JULY 1976

FEDERAL RESERVE BULLETIN

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NUMBER 7 □ VOLUME 62 □ JULY 1976

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Prices in Recession and Recovery

This article was prepared in the Wages, Prices, and Productivity Section of the Division of Research and Statistics.

The U.S. economy is now in its second year of recovery from a sharp, prolonged recession. Associated with that recession was a pronounced deceleration of inflation to a rate about half of that in 1974, which was the highest in 25 years. Since the recovery began, however. the inflation rate has remained unusually high by historical standards. The severity of the 1973–74 inflationary episode and its residue reflect both an accumulated inflationary bias arising from structural changes in the economy and the combined effects of a number of severe exogenous shocks to the economy.

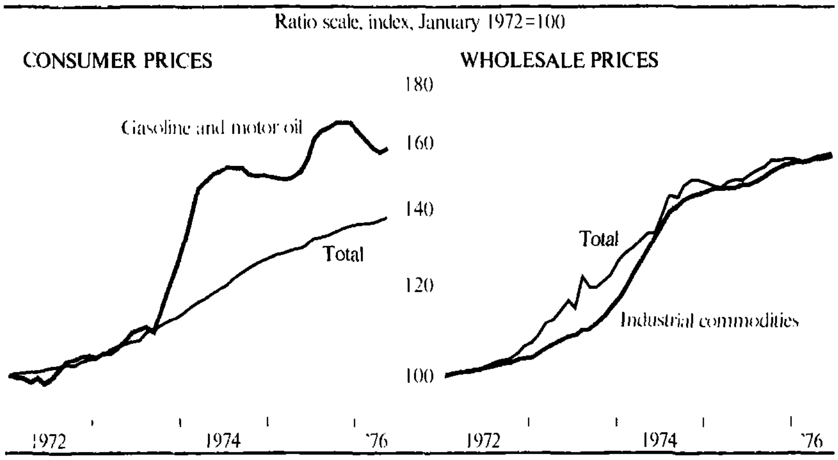
The unusual events that led to double-digit price increases in 1973 and 1974 are largely behind us, but their legacy is still present. A developed inflationary process takes a long time to unwind, and the continuance of an underlying rate of inflation in the neighborhood of 6 per cent during the recovery reflects that fact. In addition, however, there has been a clear tendency over the post-World-War-II period toward an increasingly higher level of inflation at the low point of the business cycle. The factors underlying this pattern are many. There have been basic changes in the processes that determine prices and wages, in part because of changes in governmental policies. For example, the development and use of stimulative policies to combat the forces of recession probably has dampened price cutting during downturns. Similarly, more generous programs of unemployment compensation, while alleviating the hardship of income loss, also have diluted the influence of rising unemployment on wage determination. Moreover, extensive use of Federal programs to promote high employment, rapid economic growth, and a variety of social objectives has led to large Federal deficits—there has been only one Federal surplus since 1960—and these deficits have been an important factor in the Nation's long-run inflationary problem.

The underlying inflationary trend was exacerbated by a series of severe economic shocks in the early 1970's. There were poor agricultural harvests abroad in 1972 and at home in 1974. Reflecting reduced domestic supplies as well as other cost pressures, consumer food prices recorded annual increases of nearly 15 per cent in 1973 and 1974. The oil embargo of 1973 was followed by a quadrupling of world crude oil prices and steep cost increases for alternative energy sources. During 1973–74, there were simultaneous rapid business expansions in a number of industrialized countries. This led to intensive speculation in commodity markets as shortages appeared, and resulted in steep cost–price increases as capacity levels were strained. Currency devaluations by the United States made our imports more expensive and, at the same time, led to some bidding up of prices of domestic goods as demands for our exports increased. Coinciding with these developments were first an easing, and then a removal, of wage and price controls, which had previously restrained some price and wage rises. The intensity of the resulting inflation fed expectations of further inflation and was associated with domestic inventory speculation. This general situation, reflecting as it did important unforeseen exogenous events, made control of inflation through traditional fiscal and monetary policy measures extremely difficult.

ECONOMIC SETTING

The recovery of the U.S. economy since the spring of 1975 has proceeded to the point where

Price levels



Dept. of Labor data, seasonally adjusted.

many major economic variables, including total output and employment, now exceed their pre-recession peaks. Although the recovery has been vigorous, serious sectoral imbalances have not developed and the recovery stage of the cycle has been completed without stimulating additional inflation. The recovery of demand was led by consumer spending on both nondurable and durable goods, particularly automobiles. Housing began to move up early in the recovery, but lately, further growth of activity has been limited by problems in the multifamily housing sector. A return of inventory investment from rapid liquidation to moderate accumulation brought additional strength to the recovery. Business profits have recovered from the depressed recession levels. Spending by business on fixed capital has lagged more than it usually does during a recovery, however, reflecting relatively high excess capacity in some lines and continued pursuit of cautious investment policies by business firms.

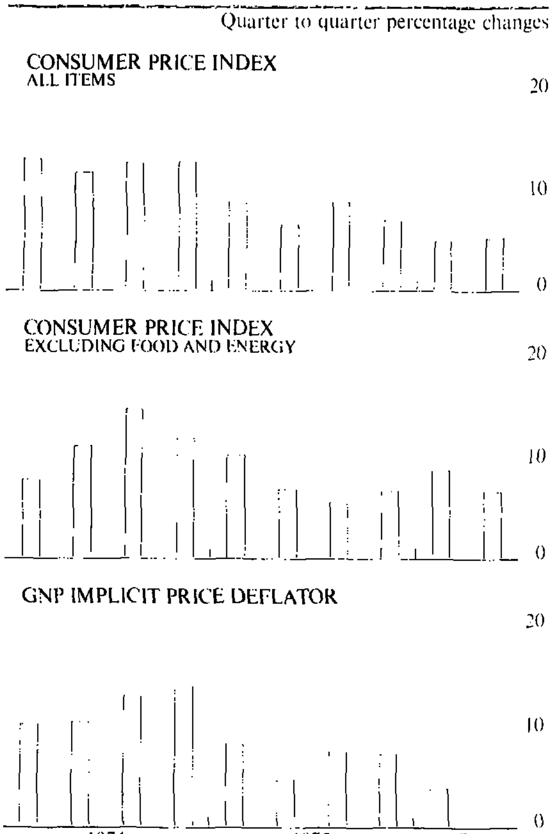
During the course of the recovery the underlying rate of price change has been obscured somewhat by erratic movements in food and gasoline prices. The rise in consumer prices had slowed to a 6 per cent annual rate in the second quarter of 1975, but then jumped to more than an 8 per cent rate in the following quarter as food prices responded to reduced meat supplies and as gasoline prices rose following the imposition of fees on crude oil imports. The rise in food and gasoline prices began to subside in the fall, and earlier this year these prices were actually declining. Largely because these declines offset increases elsewhere, consumer price increases averaged only 4.6 per cent, annual rate, over the 6 months ending in May 1976.

If the food and energy price changes are disregarded, a clearer picture of the underlying trend emerges. Prices of the remaining items in the consumer price index (CPI) were rising at about a 10 per cent annual rate in the first quarter of 1975, but moderated to about a 5½ per cent annual rate around midyear. By the first quarter of 1976 these prices were temporarily rising at an annual rate of a little over 8 per cent—reflecting step-ups in postal rates, public transportation, and auto insurance rates. Data for April and May suggest that the second quarter annual rate of change may be back in the vicinity of 6½ per cent.

By the foregoing measure of price performance, inflation thus appears to have reached its lowest rate just after the time that total output was at its trough in the first quarter of 1975. But with that, the underlying improvement of price performance came to an end. The failure of the inflation rate to decline further cannot be ascribed to an abrupt reheating of the economy. Unemployment, which had reached a high of 8.7 per cent of the labor force in the second quarter of 1975, did not go below 8 per cent of the civilian labor force until the first quarter of 1976. The previous peak in real GNP was not regained until the same quarter. Capacity utilization rates for industrial materials production did not reach 80 per cent until recently; utilization rates were in excess of 90 per cent during 1973–74.

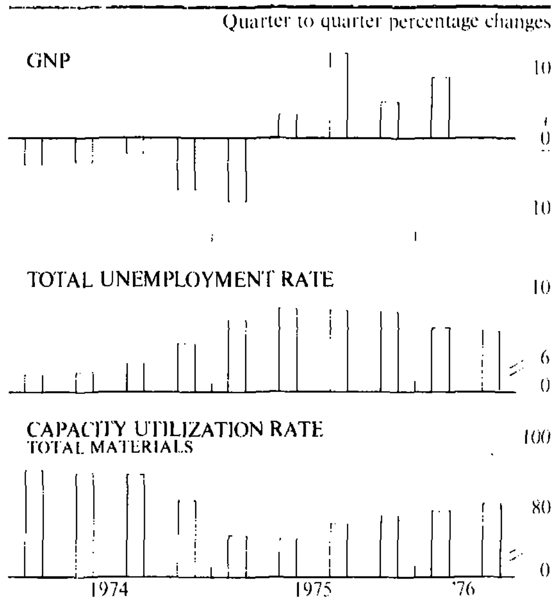
Although the exogenous forces that led to the intensification of price pressure in 1973–74 have in general stabilized or subsided, their impact has not ended as abruptly as it began. In order to examine better the process by which inflationary impulses are transmitted through the economy and the time that is required for adjustment to take place, the following sections review developments in wholesale and consumer prices using a stage-of-processing framework. Foods, which account for more than one-fifth of all consumer expenditures in the United States, are discussed first. Then goods and materials are grouped according to whether they are crude—entering the economy for the first time, intermediate, or finished and are to be transacted for the last time at the retail level. In addition, costs arising from the labor sector are reviewed and the implications for the profit share are described.

Rate of change of prices



Data from Bureau of Labor Statistics, and Dept. of Commerce (GNP implicit price deflator). Quarter-to quarter changes at seasonally adjusted annual rates. 1976 Q2, estimates based on partial data.

Economic recession and recovery



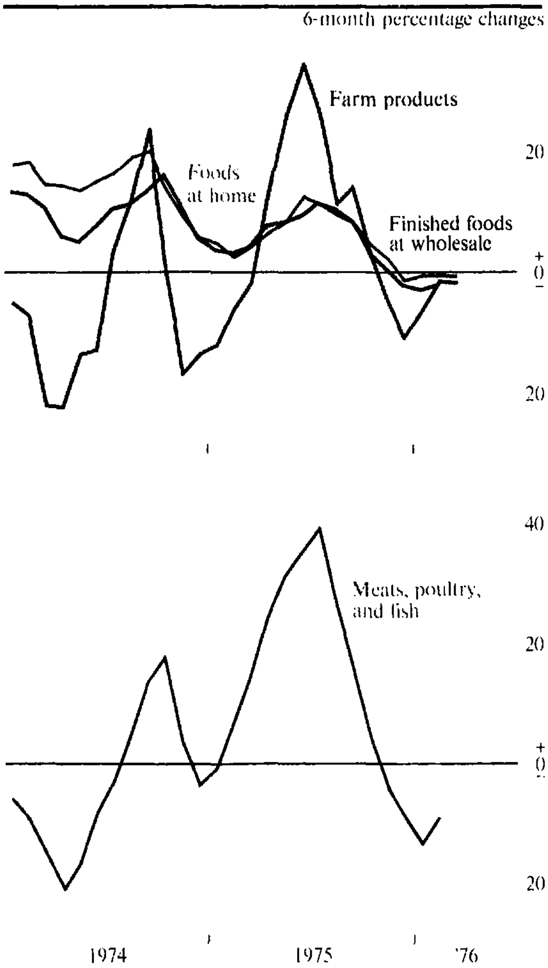
GNP data, percentage change at annual rates, from Dept. of Commerce; unemployment rate data, from BLS; rate of capacity utilization of total materials industries, F.R.

FOOD

Aside from short-term, sharp fluctuations, advances in retail food prices have been trending downward since the unusually high rates of 1973. Food prices over the 12 months ending December 1973 rose 20 per cent. The following year this increase had decelerated to 12 per cent and by December 1975 it had dropped to 6½ per cent. Although food price declines earlier this year were reversed in the spring, over-all food prices were still a shade lower in May than they had been last December.

During 1975 about three-fifths of the over-all price increase for foods was due to rising prices of meat, poultry, and fish; these items rose 15½ per cent during the year. Most of the increase

Food prices



BLS data. Centered 6-month changes at seasonally adjusted annual rates.

in meat prices came in the second and third quarters of 1975, as sharply higher feed costs resulting from the poor U.S. harvest in 1974 led livestock producers to curtail output sharply. Supplies of grain-fed beef in the spring of 1975 fell to the lowest level in 10 years and pork production was the lowest in 9 years. The heavy slaughter of grass-fed cattle and of cows and heifers eased this supply shortage, bringing some improvement in meat prices late in the year.

The poor feed-grain harvest in 1974 was followed in 1975 by record crops of corn and wheat as well as near-record soybean output. The resulting moderation of grain prices survived a temporary increase during the summer on news of a large shortfall in Soviet production. Despite a sale of 16 million tons of grain to the Soviet Union, the record crop brought significantly lower grain prices toward the end of the year. Reflecting the improved grain situation, food prices dropped sharply in the first quarter of 1976, as the price of beef declined in response to renewed production of grain-fed beef and continued slaughter of grass-fed cattle. Prices of meats and of cereal and bakery products rose in May but still were below their peak levels of 1975, as were prices of fruits and vegetables. Prices of dairy products have increased only moderately this year after having risen at annual rates of nearly 14 per cent during the latter half of 1975. Because of a reduction of supplies following the frost damage in Brazil last year, however, coffee prices have risen sharply to levels one-third above those of May 1975.

Enlargement of the spread between retail and farm prices of the equivalent products also contributed to the advance in food prices in 1975, although it added less than in 1974. This spread, which represents charges for processing and distribution, accounts for more than half of the retail value of foods produced and sold in the United States. By the fourth quarter of 1974

TABLE 1

Major wholesale price trends

Percentage change, seasonally adjusted annual rates

Item	6 months ending				
	1974		1975		1976
	June	Dec.	June	Dec.	June
Total	**18.1**	**23.8**	**.5**	**8.6**	**2.3**
Farm and food[1]	−8.7	34.2	−5.6	6.5	−.3
Industrials	31.6	19.9	3.0	9.4	3.4
Energy items[2]	82.1	26.2	5.4	20.9	−5.1
Less energy items[2]	26.1	18.9	2.6	7.4	4.8

[1] Farm products and processed foods and feeds.
[2] Estimates based on Dept. of Labor data.
SOURCE.—Department of Labor.

this farm–retail spread had widened by more than 30 per cent in 2 years; this rise was responsible for most of the increase in food prices during 1974.

Although the increase in the average farm–retail spread was down to 8 per cent in 1975, the spreads for meats, particularly beef, and for cereal and bakery products rose to very high levels. In the first quarter of 1976 the spread for beef widened further as declines in retail prices lagged the fall in cattle prices. This was partly reversed in the second quarter as retail prices rose less than livestock prices.

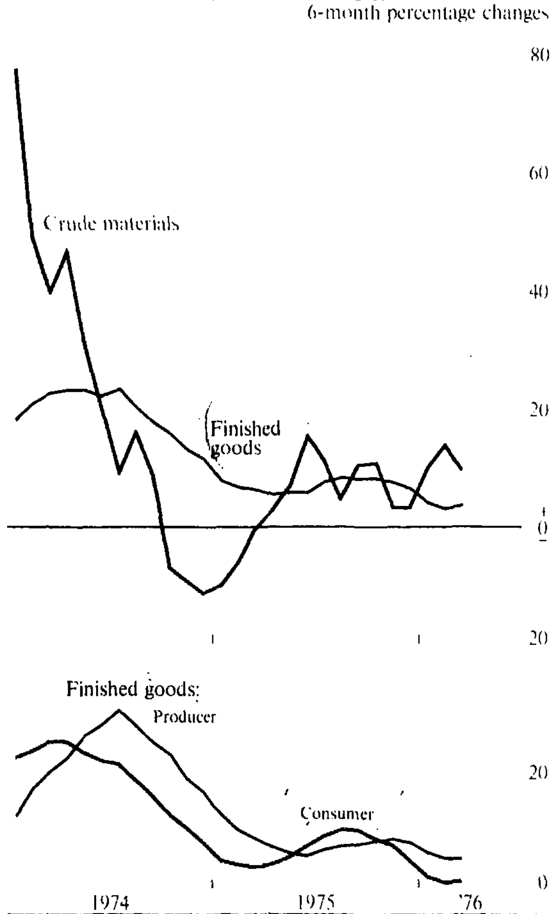
INDUSTRIAL COMMODITIES

The impacts of the oil embargo, commodity shortages and speculation, simultaneous worldwide achievement of rapid business expansions, and currency devaluations were dramatically reflected in annual rates of price rise above 30 per cent for industrial commodities in mid-1974. By that time, however, price series that typically lead cyclical downturns already had moderated. In particular, prices of crude materials excluding foods had begun a sharp deceleration earlier in the first half of 1974. Annual rates of price increase for such unprocessed materials dropped nearly two-thirds, from over 70 per cent in the first quarter to about 25 per cent in the third. These eased slightly in the fourth quarter and registered a 15½ per cent rate of decrease in the first quarter of 1975 as swollen inventories were worked down at all levels of production.

Economic recovery led to increases of crude material prices after the first quarter of 1975. The uncontrolled portion of domestic crude oil production—about one-third of the total--rose in response to fees levied on imported crude oil in February and June of 1975. Prices for hides and skins and for scrap metals moved higher in this period as inventory liquidation came to an end.

Increases in prices of crude materials moderated temporarily in the early months of 1976 as domestic crude oil prices were rolled back by the Energy Policy and Conservation Act. Despite a decline in crude oil prices, however,

Wholesale price changes by stage of processing



BLS data; excluding foods. Centered 6 month changes at seasonally adjusted annual rates.

over-all prices of crude materials were up at a 9.3 per cent annual rate over the first half of this year.

Price changes for intermediate materials minus foods exhibit a shorter lead and less amplitude at cycle turning points than is the case for crude materials. Intermediate materials include items such as steel products, processed fuels, lumber and plywood, and textiles. The timing of price changes for intermediate materials also was affected by the removal of price controls in the spring of 1974. Price increases for this group, which had averaged more than 35 per cent at annual rates during mid-1974, decelerated sharply by the first half of 1975 and, in fact, were unchanged between the first and second quarters. In the second half, these prices turned up again as economic recovery brought an end to inventory liquidation and permitted firms to pass through their higher costs for material and labor. Over the first half of 1976, prices of intermediate materials were up 3.5 per cent, annual rate.

Wholesale prices of finished goods followed a pattern similar to that of intermediate materials. From peak rates of inflation not so high as those for crude and intermediate materials, increases in prices of wholesale finished goods decelerated in late 1974 and reached a low toward the middle of 1975.

Beginning late in 1974, producers of consumer finished goods (excluding foods) posted many fewer and much smaller upward price adjustments. After rising nearly one-sixth during 1974, wholesale prices of consumer goods other than gasoline and food were about unchanged between January and September 1975. In the fall, however, and again early this year, automobile prices rose significantly, causing a temporary surge for the over-all group. Nonetheless, the average rate of price rise for this group has averaged around 3½ per cent since January 1975; this moderation at wholesale bodes well for continued easing of price pressures on consumer goods at retail. Wholesale gasoline prices, which had risen nearly 25 per cent during 1975, declined over the first 4 months of 1976 in response to lower-priced crude oil. In the past 2 months, however, wholesale gas prices have risen, and, at the latest reading, wholesale gasoline was selling at more than double its level in the spring of 1973.

Purchasers of producers' finished goods have seen a progressive easing of wholesale price rises over the past 18 months. Deceleration in this sector has been somewhat slower than for consumer goods—a lag of this type is typical owing mainly to long-range contractual arrangements. Late last year, sizable price increases for trucks and for equipment needed for energy exploration and development were important in the over-all rise in prices of producers' goods. At about a 5 per cent annual rate over the past half-year, however, the trend for these prices compares very favorably with annual rates of increase in the 25 to 30 per cent range just a year and a half ago.

CONSUMER GOODS

Increases in retail prices of consumer goods decelerated progressively from the third quarter of 1974 to the early months of 1976—when they had fallen to an annual rate of rise of 3.5 per cent—but, since then, they have turned up again.

Faced by mounting inventories and weakening demand, manufacturers and retailers triggered the deceleration of consumer goods prices late in 1974 by mounting extensive price rebate and discount programs. Apparel prices fell somewhat in the following months, as did quotations for new autos. By the summer of 1975, however, tax rebates and lowered withholding rates had strengthened consumer demand, retail inventories were already coming into better balance, and promotional programs began to be discontinued. Gasoline prices moved sharply higher, and price adjustments to offset earlier cost increases became more common. Nonetheless, by the end of 1975, prices of consumer goods had risen only about 6 per cent from a year earlier, less than half the 1974 rise.

Fuel products, which had accounted for about a fifth of the over-all increase of consumer prices

TABLE 2

Prices of finished goods
Selected nonfood items

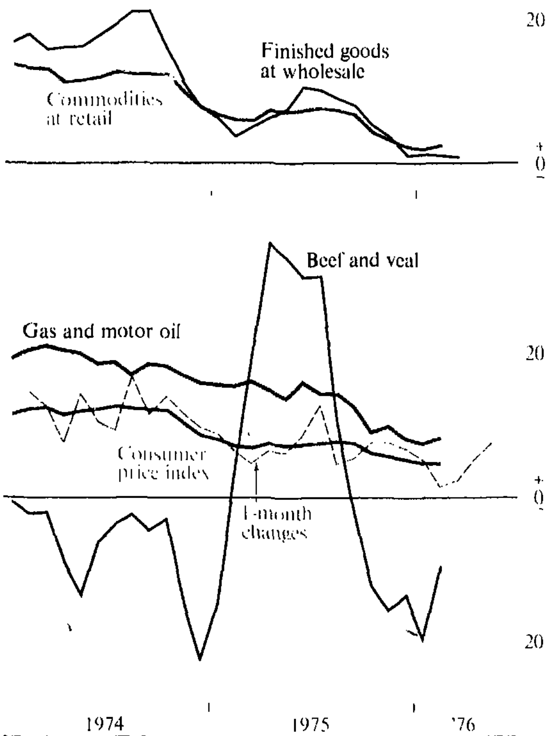
Percentage change, seasonally adjusted annual rates

Item	Nov. 1973 to May 1974	May 1974 to Nov. 1974	Nov 1974 to May 1975	May 1975 to Nov. 1975	Nov. 1975 to May 1976
Consumer goods:					
Apparel					
Wholesale	11.3	7.6	−.9	2.9	5.7
Retail	9.0	8.5	.3	2.9	3.1
Furniture and household durables					
Wholesale	12.8	20.9	2.5	4.2	4.7
Retail	9.8	14.4	7.1	4.0	4.2
Passenger cars					
Wholesale	8.7	17.0	4.8	9.9	1.4
Retail	5.8	16.3	5.4	5.6	6.7
Gasoline					
Wholesale	102.3	18.6	5.8	46.1	−16.7
Retail	59.3	−1.0	1.7	21.4	−9.7
Producers' equipment	17.2	27.9	10.0	7.3	5.2

SOURCE.—Department of Labor.

Consumer price behavior

6-month percentage changes



BLS data. Centered 6-month changes at seasonally adjusted annual rates.

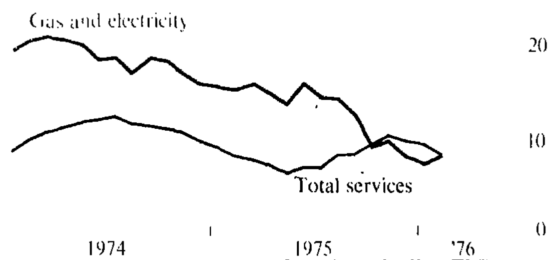
in 1975, were destined to ease somewhat early this year. The Organization of Petroleum Exporting Countries (OPEC) had raised crude oil prices by $1 per barrel in October, but in December the $2 per barrel fee on imported crude oil was removed. The resulting lower cost of crude was reflected in outright declines in petroleum product prices from November through April. This decline in prices—averaging 12.5 per cent, annual rate—partly offset increases in other nonfood commodities and held the consumer goods inflation rate at about 3½ per cent for the November-to-April period. New and used cars recorded above-average increases in this period but apparel, furniture, and home fixtures remained quite moderate. Nevertheless, when petroleum product prices are excluded, the consumer goods price index shows increases averaging nearly 5½ per cent (annual rate) over the 6 months ending in May. Although still rapid by historical standards, this rate was a substantial improvement over increases in the 12½ per cent range late in 1974.

SERVICES

Prices for services accelerated noticeably when wage and price controls were removed early in 1974. Their rate of advance remained about 10 per cent until well into the first part of 1975, when declines in mortgage interest rates and deceleration in rates of increase of prices of other services provided some offset to large advances for medical care. Late in 1975, hikes in bus, subway, and airline fares, and rising auto insurance costs pushed the services index up at a faster rate. In January 1976 a jump in postal rates followed by further large increases in auto insurance and medical care costs gave additional impetus to the rise in service prices. Data for April and May indicate a considerable moderation in the rate of increase of service prices.

Service prices

6-month percentage changes



BLS data. Centered 6-month changes at seasonally adjusted annual rates.

LABOR COSTS AND PROFITS

Compensation per hour in the private nonfarm economy rose 7½ per cent over the year ending in the first quarter of 1976. This was down from the increase of almost 11 per cent recorded over the previous year. Smaller average pay increases reflected the concurrent dampening of inflation, a relatively light collective bargaining schedule, and the high rate of unemployment.

Wage movements alone, however, are an

imperfect measure of labor costs, as increases in productivity can offset their impact. Output per hour typically rises rapidly in a recovery period due to more intensive utilization of existing workers and equipment. The period 1975–76 was not an exception; productivity increased by 5.3 per cent over the year after a recession-induced decline of 2.7 per cent over the previous year. Reflecting the slower rise of hourly compensation and the rebound of productivity, unit labor costs rose only 2.1 per cent over the year ending in the first quarter of 1976, the most moderate increase in unit labor costs in more than 3 years; it compares with a cyclical jump of nearly 14 per cent from early 1974 to early 1975.

As a general rule only the longer-run trend in unit labor costs is reflected in price behavior. Short-term movements in this series, thus, tend to have their impact on corporate profits.

In the second and third quarters of 1975, productivity recorded a sharp cyclical rebound, rising at an 8.7 per cent average annual rate. During this same period, hourly compensation grew only at a 7.8 per cent rate; thus, unit labor costs declined somewhat. Since prices were still rising, there was a rapid recovery in corporate profits. Over the two subsequent quarters, growth of compensation was unchanged while productivity advances eased to a 2.1 per cent annual rate. This limited the further recovery of the profit share. Nevertheless, the before-tax profit share of national income in the first quarter had returned to the same proportion as in 1973.

CYCLICAL PATTERNS

Consumer prices have a typical behavior pattern over the business cycle. The cyclical peak in the rate of increase of prices usually precedes slightly the peak in business activity. Historically, low points of inflation usually coincide with or closely follow business-cycle troughs. If the trough of the recent recession is marked in the first quarter of 1975, however, then the corresponding low point in the inflation rate does not come until nearly 12 months later. Moreover, the recent experience is unique in the amount of inflation still present at the trough of the price cycle. Inflation at its low point this year, when measured over a 6-month period, did not go below 4.6 per cent. Except during the recession of 1969–70 when inflation bottomed out at 3.1 per cent, all other post-World-War-II troughs in prices were at zero or negative rates of change. The high rate of inflation during the past recession can be seen as a continuation of a tendency to have successively higher levels of inflation at the bottom of the price cycle.

As in other recessions, the low point of retail price increases was foreshadowed by troughs that had occurred a year earlier in crude and intermediate wholesale price increases and by a low point in wholesale consumer goods a quarter earlier. Service prices typically lag at the trough by one to four quarters. To the extent that the current recovery follows past patterns, further deceleration of increases in service prices may be forthcoming.

During recovery from economic recession, prices typically accelerate over the rate of increase at the trough. In the past, the net increase in the rate of inflation in the year following the trough, as measured by the CPI, has ranged from about ½ to 2½ per cent—with most cases falling between 1 and 2 per cent.

If the behavior of retail prices minus food and fuel is examined, it can be seen that a trough in the rate of inflation appeared much earlier—that is, in mid-1975, or about the same time as the business-cycle trough. Thus the delay of the trough in the total CPI for more than two additional quarters can be attributed to special movements in prices of food and fuel—first, upward movements in the second half of 1975; then combined sharp downward movements in the first quarter of 1976. Even without the influence of food and fuel, however, the level of inflation at about 5 per cent was still high by historical standards.

Because of the relatively small number of observations available for the post-World-War-II period, and because over the course of 30 years there have been significant institutional changes affecting the economy—for example, programs to deal with unemployment—cyclical

TABLE 3

Consumer price changes at peaks and troughs

Percentage change, seasonally adjusted annual rates

Recession or business slowdown	Rates of price change[1]			Net change
	At price peak	At price trough	1 year after trough	
1947–48	13.8	−4.3	−1.9	2.4
1953–54	2.1	−1.2	.5	.7
1956–58	4.3	−.2	.8	1.0
1959–61	2.3	.0	1.1	1.1
1969–70	6.7	3.1	3.5	.4
1973–75	12.6	[2]4.6	...	...

[1] Data shown are 6 month changes of the entire consumer price index.

[2] Estimate.

SOURCE: Department of Labor.

comparisons such as those above should be interpreted cautiously. Also, because some of the events that had an important influence in the recent inflation were of a largely exogenous and temporary nature, such as the oil embargo and the unusually strong foreign demand for U.S. food, past post-recession relationships may be an unreliable guide to the future.

CURRENT SITUATION AND OUTLOOK

Currently a rate of price increase in the neighborhood of 6 per cent appears representative of the underlying inflation in the economy. A continued rise in the price of energy relative to other goods can be expected to exert a fairly constant upward pressure on costs and prices in the foreseeable future. Moreover, wage settlements continue to be well in excess of likely productivity gains and are expected, therefore, to continue to exert upward pressure on prices.

Food prices, on the other hand, have improved with larger agricultural output. Moreover, the outlook for food production and prices is favorable if summer and fall weather is near normal. Although the winter wheat crop of 1976 will be lower than originally expected because of drought in the Southwest, a record acreage of corn was planted this spring. The latest Agriculture Department forecast anticipates a record year for corn production and a near-record year for wheat. Expansion in output is under way for beef, pork, poultry, and dairy products as last year's large harvest led to improved profitability of feeding operations. The major adverse factor in the current outlook for food prices is the prolonged dry spell in Europe. If this situation should continue, grain and other food prices may be subjected to more upward pressure from export demand than had been anticipated earlier.

As the recovery proceeds and demand strengthens, firms may attempt to pass forward more of the cost increases that, in the period of weakened demand, had come out of profits. Some moderation might be forthcoming in the rise of service prices, however. Some services are provided by industries that are under public regulation, and price increases in such industries lag earlier cost increases. Some of the recent large increases, particularly in public transportation and auto insurance, were of this catch-up nature.

In general, the longer-run outlook for a return to more stable prices hinges on gradual but progressive moderation in cost pressures—such as wage and energy costs, on gains in productivity, and on an avoidance of an overheated economy. □

Changes in Time and Savings Deposits at Commercial Banks, October 1975–January 1976

For the 3 months ending January 31, 1976, time and savings deposits of individuals, partnerships, and corporations (IPC) continued to grow at approximately the same moderate pace as in the previous quarter. Results of the most recent quarterly survey conducted jointly by the Federal Reserve System and the Federal Deposit Insurance Corporation (FDIC) indicate a significant surge in passbook savings deposits and small-denomination (less than $100,000) time deposits. However, at the same time, outstanding amounts of large-denomination negotiable and nonnegotiable certificates of deposit (CD's) declined and as a result the total of time and savings deposits grew at a 2.3 per cent quarterly rate.

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

Although rates paid on consumer-type time and savings deposits generally were maintained

TABLE 1

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

Type of deposit	Number of issuing banks				Amount (in millions of dollars)				Percentage change in deposits (quarterly rate)	
	1975			1976	1975			1976		
	Apr. 30	July 31	Oct. 31	Jan. 31	Apr. 30	July 31	Oct. 31	Jan. 31	July 31–Oct. 31	Oct. 31–Jan. 31
Total time and savings deposits	**14,263**	**14,305**	**14,378**	**14,369**	**364,736**	**375,731**	**383,485**	**392,385**	**2.1**	**2.3**
Savings	**14,052**	**14,088**	**14,214**	**14,206**	**144,250**	**151,965**	**154,282**	**165,470**	**1.5**	**7.3**
Time deposits in denominations of less than $100,000—Total	**14,148**	**14,194**	**14,280**	**14,266**	**123,550**	**128,771**	**131,580**	**136,953**	**2.2**	**4.1**
Accounts with original maturity of—										
Less than 1 year	13,570	13,587	13,719	13,699	36,329	37,443	37,262	38,424	-.5	3.1
1 up to 2½ years	13,851	13,858	14,003	14,024	36,203	35,872	35,397	36,006	-1.3	1.7
2½ up to 4 years	12,573	12,592	12,659	12,732	18,568	19,500	20,318	20,453	4.2	.7
4 up to 6 years	11,844	12,047	12,188	12,296	30,027	32,658	34,553	36,773	5.8	6.4
6 years and over:										
Negotiable deposits	3,860	4,371	4,623	5,230	1,157	1,464	1,664	2,150	13.7	29.2
Nonnegotiable deposits	1,885	2,098	2,296	2,534	1,266	1,834	2,386	3,147	30.1	31.9
All maturities: Open accounts—Passbook or statement form [2]	3,902	3,866	3,921	3,898	30,714	31,125	31,820	32,622	2.2	2.5
Time deposits in denominations of $100,000 or more	**8,363**	**8,442**	**8,699**	**8,684**	**91,378**	**89,008**	**92,241**	**85,049**	**3.6**	**-7.8**
Negotiable CD's	3,969	3,976	3,960	3,808	64,298	62,830	64,895	58,840	3.3	-9.3
Nonnegotiable CD's and open account	4,929	4,943	5,230	5,357	27,080	26,178	27,346	26,209	4.5	-4.2
Christmas savings and other special funds	9,044	9,039	8,226	8,826	5,558	5,987	5,382	4,913	-10.1	-8.7

[1] Less than .05 per cent.

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

NOTE.—Data were compiled jointly by the Board of Governors of the Federal Reserve System and the Federal Deposit Insurance Corporation. The information was reported by a probability sample of all insured commercial banks.

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

TABLE 2

Small-denomination time and savings deposits, IPC, held by insured commercial banks on October 31, 1975, and January 31, 1976, by type of deposit, by most common rate paid on new deposits in each category, and by size of bank

Deposit group, and distribution of deposits by most common rate	All banks		Size of bank (total deposits in millions of dollars)				All banks		Size of bank (total deposits in millions of dollars)			
			Less than 100		100 and over				Less than 100		100 and over	
	Jan. 31	Oct. 31	Jan. 31	Oct. 31	Jan. 31	Oct. 31	Jan. 31	Oct. 31	Jan. 31	Oct. 31	Jan. 31	Oct. 31
	Number of banks, or percentage distribution						Amount of deposits (in millions of dollars), or percentage distribution					
Savings deposits:												
Issuing banks	14,206	14,214	13,254	13,354	952	860	165,470	154,282	65,208	63,067	100,262	91,215
Distribution:												
Total	100	100	100	100	100	100	100	100	100	100	100	100
4.00 or less	5.9	5.9	5.8	5.9	6.1	6.7	4.0	4.6	3.3	3.4	4.6	5.2
4.01–4.50	5.6	6.3	5.2	6.0	11.6	10.7	9.1	10.2	6.1	7.8	11.0	12.0
4.51–5.00	88.5	87.8	89.0	88.1	82.3	82.6	86.9	85.2	90.6	88.8	84.4	82.8
Memo: *paying ceiling rate*[2]	88.5	87.8	88.9	88.1	82.1	82.2	86.6	85.0	90.4	88.8	84.1	82.4
Time deposits in denominations of less than $100,000:												
Maturing in—												
Less than 1 year:												
Issuing banks	13,699	13,719	12,748	12,858	951	861	38,424	37,262	17,129	17,310	21,295	19,952
Distribution:												
Total	100	100	100	100	100	100	100	100	100	100	100	100
5.00 or less	7.7	6.0	7.8	5.9	6.1	6.5	6.4	8.5	5.3	5.1	7.3	11.5
5.01–5.50	92.3	94.0	92.2	94.1	93.9	93.5	93.6	91.5	94.7	94.9	92.7	88.5
Memo: paying ceiling rate[2]	91.7	93.2	91.5	93.3	93.2	92.4	93.0	90.7	94.1	94.0	92.0	87.7
1 up to 2½ years:												
Issuing banks	14,024	14,003	13,083	13,150	941	853	36,006	35,397	23,854	23,742	12,152	11,655
Distribution:												
Total	100	100	100	100	100	100	100	100	100	100	100	100
5.50 or less	1.7	2.2	1.7	2.2	1.7	1.9	1.7	2.1	1.0	1.6	3.0	3.1
5.51–6.00	98.3	97.8	98.3	97.8	98.3	98.1	98.3	97.9	99.0	98.4	97.0	96.9
Memo: paying ceiling rate[2]	97.2	96.5	97.2	96.5	96.6	96.4	97.1	96.8	98.0	97.5	95.1	95.3
2½ up to 4 years:												
Issuing banks	12,732	12,659	11,815	11,830	917	829	20,453	20,318	12,357	12,489	8,096	7,829
Distribution:												
Total	100	100	100	100	100	100	100	100	100	100	100	100
5.50 or less	[1]	[1]	[1]	[1]	.1	[1]	[1]	[1]	[1]	[1]	[1]	[1]
5.51–6.00	1.1	1.8	1.0	1.8	1.6	1.7	1.1	1.4	.4	.8	2.1	2.2
6.01–6.50	98.9	98.2	99.0	98.2	98.3	98.3	98.9	98.6	99.6	99.2	97.9	97.8
Memo: paying ceiling rate[2]	98.4	97.7	98.5	97.7	97.7	97.7	98.4	97.8	98.8	98.2	97.7	97.0
4 up to 6 years:												
Issuing banks	12,296	12,188	11,382	11,360	914	828	36,773	34,553	18,076	17,093	18,697	17,460
Distribution:												
Total	100	100	100	100	100	100	100	100	100	100	100	100
6.50 or less	1.1	1.8	1.1	1.8	1.7	2.0	.3	1.1	.3	.4	.5	1.7
6.51–7.00	15.1	16.6	15.5	17.0	10.0	10.2	10.0	10.3	11.3	13.0	8.7	7.7
7.01–7.25	83.8	81.6	83.4	81.2	88.3	87.8	89.7	88.6	88.4	86.6	90.8	90.6
Memo: paying ceiling rate[2]	83.5	82.7	83.1	82.5	87.9	86.4	89.3	89.8	87.8	89.0	90.7	92.2
6 years and over—Negotiable deposits:												
Issuing banks	5,230	4,623	4,923	4,362	307	261	2,150	1,664	1,308	1,019	842	645
Distribution:												
Total	100	100	100	100	100	100	100	100	100	100	100	100
6.00 or less	.3	.4	.2	.4	1.0	1.2	.4	1.1	.6	1.7	.1	.2
6.01–7.00	1.0	1.0	.9	.9	2.7	2.4	1.6	1.5	2.1	1.2	.6	1.9
7.01–7.50	98.7	98.6	98.9	98.7	96.3	96.4	98.0	97.4	97.3	97.1	99.3	97.9
Memo: paying ceiling rate[2]	95.9	93.9	96.1	94.0	92.5	92.3	92.0	89.7	96.0	95.0	85.7	81.3
6 years and over—Nonnegotiable deposits:												
Issuing banks	2,534	2,296	2,011	1,837	523	459	3,147	2,386	776	609	2,371	1,777
Distribution:												
Total	100	100	100	100	100	100	100	100	100	100	100	100
6.00 or less	1.2	.5	1.4	.5	.6	.5	.1	[1]	.3	[1]	.1	[1]
6.01–7.00	.7	1.9	.4	2.0	1.6	1.3	4.3	4.8	[1]	2.2	5.6	5.7
7.01–7.50	98.1	97.6	98.2	97.5	97.8	98.2	95.6	95.2	99.7	97.8	94.3	94.3
Memo: paying ceiling rate[2]	96.0	94.0	96.3	93.7	94.8	95.5	92.3	93.3	94.6	93.7	91.5	93.1

For notes, see p. 573.

at the regulatory ceiling levels, yields on large-denomination CD's tended to follow short-term money market rates and declined throughout the 3-month period. Furthermore, the over-all average rate paid on passbook savings and small-denomination time deposits at the end of January remained at the same level as in October—the exceptional growth in lower-rate, shorter-maturity accounts balanced the expansion in higher-interest, longer-maturity deposits.

SAVINGS DEPOSITS

Inflows of savings deposits were unusually strong between October and January. Such deposits rose at a 7.3 per cent quarterly rate to $165.5 billion, not seasonally adjusted—the largest increase for any 3-month period since the start of the survey in 1968. During the quarter, many money market rates declined to levels below the maximum allowable interest rate payable on savings accounts, and the

TABLE 3

Average of most common interest rates paid on various categories of time and savings deposits, IPC, at insured commercial banks on January 31, 1976

Bank location and size of bank (total deposits in millions of dollars)	Savings and small-denomination time deposits	Savings	Time deposits in denominations of less than $100,000						
			Total	Maturing in—					
				Less than 1 year	1 up to 2½ years	2½ up to 4 years	4 up to 6 years	6 years and over	
								Negotiable deposits	Nonnegotiable deposits
All banks:									
All size groups	5.54	4.91	6.31	5.47	5.99	6.49	7.22	7.46	7.46
Less than 10	5.76	4.90	6.20	5.46	5.99	6.50	7.20	7.50	7.50
10–50	5.67	4.93	6.31	5.47	5.99	6.50	7.22	7.49	7.48
50–100	5.57	4.95	6.34	5.47	5.99	6.50	7.23	7.39	7.50
100–500	5.49	4.89	6.31	5.47	5.99	6.50	7.22	7.48	7.48
500 and over	5.42	4.90	6.31	5.46	5.98	6.48	7.23	7.43	7.44
Banks in—									
Selected large SMSA's[1]:									
All size groups	5.44	4.91	6.31	5.46	5.98	6.49	7.22	7.43	7.45
Less than 10	5.59	4.90	6.25	5.46	5.99	6.49	7.20	7.50	7.50
10-50	5.50	4.93	6.33	5.48	5.99	6.49	7.21	7.49	7.49
50–100	5.50	4.94	6.33	5.45	5.98	6.50	7.23	7.30	7.49
100-500	5.45	4.90	6.28	5.47	5.98	6.50	7.21	7.50	7.48
500 and over	5.41	4.91	6.32	5.45	5.97	6.48	7.23	7.42	7.43
All other SMSA's:									
All size groups	5.55	4.88	6.32	5.48	5.99	6.50	7.23	7.49	7.49
Less than 10	5.67	4.85	6.31	5.47	5.99	6.50	7.18	7.50	7.50
10–50	5.66	4.91	6.34	5.48	5.99	6.50	7.23	7.49	7.45
50–100	5.58	4.93	6.33	5.47	6.00	6.50	7.22	7.50	7.49
100-500	5.50	4.88	6.32	5.48	5.99	6.50	7.23	7.49	7.50
500 and over	5.46	4.84	6.27	5.49	5.98	6.50	7.24	7.50	7.50
Banks outside SMSA's:									
All size groups	5.73	4.93	6.29	5.47	5.99	6.50	7.22	7.49	7.48
Less than 10	5.78	4.91	6.19	5.46	5.99	6.50	7.20	7.50	7.50
10–50	5.75	4.94	6.29	5.47	6.00	6.50	7.22	7.50	7.49
50-100	5.71	4.99	6.38	5.50	6.00	6.50	7.23	7.50	7.50
100–500	5.60	4.88	6.36	5.45	5.99	6.49	7.20	7.43	7.42
500 and over	5.78	5.00	6.42	5.50	6.00	6.50	7.25	7.50	....

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

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

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

proportion of banks offering the 5 per cent ceiling edged up slightly to almost 89 per cent. Thus, savings deposits represented an attractive short-term investment for funds, especially since most banks pay interest from the day of deposit to the day of withdrawal.

Further stimulus to the growth of savings deposits was provided by the change in Federal Reserve and FDIC regulations, effective November 10, 1975, that permitted the holding of such deposits at commercial banks by corporations, partnerships, and other profit-making organizations up to $150,000 per depositor. At the approximately 320 large commercial banks for which a breakdown of savings data into IPC, business accounts, and government deposits is available, about one-fourth of the inflows into savings accounts during the survey period was from business depositors. According to a Federal Reserve survey conducted on January 7, 1976, the funds deposited into these accounts were, for the most part, transferred from demand balances.

SMALL-DENOMINATION TIME DEPOSITS

The outstanding volume of small-denomination time deposits expanded at a quarterly rate of 4.1 per cent over the October–January interval. The most rapid rates of increase occurred in deposits with maturities greater than 4 years—due, in part, to the interest rate structure of Regulation Q, which allows higher rates to be paid on longer maturity deposits. However, the volume of time deposits maturing in less than 2½ years also showed unusual strength—those in the 1- to 2½-year range rose for the first 3-month period since this maturity category was established in July 1973. Presumably, the favorable yields on such deposits relative to money market instruments had begun to draw funds from other investments; likewise, inflows to time deposits with an original maturity of less than 1 year, most of which are thought to be 90-day accounts, are probably viewed by some customers as close substitutes for savings deposits.

LARGE-DENOMINATION TIME DEPOSITS

Between October and January the volume of large-denomination time deposits, after having expanded slightly during the previous survey period, resumed the steady decline observed in the first half of 1975. The willingness of commercial banks to allow large CD's to run off indicates that the near-record growth in consumer-type time and savings inflows provided adequate funds to satisfy still modest loan demand—and at relatively low cost. Rates paid on large-denomination time deposits by banks competing for such funds, having leveled off at the end of October, declined in January in line with short-term market rates of interest. More than 50 per cent of the outstanding dollar volume of these issues was held by banks offering a rate of 5 per cent, whereas in October the bulk of the CD's issued were at banks paying 6.5 per cent. From November to early December, many regional banks were able to attract large CD deposits at rates lower than those offered by large New York City banks—apparently the result of apprehension in money market centers about purchasing the large-denomination time deposits of these banks in the aftermath of the city's financial crisis. □

APPENDIX TABLES

1. Savings deposits

Most common interest rates paid by insured commercial banks on new deposits, January 31, 1976

Group	Total	Most common rate paid (per cent)				Total	Most common rate paid (per cent)			
		4.00 or less	4.50	5.00	Memo: ceiling rate[3]		4.00 or less	4.50	5.00	Memo: ceiling rate[3]
	NUMBER OF BANKS					MILLIONS OF DOLLARS				
All banks	**14,206**	**829**	**802**	**12,575**	**12,566**	**165,470**	**6,715**	**15,037**	**143,718**	**143,262**
Size of bank (total deposits in millions of dollars):										
Less than 10	4,579	474	101	4,004	4,004	5,635	437	116	5,082	5,082
10–50	7,555	268	527	6,760	6,753	41,343	1,308	2,858	37,177	37,058
50–100	1,121	29	64	1,028	1,028	18,230	426	1,014	16,790	16,790
100–500	772	45	86	641	639	36,176	1,866	3,915	30,395	30,058
500 and over	179	13	24	142	142	64,086	2,678	7,134	54,274	54,274

2. Time deposits, IPC, in denominations of less than $100,000 Maturing in less than 1 year

Most common interest rates paid by insured commercial banks on new deposits, January 31, 1976

Group	Total	Most common rate paid (per cent)			Total	Most common rate paid (per cent)		
		5.00 or less	5.50	Memo: ceiling rate[3]		5.00 or less	5.50	Memo: ceiling rate[3]
	NUMBER OF BANKS				MILLIONS OF DOLLARS			
All banks	**13,699**	**1,050**	**12,649**	**12,556**	**38,424**	**2,470**	**35,954**	**35,720**
Size of bank (total deposits in millions of dollars):								
Less than 10	4,340	414	3,926	3,919	1,646	123	1,523	1,522
10–50	7,299	513	6,786	6,710	11,114	539	10,575	10,515
50–100	1,109	65	1,044	1,040	4,369	253	4,116	4,082
100–500	772	40	732	727	9,036	506	8,530	(2)
500 and over	179	18	161	160	12,259	1,049	11,210	(2)

3. Time deposits, IPC, in denominations of less than $100,000 Maturing in 1 up to 2½ years

Most common interest rates paid by insured commercial banks on new deposits, January 31, 1976

Group	Total	Most common rate paid (per cent)			Total	Most common rate paid (per cent)		
		5.50 or less	6.00	Memo: ceiling rate[3]		5.50 or less	6.00	Memo: ceiling rate[3]
	NUMBER OF BANKS				MILLIONS OF DOLLARS			
All banks	**14,024**	**234**	**13,790**	**13,630**	**36,006**	**607**	**35,399**	**34,948**
Size of bank (total deposits in millions of dollars):								
Less than 10	4,496	82	4,414	4,390	5,488	79	5,409	5,360
10–50	7,471	124	7,347	7,242	15,293	127	15,166	15,036
50–100	1,116	12	1,104	1,089	3,073	38	3,035	2,991
100–500	764	12	752	742	5,009	73	4,936	4,830
500 and over	177	4	173	167	7,143	290	6,853	6,731

For notes to Appendix Tables 1–8, see p. 573.

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

Most common interest rates paid by insured commercial banks on new deposits, January 31, 1976

Group	Total	Most common rate paid (per cent)			Total	Most common rate paid (per cent)		
		6.00 or less	6.50	Memo: ceiling rate[3]		6.00 or less	6.50	Memo: ceiling rate[3]
	NUMBER OF BANKS				MILLIONS OF DOLLARS			
All banks	**12,732**	**137**	**12,595**	**12,532**	**20,453**	**218**	**20,235**	**20,120**
Size of bank (total deposits in millions of dollars):								
Less than 10	3,687	7	3,680	3,654	1,804	2	1,802	1,783
10–50	7,045	78	6,967	6,939	8,435	41	8,394	8,321
50–100	1,084	36	1,048	1,044	2,118	4	2,114	2,108
100–500	749	13	736	732	3,168	17	3,151	(2)
500 and over	167	3	164	163	4,928	154	4,774	(2)

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

Most common interest rates paid by insured commercial banks on new deposits, January 31, 1976

Group	Total	Most common rate paid (per cent)				Total	Most common rate paid (per cent)			
		6.50 or less	7.00	7.25	Memo: ceiling rate[3]		6.50 or less	7.00	7.25	Memo: ceiling rate[3]
	NUMBER OF BANKS					MILLIONS OF DOLLARS				
All banks	**12,296**	**140**	**1,854**	**10,302**	**10,266**	**36,773**	**132**	**3,672**	**32,969**	**32,842**
Size of bank (total deposits in millions of dollars):										
Less than 10	3,473	23	802	2,648	2,648	1,676	6	321	1,349	1,349
10–50	6,850	77	871	5,902	5,874	11,982	26	1,357	10,599	10,505
50–100	1,058	25	89	944	940	4,418	10	373	4,035	4,024
100–500	743	12	76	655	651	7,910	80	645	7,185	7,163
500 and over	172	3	16	153	153	10,787	10	976	9,801	9,801

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

Most common interest rates paid by insured commercial banks on new deposits, January 31, 1976

Group	Total	Most common rate paid (per cent)				Total	Most common rate paid (per cent)			
		6.50 or less	7.00	7.50	Memo: ceiling rate[3]		6.50 or less	7.00	7.50	Memo: ceiling rate[3]
	NUMBER OF BANKS					MILLIONS OF DOLLARS				
All banks	**7,764**	**65**	**50**	**7,649**	**7,449**	**5,297**	**84**	**97**	**5,116**	**4,881**
Size of bank (total deposits in millions of dollars):										
Less than 10	1,639	4	28	1,607	1,572	142	(1)	1	141	141
10–50	4,474	39	9	4,426	4,313	1,348	3	(1)	1,345	1,295
50–100	822	10	3	809	784	594	34	(1)	560	553
100–500	659	7	9	643	623	1,218	(2)	(2)	1,207	1,162
500 and over	170	5	1	164	157	1,995	(2)	(2)	1,863	1,730

For notes to Appendix Tables 1-8, see p. 573.

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

Most common interest rates paid by insured commercial banks on new deposits, January 31, 1976

Group	Total	Most common rate paid (per cent)							Total	Most common rate paid (per cent)						
		5.00 or less	5.50	6.00	6.50	7.00	7.50	8.00 or more		5.00 or less	5.50	6.00	6.50	7.00	7.50	8.00 or more
	NUMBER OF BANKS								MILLIONS OF DOLLARS							
All banks	**3,807**	**573**	**512**	**1,111**	**490**	**559**	**360**	**202**	**58,840**	**29,363**	**7,347**	**6,894**	**9,341**	**1,362**	**4,099**	**434**
Size of bank (total deposits in millions of dollars):																
Less than 10	681	25	89	231	118	125	66	27	183	8	17	65	42	41	6	4
10-50	2,221	277	255	681	236	354	272	146	2,555	454	279	734	366	390	181	151
50-100	443	103	52	119	72	63	8	26	1,613	369	185	357	185	253	34	230
100-500	302	101	80	59	39	11	9	3	5,202	1,637	1,574	683	866	231	162	49
500 and over	160	67	36	21	25	6	5	.....	49,287	26,895	5,292	5,055	7,882	447	3,716	.....

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

Most common interest rates paid by insured commercial banks on new deposits, January 31, 1976

Group	Total	Most common rate paid (per cent)							Total	Most common rate paid (per cent)						
		5.00 or less	5.50	6.00	6.50	7.00	7.50	8.00 or more		5.00 or less	5.50	6.00	6.50	7.00	7.50	8.00 or more
	NUMBER OF BANKS								MILLIONS OF DOLLARS							
All banks	**5,357**	**794**	**1,139**	**1,564**	**723**	**547**	**375**	**215**	**26,209**	**6,877**	**6,046**	**8,354**	**3,402**	**754**	**515**	**261**
Size of bank (total deposits in millions of dollars):																
Less than 10	577	79	70	254	47	58	69	.....	184	10	17	63	14	70	11	.....
10-50	3,342	373	631	915	549	409	269	196	3,405	391	481	887	794	401	296	154
50-100	698	140	180	235	64	60	11	8	2,571	654	663	654	379	188	13	20
100-500	589	161	211	131	47	15	14	10	6,592	1,659	2,129	1,623	905	80	(2)	(2)
500 and over	151	41	47	29	16	5	12	1	13,457	4,163	2,756	5,127	1,310	15	(2)	(2)

NOTES TO APPENDIX TABLES 1 8:

1 Less than $500,000.
2 Omitted to avoid individual bank disclosure.
3 See p. A-8 for maximum interest rates payable on time and savings deposits at the time of each survey. Note that the ceiling rate is included in the rate interval in the column to the left.

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

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

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

NOTES TO TABLE 2:

1 Less than .05 per cent.
2 See p. A-8 for maximum interest rates payable on time and savings deposits at the time of each survey. Note that the ceiling rate is included in rate interval in the line above.

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

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

Figures may not add to totals because of rounding.

Statements to Congress

Statement by Philip E. Coldwell, Member, Board of Governors of the Federal Reserve System, before the Joint Committee on Defense Production, June 28, 1976.

Madam Chairwoman, I am happy to have this opportunity to describe to the Joint Committee the responsibilities of the Federal Reserve System in the emergency preparedness area and our plans to carry out those responsibilities if necessary.

Federal Reserve System involvement in contingency planning for an attack on the United States began in the early 1950's. It was formalized in 1956, when the Office of Defense Mobilization issued a Defense Mobilization Order to the Board. That order was superseded by Presidential Executive Orders, the most recent of which is Executive Order 11490 dated June 11, 1976.

The Federal Preparedness Agency has designated the Federal Reserve a Category A agency, which means that we have essential functions that must be continued during an attack and in an immediate post-attack period. The Executive Order requires, among other things, that such agencies maintain alternate headquarters and sites for the storage of duplicate essential records.

More specifically, the Executive Order charges the heads of the Federal bank supervisory agencies, including the Board of Governors of the Federal Reserve System, with responsibility for developing emergency plans, programs, and regulations to cope with the potential economic effects of a mobilization or an attack. Functions that the Order specifies must be carried on include: (1) provision and regulation of money and credit; (2) acquisition, decentralization, and distribution of currency; (3) collection of checks; (4) fiscal agency and foreign operations; (5) provision for the continued or resumed operations of financial institutions; and (6) provision of necessary liquidity to those institutions.

These policies and plans are not directed at the areas of the country that would be devastated by an exchange of high-yield nuclear weapons. Rather, they are aimed at the undamaged or lightly damaged areas where national survival might depend upon maintaining economic momentum and organized economic activity. This is a point that is often overlooked by those who, quite understandably, are preoccupied by the terrible problems that would confront us in the damaged areas.

I should point out also that these plans are based on a general war—an "all out" nuclear exchange. However, we have examined the problems that would be generated by a limited exchange such as the one being examined by this committee. We have concluded that the same plans would apply, the difference being one of magnitude. The plans would be easier to implement since presumably a larger number of our normal operating facilities would survive and problems of communication and control would be less difficult.

The Board and the Reserve Banks have organized themselves to meet the responsibilities outlined briefly above by establishing alternate headquarters and duplicate record storage sites in nontarget areas. In the Board's case, we have been able to combine these functions at a facility that also operates our vital communications system on a day-to-day basis.

Lists of officials and staff who would relocate to these sites when instructed to do so have been established and are kept current. Succession lists are maintained on a current basis. Delegations of authority, the use of which would be triggered by an attack, have been made to Reserve Banks that might be out of communication with the Board.

The problem of insuring a currency supply is made difficult because the only production source of Federal Reserve notes is the Bureau of Engraving and Printing, here in Washington, and because almost all of the Reserve Banks and branches are in potential target areas. We have established an inventory of the various denominations of Federal Reserve notes at our facility at Culpeper, Virginia, to provide a cushion until the Bureau could get back into production.

Since we must assume that high-speed equipment at normal operating facilities would not be available, plans for maintaining the check collection and currency distribution systems involve a high degree of decentralization. Check-agent and cash-agent banks, each serving a small geographic area, have agreed to perform these functions for the Federal Reserve in an emergency. Each agent bank has been furnished instructions and the necessary forms.

Most importantly, we have informed the banks and other financial institutions about these plans in detail by distributing to each copies of emergency regulations, operating circulars, and operating letters.

These plans and policies have been tested, to the extent that they could be, during national tests and exercises held over the past 20 years. In 1974 an interagency committee of the Federal financial agencies re-evaluated the post-attack financial policies and recommended no changes.

However, the basic assumptions underlying these plans, particularly those relating to national survival and continuity of Government, have not been revised since 1966. In that period the political and military situations have changed materially. For that reason, as we informed the Joint Committee in the last Annual Report, Chairman Burns has asked that these assumptions be re-examined. We understand that General Bray is chairing an interagency steering group that is engaged in such a study. In the meantime, we plan to maintain emergency preparedness programs at the Board and at the Reserve Banks at their present levels until we are advised differently by the administration or by the Congress.

In conclusion, Madam Chairwoman, you have asked about the need for such emergency preparedness plans. In my opinion the national emergency plans on the civil side of Government are a necessary complement to the defense efforts on the military side. As long as there are such emergency plans, and in this disturbed and unsettled world they seem to be a requirement, the plans and programs I have outlined for the Federal Reserve are a fundamental feature underlying all other plans since the others assume a functioning monetary system. □

Statement by Arthur F. Burns, Chairman, Board of Governors of the Federal Reserve System, before the Joint Economic Committee of the U.S. Congress, June 30, 1976.

I am pleased to meet once again with the Joint Economic Committee to present the views of the Board of Governors of the Federal Reserve System on the condition of our national economy.

The economic expansion now under way is entering its second year. Business activity began to pick up in the spring of 1975 and has gathered momentum since then. In the quarter now ending, the physical volume of total production will be about 7½ per cent higher than a year ago.

As is typical of a period of cyclical expansion, the rebound of activity has been especially vigorous in the industrial sector. New data released this Monday [June 28] by the Federal Reserve Board indicate that industrial production, that is, the output of our factories, mines, and power plants, has risen since March of last year at an annual rate of 13½ per cent—a stronger advance than was indicated by our earlier reports.

The expansion of economic activity in the various service trades as well as the industrial sector has led to material strengthening in the demand for labor. Total employment across the Nation has increased by more than 3½ million from its low point in March 1975. This gain has been accompanied by significant lengthening of the average workweek—especially in manufacturing, where the amount of overtime is back to the highest level since the summer of 1974. Meanwhile, long-term unemployment has sharply diminished, and the over-all unemployment rate has come down from about 9 per cent a year ago to 7¼ per cent presently.

The rate of utilization of our industrial plant has also moved up with the expansion of business activity. In the materials-producing industries, only about 70 per cent of available plant capacity was effectively used during the second quarter of 1975. At present, the rate of capacity use has reached 80 per cent in these industries. Where the recovery of production has been especially rapid, as in the paper industry and some branches of the textiles industry, the utilization of capacity already exceeds 90 per cent.

The intensity of the economic recovery to date has been close to the average for cyclical upswings during the period since World War II. Moreover, the pattern of the current expansion has been similar in many respects to that of its predecessors.

Consumers led the way out of recession last spring, and they have been a major source of stimulus to economic expansion since then. As confidence improved, they became more active buyers, and the rise in consumer spending outstripped by a considerable margin the increase in disposable income.

The advance of consumer buying, which began in markets for apparel and other nondurables, soon spread to durable goods. During the quarter now ending, consumers spent approximately 13 per cent of their after-tax incomes on durable goods—compared with 11½ per cent a year earlier. The automobile market has been especially active. In recent months, unit sales of domestic models have run about 50 per cent above their depressed level in April 1975.

As purchases of big ticket items rose, consumers incurred new indebtedness. However, the rate of increase in consumer instalment debt has thus far remained moderate in relation to consumer incomes.

The hesitation that developed recently in the pace of consumer spending is, in the Board's judgment, a transitory phenomenon. After a rapid advance from last December through this March, total retail sales remained unchanged in April and then declined somewhat in May. Temporary pauses of this kind are not uncommon during periods of cyclical expansion. Members of this committee may remember that the lull in consumer buying last autumn was soon followed by a renewed surge of retail sales during the winter months. There is good reason to believe that the recent slowdown will also be temporary. The basic determinants of consumer spending are clearly favorable: real incomes of families are increasing, labor market conditions are improving, and so too is the liquidity position of consumers. I would therefore expect consumer spending to continue moving upward. In fact, incoming sales data for the past 3 or 4 weeks on automobiles and most other branches of retail trade suggest that a resumption of the upward trend is already under way.

A further rise of inventory investment should also add strength to general business activity. In many nondurable goods industries, inventories have now been restored to levels that are adequate to meet current rates of sales. In the durable goods trades, on the other hand, renewed accumulation of inventories is just getting under way. New orders for durable goods are now rising vigorously, and rebuilding of stocks should be a stimulus to production in the months ahead.

A larger, and more basic, source of stimulus to economic activity can be expected from increasing business outlays for new plants, machinery, and other equipment. Business capital spending typically joins the recovery process later than other sectors of the economy. But as utilization of capacity increases and profits improve during the course of an expansion, business firms typically move ahead more aggressively with their capital investment programs. Although such a development has been somewhat delayed in the present instance, the traditional pattern is again emerging.

Thus, production of business equipment has been rising since November 1975 at an annual rate of 11 per cent. Other indicators of business capital spending are also pointing strongly upward. New orders for nondefense capital goods have risen in each of the past 5 months and in May were 16 per cent above their level at the end of 1975. Also, the most recent surveys of business anticipations indicate some further strengthening of plans for capital expenditures this year.

In the other major sector of private long-term investment—that is, homebuilding—the revival of activity has contributed to economic expansion since the spring of 1975. New housing starts last month were almost 50 per cent above their trough in early 1975, and unemployment among construction workers has fallen by a third from its cyclical peak.

The rebound in residential construction has been largely confined to single-family homes. Construction of apartment houses has been held down by several factors—previous overbuilding, high construction costs, and lagging rents. In fact, inflated costs of construction, maintenance, and operation are now a major limiting factor for all branches of residential construction. It is reasonable, nevertheless, to anticipate a gradual further advance in homebuilding activity during the second half of this year. Residential building permits have been rising rather steadily and last month reached their highest level in 2 years. Mortgage credit is in ample supply in practically all parts of the country. Furthermore, while the construction of apartment houses has remained at a depressed level, vacancy rates for rental units have declined noticeably.

Our net trade balance with other countries may also show some improvement in the months ahead. During the past year of economic recovery, our foreign trade balance declined. The physical volume of imports—which fell off sharply during the recession—began to rise again during the third quarter of last year, reflecting the enlarged demand for petroleum, industrial supplies, and other goods needed to support the rise of industrial production or to meet consumer preferences. Our merchandise exports, however, have yet to regain the upward trend that was interrupted by worldwide recession.

Imports of industrial supplies and consumer goods will probably move up further as the expansion of our economy continues to cumulate. But the outlook for our export trades is also brightening. Although economic recovery in other industrial countries began later than in our own, the pace of economic expansion in Western Europe and Japan has of late begun to gather momentum. Material strengthening of demands for American machinery and other products is therefore to be expected.

During the course of the current expansion, several milestones have already been passed on the road to restoring our Nation's economic vitality. By early this year, the number of persons holding jobs had already regained the prerecession level, and total employment has since then moved above the previous peak by nearly 1½ million. The average level of real disposable income per person rose to an all-time high in the first quarter of 1976, and the real value of the gross national product now also exceeds the previous peak level reached in the final quarter of 1973.

Our country still has some distance to go, however, to regain full prosperity. It is therefore vital to maintain conditions that will foster continuation of a good rate of economic expansion.

Fortunately, the recovery process has thus far remained balanced and orderly. There have been few signs of the speculative excesses that sometimes develop in the course of a business-cycle expansion and inevitably cause trouble later on. Our Nation has made notable progress in reducing the rate of inflation. The rise in consumer prices came down from 12 per cent in 1974 to 7 per cent in 1975, and to an annual rate of 4 per cent in the first 5 months of this year. This recent further moderation in the rate of inflation, however, stems in large part from special factors that for a time reduced the prices of food and fuel. When these erratic items are excluded, it appears that the underlying annual rate of inflation has not diminished since mid-1975 and that it may still be about 6 or 7 per cent.

Any such rate of inflation constitutes a serious threat to the economy, and elimination of our disease of inflation must therefore remain a major objective of public policy. At the same time, it is important to recognize that we have managed during the past year to avoid a fresh outburst of inflation—a development that would have quickly eroded the purchasing power of wages and savings, created strains in financial markets, undermined confidence, and sapped the strength of the forces of economic expansion.

Let me turn now to the role of monetary policy in these developments. The Federal Reserve was urged repeatedly during the past year to pursue a more expansionist policy in order to speed the return to full employment. Concern was expressed by some economists, as well as by some members of the Congress, that the rates of monetary growth we were seeking would prove inadequate to finance a good economic expansion. Interest rates would move up sharply, it was argued, as the demand for money and credit rose with increased aggregate spending, and shortages of money and credit might soon choke off the recovery.

We at the Federal Reserve did not share this pessimistic view. We knew from experience, first, that the turnover of existing money balances is apt to increase rapidly with the return of confidence; second, that rapid expansion of money and credit is apt to intensify inflationary expectations and soon sow the seeds of another recession. Consequently, we resisted advice to open the tap and let money flow out in greater abundance.

The monetary policy pursued by the Federal Reserve fostered a moderate rate of monetary expansion. During the year ending this quarter, M_1, the narrowly defined money stock, which includes only currency and demand deposits, grew about 5¼ per cent. A more broadly defined money stock, M_2, which includes also savings and time deposits other than large certificates of deposit (CD's) at commercial banks, rose by 10 per cent.

These increases in the stock of money were sufficient to finance a large increase in the physical volume of output even at rising prices, because they were accompanied, as we expected, by a sharp rise in the turnover of money balances. Moreover, this rise in velocity was not associated with rising interest rates or developing shortages of credit. On the contrary, conditions in financial markets have remained relatively easy.

There is a striking contrast between the movement of interest rates during the current expansion and their behavior in past cyclical upswings. Short-term interest rates normally begin to move up at about the same time as the upturn in general business activity, although the extent of rise varies from one cycle to another. Upward pressures on short-term interest rates might well have been expected during the past year, in view of the vigorous rebound of economic activity, the continuing advance of the price level, and the record volume of Treasury borrowing. However, after some run-up in the summer months of 1975, short-term rates turned down again last fall, and long-term rates also moved lower. By April of this year, interest rates on most short-term market securities had fallen to their lowest level since late 1972, while yields on high-grade new issues of corporations declined to their lowest level since early 1974. The main cause of the unusual behavior of interest rates during the past year was undoubtedly the lessening of inflationary fears and the consequent reduction in the inflation premium that got built into interest rates—particularly, the long-term rates.

The financial climate that has prevailed during the past year of economic recovery has permitted lenders and borrowers alike to strengthen their financial condition. For example, the liquidity position of savings banks and of savings and loan associations has improved markedly over the past year. Moreover, the flow of individual savings to the thrift institutions is still ample. Deposits at savings and loan associations—the leading suppliers of home mortgage credit—rose at an annual rate of 14 per cent in May, and the outstanding mortgage loan commitments of these institutions increased further—to more than $20 billion, the highest level in 3 years.

Commercial banks have also rebuilt their liquidity. They have added a large quantity of short-term Treasury securities to their portfolios, and they have also reduced reliance on volatile funds. The condition of the banking system has been further strengthened through widespread additions to retained earnings and some new issues of common stock. The ratio of capital to risk assets of commercial banks, which declined steadily during the early 1970's, has thus increased appreciably, and confidence in the banking system has been bolstered.

Our Nation's business enterprises have likewise taken advantage of the prevailing financial climate to improve their financial condition. Corporations issued a huge volume of long-term bonds during 1975, and they used much of the proceeds to repay short-term debt and to acquire liquid assets. This year, they are still finding long-term funds readily available. Public offerings of bonds by domestic corporations will total about $3 billion this month—an extraordinary volume by historical standards. For a time, access to public markets for long-term funds was confined largely to firms with the highest credit ratings. Of late, however, some lower-rated firms have found a more receptive public market for their debt issues, as is reflected in a narrowing of the yield spread between Aaa- and A-rated bond issues from 1½ percentage points last summer to about ½ percentage point this spring. Many medium-sized firms, and others with lower credit ratings, have met their needs for long-term funds through private placements with life insurance companies and other institutional lenders.

Besides this, an improved stock market has made it easier for corporations to raise equity funds for financing new investment programs or for restoring capital cushions. This month, corporate enterprises have sold about $1½ billion of new shares to the public. If the pace of new stock offerings during the first half of this year is maintained over the next 6 months, the year will end with the largest volume of corporate stock flotations in our history.

These accomplishments in financial markets indicate, I believe, that the course of moderation in monetary policy pursued by the Federal Reserve over the past year has aided the process of economic recovery. Our actions during recent weeks have further served to reassure the business and financial community that we intend to stick to a course of monetary policy that will support further growth of output and employment, while avoiding excesses that would aggravate inflationary pressures and thus create trouble for the future.

As I indicated in testimony before the Senate banking committee, the Federal Open Market Committee recently reduced the upper limit of the projected growth range of M_1 in the year ahead from 7½ per cent to 7 per cent and the upper limit of M_2 from 10½ per cent to 10 per cent. The changes are small, but they are a logical step in light of financial developments and the behavior of the economy.

The decision to reduce the upper limit of the ranges for M_1 and M_2 reflects the experience of the past year, when improvements in financial technology made it possible for a moderate rise in the money stock to finance a good economic recovery with declining interest rates. However, with a full year of renewed expansion in business activity already behind us, some downward adjustment in the upper boundary of the growth ranges for M_1 and M_2 might have been called for in any event. The adjustment in the projected growth ranges for M_1 and M_2 over the year ahead was thus a very small but prudent step in the right direction. Looking to the longer future, it would be helpful if everyone recognized that the rate of monetary expansion we have recently projected is still too high to be consistent with general price stability.

Another indication of our intention to adhere to a moderate course of monetary policy may be found in the prompt actions we took some weeks ago to ward off the threat of excessive growth of the monetary aggregates. In April, the pace of monetary expansion jumped very sharply—to an annual rate of 15 per cent for M_1. We recognized that technical factors—such as the decline in the Treasury's cash balance—might be partly responsible, and that the bulge in the monetary growth rate might be temporary. We could not, however, risk an explosion of the monetary aggregates during a period of strongly advancing economic activity.

Over a period of several weeks, starting in late April, the Federal Reserve thus became somewhat less accommodative in meeting the demand for bank reserves. The upward movement in market rates of interest that followed reflected our actions as well as rising demands for credit. In more recent weeks, the pace of monetary expansion has again moderated; short-term interest rates have stabilized or fallen back, and long-term rates may have begun declining again. In the Board's judgment, the small but prudent steps just described have bolstered confidence and enhanced prospects for sustaining a healthy economic recovery. The Board believes that the prospects for a durable prosperity would be further enhanced by moderation in the course of fiscal policy.

The deficit in the Federal budget has diminished very little over the past year—especially when the operations of off-budget agencies and Government-sponsored enterprises are taken into account, as they should be. During the first quarter of this year, the annual rate of deficit, as calculated in the national income and product accounts, was still close to $70 billion, and there is little evidence of a significant closing of the huge gap between receipts and expenditures during the second quarter. It is of the utmost importance that the Congress and the administration cooperate to maintain tight control over Federal expenditures. At the present stage of the business cycle, a substantial decline of the Federal deficit is essential if renewed inflationary pressures are to be avoided and savings are to become available for much-needed private investment.

We can all take considerable satisfaction in the progress that has been made over the past year in restoring more prosperous conditions in our country. Both the Congress and the administration deserve credit for improving the economic climate. Much remains to be accomplished, however. Unemployment remains much too high. Productivity has been lagging. The expansion of our industrial plant is proceeding at too slow a pace. The homebuilding industry and other branches of construction are still depressed. And the menace of inflation is still with us, though in a less virulent form than in many other countries around the world. Rampant inflation abroad—West Germany and Switzerland are outstanding exceptions—has contributed to the turbulence in foreign exchange markets this year.

Participants in the economic summit meeting just concluded in Puerto Rico have recognized the dilemma faced by economic policy-makers throughout the advanced industrial world today. There is a pressing need for expansion in the economies of both the industrialized countries and the developing nations. However, traditional policies of economic stimulation may well prove to be counterproductive in today's environment of deeply ingrained inflationary expectations.

The declaration of the conferees at Puerto Rico regarding the need to maintain an economic climate that is conducive to enterprise and investment, while working toward the complete elimination of inflation, is both welcome and appropriate. Both in this country and abroad, our main hope for achieving lasting prosperity lies in adhering to prudent fiscal, monetary, and structural policies. □

Record of Policy Actions of the Federal Open Market Committee

MEETING HELD ON MAY 18, 1976

1. Domestic Policy Directive

Preliminary estimates of the Commerce Department indicated that growth in real output of goods and services had picked up to an annual rate of 7.5 per cent in the first quarter—from a rate of 5 per cent in the fourth quarter of 1975—and that the rise in the GNP fixed-weighted price index had slowed substantially. Staff projections suggested that growth in real output was continuing at a vigorous, although slightly less rapid, pace in the current quarter and that it was likely to be more moderate in the second half of the year. The projections also suggested that the rise in prices would be above the relatively low first-quarter rate.

Retail sales were unchanged in April. Over the period since November, however, retail sales had risen substantially, reflecting in large part strong demands for automobiles and general merchandise.

Industrial production continued to recover in April at about the average rate of the preceding 4 months. As in March, the rise reflected mainly increases in output of automobiles, other consumer goods, business equipment, and durable goods materials.

Gains in employment were large and widespread in April. The civilian labor force grew as much as total employment, however, and the over-all unemployment rate remained at 7.5 per cent. Nevertheless, the unemployment rate for heads of households and for adult males declined. In manufacturing, the average factory workweek fell, but the decrease appeared to have been related to holidays in the week used for the survey of establishments.

Private housing starts, which had rebounded sharply in February and then fallen moderately in March, declined somewhat further in April to the average level in the fourth quarter of 1975. Outstanding mortgage loan commitments at savings and loan associations had risen in March, the latest month for which data were available, and had reached the highest level in 3 years.

New orders for nondefense capital goods rose appreciably in

March for the third consecutive month, but the backlog of orders declined further. Nonresidential construction activity remained depressed. However, a private survey suggested that over recent months business plant and equipment expenditures planned for this year had been raised considerably.

The index of average hourly earnings for private nonfarm production workers, which had risen at a less rapid pace over the first quarter of 1976 than it had on the average in 1975, continued to advance at a moderate rate in April. The schedule of labor contract negotiations had been light in the first 4 months of this year, and relatively few cost-of-living wage adjustments went into effect. From the fourth quarter of 1975 to the first quarter of 1976 over-all compensation per manhour in the private nonfarm economy rose as rapidly as it had on the average during 1975.

