affiliates.

All series. Profits before taxes are income after all charges and before Federal income taxes and dividends. For description of series see June 1949 BULL., pp. 662-66 (manufacturing); Mar. 1942 BULL., pp. 215-17 (public utilities); and Sept. 1944 BULL., p. 908 (electric power). Back data available from Division of Research and Statistics.

CORPORATE PROFITS, TAXES, AND DIVIDENDS

[In billions of dollars]

Period	Profits before taxes	Income taxes	Profits after taxes	Cash dividends	Undistributed profits
1955.....	44.9	21.8	23.0	11.2	11.8
1956.....	44.7	21.2	23.5	12.1	11.3
1957.....	43.2	20.9	22.3	12.6	9.7
1958.....	37.4	18.6	18.8	12.4	6.4
1959.....	47.7	23.2	24.5	13.7	10.8
1960.....	45.4	22.4	23.0	14.4	8.6
1961.....	45.6	22.3	23.3	15.0	8.3
1960—I.....	46.9	22.8	24.1	13.1	11.0
II.....	51.9	25.2	26.6	13.4	13.3
III.....	46.5	22.6	23.9	14.1	9.8
IV.....	45.3	22.0	23.3	14.2	9.0
1961—I.....	39.8	19.4	20.3	14.7	5.6
II.....	44.8	21.9	22.9	14.8	8.1
III.....	46.3	22.6	23.7	14.9	8.7
IV.....	51.4	25.1	26.3	15.5	10.8
1962—I.....	50.1	24.4	25.6	15.8	9.8

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

NET CHANGE IN OUTSTANDING CORPORATE SECURITIES

[In millions of dollars]

Period	All types			Bonds and notes			Stocks		
	New issues	Retirements	Net change	New issues	Retirements	Net change	New issues	Retirements	Net change
1954.....	11,694	5,629	6,065	7,832	4,033	3,799	3,862	1,596	2,265
1955.....	12,474	5,599	6,875	7,571	3,383	4,188	4,903	2,216	2,687
1956.....	13,201	5,038	8,162	7,934	3,203	4,731	5,267	1,836	3,432
1957.....	14,350	3,609	10,741	9,638	2,584	7,053	4,712	1,024	3,688
1958.....	14,761	5,296	9,465	9,673	3,817	5,856	5,088	1,479	3,609
1959.....	12,855	4,858	7,997	7,125	3,049	4,076	5,730	1,809	3,922
1960.....	12,958	4,760	8,198	8,044	3,010	5,034	4,914	1,751	3,164
1961.....	16,745	6,967	9,778	9,205	4,090	5,114	7,540	2,876	4,664
1961—I.....	3,247	1,417	1,830	1,488	770	718	1,759	647	1,112
II.....	5,566	1,808	3,758	3,273	1,255	2,018	2,293	553	1,740
III.....	3,594	1,750	1,844	2,011	1,213	798	1,582	537	1,046
IV.....	4,338	1,991	2,347	2,432	852	1,581	1,908	1,140	766
1962—I.....	3,226	1,406	1,820	1,668	730	938	1,558	676	882

NOTE.—Securities and Exchange Commission estimates reflect cash transactions only. Unlike data shown on p. 1206 new issues exclude foreign and include offerings of open-end investment cos., sales of securities held by affiliated cos., special offerings to employees, and also new stock issues and cash proceeds connected with conversions of bonds into stocks. Retirements include similar issues, and also securities retired with internal funds or with proceeds of issues for that purpose shown on p. 1206.

CURRENT ASSETS AND LIABILITIES OF CORPORATIONS

[In billions of dollars]

End of period	Net working capital	Current assets							Current liabilities				
		Total	Cash	U. S. Govt. securities	Notes and accts. receivable		Inventories	Other	Total	Notes and accts. payable		Accrued Federal income taxes	Other
					U. S. Govt. ¹	Other				U. S. Govt. ¹	Other		
1954.....	94.9	194.6	33.4	19.2	2.4	71.2	65.3	3.1	99.7	2.4	59.3	15.5	22.5
1955.....	103.0	224.0	34.6	23.5	2.3	86.6	72.8	4.2	121.0	2.3	73.8	19.3	25.7
1956.....	107.4	237.9	34.8	19.1	2.6	95.1	80.4	5.9	130.5	2.4	81.5	17.6	29.0
1957.....	111.6	244.7	34.9	18.6	2.8	99.4	82.2	6.7	133.1	2.3	84.3	15.4	31.1
1958.....	118.7	255.3	37.4	18.8	2.8	106.9	81.9	7.5	136.6	1.7	88.7	12.9	33.3
1959.....	124.2	277.3	36.3	22.8	2.9	117.7	88.4	9.1	153.1	1.7	99.3	15.0	37.0
1960.....	129.0	286.0	36.1	19.9	3.1	125.1	91.6	10.2	157.0	1.8	103.1	13.5	38.6
1961—II.....	134.7	290.2	35.2	19.7	3.1	127.9	92.6	11.7	155.5	1.7	102.8	11.4	39.5
III.....	136.0	294.9	36.0	18.6	3.2	131.5	93.5	12.1	159.0	1.8	104.5	12.4	40.3
IV.....	137.4	303.0	39.0	19.4	3.4	134.5	95.2	11.5	165.6	1.8	109.5	14.1	40.3
1962—I.....	139.0	305.7	35.6	20.2	3.4	136.0	97.7	12.7	166.7	1.8	109.5	13.6	41.8
II.....	141.1	310.5	36.1	19.3	3.3	140.0	98.7	13.1	169.4	1.8	111.6	13.6	42.4

¹ Receivables from, and payables to, the U. S. Govt. exclude amounts offset against each other on corps.' books.

NOTE.—Securities and Exchange Commission estimates; excludes banks, savings and loan associations, and insurance cos.

BUSINESS EXPENDITURES ON NEW PLANT AND EQUIPMENT

[In billions of dollars]

Year	Total	Manufacturing	Mining	Transportation		Public utilities	Communications	Other ¹	Quarter	Total	Mfg. and mining	Transportation	Public utilities	All other ²	Total (S.A. annual rate)
				Rail-road	Other										
1954.....	26.8	11.0	1.0	.9	1.5	4.2	1.7	6.5	1961—I...	7.6	3.2	.6	1.1	2.7	33.9
1955.....	28.7	11.4	1.0	.9	1.6	4.3	2.0	7.5	II...	8.6	3.7	.7	1.4	2.9	33.5
1956.....	35.1	15.0	1.2	1.2	1.7	4.9	2.7	8.4	III...	8.7	3.6	.6	1.5	2.9	34.7
1957.....	37.0	16.0	1.2	1.4	1.8	6.2	3.0	7.4	IV...	9.5	4.1	.7	1.5	3.2	35.4
1958.....	30.5	11.4	.9	.8	1.5	6.1	2.6	7.2	1962—I...	8.0	3.4	.6	1.1	2.9	35.7
1959.....	32.5	12.1	1.0	.9	2.0	5.7	2.7	8.2	II...	9.5	4.0	.9	1.4	3.3	37.0
1960.....	35.7	14.5	1.0	1.0	1.9	5.7	3.1	8.4	III ³	9.5	3.9	.7	1.5	3.4	37.8
1961.....	34.4	13.7	1.0	.7	1.9	5.5	3.2	8.5	IV ³	10.2	4.4	.7	1.5	3.5	38.0
1962 ³	37.2	14.6	1.1	.8	2.1	5.4	3.7	9.5							

¹ Includes trade, service, finance, and construction.

² Includes communications and other.

³ Anticipated by business.

NOTE.—Dept. of Commerce and Securities and Exchange Commission estimates for corp. and noncorp. business, excluding agriculture.

MORTGAGE DEBT OUTSTANDING

[In billions of dollars]

End of period	All properties				Nonfarm						Farm			
	All holders	Financial institutions ¹	Other holders ²		All holders	1- to 4-family houses			Multifamily and commercial properties ³			All holders	Financial institutions ¹	Other holders ⁴
			U. S. agencies	Individuals and others		Total	Finan. institutions ¹	Other holders	Total	Finan. institutions ¹	Other holders			
1941.....	37.6	20.7	4.7	12.2	31.2	18.4	11.2	7.2	12.9	8.1	4.8	6.4	1.5	4.9
1945.....	35.5	21.0	2.4	12.1	30.8	18.6	12.2	6.4	12.2	7.4	4.7	4.8	1.3	3.4
1955.....	129.9	99.3	5.2	25.4	120.9	88.2	73.8	14.4	32.6	21.8	10.8	9.1	3.6	5.4
1956.....	144.5	111.2	6.0	27.3	134.6	99.0	83.4	15.6	35.6	23.9	11.7	9.9	3.9	6.0
1957.....	156.6	119.7	7.5	29.4	146.1	107.6	89.9	17.7	38.5	25.8	12.7	10.5	4.0	6.5
1958.....	171.9	131.5	7.8	32.7	160.7	117.7	98.5	19.2	43.0	28.8	14.2	11.3	4.2	7.1
1959.....	190.9	145.5	10.0	35.4	178.7	130.9	109.2	21.6	47.9	31.9	16.0	12.2	4.5	7.7
1960.....	207.1	157.6	11.2	38.3	194.0	141.3	117.9	23.4	52.7	35.0	17.7	13.1	4.7	8.4
1961 ^{IV}	225.3	172.6	11.8	40.9	211.1	153.4	129.1	24.3	57.7	38.5	19.2	14.2	5.0	9.2
1960—I.....	194.7	148.0	10.2	36.3	182.1	133.1	110.9	22.2	49.0	32.6	16.4	12.5	4.5	8.0
1960—II.....	198.9	151.3	10.6	37.0	186.1	135.9	113.3	22.5	50.2	33.4	16.9	12.8	4.6	8.2
1960—III.....	203.2	154.6	11.0	37.7	190.3	138.8	115.8	23.1	51.5	34.2	17.3	13.0	4.6	8.3
1960—IV.....	207.1	157.6	11.2	38.3	194.0	141.3	117.9	23.4	52.7	35.0	17.7	13.1	4.7	8.4
1961—I ^{IV}	210.3	160.2	11.3	38.8	197.0	143.3	119.8	23.5	53.7	35.7	18.0	13.3	4.7	8.6
1961—II ^{IV}	215.0	164.3	11.2	39.5	201.3	146.5	123.0	23.5	54.8	36.5	18.3	13.7	4.8	8.9
1961—III ^{IV}	219.9	168.4	11.4	40.1	205.9	149.9	126.1	23.8	56.0	37.3	18.7	14.0	4.9	9.1
1961—IV ^{IV}	225.3	172.6	11.8	40.9	211.1	153.4	129.1	24.3	57.7	38.5	19.2	14.2	5.0	9.2
1962—I ^{IV}	229.8	176.0	12.1	41.6	215.3	156.0	131.3	24.7	59.3	39.6	19.7	14.5	5.1	9.4

¹ Commercial banks (including nondeposit trust cos. but not trust depts.), mutual savings banks, life insurance cos., and savings and loan assns.

² U. S. agencies are FNMA, FHA, VA, PHA, Farmers Home Administration, and Federal land banks, and in earlier years RFC, HOLC, and FFMC. Other U. S. agencies (amounts small or current separate data not readily available) included with individuals and others.

³ Derived figures; includes small amounts of farm loans held by savings and loan assns.

⁴ Derived figures; includes debt held by Federal land banks and Farmers Home Administration.

NOTE.—Based on data from Federal Deposit Insurance Corp., Federal Home Loan Bank Board, Institute of Life Insurance, Depts. of Agriculture and Commerce, Federal National Mortgage Assn., Federal Housing Administration, Public Housing Administration, Veterans Administration, and Comptroller of the Currency.

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

MORTGAGE LOANS HELD BY BANKS

[In millions of dollars]

End of period	Commercial bank holdings ¹						Mutual savings bank holdings ²						
	Total	Residential			Other non-farm	Farm	Total	Residential			Other non-farm	Farm	
		Total	FHA-insured	VA-guaranteed				Conventional	Total	FHA-insured			VA-guaranteed	Conventional
1941.....	4,906	3,292			1,048	566	4,812	3,884			900	28	
1945.....	4,772	3,395			856	521	4,208	3,387			797	24	
1955.....	21,004	15,888	4,560	3,711	7,617	3,819	17,457	15,568	4,150	5,773	5,645	1,831	58
1956.....	22,719	17,004	4,803	3,902	8,300	4,379	19,746	17,703	4,409	7,139	6,155	1,984	59
1957.....	23,337	17,147	4,823	3,589	8,735	4,823	21,169	19,010	4,669	7,790	6,551	2,102	57
1958.....	25,523	18,591	5,476	3,335	9,780	5,461	23,263	20,935	5,501	8,360	7,073	2,275	53
1959.....	28,145	20,320	6,122	3,161	11,037	6,237	24,992	22,486	6,276	8,589	7,622	2,451	55
1960.....	28,806	20,362	5,851	2,859	11,652	6,796	26,935	24,306	7,074	8,986	8,246	2,575	54
1961.....	30,442	21,225	5,975	2,627	12,623	7,470	29,145	26,341	8,045	9,267	9,028	2,753	51
1960—I.....	28,228	20,292	6,053	3,124	11,115	6,345	25,404	22,871	6,415	8,729	7,727	2,479	54
1960—II.....	28,463	20,334	5,978	3,032	11,324	6,484	25,849	23,293	6,571	8,879	7,843	2,503	53
1960—III.....	28,693	20,399	5,906	2,919	11,574	6,651	26,430	23,835	6,832	8,941	8,062	2,542	53
1960—IV.....	28,806	20,362	5,851	2,859	11,652	6,796	26,935	24,306	7,074	8,986	8,246	2,575	54
1961—I.....	28,864	20,281	5,793	2,776	11,712	6,906	27,447	24,800	7,353	9,111	8,336	2,597	50
1961—II.....	29,383	20,595	5,820	2,726	12,049	7,072	28,015	25,318	7,634	9,192	8,492	2,645	51
1961—III.....	29,920	20,953	5,905	2,676	12,372	7,227	28,589	25,892	7,811	9,231	8,850	2,646	51
1961—IV.....	30,442	21,225	5,975	2,627	12,623	7,470	29,145	26,341	8,045	9,267	9,028	2,753	51
1962—I.....	30,844	21,211	6,003	2,547	12,661	7,817	29,781	26,909	8,340	9,384	9,185	2,822	51

¹ Includes loans held by nondeposit trust cos. but not bank trust depts.

² Data for 1941 and 1945, except for totals, are special F. R. estimates.

³ Reflects a \$40 million reclassification of loans from commercial and industrial to real estate by 1 bank.

NOTE.—Second and fourth quarters, Federal Deposit Insurance Corp.

series for all commercial and mutual savings banks in the United States and possessions; first and third quarters, estimates based on FDIC data for insured banks beginning in 1962. For earlier years the basis for first and third quarter estimates included F. R. commercial bank call data and data from National Assn. of Mutual Savings Banks.

MORTGAGE ACTIVITY OF LIFE INSURANCE COMPANIES

[In millions of dollars]

Period	Loans acquired						Loans outstanding (end of period)					
	Total	Nonfarm				Farm ¹	Total	Nonfarm				Farm
		Total	FHA-insured	VA-guaranteed	Other ¹			Total	FHA-insured	VA-guaranteed	Other	
1941.....	.....	.....	.....	.....	.....	.....	6,442	5,529	815	.....	4,714	913
1945.....	976	.....	.....	.....	.....	.....	6,636	5,860	1,394	.....	4,466	776
1955.....	6,623	6,108	971	1,839	3,298	515	29,445	27,172	6,395	6,074	14,703	2,273
1956.....	6,715	6,201	842	1,652	3,707	514	32,989	30,508	6,627	7,304	16,577	2,481
1957.....	5,230	4,823	653	831	3,339	407	35,236	32,652	6,751	7,721	18,180	2,584
1958.....	5,277	4,839	1,301	195	3,343	438	37,062	34,395	7,443	7,433	19,519	2,667
1959.....	5,970	5,472	1,549	201	3,722	498	39,197	36,353	8,273	7,086	20,994	2,844
1960.....	6,086	5,622	1,401	291	3,930	464	41,771	38,789	9,032	6,901	22,856	2,982
1961.....	76,785	76,233	1,388	220	74,625	752	44,203	41,033	9,665	6,553	24,815	3,170
1961—July.....	465	433	94	16	323	32	43,052	39,959	9,452	6,698	23,809	3,093
Aug.....	557	517	116	18	383	40	43,216	40,105	9,501	6,660	23,944	3,111
Sept.....	511	472	106	15	351	39	43,381	40,252	9,541	6,624	24,087	3,129
Oct.....	580	541	112	24	405	39	43,580	40,435	9,574	6,592	24,269	3,145
Nov.....	590	543	110	26	407	47	43,815	40,656	9,620	6,566	24,470	3,159
Dec.....	878	826	134	44	648	52	44,241	41,070	9,664	6,552	24,854	3,171
1962—Jan.....	560	495	122	34	339	65	44,378	41,209	9,726	6,532	24,951	3,169
Feb.....	457	400	98	27	275	57	44,494	41,304	9,766	6,507	25,031	3,190
Mar.....	521	452	104	33	315	69	44,637	41,425	9,797	6,498	25,130	3,212
Apr.....	481	425	86	28	311	56	44,751	41,516	9,821	6,478	25,217	3,235
May.....	591	535	99	39	397	56	44,946	41,683	9,853	6,461	25,369	3,263
June.....	576	532	103	33	396	44	45,142	41,856	9,884	6,444	25,528	3,286
July.....	625	580	129	36	415	45	45,340	42,030	9,970	6,431	25,629	3,310

¹ Certain mortgage loans secured by land on which oil drilling or extracting operations in process were classified with farm through June 1959 and with "other" nonfarm thereafter. These loans totaled \$38 million on July 31, 1959.

NOTE.—Institute of Life Insurance data. For loans acquired, the

monthly figures may not add to annual totals and for loans outstanding, the end-of-Dec. figures may differ from end-of-year figures, because monthly figures represent book value of ledger assets whereas year-end figures represent annual statement asset values, and because data for year-end adjustments are more complete.

MORTGAGE ACTIVITY OF SAVINGS AND LOAN ASSOCIATIONS

[In millions of dollars]

Period	Loans made			Loans outstanding (end of period)			
	Total ¹	New construction	Home purchase	Total ²	FHA-insured	VA-guaranteed	Conventional ²
1941.....	1,379	437	581	4,578	.....	.....	.....
1945.....	1,913	181	1,358	5,376	.....	.....	.....
1955.....	11,255	3,984	5,155	31,408	1,404	5,883	24,121
1956.....	10,325	3,699	4,620	35,729	1,486	6,643	27,600
1957.....	10,160	3,484	4,591	40,007	1,643	7,011	31,353
1958.....	12,182	4,050	5,172	45,627	2,206	7,077	36,344
1959.....	15,151	5,201	6,613	53,141	2,995	7,186	42,960
1960.....	14,304	4,678	6,132	60,070	3,524	7,222	49,324
1961.....	17,364	5,081	7,207	68,833	4,167	7,152	57,514
1961							
July.....	1,482	422	659	64,795	3,890	7,195	53,710
Aug.....	1,763	498	785	65,705	3,955	7,169	54,581
Sept.....	1,594	436	695	66,507	4,014	7,159	55,334
Oct.....	1,629	464	696	67,317	4,061	7,152	56,104
Nov.....	1,529	436	645	68,069	4,125	7,176	56,768
Dec.....	1,500	417	598	68,833	4,167	7,152	57,514
1962							
Jan.....	1,323	353	550	69,368	4,204	7,161	58,003
Feb.....	1,303	362	509	69,968	4,241	7,160	58,567
Mar.....	1,611	464	633	70,769	4,276	7,170	59,323
Apr.....	1,661	512	635	71,616	4,312	7,122	60,182
May.....	1,857	584	739	72,587	4,332	7,132	61,123
June.....	1,936	572	823	73,631	4,355	7,119	62,157
July ^p	1,830	518	797	74,551	4,380	7,101	63,070

¹ Includes loans for repair, additions and alterations, refinancing, etc. not shown separately.

² Beginning with 1958 includes shares pledged against mortgage loans.

NOTE.—Federal Home Loan Bank Board data.

NONFARM MORTGAGE RECORDINGS OF \$20,000 OR LESS

[In millions of dollars]

Period	Total ¹		By type of lender (N.S.A.)			
	S.A. ²	N.S.A.	Savings & loan assns.	Insurance companies	Commercial banks	Mutual savings banks
1941.....	.....	4,732	1,490	404	1,165	218
1945.....	.....	5,650	2,017	250	1,097	217
1955.....	.....	28,484	10,452	1,932	5,617	1,858
1956.....	.....	27,088	9,532	1,799	5,458	1,824
1957.....	.....	24,244	9,217	1,472	4,264	1,429
1958.....	.....	27,388	10,516	1,460	5,204	1,640
1959.....	.....	32,235	13,094	1,523	5,832	1,780
1960.....	.....	29,341	12,158	1,318	4,520	1,557
1961.....	.....	31,157	13,662	1,160	4,997	1,741
1961						
June.....	2,581	2,856	1,292	104	460	153
July.....	2,652	2,653	1,166	95	425	168
Aug.....	2,652	3,004	1,346	111	483	179
Sept.....	2,723	2,777	1,248	101	441	174
Oct.....	2,775	2,961	1,304	109	468	174
Nov.....	2,779	2,754	1,209	97	440	173
Dec.....	2,763	2,579	1,132	96	399	156
1962						
Jan.....	2,696	2,459	1,041	88	400	138
Feb.....	2,682	2,238	971	79	374	114
Mar.....	2,670	2,627	1,172	90	442	120
Apr.....	2,745	2,704	1,210	89	482	131
May.....	2,836	2,983	1,350	100	534	154
June.....	.....	3,075	1,391	107	542	177

¹ Includes amounts for other lenders, not shown separately.

² Three-month moving average, seasonally adjusted by Federal Reserve.

NOTE.—Federal Home Loan Bank Board data.

GOVERNMENT-UNDERWRITTEN RESIDENTIAL LOANS MADE

[In millions of dollars]

Period	FHA-insured					VA-guaranteed		
	Total	Mortgages		Projects ¹	Property improvements ²	Total ³	Mortgages	
		New homes	Existing homes				New homes	Existing homes
1945.....	665	257	217	20	171	192	.....	.....
1955.....	3,807	1,269	1,816	76	646	7,156	4,582	2,564
1956.....	3,461	1,133	1,505	130	692	5,868	3,910	1,948
1957.....	3,715	880	1,371	595	869	3,761	2,890	863
1958.....	6,349	1,666	2,885	929	868	1,865	1,311	549
1959.....	7,694	2,563	3,507	628	997	2,787	2,051	730
1960.....	6,293	2,197	2,403	711	982	1,985	1,554	428
1961.....	6,546	1,783	2,982	926	855	1,829	1,170	656
1961—July.....	543	134	252	80	76	144	90	54
Aug.....	647	164	299	96	88	182	113	68
Sept.....	569	147	276	73	74	168	98	70
Oct.....	599	148	285	83	83	201	114	86
Nov.....	622	174	310	65	73	206	118	87
Dec.....	553	153	273	62	65	197	112	84
1962—Jan.....	617	179	301	74	63	227	127	99
Feb.....	474	150	248	26	50	175	95	80
Mar.....	541	157	261	70	53	205	115	90
Apr.....	515	132	240	88	56	182	99	83
May.....	560	140	263	87	70	184	96	88
June.....	643	137	267	143	96	207	108	99
July.....	678	144	289	164	81	219	109	110

¹ Monthly figures do not reflect mortgage amendments included in annual totals.

² Not ordinarily secured by mortgages.

³ Includes a small amount of alteration and repair loans, not shown separately; only such loans in amounts of more than \$1,000 need be secured.

NOTE.—Federal Housing Administration and Veterans Administration data. FHA-insured loans represent gross amount of insurance written; VA-guaranteed loans, gross amount of loans closed. Figures do not take account of principal repayments on previously insured or guaranteed loans. For VA-guaranteed loans, amounts by type are derived from data on number and average amount of loans closed.

MORTGAGE DEBT OUTSTANDING ON NONFARM 1- TO 4-FAMILY PROPERTIES

[In billions of dollars]

End of period	Total	Government-underwritten			Conventional
		Total	FHA-insured	VA-guaranteed	
1945.....	18.6	4.3	4.1	.2	14.3
1955.....	88.2	38.9	14.3	24.6	49.3
1956.....	99.0	43.9	15.5	28.4	55.1
1957.....	107.6	47.2	16.5	30.7	60.4
1958.....	117.7	50.1	19.7	30.4	67.6
1959.....	130.9	53.8	23.8	30.0	77.0
1960.....	141.3	56.4	26.7	29.7	84.8
1961 ^a	153.4	59.1	29.5	29.6	94.3
1960—I.....	133.1	54.5	24.6	29.9	78.6
II.....	135.9	55.0	25.2	29.8	80.9
III.....	138.8	55.7	26.0	29.7	83.2
IV.....	141.3	56.4	26.7	29.7	84.8
1961—I ^a	143.3	57.1	27.4	29.7	86.2
II ^a	146.5	57.8	28.0	29.8	88.7
III ^a	149.9	58.7	28.8	29.9	91.2
IV ^a	153.4	59.1	29.5	29.6	94.3
1962—I ^a	156.0	59.9	30.3	29.6	96.1

NOTE.—For total debt outstanding, figures are FHLBB and F.R. estimates. For conventional, figures are derived.

Based on data from Federal Home Loan Bank Board, Federal Housing Administration, and Veterans Administration.

FEDERAL NATIONAL MORTGAGE ASSOCIATION ACTIVITY

[In millions of dollars]

End of period	Mortgage holdings			Mortgage transactions (during period)		Commitments undischursed
	Total	FHA-insured	VA-guaranteed	Mortgage transactions (during period)		
				Purchases	Sales	
1955.....	2,615	901	1,714	411	62	76
1956.....	3,047	978	2,069	609	5	360
1957.....	3,974	1,237	2,737	1,096	3	764
1958.....	3,901	1,483	2,418	623	482	1,541
1959.....	5,531	2,546	2,985	1,907	5	568
1960.....	6,159	3,356	2,803	1,248	357	576
1961.....	6,093	3,490	2,603	815	541	631
1961—July.....	5,765	3,204	2,561	35	6	579
Aug.....	5,804	3,245	2,559	71	3	593
Sept.....	5,841	3,281	2,561	76	10	626
Oct.....	5,916	3,345	2,571	108	2	653
Nov.....	6,004	3,417	2,587	121	3	656
Dec.....	6,093	3,490	2,603	127	2	631
1962—Jan.....	6,186	3,566	2,620	124	1	637
Feb.....	6,248	3,618	2,630	102	7	605
Mar.....	6,231	3,653	2,578	97	80	613
Apr.....	6,151	3,616	2,535	60	106	562
May.....	6,120	3,627	2,493	82	76	527
June.....	6,035	3,571	2,464	52	101	504
July.....	5,989	3,557	2,432	34	47	485

NOTE.—Federal National Mortgage Association data excluding conventional mortgage loans acquired by FNMA from the RFC Mortgage Company, the Defense Homes Corporation, and the Public Housing Administration.

FEDERAL HOME LOAN BANKS

[In millions of dollars]

Period	Advances	Repayments	Advances outstanding (end of period)			Members' deposits
			Total	Short-term ¹	Long-term ²	
1955.....	1,251	702	1,417	991	426	698
1956.....	745	934	1,228	798	430	683
1957.....	1,116	1,079	1,265	731	534	653
1958.....	1,364	1,331	1,298	685	613	819
1959.....	2,067	1,231	2,134	1,192	942	589
1960.....	1,943	2,097	1,981	1,089	892	938
1961.....	2,882	2,200	2,662	1,447	1,216	1,180
1961—Aug.....	245	115	2,001	1,147	854	1,019
Sept.....	244	120	2,124	1,233	892	1,022
Oct.....	257	179	2,202	1,239	963	1,008
Nov.....	263	178	2,287	1,269	1,018	1,029
Dec.....	510	135	2,662	1,447	1,216	1,180
1962—Jan.....	265	608	2,320	1,293	1,027	995
Feb.....	145	236	2,228	1,228	1,000	1,007
Mar.....	204	281	2,151	1,170	981	1,109
Apr.....	382	209	2,323	1,244	1,079	1,096
May.....	295	189	2,429	1,319	1,110	1,107
June.....	503	165	2,767	1,569	1,198	1,192
July.....	480	387	2,860	1,708	1,151	976
Aug.....	312	225	2,948	1,787	1,161	954

¹ Secured or unsecured loans maturing in 1 year or less.

² Secured loans, amortized quarterly, having maturities of more than 1 year but not more than 10 years.

NOTE.—Federal Home Loan Bank Board data.

TOTAL CREDIT
[In millions of dollars]

End of period	Total	Instalment					Noninstalment			
		Total	Auto- mobile paper	Other consumer goods paper	Repair and mod- ernization loans ¹	Personal	Total	Single- payment loans	Charge accounts	Service credit
1939.....	7,222	4,503	1,497	1,620	298	1,088	2,719	787	1,414	518
1941.....	9,172	6,085	2,458	1,929	376	1,322	3,087	845	1,645	597
1945.....	5,665	2,462	455	816	182	1,009	3,203	746	1,612	845
1955.....	38,807	28,883	13,437	7,641	1,693	6,112	9,924	3,002	4,795	2,127
1956.....	42,262	31,648	14,348	8,606	1,905	6,789	10,614	3,253	4,995	2,366
1957.....	44,848	33,745	15,218	8,844	2,101	7,582	11,103	3,364	5,146	2,593
1958.....	44,984	33,497	14,007	9,028	2,346	8,116	11,487	3,627	5,060	2,800
1959.....	51,331	39,034	16,209	10,630	2,809	9,386	12,297	4,129	5,104	3,064
1960.....	55,757	42,588	17,444	11,525	3,139	10,480	13,169	4,507	5,329	3,333
1961.....	57,139	43,163	16,960	11,771	3,177	11,255	13,976	4,955	5,438	3,583
1961—July.....	54,505	41,909	17,063	10,934	3,133	10,779	12,596	4,708	4,397	3,491
Aug.....	54,739	42,090	17,061	10,966	3,165	10,898	12,649	4,769	4,409	3,471
Sept.....	54,757	42,039	16,902	11,006	3,180	10,951	12,718	4,832	4,423	3,463
Oct.....	54,902	42,181	16,913	11,085	3,183	11,000	12,721	4,778	4,517	3,426
Nov.....	55,451	42,419	16,960	11,215	3,192	11,052	13,032	4,880	4,684	3,468
Dec.....	57,139	43,163	16,960	11,771	3,177	11,255	13,976	4,955	5,438	3,583
1962—Jan.....	56,278	42,846	16,878	11,605	3,131	11,232	13,432	4,906	4,892	3,634
Feb.....	55,592	42,632	16,900	11,380	3,099	11,253	12,960	4,931	4,294	3,735
Mar.....	55,680	42,704	17,039	11,256	3,084	11,325	12,976	5,056	4,191	3,729
Apr.....	56,650	43,285	17,343	11,333	3,094	11,515	13,365	5,111	4,451	3,803
May.....	57,593	43,893	17,683	11,423	3,131	11,656	13,700	5,238	4,683	3,779
June.....	58,277	44,559	18,033	11,555	3,156	11,815	13,718	5,227	4,739	3,752
July.....	58,521	44,967	18,291	11,570	3,182	11,924	13,554	5,203	4,607	3,744

¹ Holdings of financial institutions; holdings of retail outlets are included in other consumer goods paper.

NOTE.—Consumer credit estimates cover loans to individuals for household, family, and other personal expenditures, except real estate

mortgage loans. The estimates include data for Alaska beginning with Jan. 1959 (except for instalment credit held by sales finance cos.) and for Hawaii beginning with Aug. 1959. For back data see the following BULLS.: Apr. 1953 (includes a description of the series); Oct. 1956; Nov. 1958 and 1959; and Dec. 1957, 1960, and 1961.

INSTALMENT CREDIT

[In millions of dollars]

End of period	Total	Financial institutions					Retail outlets						
		Total	Com- mercial banks	Sales finance cos.	Credit unions	Con- sumer finance ¹	Other ¹	Total	Depart- ment stores ²	Furni- ture stores	Appli- ance stores	Auto- mobile dealers ³	Other
1939.....	4,503	3,065	1,079	1,197	132	.....	657	1,438	354	439	183	123	339
1941.....	6,085	4,480	1,726	1,797	198	.....	759	1,605	320	496	206	188	395
1945.....	2,462	1,776	745	300	102	.....	629	686	131	240	17	28	270
1955.....	28,883	24,375	10,601	8,424	1,678	2,623	1,049	4,508	1,511	1,044	365	487	1,101
1956.....	31,648	26,905	11,777	9,045	2,014	2,940	1,129	4,743	1,408	1,187	377	502	1,269
1957.....	33,745	29,078	12,843	9,487	2,429	3,124	1,195	4,668	1,393	1,210	361	478	1,226
1958.....	33,497	28,514	12,780	8,699	2,668	3,085	1,282	4,983	1,882	1,128	292	506	1,175
1959.....	39,034	33,359	15,227	10,108	3,280	3,337	1,407	5,676	2,292	1,225	310	481	1,368
1960.....	42,588	36,974	16,672	11,228	3,923	3,670	1,481	5,615	2,414	1,107	333	359	1,402
1961.....	43,163	37,580	16,843	11,052	4,352	3,798	1,535	5,583	2,421	1,080	322	359	1,401
1961—July.....	41,909	37,226	17,066	10,903	4,144	3,633	1,480	4,682	1,811	993	312	359	1,207
Aug.....	42,090	37,320	17,065	10,886	4,207	3,659	1,503	4,769	1,896	1,001	314	359	1,199
Sept.....	42,039	37,188	16,909	10,882	4,233	3,650	1,514	4,850	1,979	1,009	315	360	1,187
Oct.....	42,181	37,191	16,877	10,866	4,269	3,671	1,508	4,990	2,097	1,014	315	359	1,205
Nov.....	42,419	37,240	16,836	10,878	4,317	3,684	1,525	5,179	2,213	1,034	314	360	1,258
Dec.....	43,163	37,580	16,843	11,052	4,352	3,798	1,535	5,583	2,421	1,080	322	359	1,401
1962—Jan.....	42,846	37,551	16,759	11,190	4,306	3,782	1,514	5,295	2,212	1,057	315	359	1,352
Feb.....	42,632	37,469	16,726	11,133	4,311	3,783	1,516	5,163	2,167	1,039	311	358	1,288
Mar.....	42,704	37,509	16,779	11,049	4,355	3,795	1,531	5,195	2,227	1,018	305	356	1,289
Apr.....	43,285	37,965	17,042	11,121	4,449	3,826	1,527	5,320	2,339	1,011	303	351	1,316
May.....	43,893	38,453	17,316	11,199	4,543	3,836	1,559	5,440	2,430	1,011	301	345	1,353
June.....	44,559	39,010	17,610	11,325	4,640	3,876	1,559	5,549	2,522	1,008	303	336	1,380
July.....	44,967	39,426	17,815	11,435	4,705	3,907	1,564	5,541	2,517	1,009	302	327	1,386

¹ Consumer finance cos. included with "other" financial institutions until Sept. 1950.