The wholesale price index for all commodities rose appreciably in April, following a 5-month period of little change. Average prices of farm and food products rose sharply, after 5 months of decline, while average prices of industrial commodities continued upward at a moderate pace. In March the rise in the consumer price index had remained at a reduced rate, in large part because retail prices of foods and fuels had continued to decline.

Staff projections now suggested that growth in real output in the current quarter would be stronger than had been projected 4 weeks earlier, provided that a current work stoppage in the rubber products industry ended before it caused significant curtailments in output in other industries. The greater strength in the quarter was attributed in large part to higher rates of business investment in fixed capital and inventories than had been projected a month ago, although a slightly faster rate of growth in personal consumption expenditures also was now anticipated.

Staff projections for the second half of the year suggested that expansion in business fixed investment would continue to accelerate and that business investment in inventories would remain at an advanced rate. It was also anticipated that growth in personal consumption expenditures would remain vigorous and that residential construction would continue to recover. However, the expansion in State and local government purchases of goods and services was expected to remain relatively slow.

The U.S. foreign trade balance was in deficit in March for the third consecutive month, and the sizable deficit for the first quarter as a whole was in sharp contrast to large surpluses in each of the four quarters of 1975. The shift to deficit in the first quarter was attributable mainly to increases in imports associated with the expansion in the domestic economy; at the same time, exports declined somewhat.

Over the period since the April 20 meeting of the Committee, the average value of the dollar against leading foreign currencies had remained relatively steady. Attention in the exchange markets during the period was focused on problems affecting the Italian lira and the British pound, both of which fluctuated considerably. On balance, the lira rose somewhat and the pound declined somewhat in relation to the dollar.

Total loans and investments at U.S. commercial banks expanded somewhat further in April, reflecting almost entirely another large increase in bank holdings of Treasury securities. Bank holdings of other securities increased slightly. Total loans outstanding at banks declined, reflecting substantial net repayments of business and security loans. Other loans by banks continued to expand moderately.

In general, business short-term credit demands remained weak in April. The outstanding volume of commercial paper issued by nonfinancial corporations rose, but the increase was offset by the decline in outstanding bank loans to businesses.

Growth in the narrowly defined money stock—M_1—accelerated to an annual rate of about 15 per cent in April, reflecting in part a rise in private balances resulting from a large decline in U.S. Government deposits.[1] On the average from March to April Treasury balances at Federal Reserve and commercial banks declined by almost $4 billion. M_1 had grown at a moderate rate in February and March and at a slow rate over the preceding 4 months.

The more broadly defined money stock measures—M_2 and M_3—also increased substantially in April, owing to the sharp rise in M_1 and to continuing strong inflows of time and savings deposits (other than negotiable CD's) at banks and nonbank thrift institu-

[1] The monetary growth rates for April reported at this meeting were based on revised measures of the monetary aggregates, reflecting new benchmark data for deposits at nonmember banks. The revised measures were published on May 20, 1976.

tions. Interest rates on such deposits remained favorable relative to rates on short-term market instruments.

System open market operations since the April 20 meeting had been guided by the Committee's decision to seek bank reserve and money market conditions consistent with moderate growth in monetary aggregates over the period ahead, while taking account of developments in domestic and international financial markets. Immediately after the April meeting the System became less accommodative in the provision of reserves. Operations were directed toward achieving conditions of reserve availability consistent with a Federal funds rate of 4⅞ per cent—the midpoint of the 4½ to 5¼ per cent operating range that the Committee had specified for the inter-meeting period and ⅛ percentage point above the rate prevailing at the time of the April meeting.

Data that had become available soon after that meeting and in each subsequent week suggested that in the April–May period growth in M_1 and M_2 would be strong relative to the ranges that had been specified by the Committee. Accordingly, the System gradually became still less accommodative in the provision of reserves. By the end of the inter-meeting period the Federal funds rate was around 5¼ per cent, the upper limit of the specified range, and market interest rates in general had risen. Upward pressures on market rates also reflected investor reactions to the indications of accelerated growth in the monetary aggregates and to reports suggesting vigorous economic recovery.

In the short-term area, the rise in market rates during the inter-meeting period occurred despite continued weakness in private credit demands. In addition, the Treasury cut its outstanding short-term indebtedness after midmonth by repaying a substantial amount of cash-management bills and by reducing the size of the weekly auctions of bills. On the day before this meeting the market rate on 3-month Treasury bills was 5.22 per cent, compared with 4.77 per cent on the day before the April meeting.

In the intermediate- and long-term areas, demands for funds remained relatively strong in April. Public offerings of new corporate bonds, although down from the exceptional volume in March, were still large. Offerings of new State and local government bonds also fell from the exceptional total in March, but a rebound in the volume appeared to be in prospect for May.

On April 28 the Treasury announced that it would sell \$6.25 billion of notes and bonds to refund \$4.1 billion of publicly held notes that were to mature on May 15 and to raise \$2.2 billion of new cash. In auctions on May 4 and May 7 it sold to the public \$2 billion of 2-year notes and \$750 million of 23-year 9-month bonds at average prices to yield 6.61 per cent and 8.19 per cent, respectively. For the remaining \$3.5 billion, the Treasury offered 10-year, 7⅞ per cent notes at par. However, subscriptions for these notes amounted to \$8.9 billion, and on May 7 the Treasury accepted \$4.7 billion of them. Altogether, the Treasury sold to the public almost \$7.5 billion of notes and bonds, raising \$3.4 billion in new cash.

Interest rates on home mortgages in the primary market were unchanged during the inter-meeting period. In the more sensitive secondary market, yields edged up beginning in late April in reaction to the rise in other market rates of interest.

At its April meeting, the Committee had agreed that growth in the monetary aggregates on the average over the period from the first quarter of 1976 to the first quarter of 1977 at rates within the following ranges appeared to be consistent with its broad economic aims: M_1, 4½ to 7 per cent; M_2, 7½ to 10 per cent; and M_3, 9 to 12 per cent. The associated range for growth in the bank credit proxy was 6 to 9 per cent. It was agreed that the longer-term ranges, as well as the particular list of aggregates for which such ranges were specified, would be subject to review and modification at subsequent meetings. It also was understood that, as a result of short-run factors, growth rates from month to month might well fall outside the ranges contemplated for annual periods.

In the discussion of current policy at this meeting, the Committee took note of a staff analysis suggesting that over the May–June period the rate of growth in M_1 was likely to subside from the rapid pace in April, which was attributable in part to the large decline in U.S. Treasury deposits. At the same time, however, it appeared that the underlying demand for money was strong and that a somewhat more typical relationship between growth in M_1 and growth in nominal GNP was in the process of being re-established. Given the rate of GNP growth projected for the current quarter, the staff analysis suggested that, if prevailing money market conditions were maintained over the 5 weeks until the next meeting, growth in M_1 over the May–June period would be within a range that was high relative to the longer-term range agreed upon by the Committee at the preceding meeting.

The staff analysis also suggested that, if prevailing money market conditions were maintained over the next inter-meeting period, growth in M_2 over the May–June period would remain relatively rapid, although less so than the average rate during the first 4 months of the year. It was expected that thrift institutions' inflows of time and savings deposits other than money market CD's would be dampened by the recent rise in interest rates and that some deposits would be withdrawn in order to make payment in mid-May for the new 10-year, 7⅞ per cent Treasury notes.

It was noted that credit market pressures would be affected by the recent build-up in the calendar of new corporate and State and local government bond issues. In general, demands for intermediate- and long-term funds across all market sectors were likely to remain strong. Moreover, it was not yet clear whether longer-term market rates had fully adjusted to the recent firming in money market conditions.

During the Committee's discussion, it was observed that the recovery in economic activity had proceeded in a satisfactory way, although the rate of unemployment remained high and re-intensification of inflationary pressures was a serious threat. Recent gains in production and employment had been sizable, and a significant expansion in business demands for fixed capital and for inventories appeared to be developing. Altogether, the outlook for economic activity was strong; to some members of the Committee, it appeared stronger than suggested by the staff projections.

The members agreed that growth in monetary aggregates recently had been at unacceptably high rates, especially in view of the longer-run ranges for growth that had been adopted at the preceding meeting. It was observed that the moderate monetary policy that the System had been pursuing had contributed to a return of confidence; that to sustain confidence it was important for the System to demonstrate its intention to resist unduly rapid growth in the monetary aggregates; and that pursuit of that objective would run little or no risk of aborting the recovery in economic activity.

A number of members expressed the view that failure to take additional steps now to restrain growth in the monetary aggregates might confront the Committee with the need to take stronger measures later on, if growth rates were to be held within the longer-run ranges agreed upon at the last meeting. At the same time, it was felt that the System should proceed cautiously because the exceptionally rapid growth in the monetary aggregates recently might be a temporary aberration and because some modest tightening in money market conditions already had taken place.

It was noted that the Federal funds rate had turned up from a level of around 4¾ per cent and had risen 50 basis points in the period since the April meeting and that interest rates in general had increased. Some concern was expressed about the rise in longer-term rates. The observation was also made, however, that rising rates would not have much impact on economic activity until late this year or early next year, and should a strong capital investment boom be under way at that time, prompt action now to restrain monetary growth would be viewed, retrospectively, as especially appropriate.

In general, Committee members favored directing operations in the period immediately ahead toward moderating growth of the monetary aggregates, and they indicated that in pursuit of that end they would accept some modest further firming in money market conditions. However, they differed in their preferences for specifics of operating instructions for the coming period. Most members favored specification of M_1 and M_2 ranges of growth for the May–June period that were close to the longer-run ranges that had been agreed upon at the last meeting. Other members preferred to specify somewhat higher ranges of growth for M_1 and M_2 over the May–June period in recognition of the growth rates that appeared to be already developing. In general, however, they were willing to accept slightly more firming in money market conditions than were members in the first group, should the 2-month rates of growth in the aggregates appear to be approaching or exceeding the upper limits of those higher ranges.

At the conclusion of the discussion the Committee decided to seek bank reserve and money market conditions consistent with moderate growth in monetary aggregates over the period ahead. Specifically, the members agreed that growth in M_1 and M_2 over the May–June period at annual rates within ranges of 4 to 7½ per cent and 5 to 9 per cent, respectively, would be acceptable.

They decided that, in assessing the behavior of the aggregates, approximately equal weight should be given to M_1 and M_2.

The members agreed that until the next meeting the weekly-average Federal funds rate might be expected to vary in a gradual and orderly way within a range of 5 to 5¾ per cent. They also agreed that, in the conduct of operations, account should be taken of developments in domestic and international financial markets.

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

> The information reviewed at this meeting suggests that growth in real output of goods and services is continuing at a vigorous pace in the current quarter. In April recovery in industrial production continued, and gains in employment were large and widespread. However, the civilian labor force also increased substantially, and the unemployment rate continued at 7.5 per cent. Retail sales remained at the March level. The wholesale price index for all commodities rose appreciably in April, reflecting a sharp increase in average prices of farm products and foods and a modest increase in prices of industrial commodities. Over recent months, the index of average wage rates has advanced moderately.
>
> The average value of the dollar against leading foreign currencies has been relatively steady in recent weeks. During the first quarter, there was a sizable U.S. foreign trade deficit, in contrast to the large surpluses in the preceding four quarters.
>
> M_1, which had expanded moderately in February and March, increased sharply in April, reflecting in part a drop in U.S. Government deposits. Inflows of time and savings deposits other than negotiable CD's were strong at banks and nonbank thrift institutions, and M_2 and M_3 increased substantially. In recent weeks, both short- and long-term market interest rates have risen.
>
> In light of the foregoing developments, it is the policy of the Federal Open Market Committee to foster financial conditions that will encourage continued economic recovery, while resisting inflationary pressures and contributing to a sustainable pattern of international transactions.
>
> To implement this policy, while taking account of developments in domestic and international financial markets, the Committee seeks to achieve bank reserve and money market conditions consistent with moderate growth in monetary aggregates over the period ahead.

Votes for this action: Messrs. Burns, Volcker, Balles, Black, Gardner, Jackson, Kimbrel, Partee,

> Wallich, and Winn. Vote against this action: Mr. Coldwell.

Mr. Coldwell dissented because he did not want to provide for the possibility of a rise of as much as ½ percentage point in the Federal funds rate over the next inter-meeting period in addition to the rise of ½ percentage point that had occurred since the last meeting. In his opinion, a further rise of that amount could have an exaggerated effect on expectations in the financial markets, provoking excessive increases in interest rates. Rapid monetary growth recently, he thought, might reflect transitory forces to a significant degree, so that much further tightening in money market conditions over the next few weeks could force consideration later on of the need for a reversal. Accordingly, he favored a range of 5 to 5½ per cent for the weekly-average Federal funds rate until the next meeting and a range of 6 to 10 per cent for the annual rate of growth in M_1 over the May–June period.

2. Release Schedule for the Record of Policy Actions

At this meeting the Committee approved a motion that the record of policy actions for each meeting of the Committee be released to the public shortly after the next regularly scheduled meeting. A publication delay of approximately 45 days had been in effect since early 1975.

> Votes for this action: Messrs. Burns, Volcker, Balles, Black, Gardner, Jackson, Kimbrel, Partee, Wallich, and Winn. Votes against this action: None. Abstention: Mr. Coldwell.

This action was taken to provide information regarding the Committee's policy actions on a more timely basis. Since the majority of meetings are held at 4-week intervals, the delay now will most often be about a month. For the minority of meetings that are followed by a 5-week interval, the delay will be about a week longer.

From mid-1967 to early 1975, a delay of approximately 90 days had been in effect. Prior to mid-1967, when the Committee's Rules Regarding the Availability of Information were changed to comply with the Freedom of Information Act, the records of policy actions were published only in the Board's *Annual Report* to Congress.

In conjunction with the foregoing action, the Committee amended Section 271.5(a) of its Rules Regarding the Availability of Information to delete the sentence reading "For example, the Committee's domestic policy directive adopted at each meeting of the Committee is published in the Federal Register approximately 45 days after the date of its adoption; and no information in the records of the Committee relating to the adoption of any such directive is made available for public inspection or copying before it is published in the Federal Register or is otherwise released to the public by the Committee." With this amendment, Section 271.5(a) reads as follows:

> (a) Deferred availability of information.—In some instances, certain types of information of the Committee are not published in the Federal Register or made available for public inspection or copying until after such period of time as the Committee may determine to be reasonably necessary to avoid the effects described in paragraph (b) of this section or as may otherwise be necessary to prevent impairment of the effective discharge of the Committee's statutory responsibilities.

Votes for this action: Messrs. Burns, Volcker, Balles, Black, Coldwell, Gardner, Jackson, Kimbrel, Partee, Wallich, and Winn. Votes against this action: None.

3. Memorandum of Discussion

At this meeting the Committee approved a motion that the memorandum of discussion be discontinued after the memorandum for the meeting of March 15–16, 1976.

Votes for this action: Messrs. Burns, Volcker, Balles, Black, Gardner, Jackson, Kimbrel, Partee, Wallich, and Winn. Vote against this action: Mr. Coldwell.

This action was taken against the background of the Committee's decision to speed up publication of the records of policy actions, and of its understanding that the policy records would be expanded to include more information concerning members' views on longer-run and current policy. The memoranda of discussion are detailed accounts of proceedings at meetings of the Committee, which have been available to the public 5 years after the end of the year to which they apply. The decision to discontinue these memoranda reflected the Committee's judgment that the benefits derived from them did not justify their relatively high cost, particularly in light of the changes being made in the policy record.

Mr. Coldwell dissented from this action because he felt that the benefits of the memorandum of discussion justified its retention.

4. Foreign Currency Operations

On June 6, following consultations among members of the Foreign Currency Subcommittee of the Federal Open Market Committee, the System agreed that it would stand ready to make available $1 billion to the Bank of England under the existing reciprocal currency arrangement with that Bank. At the same time, the Treasury Department, through the Exchange Stabilization Fund, agreed that it would stand ready to make available $1 billion under a swap arrangement with the Bank of England.

The System and the Treasury participated with central banks of other Group of Ten countries, Switzerland, and the Bank for International Settlements in making available to the Bank of England standby credits totalling $5.3 billion. Those arrangements were made in the light of the recent fall in the value of the pound sterling under exchange market pressures that had led to disorderly market conditions, and in the common interest in the stability and efficient functioning of the international monetary system.

* * * * *

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

Law Department

Statutes, regulations, interpretations, and decisions

Home Mortgage Disclosure

The Board of Governors has added a new Part 203 (Regulation C) to implement the Home Mortgage Disclosure Act of 1975, which requires the disclosure of mortgage loan data by depository institutions that make Federally related mortgage loans as determined by the Board and are located in standard metropolitan statistical areas.

Effective June 28, 1976, a new Part 203 is added to read as follows:

Index to Sections

Section 203.1—Authority, Scope, and Enforcement

(a) **Authority and scope.** This Part comprises the regulations issued by the Board of Governors of the Federal Reserve System pursuant to the Home Mortgage Disclosure Act of 1975 (Title III of Pub. L. 94–200; 89 Stat. 1125 *et seq.*). This Part applies to depository institutions which make Federally related mortgage loans. Nothing in the Act or this Part is intended to, nor shall it be construed to, encourage unsound lending practices or the allocation of credit.

(b) **Administrative enforcement.** As set forth more fully in sections 305 and 306 of the Act, compliance with the provisions of the Act and this Part shall be enforced by the Comptroller of the Currency, the Board of Governors of the Federal Reserve System, the Board of Directors of the Federal Deposit Insurance Corporation, the Federal Home Loan Bank Board (acting directly or through the Federal Savings and Loan Insurance Corporation), and the Administrator of the National Credit Union Administration.

Section 203.2—Definitions

For the purposes of this Part, the following definitions apply unless the context indicates otherwise:

(a) **Act** means the Home Mortgage Disclosure Act of 1975 (Title III of Pub. L. 94–200; 89 Stat. 1125 *et seq.*).

(b) **Branch office** means any office approved as a branch of the depository institution by that depository institution's Federal or State supervisory agency.

(c) **Depository institution** means any commercial bank, savings bank, savings and loan association, building and loan association, homestead association (including cooperative banks), or credit union, which makes Federally related mortgage loans. Any majority-owned subsidiary of a depository institution shall be deemed to be part of its parent depository institution for the purposes of this Part.

(d) **Federally related mortgage loan** means any loan (other than temporary financing such as a construction loan) which (i) is secured by a first lien on residential real property (including individual units of condominiums and cooperatives) that is designed principally for the occupancy of from one to four families and is located in a State; and (ii)(A) is made in whole or in part by a depository institution the deposits or accounts of which are insured by any agency of the Federal Government, or is made in whole or in part by a depository institution which is regulated by any agency of the Federal Government; or (B) is made in whole or in part, or insured, guaranteed, supplemented, or assisted in any way, by the Secretary of Housing and Urban Development or any other officer or agency of the Federal Government or under or in connection with a housing or urban development program administered by any other such officer or agency; or (iii) is intended to be sold by the depository institution that originates the loan to the Federal National Mortgage Association, the Government National Mortgage Association, the Federal Home Loan Mortgage Corporation, or a financial institution from which it is to be purchased by the Federal Home Loan Mortgage Corporation.

(e) **FHA, FmHA, or VA loans** means mortgage loans which are insured under Title II of the National Housing Act or under Title V of the Housing Act of 1949 or which are guaranteed under Chapter 37 of Title 38, United States Code.

(f) **Home improvement loan** means a loan, unsecured or secured by collateral other than a first lien on residential real property, (i) the proceeds of which are to be used for the purpose of repairing, rehabilitating, or remodeling an existing residential dwelling located in a State as stated by the borrower to the lender at the time of the loan transaction, and (ii) that is recorded on the books of the depository institution as a home improvement loan.

(g) **Mortgage loan** means a "residential mortgage loan" as defined in paragraph (h) of this section or a "home improvement loan" as defined in paragraph (f) of this section.

(h) **Residential mortgage loan** means a loan which is secured by a first lien on residential real property located in a State, including a first lien refinancing of an existing loan, but shall not include (i) temporary financing (such as a construction loan), or (ii) purchase of an interest in a pool of mortgage loans (such as mortgage participation certificates issued or guaranteed by the Federal Home Loan Mortgage Corporation, the Government National Mortgage Association, or the Farmers Home Administration), or (iii) a loan made primarily for business or consumer purposes (other than to purchase, repair, rehabilitate or remodel residential real property) but in connection with which a first lien on residential real property is taken as collateral.

(i) **Residential real property** means improved real property used or to be used for residential purposes, including single-family homes, dwellings for from two to four families, multi-family dwellings, and individual units of condominiums and cooperatives.

(j) **State** means any State of the United States of America, the District of Columbia, and the Commonwealth of Puerto Rico.

Section 203.3—Exemptions

(a) The following categories of depository institutions are exempt from the compilation of data and disclosure requirements of sections 203.4 and 203.5 of this Part:

(1) any depository institution that has total assets as of the last day of its last full fiscal year of $10,000,000 or less; or

(2) any depository institution that has neither a home office nor any branch office located in a standard metropolitan statistical area (SMSA) as currently defined by the Office of Management and Budget of the United States Government; or

(3) any State-chartered depository institution subject to the mortgage loan disclosure laws (statutes or regulations) of a State or subdivision thereof that the Board determines, in accordance with the procedures set forth in the Supplement to this Part, contain (i) requirements substantially similar to those imposed under the Act, and (ii) adequate provisions for enforcement.

(b) A depository institution that was exempt on or after the effective date of this Part on the basis of paragraph (a) of this section and that subsequently becomes no longer exempt shall compile the data described in section 203.4 of this Part for each fiscal year beginning with its last full fiscal year ending prior to the date it was no longer exempt, and that last full fiscal year shall be deemed to be a "full fiscal year ending prior to July 1, 1976" for the purposes of section 203.4 of this Part.

Section 203.4—
Compilation of Mortgage Loan Data

(a) **Data to be included.** (1) Each depository institution shall aggregate, separately for each standard metropolitan statistical area (SMSA) in which it has a home office or branch office, its mortgage loan data for each fiscal year beginning with its last full fiscal year ending prior to July 1, 1976, with the exception of mortgage loans described in subsection (4) of this paragraph. Mortgage loan data relating to residential real property located within the relevant SMSA (i.e., the SMSA where a home or branch office is located) shall be segregated from mortgage loan data relating to residential real property located outside the relevant SMSA and shall be itemized by the census tract in which the principal residential real property securing the residential mortgage loan (or, in the case of home improvement loans, the property to be improved) is located (except as provided in subsection (2) of this paragraph) according to the following classifications in a format similar to guideline Form HMDA-1, which is set forth in the appendix to this Part:

(i) FHA, FmHA, or VA loans, except on multi-family dwellings (i.e., dwellings for more than four families), subdivided as to those loans (A) originated and (B) purchased by the depository institution, during that fiscal year;

(ii) residential mortgage loans other than FHA, FmHA, or VA loans and other than loans on multi-family dwellings, subdivided as to those loans (A) originated and (B) purchased by the depository institution, during that fiscal year;

(iii) all residential mortgage loans, except on multi family dwellings, (i.e., sum of classifications (i) and (ii)), subdivided as to those loans (A) originated and (B) purchased by the depository institution, during that fiscal year;

(iv) home improvement loans, except on multi-family dwellings, subdivided as to those loans (A) originated and (B) purchased by the depository institution, during that fiscal year;

(v) all mortgage loans (home improvement loans and residential mortgage loans) on multi-family dwellings, subdivided as to those loans (A) originated and (B) purchased by the depository institution, during that fiscal year; and

(vi) all mortgage loans (home improvement loans and residential mortgage loans), except on multi-family dwellings, made to any borrower who did not, at the time of the loan transaction, intend to reside as his principal dwelling in the property securing the residential mortgage loan (or, in the case of home improvement loans, the property to be improved), subdivided as to those loans (A) originated and (B) purchased by the depository institution, during that fiscal year.

Classifications (i) through (v) include loans to both occupants and non-occupants of the property. Mortage loan data relating to residential real property located outside the relevant SMSA (or relevant SMSA's in the case of a depository institution with home or branch offices in more than one SMSA) shall also be itemized according to classifications (i) through (v) set forth above, but further itemization of that data by census tracts or United States Postal Service ZIP codes is not required.

(2) Mortgage loan data relating to residential real property located within the relevant SMSA may be itemized, according to the classifications specified in subsection (1) of this paragraph, by United States Postal Service ZIP codes for the area in which the principal residential real property securing the residential mortgage loan (or, in the case of home improvement loans, the property to be improved) is located, in lieu of census tracts, to the extent that such data relate to:

(i) a full fiscal year ending prior to July 1, 1976; or

(ii) a part of a fiscal year if that part ends on June 30, 1976, provided that a mortgage loan disclosure statement for that part of the fiscal year is made available by the depository institution by September 30, 1976, and a separate mortgage loan disclosure statement for the remaining part of that fiscal year (itemizing mortgage loan data relating to residential real property within the relevant SMSA by census tracts) is made available by the depository institution within ninety days of the end of that fiscal year; or

(iii) residential real property located in an area of a currently defined relevant SMSA that is not tracted on the maps (as a portion of then-defined SMSA's or otherwise) in the series "1970 Census of Population and Housing: CENSUS TRACTS, Final Reports, PHC(1) Series" prepared by the Bureau of the Census of the United States Department of Commerce.

(3) Mortgage loan data to be compiled as described in this paragraph shall be in terms of number of loans and total dollar amounts (original principal amounts of loans originated by the institution to the extent of its interest, where the loan is made jointly or cooperatively, and unpaid principal balances of loans purchased by the depository institution, to the extent of its interest in such purchased loans), except that, in the case of purchased home improvement loans, the amount to be reported may include the unpaid finance charges. The compilations shall be on an annual basis and relate to mortgage loans originated or purchased solely during the relevant fiscal year.

(4)(i) A depository institution shall not include in its mortgage loan data to be compiled pursuant to paragraph (a) of this section:

(A) a refinancing that it originates involving no increase in the outstanding balance of the principal due on the existing loan where the depository institution and the borrower are the same parties to the existing loan and the refinancing; and

(B) a loan originated or purchased by the depository institution acting as trustee or in some other fiduciary capacity.

(ii) For the purpose of compiling mortgage loan data pursuant to paragraph (a) of this section with respect to a full fiscal year ending prior to July 1, 1976, a depository institution may—

(A) notwithstanding the definition contained in section 203.2(f) of this Part, itemize as home improvement loans those loans that it has classified as home improvement loans for the purposes of State law, provided that no loans secured by first liens on residential real property shall be included as home improvement loans in the mortgage loan disclosure statement and reference is made in the disclosure statement to the State law definition of home improvement loan that is being utilized; or

(B) omit, at its option, any mortgage loan that was (1) both originated and either sold or paid in full during such fiscal year, or (2) both purchased and either sold or paid in full during such fiscal year, provided that the depository institution consistently applies this option with respect to all loans in those categories and clearly states in its mortgage loan disclosure statement for that year that such data have been omitted.

(b) **Applicable SMSA's, census tracts and ZIP codes.** (1) For the purpose of determining whether a mortgage loan is to be included in the classifications relating to residential real property within the relevant SMSA as described in paragraph (a) of this section (but not for the purpose of determining exemptions pursuant to section 203.3(a)(2) of this Part), the applicable areas of the relevant SMSA shall be those as defined by the Office of Management and Budget of the United States Government and in effect on June 28, 1976, or the first day of the fiscal year to which the mortgage loan disclosure statement relates, whichever is the later date.

(2) Applicable census tract numbers and boundaries shall be those appearing on the census tract maps in the series "1970 Census of Population and Housing: CENSUS TRACTS, Final Reports, PHC(1) Series" prepared by the Bureau of the Census, United States Department of Commerce. If the number itself would be duplicated in the mortgage loan disclosure statement for the relevant SMSA, the county, city, or town that uniquely identifies the census tract shall be identified in that disclosure statement.

(3) An applicable ZIP code shall be that for the area in which the principal residential real property securing the residential mortgage loan (or, in the case of home improvement loans, the property to be improved) is located. No depository institution is obligated to revise its mortgage loan data to reflect official changes of ZIP code numbers or boundaries made after the ZIP code for a particular loan is recorded.

(4) Nothing contained in this paragraph is intended to prohibit the use of maps, directories, computer programs, or the like that have more recent definitions of the applicable SMSA areas than those specified in subsection (1) of this paragraph, provided that every mortgage loan relating to residential real property within the applicable areas of the relevant SMSA as specified in subsection (1) of this paragraph or within the areas of the relevant SMSA as more recently defined shall be included in the data to be itemized by census tracts or ZIP codes as required by paragraph (a) of this section. If such updated revisions are utilized, the mortgage loan disclosure statement shall indicate the source of the revision.

(c) **Applicable presumption.** For the purpose of compiling mortgage loan data described in paragraph (a) of this section, a depository institution may presume (unless its records relating to that loan contain information to the contrary) with respect to any mortgage loan originated prior to June 28, 1976, or purchased at any time, that the borrower intended, at the time of the loan transaction, to reside as his principal dwelling in the property securing the residential mortgage loan (or, in the case of home improvement loans, the property to be improved), if such property is a residential dwelling used or to be used by from one to four families.

Section 203.5—Disclosure Requirements

(a) **Dates disclosure statements due.** (1) Each depository institution shall make available to the public by the following dates mortgage loan disclosure statements required to be compiled pursuant to section 203.4 of this Part:

(i) September 30, 1976, in the case of a disclosure statement relating to a full fiscal year ending prior to July 1, 1976, except as provided in subsection (2) of this paragraph;

(ii) within ninety days of the end of the relevant fiscal year in the case of a disclosure statement that relates to a full fiscal year ending subsequent to June 30, 1976; and

(iii) within ninety days of the date a depository institution becomes no longer exempt in the case of the initial disclosure statement required pursuant to section 203.3(b) of this Part.

(2) If an application for an exemption is filed by September 30, 1976, pursuant to section 203.3(a)(3) of this Part, a State-chartered depository institution subject to the mortgage disclosure laws of a State or subdivision thereof being con-

sidered in the application shall not be required to compile and make available to the public a mortgage loan disclosure statement relating to a full fiscal year ending prior to July 1, 1976, while the application is pending before the Board. If the State-chartered depository institution is not granted an exemption by the Board's determination on the application, that depository institution shall make the disclosure statement for that fiscal year available within sixty days of the date of the Board's determination.

(3) Any mortgage loan disclosure statement required to be made available shall be maintained and made available for a period of five years after the close of the first fiscal year during which that disclosure statement is required to be maintained and made available.

(b) **Offices at which disclosure statements to be made available.** (1) Except as provided in subsection (2) of this paragraph, each depository institution shall make available to the public disclosure statements required to be compiled pursuant to section 203.4 of this Part, by the dates specified in paragraph (a) of this section, at its home or branch offices, as follows:

(i) in the case of depository institutions that have home or branch offices in only one SMSA, the entire mortgage loan disclosure statement shall be made available at the home office and at least at one branch office at the home office and at least at one branch office (if there is such a branch office) within that SMSA; and

(ii) in the case of depository institutions that have home and branch offices in more than one SMSA, (A) the entire mortgage loan disclosure statement (relating to all SMSA's with respect to which the depository institution is required to compile mortgage loan data) shall be made available at the home office and (B) the entire mortgage loan disclosure statement shall also be made available at least at one branch office within every SMSA where the depository institution has branch offices (including the SMSA where the home office is located), except that the disclosure statement at a particular branch office need not include census tract or ZIP code itemizations with respect to relevant SMSA's other than the SMSA in which the particular branch office is located provided that aggregated data from the disclosure statement with respect to each of those other relevant SMSA's (i.e., the column totals of Section I of the appendix to this Part) are furnished.

(2) Any depository institution all of whose offices (home and branch) are located where there is no general public access shall make available mortgage loan disclosure statements required to be compiled pursuant to section 203.4 of this Part, by the dates specified in paragraph (a) of this section, in either of the following ways:

(i) it shall designate a place convenient and accessible to the public within the SMSA of its home office where the entire mortgage loan disclosure statement (relating to all SMSA's with respect to which it is required to compile mortgage loan data) will be available at reasonable times, and shall designate a convenient and accessible place within every other SMSA where it has a branch office, at which designated place will also be made available the entire mortgage loan disclosure statement except for the omission, at the option of the depository institution, of census tract or ZIP code itemizations with respect to relevant SMSA's other than the SMSA where the particular branch is located provided that aggregated data from the disclosure statement with respect to each of those other relevant SMSA's (i.e., the column totals of Section I of the appendix to this Part) are furnished; or

(ii) it shall promptly furnish by mail to anyone requesting the information a copy of a required mortgage loan disclosure statement, imposing no more than a reasonable charge for the cost of reproduction of the data.

(3) A depository institution shall make appropriate efforts at least once each year to notify its depositors of the availability of its mortgage loan data, such as by (i) inserting a notice in a periodic account statement or other communication to depositors, (ii) posting a notice in the lobbies of its home and branch offices located in SMSA's for at least one month, or (iii) publishing a notice in a newspaper or newspapers of general circulation in the SMSA's in which its home and branch offices are located.

(4) Upon request, any office of a depository institution shall promptly provide information regarding the location of any office or designated place of that depository institution at which mortgage loan disclosure statements are available.

(c) **Manner of making disclosure statements available.** Each office or designated place of a depository institution that is required pursuant to paragraph (b) of this section to make a mortgage loan disclosure statement available shall make such a mortgage loan disclosure statement available to anyone requesting it for inspection or copying during the hours in which such office or designated place is normally open to the public for business. If a depository institution makes reproduction facilities available, it may impose a reasonable charge for the cost of reproduction of the data.

Section 203.6—Sanctions for Violations

(a) A violation of the Act or this Part is subject to sanctions as provided in section 305 of the Act.

(b) An error in compiling or disclosing required mortgage loan data shall not be deemed to be a violation of the Act or this Part if the error was unintentional and resulted from a *bona fide* mistake notwithstanding the maintenance of procedures reasonably adopted to avoid any such error.

Section 203.7—Effective Date

This Part shall be effective on June 28, 1976.

Supplement to Part 203

PROCEDURES FOR AN APPLICATION FOR EXEMPTION PURSUANT TO PARAGRAPH (a)(3) OF SECTION 203.3

(a) **Application.** Any State or subdivision thereof,[1] State-chartered depository institution, or association of State-chartered depository institutions, may make application to the Board pursuant to the terms of this Supplement and the Board's Rules of Procedure (12 CFR 262) for a determination that, under the laws of that State or municipality,[2] a State-chartered depository institution is subject to requirements substantially similar to those imposed by Regulation C (12 CFR 203) and that there is adequate provision for enforcement of such requirements.

(b) **Supporting documents.** The application, which may be made by letter, shall be accompanied by (1) a copy of the full text of the laws of the State or municipality which are claimed by the applicant to impose requirements substantially similar to those imposed by this Regulation; (2) a statement of reasons to support the claim that applicable requirements of the laws of the State or municipality are substantially similar to all requirements imposed under this Regulation including an explanation of reasons as to why any differences are not significant; (3) a copy of the full text of the laws of the State or subdivision thereof which provide for enforcement of the State laws referred to in item (1) of this paragraph; and (4) an undertaking to inform the Board within 30 days of the occurrence of any change in the applicable law or regulations of the State or municipality.

(c) **Public notice of filing.** In connection with any application which has been filed in accordance with the requirements of paragraphs (a) and (b), notice of such filing will be published by the Board in the *Federal Register*, and a copy of such application will be made available for examination by interested persons during business hours at the Board and at the Federal Reserve Bank of each Federal Reserve District in which the applicant is situated. A period of time will be allowed from the date of such publication for the Board to receive written comments from interested persons with respect to that application. Should multiple applications be received with respect to the laws of the same State or municipality, the Board may, in its discretion, (1) consolidate the notice of receipt of all such applications in one *Federal Register* notice, and (2) dispense with publication of the notice of applications received after publication of the notice of an application relating to the laws of the same State or municipality.

(d) **Exemption from requirements.** If the Board determines on the basis of the information before it that under the laws of a State or municipality some or all State-chartered depository institution(s) are subject to requirements substantially similar to those imposed by this Regulation, and that there is adequate provision for enforcement of such requirements, the Board will exempt those State-chartered depository institutions in that State or municipality that are subject to such requirements from the requirements of the Act and the Board's regulations in the following manner: (1) Notice of the exemption will be published in the *Federal Register* and the Board will furnish a copy of such notice to the applicant, to each State or municipal authority responsible for administrative enforcement of the laws of the State or municipality, to the regulatory authorities specified in section 305(b) of the Act, and to each interested person who has participated in the proceeding. (2)

[1] Hereinafter referred to as a municipality.

[2] Any reference to the laws of a State or municipality in this Supplement includes a reference to any regulations which implement such laws and official interpretations thereof, and to regulations of a State or municipal agency or department having jurisdiction over a class or classes of depository institutions.

The Board will inform the appropriate official of any State or municipality in which State-chartered depository institutions that have received an exemption are located of any subsequent amendments of the Act (including the implementing provisions of this Part and published interpretations of the Board) which might call for amendment of the law, regulations or official interpretations of the State or municipality.

(e) **Revocation of exemption.** (1) The Board reserves the right to revoke any exemption if it at any time determines that the laws of a State or municipality do not in fact impose requirements which are substantially similar to those imposed by this Regulation or that there is not in fact adequate provision for enforcement. (2) Notice of the Board's intention to revoke any exemption previously granted shall be published in the *Federal Register* and shall be transmitted to the appropriate official of the State or municipality. A period of time will be allowed from the date of publication for the Board to receive written comments from interested persons with respect to the proposed revocation. (3) In the event of revocation of such exemption, notice of such revocation shall be published by the Board in the *Federal Register* and a copy of such notice shall also be furnished to the appropriate official of the State or municipality and to regulatory authorities specified in section 305(b) of the Act.

FORM HMDA-1
(Pursuant to Public Law 94–200)

MORTGAGE LOAN DISCLOSURE STATEMENT
(Specimen Form)

Name of Depository Institution ____________________

Relevant SMSA ____________________

Reporting Period ____________________

Federal Enforcement Agency for this Institution

Name ____________________

Address ____________________

PART A ORIGINATIONS

Section I Mortgage loan data relating to residential real property located within the relevant SMSA

	Loans to both Occupants and Non-occupants of the Property										Addendum Item	
CENSUS TRACT or ZIP CODE (in numerical sequence)	FHA, FmHA or VA LOANS (except on multi-family dwellings)		OTHER RESIDENTIAL MORTGAGE LOANS ("Conventional") (except on multi-family dwellings)		TOTAL RESIDENTIAL MORTGAGE LOANS (except on multi-family dwellings)		TOTAL HOME IMPROVEMENT LOANS (except on multi-family dwellings)		TOTAL MORTGAGE LOANS ON MULTI-FAMILY DWELLINGS		NON-OCCUPANT LOANS (except on multi-family dwellings)	
	No. of Loans	Principal Amount	No. of Loans	Principal Amount	No. of Loans	Principal Amount	No. of Loans	Principal Amount	No. of Loans	Principal Amount	No. of Loans	Principal Amount
Column Totals												

Section II Mortgage loan data relating to residential real property located outside the relevant SMSA (or SMSA's)

See Instructions

MORTGAGE LOAN DISCLOSURE STATEMENT (cont.)

(Specimen Form)

PART B PURCHASED LOANS

Section I Mortgage loan data relating to residential real property located within the relevant SMSA

	Loans to both Occupants and Non-occupants of the Property										Addendum Item	
CENSUS TRACT or ZIP CODE (in numerical sequence)	FHA, FmHA or VA LOANS (except on multi family dwellings)		OTHER RESIDENTIAL MORTGAGE LOANS ("Conventional") (except on multi-family dwellings)		TOTAL RESIDENTIAL MORTGAGE LOANS (except on multi-family dwellings)		TOTAL HOME IMPROVEMENT LOANS (except on multi-family dwellings)		TOTAL MORTGAGE LOANS ON MULTI-FAMILY DWELLINGS		NON-OCCUPANT LOANS (except on multi-family dwellings)	
	No. of Loans	Principal Amount	No. of Loans	Principal Amount	No. of Loans	Principal Amount	No. of Loans	Principal Amount	No. of Loans	Principal Amount	No. of Loans	Principal Amount
Column Totals												

Section II Mortgage loan data relating to residential real property located outside the relevant SMSA (or SMSA's)

Instructions:

1. Data may be rounded to nearest thousands of dollars.
2. If more than one SMSA is involved, the relevant SMSA should be indicated next to the tract number or, preferably, separate pages should be used.
3. If the tract number is duplicated within a SMSA, the county, city or town that uniquely identifies the number should be stated next to the number.
4. Whenever a ZIP code number is permitted to be used, it should be preceded by the letter "Z".
5. If the statement is prepared on the basis of the definition of the relevant SMSA that is more recent than that in effect on the first day of the reporting period, so indicate.
6. Census tract numbers are those appearing on the maps in the Bureau of the Census 1970 PHC(1) series, but computer coding is permissible if explained on the statement.
7. "Multi-family dwellings" means residential dwellings for more than four families.
8. The column "Total Residential Mortgage Loans" should equal the sum of the preceding two columns (except for rounding).
9. This statement must be retained and made available for a period of five years from the last day of the reporting period.
10. If census tract itemization is required, the relevant tract maps should be conveniently made available with the statement.

Reserves of Member Banks

Interest on Deposits

The Board of Governors has amended its Regulations D and Q to provide greater flexibility in the issuance by member banks of subordinated notes and debentures that are considered part of the bank's capital structure obligations and believes that it is important for the banking supervisor to scrutinize the condition of the issuing bank prior to such repayment.

Effective July 26, 1976, Regulations D and Q are amended as follows:

1. Section 204.1 of Regulation D is amended as follows:

Section 204.1—Definitions

* * * * *

(f) **Deposits as including certain promissory notes and other obligations.** For the purposes of this Part, the term "deposits" also includes a member bank's liability on any promissory note, acknowledgment of advance, due bill, banker's acceptance, or similar obligation (written or oral) that is issued or undertaken by a member bank as a means of obtaining funds to be used in its banking business, except any such obligation that:

* * * * *

(3) (i) bears on its face, in bold-face type, the following: "This obligation is not a deposit and is not insured by the Federal Deposit Insurance Corporation";

is subordinated to the claims of depositors, is unsecured, and is ineligible as collateral for a loan by the issuing bank and also expressly states said provisions on its face; has an original maturity of at least seven years, or, in the case of an obligation or issue that provides for any type of scheduled repayments of principal, has an average maturity[7] of at least seven years[8] and provides that once any such repayment of principal begins, all scheduled repayments shall be made at least annually and the amount repaid in each year is no less than in the prior year; is issued subject to a requirement that no repayment (other than a regularly scheduled repayment already approved by the appropriate Federal bank regulatory agency), including but not limited to a payment pursuant to acceleration of maturity, may be made without the prior written approval of the appropriate Federal bank regulatory agency;[9] is in an amount of at least \$500, *Except,* That the appropriate Federal bank regulatory agency may approve the issuance of an obligation that is less than \$500 if such lesser amount is necessary (a) to satisfy the preemptive rights of shareholders in the case of a convertible debt obligation, (b) to maintain a ratable unit offering to holders of preemptive rights in the case of an obligation issued exclusively as part of a unit including shares of stock which are subject to such preemptive rights, or (c) to satisfy shareholders' ratable claims in the case of an obligation issued wholly or partially in exchange for shares of voting stock or assets pursuant to a plan of merger, consolidation, reorganization, or other transaction where the issuer will acquire either a majority of such shares of voting stock or all or substantially all of the assets of the entity whose assets are being acquired; and has been approved by the appropriate Federal bank regulatory agency as an addition to the capital structure of the issuing bank; or (ii) meets all of the requirements in the preceding clause except the maturity requirement or the requirement that scheduled repayments shall be in amounts at least equal to those made in a previous year, and with respect to which the appropriate Federal bank regulatory agency has determined that exigent circumstances require the issuance of such obligations without regard to the provisions of this Part; or (iii) was issued or publicly offered before June 30, 1970, with an original maturity of more than two years; or

* * * * *

2. Section 217.1 of Regulation Q is amended as follows:

Section 217.1—Definitions

* * * * *

(f) **Deposits as including certain promissory notes and other obligations.** For the purposes of this Part, the term "deposits" also includes a

[7] The "average maturity" of an obligation or issue repayable in scheduled periodic payments shall be the weighted average of the maturities of all such scheduled repayments.

[8] In a serial issue, the member bank may offer no note with a maturity of less than five years.

[9] For the purposes of this Part, the "appropriate Federal bank regulatory agency" is the Comptroller of the Currency in the case of a national bank and the Board of Governors in the case of a State member bank.

member bank's liability on any promissory note, acknowledgment of advance, due bill, or similar obligation (written or oral) that is issued or undertaken by a member bank principally as a means of obtaining funds to be used in its banking business, except any such obligation that:

* * * * *

(3)(i) bears on its face, in bold-face type, the following: "This obligation is not a deposit and is not insured by the Federal Deposit Insurance Corporation";

is subordinated to the claims of depositors, is unsecured, and is ineligible as collateral for a loan by the issuing bank and also expressly states said provisions on its face; has an original maturity of at least seven years, or , in the case of an obligation or issue that provides for any type of scheduled repayments of principal, has an average maturity[6] of at least seven years[7] and provides that once any such repayment of principal begins, all scheduled repayments shall be made at least annually and the amount repaid in each year is no less than in the prior year; is issued subject to a requirement that no repayment (other than a regularly scheduled repayment already approved by the appropriate Federal bank regulatory agency), including but not limited to a payment pursuant to acceleration of maturity, may be made without the prior written approval of the appropriate Federal bank regulatory agency;[8] is in an amount of at least $500, *Except*, That the appropriate Federal bank regulatory agency may approve the issuance of an obligation that is less than $500 if such lesser amount is necessary (a) to satisfy the preemptive rights of shareholders in the case of a convertible debt obligation, (b) to maintain a ratable unit offering to holders of preemptive rights in the case of an obligation issued exclusively as part of a unit including shares of stock which are subject to such preemptive rights, or (c) to satisfy shareholders' ratable claims in the case of an obligation issued wholly or partially in exchange for shares of voting stock or assets pursuant to a plan of merger, consolidation, reorganization, or other transaction where the issuer will acquire either a majority of such shares of voting stock or all or substantially all of the assets of the entity whose assets are being acquired; and has been approved by the appropriate Federal bank regulatory agency as an addition to the capital structure of the issuing bank; or (ii) meets all of the requirements in the preceding clause except the maturity requirement or the requirement that scheduled repayments shall be in amounts at least equal to those made in a previous year; and with respect to which the appropriate Federal bank regulatory agency has determined that exigent circumstances require the issuance of such obligations without regard to the provisions of this Part; or (iii) was issued or publicly offered before June 30, 1970, with an original maturity of more than two years; or

* * * * *

3. As an incident to these amendments, footnotes are renumbered as follows:

a. In Regulation D (12 CFR 204), footnotes 5a, 6, 7, and 8 are renumbered 6, 10, 11, and 12, respectively.

b. In Regulation Q (12 CFR 217), footnotes 5a, 6, 6a, and 7 are renumbered 9, 10, 11, and 12, respectively.

* * * * *

In connection with its adoption of the regulatory amendments described herein, the Board has approved issuance of criteria to be applied in evaluating requests by State member banks for approval of new issues of subordinated notes and debentures "as an addition to the capital structure of the issuing bank." Proposed guideline criteria were released for comment by the Board on July 2, 1975, along with the proposed regulatory amendments, and the Board has revised the proposals based upon its own findings and review of the comments received.

Application of the criteria adopted today is intended to promote the accumulation by debt-issuing State member banks of an adequate cushion of equity capital, protect against excessive concentrations of debt repayment in any one year, and prevent the inclusion of terms in such issues that could be regarded as in conflict with safe and sound banking practices. The Board believes that publication of the criteria will enable banks to better plan their financing alternatives. In applying

[6] The "average maturity" of an obligation or issue repayable in scheduled periodic payments shall be the weighted average of the maturities of all such scheduled repayments.

[7] In a serial issue, the member bank may offer no note with a maturity of less than five years.

[8] For the purposes of this Part, the "appropriate Federal bank regulatory agency" is the Comptroller of the Currency in the case of a national bank and the Board of Governors in the case of a State member bank.

these criteria to a proposed issue, the Board will consider a full range of financial and other data.

Criteria for Evaluating a Subordinated Debt Issue as an Addition to the Capital Structure of a State Member Bank

In evaluating a bank's capacity to issue debt under the following criteria, the Board will take into account the full range of financial and other information available to the Board regarding the applicant. Such indicators and considerations include the recent trend and stability of earnings, impact of unusual income and expense developments on recent earnings, recent acquisitions or mergers through purchase of assets, prospective growth of the bank, quality of management, quality of assets, earnings coverage of loan losses, sensitivity of interest income and expense to changes in market rates, degree of reliance on potentially volatile sources of funds, and the relative strength of earnings of nonbank affiliates or subsidiaries. The bank's need for additional capital and the accessibility of additional equity also will be taken into account.

1. *Maximum ratio of debt to equity.* The total amount of subordinated notes and debentures outstanding, including the debt proposed to be issued but excluding any debt to be retired out of the proceeds of the new issue, should not exceed 50 percent of a bank's equity capital base at time of issuance of the new debt.[1] However, banks with significant asset or management problems generally would not be presumed to be entitled to issue debt capital up to the 50 per cent ceiling.

2. *Earnings coverage of fixed charges.* A State member bank proposing to issue subordinated debt should demonstrate that its recent income record is sufficient to provide abundant assurance of that bank's continuing ability to pay the additional fixed charges out of current earnings.[2]

3. *Retained net income.* A State member bank proposing to issue subordinated debt should demonstrate that its recent level of retained net income, viewed in conjunction with intended dividend policy, would exceed annual *pro forma* amortization on all subordinated notes and debentures by a sufficient margin to assure that bank's ability to replace each debt issue with equity by maturity.[3]

4. *Avoidance of debt repayment concentrations.* A State member bank proposing to issue subordinated debt should avoid excessive concentration of debt repayment in any one year.

5. *Approval of interbank debt transactions.* In general, the Board does not intend to approve as an addition to the issuing bank's capital structure a subordinated note or debenture issued by a State member bank directly or indirectly (through a holding company or otherwise) to a banking organization other than its parent bank holding company where that issue, together with other subordinated debt outstanding at that bank and held by such banking organizations, would exceed \$2 million unless specifically authorized as such an addition by the Board of Governors upon a presentation and finding of compelling circumstances.[4]

6. *Covenants in conflict with safe and sound banking practices.* No indenture or other contract covering the issuance of a subordinated note or

[1] A bank's equity capital base, for purposes of this test, is considered to include capital stock, surplus, undivided profits, capital reserves, and all reserves for losses on loans, including any related deferred tax liability.

[2] Definitions:

"Income" is defined as income before taxes and before fixed charges, including securities gains and losses, excluding extraordinary charges and credits, and adjusted where necessary to reflect actual net loan loss experience (charge-offs less recoveries) rather than other "provision for loan losses," plus an adjustment for earnings on the proceeds of the proposed issue equal to annual interest charges before taxes on the proposed issue.

"Fixed charges" is defined as annual interest charges before taxes on all existing debt, net of debt to be retired out of the proceeds of the new issue, plus those on the debt proposed to be issued. Fixed charges on existing debt would include annual interest on all outstanding mortgage debt and subordinated notes and debentures, plus the annual interest component in any payments, net of sublease income, under lease contracts having an original maturity of one year or more (or if the interest component is not readily ascertainable, one-third of annual payments net of sublease income under such contracts may be substituted).

[3] Definitions:

"Retained net income" is defined as net income after taxes minus dividends declared on common and preferred stock. In most circumstances banks which have issued additional shares of equity capital would receive credit for these new issues as if they had been part of retained net income.

"*Pro forma* amortization" is calculated for each issue of subordinated debt, including the proposed new issue but excluding debt to be retired out of the proceeds of the new issue, by dividing the original amount of the issue by the number of years from date of issue to maturity. Total *pro forma* amortization would be the sum of annual *pro forma* amortization for all such subordinated debt issues.

[4] "Banking organization," for purposes of this criterion, is defined as any commercial bank, mutual savings bank, bank holding company, or nonbank affiliate of a bank holding company.

debenture by a State member bank shall include any covenants, restrictions, or other terms that are determined by the Board to be inconsistent with safe and sound banking practices. Examples of such terms are those regarded as impairing the ability of the bank to comply with statutory or regulatory requirements regarding disposition of assets or incurrence of additional debt, limiting the ability of the Board or the chartering authority to take any necessary action to resolve a problem bank situation, or unduly interfering with the ability of the bank to conduct normal banking operations.

* * * * *

Interpretation of Regulation Q

Serial, sinking fund redemption, and amortized issues as capital. On June 16, 1976, the Board amended § 204.1(f)(3) of Regulation D and § 217.1(f)(3) of Regulation Q to permit member banks to issue subordinated notes and debentures with weighted average maturities of at least seven years. When such issues satisfy all of the requirements of those sections and have been approved by the appropriate regulatory agencies, funds obtained from such issues will be regarded as an addition to capital and exempt from deposit treatment. *In connection with those amendments, this* interpretation is intended to describe more fully the method for the computation of weighted average maturity.

Member banks should compute the weighted average maturity on serial issues, sinking fund issues, and amortized obligations as follows: (1) determine to the nearest month the maturity from the initial offering date of each set of notes maturing or to be called on the same day, or of each scheduled repayment in the case of an amortized issue, and multiply that maturity by the amount to mature or be redeemed or repaid on that day; (2) sum the weighted maturities computed in (1) above for the entire issue; and (3) divide the sum calculated in (2) above by the total amount of the issue, thus obtaining the average maturity. The average maturity must in all cases be equal to or greater than seven years unless specific authorization has been obtained from the appropriate Federal bank regulatory agency.

As an example of the procedure described above, assume that on July 31, 1976, Bank X obtains approval from the Board and issues a $10 million sinking fund issue. $1 million of the notes are to be called on August 1, 1979, and $1 million per year thereafter until all remaining notes are called on August 1, 1986. The table below summarizes Bank X's issue and illustrates the calculation of average maturity.

(1) Maturity in Years	(2) Amount Maturing ($ million)	(3) Weighted Maturity (1) × (2)
1	0	0
2	0	0
3	1	3
4	1	4
5	1	5
6	1	6
7	1	7
8	1	8
9	1	9
10	3	30
	10	72

$$\text{Average Maturity} = \frac{\text{Sum of Weighted Maturities}}{\text{Amount of issue}} = \frac{72}{10} = 7.2 \text{ years}$$

Hence, Bank X's issue has an "average maturity of at least 7 years," and satisfies the provisions of the Regulation.

* * * * *

Rules Regarding Delegation of Authority

The Board of Governors has amended its Rules Regarding Delegation of Authority to delegate to the Secretary of the Board authority to conform its published rules to administrative changes in the structure of the Board's staff.

Effective June 23, 1976, Section 265.2(a)(16) is added to read as follows: •

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

(a) **The Secretary of the Board** (or, in his absence, the Acting Secretary) is authorized:

* * * * *

(16) Under the provisions of Section 11(i) of the Federal Reserve Act (12 U.S.C. 248(i)) to conform references to administrative positions or units in outstanding rules and regulations of the Board to changes in the administrative structure of the Board.

Interpretation of Regulation D

Cash Items in the Process of Collection. As a result of involvement in automated arrangements in which payment information is contained on magnetic tape, paper listings, etc., rather than checks, a number of member banks have inquired as to the proper reserve requirement treatment for payroll, Federal recurring payments, and other items received for credit to a customer's account in such arrangements.

Where payment information is sent to a member bank prior to the date credit is passed for the item, some banks have been crediting their customers on the date prior to that payment date to ensure that such deposit is available to the depositor at opening of business on the payment date. Such procedure, however, results in an increase in reported member bank deposits even though the member bank does not itself receive credit for the funds until the next day. Some member banks have inquired as to whether the account "cash items in the process of collection" may be debited in an amount equal to the amount credited on the date prior to the payment date.

Section 19(g) of the Federal Reserve Act (12 U.S.C. 465) permits a member bank to deduct "cash items in the process of collection" as defined by the Board. Section 204.2(b) of Regulation D provides that cash items may be deducted from gross demand deposits, and § 204.1(h)(3) defines cash items in the process of collection as "those customarily cleared or collected by banks as cash items." The deduction was intended, in part, to avoid the "double counting" by member banks of their deposits subject to reserves. Furthermore, due to the spread of automated arrangements, it has become customary to treat such automated payments as "cash items." Because double counting would arise in circumstances described above, and in view of the fact that automated arrangement are now customary practices, the Board believes that banks are permitted to debit the account "cash items in the process of collection" in such amounts.

Order Granting Temporary Suspension of Early Withdrawal Penalty

The Board has suspended temporarily the Regulation Q penalty for the withdrawal of time deposits prior to maturity from member banks (12 CFR 217.4(d)) for depositors affected by the collapse of the Teton Dam on June 5, 1976. On June 6, 1976, the President, pursuant to Section 301 of the Disaster Relief Act of 1974 (42 U.S.C. 5141), designated the following Idaho counties a major disaster area: Bingham, Bonneville, Fremont, Jefferson, and Madison. The Board regards the President's action as recognition by the Federal Government that a disaster of major proportions has occurred. The President's designation enables victims of the disaster to qualify for special emergency financial assistance. The Board believes it appropriate to provide an additional measure of assistance to flood victims by temporarily suspending the Regulation Q early withdrawal penalty.[1] The Board's action permits a member bank to pay a time deposit before maturity without imposing this penalty upon a showing that the depositor has, in fact, suffered property or other financial loss in the disaster area as a result of the collapse of the Teton Dam. A member bank should obtain from a depositor seeking to withdraw a time deposit pursuant to this action a signed application describing fully the disaster-related loss. This application should be approved and certified by an officer of the bank. This action will be retroactive to June 6, 1976, and will remain in effect until 12 midnight December 31, 1976.

Section 19(j) of the Federal Reserve Act (12 U.S.C. 371b) provides that no member bank shall pay any time deposit before maturity except upon such conditions and in accordance with such rules and regulations as may be prescribed by the Board. Pursuant to § 19(j) the Board has determined it to be in the overriding public interest to suspend the penalty provision prescribed in § 217.4(d) of Regulation Q for the benefit of depositors suffering disaster-related losses within those counties of the State of Idaho officially designated a major disaster area by the President. This action will be effective from June 6, 1976, until 12 midnight December

[1] Section 217.4(d) of Regulation Q provides that where a time deposit, or any portion thereof, is paid before maturity, a member bank may pay interest on the amount withdrawn at a rate not to exceed that currently prescribed for a savings deposit and that the depositor shall forfeit three months of interest payable at such rate.

31, 1976. The Board, in granting this temporary suspension, encourages member banks to permit penalty-free withdrawal before maturity of time deposits for depositors who have suffered disaster-related losses within the designated disaster area.

In view of the urgent need to provide immediate assistance to relieve the financial hardship being suffered by persons directly affected by the severe damage and destruction occasioned by the collapse of the Teton Dam, the Board finds that good cause exists for dispensing with notice and public participation referred to in section 553(b) of Title 5 of the United States Code with respect to this action and that public procedure with regard to this action would be contrary to the public interest. Because of the need to provide assistance as soon as possible and because the Board's action relieves a restriction, the Board finds that there is good cause to make the action effective immediately.

By order of the Board of Governors, June 25, 1976.

Credit by Banks for the Purpose of Purchasing or Carrying Margin Stocks

Pursuant to the authority of Section 7 of the Securities Exchange Act of 1934 (15 U.S.C. 78g), the Board of Governors has adopted a revised Federal Reserve Form U-1, "Statement of Purpose of a Stock-Secured Extension of Credit by a Bank," effective September 1, 1976.[1] This form is for use by banks in fulfilling certain requirements of Part 221 of Title 12 (Regulation U).

On February 7, 1968, the Board published a notice in the Federal Register (33 F.R. 2702) announcing, *inter alia*, that, effective March 11, 1968, Section 221.3(a) of Regulation U is amended to add a requirement that a bank shall obtain and keep for a prescribed period in connection with any stock-secured loan, on a form prescribed by the Board, a statement relating to the purpose of the loan by (i) the customer and (ii) the officer extending the credit. The Board commented that the changes in Section 221.3(a) of Regulation U were designed to make uniform the evidentiary requirements of such section.

Pursuant to and simultaneously with the notice of amendment to Section 221.3(a), the Board published in the Federal Register on February 7, 1968 (33 F.R. 2721), a notice of adoption, effective March 11, 1968, of, *inter alia*, Federal Reserve Form U-1, "Statement of Purpose of the Proceeds of a Stock-Secured Extension of Credit by a Bank," for use by banks in implementing and fulfilling the requirements of that Section.

In 1969, the Board adopted an amendment to Section 221.3(a), effective July 8, 1969, to reduce the time required for retaining Federal Reserve Form U-1 (34 F.R. 9203, June 11, 1969) and adopted a revised Form U-1 to reflect such change (34 F.R. 12330).

Since the last revision of Federal Reserve Form U-1 in 1969, substantial experience has been gained by banks, law enforcement agencies and System staff in the use of the form. Such experience leads to the conclusion that certain revisions of Form U-1 are necessary and appropriate, if it is to continue to serve as a useful evidentiary tool in maintaining compliance with provisions of Regulation U.

Generally, the revised Form U-1 will embody the following changes:

(1) The addition of caveats and definitional aids to prospective borrowers respecting their potential criminal liability under various statutes and the provisions of the Board's Regulation X. The purpose of Regulation X, which was adopted by the Board on November 1, 1971, is to prevent infusion into United States securities markets of unregulated credit obtained in circumvention of the provisions of the Board's margin regulations, or by borrowers falsely certifying the purpose of a loan, or otherwise willfully and intentionally evading the provisions of those regulations.

(2) A revision of the format to provide increased assistance to law enforcement agencies and bank examiners by requiring, *inter alia*, a borrower to specifically state whether or not a proposed stock-secured extension of credit is for the purpose of purchasing or carrying margin stock.

(3) Inclusion of a requirement for affirmative representation by borrowers respecting the integrity of the collateral offered as security for an extension of credit, and a requirement that a duly authorized officer of the lending bank shall undertake, in addition to other required procedures, an examination of the physical aspects of the securities offered as collateral and perform such validation procedures with respect thereto as are mandated by bank policy and governmental regulations.

[1] Copies of the Federal Reserve Form U-1 are available on request to any Federal Reserve Bank.

Equal Credit Opportunity
Truth in Lending

The Board of Governors has amended its Regulations B and Z to designate the Director and other officials of the Office of Saver and Consumer Affairs as officials duly authorized to issue, at their discretion, interpretations of Regulations B and Z.

1. Effective July 30, 1976, 12 CFR Part 202 is amended by revising § 202.13(b), redesignating § 202.13(c) as § 202.13(d) and adding a new § 202.13(c). Section 202.13 reads as follows:

Section 202.13—Penalties and Liabilities

* * * * *

(b) Section 706(e) relieves a creditor from civil liability resulting from any act done or omitted in good faith in conformity with any rule, regulation or interpretation by the Board of Governors of the Federal Reserve System, or with any interpretation or approval issued by a duly authorized official or employee of the Federal Reserve System, notwithstanding that after such act or omission has occured, such rule, regulation or interpretation is amended, rescinded or otherwise determined to be invalid for any reason.

(c)(1) Any request for formal Board interpretation or official staff interpretation of Regulation B must be addressed to the Director of the Office of Saver and Consumer Affairs, Board of Governors of the Federal Reserve System, Washington, D.C. 20551. Each request for interpretation must contain a complete statement, signed by the person making the request or a duly authorized agent, of all relevant facts of the transaction or credit arrangement relating to the request. True copies of all pertinent documents must be submitted with the request. The relevance of such documents must, however, be set forth in the request and the documents must not merely be incorporated by reference. The request must contain an analysis of the bearing of the facts on the issues and specifying the pertinent provisions of the statute and regulation. Within fifteen business days of receipt of the request, a substantive response will be sent to the person making the request or an acknowledgement will be sent which sets a reasonable time within which a substantive response will be given.

(2) Any request for reconsideration of an official staff interpretation of Regulation B must be addressed to the Secretary, Board of Governors of the Federal Reserve System, Washington, D.C. 20551, within thirty days of the publication of such interpretation in the *Federal Register*. Each request for reconsideration must contain a statement setting forth in full the reasons why the person making the request believes reconsideration would be appropriate, and must specify and discuss the applicability of the relevant facts, statute and regulations. Within fifteen business days of receipt of such request for reconsideration, a response granting or denying the request will be sent to the person making the request, or an acknowledgement will be sent which sets a reasonable time within which such response will be given.

(3) Pursuant to § 706(e) of the Act, the Board has designated the Director and other officials of the Office of Saver and Consumer Affairs as officials "duly authorized" to issue, at their descretion, official staff interpretations of this Part. This designation shall not be interpreted to include authority to approve particular creditors' forms in any manner.

(4) The type of interpretation issued will be determined by the Board and the designated officials by the following criteria:

(i) Official Board interpretations will be issued upon those requests which involve potentially controversial issues of general applicability dealing with substantial ambiguities in this Part and which raise significant policy questions.

(ii) Official staff interpretations will be issued upon those requests which, in the opinion of the designated officials, require clarification of technical ambiguities in this Part or which have no significant policy implications.

(iii) Unofficial staff interpretations will be issued where the protection of § 706(e) of the Act is neither requested nor required, or where time strictures require a rapid response.

(d) [Redesignated.]

2. Effective July 30, 1976, 12 CFR Part 226 is amended by revising § 226.1(c) and adding a new § 226.1(d). Section 226.1 reads as follows:

Section 226.1—
Authority, Scope, Purpose, Etc.

* * * * *

(c) **Penalties and liabilities.** Section 112 of the Act provides criminal liability for willful and knowing failure to comply with any requirement imposed under the Act and this Part. Section 134 provides for criminal liability for certain fraudulent activities related to credit cards. Section 130 provides for civil liability in individual or class actions for any creditor who fails to comply with any requirement imposed under Chapter 2 or Chapter 4 of the Act and the corresponding provisions of this Part. Section 130 also provides creditors a defense against civil and criminal liability for any act done or omitted in good faith in conformity with the provisions of this Part or any interpretation thereof by the Board, or with any interpretations or approvals issued by a duly authorized official or employee of the Federal Reserve System, notwithstanding that after such act or omission has occured, such rule, regulation or interpretation is amended, rescinded or otherwise determined to be invalid for any reason. Section 130 further provides that a multiple failure to disclose in connection with a single account shall permit but a single recovery. Section 115 provides for civil liability for an assignee of an original creditor where the original creditor has violated the disclosure requirements and such violation is apparent on the face of the instrument assigned, unless the assignment is involuntary. Pursuant to § 108 of the Act, violations of the Act or this Part constitute violations of other Federal laws which may provide further penalties.

(d) **Issuance of interpretations** (1) Any request for formal Board interpretation or official staff interpretation of Regulation Z must be addressed to the Director of the Office of Saver and Consumer Affairs, Board of Governors of the Federal Reserve System, Washington, D.C. 20551. Each request for interpretation must contain a complete statement, signed by the person making the request or a duly authorized agent, of all relevant facts of the transaction or credit arrangement relating to the request. True copies of all pertinent documents must be submitted with the request. The relevance of such documents must, however, be set forth in the request and the documents must not merely be incorporated by reference. The request must contain an analysis of the bearing of the facts on the issues and it must specify the pertinent provisions of the statute and regulation. Within fifteen business days of receipt of the request, a substantive response will be sent to the person making the request or an acknowledgement will be sent which sets a reasonable time within which a substantive response will be given.

(2) Any request for reconsideration of an official staff interpretation of Regulation Z must be addressed to the Secretary, Board of Governors of the Federal Reserve System, Washington, D.C. 20551, within thirty days of the publication of such interpretation in the *Federal Register*. Each request for reconsideration must contain a statement setting forth in full the reasons why the person making the request believes reconsideration would be appropriate, and must specify and discuss the applicability of the relevant facts, statute and regulations. Within fifteen business days of receipt of such request for reconsideration, a response granting or denying the request will be sent to the person making the request, or an acknowledgement will be sent which sets a reasonable time within which such response will be given.

(3) Pursuant to § 130(f) of the Act, the Board has designated the Director and other officials of the Office of Saver and Consumer Affairs as officials "duly authorized" to issue, at their discretion, official staff interpretations of this Part. This designation shall not be interpreted to include authority to approve particular creditors' forms in any manner.

(4) The type of interpretation issued will be determined by the Board and the designated officials by the following criteria:

(i) Official Board interpretations will be issued upon those requests which involve potentially controversial issues of general applicability dealing with substantial ambiguities in this Part and which raise significant policy questions.

(ii) Official staff interpretations will be issued upon those requests which, in the opinion of the designated officials, require clarification of technical ambiguities in this Part or which have no significant policy implications.

(iii) Unofficial staff interpretations will be issued where the protection of § 130(f) of the Act is neither requested nor required, or where time strictures require a rapid response.

Securities Credit Transactions

The Board of Governors has amended its Regulations G, T, and U to revise the criteria for inclusion and continued inclusion on the List of OTC Margin Stocks in view of significant changes which have occurred in the over-the-counter (OTC) market.

Effective August 6, 1976 sections 207.5, 220.4, and 221.4, are amended as follows:

Section 207.5—Supplement

* * * * *

(d) **Requirements for inclusion on list of OTC margin stock.** Except as provided in subparagraph (4) of § 207.2(f), such stock shall meet the requirements that:

* * * * *

(2) Four or more dealers stand willing to, and do in fact, make a market in such stock including making regularly published *bona fide* bids and offers for such stock for their own accounts, or the stock is registered on a securities exchange that is exempted by the Securities and Exchange Commission from registration as a national securities exchange pursuant to section 5 of the Securities Exchange Act of 1934 (15 U.S.C. 78e).

(3) There are 1,200 or more holders of record, as defined in SEC Rule 12g5-1 (17 C.F.R. § 240.12g5-1), of the stock who are not officers, directors, or beneficial owners of 10 per cent or more of the stock, or the average daily trading volume of such stock, as determined by the Board, is at least 500 shares.

* * * * *

(9) The minimum average bid price of such stock, as determined by the Board, is at least $5 per share, and

* * * * *

(e) **Requirements for continued inclusion on list of OTC margin stock.** Except as provided in subparagraph (4) of § 207.2(f), such stock shall meet the requirements that:

* * * * *

(3) There continue to be 800 or more holders of record, as defined in SEC Rule 12g5-1 (17 C.F.R. § 240.12g5-1), of the stock who are not officers, directors, or beneficial owners of 10 per cent or more of the stock, or the average daily trading volume of such stock, as determined by the Board, is at least 300 shares

* * * * *

(8) The minimum average bid price of such stock, as determined by the Board, is at least $3 per share, and

* * * * *

Section 220.2—Supplement

* * * * *

(h) **Requirements for inclusion on list of OTC margin stock.** Except as provided in subparagraph (4) of § 220.2(e), OTC margin stock shall meet the requirements that:

* * * * *

(2) Four or more dealers stand willing to, and do in fact, make a market in such stock including making regularly published *bona fide* bids and offers for such stock for their own accounts, or the stock is registered on a securities exchange that is exempted by the Securities and Exchange Commission from registration as a national securities exchange pursuant to section 5 of the Securities Exchange Act of 1934 (15 U.S.C. 78e),

(3) There are 1,200 or more holders of record, as defined in SEC Rule 12g5-1 (17 C.F.R. § 240.12g5-1), of the stock who are not officers, directors, or beneficial owners of 10 per cent or more of the stock, or the average daily trading volume of such stock, as determined by the Board, is at least 500 shares.

* * * * *

(9) The minimum average bid price of such stock, as determined by the Board, is at least $5 per share, and

* * * * *

(i) **Requirements for continued inclusion on list of OTC margin stock.** Except as provided in subparagraph (4) of § 220.2(e), OTC margin stock shall meet the requirements that:

* * * * *

(3) There continue to be 800 or more holders of record, as defined in SEC Rule 12g5-1 (17 C.F.R. § 240.12g5-1), of the stock who are not officers, directors, or beneficial owners of 10 per cent or more of the stock, or the average daily trading volume of such stock, as determined by the Board, is at least 300 shares

* * * * *

(8) The minimum average bid price of such stock, as determined by the Board, is at least $3 per share, and

* * * * *

Section 221.4—Supplement

* * * * *

(d) **Requirements for inclusion on list of OTC margin stock.** Except as provided in subparagraph (4) of § 221.3(d), OTC margin stock shall meet the requirements that:

* * * * *

(2) Four or more dealers stand willing to, and do in fact, make a market in such stock including making regularly published *bona fide* bids and offers for such stock for their own accounts, or the stock is registered on a securities exchange that is exempted by the Securities and Exchange Commission from registration as a national securities exchange pursuant to section 5 of the Securities Exchange Act of 1934 (15 U.S.C. 78e),

(3) There are 1,200 or more holders of record, as defined in SEC Rule 12g5-1 (17 C.F.R. § 240.12g5-1), of the stock who are not officers, directors, or beneficial owners of 10 per cent or more of the stock, or the average daily trading volume of such stock, as determined by the Board, is at least 500 shares.

* * * * *

(9) The minimum average bid price of such stock, as determined by the Board, is at least $5 per share, and

* * * * *

(e) **Requirements for continued inclusion on list of OTC margin stock.** Except as provided in subparagraph (4) of § 221.3(d), OTC margin stock shall meet the requirements that:

* * * * *

(3) There continue to be 800 or more holders of record, as defined in SEC Rule 12g5-1 (17 C.F.R. § 240.12g5-1), of the stock who are not officers, directors, or beneficial owners of 10 per cent or more of the stock, or the average daily trading volume of such stock, as determined by the Board, is at least 300 shares

* * * * *

(8) The minimum average bid price of such stock, as determined by the Board, is at least $3 per share, and

* * * * *

Bank Holding Company and Bank Merger Orders Issued by the Board of Governors

Orders Under Section 3 of Bank Holding Company Act

Bankshares of Hawley, Inc.,
Hawley, Minnesota

Ordering Denying Formation of Bank Holding Company

Bankshares of Hawley, Inc., Hawley, Minnesota, has applied for the Board's approval under § 3(a)(1) of the Bank Holding Company Act (12 U.S.C. § 1842(a)(1)) of formation of a bank holding company through acquisition of 95.7 per cent of the voting shares of State Bank of Hawley, Hawley, Minnesota ("Bank").

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

Applicant is a nonoperating corporation organized for the purpose of becoming a bank holding company through acquisition of Bank. Bank, with deposits of $8 million,[1] representing one tenth of 1 per cent of the total commercial bank deposits in Minnesota, is the twelfth largest of 23 banking organizations within the relevant banking market.[2] Bank holds 1.62 per cent of the total commercial bank deposits in this market. Inasmuch as the proposal represents merely a restructuring of Bank's ownership, the acquisition of Bank by Applicant would have no adverse effects on competition within the relevant banking market.

The financial and managerial resources and prospects of the newly formed Applicant are generally dependent upon these conditions as they relate to Bank. However, Applicant proposes to assume debt incurred by its principals. The record indicates that Bank is in need of additional capital,

[1] All banking data are as of June 30, 1975.

[2] The relevant banking market is approximated by the Fargo-Moorhead SMSA: Clay County, Minnesota, and Cass County, North Dakota.

and although Applicant proposes to increase Bank's capital, it appears that the servicing of Applicant's substantial acquisition debt over a 12-year period through Bank's dividends can be expected to further weaken Bank's capital position.

In addition, it appears that the two individuals who would own 78 per cent of the outstanding shares of Applicant would not be in a sufficiently strong financial position to provide assistance to Bank in the event problems arose in servicing the acquisition debt or in meeting other unforeseen financial needs. In view of the limited financial flexibility of Applicant and its two principals, and the strain that would be placed on Bank's capital position as a result of Applicant's debt servicing requirements, the Board is of the opinion that considerations relating to the financial aspects of Applicant's proposal weigh against approval of the application.

Applicant indicates that banking services currently rendered the community by Bank will remain unchanged upon consummation of the proposal. Accordingly, considerations relating to the convenience and needs of the community to be served do not outweigh the adverse findings with respect to the financial factors involved in Applicant's proposal.

On the basis of all the circumstances of this case and the facts of record, the Board concludes that the acquisition debt involved in this proposal presents adverse circumstances bearing on the financial condition and prospects of Applicant and Bank. Such adverse factors are not outweighed by any procompetitive effects or by benefits to the convenience and needs of the communities to be served. Accordingly, it is the Board's judgment that approval of the application to become a bank holding company would not be in the public interest and the application should be denied.

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

By order of the Board of Governors, effective June 25, 1976.

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

(Signed) Griffith L. Garwood,

[SEAL] *Assistant Secretary of the Board.*

Benson Bancshares, Inc., Benson, Minnesota

Order Suspending Further Consideration of Application to Become A Bank Holding Company

Benson Bancshares, Inc., Benson, Minnesota, has applied for the Board's approval under § 3(a)(1) of the Bank Holding Company Act (12 U.S.C. § 1842(a)(1)) to become a bank holding company through acquisition of 88 per cent or more of the voting shares of Swift County Bank, Benson, Minnesota.

Notice of the application, affording opportunity for interested persons to submit comments and views, has been given in accordance with § 3(b) of the Act. During the course of its consideration of the instant application, the Board has become aware of certain facts that raise questions whether provisions of the Securities Exchange Act of 1934 (15 U.S.C. § 78(a) *et seq.*) were fully observed in the acquisition of shares of Bank by the principals of Applicant. These questions may have a bearing on the Board's evaluation of the managerial resources of Applicant and Bank. Accordingly, the Board has determined that advice from the Securities and Exchange Commission, as to whether certain facts in the record on the instant application give rise to such a violation, is necessary to make a proper assessment of the managerial resources of Applicant and Bank and is therefore necessary to the Board's ultimate decision of the application.

Accordingly, further consideration of the application is hereby suspended pending receipt of the views of the Securities and Exchange Commission which today have been solicited.

By order of the Board of Governors, effective June 7, 1976.

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

(Signed) Griffith L. Garwood,

[SEAL] *Assistant Secretary of the Board.*

El Dorado Bancshares, Inc., Prairie Village, Kansas

Order Approving Formation of Bank Holding Company

El Dorado Bancshares, Inc., Prairie Village, Kansas, has applied for the Board's approval under

§ 3(a)(1) of the Bank Holding Company Act (12 U.S.C. § 1842(a)(1)) of formation of a bank holding company through acquisition of 98 per cent or more of the voting shares of Citizens State Bank of El Dorado, El Dorado, Kansas ("Bank").

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

Applicant is a corporation organized under the laws of the State of Kansas for the purpose of becoming a bank holding company through the acquisition of Bank. Bank (with deposits of $19 million) is the 123rd largest of 614 commercial banks operating in the State of Kansas, and controls approximately .2 per cent of the total deposits held by commercial banks in that State.[1] In the relevant banking market (approximated by Butler County, Kansas), Bank is the second largest of 13 commercial banks operating in the market and controls approximately 15.1 per cent of market deposits.[2] Through three other one-bank holding companies, certain principals of Applicant also have interests in three banks in Kansas. However, the three other banks in which principals of Applicant are involved are located in different banking markets and do not compete with Bank to any significant extent. Furthermore, inasmuch as the present proposal represents a corporate reorganization of the ownership of Bank, and Applicant has no present banking subsidiaries, it appears that the acquisition of Bank by Applicant would not have any significant adverse effect upon either existing or potential competition within the relevant market. Accordingly, on the basis of record, the Board concludes that competitive considerations are consistent with approval of the application.

The financial condition, managerial resources, and future prospects of Applicant are entirely dependent upon the operation of Bank, and are regarded as being satisfactory. Although Applicant will incur acquisition debt in connection with this proposal, it appears that Applicant will be able to service this debt without impairing the financial condition of Bank during that period. In addition, Applicant's principals have demonstrated their ability to service the debt of the three other one-bank holding companies under their control without impairing the capital of those companies' respective subsidiary banks. Accordingly, the Board concludes that considerations relating to the banking factors are regarded as being consistent with approval of the application. Although consummation of the transaction would effect no immediate changes in the services that are being offered by Bank, the Board regards considerations relating to the convenience and needs of the community to be served as being consistent with approval. It is the Board's judgment that consummation of the holding company formation would be in the public interest and that the application to acquire Bank should be approved.

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

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

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

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

Fiduciary Investment Company of New Jersey, Newark, New Jersey

Order Approving
Formation of Bank Holding Company

Fiduciary Investment Company of New Jersey, Newark, New Jersey ("Applicant"), has applied for the Board's approval under § 3(a)(1) of the Bank Holding Company Act ("Act") (12 U.S.C. § 1842(a)(1)) of formation of a bank holding company through acquisition of 50.2 per cent or more of the voting shares of Security National Bank of New Jersey, Newark, New Jersey ("Bank").

Notice of the application, affording opportunity

[1] All banking data are as of June 30, 1975, unless otherwise indicated.

[2] Of these 13 banks, three (including the market's largest) are located in the city of El Dorado, Kansas.

for interested persons to submit comments and views, has been given in accordance with § 3(b) of the Act. The time for filing comments and views has expired, and the Board has considered all comments received, including those of two stockholders of Bank, Messrs. Joseph Dunn and Joseph McCormack ("Protestants"), certain directors of Bank, and the Comptroller of the Currency ("Comptroller"), in light of the factors set forth in § 3(c) of the Act (12 U.S.C. § 1842(c)).

Applicant was formed for the purpose of becoming a bank holding company through the acquisition of shares of Bank. Upon acquisition of those shares, Applicant would control the 107th largest banking organization in New Jersey with total deposits of approximately $26.1 million, representing 0.1 of 1 per cent of total deposits held by commercial banks in the State.[1] Bank is the 22nd largest bank in the Greater Newark banking market[2] and holds slightly less than 0.6 of 1 per cent of the deposits held by commercial banks in that market. Although Applicant is a registered investment adviser, it presently manages only the account of one of its shareholders, with a portfolio of about $4 million.[3] In view of this fact, and since Applicant has no subsidiaries, it appears that consummation of the proposal would have no adverse effect on existing or potential competition or the concentration of banking resources in any relevant area. Accordingly, the Board concludes that competitive considerations are consistent with approval of the application.

Although Bank's capital base and liquidity appear good, Bank has an immediate need for experienced and capable management. Until such management is provided, Bank's overall condition and future prospects cannot be regarded as satisfactory. Applicant will provide Bank with capable management that has considerable successful experience in trust department operations and that will greatly expand Bank's trust and fiduciary services. In the Board's judgment, it appears that Applicant has the resources to bring about its proposed expansion of Bank's trust department services and that the income from this expansion should over time improve Bank's profitability, which has been poor in recent years, and future prospects. In addition, Applicant has stated that it will engage as soon as possible a senior officer to supervise Bank's commercial banking operations and it would appear that Applicant possesses the resources to attract such additional management. In the Board's judgment, approval of this application should bring about an immediate improvement in Bank's managerial resources and will improve Bank's future prospects. Accordingly, it is the Board's judgment that considerations relating to banking factors lend weight toward approval of the application.

It does not appear that the convenience and needs of the community to be served are not being currently met. Applicant will not alter Bank's present commercial banking services but will place emphasis on greatly expanding Bank's trust and fiduciary services. Considerations relating to the convenience and needs of the community to be served are thus consistent with approval of the application.

As noted above, the Board has received comments from several parties with respect to this application. The Comptroller has recommended approval in view of Bank's current lack of management and ownership direction. Ten of Bank's twelve directors have also recommended approval in view of Bank's management problem.

Protestant Dunn, who died on May 22, 1976, requested the Board to consider allegations made by him in a lawsuit charging Applicant and its officers with having violated various provisions of Federal securities laws and regulations issued thereunder in their attempt to acquire control of Bank.[4] In an opinion issued May 20, 1976, the United States District Court of the District of New Jersey ruled in favor of Applicant and its principals on all issues raised by Protestant Dunn with one exception: the Court determined that Applicant's failure to include in its tender offer materials the amount of funds contributed by certain of its investors was a material omission.[5] The Court thus directed Applicant to amend its tender offer to the

[1] All banking data are as of December 31, 1975.

[2] The Greater Newark banking market is approximated by Essex County, Union County excluding the extreme southern portion, the eastern half of Morris County and a small portion of western Hudson County.

[3] Applicant has not applied to retain its investment adviser activities under § 4 of the Act; upon consummation of the proposal, Applicant will transfer its existing account to Bank's trust department and will cease engaging in investment adviser activities.

[4] In a letter of February 4, 1976, the Board denied Protestant Dunn's request for a hearing on these issues.

[5] *Dunn v. Fiduciary Inv. Co. of New Jersey, et al.*, Civil No. 75-2203 (D.N.J., May 20, 1976).

shareholders of Bank to indicate these additional facts. The Board regards the Court's decision as being dispositive of Protestant Dunn's specific objections regarding violations of Federal securities laws and regulations and is of the opinion that the Court's decision and other information of record on this issue does not reflect adversely upon Applicant's managerial resources.

Protestant Dunn's other primary objection was that Applicant had failed to disclose its controlling ownership. In particular, Protestant Dunn contended that Applicant would not, in fact, be controlled by its president and executive vice president, who own the majority of Applicant's voting stock and who have the right to elect a majority of Applicant's board of directors. Protestant Dunn contended, without any documented support, that one or more of several institutions, including specifically several foreign institutions, that have contributed almost all of Applicant's capital in return for nonvoting stock, or one or more undisclosed owners of such institutions, would be controlling or have the ability to control Applicant and Bank. Protestant McCormack has also expressed similar concerns. It is clear from the record of this application that none of Applicant's passive investors will be able to control Applicant by reason of his ownership of nonvoting stock. In addition, it appears from the record that there are no agreements between Applicant and its passive investors, or any beneficial owner of any such investor, relating to the control of Applicant or Bank. This issue was also raised by Protestant Dunn in the above-mentioned securities litigation, wherein, after exhaustive depositions, the Court found that "[t]here is no demonstration that [Applicant] or its management is or will be in any way dominated by, or is the unthinking tool of, a foreign entity."[6] On the basis of the preceding and other information in the record of this application, the Board is of the opinion that Applicant will not be controlled by any of its passive investors. Additionally, the Board notes that should any evidence of control by Applicant's passive investors develop in the future, the Board may order a controlling influence proceeding pursuant to § 2(a)(2)(C) of the Act (12 U.S.C. § 1841(a)(2)(C)).[7]

[6] *Dunn v. Fiduciary Inv. Co. of New Jersey, et al.*, Civil No. 75-2203, p. 28 (D.N.J., May 20, 1976).

With regard to Applicant's stated intent to emphasize trust activities upon acquiring control of Bank, Protestant McCormack has questioned Applicant's ability to attract sufficient trust accounts to make this type of banking profitable in view of Bank's limited current involvement in trust services. The Board is of the view that the experience and success of Applicant's officers in the trust field justifies the conclusion that they are capable of significantly expanding Bank's trust business. While Protestant McCormack expressed other doubts concerning Applicant's managerial resources, Bank's profitability as a subsidiary of Applicant, and the potential responsiveness of Applicant to the community to be served, the Board believes that Applicant's managerial resources are satisfactory, that Bank's profitability should improve under Applicant's management and that convenience and needs considerations are consistent with approval. It is the Board's judgment that consummation of the proposed transaction would be in the public interest and that the application should be approved.

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

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

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

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

[7] Protestant Dunn advanced several other objections to the proposed transaction. The Board finds these objections to be without merit and to have been refuted adequately by Applicant's responses thereto. As noted previously, Protestant Dunn died on May 22, 1976. His attorneys have requested that the Board's consideration of this application be postponed until the executors of his estate are confirmed and a determination is made as to their position with regard to the application. With respect to this request, Protestant Dunn filed extensive protests to the application and it appears no useful regulatory purpose would be served by further delay, particularly in view of the pressing need to resolve Bank's managerial problems. Accordingly the request is denied.

Harlan National Company,
Harlan, Iowa

Order Approving Reconsideration

Harlan National Company, Harlan, Iowa, has requested reconsideration of the Order of October 31, 1975 (40 *Federal Register* 52440), whereby the Board of Governors denied the application of Harlan National Company, pursuant to section 3(a)(1) of the Bank Holding Company Act (12 U.S.C. § 1842(a)(1)), to become a bank holding company through acquisition of 98.2 per cent of the voting shares of The Harlan National Bank, Harlan, Iowa, and declared moot Harlan's application, pursuant to section 4(c)(8) of the Bank Holding Company Act (12 U.S.C. § 1843(c)(8)), for permission to acquire all of the voting shares of Bank Insurance Agency, Harlan, Iowa.

The request for reconsideration is filed pursuant to section 262.3(g)(5) of the Board's Rules of Procedure, which provides that the Board will not grant any request for reconsideration "unless the request presents relevant facts that, for good cause shown, were not previously presented to the Board, or unless it otherwise appears to the Board that reconsideration would be appropriate." The Board finds that the request for reconsideration presents relevant facts or issues which appear appropriate in the public interest for the Board to consider. Accordingly, the request for reconsideration is hereby approved.

In order to facilitate such consideration, comments and views regarding the proposed acquisition may be filed with the Board not later than July 11, 1976. Communications should be addressed to the Secretary, Board of Governors of the Federal Reserve System, Washington, D.C. 20551. The application, as supplemented by Applicant's request for reconsideration, may be inspected at the offices of the Board of Governors or at the Federal Reserve Bank of Chicago.

By the Board of Governors, effective June 11, 1976.

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

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

Sierra Petroleum Co., Inc.
and United Investments Corp.,
Wichita, Kansas

Order Approving Formation of Bank Holding Company and Merger of Bank Holding Companies

As part of a corporate reorganization involving Sierra Petroleum Co., Inc., Wichita, Kansas ("Sierra"), a registered bank holding company, United Investments Corp., Wichita, Kansas ("United"), a new corporation, has applied for the Board's approval under § 3(a)(1) of the Bank Holding Company Act ("the Act") (12 U.S.C. § 1842(a)(1)) of formation of a bank holding company through the indirect acquisition of 87.1 per cent of the voting shares of United American State Bank & Trust Company, Wichita, Kansas ("Bank"). The subject shares of Bank are presently owned by Sierra. United proposes to become a bank holding company for only a short period of time as a result of the exchange of 92.9 per cent of the outstanding common shares of Sierra for an equivalent number of shares of the common stock of United. Immediately after this exchange of stock, United will merge with and into Sierra, with Sierra being the surviving corporation in the merger. In connection with this proposal, Sierra has also applied for the Board's approval, pursuant to § 3(a)(5) of the Act, to merge with United under the charter and title of Sierra.

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

United is a nonoperating corporation that was organized for the sole purpose of becoming a bank holding company for a short period of time in order to facilitate a reorganization of the ownership of Sierra. The proposal was initiated by a group of companies and individuals owning, in the aggregate, 92.9 per cent of Sierra's voting stock. The companies and individuals, collectively referred to as the Graham-Michaelis interests, control or own slightly more than 2.5 million of Sierra's approximately 2.7 million outstanding shares. Under the terms of the merger of United into Sierra, the Graham-Michaelis interests will be issued shares of Sierra stock in the exact amount which they held prior to the initial exchange of shares with United (except that one shareholder, Mr. W. A. Michaelis, Jr., will receive 10 additional shares in exchange for the initial 10 shares issued to him by United). Sierra's present 3,420 minority shareholders, who own 192,585.25 shares, will be offered two dollars per share for their stock upon the surrender of their shares to Sierra.[1]

Sierra controls only one bank.[2] Bank is the 60th largest of the 614 banks in Kansas and holds slightly more than 0.3 per cent of the total commercial bank deposits in the State.[3] Bank, with deposits of about $28 million, is the ninth largest of 28 competing banks in the relevant banking market, which is approximated by the boundaries of Sedwick County, Kansas. Inasmuch as neither United nor Sierra has any other subsidiary bank, and since the proposal represents merely a restructuring of Bank's ownership, neither the temporary acquisition of Bank by United, nor the subsequent merger of United with Sierra, would have any adverse effects on competition within the area served by Bank. Accordingly, it is concluded that competitive considerations are consistent with approval of the application.

The financial and managerial resources[4] of Sierra and Bank are regarded as satisfactory and the future prospects of each appear favorable. Neither United nor Sierra will incur debt incident to the subject proposal. Accordingly, banking factors are regarded as being consistent with approval. Although consummation of the transaction would have no immediate effect on the area's banking needs, considerations relating to the convenience and needs of the communities to be served are consistent with approval of the applications. Therefore, it is the Board's judgment that the proposed acquisition and subsequent merger are in the public interest and should be approved.

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

By order of the Board of Governors, effective June 7, 1976.

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

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

[1] Under Kansas corporation law, the approval of the merger by the shareholders of either United or Sierra is not required; neither is the approval of the directors of Sierra required. The Kansas statutes provide the opportunity for minority shareholders of Sierra's stock to contest the value assigned to their shares by the board of directors of United, and provide remedial procedures.

[2] Sierra, as a "company covered in 1970," engages in the following activities pursuant to Section 4(a)(2) of the Act, which it may retain indefinitely after surviving the merger proposed with United: the sale of gas and crude oil and the operating of oil and gas leases, and real estate leasing activities. The oil and gas related activities were commenced in 1952, and the real estate activities were commenced in 1967. Additionally, Sierra has engaged in the operation of a public stockyard and the sale of livestock, through subsidiaries over which control was obtained on November 25, 1970. Sierra may continue these latter activities under § 4(a)(2) of the Act until December 31, 1980.

[3] All banking data are as of June 30, 1975.

[4] The proposed officers and directors of United are identical to the officers and directors of Sierra, and, except for Mr. W. A. Graham, Sierra's vice president and director, Sierra's officers and directors are also directors or officers of Bank.

American Affiliates, Inc., South Bend, Indiana

Order Approving Retention and Acquisition of Bank Shares

American Affiliates, Inc., South Bend, Indiana a bank holding company within the meaning of the Bank Holding Company Act, has applied for the Board's approval under § 3(a)(3) of the Act (12 U.S.C. § 1842(a)(3)) to retain 3.83 per cent of the voting shares of American National Bank and Trust Company of South Bend, South Bend, Indiana ("Bank") and to acquire an additional 3.74 per cent of the voting shares of Bank.

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

Applicant acquired 42.5 per cent of the shares of Bank in March of 1966. After January 1, 1971, Applicant acquired an additional 3.83 per cent of

Bank's shares without prior Board approval.[1] Applicant now proposes to retain those shares, as well as acquire an additional 3.74 per cent of Bank's shares. Upon consummation of the subject proposal, Applicant would control slightly more than 50 per cent of Bank's total outstanding shares. The subject applications are part of a series of steps that Applicant proposes to take in order to acquire control of all of the shares of Bank. With Bank as its sole subsidiary, Applicant is the 38th largest banking organization in Indiana with 0.5 per cent of the total deposits in commercial banks in the State.

Bank holds deposits of approximately $82.4 million,[2] representing 9.9 per cent of total deposits in commercial banks in the South Bend banking market,[3] and thereby, ranks as the fourth largest of ten banks operating in the market. Since Applicant already controls the policies of Bank, it does not appear, from the facts of record, that either the retention of Bank shares or the acquisition of additional Bank shares by Applicant would have any adverse effect on existing or potential competition, increase the concentration of banking resources, or have an adverse effect on other banks in any relevant area. Thus, the competitive considerations are consistent with approval of the application.

Applicant has committed to inject at least $1,250,000 into Bank upon receiving the regulatory approvals necessary for its plan to acquire control of all of the shares of Bank or within one year of the date of the Order approving the subject applications, whichever occurs first. In view of this commitment, the financial condition, managerial resources and future prospects of Applicant and Bank are considered to be consistent with approval. Although Applicant proposes no significant changes in the operations or services of Bank as a part of this proposal, considerations relating to the convenience and needs of the residents of the community to be served are also consistent with approval of the applications. It is the Board's judgment that the proposed retention and acquisition of shares of Bank by Applicant would be in the public interest and that the applications should be approved.

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

By order of the Board of Governors, effective June 18, 1976.

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

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

[1] In accord with the Board's position with respect to violations of the Act, the Board has scrutinized the underlying facts surrounding the acquisitions of Bank's shares without prior Board approval. Upon an examination of all the facts of record, the Board does not believe that those facts call for denial of the application to retain Bank's shares.

The Board cautions, however, that all bank holding companies have an obligation not only to conform their conduct to the requirements of the Act, but also to take steps to inform themselves of their obligations under the Act. As it has stated on previous occasions, the Board will continue to fulfill its responsibilities to refer any apparently willful violation to the Department of Justice for possible criminal prosecution. Further, in the Board's consideration of applications for permission to retain illegally acquired shares or activities, the circumstances surrounding a violation may reflect so adversely on the managerial factors as to constitute grounds for denial of such an application. In appropriate cases, the Board may also initiate cease-and-desist proceedings under the Financial Institutions Supervisory Act.

[2] All banking data are as of June 30, 1975.

[3] The relevant geographic market for purposes of analyzing the competitive effects of the subject proposal is approximated by St. Joseph County, Indiana.

Cedar Investment Company, Waverly, Iowa

Order Approving Acquisition of Additional Shares of Bank

Cedar Investment Company, Waverly, Iowa ("Applicant"), a registered bank holding company, has applied for the Board's approval under § 3(a)(3) of the Bank Holding Company Act (12 U.S.C. § 1842(a)(3)) to acquire 60.5 per cent of the voting shares of State Bank of Waverly, Waverly, Iowa ("Bank").

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

Applicant[1] presently owns directly 24.9 per cent of the voting shares of Bank.[2] With deposits of $24.9 million, Bank controls approximately two-tenths of one per cent of the total deposits held by commercial banks in Iowa and is the 93rd largest bank in that State.[3] Bank, which is the smaller of the two banks in Waverly, controls approximately 24.8 per cent of the total deposits in the relevant banking market (approximated by Bremer County) and is the second largest of eight banks in that market. Applicant proposes to acquire an additional 60.5 per cent of the voting shares of Bank from two individuals who are officers and directors of Bank as well as being the only shareholders, directors, and officers of Applicant. Inasmuch as the proposed transaction is essentially a reorganization of family interests, and Applicant has no other present banking subsidiaries, consummation of the proposal would neither eliminate existing or potential competition, increase the concentration of banking resources, nor have significant adverse effects upon other banks in the relevant area. Accordingly, based upon the foregoing and other facts of record, the Board concludes that competitive considerations are consistent with approval of the application.

The financial condition, managerial resources, and future prospects of Applicant and Bank are considered satisfactory and appear to be consistent with approval of the application. Although Applicant will incur some acquisition debt in connection with this proposal, the earnings prospects of Bank appear to provide Applicant with the necessary financial flexibility that will enable Applicant to service its debt without impairing the financial condition of Bank. Accordingly, banking factors are consistent with approval of the application. Considerations relating to the convenience and needs also are regarded as being consistent with approval of the application. Therefore, it is the Board's judgment that the proposed transaction would be in the public interest and that the application should be approved.

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

By order of the Board of Governors, effective June 23, 1976.

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

(Signed) GRIFFITH L. GARWOOD,

[SEAL] *Assistant Secretary of the Board.*

First Freeport Corporation, Freeport, Texas

Order Approving Acquisition of Bank

First Freeport Corporation, Freeport, Texas, a bank holding company within the meaning of the Bank Holding Company Act ("Act"), has applied for the Board's approval under § 3(a)(3) of the Act (12 U.S.C. § 1842(a)(3)) to acquire all of the voting shares (less directors' qualifying shares) of Chemical National Bank, Clute, Texas ("Bank"), a proposed new bank.

Notice of the application, affording opportunity for interested persons to submit comments and views, has been given in accordance with § 3(b) of the Act. The time for filing comments and views has expired, and the Board has considered the application and all comments received, including those submitted on behalf of three Texas banks: The Lake Jackson Bank of Lake Jackson, Lake Jackson, Brazosport Bank of Texas, Freeport, and First State Bank, Clute (hereinafter referred to as

[1] Applicant became a bank holding company on December 31, 1970, by virtue of the fact that it owned 61 per cent of the voting shares of American Savings Bank, Tripoli, Iowa ("ASB"). At that time, Applicant also owned 24.9 per cent of the voting shares of Bank. Although Applicant divested itself of its shares in ASB in 1975, it agreed with the Federal Reserve Bank of Chicago to continue its status as a bank holding company with respect to Bank, based upon the fact that pursuant to section 225.2 of the Board's Regulation Y [12 CFR § 225.2 (1976)] Applicant owned 24.9 per cent of Bank's voting shares, and principals of Applicant owned additional shares. Although a rebuttable presumption that Applicant controls Bank exists under section 225.2(b) of the Board's Regulation Y (12 CFR § 225), the Board has made no formal determination that Applicant controls Bank.

[2] Applicant also engages in the activity of acting as an agent for the sale of credit-related insurance that is issued in connection with extensions of credit. Applicant, by letter dated May 10, 1976, to the Federal Reserve Bank of Chicago, has agreed to file a section 4(c)(8) application to continue to engage in this nonbanking activity.

[3] All banking data are as of June 30, 1975, unless otherwise indicated.

"Protestants"), in light of the factors set forth in § 3(c) of the Act (12 U.S.C. § 1842(c)).

Applicant, the 212th largest banking organization in Texas, controls one bank with aggregate deposits of $35.9 million, representing approximately .8 of one per cent of the total commercial bank deposits in the State.[1] Since Bank is a proposed new bank, its acquisition by Applicant would neither eliminate any existing competition nor immediately increase Applicant's share of commercial bank deposits.

Bank is to be located in Clute, Texas, and will compete in the Freeport banking market (the relevant banking market).[2] Applicant's subsidiary bank, First Freeport National Bank, located 8.3 miles northwest of Bank, is the largest of twelve banks operating in the market and holds approximately 19.8 per cent of market deposits, while Protestants Lake Jackson Bank and Brazosport Bank are the second and third largest banks in the market accounting for 12.2 and 11.9 per cent of market deposits, respectively. Since Bank is a proposed new bank, its acquisition by Applicant would not eliminate any existing or potential competition. In addition, there is no evidence to indicate that Applicant's proposal is an attempt to preempt a site before there is a need for a bank. On the basis of the above and other facts of record, the Board concludes that competitive considerations are consistent with approval of the application.

The financial condition and managerial resources and future prospects of Applicant and its subsidiary bank are regarded as satisfactory. Bank has no operating financial history; however, it will be opened with adequate capital and its prospects as a subsidiary of Applicant appear satisfactory. Accordingly, considerations relating to the banking factors are consistent with approval. Considerations relating to the convenience and needs of the community to be served lend some weight toward approval of the application since Bank will be capable of offering a full complement of banking services to its customers.

During the course of its consideration of this application, the Board has considered the comments submitted on behalf of Protestants. Protestants have advanced several arguments relating to the Board's jurisdiction to consider the subject application. In brief, Protestants assert that the Board's jurisdiction does not exist since Bank is merely a proposed bank rather than an operating institution. Further, the Comptroller of the Currency was not authorized to condition his granting of Bank's charter on the acquisition of Bank by Applicant. Both of Protestants' contentions have been rejected by the courts. *Gravois Bank* v. *Board of Governors*, 478 F. 2d 546, (8th Cir. 1973); *see Whitney National Bank* v. *Bank of New Orleans & Trust Co.*, 379 U.S. 411 (1965). Accordingly, the Board finds these arguments to be without merit.[3]

Protestants also contend that affiliation of Applicant with Bank would contravene Texas law prohibiting branch banking (TEX. CONST. Art XVI § 16). The Board has stated that a State's restrictive branch banking laws are not automatically applicable to bank holding company operations. In a given case the Board examines the facts to determine whether a particular acquisition of a bank holding company would constitute an illegal branch under State law. If the Board determines that a violation of State law would result, it is required to disapprove the transaction. *Whitney National Bank* v. *Bank of New Orleans*, 323 F. 2d 290 (D.C. Cir. 1963), *rev'd on other grounds*, 379 U.S. 411 (1965); *Gravois Bank* v. *Board of Governors*, 478 F. 2d 546 (8th cir. 1973).

The Board notes that the Office of the Comptroller of the Currency has granted preliminary approval for the charter of Bank, following a hearing, apparently concluding that Bank would not be an illegal branch under Texas law. The facts of record in this case indicate that Bank will be a separate corporation, with its own capital stock

[1] All banking data are as of June 30, 1975, adjusted to reflect bank holding company formations and acquisitions approved as of May 31, 1976.

[2] The Freeport banking market is approximated by Brazoria County exclusive of the communities of Alvin and Pearland and their immediate environs. The Freeport banking market was previously included in the Houston banking market; however, in response to Protestants' contentions that the Freeport area represented a distinct banking market, the Federal Reserve Bank of Dallas undertook a field study of the area. As a result, it was determined that the Freeport banking market was a separate and distinct banking market.

[3] Protestants also claim that section 3(b) of the Act (12 U.S.C. § 1842(b)) restricts the Comptroller's chartering authority. This provision of the Act refers to the Board's obligation to solicit the Comptroller's views with regard to applications by bank holding companies to acquire a national bank as a proposed subsidiary pursuant to section 3 of the Act. If the Comptroller recommends disapproval of an application, within the 30 days after receipt of the Board's notice the Board must hold a formal hearing on the application.

and a loan limit based on such capital stock; that Bank's operations will be conducted primarily by its own officers; that Bank's board of directors will be generally separate from the boards of Applicant and of Freeport Bank and will exercise independent judgment with respect to the management of Bank; that Bank's officers and employees will not directly perform any services for customers of Freeport Bank other than those services that would be provided for customers of other area banks, such as check cashing, and the same is true of Freeport Bank's officers and employees with regard to customers of Bank; that Bank's customers will be able to deposit and withdraw their funds only with respect to accounts in Bank and will not be able to effect a deposit or withdrawal from Bank at Freeport Bank; and the same is true of Freeport Bank's customers who will likewise not be able to effect a deposit or withdrawal from Freeport Bank at Bank; that Bank and Freeport Bank will be advertised as being members of the same bank holding company system but that they will not be identified as united institutions; that Bank will maintain its own books of account, use its own stationery and issue its own distinctive checks and forms; and that Bank's name will be different from the name of Freeport Bank.

In order to prevail on the branching issue, "It must be shown that in substance a bank is doing business through the instrumentality of the affiliate institution which constitutes the alleged branch, or vice versa, in the same way as if the institutions were one." *Independent Bankers Association of Georgia* v. *Board of Governors of the Federal Reserve System*, 516 F. 2d 1206 (D.C. Cir. 1975). In view of the foregoing, and having considered the comments of the Protestants and all the other facts of record, the Board concludes that Bank will not be operated in a unitary fashion with Applicant's banking subsidiary and thus this proposal will not contravene Texas' branch banking law.

Protestants further contend that the Freeport banking market is not particularly attractive for *de novo* entry because little growth in the area can be expected. Consequently, Protestants assert, it is doubtful that Bank can become a viable independent banking institution. The Board has reviewed the facts of record, including the past and projected growth of the economy of the area, and finds that the market can reasonably be expected to support an additional banking alternative. This is especially so in light of the market's higher than average population growth, high income per household, and anticipated strong business development. While the decision to establish a new bank almost always involves some measure of risk, the Board is unable to conclude that Applicant's proposal involves more than the usual entrepreneurial risks inherent in such a proposal.

Finally, Protestants assert that any substantial growth by Bank would be at the expense of the area's existing banks. Applicant has defined a service area for Bank which overlaps the service areas of three neighboring banks. These banks have sustained growth rates of over 50 per cent on the average in both deposits and loans over the past five years. In view of the growth pattern of the area's economy and the commercial and industrial activity occurring near Bank's proposed site, it is the Board's determination that Applicant's entry will have no significant adverse effects on any bank in the market or impair their ability to remain viable banking organizations.

In view of the foregoing discussion and having considered the facts of record and all the comments of Protestants in light of the statutory factors the Board must consider under § 3(c) of the Act, it is the Board's judgment that consummation of the subject proposal would be in the public interest and that the application to acquire Bank should be approved.

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

By order of the Board of Governors, effective July 1, 1976.

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

(Signed) J. P. GARBARINI,

[SEAL] *Assistant Secretary of the Board.*

Florida Bankshares, Inc., Hollywood, Florida

Order Approving Acquisition of Bank

Florida Bankshares, Inc., Hollywood, Florida, a bank holding company within the meaning of the Bank Holding Company Act, has applied for the Board's approval under section 3(a)(3) of the Act (12 U.S.C. § 1842(a)(3)) to acquire 23.8 per cent of the voting shares of First National Bank of Sebring, Sebring, Florida ("Bank").

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

Applicant, the 25th largest banking organization in Florida, controls five banks, with deposits of approximately $131.2 million, representing approximately .5 per cent of total deposits in commercial banks in the State.[1] Acquisition of Bank, the third largest of seven banking organizations in the Sebring banking market,[2] with deposits of $28.8 million, or 16.1 per cent of the deposits in the market area, would not result in a significant increase in the concentration of banking resources in Florida.

Applicant's acquisition of Bank would provide Applicant with its initial entry into the Sebring banking market. Applicant's banking subsidiary nearest the Sebring banking market is located 58 miles southeast of that market. No significant competition exists between Bank and any of Applicant's subsidiaries and therefore, consummation of the instant proposal would not eliminate any significant amount of existing competition. Although Applicant has the resources to enter the market *de novo*, the probability of such an entry is considered slight in view of the fact that population per banking office and income per banking office ratios are substantially lower in the relevant market than for the State as a whole, two new banks having entered this market within the last five years. Accordingly, it does not appear that consummation of the proposal would eliminate the likelihood of potential competition. Competitive considerations are consistent with approval of the application.

The financial and managerial resources and future prospects of Applicant and its subsidiaries appear to be generally satisfactory and it is believed that Applicant's acquisition of Bank will strengthen the financial condition and managerial resources of Bank. Consequently, banking factors are considered to be consistent with approval. Applicant's influence[3] over Bank should improve Bank's management and operating efficiency and, as a subsidiary of Applicant, Bank will have ready access to loan participations and capital through Applicant's larger financial organization. Accordingly, considerations relating to the convenience and needs of the community to be served are consistent with approval. It is the Board's judgment that the proposed acquisition would be in the public interest and that the application should be approved.

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

By order of the Board of Governors, effective June 16, 1976.

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

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

[1] All banking data are as of June 30, 1975.

[2] The Sebring banking market, which is the relevant market within which to assess the competitive effects of the proposed acquisition, is approximated by Highland County and the communities of Wauchula in Hardee County and Frostproof in Polk County.

[3] *In connection with its consideration of the subject proposal, the Board has by letter of today's date notified Applicant that,* upon consummation of the proposal, the Board has determined, on the basis of the record, that Applicant would be capable of exercising a "controlling influence" over the management and policies of Bank within the meaning of § 2(a)(2)(C) of the Act. Accordingly, upon consummation of the proposal, Applicant is required to report Bank as a subsidiary of Applicant and to comply with the applicable provisions of Federal banking law with respect to such subsidiary. Applicant has waived the requirement of notice and opportunity for a hearing provided in the statute, and acknowledged that, upon consummation, it will control Bank.

National City Corporation, Cleveland, Ohio

Order Approving Acquisition of Bank

National City Corporation, Cleveland, Ohio, a bank holding company within the meaning of the Bank Holding Company Act, has applied for the Board's approval under § 3(a)(3) of the Act (12 U.S.C § 1842(a)(3)) to acquire all of the voting shares, less directors' qualifying shares, of the successor by consolidation to First National Bank of Elyria ("Bank"), Elyria, Ohio. As part of this proposal, Applicant will acquire all of the voting shares, less directors' qualifying shares, of a new national bank ("interim bank"), which is to be consolidated with Bank. The interim bank and resulting consolidated bank to be acquired have no significance except as a means to facilitate the acquisition of the voting shares of Bank. Accordingly, the proposal is treated herein as the acquisition of the shares of Bank.

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

Applicant, the fourth largest banking organization in Ohio, controls 4 banks with aggregate deposits of $1.56 billion, representing approximately 5.3 per cent of the total commercial bank deposits in the State.[1] Consummation of this proposal would increase Applicant's share of Statewide deposits by approximately .1 per cent and would not have a significant effect upon the concentration of banking resources in the State.

Bank, headquartered in the city of Elyria about 35 miles from downtown Cleveland, is the 21st largest of 37 banking organizations competing in the Cleveland banking market[2] and holds approximately $29.6 million in deposits, representing about .34 per cent of the total commercial bank deposits in the market.[3] Applicant, with two subsidiary banks operating 50 offices in the market, is the second largest banking organization in the Cleveland market controlling approximately 16.6 per cent of total market deposits.[4] Applicant's acquisition of Bank would increase only slightly Applicant's market share and the concentration of deposits in the Cleveland market and Applicant would still remain the second largest banking organization in the Cleveland market behind the largest banking organization which controls approximately 31.1 per cent of market deposits. While approval of this application would eliminate one independent banking alternative in the market, 36 banking organizations, including subsidiaries of nine other Ohio multibank holding companies, would remain, operating 432 banking offices in the Cleveland market. Even though Applicant and Bank operate in the same market, the facts of record indicate that subsidiaries of Applicant and Bank derive no significant business from each other's service areas and thus approval would not result in the elimination of any significant amount of existing competition.

In assessing the effects of the proposal on potential competition, the Board is of the view that although Applicant may possess the capabilities to enter Lorain County *de novo* and acquisition of Bank would eliminate one independent banking alternative in the relevant market, there are several other facts of record that mitigate these slightly adverse competitive effects. Ohio's restrictive branching laws, which limit branching to home office counties, prohibit Applicant's present subsidiaries from branching into the Lorain County portion of the market; moreover, it appears unlikely that Applicant would enter Lorain County *de novo* since its population and deposits-per-banking-office ratios are considerably below the State averages. Furthermore, Bank is the smallest of eight banks headquartered in Lorain County and, following approval, there would remain 18 other independent banking organizations as possible entry points into the market for competitors.

[1] All banking data are as of June 30, 1975, unless otherwise indicated.

[2] The Cleveland banking market, which is the relevant banking market, is approximated by all of Cuyahoga, Lake and Geauga Counties, the northwestern quarter of Portage County, the northern third of Summit County, all but the southern-most tier of townships in Medina and Lorain Counties and the City of Vermilion which straddles the border of Lorain and Erie Counties.

[3] All market data are as of June 30, 1974.

[4] Applicant controls two subsidiary banks in the market, National City Bank, Cleveland, Ohio, and National City Bank of Lake County, Mentor, Ohio, a *de novo* bank, which was opened on March 15, 1976 and therefore its deposits are not reflected in the market data.

Accordingly, it is concluded that consummation of the proposal would have only slightly adverse effects on potential competition.

The financial and managerial resources and future prospects of Applicant, its subsidiaries, and Bank are regarded as generally satisfactory and consistent with approval. The acquisition of Bank by Applicant will allow the more specialized banking services currently being offered in the market to become more readily accessible to residents of Elyria and the remainder of Lorain County. In particular, Applicant has indicated that it will make available to Bank and Bank's customers more specialized and diversified trust services, more specialized types of credit services, including personal property leasing and industrial revenue bond financing, international banking services, and data processing services. The Board concludes, therefore, that considerations relating to the convenience and needs of the community to be served outweigh the slight anticompetitive effects of the proposal. Accordingly, it is the Board's judgment that the proposed acquisition would be in the public interest and that the application should be approved.

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

By order of the Board of Governors, effective June 23, 1976.

Voting for this action: Chairman Burns and Governors Gardner, Wallich, Jackson, Partee, and Lilly. Voting against this action: Governor Coldwell.

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

Dissenting Statement of Governor Coldwell

As noted in the majority's opinion, the instant proposal involves an acquisition of a bank in the Cleveland banking market by National City Corporation, a bank holding company that currently ranks as the second largest banking organization in the market. Where a banking organization is already present in the market, a horizontal acquisition such as the one proposed here necessarily results in some elimination of existing competition.

Given the absolute and relative size of Applicant in the Cleveland banking market, the effects on existing competition are in my view adverse; and the Bank Holding Company Act requires denial of such a proposal unless such anticompetitive effects are outweighed by other factors reflected in the record. In this regard, I am of the opinion that the other factors involved in this proposal are not sufficient to outweigh the anticompetitive effects inherent in this proposal. For these reasons, I would deny this application.

The Royal Trust Company, Montreal, Quebec, Canada

Order Approving Acquisition of Bank

The Royal Trust Company, Montreal, Quebec, Canada, a bank holding company within the meaning of the Bank Holding Company Act, has applied for the Board's approval under § 3(a)(3) of the Act [12 U.S.C. § 1842(a)(3)] to acquire 80 per cent or more of the voting shares of The First Bank of Gulfport, Gulfport, Florida ("Bank").

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

Applicant, with total assets of $3.4 billion (as of December 31, 1975) is the largest trust company and the eighth largest financial institution in Canada, and operates, through its subsidiaries and other interests, in both Europe and the Caribbean Islands. In the United States, Applicant controls two banks[1] and operates one nonbank subsidiary, which provides data processing and other related services to financial institutions located in Florida and operates as a computer service bureau for the

[1]The Royal Trust Bank of Miami, N.A., Miami, Florida, and Dale Mabry State Bank, Tampa, Florida. On March 1, 1976, Applicant transferred its controlling interest in Royal Trust Bank of Miami to a newly-formed, wholly owned Florida subsidiary, Royal Trust Bank Corp., itself a bank holding company. Applicant also contemplates similar transfers in the future with respect to both Dale Mabry State Bank and Bank.

storing and processing of banking, financial, and other related economic data.[2] Through its two subsidiary banks, Applicant controls aggregate deposits of $73.6 million, representing approximately three-tenths of one per cent of the total deposits held by commercial banks in Florida.[3] Consummation of the subject proposal would increase Applicant's share of State deposits by approximately one-tenth of one per cent and would not have a significant effect upon the concentration of banking resources in the State.

Bank (with deposits of $21.3 million) is the 14th largest of the 32 commercial banks in the South Pinellas County banking market[4] and holds approximately two per cent of the market's commercial bank deposits. Applicant is not presently represented in the relevant market and its closest banking subsidiary to Bank is located in the adjacent, but separate, Tampa banking market. There does not appear to be any existing competition between Bank and any of Applicant's present banking and nonbanking subsidiaries, and it does not appear likely that any significant competition would develop in the future. Upon acquisition of Bank, Applicant would become the 13th largest of the 17 banking organizations that currently are competing in the South Pinellas County banking market.

While Applicant could enter the relevant market *de novo*, the Board views the proposed acquisition of Bank as a foothold entry by Applicant into the market. Moreover, acquisition of Bank by Applicant will remove Bank from its affiliation with another bank that is located in the relevant market and will introduce a new banking alternative into the market. Accordingly, on the basis of the facts of record, the Board concludes that consummation of the proposal would not have any significant adverse effects upon either existing or potential competition in any relevant area, and that competitive considerations are consistent with approval of the application.

The financial and managerial resources and future prospects of Applicant, its subsidiary banks and Bank are regarded as being generally satisfactory. Applicant will provide Bank with its expertise in the areas of international banking, trust services, and specialized loans and will be a source of capital and management as needed. Therefore, considerations relating to banking factors and to the convenience and needs of the community to be served are consistent with approval of the application. It is the Board's judgment that the proposed acquisition would be in the public interest and that the application should be approved.

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

By order of the Board of Governors, effective June 11, 1976.

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

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

Western Michigan Corporation, Niles, Michigan

Order Denying Acquisition of Bank

Western Michigan Corporation, Niles, Michigan, a bank holding company within the meaning of the Bank Holding Company Act, has applied for the Board's approval under § 3(a)(3) of the Act (12 U.S.C. § 1842(a)(3)) to acquire 100 per cent of the voting shares (less directors' qualifying shares) of the successor by merger to The First National Bank of Cassopolis, Cassopolis, Michigan ("Bank"). The bank into which Bank is to be merged has no significance except as a means to facilitate the acquisition of the voting shares of Bank. Accordingly, the proposed acquisition of

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[2]Information Systems Design of Florida, Inc., Miami, Florida ("ISD-Florida"), is a subsidiary of Information Systems Design, Inc., Oakland, California ("ISD-California"), which is owned by Computel Systems, Ltd. ("Computel"), a Canadian computer company. By Order of December 6, 1973, the Board denied Applicant's retention of ISD-California after Applicant's acquisition of Computel [38 *Federal Register* 34514 (1973); 60 *Federal Reserve Bulletin* 58 (1974)]. ISD-California is engaged in non-permissible data processing activities while ISD-Florida is engaged in permissible data processing activities. The Board granted Applicant a two-year period, after its acquisition of Computel, within which to divest itself of ISD-California. At the request of Applicant, the Board recently has extended the divestiture period until September 14, 1976

[3]All banking data are as of June 30, 1975, unless otherwise indicated.

[4]The South Pinellas County banking market is comprised of Pinellas County south of the town of Largo.

shares of the successor organization is treated herein as the proposed acquisition of the shares of Bank.

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

Applicant is the 34th largest banking organization in Michigan and through its sole subsidiary, First National Bank of Southwestern Michigan, Niles, Michigan ("FNB"), holds deposits of approximately $108.7 million, representing 0.4 per cent of the total deposits held by commercial banks in the State.[1] Acquisition of Bank would increase Applicant's share of Statewide deposits by approximately .05 per cent and would make Applicant the 31st largest banking organization in Michigan. Although consummation of this transaction would not significantly increase the concentration of banking resources in Michigan, it would have significant adverse effects upon concentration in the relevant banking market.

Bank (deposits of $15.1 million) controls approximately 20.1 per cent of the total deposits held by commercial banks in the Cass County banking market, the relevant banking market,[2] and is the second largest of five banking organizations competing in the market. FNB, Applicant's banking subsidiary, competes in the adjoining Niles, Michigan-South Bend/Elkhart, Indiana banking market.[3] FNB also operates one branch (deposits of $12.9 million) in the relevant banking market and controls approximately 17.1 per cent of the market's total deposits, thereby ranking as the fourth largest among the five banking organizations in the market. Acquisition of Bank by Applicant would significantly increase Applicant's share of total deposits in the relevant banking market since Applicant would become the market's second largest banking organization and would control approximately 37.2 per cent of total market deposits. Thus, the two-bank concentration ratio in the market would become 75.3 per cent, a significant increase in the concentration of banking resources in the relevant market.

In addition to the significant adverse effects on concentration, it appears that the proposal would also have adverse effects on existing and future competition within the Cass County banking market. As noted above, Applicant already operates in the relevant banking market[4] and the record indicates clearly that there is substantial competition between Applicant and Bank which would be eliminated by this proposal.[5] Furthermore, the proposal would reduce the number of banking alternatives operating in the market. Moreover, approval of the proposed transaction would remove a viable entry vehicle for a Michigan bank holding company not currently represented in the market. This factor is even more significant when considered in the light of the fact that the market is not particularly attractive for *de novo* entry by other banking organizations seeking to gain access to the Cass County market. On the basis of the foregoing and other facts of record, including the views of the Department of Justice and Applicant's response thereto, the Board concludes that approval of the application would have significantly adverse effects on both existing and potential competition.

On the basis of the foregoing and other facts of record, the Board concludes that the competitive considerations relating to this application weigh sufficiently against approval so that it should not be approved unless the anticompetitive effects are clearly outweighed by benefits to the public in meeting the convenience and needs of the communities to be served.

The financial and managerial resources and prospects of Applicant, its subsidiary bank, and Bank are regarded as satisfactory and consistent with approval of the application; however, such considerations do not provide significant weight for approval of the application. Acquisition of Bank by Applicant would enable Bank to expand

[1]Unless otherwise indicated, all banking data are as of June 30, 1975, and reflect bank holding company formations and acquisitions approved through May 31, 1976.

[2]The Cass County banking market is approximated by all of Cass County except the two extreme southwestern townships of Howard and Milton, which are part of the Niles, Michigan-South Bend/Elkhart, Indiana banking market.

[3]FNB operates eight banking offices in this market.

[4]The other eight banking offices of Applicant's lead bank are all within 25 miles of Bank's head office in Cassopolis, albeit in a different market.

[5]Among the facts of record regarded by the Board as evidencing the elimination of existing competition are the amount of deposits and loans derived from Bank's service area by Applicant's subsidiary bank, which represent 9.9 and 15.2 per cent of Bank's total deposits and loans, respectively.

its trust department, increase its lending capacity through loan participations, upgrade its agricultural loan services, and create new time deposit services and municipal and corporate savings programs. These considerations relating to convenience and needs lend some weight toward approval of the application. The Board finds, however, that neither the considerations relating to banking factors nor to convenience and needs are sufficient to outweigh the adverse competitive effects of Applicant's proposal.

On the basis of the facts in the record, and in light of the factors set forth in § 3(c) of the Act, it is the Board's judgment that approval of the proposal would not be in the public interest. Accordingly, the application is denied for the reasons summarized above.

By order of the Board of Governors, effective June 30, 1976.

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

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

Dissenting Statement of Governor Lilly

I would approve the subject application of Western Michigan Corporation to acquire the voting shares of The First National Bank of Cassopolis. It appears from the facts of record that the relevant banking market is rural in nature and that Applicant's resources would enable Bank to increase both its internal efficiencies and the quality of its services to the public. Of particular importance is the fact that Applicant would expand Bank's trust department, increase Bank's lending capacity through loan participations, upgrade Bank's agricultural loan services, and create new time deposit services and municipal and corporate savings programs.

For these reasons, I regard the considerations relating to the convenience and needs of the community to be served to outweigh clearly in the public interest the slightly adverse competitive effects of the proposed transaction, and I would approve the application.

Bank Shares Incorporated, Minneapolis, Minnesota

Order Denying Merger of Bank Holding Companies

Bank Shares Incorporated, Minneapolis, Minnesota ("Applicant"), a bank holding company within the meaning of the Bank Holding Company Act ("Act"), has applied for the Board's approval under section 3(a)(5) of the Act (12 U.S.C. § 1842(a)(5)) to merge with Mid America Bancorporation, Inc., Minneapolis, Minnesota ("Mid America"), a bank holding company within the meaning of the Act. Applicant would be the surviving corporation.

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

On the basis of the record, the application is denied for the reasons set forth in the Board's Statement, which will be released at a later date.

By order of the Board of Governors, effective June 21, 1976.

Voting for this action: Chairman Burns and Governors Gardner, Wallich, Coldwell, Jackson, and Partee. Present and abstaining: Governor Lilly.

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

Statement

Bank Shares Incorporated, Minneapolis, Minnesota ("Applicant"), a bank holding company within the meaning of the Bank Holding Company Act ("Act"), applied for the Board's approval under section 3(a)(5) of the Act (12 U.S.C. § 1842(a)(5)) to merge with Mid America Bancorporation, Inc., Minneapolis, Minnesota ("Mid America"), a bank holding company within the meaning of the Act. Applicant would be the surviving corporation.

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

Applicant controls five banks with aggregate deposits of $259 million, representing approximately 1.88 per cent of the total deposits held by commercial banks in Minnesota, and is the fifth largest bank holding company in that State.[1] Mid America controls seven banks with aggregate deposits of $118 million, representing approximately 0.85 of one per cent of the total deposits held by commercial banks in the State, and is Minnesota's seventh largest bank holding company. Consummation of the proposed merger would result in Applicant's control of approximately 2.73 per cent of total deposits held by the State's commercial banks, and Applicant would become the State's fourth largest bank holding company.

Four of Applicant's subsidiary banks are located in the Minneapolis-St. Paul banking market,[2] and the fifth is located in the Rochester banking market.[3] Of Mid America's seven banking subsidiaries, six are located in the Minneapolis-St. Paul banking market and one is in the Hutchinson banking market.[4] The Rochester and Hutchinson markets are approximately 85 and 60 road miles distant, respectively, from the Minneapolis-St. Paul market, and approximately 125 road miles from each other. Since numerous other banks intervene between these markets and large distances separate them, it appears unlikely that approval of the subject application would foreclose any significant existing or potential competition between Applicant and Mid America in the Rochester and Hutchinson markets.

Accordingly, the primary area in which the proposed transaction may have anticompetitive effects is in the Minneapolis-St. Paul banking market. Applicant is the fourth largest commercial banking organization in that market with total market deposits of $206.5 million, representing 2.9 per cent of deposits held by commerical banks in the market. Mid America ranks sixth with total market deposits of $101.3 million, representing a market share of 1.4 per cent. Consummation of the proposed transaction would result in Applicant holding 4.3 per cent of total market deposits and Applicant would thereby become the market's third largest banking organization. The two largest banking organizations hold 67.7 per cent of total market deposits. While consummation may stimulate competition between the surviving corporation and the two largest banking organizations in the market, the proposed transaction would eliminate some existing competition between Applicant and Mid America, particularly in the area of consumer banking services. Thus, consummation of the merger may have a slight adverse effect on competition.

The Board has indicated on previous occasions that it believes that a bank holding company should constitute a source of financial and managerial strength to its subsidiary banks, and that the Board will closely examine applications with this consideration in mind.

The total amount of Applicant's debt has increased markedly over the last five years. At year-end 1975, Applicant's total borrowed funds equaled 55 per cent of its stated equity capital on a parent company only basis. At year-end 1971, Applicant's parent-only debt-equity ratio was 33 per cent. Applicant's interest expense increased from 19 per cent of operating revenue in 1972 to 50 per cent of operating revenue in 1975. On a consolidated basis, Applicant's debt-equity ratio was 63 per cent. Parent-only long-term debt of Applicant represented 44 per cent of its equity capital at year-end 1974 while other similarly-sized multi-bank holding companies averaged a long-term-debt-equity ratio of 12.3 per cent. The size of Applicant's debt-equity ratio suggests that Applicant lacks the financial flexibility to provide financial assistance to its subsidiary banks in the event such banks encounter currently unforeseen difficulties.

The Board's concern over the size of Applicant's debt has been previously expressed to Applicant. The Board, in 1972, approved Applicant's proposal to acquire Olmsted County Bank and Trust Company, Rochester, Minnesota ("Roches-

[1]All banking data are as of June 30, 1975, unless otherwise indicated.

[2]The Minneapolis-St. Paul banking market is approximated by the Minneapolis-St. Paul Ranally Metro Area, adjusted to include all of Carver County.

[3]The Rochester banking market is approximated by northwestern Fillmore County, northeastern Mower County, southeastern Dodge County, and southwestern Wabasha County, and all but the eastern portion of Olmsted County.

[4]The Hutchinson banking market is approximated by McLeod County and the northeastern portion of Renville County.

ter Bank"), with the understanding that the debt of $4 million incurred by Applicant would be replaced with equity within one year of the acquisition. To date, that debt remains on Applicant's books. Applicant has asserted that market conditions have made it impossible for Applicant to sell equity securities publicly. However, Applicant, in making the aforementioned commitment and in consummating the Rochester Bank acquisition on that basis assumed the risk of a change in market conditions. It is also Applicant's contention that it has pursued alternatives to equity funding which have resulted in a capital structure similar to that which would have resulted had the commitment been fulfilled. In view of the fact that Applicant's debt position has further deteriorated since the Rochester Bank acquisition was originally proposed, and in view of the continuing need for increased equity capital, the Board is unable to accept Applicant's assertions. Under these circumstances, the Board regards Applicant's long-term noncompliance with the above-mentioned commitment as a factor reflecting adversely upon the financial and managerial resources of Applicant and as providing sufficient grounds for denial of the present proposal.

In contrast, Mid America is a conservatively operated holding company without substantial leverage. Its parent-only total borrowed funds equaled only 18 per cent of its stated equity capital at year-end 1975, down from 32 per cent a year earlier and reflecting the efforts of Mid America to reduce its leverage. Consummation of the proposed transaction will result in a combined organization with total parent company debt equalling 41 per cent of stated equity capital and long-term parent company debt equalling 30 per cent of stated equity capital. While this would represent some improvement over Applicant's debt position, it would continue to compare unfavorably with other bank holding companies of similar size. Such improvement in the resulting organization's leverage *vis à vis* Applicant's leverage would be accomplished at the expense of subjecting Mid America's banking subsidiaries, which should be retaining dividends in order to build capital to support deposit growth, to a substantially more highly leveraged parent. Accordingly, Mid America's banking subsidiaries, which have not provided any significant dividends to Mid America, would be subjected to the possibility of a substantial demand from the resulting parent corporation for dividends.

Generally, the financial conditions of the subsidiary banks of Applicant and Mid America are satisfactory. However, one bank subsidiary of Applicant and one of Mid America have experienced substantial deposit growth without commensurate capital growth and thus are in need of infusions of capital. Irrespective of whether the survivor of the merger would be so leveraged as to inhibit its ability to raise such capital, the pressure for bank dividends represented by the combined debt servicing requirement could have an adverse effect on the capital accounts of those two banks.[5] Accordingly, the Board finds that although the financial resources and future prospects of Mid America are generally satisfactory, the financial resources and future prospects of both Applicant and the combined organization must be regarded as less than satisfactory and lending weight toward disapproval.

The Board regards the managerial resources of Mid America as being satisfactory. But for Applicant's failure to fulfill the above-mentioned commitment, the managerial considerations relating to Applicant would be regarded as generally satisfactory, but would lend no weight toward approval of the proposed transaction. There is no indication that the convenience and needs of the communities to be served are not being met currently. Applicant has asserted that expanded trust services, real estate lending, and increased lending limits would flow from approval of the proposed transaction. While convenience and needs factors lend some slight weight toward approval of the application, they are insufficient to outweigh the adverse factors found by the Board to be present in the application. Accordingly, on the basis of the facts of record, it is the Board's judgment that approval of the application would not be in the public interest and that the application should be denied.

[5]Applicant has projected earnings for the resulting organization as being sufficient to meet the debt servicing requirements of that organization. However, it is the Board's judgment that these projections are unreasonably optimistic. For example, the projections assume a return on average assets for the surviving corporation substantially above the five-year average return on average total resources of either of the merging companies. Further, even if dividends from subsidiary banks could be increased sufficiently to service the combined organizations' debt, this could weaken the capital adequacy of those banks.

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

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

Orders Under Section 4 Of Bank Holding Company Act

D. H. Baldwin Company, Cincinnati, Ohio

Order Approving Joint Venture Participation in FMC-Baldwin Leasing Company

D. H. Baldwin Company, Cincinnati, Ohio, a bank holding company within the meaning of the Bank Holding Company Act, has applied for the Board's approval, under § 4(c)(8) of the Act (12 CFR § 225.4(b)(2)), to engage in a joint venture through its subsidiary, The Baldwin Company, with FMC Finance Corporation, a subsidiary of FMC Corporation, Chicago, Illinois ("FMC"). The joint venture is to be known as FMC-Baldwin Leasing Company, Chicago, Illinois ("Company"). Company would engage *de novo* in the activities of leasing personal property on a full pay-out basis. Such activities have been determined by the Board to be closely related to banking (12 CFR § 225.4(a)(6)).

Notice of the application, affording opportunity for interested persons to submit comments and views on the public interest factors, has been duly published (41 *Federal Register* 10453 (1976)). The time for filing comments and views has expired, and the Board has considered the application and all comments[1] received in the light of the public interest factors set forth in § 4(c)(8) of the Act (12 U.S.C. § 1843(c)(8)).

Applicant controls 12 banks with aggregate deposits of approximately $554 million,[2] representing 7.6 per cent of the total deposits in commercial banks in Colorado, and is the fifth largest banking organization in the State. Applicant also controls several nonbanking subsidiaries engaged in underwriting life and casualty insurance, operating a savings and loan association,[3] performing commercial mortgage and leasing activities, and manufacturing and marketing musical instruments and electronic components.

FMC and its subsidiaries are engaged in the manufacture and sale of many types of industrial equipment, including mining, agricultural, food processing, petroleum, and marine and rail transportation equipment.

Applicant proposes to acquire a 20 per cent equity participation in Company,[4] which will engage *de novo* in the activities of originating full pay-out leveraged leases on personal property.[5] It is anticipated that most, if not all, of such leases will be written for equipment manufactured by FMC and its subsidiaries. Company will engage in such leasing activities from an office in Chicago, Illinois; however, it appears that the relevant geographic market for these activities is the nation, particularly in that the market for products manufactured by FMC and to be leased by Company is nationwide. Applicant's subsidiary, Baldwin Finance Company, engages in leasing personal property on a full pay-out basis. In addition, Applicant's subsidiary banks originate instalment sales contracts relating to personal property, which may serve as substitutes for the types of leases

[1] As originally proposed, Applicant declared that, if the subject application were approved, Company would not engage in leasing activities within Colorado. The United States Department of Justice commented on the application stating that this provision appeared to be a territorial allocation arrangement, a form of behavior that the courts have repeatedly condemned as a *per se* offense under the Sherman Act. Upon being advised of the Justice Department's comments, Applicant amended its application by removing this provision. Accordingly, the Justice Department currently has no objection on antitrust grounds to the proposed transaction.

[2] All banking data are as of June 30, 1975, and reflect bank holding company formations and acquisitions approved by the Board through May 31, 1976.

[3] Currently pending before the Board is an application by Applicant to retain shares of its subsidiary, Empire Savings, Building and Loan Association, Denver, Colorado (see 41 Federal Register 26276 (1976)).

[4] Although Applicant is providing a 20 per cent equity participation in Company, it will be a general partner in the management of Company. Applicant has agreed to report Company as its subsidiary for purposes of the Bank Holding Company Act, and to comply with all limitations and prohibitions that are applicable under the Act to such a subsidiary. Accordingly, the Board's approval action herein is based upon Applicant's commitments and is conditioned upon Applicant's compliance therewith.

[5] It is contemplated that funds will be lent to Company, on a nonrecourse basis (i.e., neither Company, nor its equity participants, Applicant and FMC, will be liable for this debt), from unaffiliated financial institutions. A trustee will be designated to receive rentals and to disburse those funds to the equity and debt participants in particular lease trusts.

that Company will originate. FMC Finance Corporation also originates instalment sales contracts. However, in relation to the $100 billion of estimated total equipment lease obligations outstanding nationwide, the volume of obligations originated by Applicant and FMC in 1975 is not considered substantial. Thus, it does not appear that consummation of the proposal would eliminate a substantial amount of existing competition.

On the other hand, formation of Company would provide an additional and convenient source of financing the acquisition of certain personal property, especially for equipment manufactured by FMC and its subsidiaries. Furthermore, there is no evidence in the record indicating that consummation of the subject proposal would result in any undue concentration of resources, unfair competition, conflicts of interest or any other adverse effects.

Based upon the foregoing and other considerations reflected in the record, the Board has determined that the balance of the public interest factors the Board is required to consider under § 4(c)(8) is favorable. Accordingly, the application is hereby approved. This determination is subject to (1) Applicant's commitment to treat Company as a subsidiary; (2) the compliance of Applicant and Company with the conditions set forth in § 225.4(c) of Regulation Y; and (3) the Board's authority to require such modification or termination of the activities of a holding company or any of its subsidiaries as the Board finds necessary to assure compliance with the provisions and purposes of the Act and the Board's regulations and orders issued thereunder, or to prevent evasion thereof.

The transaction shall be made not later than three months after the effective date of this Order, unless such period is extended for good cause by the Board or by the Federal Reserve Bank of Kansas City.

By order of the Board of Governors, effective June 30, 1976.

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

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

Republic of Texas Corporation, Dallas, Texas

Order Approving Retention of Republic Commerce Company, Republic Money Orders, Inc., and Republic Money Orders of California, Inc., all of Dallas, Texas

Republic of Texas Corporation, Dallas, Texas, a bank holding company within the meaning of the Bank Holding Company Act, has applied for the Board's approval, under section 4(c)(8) of the Act (12 U.S.C. 1843(c)(8)) and § 225.4(b)(2) of the Board's Regulation Y (12 CFR 225.4(b)(2)), to retain ownership of the voting shares of Republic Commerce Company, Dallas, Texas ("Company"), and indirect ownership of the voting shares of Republic Money Orders, Inc. ("RMO"), and Republic Money Orders of California, Inc. ("RMO of California"), both of Dallas, Texas. Company engages in no activities and merely serves as owner of record of all shares of RMO. RMO engages in the activity of issuing money orders and travelers checks to third party agents who, in turn, sell the instruments at the retail level. RMO of California is a wholly-owned subsidiary of RMO which, until 1972, also issued money orders and travelers checks. RMO of California is inactive and will be liquidated in 1985 when any money orders that remain unclaimed at that time escheat to the State of California.

The Board has previously determined by order that the activity of issuing and selling travelers checks is closely related to banking (59 Federal Reserve BULLETIN 544 (1973)). The Board has not previously determined whether the issuance and sale of money orders constitutes an activity closely related to banking. The Board has decided to proceed by rulemaking on the question of whether Regulation Y should be amended by adding the activity of issuing payment instruments, such as money orders, to the list of permissible nonbank activities (12 CFR 225.4(a)). Notice of the Board's decision has been published affording interested persons an opportunity to submit their views on this subject (41 Federal Register 14902). Since it has previously determined that the activity of issuing and selling travelers checks is closely related to banking, the Board decided to consider as a separate matter Applicant's application to continue to engage (through RMO) in the activity of issuing and selling travelers checks.

Notice of the application, affording opportunity for interested persons to submit comments and views on the public interest factors, has been duly published (40 Federal Register 44634). The time for filing comments and views has expired, and the Board has considered all comments received in the light of the public interest factors set forth in section 4(c)(8) of the Act.

By Order dated October 25, 1973, the Board approved the application of Applicant to become a bank holding company through the acquisition of Republic National Bank of Dallas ("Republic Bank"). Applicant became a bank holding company on May 9, 1974. At the time that Applicant became a bank holding company, it also acquired, from Republic Bank, direct ownership of Company. Republic Bank was itself a bank holding company by virtue of the 1970 Amendments to the Act and owned various bank and nonbank interests. RMO and its subsidiary, RMO of California, were established as *de novo* subsidiaries of the profit sharing plan of Republic Bank. Pursuant to the provisions of § 4(a)(2) of the Act, Applicant has two years from the date when it became a bank holding company to divest its nonbank activities or, in the alternative, to apply to the Board for approval to retain them. The Board regards the standards under § 4(c)(8) of the Act for retention of shares to be the same as the standards for a proposed acquisition.

Applicant, the fourth largest banking organization in Texas, controls three banks with total deposits of approximately $2.8 billion, representing about 6.5 per cent of the total deposits in commercial banks in the State.[1] In addition, Applicant engages indirectly through a group of corporations referred to collectively as The Howard Corporation, in various nonbanking activities which are described in a Board determination dated September 10, 1973, relating to the grandfather benefits of Republic Bank (59 Federal Reserve BULLETIN 768 (1973)). The Board has previously ruled that Applicant would not be a successor to the grandfather benefits of Republic Bank, and Applicant has committed, and is required, to dispose of the nonpermissible activities within the two-year statutory period prescribed in § 4(a)(2) of the Act.[2]

[1] Unless otherwise noted, all banking data are as of December 31, 1974.

[2] The Federal Reserve Bank of Dallas, acting pursuant to delegated authority, has extended the period within which Applicant must dispose of its impermissible activities by one year to May 9, 1977.

The issuance and sale of travelers checks is recognized as a distinct line of commerce. Seven firms constitute most of the travelers check industry which has annual sales of approximately $6 billion. The largest organization, American Express, accounts for about two-thirds of the industry total. RMO's share of the national market is approximately one per cent.[3] Barriers to entry into the industry appear high in view of the necessity for a large international sales organization to handle this low-margin high-volume product. Thus, potential entrants are likely to be those large money center banking organizations which have, or are capable of building, correspondent or agency relationships worldwide. The Board has previously determined that it would be in the public interest for bank holding companies having such capabilities to engage in the activity of issuing and selling travelers checks in view of the limited number of competitors presently serving the industry (59 Federal Reserve BULLETIN 544 (1973)). Retaining Company as a subsidiary of Applicant should serve to promote competition among the various leading participants in the travelers check industry.

RMO was established *de novo* by Republic Bank in 1959. In 1974 it had travelers checks issues of $129.7 million. In view of the highly concentrated nature of the travelers check industry and the fact that RMO was established *de novo*, as a subsidiary of Applicant's lead bank, the Board concludes that Applicant's retention of RMO would not result in any adverse effects on competition in any relevant area. Furthermore, there is no evidence in the record to indicate that the proposed retention of RMO by Applicant would lead to an undue concentration of resources, unfair competition, conflicts of interest, or unsound banking practices, or other adverse effects.

Funds received on the issuance of travelers checks by a member bank are considered as demand deposits and included in the money supply. As such, member banks are required to carry reserves against outstanding instruments (see 15 Federal Reserve BULLETIN 348; Board Interpretation ¶ 2770). RMO, however, because it is not a member bank, is not required by statute to maintain reserves with respect to such funds.

[3] Applicant sells travelers checks to companies with outlets in 44 States and two foreign countries.

While the Board believes that the better course would be to have all institutions engaged in deposit banking of this kind subject to common reserve requirements, it recognizes that competition in the travelers check industry is likely to be promoted by allowing bank holding companies to offer such services through nonbank subsidiaries rather than through subsidiary banks. It has therefore approved the subject application in view of the relevant favorable considerations under the Bank Holding Company Act.

Unlike some other issuers of travelers checks, RMO does not charge its agents a fee. The absence of a fee provides RMO's agents greater flexibility in dealing with retail customers and, in certain circumstances, may result in lower retail costs. In addition, continued affiliation of Applicant and RMO should increase the possibilities that RMO will expand the number of retail outlets that handle its travelers checks. Accordingly, it is the Board's view that approval of the subject application will produce benefits to the public and will be in the public interest.

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

By order of the Board of Governors, effective June 25, 1976.

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

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

Security Bancorp, Inc., Ponca City, Oklahoma

Order Approving Retention of Security Datacenter and A.D.P.C., Inc.

Security Bancorp, Inc., Ponca City, Oklahoma, a bank holding company within the meaning of the Bank Holding Company Act, has applied for the Board's approval, under § 4(c)(8) of the Act (12 U.S.C. § 1843(c)(8)) and § 225.4(b)(2) of the Board's Regulation Y (12 CFR § 225.4(b)(2)), to retain the assets of Security Datacenter ("Datacenter") and shares of A.D.P.C., Inc. ("A.D.P.C."), both of Ponca City, Oklahoma. Datacenter engages in the activities of providing bookkeeping and data processing services for Applicant's subsidiary bank, and financially-related data processing services for businesses and municipalities. A.D.P.C. engages in the activity of providing financially-related data processing services for public schools. Such activities have been determined by the Board to be closely related to banking (12 CFR § 225.4(a)(8)).

Notice of the applications, affording opportunity for interested persons to submit comments and views on the public interest factors, has been duly published (41 Federal Register 1546). The time for filing comments and views has expired, and the Board has considered the applications and all comments received in light of the public interest factors set forth in § 4(c)(8) of the Act (12 U.S.C. § 1843(c)(8)).

Applicant, the 25th largest banking organization in Oklahoma, controls one bank with deposits of approximately $49.1 million, representing 0.5 per cent of the total deposits in commercial banks in the State.[1]

Datacenter is an unincorporated company, all the assets of which have been owned by Applicant since August of 1970. Primarily, Datacenter provides bookkeeping and data processing services for the internal operations of Applicant's subsidiary bank. In addition, it provides financially-related data processing services to municipalities and private business firms. In 1975, Datacenter had total operating revenue of approximately $328,000.

A.D.P.C. is a computer service company that leases computer time from Datacenter in order to

[1] All banking data are as of June 30, 1975.

perform financially-related data processing services for public school systems in Oklahoma. Applicant presently controls approximately 47 per cent of the outstanding shares of A.D.P.C.[2] In 1975, A.D.P.C. had total operating revenue of approximately $210,000.

In acting on applications submitted pursuant to § 4(c)(8) of the Act, the Board analyzes an application to retain a company engaged in § 4(c)(8) activities by the same standards that it analyzes an application to acquire a company engaged in such activities. In addition, the Board analyzes the competitive effects of a proposal both at the time of the acquisition and at the time of the application for retention. Applicant acquired Datacenter in August, 1970 from Applicant's sole subsidiary bank. Since that transaction was essentially a reorganization of Applicant's existing data processing activities, it does not appear to have had any significant adverse effects on competition at that time. At present, Datacenter competes with three general data processing services in the Ponca City market[3] to provide certain data processing services for municipalities and businesses. From the facts of record it does not appear that the retention of Datacenter by Applicant would have any significant adverse effects on existing or potential competition.

A.D.P.C. was formed *de novo* in 1971, and thus, the acquisition of its shares by Applicant does not appear to have had any significant adverse effects on competition at that time. A.D.P.C. is highly specialized in that it only provides financially-related data processing services for public school systems throughout Oklahoma. On the basis of the record, it does not appear that the retention of A.D.P.C. by Applicant would have any significant adverse effects on existing or potential competition. The retention of Datacenter and A.D.P.C. by Applicant should provide benefits to the public by assuring the respective customers of those companies of a continued and convenient source for financially-related data processing services. Moreover, there is no evidence in the record indicating that retention of Datacenter or A.D.P.C. would lead to any undue concentration of resources, unfair competition, conflicts of interests, unsound banking practices or other adverse effects on the public interest.

With respect to Applicant's financial condition, the Board notes that, in the past, Applicant has incurred substantial debt in order to purchase its own shares.[4] Such practice, known as "bootstrapping," is of concern to the Board because it has the potential to reduce or eliminate equity in a bank holding company; place substantial pressure on the holding company's subsidiary bank(s) to pay excessive dividends to service the debt; and encourage undue risk-taking aimed at increasing the earnings of its subsidiary bank(s) in order to service the debt. As of May 15, 1976, § 225.6 of Regulation Y (12 CFR § 225.6) requires that, under certain conditions, a holding company planning to make purchases of its own equity securities must notify the Board 45 days prior to any such transaction. The purpose of this recent amendment is to assist the Board in supervising bank holding companies by providing advance notice of holding company redemptions that could have a significant impact on the holding company's capital structure. Accordingly, future redemptions by Applicant of its equity securities may be subject to this prior notification requirement, and if circumstances indicate that the proposed transaction would violate applicable law, or create an unsafe or unsound condition in Applicant, the Board would, if nec-

[2] On January 14, 1971, the date A.D.P.C. was formed, Applicant acquired one-third of the outstanding shares of A.D.P.C. without prior Board approval. This transaction did not require prior Board approval by virtue of § 225.4(d) of Regulation Y (12 CFR § 225.4(d)). Since that time, however, Applicant has on two separate occasions acquired additional shares of A.D.P.C. without prior Board approval. It appears from the facts of record that these two latter acquisitions of shares were based on a misunderstanding of the applicable statutes and regulations relating to nonbanking activities of bank holding companies. In accord with the Board's position with respect to violations of the Act, the Board has scrutinized the underlying facts surrounding the acquisitions of shares of A.D.P.C. without prior Board approval; and upon an examination of all the facts of record, the Board believes that those facts do not call for denial of the application to retain shares of A.D.P.C.

It should be noted that, under the Act, any acquisition by a bank holding company that would result in that holding company controlling more than five per cent of the shares of a company engaged in nonbanking activities requires the prior approval of the Board. This requirement is applicable to any such acquisition of shares of a nonbanking company, whether or not the holding company already controls more than 50 per cent of that company's shares.

[3] The Ponca City market, the relevant geographic market for purposes of analyzing the competitive effects of the proposal to retain Datacenter, is approximated by all of Kay County, Oklahoma.

[4] Through earnings retention, Applicant has been able to replace nearly all of its shareholder equity that was reduced by the purchase of its own shares.

essary, use its cease and desist authority to prevent the transaction.

Based upon the foregoing and other considerations reflected in the record, the Board has determined that the balance of the public interest factors the Board is required to consider under § 4(c)(8) is favorable. Accordingly, the applications are hereby approved. This determination is subject to the conditions set forth in § 225.4(c) of Regulation Y and to the Board's authority to require such modification or termination of the activities of a holding company or any of its subsidiaries as the Board finds necessary to assure compliance with the provisions and purposes of the Act and the Board's regulations and orders issued thereunder, or to prevent evasion thereof.

By order of the Board of Governors, effective June 30, 1976.

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

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

Security Pacific Corporation, Los Angeles, California

Order Approving Acquisition of The Bankers Investment Company

Security Pacific Corporation, Los Angeles, California ("Applicant"), a bank holding company within the meaning of the Bank Holding Company Act ("Act"), has applied for the Board's approval, under § 4(c)(8) of the Act (12 U.S.C. § 1843(c)(8)) and § 225.4(b)(2) of the Board's Regulation Y (12 CFR § 225.4(b)(2)), to acquire voting shares of The Bankers Investment Company, Hutchinson, Kansas ("BIC"), and thereby to acquire control of the wholly-owned subsidiaries of BIC. As a result of consummation of this proposal Applicant, through BIC's subsidiary companies, would engage in consumer finance activities, act as agent for the sale of credit life and credit accident and health insurance related to extensions of credit by the offices of BIC, and act as underwriter for credit life and credit accident and health insurance directly related to extensions of credit by the holding company system.[1] Such activities have been determined by the Board to be closely related to banking (12 CFR § 225.4(a)(1), (9), and (10)).

Notice of the application, affording opportunity for interested persons to submit comments and views on the public interest factors, has been duly published (41 Federal Register 16616). The time for filing comments and views has expired, and the Board has considered the application and all comments received in the light of the public interest factors set forth in § 4(c)(8) of the Act.

Applicant, the second largest banking organization in California, controls one subsidiary bank, Security Pacific National Bank, Los Angeles, California ("Bank"). Bank controls deposits of $9.9 billion, representing 12.3 per cent of the total deposits in commercial banks in the State,[2] and offers a full range of banking services. Applicant engages in a variety of permissible nonbank activities through its nonbanking subsidiaries. Applicant's nonbank activities include commercial finance, venture capital investment, mortgage banking, leasing, insurance agency, and investment advisor activities; and through Security Pacific Finance Corp. ("SPFC"), which was organized *de novo* in 1974, Applicant engages in consumer finance activities. SPFC has opened 11 offices as of March, 1976, all but one of which are located in California.

BIC (gross receivables of approximately $40 million, as of December 31, 1975) operates 57 offices in nine south-central States: Colorado, Idaho, Kansas, Missouri, New Mexico, Oklahoma, Texas, Utah, and Wyoming, with the largest group of offices, 23, being located in Kansas. Through these offices, BIC engages in direct consumer, agricultural, and commercial lending, and the purchase of instalment sales contracts.[3] Additionally, BIC conducts a nationwide loan-by-mail program from its principal office in Hutchinson, Kansas. BIC engages in the sale of credit life and credit accident and health insurance related to its extensions of credit. BIC also presently engages in the sale of other lines of insurance, but Applicant has committed that BIC will cease to engage in the sale of these other lines of insurance following consummation of this proposal. Through

[1] Applicant would not underwrite credit accident and health insurance for its credit-granting offices located in California.

[2] All banking data are as of June 30, 1975.