² Includes mail-order houses.

³ Automobile paper only; other instalment credit held by automobile

dealers is included with "other" retail outlets.

See also NOTE to table above.

INSTALMENT CREDIT HELD BY COMMERCIAL BANKS

[In millions of dollars]

End of period	Total	Automobile paper		Other consumer goods paper	Repair and modernization loans	Personal loans
		Purchased	Direct			
1939.....	1,079	237	178	166	135	363
1941.....	1,726	447	338	309	161	471
1945.....	745	66	143	114	110	312
1955.....	10,601	3,243	2,062	2,042	1,338	1,916
1956.....	11,777	3,651	2,075	2,464	1,469	2,118
1957.....	12,843	4,130	2,225	2,557	1,580	2,351
1958.....	12,780	4,014	2,170	2,269	1,715	2,612
1959.....	15,227	4,827	2,525	2,640	2,039	3,196
1960.....	16,672	5,316	2,820	2,759	2,200	3,577
1961.....	16,843	5,307	2,862	2,684	2,180	3,810
1961—July.....	17,066	5,295	2,861	3,013	2,176	3,721
Aug.....	17,065	5,312	2,860	2,936	2,190	3,767
Sept.....	16,909	5,284	2,822	2,826	2,197	3,781
Oct.....	16,877	5,308	2,825	2,769	2,198	3,777
Nov.....	16,836	5,314	2,852	2,700	2,195	3,775
Dec.....	16,843	5,307	2,862	2,684	2,180	3,810
1962—Jan.....	16,759	5,292	2,871	2,631	2,147	3,818
Feb.....	16,726	5,309	2,881	2,594	2,119	3,823
Mar.....	16,779	5,364	2,918	2,549	2,100	3,848
Apr.....	17,042	5,472	2,993	2,535	2,106	3,936
May.....	17,316	5,590	3,063	2,551	2,123	3,989
June.....	17,610	5,716	3,130	2,574	2,141	4,049
July.....	17,815	5,814	3,169	2,590	2,158	4,084

See NOTE to first table on previous page.

INSTALMENT CREDIT HELD BY SALES FINANCE COMPANIES

[In millions of dollars]

End of period	Total	Auto-mobile paper	Other consumer goods paper	Repair and modernization loans	Personal loans
1941.....	1,797	1,363	167	201	66
1945.....	300	164	24	58	54
1955.....	8,424	6,882	1,048	28	466
1956.....	9,045	7,166	1,277	32	570
1957.....	9,487	7,271	1,509	31	676
1958.....	8,699	6,165	1,717	36	781
1959.....	10,108	6,976	2,114	72	946
1960.....	11,228	7,284	2,739	139	1,066
1961.....	11,052	6,590	3,100	161	1,201
1961—July.....	10,903	6,799	2,854	155	1,095
Aug.....	10,886	6,756	2,865	149	1,116
Sept.....	10,882	6,650	2,937	153	1,142
Oct.....	10,866	6,621	2,929	157	1,159
Nov.....	10,878	6,611	2,940	160	1,167
Dec.....	11,052	6,590	3,100	161	1,201
1962—Jan.....	11,190	6,535	3,286	162	1,207
Feb.....	11,133	6,528	3,232	162	1,211
Mar.....	11,049	6,554	3,118	163	1,214
Apr.....	11,121	6,642	3,078	165	1,236
May.....	11,199	6,766	3,021	167	1,245
June.....	11,325	6,892	3,002	168	1,263
July.....	11,435	6,994	2,997	171	1,273

See NOTE to first table on previous page.

INSTALMENT CREDIT HELD BY OTHER FINANCIAL INSTITUTIONS

[In millions of dollars]

End of period	Total	Auto-mobile paper	Other consumer goods paper	Repair and modernization loans	Personal loans
1941.....	957	122	36	14	785
1945.....	731	54	20	14	643
1955.....	5,350	763	530	327	3,730
1956.....	6,083	954	624	404	4,101
1957.....	6,748	1,114	588	490	4,555
1958.....	7,035	1,152	565	595	4,723
1959.....	8,024	1,400	681	698	5,244
1960.....	9,074	1,665	771	800	5,837
1961.....	9,685	1,842	763	836	6,244
1961—July.....	9,257	1,748	744	802	5,963
Aug.....	9,369	1,774	755	826	6,015
Sept.....	9,397	1,786	753	830	6,028
Oct.....	9,448	1,800	756	828	6,064
Nov.....	9,526	1,823	756	837	6,110
Dec.....	9,685	1,842	763	836	6,244
1962—Jan.....	9,602	1,821	752	822	6,207
Feb.....	9,610	1,824	749	818	6,219
Mar.....	9,681	1,847	750	821	6,263
Apr.....	9,802	1,885	751	823	6,343
May.....	9,938	1,919	756	841	6,422
June.....	10,075	1,959	766	847	6,503
July.....	10,176	1,987	769	853	6,567

NOTE.—Institutions represented are consumer finance cos., credit unions, industrial loan cos., mutual savings banks, savings and loan assns., and other lending institutions holding consumer instalment loans.

See NOTE to first table on preceding page.

NONINSTALMENT CREDIT

[In millions of dollars]

End of period	Total	Single-payment loans		Charge accounts			Service credit
		Com-mercial banks	Other finan.-insti-tutions	De-part-ment stores ¹	Other retail outlets	Credit cards ²	
1941.....	3,087	693	152	275	1,370	597	
1945.....	3,203	674	72	290	1,320	845	
1955.....	9,924	2,635	367	862	3,717	216	2,127
1956.....	10,614	2,843	410	893	3,842	260	2,366
1957.....	11,103	2,937	427	876	3,953	317	2,593
1958.....	11,487	3,156	471	907	3,808	345	2,800
1959.....	12,297	3,582	547	958	3,753	393	3,064
1960.....	13,169	3,884	623	941	3,952	436	3,333
1961.....	13,976	4,224	731	948	4,027	463	3,583
1961—July.....	12,596	4,103	605	574	3,360	463	3,491
Aug.....	12,649	4,100	669	589	3,327	493	3,471
Sept.....	12,718	4,129	703	623	3,312	488	3,463
Oct.....	12,721	4,125	653	656	3,382	479	3,426
Nov.....	13,032	4,158	722	717	3,498	469	3,468
Dec.....	13,976	4,224	731	948	4,027	463	3,583
1962—Jan.....	13,432	4,203	703	804	3,614	474	3,634
Feb.....	12,960	4,220	711	635	3,188	471	3,735
Mar.....	12,976	4,279	777	594	3,139	458	3,729
Apr.....	13,365	4,390	721	620	3,367	464	3,803
May.....	13,700	4,421	817	636	3,571	476	3,779
June.....	13,718	4,439	788	612	3,635	492	3,752
July.....	13,554	4,430	773	569	3,518	520	3,744

¹ Includes mail-order houses.

² Service station and misc. credit-card accounts and home-heating-oil accounts.

See NOTE to first table on previous page.

INSTALMENT CREDIT EXTENDED AND REPAID, BY TYPE OF CREDIT

[In millions of dollars]

Period	Total		Automobile paper		Other consumer goods paper		Repair and modernization loans		Personal loans	
	S.A. ¹	N.S.A.	S.A. ¹	N.S.A.	S.A. ¹	N.S.A.	S.A. ¹	N.S.A.	S.A. ¹	N.S.A.
Extensions										
1955		38,944		16,706		10,642		1,393		10,203
1956		39,775		15,421		11,721		1,582		11,051
1957		41,871		16,321		11,807		1,674		12,069
1958		39,962		14,069		11,747		1,871		12,275
1959 ²		47,818		17,544		13,982		2,222		14,070
1960		49,313		17,408		14,470		2,212		15,223
1961		47,984		15,779		14,477		2,049		15,679
1961—July	3,909	3,905	1,300	1,365	1,184	1,113	167	175	1,258	1,252
Aug.	4,038	4,234	1,302	1,395	1,212	1,229	186	206	1,338	1,404
Sept.	3,942	3,789	1,271	1,168	1,199	1,200	175	184	1,297	1,237
Oct.	4,209	4,244	1,405	1,452	1,254	1,300	173	186	1,377	1,306
Nov.	4,317	4,275	1,511	1,402	1,249	1,327	174	177	1,383	1,369
Dec.	4,315	4,754	1,471	1,289	1,316	1,750	159	145	1,369	1,570
1962—Jan.	4,194	3,756	1,474	1,320	1,185	1,039	157	120	1,378	1,277
Feb.	4,302	3,566	1,496	1,284	1,281	972	168	122	1,357	1,188
Mar.	4,363	4,301	1,526	1,574	1,257	1,161	172	154	1,408	1,412
Apr.	4,625	4,658	1,606	1,688	1,382	1,287	169	175	1,468	1,508
May	4,593	4,858	1,604	1,787	1,312	1,346	185	210	1,492	1,515
June	4,477	4,830	1,536	1,755	1,308	1,358	169	192	1,464	1,525
July	4,580	4,641	1,601	1,709	1,332	1,249	194	211	1,453	1,472
Repayments										
1955		33,629		13,077		9,752		1,316		9,484
1956		37,009		14,510		10,756		1,370		10,373
1957		39,775		15,451		11,569		1,477		11,278
1958		40,211		15,281		11,563		1,626		11,741
1959 ²		42,435		15,411		12,402		1,765		12,857
1960		45,759		16,172		13,574		1,883		14,130
1961		47,412		16,262		14,233		2,012		14,905
1961—July	3,937	3,885	1,364	1,362	1,183	1,145	165	165	1,225	1,213
Aug.	3,994	4,053	1,362	1,396	1,197	1,198	170	174	1,265	1,285
Sept.	3,956	3,839	1,350	1,327	1,190	1,159	170	169	1,246	1,184
Oct.	4,028	4,102	1,372	1,441	1,210	1,221	178	183	1,268	1,257
Nov.	4,017	4,037	1,359	1,355	1,188	1,197	166	168	1,304	1,317
Dec.	4,051	4,010	1,361	1,289	1,233	1,194	168	160	1,289	1,367
1962—Jan.	3,979	4,073	1,380	1,402	1,147	1,205	164	166	1,288	1,300
Feb.	4,066	3,780	1,369	1,262	1,253	1,197	166	154	1,278	1,167
Mar.	4,094	4,229	1,393	1,435	1,226	1,285	166	169	1,309	1,340
Apr.	4,108	4,077	1,403	1,384	1,217	1,210	166	165	1,322	1,318
May	4,180	4,250	1,418	1,447	1,234	1,256	170	173	1,358	1,374
June	4,159	4,164	1,402	1,405	1,230	1,226	166	167	1,361	1,366
July	4,239	4,233	1,430	1,451	1,271	1,234	182	185	1,356	1,363
Net change in credit outstanding ³										
1955		5,315		3,629		890		77		719
1956		2,766		911		965		212		678
1957		2,096		870		238		197		791
1958		-249		-1,212		184		245		534
1959 ²		5,535		2,201		1,602		463		1,269
1960		3,554		1,236		896		329		1,093
1961		572		-483		244		37		774
1961—July	-28	20	-64	3	1	-32	2	10	33	39
Aug.	44	181	-60	-1	15	31	16	32	73	119
Sept.	-14	-50	-79	-159	9	41	5	15	51	53
Oct.	181	142	33	11	44	79	-5	3	109	49
Nov.	300	238	152	47	61	130	8	9	79	52
Dec.	264	744	110	*	83	556	-9	-15	80	203
1962—Jan.	215	-317	94	-82	38	-166	-7	-46	90	-23
Feb.	236	-214	127	22	28	-225	2	-32	79	21
Mar.	269	72	133	139	31	-124	6	-15	99	72
Apr.	517	581	203	304	165	77	3	10	146	190
May	413	608	186	340	78	90	15	37	134	141
June	318	666	134	350	78	132	3	25	103	159
July	341	408	171	258	61	15	12	26	97	109

¹Includes adjustment for differences in trading days.²Includes data for Alaska and Hawaii beginning with the months in which they became States. The differences between extensions and repayments do not equal the changes in outstanding credit for 1959 because such differences do not reflect the effect of the introduction of outstanding balances for these States.³Credit extended less credit repaid, except as indicated in note 2.

NOTE.—Estimates are based on accounting records and often include

financing charges. Renewals and refinancing of loans, purchases and sales of instalment paper, and certain other transactions may increase the amount of extensions and repayments without affecting the amount outstanding.

For a description of the series in this and the following table see Jan. 1954 BULL., pp. 9-17. For back data see the following BULLS., Oct. 1956, pp. 1043-48, and Dec. 1961, pp. 1393-96.

INSTALMENT CREDIT EXTENDED AND REPAID, BY HOLDER

[In millions of dollars]

Period	Total		Commercial banks		Sales finance companies		Other financial institutions		Retail outlets	
	S.A. ¹	N.S.A.	S.A. ¹	N.S.A.	S.A. ¹	N.S.A.	S.A. ¹	N.S.A.	S.A. ¹	N.S.A.
Extensions										
1955.....		38,944		14,109		10,178		8,376		6,281
1956.....		39,775		14,463		9,526		9,148		6,638
1957.....		41,871		15,355		10,106		9,915		6,495
1958.....		39,962		14,860		8,886		9,654		6,563
1959 ²		47,818		17,976		10,962		10,940		7,940
1960.....		49,313		18,269		11,211		12,073		7,762
1961.....		47,984		17,512		10,481		12,264		7,727
1961—July.....	3,909	3,905	1,442	1,482	827	863	984	989	656	571
Aug.....	4,038	4,234	1,476	1,559	853	927	1,049	1,100	660	648
Sept.....	3,942	3,789	1,438	1,371	828	809	1,023	958	653	651
Oct.....	4,209	4,244	1,533	1,536	913	951	1,078	1,034	685	723
Nov.....	4,317	4,275	1,557	1,456	957	924	1,115	1,118	688	777
Dec.....	4,315	4,754	1,546	1,431	1,086	1,071	1,240	1,240	622	997
1962—Jan.....	4,194	3,756	1,515	1,441	907	821	1,058	944	714	550
Feb.....	4,302	3,566	1,557	1,359	975	797	1,064	918	706	492
Mar.....	4,363	4,301	1,580	1,593	928	917	1,122	1,118	733	673
Apr.....	4,625	4,658	1,646	1,747	994	997	1,148	1,158	837	756
May.....	4,593	4,858	1,642	1,807	991	1,046	1,176	1,209	784	796
June.....	4,477	4,830	1,639	1,784	961	1,067	1,125	1,195	752	784
July.....	4,580	4,641	1,681	1,756	982	1,045	1,131	1,161	786	679
Repayments										
1955.....		33,629		12,304		7,898		7,536		5,891
1956.....		37,009		13,362		8,904		8,415		6,328
1957.....		39,775		14,360		9,664		9,250		6,499
1958.....		40,211		14,647		9,708		9,365		6,490
1959 ²		42,435		15,560		9,574		10,020		7,281
1960.....		45,759		16,832		10,229		11,022		7,676
1961.....		47,412		18,261		10,733		11,666		6,752
1961—July.....	3,937	3,885	1,529	1,529	890	874	963	954	555	528
Aug.....	3,994	4,053	1,535	1,560	906	933	988	999	565	561
Sept.....	3,956	3,839	1,521	1,486	883	862	982	930	570	561
Oct.....	4,028	4,102	1,523	1,569	918	967	997	983	590	583
Nov.....	4,017	4,037	1,495	1,480	899	912	1,031	1,040	592	605
Dec.....	4,051	4,010	1,509	1,424	931	912	1,008	1,081	603	593
1962—Jan.....	3,979	4,073	1,486	1,525	874	867	1,022	1,027	597	654
Feb.....	4,066	3,780	1,469	1,392	971	904	996	910	630	574
Mar.....	4,094	4,229	1,517	1,540	950	1,001	1,020	1,047	607	641
Apr.....	4,108	4,077	1,472	1,475	935	934	1,043	1,037	658	631
May.....	4,180	4,250	1,492	1,533	961	968	1,061	1,073	666	676
June.....	4,159	4,164	1,489	1,490	952	941	1,045	1,058	673	675
July.....	4,239	4,233	1,524	1,551	938	935	1,053	1,060	724	687
Net change in credit outstanding ³										
1955.....		5,315		1,805		2,280		840		390
1956.....		2,766		1,176		622		733		235
1957.....		2,096		1,066		442		665		-75
1958.....		-249		-63		-788		289		315
1959 ²		5,535		2,447		1,409		986		693
1960.....		3,554		1,446		1,120		1,051		-61
1961.....		572		169		-174		609		-32
1961—July.....	-28	20	-87	-47	-63	-11	21	35	101	43
Aug.....	44	181	-59	-1	-64	-17	72	112	95	87
Sept.....	-14	-50	-124	-156	-6	-4	41	28	75	82
Oct.....	181	142	10	-33	-5	-16	81	51	95	140
Nov.....	300	238	45	-41	58	12	84	78	113	189
Dec.....	264	744	37	7	145	174	63	159	19	404
1962—Jan.....	215	-317	29	-84	217	138	36	-83	-67	-288
Feb.....	236	-214	88	-33	54	-57	68	8	26	-132
Mar.....	269	72	63	53	-22	-84	102	71	126	32
Apr.....	517	581	165	263	68	72	105	121	179	125
May.....	413	608	150	274	30	78	115	136	118	120
June.....	318	666	150	294	9	126	80	137	79	109
July.....	341	408	157	205	44	110	78	101	62	-8

¹ Includes adjustment for differences in trading days.

² Includes data for Alaska and Hawaii beginning with the months in which they became States. The differences between extensions and repayments do not equal the changes in outstanding credit for 1959

because such differences do not reflect the effect of the introduction of outstanding balances for these States.

³ Credit extended less credit repaid, except as indicated in note 2.

See also NOTE to previous table.

INDUSTRY AND SUMMARY MARKET GROUPINGS

[1947-49= 100]

Grouping	Annual average		1961						1962						
	1960	1961 ^a	July	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	June	July
INDUSTRY GROUPINGS															
Total index.....	164	165	170	172	168	171	173	174	172	174	176	177	179	179	180
<i>Manufacturing, total</i>	163	164	169	170	167	170	172	173	171	173	174	176	*178	178	179
Durable.....	169	167	175	175	171	174	177	179	176	179	182	184	185	185	187
Nondurable.....	160	164	167	169	167	171	171	171	169	171	171	172	174	*174	175
Mining.....	128	129	129	130	128	131	132	133	130	130	131	133	132	132	134
Utilities.....	287	.....	307	314	316	317	315	314	318	319	321	320	326	*334	335
Durable Manufactures															
<i>Primary and fabricated metals</i>	127	125	132	136	133	133	135	137	137	141	141	139	133	*131	130
Primary metals.....	115	112	121	125	126	122	123	126	128	133	133	128	116	*110	109
Iron and steel.....	110	105	114	115	116	113	113	120	123	129	129	123	105	*98	95
Fabricated metal products.....	145	143	148	151	144	150	153	153	151	151	153	155	158	162	162
Structural metal parts.....	155	154	160	164	157	161	161	159	155	157	158	163	168	*170	169
Machinery and related products.....	205	202	210	210	203	208	214	217	213	215	220	224	228	229	233
Machinery.....	174	174	181	178	177	178	180	184	183	185	190	193	195	200	199
Nonelectrical machinery.....	145	142	147	145	145	145	147	148	147	149	154	157	160	164	164
Electrical machinery.....	222	226	237	232	229	231	235	243	243	245	249	252	253	259	256
Transportation equipment.....	238	227	239	240	221	235	248	252	242	244	249	256	263	*256	268
Motor vehicles and parts.....	168	151	167	169	139	157	169	175	166	166	171	181	187	179	191
Aircraft and other equipment.....	368	376	376	375	385	388	399	400	388	393	394	403	*401	409	409
Instruments and related products.....	221	220	222	227	225	225	229	228	226	223	224	227	231	236	237
Ordnance and accessories.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Clay, glass, and lumber.....	139	138	145	144	142	139	139	136	130	138	137	142	147	*149	148
Clay, glass, and stone products.....	158	156	165	165	162	160	159	152	147	151	151	158	168	170	171
Lumber and products.....	118	116	123	120	119	114	116	118	112	126	122	124	*122	*125	122
Furniture and miscellaneous.....	153	154	156	157	158	160	164	163	158	159	164	169	173	174	172
Furniture and fixtures.....	171	171	172	176	176	177	183	183	175	179	184	188	192	194	190
Miscellaneous manufactures.....	138	140	142	142	142	145	148	146	143	143	148	154	157	*157	158
Nondurable Manufactures															
<i>Textile, apparel, and leather products</i>	136	137	140	142	140	144	144	145	142	143	144	145	145	*146	145
Textile mill products.....	121	124	127	129	131	132	131	132	130	132	136	134	136	138	136
Apparel products.....	158	158	162	165	159	166	165	167	161	164	163	165	164	*164	165
Leather and products.....	113	113	113	116	112	117	119	123	117	117	114	118	119	117	.....
Paper and printing.....	160	164	164	169	168	168	169	170	169	171	170	169	171	171	171
Paper and products.....	172	182	179	189	187	188	187	192	189	193	191	191	191	*190	190
Printing and publishing.....	151	153	154	155	155	155	157	156	156	157	156	156	158	*159	158
Newspapers.....	140	139	139	140	140	140	142	142	142	141	140	141	141	141	142
Chemical, petroleum, and rubber products.....	224	234	243	243	239	245	245	247	243	247	246	249	*257	*260	262
Chemicals and products.....	255	269	277	277	276	280	282	285	281	288	284	288	*296	*299	302
Industrial chemicals.....	319	345	356	358	361	367	370	370	369	378	373	387	*387	394	.....
Petroleum products.....	162	166	174	172	164	172	169	162	168	165	169	167	172	*175	172
Rubber and plastics products.....	200	201	215	215	210	217	217	225	208	217	216	223	234	238	.....
Foods, beverages, and tobacco.....	131	136	137	137	137	139	139	138	138	138	141	140	140	138	140
Foods and beverages.....	132	136	138	138	137	140	140	138	140	139	141	140	140	*139	142
Food manufactures.....	135	139	140	140	140	142	142	142	142	144	144	144	144	*142	144
Beverages.....	119	124	129	127	126	128	127	122	127	124	127	123	124	124	.....
Tobacco products.....	130	134	125	135	133	140	140	136	130	132	139	139	137	129	.....
Mining															
<i>Coal, oil, and gas</i>	122	123	123	125	122	125	127	127	125	125	125	128	126	126	128
Coal.....	68	65	64	67	68	69	70	70	70	68	69	71	70	*65	66
Crude oil and natural gas.....	147	150	150	152	147	151	152	153	151	151	151	154	*152	*154	157
Oil and gas extraction.....	147	150	151	152	147	151	150	151	149	150	150	153	151	154	157
Crude oil.....	135	138	139	141	137	139	138	138	137	138	137	140	138	142	145
Gas and gas liquids.....	228	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Oil and gas drilling.....	145	147	143	141	141	147	161	165	159	150	155	156	151	146	149
Metal, stone, and earth minerals.....	164	164	163	160	162	168	170	169	161	164	166	168	173	*167	168
Metal mining.....	134	134	124	124	130	137	146	155	155	155	154	143	139	131	132
Stone and earth minerals.....	195	194	204	198	196	199	193	181	166	173	177	192	207	*205	206
Utilities															
Electric.....	289	308	309	317	319	320	316	316	321	320	322	319	327	337	.....
Gas.....	284	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
SUMMARY MARKET GROUPINGS															
Final products, total.....	168	170	174	174	172	175	178	179	176	177	180	181	183	184	185
Consumer goods.....	161	164	169	169	164	168	170	172	170	170	172	173	175	175	176
Equipment, including defense.....	195	196	197	198	201	203	207	208	204	208	210	211	214	217	221
Materials.....	160	161	166	168	165	168	168	170	168	171	172	174	174	*175	175

INDUSTRY AND SUMMARY MARKET GROUPINGS

[1947-49 = 100]

Grouping	Annual average		1961							1962						
	1960	1961 ^p	July	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	June	July	
INDUSTRY GROUPING																
Total index.....	164	165	160	169	171	176	174	172	170	175	178	178	178	180	172	
<i>Manufacturing, total</i>	163	164	158	167	169	176	173	170	168	174	177	177	177	179	170	
Durable.....	169	167	163	165	172	178	179	179	177	182	185	187	185	186	177	
Nondurable.....	160	164	158	173	171	178	171	164	163	169	172	172	*173	*177	166	
Mining.....	128	129	125	130	130	133	132	132	130	131	130	132	133	*135	127	
Utilities.....	287															
Durable manufactures																
<i>Primary and fabricated metals</i>	127	125	120	130	133	136	134	135	138	143	145	142	134	*132	119	
Primary metals.....	115	112	105	115	122	123	122	123	132	139	141	134	118	*112	94	
Iron and steel.....	110	105	99	108	116	116	114	117	127	134	135	126	106	99	83	
Fabricated metal products.....	145	143	143	153	150	154	153	148	148	151	*155	158	162	157	162	
Structural metal parts.....	155	154	154	161	159	165	165	164	155	156	158	162	166	170	166	
<i>Machinery and related products</i>	205	202	195	190	201	212	218	221	216	221	225	227	228	*229	222	
Machinery.....	174	174	167	170	178	181	182	185	183	189	193	195	195	199	188	
Nonelectrical machinery.....	145	142	140	138	142	143	144	149	149	154	160	162	162	165	159	
Electrical machinery.....	222	226	211	224	238	245	245	248	243	238	245	247	247	255	234	
Transportation equipment.....	238	227	219	196	215	241	260	262	253	255	259	263	265	257	259	
Motor vehicles and parts.....	168	151	146	114	133	166	187	178	177	180	189	192	181	182	182	
Aircraft and other equipment.....	368	376	362	366	380	386	398	402	396	402	407	398	398	*399	405	
Instruments and related products.....	221	220	216	223	226	226	231	230	226	225	226	230	230	235	232	
Ordnance and accessories.....																
<i>Clay, glass, and lumber</i>	139	138	143	152	150	148	139	127	120	131	132	143	150	156	148	
Clay, glass, and stone products.....	158	156	164	171	167	167	160	148	138	143	147	161	171	174	172	
Lumber and products.....	118	116	119	131	131	126	115	103	98	118	115	122	*126	*135	119	
<i>Furniture and miscellaneous</i>	153	154	150	161	165	169	169	165	153	158	162	164	166	171	166	
Furniture and fixtures.....	171	171	168	180	182	186	185	186	172	178	181	183	184	189	186	
Miscellaneous manufactures.....	138	140	134	145	151	155	155	148	138	140	146	149	152	155	149	
Nondurable manufactures																
<i>Textile, apparel, and leather products</i>	136	137	124	149	133	148	141	135	137	150	152	147	144	*146	129	
Textile mill products.....	121	124	111	130	127	136	131	127	128	134	137	132	137	*139	119	
Apparel products.....	158	158	145	176	148	171	160	152	155	174	177	171	164	*164	148	
Leather and products.....	113	113	102	120	112	118	116	113	115	125	124	119	112	117	.....
<i>Paper and printing</i>	160	164	153	166	169	176	173	163	164	170	174	173	172	172	159	
Paper and products.....	172	182	162	192	189	200	190	173	183	194	197	195	191	*195	172	
Printing and publishing.....	151	153	147	150	157	161	162	157	152	155	159	160	161	*157	151	
Newspapers.....	140	139	122	126	140	152	155	140	131	137	145	149	150	142	125	
<i>Chemical, petroleum, and rubber products</i>	224	234	226	241	239	247	246	242	243	250	252	254	*257	*263	249	
Chemicals and products.....	255	269	260	275	274	281	282	278	277	287	291	295	*298	*302	286	
Industrial chemicals.....	319	345	335	352	353	365	372	370	367	380	383	385	*389	392	.....
Petroleum products.....	162	166	173	177	168	171	167	166	168	167	167	162	169	*179	178	
Rubber and plastics products.....	200	201	181	207	213	228	223	215	219	229	227	230	230	241	.....
<i>Foods, beverages, and tobacco</i>	131	136	137	148	151	152	141	130	127	128	131	132	135	141	141	
Foods and beverages.....	132	136	139	148	152	152	141	132	127	128	130	132	135	*141	143	
Food manufactures.....	135	139	139	151	157	157	147	137	133	132	132	134	135	140	144	
Beverages.....	119	124	138	137	127	132	114	110	101	108	121	124	132	147	.....
Tobacco products.....	130	134	115	145	138	150	140	110	130	134	139	133	141	141	.....
Mining																
<i>Coal, oil, and gas</i>	122	123	117	123	122	125	127	129	129	129	128	127	124	127	118	
Coal.....	68	65	54	70	72	75	73	70	69	69	70	69	68	*75	44	
Crude oil and natural gas.....	147	150	145	147	145	149	152	156	156	157	155	154	150	*151	151	
Oil and gas extraction.....	147	150	144	147	145	148	150	155	155	157	155	154	150	*151	150	
Crude oil.....	135	138	133	136	134	137	137	140	141	143	142	142	138	139	139	
Gas and gas liquids.....	228															
Oil and gas drilling.....	145	147	147	146	144	148	159	167	163	149	146	148	148	148	153	
<i>Metal, stone, and earth minerals</i>	164	164	176	176	179	180	164	149	136	143	146	162	186	*188	184	
Metal mining.....	134	134	143	143	150	151	133	124	122	127	126	135	160	162	152	
Stone and earth minerals.....	195	194	212	210	209	210	195	175	150	158	166	188	212	*214	217	
Utilities																
Electric.....	289	308	306	325	327	310	304	320	342	332	328	313	311	326	.....
Gas.....	284															
SUMMARY MARKET GROUPINGS																
Final products, total.....	168	170	165	172	176	182	179	176	174	178	181	181	181	185	180	
Consumer goods.....	161	164	158	167	170	178	172	167	166	170	172	172	171	*176	169	
Equipment, including defense.....	195	196	192	194	199	201	204	208	206	210	214	215	215	219	217	
Materials.....	160	161	156	166	166	171	170	168	167	172	174	175	175	176	165	

INDUSTRY GROUPINGS

[1957 = 100]

Grouping	1957 proportion	Annual Average		1961						1962						
		1960	1961 ^a	July	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	June	July
Total index.....	100.00	108	109	112	113	111	113	114	115	114	115	116	117	118	118	119
Manufacturing, total.....	86.49	108	109	112	113	111	113	114	115	114	115	116	117	118	118	119
Durable.....	49.66	104	103	107	108	105	107	109	110	108	110	112	113	114	114	115
Nondurable.....	36.83	113	117	119	120	119	121	121	122	120	122	122	122	124	124	125
Mining.....	8.55	97	98	98	99	97	100	101	101	99	99	99	101	*101	100	102
Utilities.....	4.96	123	.....	132	135	135	135	135	135	137	137	138	137	140	*143	144
Durable Manufactures																
Primary and fabricated metals.....	13.15	97	95	100	104	101	102	103	104	105	107	107	106	101	*100	99
Primary metals.....	7.73	90	88	95	98	99	96	96	99	101	105	104	100	91	86	86
Iron and steel.....	6.21	88	84	91	92	93	90	90	98	104	103	98	84	78	76	76
Fabricated metal products.....	5.42	106	105	108	111	105	110	112	112	110	111	112	113	116	119	119
Structural metal parts.....	2.91	104	103	107	110	105	108	107	106	104	105	106	109	112	*114	113
Machinery and related products.....	28.98	106	104	108	108	105	107	110	112	110	111	113	116	118	118	120
Machinery.....	15.31	106	106	110	109	108	108	110	112	111	113	116	118	119	122	121
Nonelectrical machinery.....	8.92	102	100	103	102	102	102	103	104	103	105	108	111	113	115	116
Electrical machinery.....	6.39	112	114	120	118	116	117	119	123	123	124	126	128	128	131	130
Transportation equipment.....	10.76	102	97	102	103	95	101	106	108	104	105	107	110	113	*110	115
Motor vehicles and parts.....	5.04	115	103	114	116	95	107	116	119	114	114	117	124	128	122	131
Aircraft and other equipment.....	5.50	89	91	91	90	93	96	96	93	95	96	95	97	*97	99	99
Instruments and related products.....	1.66	119	118	119	122	121	121	123	123	121	120	120	122	124	127	128
Ordnance and accessories.....	1.25	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Clay, glass, and lumber.....	4.57	109	107	113	112	111	108	108	106	102	108	107	110	114	*116	116
Clay, glass, and stone products.....	2.92	110	108	114	114	112	111	110	106	102	104	105	109	116	118	118
Lumber and products.....	1.65	107	105	111	109	107	103	105	107	101	114	111	112	*111	*113	111
Furniture and miscellaneous.....	2.96	116	117	119	120	120	121	124	124	120	121	125	129	131	132	131
Furniture and fixtures.....	1.48	120	120	121	123	123	124	128	128	123	125	128	131	134	136	133
Miscellaneous manufactures.....	1.48	113	114	117	116	116	119	121	120	117	117	121	126	129	129	129
Nondurable Manufactures																
Textile, apparel, and leather products.....	7.32	115	116	118	120	118	122	122	123	120	121	122	122	123	*123	123
Textile mill products.....	2.78	109	111	114	116	117	118	118	118	117	118	122	121	122	124	122
Apparel products.....	3.44	124	124	127	130	125	130	130	131	127	129	128	129	129	*129	129
Leather and products.....	1.10	100	101	101	103	100	104	106	109	105	105	101	105	106	104	.....
Paper and printing.....	7.93	112	115	115	118	117	117	118	119	118	119	119	118	120	*119	119
Paper and products.....	3.27	112	118	117	123	122	122	122	125	123	125	124	123	125	123	124
Printing and publishing.....	4.66	111	113	114	114	114	114	115	114	114	115	115	115	116	117	116
Newspapers.....	1.53	107	106	107	107	107	108	108	108	109	108	107	107	108	108	109
Chemical, petroleum, and rubber products.....	10.95	118	123	127	127	126	128	129	130	127	130	129	131	*135	137	137
Chemicals and products.....	7.10	121	128	132	132	133	134	136	134	137	137	135	137	*141	*142	144
Industrial chemicals.....	3.61	127	137	141	142	143	146	147	147	146	150	148	150	*154	156	.....
Petroleum products.....	1.93	108	110	116	115	110	114	113	108	112	110	112	111	115	*117	114
Rubber and plastics products.....	1.91	114	115	123	123	120	124	124	129	119	124	124	128	134	136	.....
Foods, beverages, and tobacco.....	10.64	109	113	114	114	114	116	116	115	115	115	117	116	116	115	117
Foods and beverages.....	9.87	109	113	114	114	114	116	116	114	115	115	117	116	116	*115	117
Food manufactures.....	8.31	109	113	114	114	114	116	116	115	116	116	117	117	117	115	117
Beverages.....	1.56	108	112	117	115	114	116	116	110	115	112	115	111	112	113	.....
Tobacco products.....	.77	114	118	110	119	116	123	123	120	114	116	122	122	120	114	.....
Mining																
Coal, oil, and gas.....	7.05	96	97	96	98	96	98	99	99	98	98	98	100	98	99	100
Coal.....	1.30	83	80	77	81	82	84	86	86	86	83	84	86	85	*79	80
Crude oil and natural gas.....	5.75	98	100	101	102	99	101	102	103	101	101	101	103	*102	103	105
Oil and gas extraction.....	4.98	100	103	103	105	101	104	104	103	102	103	103	105	*104	*106	108
Crude oil.....	4.33	98	100	101	103	99	101	100	100	99	100	100	102	101	103	105
Gas and gas liquids.....	.65	116	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Oil and gas drilling.....	.77	85	86	84	82	83	86	95	97	93	88	91	92	88	86	87
Metal, stone, and earth minerals.....	1.50	105	105	105	103	104	107	109	108	103	105	106	108	111	*107	108
Metal mining.....	.70	97	97	90	90	94	99	106	112	12	112	112	104	101	95	96
Stone and earth minerals.....	.80	112	112	118	114	113	115	111	104	96	100	102	111	119	*118	118
Utilities																
Electric.....	3.76	123	131	132	135	136	137	135	135	137	137	137	136	140	144	.....
Gas.....	1.20	123	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....