[3] BIC presently issues investment certificates as a source of funding. Applicant has committed to cause BIC to cease the issuance of investment certificates upon consummation of the proposed acquisition.

two subsidiaries, BIC engages in the underwriting of various lines of insurance; however, Applicant has committed that, following consummation of this proposal, BIC's underwriting activities will be limited to the underwriting of credit life and credit accident and health insurance directly related to extensions of credit by Applicant's credit-granting subsidiaries.

None of Applicant's subsidiaries presently competes in any market in which offices of BIC are located;[4] nor does it appear likely that any significant competition would develop in the future between BIC and any of Applicant's subsidiaries. Applicant's existing consumer finance subsidiary is not regarded as a likely entrant into any of the markets served by BIC in view of its small size and its past record of limiting its expansion primarily to California. Accordingly, the Board concludes that consummation of the proposed acquisition would not result in a significant adverse effect on competition with respect to this activity in any relevant area. In addition, it does not appear that Applicant's acquisition of BIC's insurance activities would have any significant effect on competition in view of the limited nature of the insurance activities which Applicant proposes that BIC would retain following consummation of the acquisition.

It is anticipated that BIC's affiliation with Applicant will afford BIC access to Applicant's expertise and substantial financial resources, thus enabling it to compete more effectively with other consumer finance companies in the areas in which it operates. Applicant states that, as a result of this proposal, BIC would be able to expand its lending activities. Applicant proposes to provide BIC customers with a broader range of lending services and to increase the availability of larger-sized loans, loans with longer maturities, and loans at lower annual percentage rates.

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

> To assure that engaging in the underwriting of credit life and credit accident and health insurance can reasonably be expected to be in the public interest, the Board will only approve applications in which an applicant demonstrates that approval will benefit the consumer or result in other public benefits. Normally, such a showing would be made by a projected reduction in rates or increase in policy benefits due to bank holding company performance of this service. (12 CFR § 225.4(a)(10) n. 7)

Applicant has stated that following consummation of the acquisition, BIC will offer at reduced premiums the several types of credit insurance policies that it will reinsure. Since credit life insurance will be sold in each of the nine States in which BIC operates as well as by Bank in California and SPFC in California and Colorado, Applicant's proposed rate reductions vary according to the permissible rate structures in each respective State. Thus, Applicant's proposal involves rate reductions for reducing-term single and joint credit life insurance at premium rates ranging from 2 per cent to 15 per cent below the rates presently charged in each of the respective States. Applicant does not propose to have BIC underwrite the credit accident and health insurance sold by the California offices of its subsidiaries. However, such insurance sold by SPFC's Colorado office and the offices of BIC in the above-mentioned nine States will be offered at rates ranging from 3.7 per cent to 5 per cent below the premiums presently charged in each of the respective States. The Board is of the view that the reductions in insurance premiums that Applicant proposes to establish are in the public interest.

There is no evidence in the record indicating that consummation of the proposed transaction would result in any undue concentration of resources, decreased or unfair competition, conflicts of interest, unsound banking practices, or other adverse effects on the public interest. In its consideration of this application, the Board has taken into account several commitments made by Applicant with respect to the discontinuance, following consummation of the proposed acquisition, of certain impermissible nonbank activities in which BIC is presently engaged.

Based upon the foregoing and other considerations reflected in the record, including a commitment by Applicant, with respect to its proposed underwriting activities, to maintain on a continuing basis the public benefits that the Board has found to be reasonably expected to result from this proposal and upon which the approval of that aspect of this proposal is based, the Board has determined that the balance of the public interest

[4] BIC's nationwide receivables associated with its loan-by-mail program approximate $6.8 million and its customers are located throughout the United States. Thus, any competition with Applicant in this area is not deemed by the Board to be significant.

factors the Board is required to consider under § 4(c)(8) is favorable. Accordingly, the application is hereby approved. This determination is conditioned upon Applicant's obtaining approval of the proposed transaction from the Commissioner of Insurance of the State of Kansas prior to consummation. This determination is further subject to the conditions set forth in § 225.4(c) of Regulation Y and to the Board's authority to require such modification or termination of the activities of a holding company or any of its subsidiaries as the Board finds necessary to assure compliance with the provisions and purposes of the Act and the Board's regulations and orders issued thereunder, or to prevent evasion thereof.

The transaction shall be made not later than three months after the effective date of this Order, unless such period is extended for good cause by the Board or by the Federal Reserve Bank of San Francisco, pursuant to authority hereby delegated.

By order of the Board of Governors, effective June 21, 1976.

Voting for this action: Chairman Burns and Governors Gardner, Wallich, Coldwell, Jackson, Partee, and Lilly.

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

Walter E. Heller International Corporation, Chicago, Illinois

Order Approving Acquisition of PepsiCo Leasing Corporation

Walter E. Heller International Corporation, Chicago, Illinois, a bank holding company within the meaning of the Bank Holding Company Act, has applied for the Board's approval under § 4(c)(8) of the Act (12 U.S.C. § 1843(c)(8)) and § 225.4(b)(2) of the Board's Regulation Y (12 CFR § 225.4(b)(2) (1976)), to acquire PepsiCo Leasing Corporation, Lexington, Massachusetts ("PLC"), a company that, directly or indirectly through subsidiaries, engages in the activities of commercial finance, full-payout leasing of personal property, and financially-related data processing. Such activities have been determined by the Board to be so closely related to banking as to be a proper incident thereto (12 CFR § 225.4(a)(1), (6), and (8) (1976)).

Notice of the application, affording opportunity for interested persons to submit comments and views on the public interest factors, has been duly published (41 Federal Register 21701 (1976)). The time for filing comments and views has expired, and the Board has considered the application and all comments received in the light of the public interest factors set forth in § 4(c)(8) of the Act (12 U.S.C. § 1843(c)(8)).

Applicant is the fifth largest banking organization in Illinois by virtue of its control of one bank with total deposits of $1 billion, representing approximately 1.7 per cent of total deposits held by commercial banks in the State.[1] Applicant is also the Nation's twelfth largest finance company, based on total assets of $3.3 billion, as of December 31, 1975. Its numerous nonbanking subsidiaries are engaged, *inter alia*, in the activities of factoring, commercial finance, full-payout leasing, data processing, and mortgage banking.[2]

PLC (total assets of $215.4 million as of December 31, 1975) is a wholly-owned subsidiary of PepsiCo, Inc., New York, New York. PLC has a total of 17 wholly-owned subsidiaries which have offices located in nine States and certain foreign countries.[3] PLC and its subsidiaries primarily engage in the nonleveraged leasing of a wide range of personal property and equipment (receivables from these activities account for approximately 95 per cent of PLC's gross receivables). Certain of PLC's current leasing transactions do not appear to be within the scope of nonbanking activities that are permissible for bank holding companies pursuant to the Act and the Board's Regulation Y. Therefore, Applicant has

[1] All banking data are as of June 30, 1975, unless otherwise indicated.

[2] One of Applicant's subsidiaries, Knoll International, Inc., is engaged in the business of manufacturing furniture. The Board's Order of May 11, 1973, approving Applicant's application to become a bank holding company required divestiture of Knoll International, Inc., by May 11, 1975. Acting pursuant to delegated authority, the Federal Reserve Bank of Chicago on January 3, 1975, extended the divestiture date by one year. Applicant has requested another one year extension until May 11, 1977, which request is currently pending at the Board.

[3] Applicant has applied under § 4(c)(8) of the Act to acquire 11 of PLC's existing subsidiaries, all of which are principally engaged in domestic leasing activities. Applicant has also filed a separate application under § 4(c)(13) of the Act to acquire four of PLC's foreign leasing subsidiaries; this application has also been approved today in a separate letter issued by the Board. The activities of PLC's subsidiaries are carried on as a unit; all administrative, credit, operational, data processing and collection functions for each of the subsidiaries are perfomed at PLC's home office and that office and each other location serves as a sales office for PLC and each of its subsidiaries.

committed to the Board that it will acquire and conduct only those leasing activities of PLC that are within the scope of the leasing requirements set forth in section 225.4(a)(6)(a) of the Board's Regulation Y (12 CFR § 225.4(a)(6)(A) (1976)). In connection with its leasing activities, PLC also engages in a small amount of commercial finance activities that represent approximately 2 per cent of its gross receivables. In addition, PLC presently performs financially-related data processing services for itself and its subsidiaries and its parent company PepsiCo, Inc. and subsidiaries thereof. After consummation of the proposed transaction, PLC will continue to provide its own data processing services and will continue to perform financially-related data processing services for PepsiCo, Inc. and its subsidiaries until such organizations can obtain satisfactory alternative services.

As indicated previously, Applicant will not acquire lease receivables from PLC that do not meet the full-payout requirements of the Board's Regulation Y. In this regard, PLC had net receivables in full-payout personal property leasing in the amount of approximately $191.5 million as of September 30, 1975; as of the same date, Applicant had net receivables in full-payout personal property leasing totalling approximately $31.4 million. While PLC has lease receivables outstanding in 44 of the 50 States, it derives approximately 53.4 per cent ($102.3 million) of its total full-payout lease receivables from within those SMSA's wherein its and its subsidiaries' offices are located.[4] With the exception of the Philadelphia and Cincinnati SMSA's, Applicant also has offices located within these areas, with the most competition between Applicant and PLC being in the New York, Chicago, and Los Angeles SMSA's.[5] However, in view of the large number of competitors in the areas where Applicant and PLC compete, including all of the major national and regional leasing firms, and the intensity of competition in these areas, the amount of existing and future competition that would be eliminated as a result of this proposal is considered, at the most, to be slight. In addition, it appears from the facts of record that acquisition of PLC would not give Applicant a dominant position in any relevant market.

With respect to PLC's commercial finance activities, PLC, as of September 30, 1975, had notes receivable outstanding totalling $1.2 million, all of which were derived from SMSA's where PLC or its subsidiaries maintain offices. In the same areas, Applicant, as of the same date, had notes receivable outstanding of approximately $169.3 million. In view of the large number and size of banks and finance company competitors in these areas and PLC's relatively small involvement in this activity, it does not appear that Applicant's acquisition of PLC's commercial finance activities would have any signficant adverse effects on either existing or future competition.

Due to the nature of PLC's data processing activities, which have been limited to servicing its needs and those of its parent organization, it does not appear that Applicant's acquisition of these data processing activities would have any significant effect on existing or future competition.

It appears that consummation of this proposal would not result in any undue concentration of resources, conflicts of interest, unsound banking practices, or any other adverse effects on the public interest. Applicant's acquisition of PLC should make PLC a more effective competitor with the major equipment leasing companies operating in its markets, since it will have access to Applicant's significant financial and managerial resources, and will benefit from certain improved efficiencies in its operations. In this regard, it is noted from the record that PepsiCo, Inc. has apparently determined to dispose of PLC's leasing activities that are unrelated to PepsiCo's commercial business activities, and that if a suitable purchaser of PLC is not found, it is likely that PLC's assets would be liquidated. In the Board's judgment, the slight amount of competition between Applicant and PLC that would be eliminated as a result of this proposal is outweighed, under the circumstances, by the public benefits that will result from PLC's affiliation with Applicant.

Based upon the foregoing and other considerations reflected in the record, the Board has determined that the balance of the public interest factors the Board is required to consider under § 4(c)(8) is favorable. Accordingly, the application is hereby approved. This determination is subject

[4] Baltimore, Boston, Chicago, Cincinnati, Dallas, Ft. Lauderdale, Houston, Los Angeles, New York, Philadelphia, and San Francisco.

[5] Applicant derives lease receivables totalling $6.6 million from within the Chicago SMSA, $5.5 million from within the New York SMSA and $2.2 million from within the Los Angeles SMSA. From these same SMSA's, PLC has lease receivables outstanding of $12.4 million, $34.2 million and $13.4 million respectively

to the conditions set forth in § 225.4(c) of Regulation Y and to the Board's authority to require such modification or termination of the activities of a holding company or any of its subsidiaries as the Board finds necessary to assure compliance with the provisions and purposes of the Act and the Board's regulations and orders issued thereunder, or to prevent evasion thereof.

The transaction shall be made not later than three months after the effective date of this Order, unless such period is extended for good cause by the Board or by the Federal Reserve Bank of Chicago pursuant to authority hereby delegated.

By order of the Board of Governors, effective June 28, 1976.

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

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

Orders Under Sections 3 and 4 Of Bank Holding Company Act

Nebraska Banco, Inc.,
Ord, Nebraska

Order Denying Formation of Bank Holding Company

Nebraska Banco, Inc., Ord, Nebraska, has applied for the Board's approval under § 3(a)(1) of the Bank Holding Company Act (12 U.S.C. 1842(a)(1)) of formation of a bank holding company through acquisition of 100 per cent of the voting shares of Nebraska State Bank, Ord, Nebraska ("Bank"). Applicant has also applied, pursuant to § 4(c)(8) of the Act (12 U.S.C. 1843(c)(8)) and § 225.4(b)(2) of the Board's Regulation Y, for permission to acquire all of the assets of Pierce Agency, Inc., Ord, Nebraska ("Agency"), a company that engages in the activities of a general insurance agency in a town with a population of less than 5,000 persons. Such activities have been determined by the Board to be closely related to banking (12 CFR 225.4(a)(9)(iii)).

Notice of the applications, affording opportunity for interested persons to submit comments and views, has been given in accordance with §§ 3 and 4 of the Act (40 Federal Register 54305). The time for filing comments and views has expired, and the applications and all comments received[1] have been considered in light of the factors set forth in § 3(c) of the Act, and the considerations specified in § 4(c)(8) of the Act.

Applicant is a nonoperating corporation formed for the purposes of becoming a bank holding company through the acquisition of Bank, and engaging in the business of a general insurance agency through the acquisition of Agency. The proposed transaction involves the transfer of control of Bank from individuals to a corporation owned by the same individuals. Upon acquisition of Bank, Applicant would control 0.2 per cent of the total deposits in commercial banks in Nebraska.

Bank holds deposits of approximately $11.1 million,[2] representing 32.1 per cent of the total deposits in commercial banks in the relevant banking market,[3] and ranks as the second largest of four commercial banks operating therein. Although principals of Applicant control eight one-bank holding companies in Nebraska, none of the subsidiary banks of those holding companies are located within the relevant market. However, one of Applicant's principals also controls the market's third largest bank, North Loup Valley Bank, North Loup, Nebraska ("Valley Bank"), with deposits representing 14.9 per cent of total market deposits. Therefore, to the extent that Board approval of the subject proposal would facilitate the maintenance of the existing ties between Bank and Valley Bank, such approval would have adverse effects on both existing and potential competition.

Since Applicant does not propose to provide any significant changes in the operations or services of Bank, the considerations relating to the convenience and needs of the community to be served are consistent with, but lend no weight toward, approval of the application.

[1] The Board has received comments in opposition to the application to acquire Agency from Floyd A. Raymond, Loup City; E. O. Armstrong, Ord; and D. E. Armstrong Insurance, Ord, all in Nebraska ("Protestants"). Protestants are all engaged in the insurance business and generally oppose the affiliation of Agency with Bank. Since the denial of the application to form a bank holding company renders the application to acquire Agency moot, the Board believes it is unnecessary to address Protestants' allegations.

[2] All bank data with respect to the relevant market are as of June 30, 1975.

[3] The relevant geographic market for purposes of analyzing the competitive effects of the proposed transaction is approximated by Valley County, Nebraska.

Under § 3(c) of the Act, the Board is required to consider the financial condition, managerial resources and future prospects of the bank holding company involved and the bank to be acquired. In acting on one-bank holding company formations, the Board has been less restrictive than otherwise with respect to financial considerations in cases that involve a current or prospective owner-chief executive establishing a holding company to hold the individual's direct equity interest in the bank. The Board regards such a policy as being in the public interest in order to facilitate management succession on the community level at the Nation's many smaller, independent banks. However, the Board has long held that, as a general matter, such a less restrictive policy with respect to financial considerations should not apply to those situations where the individuals are involved in more than a single one-bank holding company, such as those situations involving individuals that are engaged in establishing a series or chain of one-bank holding companies.[4] The Board is also of the opinion that in analyzing managerial resources of a bank that is part of a chain of one-bank holding companies it should look beyond the subject bank involved in an application to the other banks that are part of that chain. In such situations, the Board believes that it is more appropriate to analyze such organizations under the standards that are normally applicable in analyzing acquisitions by multibank holding companies. The application of multibank holding company standards in such circumstances appears appropriate because of the interdependence of the banks in a chain of commonly-owned one-bank holding companies and the distinct possibility that the financial and managerial resources of one or more of the banks in the chain may be used to support the operations of other members in the banking group.

As mentioned previously, principals of Applicant are also principals of eight other one-bank holding companies and are principal shareholders in an additional three banks. The Board notes that three of the subsidiary banks that principals of Applicant control through one-bank holding companies reflect a financial condition that the Board considers less than satisfactory. Furthermore, the Board notes that during the past five years the financial condition of these three banks has continued to be less than satisfactory under the control of Applicant's principals. Such circumstances weigh against approval of the subject application. In such instances, the Board is of the opinion that principals of Applicant should direct their managerial resources toward improving the banks presently under their control before seeking to establish additional holding companies. It should be noted that considerations relating to the present financial condition and managerial resources of Bank are considered satisfactory; however, the Board is of the opinion that it should not facilitate the expansion of a chain of one-bank holding companies when certain of the banks in that chain are in need of improvement, nor would the public interest be served by such action.

On the basis of all of the facts of record, and in light of the factors set forth in § 3(c) of the Act, it is the Board's judgment that consummation of the subject proposal would not be in the public interest and that the application should be denied.[5]

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

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

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

[4] See Board's Order dated January 15, 1974, denying the application of B H Co., Inc., Hardis, Montana (60 Federal Reserve BULLETIN 123 (1974)); and Board's Order dated October 17, 1975, approving application of Commercial Bankshares, Inc., Grand Island, Nebraska (61 Federal Reserve BULLETIN 807 (1975)).

[5] Denial of the Applicant's § 3(a)(1) application renders moot Board action on the accompanying § 4(c)(8) application.

North Lawndale Economic Development Corporation, Chicago, Illinois

Order Denying Formation of Bank Holding Company

North Lawndale Economic Development Corporation, Chicago, Illinois, has applied for the Board's approval under § 3(a)(1) of the Bank Holding Company Act ("Act") (12 U.S.C. § 1842(a)(1)) of formation of a bank holding company through acquisition of 90 per cent of the voting shares of Community Bank of Lawndale, Chicago, Illinois ("Bank"), a proposed new bank.

At the same time, Applicant has applied, pursuant to § 4(c)(8) of the Act (12 U.S.C. § 1843(c)(8)) and § 225.4(b)(2) of the Board's Regulation Y to continue to engage in various community development ventures in an economically depressed area of Chicago, Illinois.

Notice of the applications, affording opportunity for interested persons to submit comments and views, has been given in accordance with §§ 3 and 4 of the Act (41 Federal Register 3873). The time for filing comments and views has expired, and the Board has considered the applications and all comments received in light of the factors set forth in § 3(c) of the Act and the considerations specified in § 4(c)(8) of the Act.

On the basis of the record, the applications are denied for the reasons set forth in the Board's Statement, which will be released at a later date.

By order of the Board of Governors, effective June 7, 1976.

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

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

Statement

North Lawndale Economic Development Corporation, Chicago, Illinois, applied for the Board's approval under § 3(a)(1) of the Bank Holding Company Act ("Act") (12 U.S.C. § 1842(a)(1)) of formation of a bank holding company through acquisition of 90 per cent of the voting shares of Community Bank of Lawndale, Chicago, Illinois ("Bank"), a proposed new bank. At the same time Applicant applied, pursuant to § 4(c)(8) of the Act (12 U.S.C. § 1843(c)(8)) and § 225.4(b)(2) of the Board's Regulation Y to continue to engage in various community development ventures in an economically depressed area of Chicago, Illinois. By Order of June 7, 1976, the Board acted to deny those applications for reasons which are set forth in this satement.

Applicant is a corporation formed in 1968, for the stated purpose of expanding and securing the economic well-being, physical redevelopment and stability of the community in which it operates, an area known as the Midwest Impact Area located on the west side of Chicago, Illinois. Applicant is engaged in the development of an industrial park, a 1,000-bed mixed-use health care facility, and property management, and proposes to engage in long-term development, management, and ownership of other commercial, residential, and industrial real estate property, including an additional industrial park, a shopping center, residential housing, a cable television franchise, and the formation of Community Bank of Lawndale. All of the proposals would be developed in an area characterized by high unemployment and substantial poverty.

Applicant received Federal grants of funds pursuant to Subchapter VII (Community Economic Development) of a Federal statute referred to as the Community Services Act of 1974 [42 U.S.C. §§ 2981 *et seq.*]. The Congresssional statement of purpose of this subchapter is "to encourage the development of special programs by which the residents of urban and rural low-income areas may . . . with appropriate Federal assistance, improve the quality of their economic and social participation in community life in such a way as to contribute to the elminination of poverty and the establishment of permanent economic and social benefits." The Community Services Administration ("CSA") is the Federal agency providing much of the grants of funds for Applicant's ventures. CSA expects community development corporations such as Applicant to become profitable, self-sustaining enterprises in about eight to ten years.

While this is an application under § 3(a)(1) of the Act to form a bank holding company, since Applicant's express purpose is community development activities and Applicant does not propose to terminate such activities, the Board must determine whether such activities are permissible under § 4(c)(8) of the Act in order to approve the application. In determining whether a proposal is permissible under § 4(c)(8) of the Act the Board must first determine that any nonbank activity involved is closely related to banking. If the Board determines that the nonbank activity is closely related to banking, the Board must then examine the public benefits expected to be derived from the bank holding company engaging in the activity, and weigh them against possible adverse effects.

The Applicant has not made any effort to show that the individual activities themselves are closely related to banking but rather states that its overall activity qualifies as an activity which the Board has adopted as permissible under § 4(c)(8), namely, "making equity and debt investments in corporations or projects designed primarily to promote community welfare, such as the economic rehabilitation and development of low-income areas."

The Board's views as to the scope of this activity are set forth in a published Interpretation (12 CFR 225.127). In adopting this activity, the Board had in mind the history of the 1970 Amendments to the Act. At the time Congress was considering these amendments, the Board proposed economic development investments "*subject to careful limitations*" as being a type of nonbank investment that might be appropriate for bank holding companies.

The "closely related" determination with respect to this activity is grounded upon the ability of banks to make investments of this type. The Board and the Comptroller of the Currency previously have expressed views encouraging or permitting banks to make investments in community development projects on a *limited* basis. Such investments by banks are regarded as being primarily contributory in nature. It is not the nature of the community development activity itself wich renders it closely related to banking, but rather its contributory aspects. Since banks are permitted to make limited contributions of a charitable nature in community development projects, a bank holding company's participation in such projects may be regarded as being closely related to banking to the extent it is in the nature of a limited charitable contribution.

In accordance with the above basis for the adoption of the activity of making investments in community development projects, the Board has appropriately specified and implied limitations on the conduct of the activity by bank holding companies, in the Board's published Interpretation regarding this activity (12 CFR 225.127). Further, as indicated in the Interpretation, "Bank holding companies possess a unique combination of financial and managerial resources, making them particularly suited for a meaningful and substantial role in remedying our social ills. Section 225.4(a)(7) is intended to provide an opportunity for them to assume such a role."

The application before the Board does not involve the situation envisioned in the regulation where a traditional bank holding company whose activities are predominantly financial is bringing the expertise gained in its banking business to bear on community problems and fulfilling its civic responsibility. Rather than being engaged in community development activities to a limited extent, Applicant has no other activities, and the question arises whether Applicant's activities, even though not covered by the present regulation, can be found to be closely related to banking. As indicated above, Applicant is designed to promote community development and, although it is presently almost entirely Federally funded, Applicant has been formed as a "for-profit" corporation with the intention that Federal grants of funds will not continue indefinitely and that it will become a diversified, viable, self-sustaining, profit-making, commercial enterprise. If Applicant's activities cannot be found to be closely related to banking within the scope of the Act, Applicant's ownership of Bank while engaging at the same time in its proposed nonbanking activities would create a situation inconsistent with the Congressionally mandated separation of banking from nonbanking businesses.

While the Board recognizes that Applicant's activities may well produce needed benefits to the community, the Act nevertheless requires that the Board determine the "closely related" issue before giving consideration to the public benefit factors. Each individual activity engaged in or proposed to be engaged in by Applicant is a commercial activity and, on an individual basis, there is nothing inherent in any of the activities which would render them closely related to banking. In the Interpretation, as well as in a previous decision involving this section of the Regulation, the Board has stated that an activity should be closely examined to determine whether it is designed primarily to promote community welfare. This test has some relevance when applied to a limited investment by a "traditional" bank holding company in order to differentiate between investments which would be considered in the nature of a limited contribution for social uses, and thus closely related to banking, and investments which are primarily commercial ventures designed for profit and thus not closely related to banking. While each of Applicant's present and proposed ventures is a commercial venture designed for profit, this test is not useful as applied to Applicant since, as a whole, Applicant has no purpose other than to promote community welfare.

The question before the Board is whether it may find that a community development corporation, or for that matter, any enterprise primarily engaged in contributory activities for social purposes, could be considered to be engaged in activities closely related to banking. Congress might well be considered to have focused on this type of question since it has specifically exempted from the prohibitions of § 4 certain family-owned corporations and labor, agricultural, and horticultural organizations which are exempted from taxation under the Internal Revenue Code and which also own banks. Congress, however, did not exempt charitable organizations or community development corporations. Since there is nothing inherent in the activity which renders it, in itself, closely related to banking, other than its contributory aspect when engaged in to a limited extent, the Board concludes that it does not have the legal authority to approve Applicant's proposal. Rather, it is a matter for Congress to decide whether to exempt community development corporations or other organizations which contribute to social needs from the prohibitions of § 4 of the Act. Accordingly, the Board is constrained to deny Applicant's proposal on the basis that Applicant's existing and proposed activities are not closely related to banking within the meaning of § 4(c)(8) of the Act.

In view of its determination that it is not within its power to approve this application, the Board has not had occasion to consider the other statutory factors. That is, whether approval of the application would provide benefits to the public such as greater convenience, increased competition, or gains in efficiency that outweigh possible adverse effects. The Board has, however, noted that the North Lawndale community is in need of banking facilities and the Board, to help ensure maximum responsiveness to community needs, has always encouraged the ownership of local banks by individuals from the local community. Furthermore, in its regulation regarding projects to promote community welfare, the Board has encouraged bank holding companies to fulfill their civic responsibilities. However, in this instance, the Board is unfortunately unable to find that the Bank Holding Company Act provides the authority necessary to approve these applications in the form proposed by Applicant.

Board of Governors of the Federal Reserve System, June 9, 1976.

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

Order for Hearing

First Arkansas Bankstock Corporation, Little Rock, Arkansas

First Arkansas Bankstock Corporation ("FABCO"), Little Rock, Arkansas, has filed a petition, dated December 16, 1975, requesting the Board of Governors of the Federal Reserve System to make a determination pursuant to the provisions of the Bank Holding Company Act of 1956, as amended (12 U.S.C. § 1841 *et seq.*), and the Board's Regulation Y (12 CFR § 225), that FABCO presently exercises a controlling influence over the management and policies of United Banks of Arkansas, Inc. ("United"), a registered bank holding company; and that through United, FABCO exercises a controlling influence over the management and policies of the First National Bank in Mena ("Bank"), Mena, Arkansas. FABCO further requests that the Board determine that FABCO has continuously exercised a controlling influence over United and Bank since prior to December 31, 1970, the effective date of the 1970 Amendments to the Bank Holding Company Act.

Notice of FABCO's petition was published in the Federal Register on January 5, 1976 (41 Federal Register 827). In that notice the Board invited interested persons to file written comments and/or request a hearing with respect to FABCO's requested determination. Subsequently, written submissions were filed by FABCO and certain other interested parties. FABCO did not request a hearing. Mr. William J. Bowen, on behalf of Commercial National Bank of Little Rock and certain other Arkansas banks, filed a request for an informal hearing. However, Mr. Bowen's request was not timely.

Although a formal evidentiary hearing has not been requested, the Board has examined the submissions of FABCO and Mr. Bowen, as well as other information available to the Board, and has concluded that there are unresolved substantive issues of fact with regard to the relationship between FABCO and United, and through United, between FABCO and Bank, which can best be resolved by a proceeding conducted pursuant to the Board's Rules of Practice for Formal Hearings (12 CFR Part 263).

Accordingly, *it is hereby ordered*, that a public hearing with respect to this matter be held before

Philip J. LaMacchia, former Administrative Law Judge, now retired, at such time and place as he shall designate subsequent to a prehearing conference. This hearing shall be conducted in accordance with the Board's Rules of Practice for Formal Hearings (12 CFR Part 263).

It is further ordered, that the basic issues to be considered at said hearing are:

(1) whether FABCO directly or indirectly exercises a controlling influence over the management and policies of Bank, and if so, at what point in time did such a controlling influence commence;

(2) whether FABCO has, at any time, directly or indirectly or acting through one or more other persons owned, controlled, or had power to vote 25 per centum or more of any class of voting securities of Bank; and

(3) whether FABCO has, at any time, controlled Bank through control in any manner of the election of a majority of the directors of Bank.

It is further ordered, that any person desiring to give testimony, present evidence, or otherwise participate in these proceedings should file with the Secretary, Board of Governors of the Federal Reserve System, Washington, D.C. 20551, on or before August 9, 1976, a written request containing a statement of the nature of the petitioner's interest in the proceedings, the extent of the participation desired, and a summary of the matters concerning which the petitioner desires to give testimony or submit evidence. Requests to participate in the proceedings will be submitted to Judge LaMacchia for his determination, and persons submitting them will be notified of his decision. Submission of the names and identities of possible witnesses can be made to Judge LaMacchia at such time as the date for the hearing has been determined.

By order of the Board of Governors, effective July 1, 1976.

(Signed) THEODORE E. ALLISON,

[SEAL] *Secretary of the Board.*

ORDERS APPROVED UNDER BANK HOLDING COMPANY ACT

By the Board of Governors

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

Section 3

Applicant	*Bank(s)*	*Board action (effective date)*	*Federal Register citation*
Leeds Holding Company, Leeds, North Dakota	Farmers State Bank of Leeds, Leeds, North Dakota	6/9/76	41 F.R. 24631 6/17/76
Tioga Bank Holding Company, Tioga, North Dakota	The Bank of Tioga, Tioga, North Dakota	6/14/76	41 F.R. 25053 6/22/76

Section 4

Applicant	Nonbanking company (or activity)	Board action (effective date)	Federal Register citation
BancOklahoma Corp., Tulsa, Oklahoma	BancOklahoma Life, Inc., Tulsa, Oklahoma	6/28/76	41 F.R. 28355 7/9/76
Security Pacific Corporation, Los Angeles, California	The Bankers Investment Company, Hutchinson, Kansas	6/21/76	41 F.R. 26756 6/29/76

Sections 3 and 4

Applicant	Bank(s)	Nonbanking company (or activity)	Board action (effective date)	Federal Register citation
Dale Sprague Enterprises, Inc., Blue Mound, Kansas	The Farmers State Bank of Blue Mound, Blue Mound, Kansas	General insurance agency activities	6/9/76	41 F.R. 24219 6/15/76
Rossiter and Matney Insurance Agency, Inc., Walthill, Nebraska	The First National Bank of Walthill, Walthill, Nebraska	General insurance agency activities	6/1/76	41 F.R. 22996 6/8/76

ORDER APPROVED UNDER BANK MERGER ACT—

Applicant	Bank(s)	Board action (effective date)	Federal Register citation
Baybank Newton-Waltham Trust Company, Waltham, Massachusetts	The Union Market National Bank of Watertown, Watertown, Massachusetts	6/4/76	41 F.R. 23758 6/11/76

PENDING CASES INVOLVING THE BOARD OF GOVERNORS*

Save Needed Environmental Levels League v. *Southern California Company, et al.*, filed May 1976, U.S.D.C. for the Central District of California.

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

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

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

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

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

Federated Capital Corporation v. *Board of Governors*, filed March 1976, U.S.C.A. for the District of Columbia.

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

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

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

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

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

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

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

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

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

A. R. Martin-Trigona v. *Board of Governors, et al.*, filed September 1975, U.S.D.C. for the Northern District of Illinois.

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

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

Henry M. Smith v. *National Bank of Boulder, et al.*, filed June 1975, U.S.D.C. for the Northern District of Texas.

Bank of Boulder v. *Board of Governors, et al.*, filed June 1975, U.S.C.A. for the Tenth Circuit.

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

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

Richard S. Kaye v. *Arthur F. Burns, et al.*, filed April 1975, U.S.D.C. for the Southern District of New York.

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

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

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

†*Investment Company Institute* v. *Board of Governors*, dismissed July 1975, U.S.D.C. for the District of Columbia, appeal pending, U.S.C.A. for the District of Columbia Circuit.

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

†*Consumers Union of the United States, Inc., et al.* v. *Board of Governors*, filed September 1973, U.S.D.C. for the District of Columbia.

Bankers Trust New York Corporation v. *Board of Governors*, filed May 1973, U.S.C.A. for the Second Circuit.

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

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

Announcements

REGULATIONS B AND Z: Amendments

The Board of Governors has amended its regulations, effective July 30, 1976, to implement recent changes in consumer credit protection laws intended to make compliance easier, especially for small creditors.

The Board amended its Regulation B (Equal Credit Opportunity) and Regulation Z (Truth in Lending) to authorize certain members of its staff to issue interpretations of the regulations. Creditors acting in conformity with these interpretations cannot be held liable for violating the regulations or the laws that the regulations implement.

The Congress had recently amended the Truth in Lending and Equal Credit Opportunity Acts to give the Board authority to permit such interpretations by its staff, in response to concerns expressed by creditors (especially small creditors, with limited access to legal counsel) about the difficulty of complying with the many complex requirements of the Acts.

The official staff interpretations will clarify technical points in the Board's Regulations B and Z that do not have broad policy implications. The staff interpretations will be published in the *Federal Register*.

The Board simultaneously established procedures for Board review of staff interpretations upon formal request by interested parties.

The Board of Governors has also amended its Regulation Z to spell out the way in which finance charges must be described, effective August 6, 1976.

In some instances extensions of credit may involve more than one type of finance charge, such as charges for interest, a loan fee, or an investigation fee. In these cases under the regulation, each type of finance charge must be described. However, the amended regulation indicates that when only one type of finance charge is involved, the nature of that charge need not be described.

The amendment of the regulation, which replaces an interpretation of Regulation Z, had been proposed for public comment on March 2.

REGULATIONS D AND Q: Amendments and Criteria

The Board of Governors has adopted amendments to its regulations to provide greater flexibility to banks in adding to their capital structure.

Together with these amendments—to Regulation D (Reserves of Member Banks) and Regulation Q (Interest on Deposits)—the Board made public the criteria that it will use in evaluating requests by State member banks for approval of new subordinated debt and debenture issues as additions to the banks' capital structure.

The most significant change in the regulatory amendments adopted—from those proposed by the Board on July 2, 1975—was the introduction of a 5-year minimum maturity requirement for any note in a serial issue. Another new provision allows Federal bank regulators to waive certain repayment requirements in exigent circumstances.

The criteria have been simplified and made more flexible.

The regulatory amendments and the criteria were effective July 26, 1976. The Comptroller of the Currency is issuing similar criteria for national banks. The Federal Deposit Insurance Corporation is issuing regulatory amendments substantially similar to those adopted by the Board.

THE REGULATORY AMENDMENTS

The amendments to Regulations D and Q revise the definition of deposits in those regulations. The principal amendments, as adopted, provide that:

1. An issue of subordinated debt to be used as an addition to the capital of a State member bank will be free of reserve requirements and interest rate ceilings if the issue has an *average* maturity

of 7 years or more. (This modifies the present requirement that a subordinated debt obligation of a member bank must have an original maturity of 7 years or more in order to qualify for exemption from reserve and interest rate requirements.) In a related action the Board issued an interpretation explaining the calculation of weighted-average maturity.

2. No note in a serial issue may have a maturity of less than 5 years.

3. In exigent circumstances the appropriate Federal bank regulatory agency may waive requirements in the regulations that scheduled repayments be made at least annually and in amounts not less than in the previous year.

4. The issuing bank must obtain the approval of the appropriate Federal bank regulator for any redemption of an issue prior to maturity, or for any payment pursuant to acceleration of maturity in event of default.

5. Federal bank regulators may make exceptions, in certain limited circumstances, to the rule that an obligation that is exempt from reserve requirements and interest rate ceilings must have a minimum denomination of $500.

The amendments to Regulations D and Q—as well as the criteria—apply to new debt issues acted upon after the effective date of the amendments. In all cases, the appropriate Federal bank regulator is the Comptroller of the Currency for national banks, the Board of Governors of the Federal Reserve System for State member banks, and the Federal Deposit Insurance Corporation for State nonmember banks.

The Criteria

In connection with its adoption of amendments to the definitions of deposits in Regulations D and Q, the Board approved issuance of criteria to be applied in evaluating requests by State member banks for approval of new subordinated notes and debentures as an addition to the capital structure of the issuing bank.

The application of these criteria is intended to encourage the accumulation by State member banks of an adequate cushion of equity capital, to protect against excessive concentrations of debt repayments in any 1 year, and to promote safe and sound banking practices.

In order to make the criteria more flexible than those previously proposed, the Board has revised the earnings coverage test, the retained net income test, and the test relating to avoidance of debt repayment concentrations by not specifying numerical standards for these criteria. The Board has also incorporated a more general version of the requirement for accumulation of equity over the life of the debt in the retained net income test.

A new provision, intended to be of assistance to smaller banks, is an exception to the Board's general opposition to including interbank debt as capital. It permits a State member bank to include as capital up to $2 million of subordinated debt issued to an unrelated banking organization. There are, in addition, a number of technical changes.

In making known its criteria for assessing subordinated debt and debenture issues as additions to capital, the Board stressed that approval of applications for debt issues by banks is not to be regarded as a substitute for, but rather as a supplement to, normal investor evaluation of the proposed issue.

The Board also stressed that the criteria are not to be regarded, and would not be administered, as a rigid set of rules in addition to those set forth in Regulations D and Q. Rather, the Board expects to administer them flexibly, taking into account the range of financial and other information available. These other indicators include the recent trend and stability of earnings, the impact on recent earnings of unusual income and expenses, recent acquisitions or mergers through purchase of assets, prospective growth of the bank, quality of management, quality of assets, earnings coverage of loan losses, sensitivity of interest income and expense to changes in market rates, degree of reliance on volatile sources of funds, the relative strength of earnings of any nonbank affiliates or subsidiaries, and the bank's need for additional capital and prospects for raising new equity.

Criteria for evaluation by the Board of a subordinated debt issue as an addition to a State member bank's capital structure are as follows:

1. MAXIMUM RATIO OF DEBT TO EQUITY. The total amount of outstanding subordinated capital notes and debentures of a bank, including the debt proposed to be issued but excluding any debt to be retired out of the proceeds, should not exceed 50 per cent of a State member bank's equity capital base at the time of the new issue. However, banks with significant asset or management problems generally would not be

entitled to that high a percentage. For this test, a bank's equity capital base includes capital stock, surplus, undivided profits, capital reserves, and all reserves for losses on loans, including any related deferred tax liability.

2. EARNINGS COVERAGE OF FIXED CHARGES. A State member bank proposing to issue subordinated debt should demonstrate that its recent income record is sufficient to provide clear assurance of that bank's continuing ability to pay the additional fixed charges out of current earnings.

3. RETAINED NET INCOME. A State member bank proposing to issue subordinated debt should demonstrate that its recent level of retained net income, viewed in relation to intended dividend policy, exceeds annual *pro forma* amortization of all subordinated notes and debentures by a sufficient margin to clearly assure that bank's ability to replace each debt issue with equity by the time of maturity.

4. AVOIDANCE OF DEBT REPAYMENT CONCENTRATIONS. A State member bank proposing to issue subordinated debt should avoid undue concentration of debt repayment in any 1 year.

5. APPROVAL OF INTERBANK DEBT TRANSACTIONS. In general, the Board does not intend to approve a subordinated note or debenture issued by one bank directly or indirectly (through a holding company or otherwise) to a banking organization other than the issuing bank's parent holding company, except when that issue, together with other subordinated debt outstanding at that bank and held by such banking organization, exceeds $2 million.

6. COVENANTS IN CONFLICT WITH SAFE AND SOUND BANKING PRACTICES. No indenture or other contract covering the issuance of a subordinated note or debenture by a State member bank shall include any covenants, restrictions, or other terms that are determined by the Board to be inconsistent with safe and sound banking practices. Examples of such terms are those regarded as impairing the ability of the bank to comply with statutory or regulatory requirements regarding disposition of assets or ability to incur additional debt, limiting the ability of the Board or the chartering authority to take any necessary action to resolve a problem bank situation, or unduly interfering with the ability of the bank to conduct normal banking operations.

OTC MARGIN STOCKS: Amended Criteria

The Board of Governors has amended, effective August 6, 1976, the criteria that over-the-counter (OTC) stocks must meet and continue to meet to be included on its List of OTC Margin Stocks. More than 800 stocks are now on the List and subject to the Board's margin regulations.

The Board's action reflects the changes that have occurred in the OTC market in recent years, particularly the increased competition among the securities markets and the impact of the National Association of Securities Dealers Automated Quotation System (NASDAQ).

REGULATION Q: Order Granting Temporary Suspension of Early Withdrawal Penalty

The Board of Governors has made it possible for member banks to give special emergency financial assistance to victims of the Teton Dam collapse.

The Board's action applies to individuals or businesses who suffer financial loss, due to the bursting of the dam, in the five-county area of Idaho declared a major disaster area by the President on June 6 (Bonneville, Fremont, Madison, Jefferson, and Bingham counties).

To assist victims of the disaster, the Board gave permission to member banks, and encouraged them, to permit early withdrawal of time deposits without penalty, upon a showing that the depositor has suffered a loss related to the disaster.

The Board's action is retroactive to June 6, 1976, and will remain in effect through December 31, 1976. The action applies to time depositors in a member bank located anywhere, if the depositor suffered a loss in the five-county area related to the rupture of the dam.

A time deposit is money left on deposit with a bank for a specified period of time in return for payment of interest at a rate higher than that for passbook savings. The Board's Regulation Q provides that if part or all of a deposit is withdrawn before the end of the contract period (except in certain circumstances such as in the case of death of the depositor), the depositor shall be penalized.

The penalty is reduction of the rate of interest paid on the deposit to the passbook rate for the period the deposit has been held and a loss of 3 months' interest. The Board's action suspends the penalty rule for depositors who suffer losses in the disaster area.

The Board's action is designed to give financial relief in two forms: (1) to make time deposit savings immediately available to those suffering losses related to the flood, and (2) to do this without loss of previously earned interest.

The Federal Deposit Insurance Corporation and the Federal Home Loan Bank Board are taking similar actions for financial institutions under their jurisdictions.

PROPOSED AMENDMENTS

The Board of Governors has announced proposals to liberalize the conditions that govern certain borrowing by member banks from the 12 Reserve Banks (Regulation A—Extensions of Credit by Federal Reserve Banks). The Board will receive comment on the proposals through July 23, 1976.

The Board has proposed amendments to its Regulation H (Membership of State Banking Institutions in the Federal Reserve System) and Regulation Y (Bank Holding Companies) relative to the operations of certain clearing agencies for stock market transactions. Comment will be received on the proposals through July 30, 1976.

The Board has issued for comment proposed amendments to its Regulation Z (Truth in Lending) to implement the Consumer Leasing Act of 1976 requiring disclosures of terms under which personal property is leased. A hearing on the proposed amendments will be held on August 3, and the Board will receive comments through August 16, 1976.

The Board has proposed for public comment a revision of its Regulation B (Equal Credit Opportunity) to implement the 1976 amendments to the Equal Credit Opportunity Act that prohibit discrimination in extensions of credit based on race, color, religion, national origin, age, receipt of income from public assistance programs, and good faith exercise of rights under the Consumer Credit Protection Act. The Board will hold a hearing on the proposals on August 12 and 13, 1976, and will receive written comment through September 1, 1976.

CHANGES IN BOARD STAFF

The Board of Governors has announced the appointment of Uyless D. Black, Chief, Special Projects Section, Division of Data Processing, as Assistant Director in that Division, effective June 27, 1976.

Mr. Black, who joined the Board's staff in 1970, holds a B.S. from the University of New Mexico, has completed an M.S. program in computer science from American University, and is a graduate of the Stonier Graduate School of Banking.

The Board has also announced the temporary appointment of Richard D. Abrahamson, Assistant Vice President of the Federal Reserve Bank of Chicago, as an Assistant Secretary of the Board, effective August 1, 1976, replacing Joseph P. Garbarini of the Federal Reserve Bank of St. Louis. Mr. Abrahamson, who holds a B.A. from the University of Minnesota, has been on the staff of the Federal Reserve Bank of Chicago since 1971.

SYSTEM MEMBERSHIP: Admission of State Banks

The following banks were admitted to membership in the Federal Reserve System during the period June 16, 1976, through July 15, 1976:

Michigan

Kentwood ...... Old Kent Bank of Kentwood

New York

New York .... UBAF Arab American Bank

Virginia

Lynchburg .... Metropolitan Bank of Central Virginia

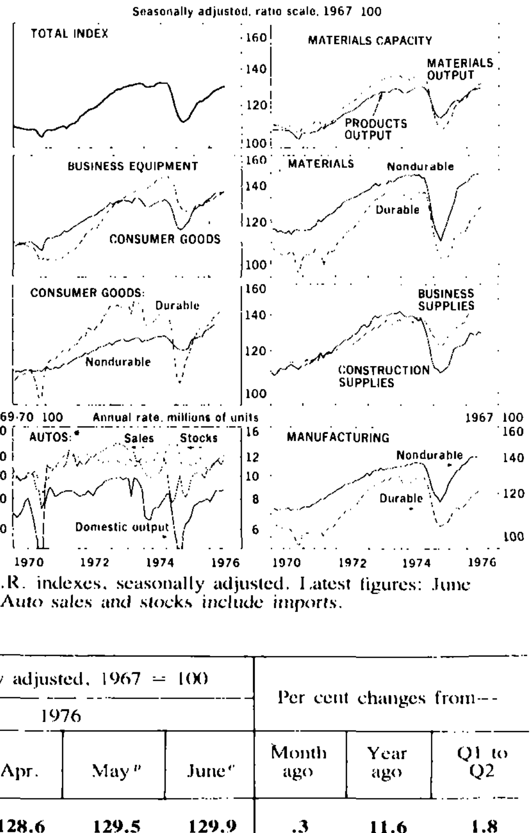
Industrial Production

Released for publication July 16

Industrial production increased an estimated 0.3 per cent in June following an upward-revised increase of 0.7 per cent in May. Increases of 0.6 per cent and 0.4 per cent were registered in March and April, respectively. Gains in output of durable materials and business equipment during June were partially offset by continued weakness in production of consumer nondurable goods and nondurable materials. At 129.9 per cent of the 1967 average, the index is about 16 per cent above the March 1975 low and about 1½ per cent below the high of June 1974. The levels of both the May and June indexes were reduced by approximately 0.2 per cent as a result of the rubber strike.

Auto assemblies rose in June, and production schedules for the coming months indicate some further expansion after allowance for model changeover. Output of home goods increased further. Production of business equipment advanced an estimated 0.6 per cent in June from the downward revised May level. The rate of growth in business equipment accelerated in the second quarter to 2.3 per cent from the 1.9 per cent rise in the first quarter.

Strong increases in output of durable goods materials continued, reflecting a rise in production of basic metals and parts for consumer durables and for equipment. Output of nondurable materials, however, is estimated to be unchanged; inventory accumulation over the last several months has dampened the earlier rapid growth of textile, paper, and chemical materials.



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

Industrial production	Seasonally adjusted, 1967 = 100				Per cent changes from—		
	1976						
	Mar.	Apr.	May[p]	June[e]	Month ago	Year ago	Q1 to Q2
Total	**128.1**	**128.6**	**129.5**	**129.9**	**.3**	**11.6**	**1.8**
Products, total	128.1	128.2	128.7	129.0	.2	8.6	1.1
Final products	126.4	126.4	126.8	127.2	.3	7.6	1.3
Consumer goods	136.1	135.9	136.3	136.6	.2	9.9	1.2
Durable goods	140.3	141.0	142.7	143.3	.4	18.0	3.4
Nondurable goods	134.4	133.9	133.9	134.0	.1	6.8	.2
Business equipment	134.0	134.5	135.8	136.6	.6	7.9	2.3
Intermediate products	134.9	134.9	135.4	135.4	...	12.1	.4
Construction products	128.7	128.1	130.0	129.6	.3	15.1	.6
Materials	128.2	129.1	130.9	131.4	.4	16.7	2.8

[p]Preliminary. [e]Estimated.

NOTE.—A general revision of the industrial production index was announced on June 28, 1976. Data above include information that was unavailable at that time.

Financial and Business Statistics

CONTENTS

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

(In millions of dollars)

Period or date	Factors supplying reserve funds: Reserve Bank credit outstanding: U.S. Govt. securities[1]: Total	Bought outright[2]	Held under repurchase agreement	Loans	Float	Other F.R. assets	Total[3]	Gold stock	Special Drawing Rights certificate account	Treasury currency outstanding
Averages of daily figures										
1969—Dec.	57,500	57,295	205	1,086	3,235	2,204	64,100	10,367	....	6,841
1970—Dec.	61,688	61,310	378	321	3,570	1,032	66,708	11,105	400	7,145
1971—Dec.	69,158	68,868	290	107	3,905	982	74,255	10,132	400	7,611
1972—Dec.	71,094	70,790	304	1,049	3,479	1,138	76,851	10,410	400	8,293
1973—Dec.	79,701	78,833	868	1,298	3,414	1,079	85,642	11,567	400	8,668
1974—Dec.	86,679	85,202	1,477	703	2,734	3,129	93,967	11,630	400	9,179
1975—June	88,912	87,618	1,294	271	2,046	3,098	95,119	11,620	500	9,536
July	88,166	87,882	284	261	1,911	3,100	94,144	11,620	500	9,616
Aug.	*86,829*	*86,348*	*481*	*211*	*1,691*	2,953	92,395	*11,604*	*500*	9,721
Sept.	89,191	87,531	1,660	396	1,823	3,060	95,277	11,599	500	9,797
Oct.	90,476	89,547	929	191	1,945	3,521	96,931	11,599	500	9,877
Nov.	90,934	89,560	1,374	61	2,480	3,481	97,817	11,599	500	10,010
Dec.	92,108	91,225	883	127	3,029	3,534	99,651	11,599	500	10,094
1976—Jan.	92,998	91,524	1,474	79	2,684	3,505	100,172	11,599	500	10,177
Feb.	94,610	92,812	1,798	76	2,375	3,384	101,369	11,599	500	10,267
Mar.	94,880	93,503	1,377	58	2,204	3,412	101,336	11,599	500	10,436
Apr.	93,243	92,187	1,056	44	2,236	4,144	100,317	11,599	500	10,501
May	95,967	94,049	1,918	121	2,071	4,051	102,951	11,599	500	10,552
June^p	95,592	94,289	1,303	119	2,569	4,069	102,996	11,598	530	10,623
Week ending—										
1976—Apr. 7	91,538	91,538	....	24	2,101	3,816	98,014	11,599	500	10,452
14	90,257	89,946	311	61	2,061	4,079	97,002	11,599	500	10,507
21	94,821	92,737	2,084	40	2,520	4,340	102,544	11,599	500	10,514
28	95,155	93,967	1,188	54	2,249	4,301	102,386	11,599	500	10,522
May 5	97,490	94,289	3,201	30	2,464	4,402	105,278	11,599	500	10,499
12	93,718	93,099	619	55	2,395	4,361	101,105	11,599	500	10,535
19	95,119	93,777	1,342	122	2,377	4,015	102,296	11,599	500	10,541
26	96,984	94,798	2,186	136	1,795	3,737	103,463	11,599	500	10,581
June 2	95,992	93,903	2,089	242	1,962	3,795	102,717	11,598	500	10,580
9	90,962	90,962	....	93	2,938	3,799	98,214	11,598	500	10,609
16	93,804	93,520	284	49	2,508	4,251	101,056	11,598	500	10,616
23^p	97,152	95,652	1,500	164	2,548	4,092	104,753	11,598	514	10,634
30^p	101,294	97,496	3,798	166	2,269	4,150	108,868	11,598	614	10,640
End of month										
1976—Apr.	98,553	94,468	4,085	31	2,067	4,280	105,926	11,599	500	10,459
May	97,593	94,334	3,259	397	475	3,888	103,228	11,599	500	10,514
June^p	101,528	97,380	4,148	316	2,950	4,233	110,054	11,598	700	10,641
Wednesday										
1976—Apr. 7	87,563	87,563	....	41	2,539	3,713	94,381	11,599	500	10,452
14	91,957	89,779	2,178	322	2,755	4,321	100,028	11,599	500	10,511
21	98,151	92,916	5,235	173	2,923	4,677	106,774	11,599	500	10,519
28	98,180	93,842	4,338	246	2,579	4,351	106,165	11,599	500	10,526
May 5	96,440	94,240	2,200	41	3,340	4,537	105,072	11,599	500	10,533
12	96,324	94,136	2,188	258	3,181	4,385	104,866	11,599	500	10,540
19	97,044	93,814	3,230	541	3,027	3,542	105,035	11,599	500	10,548
26	96,885	94,780	2,105	645	2,291	3,820	104,356	11,598	500	10,588
June 2	91,425	91,425	....	166	2,705	4,002	98,718	11,598	500	10,596
9	90,054	90,054	....	351	2,856	3,819	97,492	11,598	500	10,609
16	96,142	94,155	1,987	61	3,570	3,965	104,415	11,598	500	10,623
23^p	97,459	96,803	656	835	2,904	4,155	106,051	11,598	600	10,639
30^p	101,528	97,380	4,148	316	2,950	4,233	110,054	11,598	700	10,641

[1] Includes Federal agency issues held under repurchase agreements beginning Dec. 1, 1966, and Federal agency issues bought outright beginning Sept. 29, 1971.

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

[3] Includes industrial loans and acceptances until Aug. 21, 1959, when industrial loan program was discontinued. For holdings of acceptances on Wed. and end-of-month dates, see p. A-10. See also note 3.

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

Notes continued on opposite page.

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

(In millions of dollars)

Factors absorbing reserve funds: Currency in circulation	Treasury cash holdings	Deposits, other than member bank reserves with F.R. Banks: Treasury	Deposits: Foreign	Deposits: Other[4]	Other F.R. liabilities and capital	Member bank reserves: With F.R. Banks	Member bank reserves: Currency and coin[5]	Member bank reserves: Total[6]	Period or date
									Averages of daily figures
53,591	656	1.194	146	458	2.192	23,071	4,960	28,031	1969—Dec.
57,013	427	849	145	735	2.265	23,925	5,340	29.265	1970—Dec.
61,060	453	1,926	290	728	2,287	25,653	5.676	31,329	1971—Dec.
66,060	350	1,449	272	631	2,362	24.830	6.095	31,353	1972—Dec.
71.646	323	1.892	406	717	2.942	28,352	6.635	35,068	1973—Dec.
78.951	220	1,741	357	874	3,266	29,767	7.174	36,941	1974—Dec.
80.607	355	3,353	272	989	3,191	28.007	6,969	34,976	1975—June
81,758	358	2,207	269	711	3,135	27.442	7,213	34,655	July
81.822	368	818	274	660	3,096	27,183	7,299	34,482	Aug.
81,907	362	3,415	308	798	3,169	27,215	7,431	34,646	Sept.
82,215	387	4,940	271	632	3,208	27,254	7,313	34,567	Oct.
83,740	415	4,333	297	649	3,276	27.215	7,356	34,571	Nov.
85,810	452	3.955	259	906	3,247	27,215	7,773	34,989	Dec.
84,625	496	5,903	287	916	3,225	26,995	8,445	35,575	1976—Jan.
84,002	527	8,811	280	716	3,231	26,168	7,646	33.953	Feb.
85,014	511	7,653	264	810	3,252	26,366	7.456	33.967	Mar.
86,565	524	5,211	254	815	3,203	26,345	7.568	34.063	Apr.
87,389	507	7,215	286	655	3,314	26,236	7,838	34,228	May
88,547	510	6,778	252	784	3,275	25,601	7,899	33.660	June[p]
									Week ending—
85,713	523	4,268	277	914	3,030	25,840	7,600	33,587	Apr. 7
86,794	529	2,421	261	698	3,148	25,756	7,856	33.762	14
87,106	527	6,003	232	846	3,236	27,208	7.088	34,447	21
86,627	516	6,861	238	821	3,334	26,610	7,623	34,384	28
86,745	526	8,910	284	815	3,389	27.208	7,937	35,296	May 5
87,422	522	6,427	327	632	3,136	25,271	8,297	33,720	12
87,502	514	6,473	300	568	3,234	26.346	7,638	34,136	19
87,402	493	8,055	232	624	3,409	25,927	7,513	33.597	26
87,890	488	6,777	275	716	3,416	25,834	7,833	33,825	June 2
88.601	503	2,951	255	669	3,056	24,885	8,082	33,127	9
88,765	507	4,050	261	1,031	3,187	25,970	7,841	33,971	16
88,527	513	8.348	243	723	3,333	25,813	7,637	33,610	23[p]
88,378	500	11.788	251	699	3,535	26,572	8,057	34,789	30[p]
									End of month
86,481	536	9,806	305	762	3,456	27.140	7,937	35,228	1976—Apr.
87,657	505	6.745	303	679	3,500	26.457	7,833	34,447	May
88,926	500	11,972	349	847	3,564	26,835	8,057	35,052	June[p]
									Wednesday
86,527	522	1,456	246	767	2,978	24,435	7,600	32,185	1976—Apr. 7
87,297	525	2,257	242	788	3,161	28,368	7,856	36,374	14
87,158	511	7,894	252	1,114	3,460	29,003	7,088	36,242	21
86,802	517	9,023	287	741	3,447	27,973	7,623	35,747	28
87,289	513	6,046	298	795	3,061	29,702	7,937	37,791	May 5
87,818	510	5,795	332	588	3,207	29.255	8,297	37,704	12
87,611	493	7,861	230	518	3,336	27,632	7,638	35,422	19
87,782	480	7,655	251	941	3,435	26,498	7,513	34,168	26
88,520	513	6,128	235	849	3,002	22,165	7,833	30,157	June 2
88,987	495	2,496	238	637	3,112	24,234	8,082	32,476	9
88,896	510	5,763	235	787	3,273	27,672	7,841	35,673	16
88,594	507	11,052	254	740	3,378	24,362	7,637	32,159	23[p]
88,926	500	11,972	349	847	3,564	26,835	8,057	35,052	30[p]

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

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

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

[6] Beginning with week ending Nov. 15, 1972, includes $450 million of reserve deficiencies on which F.R. Banks were allowed to waive penalties for transition period associated with bank adaptation to Regulation J, as amended effective Nov. 9, 1972. For 1973, allowable deficiencies included are (beginning with first statement week of quarter): Q1, $279 million; Q2, $172 million; Q3, $112 million; Q4, $84 million. For 1974, Q1, $67 million, Q2, $58 million. Transition period ended after 1974, Q2.

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

For other notes see opposite page.

RESERVES AND BORROWINGS OF MEMBER BANKS

(In millions of dollars)

Period	All member banks					Large banks[2]						All other banks	
	Reserves			Borrowings		New York City		City of Chicago		Other			
	Total held[1]	Required	Excess[1]	Total	Seasonal	Excess	Borrowings	Excess	Borrowings	Excess	Borrowings	Excess	Borrowings
1965—Dec.	22,719	22,267	452	454	....	41	111	15	23	67	228	330	92
1967—Dec.	25,260	24,915	345	238	....	18	40	8	13	50	105	267	80
1968—Dec.	27,221	26,766	455	765	....	100	230	15	85	90	270	250	180
1969—Dec.	28,031	27,774	257	1,086	....	56	259	18	27	6	479	177	321
1970—Dec.	29,265	28,993	272	321	....	34	25	7	4	42	264	189	28
1971—Dec.	31,329	31,164	165	107	....	25	35	1	8	−35	22	174	42
1972—Dec.	31,353	31,134	219	1,049	....	−20	301	13	55	−42	429	−160	264
1973—Dec.	35,068	34,806	262	1,298	41	−23	74	43	28	28	761	133	435
1974—Dec.	36,941	36,602	339	703	32	132	80	5	18	39	323	163	282
1975—June	34,976	34,428	548	271	11	142	90	47	2	217	114	142	65
July	34,655	34,687	−32	261	17	−22	54	−24	23	−118	62	132	122
Aug.	34,482	34,265	217	211	38	−18	14	5	1	98	51	132	145
Sept.	34,646	34,447	199	396	61	17	68	27	2	23	141	132	185
Oct.	34,567	34,411	156	191	65	42	31	−23	....	3	32	134	128
Nov.	34,571	34,281	290	61	28	50	7	34	....	42	5	164	49
Dec.	34,989	34,727	262	127	13	64	63	−18	....	89	26	127	38
1976—Jan.	35,575	35,366	209	79	9	52	9	−18	17	3	13	172	40
Feb.	33,953	33,939	14	76	11	−147	20	−14	1	−2	16	177	39
Mar.	33,967	33,531	436	58	8	177	21	36	2	108	14	115	21
Apr.	34,063	33,974	89	44	11	2	....	−4	8	−47	15	138	21
May	34,228	33,846	382	121	11	13	29	−69	2	297	33	141	57
June[p]	33,660	33,651	9	119	19	−13	26	−12	7	−270	22	99	64
Week ending—													
1975—June 4	34,511	34,177	334	84	9	18	61	19	....	137	....	160	23
11	33,707	33,743	−36	38	11	−76	....	−32	11	−55	2	127	25
18	34,937	34,603	334	77	10	80	49	12	....	69	....	173	28
25	34,706	34,615	91	188	11	19	97	−4	....	5	38	71	53
Dec. 3	34,817	34,504	313	66	21	119	16	−18	....	61	6	151	44
10	34,419	34,276	143	28	14	−56	....	26	....	37	1	136	27
17	35,139	34,906	233	44	13	111	....	−12	....	6	11	128	33
24	34,836	34,625	211	219	12	7	140	−5	....	75	42	134	37
31	35,611	35,197	414	253	13	57	140	20	....	129	57	208	56
1976—Jan. 7	35,551	35,227	324	67	10	59	....	−12	....	102	11	175	56
14	35,802	35,639	163	45	8	71	....	2	....	94	2	188	43
21	36,193	35,996	197	153	10	−62	28	2	77	91	18	170	30
28	35,072	34,907	165	58	8	49	10	28	....	−23	15	111	33
Feb. 4	35,069	34,652	417	57	12	94	....	−14	....	139	16	198	41
11	33,779	33,729	50	51	12	−83	....	20	....	−31	14	144	37
18	34,540	34,040	500	56	10	180	....	−7	4	95	10	232	42
25	33,656	33,773	−117	148	10	−157	82	−5	....	−43	24	88	42
Mar. 3	34,088	33,678	410	85	8	98	31	11	11	122	14	179	29
10	33,379	33,276	103	48	8	53	26	−18	....	−67	3	135	19
17	33,710	33,509	201	40	8	26	....	21	....	13	22	141	18
24	33,562	33,451	111	78	8	−27	36	−13	....	70	23	81	19
31	34,236	33,838	398	36	10	105	....	10	....	109	14	174	22
Apr. 7	33,587	33,464	123	24	11	−13	....	−16	....	17	4	135	20
14	33,762	33,589	173	61	10	29	....	8	15	−15	32	151	14
21	34,447	34,317	130	40	10	−4	....	−22	18	41	2	115	20
28	34,384	34,272	112	54	11	16	....	27	....	−43	26	112	28
May 5	35,296	34,855	441	30	11	65	3	6	....	216	....	154	27
12	33,720	33,753	−33	55	9	−43	34	3	3	−112	2	119	16
19	34,136	33,891	245	122	11	40	40	−14	6	80	34	139	42
26	33,597	33,519	78	136	12	−53	53	30	....	10	32	91	51
June 2	33,825	33,372	453	242	17	60	....	−15	14	244	79	164	149
9	33,127	33,197	−70	93	14	−42	36	−13	17	−153	5	138	35
16	33,971	33,400	571	49	16	118	....	68	....	210	11	175	38
23[p]	33,610	33,762	−152	164	22	−128	62	−41	....	−248	45	98	57
30[p]	34,789	34,324	465	166	29	53	14	38	....	38	25	129	127

1 Beginning with week ending Nov. 15, 1972, includes $450 million of reserve deficiencies on which F.R. Banks are allowed to waive penalties for a transition period in connection with bank adaptation to Regulation J as amended effective Nov. 9, 1972. Beginning 1973, allowable deficiencies included are (beginning with first statement week of quarter): Q1, $279 million; Q2, $172 million; Q3, $112 million; Q4, $84 million. Beginning 1974, Q1, $67 million; Q2, $58 million. Transition period ended after second quarter, 1974. For weeks for which figures are preliminary, figures by class of bank do not add to the total because adjusted data by class are not available.

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

2 Beginning Nov. 9, 1972, designation of banks as reserve city banks for reserve-requirement purposes has been based on size of bank (net demand deposits of more than $400 million), as described in the BULLETIN for July 1972, p. 626. Categories shown here as "Large" and "All other" parallel the previous "Reserve city" and "Country" categories, respectively (hence the series are continuous over time).

NOTE.—Monthly and weekly data are averages of daily figures within the month or week, respectively.

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

Effective Apr. 19, 1973, the Board's Regulation A, which governs lending by F.R. Banks, was revised to assist smaller member banks to meet the seasonal borrowing needs of their communities.

BASIC RESERVE POSITION, AND FEDERAL FUNDS AND RELATED TRANSACTIONS

(In millions of dollars, except as noted)

Reporting banks and week ending—	Basic reserve position					Interbank Federal funds transactions					Related transactions with U.S. Govt. securities dealers		
		Less—		Net surplus, or deficit (–)		Gross transactions			Net transactions				
	Excess reserves[1]	Borrowings at F.R. Banks	Net interbank Federal funds trans.	Amount	Per cent of avg. required reserves	Purchases	Sales	Total two-way transactions[2]	Purchases of net buying banks	Sales of net selling banks	Loans to dealers[3]	Borrowings from dealers[4]	Net loans
Total—46 banks													
1976—May 5	229	....	11,833	-11,604	74.5	19,850	8,018	4,721	15,130	3,297	2,128	1,696	432
12	3	34	15,423	15,455	103.0	21,837	6,414	4,332	17,505	2,082	3,207	1,208	1,999
19	57	46	13,323	13,313	87.4	20,624	7,301	4,526	16,098	2,775	2,680	1,441	1,239
26	58	60	11,305	-11,308	76.8	18,203	6,898	4,228	13,974	2,669	2,272	1,398	874
June 2	201	59	10,982	10,840	73.7	18,849	7,867	5,099	13,749	2,768	2,522	1,291	1,231
9	-110	42	15,799	15,951	108.6	20,721	4,921	4,011	16,710	910	3,729	1,484	2,245
16	250	....	14,728	-14,478	97.8	21,071	6,343	4,168	16,903	2,175	3,662	1,072	2,590
23	-39	96	13,126	-13,261	89.4	19,373	6,247	4,529	14,843	1,718	2,047	941	1,106
30	189	19	10,233	-10,063	66.2	17,914	7,681	4,796	13,118	2,886	1,917	1,249	668
8 in New York City													
1976—May 5	61	....	4,275	-4,214	66.4	5,280	1,005	1,006	4,274	....	1,088	339	750
12	-3	34	6,089	-6,126	100.6	6,779	690	690	6,089	....	1,430	211	1,219
19	18	40	4,768	-4,789	76.5	5,868	1,101	1,101	4,768	....	1,344	317	1,026
26	-29	46	3,108	-3,183	53.8	4,143	1,035	804	3,339	231	1,236	299	937
June 2	32	....	3,267	-3,235	54.5	4,484	1,217	1,183	3,301	34	1,399	261	1,138
9	-18	36	5,317	-5,370	89.8	5,869	552	552	5,317	....	1,713	281	1,432
16	102	....	5,018	-4,916	83.1	5,612	594	594	5,018	....	2,219	211	2,008
23	-24	60	3,618	-3,701	62.8	4,629	1,012	1,012	3,618	....	1,293	229	1,064
30	55	14	3,194	3,154	51.6	4,385	1,190	1,106	3,279	85	1,283	193	1,091
38 outside New York City													
1976—May 5	169	....	7,558	-7,390	80.1	14,571	7,012	3,715	10,855	3,297	1,040	1,357	-318
12	6	....	9,334	-9,329	104.7	15,058	5,724	3,642	11,416	2,082	1,777	997	780
19	39	7	8,555	-8,523	95.1	14,756	6,201	3,426	11,330	2,775	1,336	1,124	212
26	87	14	8,197	-8,124	92.3	14,060	5,863	3,425	10,635	2,438	1,037	1,099	62
June 2	169	59	7,715	-7,605	86.8	14,365	6,650	3,917	10,448	2,734	1,123	1,030	93
9	-92	6	10,482	-10,581	121.6	14,852	4,369	3,459	11,393	910	2,017	1,203	813
16	149	....	9,710	-9,561	107.6	15,459	5,749	3,574	11,885	2,175	1,442	861	582
23	15	36	9,508	9,559	106.9	14,744	5,236	3,518	11,226	1,718	754	713	42
30	134	4	7,038	-6,908	76.0	13,529	6,491	3,690	9,840	2,801	634	1,057	423
5 in City of Chicago													
1976—May 5	19	....	4,594	4,575	286.4	5,375	781	781	4,594	....	457	550	-93
12	17	....	4,960	-4,943	319.0	5,715	755	755	4,960	....	565	503	63
19	-5	....	4,873	-4,879	312.6	5,525	651	651	4,873	....	584	528	56
26	40	....	4,521	-4,481	298.7	5,240	718	713	4,527	6	437	481	-44
June 2	9	14	4,167	-4,172	277.5	4,943	775	775	4,167	....	366	525	-159
9	-13	4	5,065	5,081	333.7	5,622	557	557	5,064	....	591	436	155
16	66	....	5,156	-5,090	317.6	5,779	623	623	5,156	....	585	470	115
23	-4	....	4,935	-4,939	315.4	5,586	651	643	4,943	9	331	347	16
30	32	....	4,020	-3,988	248.0	4,962	942	918	4,045	24	170	445	-275
33 others													
1976—May 5	150	....	2,965	2,815	36.9	9,196	6,231	2,934	6,261	3,297	583	808	225
12	-11	....	4,374	-4,385	59.6	9,344	4,969	2,887	6,456	2,082	1,212	495	717
19	44	7	3,682	3,645	49.2	9,231	5,549	2,775	6,456	2,775	753	596	157
26	47	14	3,676	-3,643	49.9	8,820	5,144	2,712	6,108	2,432	600	619	-19
June 2	160	45	3,547	3,433	47.3	9,422	5,875	3,141	6,281	2,734	757	505	252
9	-79	3	5,418	-5,500	76.6	9,230	3,812	2,902	6,329	910	1,426	767	659
16	82	....	4,554	-4,472	61.4	9,680	5,127	2,951	6,729	2,175	857	390	467
23	-11	36	4,573	4,620	62.6	9,157	4,584	2,875	6,282	1,709	423	365	57
30	102	4	3,018	2,920	39.0	8,567	5,549	2,772	5,795	2,777	464	612	148

[1] Based upon reserve balances, including all adjustments applicable to the reporting period. Prior to Sept. 25, 1968, carryover reserve deficiencies, if any, were deducted. Excess reserves for later periods are net of all carryover reserves. Beginning with week ending Jan. 7, 1976, adjusted to include waivers of penalties for reserve deficiencies in accordance with Board policy change effective Nov. 19, 1975.

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

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

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

NOTE.—Weekly averages of daily figures. For description of series and back data, see Aug. 1964 BULLETIN, pp. 944–74. Revised data for Jan. 1976 may be obtained from the Public Information Office, Office of the Secretary, Board of Governors of the Federal Reserve System, Washington, D.C. 20551.

CURRENT RATES

(Per cent per annum)

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

1 Discounts of eligible paper and advances secured by such paper or by U.S. Govt. obligations or any other obligations eligible for F.R. Bank purchase.

2 Advances secured to the satisfaction of the F.R. Bank. Advances secured by mortgages on 1- to 4-family residential property are made at the Section 13 rate.

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

4 Advances to individuals, partnerships, or corporations other than member banks secured by direct obligations of, or obligations fully guaranteed as to principal and interest by, the U.S. Govt. or any agency thereof.

SUMMARY OF EARLIER CHANGES

(Per cent per annum)

Effective date	Range (or level)— All F.R. Banks	F.R. Bank of N.Y.
In effect Dec. 31, 1955	2½	2½
1956—Apr. 13	2½–3	2¾
20	2¾–3	2¾
Aug. 24	2¾–3	3
31	3	3
1957—Aug. 9	3 –3½	3
23	3½	3½
Nov. 15	3 –3½	3
Dec. 2	3	3
1958—Jan. 22	2¾–3	3
24	2¾–3	2¾
Mar. 7	2¼–3	2¼
13	2¼–2¾	2¼
21	2¼	2¼
Apr. 18	1¾–2¼	1¾
May 9	1¾	1¾
Aug. 15	1¾–2	1¾
Sept. 12	1¾–2	2
23	2	2
Oct. 24	2 –2½	2
Nov. 7	2½	2½
1959—Mar. 6	2½–3	3
16	3	3
May 29	3 –3½	3½
June 12	3½	3½
Sept. 11	3½–4	4
18	4	4
1960—June 3	3½–4	4
10	3½–4	3½
14	3½	3½
Aug. 12	3 –3½	3
Sept. 9	3	3
1963—July 17	3 –3½	3½
26	3½	3½

Effective date	Range (or level)— All F.R. Banks	F.R. Bank of N.Y.
1964—Nov. 24	3½–4	4
30	4	4
1965—Dec. 6	4 –4½	4½
13	4½	4½
1967—Apr. 7	4 –4½	4
14	4	4
Nov. 20	4 –4½	4½
27	4½	4½
1968—Mar. 15	4½–5	4½
22	5	5
Apr. 19	5 –5½	5½
26	5½	5½
Aug. 16	5¼–5½	5½
30	5¼	5¼
Dec. 18	5¼–5½	5½
20	5½	5½
1969—Apr. 4	5½–6	6
8	6	6
1970—Nov. 11	5¾–6	6
13	5¾–6	5¾
16	5¾	5¾
Dec. 1	5½–5¾	5¾
4	5½–5¾	5½
11	5½	5½
1971—Jan. 8	5¼–5½	5¼
15	5¼	5¼
19	5 –5¼	5¼
22	5 –5¼	5
29	5	5
Feb. 13	4¾–5	5
19	4¾	4¾
July 16	4¾–5	5
23	5	5

Effective date	Range (or level)— All F.R. Banks	F.R. Bank of N.Y.
1971—Nov. 11	4¾–5	5
19	4¾	4¾
Dec. 13	4½–4¾	4¾
17	4½–4¾	4½
24	4½	4½
1973—Jan. 15	5	5
Feb. 26	5 –5½	5½
Mar. 2	5½	5½
Apr. 23	5½–5¾	5½
May 4	5¾	5¾
11	5¾–6	6
18	6	6
June 11	6 –6½	6½
15	6½	6½
July 2	7	7
Aug. 14	7 –7½	7½
23	7½	7½
1974—Apr. 25	7½–8	8
30	8	8
Dec. 9	7¾–8	7¾
16	7¾	7¾
1975—Jan. 6	7¼–7¾	7¾
10	7¼–7¾	7¼
24	7¼	7¼
Feb. 5	6¾–7¼	6¾
7	6¾	6¾
Mar. 10	6¼–6¾	6¼
14	6¼	6¼
May 16	6 –6¼	6
23	6	6
1976—Jan. 19	5½–6	5½
23	5½	5½
In effect, June 30, 1976	5½	5½

NOTE.– Rates under Secs. 13 and 13a (as described in table and notes above). For data before 1956, see *Banking and Monetary Statistics*, 1943, pp. 439–42, and Supplement to Section 12, p. 31.

RESERVE REQUIREMENTS ON DEPOSITS OF MEMBER BANKS

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

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

Beginning Nov. 9, 1972

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

Present legal limits:	Minimum	Maximum
Net demand deposits, reserve city banks	10	22
Net demand deposits, other banks	7	14
Time deposits	3	10

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

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

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

(c) Since Oct. 16, 1969, member banks have been required under Regulation M to maintain reserves against foreign branch deposits computed on the basis of net balances due from domestic offices to their foreign branches and against foreign branch loans to U.S. residents. Since June 21, 1973, loans aggregating $100,000 or less to any U.S. resident have been excluded from computations, as have total loans of a bank to U.S. residents if not exceeding $1 million. Regulation D imposes a similar reserve requirement on borrowings from foreign banks by domestic offices of a member bank. The reserve percentage applicable to each of these classifications is 4 per cent. The requirement was 10 per cent originally, was increased to 20 per cent on Jan. 7, 1971, was reduced to 8 per cent effective June 21, 1973, and was reduced to the current 4 per cent effective May 22, 1975. Initially certain base amounts were exempted in the computation of the requirements, but effective Mar. 14, 1974, the last of these reserve-free bases were eliminated. For details, see Regulations D and M.