See NOTE on opposite page.

MARKET GROUPINGS

[1957=100]

Grouping	1957 proportion	Annual Average		1961								1962						
		1960	1961 ^a	July	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	June	July		
Total index.....	100.00	108	109	112	113	111	113	114	115	114	115	116	117	118	118	119		
<i>Final products, total</i>	46.75	111	112	114	115	113	115	117	118	116	117	118	119	120	121	122		
Consumer goods.....	31.13	114	116	120	120	116	119	121	122	121	120	122	123	124	124	125		
Equipment, including defense.....	15.62	103	104	104	105	106	107	109	110	108	110	111	112	113	*115	116		
Materials.....	53.25	106	106	110	111	109	111	111	112	111	113	114	115	115	*116	116		
Consumer goods																		
<i>Automotive products</i>	3.35	117	106	115	117	96	110	121	129	119	116	116	124	127	*121	128		
Autos.....	2.03	117	97	110	110	82	102	117	127	114	109	110	119	126	115	127		
Auto parts and allied products.....	1.32	117	121	125	126	118	123	127	132	126	126	125	131	129	*128	130		
<i>Home goods and apparel</i>	9.60	116	117	123	122	120	121	121	125	121	123	125	127	128	*128	127		
Home goods.....	4.40	115	117	124	120	121	120	122	127	123	124	127	130	131	133	130		
Appliances, TV, and radios.....	1.75	112	113	127	116	119	116	117	122	120	122	126	129	*128	*131	127		
Appliances.....	1.26	118	118	126	121	126	124	124	127	126	126	129	132	132	132	131		
TV and home radios.....	.49	96	103	128	102	100	98	101	108	104	113	118	123	117	123	114		
Furniture and rugs.....	1.18	118	119	119	122	126	124	128	129	124	124	126	131	134	*136	133		
Miscellaneous home goods.....	1.47	117	119	123	124	120	122	123	131	127	126	128	130	133	*134	130		
Apparel, including knit goods and shoes.....	5.20	117	118	122	124	118	121	121	123	119	121	124	124	124	*124	124		
<i>Consumer staples</i>	18.18	113	117	119	119	119	120	120	119	120	120	121	121	121	*123	123		
Processed foods.....	8.11	109	113	114	114	114	115	115	114	114	114	115	116	116	*116	117		
Beverages and tobaccos.....	2.32	110	114	115	116	115	118	118	113	115	113	118	115	115	113	.....	
Drugs, soap, and toiletries.....	2.73	118	123	126	126	124	127	127	130	126	128	127	128	130	134	134		
Newspapers, magazines, and books.....	1.44	113	117	119	117	119	118	118	116	119	118	118	118	119	120	120		
Consumer fuel and lighting.....	3.45	119	126	128	130	127	129	129	129	132	132	132	132	133	138	.....	
Fuel oil and gasoline.....	1.19	106	108	112	111	104	109	112	109	112	113	113	111	112	116	112		
Residential utilities.....	2.26	126	135	139	140	141	141	140	139	143	143	143	142	144	149	.....	
Electricity.....	1.57	127	136	136	140	141	141	139	139	144	143	143	142	144	151	.....	
Gas.....	.69	124	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Equipment																		
<i>Business equipment</i>	12.16	105	105	105	106	107	108	110	110	108	110	112	113	115	117	118		
Industrial equipment.....	7.29	102	100	101	102	101	102	104	106	104	106	106	107	109	110	111		
Commercial equipment.....	2.46	118	124	125	127	128	129	131	132	131	133	135	138	140	*141	142		
Freight and passenger equipment.....	1.83	101	99	96	98	105	106	111	106	101	103	107	105	107	110	113		
Farm equipment.....	.58	92	98	98	78	97	87	95	94	91	100	105	110	114	117	116		
<i>Defense equipment</i>	3.46	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Materials																		
<i>Durable goods materials</i>	27.81	102	100	104	106	104	105	105	106	105	107	109	111	111	*110	109		
Consumer durable.....	3.67	109	100	109	115	99	101	106	112	112	111	115	120	128	121	126		
Equipment.....	8.10	101	102	104	105	102	107	108	108	108	110	112	116	115	*116	115		
Construction.....	9.05	107	106	111	112	110	108	107	105	100	106	107	111	115	*114	114		
Metal materials n.e.c.....	6.99	92	91	94	96	97	96	97	102	105	107	106	103	*94	*89	86		
<i>Non-durable materials</i>	25.44	110	114	115	117	115	117	118	119	117	119	119	119	*121	*123	122		
Business supplies.....	8.87	110	113	114	116	113	114	116	118	115	117	117	116	117	*119	119		
Containers.....	2.91	109	115	116	121	118	116	119	122	122	121	124	117	117	*121	121		
General business supplies.....	5.96	111	111	114	113	111	112	115	115	112	114	113	115	118	118	118		
Non-durable materials n.e.c.....	7.05	119	126	130	132	130	132	132	135	132	135	137	136	*140	*144	142		
<i>Business fuel and power</i>	9.52	103	105	106	108	106	108	108	108	107	108	108	109	109	110	111		
Mineral fuels.....	6.29	97	98	98	100	97	100	100	100	99	99	99	101	*100	100	102		
Nonresidential utilities.....	2.70	121	128	129	131	132	132	131	131	132	132	133	133	137	138	.....	
Electricity.....	2.19	120	128	129	132	133	133	132	132	132	132	133	133	137	139	.....	
General industrial.....	.99	115	118	120	122	122	121	120	122	126	128	128	125	126	129	.....	
Commercial and other.....	1.12	127	139	139	143	146	147	146	144	141	140	141	142	149	151	.....	
Gas.....	.51	121	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Industrial.....	.33	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Commercial and other.....	.18	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Supplementary groups of consumer goods																		
<i>Automotive and home goods</i>	7.75	116	112	120	118	110	116	120	122	128	121	120	122	127	*128	129		
<i>Apparel and staples</i>	23.38	114	117	119	120	118	120	120	120	120	120	122	121	122	123	124		

NOTE.—Published groupings include some series and subtotals not shown separately. Detailed description and historical data are available in *Industrial Production—1959 Revision*. Figures for industrial series and subtotals (N.S.A.) are published in the monthly Business Indexes release.

INDUSTRY GROUPINGS

[1957 = 100]

Grouping	1957 pro- portion	Annual Average		1961						1962						
		1960	1961 ^P	July	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	June	July
Total index.....	100.00	108	109	106	111	113	116	115	113	112	115	117	117	117	119	113
<i>Manufacturing, total</i>	86.49	108	109	105	111	113	117	115	113	112	116	118	118	118	119	113
Durable.....	49.66	104	103	100	102	106	110	111	110	109	112	114	115	114	115	109
Nondurable.....	36.83	113	117	112	123	121	126	122	116	116	120	122	122	123	126	118
Mining.....	8.55	97	98	95	99	99	101	101	100	99	99	99	100	101	103	97
Utilities.....	4.96	123														
Durable Manufactures																
<i>Primary and fabricated metals</i>	13.15	97	95	92	99	102	104	102	103	105	109	111	108	102	101	91
Primary metals.....	7.73	90	88	82	91	96	97	96	97	104	110	110	105	93	78	74
Iron and steel.....	6.21	88	84	80	87	93	93	91	94	101	107	108	101	85	78	66
Fabricated metal products.....	5.42	106	105	105	112	110	113	112	112	108	109	111	113	116	119	115
Structural metal parts.....	2.91	104	103	103	108	106	110	110	110	104	104	106	108	111	114	111
<i>Machinery and related products</i>	28.98	106	104	101	98	104	109	113	114	112	114	116	118	118	118	115
Machinery.....	15.31	106	106	102	104	109	111	111	113	112	115	118	119	119	122	115
Nonelectrical machinery.....	8.92	102	100	98	97	100	101	101	105	105	109	112	114	114	116	112
Electrical machinery.....	6.39	112	114	107	113	121	124	124	123	121	124	126	125	125	129	119
Transportation equipment.....	10.76	102	97	94	84	92	103	111	112	108	109	111	113	114	110	111
Motor vehicles and parts.....	5.04	115	103	100	78	91	113	128	128	122	121	123	129	131	124	124
Aircraft and other equipment.....	5.50	89	91	87	88	92	93	96	97	95	97	98	96	96	98	98
Instruments and related products.....	1.66	119	118	116	120	121	122	124	124	122	121	122	124	124	127	125
Ordnance and accessories.....	1.25															
<i>Clay, glass, and lumber</i>	4.57	109	107	112	118	117	115	108	99	93	102	103	111	117	122	116
Clay, glass and stone products.....	2.92	110	108	114	118	116	116	111	102	96	99	102	112	119	121	120
Lumber and products.....	1.65	107	105	108	119	118	114	104	93	89	107	104	110	114	123	108
<i>Furniture and miscellaneous</i>	2.96	116	117	114	122	126	129	128	126	117	120	123	125	126	130	126
Furniture and fixtures.....	1.48	120	120	118	126	128	130	130	130	120	125	127	128	129	132	130
Miscellaneous manufactures.....	1.48	113	114	110	119	123	127	127	121	113	115	119	122	124	127	122
Nondurable Manufacturers																
<i>Textile, apparel, and leather products</i>	7.32	115	116	105	126	113	125	119	115	116	127	129	124	122	124	109
Textile mill products.....	2.78	109	111	100	117	114	122	118	114	115	121	123	118	123	125	107
Apparel products.....	3.44	124	124	114	139	116	134	126	119	122	137	139	135	129	129	116
Leather and products.....	1.10	100	101	90	107	100	105	103	100	102	111	110	106	100	105	.....
<i>Paper and printing</i>	7.93	112	115	107	116	118	123	121	114	114	119	122	121	120	120	111
Paper and products.....	3.27	112	118	105	125	123	130	124	113	119	126	128	127	125	127	112
Printing and publishing.....	4.66	111	113	108	110	115	118	119	115	111	114	117	117	117	116	111
Newspapers.....	1.53	107	106	94	96	107	116	118	107	100	105	111	114	115	109	96
<i>Chemical, petroleum, and rubber products</i>	10.94	118	123	119	126	126	130	129	127	127	131	132	133	135	138	131
Chemicals and products.....	7.10	121	128	124	131	131	134	134	133	132	137	138	141	142	144	136
Industrial chemicals.....	3.61	127	137	133	140	140	145	148	147	146	151	152	153	155	156	.....
Petroleum products.....	1.93	108	110	115	118	112	114	111	111	112	111	112	108	113	119	119
Rubber and plastics products.....	1.91	114	115	104	118	122	131	128	123	125	131	130	132	132	138	.....
<i>Foods, beverages, and tobacco</i>	10.64	109	113	114	123	125	126	117	108	106	106	109	110	112	118	117
Foods and beverages.....	9.87	109	113	115	123	126	126	117	109	105	106	108	110	111	117	118
Food manufactures.....	8.31	109	113	113	123	128	127	119	111	108	107	108	109	110	114	117
Beverages.....	1.56	108	112	125	124	115	119	103	99	92	98	110	113	120	133	.....
Tobacco products.....	.77	114	118	101	128	121	131	123	97	114	117	122	117	124	124	.....
Mining																
<i>Coal, oil, and gas</i>	7.05	96	97	91	96	95	98	100	101	101	101	100	100	97	99	92
Coal.....	1.30	83	80	66	85	87	91	89	85	84	84	85	84	82	92	54
Crude oil and natural gas.....	5.75	98	100	97	99	97	100	102	105	105	105	104	103	101	101	101
Oil and gas extraction.....	4.98	100	103	99	101	99	102	103	106	106	108	106	106	103	103	103
Crude oil.....	4.33	98	100	97	99	98	99	100	102	103	104	103	103	100	101	101
Gas and gas liquids.....	.65	116														
Oil and gas drilling.....	.77	85	86	86	86	84	87	93	98	96	88	86	87	87	87	90
<i>Metal, stone, and earth minerals</i>	1.50	105	105	113	113	115	116	105	96	87	91	94	104	119	120	118
Metal mining.....	.70	97	97	103	103	109	109	96	90	88	92	91	98	116	117	110
Stone and earth minerals.....	.80	112	112	122	121	120	121	113	101	87	91	96	109	122	123	125
Utilities																
Electric.....	3.76	123	131	131	139	140	133	130	137	146	142	140	134	133	139	.....
Gas.....	1.20	123														

See NOTE on opposite page.

MARKET GROUPINGS

[1957=100]

Grouping	1957 pro- por- tion	Annual average		1961							1962						
		1960	1961 ^a	July	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	June	July	
Total index.....	100.00	108	109	106	111	113	116	115	113	112	115	117	117	117	119	113	
<i>Final products, total</i>	46.75	111	112	109	113	116	119	118	115	114	117	119	119	119	122	118	
Consumer goods.....	31.13	114	116	112	119	121	126	122	118	117	120	122	122	121	125	120	
Equipment, including defense.....	15.62	103	104	102	102	105	106	108	110	109	111	113	113	114	116	114	
Materials.....	53.25	106	106	103	110	110	113	113	111	110	114	115	116	116	117	109	
Consumer Goods																	
<i>Automotive products</i>	3.35	117	106	99	73	96	121	129	131	125	124	125	132	132	127	125	
Autos.....	2.03	117	97	87	39	77	115	134	136	124	122	125	134	133	122	122	
Auto parts and allied products.....	1.32	117	121	119	125	126	129	123	123	126	126	126	129	130	134	129	
<i>Home goods and apparel</i>	9.60	116	117	108	123	120	129	124	118	116	126	129	127	123	127	113	
Home goods.....	4.40	115	117	108	116	127	130	128	123	116	124	129	127	125	130	115	
Appliances, TV, and radios.....	1.75	112	113	98	103	125	127	124	113	111	124	131	124	120	127	102	
Appliances.....	1.26	118	118	104	100	126	124	123	118	116	128	140	133	127	137	113	
TV and home radios.....	.49	96	103	83	111	125	136	128	102	99	113	107	103	102	103	74	
Furniture and rugs.....	1.18	118	119	113	123	129	131	130	132	120	127	128	129	127	130	125	
Miscellaneous home goods.....	1.47	117	119	114	126	129	133	130	128	120	123	127	128	131	133	123	
Apparel, including knit goods and shoes.....	5.20	117	118	109	130	113	127	121	113	116	128	130	126	122	124	112	
<i>Consumer staples</i>	18.18	113	117	117	125	126	126	120	116	117	117	118	117	118	123	122	
Processed foods.....	8.11	109	113	113	123	128	127	118	111	107	106	107	109	110	114	117	
Beverages and tobacco.....	2.32	110	114	117	125	117	123	109	99	99	104	114	114	121	130	.....
Drugs, soap, and toiletries.....	2.73	118	123	118	127	125	129	127	126	125	128	128	129	130	135	128	
Newspapers, magazines, and books.....	1.44	113	117	116	118	121	120	118	117	118	118	120	118	118	118	117	
Consumer fuel and lighting.....	3.45	119	126	124	129	128	124	125	133	144	140	136	130	127	131	.....
Fuel oil and gasoline.....	1.19	106	108	112	113	106	108	111	114	116	114	110	106	109	114	114	
Residential utilities.....	2.26	126	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Electricity.....	1.57	127	136	128	137	139	131	130	146	166	159	153	142	132	138	.....
Gas.....	.69	124	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Equipment																	
<i>Business equipment</i>	12.16	105	105	103	103	106	107	108	111	109	112	114	115	116	118	116	
Industrial equipment.....	7.29	102	100	100	101	102	102	103	106	104	105	107	108	109	111	110	
Commercial equipment.....	2.46	118	124	121	126	128	130	132	134	132	135	137	138	139	142	139	
Freight and passenger equipment.....	1.83	101	99	95	94	99	102	106	102	100	106	112	111	111	114	112	
Farm equipment.....	.58	92	98	87	71	87	85	85	90	93	110	120	126	120	119	105	
<i>Defense equipment</i>	3.46	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Materials																	
<i>Durable goods materials</i>	27.81	102	100	99	103	104	107	107	106	105	108	110	112	111	111	104	
Consumer durable.....	3.67	109	100	94	98	96	108	118	121	119	118	119	119	121	115	109	
Equipment.....	8.10	101	102	99	101	102	106	109	111	111	112	114	116	115	115	111	
Construction.....	9.05	107	106	110	115	114	114	108	101	95	101	104	110	116	120	114	
Metal materials n.e.c.....	6.99	92	91	86	93	98	100	98	98	103	108	108	104	96	93	79	
<i>Nondurable materials</i>	25.44	110	114	108	117	116	120	119	116	117	120	121	121	121	123	115	
Business supplies.....	8.87	110	113	105	116	117	120	117	111	111	116	119	119	119	121	111	
Containers.....	2.91	109	115	110	130	125	124	115	105	113	118	124	120	121	127	116	
General business supplies.....	5.96	111	111	103	109	113	118	118	114	111	114	116	119	119	117	109	
Nondurable materials n.e.c.....	7.05	119	126	118	129	128	136	136	133	134	139	140	139	141	142	131	
<i>Business fuel and power</i>	9.52	103	105	102	108	107	108	108	109	109	110	109	108	107	110	105	
Mineral fuels.....	6.29	97	98	92	98	97	100	100	101	102	103	102	101	99	101	93	
Nonresidential utilities.....	2.70	121	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Electricity.....	2.19	120	128	133	140	140	134	130	130	132	129	131	128	133	140	.....
General industrial.....	.99	115	118	116	123	123	124	122	122	127	125	128	126	127	129	.....
Commercial and other.....	1.12	127	139	150	158	158	146	139	141	140	136	136	133	141	153	.....
Gas.....	.51	121	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Industrial.....	.33	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Commercial and other.....	.18	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Supplementary groups of consumer goods																	
<i>Automotive and home goods</i>	7.75	116	112	104	97	114	126	129	126	120	124	127	129	128	129	119	
<i>Apparel and staples</i>	23.38	114	117	115	126	123	126	120	116	117	119	121	120	119	123	120	

NOTE.—Published groupings include some series and subtotals not shown separately. Detailed description and historical data are available in *Industrial Production—1959 Revision*. Figures for individual series and

subtotals without seasonal adjustment are published in the monthly Business Indexes release.

SELECTED BUSINESS INDEXES

[1947-49 = 100, unless otherwise indicated]

Period	Industrial production								Construction contracts ¹	Nonagricultural employment—total ²	Manufacturing ³		Freight carloadings ¹	Department store sales ¹	Prices ¹	
	Total	Major industry groupings			Major market groupings						Employment	Payrolls			Consumer	Wholesale commodity
		Final products			Materials	Total	Consumer goods	Equipment								
		Mfg.	Mining	Utilities												
1948.....	103	103	106	101	102	101	105	104	41	101.6	102.8	105.0	127.6	70	83.8	87.9
1949.....	98	98	94	108	99	101	94	96	44	99.1	93.8	97.2	108.2	67	83.0	83.5
1950.....	113	114	105	123	112	115	102	114	61	102.4	99.7	111.7	117.1	72	83.8	86.8
1951.....	123	123	115	140	121	114	142	124	63	108.3	106.4	130.1	121.5	76	90.5	96.7
1952.....	127	127	114	152	130	116	170	125	67	110.5	106.3	137.0	115.0	78	92.5	94.0
1953.....	138	139	117	166	138	124	182	137	70	113.7	111.9	151.7	116.6	80	93.2	92.7
1954.....	130	129	113	178	132	123	161	128	76	111.0	102.0	138.4	104.6	80	93.6	92.9
1955.....	146	145	125	199	144	136	172	147	91	114.7	105.8	153.6	115.3	88	93.3	93.2
1956.....	151	150	132	218	150	139	188	151	92	118.6	106.9	162.4	115.9	94	94.7	96.2
1957.....	152	150	132	233	152	141	189	151	93	119.7	105.0	164.3	108.2	96	98.0	99.0
1958.....	141	139	120	244	145	140	165	138	102	116.4	95.5	151.5	93.8	99	100.7	100.4
1959.....	159	158	125	268	162	155	188	157	105	120.8	100.3	170.3	97.9	105	101.5	100.6
1960.....	164	163	128	287	168	161	195	160	105	123.0	100.0	172.8	95.3	106	103.1	100.7
1961.....	^p 165	^p 164	^p 129	.....	^p 170	^p 164	^p 196	^p 161	108	122.4	95.9	170.5	91.2	109	104.2	100.3
1961—July.....	170	169	129	307	174	169	197	166	110	123.0	96.8	171.3	91.1	110	104.4	99.9
Aug.....	172	170	130	314	174	169	198	168	116	123.0	96.8	174.4	91.8	110	104.3	100.1
Sept.....	168	167	128	316	172	164	201	165	103	122.9	96.3	175.9	90.1	110	104.6	100.0
Oct.....	171	170	131	317	175	168	203	168	114	123.1	96.5	179.1	94.4	109	104.6	100.0
Nov.....	173	172	132	315	178	170	207	168	116	123.4	97.3	182.0	95.3	112	104.6	100.0
Dec.....	174	173	133	314	179	172	208	170	119	123.3	97.6	182.0	95.6	113	104.5	100.4
1962—Jan.....	172	171	130	318	176	170	204	168	115	123.2	97.1	175.9	93.9	109	104.5	100.8
Feb.....	174	173	130	319	177	170	208	171	119	124.0	97.9	177.5	96.8	110	104.8	100.7
Mar.....	176	174	131	321	180	172	210	172	131	124.3	98.6	179.7	96.6	117	105.0	100.7
Apr.....	177	176	133	320	181	173	211	174	121	125.1	99.8	182.5	96.1	113	105.2	100.4
May.....	179	^r 178	132	326	183	175	214	174	117	125.4	100.0	183.5	94.0	^r 114	105.2	100.2
June.....	179	178	132	334	184	175	217	^r 175	120	^r 125.7	^r 100.1	186.5	89.9	111	105.3	100.0
July.....	180	179	134	335	185	176	221	175	117	126.0	100.0	183.6	89.6	^p 115	105.5	100.4
Aug.....	^p 180	^p 179	^p 134	^p 331	^p 185	^p 175	^p 221	^p 175	.....	^p 125.8	^p 98.7	^p 183.6	90.2	^{*114}	.....	100.5

¹ 1957-59 = 100. Prices are not seasonally adjusted.² Employees only, excludes personnel in the armed forces.³ Production workers only; payrolls are not seasonally adjusted.

NOTE.—Data are seasonally adjusted unless otherwise noted.

Construction contracts: F. W. Dodge Corp. monthly index of dollar value of total construction contracts, including residential, nonresidential,

and heavy engineering; does not include data for Alaska and Hawaii.

Employment and payrolls: Based on Bureau of Labor Statistics data; includes data for Alaska and Hawaii beginning with 1959.

Prices: Bureau of Labor Statistics data.

Freight carloadings: Based on data from Association of American Railroads.

CONSTRUCTION CONTRACTS

[In millions of dollars]

Type of ownership and type of construction	1960	1961	1961						1962						
			July	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	June	July
Total construction.....	36,318	37,135	3,529	3,543	3,004	3,291	3,008	2,712	2,658	2,749	3,986	3,860	4,009	3,900	3,747
By type of ownership:															
Public.....	12,587	12,547	1,265	1,158	954	1,021	942	1,091	922	877	1,475	1,211	1,227	1,331	.....
Private.....	23,731	24,588	2,263	2,384	2,050	2,270	2,066	1,621	1,736	1,871	2,511	2,650	2,782	2,569	.....
By type of construction:															
Residential.....	15,105	16,123	1,502	1,589	1,381	1,498	1,306	1,125	1,190	1,192	1,552	1,816	1,819	1,656	1,623
Nonresidential.....	12,240	12,115	1,154	1,087	987	1,005	1,095	883	853	893	1,325	1,102	1,275	1,242	1,197
Public works and utilities.....	8,973	8,897	873	866	637	787	607	704	615	664	1,108	943	915	1,002	926

NOTE.—Dollar value of total contracts as reported by the F. W. Dodge Corp.; does not include data for Alaska or Hawaii. Totals of monthly

data exceed annual totals because adjustments—negative—are made to accumulated monthly data after original figures have been published.

VALUE OF NEW CONSTRUCTION ACTIVITY

[In millions of dollars]

Period	Total	Private							Public				
		Total	Non-farm residential	Business				Other non-residential	Total	Military	Highway	Sewer and water	Other
				Total	Industrial	Commercial	Public utility						
1953	37,019	25,783	13,777	8,495	2,229	1,791	4,475	3,511	11,236	1,290	3,015	883	6,048
1954	39,234	27,556	15,379	8,403	2,030	2,212	4,161	3,774	11,678	1,003	3,680	982	6,013
1955	44,164	32,440	18,705	9,980	2,399	3,218	4,363	3,755	11,724	1,287	3,861	1,085	5,491
1956	45,815	33,067	17,677	11,608	3,084	3,631	4,893	3,782	12,748	1,360	4,431	1,275	5,682
1957	47,845	33,766	17,019	12,535	3,557	3,564	5,414	4,212	14,079	1,287	4,954	1,344	6,494
1958	48,950	33,493	18,047	11,058	2,382	3,589	5,087	4,388	15,457	1,402	5,545	1,387	7,123
1959 ¹	56,555	40,344	24,962	11,044	2,106	3,930	5,008	4,338	16,211	1,488	5,870	1,467	7,386
1960	55,556	39,603	22,546	12,354	2,851	4,180	5,323	4,703	15,953	1,386	5,464	1,487	7,616
1961	57,399	40,365	22,499	12,811	2,759	4,663	5,389	5,055	17,034	1,368	5,818	1,581	8,267
1961—Aug.	57,983	41,281	23,306	12,704	2,588	4,646	5,470	5,271	16,702	1,153	5,762	1,560	8,227
Sept.	58,910	41,709	23,782	12,750	2,610	4,718	5,422	5,177	17,201	1,404	5,960	1,575	8,262
Oct.	58,905	41,767	24,026	12,693	2,608	4,681	5,404	5,048	17,138	793	6,340	1,589	8,416
Nov.	61,037	42,044	24,504	12,542	2,554	4,608	5,380	4,998	18,993	1,760	7,099	1,586	8,548
Dec.	58,910	41,881	24,440	12,515	2,537	4,641	5,337	4,926	17,029	982	6,235	1,590	8,222
1962—Jan.	59,019	41,077	23,187	12,875	2,590	4,928	5,357	5,015	17,942	791	7,250	1,636	8,265
Feb.	56,811	39,909	22,245	12,622	2,592	4,756	5,274	5,042	16,902	1,248	5,414	1,666	8,574
Mar.	57,861	40,553	22,507	12,897	2,653	4,795	5,449	5,149	17,308	1,409	5,771	1,715	8,413
Apr.	58,315	41,747	23,484	12,973	2,792	4,793	5,388	5,290	16,568	1,442	5,057	1,775	8,294
May	60,748	43,472	25,018	13,119	2,886	4,752	5,481	5,335	17,276	1,349	5,830	1,805	8,292
June	62,678	44,842	26,118	13,354	2,950	4,865	5,539	5,370	17,836	1,549	5,989	1,807	8,491
July ^p	62,235	44,775	25,823	13,552	2,962	5,110	5,480	5,400	17,460	1,453	5,876	1,802	8,329
Aug. ^p	62,239	44,437	25,269	13,746	2,936	5,273	5,537	5,422	17,802			1,770	

¹ Beginning with 1959, includes data for Alaska and Hawaii.
NOTE.—Monthly data are at seasonally adjusted annual rates.

Beginning with 1959, figures are Census Bureau estimates. Data before 1959 are joint estimates of the Depts. of Commerce and Labor.

NEW HOUSING STARTS

[In thousands of units]

Period	Annual rate, S. A. (private only)		Total	By area ¹		By type of ownership					Government-underwritten		
	Total	Non-farm		Metro-politan	Non-metro-politan	Private				Public	Total	FHA	VA
						Total	1-family	2-family	Multi-family				
1953			1,104	804	300	1,068	933	42	94	36	409	252	157
1954			1,220	897	324	1,202	1,077	34	90	19	583	276	307
1955			1,329	976	353	1,310	1,190	33	87	19	670	277	393
1956			1,118	780	338	1,094	981	31	82	24	465	195	271
1957			1,042	700	342	993	840	33	120	49	322	193	128
1958			1,209	827	382	1,142	933	39	170	68	439	337	102
1959			1,379	946	432	1,343	1,079	49	215	36	458	349	109
1959			1,554	1,077	477	1,517	1,234	56	227	37	458	349	109
1960			1,296	889	407	1,252	995	44	214	44	336	261	75
1961			1,355	938	418	1,304	966	44	294	52	328	244	83
1961—July	1,343	1,318	129	88	41	125	96	4	25	3	29	21	7
Aug.	1,326	1,301	130	88	42	127	95	3	29	3	34	26	8
Sept.	1,383	1,365	128	91	37	122	91	4	28	6	28	21	7
Oct.	1,434	1,404	129	88	41	124	92	4	27	5	33	23	9
Nov.	1,351	1,328	106	72	34	103	74	3	25	3	30	23	7
Dec.	1,297	1,257	87	63	24	82	54	3	25	4	23	17	6
1962—Jan.	1,273	1,247	83	60	23	81	54	3	23	2	23	18	4
Feb.	1,152	1,134	78	56	22	76	54	3	20	1	20	15	5
Mar.	1,431	1,407	118	84	34	115	80	5	31	3	27	21	6
Apr.	1,542	1,521	152	111	41	147	101	5	41	5	33	25	8
May	1,579	1,566	156	112	44	154	107	5	42	2	34	26	8
June	^p 1,415	^p 1,389	^p 138	96	43	^p 135	97	4	35	^p 3	31	24	7
July	^p 1,407	^p 1,389	^p 133	95	38	^p 131				^p 3	33	25	7

¹ Beginning with 1959, based on revised definition of metropolitan areas.
NOTE.—Beginning with 1959, Census Bureau series includes both farm and nonfarm series developed initially by the Bureau of Labor Statistics, for which annual totals are given including overlap for 1959.

Data from Federal Housing Administration and Veterans Administration represent units started, based on field office reports of first compliance inspections.

LABOR FORCE, EMPLOYMENT, AND UNEMPLOYMENT

[In thousands of persons unless otherwise indicated]

Period	Total non-institutional population	Total labor force	Civilian labor force					Not in the labor force	Unemployment rate (per cent) S.A. 2
			Total	Employed 1			Unemployed		
				Total	In non-agricultural industries	In agriculture			
1955.....	117,388	68,896	65,848	62,944	56,225	6,718	2,904	48,492	4.4
1956.....	118,734	70,387	67,530	64,708	58,135	6,572	2,822	48,348	4.2
1957.....	120,445	70,746	67,946	65,011	58,789	6,222	2,936	49,699	4.3
1958.....	121,950	71,284	68,647	63,966	58,122	5,844	4,681	50,666	6.8
1959.....	123,366	71,946	69,394	65,581	59,745	5,836	3,813	51,420	5.5
1960 ³	125,368	73,126	70,612	66,681	60,958	5,723	3,931	52,242	5.6
1961.....	127,852	74,175	71,603	66,796	61,333	5,463	4,806	53,677	6.7
1961—Aug.....	128,183	75,610	73,081	68,539	62,215	6,325	4,542	52,573	6.8
Sept.....	128,372	73,670	71,123	67,038	61,372	5,666	4,085	54,701	6.8
Oct.....	128,571	74,345	71,759	67,824	61,860	5,964	3,934	54,226	6.7
Nov.....	128,756	74,096	71,339	67,349	62,149	5,199	3,990	54,659	6.1
Dec.....	128,941	73,372	70,559	66,467	62,049	4,418	4,091	53,570	6.0
1962—Jan.....	129,118	72,564	69,721	65,058	60,641	4,417	4,663	56,554	5.8
Feb.....	129,290	73,218	70,332	65,789	61,211	4,578	4,543	56,072	5.6
Mar.....	129,471	73,582	70,697	66,316	61,533	4,782	4,382	55,889	5.5
Apr.....	129,587	73,654	70,769	66,824	61,863	4,961	3,946	55,933	5.5
May.....	129,752	74,797	71,922	68,203	62,775	5,428	3,719	54,956	5.4
June.....	129,930	76,857	74,001	69,539	63,249	6,290	4,463	53,072	5.5
July.....	130,183	76,437	73,582	69,564	63,500	6,064	4,018	53,746	5.3
Aug.....	130,359	76,554	73,695	69,762	63,993	5,770	3,932	53,805	5.8

1 Includes self-employed, unpaid family, and domestic service workers.

2 Per cent of civilian labor force.

3 Inclusion of figures for Alaska and Hawaii beginning with 1960 increased population by about 500,000 and total labor force by about 300,000. Most of the increase was in nonagricultural industries.

NOTE.—Information relating to persons 14 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. Bureau of Labor Statistics estimates.

EMPLOYMENT IN NONAGRICULTURAL ESTABLISHMENTS, BY INDUSTRY DIVISION

[In thousands of persons]

Period	Total	Manufacturing	Mining	Contract construction	Transportation & public utilities	Trade	Finance	Service	Government
1955.....	50,675	16,882	792	2,802	4,141	10,535	2,335	6,274	6,914
1956.....	52,408	17,243	822	2,999	4,244	10,858	2,429	6,536	7,277
1957.....	52,904	17,174	828	2,923	4,241	10,886	2,477	6,749	7,626
1958.....	51,423	15,945	751	2,778	3,976	10,750	2,519	6,811	7,893
1959 ¹	53,380	16,667	731	2,955	4,010	11,125	2,597	7,105	8,190
1960.....	54,347	16,762	709	2,882	4,017	11,412	2,684	7,361	8,520
1961.....	54,077	16,267	666	2,760	3,923	11,368	2,748	7,516	8,828
SEASONALLY ADJUSTED									
1961—Aug.....	54,333	16,381	665	2,770	3,939	11,410	2,757	7,546	8,865
Sept.....	54,304	16,323	666	2,754	3,939	11,363	2,756	7,567	8,936
Oct.....	54,385	16,361	661	2,758	3,929	11,365	2,764	7,580	8,967
Nov.....	54,525	16,466	665	2,719	3,927	11,374	2,771	7,611	8,992
Dec.....	54,492	16,513	654	2,699	3,911	11,366	2,770	7,642	8,937
1962—Jan.....	54,434	16,456	653	2,594	3,906	11,384	2,772	7,640	9,029
Feb.....	54,773	16,572	653	2,694	3,914	11,447	2,774	7,675	9,044
Mar.....	54,901	16,682	654	2,648	3,927	11,460	2,776	7,681	9,073
Apr.....	55,260	16,848	656	2,734	3,935	11,546	2,778	7,675	9,088
May.....	55,403	16,891	659	2,716	3,936	11,596	2,786	7,692	9,127
June.....	55,535	16,923	652	2,671	3,934	11,621	2,788	7,749	9,197
July ^p	55,649	16,919	649	2,749	3,912	11,645	2,792	7,784	9,199
Aug. ^p	55,565	16,772	647	2,748	3,927	11,643	2,796	7,813	9,219
NOT SEASONALLY ADJUSTED									
1961—Aug.....	54,538	16,531	677	3,075	3,971	11,342	2,801	7,606	8,535
Sept.....	54,978	16,646	676	3,021	3,971	11,378	2,770	7,612	8,904
Oct.....	55,065	16,607	668	2,981	3,953	11,450	2,758	7,618	9,030
Nov.....	55,129	16,658	667	2,825	3,943	11,611	2,757	7,596	9,072
Dec.....	55,503	16,556	657	2,575	3,927	12,181	2,756	7,573	9,278
1962—Jan.....	53,737	16,370	647	2,298	3,863	11,270	2,747	7,510	9,032
Feb.....	53,823	16,452	642	2,282	3,863	11,188	2,749	7,545	9,102
Mar.....	54,056	16,525	640	2,328	3,880	11,223	2,754	7,573	9,133
Apr.....	54,849	16,636	647	2,589	3,904	11,470	2,770	7,690	9,143
May.....	55,209	16,682	657	2,749	3,924	11,476	2,780	7,769	9,172
June.....	55,777	16,870	661	2,839	3,965	11,582	2,808	7,881	9,171
July ^p	55,520	16,788	649	2,994	3,947	11,533	2,839	7,885	8,885
Aug. ^p	55,744	16,913	659	3,050	3,958	11,574	2,841	7,875	8,874

1 Data includes Alaska and Hawaii beginning with 1959.

NOTE.—Bureau of Labor Statistics; data include all full- and part-time employees who worked during, or received pay for, the pay period

ending nearest the 15th of the month. Proprietors, self-employed persons, domestic servants, unpaid family workers, and members of the armed forces are excluded.

PRODUCTION WORKER EMPLOYMENT IN MANUFACTURING INDUSTRIES

[In thousands of persons]

Industry group	Seasonally adjusted				Without seasonal adjustment			
	1961		1962		1961		1962	
	Aug.	June	July ^p	Aug. ^p	Aug.	June	July ^p	Aug. ^p
Total	12,156	12,581	12,561	12,403	12,274	12,516	12,410	12,514
Durable goods	6,699	7,035	7,034	6,923	6,641	7,025	6,935	6,858
Ordnance and accessories.....	95	97	99	102	94	97	98	101
Lumber and wood products.....	538	546	543	540	568	571	568	570
Furniture and fixtures.....	309	321	322	320	311	317	315	323
Stone, clay, and glass products.....	464	467	468	469	477	476	477	482
Primary metal industries.....	944	934	921	906	940	936	904	902
Fabricated metal products.....	838	871	870	857	831	868	854	850
Machinery except electrical.....	967	1,027	1,032	1,039	950	1,035	1,023	1,020
Electrical machinery.....	972	1,058	1,058	1,050	968	1,039	1,032	1,046
Transportation equipment.....	1,039	1,161	1,165	1,090	961	1,137	1,122	1,008
Instruments and related products.....	225	231	231	230	223	229	226	228
Miscellaneous manufacturing industries.....	308	322	325	320	317	322	316	330
Nondurable goods	5,457	5,546	5,527	5,480	5,633	5,491	5,475	5,656
Food and kindred products.....	1,182	1,180	1,179	1,168	1,318	1,176	1,221	1,302
Tobacco manufactures.....	80	76	77	83	89	65	65	92
Textile-mill products.....	795	803	799	785	802	803	787	792
Apparel and other finished textiles.....	1,081	1,120	1,111	1,098	1,100	1,093	1,072	1,118
Paper and allied products.....	472	482	481	480	475	483	476	483
Printing, publishing and allied industries.....	596	600	599	593	594	597	592	591
Chemicals and allied products.....	510	523	528	524	509	520	521	523
Products of petroleum and coal.....	134	128	127	127	135	130	129	128
Rubber products.....	287	312	307	302	284	304	296	299
Leather and leather products.....	320	322	319	320	327	321	317	327

NOTE.—Bureau of Labor Statistics; data cover production and related workers only (full- and part-time) who worked during, or received pay for, the pay period ending nearest the 15th of the month.

HOURS AND EARNINGS OF PRODUCTION WORKERS IN MANUFACTURING INDUSTRIES

Industry group	Average hours worked (per week; S.A.)				Average weekly earnings (dollars per week; N.S.A.)				Average hourly earnings (dollars per hour; N.S.A.)			
	1961		1962		1961		1962		1961		1962	
	Aug.	June	July ^p	Aug. ^p	Aug.	June	July ^p	Aug. ^p	Aug.	June	July ^p	Aug. ^p
Total	40.0	40.5	40.4	40.2	92.86	97.27	96.56	95.75	2.31	2.39	2.39	2.37
Durable goods	40.5	41.0	41.0	40.8	100.44	105.47	104.04	103.63	2.48	2.56	2.55	2.54
Ordnance and accessories.....	41.1	41.5	41.0	41.1	112.87	116.88	115.46	114.90	2.78	2.83	2.83	2.83
Lumber and wood products.....	39.6	39.6	40.4	40.2	79.19	80.40	80.40	81.19	1.97	1.99	1.99	1.99
Furniture and fixtures.....	40.1	41.3	40.7	40.3	78.12	79.95	78.38	80.15	1.91	1.95	1.94	1.95
Stone, clay, and glass products.....	41.0	41.0	41.4	41.2	98.18	100.43	101.09	101.57	2.36	2.42	2.43	2.43
Primary metal industries.....	40.2	39.6	39.6	39.5	116.11	119.10	116.23	115.64	2.91	2.97	2.95	2.95
Fabricated metal products.....	40.8	41.4	41.2	40.9	102.34	106.75	104.96	105.47	2.49	2.56	2.56	2.56
Machinery except electrical.....	41.1	41.8	41.7	41.9	106.75	114.09	112.32	112.32	2.61	2.71	2.70	2.70
Electrical machinery.....	40.4	40.7	40.8	40.6	94.94	98.16	96.96	97.44	2.35	2.40	2.40	2.40
Transportation equipment.....	40.6	41.9	42.0	41.2	112.96	121.09	121.22	118.73	2.81	2.89	2.90	2.91
Instruments and related products.....	40.9	41.1	40.8	41.1	97.75	100.94	99.55	100.70	2.39	2.45	2.44	2.45
Miscellaneous manufacturing industries.....	39.4	39.9	39.9	40.2	74.47	78.60	77.62	78.79	1.89	1.97	1.97	1.96
Nondurable goods	39.3	40.0	39.8	39.5	83.58	87.02	86.80	86.40	2.10	2.17	2.17	2.16
Food and kindred products.....	40.9	41.1	41.5	41.0	88.60	92.70	93.86	91.72	2.14	2.25	2.24	2.21
Tobacco manufactures.....	39.6	37.9	37.1	37.5	68.17	76.03	73.28	68.40	1.70	1.98	1.97	1.80
Textile-mill products.....	40.2	41.0	40.7	40.5	66.02	69.46	68.21	68.54	1.63	1.69	1.68	1.68
Apparel and other finished textiles.....	35.6	36.8	36.3	36.3	59.86	61.09	60.59	62.12	1.64	1.66	1.66	1.67
Paper and allied products.....	42.6	42.8	42.6	42.2	101.05	102.96	103.33	103.09	2.35	2.40	2.42	2.42
Printing, publishing and allied industries.....	38.2	38.4	38.3	38.1	105.33	107.62	107.34	107.34	2.75	2.81	2.81	2.81
Chemicals and allied products.....	41.6	41.6	41.5	41.6	107.49	111.19	110.81	109.98	2.59	2.66	2.67	2.65
Products of petroleum and coal.....	41.0	41.7	41.7	41.3	122.59	127.68	129.44	123.49	2.99	3.04	3.06	2.99
Rubber products.....	40.2	41.5	40.5	40.8	97.85	104.58	101.84	101.76	2.41	2.49	2.49	2.47
Leather and leather products.....	37.0	38.0	37.5	37.2	62.79	65.88	65.66	65.39	1.67	1.72	1.71	1.73

NOTE.—Bureau of Labor Statistics; data are for production and related workers only.

SALES AND STOCKS, BY DISTRICT

[1957-59=100]

Period	United States	Federal Reserve district											
		Boston	New York	Philadelphia	Cleveland	Richmond	Atlanta	Chicago	St. Louis	Minneapolis	Kansas City	Dallas	San Francisco
SALES													
1954.....	80	84	76	86	83	81	72	87	83	80	80	75	74
1955.....	88	91	80	93	92	89	81	95	90	85	88	84	82
1956.....	94	96	89	97	96	95	90	99	96	93	93	92	91
1957.....	96	96	95	98	98	97	94	100	97	97	94	96	93
1958.....	99	99	100	99	98	98	99	97	98	99	99	99	98
1959.....	105	104	105	104	104	105	107	104	104	104	107	105	109
1960.....	106	106	108	104	108	104	107	104	103	106	108	100	110
1961.....	109	112	112	107	110	107	109	105	103	108	111	102	115
SEASONALLY ADJUSTED													
1961—July.....	110	112	*111	*106	112	108	*110	107	104	107	112	*101	115
Aug.....	110	112	114	107	111	108	108	108	104	107	111	106	113
Sept.....	110	111	110	105	110	107	112	107	106	108	115	102	118
Oct.....	109	116	113	108	109	107	108	105	103	106	108	101	115
Nov.....	112	119	115	111	115	111	111	108	107	109	112	104	118
Dec.....	113	116	116	111	114	111	112	108	106	108	112	106	120
1962—Jan.....	109	113	112	110	112	108	110	104	98	104	105	101	119
Feb.....	110	101	112	104	109	110	118	103	108	103	114	110	120
Mar.....	117	122	119	110	118	114	126	112	111	109	118	106	123
Apr.....	113	113	119	111	112	108	108	108	*107	116	115	104	118
May.....	114	110	113	115	117	114	117	112	*113	108	116	108	121
June.....	111	112	108	107	110	109	*115	108	105	*106	111	107	123
July.....	*115	115	113	109	114	*111	118	111	*112	112	*116	112	123
NOT SEASONALLY ADJUSTED													
1961—July.....	92	85	85	*82	94	91	*98	88	87	85	100	*92	*105
Aug.....	100	92	91	88	102	96	101	98	99	103	111	106	109
Sept.....	109	112	110	105	109	107	105	108	106	116	117	98	116
Oct.....	112	121	121	113	110	114	110	109	108	115	111	103	112
Nov.....	134	146	146	145	140	133	129	129	*128	125	128	120	134
Dec.....	204	244	213	202	210	206	201	191	185	190	195	184	217
1962—Jan.....	83	86	90	80	84	76	85	77	75	74	79	79	90
Feb.....	82	72	87	75	81	77	91	75	78	78	82	80	95
Mar.....	95	94	99	95	93	92	105	93	90	87	97	91	99
Apr.....	112	115	113	112	114	112	115	108	*105	112	111	103	116
May.....	110	108	109	110	111	109	111	111	*113	103	113	104	110
June.....	105	108	105	102	102	101	*104	103	97	*106	105	96	117
July.....	*96	87	86	84	95	*94	106	92	*94	88	*105	102	112
STOCKS													
1954.....	80	82	75	82	90	79	77	84	86	83	82	70	76
1955.....	85	88	78	87	86	90	86	89	93	88	90	76	81
1956.....	94	96	89	95	93	99	98	97	102	98	99	84	92
1957.....	99	97	97	99	102	100	102	100	103	102	100	99	96
1958.....	98	99	99	98	97	96	97	97	98	97	98	98	97
1959.....	103	104	104	103	101	104	101	103	99	101	103	104	107
1960.....	109	108	110	105	113	108	107	108	103	108	109	106	114
1961.....	110	112	110	105	112	109	108	109	104	108	111	104	116
SEASONALLY ADJUSTED													
1961—July.....	110	111	*109	105	110	108	*106	111	*108	109	113	*101	*115
Aug.....	110	111	110	105	111	107	109	110	*112	107	113	103	116
Sept.....	111	113	111	107	112	108	110	114	*113	108	112	104	116
Oct.....	112	113	111	107	114	110	110	113	*114	109	110	105	117
Nov.....	*113	114	113	109	113	113	110	113	*116	108	110	106	118
Dec.....	113	116	112	109	115	113	109	113	*119	110	111	106	118
1962—Jan.....	114	114	112	110	114	115	112	114	*112	111	111	111	121
Feb.....	*115	115	114	110	114	116	111	114	*114	113	113	113	122
Mar.....	116	117	113	112	114	117	114	116	*115	113	114	114	124
Apr.....	115	116	112	111	115	117	114	113	*117	114	114	111	124
May.....	*117	115	113	112	115	115	114	116	*121	112	115	114	127
June.....	118	115	113	112	117	118	115	121	*117	113	114	115	128
July.....	*118	118	113	113	116	118	120	122	117	109	*115	*115	*127
NOT SEASONALLY ADJUSTED													
1961—July.....	104	102	*98	*95	106	101	*98	109	*104	106	107	*97	*111
Aug.....	109	109	108	102	110	108	108	109	*113	107	111	105	116
Sept.....	118	121	116	113	119	116	116	121	*121	114	116	111	122
Oct.....	*126	131	126	124	130	125	123	123	*130	123	123	118	130
Nov.....	*130	135	131	127	133	129	129	126	*131	126	127	121	134
Dec.....	103	108	105	100	105	104	98	101	*106	104	103	98	108
1962—Jan.....	*102	100	102	96	98	100	101	102	*100	99	101	96	109
Feb.....	107	106	106	103	106	107	108	106	*106	106	107	106	115
Mar.....	116	115	114	112	114	118	116	116	*116	111	114	115	125
Apr.....	118	117	116	116	116	120	117	118	*121	112	116	115	125
May.....	*117	116	115	114	115	117	113	119	*120	111	114	112	125
June.....	112	109	106	106	111	112	107	117	*111	104	109	108	123
July.....	*112	108	102	103	112	111	110	119	112	106	*110	*111	*123

NOTE.—Based on retail value figures; sales are average per trading day; stocks are as of end of month or averages of monthly data.

For description of series and for back data beginning with 1947, see July 1962 BULL., p. 803.

DEPARTMENT STORE MERCHANDISING DATA

Period	Amounts (in millions of dollars)					Ratios to sales			
	Sales	Stocks	Out-standing orders	Re-ceipts	New orders	Stocks	Out-standing orders	Stocks plus out-standing orders	Re-ceipts
1953.....	406	1,163	421	408	401	3.0	1.1	4.1	1.0
1954.....	409	1,140	388	410	412	3.0	1.0	4.0	1.0
1955.....	437	1,195	446	444	449	2.9	1.1	4.0	1.0
1956.....	454	1,286	470	459	458	3.0	1.1	4.1	1.0
1957.....	459	1,338	461	461	458	3.1	1.1	4.1	1.0
1958.....	462	1,323	437	462	464	3.0	1.0	4.1	1.0
1959.....	488	1,391	510	495	498	3.0	1.1	4.1	1.1
1960.....	494	1,474	518	496	493	3.1	1.1	4.3	1.0
1961.....	503	1,485	530	508	512	3.1	1.1	4.3	1.0
1961—July.....	390	1,358	675	358	412	3.5	1.7	5.2	.9
Aug.....	466	1,470	650	560	521	3.2	1.4	4.5	1.2
Sept.....	475	1,576	654	581	585	3.3	1.4	4.7	1.2
Oct.....	529	1,708	645	661	652	3.2	1.2	4.4	1.2
Nov.....	630	1,776	555	698	608	2.8	.9	3.7	1.1
Dec.....	965	1,406	391	595	431	1.5	.4	1.9	.6
1962—Jan.....	408	1,408	476	410	495	3.5	1.2	4.6	1.0
Feb.....	360	1,466	532	418	474	4.1	1.5	5.6	1.2
Mar.....	472	1,576	498	582	548	3.3	1.1	4.4	1.2
Apr.....	502	1,589	457	515	474	3.2	.9	4.1	1.0
May.....	507	1,571	499	489	531	3.1	1.0	4.1	1.0
June.....	472	1,509	679	410	590	3.2	1.4	4.6	.9
July ^a	406	1,485	710	382	413	3.7	1.7	5.4	.9

NOTE.—Sales, stocks, and outstanding orders: actual dollar amounts reported by a selected group of department stores whose 1961 sales were about 45 per cent of estimated total department store sales. Sales are total for month, stocks and outstanding orders are as of end of month.

Receipts and new orders: monthly totals derived from reported figures on sales, stocks, and outstanding orders. For further description see Oct. 1952 BULL., pp. 1098-1102. Back figures may be obtained upon request.

MERCHANDISE EXPORTS AND IMPORTS

[In millions of dollars]

Period	Exports						Imports ³		
	Total ¹			Excluding military-aid shipments ²			1960	1961	1962
	1960	1961	1962	1960	1961	1962			
Jan.....	1,561	1,644	1,642	1,484	1,536	1,592	1,174	1,150	1,373
Feb.....	1,579	1,671	1,775	1,500	1,606	1,712	1,329	1,068	1,224
Mar.....	1,753	1,933	1,845	1,636	1,888	1,783	1,410	1,255	1,386
Apr.....	1,817	1,707	1,881	1,703	1,648	1,799	1,294	1,063	1,333
May.....	1,814	1,749	1,973	1,720	1,677	1,892	1,289	1,223	1,454
June.....	1,742	1,699	1,970	1,642	1,644	1,894	1,332	1,232	1,350
July.....	1,702	1,637	1,709	1,632	1,558	1,622	1,183	1,285	1,337
Aug.....	1,619	1,669	.....	1,556	1,598	.....	1,259	1,252	.....
Sept.....	1,612	1,631	.....	1,559	1,557	.....	1,193	1,197	.....
Oct.....	1,746	1,890	.....	1,692	1,817	.....	1,184	1,364	.....
Nov.....	1,799	1,818	.....	1,726	1,759	.....	1,197	1,342	.....
Dec.....	1,806	1,827	.....	1,752	1,777	.....	1,175	1,295	.....
Jan.-July.....	11,968	12,040	12,795	11,317	11,557	12,294	9,011	8,276	9,457

¹ Exports of domestic and foreign merchandise.

² Excludes Dept. of Defense shipments of grant-aid military equipment and supplies under Mutual Security Program.

³ General imports including imports for immediate consumption plus entries into bonded warehouses.

NOTE.—Bureau of the Census data.

CONSUMER PRICES

[1957-59=100]

Period	All items	Food	Housing						Apparel	Transportation	Medical care	Personal care	Reading and recreation	Other goods and services
			Total	Rent	Gas and electricity	Solid and petroleum fuels	House-furnishings	Household operation						
1929.....	59.7	55.6	.....	85.4	.....	.....	56.6	.....	56.2	.....	.....	.....	.....	.....
1933.....	45.1	35.3	.....	60.8	.....	.....	42.7	.....	42.8	.....	.....	.....	.....	.....
1941.....	51.3	44.2	61.4	64.3	88.3	45.2	54.4	53.3	51.9	51.2	50.6	47.6	57.3	58.2
1945.....	62.7	58.4	67.5	66.1	86.4	53.6	73.9	62.9	71.2	55.4	57.5	63.6	75.0	67.3
1953.....	93.2	95.6	92.3	90.3	91.4	90.9	103.7	87.9	97.8	92.1	83.9	88.1	93.3	92.8
1954.....	93.6	95.4	93.4	93.5	92.5	90.6	101.9	89.5	97.3	90.8	86.6	88.5	92.4	94.3
1955.....	93.3	94.0	94.1	94.8	94.9	91.9	100.0	90.8	96.7	89.7	88.6	90.0	92.1	94.3
1956.....	94.7	94.7	95.5	96.5	95.9	95.9	98.9	93.7	98.4	91.3	91.8	93.7	93.4	95.8
1957.....	98.0	97.8	98.5	98.3	96.9	100.8	100.5	97.3	99.7	96.5	95.5	97.1	96.9	98.5
1958.....	100.7	101.9	100.2	100.1	100.3	99.0	99.8	100.2	99.8	99.7	100.1	100.4	100.8	99.8
1959.....	101.5	100.3	101.3	101.6	102.8	100.2	99.8	102.4	100.7	103.8	104.4	102.4	102.4	101.8
1960.....	103.1	101.4	103.1	103.1	107.0	99.5	100.1	104.8	102.1	103.8	108.1	104.1	104.9	103.8
1961.....	104.2	102.6	103.9	104.2	107.9	101.6	99.5	105.9	102.8	105.0	111.3	104.6	107.2	104.6
1961—July.....	104.4	103.4	103.8	104.4	107.7	99.7	99.5	106.1	102.5	105.3	111.6	104.8	107.2	104.9
Aug.....	104.3	102.7	103.8	104.4	107.7	100.4	99.1	105.9	102.5	106.0	111.7	104.8	107.4	104.9
Sept.....	104.6	102.6	104.0	104.7	107.8	100.7	99.7	105.9	103.6	106.0	111.9	104.8	107.9	105.0
Oct.....	104.6	102.5	104.1	104.8	107.8	101.5	99.5	106.2	103.9	106.7	112.3	104.6	108.3	105.0
Nov.....	104.6	101.9	104.2	104.9	107.8	102.1	99.3	106.4	103.7	106.8	112.4	104.8	108.1	105.0
Dec.....	104.5	102.0	104.4	105.0	107.8	102.8	99.2	106.4	103.5	106.0	112.5	105.2	108.2	104.9
1962—Jan.....	104.5	102.5	104.4	105.1	107.8	103.9	98.7	106.5	101.8	106.0	112.6	105.6	108.5	104.9
Feb.....	104.8	103.1	104.6	105.2	107.9	104.0	99.3	106.9	102.0	106.0	113.0	105.8	109.1	105.0
Mar.....	105.0	103.2	104.6	105.3	107.9	103.6	99.5	107.1	102.7	105.9	113.6	105.9	109.2	105.1
Apr.....	105.2	103.4	104.6	105.4	107.8	102.4	99.3	107.1	102.7	107.2	113.9	106.3	109.4	105.1
May.....	105.2	103.2	104.7	105.5	107.7	100.1	99.0	107.4	102.7	107.3	114.1	106.4	109.5	105.1
June.....	105.3	103.5	104.8	105.6	107.7	99.4	99.1	107.4	102.8	107.3	114.4	106.1	109.2	105.2
July.....	105.5	103.8	104.8	105.7	108.0	99.7	99.0	107.5	102.9	106.8	114.6	106.8	110.0	105.6

NOTE.—Bureau of Labor Statistics index for city wage-earner and clerical-worker families.

WHOLESALE PRICES: SUMMARY

[1957-59=100]

Period	All commodities	Farm products	Processed foods	Other commodities													
				Total	Textiles, etc.	Hides, etc.	Fuel, etc.	Chemicals, etc.	Rubber, etc.	Lumber, etc.	Paper, etc.	Metals	Machinery	Furniture, etc.	Non-metallic minerals	Tobacco	Miscellaneous
1953.....	92.7	105.9	97.0	90.1	102.8	94.1	95.9	96.1	86.3	99.4	88.7	83.6	82.2	92.9	86.9	89.8	105.4
1954.....	92.9	104.4	97.6	90.4	100.6	89.9	94.6	97.3	87.6	97.6	88.8	84.3	83.2	93.9	88.8	93.8	110.5
1955.....	93.2	97.9	94.3	92.4	100.7	89.5	94.5	96.9	99.2	102.3	91.1	90.0	85.8	94.3	91.3	94.6	99.1
1956.....	96.2	96.6	94.3	96.5	100.7	94.8	97.4	97.5	100.6	103.8	97.2	97.8	92.1	96.9	95.2	95.1	98.1
1957.....	99.0	99.2	97.9	99.2	100.8	94.9	102.7	99.6	100.2	98.5	99.0	99.7	97.7	99.4	98.9	98.0	96.6
1958.....	100.4	103.6	102.9	99.5	98.9	96.0	98.7	100.4	100.1	97.4	100.1	99.1	100.1	100.2	99.9	99.7	101.5
1959.....	100.6	97.2	99.2	101.3	100.4	109.1	98.7	100.0	99.7	104.1	101.0	101.2	102.2	100.4	101.2	102.2	101.9
1960.....	100.7	96.9	99.9	101.3	101.5	105.2	99.6	100.2	99.9	100.4	101.8	101.3	102.4	100.1	101.4	102.5	99.3
1961.....	100.3	96.0	100.6	100.8	99.7	106.2	100.7	99.1	96.1	95.9	98.8	100.7	102.3	99.5	101.8	103.2	103.9
1961—July.....	99.9	95.1	99.7	100.6	99.2	106.1	100.4	99.0	95.9	96.9	96.6	100.9	102.2	99.5	101.7	103.1	103.0
Aug.....	100.1	96.7	100.2	100.6	99.5	108.0	100.2	98.6	96.2	95.9	96.5	101.2	102.0	99.3	101.8	103.3	103.0
Sept.....	100.0	95.2	100.2	100.7	99.7	108.4	99.6	98.3	96.3	95.6	98.9	101.3	102.0	99.4	101.8	103.8	103.0
Oct.....	100.0	95.1	100.4	100.5	100.1	108.9	99.0	98.2	96.2	94.8	99.6	100.9	102.1	99.4	102.1	103.8	100.7
Nov.....	100.0	95.6	100.1	100.7	100.2	108.6	99.8	98.1	95.5	94.8	99.2	100.4	102.2	99.5	101.9	103.8	105.1
Dec.....	100.4	95.9	100.9	100.9	100.3	108.2	100.6	98.1	94.5	94.6	99.6	100.6	102.3	99.3	101.6	103.8	106.3
1962—Jan.....	100.8	97.9	101.8	101.0	100.3	108.2	101.0	98.4	94.3	94.7	99.9	100.7	102.3	99.3	101.9	103.8	106.7
Feb.....	100.7	98.2	101.7	100.8	100.4	107.7	100.4	98.1	93.3	95.2	99.9	100.6	102.3	99.1	102.1	103.8	105.6
Mar.....	100.7	98.4	101.4	100.8	100.5	107.4	98.9	98.0	93.8	96.2	101.0	100.4	102.3	99.0	102.2	104.0	105.6
Apr.....	100.4	96.9	100.0	100.9	100.5	106.9	100.2	97.9	92.9	96.8	101.3	100.3	102.3	98.9	102.4	104.0	106.0
May.....	100.2	96.2	99.5	100.9	100.7	107.2	99.7	97.7	93.2	97.1	100.8	100.2	102.3	99.0	102.1	105.1	106.0
June.....	100.0	95.3	99.7	100.7	100.8	108.0	99.6	97.6	93.0	97.3	100.5	99.8	102.2	98.9	101.9	105.1	105.4
July.....	100.4	96.5	100.7	100.8	100.9	107.4	100.1	97.2	92.8	97.4	100.3	99.8	102.2	98.8	101.6	105.0	107.5

See next page for composition of other commodities.

WHOLESALE PRICES: DETAIL
[1957-59=100]

Group	1961	1962			Group	1961	1962		
	July	May	June	July		July	May	June	July
<i>Farm Products:</i>					<i>Pulp, Paper, and Allied Products:</i>				
Fresh and dried produce.....	98.3	107.5	98.3	91.7	Woodpulp.....	95.0	93.6	93.6	93.6
Grains.....	96.9	101.0	99.9	99.1	Wastepaper.....	82.7	96.2	96.4	96.8
Livestock and poultry.....	87.7	91.4	91.6	95.8	Paper.....	102.4	103.1	103.1	103.1
Plant and animal fibers.....	95.5	98.9	99.6	99.3	Paperboard.....	90.3	94.0	94.0	94.1
Fluid milk.....	103.3	96.7	97.0	99.8	Converted paper and paperboard.....	95.4	102.1	101.6	101.1
Eggs.....	100.9	75.3	80.0	86.2	Building paper and board.....	100.8	97.7	95.5	96.3
Hay and seeds.....	106.6	107.6	106.3	105.3	<i>Metals and Metal Products:</i>				
Other farm products.....	92.9	93.4	92.5	92.5	Iron and steel.....	100.6	99.2	98.9	98.9
<i>Processed Foods:</i>					Nonferrous metals.....	101.5	99.9	99.3	99.1
Cereal and bakery products.....	105.0	107.5	107.8	108.1	Metal containers.....	102.0	103.7	103.7	103.7
Meat, poultry, and fish.....	93.5	95.5	95.7	99.0	Hardware.....	104.0	104.1	104.2	103.7
Dairy products and ice cream.....	106.6	104.5	*105.0	105.6	Plumbing equipment.....	103.5	*103.8	*99.5	98.1
Canned and frozen fruits, and vegetables.....	101.5	98.6	99.1	99.0	Heating equipment.....	94.9	93.1	*92.9	92.9
Sugar and confectionery.....	100.1	100.8	101.0	100.9	Fabricated structural metal products.....	98.9	98.3	*98.3	98.3
Packaged beverage materials.....	84.2	82.6	82.6	82.6	Fabricated nonstructural metal products.....	102.5	*104.1	*103.9	103.9
Animal fats and oils.....	85.4	87.7	*85.7	85.8	<i>Machinery and Motive Products:</i>				
Crude vegetable oils.....	100.0	87.1	*80.8	78.2	Agricultural machinery and equip.....	107.3	109.3	*109.5	109.5
Refined vegetable oils.....	103.6	89.9	88.3	85.2	Construction machinery and equip.....	107.5	107.7	107.7	107.7
Vegetable oil and products.....	103.5	101.9	*100.1	95.5	Metalworking machinery and equip.....	106.5	109.5	109.7	109.4
Miscellaneous processed foods.....	106.5	100.7	101.8	101.0	General purpose machinery and equipment.....	103.1	104.0	*103.6	103.6
<i>Textile Products and Apparel:</i>					Miscellaneous machinery.....	102.9	103.1	*103.2	103.4
Cotton products.....	99.4	102.1	102.0	101.9	Special industry machinery and equipment (Jan. 1961=100).....	100.5	101.8	101.8	101.9
Wool products.....	97.3	98.9	*99.1	99.2	Electrical machinery and equip.....	100.0	98.9	*98.7	98.5
Man-made fiber textile products.....	92.6	94.5	94.6	94.7	Motor vehicles.....	100.8	100.1	100.1	100.1
Silk products.....	112.8	126.4	130.7	130.2	Transportation equip., R.R. rolling stock (Jan. 1961=100).....	100.0	100.5	100.5	100.5
Apparel.....	100.8	101.4	*101.5	101.7	<i>Furniture and Other Household Durables:</i>				
Other textile products.....	119.1	119.5	123.8	121.4	Household furniture.....	102.6	103.7	*103.9	104.1
<i>Hides, Skins, Leather, and Products:</i>					Commercial furniture.....	101.6	102.2	102.2	102.4
Hides and skins.....	112.4	105.4	108.5	104.2	Floor coverings.....	99.7	97.0	96.9	96.7
Leather.....	104.6	110.6	110.0	108.4	Household appliances.....	95.1	94.3	94.3	94.2
Footwear.....	106.9	108.7	108.7	108.7	Television, radios, and phonographs.....	95.9	92.3	*90.9	90.6
Other leather products.....	102.7	101.7	*104.9	104.8	Other household durable goods.....	102.4	103.2	103.2	102.9
<i>Fuels and Related Products, and Power:</i>					<i>Nonmetallic Mineral Products:</i>				
Coal.....	96.3	94.6	*94.6	95.3	Flat glass.....	96.2	98.0	98.0	98.0
Coke.....	103.6	103.6	103.6	103.6	Concrete ingredients.....	103.0	103.2	*103.2	103.2
Gas fuels (Jan. 1958=100).....	115.6	116.6	113.8	119.7	Concrete products.....	102.5	102.6	102.6	102.8
Electric power (Jan. 1958=100).....	102.5	102.9	102.8	102.8	Structural clay products.....	103.0	103.6	103.6	103.6
Crude petroleum and natural gasoline.....	98.0	98.2	98.2	98.2	Gypsum products.....	102.9	105.0	105.0	105.0
Petroleum products, refined.....	99.3	97.9	98.1	98.0	Prepared asphalt roofing.....	97.5	99.0	95.3	89.4
<i>Chemicals and Allied Products:</i>					Other nonmetallic minerals.....	102.4	102.0	102.0	101.7
Industrial chemicals.....	97.9	96.3	96.2	96.1	<i>Tobacco Products and Bottled Beverages:</i>				
Prepared paint.....	103.7	103.8	103.8	103.8	Tobacco products.....	102.0	102.0	102.0	102.0
Paint materials.....	99.0	96.4	96.2	96.0	Alcoholic beverages.....	100.5	103.4	103.4	103.1
Drugs and pharmaceuticals.....	98.9	97.0	97.0	95.1	Nonalcoholic beverages.....	112.6	116.7	116.7	116.7
Fats and oils, inedible.....	86.7	77.1	*73.4	73.5	<i>Miscellaneous Products:</i>				
Mixed fertilizers.....	102.6	103.9	103.9	103.9	Toys, sporting goods, small arms.....	100.8	100.5	100.5	100.5
Fertilizer materials.....	104.2	103.6	103.6	101.0	Manufactured animal feeds.....	103.2	108.2	107.2	111.0
Other chemicals and products.....	99.5	99.4	99.4	99.4	Notions and accessories.....	98.8	98.7	98.7	98.7
<i>Rubber and Products:</i>					Jewelry, watches, photo equipment.....	103.0	104.1	*104.2	104.3
Crude rubber.....	95.6	94.9	93.5	92.4	Other miscellaneous products.....	101.1	100.9	100.9	100.9
Tires and tubes.....	92.9	86.4	86.4	86.4	<i>Lumber and Wood Products:</i>				
Miscellaneous rubber products.....	99.3	99.4	99.4	99.4	Lumber.....	95.9	97.5	97.6	98.0
<i>Lumber and Wood Products:</i>					Millwork.....	100.9	101.8	101.9	102.2
Lumber.....	95.9	97.5	97.6	98.0	Plywood.....	98.9	92.7	93.3	92.8
Millwork.....	100.9	101.8	101.9	102.2					
Plywood.....	98.9	92.7	93.3	92.8					

Note.—Bureau of Labor Statistics index.