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

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

[4] Effective Nov. 9, 1972, a new criterion was adopted to designate reserve cities, and on the same date requirements for reserves against net demand deposits of member banks were restructured to provide that each member bank will maintain reserves related to the size of its net demand deposits. The new reserve city designations are as follows: A bank having net demand deposits of more than $400 million is considered to have the character of business of a reserve city bank, and the presence of the head office of such a bank constitutes designation of that place as a reserve city. Cities in which there are F.R. Banks or branches are also reserve cities. Any banks having net demand deposits of $400 million or less are considered to have the character of business of banks outside of reserve cities and are permitted to maintain reserves at ratios set for banks not in reserve cities. For details, see Regulation D and appropriate supplements and amendments.

[5] A marginal reserve requirement was in effect between June 21, 1973, and Dec. 11, 1974, against increases in the aggregate of the following types of obligations: (a) outstanding time deposits of $100,000 or more, (b) outstanding funds obtained by the bank through issuance by a bank's affiliate of obligations subject to existing reserve requirements on time deposits, and (c) beginning July 12, 1973, funds from sales of finance bills. The requirement applied to balances above a specified base, but was not applicable to banks having obligations of these types aggregating less than $10 million. For details, including percentages and maturity classifications, see "Announcements" in BULLETINS for May, July, Sept., and Dec. 1973 and Sept. and Nov. 1974.

[6] The 16½ per cent requirement applied for one week, only to former reserve city banks. For other banks, the 13 per cent requirement was continued in this deposit interval.

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

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

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

MAXIMUM INTEREST RATES PAYABLE ON TIME AND SAVINGS DEPOSITS

(Per cent per annum)

Rates July 20, 1966—June 30, 1973

Type and size of deposit	Effective date: July 20, 1966	Sept. 26, 1966	Apr. 19, 1968	Jan. 21, 1970
Savings deposits	4	4	4	4½
Other time deposits:[1]				
Multiple maturity:[2]				
30–89 days	4	4	4	4½
90 days to 1 year	5	5	5	5
1–2 years				5½
2 years or more				5¾
Single-maturity:				
Less than $100,000:				
30 days to 1 year	5½	5	5	5
1–2 years				5½
2 years or more				5¾
$100,000 or more:				
30–59 days	5½	5½	5½	(3)
60–89 days			5¾	(3)
90–179 days			6	(3)
180 days to 1 year			6¼	(3)
1 year or more				(3)

Rates beginning July 1, 1973

Type and size of deposit	Effective date: July 1, 1973	Nov. 1, 1973	Nov. 27, 1974	Dec. 23, 1974
Savings deposits	5	5	5	5
Other time deposits (multiple- and single-maturity):[1], [2]				
Less than $100,000:				
30–89 days	5	5	5	5
90 days to 1 year	5½	5½	5½	5½
1–2½ years	6	6	6	6
2½ years or more	6½	6½	6½	6½
Minimum denomination of $1,000:[4]				
4–6 years	(5)	7¼	7¼	7¼
6 years or more				7½
Governmental units	(6)	(6)	7½	7¾
$100,000 or more	(3)	(3)	(3)	(3)

[1] For exceptions with respect to certain foreign time deposits, see BULLETIN for Feb. 1968, p. 167.

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

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

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

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

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

[5] Between July 1 and Oct. 31, 1973, there was no ceiling for certificates maturing in 4 years or more with minimum denominations of $1,000. The amount of such certificates that a bank could issue was limited to 5 per cent of its total time and savings deposits. Sales in excess of that amount were subject to the 6½ per cent ceiling that applies to time deposits maturing in 2½ years or more.

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

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

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

For previous changes, see earlier issues of the BULLETIN.

MARGIN REQUIREMENTS

(Per cent of market value)

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

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

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

TRANSACTIONS OF THE SYSTEM OPEN MARKET ACCOUNT

(In millions of dollars)

Period	Outright transactions in U.S. Govt. securities, by maturity (excluding matched sale–purchase transactions)														
	Treasury bills[1]			Others within 1 year[2]			1–5 years			5–10 years			Over 10 years		
	Gross purchases	Gross sales	Redemptions	Gross purchases	Gross sales	Exch., maturity shifts, or redemptions	Gross purchases	Gross sales	Exch. or maturity shifts	Gross purchases	Gross sales	Exch. or maturity shifts	Gross purchases	Gross sales	Exch. or maturity shifts
1970	11,074	5,214	2,160	99	......	−3,483	848	......	5,430	249	......	−1,845	93	......	−102
1971	8,896	3,642	1,064	1,036	......	−6,462	1,338	......	4,672	933	......	685	311	......	150
1972	8,522	6,467	2,545	125	......	2,933	789	......	−1,405	539	......	−2,094	167	......	250
1973	15,517	4,880	3,405	1,396	......	−140	579	......	−2,028	500	......	895	129	......	87
1974	11,660	5,830	4,550	450	......	−1,314	797	......	−697	434	......	1,675	196	......	205
1975	11,562	5,599	6,431	3,886	......	−3,553	2,863	......	4,275	1,510	......	−4,697	1,070	......	848
1975—May	903	354	407	50	......	−3,131	....	......	6,635	....	......	−3,801	....	......	298
June	421	161	612	20	......	691	488	......	−529	180	......	....	109	......	....
July	....	1,505	800	....	......	....	....	......	....	....	......	....	....	......	....
Aug.	312	282	400	2,002	......	−2,144	150	......	1,299	64	......	−1,444	47	......	300
Sept.	2,118	......	200	....	......	278	562	......	−278	137	......	....	124	......	....
Oct.	1,263	766	400	....	......	48	....	......	−48	....	......	....	....	......	....
Nov.	983	652	919	43	......	−265	267	......	−135	155	......	300	244	......	100
Dec.	1,984	......	200	31	......	28	118	......	−28	78	......	....	71	......	....
1976—Jan.	243	1,239	600	37	......	....	110	......	....	100	......	....	73	......	....
Feb.	1,664	......	389	40	......	−1,153	177	......	174	63	......	968	59	......	200
Mar.	1,069	511	600	38	......	349	185	107	−349	63	......	....	24	......	....
Apr.	2,869	1,355	1,000	27	......	72	249	70	−72	51	......	....	38	......	....
May	1,335	1,224	403	....	......	2,602	....	......	−3,105	....	......	418	....	......	85

Period	Total outright[1]			Matched sale–purchase transactions (U.S. Govt. securities)		Repurchase agreements (U.S. Govt. securities)		Net change in U.S. Govt. securities	Federal agency obligations			Bankers acceptances, net		Net change[3]
									Outright		Repurchase agreements, net			
	Gross purchases	Gross sales	Redemptions	Gross sales	Gross purchases	Gross purchases	Gross sales		Gross purchases	Sales or redemptions		Outright	Repurchase agreements	
1970	12,362	5,214	2,160	12,177	12,177	33,859	33,859	4,988	....	....	....	−6	....	4,982
1971	12,515	3,642	2,019	16,205	16,205	44,741	43,519	8,076	485	....	101	22	181	8,866
1972	10,142	6,467	2,862	23,319	23,319	31,103	32,228	−312	1,197	370	−88	−9	−145	272
1973	18,121	4,880	4,592	45,780	45,780	74,755	74,795	8,610	865	239	29	−2	−36	9,227
1974	13,537	5,830	4,682	64,229	62,801	71,333	70,947	1,984	3,087	322	469	511	420	6,149
1975	20,892	5,599	9,559	151,205	152,132	140,311	139,538	7,434	1,616	246	392	163	−35	8,539
1975—May	953	354	407	2,996	3,044	19,489	21,952	−2,224	....	97	−567	55	−375	−3,207
June	1,217	161	450	12,914	13,026	15,219	16,810	−873	....	6	−255	−62	−121	−1,317
July	....	1,505	800	15,532	15,139	5,977	6,146	−2,866	....	2	−61	3	....	−2,926
Aug.	2,574	282	2,389	14,234	13,730	8,146	6,881	663	353	40	90	−1	156	1,222
Sept.	2,940	....	200	19,931	19,835	16,664	14,857	4,451	394	1	203	14	94	5,155
Oct.	1,263	766	400	15,886	16,113	13,699	13,838	186	284	....	−124	49	50	445
Nov.	1,693	652	919	14,442	15,207	14,342	17,275	−2,047	....	1	−169	−21	−300	−2,537
Dec.	2,281	....	200	10,559	10,058	8,464	7,247	2,797	....	....	118	15	385	3,315
1976—Jan.	563	1,239	600	11,407	11,503	18,135	14,919	2,037	239	....	187	5	98	2,567
Feb.	2,003	....	200	7,551	7,957	17,753	20,943	−982	297	1	−236	−70	−109	−1,101
Mar.	1,380	618	600	12,697	12,082	16,000	14,783	763	....	....	217	−138	−31	812
Apr.	3,233	1,425	1,000	15,138	14,899	17,456	15,963	2,061	....	....	−155	−50	162	2,019
May	1,335	1,224	403	12,417	12,355	20,355	21,203	−1,202	240	20	22	−51	−69	−1,080

1 Before Nov. 1973 BULLETIN, included matched sale–purchase transactions, which are now shown separately.

2 Includes special certificates acquired when the Treasury borrows directly from the Federal Reserve, as follows (millions of dollars): June 1971, 955; Sept. 1972, 38; Aug. 1973, 351; Sept. 1973, 836; Nov. 1974, 131; Mar. 1975, 1,560; Aug. 1975, 1,989.

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

NOTE.—Sales, redemptions, and negative figures reduce System holdings; all other figures increase such holdings. Details may not add to totals because of rounding.

CONSOLIDATED STATEMENT OF CONDITION OF ALL FEDERAL RESERVE BANKS

(In millions of dollars)

Item	Wednesday					End of month		
	1976					1976		1975
	June 30	June 23	June 16	June 9	June 2	June 30	May 31	June 30
Assets								
Gold certificate account	11,598	11,598	11,598	11,598	11,598	11,598	11,598	11,620
Special Drawing Rights certificate account	700	600	500	500	500	700	500	500
Cash	339	345	344	344	342	339	357	360
Loans:								
Member bank borrowings	316	835	61	351	166	316	397	561
Other	....	....	....	....	....	....	....	....
Acceptances:								
Bought outright	361	381	396	412	420	361	439	682
Held under repurchase agreements	666	317	281	....	....	666	436	....
Federal agency obligations:								
Bought outright	6,805	6,805	6,805	6,827	6,827	6,805	6,827	5,085
Held under repurchase agreements	277	43	56	....	....	277	154	61
U.S. Govt. securities:								
Bought outright:								
Bills	38,729	38,551	36,493	32,370	33,741	38,729	36,650	37,172
Certificates—Special	....	....	....	....	....	....	....	....
Other	....	....	....	....	....	....	....	....
Notes	45,749	45,382	44,856	44,856	44,856	45,749	44,856	42,886
Bonds	6,097	6,065	6,001	6,001	6,001	6,097	6,001	4,522
Total bought outright[1]	90,575	89,998	87,350	83,227	84,598	90,575	87,507	84,580
Held under repurchase agreements	3,871	613	1,931	....	....	3,871	3,105	169
Total U.S. Govt. securities	94,446	90,611	89,281	83,227	84,598	94,446	90,612	84,749
Total loans and securities	102,871	98,992	96,880	90,817	92,011	102,871	98,865	91,138
Cash items in process of collection	p8,417	p8,640	9,985	7,900	9,414	p8,417	5,221	5,966
Bank premises	346	346	342	343	342	346	343	288
Operating equipment	18	18	18	19	18	18	18	2
Other assets:								
Denominated in foreign currencies	1,165	1,059	954	964	954	1,165	938	25
All other	2,704	2,732	2,651	2,493	2,688	2,704	2,589	2,682
Total assets	p128,158	p124,330	123,272	114,978	117,867	p128,158	120,429	112,581
Liabilities								
F.R. notes	79,124	78,808	79,127	79,217	78,779	79,124	77,999	72,229
Deposits:								
Member bank reserves	p26,835	p24,362	27,672	24,234	22,165	p26,835	26,457	25,976
U.S. Treasury—General account	11,972	11,052	5,763	2,496	6,128	11,972	6,745	5,773
Foreign	349	254	235	238	235	349	303	373
Other:								
All other[2]	847	740	787	637	849	847	679	701
Total deposits	p40,003	p36,408	34,457	27,605	29,377	40,003	34,184	32,823
Deferred availability cash items	5,467	5,736	6,415	5,044	6,709	5,467	4,746	4,175
Other liabilities and accrued dividends	1,159	1,093	1,106	1,054	1,051	1,159	1,117	1,076
Total liabilities	p125,753	p122,045	121,105	112,920	115,916	p125,753	118,046	110,303
Capital accounts								
Capital paid in	959	958	954	954	953	959	953	909
Surplus	929	929	929	929	929	929	929	897
Other capital accounts	517	398	284	175	69	517	501	472
Total liabilities and capital accounts	p128,158	p124,330	123,272	114,978	117,867	p128,158	120,429	112,581
Marketable U.S. Govt. securities held in custody for foreign and international accounts	45,187	45,576	45,642	45,503	45,832	45,187	45,867	39,760
Federal Reserve Notes—Federal Reserve Agents' Accounts								
F.R. notes outstanding (issued to Bank)	83,987	83,926	83,783	83,598	83,152	83,987	83,093	77,001
Collateral held against notes outstanding:								
Gold certificate account	11,596	11,596	11,596	11,596	11,596	11,596	11,596	11,596
Special Drawing Rights certificate account	365	304	302	302	302	365	302	292
Acceptances	....	....	....	....	....	....	....	....
U.S. Govt. securities	73,710	73,510	73,260	73,180	73,035	73,710	73,035	68,650
Total collateral	85,671	85,410	85,158	85,078	84,933	85,671	84,933	80,538

1 See note 2 on p. A-2.
2 See note 6 on p. A-2.

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

(In millions of dollars)

Item	Wednesday					End of month		
	1976					1976		1975
	June 30	June 23	June 16	June 9	June 2	June 30	May 31	June 30
Loans—Total	316	835	60	351	166	316	397	560
Within 15 days	311	834	56	346	162	311	390	552
16–90 days	5	1	4	5	4	5	7	8
91 days to 1 year	....	....	....	....	....	....	....	....
Acceptances—Total	1,027	698	677	412	420	1,027	875	682
Within 15 days	699	359	327	52	60	699	515	93
16–90 days	200	186	183	190	179	200	183	383
91 days to 1 year	128	153	167	170	181	128	177	206
U.S. Govt. securities—Total	94,446	90,611	89,281	83,227	84,598	94,446	90,612	84,749
Within 15 days[1]	7,569	6,530	6.563	2,706	1,722	7,569	5,218	3,891
16–90 days	18,650	18,092	16,505	14.629	16,899	18,650	19,637	21,187
91 days to 1 year	26,756	25,311	26,098	25.777	25,862	26,756	25,612	20,972
1–5 years	28,531	27,853	27,466	27,466	27,466	28,531	27,496	28,366
5–10 years	8,283	8,200	8,088	8,088	8,088	8,283	8,088	7,137
Over 10 years	4,657	4,625	4,561	4,561	4,561	4,657	4,561	3,196
Federal agency obligations—Total	7,082	6,848	6,861	6,827	6,827	7,082	6,981	5,146
Within 15 days[1]	303	69	82	110	110	303	326	109
16–90 days	307	306	306	251	199	307	199	282
91 days to 1 year	914	902	902	913	965	914	903	495
1–5 years	3,374	3,374	3,374	3,356	3,356	3,374	3,356	2,552
5–10 years	1,491	1,504	1,504	1,504	1,504	1,491	1,504	1,147
Over 10 years	693	693	693	693	693	693	693	561

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

BANK DEBITS AND DEPOSIT TURNOVER

(Seasonally adjusted annual rates)

Period	Debits to demand deposit accounts[1] (billions of dollars)					Turnover of demand deposits				
	Total 233 SMSA's	Leading SMSA's		Total 232 SMSA's (excl. N.Y.)	226 other SMSA's	Total 233 SMSA's	Leading SMSA's		Total 232 SMSA's (excl. N.Y.)	226 other SMSA's
		N.Y.	6 others[2]				N.Y.	6 others[2]		
1975—May	22,738.6	10,826.1	4,852.6	11,912.5	7,059.9	128.9	333.9	120.1	82.8	68.2
June	22,503.5	10,612.2	4,756.7	11,891.3	7,134.6	124.4	328.6	114.2	80.0	66.7
July	22,827.9	10,709.5	4,841.1	12,118.3	7,277.2	126.2	331.0	115.7	81.6	68.2
Aug	23,269.4	10,628.8	5,125.1	12,640.5	7,515.4	130.4	335.0	124.4	86.2	71.2
Sept	23,181.9	10,585.0	5,153.0	12,596.9	7,443.8	128.8	330.7	123.8	85.1	70.0
Oct	24,137.1	11,801.5	4,921.3	12,335.6	7,414.3	134.0	364.0	118.7	83.5	69.8
Nov	24,067.7	11,529.9	4,937.3	12,537.8	7,600.5	134.0	360.8	119.5	84.9	71.5
Dec	23,565.1	10,970.9	4,932.5	12,594.2	7,661.8	131.0	351.8	118.4	84.7	71.6
1976—Jan	23,845.0	11,517.7	4,789.0	12,327.3	7,538.3	132.4	366.0	115.4	82.9	70.3
Feb	25,524.9	12,212.0	5,321.1	13,312.9	7,991.8	140.9	375.4	128.0	89.6	74.6
Mar	26,475.0	12,629.6	5,561.5	13,845.4	8,283.9	144.6	377.5	131.4	92.5	77.2
Apr	r25,795.1	12,482.8	r5,304.5	r13,312.3	r8,012.8	140.3	374.9	124.1	88.4	74.3
May	25,507.3	12,179.0	5,335.0	13,328.3	7,993.3	139.3	380.2	126.9	88.2	73.3

[1] Excludes interbank and U.S. Govt. demand deposit accounts.
[2] Boston, Philadelphia, Chicago, Detroit, San Francisco–Oakland, and Los Angeles–Long Beach.

NOTE.—Total SMSA's include some cities and counties not designated as SMSA's.

For back data see pp. 634–35 of the July 1972 BULLETIN.

MEASURES OF THE MONEY STOCK

(In billions of dollars)

Period	Seasonally adjusted					Not seasonally adjusted				
	M_1	M_2	M_3	M_4	M_5	M_1	M_2	M_3	M_4	M_5
	Composition of measures is described in the NOTE below.									
1973—Dec.	270.5	571.4	919.5	634.9	982.9	278.3	576.5	921.8	640.5	985.8
1974—Dec.	283.1	612.4	981.6	702.2	1,071.4	291.3	617.5	983.8	708.0	1,074.3
1975—May	287.6	633.7	1,025.3	718.8	1,110.4	282.9	631.9	1,025.7	716.0	1,109.8
June	291.0	642.4	1,040.2	726.5	1,124.3	290.3	643.5	1,044.5	725.8	1,126.8
July	291.9	647.5	1,051.6	729.6	1,133.7	292.1	647.8	1,055.0	729.1	1,136.3
Aug.	293.2	650.6	1,060.6	729.3	1,139.3	290.0	647.2	1,057.1	728.4	1,138.3
Sept.	293.6	652.9	1,068.1	731.9	1,147.1	291.7	649.5	1,062.8	732.2	1,145.5
Oct.	293.4	655.8	1,075.8	736.7	1,156.6	292.3	653.2	1,070.4	736.9	1,154.1
Nov.	295.6	662.1	1,086.5	743.9	1,168.3	297.4	660.2	1,080.6	743.0	1,163.5
Dec.	294.8	664.3	1,092.9	747.2	1,175.8	303.2	669.3	1,094.6	752.8	1,178.1
1976—Jan.	295.1	670.2	1,103.7	749.4	1,182.9	301.0	675.3	1,107.1	753.7	1,185.6
Feb.	296.5	678.5	1,117.2	753.8	1,192.6	292.9	675.3	1,113.3	748.4	1,186.3
Mar.	298.0	683.4	1,127.3	756.5	1,200.5	295.2	683.3	1,129.0	755.1	1,200.8
Apr.	301.7	691.9	r1,141.1	763.4	r1,212.5	303.3	696.7	r1,149.2	766.1	r1,218.6
May	303.3	697.2	1,151.2	765.4	1,219.4	298.4	695.6	1,151.9	763.0	1,219.2

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

M_1: Averages of daily figures for (1) demand deposits of commercial banks other than domestic interbank and U.S. Govt., less cash items in process of collection and F.R. float; (2) foreign demand balances at F.R. Banks; and (3) currency outside the Treasury, F.R. Banks, and vaults of commercial banks.

M_2: *Averages of daily figures for M_1 plus savings deposits, time deposits open account, and time certificates of deposit other than negotiable CD's of $100,000 of large weekly reporting banks.*

M_3: M_2 plus the average of the beginning and end-of-month deposits of mutual savings banks, savings and loan shares, and credit union shares (nonbank thrift).

M_4: M_2 plus large negotiable CD's.

M_5: M_3 plus large negotiable CD's.

For a description of the latest revisions in M_1, M_2, M_3, M_4, and M_5, see "Revision of Money Stock Measures" on pp. 82–87 of the Feb. 1976 BULLETIN. Beginning Oct. 1975, money stock measures and related data have been revised to incorporate benchmark data from the Dec. 31, 1975, call report.

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

COMPONENTS OF MONEY STOCK MEASURES AND RELATED ITEMS

(In billions of dollars)

Period	Seasonally adjusted						Not seasonally adjusted									
	Currency	Commercial banks				Nonbank thrift institutions[2]	Currency	Commercial banks							Nonbank thrift institutions[2]	U.S. Govt. deposits[3]
		Demand deposits	Time and savings deposits					Demand deposits			Time and savings deposits					
			CD's[1]	Other	Total			Member	Domestic nonmember	Total	CD's[1]	Other	Total			
1973—Dec.	61.5	209.0	63.5	300.9	364.4	348.0	62.7	156.5	56.3	215.7	64.0	298.2	362.2	345.3	6.3
1974—Dec.	67.8	215.3	89.8	329.3	419.1	369.2	69.0	159.7	58.5	222.2	90.5	326.3	416.7	366.3	4.9
1975—May	70.2	217.4	85.1	346.1	431.2	391.6	70.0	153.4	56.6	212.9	84.1	349.1	433.2	393.8	4.1
June	71.0	220.0	84.1	351.4	435.5	397.8	71.2	157.2	58.9	219.1	82.3	353.2	435.5	401.0	4.2
July	71.3	220.6	82.1	355.5	437.6	404.1	71.9	157.9	59.4	220.3	81.3	355.7	436.9	407.2	3.4
Aug.	71.9	221.3	78.8	357.4	436.2	410.0	72.1	155.8	59.0	217.8	81.1	357.3	438.4	409.9	2.7
Sept.	72.0	221.6	79.1	359.2	438.3	415.2	71.9	157.0	59.7	219.9	82.7	357.7	440.4	413.3	3.9
Oct.	72.6	220.8	80.9	362.4	443.3	420.0	72.5	156.6	60.3	219.9	83.7	360.8	444.5	417.2	3.4
Nov.	73.4	222.1	81.8	366.5	448.3	424.4	73.9	159.0	61.4	223.5	82.9	362.8	445.6	420.4	3.5
Dec.	73.7	221.0	82.9	369.6	452.4	428.6	75.1	162.1	62.6	228.1	83.5	366.2	449.6	425.3	4.1
1976—Jan.	74.2	220.8	79.2	375.2	454.4	433.5	73.8	162.0	62.1	227.2	78.5	374.3	452.8	431.9	3.8
Feb.	75.1	221.5	75.4	381.9	457.3	438.8	74.1	155.7	59.9	218.8	73.0	382.5	455.5	438.0	4.5
Mar.	75.7	222.3	73.2	385.4	458.5	444.0	75.1	156.8	60.2	220.1	71.8	388.1	459.9	445.7	3.9
Apr.	76.7	225.0	71.4	390.2	461.6	r449.2	76.3	161.7	62.3	227.0	69.4	393.4	462.8	r452.5	3.8
May	77.4	226.0	68.2	393.9	462.0	454.0	77.2	157.1	61.0	221.2	67.4	397.2	464.6	456.3	3.7

[1] Negotiable time certificates of deposit issued in denominations of $100,000 or more by large weekly reporting commercial banks.

[2] Average of the beginning and end-of-month figures for deposits of mutual savings banks, for savings capital at savings and loan associations, and for credit union shares.

[3] At all commercial banks.

See also NOTE above.

AGGREGATE RESERVES AND MEMBER BANK DEPOSITS

(In billions of dollars)

Period	Member bank reserves, S.A.[1]				Deposits subject to reserve requirements[3]								Total member bank deposits plus nondeposit items[4]	
					S.A.				N.S.A.					
	Total	Non-borrowed	Required	Available[2]	Total	Time and savings	Demand: Private	Demand: U.S. Govt.	Total	Time and savings	Demand: Private	Demand: U.S. Govt.	S.A.	N.S.A.
1973—Dec.	34.98	33.69	34.68	32.78	442.8	279.7	158.1	5.0	447.5	278.5	164.0	5.0	449.4	454.0
1974—Dec.[1]	36.63	35.90	36.37	34.42	486.9	322.9	160.6	3.4	491.8	321.7	166.6	3.5	495.3	500.1
1975—May[1]	34.74	34.67	34.58	32.77	493.7	328.6	162.6	2.5	491.8	329.8	159.0	3.0	501.2	499.2
June	35.07	34.85	34.87	32.90	499.5	330.5	165.8	3.2	497.5	330.2	164.2	3.1	506.5	504.5
July	34.98	34.68	34.79	32.89	498.3	330.8	164.9	2.6	497.2	330.2	164.5	2.5	505.1	504.0
Aug.	34.88	34.67	34.69	32.77	496.3	328.4	165.1	2.8	494.8	330.5	162.3	2.0	503.3	501.8
Sept.	34.99	34.59	34.80	32.77	498.4	329.8	165.6	3.0	499.1	332.2	164.0	2.9	505.5	506.1
Oct.[1]	34.79	34.60	34.58	32.61	500.1	333.1	164.0	3.0	500.4	334.7	163.3	2.5	508.0	508.3
Nov.	34.73	34.67	34.44	32.43	505.9	336.1	165.9	3.9	503.6	334.3	166.7	2.6	514.1	511.9
Dec.	34.75	34.62	34.49	32.44	506.0	338.7	164.4	3.0	510.9	337.2	170.7	3.1	514.4	519.3
1976—Jan.[1]	34.32	34.24	34.08	32.17	506.2	338.9	164.7	2.6	511.1	337.9	170.3	2.9	514.1	519.0
Feb.	34.05	33.97	33.83	31.85	507.6	339.5	165.5	2.6	504.2	337.5	163.4	3.4	515.6	512.2
Mar.	34.00	33.95	33.78	31.75	507.8	339.4	165.8	2.5	506.4	339.6	163.9	2.9	516.0	514.7
Apr.	34.02	33.98	33.87	31.87	509.8	340.2	167.2	2.5	511.9	340.2	168.8	2.9	517.3	519.4
May	34.14	34.02	33.93	31.95	507.8	338.3	167.6	2.3	506.0	339.9	163.4	2.8	515.3	513.6

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

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

3 Averages of daily figures. Deposits subject to reserve requirements include total time and savings deposits and net demand deposits as defined by Regulation D. Private demand deposits include all demand deposits except those due to the U.S. Govt., less cash items in process of collection and demand balances due from domestic commercial banks.

4 "Total member bank deposits" subject to reserve requirements, plus Euro-dollar borrowings, loans sold to bank-related institutions, and certain other nondeposit items. This series for deposits is referred to as "the adjusted bank credit proxy."

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

LOANS AND INVESTMENTS AT ALL COMMERCIAL BANKS

(In billions of dollars)

Date	Seasonally adjusted							Not seasonally adjusted						
	Total loans and investments[1]	Loans				Securities		Total loans and investments[1]	Loans				Securities	
		Total[1]	Plus loans sold[2]	Commercial and industrial[3]: Total	Commercial and industrial[3]: Plus loans sold[2]	U.S. Treasury	Other[4]		Total[1]	Plus loans sold[2]	Commercial and industrial[3]: Total	Commercial and industrial[3]: Plus loans sold[2]	U.S. Treasury	Other[4]
1971—Dec. 31	485.7	320.9	323.7	116.1	117.7	60.6	104.2	497.9	328.3	331.1	118.5	120.2	64.9	104.7
1972—Dec. 31	558.0	378.9	381.5	130.2	131.9	62.6	116.5	571.4	387.3	389.9	132.7	134.4	67.0	117.1
1973—Dec. 31	633.4	449.0	453.3	156.4	159.0	54.5	129.9	647.3	458.5	462.8	159.4	162.0	58.3	130.6
1974—Dec. 31[5]	690.4	500.2	505.0	183.3	186.0	50.4	139.8	705.6	510.7	515.5	186.8	189.6	54.5	140.5
1975—July 30	705.8	489.9	494.4	176.7	179.5	72.3	143.6	703.9	491.1	495.6	176.7	179.5	69.4	143.4
Aug. 27	709.3	490.2	494.7	176.5	179.3	75.0	144.1	706.1	490.3	494.8	175.3	178.1	72.0	143.8
Sept. 24	712.7	491.5	496.0	r175.4	r178.2	76.7	144.5	712.5	492.8	497.3	r175.8	r178.6	75.4	144.3
Oct. 29	716.3	495.0	499.7	r176.3	r179.2	76.0	145.3	714.6	493.7	498.4	r175.3	r178.2	75.9	144.9
Nov. 26	722.2	498.5	503.2	r177.1	r179.9	76.8	146.9	722.4	497.6	502.3	r176.5	r179.3	79.4	145.4
Dec. 31	721.1	496.9	501.3	r176.0	r178.5	79.4	144.8	737.0	507.4	511.8	r179.3	r181.8	84.1	145.5
1976—Jan. 28p	723.3	497.3	501.6	r176.6	r179.1	81.0	145.0	721.4	492.6	496.9	r174.4	r176.9	84.8	144.0
Feb. 25p	726.7	497.8	502.3	r175.1	r177.8	84.4	144.5	720.8	491.9	496.4	r173.5	r176.2	85.4	143.6
Mar. 31p	731.2	499.7	503.9	r171.4	r174.0	88.2	143.3	729.6	496.9	501.1	r171.3	r173.9	89.3	143.5
Apr. 28p	734.5	500.5	504.7	r170.5	r173.1	90.0	144.0	732.1	496.7	500.9	r170.6	r173.2	90.2	145.2
May 26p	737.6	500.6	r505.0	r170.7	r173.4	93.0	144.0	735.1	500.0	r504.4	r170.8	r173.5	90.5	144.6
June 30p	738.8	500.7	505.2	170.2	173.0	94.0	144.1	743.3	507.2	511.7	172.4	175.2	90.8	145.3

1 Adjusted to exclude domestic commercial interbank loans.

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

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

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

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

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

NOTE. *Total loans and investments:* Seasonally adjusted data revised beginning 1968. Not seasonally adjusted data revised beginning July 1975. See this BULLETIN, p. 554. Back data for 1959–75 available from Banking Section, Division of Research and Statistics; for 1948–58, See. Aug. 1968 BULLETIN, pp. A-94–A-97. For description of seasonally adjusted series for total loans and investments, see Dec. 1971 BULLETIN, pp. 971–73 and for commercial and industrial loans, see July 1972 BULLETIN, p. 683. Data are for last Wed. of month except for June 30 and Dec. 31; data are partly or wholly estimated except when June 30 and Dec. 31 are call dates.

PRINCIPAL ASSETS AND LIABILITIES AND NUMBER, BY CLASS OF BANK

(Amounts in millions of dollars)

Classification by FRS membership and FDIC insurance	Loans and investments: Total	Loans and investments: Loans [1]	Loans and investments: Securities: U.S. Treasury	Loans and investments: Securities: Other [2]	Cash assets [3]	Total assets—Total liabilities and capital accounts [4]	Deposits: Total [3]	Deposits: Interbank [3]: Demand	Deposits: Interbank [3]: Time	Deposits: Other: Demand: U.S. Govt.	Deposits: Other: Demand: Other	Deposits: Other: Time [5]	Borrowings	Total capital accounts [6]	Number of banks
							Last-Wednesday-of-month series [7]								
All 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
1947—Dec. 31 [8]..	116,284	38,057	69,221	9,006	37,502	155,377	144,103	12,792	240	1,343	94,367	35,360	65	10,059	14,181
1960—Dec. 31...	199,509	117,642	61,003	20,864	52,150	257,552	229,843	17,079	1,799	5,945	133,379	71,641	163	20,986	13,472
1970—Dec. 31 [9]..	461,194	313,334	61,742	86,118	93,643	576,242	480,940	30,608	1,975	7,938	209,335	231,084	19,375	42,958	13,686
1971—Dec. 31...	516,564	346,930	64,930	104,704	99,832	640,255	537,946	32,205	2,908	10,169	220,375	272,289	25,912	47,211	13,783
1972—Dec. 31...	598,808	414,696	67,028	117,084	113,128	739,033	616,037	33,854	4,194	10,875	252,223	314,891	38,083	52,658	13,927
1973—Dec. 31...	683,799	494,947	58,277	130,574	118,276	835,224	681,847	36,839	6,773	9,865	263,367	365,002	58,994	58,128	14,171
1974—Dec. 31...	744,107	549,183	54,451	140,473	128,042	919,552	747,903	43,483	11,496	4,807	267,506	420,611	58,369	63,650	14,465
1975—June 30...	747,551	535,493	68,191	143,868	128,716	930,719	754,324	42,582	11,209	3,117	264,027	433,389	62,420	66,557	14,573
July 30...	738,060	525,250	69,400	143,410	106,840	899,590	723,730	33,180	10,830	2,220	243,000	434,500	61,870	66,080	14,583
Aug. 27...	741,630	525,780	72,020	143,830	104,750	900,870	724,650	31,540	10,570	2,830	242,590	437,120	59,920	66,620	14,595
Sept. 24...	743,970	524,270	75,360	144,340	106,220	906,410	726,840	31,330	10,990	3,180	240,570	440,770	61,030	66,980	14,612
Oct. 29...	747,250	526,420	75,940	144,890	110,670	915,890	736,870	31,900	11,210	2,650	247,590	443,520	60,640	67,550	14,628
Nov. 26...	757,450	532,660	79,400	145,390	123,150	939,310	753,000	34,560	11,160	3,530	257,640	446,110	66,780	68,000	14,624
Dec. 31...	775,794	546,172	84,119	145,503	133,614	964,918	786,252	41,811	12,020	3,114	278,692	450,615	60,224	69,125	14,633
1976—Jan. 28p..	756,630	527,820	84,770	144,040	112,720	927,140	743,140	32,110	11,540	3,790	245,600	450,100	67,250	68,870	14,611
Feb. 28p..	757,540	528,560	85,420	143,560	111,470	928,540	741,230	31,560	11,370	4,010	242,810	451,480	68,490	69,110	14,624
Mar. 31p [10]	767,260	534,530	89,260	143,470	120,870	934,440	766,680	37,510	11,860	2,430	256,930	457,950	63,420	70,070	14,628
Apr. 28p..	765,550	530,170	90,180	145,200	113,210	926,370	753,150	32,280	10,990	4,120	250,200	455,560	68,480	70,610	14,632
May 26p..	767,070	531,990	90,470	144,610	111,740	928,140	755,010	33,620	10,530	3,660	247,630	459,570	66,170	71,400	14,632
June 30p..	779,720	543,670	90,790	145,260	125,160	956,910	782,860	38,280	10,580	4,650	266,440	462,910	65,780	72,070	14,632
Members of F.R. System:															
1941—Dec. 31...	43,521	18,021	19,539	5,961	23,113	68,121	61,717	10,385	140	1,709	37,136	12,347	4	5,886	6,619
1947—Dec. 31...	97,846	32,628	57,914	7,304	32,845	132,060	122,528	12,353	50	1,176	80,609	28,340	54	8,464	6,923
1960—Dec. 31...	165,619	99,933	49,106	16,579	45,756	216,577	193,029	16,437	1,639	5,287	112,393	57,273	130	17,398	6,174
1970—Dec. 31 [9]..	365,940	253,936	45,399	66,604	81,500	465,644	384,596	29,142	1,733	6,460	168,032	179,229	18,578	34,100	5,767
1971—Dec. 31...	405,087	277,717	47,633	79,738	86,189	511,353	425,380	30,612	2,549	8,427	174,385	209,406	25,046	37,279	5,727
1972—Dec. 31...	465,788	329,548	48,715	87,524	96,566	585,125	482,124	31,958	3,561	9,024	197,817	239,763	36,357	41,228	5,704
1973—Dec. 31...	528,124	391,032	41,494	95,598	100,098	655,898	526,837	34,782	5,843	8,273	202,564	275,374	55,611	44,741	5,735
1974—Dec. 31...	568,532	429,537	38,921	100,073	106,995	715,615	575,563	41,062	10,052	3,183	204,203	317,064	52,850	48,240	5,780
1975—June 30...	562,667	412,939	49,610	100,118	107,152	716,364	573,382	39,847	9,576	2,166	201,197	320,596	56,334	50,257	5,794
July 30...	552,727	403,137	49,938	99,652	89,743	687,844	546,420	30,980	9,198	1,539	184,225	320,478	56,084	49,900	5,796
Aug. 27...	554,007	402,281	51,899	99,827	87,208	686,266	545,021	29,335	8,932	2,099	183,283	321,372	54,175	50,281	5,792
Sept. 24...	555,096	400,695	54,355	100,046	88,004	689,717	546,360	29,150	9,360	2,343	181,340	324,167	54,929	50,543	5,792
Oct. 29...	556,383	401,492	54,546	100,345	91,397	695,312	552,649	29,568	9,578	1,952	186,851	324,700	54,250	50,963	5,796
Nov. 26...	564,023	405,805	57,471	100,747	102,103	714,112	564,835	32,064	9,527	2,708	194,492	326,044	60,162	51,199	5,791
Dec. 31...	578,560	416,366	61,519	100,675	108,489	733,635	590,776	38,569	10,015	2,255	210,824	329,113	53,646	52,078	5,788
1976—Jan. 28...	563,387	402,020	61,704	99,663	93,808	705,093	556,274	29,712	9,529	2,908	185,773	328,352	61,022	52,167	5,765
Feb. 28...	562,940	401,731	61,869	99,340	91,914	704,357	552,942	29,145	9,357	2,977	183,458	328,005	62,051	52,300	5,768
Mar. 31 [10].	569,913	406,148	64,636	99,129	100,455	710,228	573,878	34,934	9,848	1,769	194,932	332,395	57,470	53,191	5,778
Apr. 28p..	567,384	402,147	64,892	100,345	93,743	702,130	561,110	29,923	8,978	3,281	189,361	329,567	62,002	53,753	5,775
May 26p..	567,220	402,435	65,058	99,727	92,340	702,517	561,393	30,676	8,517	2,702	187,099	332,399	59,591	54,450	5,775
June 30p..	577,430	411,647	65,617	100,166	104,034	726,678	585,351	35,604	8,570	3,657	202,125	335,395	59,211	54,976	5,775
							Call date series								
Insured banks:															
Total:															
1941—Dec. 31...	49,290	21,259	21,046	6,984	25,788	76,820	69,411	10,654		1,762	41,298	15,699	10	6,844	13,426
1947—Dec. 31...	114,274	37,583	67,941	8,750	36,926	152,733	141,851	12,615	54	1,325	92,975	34,882	61	9,734	13,398
1960—Dec. 31...	198,011	117,092	60,468	20,451	51,836	255,669	228,401	16,921	1,667	5,932	132,533	71,348	149	20,628	13,119
1970—Dec. 31 [9]..	458,919	312,006	61,438	85,475	92,708	572,682	479,174	30,233	1,874	7,898	208,037	231,132	19,149	42,427	13,502
1972—Dec. 31...	594,502	411,525	66,679	116,298	111,333	732,519	612,822	33,366	4,113	10,820	250,693	313,830	37,556	52,166	13,721
1973—Dec. 31...	678,113	490,527	57,961	129,625	116,266	827,081	677,358	36,248	6,429	9,856	261,530	363,294	57,531	57,603	13,964
1974—Dec. 31...	734,516	541,111	54,132	139,272	125,375	906,325	741,665	42,587	10,693	4,799	265,444	418,142	55,988	63,039	14,216
1975—June 30...	736,164	526,272	67,833	142,060	125,181	914,781	746,348	41,244	10,252	3,106	261,903	416,962	59,310	65,986	14,320
Dec. 31...	762,400	535,170	83,629	143,602	128,256	944,654	775,209	40,259	10,733	3,108	276,384	433,352	56,775	68,474	14,372
National member:															
1941—Dec. 31...	27,571	11,725	12,039	3,806	14,977	43,433	39,458	6,786		1,088	23,262	8,322	4	3,640	5,117
1947—Dec. 31...	65,280	21,428	38,674	5,178	22,024	88,182	82,023	8,375	35	795	53,541	19,278	45	5,409	5,005
1960—Dec. 31...	107,546	63,694	32,712	11,140	28,675	139,261	124,911	9,829	611	3,265	71,660	39,546	111	11,098	4,530
1970—Dec. 31 [9]..	271,760	187,554	34,203	50,004	56,028	340,764	283,663	18,051	982	4,740	122,298	137,592	13,100	24,868	4,620
1972—Dec. 31...	350,743	247,041	37,185	66,516	67,390	434,810	359,319	19,096	2,155	6,646	146,800	184,622	26,706	30,342	4,612
1973—Dec. 31...	398,236	293,555	30,962	73,718	70,711	489,470	395,767	20,357	3,876	5,955	152,705	212,874	39,696	33,125	4,659
1974—Dec. 31...	428,433	321,466	29,075	77,892	76,523	534,207	431,039	23,497	6,750	2,437	154,397	243,959	39,603	35,815	4,706
1975—June 30...	428,167	312,229	37,606	78,331	75,686	536,836	431,646	21,096	6,804	1,723	152,576	242,492	41,954	37,483	4,730
Dec. 31...	441,135	315,738	46,799	78,598	78,026	553,285	447,590	22,305	7,302	1,788	159,840	250,493	40,875	38,969	4,741

For notes see opposite page.

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

(Amounts in millions of dollars)

Classification by FRS membership and FDIC insurance	Loans and investments: Total	Loans [1]	Securities: U.S. Treasury	Securities: Other [2]	Cash assets [3]	Total assets—Total liabilities and capital accounts [4]	Deposits: Total [3]	Interbank [3]: Demand	Interbank [3]: Time	Other: Demand: U.S. Govt.	Other: Demand: Other	Other: Time [5]	Borrowings	Total capital accounts [6]	Number of banks
						Call date series									
Insured banks (cont.):															
State member:															
1941—Dec. 31....	15,950	6,295	7,500	2,155	8,145	24,688	22,259	3,739		621	13,874	4,025	1	2,246	1,502
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
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
1970—Dec. 31[9]...	94,760	66,963	11,196	16,600	25,472	125,460	101,512	11,091	750	1,720	45,734	42,218	5,478	9,232	1,147
1972—Dec. 31....	115,426	82,889	11,530	21,008	29,176	150,697	123,186	12,862	1,406	2,378	51,017	55,523	9,651	10,886	1,092
1973—Dec. 31....	130,240	97,828	10,532	21,880	29,387	166,780	131,421	14,425	1,968	2,318	49,859	62,851	15,914	11,617	1,076
1974—Dec. 31....	140,373	108,346	9,846	22,181	30,473	181,683	144,799	17,565	3,301	746	49,807	73,380	13,247	12,425	1,074
1975—June 30...	134,759	100,968	12,004	21,787	31,466	179,787	141,995	18,751	2,771	443	48,621	65,654	14,380	12,773	1,064
1975—Dec. 31...	137,620	100,823	14,720	22,077	30,451	180,495	143,409	16,265	2,712	467	50,984	67,656	12,771	13,105	1,046
Nonmember:															
1941—Dec. 31....	5,776	3,241	1,509	1,025	2,668	8,708	7,702	129		53	4,162	3,360	6	959	6,810
1947—Dec. 31....	16,444	4,958	10,039	1,448	4,083	20,691	19,342	262	4	149	12,366	6,558	7	1,271	6,478
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
1970—Dec. 31[9]...	92,399	57,489	16,039	18,871	11,208	106,457	93,998	1,091	141	1,438	40,005	51,322	571	8,326	7,735
1972—Dec. 31....	128,333	81,594	17,964	28,774	14,767	147,013	130,316	1,408	552	1,796	52,876	73,685	1,199	10,938	8,017
1973—Dec. 31....	149,638	99,143	16,467	34,027	16,167	170,831	150,170	1,467	586	1,582	58,966	87,569	1,920	12,862	8,229
1974—Dec. 31....	165,709	111,300	15,211	39,199	18,380	190,435	165,827	1,525	642	1,616	61,240	100,804	3,138	14,799	8,436
1975—June 30...	173,238	113,074	18,223	41,942	18,029	198,157	172,707	1,397	676	940	60,706	108,816	2,976	15,730	8,526
1975—Dec. 31...	183,645	118,609	22,109	42,927	19,778	210,874	184,210	1,689	719	853	65,560	115,203	3,128	16,400	8,585
Noninsured nonmember:															
1941—Dec. 31....	1,457	455	761	241	763	2,283	1,872	329		1,291		253	13	329	852
1947—Dec. 31[8]...	2,009	474	1,280	255	576	2,643	2,251	177	185	18	1,392	478	4	325	783
1960—Dec. 31....	1,498	550	535	413	314	1,883	1,443	159	132	13	846	293	14	358	352
1970 Dec. 31[9]...	3,079	2,132	304	642	934	4,365	2,570	375	101	40	1,298	756	226	532	184
1971—Dec. 31....	3,147	2,224	239	684	1,551	5,130	2,923	380	116	19	1,273	1,134	283	480	181
1972—Dec. 31....	4,865	3,731	349	785	1,794	7,073	3,775	488	81	55	1,530	1,620	527	491	206
1973—Dec. 31....	6,192	4,927	316	949	2,010	8,650	4,996	591	344	9	1,836	2,215	1,463	524	207
1974—Dec. 31....	9,981	8,461	319	1,201	2,667	13,616	6,627	897	803	8	2,062	2,857	2,382	611	249
1975 June 30...	11,725	9,559	358	1,808	3,534	16,277	8,314	1,338	957	11	2,124	3,320	3,110	570	253
1975 Dec. 31...	13,674	11,283	490	1,902	5,359	20,544	11,323	1,552	1,291	6	2,308	5,115	3,449	651	261
Total nonmember:															
1941—Dec. 31....	7,233	3,696	2,270	1,266	3,431	10,992	9,573	457		5,504		3,613	18	1,288	7,662
1947—Dec. 31....	18,454	5,432	11,318	1,703	4,659	23,334	21,591	439	190	167	13,758	7,036	12	1,596	7,261
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
1970—Dec. 31[9]...	95,478	59,621	16,342	19,514	12,143	110,822	96,568	1,466	243	1,478	41,303	52,078	796	8,858	7,919
1971—Dec. 31....	111,674	69,411	17,297	24,966	13,643	129,100	112,764	1,592	359	1,742	45,990	63,081	866	9,932	8,056
1972—Dec. 31....	133,198	85,325	18,313	29,559	16,562	154,085	134,091	1,895	633	1,850	54,406	75,305	1,726	11,429	8,223
1973—Dec. 31....	155,830	104,070	16,783	34,976	18,177	179,480	155,165	2,057	930	1,592	60,802	89,784	3,383	13,386	8,436
1974—Dec. 31....	175,690	119,761	15,530	40,400	21,047	204,051	172,454	2,422	1,445	1,624	63,302	103,661	5,520	15,410	8,685
1975—June 30...	184,963	122,633	18,581	43,750	21,563	214,434	181,021	2,735	1,633	951	62,830	112,136	6,086	16,300	8,779
1975—Dec. 31...	197,319	129,892	22,599	44,829	25,137	231,418	195,533	3,241	2,010	859	67,868	120,318	6,577	17,051	8,846

1 Loans to farmers directly guaranteed by CCC were reclassified as securities and Export-Import Bank portfolio fund participations were reclassified from loans to securities effective June 30, 1966. This reduced "Total loans" and increased "Other securities" by about $1 billion. "Total loans" include Federal funds sold, and beginning with June 1967 securities purchased under resale agreements, figures for which are included in "Federal funds sold, etc.," on p. A-16.

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

Effective Mar. 31, 1976, includes "reserves for loan losses" and "unearned income on loans."

See also table (and notes) at the bottom of p. A-24.

2 See first 2 paragraphs of note 1.

3 Reciprocal balances excluded beginning with 1942.

4 Includes items not shown separately. See also note 1.

Effective Mar. 31, 1976, "reserves for loan losses" and unearned income on loans," which for all commercial banks are estimated to be approximately $14.5 billion, have been netted against "other assets" and "other liabilities" and, therefore, against "total assets/liabilities."

5 See third paragraph of note 1 above.

6 Effective Mar. 31, 1976, includes "reserves for securities" and a portion of "reserves for loan losses."

7 For the last-Wednesday-of-the-month series, figures for call dates are shown for June and December as soon as they became available.

8 *Beginning with Dec. 31, 1947, the series was revised; for description, see note 4, p. 587, May 1964* BULLETIN.

9 Figure takes into account the following changes, which became effective June 30, 1969: (1) inclusion of consolidated reports (including figures for all bank-premises subsidiaries and other significant majority-owned domestic subsidiaries) and (2) reporting of figures for total loans and for individual categories of securities on a gross basis --that is, before *deduction of valuation reserves—rather than net as previously reported.*

10 See last paragraph of note 1, second paragraph of note 4, and note 6.

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

Figures for member banks before 1970 include mutual savings banks as follows: 3 before Jan. 1960 and 2 through Dec. 1960. Those banks are not included in insured commercial banks.

Effective June 30, 1969, commercial banks and member banks exclude a small national bank in the Virgin Islands; also, member banks exclude, and noninsured commercial banks include, through June 30, 1970, a small member bank engaged exclusively in trust business; beginning 1973, exclude 1 national bank in Puerto Rico.

Beginning Dec. 31, 1973, June 30, 1974, and Dec. 31, 1974, June 30, 1975, respectively, member banks exclude and noninsured nonmember banks include 1, 2, 3, and 4 noninsured trust companies that are member of the Federal Reserve System.

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

Figures are partly estimated except on call dates.

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

ASSETS BY CLASS OF BANK, DECEMBER 31, 1975

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

Account	All commercial banks	Insured commercial banks	Member banks[1]					Non-member banks[1]
			Total	Large banks			All other	
				New York City	City of Chicago	Other large		
Cash, bank balances, items in process	133,614	128,256	108,477	24,778	3,888	43,730	36,081	25,137
Currency and coin	12,256	12,248	9,243	774	200	3,081	5,188	3,013
Reserves with F.R. Banks	26,776	26,776	26,776	3,349	1,433	12,283	9,712	....
Demand balances with banks in United States	34,866	32,091	19,389	6,496	195	3,752	8,947	15,477
Other balances with banks in United States	8,866	7,367	5,184	151	29	1,995	3,008	3,683
Balances with banks in foreign countries	3,598	2,605	2,356	588	27	1,044	696	1,242
Cash items in process of collection	47,251	47,169	45,530	13,421	2,003	21,575	8,531	1,721
Total securities held—Book value	229,622	227,230	162,194	18,499	7,134	53,616	82,945	67,428
U.S. Treasury	84,119	83,629	61,519	9,005	3,212	21,411	27,892	22,600
Other U.S. Govt. agencies	34,409	33,941	21,186	1,508	485	6,031	13,162	13,223
States and political subdivisions	102,029	101,757	74,079	7,204	3,162	24,679	39,035	27,950
All other securities	9,065	7,903	5,410	783	275	1,496	2,855	3,655
Trading-account securities	5,338	5,332	5,182	1,902	563	2,484	232	156
U.S. Treasury	2,982	2,976	2,858	1,072	364	1,315	107	124
Other U.S. Govt. agencies	711	711	698	247	51	351	50	13
States and political subdivisions	1,142	1,142	1,130	357	102	602	70	12
All other	502	502	495	227	47	216	5	7
Bank investment portfolios	224,284	221,898	157,012	16,597	6,570	51,132	82,712	67,272
U.S. Treasury	81,137	80,653	58,661	7,933	2,848	20,096	27,785	22,476
Other U.S. Govt. agencies	33,698	33,230	20,488	1,262	434	5,680	13,112	13,209
States and political subdivisions	100,887	100,614	72,949	6,847	3,060	24,077	38,965	27,938
All other	8,563	7,401	4,914	556	229	1,280	2,850	3,649
Federal funds sold and securities purchased under agreements to resell	39,250	37,323	29,122	2,488	1,520	14,562	10,551	10,129
Commercial banks	34,099	32,172	24,075	2,080	998	11,094	9,903	10,023
Brokers and dealers	3,700	3,700	3,646	62	468	2,614	501	53
Others	1,452	1,452	1,400	346	54	854	146	52
Other loans	507,202	497,846	387,439	73,495	22,261	143,701	147,982	119,763
Real estate loans	134,770	134,588	96,018	8,448	1,371	35,198	51,002	38,752
Secured by farmland	6,237	6,224	2,702	8	11	302	2,381	3,534
Secured by residential properties	82,307	82,177	59,791	4,138	917	22,650	32,087	22,516
1- to 4-family residences	76,456	76,331	55,190	3,259	840	20,588	30,503	21,267
FHA insured	5,510	5,493	4,786	238	47	2,619	1,882	724
VA guaranteed	3,081	3,058	2,610	174	20	1,353	1,063	471
Other	67,865	67,780	47,793	2,847	773	16,616	27,557	20,071
Multifamily properties	5,850	5,846	4,601	879	77	2,062	1,584	1,249
FHA insured	493	492	449	91	24	158	175	44
Other	5,358	5,354	4,153	787	53	1,904	1,409	1,205
Secured by other properties	46,226	46,187	33,525	4,302	443	12,245	16,534	12,702
Loans to domestic and foreign banks	12,624	9,553	8,686	3,366	584	3,905	831	3,938
Loans to other financial institutions	29,611	29,276	28,088	10,187	4,442	11,199	2,259	1,523
Loans on securities to brokers and dealers	7,175	7,055	6,964	4,477	911	1,400	176	210
Other loans for purch./carry securities	3,916	3,822	3,193	415	289	1,560	929	723
Loans to farmers	20,158	20,129	11,244	94	162	2,564	8,424	8,914
Commercial and industrial loans	[c]179,348	174,316	145,930	38,553	12,002	55,749	39,626	[c]33,419
Loans to individuals	[c]106,352	106,019	75,536	4,854	1,717	26,871	42,093	[c]30,816
Instalment loans	[c]83,205	82,969	58,830	3,153	925	21,178	33,574	[c]24,375
Passenger automobiles	[c]33,401	33,279	21,963	432	163	6,600	14,769	[c]11,437
Residential-repair/modernize	5,859	5,845	4,189	222	36	1,731	2,199	1,670
Credit cards and related plans	12,312	12,311	10,846	1,107	509	6,048	3,181	1,466
Charge-account credit cards	9,501	9,500	8,506	815	478	4,817	2,395	995
Check and revolving credit plans	2,811	2,810	2,340	293	31	1,231	785	471
Other retail consumer goods	15,318	15,283	10,615	164	108	3,749	6,594	4,704
Mobile homes	8,721	8,719	6,276	97	39	2,221	3,919	2,445
Other	6,597	6,564	4,338	67	69	1,527	2,675	2,259
Other instalment loans	16,315	16,251	11,217	1,228	109	3,049	6,831	5,098
Single-payment loans to individuals	23,147	23,050	16,706	1,701	792	5,694	8,520	6,441
All other loans	13,248	13,087	11,781	3,100	784	5,255	2,643	1,466
Total loans and securities	776,074	762,400	578,755	94,483	30,915	211,880	241,478	197,319
Fixed assets—Buildings, furniture, real estate	17,474	17,390	13,061	1,415	539	5,232	5,875	4,413
Investments in subsidiaries not consolidated	2,015	1,993	1,970	835	146	958	31	45
Customer acceptances outstanding	8,952	8,679	8,424	4,319	249	3,538	318	527
Other assets	27,069	25,937	23,093	6,586	1,287	11,117	4,103	3,976
Total assets	965,198	944,654	733,780	132,416	37,024	276,454	287,886	231,418
Number of banks	14,633	14,372	5,787	12	9	155	5,611	8,846

[1] *Member banks exclude and nonmember banks include 4 noninsured* trust companies that are members of the Federal Reserve System, and member banks exclude 2 national banks outside the continental United States.

[2] See table (and notes), *Deposits Accumulated for Payment of Personal Loans*, p. 24.

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

NOTE.—Data include consolidated reports, including figures for all bank-premises subsidiaries and other significant majority-owned domestic subsidiaries. Figures for total loans and for individual categories of securities are reported on a gross basis that is, before deduction of valuation reserves.

Back data in lesser detail were shown in previous BULLETINS. Beginning with the fall Call Report, data for future spring and fall Call Reports will be available from the Data Production Section of the Division of Data Processing.

Details may not add to totals because of rounding.

LIABILITIES AND CAPITAL BY CLASS OF BANK, DECEMBER 31, 1975

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

Account	All commercial banks	Insured commercial banks	Member banks[1] Total	Large banks New York City	Large banks City of Chicago	Large banks Other large	All other	Nonmember banks[1]
Demand deposits	323,617	319,751	251,649	54,236	10.378	91,528	95,507	71,968
Mutual savings banks	1,325	1,160	1,063	494	1	221	347	262
Other individuals, partnerships, and corporations	246,559	245,471	187,632	30.546	7,754	70,913	78.419	58,927
U.S. Government	3,114	3,108	2,255	139	34	809	1,274	859
States and political subdivisions	18,726	18,595	13,058	779	191	3.867	8,221	5,667
Foreign governments, central banks, etc.	1.859	1.659	1.610	1,318	18	261	13	248
Commercial banks in United States	33.768	33,453	32,048	14,436	1,868	11,442	4.302	1.720
Banks in foreign countries	6,719	5,646	5,459	3,906	213	1,212	129	1,259
Certified and officers' checks, etc.	11,548	10,659	8,523	2,618	299	2.804	2.802	3,025
Time and savings deposits	462,915	455,458	339,350	45,551	16,302	124,194	153.303	123,565
Savings deposits	160,087	159,725	114,228	7,061	2.402	40.647	64,118	45,860
Accumulated for personal loan payments[2]	280	280	223	...	...	76	146	58
Mutual savings banks	517	499	490	195	5	239	52	26
Other individuals, partnerships, and corporations	229,414	224,878	168,882	25,975	10.467	61,277	71,163	60,531
U.S. Government	573	573	462	75	1	183	203	111
States and political subdivisions	48,113	47,896	34,355	1.114	1,055	15.307	16,879	13,758
Foreign governments, central banks, etc.	12.424	11,373	11.187	7.216	1,212	2.719	39	1,238
Commercial banks in United States	9,550	9,038	8,379	2,997	1,079	3,612	691	1.171
Banks in foreign countries	1,957	1,196	1.145	918	80	135	12	812
Total deposits	786,532	775,209	590,999	99,788	26,680	215.722	248,810	195,534
Federal funds purchased and securities sold under agreements to repurchase	53.811	52,126	49,305	9,043	6.367	26,601	7,294	4,506
Other liabilities for borrowed money	6.412	4,649	4,342	2,114	25	1,828	374	2,071
Mortgage indebtedness	765	763	548	54	16	300	178	217
Bank acceptances outstanding	9,548	9,267	9,012	4,884	252	3,555	321	536
Other liabilities	29,964	25,190	20,206	4,605	888	7,715	6,997	9,758
Total liabilities	887,033	867,204	674,411	120.489	34,228	255,721	263.974	212,622
Minority interest in consolidated subsidiaries	5	4	1	...	...	...	1	4
Total reserves on loans/securities	9,035	8,972	7.293	1,629	482	2,777	2,405	1,742
Reserves for bad debts (IRS)	8,696	8,641	7,078	1.627	482	2,672	2,297	1,619
Other reserves on loans	150	145	92	1	...	43	49	57
Reserves on securities	189	187	123	1	...	62	60	66
Total capital accounts	69,125	68,474	52,074	10.298	2,314	17.956	21.506	17,051
Capital notes and debentures	4,479	4,379	3,494	779	80	1,681	954	985
Equity capital	64,646	64,095	48.580	9,519	2,235	16,275	20,551	16,066
Preferred stock	53	48	28	...	...	10	18	25
Common stock	15,601	15,495	11,498	2,275	568	3,755	4,900	4,103
Surplus	26,775	26,617	19,975	3.848	1,145	7,079	7.902	6,800
Undivided profits	21,340	21,143	16,562	3,396	472	5,310	7,385	4,777
Other capital reserves	876	792	516	...	49	121	346	360
Total liabilities, reserves, minority interest, capital accounts	965,198	944,654	733,780	132,416	37,024	276.454	287,886	231,418
Demand deposits adjusted[3]	239,484	236,021	171,816	26,241	6,473	57,702	81.401	67,668
Average total deposits (past 15 days)	762,528	753,182	572,278	95,301	25,851	207,553	243,574	190,250
Average total loans (past 15 days)	514,414	505,174	388,589	74,436	21,931	143,973	148,249	125,826
Selected ratios:								
Percentage of total assets								
Cash and balances with other banks	13.8	13.6	14.8	18.7	10.5	15.8	12.5	10.9
	23.8	24.1	22.1	14.0	19.3	19.4	28.8	29.1
Total securities held								
Trading account securities	.6	.6	.7	1.4	1.5	.9	.9	.1
U.S. Treasury	.3	.3	.4	.8	1.0	.5	...	.1
States and political subdivisions	.1	.1	.2	.3	.3	.2	...	...
All other trading account securities	.1	.1	.2	.4	.3	.2	...	...
Bank investment portfolios	23.2	23.5	21.4	12.5	17.7	18.5	28.7	29.1
U.S. Treasury	8.4	8.5	8.0	6.0	7.7	7.3	9.7	9.7
States and political subdivisions	10.5	10.7	9.9	5.2	8.3	8.7	13.5	12.1
All other portfolio securities	4.4	4.3	3.5	1.4	1.8	2.5	5.5	7.3
Other loans and Federal funds sold	56.6	56.7	56.8	57.4	64.2	57.2	55.1	56.1
All other assets	5.8	5.7	6.3	9.9	6.0	7.5	3.6	3.9
Total loans and securities	80.4	80.7	78.9	71.4	83.5	76.6	83.9	85.3
Reserves for loans and securities	.9	.9	1.0	1.2	1.3	1.0	.8	.8
Equity capital - Total	6.7	6.8	6.6	7.2	6.0	5.9	7.1	6.9
Total capital accounts	7.2	7.2	7.1	7.8	6.3	6.5	7.5	7.4
Number of banks	14,633	14,372	5,787	12	9	155	5,611	8,846

For notes see opposite page.

ASSETS AND LIABILITIES OF LARGE COMMERCIAL BANKS▲

(In millions of dollars)

Wednesday	Total loans and investments[1]	Loans: Federal funds sold, etc.[2]: Total	Federal funds sold, etc.: To commercial banks	Federal funds sold, etc.: To brokers and dealers involving—: U.S. Treasury securities[1]	Federal funds sold, etc.: To brokers and dealers involving—: Other securities	Federal funds sold, etc.: To others	Other: Total[1]	Other: Commercial and industrial	Other: Agricultural	For purchasing or carrying securities: To brokers and dealers: U.S. Treasury secs.	For purchasing or carrying securities: To brokers and dealers: Other secs.	For purchasing or carrying securities: To others: U.S. Treasury secs.	For purchasing or carrying securities: To others: Other secs.	To nonbank financial institutions: Pers. and sales finance cos., etc.	To nonbank financial institutions: Other	Real estate
Large banks—Total																
1975																
June 4	388,385	19,664	16,077	2,256	770	561	278,051	122,018	3,483	1,897	3,539	84	2,338	9,256	20,140	59,588
11	391,468	21,330	15,262	4,588	885	595	277,403	122,022	3,509	1,961	3,373	85	2,336	9,019	20,204	59,586
18	391,801	19,787	15,762	2,574	893	558	277,723	122,165	3,537	1,306	3,438	83	2,345	9,412	20,407	59,545
25	385,420	15,825	12,703	1,871	637	614	277,039	121,865	3,595	605	3,705	114	2,334	9,413	20,478	59,526
1976																
May 5	387,346	18,806	15,881	1,643	637	645	267,409	113,129	3,790	1,008	5,341	77	2,367	7,860	18,150	60,900
12	385,628	18,311	15,343	1,762	600	606	266,362	112,509	3,808	782	5,320	75	2,384	7,634	18,131	61,051
19	386,028	17,145	13,914	1,938	583	710	267,175	112,159	3,829	900	5,859	84	2,470	7,852	18,143	61,261
26	383,527	16,197	13,223	1,755	542	677	266,919	112,020	3,852	886	5,833	87	2,430	7,601	18,061	61,370
June 2	391,422	20,347	15,375	3,568	681	723	269,354	112,615	3,840	1,557	5,922	96	2,449	7,955	18,187	61,296
9	389,153	18,459	13,562	3,472	711	714	268,812	112,273	3,875	2,181	5,824	88	2,470	7,533	18,079	61,397
16	390,924	18,563	14,588	2,407	788	780	270,061	112,527	3,905	1,148	6,118	86	2,460	8,144	18,204	61,480
23	386,904	17,368	13,715	2,042	776	835	268,918	112,471	3,927	1,212	5,836	85	2,500	7,515	18,174	61,358
30	390,851	19,309	15,826	1,940	794	749	270,210	112,786	3,959	1,002	6,238	85	2,518	7,718	18,256	61,368
New York City																
1975																
June 4	90,164	1,331	1,174	51	......	106	72,620	38,345	106	1,648	2,452	18	456	3,225	7,885	8,848
11	90,620	1,139	1,013	5	......	121	72,449	38,429	104	1,605	2,308	18	465	3,134	7,847	8,850
18	91,754	1,341	1,082	37	149	73	72,410	38,505	104	1,099	2,383	18	476	3,345	7,974	8,833
25	90,263	745	511	79	......	155	72,113	38,510	106	516	2,597	49	469	3,402	7,931	8,830
1976																
May 5	87,342	1,328	874	230	4	220	67,289	34,199	77	864	3,353	13	388	2,668	6,911	9,327
12	87,452	2,023	1,526	276	4	217	66,537	33,717	78	661	3,402	13	389	2,562	6,916	9,317
19	89,102	2,580	1,902	339	......	339	66,871	33,475	78	815	3,850	14	389	2,647	6,845	9,406
26	88,144	2,572	2,045	199	......	328	66,648	33,604	79	749	3,818	14	384	2,514	6,832	9,413
June 2	89,816	2,498	1,793	548	......	157	67,962	33,997	77	1,436	3,700	18	386	2,740	6,857	9,403
9	88,419	1,592	951	452	......	189	67,856	33,728	83	1,953	3,636	13	392	2,527	6,786	9,404
16	88,828	2,141	1,195	584	......	362	67,660	33,517	83	992	3,857	13	391	2,836	6,862	9,426
23	87,828	2,902	2,189	364	......	349	66,792	33,461	85	1,075	3,603	13	394	2,504	6,803	9,382
30	88,155	1,859	1,452	111	10	286	67,439	33,409	84	889	3,879	13	393	2,761	6,842	9,291
Outside New York City																
1975																
June 4	298,221	18,333	14,903	2,205	770	455	205,431	83,673	3,377	249	1,087	66	1,882	6,031	12,255	50,740
11	300,848	20,191	14,249	4,583	885	474	204,954	83,593	3,405	356	1,065	67	1,871	5,885	12,357	50,736
18	300,047	18,446	14,680	2,537	744	485	205,313	83,660	3,433	207	1,055	65	1,869	6,067	12,433	50,712
25	295,157	15,080	12,192	1,792	637	459	204,926	83,355	3,489	89	1,108	65	1,865	6,011	12,547	50,696
1976																
May 5	300,004	17,478	15,007	1,413	633	425	200,120	78,930	3,713	144	1,988	64	1,979	5,192	11,239	51,573
12	298,176	16,288	13,817	1,486	596	389	199,825	78,792	3,730	121	1,918	62	1,995	5,072	11,215	51,734
19	296,926	14,565	12,012	1,599	583	371	200,304	78,684	3,751	85	2,009	70	2,081	5,205	11,298	51,855
26	295,383	13,625	11,178	1,556	542	349	200,271	78,416	3,773	137	2,015	73	2,046	5,087	11,229	51,957
June 2	301,606	17,849	13,582	3,020	681	566	201,392	78,618	3,763	121	2,222	78	2,063	5,215	11,330	51,893
9	300,734	16,867	12,611	3,020	711	525	200,956	78,545	3,792	228	2,188	75	2,078	5,006	11,293	51,993
16	302,096	16,422	13,393	1,823	788	418	202,401	79,010	3,822	156	2,261	73	2,069	5,308	11,342	52,054
23	299,076	14,466	11,526	1,678	776	486	202,126	79,010	3,842	137	2,233	72	2,106	5,011	11,371	51,976
30	302,696	17,450	14,374	1,829	784	463	202,771	79,377	3,875	113	2,359	72	2,125	4,957	11,414	52,077

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

The principal effects of these changes were to increase the reported data for New York City (total assets, by about $5.5 billion) and to decrease the reported data for "Outside New York City" (total assets, by about $4.0 billion).

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

For other notes see p. A-22.

ASSETS AND LIABILITIES OF LARGE COMMERCIAL BANKS▲—Continued

(In millions of dollars)

Loans (cont.) Other (cont.) To commercial banks: Domestic	To commercial banks: Foreign	Consumer instalment	Foreign govts.[3]	All other	Loan loss reserve and unearned income on loans[1]	Total	Investments: U.S. Treasury securities: Bills	Notes and bonds maturing: Within 1 yr.	1 to 5 yrs.	After 5 yrs.	Total	Other securities: Obligations of States and political subdivisions: Tax warrants[4]	All other	Other bonds, corp. stocks, and securities: Certif. of participation[5]	All other[6]	Wednesday
																Large banks Total
																1975
2,499	5,295	34,114	1,341	18,250	5,791	30,702	6,637	4,627	16,008	3,430	59,968	5,921	39,753	2,376	11,918	June 4
2,311	5,235	34,102	1,333	18,126	5,799	32,262	7,679	4,662	16,542	3,379	60,473	6,130	39,881	2,410	12,052	11
2,240	5,154	34,135	1,267	18,456	5,767	32,835	7,984	4,911	16,499	3,441	61,456	6,581	40,329	2,403	12,143	18
2,256	5,161	34,218	1,399	18,105	5,735	31,695	7,190	4,810	16,416	3,279	60,861	6,663	39,794	2,381	12,023	25
																1976
1,990	5,045	35,939	1,741	18,358	8,286	42,052	12,413	6,397	20,763	2,479	59,079	5,986	39,628	2,393	11,072	May 5
1,982	5,269	36,014	1,762	17,998	8,357	42,087	12,652	6,400	20,535	2,500	58,868	5,984	39,438	2,405	11,041	12
2,034	5,238	36,095	1,745	17,918	8,412	42,140	12,343	6,447	20,620	2,730	59,568	6,322	39,927	2,366	10,953	19
2,140	5,270	36,237	1,831	17,730	8,429	41,399	12,204	6,490	20,001	2,704	59,012	6,222	39,644	2,354	10,792	26
2,155	5,301	36,310	1,941	18,189	8,459	42,809	13,098	6,275	20,715	2,721	58,912	6,145	39,642	2,409	10,716	June 2
2,090	5,530	36,352	1,801	17,851	8,532	42,563	13,475	6,200	20,312	2,576	59,319	6,123	40,240	2,393	10,563	9
2,377	5,662	36,512	1,769	18,239	8,570	42,424	12,786	6,237	20,733	2,668	59,876	6,254	40,367	2,421	10,834	16
2,365	5,595	36,616	1,756	18,072	8,564	41,331	12,458	6,129	20,132	2,612	59,287	5,875	40,306	2,432	10,674	23
2,257	5,682	36,681	1,771	18,344	8,455	42,110	12,814	6,131	20,670	2,495	59,222	5,798	40,228	2,407	10,789	30
																New York City
																1975
1,081	2,369	3,541	601	3,819	1,765	6,943	1,575	631	3,782	955	9,270	1,501	5,439	179	2,151	June 4
1,098	2,303	3,549	599	3,915	1,775	7,278	1,647	681	4,009	941	9,754	1,790	5,581	177	2,206	11
1,067	2,246	3,556	501	4,052	1,749	7,568	1,732	731	4,078	1,027	10,435	2,183	5,831	179	2,242	18
1,091	2,278	3,563	538	3,966	1,733	7,406	1,692	738	4,056	920	9,999	2,027	5,568	181	2,223	25
																1976
675	2,140	3,723	639	3,955	1,643	9,469	3,047	850	4,932	640	9,256	1,467	6,036	213	1,540	May 5
659	2,382	3,727	638	3,730	1,654	9,612	3,353	881	4,740	638	9,280	1,512	5,863	260	1,645	12
694	2,296	3,777	614	3,640	1,669	9,889	3,234	1,057	4,874	724	9,762	1,810	6,172	195	1,585	19
675	2,243	3,784	650	3,568	1,679	9,402	3,199	1,136	4,399	668	9,522	1,743	6,107	192	1,480	26
629	2,206	3,768	766	3,690	1,711	9,857	3,446	1,040	4,687	684	9,499	1,785	6,004	191	1,519	June 2
699	2,368	3,787	596	3,618	1,734	9,340	3,287	935	4,445	673	9,631	1,742	6,206	188	1,495	9
863	2,413	3,804	542	3,801	1,740	9,377	2,889	985	4,780	723	9,650	1,862	6,139	193	1,456	16
870	2,380	3,807	573	3,538	1,696	8,568	2,662	882	4,361	663	9,566	1,699	6,265	194	1,408	23
780	2,466	3,809	594	3,844	1,615	9,326	3,172	903	4,614	637	9,531	1,682	6,202	193	1,454	30
																Outside New York City
																1975
1,418	2,935	30,573	740	14,431	4,026	23,759	5,062	3,996	12,226	2,475	50,698	4,420	34,314	2,197	9,767	June 4
1,213	2,932	30,553	734	14,211	4,024	24,984	6,032	3,981	12,533	2,438	50,719	4,340	34,300	2,223	9,856	11
1,173	2,908	30,579	766	14,404	4,018	25,267	6,252	4,180	12,421	2,414	51,021	4,398	34,498	2,224	9,901	18
1,165	2,883	30,655	861	14,139	4,002	24,289	5,498	4,072	12,360	2,359	50,862	4,636	34,226	2,200	9,800	25
																1976
1,315	2,905	32,216	1,102	14,403	6,643	32,583	9,366	5,547	15,831	1,839	49,823	4,519	33,592	2,180	9,532	May 5
1,323	2,887	32,287	1,124	14,268	6,703	32,475	9,299	5,519	15,795	1,862	49,588	4,472	33,575	2,145	9,396	12
1,340	2,942	32,318	1,131	14,278	6,743	32,251	9,109	5,390	15,746	2,006	49,806	4,512	33,755	2,171	9,368	19
1,465	3,027	32,453	1,181	14,162	6,750	31,997	9,005	5,354	15,602	2,036	49,490	4,479	33,537	2,162	9,312	26
1,526	3,095	32,542	1,175	14,499	6,748	32,952	9,652	5,235	16,028	2,037	49,413	4,360	33,638	2,218	9,197	June 2
1,391	3,162	32,565	1,205	14,233	6,798	33,223	10,188	5,265	15,867	1,903	49,688	4,381	34,034	2,205	9,068	9
1,514	3,249	32,708	1,227	14,438	6,830	33,047	9,897	5,252	15,953	1,945	50,226	4,392	34,228	2,228	9,378	16
1,495	3,215	32,809	1,183	14,534	6,868	32,763	9,796	5,247	15,771	1,949	49,721	4,176	34,041	2,238	9,266	23
1,477	3,216	32,872	1,177	14,500	6,840	32,784	9,642	5,228	16,056	1,858	49,691	4,116	34,026	2,214	9,335	30

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

ASSETS AND LIABILITIES OF LARGE COMMERCIAL BANKS▲—Continued

(In millions of dollars)

Wednesday	Cash items in process of collection	Reserves with F.R. Banks	Currency and coin	Balances with domestic banks	Investments in subsidiaries not consolidated	Other assets	Total assets/total liabilities[1]	Deposits: Demand: Total	IPC	States and political subdivisions	U.S. Govt.	Domestic interbank: Commercial	Domestic interbank: Mutual savings	Foreign govts., etc.[3]
Large banks—Total														
1975														
June 4	34,726	24,574	4,335	11,849	1,730	37,619	503.218	163,945	117,028	6,053	2.637	24,163	784	1,262
11	33.494	20,279	4.778	11,840	1,735	37,429	501.023	163.089	119,154	5,995	1.553	22.871	741	1.197
18	34,400	23,592	4.755	12,217	1,739	36,515	505,019	167.006	119,411	6,192	5.008	22,771	755	1,246
25	32,941	24,309	4,989	11,815	1,761	36,673	497,908	161.081	115,649	7,146	1.972	22,437	659	1,296
1976														
May 5	34,410	23,238	4,710	12,529	2,049	43,766	508,048	164.974	117.561	6,548	2.962	23,953	838	1,322
12	34.536	22,844	5,274	11,538	2.062	43,649	505.531	161,914	118,472	5,954	1.663	21,929	710	1,103
19	33.153	21,026	5,202	11,805	2,116	42.397	501,727	159.830	116,487	5,854	2.729	21,990	707	1,046
26	32,949	19,640	5,539	12,173	2,143	44.441	500.412	160.654	116,085	5,901	1,819	23,040	690	1.104
June 2	39.581	16,157	5,224	12,919	2,136	45,165	512.604	170.817	124,301	6,004	1,170	24.883	816	1,320
9	31.493	17,941	5,253	11,914	2,110	44.515	502.379	159.538	117,830	5,516	1.033	22,130	725	1.095
16	38.233	21,452	5,304	12,563	2,134	44.258	514,868	174.679	124,164	6,143	5.767	24,393	774	1.140
23	35.963	17,639	5,515	12,755	2,135	43,341	504,252	164.589	119,388	6,304	1,547	23,327	657	1,184
30	39,239	20,279	5,452	14,082	2,167	47.807	519.877	176.691	125,895	6,737	2,540	27,042	854	1,231
New York City														
1975														
June 4	12,362	7,600	656	4,747	791	13.408	129,728	48,026	26.774	593	611	11,397	455	1,015
11	12,642	6,563	667	5,102	792	13,259	129,645	48.071	27,236	680	271	11,525	421	995
18	12,299	7,451	674	5.035	798	12,482	130.493	48.680	28,143	571	740	11,043	415	1,018
25	13,232	7,491	700	5,552	798	12,520	130.556	49,498	27,461	1,407	331	11,572	361	1,095
1976														
May 5	11,394	7,723	746	4,870	870	14,477	127,422	47,122	26,567	617	579	11,022	448	1,099
12	11,950	6,664	753	4,902	871	14,691	127,283	46,033	25,963	575	296	10,403	362	886
19	11,121	4,714	730	5,321	932	13,826	125.746	45,609	26,605	581	403	10,397	367	829
26	11,943	4,467	763	5,517	927	15,137	126.898	47,800	26,696	574	373	11,617	370	881
June 2	12.621	5,029	775	4,685	938	15,353	129,217	48,244	28,382	511	91	10,467	442	1,096
9	11,201	5,267	740	5,123	936	15,101	126,787	45,230	26,450	484	116	10,326	375	850
16	12,796	5,357	716	4,865	930	14,807	128,299	49,941	27,989	584	1,308	11,590	405	807
23	14,119	3,753	756	6,108	930	14,032	127,526	49,884	27,838	731	186	12,118	326	934
30	14,864	5,024	767	7,030	947	16,076	132.863	55,104	30.771	696	469	14.157	500	991
Outside New York City														
1975														
June 4	22,364	16,974	3,679	7,102	939	24,211	373,490	115.919	90,254	5,460	2,026	12.766	329	247
11	20,852	13.716	4,111	6,738	943	24,170	371,378	115,018	91,918	5,315	1,282	11.346	320	202
18	22,101	16,141	4,081	7,182	941	24,033	374,526	118,326	91,268	5,621	4,268	11,728	340	228
25	19,709	16,818	4,289	6,263	963	24,153	367,352	111,583	88,188	5,739	1,641	10.865	298	201
1976														
May 5	23,016	15,515	3,964	7,659	1,179	29,289	380,626	117,852	90,994	5,931	2,383	12.931	390	223
12	22,586	16,180	4,521	6,636	1,191	28,958	378,248	115,881	92,509	5,379	1,367	11,526	348	217
19	22,032	16,312	4,472	6,484	1,184	28,571	375,981	114,221	89,882	5,273	2,326	11,593	340	217
26	21,006	15,173	4,776	6,656	1,216	29,304	373,514	112,854	89,389	5,327	1,446	11,423	320	223
June 2	26,960	11,128	4,449	8,234	1,198	29,812	383,387	122,573	95,919	5,493	1,079	14,416	374	224
9	20,292	12,674	4,513	6.791	1,174	29,414	375,592	114.308	91,380	5,032	917	11,804	350	245
16	25,437	16,095	4,588	7,698	1,204	29,451	386,569	124.738	96,175	5,559	4,459	12,803	369	333
23	21,844	13,886	4,759	6,647	1,205	29,309	376,726	114,705	91,550	5,573	1,361	11,209	331	250
30	24,375	15,255	4,685	7,052	1,220	31,731	387,014	121,587	95,124	6,041	2,071	12,885	354	240

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

ASSETS AND LIABILITIES OF LARGE COMMERCIAL BANKS▲—Continued

(In millions of dollars)

Deposits (cont.): Demand (cont.): Foreign commercial banks	Demand (cont.): Certified and officers' checks	Demand (cont.): Total[7]	Time and savings: IPC: Savings	Time and savings: IPC: Other	Time and savings: States and political subdivisions	Time and savings: Domestic interbank	Time and savings: Foreign govts.[5]	Federal funds purchased, etc.[8]	Borrowings from: F.R. Banks	Borrowings from: Other	Other liabilities, etc.[9]	Total equity capital and sub. notes/debentures[10]	Wednesday
													Large banks—Total
													1975
4,745	7,273	225,128	64,717	113,442	25,036	7,992	12,450	51,575	430	3,407	23,378	35,355	June 4
4,431	7,147	225,621	65,008	113,793	24,690	7,987	12,595	50,008	89	3,230	23,575	35,411	11
4,729	6,894	223,898	65,253	112,470	24,261	7,885	12,553	52,258	340	3,247	22,960	35,310	18
4,591	7,331	224,504	65,359	113,240	23,871	7,870	12,708	50,189	972	3,207	22,631	35,324	25
													1976
5,435	6,355	221,987	79,921	104,399	21,334	7,110	7,724	57,232	20	3,480	21,378	38,977	May 5
5,300	6,783	221,635	80,167	104,087	21,205	6,797	7,881	58,270	241	3,531	20,924	39,016	12
5,249	5,768	221,719	80,370	104,067	21,083	6,658	8,015	55,516	505	3,837	21,206	39,114	19
4,886	7,129	222,879	80,091	105,183	21,111	6,837	8,084	51,263	599	3,662	22,078	39,277	26
5,377	6,946	222,692	79,921	105,279	20,885	6,893	8,151	53,750	128	3,740	21,993	39,484	June 2
5,307	5,902	223,446	79,864	105,892	20,768	6,943	8,400	53,932	324	3,759	21,867	39,513	9
5,365	6,933	222,919	79,639	105,828	20,324	6,962	8,471	52,449	22	3,850	21,551	39,398	16
4,888	7,294	224,112	79,493	107,275	20,255	6,949	8,452	49,932	764	3,795	21,601	39,459	23
5,103	7,289	225,701	79,644	109,019	20,037	6,857	8,489	51,340	227	3,793	22,495	39,630	30
													New York City
													1975
3,466	3,715	47,617	7,351	26,079	1,775	3,588	7,807	14,516	430	1,209	8,258	9,672	June 4
3,241	3,702	47,873	7,425	26,110	1,815	3,528	7,947	14,453	....	1,103	8,472	9,673	11
3,408	3,342	47,224	7,469	25,648	1,770	3,481	7,871	15,431	340	1,092	8,073	9,653	18
3,350	3,921	47,372	7,428	25,947	1,717	3,354	7,963	14,467	680	1,156	7,737	9,646	25
													1976
4,069	2,721	42,588	9,211	23,218	1,371	2,920	4,931	15,422	....	1,677	9,580	11,033	May 5
3,933	3,615	42,289	9,216	23,011	1,343	2,730	5,042	16,630	240	1,729	9,318	11,044	12
3,890	2,537	42,520	9,274	23,184	1,292	2,662	5,165	14,893	278	1,909	9,432	11,105	19
3,534	3,755	42,999	9,232	23,481	1,321	2,839	5,133	13,287	372	1,644	9,479	11,317	26
4,028	3,227	43,100	9,123	23,490	1,333	2,978	5,187	15,354	....	1,745	9,449	11,325	June 2
4,002	2,627	43,215	9,118	23,465	1,336	3,035	5,280	15,437	250	1,745	9,574	11,336	9
4,024	3,234	42,823	9,127	23,167	1,190	3,025	5,252	12,949	....	1,901	9,359	11,326	16
3,655	4,096	42,892	9,098	23,375	1,209	2,943	5,206	11,981	435	1,746	9,275	11,313	23
3,715	3,805	42,989	9,010	23,677	1,157	2,846	5,257	11,294	100	1,672	10,359	11,345	30
													Outside New York City
													1975
1,279	3,558	177,511	57,366	87,363	23,261	4,404	4,643	37,059	....	2,198	15,120	25,683	June 4
1,190	3,445	177,748	57,583	87,683	22,875	4,459	4,648	35,555	89	2,127	15,103	25,738	11
1,321	3,552	176,674	57,784	86,822	22,491	4,404	4,682	36,827	....	2,155	14,887	25,657	18
1,241	3,410	177,132	57,931	87,293	22,154	4,516	4,745	35,722	292	2,051	14,894	25,678	25
													1976
1,366	3,634	179,399	70,710	81,181	19,963	4,190	2,793	41,810	20	1,803	11,798	27,944	May 5
1,367	3,168	179,346	70,951	81,076	19,862	4,067	2,839	41,640	1	1,802	11,606	27,972	12
1,359	3,231	179,199	71,096	80,883	19,791	3,996	2,850	40,623	227	1,928	11,774	28,009	19
1,352	3,374	179,880	70,859	81,702	19,790	3,998	2,951	37,976	227	2,018	12,599	27,960	26
1,349	3,719	179,592	70,798	81,789	19,552	3,915	2,964	38,396	128	1,995	12,544	28,159	June 2
1,305	3,275	180,231	70,746	82,427	19,432	3,908	3,120	38,495	74	2,014	12,293	28,177	9
1,341	3,699	180,096	70,512	82,661	19,134	3,937	3,219	39,500	22	1,949	12,192	28,072	16
1,233	3,198	181,220	70,395	83,900	19,046	4,006	3,246	37,951	329	2,049	12,326	28,146	23
1,388	3,484	182,712	70,634	85,342	18,880	4,011	3,232	40,046	127	2,121	12,136	28,285	30

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

ASSETS AND LIABILITIES OF LARGE COMMERCIAL BANKS▲—Continued

(In millions of dollars)

Wednesday	Total loans (gross) adjusted[11]	Total loans and investments (gross) adjusted[11]	Demand deposits adjusted[12]	Memoranda: Large negotiable time CD's included in time and savings deposits[13]: Total	Issued to IPC's	Issued to others	All other large time deposits[14]: Total	Issued to IPC's	Issued to others	Savings ownership categories: Individuals and nonprofit organizations	Partnerships and corporations for profit[15]	Domestic governmental units	All other[16]	Gross liabilities of banks to their foreign branches
Large banks—Total														
1975														
June 4	284,930	369,809	102,419	82,726	54,545	28,181	35,622	18,507	17,115	64,717	...	...	...	2,533
11	286,959	373,895	105,171	83,188	54,866	28,322	35,347	18,342	17,005	65,008	...	...	...	2,544
18	285,275	373,799	104,827	81,536	53,568	27,968	34,719	18,099	16,620	65,253	...	...	...	2,368
25	283,640	370,461	103,731	82,047	54,141	27,906	34,444	18,020	16,424	65,359	...	...	...	1,882
1976														
May 5	276,630	369,475	103,649	67,135	44,127	23,008	28,438	14,653	13,785	75,799	2,861	1,145	116	2,684
12	275,705	368,303	103,786	66,821	43,861	22,960	28,084	14,492	13,592	75,968	2,936	1,162	101	2,704
19	276,784	370,080	101,958	66,976	43,909	23,067	27,709	14,321	13,388	76,016	3,029	1,229	96	3,456
26	276,182	368,164	102,846	68,284	44,883	23,401	27,773	14,354	13,419	75,761	3,072	1,156	102	2,811
June 2	280,630	373,892	105,183	68,440	44,850	23,590	27,654	14,559	13,095	75,714	3,045	1,071	91	2,404
9	280,151	373,501	104,882	69,130	45,402	23,728	27,869	14,717	13,152	75,628	3,069	1,070	97	2,944
16	280,229	373,959	106,286	68,736	45,223	23,513	27,890	14,783	13,107	75,452	3,007	1,091	89	4,016
23	278,770	370,824	103,752	69,416	46,475	22,941	27,997	14,896	13,101	75,296	3,043	1,061	93	3,784
30	279,891	372,768	107,870	70,683	47,541	23,142	28,321	15,327	12,994	75,665	3,039	863	77	3,673
New York City														
1975														
June 4	73,461	87,909	23,656	28,138	17,621	10,517	8,503	5,045	3,458	7,351	...	...	...	1,663
11	73,252	88,509	23,633	28,227	17,663	10,564	8,641	5,068	3,573	7,425	...	...	...	1,856
18	73,351	89,605	24,598	27,669	17,222	10,447	8,451	4,970	3,481	7,469	...	...	...	1,620
25	72,989	88,661	24,363	27,860	17,457	10,403	8,403	4,969	3,434	7,428	...	...	...	1,225
1976														
May 5	68,711	85,793	24,127	23,496	15,332	8,164	5,949	4,024	1,925	8,613	260	251	87	2,124
12	68,029	85,267	23,384	23,270	15,176	8,094	5,860	3,958	1,902	8,627	273	242	74	2,057
19	68,524	86,506	23,688	23,429	15,293	8,136	5,861	3,980	1,881	8,646	290	268	70	2,660
26	68,179	85,424	23,867	23,922	15,607	8,315	5,849	3,927	1,922	8,612	292	254	74	2,237
June 2	69,749	87,394	25,065	24,013	15,474	8,539	5,990	4,092	1,898	8,557	285	219	62	1,865
9	69,532	86,769	23,587	24,177	15,483	8,694	6,012	4,119	1,893	8,529	281	237	71	2,149
16	69,483	86,770	24,247	23,646	15,117	8,529	6,125	4,166	1,959	8,518	277	270	62	3,201
23	68,331	84,769	23,461	23,763	15,334	8,429	6,034	4,081	1,953	8,479	285	268	66	2,830
30	68,681	85,923	25,614	23,794	15,444	8,350	6,083	4,167	1,916	8,530	283	148	49	2,651
Outside New York City														
1975														
June 4	211,469	281,900	78,763	54,588	36,924	17,664	27,119	13,462	13,657	57,366	...	...	...	870
11	213,707	285,386	81,538	54,961	37,203	17,758	26,706	13,274	13,432	57,583	...	...	...	688
18	211,924	284,194	80,229	53,867	36,346	17,521	26,268	13,129	13,139	57,784	...	...	...	748
25	210,651	281,800	79,368	54,187	36,684	17,503	26,041	13,051	12,990	57,931	...	...	...	657
1976														
May 5	207,919	283,682	79,522	43,639	28,795	14,844	22,489	10,629	11,860	67,186	2,601	894	29	560
12	207,676	283,036	80,402	43,551	28,685	14,866	22,224	10,534	11,690	67,341	2,663	920	27	647
19	208,260	283,574	78,270	43,547	28,616	14,931	21,848	10,341	11,507	67,370	2,739	961	26	796
26	208,003	282,740	78,979	44,362	29,276	15,086	21,924	10,427	11,497	67,149	2,780	902	28	574
June 2	210,881	286,498	80,118	44,427	29,376	15,051	21,664	10,467	11,197	67,157	2,760	852	29	539
9	210,619	286,732	81,295	44,953	29,919	15,034	21,857	10,598	11,259	67,099	2,788	833	26	795
16	210,746	287,189	82,039	45,090	30,106	14,984	21,765	10,617	11,148	66,934	2,730	821	27	815
23	210,439	286,055	80,291	45,653	31,141	14,512	21,963	10,815	11,148	66,817	2,758	793	27	954
30	211,210	286,845	82,256	46,889	32,097	14,792	22,238	11,160	11,078	67,135	2,756	715	28	1,022

▲ See p. A-18.

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

2 Includes securities purchased under agreements to resell.

3 Includes official institutions and so forth.

4 Includes short-term notes and bills.

5 Federal agencies only. 6 Includes corporate stocks.

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

8 Includes securities sold under agreements to repurchase.

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

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

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

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

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

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

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

NOTE. Effective Mar. 24, 1976, reclassification of loans in Chicago resulted in the following major revisions: commercial and industrial, –$675 million; other nonbank financial institutions, –$185 million; real estate, $580 million. These reclassifications are not reflected in data prior to Mar. 24, 1976.

COMMERCIAL AND INDUSTRIAL LOANS OF LARGE COMMERCIAL BANKS

(In millions of dollars)

Industry	Outstanding					Net change during—							
	1976					1976			1976		1975	1975	1976
	June 30	June 23	June 16	June 9	June 2	June	May	Apr.	II	I	IV	1st half	2nd half
Durable goods manufacturing:													
Primary metals	2,099	2,150	2,167	2,142	2,137	6	51	29	74	48	62	26	50
Machinery	5,049	5,062	5,094	5,113	5,144	184	-13	-217	414	296	781	710	-1,668
Transportation equipment	2,675	2,668	2,693	2,704	2,694	28	143	203	318	52	-267	-370	465
Other fabricated metal products	1,744	1,763	1,778	1,779	1,788	36	80	-26	142	87	473	229	750
Other durable goods	3,629	3,607	3,569	3,569	3,519	118	-68	73	123	53	514	176	688
Nondurable goods manufacturing:													
Food, liquor, and tobacco	3,281	3,116	3,152	3,052	3,056	241	-118	-113	10	509	455	499	468
Textiles, apparel, and leather	3,308	3,250	3,273	3,242	3,211	159	50	100	309	308	477	617	532
Petroleum refining	2,281	2,301	2,263	2,402	2,447	91	31	117	57	138	234	81	116
Chemicals and rubber	2,487	2,509	2,521	2,518	2,531	-20	95	49	164	40	178	-204	431
Other nondurable goods	1,923	1,918	1,928	1,920	1,913	44	57	62	49	66	268	115	-415
Mining, including crude petroleum and natural gas	6,707	6,787	6,677	6,619	6,606	97	124	85	306	448	789	754	1,065
Trade: Commodity dealers	1,770	1,657	1,746	1,747	1,694	103	124	104	123	65	340	188	477
Other wholesale	5,824	5,838	5,796	5,799	5,786	53	21	16	48	337	103	385	181
Retail	6,275	6,245	6,223	6,114	6,133	159	128	63	350	133	208	483	517
Transportation	5,685	5,689	5,714	5,720	5,761	-109	-36	7	152	-231	127	383	3
Communication	1,762	1,733	1,737	1,793	1,787	46	63	42	67	-289	-49	-222	-158
Other public utilities	6,230	6,142	6,195	6,132	6,212	167	123	173	117	-884	33	-767	198
Construction	4,207	4,230	4,241	4,206	4,192	28	-122	-67	-217	701	381	918	-436
Services	10,569	10,610	10,655	10,641	10,667	-47	147	125	319	69	285	-250	15
All other domestic loans	7,127	7,045	7,171	7,273	7,269	116	-339	-234	689	2,587	628	-3,276	643
Bankers acceptances	2,900	2,924	2,751	2,719	2,933	28	245	185	402	-1,643	2,855	2,045	2,685
Foreign commercial and industrial loans	5,699	5,745	5,715	5,603	5,709	14	63	280	329	82	222	411	757
Total classified loans	93,231	92,989	93,059	92,807	93,189	592	-727	720	-855	5,944	1,863	-6,799	422
Comm. paper included in total classified loans[1]	*409*					*53*	*100*	*12*	*35*	*7*	*153*	*26*	*197*
Total commercial and industrial loans of large commercial banks	112,786	112,471	112,527	112,273	112,615	766	-550	-971	755	-7,113	1,680	-7,868	-942

For notes see table below.

"TERM" COMMERCIAL AND INDUSTRIAL LOANS OF LARGE COMMERCIAL BANKS

(In millions of dollars)

Industry	Outstanding									Net change during—				
	1976						1975			1976		1975		1976
	June 30	May 26	Apr. 28	Mar. 31	Feb. 25	Jan. 28	Dec. 31	Nov. 26	Oct. 29	II	I	IV	III	1st half
Durable goods manufacturing:														
Primary metals	1,241	1,293	1,283	1,291	1,335	1,341	1,372	1,381	1,320	-50	-81	34	50	131
Machinery	3,029	3,088	3,055	3,144	3,072	3,117	3,313	3,451	3,538	-115	169	-424	-240	-284
Transportation equipment	1,508	1,488	1,632	1,691	1,643	1,686	1,615	1,727	1,624	-183	76	-78	-47	-107
Other fabricated metal products	801	879	919	909	1,035	1,041	1,024	1,087	1,175	-108	-115	-244	46	-223
Other durable goods	1,813	1,843	1,871	1,793	1,838	1,874	1,823	1,905	1,950	20	30	-189	78	-10
Nondurable goods manufacturing:														
Food, liquor, and tobacco	1,403	1,334	1,366	1,391	1,536	1,547	1,578	1,544	1,451	12	187	107	-43	-175
Textiles, apparel, and leather	1,117	1,075	1,044	993	1,055	1,032	995	1,072	1,074	124	-2	-108	8	122
Petroleum refining	1,706	1,781	1,785	1,685	1,886	1,859	1,831	1,860	1,914	21	-146	-136	258	-125
Chemicals and rubber	1,466	1,462	1,495	1,540	1,603	1,588	1,622	1,549	1,605	74	-82	43	-97	-156
Other nondurable goods	986	961	979	962	942	925	888	955	995	24	74	-168	-87	98
Mining, including crude petroleum and natural gas	5,195	5,117	5,015	4,904	4,731	4,528	4,484	3,867	3,896	291	420	637	113	711
Trade: Commodity dealers	207	206	180	190	182	196	172	168	162	17	18	22	2	35
Other wholesale	1,308	1,355	1,312	1,344	1,279	1,290	1,276	1,308	1,403	36	68	-43	10	32
Retail	2,031	2,031	2,036	2,008	1,987	2,007	1,996	2,115	2,150	23	12	-157	17	35
Transportation	4,237	4,246	4,252	4,250	4,329	4,291	4,390	4,324	4,420	13	-140	1	-34	153
Communication	991	1,008	984	998	1,095	1,101	1,081	1,112	1,122	7	83	-51	1	-90
Other public utilities	3,908	3,811	3,770	3,898	3,940	3,995	3,979	3,942	4,027	10	-81	13	79	-71
Construction	1,744	1,755	1,876	1,915	2,141	2,258	2,181	2,207	2,267	-171	-266	-178	45	-437
Services	5,098	5,266	5,317	5,368	5,147	5,038	5,135	5,082	5,097	-270	233	13	18	37
All other domestic loans	2,367	2,349	2,507	2,700	3,093	3,396	3,299	3,116	3,054	333	599	55	14	932
Foreign commercial and industrial loans	3,156	3,121	3,085	2,984	3,001	2,999	2,921	2,851	2,834	172	63	158	169	235
Total loans	45,312	45,469	45,763	45,958	46,870	47,109	46,975	46,623	47,078	646	1,017	781	40	-1,663

[1] Reported the last Wednesday of each month.

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

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

GROSS DEMAND DEPOSITS OF INDIVIDUALS, PARTNERSHIPS, AND CORPORATIONS[1]

(In billions of dollars)

Class of bank, and quarter or month	Type of holder: Financial business	Nonfinancial business	Consumer	Foreign	All other	Total deposits, IPC
All insured commercial banks:						
1970—Dec.	17.3	92.7	53.6	1.3	10.3	175.1
1971—Dec.	18.5	98.4	58.6	1.3	10.7	187.5
1972—Dec.	18.9	109.9	65.4	1.5	12.3	208.0
1973—Mar.	18.6	102.8	65.1	1.7	11.8	200.0
June	18.6	106.6	67.3	2.0	11.8	206.3
Sept.	18.8	108.3	69.1	2.1	11.9	210.3
Dec.	19.1	116.2	70.1	2.4	12.4	220.1
1974—Mar.	18.9	108.4	70.6	2.3	11.0	211.2
June	18.2	112.1	71.4	2.2	11.1	215.0
Sept.	17.9	113.9	72.0	2.1	10.9	216.8
Dec.	19.0	118.8	73.3	2.3	11.7	225.0
1975—Mar.	18.6	111.3	73.2	2.3	10.9	216.3
June	19.4	115.1	74.8	2.3	10.6	222.2
Sept.	19.0	118.7	76.5	2.2	10.6	227.0
Dec.	20.1	125.1	78.0	2.4	11.3	236.9
1976—Mar.	19.9	116.9	77.2	2.4	11.4	227.9
Weekly reporting banks:						
1971—Dec.	14.4	58.6	24.6	1.2	5.9	104.8
1972—Dec.	14.7	64.4	27.1	1.4	6.6	114.3
1973—Dec.	14.9	66.2	28.0	2.2	6.8	118.1
1974—Dec.	14.8	66.9	29.0	2.2	6.8	119.7
1975—May	14.2	63.1	29.2	2.3	6.2	115.0
June	15.1	65.1	29.5	2.2	6.2	118.1
July	15.0	65.3	29.8	2.2	6.5	118.7
Aug.	14.4	64.6	29.1	2.0	5.9	116.1
Sept.	14.7	65.5	29.6	2.1	6.2	118.1
Oct.	15.1	66.7	29.0	2.2	6.3	119.3
Nov.	15.4	68.1	29.4	2.2	6.4	121.6
Dec.	15.6	69.9	29.9	2.3	6.6	124.4
1976—Jan.	15.2	68.0	30.3	2.2	6.7	122.4
Feb.	15.3	65.6	29.2	2.2	6.4	119.0
Mar.	15.4	65.2	30.8	1.8	6.2	119.5
Apr.	15.1	65.5	33.6	1.8	6.0	122.0
May[p]	15.7	67.8	26.4	2.2	6.1	118.2

[1] Including cash items in process of collection.

NOTE.—Daily-average balances maintained during month as estimated from reports supplied by a sample of commercial banks. For a detailed description of the type of depositor in each category, see June 1971 BULLETIN, p. 466.

DEPOSITS ACCUMULATED FOR PAYMENT OF PERSONAL LOANS

(In millions of dollars)

Class of bank	Dec. 31, 1973	Dec. 31, 1974	June 30, 1975	Dec. 31, 1975
All commercial	507	389	338	280
Insured	503	387	335	280
National member	288	236	223	188
State member	64	39	36	35
All member	352	275	260	223
All member—Cont.				
Other large banks[1]	58	69	74	76
All other member[1]	294	206	186	146
All nonmember	155	115	79	58
Insured	152	112	76	58
Noninsured	3	3	3	....

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

NOTE.—Hypothecated deposits, as shown in this table, are treated one way in monthly and weekly series for commercial banks and in another way in call-date series. That is, they are excluded from "Time deposits" and "Loans" in the monthly (and year-end) series as shown on p. A-14; from the figures for weekly reporting banks as shown on pp. A-18–A-22 (consumer instalment loans); and from the figures in the table at the bottom of p. A-13. But they are included in the figures for "Time deposits" and "Loans" for call dates as shown on pp. A-14–A-17.

LOANS SOLD OUTRIGHT BY LARGE COMMERCIAL BANKS

(Amounts outstanding; in millions of dollars)

Date	To selected related institutions[1]			
	Total	By type of loan		
		Commercial and industrial	Real estate	All other
1976—Mar. 3	4,482	2,731	201	1,550
10	4,390	2,653	197	1,540
17	4,348	2,604	200	1,544
24	4,239	2,531	201	1,507
31	4,234	2,552	197	1,485
Apr. 7	4,050	2,459	195	1,396
14	4,082	2,480	197	1,405
21	4,121	2,531	194	1,396
28	4,176	2,560	200	1,416
May 5	4,174	2,567	195	1,412
12	4,346	2,727	193	1,426
19	4,307	2,704	192	1,411
26r	4,356	2,707	205	1,444
June 2	4,432	2,757	204	1,471
9	4,424	2,767	205	1,452
16	4,478	2,839	205	1,434
23	4,442	2,810	205	1,427
30	4,482	2,834	205	1,443

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

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

COMMERCIAL PAPER AND BANKERS ACCEPTANCES OUTSTANDING

(In millions of dollars)

End of period	Commercial paper						Dollar acceptances									
	All issuers	Financial companies[1]		Nonfinancial companies[4]	Bank-related[5]		Total	Held by—						Based on—		
								Accepting banks			F.R. Banks		Others			
		Dealer-placed[2]	Directly-placed[3]		Dealer-placed	Directly-placed		Total	Own bills	Bills bought	Own acct.	Foreign corr.[6]		Imports into United States	Exports from United States	All other
1966	13,645	2,332	10,556	757	....	....	3,603	1,198	983	215	193	191	2,022	997	829	1,778
1967	17,085	2,790	12,184	2,111	....	....	4,317	1,906	1,447	459	164	156	2,090	1,086	989	2,241
1968	21,173	4,427	13,972	2,774	....	....	4,428	1,544	1,344	200	58	109	2,717	1,423	952	2,053
1969	32,600	6,503	20,741	5,356	1,160	3,134	5,451	1,567	1,318	249	64	146	3,674	1,889	1,153	2,408
1970	33,071	5,514	20,424	7,133	352	1,997	7,058	2,694	1,960	735	57	250	4,057	2,601	1,561	2,895
1971	32,126	5,297	20,582	6,247	524	1,449	7,889	3,480	2,689	791	261	254	3,894	2,834	1,546	3,509
1972	34,721	5,655	22,098	6,968	1,226	1,411	6,898	2,706	2,006	700	106	179	3,907	2,531	1,909	2,458
1973	41,073	5,487	27,204	8,382	1,938	2,943	8,892	2,837	2,318	519	68	581	5,406	2,273	3,499	3,120
1974	49,144	4,611	31,839	12,694	1,814	6,518	18,484	4,226	3,685	542	999	1,109	12,150	4,023	4,067	10,394
1975—Apr.	51,623	5,461	32,144	14,018	1,618	7,002	18,727	4,485	3,900	585	1,185	235	r12,822	3,690	4,206	10,831
May	51,317	5,889	32,821	12,607	1,543	7,096	18,108	4,450	3,892	558	865	234	12,559	3,665	4,186	10,257
June	48,765	5,604	31,115	12,045	1,561	7,230	17,740	4,774	4,224	550	682	319	11,965	3,466	4,080	10,193
July	49,352	6,018	31,263	12,072	1,649	7,038	16,930	4,778	4,275	503	685	329	11,138	3,474	3,865	9,591
Aug.	49,810	5,645	32,172	11,993	1,511	7,392	16,456	4,546	3,988	558	840	304	10,766	3,305	3,806	9,344
Sept.	48,257	5,574	30,496	12,187	1,482	7,316	16,790	5,002	4,190	812	948	302	10,538	3,313	3,783	9,693
Oct.	50,394	6,360	32,308	11,726	1,634	7,114	17,304	r5,213	4,288	924	1,047	284	10,760	3,467	3,947	9,890
Nov.	49,512	6,389	32,003	11,120	1,715	6,974	17,875	6,497	5,684	813	727	279	10,372	3,545	3,888	10,443
Dec.	47,690	6,239	31,276	10,175	1,762	6,892	18,727	7,333	5,899	1,435	1,126	293	9,975	3,726	4,001	11,000
1976—Jan.	48,858	6,072	31,305	11,481	1,657	6,918	18,677	6,294	5,367	927	1,230	248	10,904	3,891	3,906	10,880
Feb.	49,927	6,401	31,534	11,992	1,567	6,753	19,060	5,950	5,255	695	1,051	231	11,827	3,977	4,039	11,044
Mar.	49,300	6,428	31,239	11,633	1,654	6,773	18,901	6,340	5,651	689	883	245	11,433	4,027	4,193	10,681
Apr.	49,572	6,246	31,143	12,183	1,658	6,304	19,558	6,126	5,305	821	995	344	12,094	4,258	4,257	11,043

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

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

3 As reported by financial companies that place their paper directly with investors.

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

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

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

PRIME RATE CHARGED BY BANKS

(Per cent per annum)

Effective date	Rate	Effective date	Rate	Effective date	Rate	Monthly average rate	
1974—Apr. 11	10	1975 Jan. 9	10¼	1975 July 18	7¼	1975—Jan.	10.05
19	10¼	15	10	28	7½	Feb.	8.96
25	10½	20	9¾	Aug. 12	7¾	Mar.	7.93
May 2	10¾	28	9½	Sept. 15	8	Apr.	7.50
6	11	Feb. 3	9¼	Oct. 27	7¾	May	7.40
10	11¼	10	9	Nov. 5	7½	June	7.07
17	11½	18	8¾	Dec. 2	7¼	July	7.15
June 26	11¾	24	8½	1976—Jan. 12	7	Aug.	7.66
July 5	12	Mar. 5	8¼	21	6¾	Sept.	7.88
Oct. 7	11¾	10	8	June 1	7	Oct.	7.96
21	11½	18	7¾	7	7¼	Nov.	7.53
28	11¼	24	7½			Dec.	7.26
Nov. 4	11	May 20	7¼			1976—Jan.	7.00
14	10¾	June 9	7			Feb.	6.75
25	10½					Mar.	6.75
						April	6.75
						May	6.75
						June	7.20

RATES ON BUSINESS LOANS OF BANKS

Center	All sizes		Size of loan (in thousands of dollars)									
			1–9		10–99		100–499		500–999		1,000 and over	
	May 1976	Feb. 1976	May 1976	Feb. 1976	May 1976	Feb. 1976	May 1976	Feb. 1976	May 1976	Feb. 1976	May 1976	Feb. 1976
	Short-term											
35 centers	7.44	7.54	8.91	9.03	8.38	8.44	7.78	7.80	7.52	7.55	7.18	7.33
New York City	6.99	7.14	8.84	8.64	8.29	8.20	7.65	7.52	7.29	7.40	6.83	7.03
7 Other Northeast	7.79	7.93	9.24	9.46	8.58	8.69	7.99	8.06	7.95	7.77	7.45	7.71
8 North Central	7.44	7.50	8.39	8.51	8.21	8.21	7.62	7.63	7.46	7.50	7.29	7.37
7 Southeast	7.66	7.86	9.20	9.44	8.65	8.78	7.84	8.16	7.20	7.62	7.25	7.29
8 Southwest	7.51	7.56	8.75	8.76	8.13	8.16	7.71	7.57	7.48	7.44	7.11	7.35
4 West Coast	7.75	7.77	9.14	9.17	8.51	8.60	8.00	8.06	7.71	7.70	7.61	7.61
	Revolving credit											
35 centers	7.36	7.50	9.23	9.50	8.12	8.40	7.59	7.79	7.35	7.74	7.32	7.42
New York City	7.42	7.51	....	8.56	7.73	8.31	7.49	7.68	7.29	7.46	7.43	7.50
7 Other Northeast	7.78	8.06	8.92	10.66	7.84	7.57	7.44	7.47	7.58	7.80	7.83	8.16
8 North Central	7.48	7.64	9.19	9.88	8.69	9.23	7.99	8.34	7.74	7.46	7.34	7.53
7 Southeast	8.01	7.49	9.85	9.59	8.95	9.02	8.35	8.09	8.15	8.43	7.69	6.75
8 Southwest	7.50	7.73	8.93	8.81	8.23	8.14	7.67	7.89	7.23	8.02	7.48	7.49
4 West Coast	7.15	7.32	8.61	8.69	7.84	8.15	7.39	7.59	7.14	7.87	7.12	7.20
	Long-term											
35 centers	8.02	8.02	9.21	9.44	8.80	8.96	8.16	8.40	8.33	8.26	7.92	7.89
New York City	7.85	7.68	7.68	7.43	8.45	8.08	8.45	8.01	8.51	7.25	7.76	7.68
7 Other Northeast	7.35	8.16	9.10	9.36	9.19	9.32	8.52	8.38	8.10	8.10	6.64	7.98
8 North Central	8.59	7.96	8.38	9.23	8.28	8.56	7.94	8.35	9.08	7.90	8.65	7.86
7 Southeast	8.03	8.90	9.49	9.69	8.90	9.69	7.70	9.20	7.75	7.97	8.01	8.57
8 Southwest	7.89	8.14	10.53	10.65	8.92	8.69	8.40	8.10	7.64	8.79	7.74	7.84
4 West Coast	8.23	8.46	9.43	8.63	8.97	9.33	7.73	8.85	8.29	9.12	8.26	8.28

MONEY MARKET RATES

(Per cent per annum)

Period	Prime commercial paper[1] 90–119 days	Prime commercial paper[1] 4 to 6 months	Finance co. paper placed directly, 3 to 6 months[2]	Prime bankers' acceptances, 90 days[3]	Federal funds rate[4]	U.S. Government securities[5]: 3-month bills[6] Rate on new issue	3-month bills[6] Market yield	6-month bills[6] Rate on new issue	6-month bills[6] Market yield	9- to 12-month issues: 1-year bill (market yield)[6]	9- to 12-month issues: Other[7]	3- to 5-year issues[7]
1967		5.10	4.89	4.75	4.22	4.321	4.29	4.630	4.61	4.71	4.84	5.07
1968		5.90	5.69	5.75	5.66	5.339	5.34	5.470	5.47	5.46	5.62	5.59
1969		7.83	7.16	7.61	8.21	6.677	6.67	6.853	6.86	6.79	7.06	6.85
1970		7.72	7.23	7.31	7.17	6.458	6.39	6.562	6.51	6.49	6.90	7.37
1971		5.11	4.91	4.85	4.66	4.348	4.33	4.511	4.52	4.67	4.75	5.77
1972	4.66	4.69	4.52	4.47	4.44	4.071	4.07	4.466	4.49	4.77	4.86	5.85
1973	8.20	8.15	7.40	8.08	8.74	7.041	7.03	7.178	7.20	7.01	7.30	6.92
1974	10.05	9.87	8.62	9.92	10.51	7.886	7.84	7.926	7.95	7.71	8.25	7.81
1975	6.26	6.33	6.16	6.30	5.82	5.838	5.80	6.122	6.11	6.30	6.70	7.55
1975—June	5.67	5.79	5.53	5.70	5.55	5.193	5.34	5.463	5.61	5.86	6.26	7.26
July	6.32	6.44	6.02	6.40	6.10	6.164	6.13	6.492	6.50	6.64	7.07	7.72
Aug.	6.59	6.70	6.39	6.74	6.14	6.463	6.44	6.940	6.94	7.16	7.55	8.12
Sept.	6.79	6.86	6.53	6.83	6.24	6.383	6.42	6.870	6.92	7.20	7.54	8.22
Oct.	6.35	6.48	6.43	6.28	5.82	6.081	5.96	6.385	6.25	6.48	6.89	7.80
Nov.	5.78	5.91	5.79	5.79	5.22	5.468	5.48	5.751	5.80	6.07	6.40	7.51
Dec.	5.88	5.97	5.86	5.72	5.20	5.504	5.44	5.933	5.85	6.16	6.51	7.50
1976—Jan.	5.15	5.27	5.16	5.08	4.87	4.961	4.87	5.238	5.14	5.44	5.71	7.18
Feb.	5.13	5.23	5.09	4.99	4.77	4.852	4.88	5.144	5.20	5.53	5.78	7.18
Mar.	5.25	5.37	5.27	5.18	4.84	5.047	5.00	5.488	5.44	5.82	6.12	7.25
Apr.	5.08	5.23	5.13	5.03	4.82	4.878	4.86	5.201	5.18	5.54	5.85	6.99
May	5.44	5.54	5.38	5.53	5.29	5.185	5.20	5.600	5.62	5.98	6.36	7.35
June	5.83	5.94	5.78	5.77	5.48	5.443	5.41	5.784	5.77	6.12	6.52	7.40
Week ending—												
1976—Mar. 6	5.25	5.38	5.23	5.26	4.95	5.258	5.20	5.724	5.65	5.98	6.30	7.36
13	5.25	5.38	5.28	5.21	4.86	5.060	4.99	5.487	5.47	5.86	6.19	7.30
20	5.35	5.45	5.38	5.19	4.77	4.981	4.98	5.459	5.43	5.82	6.13	7.25
27	5.23	5.35	5.28	5.12	4.79	4.890	4.87	5.283	5.26	5.67	5.93	7.14
Apr. 3	5.15	5.30	5.13	5.10	4.84	4.929	4.97	5.327	5.34	5.76	6.03	7.14
10	5.18	5.38	5.18	5.05	4.73	4.957	4.91	5.293	5.22	5.59	5.94	7.04
17	5.09	5.19	5.09	5.01	4.77	4.830	4.80	5.068	5.04	5.36	5.66	6.88
24	5.00	5.13	5.13	4.94	4.78	4.763	4.78	5.089	5.11	5.47	5.76	6.92
May 1	5.03	5.15	5.13	5.07	4.93	4.909	4.88	5.230	5.24	5.61	5.90	7.04
8	5.20	5.30	5.15	5.21	5.03	4.921	4.91	5.339	5.30	5.68	5.98	7.11
15	5.30	5.43	5.30	5.39	5.02	5.072	5.11	5.426	5.51	5.89	6.21	7.28
22	5.53	5.63	5.45	5.67	5.28	5.250	5.33	5.726	5.79	6.11	6.56	7.46
29	5.73	5.83	5.63	5.87	5.50	5.495	5.47	5.908	5.89	6.26	6.68	7.56
June 5	5.88	6.00	5.75	5.92	5.54	5.578	5.53	5.952	5.90	6.27	6.66	7.52
12	5.88	6.00	5.88	5.82	5.44	5.459	5.44	5.768	5.75	6.11	6.55	7.42
19	5.90	6.00	5.88	5.74	5.47	5.380	5.38	5.695	5.74	6.07	6.50	7.38
26	5.78	5.90	5.75	5.69	5.48	5.356	5.34	5.722	5.71	6.06	6.44	7.32
July 3	5.70	5.80	5.50	5.69	5.58	5.368	5.36	5.754	5.75	6.08	6.46	7.36

[1] Averages of the most representative daily offering rate quoted by dealers.

[2] Averages of the most representative daily offering rate published by finance companies, for varying maturities in the 90–179 day range.

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

[4] Seven-day averages of daily effective rates for week ending Wednesday. Since July 19, 1973, the daily effective Federal funds rate is an average of the rates on a given day weighted by the volume of transactions at these rates. Prior to this date, the daily effective rate was the rate considered most representative of the day's transactions, usually the one at which most transactions occurred.

[5] Except for new bill issues, yields are averages computed from daily closing bid prices.

[6] Bills quoted on bank-discount-rate basis.

[7] Selected note and bond issues.

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

BOND AND STOCK YIELDS

(Per cent per annum)

Period	Government bonds				Corporate bonds								Stocks		
	United States (long-term)	State and local			Aaa utility		Total[1]	By selected rating		By group			Dividend/ price ratio		Earnings/ price ratio
		Total[1]	Aaa	Baa	New issue	Recently offered		Aaa	Baa	Industrial	Railroad	Public utility	Preferred	Common	Common
							Seasoned issues								
1970	6.59	6.42	6.12	6.75	8.68	8.71	8.51	8.04	9.11	8.26	8.77	8.68	7.22	3.83	6.46
1971	5.74	5.62	5.22	5.89	7.62	7.66	7.94	7.39	8.56	7.57	8.38	8.13	6.75	3.14	5.41
1972	5.63	5.30	5.04	5.60	7.31	7.34	7.63	7.21	8.16	7.35	7.99	7.74	7.27	2.84	5.50
1973	6.30	5.22	4.99	5.49	7.74	7.75	7.80	7.44	8.24	7.60	8.12	7.83	7.23	3.06	7.12
1974	6.99	6.19	5.89	6.53	9.33	9.34	8.98	8.57	9.50	8.78	8.98	9.27	8.23	4.47	11.60
1975	6.98	7.05	6.42	7.62	9.40	9.41	9.46	8.83	10.39	9.25	9.39	9.88	8.38	4.31	9.03
1975—June	6.86	6.96	6.28	7.48	9.25	9.32	9.45	8.77	10.40	9.29	9.40	9.81	8.34	4.02	8.29
July	6.89	7.07	6.39	7.60	9.41	9.42	9.43	8.84	10.33	9.26	9.37	9.81	8.24	4.02	....
Aug.	7.06	7.12	6.40	7.71	9.46	9.49	9.51	8.95	10.35	9.29	9.41	9.93	8.41	4.36	....
Sept.	7.29	7.40	6.70	7.96	9.68	9.57	9.55	8.95	10.38	9.35	9.42	9.98	8.56	4.39	9.12
Oct.	7.29	7.40	6.67	8.01	9.45	9.43	9.51	8.86	10.37	9.32	9.40	9.94	8.58	4.22	....
Nov.	7.21	7.41	6.64	8.08	9.20	9.26	9.44	8.78	10.33	9.27	9.36	9.83	8.50	4.07	....
Dec.	7.17	7.29	6.50	7.96	9.36	9.21	9.45	8.79	10.35	9.26	9.37	9.87	8.57	4.14	8.61
1976—Jan.	6.94	7.08	6.22	7.81	8.70	8.79	9.33	8.60	10.24	9.16	9.32	9.68	8.16	3.80	8.22
Feb.	6.92	6.94	6.04	7.76	8.63	8.63	9.23	8.55	10.10	9.12	9.25	9.50	8.00	3.67	....
Mar.	6.87	6.90	5.99	7.72	8.62	8.61	9.18	8.52	9.99	9.10	9.16	9.43	8.07	3.65	....
Apr.	6.73	6.61	5.68	7.50	8.48	8.52	9.04	8.40	9.83	8.98	9.05	9.27	8.04	3.66	....
May	6.99	6.85	5.88	7.75	8.82	8.77	9.06	8.58	9.76	9.00	8.96	9.31	8.06	3.76	....
June	6.92	6.83	5.85	7.75	8.72	8.73	9.05	8.62	9.72	8.96	8.88	9.36	8.10	3.75	....
Week ending—															
1976—May 1	6.80	6.57	5.63	7.47	8.58	8.57	9.01	8.41	9.76	8.95	8.99	9.23	7.95	3.67	....
8	6.88	6.70	5.75	7.60	8.68	8.62	9.03	8.48	9.75	8.98	8.97	9.25	8.03	3.77	....
15	6.98	6.81	5.85	7.71	8.82	8.78	9.05	8.56	9.75	8.98	8.96	9.30	8.04	3.69	....
22	7.04	6.89	5.92	7.79	8.82	8.83	9.07	8.62	9.76	9.02	8.95	9.33	8.12	3.75	....
29	7.05	6.98	6.00	7.89	8.95	8.84	9.09	8.65	9.77	9.04	8.93	9.37	8.03	3.83	....
June 5	6.98	6.88	5.90	7.79	8.83	8.80	9.08	8.63	9.76	9.03	8.93	9.37	8.13	3.79	....
12	6.92	6.83	5.85	7.74	8.71	8.76	9.06	8.63	9.75	8.97	8.91	9.38	8.14	3.86	....
19	6.91	6.81	5.83	7.73	8.69	8.70	9.04	8.62	9.71	8.94	8.88	9.36	8.04	3.74	....
26	6.91	6.79	5.81	7.72	....	8.74	9.02	8.60	9.68	8.93	8.84	9.36	8.10	3.70	....
July 3	6.90	6.79	5.81	7.72	8.72	8.67	9.03	8.63	9.70	8.95	8.82	9.35	8.09	3.67	....
Number of issues[2]	15	20	5	5	....	....	121	20	30	41	30	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. As of Dec. 23, 1967, there is no longer an Aaa-rated railroad bond series.

[2] Number of issues varies over time; figures shown reflect most recent count.

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

Bonds: Monthly and weekly yields are computed as follows: (1) *U.S. Govt.*, averages of daily figures for bonds maturing or callable in 10 years or more; from Federal Reserve Bank of New York. (2) *State and local govt.*, general obligations only, based on Thurs. figures, from Moody's Investors Service. (3) *Corporate*, rates for "New issue" and "Recently offered" Aaa utility bonds, weekly averages compiled by the Board of Governors of the Federal Reserve System; and rates for seasoned issues, averages of daily figures from Moody's Investors Service.

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

NOTES TO TABLES ON OPPOSITE PAGE:

Security Prices:

[1] Standard and Poor's indexes appearing for week ending July 3, 1976, actually represent averages for the 3 days ending June 30, 1976. Beginning July 1, 1976 changes were made in composition of the Standard and Poor's index. Figures showing the effects of these changes and of the addition of a new subgroup for financial corporations will appear in the Aug. 1976 BULLETIN.

NOTE.—Annual data are averages of daily or weekly figures. Monthly and weekly data are averages of daily figures unless otherwise noted and are computed as follows: *U.S. Govt. bonds*, derived from average market yields in table on p. A-28 on basis of an assumed 3 per cent, 20-year bond. *Municipal and corporate bonds*, derived from average yields as computed by Standard and Poor's Corp., on basis of a 4 per cent, 20-year bond; Wed. closing prices. *Common stocks*, derived from component common stock prices. *Average daily volume of trading*, presently conducted 5 days per week for 6 hours per day.

Stock Market Customer Financing:

[1] Margin credit includes all credit extended to purchase or carry stocks or related equity instruments and secured at least in part by stock (Dec. 1970 BULLETIN, p. 920). Credit extended by brokers is end-of-month data for member firms of the New York Stock Exchange. June data for banks are universe totals; all other data for banks represent estimates for all commercial banks based on reports by a reporting sample, which accounted for 60 per cent of security credit outstanding at banks on June 30, 1971.

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

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

[4] Free credit balances are in accounts with no unfulfilled commitments to the brokers and are subject to withdrawal by customers on demand.

SECURITY PRICES

Period	Bond prices (per cent of par): U.S. Govt. (long-term)	Bond prices (per cent of par): State and local	Bond prices (per cent of par): Corporate AAA	Common stock prices, New York Stock Exchange, Standard and Poor's index (1941-43 = 10): Total	Standard and Poor's index: Industrial	Standard and Poor's index: Railroad	Standard and Poor's index: Public utility	New York Stock Exchange index (Dec. 31, 1965 = 50): Total	New York Stock Exchange index: Industrial	New York Stock Exchange index: Transportation	New York Stock Exchange index: Utility	New York Stock Exchange index: Finance	American Stock Exchange total index (Aug. 31, 1973 = 100)	Volume of trading in stocks (thousands of shares): NYSE	Volume of trading in stocks (thousands of shares): AMEX
1970	60.52	72.3	61.6	83.22	91.29	32.13	54.48	45.72	48.03	32.14	37.24	54.64	96.63	10,532	3,376
1971	67.73	80.0	65.0	98.29	108.35	41.94	59.33	54.22	57.92	44.35	39.53	70.38	113.40	15,381	4,234
1972	68.71	84.4	65.9	109.20	121.79	44.11	56.90	60.29	65.73	50.17	38.48	78.35	129.10	16,487	4,447
1973	62.80	85.4	63.7	107.43	120.44	38.05	53.47	57.42	63.08	37.74	37.69	70.12	103.80	16,374	3,004
1974	57.45	76.3	58.8	82.85	92.91	37.53	38.91	43.84	48.08	31.89	29.82	49.67	79.97	13,883	1,908
1975	57.44	68.9	56.2	85.17	96.15	37.48	41.21	45.73	51.88	30.73	31.45	46.62	83.15	18,568	2,150
1975—June	58.33	69.8	56.7	92.40	103.68	38.97	43.65	49.22	54.61	32.38	32.79	52.20	90.57	21,286	2,743
July	58.09	68.5	56.6	92.49	103.84	38.04	43.67	49.54	54.96	32.90	32.98	52.51	93.28	20,076	2,750
Aug.	56.84	68.3	55.6	85.71	96.21	35.13	41.04	45.71	50.71	30.08	31.02	46.55	85.74	13,404	1,476
Sept.	55.23	66.1	55.8	84.62	94.96	34.94	40.53	44.97	50.05	29.46	30.65	43.38	84.26	12,717	1,439
Oct.	55.23	66.1	56.0	88.57	99.29	36.92	42.59	46.87	52.26	30.79	31.87	44.36	83.46	15,893	1,629
Nov.	55.77	66.2	56.3	90.07	100.86	37.81	43.77	47.64	52.91	32.09	32.99	45.10	85.60	16,795	1,613
Dec.	56.03	67.4	56.1	88.74	94.89	37.07	43.25	46.78	51.89	31.61	32.75	43.86	82.50	15,859	1,977
1976—Jan.	57.75	69.7	57.0	96.86	108.45	41.42	46.99	51.31	57.00	35.78	35.23	48.83	91.47	32,794	3,070
Feb.	57.86	68.8	57.1	100.64	113.43	43.40	47.22	53.73	59.79	38.53	36.12	52.06	100.58	31,375	4,765
Mar.	58.23	69.2	57.3	101.08	113.73	44.54	45.67	54.01	60.30	39.17	35.43	52.61	104.04	23,069	3,479
Apr.	59.33	71.3	58.2	101.93	114.67	44.91	46.07	54.28	60.62	38.66	35.69	52.71	103.00	18,770	2,368
May	57.38	69.1	56.5	101.16	113.76	46.09	45.70	53.87	60.22	39.71	35.40	50.99	103.65	17,796	2,127
June	57.86	69.3	56.8	101.78	114.50	46.50	45.61	54.23	60.70	40.41	35.16	51.82	103.57	18,965	2,177
Week ending—															
1976—June 5	57.46	69.1	56.2	99.84	112.23	46.15	45.15	53.14	59.45	39.64	34.75	50.03	102.79	16,215	1,923
12	57.91	69.1	56.7	99.33	111.61	45.85	45.18	52.91	59.13	39.48	34.69	50.28	101.75	16,260	2,083
19	57.93	69.3	57.3	102.56	115.46	46.31	45.69	54.62	61.20	40.47	35.22	52.36	103.82	22,968	2,370
26	57.99	69.3	57.2	103.70	116.78	47.02	45.98	55.28	61.94	41.15	35.53	53.20	104.82	19,058	2,130
July 3	58.02	69.6	56.6	103.85	116.84	47.50	46.37	55.46	62.03	41.64	35.88	53.65	105.06	19,760	2,306

For notes see opposite page.

STOCK MARKET CUSTOMER FINANCING

(In millions of dollars)

End of period	Margin credit at brokers and banks [1], Regulated [2], By source: Total	By source: Brokers	By source: Banks	By type, Margin stock: Brokers	Margin stock: Banks	Convertible bonds: Brokers	Convertible bonds: Banks	Subscription issues: Brokers	Subscription issues: Banks	Unregulated [3]: Nonmargin stock credit at banks	Free credit balances at brokers [4]: Margin accts.	Free credit balances at brokers [4]: Cash accts.
1975—May	5,666	4,847	819	4,700	779	140	27	7	13	1,883	520	1,705
June	5,984	5,140	844	4,990	805	146	28	4	11	2,434	520	1,790
July	6,266	5,446	820	5,300	780	143	29	3	10	2,387	555	1,710
Aug.	6,197	5,365	832	5,220	791	142	30	3	11	2,457	515	1,500
Sept.	6,251	5,399	852	5,250	811	145	30	4	10	2,520	470	1,455
Oct.	6,455	5,448	1,007	5,300	956	144	36	4	15	2,311	545	1,495
Nov.	6,527	5,519	1,008	5,370	958	146	37	3	13	2,270	490	1,470
Dec.	6,500	5,540	960	5,390	909	147	36	3	15	2,281	475	1,525
1976—Jan.	6,568	5,568	1,000	5,420	946	146	34	2	20	2,321	655	1,975
Feb.	7,152	6,115	1,037	5,950	984	162	34	3	20	2,333	685	2,065
Mar.	7,617	6,575	1,042	6,410	988	162	34	3	20	2,355	595	1,935
Apr.	7,932	6,856	1,076	6,690	1,023	163	32	3	21	2,325	570	1,740
May	8,110	7,103	1,007	6,940	957	161	31	2	19	2,357	540	1,655

For notes see opposite page.

EQUITY STATUS OF MARGIN ACCOUNT DEBT AT BROKERS

(Per cent of total debt, except as noted)

End of period	Total debt (millions of dollars)[1]	Equity class (per cent) 80 or more	70–79	60–69	50–59	40–49	Under 40
1975—May.	4,700	7.0	9.1	16.7	31.5	21.0	13.4
June.	4,990	7.4	9.9	18.3	32.7	20.4	11.4
July..	5,300	6.0	8.3	13.9	23.6	30.4	17.9
Aug..	5,220	5.5	6.8	11.3	20.7	31.0	24.7
Sept..	5,250	5.1	7.3	10.6	19.6	31.0	26.5
Oct...	5,300	5.5	6.7	11.2	21.8	29.7	25.2
Nov..	5,370	5.2	6.7	12.2	23.2	28.6	24.0
Dec..	5,390	5.3	6.9	11.6	22.3	28.8	25.0
1976—Jan...	5,420	7.0	9.4	18.3	21.3	28.8	15.5
Feb..	5,950	6.8	8.9	17.4	29.0	22.6	15.3
Mar..	6,410	6.0	8.7	16.0	29.0	25.0	16.0
Apr..	6,690	6.1	7.7	12.9	27.7	30.2	15.4
May.	6,940	5.8	7.2	12.4	23.8	34.2	16.6

[1] Note 1 appears at the bottom of p. A-28.

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

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

(Per cent of total, except as noted)

End of period	Net credit status	Equity class of accounts in debit status: 60 per cent or more	Less than 60 per cent	Total balance (millions of dollars)
1975—May	44.5	43.2	12.3	7,601
June	45.9	43.1	11.0	7,875
July	45.6	41.1	13.1	7,772
Aug	43.5	40.6	16.0	7,494
Sept	45.3	38.9	15.8	7,515
Oct	44.4	40.1	15.5	7,362
Nov	45.3	40.2	14.5	7,425
Dec	43.8	40.8	15.4	7,290
1976—Jan	45.8	44.0	10.3	r7,770
Feb	44.4	44.7	10.9	r8,040
Mar	44.0	46.0	10.4	8,050
Apr	43.0	45.0	12.0	7,990
May	41.4	46.2	12.4	8,030

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

MUTUAL SAVINGS BANKS

(In millions of dollars)

End of period	Loans: Mortgage	Loans: Other	Securities: U.S. Govt.	Securities: State and local govt.	Securities: Corporate and other[1]	Cash	Other assets	Total assets—Total liabilities and general reserve accts.	Deposits	Other liabilities	General reserve accounts	Mortgage loan commitments[2] classified by maturity (in months): 3 or less	3–6	6–9	Over 9	Total
1971	62,069	2,808	3,334	385	17,674	1,389	1,711	89,369	81,440	1,810	6,118	1,047	627	463	1,310	3,447
1972[3]	67,563	2,979	3,510	873	21,906	1,644	2,117	100,593	91,613	2,024	6,956	1,593	713	609	1,624	4,539
1973	73,231	3,871	2,957	926	21,383	1,968	2,314	106,651	96,496	2,566	7,589	1,250	598	405	1,008	3,261
1974	74,891	3,812	2,555	930	22,550	2,167	2,645	109,550	98,701	2,888	7,961	664	418	232	726	2,040
1975	77,127	4,028	4,777	1,541	27,964	2,367	3,195	120,999	109,796	2,770	8,433	896	301	203	403	1,803
1975—Apr.	75,259	4,407	3,419	1,121	24,994	1,841	2,780	113,821	102,902	2,849	8,071	913	335	312	538	2,098
May	75,440	4,593	3,616	1,137	25,579	2,077	2,811	115,252	104,056	3,080	8,116	955	383	300	573	2,211
June	75,763	4,492	3,744	1,240	26,470	2,088	2,954	116,751	105,993	2,594	8,164	973	510	195	565	2,243
July	76,097	4,396	3,965	1,436	26,976	1,835	3,004	117,709	106,533	2,970	8,208	957	463	266	526	2,212
Aug.	76,310	4,405	4,187	1,451	27,104	1,730	3,067	118,254	106,745	3,255	8,254	981	431	237	573	2,222
Sept.	76,429	4,487	4,279	1,495	27,033	1,783	3,136	118,643	107,560	2,778	8,304	1,011	372	256	499	2,138
Oct.	76,655	4,481	4,368	1,523	27,106	1,805	3,152	119,089	107,812	2,950	8,328	950	368	275	394	1,987
Nov.	76,855	4,550	4,601	1,551	27,421	1,872	3,223	120,073	108,480	3,215	8,378	972	323	222	379	1,896
Dec.r	77,221	4,023	4,740	1,545	27,992	2,330	3,205	121,056	109,873	2,755	8,428	896	301	203	403	1,803
1976—Jan.	77,308	4,839	4,918	1,581	28,473	1,961	3,245	122,325	110,979	2,892	8,455	923	315	195	426	1,859
Feb.	77,413	5,243	5,211	1,765	29,035	1,853	3,301	123,821	112,019	3,275	8,527	930	352	184	401	1,867
Mar.	77,738	5,366	5,452	1,867	30,043	1,740	3,321	125,526	114,090	2,859	8,577	1,092	360	251	427	2,130
Apr.p	78,046	5,027	5,533	2,149	30,707	1,647	3,361	126,470	114,752	3,106	8,612	1,175	398	281	436	2,290

[1] Also includes securities of foreign governments and international organizations and nonguaranteed issues of U.S. Govt. agencies.

[2] Commitments outstanding of banks in New York State as reported to the Savings Banks Assn. of the State of New York. Data include building loans.

[3] Balance sheet data beginning 1972 are reported on a gross-of-valuation-reserves basis. The data differ somewhat from balance sheet data previously reported by National Assn. of Mutual Savings Banks, which were net of valuation reserves. For most items, however, the differences are relatively small.

NOTE.—NAMSB estimates for all savings banks in the United States.

LIFE INSURANCE COMPANIES

(In millions of dollars)

End of period	Total assets	Government securities: Total	Government securities: United States	Government securities: State and local	Government securities: Foreign[1]	Business securities: Total	Business securities: Bonds	Business securities: Stocks	Mortgages	Real estate	Policy loans	Other assets
1971	222,102	11,000	4,455	3,363	3,182	99,805	79,198	20,607	75,496	6,904	17,065	11,832
1972	239,730	11,372	4,562	3,367	3,443	112,985	86,140	26,845	76,948	7,295	18,003	13,127
1973	252,436	11,403	4,328	3,412	3,663	117,715	91,796	25,919	81,369	7,693	20,199	14,057
1974r	263,349	11,965	4,437	3,667	3,861	118,572	96,652	21,920	86,234	8,331	22,862	15,385
1975	289,084	14,582	5,894	4,440	4,248	135,014	106,755	28,259	89,358	9,634	24,389	16,107
1975 Apr.	273,523	12,374	4,608	3,719	4,047	126,256	99,725	26,531	87,638	8,782	23,459	15,014
May	275,816	12,464	4,678	3,739	4,047	127,847	100,478	27,369	87,882	8,843	23,570	15,210
June	278,343	12,560	4,738	3,762	4,060	129,838	101,238	28,600	88,035	8,989	23,675	15,246
July	279,354	12,814	4,843	3,902	4,069	130,298	102,675	27,623	88,162	9,058	23,794	15,228
Aug.	280,482	13,022	4,895	4,039	4,088	130,659	103,496	27,163	88,327	9,112	23,919	15,443
Sept.	281,847	13,150	4,914	4,122	4,114	131,524	104,529	26,995	88,445	9,210	24,048	15,470
Oct.	284,829	13,793	5,505	4,148	4,140	133,237	105,473	27,764	88,655	9,356	24,171	15,617
Nov.	286,975	14,129	5,762	4,210	4,157	134,495	106,385	28,110	88,850	9,464	24,271	15,766
Dec.	289,084	14,582	5,894	4,440	4,248	135,014	106,755	28,259	89,358	9,634	24,389	16,107
1976—Jan.	293,870	15,380	6,446	4,652	4,282	138,965	108,130	30,835	89,395	9,661	24,498	15,971
Feb.	296,479	16,142	6,458	4,790	4,894	140,332	109,321	31,011	89,543	9,726	24,633	16,103
Mar	299,552	15,723	4,967	5,220	5,536	143,105	111,385	31,720	89,781	9,812	24,755	16,376
Apr.p	299,983	15,917	5,198	5,100	5,619	143,197	111,757	31,440	89,489	9,852	24,873	16,655

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

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

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

SAVINGS AND LOAN ASSOCIATIONS

(In millions of dollars)

End of period	Assets: Mortgages	Assets: Investment securities[1]	Assets: Cash	Assets: Other	Total assets—Total liabilities	Liabilities: Savings capital	Liabilities: Net worth[2]	Liabilities: Borrowed money[3]	Liabilities: Loans in process	Liabilities: Other	Mortgage loan commitments outstanding at end of period[4]
1971	174,250	18,185	2,857	10,731	206,023	174,197	13,592	8,992	5,029	4,213	7,328
1972	206,182	21,574	2,781	12,590	243,127	206,764	15,240	9,782	6,209	5,132	11,515
1973[5]	231,733	21,055		19,117	271,905	226,968	17,056	17,172	4,667	6,042	9,526
1974	249,293	23,240		22,991	295,524	242,959	18,436	24,780	3,244	6,105	7,454
1975	278,693	30,900		28,802	338,395	286,042	19,776	20,730	5,187	6,659	10,675
1975—May	257,911	30,648		25,520	314,079	262,770	19,128	r19,301	4,105	8,775	12,557
June	261,336	30,880		25,786	318,003	268,978	18,992	r18,863	4,446	6,724	12,363
July	264,458	32,054		26,311	322,823	272,032	19,266	r18,744	4,771	8,010	12,611
Aug.	267,717	31,694		27,127	326,538	273,504	19,495	r19,216	4,995	9,328	12,673
Sept.	270,600	30,786		27,745	329,131	277,201	19,414	r20,031	5,128	7,357	12,585
Oct.	273,596	31,652		28,145	333,393	279,465	19,663	r20,306	5,207	8,752	11,748
Nov.	275,919	32,498		28,610	337,027	281,711	19,919	r20,413	5,164	9,820	11,365
Dec.	278,693	30,900		28,802	338,395	286,042	19,776	r20,709	5,187	6,680	10,675
1976—Jan.	280,071	34,271		29,716	344,058	291,418	19,948	r19,630	5,051	8,011	11,111
Feb.	282,487	36,128		30,251	348,866	295,364	20,162	r18,746	5,134	9,460	12,878
Mar.	286,556	36,722		30,462	353,740	302,436	20,211	18,220	5,379	7,494	14,445
Apr.	290,727	36,437		30,663	357,827	305,234	20,475	17,759	5,787	8,572	15,512
May p	294,755	36,998		31,267	363,020	308,276	20,691	17,677	6,151	10,225	16,631

[1] Excludes stock of the Federal Home Loan Bank Board. Compensating changes have been made in "Other" assets.

[2] Includes net undistributed income, which is accrued by most, but not all, associations.

[3] Advances from FHLBB and other borrowing.

[4] Data comparable with those shown for mutual savings banks (on opposite page) except that figures for loans in process are not included above but are included in the figures for mutual savings banks.

[5] Beginning 1973, participation certificates guaranteed by the Federal Home Loan Mortgage Corporation, loans and notes insured by the Farmers Home Administration, and certain other Govt.-insured mortgage-type investments, previously included in mortgage loans, are included in other assets. The effect of this change was to reduce the mortgage total by about $0.6 billion.

Also, GNMA-guaranteed, mortgage-backed securities of the pass-through type, previously included in "Cash" and "Investment securities" are included in "Other" assets. These amounted to about $2.4 billion at the end of 1972.

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

FEDERAL FISCAL OPERATIONS: SUMMARY

(In millions of dollars)

Period	U.S. budget: Receipts	U.S. budget: Outlays	U.S. budget: Surplus or deficit (−)	Means of financing — Borrowings from the public: Public debt securities	Agency securities	Less: Investments by Govt. accounts: Special issues	Less: Investments by Govt. accounts: Other	Less: Special notes[1]	Equals: Total	Less: Cash and monetary assets: Treasury operating balance	Less: Cash and monetary assets: Other	Other means of financing, net[2]
Fiscal year:												
1972	208,649	231,876	−23,227	29,131	−1,269	6,796	1,623	....	19,442	1,362	1,108	6,255
1973	232,225	246,526	−14,301	30,881	216	11,712	109	....	19,275	2,459	−1,613	−4,129
1974	264,932	268,392	−3,460	16,918	903	13,673	1,140	....	3,009	−3,417	889	−2,077
1975	280,997	324,601	−43,604	58,953	−1,069	8,112	−1,081	....	50,853	−1,570	1,890	−6,920
Half year:												
1974—Jan.-June	140,676	138,030	2,646	5,162	426	8,297	295	....	−3,005	−1,215	1,208	352
July-Dec.	139,607	153,147	−13,540	18,429	−689	2,840	150	....	14,751	−3,228	557	−3,881
1975—Jan.-June	141,189	171,202	−30,013	40,524	−423	5,272	−1,231	....	36,059	1,657	1,643	−2,746
July-Dec.	139,453	184,545	45,092	43,460	−39	−4,739	−1,186	....	49,347	866	−980	−4,368
Month:												
1975—May r	13,010	28,826	−15,816	11,418	−6	3,296	440	....	8,556	−6,788	235	707
June	31,817	30,296	1,521	5,030	−55	4,131	276	....	567	−949	56	−2,981
July	20,197	31,249	11,052	5,051	−23	−2,427	−346	....	7,800	−3,390	−1,373	−1,511
Aug.	23,584	30,634	−7,050	9,472	6	2,384	−94	....	7,189	−630	−263	−1,032
Sept.	28,615	29,044	−429	5,935	9	−2,151	−367	....	8,463	6,961	446	−627
Oct.	19,316	32,425	−13,109	8,352	5	−3,656	260	....	11,743	−203	−348	815
Nov.	21,745	29,401	−7,656	4,800	−3	−749	−390	....	5,936	−3,844	392	−1,732
Dec.	25,995	31,792	−5,797	9,850	−24	1,860	−249	....	8,215	1,971	166	−281
1976—Jan.	25,634	30,725	−5,091	7,757	−2	−393	328	....	7,820	3,532	114	918
Feb.	20,845	29,833	−8,987	9,465	5	1,062	−564	....	8,972	64	−125	−46
Mar.	20,431	29,054	−8,623	6,620	−6	−623	−83	....	7,320	−4,032	−288	−3,018
Apr.	33,348	32,476	872	1,483	−32	50	4	....	1,398	3,517	545	1,792
May	22,679	28,410	−5,731	8,699	−9	5,130	549	....	4,109	−3,383	502	−1,259

End of period	Selected balances — Treasury operating balance: F.R. Banks	Tax and loan accounts	Other depositaries[3]	Total	Borrowing from the public: Public debt securities	Agency securities	Less: Investments of Govt. accounts: Special issues	Less: Investments of Govt. accounts: Other	Less: Special notes[1]	Equals: Total	Memo: Debt of Govt.-sponsored corps.—Now private[4]
Fiscal year:											
1971	1,274	7,372	109	8,755	398,130	12,163	82,740	22,400	825	304,328	37,086
1972	2,344	7,634	139	10,117	427,260	10,894	89,536	24,023	825	323,770	41,814
1973	4,038	8,433	106	12,576	458,142	11,109	101,248	24,133	825	343,045	51,325
1974	2,919	6,152	88	9,159	475,060	12,012	114,921	25,273	825	346,053	65,411
1975	5,773	1,475	343	7,591	533,188	10,943	123,033	24,192	(5)	396,906	76,092
Calendar year:											
1973	2,543	7,760	70	10,374	469,898	11,586	106,624	24,978	825	349,058	59,857
1974	3,113	2,745	70	5,928	492,664	11,323	117,761	25,423	(5)	360,804	76,459
1975	7,286	1,159	7	8,452	576,649	10,904	118,294	23,006	....	446,253	....
Month:											
1975—May	7,040	984	521	8,545	528,158	10,998	118,902	23,916	....	396,339	75,140
June	5,773	1,475	343	7,591	533,188	10,943	123,033	24,192	....	396,906	76,092
July	2,776	878	444	4,098	538,240	10,920	120,606	23,847	....	404,707	77,173
Aug.	2,349	1,214	−141	3,423	547,711	10,926	122,990	23,752	....	411,895	76,659
Sept.	8,074	2,162	529	10,765	553,647	10,935	120,839	23,385	....	420,358	77,026
Oct.	8,517	1,251	559	10,327	561,999	10,931	117,183	23,645	....	432,102	78,016
Nov.	4,919	1,558	9	6,485	566,799	10,928	116,434	23,255	....	438,037	78,451
Dec.	7,286	1,159	7	8,452	576,649	10,904	118,294	23,006	....	446,253	78,842
1976—Jan.	r10,077	r1,899	7	r11,982	584,405	10,902	117,901	23,333	....	454,072	79,355
Feb.	r10,350	r1,682	7	r12,039	584,405	10,902	117,901	23,333	....	463,045	78,359
Mar.	r7,145	r864	7	r8,016	600,490	10,901	118,340	22,686	....	470,365	78,712
Apr.	r9,808	1,723	7	r11,537	601,973	10,870	118,390	22,690	....	471,763	80,039
May	6,746	1,407	7	8,159	610,672	10,861	123,520	22,140	....	475,872	....

[1] Represents non-interest-bearing public debt securities issued to the International Monetary Fund and international lending organizations. New obligations to these agencies are handled by letters of credit.

[2] Includes accrued interest payable on public debt securities until June 1973 and total accrued interest payable to the public thereafter; deposit funds; miscellaneous liability (includes checks outstanding) and asset accounts; seigniorage; increment on gold; fiscal 1974 conversion of interest receipts of Govt. accounts to an accrual basis; gold holdings, gold certificates and other liabilities, and gold balance beginning Jan. 1974; and net gain/loss for U.S. currency valuation adjustment beginning June 1975.

[3] As of Jan. 3, 1972, the Treasury operating balance was redefined to exclude the gold balance and to include previously excluded "Other depositaries" (deposits in certain commercial depositaries that have been converted from a time to a demand basis to permit greater flexibility in Treasury cash management).

[4] Includes debt of Federal home loan banks, Federal land banks, R.F.K. Stadium Fund, FNMA (beginning Sept. 1968), and Federal intermediate credit banks and banks for cooperatives (both beginning Dec. 1968).

[5] Beginning July 1974, public debt securities excludes $825 million of notes issued to International Monetary Fund to conform with Office of Management and Budget's presentation of the budget.