GROSS NATIONAL PRODUCT OR EXPENDITURE

[In billions of dollars]

Item	1929	1933	1941	1950	1957	1958	1959	1960	1961	1961			1962	
										II	III	IV	I	II
Gross national product.....	104.4	56.0	125.8	284.6	442.8	444.5	482.7	503.4	518.7	513.1	522.3	538.6	545.0	552.0
Personal consumption expenditures.....	79.0	46.4	81.9	195.0	285.2	293.2	313.5	328.5	338.1	335.5	340.1	346.1	350.2	354.9
Durable goods.....	9.2	3.5	9.7	30.4	40.4	37.3	43.6	44.8	43.7	43.5	44.0	46.6	46.3	47.2
Nondurable goods.....	37.7	22.3	43.2	99.8	137.7	141.6	147.1	151.8	155.2	153.9	156.2	157.2	159.9	161.3
Services.....	32.1	20.7	29.0	64.9	107.1	114.3	122.8	131.9	139.1	138.0	139.9	142.3	144.1	146.3
Gross private domestic investment.....	16.2	1.4	18.1	50.0	66.1	56.6	72.7	72.4	69.3	67.6	72.4	76.6	75.9	77.4
New construction.....	8.7	1.4	6.6	24.2	36.1	35.5	40.2	40.7	41.6	41.0	42.6	43.2	41.6	44.5
Residential, nonfarm.....	3.6	.5	3.5	14.1	17.0	18.0	22.3	21.1	21.0	20.1	21.9	22.8	21.2	23.3
Other.....	5.1	1.0	3.1	10.1	19.0	17.4	17.9	19.7	20.5	20.8	20.7	20.4	20.5	21.2
Producers' durable equipment.....	5.9	1.6	6.9	18.9	28.5	23.1	25.9	27.6	25.5	24.6	25.8	27.4	27.6	28.9
Change in business inventories.....	1.7	-1.6	4.5	6.8	1.6	-2.0	6.6	4.1	2.1	2.1	4.0	6.0	6.7	4.0
Nonfarm only.....	1.8	-1.4	4.0	6.0	.8	-2.9	6.5	3.7	1.9	1.8	3.8	5.9	6.6	3.9
Net exports of goods and services.....	.8	.2	1.1	.6	4.9	1.2	-.8	2.9	4.0	4.0	2.8	3.8	3.7	3.7
Exports.....	7.0	2.4	6.0	13.1	26.2	22.7	22.9	26.4	27.3	26.4	26.9	28.3	28.2	29.0
Imports.....	6.3	2.3	4.8	12.5	21.3	21.5	23.6	23.5	23.3	22.4	24.1	24.5	24.5	25.3
Government purchases of goods and services..	8.5	8.0	24.8	39.0	86.5	93.5	97.2	99.7	107.4	106.0	106.9	112.1	115.2	116.0
Federal.....	1.3	2.0	16.9	19.3	49.7	52.6	53.6	53.2	57.0	56.6	56.5	59.5	61.9	62.1
National defense.....	1.3	2.0	13.8	14.3	44.4	44.8	46.2	45.7	49.0	49.0	48.4	50.8	53.0	53.2
Other.....			3.2	5.2	5.7	8.3	7.9	8.1	8.7	8.5	8.7	9.2	9.6	9.5
Less: Government sales.....				.1	.4	.5	.5	.6	.6	.8	.6	.6	.6	.6
State and local.....	7.2	6.0	7.8	19.7	36.8	40.8	43.6	46.5	50.4	49.4	50.4	52.6	53.3	54.0
Gross national product in constant (1954) dollars.....	181.8	126.6	238.1	318.1	408.6	401.3	428.6	440.2	447.9	443.9	450.4	463.4	467.4	470.8

NOTE.—Dept. of Commerce estimates. Quarterly data are seasonally adjusted totals at annual rates. For explanation of series see *U.S. Income and Output* (a supplement to the *Survey of Current Business*) and the July 1962 *Survey of Current Business*.

NATIONAL INCOME

[In billions of dollars]

Item	1929	1933	1941	1950	1957	1958	1959	1960	1961	1961			1962	
										II	III	IV	I	II
National income.....	87.8	40.2	104.7	241.9	366.9	367.4	400.5	415.5	427.8	424.3	431.3	444.0	448.9	.....
Compensation of employees.....	51.1	29.5	64.8	154.2	255.5	257.1	278.5	293.7	302.2	300.2	304.5	309.9	315.2	321.7
Wages and salaries.....	50.4	29.0	62.1	146.4	238.5	239.8	258.5	271.3	278.8	276.9	281.0	286.1	289.9	295.9
Private.....	45.5	23.9	51.9	124.1	198.4	196.6	213.1	222.9	227.0	225.8	228.8	232.5	235.0	240.1
Military.....	.3	.3	1.9	5.0	9.6	9.8	9.9	9.9	10.2	10.0	10.0	10.8	11.2	11.2
Government civilian.....	4.6	4.9	8.3	17.3	30.5	33.5	35.4	38.5	41.6	41.2	42.2	42.8	43.7	44.6
Supplements to wages and salaries.....	.7	.5	2.7	7.8	17.0	17.3	20.1	22.4	23.4	23.2	23.5	23.8	25.2	25.8
Employer contributions for social insurance.....	.1	.1	2.0	4.0	7.8	8.0	9.7	11.4	12.0	11.9	12.1	12.2	13.3	13.4
Other labor income.....	.6	.4	.7	3.8	9.1	9.4	10.4	11.0	11.4	11.3	11.4	11.6	12.0	12.3
Proprietors' income.....	14.8	5.6	17.4	37.5	44.5	46.1	46.5	46.2	47.8	47.2	48.1	49.5	49.1	49.5
Business and professional.....	8.8	3.2	10.9	23.5	32.7	32.5	35.1	34.2	34.8	34.5	35.1	36.0	36.2	36.8
Farm.....	6.0	2.4	6.5	14.0	11.8	13.5	11.4	12.0	13.1	12.7	13.1	13.6	12.9	12.8
Rental income of persons.....	5.4	2.0	3.5	9.0	11.9	12.2	11.9	11.9	12.3	12.2	12.3	12.5	12.6	12.8
Corporate profits and inventory valuation adjustment.....	10.1	-2.0	14.5	35.7	41.7	37.2	47.2	45.6	45.5	45.0	46.0	51.1	50.4	.....
Profits before tax.....	9.6	.2	17.0	40.6	43.2	37.4	47.7	45.4	45.6	44.8	46.3	51.4	50.1	.....
Profits tax liability.....	1.4	.5	7.6	17.9	20.9	18.6	23.2	22.4	22.3	21.9	22.6	25.1	24.4	.....
Profits after tax.....	8.3	-.4	9.4	22.8	22.3	18.8	24.5	23.0	23.3	22.9	23.7	26.3	25.6	.....
Dividends.....	5.8	2.1	4.5	9.2	12.6	12.4	13.7	14.4	15.0	14.8	14.9	15.5	15.8	15.8
Undistributed profits.....	2.4	-2.4	4.9	13.6	9.7	6.4	10.8	8.6	8.3	8.1	8.7	10.8	9.8	.....
Inventory valuation adjustment.....	.5	-2.1	-2.5	-5.0	-1.5	-.3	-.5	.2	.....	.2	-.3	-.3	.3	.....
Net interest.....	6.4	5.0	4.5	5.5	13.4	14.8	16.4	18.1	20.0	19.8	20.3	21.0	21.5	22.0

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

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

[In billions of dollars]

Item	1929	1933	1941	1950	1957	1958	1959	1960	1961	1961			1962	
										II	III	IV	I	II
Gross national product.....	104.4	56.0	125.8	284.6	442.8	444.5	482.7	503.4	518.7	513.1	522.3	538.6	545.0	552.0
Less: Capital consumption allowances.....	8.6	7.2	9.0	19.1	37.4	38.6	41.0	43.2	45.3	45.0	45.7	46.6	47.0	47.5
Indirect business tax and nontax liability.....	7.0	7.1	11.3	23.7	38.2	39.3	42.6	46.5	48.2	48.0	48.3	49.7	50.2	51.4
Business transfer payments.....	.6	.7	.5	.8	1.8	1.8	2.1	2.1	2.1	2.1	2.1	2.1	2.1	2.1
Statistical discrepancy.....	.3	.9	.4	-.7	-.6	-1.5	-3.0	-3.4	-3.1	-4.4	-3.1	-1.9	-1.4	.....
Plus: Subsidies less current surplus of government enterprises.....	-.1	.....	.1	.2	1.0	1.1	.4	.5	1.7	2.0	2.1	2.0	1.8	1
Equals: National income.....	87.8	40.2	104.7	241.9	366.9	367.4	400.5	415.5	427.8	424.3	431.3	444.0	448.9	.....
Less: Corporate profits and inventory valuation adjustment.....	10.1	-2.0	14.5	35.7	41.7	37.2	47.2	45.6	45.5	45.0	46.0	51.1	50.4	.....
Contributions for social insurance.....	.2	.3	2.8	6.9	14.5	14.8	17.6	20.6	21.6	21.5	21.8	22.1	23.6	23.9
Plus: Government transfer payments.....	.9	1.5	2.6	14.3	20.1	24.5	25.4	27.3	31.3	31.2	31.6	31.6	31.9	32.0
Net interest paid by government.....	1.0	1.2	1.3	4.8	6.2	6.2	7.1	7.8	7.3	7.4	7.2	7.2	7.3	7.4
Dividends.....	5.8	2.1	4.5	9.2	12.6	12.4	13.7	14.4	15.0	14.8	14.9	15.5	15.8	15.8
Business transfer payments.....	.6	.7	.5	.8	1.8	1.8	2.1	2.1	2.1	2.1	2.1	2.1	2.1	2.1
Equals: Personal income.....	85.8	47.2	96.3	228.5	351.4	360.3	383.9	400.8	416.4	413.5	419.4	427.3	432.0	439.5
Less: Personal tax and nontax payments.....	2.6	1.5	3.3	20.8	42.6	42.3	46.8	51.4	52.8	52.5	53.0	54.6	56.4	57.7
Federal.....	1.3	.5	2.0	18.2	37.3	36.6	40.4	44.0	45.0	44.7	45.1	46.7	48.0	49.2
State and local.....	1.4	1.0	1.3	2.6	5.3	5.7	6.4	7.4	7.8	7.8	7.9	8.0	8.4	8.5
Equals: Disposable personal income.....	83.1	45.7	93.0	207.7	308.8	317.9	337.1	349.4	363.6	361.0	366.3	372.6	375.6	381.8
Less: Personal consumption expenditures.....	79.0	46.4	81.9	195.0	285.2	293.2	313.5	328.5	338.1	335.5	340.1	346.1	350.2	354.9
Equals: Personal saving.....	4.2	-.6	11.1	12.6	23.6	24.7	23.6	20.9	25.6	25.5	26.3	26.5	25.4	26.9
Disposable personal income in constant (1954) dollars.....	134.9	102.1	175.1	231.0	293.8	296.3	310.7	317.3	327.3	325.5	329.7	334.5	336.6	340.9

NOTE.—Dept. of Commerce estimates. Quarterly data are seasonally adjusted totals at annual rates. See also NOTE to table at top of previous page.

PERSONAL INCOME

[In billions of dollars]

Item	1960	1961	1961						1962						
			July	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	June	July ^P
Total personal income.....	400.8	416.4	420.1	418.3	419.7	423.6	427.8	430.5	428.8	431.9	435.2	438.3	439.7	440.7	442.0
Wage and salary disbursements.....	271.3	278.8	280.9	280.7	281.4	283.6	286.4	288.3	287.4	290.3	292.2	295.3	296.0	296.9	297.8
Commodity-producing industries.....	110.4	110.8	112.1	111.6	111.4	113.1	115.0	114.9	113.8	115.2	116.1	118.2	118.2	118.1	118.3
Manufacturing only.....	87.4	87.5	88.5	88.1	87.8	89.4	91.1	91.5	90.8	92.0	92.8	94.4	94.5	94.5	94.3
Distributive industries.....	71.8	72.9	73.5	73.2	73.4	73.6	73.5	74.5	74.4	75.0	75.4	75.8	76.1	76.2	76.3
Service industries.....	40.7	43.4	43.6	43.9	43.8	43.9	44.2	44.9	44.9	45.1	45.3	45.6	45.9	46.5	46.8
Government.....	48.4	51.8	51.7	52.1	52.7	53.0	53.7	54.0	54.4	55.0	55.4	55.6	55.8	56.0	56.3
Other labor income.....	11.0	11.4	11.4	11.4	11.5	11.5	11.6	11.6	11.8	12.0	12.1	12.2	12.3	12.4	12.4
Proprietors' income.....	46.2	47.8	47.9	48.2	48.3	49.1	49.9	49.7	49.2	49.0	49.3	49.4	49.6	49.6	49.7
Business and professional.....	34.2	34.8	34.8	35.1	35.2	35.6	36.1	36.2	36.1	36.2	36.4	36.6	36.8	36.8	36.9
Farm.....	12.0	13.1	13.1	13.1	13.1	13.5	13.8	13.5	13.1	12.8	12.9	12.8	12.8	12.8	12.8
Rental income.....	11.9	12.3	12.3	12.3	12.4	12.4	12.5	12.5	12.6	12.6	12.7	12.7	12.8	12.8	12.8
Dividends.....	14.4	15.0	14.8	14.9	15.0	15.3	15.4	15.9	15.6	15.8	15.9	15.8	15.8	15.8	15.8
Personal interest income.....	25.8	27.4	27.4	27.5	27.7	27.9	28.1	28.4	28.6	28.8	29.0	29.2	29.4	29.6	29.8
Transfer payments.....	29.4	33.4	35.0	33.0	33.1	33.5	33.8	34.0	33.9	33.8	34.5	34.2	34.2	34.1	34.2
Less: Personal contributions for social insurance.....	9.2	9.7	9.7	9.7	9.7	9.8	9.9	9.9	10.3	10.4	10.4	10.5	10.5	10.5	10.5
Nonagricultural income.....	384.7	399.1	402.6	401.0	402.3	405.9	409.5	412.7	411.6	414.8	418.0	421.2	422.6	423.5	424.8
Agricultural income.....	16.1	17.3	17.4	17.4	17.4	17.7	18.3	17.8	17.2	17.1	17.2	17.1	17.1	17.2	17.2

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

SAVING AND INVESTMENT

[In billions of dollars]

Transaction category, or sector	1957	1958	1959	1960	1961	1960				1961				1962	
						I	II	III	IV	I	II	III	IV		
A Net national saving¹	37.4	19.4	37.2	38.0	31.1	13.2	9.9	10.6	4.3	8.3	6.5	8.8	7.5	10.3	A
B Consumer and nonprofit	28.6	26.5	30.4	26.9	29.6	7.7	4.5	8.8	5.9	7.5	5.0	9.4	7.7	9.0	B
C Farm and noncorp. business²						-4	-1	-7	1.2	-6	-1.5	-1.1	2.0	-1.3	C
D Corporate nonfinancial business	5.3	3.1	12.3	6.5	8.3	-2	1.3	2.5	2.4	-1.2	1.9	3.2	4.4	1.2	D
E Federal Government¹	3.7	-7.9	-4.5	4.3	-5.2	4.4	4.5	-9	-3.7	1.0	1.8	-1.3	-5.3	.7	E
F State and local government¹	-3.6	-5.0	-4.0	-3.4	-4.5	-4	-7	-1.1	-1.1	-7	-1.0	-2.7	-1.5	-6	F
G Financial sectors	3.5	2.8	3.0	3.7	3.0	1.7	.4	2.0	-4	1.1	.3	1.4	.1	1.3	G
H Capital consumption³	73.2	75.6	79.7	83.6	86.7	20.6	20.9	20.9	21.2	21.2	21.6	21.8	22.2	22.2	H
I Consumer and nonprofit	40.0	41.6	43.5	45.5	46.9	11.3	11.3	11.4	11.5	11.6	11.7	11.8	11.9	12.0	I
J Consumer durable goods	35.8	37.0	38.6	40.4	42.2	10.0	10.0	10.1	10.1	10.2	10.3	10.3	10.4	10.5	J
K Owner-occupied homes	3.7	4.0	4.3	4.6	5.0	1.1	1.1	1.2	1.2	1.2	1.2	1.3	1.3	1.3	K
L Plant and equip. (nonprofit).....	.6	.6	.6	.7	.7	.2	.2	.2	.2	.2	.2	.2	.2	.2	L
M Farm business	3.9	4.0	4.2	4.2	4.1	1.1	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	M
N Noncorp. nonfinan. business	8.1	8.0	8.4	8.7	8.9	2.1	2.2	2.2	2.2	2.2	2.2	2.2	2.3	2.2	N
O Corporate nonfinancial business	21.0	21.9	23.3	25.0	26.6	6.1	6.3	6.2	6.4	6.4	6.6	6.7	6.9	6.9	O
P Gross national saving¹	110.6	95.0	116.9	121.6	117.9	33.8	30.8	31.6	25.4	29.5	28.0	30.6	29.7	32.5	P
Q Consumer and nonprofit	68.6	68.0	73.9	72.4	76.5	19.0	15.8	20.2	17.4	19.1	16.7	21.2	19.6	20.9	Q
R Farm and noncorp. business	12.0	11.9	12.6	12.9	13.0	2.8	3.1	2.6	4.4	3.7	1.8	2.1	5.4	2.0	R
S Corporate nonfinancial business	26.3	24.9	35.6	31.4	34.9	6.3	7.6	8.8	8.8	5.2	8.5	9.9	11.3	8.1	S
T Federal Government¹	3.7	-7.9	-4.5	4.3	-5.2	4.4	4.5	-9	-3.7	1.0	1.8	-2.7	-5.3	.7	T
U State and local government¹	-3.6	-5.0	-4.0	-3.4	-4.5	-4	-7	-1.1	-1.1	-7	-1.0	-1.3	-1.5	-6	U
V Financial sectors	3.7	3.0	3.3	4.0	3.3	1.8	.5	2.0	-3	1.2	.4	1.5	.2	1.4	V
W Gross national investment¹	110.6	94.2	114.6	117.9	114.8	30.1	29.9	27.9	30.0	25.2	28.4	28.7	32.4	30.1	W
X Consumer durable goods	40.4	37.3	43.6	44.8	43.7	10.2	11.5	10.3	12.8	9.1	10.9	10.2	13.6	10.4	X
Y Other gross private domestic fixed investment	64.5	58.6	66.2	68.3	67.1	15.1	17.9	17.7	17.6	14.2	17.2	17.5	18.2	15.4	Y
Z Consumer and nonprofit	18.1	18.1	22.1	21.7	20.1	5.3	4.9	5.6	5.8	4.8	4.6	5.0	5.6	5.2	Z
a Nonfarm residen. constr.⁴	15.6	15.3	19.2	18.5	16.7	4.6	4.2	4.8	4.9	4.0	3.8	4.1	4.7	4.3	a
b Plant and equip. (nonprofit)	2.5	2.7	2.9	3.2	3.4	.7	.8	.9	.9	.8	.8	.9	.9	.8	b
c Farm business	4.0	4.4	4.7	4.2	4.6	1.1	1.2	1.1	.9	1.1	1.3	1.2	.9	1.1	c
d Noncorp. nonfinan. business⁴	9.4	9.0	10.7	10.8	11.4	2.2	3.3	2.8	2.5	2.1	3.1	3.2	3.0	2.4	d
e Corp. nonfinan. business⁴	32.3	26.4	27.9	30.7	30.3	6.4	8.4	7.9	8.2	6.0	7.9	7.9	8.4	6.5	e
f Financial sectors.....	.8	.7	.8	.8	.8	.2	.2	.2	.2	.2	.2	.2	.2	.2	f
g Change in inventories⁵	1.6	-2.0	6.6	4.1	2.1	4.8	.3	-1.1	1.1	*	.8	.2	3.6	g	
h Farm business.....	.8	.9	.1	.3	.2	*	.1	.1	.1	.1	.1	*	*	h	
i Noncorp. nonfinan. business.....	.2	-2	.4	.9	.1	1.4	*	*	-5	.5	.1	.1	-5	.9	i
j Corp. nonfinan. business.....	.6	-2.6	6.1	2.8	1.8	3.3	.2	*	-7	.5	-2	.7	.7	2.7	j
k Net financial investment⁶	4.2	.3	-1.7	.7	1.8	*	.1	-2	.7	.9	.4	.2	.4	.7	k
l Consumer and nonprofit	14.7	18.9	12.8	9.4	17.8	3.7	-7	4.5	1.9	5.7	2.3	6.1	3.7	9.1	l
m Net acquis. of finan. assets	26.5	30.9	33.1	25.6	33.6	5.7	4.4	8.5	6.9	6.9	9.3	10.5	11.1	11.1	m
n Net increase in liabilities	11.8	12.0	20.3	16.2	15.8	2.1	5.1	4.0	5.1	1.2	4.7	3.1	6.8	1.9	n
o Farm and noncorp. business	-2.3	-2.1	-3.2	-3.4	-3.3	-1.9	-1.4	-1.4	1.4	*	-2.8	-2.4	1.9	-2.4	o
p Net acquis. of finan. assets.....	.8	1.1	-1.0	-4	.2	-5	.1	-3	.3	-4	.2	-1	.5	-4	p
q Net increase in liabilities	3.1	3.3	2.2	3.1	3.5	1.4	1.6	1.1	-1.1	-4	3.0	2.3	-1.4	2.0	q
r Corp. nonfinan. business	-8.2	-3.9	-3.7	-7.4	-3.8	-3.4	-2.6	-1.0	-3	-3.0	.3	-7	-3	-1.8	r
s Net acquis. of finan. assets	4.2	10.3	12.4	2.4	11.3	-1.4	.7	1.2	1.9	-2.0	4.8	2.9	5.6	-1.3	s
t Net increase in liabilities	12.4	14.2	16.1	9.8	15.1	2.1	3.3	2.2	2.3	1.0	4.5	3.7	5.9	.5	t
u Federal Government	3.6	-8.2	-5.1	3.8	-5.8	4.0	4.8	-8	-4.3	1.1	.7	-1.0	-6.6	*	u
v Net acquis. of finan. assets	3.2	1.6	6.1	3.9	3.3	-3	4.4	.7	-1.0	-1.5	2.1	3.7	-1.0	1.0	v
w Net increase in liabilities	-4	9.7	11.2	.1	9.1	-4.3	-4	1.5	3.3	-2.7	1.4	4.8	5.6	1.0	w
x State and local governments	-3.8	-5.1	-3.4	-2.4	-4.1	-4	-6	-2.0	.6	-1.2	*	-2.9	*	-1.9	x
y Net acquis. of finan. assets	2.8	2.5	3.5	3.8	3.7	1.2	.9	.1	1.6	.8	1.6	-6	1.8	1.0	y
z Net increase in liabilities	6.6	7.6	7.0	6.2	7.8	1.6	1.5	2.1	1.0	2.1	1.6	2.3	1.8	2.9	z
aa Financial sectors	2.9	4.4	4.4	5.5	5.0	1.9	1.5	1.8	.2	1.3	.2	3.5	*	1.0	aa
bb Net acquis. of finan. assets	23.9	36.1	30.1	34.1	45.4	-2.7	12.3	10.2	14.3	.1	14.6	13.7	16.9	2.8	bb
cc Net increase in liabilities	21.0	31.7	25.7	28.6	40.3	-4.7	10.8	8.3	14.2	-1.2	14.4	10.3	16.9	1.8	cc
dd Financial trans. discrep.	-2.6	-3.8	-3.4	-4.6	-3.9	-3.8	-1.0	-1.2	1.9	-3.1	.2	-2.4	1.7	-3.4	dd
ee															

SUMMARY OF PRINCIPAL FINANCIAL FLOWS

[In billions of dollars]

Transaction category, or sector	1957	1958	1959	1960	1961	1960				1961				1962	
						I	II	III	IV	I	II	III	IV			I^{p}
I. Demand deposits and currency															
A Net increase in commercial bkg. system liability ¹	- .8	5.8	1.1	.1	5.6	-8.8	2.5	1.5	4.9	-8.0	3.8	3.2	6.7	-8.6	A
B Net increase in assets, by sector.....	.7	6.3	.2	.3	4.8	-7.1	2.4	1.6	3.3	-6.4	3.0	3.8	4.3	-6.2	B
C Federal Government.....	.2	.1	.7	.9	.3	- .4	.2	.8	.2	-1.7	2.0	2.4	-2.3	.3	C
D Other domestic sectors.....	.3	6.1	-.5	-.6	4.1	-6.2	-.5	1.4	4.8	-4.6	1.1	1.3	6.3	-6.7	D
E Consumer and nonprofit.....	-.9	2.5	1.0	.3	1.4	-2.4	-1.1	1.8	2.0	-.3	-.9	1.8	.8	-.8	E
F Farm and noncorporate bus.....	.7	1.2	-1.2	-.5	*. *	-.1	-.1	-.1	-.1	-.1	-.1	-.1	-.1	-.1	F
G Corporate nonfinancial bus.....	*. *	1.5	-1.0	-1.2	.9	-3.3	-.6	-.6	1.5	-3.8	1.0	.4	3.4	-4.5	G
H State and local government.....	.2	.2	.5	.2	.6	*. *	-.4	-.4	.8	-.5	.7	-.9	1.3	-1.1	H
I Financial sectors.....	.3	.7	.1	.5	1.2	-.4	-.5	-.2	.6	-.5	*. *	*. *	.9	-1.1	I
J Rest of the world.....	.2	*. *	.1	*. *	.4	-.4	-.4	-.2	.3	*. *	*. *	*. *	.2	-2.2	J
K Discrepancy (A-B).....	-1.5	-.5	.9	-.2	.8	-1.8	*. *	-.2	1.6	-1.6	.7	- .6	2.3	-2.5	K
II. Fixed-value redeemable claims															
A Net increase, by type.....	10.1	16.2	7.6	14.8	21.7	1.6	3.9	3.9	5.4	5.7	6.8	3.9	5.2	8.6	A
B Time deposits.....	6.8	10.2	2.2	7.0	11.5	-.2	1.7	2.6	2.5	3.5	4.0	2.3	1.7	6.4	B
C Savings shares.....	5.2	6.6	7.2	8.1	9.4	1.6	2.4	1.4	2.8	2.0	2.7	1.5	3.3	2.1	C
D U.S. savings bonds ²	-1.9	-.5	-1.8	-.3	.8	-.2	-.1	*. *	.1	.3	.1	.2	.2	.2	D
E Net increase in liab., by sector.....	10.1	16.2	7.6	14.8	21.7	1.6	3.9	3.9	5.4	5.7	6.8	3.9	5.2	8.6	E
F Federal Government.....	-2.2	-.7	-2.0	-.4	.7	-.2	-.2	-.1	*. *	-.2	.1	.2	.2	.1	F
G Commercial banking.....	5.5	8.0	1.2	5.8	9.4	*. *	1.5	2.2	2.1	2.9	3.5	1.9	1.2	5.6	G
H Savings institutions.....	6.9	8.9	8.4	9.5	11.5	1.9	2.6	1.8	3.3	2.6	3.2	1.9	3.8	2.9	H
I Net increase in assets, by sector.....	10.1	16.2	7.6	14.8	21.7	1.6	3.9	3.9	5.4	5.7	6.8	3.9	5.2	8.6	I
J Consumer and nonprofit.....	9.8	13.3	9.4	12.4	18.6	1.7	3.4	3.0	4.2	4.0	5.9	3.4	5.3	6.7	J
K Other domestic sectors ³.....	.3	2.0	-.9	2.2	2.5	.1	.3	.6	1.1	1.7	.8	.2	-.2	1.9	K
L Rest of the world (time deposits).....	*. *	.9	-.9	.3	.6	-.2	.2	.3	.1	*. *	.1	.3	.1	*. *	L
III. Saving through life insurance and pension funds															
A Net increase, by type.....	9.2	10.4	11.7	11.3	12.0	2.7	3.0	2.8	2.8	2.8	3.2	2.7	3.2	2.7	A
B Life insurance.....	2.8	3.4	3.7	3.6	3.8	.8	.8	1.0	1.0	.9	.9	1.0	.9	.9	B
C Pension funds.....	6.4	7.0	7.9	7.7	8.2	1.9	2.2	1.8	1.8	1.8	2.3	1.7	2.3	1.8	C
D Net increase in liab., by sector ⁴	9.2	10.4	11.7	11.3	12.0	2.7	3.0	2.8	2.8	2.8	3.2	2.7	3.2	2.7	D
E Federal Government.....	.6	1.0	1.0	1.0	1.0	.1	.7	.1	.1	.1	.8	.1	*. *	*. *	E
F State and local government.....	1.6	1.7	1.9	2.1	2.3	.5	.5	.5	.5	.6	.6	.6	.6	.6	F
G Life insurance companies.....	4.2	4.7	5.5	4.7	5.0	1.1	1.1	1.2	1.4	1.2	1.1	1.2	1.5	1.2	G
H Private noninsured pension plans.....	2.8	2.9	3.2	3.4	3.5	1.0	.7	.9	.8	.9	.6	.8	1.1	.8	H
IV. Credit and equity market instruments															
A Net increase, by type.....	36.5	45.8	60.9	40.6	51.6	3.0	12.1	10.5	14.9	*. *	13.6	16.4	21.5	8.0	A
B Federal obligations.....	1.1	9.0	11.4	-1.9	6.5	-4.1	-1.4	1.2	2.1	-3.3	.6	5.8	3.5	.1	B
C Short-term direct ⁵	5.5	-1.2	5.5	-5.0	11.3	-7.4	-2.1	5.3	-.8	.9	4.8	1.0	4.7	.8	C
D Other.....	-4.4	10.2	5.9	3.1	-4.8	3.3	.6	-4.1	2.9	-4.2	-4.2	4.8	-1.2	-.7	D
E State and local obligations.....	4.6	5.5	4.7	3.7	5.1	1.0	.7	1.5	.5	1.4	.9	1.7	1.2	2.1	E
F Corporate and foreign bonds.....	7.5	6.8	4.5	5.6	5.5	1.2	1.2	1.3	1.9	.8	2.2	.9	1.7	1.0	F
G Corporate stock.....	4.0	4.2	4.4	3.5	5.2	1.0	.9	.9	.7	1.2	1.7	1.1	1.1	1.2	G
H 1- to 4-family mortgages.....	8.6	10.1	13.2	10.4	12.1	2.2	2.8	3.0	2.5	2.0	3.2	3.4	3.5	2.6	H
I Other mortgages.....	3.5	5.2	5.8	5.8	6.1	1.5	1.5	1.4	1.4	1.2	1.5	1.5	1.9	1.9	I
J Consumer credit.....	2.6	.1	6.2	4.4	1.4	-.7	2.4	.8	1.9	-2.1	1.0	.2	2.4	-1.5	J
K Security credit.....	-.3	1.7	.1	.4	2.2	-1.6	.5	.6	.9	-.4	1.3	*. *	1.3	-1.0	K
L Bank loans n.e.c.....	2.3	1.2	7.4	2.8	3.1	.1	2.0	-.9	1.5	-2.2	1.3	.8	3.2	-.6	L
M Other loans.....	2.6	2.0	3.2	6.1	4.3	2.4	1.5	.7	1.5	1.6	*. *	1.1	1.7	2.2	M
N Funds raised, by sector.....	36.7	45.8	60.7	40.5	51.6	3.0	12.1	10.5	14.9	*. *	13.7	16.4	21.5	8.0	N
O Consumer and nonprofit.....	11.7	11.9	20.3	16.2	15.7	2.1	5.1	4.0	5.1	1.1	4.6	3.1	6.8	1.9	O
P Farm business.....	1.1	1.5	1.8	1.2	1.6	.6	.8	.1	.3	.6	.9	.4	-.2	.6	P
Q Noncorporate nonfinancial bus.....	1.2	2.2	3.2	2.2	2.1	*. *	.7	-.3	1.8	-1.9	.9	1.0	2.0	*. *	Q
R Corporate nonfinancial business.....	13.2	11.8	13.0	12.5	12.7	3.2	3.9	2.6	2.8	2.2	4.3	2.8	3.4	2.1	R
S Federal Government.....	1.0	9.3	10.7	-1.7	6.7	-4.1	-1.5	1.5	2.4	-3.1	.3	5.5	4.1	3.3	S
T State and local government.....	4.8	5.7	5.0	4.0	5.4	1.1	.9	1.6	.5	1.4	1.0	1.7	1.3	2.2	T
U Financial sectors.....	2.3	1.1	5.9	4.0	4.6	-.2	1.7	.6	2.0	-1.0	1.5	1.1	3.0	2.2	U
V Rest of the world.....	1.4	2.3	.8	2.0	2.7	.3	.5	.4	.7	.7	.1	.8	1.2	.8	V
W Funds advanced, by sector.....	36.5	45.8	60.9	40.6	51.6	3.0	12.1	10.5	14.9	*. *	13.6	16.4	21.5	8.0	W
X Consumer and nonprofit.....	8.3	4.7	12.9	2.0	2.0	3.8	-.9	1.0	-2.0	.4	-1.1	1.4	1.2	2.6	X
Y Farm and noncorp. business.....	.1	-.1	.1	.1	.1	-.4	.3	-.2	.4	-.4	.2	.1	.4	-.4	Y
Z Corporate nonfinancial business.....	.6	.8	6.4	-1.9	-.1	-.2	-.1	-2.0	1.0	-1.4	.6	-1.2	1.8	.3	Z
a Federal Government.....	2.4	1.7	3.8	2.4	2.8	*. *	1.4	.4	.6	.2	.1	1.2	1.2	.6	a
b State and local government.....	2.2	1.5	3.4	2.2	2.2	1.1	.9	*. *	.3	1.0	.5	.3	.3	1.4	b
c Commercial banking system.....	4.3	17.0	5.6	10.0	17.4	-7.9	5.2	4.8	7.8	-4.7	6.8	7.1	8.3	-2.5	c
d Monetary authorities.....	-.8	2.2	.3	.7	1.5	-1.4	1.2	.5	.4	-.7	.5	.5	1.1	.1	d
e Commercial banks.....	5.1	14.9	5.3	9.3	16.0	-6.4	4.0	4.3	7.4	-4.0	6.2	6.6	7.1	-2.8	e
f Securities.....	1.3	10.4	-7.2	2.4	8.6	-5.6	.2	3.7	4.0	-1.6	3.7	5.2	1.3	-1.8	f
g Loans ⁶	3.8	4.5	12.5	6.9	7.4	-.9	3.7	.7	3.4	-2.4	2.5	1.3	5.8	-1.0	g
h Savings institutions.....	7.2	9.3	10.7	9.3	12.0	2.2	2.3	2.6	2.2	2.8	3.0	3.3	3.0	3.3	h
i Insurance sector.....	8.4	9.0	10.1	10.2	10.7	2.7	2.2	2.7	2.6	2.7	2.2	2.7	3.1	2.6	i
j Finance n.e.c.....	2.3	1.9	4.6	5.0	3.7	.5	2.0	.8	1.8	-.5	1.5	1.0	1.9	-.2	j
k Rest of the world.....	.6	*. *	3.4	1.2	.8	.7	-.1	.3	.3	.1	-.2	.7	.2	.2	k

NOTE.—Data for excluded categories—trade credit, proprietors' net investment, gold, Treasury currency, and misc.—and more detail on sector transactions appear in other flow of funds/saving tables in Aug. 1962 BULL. For other notes see opposite page.

DETAILED DEBIT AND CREDIT BALANCES AND RELATED ITEMS OF MEMBER FIRMS OF THE
NEW YORK STOCK EXCHANGE CARRYING MARGIN ACCOUNTS, JUNE 1955-62

[Amounts in millions of dollars]

Item	1955	1956	1958	1959	1960	1961	1962
DEBIT BALANCES							
Cash on hand and in banks.....	337	322	324	363	366	422	437
Securities borrowed.....	85	65	134	129	96	152	151
Securities sold, delivery pending (failed to deliver).....	214	148	170	291	334	530	368
Net debit balances due from member firms of national securities exchanges:							
Member firms of New York Stock Exchange.....	144	151	132	159	134	216	169
Member firms of other exchanges.....	16	14	15	18	22	36	22
Net debit balances due from all other customers exclusive of firms' own partners:							
Secured by U. S. Government obligations.....	2,768	2,811	253	165	104	48	32
Secured by other collateral.....	2,926	3,370	2,926	3,370	3,081	4,024	3,604
Net debit balances in partners' individual investment and trading accounts.....	14	21	35	36	37	58	74
Debit balances in firm investment and trading accounts:							
In firm investment accounts.....	673	625	335	286	309	293	243
In firm trading and underwriting accounts.....	486	336	486	336	374	582	520
Commodity margins on deposit with banks and commodity guaranty funds on deposit.....	35	38	23	39	23	22	30
All other debit balances.....	144	137	151	190	218	309	303
Total.....	4,430	4,332	4,985	5,382	5,097	6,694	5,954
CREDIT BALANCES							
Money borrowed:							
From banks and trust companies:							
U. S. agencies of foreign banks.....	2,075	2,231	622	605	806	817	525
U. S. banks.....	1,744	1,872	1,743	1,871	1,473	2,016	1,739
In New York City.....	331	359	402	428	1,157	1,515	1,007
Elsewhere.....	40	35	21	31	52	47	41
From other lenders (not including members of national securities exchanges) ¹	156	124	187	204	167	233	211
Securities loaned.....	218	156	181	294	352	568	363
Securities bought, delivery pending (failed to receive).....							
Net credit balances due to member firms of national securities exchanges:							
Member firms of New York Stock Exchange.....	126	123	120	132	120	174	153
Member firms of other exchanges.....	11	8	9	13	11	23	17
Credit balances of other customers exclusive of firms' own partners:							
Free credit balances.....	919	837	1,034	1,070	1,006	1,264	1,330
Other net credit balances.....	239	207	367	277	246	335	441
Credit balances and money borrowed which are subordinated to general creditors under approved agreements ¹	n.a.	n.a.	20	22	25	31	51
Net credit balances in partners' individual investment and trading accounts.....	31	34	34	38	37	47	43
Credit balances in firm investment and trading accounts.....	62	34	82	71	61	100	76
All other credit balances (except those included in next item).....	83	78	83	149	129	241	193
Net balance in capital and profit and loss accounts and partners' drawing accounts.....	469	466	483	604	612	797	771
Total.....	4,430	4,332	4,985	5,382	5,097	6,694	5,954
Memorandum:							
Value of securities sold under repurchase agreements.....	n.a.	n.a.	24	24	24	27	42
Number of firms.....	299	303	316	320	328	336	337
Money borrowed according to type and ownership of collateral:—							
Secured by customers' collateral:							
Entirely by obligations of U. S. Government or its agencies.....			245	156	96	38	23
Entirely by other securities exempted under Section 3(a) of Securities Exchange Act—1934.....			150	161	123	108	93
By nonexempt securities or mixed collateral.....			1,451	1,824	1,722	2,289	1,833
Secured by firm or partners' collateral:							
Entirely by obligations of U. S. Government or its agencies.....	n.a.	n.a.	204	105	107	41	24
Entirely by other securities exempted under Section 3(a) of Securities Exchange Act—1934.....			98	64	99	104	106
By nonexempt securities or mixed collateral.....			239	198	182	300	227
Unsecured.....			1	*	1	1	1

¹ Before 1958 probably includes some borrowing from U. S. agencies of foreign banks.

NOTE.—End of month figures. Data not collected for June 1957. For explanation of these figures see "Statistics on Margin Accounts" Sept. 1936 BULL. The items "net debit balances due from all other customers exclusive of firms' own partners," "money borrowed," and

"credit balances of other customers exclusive of firms' own partners—free credit balances" are conceptually identical to these items (including debit balances secured by and money borrowed on U. S. Government obligations), as shown in the table on Stock Market Credit, p. 1197, but the data differ somewhat because of minor differences in coverage, statistical discrepancies in reporting, and—for the item "money borrowed"—the date of reporting.

Financial Statistics

★ International ★

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The figures on international capital transactions are collected by the F. R. Banks from reports made on Treasury foreign exchange forms collected by the F. R. Banks in accordance with Executive Orders No. 6560, dated Jan. 15, 1934, and No. 10033, dated Feb. 8, 1949, and Treasury regulations thereunder. Other data are com-

plied largely from regularly published sources such as central bank statements and official statistical bulletins. For some of the series, back data are available in *Banking and Monetary Statistics* and its *Supplements* (see list of publications at end of the BULLETIN).

GOLD RESERVES OF CENTRAL BANKS AND GOVERNMENTS

[In millions of dollars]

End of period	Estimated total world ¹	Intl. Monetary Fund	United States	Estimated rest of world	Argentina	Australia	Austria	Belgium	Brazil	Canada	Chile	Colombia	Congo, Rep. of the
1955.....	37,620	1,808	21,753	14,060	372	144	71	928	323	1,134	44	86	116
1956.....	38,105	1,692	22,058	14,355	224	107	71	925	324	1,103	46	57	122
1957.....	38,810	1,180	22,857	14,775	126	126	103	915	324	1,100	40	62	81
1958.....	39,490	1,332	20,582	17,575	60	162	194	1,270	325	1,078	40	72	83
1959.....	40,185	2,407	19,507	18,270	56	154	292	1,134	327	960	43	71	42
1960.....	40,525	2,439	17,804	20,280	104	147	293	1,170	287	885	45	78	.....
1961—July.....		2,508	17,590	.....	192	153	293	1,083	288	912	48	84	.....
Aug.....		2,042	17,530	.....	192	153	293	1,151	288	920	48	84	.....
Sept.....	41,070	2,046	17,457	21,565	191	152	298	1,165	288	927	48	85	.....
Oct.....		2,055	17,331	.....	190	155	302	1,203	285	932	48	86	.....
Nov.....		2,059	17,021	.....	190	159	302	1,234	285	941	49	87	.....
Dec.....	41,150	2,077	16,947	22,125	190	162	303	1,248	285	946	48	88	.....
1962—Jan.....		2,079	16,847	.....	190	164	303	1,277	285	950	48	89	.....
Feb.....		2,096	16,795	.....	165	164	304	1,291	285	962	47	89	.....
Mar.....	41,285	2,098	16,643	22,545	164	167	344	1,297	285	964	46	91	.....
Apr.....		2,099	16,519	.....	114	170	363	1,315	285	963	46	91	.....
May.....		2,106	16,458	.....	114	174	363	1,318	286	913	45	92	.....
June.....	41,275	2,110	16,527	22,640	.....	177	363	1,335	286	669	45	.....	.....
July.....		2,136	16,182	.....	.....	180	419	1,335	.....	674	48	.....	.....
End of period	Cuba	Denmark	Dominican Republic	Ecuador	El Salvador	Finland	France	Germany, Fed. Rep. of	Greece	Guatemala	India	Indonesia	Iran
1955.....	136	31	12	23	28	35	942	920	11	27	247	81	138
1956.....	136	31	11	22	28	35	924	1,494	10	27	247	45	138
1957.....	136	31	11	22	31	35	581	2,542	13	27	247	39	138
1958.....	80	31	11	22	31	35	750	2,639	17	27	247	37	141
1959.....	50	31	10	20	30	38	1,290	2,637	26	24	247	33	140
1960.....	1	31	10	20	30	41	1,641	2,971	76	24	247	58	130
1961—July.....		31	.....	20	17	45	2,037	3,525	77	24	247	43	130
Aug.....		31	.....	20	17	45	2,124	3,644	77	24	247	43	130
Sept.....		31	.....	20	17	45	2,124	3,644	77	24	247	43	130
Oct.....		31	1	19	17	45	2,125	3,648	77	24	247	43	130
Nov.....		31	3	19	17	45	2,122	3,648	82	24	247	43	130
Dec.....		31	3	19	18	47	2,121	3,664	87	24	247	43	130
1962—Jan.....		31	3	19	18	47	2,120	3,664	87	24	247	.....	130
Feb.....		31	3	19	18	46	2,144	3,664	87	24	247	.....	130
Mar.....		31	3	19	18	61	2,171	3,666	91	24	247	.....	129
Apr.....		31	3	19	18	62	2,207	3,666	86	24	247	.....	129
May.....		31	3	19	18	62	2,235	3,667	89	.....	247	.....	129
June.....		31	3	19	18	62	2,270	3,667	96	.....	247	.....	129
July.....		31	3	19	.....	62	2,417	3,667	.....	.....	247	.....	129
End of period	Iraq	Ireland, Rep. of	Italy	Lebanon	Mexico	Netherlands	New Zealand	Norway	Pakistan	Peru	Philippines	Portugal	South Africa
1955.....	8	18	352	74	142	865	33	45	48	35	16	428	212
1956.....	14	18	338	77	167	844	33	50	49	35	22	448	224
1957.....	20	18	452	91	180	744	33	45	49	28	6	461	217
1958.....	34	18	1,086	91	143	1,050	33	43	49	19	10	493	211
1959.....	84	18	1,749	102	142	1,132	34	30	50	28	9	548	238
1960.....	98	18	2,203	119	137	1,451	35	30	52	42	15	552	178
1961—July.....	84	18	2,157	130	118	1,541	35	30	53	47	21	452	159
Aug.....	84	18	2,225	130	116	1,581	1	30	53	47	22	448	179
Sept.....	84	18	2,226	140	116	1,581	1	30	53	47	22	437	205
Oct.....	84	18	2,226	140	116	1,581	1	30	53	47	25	438	218
Nov.....	84	18	2,226	140	115	1,581	1	30	53	47	26	439	256
Dec.....	84	18	2,225	140	112	1,581	1	30	53	47	27	443	298
1962—Jan.....	98	18	2,228	140	111	1,581	1	30	53	47	27	444	343
Feb.....	98	18	2,228	140	110	1,581	1	30	53	47	28	444	361
Mar.....	98	18	2,229	140	109	1,581	1	30	53	47	.....	446	379
Apr.....	98	18	2,234	140	109	1,581	1	30	53	47	.....	446	386
May.....		18	2,240	140	107	1,581	1	30	53	47	.....	447	407
June.....		18	2,242	151	.....	1,581	1	30	53	47	.....	454	432
July.....		18	2,244	172	.....	1,581	1	30	53	47	.....	455	446

For notes see end of table.

GOLD RESERVES OF CENTRAL BANKS AND GOVERNMENTS—Continued

[In millions of dollars]

End of period	Spain	Sweden	Switzerland	Syria	Thailand	Turkey	U.A.R. (Egypt)	United Kingdom ²	Uruguay	Venezuela	Yugoslavia	Bank for Intl. Settlements ³	EPU-EF ⁴
1955.....	132	276	1,597	19	112	144	174	2,120	216	403	16	121	244
1956.....	132	266	1,664	19	112	144	188	2,133	186	603	18	59	268
1957.....	101	219	1,706	24	112	144	188	2,273	180	719	14	24	254
1958.....	57	204	1,925	24	112	144	174	3,069	180	719	17	-42	126
1959.....	68	191	1,934	19	104	133	174	2,736	180	652	10	-134	40
1960.....	178	170	2,185	19	104	134	174	3,231	180	398	4	-19	53
1961—July.....	244	170	2,322	19	104	134	174	2,453	180	398	6	-19	.....
Aug.....	272	180	2,428	19	104	139	174	3,486	180	398	5	91	.....
Sept.....	277	180	2,472	19	104	139	174	3,553	180	398	5	164	50
Oct.....	291	180	2,525	.....	104	139	174	3,531	180	398	5	164	.....
Nov.....	301	180	2,505	.....	104	139	174	3,556	180	398	6	183	.....
Dec.....	316	180	2,560	.....	104	139	174	3,318	180	398	6	115	56
1962—Jan.....	331	181	2,505	.....	104	140	174	3,410	180	398	6	176	.....
Feb.....	341	181	2,481	.....	104	140	174	3,424	180	398	6	176	.....
Mar.....	351	181	2,444	.....	104	140	174	3,452	180	398	6	171	61
Apr.....	376	181	2,424	.....	104	140	174	3,472	180	398	6	162	.....
May.....	400	181	2,409	.....	104	140	174	3,525	180	398	6	165	.....
June.....	409	182	2,409	.....	104	140	174	3,433	180	398	6	203	.....
July.....	429	182	2,459	.....	.....	140	174	2,915	.....	398	.....	209	.....

¹ Includes reported gold holdings of central banks and govts. and international organizations, unpublished holdings of various central banks and govts., estimated holdings of the U.K. Exchange Equalization Account, and estimated official holdings of countries from which no reports are received; excludes U.S.S.R., other Eastern European countries, and China Mainland.

The figures included for the Bank for International Settlements are the Bank's gold assets net of gold deposit liabilities. This procedure avoids the overstatement of total world gold reserves since most of the gold deposited with the BIS is included in the gold reserves of individual countries.

² Beginning with Dec. 1958, Exchange Equalization Account gold and convertible currency reserves, as reported by the U.K. Treasury; before that time, reserves of gold and U. S. and Canadian dollars.

³ Net gold assets of BIS, i.e., gold in bars and coins and other gold assets minus gold deposit liabilities.

⁴ Europeans Payments Union through Dec. 1958 and European Fund thereafter.

NOTE.—For back figures and description of the data in this and the following tables on gold (except production), see "Gold" Section 14, *Supplement to Banking and Monetary Statistics*.

GOLD PRODUCTION

[In millions of dollars at \$35 per fine troy ounce]

Period	World production ¹	Africa				North and South America						Other		All other ¹
		South Africa	Rhodesia	Ghana	Congo, Rep. of the	United States	Canada	Mexico	Nicaragua ²	Brazil	Colombia	Australia	India	
1955.....	940.0	510.7	18.4	24.1	13.0	65.7	159.1	13.4	8.1	3.9	13.3	36.7	7.4	66.2
1956.....	975.0	556.2	18.8	22.3	13.1	65.3	153.4	12.3	7.6	4.3	15.3	36.1	7.3	63.0
1957.....	1,015.0	596.2	18.8	27.7	13.1	63.0	155.2	12.1	6.9	4.2	11.4	37.9	6.3	62.2
1958.....	1,050.0	618.0	19.4	29.8	12.3	61.6	158.8	11.6	7.2	3.9	13.0	38.6	6.0	69.8
1959.....	1,125.0	702.2	19.8	32.0	12.2	57.2	156.9	11.0	7.3	3.8	13.9	38.1	5.8	64.8
1960.....	1,175.0	748.4	19.6	31.3	11.1	58.8	161.1	10.5	7.0	4.1	15.2	38.0	5.7	64.2
1961.....	1,220.0	803.1	20.1	34.0	8.1	54.8	155.5	9.4	7.7	4.4	14.0	37.5	5.7	65.7
1961—June.....	.....	67.3	1.8	.....	.....	3.8	12.8	.....	.....	.....	.....	.....	.....	.....
July.....	.....	67.7	1.7	.....	.....	3.8	12.6	.....	.....	.....	.....	.....	.....	.....
Aug.....	.....	68.8	1.6	.....	.....	3.8	12.5	.....	.....	.....	.....	.....	.....	.....
Sept.....	.....	68.5	1.6	.....	.....	4.5	12.1	.....	.....	.....	.....	.....	.....	.....
Oct.....	.....	68.9	1.6	.....	.....	3.9	12.7	.....	.....	.....	.....	.....	.....	.....
Nov.....	.....	69.2	1.6	.....	.....	4.1	13.0	.....	.....	.....	.....	.....	.....	.....
Dec.....	.....	67.8	1.6	.....	.....	3.4	12.9	.....	.....	.....	.....	.....	.....	.....
1962—Jan.....	.....	70.6	1.6	.....	.....	3.5	12.6	.....	.....	.....	.....	.....	.....	.....
Feb.....	.....	67.4	1.6	.....	.....	3.2	11.4	.....	.....	.....	.....	.....	.....	.....
Mar.....	.....	72.9	1.7	.....	.....	3.5	12.8	.....	.....	.....	.....	.....	.....	.....
Apr.....	.....	72.3	1.6	.....	.....	3.0	12.4	.....	.....	.....	.....	.....	.....	.....
May.....	.....	74.0	.....	.....	.....	3.4	12.3	.....	.....	.....	.....	.....	.....	.....
June.....	.....	75.2	.....	.....	.....	3.1	11.8	.....	.....	.....	.....	.....	.....	.....

¹ Estimated; excludes U.S.S.R., other Eastern European countries, China Mainland, and North Korea.

² Gold exports.

NOTE.—Estimated world production based on reports of the U. S. Bureau of Mines. Country data based on reports from individual countries

and of the Bureau of Mines except Brazil, data for which are from American Bureau of Metal Statistics. For the United States, annual figures are from the Bureau of the Mint and monthly figures are from American Bureau of Metal Statistics.

NET GOLD PURCHASES OR SALES BY THE UNITED STATES, BY COUNTRY

[In millions of dollars at \$35 per fine troy ounce.]

Area and country	1954	1955	1956	1957	1958	1959	1960	1961	1961			1962		
									II	III	IV	I	II	
Western Europe:														
Austria.....	-6				-84	-83	-1						-39	-17
Belgium.....			3	3	-329	-39	-141	-144			-63	-81	-28	-35
France.....		-68	-34			-266	-173						-45	-98
Germany, Fed. Rep. of.....	-226	-10					-34	-23						
Italy.....					-349			100						
Netherlands.....				25	-261	-30	-249	-25			-25			
Portugal.....	-55	-5			-20	-10								
Spain.....				31	32		114	-156			-58	-40	-47	-59
Switzerland.....	-16		-8		-215	20	-324	-125	-20	-45	-5		62	35
United Kingdom.....	-50		100		-900	-350	-550	-306	225	-55	-326	-181	-150	
Bank for Intl. Settlements.....	-20				-178	-32	-36	-23						
Other.....	-6	4	18	8	-21	-38	-96	-53	-3	*	-14	-11	-15	
Total.....	-378	-78	80	68	-2,326	-827	-1,718	-754	202	-246	-466	-290	-339	
Canada.....			15	5										190
Latin American republics:														
Argentina.....			115	75	67		-50	-90					25	60
Mexico.....	80					-30	-20							
Venezuela.....	-30		-200			65								
Other.....	12	14	56	6	2	-16	-30	-19	5	-9	-4	-1	-1	
Total.....	62	14	-28	81	69	19	-100	-109	5	-9	-4	24	59	
Asia:														
Japan.....					-30	-157	-15							
Other.....	-10	-5	*	18	-4	-28	-97	-101	-27	-34	-20	-24	-16	
Total.....	-10	-5	*	18	-34	-186	-113	-101	-27	-34	-20	-24	-16	
All other.....	-1	1	14		-3	-5	-38	-6	-1	*	-4	-1	3	
Total foreign countries.....	-327	-68	80	172	-2,294	-998	-1,969	-970	179	-288	-494	-291	-102	
Intl. Monetary Fund.....			² 200	600		³ -44	² 300	150		150				
Grand total.....	-327	-68	280	772	-2,294	-1,041	-1,669	-820	179	-138	-494	-291	-102	

¹ Includes sales of \$21 million to Lebanon and \$48 million to Saudi Arabia.

² Proceeds from this sale invested by the IMF in U. S. Govt. securities; upon termination of the investment the IMF can reacquire the same

amount of gold from the United States.

³ Payment to the IMF of \$344 million as increase in U. S. gold subscription less sale by the IMF of \$300 million (see also note 2).

U. S. GOLD STOCK AND HOLDINGS OF CONVERTIBLE FOREIGN CURRENCIES BY U. S. MONETARY AUTHORITIES

[In millions of dollars]

Year	Total	Gold stock		Foreign currency holdings	Changes in—		Month	Total	Gold stock		Foreign currency holdings ²	Changes in—	
		Total ¹	Treasury		Total	Total gold			Total ¹	Treasury		Total	Total gold
1950.....	22,820	22,820	22,706		-1,743	-1,743	1961—Aug....	17,636	17,530	17,451	106	-59	-60
1951.....	22,873	22,873	22,695		53	53	Sept....	17,519	17,457	17,376	62	-117	-73
1952.....	23,252	23,252	23,187		379	379	Oct....	17,443	17,331	17,300	112	-76	-126
1953.....	22,091	22,091	22,030		-1,161	-1,161	Nov....	17,148	17,021	16,975	127	-295	-310
1954.....	21,793	21,793	21,713		-298	-298	Dec....	17,063	16,947	16,889	116	-85	-74
1955.....	21,753	21,753	21,690		-40	-40	1962—Jan....	16,963	16,847	16,815	116	-100	-100
1956.....	22,058	22,058	21,949		305	305	Feb....	16,948	16,795	16,790	153	-15	-52
1957.....	22,857	22,857	22,781		799	799	Mar....	16,873	16,643	16,608	230	-75	-152
1958.....	20,582	20,582	20,534		-2,275	-2,275	Apr....	16,762	16,519	16,495	243	-111	-124
1959.....	19,507	19,507	19,456		-1,075	-1,075	May....	16,718	16,458	16,434	260	-44	-61
1960.....	17,804	17,804	17,767		-1,703	-1,703	June....	17,081	16,527	16,435	554	363	69
1961.....	17,063	16,947	16,889	116	-741	-857	July....	16,678	16,182	16,147	496	-403	-345
							Aug. ² ..	16,562	16,139	16,098	423	-116	-43

¹ Includes gold in Exchange Stabilization Fund.

² For holdings of F. R. Banks only see pp. 1180 and 1182.

³ Includes payment of \$344 million as increase in U. S. gold subscription to the International Monetary Fund.

NOTE.—See Table 8 on page 1247 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. See also NOTE to table on gold reserves.

HOLDINGS OF FOREIGN COUNTRIES AND INTERNATIONAL ORGANIZATIONS

[In millions of dollars]

Area and country	Dec. 31, 1960			June 30, 1961		Sept. 30, 1961		Dec. 31, 1961		Mar. 31, 1962		June 30, 1962 ^p	
	Gold & short-term dollars	U.S. Govt. bonds & notes ¹		Gold & short-term dollars	U.S. Govt. bonds & notes	Gold & short-term dollars	U.S. Govt. bonds & notes	Gold & short-term dollars	U.S. Govt. bonds & notes	Gold & short-term dollars	U.S. Govt. bonds & notes	Gold & short-term dollars	U.S. Govt. bonds & notes
		Old series	New series										
Western Europe:													
Austria	536	7	3	480	3	526	3	558	3	594	*	640	*
Belgium	1,312	6	2	1,307	1	1,476	1	1,574	8	1,616	8	1,593	2
Denmark	85	28	31	81	31	79	30	83	30	80	29	83	29
Finland	87	1	*	112	2	134	2	138	2	138	2	133	2
France	2,160	16	5	2,862	4	3,014	4	3,110	4	3,360	3	3,672	3
Germany, Fed. Rep. of	6,447	16	3	6,588	3	6,394	3	6,505	3	6,200	3	6,289	3
Greece	139	*	*	136	*	120	*	154	*	189	*	206	*
Italy	3,080	*	*	3,059	*	3,377	*	3,459	*	3,416	*	3,429	*
Netherlands	1,779	13	4	1,735	3	1,804	3	1,797	3	1,822	2	1,888	2
Norway	112	143	148	134	132	135	128	135	126	142	93	131	85
Portugal	636	1	1	546	1	523	1	542	1	532	1	584	1
Spain	327	3	1	352	1	405	1	469	1	516	1	568	1
Sweden	397	77	82	574	51	566	71	586	93	584	92	607	123
Switzerland	2,863	94	94	2,850	87	3,177	86	3,435	83	3,262	83	3,355	83
Turkey	152	*	*	150	*	158	*	165	*	160	*	163	*
United Kingdom ²	4,467	412	420	4,109	435	4,719	483	4,526	435	4,941	388	4,862	440
Other ³	529	39	44	609	47	788	47	767	48	727	46	668	46
Total	25,108	819	838	25,684	801	27,395	864	27,914	840	28,279	751	28,871	820
Canada	3,324	416	446	3,565	463	3,576	465	3,704	459	3,454	423	3,566	227
Latin America:													
Argentina	419	*	1	475	1	454	1	425	1	407	1	312	1
Brazil	481	2	2	474	2	551	1	513	1	492	1	509	1
Chile	180	*	*	171	*	178	*	153	*	160	*	175	*
Colombia	236	*	1	202	1	222	1	235	1	228	1	251	1
Cuba	78	39	*	59	*	46	*	44	*	40	*	38	*
Guatemala	68	1	*	83	*	70	*	70	*	82	*	76	*
Mexico	534	2	7	450	5	529	5	606	5	615	6	620	6
Panama, Republic of	123	2	1	78	1	79	1	87	1	82	1	87	1
Peru	114	*	*	118	*	123	*	131	*	137	*	137	*
Uruguay	231	1	1	290	1	229	1	237	1	255	1	259	1
Venezuela	796	3	1	826	1	846	1	815	1	796	1	760	1
Other ⁴	370	9	.....	303	57	297	77	278	192	328	188	401	156
Total	3,630	59	15	3,469	69	3,624	89	3,594	204	3,622	200	3,625	168
Asia:													
India	301	40	41	288	6	333	6	325	6	321	6	296	6
Indonesia	236	*	1	142	1	120	1	119	1	137	1	125	1
Iran	152	*	*	178	*	167	*	161	*	165	*	156	*
Japan	2,166	2	3	2,262	3	1,953	3	1,894	3	2,048	3	2,099	3
Philippines	218	2	2	184	2	174	2	212	1	193	1	207	1
Thailand	290	*	*	331	*	344	*	368	*	410	*	431	*
Other	991	43	45	1,033	45	1,130	45	1,168	45	1,215	41	1,207	41
Total	4,354	87	92	4,418	57	4,221	57	4,247	56	4,489	52	4,521	52
All other:													
Australia	235	*	*	238	*	238	*	260	*	268	*	281	*
South Africa	207	1	*	192	*	251	*	330	*	415	*	471	*
U.A.R. (Egypt)	196	*	*	190	*	189	*	189	*	190	*	193	*
Other ⁵	600	27	35	618	37	579	38	635	39	632	42	638	39
Total	1,238	28	35	1,238	37	1,257	38	1,414	39	1,505	42	1,583	39
Total foreign countries⁶	37,654	1,409	1,426	38,374	1,427	40,073	1,513	40,873	1,598	41,349	1,468	42,166	1,306
International	6,394	884	900	6,451	1,011	5,480	1,127	5,881	1,240	6,503	1,087	6,673	1,009
Grand total⁶	44,048	2,293	2,326	44,825	2,438	45,553	2,640	46,754	2,838	47,852	2,555	48,839	2,315
Sterling area	5,558	512	536	5,179	518	5,863	567	5,841	520	6,357	474	6,326	525

¹ The first column continues the series based on a 1955 survey and reported securities transactions; the second is based on a survey as of Nov. 30, 1960, and reported securities transactions in Dec. Data are not available to reconcile the 2 series or to revise figures for earlier dates.

² Gold reserves are estimated.

³ In addition to other Western European countries includes unpublished gold reserves of certain Western European countries; gold to be distributed by the Tripartite Commission for the Restitution of Monetary Gold; European Fund; and the Bank for International Settlements (the figures for the gold reserves of the BIS represent the Bank's net gold assets; see note 1 to table on gold reserves).

⁴ Includes other Latin American republics and the Inter-American Development Bank.

⁵ Includes unspecified countries in Africa, Oceania, and Eastern Europe, and all Western European dependencies located outside Europe and Asia.

⁶ Excludes gold reserves of the U. S. S. R., other Eastern European countries, and China Mainland.

NOTE.—Gold and short-term dollars include reported and estimated official gold reserves, and official and private short-term dollar holdings (principally deposits and U. S. Treasury bills and certificates). U. S. Govt. bonds and notes are official and private holdings of U. S. Govt. securities with an original maturity of more than 1 year.

See also NOTE to table on gold reserves.