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

FEDERAL FISCAL OPERATIONS: DETAIL

(In millions of dollars)

Budget receipts

Period	Total	Individual income taxes: Withheld	Individual income taxes: Pres. Election Campaign Fund[1]	Individual income taxes: Nonwithheld	Individual income taxes: Refunds	Individual income taxes: Net total	Corporation income taxes: Gross receipts	Corporation income taxes: Refunds	Social insurance taxes and contributions: Employment taxes and contribution[2]: Payroll taxes	Social insurance taxes and contributions: Employment taxes and contribution[2]: Self-empl.	Social insurance taxes and contributions: Unempl. insur.	Social insurance taxes and contributions: Other net receipts[3]	Social insurance taxes and contributions: Net total	Excise taxes	Customs	Estate and gift	Misc. receipts[4]
Fiscal year:																	
1972	208,649	83,200	......	25,679	14,143	94,737	34,926	2,760	44,088	2,032	4,357	3,437	53,914	15,477	3,287	5,436	3,633
1973	232,225	98,093	......	27,017	21,866	103,246	39,045	2,893	52,505	2,371	6,051	3,614	64,542	16,260	3,188	4,917	3,921
1974	264,932	112,092	28	30,812	23,952	118,952	41,744	3,125	62,878	3,008	6,837	4,051	76,780	16,844	3,334	5,035	5,369
1975	280,997	122,071	32	34,296	34,013	122,386	45,747	5,125	71,789	3,417	6,770	4,466	86,441	16,551	3,676	4,611	6,711
Half year:																	
1974—Jan.–June	140,676	59,100	28	24,605	22,953	60,782	25,155	1,631	32,919	2,807	3,862	2,084	41,671	7,878	1,701	2,521	2,601
July–Dec.	139,607	61,378	......	7,098	1,016	67,461	18,247	2,016	34,418	254	2,914	2,187	39,774	8,761	1,958	2,284	3,140
1975—Jan.–June	141,190	60,694	......	27,198	32,997	54,926	27,500	3,109	37,371	3,163	3,856	2,279	46,667	7,790	1,718	2,327	3,370
July–Dec.	139,453	59,549	......	7,649	1,362	65,835	18,810	2,735	35,443	268	2,861	2,314	40,886	8,759	1,927	2,573	3,397
Month:																	
1975—May	r13,010	10,300	......	819	12,749	−1,630	1,192	18	7,689	340	2,209	350	10,588	1,373	270	459	r776
June	31,817	10,027	......	4,541	1,444	13,123	10,241	664	5,552	373	92	413	6,431	1,464	301	412	508
July	20,197	9,205	......	908	498	9,615	1,838	471	5,309	......	444	374	6,128	1,514	313	503	757
Aug.	23,584	10,246	......	488	331	10,403	1,045	425	8,085	......	1,257	372	9,713	1,394	302	430	723
Sept.	28,615	9,182	......	4,809	382	13,609	6,277	264	5,555	251	75	400	6,280	1,430	312	431	539
Oct.	19,316	9,983	......	589	−81	10,653	1,694	821	4,551	......	259	395	5,206	1,462	343	396	382
Nov.	21,745	10,195	......	283	124	10,354	1,072	399	6,900	......	716	377	7,994	1,476	310	428	511
Dec.	25,995	10,738	......	571	109	11,200	6,884	354	5,043	17	110	395	5,565	1,482	347	386	485
1976—Jan.	25,634	9,518	1	5,843	86	15,276	1,771	218	5,540	225	223	442	6,430	1,335	348	401	292
Feb.	20,845	10,938	7	933	4,100	7,778	1,203	422	8,330	237	693	370	9,631	1,354	288	475	538
Mar.	20,431	11,377	9	2,532	8,646	5,272	6,485	621	5,796	275	129	435	6,635	1,344	384	450	482
Apr.	33,348	10,029	7	12,723	7,512	15,248	6,727	607	6,179	1,832	952	386	9,349	1,353	357	387	535
May	22,679	10,749	6	573	5,171	6,157	1,396	380	9,132	359	2,940	380	12,811	1,329	349	489	528

Budget outlays

Period	Total	National defense	Intl. affairs	General science, space, and tech.	Agriculture	Natural resources, envir., and energy	Commerce and transp.	Commun. and region. development	Education, training, employment, and social serv.	Health and welfare	Veterans	Interest	General Govt., law enforce., and justice	Revenue shar. and fiscal assistance	Undistrib. offsetting receipts[5]
Fiscal year:															
1973	246,526	75,072	2,956	4,030	4,855	5,947	9,930	5,529	11,874	91,790	12,013	22,813	4,813	67,222	−12,318
1974	268,392	78,569	3,593	3,977	2,230	6,571	13,096	4,911	11,598	106,505	13,386	28,072	5,789	6,746	16,651
1975	324,601	86,585	4,358	3,989	1,660	9,537	16,010	4,431	15,248	136,252	16,597	30,974	6,031	7,005	14,075
1976[7]	373,535	92,759	5,665	4,311	2,875	11,796	17,801	5,802	18,900	160,646	19,035	34,835	6,949	7,169	−15,208
TQ[7,8]	97,971	25,028	1,334	1,157	742	3,289	4,819	1,529	4,403	41,033	4,362	9,769	1,875	2,046	3,589
1977[7]	394,237	101,129	6,824	4,507	1,729	13,772	16,498	5,532	16,615	171,508	17,196	41,297	6,859	7,351	−18,840
Month:															
1975—May r	28,826	7,989	407	360	22	702	1,004	402	1,608	12,421	1,441	2,607	666	71	−876
June	30,296	7,854	557	256	179	788	1,289	453	1,684	14,158	1,412	2,521	759	−14	−1,601
July	31,249	7,307	531	476	270	821	2,256	402	1,237	13,092	1,367	2,637	321	1,625	−1,094
Aug.	30,634	8,229	448	402	117	770	2,165	568	1,690	12,431	1,447	2,672	553	213	−1,071
Sept.	29,044	6,923	47	398	507	844	1,899	440	1,571	12,738	1,334	2,859	548	4	−1,068
Oct.	32,425	8,192	362	398	312	740	1,965	462	896	13,575	1,518	2,957	492	1,592	−1,035
Nov.	29,401	7,533	419	405	196	786	1,203	315	1,653	12,612	1,624	2,996	531	15	−887
Dec.	31,792	7,981	290	409	175	814	1,994	433	1,515	13,721	1,704	2,820	1,154	1	1,221
1976—Jan.	30,725	6,915	351	336	228	718	1,819	421	1,478	13,714	1,626	2,813	121	1,627	−1,441
Feb.	29,833	6,120	320	413	315	1,833	900	421	1,530	13,360	1,696	3,143	570	53	−841
Mar.	29,054	7,752	320	379	44	935	−672	270	1,809	14,382	1,659	3,407	567	16	−1,814
Apr.	32,476	7,994	249	360	−51	984	1,610	464	1,606	13,679	1,652	3,356	420	1,605	1,452
May	28,410	7,136	292	348	270	924	466	448	1,258	13,229	1,555	3,220	617	96	1,449

1 Collections of these receipts, totaling $2,427 million for fiscal year 1973, were included as part of nonwithheld income taxes prior to Feb. 1974.

2 Old-age, disability, and hospital insurance, and Railroad Retirement accounts.

3 Supplementary medical insurance premiums and Federal employee retirement contributions.

4 Deposits of earnings by F. R. Banks and other miscellaneous receipts.

5 Consists of interest received by trust funds, rents and royalties on the Outer Continental Shelf, and Govt. contributions for employee retirement.

6 Contains retroactive payments of $2,617 million for fiscal 1972.

7 Estimates presented in *Budget of the U.S. Government, Fiscal Year 1977*. Figures for outlay categories exclude special allowances for contingencies and civilian agency pay raises totaling $200 million for fiscal year 1976, $175 million for the **transition quarter** (TQ), and $2,260 million for fiscal year 1977, and therefore do not add to totals.

8 Effective in calendar year 1976, the fiscal year for the U.S. Govt. is being changed from July 1–June 30 to Oct. 1–Sept. 30. The period July 1–Sept. 30 of 1976, data for which are shown separately from fiscal year 1976 and fiscal year 1977 totals, will be a transition quarter.

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

GROSS PUBLIC DEBT, BY TYPE OF SECURITY

(In billions of dollars)

End of period	Total gross public debt [1]	Public issues (interest-bearing): Total	Marketable: Total	Marketable: Bills	Marketable: Certificates	Marketable: Notes	Marketable: Bonds [2]	Convertible bonds	Nonmarketable: Total [3]	Nonmarketable: Foreign issues [4]	Nonmarketable: Savings bonds and notes	Special issues [5]
1968—Dec.	358.0	296.0	236.8	75.0	....	76.5	85.3	2.5	56.7	4.3	52.3	59.1
1969—Dec.	368.2	295.2	235.9	80.6	....	85.4	69.9	2.4	56.9	3.8	52.2	71.0
1970—Dec.	389.2	309.1	247.7	87.9	....	101.2	58.6	2.4	59.1	5.7	52.5	78.1
1971—Dec.	424.1	336.7	262.0	97.5	....	114.0	50.6	2.3	72.3	16.8	54.9	85.7
1972—Dec.	449.3	351.4	269.5	103.9	....	121.5	44.1	2.3	79.5	20.6	58.1	95.9
1973—Dec.	469.9	360.7	270.2	107.8	....	124.6	37.8	2.3	88.2	26.0	60.8	107.1
1974—Dec.	492.7	373.4	282.9	119.7	....	129.8	33.4	2.3	88.2	22.8	63.8	118.2
1975—June	533.2	408.8	315.6	128.6	....	150.3	36.8	2.3	90.9	23.2	65.9	123.3
July	538.2	416.3	323.7	133.4	....	153.6	36.7	2.3	90.4	22.2	66.3	120.9
Aug.	547.7	423.5	331.1	138.1	....	155.2	37.8	2.3	90.1	21.6	66.6	123.3
Sept.	553.6	431.5	338.9	142.8	....	158.5	37.7	2.3	90.3	21.5	66.9	121.1
Oct.	562.0	443.6	350.9	147.1	....	166.3	37.6	2.3	90.5	21.2	67.2	117.4
Nov.	566.8	447.5	355.9	151.1	....	166.1	r38.7	2.3	89.3	21.3	67.6	116.7
Dec.	576.6	457.1	363.2	157.5	....	167.1	38.6	2.3	91.7	21.6	67.9	118.5
1976 Jan.	584.4	463.8	369.3	159.6	....	171.1	38.6	2.3	92.2	21.6	68.2	118.1
Feb.	593.9	473.7	378.8	162.1	....	177.6	39.1	2.3	92.7	21.7	68.6	119.2
Mar.	600.5	480.7	385.3	163.1	....	183.1	39.0	2.3	93.1	21.7	69.0	118.5
Apr.	602.0	482.4	386.4	161.8	....	185.8	38.9	2.3	93.6	21.6	69.4	118.6
May	610.7	484.4	388.0	161.8	....	186.5	39.7	2.3	94.1	21.5	69.8	123.7
June	620.4	489.5	392.6	161.2	....	191.8	39.6	2.3	94.6	21.5	70.1	129.8

1 Includes non-interest-bearing debt (of which $613 million on June 30, 1976, was not subject to statutory debt limitation).

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

3 Includes (not shown separately): depositary bonds, retirement plan bonds, Rural Electrification Administration bonds, State and local government bonds, and Treasury deposit funds.

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

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

NOTE. Based on *Monthly Statement of the Public Debt of the United States*, published by U.S. Treasury. See also second paragraph in NOTE to table below.

OWNERSHIP OF PUBLIC DEBT

(Par value, in billions of dollars)

End of period	Total gross public debt	Held by—: U.S. Govt. agencies and trust funds	Held by—: F.R. Banks	Held by private investors: Total	Commercial banks	Mutual savings banks	Insurance companies	Other corporations	State and local govts.	Individuals: Savings bonds	Individuals: Other securities	Foreign and international [1]	Other misc. investors [2]
1968—Dec.	358.0	76.6	52.9	228.5	66.0	3.8	8.4	14.2	24.9	51.9	23.3	14.3	21.9
1969—Dec.	368.2	89.0	57.2	222.0	56.8	3.1	7.6	10.4	27.2	51.8	29.0	11.2	25.0
1970—Dec.	389.2	97.1	62.1	229.9	62.7	3.1	7.4	7.3	27.8	52.1	29.1	20.6	19.9
1971—Dec.	424.1	106.0	70.2	247.9	65.3	3.1	7.0	11.4	25.4	54.4	18.8	46.9	15.6
1972—Dec.	449.3	116.9	69.9	262.5	67.7	3.4	6.6	9.8	28.9	57.7	16.2	55.3	17.0
1973—Dec.	469.9	129.6	78.5	261.7	60.3	2.9	6.4	10.9	29.2	60.3	16.9	55.6	19.3
1974—Dec.	492.7	141.2	80.5	271.0	55.6	2.5	6.1	11.0	29.2	63.4	21.5	58.4	23.2
1975—May	528.2	140.9	85.6	301.7	67.7	3.4	6.9	13.7	29.8	65.1	21.5	66.8	26.8
June	533.2	145.3	84.7	303.2	69.2	3.5	7.1	13.2	29.6	65.5	21.6	66.0	27.4
July	538.2	142.5	81.9	313.8	71.4	3.7	7.3	16.2	31.3	65.9	21.8	66.7	29.5
Aug.	547.2	144.8	82.5	320.4	75.4	3.9	7.4	16.0	31.2	66.2	22.6	67.3	30.5
Sept.	553.6	142.3	87.0	324.4	78.4	4.0	7.6	15.0	32.2	66.5	23.0	65.5	32.3
Oct.	562.0	138.8	87.2	336.0	80.5	4.2	7.9	17.5	33.8	66.8	23.2	66.9	35.2
Nov.	566.8	137.7	85.1	343.9	82.6	4.4	8.8	20.0	33.9	67.1	23.5	66.1	37.5
Dec.	576.6	137.4	87.9	349.4	85.8	4.5	9.3	20.2	33.8	67.3	23.6	66.5	38.3
1976 Jan.	584.4	139.3	89.8	355.3	87.0	4.7	9.9	21.2	34.6	67.7	23.6	68.3	38.3
Feb.	593.9	139.7	89.0	365.1	88.0	4.9	10.0	23.2	36.4	68.0	24.5	69.6	40.3
Mar.	600.5	139.1	89.8	371.7	92.7	5.1	10.4	23.0	37.8	68.4	24.6	68.1	41.4
Apr.p	602.0	139.1	91.8	371.0	92.2	[illegible].1	10.2	23.8	37.7	68.8	24.4	70.2	38.6

1 Consists of investments of foreign and international accounts in the United States.

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

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

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

OWNERSHIP OF MARKETABLE SECURITIES, BY MATURITY

(Par value, in millions of dollars)

Type of holder and date	Total	Within 1 year			1–5 years	5–10 years	10–20 years	Over 20 years
		Total	Bills	Other				
All holders:								
1973—Dec. 31	270,224	141,571	107,786	33,785	81,715	25,134	15,659	6,145
1974—Dec. 31	282,891	148,086	119,747	28,339	85,311	27,897	14,833	6,764
1975—Dec. 31	366,191	199,692	157,483	42,209	112,270	26,436	14,264	10,530
1976—Apr. 30	386,444	203,983	161,764	42,219	124,967	32,381	14,067	11,045
May 31	388,021	205,431	161,840	43,591	121,112	35,573	14,025	11,881
U.S. Govt. agencies and trust funds:								
1973—Dec. 31	20,962	2,220	631	1,589	7,714	4,389	5,019	1,620
1974—Dec. 31	21,391	2,400	588	1,812	7,823	4,721	4,670	1,777
1975—Dec. 31	19,347	2,769	207	2,562	7,058	3,283	4,233	2,053
1976—Apr. 30	19,110	3,110	526	2,584	6,661	3,039	4,233	2,068
May 31	18,562	2,528	442	2,086	6,582	3,039	4,298	2,115
Federal Reserve Banks:								
1973—Dec. 31	78,516	46,189	36,928	9,261	23,062	7,504	1,577	184
1974—Dec. 31	80,501	45,388	36,990	8,399	23,282	9,664	1,453	713
1975—Dec. 31	87,934	46,845	38,018	8,827	30,518	6,463	1,507	2,601
1976—Apr. 30	91,814	47,433	38,793	8,640	32,108	7,745	1,592	2,935
May 31	90,530	49,439	38,722	10,717	28,287	8,198	1,556	3,050
Held by private investors:								
1973—Dec. 31	170,746	93,162	70,227	22,935	50,939	13,241	9,063	4,341
1974—Dec. 31	180,999	100,298	82,168	18,130	54,206	13,512	8,710	4,274
1975—Dec. 31	255,860	150,078	119,258	30,820	74,694	16,690	8,524	5,876
1976—Apr. 30	275,520	153,440	122,445	30,995	86,198	21,597	8,242	6,042
May 31	278,929	153,464	122,626	30,838	86,243	24,336	8,171	6,716
Commercial banks:								
1973—Dec. 31	45,737	17,499	7,901	9,598	22,878	4,022	1,065	272
1974—Dec. 31	42,755	14,873	6,952	7,921	22,717	4,151	733	280
1975—Dec. 31	64,398	29,875	17,481	12,394	29,629	4,071	552	271
1976—Apr. 30	69,329	28,757	16,584	12,173	35,538	4,304	507	223
May 31	68,962	28,163	16,601	11,562	35,359	4,647	509	283
Mutual savings banks:								
1973—Dec. 31	1,955	562	222	340	750	211	300	131
1974—Dec. 31	1,477	399	207	192	614	174	202	88
1975—Dec. 31	3,300	983	554	429	1,524	448	232	112
1976—Apr. 30	3,903	1,046	487	559	2,015	550	214	78
May 31	4,001	1,000	477	523	2,119	540	213	129
Insurance companies:								
1973—Dec. 31	4,956	779	312	467	1,073	1,278	1,301	523
1974—Dec. 31	4,741	722	414	308	1,061	1,310	1,297	351
1975—Dec. 31	7,565	2,024	1,513	511	2,359	1,592	1,154	436
1976—Apr. 30	8,498	1,840	1,337	503	3,123	1,928	1,152	455
May 31	8,551	1,582	1,095	487	3,393	1,955	1,133	488
Nonfinancial corporations:								
1973—Dec. 31	4,905	3,295	1,695	1,600	1,281	260	54	15
1974—Dec. 31	4,246	2,623	1,859	764	1,423	115	26	59
1975—Dec. 31	9,365	7,105	5,829	1,276	1,967	175	61	57
1976—Apr. 30	11,933	9,507	8,235	1,272	2,239	82	55	51
May 31	13,610	11,068	9,411	1,657	2,327	127	57	33
Savings and loan associations:								
1973—Dec. 31	2,103	576	121	455	1,011	320	151	45
1974—Dec. 31	1,663	350	87	263	835	282	173	23
1975—Dec. 31	2,793	914	518	396	1,558	216	82	22
1976—Apr. 30	4,414	1,918	1,386	532	2,219	173	85	20
May 31	4,388	1,895	1,362	533	2,211	178	83	21
State and local governments:								
1973—Dec. 31	9,829	5,845	4,483	1,362	1,870	778	1,003	332
1974—Dec. 31	7,864	4,121	3,319	802	1,796	815	800	332
1975—Dec. 31	9,285	5,288	4,566	722	1,761	782	896	558
1976—Apr. 30	11,294	6,877	5,891	986	2,147	836	815	619
May 31	14,868	10,425	9,616	809	2,111	879	804	649
All others:								
1973—Dec. 31	101,261	64,606	55,493	9,113	22,076	6,372	5,189	3,023
1974—Dec. 31	118,253	77,210	69,330	7,880	25,760	6,664	5,479	3,141
1975—Dec. 31	159,154	103,889	88,797	15,092	35,894	9,405	5,546	4,420
1976—Apr. 30	166,148	103,495	88,525	14,970	38,917	13,725	5,415	4,595
May 31	164,550	99,332	84,115	15,217	38,723	16,009	5,373	5,114

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

Data complete for U.S. Govt. agencies and trust funds and F.R. Banks, but data for other groups include only holdings of those institutions that report. The following figures show, for each category, the number and proportion reporting: (1) 5,521 commercial banks, 470 mutual savings banks, and 729 insurance companies combined, each about 90 per cent; (2) 453 nonfinancial corporations and 486 savings and loan assns., each about 50 per cent; and (3) 501 State and local govts., about 40 per cent.

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

DAILY-AVERAGE DEALER TRANSACTIONS

(Par value, in millions of dollars)

Period	U.S. Government securities									U.S. Govt. agency securities
	Total	By maturity				By type of customer				
		Within 1 year	1–5 years	5–10 years	Over 10 years	U.S. Govt. securities dealers	U.S. Govt. securities brokers	Commercial banks	All other[1]	
1975 May	6,419	4,181	1,615	466	158	981	1,917	1,454	2,067	1,049
June	5,732	3,745	1,484	372	132	801	1,689	1,336	1,906	1,217
July	4,675	3,301	1,131	172	71	669	1,294	1,100	1,613	778
Aug.	5,183	3,375	1,340	333	134	742	1,405	1,185	1,851	845
Sept.	5,566	4,032	1,315	128	91	931	1,405	1,198	2,033	787
Oct.	8,714	5,929	2,332	309	144	1,271	2,675	1,839	2,929	1,250
Nov.	7,594	5,519	1,353	534	189	1,070	2,176	1,875	2,474	1,217
Dec.	7,586	5,919	1,270	278	120	1,190	2,217	1,977	2,202	1,059
1976—Jan.	9,509	7,049	1,765	569	126	1,265	3,118	2,192	[1]2,935	1,417
Feb.	8,329	5,863	1,553	755	158	951	2,389	2,196	2,793	1,163
Mar.	9,044	6,763	1,807	358	116	1,308	2,777	2,276	2,683	1,185
Apr.	10,293	7,667	2,186	306	134	1,341	3,154	2,426	3,372	1,665
May	8,557	6,002	1,593	700	263	952	2,907	2,128	2,571	1,150
Week ending—										
1976 May 5	9,403	7,358	1,630	266	149	1,112	2,939	2,229	3,124	969
12	9,474	5,793	2,035	1,205	441	1,008	3,203	2,502	2,762	986
19	7,889	5,648	1,204	744	294	827	2,697	2,015	2,351	1,523
26	8,272	5,645	1,875	556	197	909	2,977	1,968	2,418	1,103
June 2	8,274	6,754	1,058	329	133	983	2,703	1,968	2,621	1,017
9	9,588	6,822	2,134	463	170	1,280	3,192	2,209	2,908	1,071
16	8,197	5,988	1,694	394	122	1,414	2,306	2,088	2,389	1,227
23	7,595	5,582	1,607	321	84	1,285	2,054	1,732	2,519	1,266
30	8,862	6,836	1,327	591	107	1,322	2,603	1,816	3,120	986

[1] Since Jan. 1972 has included transactions of dealers and brokers in *securities other than U.S. Govt.*

NOTE.—The transactions data combine market purchases and sales of U.S. Govt. securities dealers reporting to the F.R. Bank of New York. They do not include allotments of, and exchanges for, new U.S. Govt. securities, redemptions of called or matured securities, or purchases or sales of securities under repurchase agreement, reverse repurchase (resale), or similar contracts. Averages of daily figures based on the number of trading days in the period.

DAILY-AVERAGE DEALER POSITIONS

(Par value, in millions of dollars)

Period	U.S. Government securities, by maturity					U.S. Govt. agency securities
	All maturities	Within 1 year	1–5 years	5–10 years	Over 10 years	
1975 May	6,332	4,917	1,094	248	73	896
June	6,768	5,923	748	100	-3	790
July	5,736	4,978	775	47	-64	626
Aug.	5,501	4,491	609	262	138	610
Sept.	5,718	5,214	410	56	39	529
Oct.	7,322	6,019	1,091	111	102	491
Nov.	6,752	5,011	640	594	506	953
Dec.	6,061	5,274	322	218	247	982
1976—Jan.	6,305	5,287	449	398	170	694
Feb.	6,263	5,477	381	224	183	602
Mar.	6,884	6,360	286	122	116	537
Apr.	6,733	6,328	190	131	84	508
May	5,272	4,852	232	126	62	185
Week ending—						
1976—Apr. 7	7,762	7,328	194	136	104	572
14	8,109	7,554	257	174	124	499
21	7,159	6,731	202	151	74	520
28	4,803	4,578	96	79	50	469
May 5	5,180	4,785	251	114	30	403
12	5,984	5,181	419	227	156	281
19	4,905	4,550	115	165	74	205
26	4,624	4,352	234	29	9	29

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

Average of daily figures based on number of trading days in the period.

DAILY-AVERAGE DEALER FINANCING

(In millions of dollars)

Period	All sources	Commercial banks		Corporations[1]	All other
		New York City	Elsewhere		
1975 May	6,656	1,684	1,567	452	2,953
June	7,682	1,955	1,979	737	3,012
July	6,594	1,365	1,435	929	2,865
Aug.	6,167	1,009	1,148	1,120	2,890
Sept.	6,576	1,160	1,640	972	2,804
Oct.	6,940	1,658	1,792	817	2,673
Nov.	7,215	1,958	1,393	991	2,873
Dec.	7,107	2,001	1,304	1,086	2,716
1976—Jan.	6,766	1,757	1,337	1,147	2,526
Feb.	6,700	1,705	850	1,017	3,128
Mar.	7,175	1,865	1,138	1,225	2,947
Apr.	7,587	1,966	1,734	1,126	2,761
May	6,089	1,346	1,026	975	2,742
Week ending—					
1976—Apr. 7	7,929	2,249	1,790	1,244	2,646
14	8,603	2,146	2,483	1,625	2,348
21	8,309	2,108	1,629	894	3,678
28	6,016	1,579	1,257	837	2,343
May 5	5,448	1,013	863	739	2,833
12	6,721	1,717	1,312	787	2,905
19	6,511	1,464	1,121	971	2,956
26	5,561	1,277	905	1,051	2,328

[1] All business corporations, except commercial banks and insurance companies.

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

MAJOR BALANCE SHEET ITEMS OF SELECTED FEDERALLY SPONSORED CREDIT AGENCIES

(In millions of dollars)

End of period	Federal home loan banks: Assets: Advances to members	Assets: Investments	Assets: Cash and deposits	Liabilities and capital: Bonds and notes	Liabilities and capital: Member deposits	Liabilities and capital: Capital stock	Federal National Mortgage Assn. (secondary market operations): Mortgage loans (A)	FNMA: Debentures and notes (L)	Banks for cooperatives: Loans to cooperatives (A)	Banks for cooperatives: Bonds (L)	Federal intermediate credit banks: Loans and discounts (A)	Federal intermediate credit banks: Bonds (L)	Federal land banks: Mortgage loans (A)	Federal land banks: Bonds (L)
1970	10,614	3,864	105	10,183	2,332	1,607	15,502	15,206	2,030	1,755	4,974	4,799	7,186	6,395
1971	7,936	2,520	142	7,139	1,789	1,618	17,791	17,701	2,076	1,801	5,669	5,503	7,917	7,063
1972	7,979	2,225	129	6,971	1,548	1,756	19,791	19,238	2,298	1,944	6,094	5,804	9,107	8,012
1973	15,147	3,537	157	15,362	1,745	2,122	24,175	23,001	2,577	2,670	7,198	6,861	11,071	9,838
1974	21,804	3,094	144	21,878	2,484	2,624	29,709	28,201	3,575	3,561	8,848	8,400	13,643	12,427
1975—May	17,145	5,745	98	19,463	2,708	2,656	29,977	27,962	3,499	2,982	9,763	9,231	15,180	13,571
June	16,803	6,259	134	19,396	2,831	2,653	30,136	28,237	3,371	2,948	10,031	9,357	15,437	13,961
July	16,685	6,174	119	19,446	2,436	2,656	30,453	28,419	3,520	2,914	10,163	9,556	15,654	14,351
Aug.	16,945	4,680	89	18,736	2,281	2,660	30,881	28,718	3,738	3,004	10,176	9,715	15,851	14,351
Sept.	17,482	4,247	114	18,720	2,275	2,679	31,157	28,933	3,847	3,109	10,100	9,657	16,044	14,351
Oct.	17,578	4,368	70	18,766	2,291	2,685	31,466	29,373	4,087	3,453	9,933	9,505	16,247	14,774
Nov.	17,606	4,439	87	18,874	2,527	2,690	31,647	29,319	4,041	3,664	8,784	9,319	16,380	14,774
Dec.	17,845	4,376	109	18,863	2,701	2,705	31,916	29,963	3,979	3,643	9,947	9,211	16,564	14,773
1976—Jan.	17,106	5,549	97	18,850	2,971	2,802	31,866	29,809	4,356	3,793	9,944	9,201	16,746	15,243
Feb.	16,380	5,286	69	17,738	3,085	2,829	31,704	29,758	4,546	3,878	10,013	9,254	16,930	15,120
Mar.	15,757	6,063	110	17,714	3,182	2,827	31,564	30,021	4,656	3,918	10,272	9,812	17,264	15,120
Apr.	15,336	6,394	113	17,713	2,990	2,829	31,468	30,148	4,590	3,921	10,762	9,877	17,514	15,834
May	15,215	5,585	97	17,114	2,891	2,836	32,113	29,805	4,470	3,761	10,823	10,034	17,731	15,834

NOTE.—Data from Federal Home Loan Bank Board, Federal National Mortgage Assn., and Farm Credit Admin. Among omitted balance sheet items are capital accounts of all agencies, except for stock of FHLB's. Bonds, debentures, and notes are valued at par. They include only publicly offered securities (excluding, for FHLB's, bonds held within the FHLB System) are not guaranteed by the U.S. Govt. Loans are gross of valuation reserves and represent cost for FNMA and unpaid principal for other agencies.

NEW ISSUES OF STATE AND LOCAL GOVERNMENT SECURITIES

(In millions of dollars)

Period	All issues (new capital and refunding): Total	Type of issue: General obligations	Type of issue: Revenue	Type of issue: HAA[1]	Type of issue: U.S. Govt. loans	Type of issuer: State	Type of issuer: Special district and stat. auth.	Type of issuer: Other[2]	Total amount delivered[3]	Issues for new capital: Total	Use of proceeds: Education	Use of proceeds: Roads and bridges	Use of proceeds: Utilities[4]	Use of proceeds: Housing[5]	Use of proceeds: Veterans' aid	Use of proceeds: Other purposes
1971	24,963	15,220	8,681	1,000	62	5,999	8,714	10,246	......	24,495	5,278	2,642	5,214	2,068	......	9,293
1972	23,653	13,305	9,332	959	57	4,991	9,496	9,165	......	19,959	4,981	1,689	4,638	1,910	......	6,741
1973	23,969	12,257	10,632	1,022	58	4,212	9,505	10,249	......	22,397	4,311	1,458	5,654	2,639	......	8,335
1974	24,315	13,563	10,212	461	79	4,784	8,638	10,817	......	23,508	4,730	768	5,634	1,064	......	11,312
1975	30,607	16,020	14,511	......	76	7,438	12,441	10,660	......	29,495	4,689	1,277	7,209	647	......	15,673
1975—May	2,905	1,885	1,015	......	5	811	1,197	889	......	2,784	419	211	559	25	......	1,570
June	3,066	1,772	1,292	......	2	938	1,137	989	......	2,840	430	164	821	28	......	1,397
July	3,586	1,371	2,209	......	6	1,577	1,063	941	......	3,554	400	123	879	37	......	2,115
Aug.	2,786	1,058	1,725	......	3	376	1,665	747	......	2,561	379	55	626	67	......	1,434
Sept.	2,171	907	1,252	......	12	357	1,185	614	......	2,123	279	134	447	48	......	1,215
Oct.	2,337	1,120	1,203	......	14	482	979	855	......	2,241	212	60	487	44	......	1,438
Nov.	2,385	1,040	1,341	......	4	470	1,244	667	......	2,318	219	88	618	28	......	1,365
Dec.	2,062	995	1,057	......	10	434	1,043	576	......	1,990	287	29	495	20	......	1,159
1976—Jan.	2,355	1,135	1,209	......	11	639	1,070	637	......	2,270	432	95	600	88	......	1,055
Feb.	2,694	1,304	1,375	......	15	446	1,449	782	......	2,594	335	135	572	130	......	1,422
Mar.	3,328	2,159	1,162	......	7	1,254	816	1,253	......	3,163	428	215	707	692	......	1,121
Apr.	2,365	1,191	1,163	......	11	455	1,181	718	......	2,252	341	25	665	358	......	863
May[p]	3,308	1,839	1,456	......	13	824	1,307	1,167	......	3,138	688	384	878	66	......	1,122

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

2 Municipalities, counties, townships, school districts.

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

4 Water, sewer, and other utilities.

5 Includes urban redevelopment loans.

NOTE.—Security Industries Assn. data; par amounts of long-term issues based on date of sale unless otherwise indicated.

Components may not add to totals due to rounding.

TOTAL NEW ISSUES

(In millions of dollars)

Period	Gross proceeds, all issues[1]											
	Total	Noncorporate				Corporate						
		U.S. Govt.[2]	U.S. Govt. agency[3]	State and local (U.S.)[4]	Other[5]	Total	Bonds			Stock	
							Total	Publicly offered	Privately placed	Preferred	Common
1972	84,792	17,080	12,825	23,070	1,589	40,228	26,132	17,425	8,706	3,370	10,725
1973	99,050	19,057	23,883	22,700	1,385	32,025	21,049	13,244	7,802	3,337	7,642
1974	....	....	....	....	....	38,311	32,066	25,903	6,160	2,253	3,994
1975[r]	....	....	....	....	....	53,638	42,761	32,603	10,157	3,458	7,420
1975—Feb.[r]	....	....	....	....	....	4,528	3,906	3,201	705	173	449
Mar.[r]	....	....	....	....	....	5,378	4,481	3,971	510	253	644
Apr.[r]	....	....	....	....	....	4,294	3,194	2,771	423	349	751
May[r]	....	....	....	....	....	5,798	4,298	3,796	502	346	1,154
June[r]	....	....	....	....	....	5,615	4,613	3,943	670	230	772
July[r]	....	....	....	....	....	4,327	3,673	2,658	1,014	198	456
Aug.[r]	....	....	....	....	....	2,398	1,835	1,356	479	129	434
Sept.[r]	....	....	....	....	....	2,834	1,997	1,414	583	308	529
Oct.[r]	....	....	....	....	....	4,707	3,160	2,389	771	332	1,215
Nov.[r]	....	....	....	....	....	4,070	3,283	1,666	1,617	444	343
Dec.[r]	....	....	....	....	....	4,305	3,508	1,761	1,748	462	335
1976—Jan.[r]	....	....	....	....	....	3,297	2,727	2,189	538	139	431
Feb.	....	....	....	....	....	3,764	2,837	2,142	695	173	754

Period	Gross proceeds, major groups of corporate issuers											
	Manufacturing		Commercial and miscellaneous		Transportation		Public utility		Communication		Real estate and financial	
	Bonds	Stocks	Bonds	Stocks	Bonds	Stocks	Bonds	Stocks	Bonds	Stocks	Bonds	Stocks
1972	4,560	1,833	2,526	2,786	1,258	148	6,349	4,966	3,709	1,126	7,728	3,242
1973	4,199	638	1,318	1,532	1,084	26	5,578	4,691	3,523	1,348	5,344	2,745
1974	9,867	544	1,845	940	1,550	22	8,873	3,964	3,710	217	6,218	562
1975[r]	17,025	1,670	2,753	1,485	3,450	1	9,652	6,235	3,464	1,002	6,418	488
1975—Feb.[r]	1,631	44	65	60	75	....	1,471	486	126	1	539	32
Mar.[r]	2,368	111	271	74	83	....	828	679	317	....	614	34
Apr.[r]	1,498	233	294	211	97	....	794	586	354	61	156	9
May[r]	2,266	384	242	141	415	1	845	704	153	260	379	10
June[r]	2,195	123	384	194	231	....	838	640	362	....	603	45
July[r]	1,056	64	229	227	338	....	715	324	254	16	1,081	22
Aug.[r]	610	101	141	70	17	....	719	305	93	19	255	68
Sept.[r]	512	107	57	37	154	....	720	541	249	48	304	105
Oct.[r]	810	142	337	152	626	....	571	676	373	555	443	23
Nov.[r]	874	229	81	68	1,000	....	848	424	45	10	434	57
Dec.[r]	1,284	130	473	193	330	....	539	363	205	27	679	83
1976—Jan.[r]	981	39	328	87	295	....	652	435	16	....	456	9
Feb.	704	435	298	132	645	....	487	302	151	20	552	37

1 Gross proceeds are derived by multiplying principal amounts or number of units by offering price.
2 Includes guaranteed issues.
3 Issues not guaranteed.
4 See NOTE to table at bottom of preceding page.
5 Foreign governments and their instrumentalities, International Bank for Reconstruction and Development, and domestic nonprofit organizations.

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

NET CHANGE IN OUTSTANDING CORPORATE SECURITIES

(In millions of dollars)

Period	Derivation of change, all issuers[1]								
	All securities			Bonds and notes			Common and preferred stocks		
	New issues	Retirements	Net change	New issues	Retirements	Net change	New issues	Retirements	Net change
1972	42,306	10,224	32,082	27,065	8,003	19,062	15,242	2,222	13,018
1973	33,559	11,804	21,754	21,501	8,810	12,691	12,057	2,993	9,064
1974	39,334	9,935	29,399	31,554	6,255	25,098	7,980	3,678	4,302
1975	53,255	10,991	42,263	40,468	8,583	31,886	12,787	2,408	10,377
1974—IV	12,272	2,871	9,401	10,086	2,004	8,082	2,186	866	1,319
1975—I	15,211	2,088	13,123	12,759	1,587	11,172	2,452	501	1,951
II	15,602	3,211	12,390	11,460	2,336	9,124	4,142	875	3,266
III	9,079	2,576	6,503	6,654	2,111	4,543	2,425	465	1,960
IV	13,363	3,116	10,247	9,595	2,549	7,047	3,768	567	3,200

Period	Type of issues											
	Manufacturing		Commercial and other[2]		Transportation[3]		Public utility		Communication		Real estate and financial[1]	
	Bonds and notes	Stocks	Bonds and notes	Stocks	Bonds and notes	Stocks	Bonds and notes	Stocks	Bonds and notes	Stocks	Bonds and notes	Stocks
1972	1,995	2,094	1,409	2,471	711	254	5,137	4,844	3,343	1,260	7,045	2,096
1973	801	658	−109	1,411	1,044	−93	4,265	4,509	3,165	1,399	3,523	1,181
1974	7,404	17	1,116	−135	341	−20	7,308	3,834	3,499	398	5,428	207
1975	13,219	1,607	1,605	1,137	2,165	65	7,236	6,015	2,980	1,084	4,682	468
1974—IV	3,098	126	240	−47	342	9	2,079	1,107	628	107	1,695	17
1975—I	5,134	262	373	77	1	1	2,653	1,569	1,269	24	1,742	18
II	4,574	500	483	490	429	7	1,977	1,866	810	359	852	43
III	1,442	412	221	108	147	53	1,395	1,043	472	97	866	247
IV	2,069	433	528	462	1,588	4	1,211	1,537	429	604	1,222	160

[1] Excludes investment companies.
[2] Extractive and commercial and miscellaneous companies.
[3] Railroad and other transportation companies.

NOTE.—Securities and Exchange Commission estimates of cash transactions only. As contrasted with data shown on preceding page, new issues exclude foreign sales and include sales of securities held by affiliated companies, special offerings to employees, and also new stock issues and cash proceeds connected with conversions of bonds into stocks. Retirements are defined in the same way and also include securities retired with internal funds or with proceeds of issues for that purpose.

OPEN-END INVESTMENT COMPANIES

(In millions of dollars)

Year	Sales and redemption of own shares			Assets (market value at end of period)		
	Sales[1]	Redemptions	Net sales	Total[2]	Cash position[3]	Other
1963	2,460	1,504	952	25,214	1,341	23,873
1964	3,404	1,875	1,528	29,116	1,329	27,787
1965	4,359	1,962	2,395	35,220	1,803	33,417
1966	4,671	2,005	2,665	34,829	2,971	31,858
1967	4,670	2,745	1,927	44,701	2,566	42,135
1968	6,820	3,841	2,979	52,677	3,187	49,490
1969	6,717	3,661	3,056	48,291	3,846	44,445
1970	4,624	2,987	1,637	47,618	3,649	43,969
1971	5,145	4,751	394	55,045	3,038	52,007
1972	4,892	6,563	−1,671	59,831	3,035	56,796
1973	4,358	5,651	−1,261	46,518	4,002	42,516
1974	5,346	3,937	1,409	35,777	5,637	30,140
1975	10,057	9,571	486	42,179	3,748	38,431

Month	Sales and redemption of own shares[4]			Assets (market value at end of period)		
	Sales[1]	Redemptions	Net sales	Total[2]	Cash position[3]	Other
1975—May	677	735	−58	43,832	3,879	39,953
June	703	811	−108	45,538	3,640	41,898
July	813	1,052	−239	42,896	3,591	39,305
Aug.	753	788	−35	41,672	3,660	38,012
Sept.	760	874	−114	40,234	3,664	36,570
Oct.	914	995	−81	41,860	3,601	38,259
Nov.	786	911	−125	42,460	3,733	38,727
Dec.	1,040	1,093	−53	42,179	3,748	38,431
1976—Jan.	411	538	47	46,529	3,287	43,242
Feb.	262	577	315	46,540	3,084	43,546
Mar.	326	677	351	46,866	2,881	43,985
Apr.	305	620	−315	45,956	2,683	42,273
May	241	589	−348	45,122	2,769	42,353

[1] Includes contractual and regular single-purchase sales, voluntary and contractual accumulation plan sales, and reinvestment of investment income dividends; excludes reinvestment of realized capital gains dividends.
[2] Market value at end of period less current liabilities.
[3] Cash and deposits, receivables, all U.S. Govt. securities, and other short-term debt securities, less current liabilities.
[4] Beginning Jan. 1976, sales and redemption figures exclude money market funds.

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

SALES, REVENUE, PROFITS, AND DIVIDENDS OF LARGE MANUFACTURING CORPORATIONS

(In millions of dollars)

Industry	1973r	1974r	1975r	1973 IV	1974r I	1974r II	1974r III	1974r IV	1975r I	1975r II	1975r III	1975r IV
Total (170 corps.):▶												
Sales	442,351	564,284	586,394	121,023	126,812	143,077	145,054	149,341	138,322	145,872	147,986	154,214
Total revenue	448,919	572,695	594,806	123,175	128,711	145,227	147,251	151,506	140,411	147,785	149,820	156,790
Profits before taxes	53,845	67,719	60,183	14,732	16,596	18,218	17,860	15,045	12,895	14,859	15,493	16,936
Profits after taxes	28,767	32,535	26,973	7,738	7,739	9,292	8,428	7,076	5,551	6,707	7,094	7,621
Memo: PAT unadj.[1]	28,798	32,739	27,744	7,920	7,627	9,222	8,497	7,393	5,667	6,596	7,046	8,435
Dividends	11,516	12,303	12,444	3,393	2,912	2,928	3,073	3,390	3,128	3,032	3,072	3,212
Nondurable goods industries (86 corps.):[2]▶												
Sales	210,216	309,033	323,136	59,245	68,782	77,193	80,543	82,515	77,297	78,656	82,361	84,822
Total revenue	214,028	314,584	328,502	60,423	70,066	78,654	82,021	83,843	78,616	79,940	83,595	86,351
Profits before taxes	30,211	46,446	40,905	8,979	11,887	11,998	12,618	9,943	9,378	9,989	10,924	10,614
Profits after taxes	15,537	20,568	16,303	4,452	5,055	5,740	5,473	4,300	3,586	3,919	4,441	4,357
Memo: PAT unadj.[1]	15,415	20,465	16,719	4,506	4,958	5,689	5,398	4,420	3,572	3,900	4,439	4,808
Dividends	6,104	6,873	7,228	1,634	1,626	1,645	1,720	1,882	1,815	1,784	1,803	1,826
Durable goods industries (84 corps.):[3]												
Sales	232,135	255,251	263,258	61,778	58,030	65,884	64,511	66,826	r61,025	67,216	65,625	69,392
Total revenue	234,891	258,111	266,304	62,751	58,645	66,573	65,230	67,663	r61,795	67,845	66,225	70,439
Profits before taxes	23,634	21,273	19,278	5,754	4,709	6,220	5,242	5,102	r3,517	4,870	r4,569	6,322
Profits after taxes	13,230	11,967	10,670	3,287	2,684	3,552	2,955	2,776	r1,965	2,788	r2,653	3,264
Memo: PAT unadj.[1]	13,383	12,274	11,025	3,413	2,669	3,533	3,099	2,973	r2,095	2,696	2,607	3,627
Dividends	5,412	5,430	5,216	1,760	1,286	1,283	1,353	1,508	r1,313	1,248	r1,269	1,386
Selected industries:												
Food and kindred products (28 corps.):												
Sales	42,629	52,753	57,149	11,871	11,885	12,729	13,663	14,476	13,490	14,117	14,600	14,942
Total revenue	43,198	53,728	58,156	11,938	12,110	12,996	13,939	14,683	13,708	14,356	14,844	15,248
Profits before taxes	3,957	4,602	5,025	1,067	1,046	1,190	1,289	1,077	1,066	1,190	1,385	1,384
Profits after taxes	2,062	2,298	2,496	543	529	607	645	517	502	607	919	668
Memo: PAT unadj.[1]	2,073	2,329	2,601	573	533	610	646	540	526	615	745	715
Dividends	936	1,011	1,100	240	243	248	253	267	268	271	274	287
Chemical and allied products (22 corps.):												
Sales	43,208	55,083	57,735	11,534	12,507	13,892	14,606	14,078	13,618	14,329	14,660	15,128
Total revenue	43,785	55,676	58,376	11,704	12,667	14,066	14,778	14,165	r13,756	r14,503	r14,791	15,326
Profits before taxes	6,264	8,263	7,082	1,572	1,856	2,293	2,194	1,920	r1,647	1,622	1,858	1,955
Profits after taxes	3,505	5,876	3,889	883	1,044	1,247	1,223	1,362	r932	929	r1,035	993
Memo: PAT unadj.[1]	3,469	4,745	4,015	880	1,031	1,245	1,180	1,289	927	937	1,028	1,123
Dividends	1,496	1,647	1,723	417	383	405	422	437	r430	425	429	439
Petroleum refining (15 corps):												
Sales	93,504	165,150	172,645	27,752	36,103	41,362	42,747	44,938	41,988	41,342	43,873	45,442
Total revenue	95,722	168,680	175,915	28,584	36,913	42,261	43,659	45,847	42,851	42,100	44,633	46,331
Profits before taxes	17,493	30,657	26,305	5,724	8,296	7,564	8,339	6,458	6,227	6,612	6,961	6,505
Profits after taxes	8,551	11,775	8,551	2,662	3,098	3,349	3,181	2,147	1,905	2,078	2,300	2,268
Memo: PAT unadj.[1]	8,505	11,746	8,712	2,688	3,011	3,304	3,132	2,299	1,871	2,040	2,268	2,533
Dividends	3,146	3,635	3,801	832	864	853	899	1,019	966	937	r949	949
Primary metals and products (23 corps.):												
Sales	42,400	54,044	48,578	11,379	11,888	13,976	14,285	13,895	12,482	12,393	12,274	11,429
Total revenue	43,103	55,048	49,534	11,715	12,045	14,171	14,504	14,328	12,782	r12,604	12,479	11,669
Profits before taxes	3,221	5,579	2,873	919	973	1,586	1,791	1,229	1,015	711	r487	660
Profits after taxes	1,966	3,199	1,822	561	589	927	1,028	655	r633	478	r396	315
Memo. PAT unadj.1	2,039	3,485	2,003	608	607	942	1,137	799	639	485	381	498
Dividends	789	965	945	227	221	209	238	297	273	227	r216	229
Machinery (27 corps.):												
Sales	65,040	73,454	78,495	17,871	16,830	18,836	18,853	18,935	18,245	19,881	19,764	20,605
Total revenue	65,925	74,284	79,469	18,168	17,012	19,023	19,075	19,174	18,464	20,104	19,956	20,945
Profits before taxes	7,670	7,643	8,610	2,149	1,829	2,074	1,943	1,797	1,727	2,089	2,219	2,575
Profits after taxes	4,236	4,214	4,770	1,200	1,006	1,149	1,074	985	971	1,178	1,224	1,397
Memo: PAT unadj.[1]	4,209	4,168	4,833	1,188	996	1,137	1,096	939	975	1,173	1,231	1,454
Dividends	1,607	1,839	2,017	410	441	441	476	481	483	485	519	530
Motor vehicles and equipment (9 corps.):												
Sales	83,017	80,386	85,863	21,186	18,467	20,979	19,443	21,497	r18,866	22,275	21,005	23,717
Total revenue	83,671	80,881	86,475	21,362	18,597	21,146	19,593	21,545	19,011	22,341	21,083	24,040
Profits before taxes	7,429	2,920	3,077	1,280	636	1,115	231	938	-98	854	590	1,731
Profits after taxes	3,991	1,686	1,471	709	369	657	133	527	-127	451	328	819
Memo: PAT unadj.[1]	4,078	1,742	1,604	763	361	648	147	586	-12	455	280	881
Dividends	2,063	1,537	1,121	8. /	384	382	386	385	294	276	274	277

▶ Because of a merger, data for the textile, apparel, and leather industry, as well as total nondurables and all manufacturing, for 1973 through 1975, have been revised. Historical data are available upon request from the Capital Markets Section, Division of Research and Statistics, Board of Governors of the Federal Reserve System, Washington, D.C. 20551.

[1] Profits after taxes unadjusted are as reported by the individual companies. These data are not adjusted to eliminate differences in accounting treatments of special charges, credits, and other nonoperating items.

[2] Includes 21 corporations in groups not shown separately.

[3] Includes 25 corporations in groups not shown separately.

NOTE—Data are obtained from published reports of companies and reports made to the Securities and Exchange Commission. Sales are net of returns, allowances, and discounts, and exclude excise taxes paid directly by the company. Total revenue data include, in addition to sales, income from nonmanufacturing operations and nonoperating income. Profits are before dividend payments and have been adjusted to exclude special charges and credits to surplus reserves and extraordinary items not related primarily to the current reporting period. Income taxes (not shown) include Federal, State and local government, and foreign.

Previous series last published in June 1972 BULLETIN, p. A-50.

CORPORATE PROFITS, TAXES, AND DIVIDENDS

(In billions of dollars)

Year	Profits before taxes	Income taxes	Profits after taxes	Cash dividends	Undistributed profits	Quarter	Profits before taxes	Income taxes	Profits after taxes	Cash dividends	Undistributed profits
1968	85.6	39.3	46.2	21.9	24.2	1974 I	128.3	49.4	78.9	30.0	48.9
1969	83.5	39.7	43.8	22.6	21.2	II	129.6	52.6	77.1	30.9	46.2
1970	71.5	34.5	37.0	22.9	14.1	III	146.7	59.3	87.4	31.7	55.7
						IV	123.9	49.2	74.7	31.7	43.0
1971	82.0	37.7	44.3	23.0	21.3						
1972	96.2	41.4	54.6	24.6	30.0	1975 I	97.1	37.5	59.6	32.1	27.5
1973	117.0	48.2	68.8	27.8	40.9	II	108.2	41.6	66.6	32.6	34.0
1974	132.1	52.6	79.5	31.1	48.4	III	129.5	50.7	r78.8	33.5	45.3
1975	116.8	45.6	71.2	32.8	38.4	IV	132.4	52.5	79.9	33.1	46.8
						1976 I	142.8	57.1	85.7	33.3	52.4

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

CURRENT ASSETS AND LIABILITIES OF NONFINANCIAL CORPORATIONS

(In billions of dollars)

End of period	Net working capital	Current assets							Current liabilities				
		Total	Cash	U.S. Govt. securities	Notes and accts. receivable		Inventories	Other	Total	Notes and accts. payable		Accrued Federal income taxes	Other
					U.S. Govt.[1]	Other				U.S. Govt.[1]	Other		
1970	187.4	492.3	50.2	7.7	4.2	201.9	193.3	35.0	304.9	6.6	204.7	10.0	83.6
1971	203.6	529.6	53.3	11.0	3.5	217.6	200.4	43.8	326.0	4.9	215.6	13.1	92.4
1972	221.3	573.5	57.5	9.3	3.4	240.0	215.2	48.1	352.2	4.0	230.4	15.1	102.6
1973- III	239.5	625.3	58.9	9.7	3.0	264.4	238.0	51.3	385.8	4.4	250.2	16.5	114.7
IV	242.3	643.2	61.6	11.0	3.5	266.1	246.7	54.4	401.0	4.3	261.6	18.1	117.0
1974—I	250.1	666.2	59.4	12.1	3.2	276.2	258.4	56.9	416.1	4.5	266.5	20.6	124.5
II	253.9	685.4	58.8	10.7	3.4	289.8	269.2	53.5	431.5	4.7	278.5	19.0	129.1
III	259.5	708.6	60.3	11.0	3.5	295.5	282.1	56.1	449.1	5.1	287.0	22.7	134.3
IV	261.5	712.2	62.7	11.7	3.5	289.7	288.0	56.6	450.6	5.2	287.5	23.2	134.8
1975—I	260.4	698.4	60.6	12.1	3.2	281.9	285.2	55.4	438.0	5.3	271.2	21.8	139.8
II	269.0	703.2	63.7	12.7	3.3	284.8	281.4	57.3	434.2	5.8	270.1	17.7	140.6
III	271.8	716.5	65.6	14.3	3.3	294.7	279.6	59.0	444.7	6.2	273.4	19.4	145.6
IV	274.1	731.6	68.1	19.4	3.6	294.6	285.8	60.0	457.5	6.4	281.6	20.7	148.8

[1] Receivables from, and payables to, the U.S. Govt. exclude amounts offset against each other on corporations' books.

NOTE.—Securities and Exchange Commission estimates.

BUSINESS EXPENDITURES ON NEW PLANT AND EQUIPMENT

(In billions of dollars)

Period	Total	Manufacturing		Mining	Transportation			Public utilities		Communications	Other[1]	Total (S.A. A.R.)
		Durable	Nondurable		Railroad	Air	Other	Electric	Gas and other			
1972	88.44	15.64	15.72	2.45	1.80	2.46	1.46	14.48	2.52	11.89	20.07	....
1973	99.74	19.25	18.76	2.74	1.96	2.41	1.66	15.94	2.76	12.85	21.40	....
1974	112.40	22.62	23.39	3.18	2.54	2.00	2.12	17.93	2.92	13.96	22.05	....
1975	112.78	21.83	26.10	3.79	2.54	1.84	3.17	17.00	3.13	12.73	20.59	....
1974—II	28.16	5.59	5.69	.78	.64	.61	.49	4.56	.75	3.60	5.46	111.40
III	28.23	5.65	5.96	.80	.64	.43	.58	4.42	.78	3.39	5.57	113.99
IV	31.92	6.64	6.99	.91	.78	.48	.71	4.80	.87	3.78	5.97	116.22
1975—I	25.82	5.10	5.74	.91	.59	.44	.62	3.84	.58	3.11	4.88	114.57
II	28.43	5.59	6.55	.97	.71	.47	.77	4.15	.79	3.22	5.19	112.46
III	27.79	5.16	6.51	.94	.62	.50	.85	4.16	.91	3.14	5.00	112.16
IV	30.74	5.99	7.30	.97	.62	.43	.93	4.85	.85	3.26	5.52	111.80
1976—Ir	25.87	4.78	6.18	.92	.49	.26	.72	4.18	.62	2.92	4.82	114.72
II	30.51	5.64	7.43	.95	.56	.43	.86	4.90	.84	8.88		121.14
III	30.49	5.73	7.58	.95	.56	.34	.80	4.87	.96	8.71		123.00

[1] Includes trade, service construction, finance, and insurance.

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

MORTGAGE DEBT OUTSTANDING BY TYPE OF HOLDER

(In millions of dollars)

Type of holder, and type of property	End of year			End of quarter				
	1972	1973	1974	1975				1976
				I	II	III	IV	I^r
ALL HOLDERS	**564,825**	**634,954**	**688,652**	**695,369**	**709,153**	**725,543**	**741,547**	**755,445**
1- to 4-family	345,372	384,738	412,168	415,607	425,132	436,420	447,350	460,968
Multifamily	76,667	85,296	91,222	91,522	91,733	92,073	92,093	88,887
Commercial	107,349	125,572	140,965	142,701	145,353	149,072	153,119	155,424
Farm	35,437	39,348	44,297	45,539	46,935	47,978	48,985	50,166
PRIVATE FINANCIAL INSTITUTIONS	**450,000**	**505,400**	**542,552**	**546,689**	**558,179**	**570,049**	**581.486**	**592,398**
1- to 4-family	288,018	320,420	340,007	342,313	350,198	358,184	365,371	377,038
Multifamily	59,398	64,750	68,161	68,095	68,453	68,688	68,807	65,671
Commercial	92,063	108,735	121,948	123,684	126,634	130,153	134,100	136,305
Farm	10,521	11,495	12,436	12,597	12,894	13,024	13,208	13,384
Commercial banks[1]	*99,314*	*119,068*	*132,105*	*131,903*	*133,012*	*134,514*	*136,186*	*138,304*
1- to 4-family	57,004	67,998	74,758	74,696	75,356	76,149	77,018	78,498
Multifamily	5,778	6,932	7,619	7,176	6,816	6,363	5,915	6,023
Commercial	31,751	38,696	43,679	43,924	44,598	45,694	46,882	47,288
Farm	4,781	5,442	6,049	6,107	6,242	6,308	6,371	6,495
Mutual savings banks	*67,556*	*73,230*	*74,920*	*75,157*	*75,796*	*76,490*	*77,249*	*77,738*
1- to 4-family	41,650	44,246	44,670	44,795	45,175	45,588	46,041	50,344
Multifamily	15,490	16,843	17,234	17,291	17,433	17,593	17,767	13,876
Commercial	10,354	12,084	12,956	12,996	13,112	13,233	13,364	13,456
Farm	62	57	60	75	76	76	77	62
Savings and loan associations	*206,182*	*231,733*	*249,293*	*252,442*	*261,336*	*270,600*	*278,693*	*286,575*
1- to 4-family	167,049	187,750	201,553	204,099	211,290	218,483	224,710	230,776
Multifamily	20,783	22,524	23,683	23,831	24,409	24,976	25,417	25,846
Commercial	18,350	21,459	24,057	24,512	25,637	27,141	28,566	29,953
Life insurance companies	*76,948*	*81,369*	*86,234*	*87,187*	*88,035*	*88,445*	*89,358*	*89,781*
1- to 4-family	22,315	20,426	19,026	18,723	18,377	17,964	17,602	17,420
Multifamily	17,347	18,451	19,625	19,797	19,795	19,756	19,708	19,926
Commercial	31,608	36,496	41,256	42,252	43,287	44,085	45,288	45,608
Farm	5,678	5,996	6,327	6,415	6,576	6,640	6,760	6,827
FEDERAL AND RELATED AGENCIES	**45,790**	**55,664**	**72,380**	**76,010**	**79,952**	**84,522**	**89,039**	**91,975**
1- to 4-family	30,170	35,579	46,322	48,455	51,195	54,697	58,440	60,391
Multifamily	6,063	8,364	11,329	11,995	12,348	12,753	12,954	13,184
Commercial	....	....	....	....	....	....	....	....
Farm	9,557	11,721	14,729	15,560	16,409	17,072	17,645	18,400
Government National Mortgage Association	*5,113*	*4,029*	*4,846*	*5,599*	*5,610*	*6,534*	*7,438*	*7,619*
1- to 4-family	2,513	1,455	2,248	2,787	2,787	3,692	4,728	4,886
Multifamily	2,600	2,574	2,598	2,812	2,823	2,842	2,710	2,733
Commercial	....	....	....	....	....	....	....	....
Farmers Home Administration	*837*	*1,200*	*1,600*	*1,700*	*1,800*	*1,900*	*2,000*	*2,100*
1- to 4-family	387	550	734	780	826	872	918	964
Farm	450	650	866	920	974	1,028	1,082	1,136
Federal Housing and Veterans Administrations	*3,338*	*3,476*	*4,015*	*4,047*	*4,297*	*4,681*	*4,970*	*5,143*
1- to 4-family	2,199	2,013	2,009	1,879	1,915	1,951	1,990	1,922
Multifamily	1,139	1,463	2,006	2,168	2,382	2,730	2,980	3,221
Federal National Mortgage Association	*19,791*	*24,175*	*29,578*	*29,754*	*30,015*	*31,055*	*31,824*	*31,482*
1- to 4-family	17,697	20,370	23,778	23,743	23,988	25,049	25,813	25,562
Multifamily	2,094	3,805	5,800	6,011	6,027	6,006	6,011	5,920
Federal land banks (farm only)	9,107	11,071	13,863	14,640	15,435	16,044	16,563	17,264
Federal Home Loan Mortgage Corporation	*1,789*	*2,604*	*4,586*	*4,608*	*4,944*	*5,033*	*4,987*	*4,602*
1- to 4-family	1,754	2,446	4,217	4,231	4,543	4,632	4,588	4,247
Multifamily	35	158	369	377	401	401	399	355
GNMA Pools	*5,815*	*9,109*	*13,892*	*15,662*	*17,851*	*19,275*	*21,257*	*23,765*
1- to 4-family	5,620	8,745	13,336	15,035	17,136	18,501	20,403	22,810
Multifamily	195	364	556	627	715	774	854	955
INDIVIDUALS AND OTHERS[2]	**69,035**	**73,890**	**73,720**	**72,670**	**71,022**	**70,972**	**71,022**	**71,072**
1- to 4-family	27,184	28,739	25,839	24,839	23,739	23,539	23,539	23,539
Multifamily	11,206	12,182	11,732	11,432	10,932	10,632	10,332	10,032
Commercial	15,286	16,837	19,017	19,017	18,719	18,919	19,019	19,119
Farm	15,359	16,132	17,132	17,382	17,632	17,882	18,132	18,382

[1] Includes loans held by nondeposit trust companies but not bank trust departments.

[2] Includes some U.S. agencies for which amounts are small or separate data are not readily available.

NOTE.—Based on data from various institutional and Govt. sources, with some quarters estimated in part by Federal Reserve in conjunction with the Federal Home Loan Bank Board and the Dept. of Commerce. Separation of nonfarm mortgage debt by type of property, where not reported directly, and interpolations and extrapolations where required, estimated mainly by Federal Reserve. Multifamily debt refers to loans on structures of 5 or more units.

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

(In millions of dollars)

End of period	FNMA							FHLMC						
	Mortgage holdings			Mortgage transactions (during period)		Mortgage commitments		Mortgage holdings			Mortgage transactions (during period)		Mortgage commitments	
	Total[1]	FHA-insured	VA-guaranteed	Purchases	Sales	Made during period	Outstanding	Total	FHA-VA	Conventional	Purchases	Sales	Made during period	Outstanding
1971	17,791	12,681	5,110	3,574	336	9,828	6,497	968	821	147	778	64	....	182
1972	19,791	14,624	5,112	3,699	211	8,797	8,124	1,789	1,503	286	1,297	408	1,606	198
1973	24,175	16,852	6,352	6,127	71	8,914	7,889	2,604	1,743	861	1,334	409	1,629	186
1974	29,578	19,189	8,310	6,953	5	10,765	7,960	4,586	1,904	2,682	2,191	52	4,553	2,390
1975	31,824	19,732	9,573	4,263	2	6,106	4,126	4,987	1,824	3,163	1,716	1,020	982	111
1975—May	29,858	19,251	8,395	247	....	621	6,615	4,773	1,920	2,854	203	38	42	969
June	30,015	19,282	8,498	326	....	557	6,549	4,944	1,936	3,008	210	5	28	700
July	30,351	19,385	8,693	538	....	575	6,119	5,015	1,943	3,072	161	63	139	530
Aug.	30,777	19,507	8,942	594	....	814	5,888	4,942	1,863	3,080	98	145	132	509
Sept.	31,055	19,560	9,122	488	....	575	5,399	5,033	1,852	3,181	148	31	79	403
Oct.	31,373	19,641	9,309	508	....	282	4,685	5,119	1,843	3,276	176	59	45	201
Nov.	31,552	19,648	9,430	372	....	332	4,385	4,971	1,834	3,137	104	225	50	124
Dec.	31,824	19,732	9,573	451	....	517	4,126	4,987	1,824	3,163	69	30	71	111
1976 Jan.	31,772	19,674	9,554	76	....	189	3,170	4,958	1,816	3,142	47	57	42	99
Feb.	31,618	19,541	9,521	56	55	355	3,201	4,686	1,802	2,884	51	296	43	87
Mar.	31,482	19,431	9,473	85	22	405	3,120	4,602	1,787	2,815	95	98	93	128
Apr.	31,389	19,368	9,431	103	184	213	2,788	4,520	1,768	2,752	43	86	209	289
May	32,052	19,296	9,390	877	....	1,305	3,732	....	....	....	....	....	....	....

1 Includes conventional loans not shown separately.

NOTE.—Data from FNMA and FHLMC, respectively.

For FNMA: Holdings include loans used to back bond issues guaranteed by GNMA. Commitments include some multifamily and nonprofit hospital loan commitments in addition to 1- to 4-family loan commitments accepted in FNMA's free market auction system, and through the FNMA-GNMA Tandem Plans.

For FHLMC: Holdings and transactions cover participations as well as whole loans. Holdings include loans used to back bond issues guranteed by GNMA. Commitments cover the conventional and Govt.-underwritten loan programs.

FEDERAL NATIONAL MORTGAGE ASSOCIATION AUCTIONS OF COMMITMENTS TO BUY HOME MORTGAGES

Item	Date of auction 1976											
	Jan. 26	Feb. 9	Feb. 23	Mar. 8	Mar. 22	Apr. 5	Apr. 19	May 3	May 17	June 1	June 14	June 28
Amounts (millions of dollars):												
Govt.-underwritten loans												
Offered[1]	103.9	252.2	126.9	299.9	146.3	106.2	132.1	483.3	634.3	349.5	146.6	261.2
Accepted	57.7	179.9	81.2	171.9	121.6	56.2	60.1	222.3	321.4	224.7	98.8	157.5
Conventional loans												
Offered[1]	33.4	57.8	44.0	75.4	46.2	56.4	55.3	110.7	128.8	131.4	77.3	93.6
Accepted	24.7	36.9	23.3	45.0	33.7	31.8	33.4	60.1	68.9	90.5	70.3	59.2
Average yield (per cent) on short-term commitments[2]												
Govt.-underwritten loans	9.07	9.07	9.04	9.06	9.03	8.94	8.83	8.94	9.13	9.20	9.14	9.12
Conventional loans	9.22	9.17	9.14	9.15	9.13	9.05	9.00	9.09	9.24	9.31	9.30	9.31

1 Mortgage amounts offered by bidders are total bids received.

2 Average accepted bid yield (before deduction of 38 basis-point fee paid for mortgage servicing) for home mortgages assuming a prepayment period of 12 years for 30-year loans, without special adjustment for FNMA commitment fees and FNMA stock purchase and holding requirements. Commitments mature in 4 months.

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

(End of period, in billions of dollars)

Holder	June 30, 1974	Sept. 30, 1974	Dec. 31, 1974	Mar. 31, 1975	June 30, 1975	Sept. 30, 1975	Dec. 31, 1975
All holders	137.8	138.6	140.3	142.0	143.0	144.9	147.0
FHA	84.9	84.1	84.1	84.3	85.0	85.1	85.4
VA	52.9	54.5	56.2	57.7	58.0	59.8	61.6
Commercial banks	11.0	10.7	10.4	10.5	9.6	9.7	9.4
FHA	7.6	7.4	7.2	7.2	6.4	6.4	6.3
VA	3.4	3.3	3.2	3.3	3.2	3.3	3.1
Mutual savings banks	27.9	27.8	27.5	27.3	27.2	27.0	27.4
FHA	15.1	15.0	14.8	14.7	14.7	14.5	14.7
VA	12.8	12.8	12.7	12.6	12.5	12.5	12.7
Savings and loan assns.	....	....	....	....	....	....	....
FHA, VA	29.7	29.9	29.9	29.9	30.2	30.4	30.6
Life insurance cos.	13.1	12.9	12.7	12.5	12.2	12.1	11.8
FHA	8.8	8.7	8.6	8.4	8.2	8.1	7.9
VA	4.3	4.2	4.2	4.1	4.0	4.0	3.9
Others	56.1	57.4	59.9	61.6	62.2	65.7	67.8
FHA	....	....	....	....	....	....	....
VA	....	....	....	....	....	....	....

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

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

COMMITMENTS OF LIFE INSURANCE COMPANIES FOR INCOME PROPERTY MORTGAGES

Period	Number of loans	Total amount committed (millions of dollars)	Averages: Loan amount (thousands of dollars)	Contract interest rate (per cent)	Maturity (yrs./mos.)	Loan-to-value ratio (per cent)	Capitalization rate (per cent)	Debt coverage ratio	Per cent constant
1972	2,132	4,986.5	2,339	8.57	23/3	75.2	9.6	1.29	9.8
1973	2,140	4,833.3	2,259	8.76	23/3	74.3	9.5	1.29	10.0
1974	1,166	2,603.0	2,232	9.47	21/3	74.3	10.1	1.29	10.6
1975	599	1,717.0	2,866	10.22	21/9	73.8	10.8	1.33	[c]11.2
1975—Jan.	31	43.8	1,414	10.44	18/4	71.9	11.0	1.33	11.9
Feb.	46	94.6	2,057	10.08	22/11	74.3	10.9	1.34	11.0
Mar.	46	109.6	2,382	10.37	23/1	74.1	11.3	1.34	11.3
Apr.	32	108.4	3,386	10.02	23/0	75.6	10.8	1.36	10.8
May	73	227.5	3,116	10.23	20/9	74.7	10.8	1.30	11.1
June	61	167.5	2,745	10.11	21/9	73.0	10.5	1.29	11.2
July	53	178.6	3,370	10.19	20/7	74.6	10.9	1.31	11.3
Aug.	44	106.5	2,420	10.26	21/2	72.7	10.8	1.32	11.4
Sept.	57	123.8	2,172	10.24	22/8	73.6	10.7	1.37	11.1
Oct.	57	144.7	2,538	10.29	20/10	74.3	10.7	1.28	11.3
Nov.	47	252.8	5,378	10.24	22/7	72.7	10.9	1.35	11.2
Dec.	52	159.4	3,065	10.15	23/4	73.7	11.0	1.34	11.0

NOTE.—American Life Insurance Association data for new commitments of $100,000 and over each on mortgages for multifamily and nonresidential nonfarm properties located largely in the United States. The 15 companies account for a little more than one-half of both the total assets and the nonfarm mortgages held by all U.S. life insurance companies. Averages, which are based on number of loans, vary in part with loan composition by type and location of property, type and purpose of loan, and loan amortization and prepayment terms. Data for the following are limited to cases where information was available or estimates could be made: capitalization rate (net stabilized property earnings divided by property value); debt coverage ratio (net stabilized earnings divided by debt service); and per cent constant (annual level payment, including principal and interest, per $100 of debt). All statistics exclude construction loans, increases in existing loans in a company's portfolio, reapprovals, and loans secured by land only.

TERMS AND YIELDS ON NEW HOME MORTGAGES

Period	Conventional mortgages								FHA-insured loans—Yield in private secondary market[5]
	Terms[1]						Yields (per cent) in primary market		
	Contract rate (per cent)	Fees and charges (per cent)[2]	Maturity (years)	Loan/price ratio (per cent)	Purchase price (thous. of dollars)	Loan amount (thous. of dollars)	FHLBB series[3]	HUD series[4]	
1971	7.60	.87	26.2	74.3	36.3	26.5	7.74	7.75	7.70
1972	7.45	.88	27.2	76.8	37.3	28.1	7.60	7.64	7.53
1973	7.78	1.11	26.3	77.3	37.1	28.1	7.95	8.30	8.19
1974	8.71	1.30	26.3	75.8	40.1	29.8	8.92	9.22	9.55
1975	8.75	1.54	26.8	76.1	44.6	33.3	9.01	9.10	9.19
1975—May	8.63	1.63	27.0	75.5	43.5	32.2	8.90	9.05	9.16
June	8.73	1.42	26.5	76.4	43.1	32.4	8.96	9.00	9.06
July	8.66	1.40	26.0	75.9	44.1	32.9	8.89	9.00	9.13
Aug.	8.63	1.56	26.7	77.0	44.6	33.7	8.89	9.15	9.32
Sept.	8.70	1.46	26.7	75.9	45.6	34.1	8.94	9.25	9.74
Oct.	8.75	1.59	27.3	77.5	43.9	33.2	9.01	9.25	9.53
Nov.	8.74	1.65	27.6	76.5	46.4	34.8	9.01	9.20	9.41
Dec.	8.74	1.65	27.8	76.9	45.9	34.7	9.01	9.15	9.32
1976—Jan.	8.71	1.74	27.4	76.9	47.2	35.4	8.99	9.05	9.06
Feb.	8.67	1.56	26.0	75.1	45.2	33.4	8.93	9.00	9.04
Mar.	8.67	1.60	27.1	76.4	46.8	35.0	8.93	8.95	...
Apr.	8.67	1.52	27.3	75.3	48.5	35.8	8.92	8.90	8.82
May[p]	8.76	1.32	26.5	77.3	46.5	35.2	8.98	9.00	9.03

1 Weighted averages based on probability sample survey of characteristics of mortgages originated by major institutional lender groups (including mortgage companies) for purchase of single-family homes, as compiled by Federal Home Loan Bank Board in cooperation with Federal Deposit Insurance Corporation. Data are not strictly comparable with earlier figures beginning Jan. 1973.

2 Fees and charges—related to principal mortgage amount—include loan commissions, fees, discounts, and other charges, but exclude closing costs related solely to transfer of property ownership.

3 Effective rate, reflecting fees and charges as well as contract rates (as shown in first column of this table) and an assumed prepayment at end of 10 years.

4 Rates on first mortgages, unweighted and rounded to the nearest 5 basis points.

5 Based on opinion reports submitted by field offices of prevailing local conditions as of the first of the succeeding month. Yields are derived from weighted averages of private secondary market prices for Sec. 203, 30-year mortgages with minimum downpayment and an assumed prepayment at the end of 15 years. Any gaps in data are due to periods of adjustment to changes in maximum permissible contract interest rates.

FINANCE RATES ON SELECTED TYPES OF INSTALMENT CREDIT

(Per cent per annum)

Month	Commercial banks					Finance companies				
	New automobiles (36 mos.)	Mobile homes (84 mos.)	Other consumer goods (24 mos.)	Personal loans (12 mos.)	Credit-card plans	Automobiles		Mobile homes	Other consumer goods	Personal loans
						New	Used			
1974—May	10.63	10.96	12.88	13.10	17.25	12.36	16.86	13.08	18.90	20.54
June	10.81	11.21	13.01	13.20	17.23	12.50	17.06	...	...	...
July	10.96	11.46	13.14	13.42	17.20	12.58	17.18	13.22	19.25	20.74
Aug.	11.15	11.71	13.10	13.45	17.21	12.67	17.32	...	...	...
Sept.	11.31	11.72	13.20	13.41	17.15	12.84	17.61	13.43	19.31	20.87
Oct.	11.53	11.94	13.28	13.60	17.17	12.97	17.78	...	...	...
Nov.	11.57	11.87	13.16	13.47	17.16	13.06	17.88	13.60	19.49	21.11
Dec.	11.62	11.71	13.27	13.60	17.21	13.10	17.89	...	...	...
1975—Jan.	11.61	11.66	13.28	13.60	17.12	13.08	17.27	13.60	19.80	21.09
Feb.	11.51	12.14	13.20	13.44	17.24	13.07	17.39	...	...	...
Mar.	11.46	11.66	13.07	13.40	17.15	13.07	17.52	13.59	20.00	20.82
Apr.	11.44	11.78	13.22	13.55	17.17	13.07	17.58	...	...	...
May	11.39	11.57	13.11	13.41	17.21	13.09	17.65	13.57	19.63	20.72
June	11.26	12.02	13.10	13.40	17.10	13.12	17.67	...	...	...
July	11.30	11.94	13.13	13.49	17.15	13.09	17.69	13.78	19.87	20.93
Aug.	11.31	11.80	13.05	13.37	17.14	13.10	17.70	...	...	...
Sept.	11.33	11.99	13.06	13.41	17.14	13.18	17.73	13.78	19.69	21.16
Oct.	11.24	12.05	13.00	13.38	17.11	13.15	17.79	...	...	...
Nov.	11.24	11.76	12.96	13.40	17.06	13.17	17.82	13.43	19.66	21.09
Dec.	11.25	11.83	13.11	13.46	17.13	13.19	17.86	...	...	...
1976—Jan.	11.21	11.76	13.14	13.40	17.08	13.18	17.25	...	...	...
Feb.	11.18	11.77	13.02	13.24	17.14	13.14	17.37	13.18	19.58	21.13
Mar.	11.13	11.82	13.02	13.13	16.99	13.13	17.48	...	...	...
Apr.	11.08	11.66	12.95	13.16	17.04	13.13	17.58	...	...	...
May[p]	11.01	11.61	12.96	13.26	17.02	...	...	...	...	...

NOTE.—Rates are reported on an annual percentage rate basis as specified in Regulation Z (Truth in Lending) of the Board of Governors. Commercial bank rates are "most common" rates for direct loans with specified maturities; finance company rates are weighted averages for purchased contracts (except personal loans). For back figures and description of the data, see BULLETIN for Sept. 1973.

INSTALMENT CREDIT—TOTAL OUTSTANDING, AND NET CHANGE

(In millions of dollars)

Holder, and type of credit	1973	1974	1975	1975 Nov.	1975 Dec.	1976 Jan.	1976 Feb.	1976 Mar.	1976 Apr.	1976 May
	Amounts outstanding (end of period)									
TOTAL	146,434	155,384	162,237	159,216	162,237	160,824	160,402	160,729	162,334	164,101
By holder:										
Commercial banks	71,871	75,846	78,703	77,864	78,703	78,293	77,957	78,039	78,982	79,785
Finance companies	35,404	36,208	36,695	36,383	36,695	36,528	36,458	36,450	36,745	37,022
Credit unions	19,609	22,116	25,354	24,934	25,354	25,250	25,492	26,025	26,403	26,975
Retailers[1]	16,395	17,933	18,002	16,451	18,002	17,133	16,769	16,375	16,448	16,465
Others[2]	3,155	3,281	3,483	3,584	3,483	3,620	3,726	3,840	3,756	3,854
By type of credit:										
Automobile, total	50,065	50,392	53,028	52,756	53,028	52,832	53,044	53,650	54,572	55,484
Commercial banks	31,502	30,994	31,534	31,462	31,534	31,305	31,322	31,580	32,162	32,664
Purchased	18,997	18,687	18,353	18,434	18,353	18,227	18,135	18,200	18,472	18,671
Direct	12,505	12,306	13,181	13,028	13,181	13,078	13,187	13,381	13,690	13,993
Finance companies	10,718	10,618	11,439	11,381	11,439	11,503	11,579	11,695	11,903	12,080
Credit unions	7,456	8,414	9,653	9,491	9,653	9,612	9,704	9,908	10,051	10,269
Others	389	366	402	422	402	412	439	467	456	471
Mobile homes:										
Commercial banks	8,340	8,972	8,704	8,764	8,704	8,605	8,532	8,485	8,439	8,408
Finance companies	3,358	3,524	3,451	3,474	3,451	3,411	3,384	3,363	3,351	3,336
Home improvement, total	6,950	7,754	8,004	8,023	8,004	7,976	7,973	8,026	8,089	8,209
Commercial banks	4,083	4,694	4,965	4,977	4,965	4,928	4,907	4,924	4,978	5,048
Revolving credit:										
Bank credit cards	6,838	8,281	9,501	8,880	9,501	9,576	9,408	9,221	9,343	9,402
Bank check credit	2,254	2,797	2,810	2,737	2,810	2,802	2,803	2,769	2,775	2,777
All other	68,629	73,664	76,738	74,581	76,738	75,621	75,258	75,215	75,765	76,485
Commercial banks, total	18,854	20,108	21,188	21,043	21,188	21,076	20,985	21,060	21,285	21,486
Personal loans	12,873	13,771	14,629	14,458	14,629	14,589	14,549	14,578	14,743	14,871
Finance companies, total	20,914	21,717	21,655	21,376	21,655	21,465	21,348	21,247	21,350	21,466
Personal loans	16,483	16,961	17,681	17,422	17,681	17,523	17,500	17,434	17,528	17,631
Credit unions	11,564	13,037	14,937	14,692	14,937	14,878	15,020	15,333	15,557	15,894
Retailers	16,395	17,933	18,002	16,451	18,002	17,133	16,769	16,375	16,448	16,465
Others	902	869	956	1,019	956	1,069	1,136	1,200	1,125	1,174
	Net change (during period)[3]									
TOTAL	19,676	8,952	6,803	1,321	1,486	1,449	1,173	1,462	1,382	1,474
By holder:										
Commercial banks	11,001	3,975	2,812	613	750	474	518	542	529	713
Finance companies	4,006	806	483	287	188	148	160	282	326	157
Credit unions	2,696	2,507	3,238	270	470	387	420	514	392	521
Retailers	1,632	1,538	69	84	125	185	58	108	177	5
Others	341	126	202	67	−46	254	17	16	−42	78
By type of credit:										
Automobile, total	5,968	326	2,591	603	756	741	664	652	687	652
Commercial banks	4,197	−508	495	299	450	247	353	226	311	340
Purchased	2,675	−310	−360	95	162	26	35	99	162	110
Direct	1,523	−198	855	204	288	221	318	127	149	230
Finance companies	740	−100	821	208	117	238	146	240	224	122
Credit unions	1,024	958	1,239	91	184	203	165	192	151	181
Other	7	−23	36	4	5	54	....	−6	2	9
Mobile homes:										
Commercial banks	1,933	632	−268	9	−17	−33	−53	−18	−52	−37
Finance companies	444	168	−73	14	−14	−31	−35	....	−11	−17
Home improvement, total	1,033	804	248	74	67	109	58	69	39	70
Commercial banks	482	611	271	41	46	28	29	41	26	36
Revolving credit:										
Bank credit cards	1,430	1,443	1,220	80	6	106	132	192	139	192
Bank check credit	478	543	14	5	10	21	18	16	35	44
All other	8,389	5,036	3,072	536	678	533	389	550	546	570
Commercial banks, total	2,480	1,255	1,080	179	254	105	40	84	70	138
Personal loans	1,492	898	858	121	238	101	27	51	69	112
Finance companies, total	2,564	803	−64	65	88	−60	50	43	119	53
Personal loans	1,746	479	717	91	95	7	128	62	116	21
Credit unions	1,591	1,473	1,900	173	274	173	241	307	228	326
Retailers	1,632	1,538	69	84	125	185	58	108	177	5
Others	122	−33	87	35	−63	129	1	7	−49	48

[1] Excludes 30-day charge credit held by retailers, oil and gas companies, and travel and entertainment companies.