1. SHORT-TERM LIABILITIES TO FOREIGNERS REPORTED BY BANKS IN THE UNITED STATES, BY COUNTRY

[Amounts outstanding; in millions of dollars]

End of period	Grand total	In-ternational ¹	Foreign			Europe				Canada	Latin America	Asia	All other
			Total	Official ²	Other	Germany, Fed. Rep. of	United Kingdom	Other	Total				
1957.....	15,158	1,517	13,641	7,917	5,724	1,557	1,275	4,310	7,142	1,623	2,575	1,946	355
1958.....	16,159	1,544	14,615	8,665	5,950	1,755	873	5,081	7,708	2,019	2,403	2,205	279
1959.....	19,389	3,158	16,231	9,154	7,076	1,987	990	5,496	8,473	2,198	2,408	2,780	373
1960.....	21,329	3,955	17,374	10,327	7,047	3,476	1,667	3,903	9,046	2,439	2,422	3,115	352
1961—July.....	21,770	3,983	17,786	10,096	7,690	2,970	1,691	4,639	9,300	2,712	2,307	3,105	362
Aug.....	21,626	3,404	18,222	10,537	7,685	2,791	2,431	4,636	9,857	2,701	2,277	3,038	349
Sept.....	21,940	3,434	18,506	10,924	7,581	2,750	2,619	4,845	10,214	2,649	2,372	2,896	375
Oct.....	22,235	3,715	18,520	10,692	7,827	2,544	2,676	4,894	10,113	2,907	2,312	2,807	382
Nov.....	22,417	3,836	18,581	10,594	7,987	2,531	2,505	4,969	10,004	3,029	2,343	2,819	385
Dec.....	22,551	3,804	18,747	10,974	7,774	2,841	2,226	5,248	10,317	2,758	2,393	2,892	387
1962—Jan.....	22,495	3,815	18,680	10,263	8,417	2,299	2,501	5,283	10,082	2,909	2,348	2,926	415
Feb.....	22,792	4,126	18,666	10,105	8,561	2,401	2,566	5,216	10,183	2,761	2,354	2,990	378
Mar.....	23,207	4,405	18,802	10,503	8,299	2,534	2,491	5,355	10,381	2,490	2,453	3,086	392
Apr.....	23,388	4,503	18,885	10,292	8,593	2,518	2,468	5,377	10,363	2,503	2,563	3,064	392
May.....	23,555	4,594	18,962	10,510	8,452	2,509	2,398	5,562	10,469	2,514	2,458	3,085	437
June ^p	24,090	4,563	19,527	11,262	8,265	2,622	2,262	5,712	10,596	2,897	2,513	3,102	420
July ^p	23,654	4,846	18,808	10,838	7,970	2,542	1,851	5,217	9,610	3,120	2,546	3,083	449

1a. Other Europe

End of period	Total	Austria	Belgium	Denmark	Finland	France	Greece	Italy	Netherlands	Norway	Portugal	Spain	Sweden	Switzerland	Turkey	Other ⁴
1957.....	4,310	349	130	112	64	354	154	1,079	203	93	142	24	260	967	18	360
1958.....	5,081	411	115	169	69	532	126	1,121	339	130	163	36	303	852	20	694
1959.....	5,496	331	138	137	71	655	186	1,370	485	95	138	86	213	969	31	590
1960.....	3,903	243	142	54	46	519	63	877	328	82	84	149	227	678	18	393
1961—July.....	4,639	195	310	36	77	1,012	59	1,008	252	101	80	134	423	552	13	388
Aug.....	4,636	212	300	38	87	871	55	1,098	200	105	84	133	387	661	17	388
Sept.....	4,845	228	311	48	89	890	43	1,151	223	105	86	128	386	705	19	433
Oct.....	4,894	228	311	56	92	888	43	1,191	227	110	88	133	391	689	21	427
Nov.....	4,969	241	330	49	89	957	50	1,203	231	99	90	134	379	712	28	376
Dec.....	5,248	255	326	52	91	989	67	1,234	216	105	99	153	406	875	26	354
1962—Jan.....	5,283	256	357	52	90	1,083	76	1,248	218	93	93	159	392	773	34	359
Feb.....	5,216	262	328	55	90	1,097	85	1,100	263	103	91	152	394	816	37	345
Mar.....	5,355	250	319	49	77	1,189	98	1,187	241	112	86	165	403	818	20	342
Apr.....	5,377	229	293	49	74	1,261	104	1,185	247	141	98	160	391	806	19	321
May.....	5,562	238	293	60	70	1,445	103	1,147	259	123	108	153	415	830	16	302
June ^p	5,712	277	258	52	71	1,402	110	1,187	307	101	130	159	425	946	23	263
July ^p	5,217	292	203	44	68	1,046	97	1,095	339	103	132	176	425	913	17	266

1b. Latin America

End of period	Total	Argentina	Bolivia	Brazil	Chile	Colombia	Cuba	Dominican Rep.	El Salvador	Guatemala	Mexico	Neth., Antilles and Surinam	Panama, Republic of	Peru	Uruguay	Venezuela	Other ⁵
1957.....	2,575	137	26	132	75	153	235	54	27	65	386	73	136	60	55	835	124
1958.....	2,403	150	22	138	100	169	286	40	26	42	418	79	146	77	82	494	133
1959.....	2,408	337	24	151	185	217	164	37	28	37	442	88	129	82	62	277	148
1960.....	2,422	315	23	194	135	158	77	37	24	44	397	72	123	72	51	398	302
1961—July.....	2,307	278	23	231	116	150	53	32	31	55	339	87	77	83	50	439	264
Aug.....	2,277	275	24	218	125	134	49	30	27	49	430	84	78	86	52	367	250
Sept.....	2,372	263	23	263	130	137	45	29	26	46	413	87	79	76	49	448	259
Oct.....	2,312	246	23	254	96	137	46	27	28	43	403	88	84	73	50	406	307
Nov.....	2,343	240	25	260	96	130	45	23	23	43	439	87	85	77	53	416	300
Dec.....	2,393	235	26	228	105	147	43	23	22	46	494	89	87	84	57	417	292
1962—Jan.....	2,348	228	23	252	99	119	41	26	24	48	473	86	79	79	68	395	308
Feb.....	2,354	217	23	241	95	139	40	28	29	54	474	88	83	80	80	379	306
Mar.....	2,453	243	24	207	114	137	39	34	28	58	506	92	82	90	75	398	327
Apr.....	2,563	221	24	254	109	140	38	42	29	57	516	97	90	92	75	445	332
May.....	2,458	209	24	235	108	142	37	43	34	55	490	90	91	90	72	377	362
June ^p	2,513	208	25	223	130	159	37	48	35	52	513	87	87	90	79	362	378
July ^p	2,546	231	23	200	112	149	37	43	36	42	489	96	87	96	73	363	399

For notes see following page.

1. SHORT-TERM LIABILITIES TO FOREIGNERS REPORTED BY BANKS IN THE UNITED STATES, BY COUNTRY—Continued

[Amounts outstanding; in millions of dollars]

1c. Asia and All Other

End of period	Asia											All other						
	Total	Hong Kong	India	Indonesia	Iran	Israel	Japan	Korea, Republic of	Philippines	Taiwan	Thailand	Other	Total	Australia	Congo, Rep. of the	South Africa	U.A.R. (Egypt)	Other
1957.....	1,946	70	82	151	55	52	586	117	175	86	157	417	355	85	39	38	40	153
1958.....	2,205	62	77	108	43	56	935	145	176	99	133	371	279	79	30	30	16	125
1959.....	2,780	60	114	139	47	87	1,285	148	172	94	141	494	373	110	31	49	20	162
1960.....	3,115	57	54	178	22	75	1,887	152	203	84	186	217	352	88	32	29	22	181
1961—July.....	3,105	52	37	74	32	51	1,913	178	182	80	231	273	362	81	29	40	16	196
Aug.....	3,038	53	78	78	39	64	1,766	186	174	89	237	275	349	79	27	40	21	181
Sept.....	2,896	55	86	77	37	62	1,649	194	152	90	240	255	375	86	43	46	15	182
Oct.....	2,807	59	88	92	34	65	1,535	195	134	92	240	273	382	90	39	46	15	195
Nov.....	2,819	59	90	82	31	62	1,532	198	150	90	248	276	385	91	38	44	12	199
Dec.....	2,892	55	78	76	31	63	1,590	199	185	92	264	258	387	98	34	32	15	209
1962—Jan.....	2,926	59	75	86	34	63	1,599	188	202	98	276	246	415	127	31	32	21	204
Feb.....	2,990	57	74	100	35	87	1,628	187	171	103	293	255	378	95	28	36	14	205
Mar.....	3,086	57	74	94	36	71	1,744	183	165	92	306	262	392	101	27	36	16	213
Apr.....	3,064	58	70	88	23	78	1,703	181	173	90	314	287	392	96	27	43	17	210
May.....	3,085	61	54	80	18	76	1,746	174	184	85	323	283	437	97	40	42	25	232
June ¹	3,102	56	49	82	27	76	1,795	164	179	85	327	261	420	104	37	39	19	221
July ²	3,083	60	39	79	32	76	1,787	160	170	86	327	267	449	122	37	36	22	232

1d. Supplementary Data⁶ (end of year)

Area or country	1958	1959	1960	1961	Area or country	1958	1959	1960	1961
Other Europe:					Other Asia (Cont.):				
Bulgaria.....	.3	1.2	.5	1.2	Ceylon.....	44.1	34.4	6.9	n.a.
Cyprus.....	.2	.3	.5	.7	China Mainland ⁷	36.0	35.8	34.8	34.6
Czechoslovakia ⁷.....	.6	.7	1.0	.9	Goa.....	2.5	2.3	1.4	.9
Hungary.....	.9	1.3	1.0	1.0	Iraq.....	18.0	63.1	13.8	n.a.
Iceland.....	3.5	2.7	5.1	3.1	Jordan.....	2.8	2.5	1.8	1.6
Ireland, Republic of.....	10.0	5.4	2.7	3.2	Kuwait.....	10.3	9.4	9.6	27.1
Luxembourg.....	16.1	7.2	12.6	16.1	Laos.....	20.9	21.0	5.0	n.a.
Monaco.....	5.9	5.3	4.1	3.4	Lebanon.....	37.9	38.0	36.2	n.a.
Poland ⁷	4.9	4.0	6.1	7.2	Malaya.....	1.2	1.4	6.3	4.4
Rumania ⁷.....	.9	.9	1.1	1.5	Nepal.....	1.2	1.8	1.2	n.a.
Soviet Zone of Germany.....	1.4	1.5	1.3	1.3	Pakistan.....	5.6	23.5	10.6	10.1
U. S. S. R. ⁷	2.2	2.6	12.1	4.8	Ryukyu Islands.....	15.2	14.8	14.2	n.a.
Yugoslavia ⁷	9.5	6.2	10.0	11.6	Saudi Arabia.....	60.2	111.6	18.4	24.9
					Singapore.....	2.5	3.5	1.9	3.2
Other Latin America:					Syria.....	4.7	5.0	4.2	2.6
Bahamas ⁸			47.2	77.5	Viet-Nam.....	48.8	68.3	14.6	7.9
Bermuda.....	6.8	14.3	21.7	33.5	All other:				
Costa Rica.....	24.5	18.9	19.8	13.3	Algeria.....	.5	.6	.4	.5
Ecuador.....	17.4	21.7	27.3	23.6	Ethiopia and Eritrea.....	27.8	18.7	9.3	11.1
French West Indies and French Guiana.....	.5	.5	.4	.5	French Somaliland.....	1.0	2.0	.9	.8
Haiti.....	7.7	10.5	10.7	9.9	Ghana.....	.7	.4	.9	1.1
Honduras.....	6.3	12.8	15.0	14.8	Liberia.....	13.0	20.3	16.8	21.9
Nicaragua.....	11.3	12.5	11.9	17.3	Libya.....	6.4	17.6	5.6	5.4
Paraguay.....	3.4	6.7	4.6	4.9	Madeira Islands.....	1.0	.6	.9	.7
The West Indies federation ⁸	31.6	32.6	11.3	⁹ 14.0	Morocco (incl. Tangier).....	43.5	57.8	64.3	93.0
Other Asia:					Mozambique.....	2.9	2.0	2.2	1.6
Aden.....	1.7	2.2	2.3	n.a.	New Caledonia.....	1.4	1.3	1.4	n.a.
Afghanistan.....	4.5	11.0	9.8	3.6	New Zealand.....	6.9	6.8	35.1	4.0
Bahrain.....	.9	.9	.5	.6	Rhodesia and Nyasaland, Federation of.....	.2	.3	3.9	n.a.
Burma.....	5.9	4.3	.9	n.a.	Somali Republic.....	1.3	.8	3.5	1.7
Cambodia.....	24.9	19.7	10.9	15.3	Sudan.....	5.2	1.6	1.9	n.a.
					Tunisia.....	.3	8.4	2.8	1.2

¹ International Bank for Reconstruction and Development, International Monetary Fund, International Finance Corporation, International Development Association, and other international organizations.

² Foreign central banks and foreign central governments and their agencies (including official purchasing missions, trade and shipping missions, diplomatic and consular establishments, etc.).

³ Includes \$1,031 million representing increase in U. S. dollar subscription to the IMF paid in June 1959.

⁴ Includes Bank for International Settlements.

⁵ Beginning with 1960 includes Inter-American Development Bank.

⁶ Except where noted, data based on reports by banks in the Second

(N. Y.) F. R. District and are a partial breakdown of the amounts shown in the "other" categories in Tables 1a-1c.

⁷ Based on reports by banks in all F. R. districts.

⁸ Before 1960, data for the Bahamas included with The West Indies federation.

⁹ Excludes Jamaica.

NOTE.—For back figures and description of the data in this and the following tables on international capital transactions of the United States, see "International Finance" Section 15, *Supplement to Banking and Monetary Statistics*.

2. SHORT-TERM LIABILITIES TO FOREIGNERS REPORTED BY BANKS IN THE UNITED STATES, BY TYPE

[In millions of dollars]

End of period, or area and country	Total	Payable in dollars								Payable in foreign currencies
		To banks and official institutions				To all other foreigners				
		Total	Deposits	U. S. Treasury bills and certificates ¹	Other ²	Total	Deposits	U. S. Treasury bills and certificates	Other ²	
Total amounts outstanding										
1957.....	15,158	12,847	5,875	5,840	1,132	2,252	1,766	278	209	59
1958.....	16,159	13,669	6,772	5,823	1,075	2,430	1,951	306	174	59
1959.....	19,389	16,913	6,341	9,245	1,328	2,398	1,833	295	270	77
1960.....	21,329	18,986	7,568	10,018	1,401	2,230	1,849	148	233	113
1961—July.....	21,770	19,419	8,492	9,620	1,307	2,206	1,880	109	217	145
Aug.....	21,626	19,310	8,631	9,343	1,336	2,209	1,871	109	229	108
Sept.....	21,940	19,613	8,691	9,543	1,379	2,226	1,891	117	219	100
Oct.....	22,235	19,783	8,899	9,485	1,398	2,293	1,918	151	224	159
Nov.....	22,417	19,942	8,843	9,654	1,445	2,333	1,930	147	256	142
Dec.....	22,551	20,039	8,652	9,891	1,496	2,362	1,974	149	238	150
1962—Jan.....	22,495	19,962	9,148	9,372	1,441	2,372	1,966	151	255	161
Feb.....	22,792	20,201	9,134	9,635	1,432	2,440	1,971	166	302	152
Mar.....	23,207	20,562	8,768	10,352	1,442	2,461	2,002	156	303	184
Apr.....	23,388	20,728	9,118	10,146	1,465	2,479	2,034	140	305	181
May.....	23,555	20,890	8,823	10,574	1,493	2,498	2,045	100	353	167
June ^p	24,090	21,232	8,672	11,138	1,422	2,679	2,202	107	370	179
July ^p	23,654	20,929	8,329	11,185	1,416	2,545	2,080	112	353	180
Area and country detail, May 31, 1962										
Europe:										
Austria.....	238	236	223	3	10	2	2	*	*	*
Belgium.....	293	256	193	4	59	38	29	*	8	*
Denmark.....	60	52	31	20	1	8	8	*	*	*
Finland.....	70	68	45	22	1	1	1	*	*	*
France.....	1,445	1,386	275	1,069	42	54	47	3	4	5
Germany, Fed. Rep. of....	2,509	2,469	338	1,749	382	39	33	1	5	1
Greece.....	103	88	60	28	*	15	15	*	*	*
Italy.....	1,147	1,039	172	696	170	33	29	2	1	75
Netherlands.....	259	235	109	116	10	23	19	1	3	1
Norway.....	123	90	50	33	8	32	32	*	*	*
Portugal.....	108	71	65	*	6	36	36	*	*	*
Spain.....	153	127	111	11	6	25	23	*	3	*
Sweden.....	415	406	100	297	10	9	8	1	*	*
Switzerland.....	830	709	315	232	162	108	69	16	24	12
Turkey.....	16	14	14	*	*	2	2	*	*	*
United Kingdom.....	2,398	1,967	1,098	796	73	390	135	36	220	41
Yugoslavia.....	11	10	8	*	2	1	1	*	*	*
Other.....	292	270	74	64	132	11	10	*	*	11
Total.....	10,469	9,494	3,279	5,140	1,075	828	499	61	268	147
Canada.....	2,514	2,275	1,910	343	22	229	177	25	27	9
Latin America:										
Argentina.....	209	102	96	2	4	106	100	1	5	*
Bolivia.....	24	7	7	*	*	17	17	*	*	*
Brazil.....	235	97	78	*	18	137	134	*	3	1
Chile.....	108	38	37	*	1	70	70	*	1	*
Colombia.....	142	65	59	*	6	77	75	*	2	*
Cuba.....	37	2	2	*	*	35	35	*	*	*
Dominican Republic.....	43	26	21	*	5	17	17	*	*	*
El Salvador.....	34	19	6	6	7	15	15	*	*	*
Guatemala.....	55	35	20	7	8	19	19	*	*	*
Mexico.....	490	290	230	16	44	200	194	*	6	*
Neth., Antilles and Surinam.....	90	42	26	10	6	48	32	2	14	*
Panama, Rep. of.....	91	14	12	*	2	77	69	2	7	*
Peru.....	90	33	33	*	*	57	54	*	2	*
Uruguay.....	72	34	32	*	2	37	33	1	4	*
Venezuela.....	377	153	153	*	*	224	221	1	2	*
Other.....	362	244	137	366	41	115	100	7	8	3
Total.....	2,458	1,200	950	107	144	1,253	1,186	13	54	5

For notes see end of table.

2. SHORT-TERM LIABILITIES TO FOREIGNERS REPORTED BY BANKS IN THE UNITED STATES, BY TYPE—Continued

[In millions of dollars]

Area and country	Total	Payable in dollars								Payable in foreign currencies
		To banks and official institutions				To all other foreigners				
		Total	Deposits	U. S. Treasury bills and certificates	Other ²	Total	Deposits	U. S. Treasury bills and certificates	Other ²	
Area and country detail, May 31, 1962—Cont.										
Asia:										
Hong Kong.....	61	31	25	.....	6	30	30	*	*	*
India.....	54	47	24	.....	7	6	6	*	*	1
Indonesia.....	80	78	68	.....	10	2	2	.....	.....	.....
Iran.....	18	12	12	.....	*	6	6	.....	.....	.....
Israel.....	76	69	38	.....	8	7	5	.....	1	*
Japan.....	1,746	1,723	1,130	.....	115	23	23	*	*	*
Korea, Rep. of.....	174	171	169	.....	3	2	2	.....	.....	.....
Philippines.....	184	158	133	.....	8	17	26	*	*	*
Taiwan.....	85	79	74	.....	4	6	6	.....	.....	.....
Thailand.....	323	320	87	.....	6	3	3	.....	.....	.....
Other.....	283	240	173	.....	40	28	42	*	1	*
Total.....	3,085	2,929	1,933	.....	787	209	154	1	3	1
All other:										
Australia.....	97	93	46	.....	42	4	3	*	.....	*
Congo, Rep. of the.....	40	38	38	.....	*	2	2	.....	.....	.....
South Africa.....	42	39	33	.....	6	*	2	*	*	1
U.A.R. (Egypt).....	25	25	13	.....	7	5	1	.....	.....	*
Other.....	232	203	151	.....	44	7	26	*	2	3
Total.....	437	398	282	.....	99	17	34	*	2	5
Total foreign countries.....	18,962	16,296	8,354	.....	6,475	1,467	2,498	100	353	167
International.....	4,594	4,593	469	.....	44,098	26	*	*	*	.....
Grand total.....	23,555	20,890	8,823	.....	510,574	1,493	2,498	2,045	100	353

¹ Includes nonnegotiable, non-interest-bearing special U. S. notes held by the Inter-American Development Bank and international organizations, which amounted to \$3,132 million on July 31, 1962.

² Principally bankers' acceptances and commercial paper.

³ Includes \$55 million of nonnegotiable, non-interest-bearing special

U. S. notes held by the Inter-American Development Bank.

⁴ Includes \$2,763 million of nonnegotiable, non-interest-bearing special U. S. notes held by international organizations.

⁵ Includes amounts shown in notes 3 and 4.

3. SHORT-TERM CLAIMS ON FOREIGNERS REPORTED BY BANKS IN THE UNITED STATES, BY COUNTRY

[Amounts outstanding; in millions of dollars]

End of period	Total	Europe							Canada	Latin America	Asia	All other
		France	Germany, Fed. Rep. of	Italy	Switzerland	United Kingdom	Other	Total				
1957.....	2,199	114	140	56	34	98	211	654	154	956	386	50
1958.....	2,542	102	77	36	42	124	315	696	243	1,099	435	69
1959.....	2,623	57	54	30	38	121	234	534	272	1,175	586	56
1960.....	3,614	32	82	34	60	245	264	717	421	1,356	1,052	69
1961—July.....	4,189	50	141	35	64	187	209	688	492	1,245	1,674	90
Aug.....	4,122	42	136	37	60	134	178	586	517	1,295	1,626	98
Sept.....	4,156	34	146	34	67	185	186	652	491	1,347	1,581	84
Oct.....	4,347	37	140	34	72	169	182	634	618	1,412	1,597	86
Nov.....	4,384	40	147	34	67	189	181	658	577	1,450	1,620	79
Dec.....	4,700	42	165	35	105	181	239	767	537	1,504	1,807	85
1962—Jan.....	4,570	40	157	36	68	163	214	678	483	1,425	1,892	92
Feb.....	4,688	44	155	39	71	160	215	683	496	1,456	1,964	89
Mar.....	4,868	49	144	37	76	159	222	687	540	1,496	2,051	94
Apr.....	4,849	44	161	41	68	142	207	664	517	1,520	2,046	101
May.....	4,819	55	139	37	68	158	229	686	436	1,565	2,029	103
June ¹	4,759	52	129	36	68	151	254	689	415	1,529	2,009	117
July ²	4,762	51	137	43	67	162	246	705	427	1,529	1,975	126

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 convertible currencies held by U. S. monetary authorities.

See also NOTE to Table 1.

3. SHORT-TERM CLAIMS ON FOREIGNERS REPORTED BY BANKS IN THE UNITED STATES, BY COUNTRY—Continued

[Amounts outstanding; in millions of dollars]

3a. Other Europe

End of period	Total	Austria	Belgium	Denmark	Finland	Greece	Netherlands	Norway	Portugal	Spain	Sweden	Turkey	Yugoslavia	Other
1957.....	211	6	25	11	4	6	29	23	2	8	10	76	*	10
1958.....	315	7	65	14	6	7	56	22	2	30	24	72	1	9
1959.....	234	4	56	18	8	5	38	7	2	8	19	47	3	18
1960.....	264	2	65	13	9	6	33	17	4	8	28	49	11	19
1961—July.....	209	3	43	9	14	8	47	11	2	8	17	13	15	19
Aug.....	178	3	13	11	14	6	43	11	2	7	16	22	14	17
Sept.....	186	3	10	10	16	7	45	13	3	7	15	31	8	18
Oct.....	182	3	11	12	19	6	41	17	3	6	15	23	9	16
Nov.....	181	4	10	11	20	6	46	23	3	5	18	9	9	17
Dec.....	239	5	20	11	23	6	54	27	5	11	35	16	9	17
1962—Jan.....	214	4	18	13	23	5	60	26	2	14	17	7	7	19
Feb.....	215	5	19	9	23	4	61	22	3	17	18	7	7	21
Mar.....	222	4	17	8	24	4	66	20	5	15	18	11	4	23
Apr.....	207	5	15	7	24	4	58	21	5	13	17	13	5	21
May.....	229	6	18	9	26	4	62	23	7	16	19	13	5	23
June ^p	254	5	18	11	27	5	59	24	7	12	20	37	6	23
July ^p	246	7	19	13	28	5	57	23	8	12	16	27	6	25

3b. Latin America

End of period	Total	Argentina	Bolivia	Brazil	Chile	Colombia	Cuba	Dominican Republic	El Salvador	Guatemala	Mexico	Netherlands Antilles and Surinam	Panama, Republic of	Peru	Uruguay	Venezuela	Other
1957.....	956	28	3	100	33	103	113	15	8	8	231	2	18	31	42	170	51
1958.....	1,099	40	3	148	52	51	166	19	10	12	293	6	23	31	52	142	53
1959.....	1,175	60	3	117	59	68	115	29	15	10	291	4	18	36	47	247	57
1960.....	1,356	121	4	225	73	80	26	16	22	14	343	8	23	44	57	234	66
1961—July.....	1,245	148	5	160	120	91	20	12	14	14	336	8	25	63	38	119	71
Aug.....	1,295	158	8	147	119	91	20	13	17	17	375	8	28	67	39	121	68
Sept.....	1,347	160	5	180	117	90	19	12	15	16	385	6	30	68	39	134	72
Oct.....	1,412	171	5	233	116	87	19	12	14	17	385	8	30	71	45	124	74
Nov.....	1,450	179	5	230	119	99	19	14	14	19	395	6	32	69	53	125	73
Dec.....	1,504	192	6	186	127	125	19	13	17	20	423	13	32	73	55	129	74
1962—Jan.....	1,425	179	5	129	126	134	18	12	14	19	411	9	43	71	61	122	71
Feb.....	1,456	184	6	130	125	160	19	11	16	19	396	6	41	70	62	141	68
Mar.....	1,496	205	5	137	120	160	18	10	14	18	432	9	41	71	60	127	69
Apr.....	1,520	203	5	161	120	156	18	12	15	18	433	9	52	74	61	117	68
May.....	1,565	204	5	173	139	163	17	14	9	17	427	9	59	80	61	117	71
June ^p	1,529	188	6	200	154	143	17	15	10	13	408	7	41	81	68	108	71
July ^p	1,529	182	6	199	164	147	18	15	11	14	393	7	37	83	63	111	80

3c. Asia and All Other

End of period	Asia										All other					
	Total	Hong Kong	India	Iran	Israel	Japan	Philippines	Taiwan	Thailand	Other	Total	Australia	Congo, Rep. of the	South Africa	U.A.R. (Egypt)	Other
1957.....	386	7	6	22	24	146	53	6	14	110	50	13	5	12	1	19
1958.....	435	6	4	27	23	179	67	6	13	111	69	13	4	21	3	29
1959.....	586	10	6	29	14	324	24	9	15	155	56	18	3	12	2	21
1960.....	1,052	9	9	33	24	806	19	7	24	121	69	28	3	11	3	24
1961—July.....	1,674	9	40	36	34	1,341	42	13	30	129	90	26	3	24	13	23
Aug.....	1,626	10	10	36	31	1,335	37	12	29	128	98	32	3	24	13	25
Sept.....	1,581	10	8	35	31	1,288	38	10	32	129	84	27	3	19	13	22
Oct.....	1,597	9	8	33	34	1,281	58	11	28	134	86	28	4	16	12	26
Nov.....	1,620	9	8	33	34	1,292	86	10	31	115	79	27	6	11	12	24
Dec.....	1,807	9	8	31	36	1,445	114	10	34	119	85	29	6	10	13	27
1962—Jan.....	1,892	10	10	30	36	1,515	133	11	34	114	92	31	6	11	14	31
Feb.....	1,964	9	10	28	37	1,605	118	11	33	113	89	31	3	11	13	31
Mar.....	2,051	10	11	28	41	1,698	114	9	33	108	94	32	3	11	16	32
Apr.....	2,046	12	13	30	39	1,688	108	9	33	114	101	33	4	11	21	32
May.....	2,029	11	12	32	43	1,678	107	6	30	110	103	33	4	11	22	33
June ^p	2,009	11	14	24	39	1,680	91	7	30	113	118	35	4	11	24	44
July ^p	1,975	11	14	24	38	1,681	76	6	30	94	125	34	4	12	26	49

See NOTE on preceding page.

4. CLAIMS ON FOREIGNERS REPORTED BY BANKS IN THE UNITED STATES, BY TYPE

[In millions of dollars]

End of period, or area and country	Long-term—total ¹	Short-term								
		Total	Payable in dollars					Payable in foreign currencies		
			Total	Loans to—		Collections outstanding	Other	Total	Deposits with foreigners	Other
				Banks and official institutions	Others					
Total amounts outstanding										
1957.....	1,174	2,199	2,052	627	303	423	699	147	132	15
1958.....	1,362	2,542	2,344	840	428	421	656	198	181	16
1959.....	1,545	2,623	2,406	848	460	516	582	217	203	15
1960.....	1,698	3,614	3,135	815	482	605	1,233	480	242	238
1961—July.....	1,906	4,189	3,777	843	525	718	1,691	412	229	183
Aug.....	1,836	4,122	3,712	756	537	719	1,700	410	232	178
Sept.....	1,864	4,156	3,708	776	564	697	1,671	448	266	182
Oct.....	1,847	4,347	3,799	780	600	683	1,736	548	337	211
Nov.....	1,880	4,384	3,835	828	625	682	1,700	549	329	220
Dec.....	2,020	4,700	4,115	1,014	618	694	1,789	586	385	200
1962—Jan.....	2,046	4,570	4,113	1,003	617	708	1,785	458	287	171
Feb.....	2,088	4,688	4,246	1,088	623	715	1,819	443	288	154
Mar.....	2,134	4,868	4,399	1,214	644	732	1,809	470	304	166
Apr.....	2,086	4,849	4,393	1,236	679	726	1,752	456	271	184
May.....	2,080	4,819	4,324	1,304	570	711	1,740	495	293	202
June ^p	2,175	4,759	4,295	1,318	534	698	1,745	463	310	153
July ^p	2,188	4,762	4,289	1,287	554	701	1,748	473	306	167
Area and country detail, May 31, 1962										
Europe:										
Austria.....	44	6	5	2	*	2	1	*	*	
Belgium.....	9	18	15	2	3	9	1	4	3	*
Denmark.....	7	9	8	1	1	3	4	1	1	
Finland.....	4	26	26	*	*	2	24	*	*	
France.....	24	55	47	9	7	13	18	8	8	*
Germany, Fed. Rep. of.....	71	139	116	31	37	23	26	23	18	4
Greece.....	7	4	4	*	*	4	*	*	*	
Italy.....	28	37	35	4	6	18	7	3	3	*
Netherlands.....	43	62	57	12	29	14	2	5	5	*
Norway.....	172	23	22	2	1	2	17	2	1	1
Portugal.....	4	5	5	*	*	2	3	*	*	
Spain.....	*	16	15	6	2	3	4	1	1	*
Sweden.....	46	19	17	3	*	6	8	1	1	*
Switzerland.....	6	68	45	14	18	7	7	22	11	11
Turkey.....	*	13	13	10	*	3	*	*	*	*
United Kingdom.....	12	158	49	27	4	14	5	109	95	14
Yugoslavia.....	2	5	5	3	*	1	2	*	*	
Other.....	1	23	22	3	5	4	11	1	1	*
Total.....	482	686	507	127	113	129	138	179	148	31
Canada.....	292	436	222	12	96	6	109	214	50	163
Latin America:										
Argentina.....	70	204	199	41	25	49	84	4	4	*
Bolivia.....	*	5	5	*	*	4	1	*	*	
Brazil.....	263	173	129	26	50	18	34	45	45	*
Chile.....	23	139	139	26	25	23	64	*	*	*
Colombia.....	58	163	163	46	37	27	53	*	*	*
Cuba.....	1	17	17	*	1	16	*	*	*	*
Dominican Republic.....	*	14	14	5	*	8	2	*	*	*
El Salvador.....	*	9	9	*	1	5	3	*	*	*
Guatemala.....	11	17	17	4	1	7	5	*	*	*
Mexico.....	163	427	420	193	82	33	112	6	5	1
Netherlands Antilles and Surinam.....	8	9	9	2	5	3	*	*	*	
Panama, Rep. of.....	21	59	59	6	41	8	4	*	*	*
Peru.....	12	80	80	5	11	25	39	*	*	*
Uruguay.....	1	61	60	8	3	7	42	1	*	1
Venezuela.....	209	117	116	15	22	62	17	1	1	*
Other.....	82	71	71	7	16	30	19	*	*	*
Total.....	922	1,565	1,507	384	319	325	479	58	55	3

For notes see end of table.

INTL. CAPITAL TRANSACTIONS OF THE U. S.

4. CLAIMS ON FOREIGNERS REPORTED BY BANKS IN THE UNITED STATES, BY TYPE—Continued

[In millions of dollars]

Area and country	Long-term—total ¹	Short-term								
		Total	Payable in dollars					Payable in foreign currencies		
			Total	Loans to—		Collections outstanding	Other	Total	Deposits with foreigners	Other
				Banks and official institutions	Others					
Area and country detail, May 31, 1962—Cont.										
Asia:										
Hong Kong.....	3	11	11	5	2	3	1	*	*	
India.....	18	12	11	2	1	5	2	*	*	
Indonesia.....	55	12	12	12	*	*	*	*	*	
Iran.....	11	32	32	4	*	19	9	*	*	*
Israel.....	26	43	43	4	4	4	31	*	*	*
Japan.....	29	1,678	1,640	571	13	144	911	38	36	2
Korea, Rep. of.....		5	5	*	*	5	*	*	*	*
Philippines.....	61	107	107	93	3	1	10	*	*	*
Taiwan.....	1	6	6	2	1	2	1	*	*	*
Thailand.....	3	30	30	11	*	4	15	*	*	*
Other.....	9	92	92	61	5	22	4	*	*	*
Total.....	217	2,029	1,990	767	28	210	985	39	37	2
All other:										
Australia.....	45	33	30	2	3	15	10	3	1	2
Congo, Rep. of the.....	39	4	4	2	*	2	*	*	*	*
South Africa.....	29	11	9	1	*	8	*	2	2	*
U.A.R. (Egypt).....	3	22	22	5	*	1	16	*	*	*
Other.....	51	33	33	5	10	15	2	*	*	*
Total.....	166	103	98	14	14	41	29	5	3	3
Total foreign countries	2,080	4,819	4,324	1,304	570	711	1,740	495	293	202

¹ Mainly loans with an original maturity of more than 1 year.

5. PURCHASES AND SALES BY FOREIGNERS OF LONG-TERM SECURITIES, BY TYPE

[In millions of dollars]

Period	U. S. Govt. bonds & notes				U. S. corporate securities ¹			Foreign bonds			Foreign stocks		
	Purchases	Sales	Net purchases or sales		Purchases	Sales	Net purchases or sales	Purchases	Sales	Net purchases or sales	Purchases	Sales	Net purchases or sales
			Total	Foreign countries									
1958.....	1,224	1,188	36	-237	1,759	1,798	-39	889	1,915	-1,026	467	804	-336
1959.....	1,217	528	689	527	2,593	2,158	435	946	1,458	-512	566	804	-238
1960.....	1,730	1,603	127	-98	2,419	2,167	252	883	1,445	-562	509	592	-83
1961.....	1,744	1,231	512	172	3,384	3,161	223	802	1,262	-460	596	966	-370
1961—July.....	170	127	43	43	194	212	-18	50	120	-70	36	56	-20
Aug.....	340	177	163	48	246	254	-8	37	36	1	41	65	-24
Sept.....	22	26	-4	-5	217	216	1	225	228	-3	41	59	-17
Oct.....	120	56	65	64	245	232	14	52	77	-26	53	79	-26
Nov.....	259	181	79	19	310	290	20	62	105	-42	55	94	-40
Dec.....	86	32	54	1	286	273	14	64	107	-43	59	140	-81
1962—Jan.....	30	58	-28	-19	257	220	37	93	91	2	58	80	-22
Feb.....	144	269	-125	-62	238	208	30	106	160	-53	51	87	-36
Mar.....	142	272	-129	-49	268	234	34	95	145	-50	58	90	-32
Apr.....	104	140	-36	-24	233	211	22	79	114	-36	57	67	-10
May.....	122	299	-176	-113	286	260	26	116	301	-185	79	79	
June ²	108	136	-28	-25	245	309	-64	55	135	-80	70	108	-37
July ²	146	119	26	31	168	200	-32	64	89	-24	48	37	11

¹ Includes small amounts of State and local govt. securities.

See also NOTE to Table 1.

NOTE.—Statistics include transactions of international organizations.

6. NET PURCHASES OR SALES BY FOREIGNERS OF U. S. CORPORATE SECURITIES,
BY TYPE OF SECURITY AND BY COUNTRY

[In millions of dollars]

Period	Total ¹	Type of security		Country or area									
		Stocks	Bonds	Belgium	France	Neth- er- lands	Switz- er- land	United King- dom	Other Europe	Total Europe	Canada	Latin Amer- ica	All other ¹
1958.....	-39	-56	17	-3	2	-8	19	-1	1	10	-86	23	14
1959.....	435	363	73	5	40	31	254	15	35	379	-30	40	46
1960.....	252	202	50	5	38	1	171	-48	66	234	-45	36	28
1961.....	223	323	-99	4	21	20	166	-17	38	232	-112	44	58
1961—July.....	-18	-5	-13	-1	-1	-2	-6	-1	-1	-12	-13	2	5
Aug.....	-8	2	-10	-2	*	6	-7	4	*	1	-14	2	3
Sept.....	1	16	-15	1	2	2	2	2	3	12	-17	5	1
Oct.....	14	28	-15	*	2	1	24	-10	2	19	-7	1	1
Nov.....	20	25	-5	1	4	5	25	-20	3	18	-8	2	8
Dec.....	14	15	-1	1	1	1	21	-25	5	3	*	4	7
1962—Jan.....	37	54	-17	*	5	-2	46	10	-3	55	-19	4	-3
Feb.....	30	36	-6	1	5	-1	34	-2	*	37	-9	-1	3
Mar.....	34	20	14	-1	2	1	16	-1	-1	16	17	-1	3
Apr.....	22	21	1	*	*	*	18	15	*	34	-6	2	-8
May.....	26	28	-2	1	2	4	21	13	2	43	1	-10	-8
June ^p	-64	-65	1	-2	-2	2	-6	-29	1	-36	-14	-4	-9
July ^p	-32	-13	-19	*	1	-1	6	-28	-1	-24	-13	*	4

¹ Includes transactions of international organizations.

NOTE.—Statistics include small amounts of State and local govt. securities.

7. NET PURCHASES OR SALES BY FOREIGNERS
OF LONG-TERM FOREIGN SECURITIES, BY AREA

[In millions of dollars]

Period	Inter- national	Total foreign coun- tries	Europe	Can- ada	Latin Amer- ica	Asia	All other
1958.....	-558	-805	-72	-543	5	-45	-150
1959.....	-157	-593	-50	-443	11	-97	-15
1960.....	-147	-498	-117	-196	-107	-41	-36
1961.....	1	-832	-262	-318	-58	-121	-73
1961—July.....	3	-93	12	-70	1	-6	-30
Aug.....	6	-29	-10	-17	1	-3	1
Sept.....	4	-24	-3	6	3	-7	-22
Oct.....	-5	-47	-17	-7	1	-26	1
Nov.....	1	-83	-26	-15	-9	-15	-18
Dec.....	-7	-116	-85	-28	1	-9	6
1962—Jan.....	*	-19	-9	22	-1	-8	-23
Feb.....	-96	6	-22	2	4	-11	33
Mar.....	-28	-54	-57	8	*	-5	1
Apr.....	-22	-24	-23	2	1	-3	1
May.....	-11	-174	-31	-91	-3	-26	-23
June ^p	*	-117	-66	-31	-18	-5	3
July ^p	-4	-10	9	8	*	-1	-26

8. DEPOSITS, U. S. GOVT. SECURITIES, AND GOLD HELD AT
F. R. BANKS FOR FOREIGNERS

[In millions of dollars]

End of period	Deposits	Assets in custody	
		U. S. Govt. securities ¹	Earmarked gold
1957.....	356	3,729	6,023
1958.....	272	3,695	8,538
1959.....	345	4,477	9,861
1960.....	217	5,726	11,843
1961—Aug.....	270	5,903	11,529
Sept.....	312	6,036	11,525
Oct.....	249	5,988	11,568
Nov.....	198	5,793	11,840
Dec.....	279	6,006	11,905
1962—Jan.....	229	5,403	11,969
Feb.....	204	5,432	12,006
Mar.....	221	5,762	12,148
Apr.....	230	5,551	12,230
May.....	223	5,754	12,308
June.....	334	6,228	12,368
July.....	248	6,026	12,678
Aug.....	168	6,407	12,689

¹ U. S. Treasury bills, certificates of indebtedness, notes, and bonds; includes certificates of indebtedness payable in foreign currencies.

NOTE.—Excludes deposits and U. S. Govt. securities held for international organizations. Earmarked gold is gold held for foreign and international accounts (for back figures, see "Gold" Section 14, *Supplement to Banking and Monetary Statistics*).

9.—SHORT-TERM LIABILITIES TO AND CLAIMS ON FOREIGNERS REPORTED BY NONFINANCIAL CONCERNS

[End of period; in millions of dollars]

Area and country	Liabilities to foreigners						Claims on foreigners					
	2d revised ser. ¹		3d revised ser. ¹		4th revised ser. ¹		2d revised ser. ¹		3d revised ser. ¹		4th revised ser. ¹	
	1961		1961		1961		1961		1961		1961	
	I	II	II	III	III	IV	I	II	II	III	III	IV
Europe:												
Austria.....	2	2	2	2	2	2	5	4	5	4	4	4
Belgium.....	29	28	28	25	25	31	11	35	35	17	17	25
Denmark.....	2	1	1	3	3	5	12	5	5	6	6	7
Finland.....	1	1	1	1	1	1	2	2	2	2	2	2
France.....	34	37	37	40	41	32	44	40	40	36	37	46
Germany, Fed. Rep. of.....	49	40	40	40	40	34	40	68	68	74	76	78
Greece.....	1	2	2	2	2	2	2	3	3	2	2	3
Italy.....	20	23	23	30	30	31	32	35	36	34	34	47
Netherlands.....	62	68	68	48	49	44	17	22	22	23	23	28
Norway.....	6	6	6	9	9	10	7	7	7	7	8	10
Portugal.....	1	1	1	1	1	1	4	3	4	6	6	5
Spain.....	8	6	7	5	5	8	7	10	10	9	9	12
Sweden.....	5	8	8	6	6	6	26	19	19	18	19	19
Switzerland.....	26	47	47	39	39	39	25	19	19	15	16	18
Turkey.....	3	4	4	4	4	4	5	5	5	5	5	6
United Kingdom.....	79	107	109	110	110	111	279	225	226	189	190	200
Yugoslavia.....	1	1	1	2	2	3	2	2	2	2	2	2
Other.....	2	1	2	2	2	1	5	3	4	5	5	6
Total.....	331	385	388	370	371	366	526	506	511	455	461	519
Canada.....	40	43	49	45	45	49	327	506	524	617	619	576
Latin America:												
Argentina.....	8	10	10	7	7	6	26	29	30	31	32	36
Bolivia.....	1	1	1	1	1	1	3	2	2	3	3	3
Brazil.....	20	20	20	24	24	25	61	73	74	91	91	64
Chile.....	4	5	5	5	5	5	15	18	18	16	17	19
Colombia.....	5	7	7	5	5	2	14	13	13	14	14	13
Cuba.....	2	2	2	2	2	2	7	5	6	7	7	5
Dominican Republic.....	1	1	1	1	1	1	3	2	2	3	3	3
El Salvador.....	*	*	*	1	1	*	2	3	3	3	3	3
Guatemala.....	*	*	*	*	*	*	4	5	5	5	5	5
Mexico.....	6	6	6	5	5	6	47	42	44	47	49	41
Neth. Antilles and Surinam.....	4	6	6	5	5	8	2	2	2	2	2	2
Panama, Rep. of.....	3	6	7	13	13	12	9	7	7	6	6	9
Peru.....	6	2	3	2	2	6	10	11	12	18	18	16
Uruguay.....	2	2	2	4	4	1	4	4	4	4	4	5
Venezuela.....	23	23	23	21	22	20	38	35	36	57	58	46
Other.....	7	10	10	10	10	12	22	25	26	43	44	24
Total.....	92	102	102	106	109	105	267	278	285	349	355	294
Asia:												
Hong Kong.....	3	3	3	3	3	3	3	3	3	3	3	4
India.....	6	5	5	6	6	8	11	11	11	13	13	12
Indonesia.....	11	10	10	7	7	6	4	3	3	3	3	2
Iran.....	5	5	5	5	5	5	9	7	7	7	7	8
Israel.....	4	2	2	3	3	5	8	8	8	8	8	10
Japan.....	58	67	68	71	71	62	52	55	56	63	63	79
Korea, Rep. of.....	*	*	*	*	*	*	1	1	1	1	1	1
Philippines.....	7	7	7	7	7	8	9	7	7	7	7	8
Taiwan.....	2	*	*	1	1	2	3	2	2	2	2	7
Thailand.....	3	3	3	3	3	3	3	3	3	3	3	3
Other.....	9	11	11	15	15	11	18	18	18	18	19	20
Total.....	109	114	114	122	122	114	120	117	118	127	129	154
All other:												
Australia.....	15	15	15	11	12	11	20	19	19	21	22	25
Congo, Rep. of the.....	1	*	*	*	*	*	2	2	2	2	2	2
South Africa.....	2	3	3	4	4	13	9	11	11	10	10	10
U.A.R. (Egypt).....	2	1	1	2	2	2	7	7	7	11	11	10
Other.....	9	11	11	13	13	18	13	16	16	19	19	18
Total.....	29	31	31	29	30	44	51	56	56	62	63	64
International.....	*	*	*	*	*	*	1	*	*	1	1	1
Grand total.....	600	673	684	672	676	680	1,292	1,463	1,495	1,610	1,629	1,608

¹ Includes data for a number of firms reporting for the first time on Mar. 31, 1961 (2d revised series), on June 30, 1961 (3rd revised series), and on Sept. 30, 1961 (4th revised series).

NOTE.—Reported by exporters, importers, and industrial and com-

mercial concerns in the United States. Data exclude claims held through U. S. banks, and intercompany accounts between U. S. companies and their foreign affiliates.

See also NOTE to Table 1.

U. S. BALANCE OF PAYMENTS

[In millions of dollars]

Item	1959				1960				1961				1962 ^p
	I	II	III	IV	I	II	III	IV	I	II	III	IV	I
Exports of goods and services, total ¹ . . .	5,463	5,848	5,950	6,448	6,280	6,882	6,581	7,270	6,820	6,952	6,656	7,638	7,002
Merchandise	3,807	4,074	4,058	4,343	4,615	5,008	4,691	5,145	5,012	4,922	4,673	5,308	5,019
Services ²	1,656	1,774	1,892	2,105	1,665	1,874	1,890	2,125	1,808	2,030	1,983	2,330	1,983
Imports of goods and services, total . . .	5,401	5,964	6,228	5,944	5,740	6,045	6,018	5,385	5,276	5,595	6,078	5,974	5,873
Merchandise	3,594	3,879	3,847	3,974	3,830	3,858	3,551	3,484	3,400	3,458	3,682	3,974	3,945
Services	1,027	1,296	1,595	1,216	1,139	1,429	1,670	1,179	1,106	1,381	1,697	1,278	1,173
Military expenditures	780	789	786	754	771	758	797	722	770	756	699	722	755
Balance on goods and services ¹	62	-116	-278	504	540	837	563	1,885	1,544	1,357	578	1,664	1,129
Unilateral transfers (net)	-621	-581	-547	-675	-582	-620	-624	-680	-694	-706	-633	-696	-714
Private remittances and pensions . . .	-184	-187	-214	-206	-201	-202	-207	-232	-216	-218	-213	-231	-213
Government nonmilitary grants	-437	-394	-333	-469	-381	-418	-417	-448	-478	-488	-420	-465	-501
U.S. long- and short-term capital (net) .	-494	³ -1,032	-607	-595	-883	-1,131	-1,088	-1,885	-1,372	-540	-1,104	-1,863	-1,422
Private, total	-412	-738	-387	-838	-653	-741	-943	-1,545	-989	-955	-637	-1,372	-987
Direct investment	-287	-442	-224	-419	-303	-331	-327	-733	-441	-324	-341	-369	-315
Portfolio and short-term investment .	-125	-296	-163	-419	-350	-410	-616	-812	-548	-631	-296	-1,003	-666
Government	-82	³ -294	-220	243	-230	-390	-145	-340	-383	415	-467	-491	-441
Foreign capital and gold (net)	953	³ 1,439	1,440	620	851	1,014	1,239	1,156	506	185	916	1,460	745
Increase in foreign short-term assets and Government securities . . .	785	3847	1,109	425	586	740	548	254	38	314	626	881	402
Increase in other foreign assets	73	195	164	123	215	180	54	-19	122	201	20	123	153
Gold sales by United States ⁴	95	³ 397	167	72	50	94	637	921	346	-330	270	456	190
Errors and omissions	100	290	-8	146	74	-100	-90	-476	16	-296	243	-565	262

¹ Excludes military transfers under grants.

² Includes military transactions.

³ Excludes additional U.S. subscription to International Monetary Fund of \$1,375 million, of which \$344 million was transferred in gold and \$1,031 million in non-interest-bearing U.S. Govt. securities.

⁴ Beginning with the first quarter of 1961, net of change in convertible currencies held by Exchange Stabilization Fund.

NOTE.—Dept. of Commerce estimates.

OPEN MARKET RATES

[Per cent per annum]

Month	Canada		United Kingdom				France	Germany		Netherlands		Switzerland
	Treasury bills, 3 months ¹	Day-to-day money ²	Bankers' acceptances, 3 months	Treasury bills, 3 months	Day-to-day money	Bankers' allowance on deposits	Day-to-day money ³	Treasury bills, 60-90 days ⁴	Day-to-day money ⁵	Treasury bills, 3 months	Day-to-day money	Private discount rate
1959—Dec.	5.02	4.30	3.72	3.61	2.85	2.00	4.07	3.75	3.56	2.52	1.50	2.00
1960—Dec.	3.53	3.16	4.64	4.44	3.88	3.12	3.70	3.75	4.31	1.51	1.13	2.00
1961—July	2.61	2.55	4.72	5.10	3.98	3.38	3.65	2.25	2.63	.88	.75	2.00
Aug.	2.48	2.29	6.91	6.71	5.64	5.00	3.52	2.25	2.44	.84	.75	2.00
Sept.	2.42	2.17	6.84	6.60	5.71	5.00	3.57	2.25	2.94	1.00	.95	2.00
Oct.	2.53	2.20	6.31	5.94	5.42	4.56	3.60	2.00	2.44	1.68	1.50	2.00
Nov.	2.42	2.24	5.67	5.41	4.89	4.02	3.52	2.00	2.81	1.74	1.33	2.00
Dec.	2.82	2.37	5.61	5.35	4.83	4.00	3.58	2.00	3.06	1.32	1.11	2.00
1962—Jan.	3.08	2.69	5.00	5.35	4.78	4.00	3.51	1.88	2.00	1.31	1.35	2.00
Feb.	3.11	2.63	5.65	5.41	4.72	4.00	3.56	1.88	2.06	1.02	.80	2.00
Mar.	3.10	2.81	5.13	4.86	4.32	3.46	3.65	2.00	3.13	1.81	1.59	2.00
Apr.	3.08	3.12	4.50	4.26	3.70	2.93	3.93	2.13	2.75	2.13	1.75	2.00
May	3.36	3.00	4.14	3.94	3.24	2.50	3.98	2.13	2.56	2.46	1.75	2.00
June	4.48	3.55	3.98	3.80	3.30	2.50	3.59	2.25	3.31	2.32	1.69	2.00
July	5.47	4.89	4.09	3.90	3.33	2.50	3.66	2.38	2.94	2.21	1.78	2.00

¹ Based on average yield of weekly tenders during month.

² Based on weekly averages of daily closing rates.

³ Rate shown is on private securities.

⁴ Rate in effect at end of month.

⁵ Based on average of lowest and highest quotation during month.

NOTE.—For description of rates and back data, see "International Finance," Section 15 of *Supplement to Banking and Monetary Statistics*, 1962.

CENTRAL BANK RATES FOR DISCOUNTS AND ADVANCES TO COMMERCIAL BANKS

[Per cent per annum]

Country	Rate as of Aug. 31, 1961		Changes during the last 12 months												Rate as of Aug. 31, 1962		
	Per cent	Month effective	1961				1962										
			Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.			
Argentina.....	6.0	Dec. 1957															6.0
Austria.....	5.0	Mar. 1960															5.0
Belgium.....	4.75	Aug. 1961				4.5	4.25		4.0							3.75	3.75
Brazil.....	10.0	Apr. 1958															10.0
Burma.....	3.0	Nov. 1957						4.0									4.0
Canada ¹	2.51	Aug. 1961	2.84	2.75	2.75	3.24	3.35	3.42	3.37	3.32	3.77	16.0					6.0
Ceylon.....	4.0	Aug. 1960															4.0
Chile ²	15.88	July 1961					15.27								14.62		14.62
Colombia.....	5.0	Aug. 1959															5.0
Costa Rica.....	3.0	Apr. 1939															3.0
Cuba.....	6.0	Jan. 1960															6.0
Denmark.....	6.5	May 1961															6.5
Ecuador.....	5.0	Nov. 1956															5.0
Egypt.....	3.0	Nov. 1952									5.0						5.0
El Salvador.....	6.0	June 1961															6.0
Finland.....	6.75	Mar. 1959							8.0	7.0							7.0
France.....	3.5	Oct. 1960															3.5
Germany.....	3.0	May 1961															3.0
Greece.....	6.0	Nov. 1960															6.0
Honduras ³	2.0	Jan. 1953					3.0										3.0
Iceland.....	9.0	Dec. 1960															9.0
India ⁴	4.0	May 1957															4.0
Indonesia.....	3.0	Apr. 1946															3.0
Iran.....	6.0	Nov. 1960															6.0
Ireland.....	6.88	Aug. 1961	6.75		5.94	5.56		5.44	4.70		4.31	34.09					4.09
Israel.....	6.0	Feb. 1955															6.0
Italy.....	3.5	June 1958															3.5
Japan.....	6.94	July 1961	7.3														7.3
Mexico.....	4.5	June 1942															4.5
Netherlands.....	3.5	Nov. 1959								4.0							4.0
New Zealand.....	7.0	Mar. 1961															7.0
Nicaragua.....	6.0	Apr. 1954															6.0
Norway.....	3.5	Feb. 1955															3.5
Pakistan.....	4.0	Jan. 1959															4.0
Peru.....	9.5	Nov. 1959															9.5
Philippine Republic ⁶	3.0	May 1961					6.0										6.0
Portugal.....	2.0	Jan. 1944															2.0
South Africa.....	5.0	May 1961				4.5						4.0					4.0
Spain.....	4.0	June 1961															4.0
Sweden.....	5.0	Jan. 1960								4.5		4.0					4.0
Switzerland.....	2.0	Feb. 1959															2.0
Thailand.....	7.0	Feb. 1945															7.0
Turkey.....	7.5	May 1961															7.5
United Kingdom.....	7.0	July 1961		6.5	6.0					75.0	4.5						4.5
Venezuela.....	4.5	Dec. 1960															4.5

¹ On June 24, 1962, the bank rate on advances to chartered banks was fixed at 6 per cent. Rates on loans to money market dealers will continue to be .25 of 1 per cent above latest weekly Treasury bill tender average rate but will not be more than the bank rate.

² Beginning with Apr. 1, 1959, new rediscounts have been granted at the average rate charged by banks in the previous half year. Old rediscounts remain subject to old rates provided their amount is reduced by one-eighth each month beginning May 1, 1959, but the rates are raised by 1.5 per cent for each month in which the reduction does not occur.

³ Rate shown is for advances only.

⁴ Rate applies to advances against commercial paper as well as against govt. securities and other eligible paper.

⁵ Effective June 30, 1962. On June 1, 1962 the rate had been changed to 4.06 per cent.

⁶ Beginning with June 1, 1962, the rediscount rate for commercial bank loans financing the purchase of surplus agricultural commodities under U. S. Law 480 was reduced from 6 to 3 per cent; and on Aug. 22, 1962, the rediscount rate for commercial bank financing of 9 categories of development loans was reduced from 6 to 3 per cent.

⁷ On Mar. 8, 1962 the discount rate had been reduced to 5.5 per cent.

NOTE.—Rates shown are mainly those at which the central bank either discounts or makes advances against eligible commercial paper and/or govt. securities for commercial banks or brokers. For countries with more than one rate applicable to such discounts or advances, the rate

shown is the one at which it is understood the central bank transacts the largest proportion of its credit operations. Other rates for some of these countries follow:

Argentina—3 and 5 per cent for certain rural and industrial paper, depending on type of transaction;

Brazil—8 per cent for secured paper and 4 per cent for certain agricultural paper;

Colombia—3.5 per cent for agricultural and industrial development paper of up to 150 days, 3 per cent for economic development paper of up to 5 years, and 2 per cent for specific small business, cooperative and employee paper;

Costa Rica—5 per cent for paper related to commercial transactions (rate shown is for agricultural and industrial paper);

Cuba—5.5 per cent for sugar loans and 5 per cent for loans secured by national public securities;

Ecuador—6 per cent for bank acceptances for commercial purposes;

Indonesia—various rates depending on type of paper, collateral, commodity involved, etc.;

Japan—penalty rates (exceeding the basic rate shown) for borrowings from the Central bank in excess of an individual bank's quota;

Peru—8 per cent for agricultural industrial and mining paper; and

Venezuela—4 per cent for rediscounts of certain agricultural paper and for advances against government bonds or gold and 5 per cent on advances against securities of Venezuelan companies.

FOREIGN EXCHANGE RATES

[In cents per unit of foreign currency]

Period	Argentina (peso)		Australia (pound)	Austria (schilling)	Belgium (franc)	Canada (dollar)	Ceylon (rupee)	Denmark (krone)	Finland (markka)	France (franc)
	Official	Free								
1956.....	5.556	2.835	222.76	3.8580	2.0030	101.600	20.946	14.482	.43540	.....
1957.....	5.556	2.506	222.57	3.8539	1.9906	104.291	20.913	14.482	.39946	.2376
1958.....	5.556	2.207	223.88	3.8536	2.0044	103.025	21.049	14.482	.31181	.2374
1959.....	1.2730		223.81	3.8619	2.0012	104.267	21.055	14.508	.31149	.2038
1960.....	1.2026		223.71	3.8461	2.0053	103.122	21.048	14.505	.31118	120.389
1961.....	1.2076		223.28	3.8481	2.0052	98.760	21.023	14.481	.31098	20.384
1961—Aug.....	1.2104		223.34	3.8592	2.0080	96.933	21.012	14.484	.31089	20.352
Sept.....	1.2061		224.08	3.8634	2.0084	97.003	21.076	14.515	.31088	20.331
Oct.....	1.2056		224.33	3.8660	2.0085	97.039	21.094	14.521	.31085	20.337
Nov.....	1.2057		224.30	3.8648	2.0085	96.532	21.089	14.520	.31085	20.364
Dec.....	1.2080		223.88	3.8671	2.0086	95.885	21.058	14.541	.31084	20.399
1962—Jan.....	1.2056		223.98	3.8647	2.0086	95.678	21.051	14.527	.31085	20.403
Feb.....	1.2054		224.27	3.8643	2.0086	95.335	21.039	14.522	.31072	20.402
Mar.....	2 1.2081		224.32	3.8659	2.0086	95.277	21.058	14.534	.31074	20.405
Apr.....	3 1.0444		224.22	3.8690	2.0080	95.232	21.059	14.510	.31070	20.405
May.....	.9600		224.07	3.9698	2.0089	4 92.394	21.057	14.496	.31070	20.405
June.....	.8601		223.77	3.8700	2.0098	91.911	21.039	14.511	.31066	20.405
July.....	5.7851		223.63	3.8700	2.0103	92.654	21.036	14.483	.31063	20.405
Aug.....			223.41	3.8700	2.0105	92.777	21.021	14.458	.31063	20.405

Period	Germany (deutsche mark)	India (rupee)	Ireland (pound)	Italy (lira)	Japan (yen)	Malaysia (dollar)	Mexico (peso)	Netherlands (guilder)	New Zealand (pound)
1957.....	23.798	20.910	279.32	.16003	.27791	32.527	8.0056	26.170	276.56
1958.....	23.848	21.048	280.98	.16006	.27791	32.767	8.0056	26.418	278.19
1959.....	23.926	21.031	280.88	.16099	.27781	32.857	8.0056	26.492	278.10
1960.....	23.976	20.968	280.76	.16104	.27785	32.817	8.0056	26.513	277.98
1961.....	6 24.903	20.980	280.22	.16099	.27690	32.659	8.0056	7 27.555	277.45
1961—Aug.....	25.046	20.998	280.25	.16109	.27623	32.604	8.0056	27.771	277.52
Sept.....	25.019	21.067	281.22	.16108	.27622	32.716	8.0056	27.676	278.44
Oct.....	25.016	21.089	281.54	.16108	.27623	32.752	8.0056	27.731	278.75
Nov.....	24.987	21.076	281.49	.16108	.27624	32.742	8.0056	27.766	278.71
Dec.....	25.004	21.038	280.96	.16111	.27624	32.734	8.0056	27.776	278.18
1962—Jan.....	25.028	21.045	281.10	.16108	.27624	32.777	8.0056	27.730	278.31
Feb.....	25.011	21.078	281.46	.16100	.27627	32.810	8.0056	27.631	278.67
Mar.....	25.012	21.093	281.53	.16100	.27640	32.800	8.0056	27.687	278.74
Apr.....	25.006	21.075	281.40	.16107	.27623	32.766	8.0056	27.772	278.61
May.....	25.009	21.066	281.21	.16108	.27625	32.759	8.0056	27.821	278.43
June.....	25.039	21.030	280.83	.16109	.27628	32.691	8.0056	27.806	278.05
July.....	25.084	21.019	280.66	.16110	.27628	32.713	8.0056	27.821	277.88
Aug.....	25.020	21.008	280.38	.16110	.27631	32.746	8.0056	27.742	277.61

Period	Norway (krone)	Philippine Republic (peso)	Portugal (escudo)	South Africa		Spain (peseta)	Sweden (krona)	Switzerland (franc)	United Kingdom (pound)
				(pound)	(rand)				
1956.....	14.008	49.676	3.4900	278.52	.....	.....	19.333	23.334	279.57
1957.....	14.008	49.693	3.4900	278.28	.....	.....	19.331	23.330	279.32
1958.....	14.008	49.695	3.4900	279.93	.....	2.3810	19.328	23.328	280.98
1959.....	14.028	49.721	3.4967	279.83	.....	2.0579	19.324	23.142	280.88
1960.....	14.018	49.770	3.4937	279.71	.....	1.6635	19.349	23.152	280.76
1961.....	14.000	.....	3.4909	279.48	139.57	1.6643	19.353	23.151	280.22
1961—Aug.....	14.004	.....	3.4875	.....	139.62	1.6644	19.366	23.163	280.29
Sept.....	14.041	.....	3.4941	.....	140.09	1.6644	19.329	23.167	281.22
Oct.....	14.051	.....	3.5013	.....	140.24	1.6644	19.351	23.133	281.54
Nov.....	14.048	.....	3.4990	.....	140.22	1.6644	19.347	23.133	281.49
Dec.....	14.039	.....	3.5020	.....	139.96	1.6649	19.346	23.169	280.96
1962—Jan.....	14.027	.....	3.5000	.....	140.02	1.6650	19.348	23.158	281.10
Feb.....	14.037	.....	3.4995	.....	140.20	1.6650	19.388	23.111	281.46
Mar.....	14.037	.....	3.5014	.....	140.24	1.6651	19.408	23.042	281.53
Apr.....	14.033	.....	3.5032	.....	140.17	1.6651	19.424	23.011	281.40
May.....	14.022	.....	3.5050	.....	140.08	1.6651	19.428	23.098	281.21
June.....	14.013	.....	3.5011	.....	139.89	1.6651	19.436	23.172	280.83
July.....	14.005	.....	3.5000	.....	139.80	1.6651	19.428	23.162	280.66
Aug.....	13.994	.....	3.4996	.....	139.67	1.6651	19.432	23.136	280.38

1 A new franc equal to 100 old francs was introduced on Jan. 1, 1960.

2 Based on quotations through Mar. 19, 1962.

3 Based on quotations beginning with Apr. 4, 1962.

4 Effective May 2, 1962, the par value of the Canadian dollar was set at 92.5 U. S. cents.

5 Based on quotations through July 10, 1962.

6 Effective Mar. 5, 1961, the par value of the deutsche mark was changed from 4.20 to 4.00 marks per U. S. dollar.

7 Effective Mar. 7, 1961, the par value of the guilder was changed from 3.80 to 3.62 guilders per U. S. dollar.

NOTE.—Averages of certified noon buying rates in New York for cable transfers. For description of rates and back data, see "International Finance," Section 15 of *Supplement to Banking and Monetary Statistics*, 1962.

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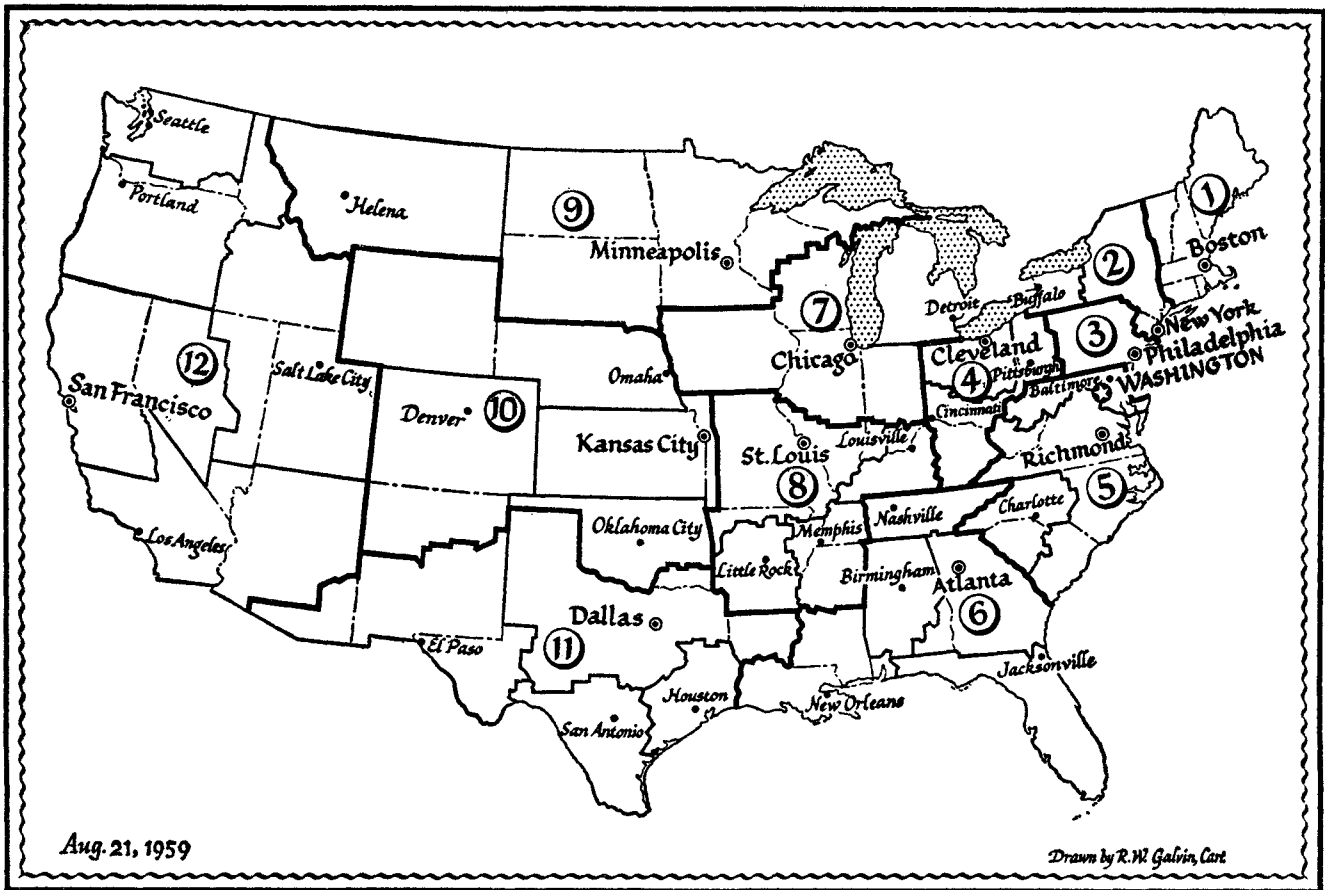
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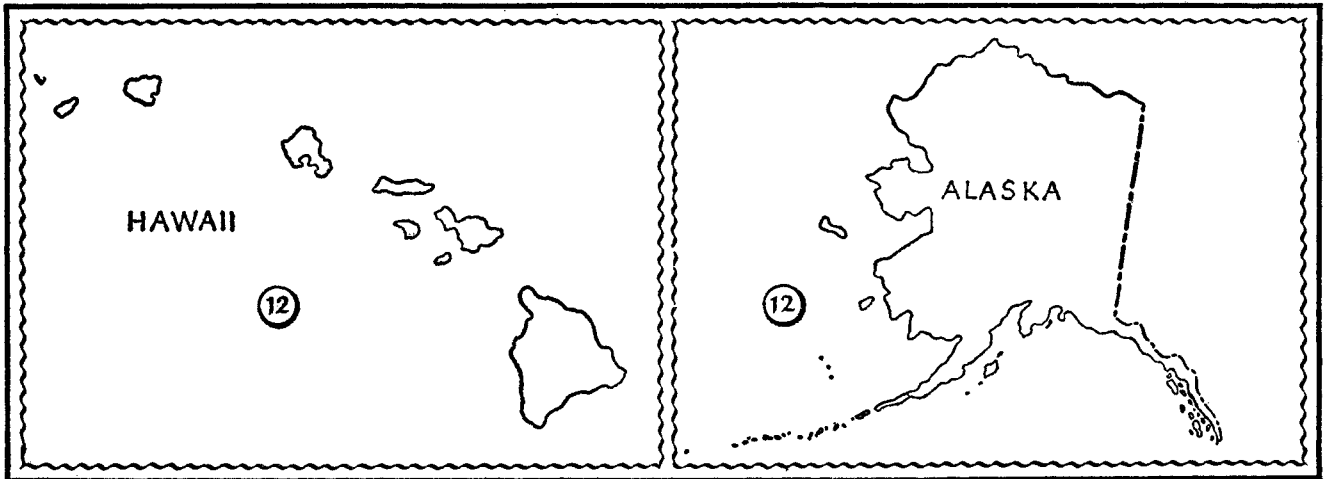
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BOUNDARIES OF FEDERAL RESERVE DISTRICTS AND THEIR BRANCH TERRITORIES



☆ **THE FEDERAL RESERVE SYSTEM** ☆



Legend

- Boundaries of Federal Reserve Districts
- Boundaries of Federal Reserve Branch Territories
- ★ Board of Governors of the Federal Reserve System
- ◎ Federal Reserve Bank Cities
- Federal Reserve Branch Cities