[2] Mutual savings banks, savings and loan associations, and auto dealers.

[3] Figures for all months are seasonally adjusted and equal extensions minus liquidations (repayments, charge-offs, and other credits).

INSTALMENT CREDIT EXTENSIONS AND LIQUIDATIONS

(In millions of dollars)

Holder, and type of credit	1973	1974	1975	1975 Nov.	1975 Dec.	1976 Jan.	1976 Feb.	1976 Mar.	1976 Apr.	1976 May
					Extensions[1]					
TOTAL	160,228	160,008	163,229	14,552	15,202	15,745	15,678	16,099	15,508	15,041
By holder:										
Commercial banks	72,216	72,605	76,877	7,113	7,360	7,483	7,829	7,930	7,494	7,223
Finance companies	38,922	35,644	32,582	2,873	2,870	2,975	3,018	2,945	2,913	2,776
Credit unions	21,143	22,403	24,151	1,995	2,381	2,253	2,248	2,389	2,386	2,448
Retailers[2]	25,440	27,034	27,049	2,302	2,431	2,578	2,347	2,596	2,544	2,313
Others[3]	2,507	2,322	2,570	269	161	456	236	238	171	280
By type of credit:										
Automobile, total	46,105	43,209	47,848	4,413	4,616	5,095	5,156	5,267	5,088	4,471
Commercial banks	29,369	26,406	28,079	2,635	2,804	3,037	3,305	3,278	3,182	2,616
Purchased	17,497	15,576	15,761	1,418	1,584	1,356	1,435	1,514	1,475	1,413
Direct	11,872	10,830	12,318	1,217	1,220	1,681	1,870	1,763	1,707	1,204
Finance companies	9,303	8,630	9,598	851	896	896	930	990	975	914
Credit unions	7,009	7,788	9,702	885	875	1,068	881	964	891	892
Others	424	385	470	42	42	95	40	35	40	49
Mobile homes:										
Commercial banks	4,438	3,486	2,681	264	244	211	211	233	186	182
Finance companies	1,573	1,413	771	81	69	61	55	63	61	49
Home improvement, total	4,414	4,571	4,398	408	421	440	405	414	413	385
Commercial banks	2,487	2,789	2,722	251	267	235	244	253	259	233
Revolving credit:										
Bank credit cards	13,863	17,098	20,428	1,842	1,839	1,921	2,012	2,118	1,985	2,103
Bank check credit	3,373	4,227	4,024	341	396	384	392	380	394	422
All other	86,462	86,004	83,079	7,203	7,618	7,633	7,447	7,624	7,382	7,429
Commercial banks, total	18,686	18,599	18,944	1,780	1,810	1,697	1,665	1,669	1,489	1,667
Personal loans	12,928	13,176	13,386	1,226	1,301	1,184	1,179	1,182	1,081	1,203
Finance companies, total	27,627	25,316	22,135	1,937	1,902	2,014	2,030	1,890	1,874	1,810
Personal loans	17,885	16,691	17,333	1,581	1,549	1,643	1,685	1,551	1,545	1,465
Credit unions	13,768	14,228	13,992	1,074	1,461	1,141	1,319	1,376	1,446	1,511
Retailers	25,440	27,034	27,049	2,302	2,431	2,578	2,347	2,596	2,544	2,313
Others	941	827	959	111	14	204	86	93	29	127
					Liquidations[1]					
TOTAL	140,552	151,056	156,425	13,231	13,716	14,297	14,505	14,637	14,126	13,566
By holder:										
Commercial banks	61,215	68,630	74,065	6,499	6,610	7,009	7,311	7,388	6,965	6,510
Finance companies	34,916	34,838	32,099	2,586	2,682	2,827	2,858	2,663	2,587	2,619
Credit unions	18,447	19,896	20,913	1,725	1,910	1,866	1,828	1,875	1,994	1,927
Retailers[2]	23,808	25,496	26,980	2,218	2,306	2,393	2,289	2,488	2,367	2,308
Others[3]	2,166	2,196	2,368	203	207	202	219	222	214	202
By type of credit:										
Automobile, total	40,137	42,883	45,257	3,811	3,860	4,354	4,491	4,615	4,401	3,819
Commercial banks	25,172	26,915	27,583	2,336	2,354	2,790	2,952	3,051	2,871	2,276
Purchased	14,823	15,886	16,120	1,323	1,422	1,329	1,399	1,416	1,313	1,303
Direct	10,349	11,029	11,463	1,013	932	1,460	1,553	1,636	1,558	973
Finance companies	8,563	8,730	8,777	643	779	658	783	750	751	792
Credit unions	5,985	6,830	8,463	794	691	865	716	772	740	711
Others	417	408	434	38	37	41	40	42	39	39
Mobile homes:										
Commercial banks	2,505	2,854	2,949	255	261	244	264	251	237	219
Finance companies	1,129	1,245	844	67	83	91	89	63	72	67
Home improvement, total	3,381	3,767	4,150	334	353	331	348	344	374	314
Commercial banks	2,005	2,178	2,451	210	222	207	216	212	232	197
Revolving credit:										
Bank credit cards	12,433	15,655	19,208	1,761	1,832	1,815	1,880	1,925	1,846	1,911
Bank check credit	2,894	3,684	4,010	336	386	362	374	364	359	378
All other	78,072	80,969	80,007	6,667	6,940	7,100	7,058	7,074	6,836	6,859
Commercial banks, total	16,205	17,345	17,864	1,601	1,555	1,591	1,625	1,584	1,418	1,529
Personal loans	11,435	12,278	12,528	1,105	1,063	1,083	1,151	1,131	1,012	1,091
Finance companies, total	25,063	24,513	22,199	1,872	1,814	2,073	1,981	1,846	1,756	1,758
Personal loans	16,139	16,212	16,616	1,490	1,454	1,650	1,556	1,489	1,429	1,445
Credit unions	12,177	12,755	12,092	901	1,187	968	1,077	1,069	1,218	1,185
Retailers	23,808	25,496	26,980	2,218	2,306	2,393	2,289	2,488	2,367	2,308
Others	819	860	872	76	77	75	86	86	77	79

1 Monthly figures are seasonally adjusted.
2 Excludes 30-day charge credit held by retailers, oil and gas companies, and travel and entertainment companies.
3 Mutual savings banks, savings and loan associations, and auto dealers.

INDUSTRIAL PRODUCTION—1976 REVISION

(Seasonally adjusted, 1967 = 100)

Major market grouping	1967 proportion	1975 average	1975 June	1975 July	1975 Aug.	1975 Sept.	1975 Oct.	1975 Nov.	1975 Dec.	1976 Jan.	1976 Feb.	1976 Mar.	1976 Apr.	1976 May	1976 June
Total index	100.00	117.8	116.4	118.4	121.0	122.1	122.2	123.5	124.4	125.7	127.3	128.1	128.6	129.5	129.9
Products, total	**60.71**	**119.3**	**118.8**	**120.9**	**122.3**	**122.8**	**122.4**	**123.8**	**124.9**	**126.0**	**127.4**	**128.1**	**128.2**	**128.7**	**129.0**
Final products	*47.82*	*118.2*	*118.2*	*119.7*	*120.8*	*121.5*	*120.9*	*122.3*	*123.5*	*123.9*	*125.3*	*126.4*	*126.4*	*126.8*	*127.2*
Consumer goods	27.68	124.0	124.3	126.6	127.5	129.0	128.7	131.1	132.3	133.1	134.9	136.1	135.9	136.3	136.6
Equipment	20.14	110.2	109.8	110.0	111.4	111.3	110.0	110.0	111.5	111.2	112.1	112.9	113.2	113.8	114.4
Intermediate products	12.89	123.1	120.8	125.0	127.9	127.6	128.0	129.3	129.9	133.6	135.3	134.9	134.9	135.4	135.4
Materials	**39.29**	**115.5**	**112.6**	**114.5**	**119.0**	**121.0**	**122.0**	**123.1**	**123.3**	**125.3**	**127.3**	**128.2**	**129.1**	**130.9**	**131.4**
Consumer goods															
Durable consumer goods	*7.89*	*121.4*	*121.4*	*126.6*	*129.2*	*132.2*	*131.9*	*132.5*	*134.0*	*134.7*	*137.9*	*140.3*	*141.0*	*142.7*	*143.3*
Automotive products	2.83	125.9	128.9	137.0	139.1	142.1	140.8	143.2	147.7	142.8	148.9	155.2	155.1	154.0	154.5
Autos and utility vehicles	2.03	113.7	116.2	127.6	130.2	133.9	133.6	134.7	140.0	133.4	142.0	149.5	151.1	152.0	154.0
Autos	1.90	101.1	102.5	114.2	116.3	118.5	119.1	120.9	122.8	118.9	125.8	133.6	134.3	134.4	136.9
Auto parts and allied goods	.80	156.6	161.1	160.5	161.8	162.7	159.0	164.9	167.0	167.4	166.5	169.5	165.1	158.9	157.8
Home goods	5.06	118.8	117.3	120.8	123.5	126.7	127.0	126.5	126.4	130.3	131.7	132.0	133.1	136.5	137.1
Appliances, A/C, and TV	1.40	98.0	96.6	107.1	105.8	107.0	105.3	100.9	101.1	107.8	112.6	114.6	117.6	121.4	122.9
Appliances and TV	1.33	100.2	99.5	110.7	109.4	111.0	109.3	103.7	104.4	110.6	115.2	117.1	120.1	124.1	125.0
Carpeting and furniture	1.07	126.8	123.9	125.4	134.3	141.1	141.9	144.7	142.0	144.8	145.6	141.4	142.3	142.1	......
Misc. home goods	2.59	126.9	125.8	126.4	128.8	131.4	132.6	132.9	133.6	136.6	136.3	137.9	137.8	142.3	142.5
Nondurable consumer goods	*19.79*	*125.1*	*125.5*	*126.7*	*126.9*	*127.6*	*127.4*	*130.6*	*131.5*	*132.5*	*133.9*	*134.4*	*133.9*	*133.9*	*134.0*
Clothing	4.29	111.6	110.0	113.2	117.5	116.8	120.4	123.2	123.9	127.4	127.6	130.1	129.7	......	......
Consumer staples	15.50	128.8	129.8	130.6	129.6	130.7	129.3	132.5	133.6	133.9	135.7	135.6	135.0	134.5	134.8
Consumer foods and tobacco	8.33	122.8	123.9	125.1	125.1	125.2	125.3	127.6	127.2	128.5	129.9	129.0	127.9	127.9	......
Nonfood staples	7.17	135.8	136.7	137.0	134.9	137.1	133.8	138.2	141.0	140.2	142.3	143.3	143.3	142.3	143.1
Consumer chemical products	2.63	151.3	152.3	153.0	149.1	150.4	149.8	157.8	159.7	157.3	161.1	163.6	162.1	159.6	......
Consumer paper products	1.92	107.0	107.6	108.3	105.7	108.0	104.4	107.5	113.4	113.3	113.9	113.4	114.1	114.2	......
Consumer energy products	2.62	141.6	142.5	141.9	142.3	145.0	139.2	140.9	142.8	142.4	144.3	145.0	146.0	145.2	......
Residential utilities	1.45	152.3	154.0	151.1	153.0	154.1	148.6	152.0	152.0	154.5	153.7	......	......	......	......
Equipment															
Business equipment	*12.63*	*128.2*	*126.6*	*127.3*	*129.9*	*129.2*	*128.8*	*129.6*	*131.6*	*131.0*	*132.6*	*134.0*	*134.5*	*135.8*	*136.6*
Industrial equipment	6.77	121.2	120.2	120.0	121.8	121.9	122.1	123.0	124.5	123.5	124.0	125.6	125.3	127.2	128.2
Building and mining equip.	1.44	168.3	165.6	168.8	172.4	170.5	172.9	174.9	172.9	171.4	171.5	172.1	170.7	174.6	175.8
Manufacturing equipment	3.85	99.9	99.8	100.0	100.8	100.7	100.5	99.9	101.3	101.2	102.7	104.4	105.4	106.5	107.3
Power equipment	1.47	130.8	129.2	124.5	127.2	129.5	128.9	132.3	137.6	134.6	133.1	135.6	132.7	134.4	136.0
Commercial transit, farm equip.	5.86	136.3	133.9	135.8	139.1	137.8	136.4	137.2	139.7	139.7	142.4	143.7	145.2	145.6	146.4
Commercial equipment	3.26	157.8	153.9	157.8	161.8	160.4	158.5	159.5	164.4	165.0	166.6	168.5	170.0	170.8	171.8
Transit equipment	1.93	101.9	102.2	104.0	104.6	104.4	102.4	102.8	102.9	100.2	103.7	104.7	107.9	107.4	108.0
Farm equipment	.67	130.6	127.9	120.3	127.9	123.7	126.6	127.7	125.6	131.5	135.3	134.7	132.7	133.6	......
Defense and space equipment	*7.51*	*80.0*	*81.6*	*81.0*	*80.6*	*81.2*	*78.5*	*77.3*	*77.7*	*78.0*	*77.6*	*77.4*	*77.3*	*77.0*	*77.2*
Intermediate products															
Construction supplies	6.42	116.3	112.6	116.8	121.3	122.3	122.7	123.1	124.1	126.8	129.6	128.7	128.1	130.0	129.6
Business supplies	6.47	129.8	128.9	133.1	134.3	132.8	133.3	135.4	135.9	140.3	140.9	141.2	141.7	140.8	......
Commercial energy products	1.14	150.6	151.7	151.9	153.9	150.9	147.5	149.8	147.9	158.1	154.0	157.6	158.1	158.2	......
Materials															
Durable goods materials	*20.35*	*109.1*	*104.3*	*107.3*	*112.9*	*114.5*	*114.6*	*115.2*	*115.5*	*118.3*	*121.6*	*122.4*	*124.1*	*126.9*	*128.1*
Durable consumer parts	4.58	97.7	95.3	99.2	108.7	110.8	107.2	109.3	111.6	111.7	116.7	118.5	119.2	122.7	124.5
Equipment parts	5.44	118.9	113.0	114.8	117.4	119.0	120.6	122.3	123.9	125.7	127.5	128.5	130.5	133.1	134.0
Durable materials n.e.c.	10.34	109.0	103.7	106.9	112.4	113.7	114.8	114.0	112.9	117.4	120.7	121.0	123.0	125.5	126.6
Basic metal materials	5.57	99.1	92.8	94.9	101.3	100.0	99.5	99.5	96.1	101.9	105.1	104.0	106.6	111.4	......
Nondurable goods materials	*10.47*	*126.6*	*123.2*	*127.1*	*131.6*	*138.8*	*140.3*	*141.3*	*142.6*	*142.9*	*145.5*	*146.7*	*146.8*	*147.3*	*147.3*
Textile, paper, and chem. mat.	7.62	129.0	125.7	128.6	134.3	142.9	144.9	146.2	147.9	147.5	150.5	152.7	152.1	152.1	152.4
Textile materials	1.85	100.6	101.8	106.1	107.8	118.2	117.3	118.4	118.9	117.8	116.2	115.5	114.3	115.7	......
Paper materials	1.62	113.2	108.7	111.3	115.5	120.4	121.6	124.4	125.9	126.5	130.0	130.1	132.1	131.5	......
Chemical materials	4.15	147.9	143.1	145.5	153.5	162.7	166.3	167.2	169.5	168.9	173.9	178.0	176.9	176.4	......
Containers, nondurable	1.70	127.9	124.8	131.0	131.9	140.2	137.3	134.8	136.1	139.0	142.2	141.3	142.0	141.7	......
Nondurable materials n.e.c.	*1.14*	*108.3*	*103.4*	*110.8*	*112.9*	*109.1*	*114.3*	*118.4*	*116.7*	*118.3*	*117.3*	*115.1*	*120.2*	*123.8*	......
Energy materials	8.48	117.2	119.2	116.5	118.3	114.5	117.0	119.7	118.7	120.6	118.8	119.6	118.8	120.1	119.9
Primary energy	4.65	108.3	110.4	107.6	107.7	106.0	109.6	110.5	107.3	107.7	105.4	106.2	106.7	107.6	......
Converted fuel materials	3.82	128.0	130.0	127.4	131.2	124.8	125.9	130.8	132.3	136.3	135.2	136.0	133.6	135.3	......
Supplementary groups															
Home goods and clothing	9.35	115.5	113.9	117.3	120.8	122.1	124.0	125.0	125.2	129.9	129.8	131.1	131.5	134.3	134.3
Energy, total	12.23	125.5	127.3	125.2	126.7	124.5	124.5	127.1	126.6	128.8	127.5	128.6	128.2	129.0	129.2
Products	3.76	144.3	145.3	145.0	145.7	146.8	141.8	143.7	144.5	147.2	147.1	148.8	149.5	149.2	150.4
Materials	8.48	117.2	119.2	116.5	118.3	114.5	117.0	119.7	118.7	120.6	118.8	119.6	118.8	120.1	119.9
	Gross value of products in market structure (Annual rates, in billions of 1972 dollars)														
Products, total	*[1]286.3*	*505.9*	*505.6*	*509.9*	*517.2*	*521.5*	*521.1*	*527.1*	*528.4*	*531.9*	*544.3*	*546.0*	*547.6*	*549.2*	*550.0*
Final products	*[1]221.4*	*393.3*	*394.5*	*395.5*	*400.3*	*405.3*	*404.0*	*409.7*	*410.6*	*410.9*	*421.7*	*423.0*	*424.5*	*425.0*	*426.6*
Consumer goods	[1]156.3	274.4	275.5	278.4	280.7	284.3	285.0	290.5	292.0	292.3	300.6	299.7	301.7	301.3	301.2
Equipment	[1]65.3	119.0	118.9	117.2	119.3	121.0	119.1	119.3	118.9	119.1	121.1	123.6	123.0	124.0	125.1
Intermediate products	[1]64.9	112.6	110.9	114.4	116.9	116.1	116.6	117.6	117.9	120.8	122.8	122.6	123.0	124.2	123.6

For NOTES see opposite page.

INDUSTRIAL PRODUCTION—1976 REVISION

(Seasonally adjusted, 1967 = 100)

Major industry grouping	SIC code	1967 pro-portion	1975 aver-age	1975 June	1975 July	1975 Aug.	1975 Sept.	1975 Oct.	1975 Nov.	1975 Dec.	1976 Jan.	1976 Feb.	1976 Mar.	1976 Apr.	1976 May	1976 June
Mining and utilities	......	*12.05*	*128.5*	*129.7*	*127.2*	*129.0*	*127.2*	*127.9*	*130.5*	*129.2*	*131.8*	*131.5*	*131.6*	*131.0*	*131.6*	*131.5*
Mining	......	6.36	112.8	113.3	110.8	111.6	111.6	113.8	114.2	112.9	113.6	112.7	113.9	113.7	114.0	114.3
Utilities	......	5.69	146.0	148.1	145.5	148.3	144.6	143.8	148.8	147.2	152.0	152.5	151.4	150.5	151.3	150.6
Electric	......	3.88	160.8	164.6	160.0	164.7	159.0	157.3	165.5	162.3	167.4	168.7	......	......	......	......
Manufacturing	......	*87.95*	*116.3*	*114.6*	*117.0*	*119.7*	*121.4*	*121.2*	*122.7*	*123.6*	*125.2*	*127.0*	*127.9*	*128.4*	*129.0*	*129.7*
Nondurable	......	35.97	126.4	125.5	128.1	130.5	132.9	133.6	136.2	136.9	138.4	140.2	140.7	140.6	140.7	140.7
Durable	......	51.98	109.3	107.0	109.3	112.3	113.5	112.7	113.4	114.4	115.8	117.9	119.0	120.0	121.1	122.2
Mining																
Metal mining	10	.51	115.8	111.9	107.0	115.0	113.5	112.5	118.1	117.9	122.2	124.2	122.3	124.3	118.3	......
Coal	11,12	.69	113.4	122.4	105.5	112.9	112.6	122.2	125.6	109.9	111.2	109.6	114.4	114.4	119.2	122.4
Oil and gas extraction	13	4.40	113.3	114.4	113.0	112.4	111.8	113.1	112.3	113.1	112.5	110.1	111.9	111.7	112.1	112.2
Stone and earth minerals	14	.75	107.0	99.3	105.6	103.9	108.0	110.9	112.1	111.5	117.1	120.0	119.3	117.5	117.3	......
Nondurable manufactures																
Foods	20	8.75	123.4	124.3	125.4	125.8	126.2	126.4	128.8	128.5	129.2	130.8	128.3	129.2	130.8	......
Tobacco products	21	.67	111.8	109.9	114.1	110.5	114.1	113.9	118.5	116.0	117.3	118.8	122.4	115.5	......	......
Textile mill products	22	2.68	122.3	124.2	127.8	130.0	138.3	137.5	141.6	139.0	137.6	138.7	136.4	135.7	138.0	......
Apparel products	23	3.31	107.6	105.1	106.3	112.8	111.5	115.9	118.3	121.2	123.8	128.0	126.3	126.2	......	......
Paper and products	26	3.21	116.3	113.9	116.5	120.5	124.5	126.5	127.7	129.5	130.3	133.0	132.2	133.9	134.4	134.4
Printing and publishing	27	4.72	113.4	113.3	115.5	115.3	114.7	113.2	115.4	118.4	120.0	121.0	121.0	122.0	120.9	120.6
Chemicals and products	28	7.74	147.3	144.7	147.1	150.8	154.4	157.5	161.9	163.3	162.9	167.6	170.6	168.5	168.1	......
Petroleum products	29	1.79	124.1	122.8	127.1	126.8	130.8	125.1	124.9	126.3	125.7	129.1	131.8	131.7	133.0	135.5
Rubber & plastic products	30	2.24	166.7	164.7	173.2	180.4	187.6	185.1	185.2	185.3	188.4	196.7	203.5	198.2	189.0	......
Leather and products	31	.86	76.5	75.6	80.3	80.7	80.9	85.8	87.7	83.2	86.0	86.1	86.0	87.7	91.2	......
Durable manufactures																
Ordnance, pvt. & govt	19,91	3.64	76.6	79.9	76.6	76.5	75.9	72.0	70.0	70.1	69.9	69.5	69.5	69.1	69.1	68.8
Lumber and products	24	1.64	107.6	108.6	110.6	113.6	115.8	116.8	114.1	116.4	123.5	123.9	121.1	122.8	123.0	......
Furniture and fixtures	25	1.37	118.2	113.0	118.6	123.6	128.4	127.9	128.7	130.3	132.7	134.1	130.6	131.3	131.0	......
Clay, glass, stone prod	32	2.74	117.9	112.4	119.2	121.0	126.4	127.8	127.5	129.4	128.6	128.5	133.7	132.6	132.5	......
Primary metals	33	6.57	96.4	90.6	92.3	97.7	97.9	95.4	98.1	92.6	98.1	103.9	101.4	104.5	111.5	113.5
Iron and steel	......	4.21	95.8	89.4	87.0	92.7	93.4	92.0	96.5	89.1	92.9	100.9	97.7	100.9	108.2	111.3
Fabricated metal prod	34	5.93	109.9	106.7	108.9	113.8	115.3	114.4	116.3	117.3	116.6	120.9	120.2	121.5	121.6	122.6
Nonelectrical machinery	35	9.15	125.1	122.6	123.9	126.2	125.5	125.4	126.6	128.6	129.0	131.5	132.9	133.5	135.0	135.6
Electrical machinery	36	8.05	116.5	112.4	116.5	118.0	120.2	120.1	120.1	122.7	124.7	126.5	127.8	130.1	131.6	132.8
Transportation equip	37	9.27	97.4	97.9	101.1	105.0	105.9	104.4	104.7	106.7	105.8	109.0	111.2	110.8	112.8	114.2
Motor vehicles & pts	......	4.50	111.1	110.2	116.3	123.7	126.8	126.5	127.1	130.1	126.7	135.2	140.8	141.7	144.2	146.3
Aerospace & misc. tr. eq	......	4.77	84.5	86.5	86.9	87.3	86.3	83.6	83.6	84.7	86.1	84.3	83.3	81.8	83.4	83.9
Instruments	38	2.11	132.3	129.5	130.7	131.9	135.1	136.0	136.4	140.9	142.0	141.8	144.4	145.4	149.3	148.8
Miscellaneous mfrs	39	1.51	128.3	128.4	128.8	131.5	132.1	134.6	137.6	137.3	139.5	140.7	142.5	140.7	147.0	145.6

[1] 1972 dollars.

N.B. Published groupings include some series and subtotals not shown separately. For summary description and historical data, see BULLETIN for June 1976, pp. 470–79. Availability of detailed descriptive and historical data will be announced in a forthcoming BULLETIN.

SELECTED BUSINESS INDEXES

(1967=100, except as noted)

Period	Industrial production: Total	Industrial production: Market: Products: Total	Industrial production: Market: Products: Final: Total	Industrial production: Market: Products: Final: Consumer goods	Industrial production: Market: Products: Final: Equipment	Industrial production: Market: Products: Intermediate	Industrial production: Market: Materials	Industrial production: Industry: Manufacturing	Capacity utilization in mfg. (1967 output = 100)	Construction contracts	Nonagricultural employment Total[1]	Manufacturing[2]: Employment	Manufacturing[2]: Payrolls	Total retail sales[3]	Prices[4]: Consumer	Prices[4]: Wholesale commodity
1955									90.0	......	76.9	92.9	61.1	59	80.2	87.8
1956									88.2	......	79.6	93.9	64.6	61	81.4	90.7
1957									84.5	......	80.3	92.2	65.4	64	84.3	93.3
1958									75.1	......	78.0	83.9	60.3	64	86.6	94.6
1959				▲					81.4	......	81.0	88.1	67.8	69	87.3	94.8
1960									80.1	68.6	82.4	88.0	68.8	70	88.7	94.9
1961									77.6	70.2	82.1	84.5	68.0	70	89.6	94.5
1962									81.4	78.1	84.4	87.3	73.3	75	90.6	94.8
1963	76.5	76.4	75.5	81.3	67.5	79.9	76.7	75.8	83.0	86.1	86.1	87.8	76.0	79	91.7	94.5
1964	81.7	80.9	79.8	85.8	71.4	85.2	82.9	81.0	85.5	89.4	88.6	89.3	80.1	83	92.9	94.7
1965	89.8	88.2	87.6	92.6	80.7	90.6	92.4	89.7	89.0	93.2	92.3	93.9	88.1	90	94.5	96.6
1966	97.7	95.9	95.9	97.3	94.0	96.2	100.7	97.9	91.9	94.8	97.1	99.9	97.8	97	97.2	99.8
1967	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	87.9	100.0	100.0	100.0	100.0	100	100.0	100.0
1968	106.3	106.2	106.2	105.9	106.5	106.3	106.5	106.4	87.7	113.2	103.2	101.4	108.3	109	104.2	102.5
1969	111.1	110.3	109.6	109.8	109.3	112.9	112.5	111.0	86.5	123.7	106.9	103.2	116.6	114	109.8	106.5
1970	107.8	106.9	105.3	109.0	100.1	112.9	109.2	106.4	78.3	123.1	107.7	98.1	114.1	119	116.3	110.4
1971	109.6	108.5	106.3	114.7	94.7	116.7	111.3	108.2	75.0	145.4	108.1	94.2	116.7	130	121.2	113.9
1972	119.7	118.0	115.7	124.4	103.8	126.5	122.3	118.9	78.6	165.3	111.9	97.6	131.5	142	125.3	119.8
1973	129.8	127.1	124.4	131.5	114.5	137.2	133.9	129.8	83.0	179.5	116.8	103.2	149.2	160	133.1	134.7
1974	129.3	127.3	125.1	128.9	120.0	135.3	132.4	129.4	78.9	169.7	119.1	102.1	157.1	171	147.7	160.1
1975	117.8	119.3	118.2	124.0	110.2	123.1	115.5	116.3	68.7	166.0	116.9	91.4	151.0	186	161.2	174.9
1975—June	116.4	118.8	118.2	124.3	109.8	120.8	112.6	114.6	[5]67.0	174.0	115.9	89.8	146.4	186	160.6	173.7
July	118.4	120.9	119.7	126.6	110.0	125.0	114.5	117.0		165.0	116.4	89.7	148.7	190	162.3	175.7
Aug.	121.0	122.3	120.8	127.5	111.4	127.9	119.0	119.7	69.0	208.0	116.9	90.9	154.2	191	162.8	176.7
Sept.	122.1	122.8	121.5	129.0	111.3	127.6	121.0	121.4		157.0	117.4	92.0	157.0	189	163.6	177.7
Oct.	122.2	122.4	120.9	128.7	110.0	128.0	122.0	121.2		166.0	117.8	92.5	158.4	192	164.6	178.9
Nov.	123.5	123.8	122.3	131.1	110.0	129.3	123.1	122.7	70.7	148.0	117.8	92.4	158.9	192	165.6	178.2
Dec.	124.4	124.9	123.5	132.3	111.5	129.9	123.3	123.6		137.0	118.1	93.0	162.3	198	166.3	178.7
1976—Jan.	125.7	126.0	123.9	133.1	111.2	133.6	125.3	125.2		183.0	118.7	94.0	165.9	197	166.7	179.3
Feb.	127.3	127.4	125.3	134.9	112.9	135.3	127.3	127.0	72.1	170.0	119.0	94.3	165.4	201	167.1	179.3
Mar.	128.1	128.1	126.4	136.1	112.9	134.9	128.2	127.9		185.0	119.4	94.9	167.4	204	167.5	179.6
Apr.[r]	128.6	128.2	126.4	135.9	113.2	134.9	129.1	128.4		189.0	119.9	95.5	166.1	204	168.2	181.3
May[p]	129.5	128.7	126.8	136.3	113.8	135.4	130.9	129.0	73.0	205.0	119.9	95.4	170.5	201	169.2	181.8
June	129.9	129.0	127.2	136.6	114.4	135.4	131.4	129.7		......	119.9	94.9	170.7	......	......	183.1

▲ Revised data for 1955–62, comparable to the revised data beginning 1963 shown below, will be published later.

[1] Employees only; excludes personnel in the Armed Forces.

[2] Production workers only. Revised back to 1973.

[3] F.R. index based on Census Bureau figures.

[4] Prices are not seasonally adjusted. Latest figure is final.

[5] Figure is for second quarter 1975.

NOTE.—*All series:* Data are seasonally adjusted unless otherwise noted.

Capacity utilization: Based on data from Federal Reserve, McGraw-Hill Economics Department, and Dept. of Commerce.

Construction contracts: McGraw-Hill Informations Systems Company, F.W. Dodge Division, monthly index of dollar value of total construction contracts, including residential, nonresidential, and heavy engineering.

Employment and payrolls: Based on Bureau of Labor Statistics data; includes data for Alaska and Hawaii beginning with 1959.

Prices: Bureau of Labor Statistics data.

CONSTRUCTION CONTRACTS AND PRIVATE HOUSING PERMITS

(In millions of dollars, except as noted)

Type of ownership and type of construction	1974	1975	1975 May	1975 June	1975 July	1975 Aug.	1975 Sept.	1975 Oct.	1975 Nov.	1975 Dec.	1976 Jan.	1976 Feb.	1976 Mar.	1976 Apr.	1976 May
Total construction contracts [1]	**93,685**	**90,237**	**9,143**	**9,324**	**9,044**	**10,037**	**7,692**	**7,767**	**5,573**	**5,431**	**6,390**	**6,149**	**8,908**	**9,408**	**9,836**
By type of ownership:															
Public	32,062	31,415	2,875	3,891	3,784	3,040	2,725	2,544	1,597	1,724	1,655	1,719	2,192	2,383	3,915
Private [1]	61,623	58,822	6,268	5,432	5,260	6,997	4,967	5,223	3,976	3,708	4,734	4,430	6,716	7,025	5,921
By type of construction:															
Residential building [1]	33,567	31,347	3,073	3,116	3,093	2,784	2,966	3,189	2,404	2,233	2,157	2,546	3,618	4,003	3,955
Nonresidential building	33,131	30,577	2,877	3,169	3,165	2,666	2,526	2,629	1,859	1,865	1,939	1,996	2,561	2,741	2,819
Nonbuilding	26,987	28,313	3,193	3,040	2,786	4,587	2,200	1,949	1,309	1,334	2,294	1,608	2,729	2,664	3,062
Private housing units authorized (In thousands, S.A., A.R.)	1,074	925	912	949	1,042	995	1,095	1,079	1,085	1,028	1,120	1,134	1,134	[r]1,095	1,158

[1] Because of improved procedures for collecting data for 1-family homes, some totals are not strictly comparable with those prior to 1968. To improve comparability, earlier levels may be raised by approximately 3 per cent for total and private construction, in each case, and by 8 per cent for residential building.

NOTE.—Dollar value of construction contracts as reported by the McGraw-Hill Informations Systems Company, F.W. Dodge Division. Totals of monthly data may differ from annual totals because adjustments are made in accumulated monthly data after original figures have been published.

Private housing units authorized are Census Bureau series for 14,000 reporting areas with local building permit systems.

VALUE OF NEW CONSTRUCTION ACTIVITY

(In millions of dollars)

Period	Total [1]	Private: Total	Private: Residential	Private: Nonresidential: Total	Nonresidential: Buildings: Industrial	Nonresidential: Buildings: Commercial	Nonresidential: Buildings: Other buildings [2]	Nonresidential: Public Utilities and Other	Public [1]: Total	Public: Military	Public: Highway	Public: Conservation and development	Public: Other
1967	78,082	52,546	25,564	26,982	....	....	....	....	25,536	695	8,591	2,124	14,126
1968	87,093	59,488	30,565	28,923	6,021	7,761	4,382	10,759	27,605	808	9,321	1,973	15,503
1969	93,917	65,953	33,200	32,753	6,783	9,401	4,971	11,598	27,964	879	9,250	1,783	16,052
1970	94,855	66,759	31,864	34,895	6,518	9,754	5,125	13,498	28,096	718	9,981	1,908	15,489
1971	109,950	80,079	43,267	36,812	5,423	11,619	5,437	14,333	29,871	901	10,658	2,095	16,217
1972	124,085	93,901	54,288	39,613	4,676	13,464	5,898	15,575	30,184	1,087	10,429	2,172	16,496
1973 r	137,915	105,412	59,727	45,685	6,243	15,453	5,888	18,101	32,505	1,170	10,506	2,313	18,516
1974 r	138,526	100,179	50,378	49,801	7,902	15,945	5,797	20,157	38,347	1,185	12,083	2,782	22,297
1975 r	132,043	93,034	46,476	46,558	8,017	12,810	5,585	20,146	39,009	1,392	12,620	3,252	21,745
1975 May r	127,104	89,875	43,944	45,931	8,367	12,344	5,389	19,831	37,229	1,264	12,227	3,132	20,606
June r	129,666	90,589	44,738	45,851	8,121	12,185	5,476	20,069	39,077	1,209	12,538	3,481	21,849
July r	133,096	91,970	46,123	45,847	8,175	12,334	5,449	19,889	41,126	1,339	12,536	3,417	23,834
Aug. r	132,178	92,062	46,332	45,730	8,045	12,365	5,581	19,739	40,116	1,403	13,164	3,387	22,162
Sept. r	136,310	95,365	48,375	46,990	7,895	12,369	5,820	20,906	40,945	1,597	14,152	3,442	21,754
Oct. r	136,204	95,561	49,396	46,165	7,591	12,418	5,604	20,552	40,643	1,500	14,076	3,194	21,873
Nov. r	138,040	97,346	50,409	46,937	7,720	12,420	5,754	21,043	40,694	1,617	12,497	3,554	23,026
Dec. r	137,833	98,063	52,061	46,002	7,582	12,209	5,608	20,603	39,770	1,583	11,766	3,666	22,755
1976—Jan. r	136,898	99,530	53,087	46,443	7,522	11,479	5,843	21,599	37,368	1,505	9,662	3,177	23,024
Feb. r	139,253	102,858	55,625	47,233	7,842	12,762	6,024	20,605	36,395	1,598	8,059	3,953	22,785
Mar. r	144,458	106,441	57,464	48,977	7,605	13,346	5,957	22,069	38,017	1,454	9,033	3,331	24,199
Apr. r	142,057	104,166	56,094	48,072	7,227	12,604	5,567	22,674	37,891	1,530	....	....	....
May p	139,989	103,186	54,985	48,201	6,682	12,044	5,852	23,623	36,803	1,435	....	....	....

1 Data beginning Jan. 1976 are not strictly comparable with prior data because of change by Census Bureau in its procedure for estimating construction outlays of State and local governments. Such governments accounted for 86 per cent of all public construction expenditures in 1974.

2 Includes religious, educational, hospital, institutional, and other buildings.

NOTE.—Census Bureau data; monthly series at seasonally adjusted annual rates.

PRIVATE HOUSING ACTIVITY

(In thousands of units)

Period	Starts: Total	Starts: 1-family	Starts: 2-or-more family	Completions: Total	Completions: 1-family	Completions: 2-or-more family	Under construction (end of period): Total	Under construction: 1-family	Under construction: 2-or-more family	Mobile home shipments	New 1-family homes sold and for sale [1]: Units: Sold	Units: For sale (end of period)	Median prices (in thousands of dollars) of units: Sold	Median prices: For sale
1967	1,292	844	448	......	......	......	......	......	......	240	487	190	22.7	23.6
1968	1,508	899	608	1,320	859	461	......	......	......	318	490	218	24.7	24.6
1969	1,467	811	656	1,399	807	591	885	350	535	413	448	228	25.6	27.0
1970	1,434	813	621	1,418	802	617	922	381	541	401	485	227	23.4	26.2
1971	2,052	1,151	901	1,706	1,014	692	1,254	505	749	497	656	294	25.2	25.9
1972	2,357	1,309	1,047	1,971	1,143	828	1,586	640	947	576	718	416	27.6	28.3
1973	2,045	1,132	913	2,014	1,174	840	1,599	583	1,016	567	620	456	32.5	32.9
1974	1,338	888	450	1,692	931	760	1,189	516	673	329	501	407	35.9	36.2
1975 r	1,161	892	268	1,297	866	430	1,003	531	472	216	544	383	39.3	38.9
1975—May	1,085	853	232	1,269	827	442	1,060	513	546	209	554	383	39.5	36.9
June	1,080	874	206	1,202	808	394	1,045	517	528	201	551	379	37.9	37.2
July	1,207	916	291	1,261	882	379	1,039	521	518	213	548	381	38.6	37.4
Aug.	1,264	979	285	1,267	880	387	1,036	528	507	225	573	378	38.2	37.8
Sept.	1,304	966	338	1,315	969	346	1,037	532	505	228	571	384	39.7	38.2
Oct.	1,431	1,093	338	1,115	738	377	1,061	560	504	235	610	389	40.7	38.4
Nov.	1,381	1,048	333	1,386	992	394	1,037	555	482	230	660	381	41.1	38.6
Dec.	1,283	962	321	1,329	993	336	1,038	559	479	224	641	378	42.1	38.9
1976—Jan.	1,236	957	279	1,213	926	287	1,041	562	479	263	573	379	41.6	39.1
Feb. r	1,547	1,295	252	1,299	953	346	1,053	582	471	287	677	385	42.9	39.3
Mar. r	1,417	1,110	307	1,393	1,024	369	1,052	591	461	244	583	389	43.6	39.6
Apr.	1,381	1,063	318	1,262	981	281	1,060	598	462	237	613	393	44.1	39.9
May p	1,415	1,057	358	......	......	......	......	......	......	261	......	......	......	......

1 Merchant builders only.

NOTE.—All series except prices, seasonally adjusted. Annual rates for starts, completions, mobile home shipments, and sales. Census data except for mobile homes, which are private, domestic shipments as reported by the Mobile Home Manufacturers' Assn. and seasonally adjusted by Census Bureau. Data for units under construction seasonally adjusted by Federal Reserve.

LABOR FORCE, EMPLOYMENT, AND UNEMPLOYMENT

(In thousands of persons, except as noted)

Period	Total noninstitutional population (N.S.A.)	Not in labor force (N.S.A.)	Total labor force (S.A.)	Civilian labor force (S.A.)					Unemployment rate[2] (per cent; S.A.)
				Total	Employed[1]			Unemployed	
					Total	In nonagricultural industries	In agriculture		
1970	140,182	54,280	85,903	82,715	78,627	75,165	3,462	4,088	4.9
1971	142,596	55,666	86,929	84,113	79,120	75,732	3,387	4,993	5.9
1972	145,775	56,785	88,991	86,542	81,702	78,230	3,472	4,840	5.6
1973	148,263	57,222	91,040	88,714	84,409	80,957	3,452	4,304	4.9
1974	150,827	57,587	93,240	91,011	85,936	82,443	3,492	5,076	5.6
1975	153,449	58,655	94,793	92,613	84,783	81,403	3,380	7,830	8.5
1975—June	153,278	57,087	94,747	92,569	84,498	81,148	3,350	8,071	8.7
July	153,585	56,540	95,249	93,063	84,967	81,528	3,439	8,096	8.7
Aug.	153,824	57,331	95,397	93,212	85,288	81,824	3,464	7,924	8.5
Sept.	154,052	59,087	95,298	93,128	85,158	81,646	3,512	7,970	8.6
Oct.	154,256	58,825	95,377	93,213	85,151	81,743	3,408	8,062	8.6
Nov.	154,476	59,533	95,272	93,117	85,178	81,877	3,301	7,939	8.5
Dec.	154,700	59,812	95,286	93,129	85,394	82,158	3,236	7,735	8.3
1976—Jan.	154,915	60,110	95,624	93,484	86,194	82,851	3,343	7,290	7.8
Feb.	155,106	60,163	95,601	93,455	86,319	83,149	3,170	7,136	7.6
Mar.	155,325	60,065	95,866	93,719	86,692	83,513	3,179	7,027	7.5
Apr.	155,516	59,898	96,583	94,439	87,399	83,982	3,417	7,040	7.5
May	155,711	59,988	96,699	94,557	87,697	84,368	3,329	6,860	7.3
June	155,925	57,674	96,780	94,643	87,500	84,206	3,294	7,143	7.5

[1] Includes self-employed, unpaid family, and domestic service workers.
[2] Per cent of civilian labor force.
NOTE.—Bureau of Labor Statistics. Information relating to persons 16 years of age and over is obtained on a sample basis. Monthly data relate to the calendar week that contains the 12th day; annual data are averages of monthly figures. Description of changes in series beginning 1967 is available from Bureau of Labor Statistics.

EMPLOYMENT IN NONAGRICULTURAL ESTABLISHMENTS, BY INDUSTRY DIVISION

(In thousands of persons)

Period	*Total*	Manufacturing	*Mining*	Contract construction	Transportation and public utilities	Trade	Finance	Service	Government
1970	70,920	19,349	623	3,536	4,504	15,040	3,687	11,621	12,561
1971	71,216	18,572	603	3,639	4,457	15,352	3,802	11,903	12,887
1972	73,711	19,090	622	3,831	4,517	15,975	3,943	12,392	13,340
1973	76,896	20,068	644	4,015	4,644	16,674	4,091	13,021	13,739
1974	78,413	20,046	694	3,957	4,696	17,017	4,208	13,617	14,177
1975	76,987	18,342	745	3,462	4,499	16,949	4,473	13,996	14,771
SEASONALLY ADJUSTED									
1975—June	76,343	18,100	741	3,392	4,469	16,877	4,202	13,871	14,691
July	76,679	18,084	743	3,395	4,464	16,984	4,203	13,990	14,816
Aug.	77,023	18,254	749	3,415	4,466	17,016	4,218	14,054	14,855
Sept.	77,310	18,417	752	3,432	4,467	17,045	4,239	14,113	14,845
Oct.	77,555	18,493	774	3,402	4,476	17,043	4,246	14,157	14,964
Nov.	77,574	18,482	766	3,409	4,496	17,010	4,248	14,188	14,975
Dec.	77,796	18,568	769	3,406	4,477	17,080	4,264	14,229	15,003
1976—Jan.	78,179	18,722	764	3,428	4,494	17,233	4,266	14,307	14,965
Feb.	78,368	18,763	763	3,375	4,517	17,326	4,266	14,360	14,998
Mar.	78,630	18,877	770	3,366	4,498	17,386	4,276	14,422	15,035
Apr.	78,963	18,973	772	3,399	4,510	17,444	4,293	14,498	15,074
May[p]	78,964	18,956	773	3,407	4,502	17,435	4,278	14,542	15,071
June[p]	78,988	18,901	781	3,393	4,506	17,454	4,297	14,581	15,075
NOT SEASONALLY ADJUSTED									
1975—June	77,183	18,255	756	3,555	4,523	16,971	4,248	14,079	14,796
July	76,439	18,007	758	3,605	4,504	16,936	4,266	14,144	14,219
Aug.	76,900	18,450	763	3,688	4,493	16,959	4,273	14,162	14,112
Sept.	77,614	18,694	758	3,659	4,503	17,084	4,243	14,113	14,560
Oct.	78,193	18,687	763	3,620	4,503	17,136	4,238	14,185	15,061
Nov.	78,339	18,635	763	3,522	4,509	17,313	4,235	14,174	15,188
Dec.	78,527	18,584	763	3,338	4,477	17,737	4,243	14,158	15,227
1976—Jan.	77,091	18,495	756	3,061	4,440	17,026	4,223	14,049	15,041
Feb.	77,339	18,545	752	3,014	4,445	16,926	4,228	14,188	15,241
Mar.	77,906	18,679	759	3,103	4,462	17,028	4,246	14,307	15,322
Apr.	78,688	18,813	766	3,270	4,474	17,295	4,276	14,498	15,296
May[p]	79,152	18,861	775	3,407	4,497	17,401	4,278	14,644	15,289
June[p]	79,852	19,067	797	3,556	4,560	17,546	4,344	14,800	15,182

NOTE.—Bureau of Labor Statistics; data include all full- and part-time employees who worked during, or received pay for, the pay period that includes the 12th of the month. Proprietors, self-employed persons, domestic servants, unpaid family workers, and members of Armed Forces are excluded.

Beginning with 1973, series has been adjusted to Mar. 1974 benchmark.

CONSUMER PRICES

(1967 = 100)

Period	All items	Food	Housing: Total	Housing: Rent	Housing: Home-ownership	Housing: Fuel oil and coal	Housing: Gas and electricity	Housing: Furnishings and operation	Apparel and upkeep	Transportation	Health and recreation: Total	Health and recreation: Medical care	Health and recreation: Personal care	Health and recreation: Reading and recreation	Health and recreation: Other goods and services
1929	51.3	48.3	....	76.0	....	....	....	....	48.5	....	....	....	....	....	....
1933	38.8	30.6	....	54.1	....	....	....	....	36.9	....	....	....	....	....	....
1941	44.1	38.4	53.7	57.2	....	40.5	81.4	....	44.8	44.2	....	37.0	41.2	47.7	49.2
1945	53.9	50.7	59.1	58.8	....	48.0	79.6	....	61.5	47.8	....	42.1	55.1	62.4	56.9
1960	88.7	88.0	90.2	91.7	86.3	89.2	98.6	93.8	89.6	89.6	85.1	79.1	90.1	87.3	87.8
1965	94.5	94.4	94.9	96.9	92.7	94.6	99.4	95.3	93.7	95.9	93.4	89.5	95.2	95.9	94.2
1966	97.2	99.1	97.2	98.2	96.3	97.0	99.6	97.0	96.1	97.2	96.1	93.4	97.1	97.5	97.2
1967	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
1968	104.2	103.6	104.2	102.4	105.7	103.1	100.9	104.4	105.4	103.2	105.0	106.1	104.2	104.7	104.6
1969	109.8	108.9	110.8	105.7	116.0	105.6	102.8	109.0	111.5	107.2	110.3	113.4	109.3	108.7	109.1
1970	116.3	114.9	118.9	110.1	128.5	110.1	107.3	113.4	116.1	112.7	116.2	120.6	113.2	113.4	116.0
1971	121.3	118.4	124.3	115.2	133.7	117.5	114.7	118.1	119.8	118.6	122.2	128.4	116.8	119.3	120.9
1972	125.3	123.5	129.2	119.2	140.1	118.5	120.5	121.0	122.3	119.9	126.1	132.5	119.8	122.8	125.5
1973	133.1	141.4	135.0	124.3	146.7	136.0	126.4	124.9	126.8	123.8	130.2	137.7	125.2	125.9	129.0
1974	147.7	161.7	150.6	130.6	163.2	214.6	145.8	140.5	136.2	137.7	140.3	150.5	137.3	133.8	137.2
1975	161.2	175.4	166.8	137.3	181.7	235.3	169.6	158.1	142.3	150.6	153.5	168.6	150.7	144.4	147.4
1975—May	159.3	171.8	165.3	136.4	180.1	230.2	167.3	157.4	141.8	147.4	152.6	166.8	149.9	143.8	147.1
June	160.6	174.4	166.4	136.9	181.4	230.6	169.4	158.1	141.4	149.8	153.2	168.1	150.3	144.1	147.3
July	162.3	178.6	167.1	137.3	182.3	234.1	170.4	158.3	141.1	152.6	154.0	169.8	151.2	144.4	147.6
Aug.	162.8	178.1	167.7	138.0	182.8	235.7	171.2	158.8	142.3	153.6	154.6	170.9	151.4	144.7	148.1
Sept.	163.6	177.8	168.9	138.4	183.9	238.7	174.0	160.1	143.5	155.4	155.4	172.2	152.1	146.0	148.0
Oct.	164.6	179.0	169.8	139.3	184.8	243.3	174.2	160.9	144.6	156.1	156.3	173.5	152.9	146.6	148.5
Nov.	165.6	179.8	171.3	139.9	186.8	246.5	176.8	161.6	145.5	157.4	156.5	173.3	153.6	147.0	148.9
Dec.	166.3	180.7	172.2	140.6	187.8	248.7	179.0	162.0	145.2	157.6	157.5	174.7	154.6	147.5	149.8
1976—Jan.	166.7	180.8	173.2	141.2	188.8	248.9	179.5	163.7	143.3	158.1	158.6	176.6	155.7	148.2	150.5
Feb.	167.1	180.0	173.8	142.1	188.6	249.4	181.9	165.2	144.0	158.5	159.7	178.8	157.0	148.5	151.3
Mar.	167.5	178.7	174.5	142.7	188.7	247.6	183.7	166.6	145.0	159.8	160.6	180.6	157.4	149.0	151.8
Apr.	168.2	179.2	174.9	143.2	188.9	246.6	184.4	167.4	145.7	161.3	161.4	181.6	158.3	149.5	152.5
May	169.2	179.9	175.6	143.8	189.6	246.2	186.1	167.9	146.8	163.5	162.1	182.6	158.9	150.3	152.9

NOTE.—Bureau of Labor Statistics index for city wage earners and clerical workers.

WHOLESALE PRICES: SUMMARY

(1967 = 100, except as noted)

Period	All commodities	Farm products	Processed foods and feeds	Industrial commodities: Total	Textiles, etc.	Hides, etc.	Fuel, etc.	Chemicals, etc.	Rubber, etc.	Lumber, etc.	Paper, etc.	Metals, etc.	Machinery and equipment	Furniture, etc.	Nonmetallic minerals	Transportation equipment[1]	Miscellaneous
1960	94.9	97.2	89.5	95.3	99.5	90.8	96.1	101.8	103.1	95.3	98.1	92.4	92.0	99.0	97.2	......	93.0
1965	96.6	98.7	95.5	96.4	99.8	94.3	95.5	99.0	95.9	95.9	96.2	96.4	93.9	96.9	97.5	......	95.9
1966	99.8	105.9	101.2	98.5	100.1	103.4	97.8	99.4	97.8	100.2	98.8	98.8	96.8	98.0	98.4	......	97.7
1967	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	......	100.0
1968	102.5	102.5	102.2	102.5	103.7	103.2	98.9	99.8	103.4	113.3	101.1	102.6	103.2	102.8	103.7	......	102.2
1969	106.5	109.1	107.3	106.0	106.0	108.9	100.9	99.9	105.3	125.3	104.0	108.5	106.5	104.9	107.7	100.8	105.2
1970	110.4	111.0	112.0	110.0	107.2	110.1	105.9	102.2	108.6	113.7	108.2	116.7	111.4	107.5	113.3	104.5	109.9
1971	113.9	112.9	114.3	114.0	108.6	114.0	114.2	104.2	109.2	127.0	110.1	119.0	115.5	109.9	122.4	110.3	112.8
1972	119.1	125.0	120.8	117.9	113.6	131.3	118.6	104.2	109.3	144.3	113.4	123.5	117.9	111.4	126.1	113.8	114.6
1973	134.7	176.3	148.1	125.9	123.8	143.1	134.3	110.0	112.4	177.2	122.1	132.8	121.7	115.2	130.2	115.1	119.7
1974	160.1	187.7	170.9	153.8	139.1	145.1	208.3	146.8	136.2	183.6	151.7	171.9	139.4	127.9	153.2	125.5	133.1
1975	174.9	186.7	182.6	171.5	137.9	148.5	245.1	181.3	150.2	176.9	170.4	185.9	161.4	139.7	174.0	141.5	147.7
1975—June	173.7	186.2	179.7	170.7	135.9	148.7	243.0	181.2	148.6	181.0	169.8	184.5	161.0	139.0	173.3	140.1	147.5
July	175.7	193.7	184.6	171.2	136.8	149.3	246.6	181.4	150.1	179.6	170.0	183.4	161.7	139.2	174.7	140.1	147.7
Aug.	176.7	193.2	186.3	172.2	137.6	149.3	252.4	182.1	150.0	179.7	170.0	184.3	162.2	139.8	175.8	140.5	147.8
Sept.	177.7	197.1	186.1	173.1	138.4	151.3	254.9	182.2	150.8	179.9	170.3	185.5	163.1	140.1	176.1	141.1	148.2
Oct.	178.9	197.3	186.2	174.7	141.3	152.4	256.5	182.3	151.5	179.1	170.9	187.2	164.1	141.1	177.1	146.6	147.6
Nov.	178.2	191.7	182.6	175.4	143.2	154.4	257.0	182.9	151.8	178.3	171.3	187.0	165.3	141.5	177.7	147.2	148.6
Dec.	178.7	193.8	181.0	176.1	144.0	154.6	258.0	183.4	151.9	183.1	173.1	187.1	165.8	142.0	178.0	147.5	151.1
1976—Jan.	179.3	192.8	179.4	177.3	145.1	157.5	257.3	184.2	152.4	190.5	174.8	187.7	167.0	143.1	181.1	148.7	151.8
Feb.	179.3	191.0	176.4	178.0	146.3	159.9	255.7	184.9	154.2	196.0	175.8	189.2	167.7	143.4	181.3	148.8	152.1
Mar.	179.6	187.2	175.8	178.9	146.7	162.0	255.7	185.6	155.5	202.3	176.9	190.6	168.2	143.9	182.5	149.1	152.6
Apr.	181.3	192.9	178.0	180.0	147.4	165.4	256.9	187.1	156.7	203.3	178.5	192.9	168.9	144.4	185.2	149.2	152.4
May	181.8	192.6	179.9	180.4	147.0	169.6	257.2	186.9	157.1	202.3	179.2	194.0	169.4	144.8	185.6	149.0	152.7
June	183.1	196.5	181.8	181.3	148.1	167.4	260.3	187.1	157.2	199.8	179.5	196.4	170.2	145.3	186.0	149.1	154.4

[1] Dec. 1968 = 100.

GROSS NATIONAL PRODUCT

(In billions of dollars)

Item	1950	1970	1972	1973	1974	1975	1975 I	1975 II	1975 III	1975 IV	1976 I
Gross national product	**286.2**	**982.4**	**1,171.1**	**1,306.3**	**1,406.9**	**1,498.9**	**1,433.6**	**1,460.6**	**1,528.5**	**1,572.9**	**1,620.4**
Final purchases	*279.4*	*978.6*	*1,161.7*	*1,288.8*	*1,397.2*	*1,513.5*	*1,458.4*	*1,490.2*	*1,530.6*	*1,574.9*	*1,604.9*
Personal consumption expenditures	**192.0**	**618.8**	**733.0**	**808.5**	**885.9**	**963.8**	**926.4**	**950.3**	**977.4**	**1,001.0**	**1,029.6**
Durable goods	30.8	84.9	111.2	122.9	121.9	128.1	118.9	123.8	131.8	137.6	145.9
Nondurable goods	98.2	264.7	299.3	334.4	375.7	409.8	394.1	404.8	416.4	423.7	430.8
Services	63.0	269.1	322.4	351.3	388.3	426.0	413.4	421.6	429.2	439.7	452.9
Gross private domestic investment	**53.8**	**140.8**	**188.3**	**220.5**	**212.2**	**182.6**	**168.7**	**161.4**	**194.9**	**205.4**	**232.2**
Fixed investment	*47.0*	*137.0*	*178.8*	*203.0*	*202.5*	*197.3*	*193.5*	*191.1*	*197.1*	*207.4*	*216.7*
Nonresidential	*27.1*	*100.5*	*116.8*	*136.5*	*147.9*	*148.5*	*149.3*	*146.1*	*146.7*	*151.9*	*158.1*
Structures	9.3	37.7	42.5	49.0	54.4	52.7	54.9	51.1	51.2	53.6	55.5
Producers' durable equipment	17.8	62.8	74.3	87.5	93.5	95.8	94.4	95.0	95.6	98.3	102.6
Residential structures	19.9	36.6	62.0	66.5	54.6	48.7	44.2	45.0	50.4	55.4	58.6
Nonfarm	18.7	35.1	60.3	64.7	52.2	46.8	42.6	43.1	48.2	53.3	56.5
Change in business inventories	6.8	3.8	9.4	17.5	9.7	−14.6	−24.8	−29.6	−2.1	−2.0	15.5
Nonfarm	6.0	3.7	8.8	14.1	11.6	−16.5	−23.3	−29.6	−5.7	−7.5	11.3
Net exports of goods and services	**1.9**	**3.9**	**−3.3**	**7.4**	**7.7**	**21.3**	**17.3**	**24.2**	**22.1**	**21.7**	**9.3**
Exports	13.9	62.5	72.7	101.5	144.2	147.8	148.2	140.7	148.5	153.8	154.2
Imports	12.0	58.5	75.9	94.2	136.5	126.5	130.9	116.4	126.4	132.1	144.9
Government purchases of goods and services	**38.5**	**218.9**	**253.1**	**269.9**	**301.1**	**331.2**	**321.2**	**324.7**	**334.1**	**344.8**	**349.2**
Federal	*18.7*	*95.6*	*102.1*	*102.0*	*111.7*	*123.2*	*119.4*	*119.2*	*124.2*	*129.9*	*131.1*
National defense	14.0	73.5	73.5	73.4	77.4	84.0	81.4	82.1	84.9	87.4	87.0
Other	4.7	22.1	28.6	28.6	34.3	39.2	38.0	37.1	39.3	42.5	44.1
State local	19.8	123.2	151.0	168.0	189.4	208.0	201.9	205.5	209.9	214.8	218.1
Gross national product in 1972 dollars	**533.5**	**1,075.3**	**1,171.1**	**1,233.4**	**1,210.7**	**1,186.1**	**1,158.6**	**1,168.1**	**1,201.5**	**1,216.2**	**1,241.8**

NOTE.—Dept. of Commerce estimates. Quarterly data are seasonally adjusted totals at annual rates. For back data and explanation of series, see the *Survey of Current Business*, Jan. 1976.

NATIONAL INCOME

(In billions of dollars)

Item	1950	1970	1972	1973	1974	1975	1975 I	1975 II	1975 III	1975 IV	1976 I
National income	**236.2**	**798.4**	**951.9**	**1,067.3**	**1,141.1**	**1,208.1**	**1,155.2**	**1,180.8**	**1,232.5**	**1,262.6**	**1,303.3**
Compensation of employees	**154.8**	**609.2**	**715.1**	**797.7**	**873.0**	**921.4**	**897.1**	**905.4**	**928.2**	**955.1**	**982.6**
Wages and salaries	*147.0*	*546.5*	*633.8*	*700.9*	*763.1*	*801.6*	*781.0*	*787.6*	*807.3*	*830.7*	*851.5*
Private	124.4	430.5	496.2	552.3	603.0	627.3	611.7	615.0	631.9	650.5	668.8
Military	5.3	20.7	22.0	22.1	22.3	23.0	22.9	22.8	22.8	23.6	23.6
Government civilian	17.4	95.3	115.6	126.5	137.7	151.3	146.4	149.7	152.6	156.5	159.0
Supplements to wages and salaries	*7.8*	*62.7*	*81.4*	*96.8*	*110.0*	*119.8*	*116.1*	*117.8*	*120.9*	*124.4*	*131.1*
Employer contributions for social insurance	4.2	30.7	39.4	49.3	55.5	58.5	57.1	57.5	58.9	60.6	65.0
Other labor income	3.7	32.0	42.0	47.5	54.5	61.3	59.0	60.3	62.0	63.8	66.1
Proprietors' income with inventory valuation and capital consumption adjustments	**38.4**	**65.1**	**76.1**	**91.7**	**85.1**	**83.3**	**79.6**	**78.6**	**88.0**	**87.1**	**85.0**
Business and professional	24.9	51.2	58.1	59.3	59.5	58.7	58.6	58.5	58.7	58.9	59.7
Farm	13.5	13.9	18.0	32.4	25.6	24.6	21.0	20.1	29.3	28.2	25.3
Rental income of persons with capital consumption adjustment	**7.1**	**18.6**	**21.5**	**21.3**	**21.0**	**21.1**	**20.8**	**20.5**	**20.9**	**22.0**	**22.7**
Corporate profits and inventory valuation adjustment and without capital consumption adjustment	**37.6**	**66.4**	**89.6**	**98.6**	**93.6**	**106.3**	**83.4**	**101.6**	**119.6**	**119.3**	**131.4**
Profits before tax	*42.6*	*71.5*	*96.2*	*117.0*	*132.1*	*117.1*	*97.1*	*108.2*	*129.5*	*132.4*	*142.8*
Profits tax liability	17.9	34.5	41.5	48.2	52.6	45.7	37.5	41.6	50.7	52.5	57.1
Profits after tax	*24.7*	*37.0*	*54.6*	*68.8*	*79.5*	*71.4*	*59.6*	*66.6*	*78.8*	*79.9*	*85.7*
Dividends	8.8	22.9	24.6	27.8	31.1	32.8	32.1	32.6	33.5	33.1	33.3
Undistributed profits	15.9	14.1	30.0	40.9	48.4	38.6	27.5	34.0	45.3	46.8	52.4
Inventory valuation adjustment	−5.0	−5.1	−6.6	−18.4	−38.5	−10.8	−13.7	−6.6	−9.9	−13.1	−11.4
Capital consumption adjustment	−4.0	1.5	2.5	1.6	−2.3	−5.7	−4.5	−5.0	−6.5	−6.6	−7.6
Net interest	**2.3**	**37.5**	**47.0**	**56.3**	**70.0**	**81.6**	**78.7**	**79.7**	**82.2**	**85.7**	**89.2**

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

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

(In billions of dollars)

Item	1950	1970	1972	1973	1974	1975	1975 I	1975 II	1975 III	1975 IV	1976 I
Gross national product	**286.2**	**982.4**	**1,171.1**	**1,306.3**	**1,406.9**	**1,498.9**	**1,433.6**	**1,460.6**	**1,528.5**	**1,572.9**	**1,620.4**
Less: Capital consumption allowances with capital consumption adjustment	23.9	90.8	105.4	117.1	134.0	152.0	145.4	149.5	154.7	158.5	163.1
Indirect business tax and nontax liability	23.4	94.0	111.0	120.2	127.3	137.3	131.6	135.2	140.0	142.2	142.8
Business transfer payments	.8	4.0	4.7	5.2	5.8	6.3	6.2	6.3	6.4	6.5	6.6
Statistical discrepancy	2.0	−2.1	1.7	.4	−.6	−2.9	−3.2	−8.9	−3.2	5.0	4.4
Plus: Subsidies less current surplus of government enterprises	.1	2.7	3.6	3.7	.7	1.9	1.6	2.2	1.9	1.9	−.1
Equals: National income	**236.2**	**798.4**	**951.9**	**1,067.3**	**1,141.1**	**1,208.1**	**1,155.2**	**1,180.8**	**1,232.5**	**1,262.6**	**1,303.3**
Less: Corporate profits with inventory valuation and capital consumption adjustments	33.7	67.9	92.1	100.2	91.3	100.7	78.9	96.6	113.1	112.7	123.9
Net interest	2.3	37.5	47.0	56.3	70.7	81.6	78.7	79.7	82.2	85.7	89.2
Contributions for social insurance	7.1	58.7	73.6	91.5	102.9	108.3	106.0	106.6	108.9	111.8	118.4
Wage accruals less disbursements	......	......	......	−.1	−.5	......	......	......	......	......	......
Plus: Government transfer payments to persons	14.4	75.9	99.4	113.5	134.5	168.7	157.7	169.4	172.4	175.2	181.5
Personal interest income	8.9	64.3	74.6	88.4	106.5	120.5	116.0	117.6	121.2	127.4	131.9
Dividends	8.8	22.9	24.6	27.8	31.1	32.8	32.1	32.6	33.5	33.1	33.3
Business transfer payments	.8	4.0	4.7	5.2	5.8	6.3	6.2	6.3	6.4	6.5	6.6
Equals: Personal income	**226.1**	**801.3**	**942.5**	**1,054.3**	**1,154.7**	**1,245.9**	**1,203.6**	**1,223.8**	**1,261.7**	**1,294.5**	**1,325.2**
Less: Personal tax and nontax payments	20.6	115.3	141.2	151.2	171.2	169.2	179.6	142.1	174.6	180.5	184.4
Equals: Disposable personal income	**205.5**	**685.9**	**801.3**	**903.1**	**983.6**	**1,076.7**	**1,024.0**	**1,081.7**	**1,087.1**	**1,114.0**	**1,140.7**
Less: Personal outlays	194.7	635.4	751.9	830.4	909.5	987.8	950.4	974.2	1,001.3	1,025.4	1,054.5
Personal consumption expenditures	192.0	618.8	733.0	808.5	885.9	963.8	926.4	950.3	977.4	1,001.0	1,029.6
Interest paid by consumer to business	2.3	15.5	17.9	20.6	22.6	23.1	23.0	22.8	23.0	23.4	23.8
Personal transfer payments to foreigners (Net)	.4	1.1	1.0	1.2	1.0	1.0	1.0	1.1	.9	1.0	1.0
Equals: Personal saving	**10.8**	**50.6**	**49.4**	**72.7**	**74.0**	**88.9**	**73.6**	**107.5**	**85.9**	**88.6**	**86.2**
Disposable personal income in (1972) dollars	**361.9**	**741.6**	**801.3**	**856.0**	**843.5**	**856.7**	**831.6**	**869.8**	**858.2**	**867.3**	**880.3**

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

PERSONAL INCOME

(In billions of dollars)

Item	1974	1975	1975 Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	1976 Jan.	Feb.	Apr.	May[p]
Total personal income	**1154.7**	**1245.9**	**1209.0**	**1217.2**	**1245.2**	**1244.0**	**1262.4**	**1278.7**	**1287.4**	**1295.9**	**1300.2**	**1313.6**	**1325.9**	**1346.2**	**1357.2**
Wage and salary disbursements	**763.6**	**801.6**	**782.7**	**787.4**	**792.7**	**797.4**	**808.8**	**815.6**	**824.1**	**831.2**	**836.8**	**846.0**	**851.6**	**864.1**	**871.5**
Commodity-producing industries	273.7	273.6	265.8	267.0	268.8	270.9	275.6	279.5	281.7	283.2	286.9	291.2	293.0	298.0	300.3
Manufacturing only	*211.2*	*211.2*	*204.9*	*205.6*	*207.2*	*208.8*	*213.2*	*216.6*	*218.7*	*219.7*	*223.3*	*226.9*	*228.4*	*232.7*	*234.2*
Distributive industries	184.3	195.1	190.9	191.7	192.9	193.9	197.7	198.2	200.2	202.4	202.9	205.8	207.2	210.2	211.9
Service industries	145.0	158.6	154.5	156.1	157.4	158.2	160.3	161.5	163.1	165.3	165.7	167.1	168.8	171.7	174.1
Government	160.6	174.3	171.5	172.6	173.6	174.4	175.2	176.4	179.0	180.3	181.2	181.9	182.6	184.2	185.3
Other labor income	54.5	61.3	59.8	60.3	60.8	61.4	62.0	62.6	63.2	63.8	64.4	65.2	66.1	65.3	66.1
Proprietors' income with inventory valuation and capital consumption adjustments	85.1	83.3	77.0	78.7	80.3	84.5	88.0	91.5	89.4	87.1	84.7	84.7	85.0	87.3	89.8
Business and professional	59.5	58.7	58.5	58.6	58.6	58.7	58.7	58.8	58.9	58.8	58.9	59.1	59.7	60.3	60.4
Farm	25.6	24.6	18.5	20.1	21.7	25.8	29.3	32.7	30.5	28.3	25.8	25.6	25.3	26.9	29.4
Rental income of persons with capital consumption adjustment	21.0	21.1	20.7	20.5	20.2	20.5	21.0	21.3	21.8	22.0	22.2	22.5	22.7	23.1	23.2
Dividends	31.1	32.8	32.4	32.6	32.9	33.2	33.5	33.9	33.8	33.8	31.7	33.4	33.3	33.8	33.9
Personal interest income	106.5	120.5	116.6	117.5	118.6	119.7	121.2	122.9	125.1	127.9	129.0	130.4	131.8	134.8	135.8
Transfer payments	140.4	175.0	168.6	169.3	189.0	176.8	178.1	181.3	180.6	181.4	182.9	184.7	188.9	189.2	188.6
Less: Personal contributions for social insurance	47.4	49.8	48.9	49.1	49.3	49.5	50.0	50.4	50.7	51.2	51.6	53.3	53.4	54.0	54.3
Nonagricultural income	**1119.1**	**1210.2**	**1179.7**	**1186.2**	**1212.5**	**1207.2**	**1222.1**	**1234.8**	**1245.6**	**1256.3**	**1262.9**	**1276.3**	**1288.9**	**1307.4**	**1315.8**
Agricultural income	**35.6**	**35.7**	**29.3**	**31.0**	**32.7**	**36.8**	**40.3**	**43.9**	**41.8**	**39.7**	**37.3**	**37.3**	**37.1**	**38.8**	**41.4**

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

SUMMARY OF FUNDS RAISED IN U.S. CREDIT MARKETS

(Seasonally adjusted annual rates; in billions of dollars)

	Transaction category, or sector	1966	1967	1968	1969	1970	1971	1972	1973	1974	1975	1975 H1	1975 H2	
							Credit market funds raised by nonfinancial sectors							
1	**Total funds raised by nonfinancial sectors**	**67.9**	**82.4**	**96.0**	**91.8**	**98.2**	**147.4**	**169.4**	**187.4**	**180.1**	**204.6**	**186.7**	**222.2**	1
2	***Excluding equities***	**66.9**	**80.0**	**96.0**	**87.9**	**92.4**	**135.9**	**158.9**	**180.1**	**176.2**	**194.6**	**176.2**	**212.8**	2
3	U.S. Government	3.6	13.0	13.4	-3.7	12.8	25.5	17.3	9.7	12.0	85.2	84.1	86.3	3
4	Public debt securities	2.3	8.9	10.4	-1.3	12.9	26.0	13.9	7.7	12.0	85.8	85.4	86.4	4
5	Agency issues and mortgages	1.3	4.1	3.1	-2.4	-.1	-.5	3.4	2.0	*	.6	-1.2	-.1	5
6	**All other nonfinancial sectors**	**64.3**	**69.4**	**82.6**	**95.5**	**85.4**	**121.9**	**152.1**	**177.7**	**168.1**	**119.4**	**102.6**	**135.9**	6
7	Corporate equities	1.0	2.4	*	3.9	5.8	11.5	10.5	7.2	3.8	9.9	10.5	9.4	7
8	*Debt instruments*	*63.3*	*67.0*	*82.6*	*91.6*	*79.7*	*110.4*	*141.6*	*170.4*	*164.2*	*109.4*	*92.1*	*126.5*	8
9	***Private domestic nonfinancial sectors***	**62.7**	**6.45**	**79.7**	**91.8**	**82.7**	**117.3**	**147.8**	**170.1**	**152.7**	**106.3**	**93.0**	**119.4**	9
10	Corporate equities	1.3	2.4	-.2	3.4	5.7	11.4	10.9	7.4	4.1	9.9	10.3	9.5	10
11	*Debt instruments*	*61.5*	*63.0*	*79.9*	*88.4*	*77.0*	*105.8*	*136.9*	*162.7*	*148.6*	*96.4*	*82.7*	*109.9*	11
12	Debt capital instruments	38.2	44.5	49.5	49.6	56.7	83.2	93.8	96.1	92.9	97.8	101.7	93.8	12
13	State and local obligations	5.6	7.8	9.5	9.9	11.2	17.6	14.4	13.7	17.4	15.4	17.1	13.8	13
14	Corporate bonds	10.2	14.7	12.9	12.0	19.8	18.8	12.2	9.2	19.7	27.2	35.3	19.1	14
15	*Home mortgages*	*11.7*	*11.5*	*15.1*	*15.7*	*12.8*	*26.1*	*39.6*	*43.3*	*31.7*	*36.1*	*31.2*	*41.0*	15
16	*Multifamily residential mortgages*	*3.1*	*3.6*	*3.4*	*4.7*	*5.8*	*8.8*	*10.3*	*8.4*	*7.8*	*2.4*	*2.9*	*1.9*	16
17	*Commercial mortgages*	*5.7*	*4.7*	*6.4*	*5.3*	*5.3*	*10.0*	*14.8*	*17.0*	*11.5*	*11.0*	*9.4*	*12.6*	17
18	*Farm mortgages*	*1.8*	*2.3*	*2.2*	*1.9*	*1.8*	*2.0*	*2.6*	*4.4*	*4.9*	*5.6*	*5.8*	*5.4*	18
19	Other debt instruments	23.3	18.5	30.4	38.8	20.3	22.6	43.0	66.6	55.6	-1.3	19.1	16.1	19
20	Consumer credit	6.4	4.5	10.0	10.4	6.0	11.2	19.2	22.9	9.6	5.3	1.5	12.0	20
21	Bank loans n.e.c.	10.9	9.8	13.6	15.5	6.7	7.8	18.9	35.8	27.3	-11.3	-20.2	-2.5	21
22	Open market paper	1.1	1.7	1.8	3.0	3.0	-1.2	-.5	-.4	6.6	-2.0	-1.5	2.5	22
23	Other	5.0	2.6	5.0	9.9	4.6	4.8	5.5	8.3	12.1	6.7	4.2	9.2	23
24	*By borrowing sector*	*62.7*	*65.4*	79.7	91.8	82.7	117.3	147.8	170.1	152.7	*106.3*	93.0	119.4	24
25	State and local governments	6.3	7.9	9.8	10.7	11.3	17.8	14.2	12.3	16.6	13.2	14.8	11.6	25
26	Households	22.7	19.3	30.0	31.7	23.4	39.8	63.1	72.8	44.0	45.2	36.2	54.1	26
27	Farm	3.1	3.6	2.8	3.2	3.2	4.1	4.9	8.6	7.8	9.2	8.2	10.2	27
28	Nonfarm noncorporate	5.4	5.0	5.6	7.4	5.3	8.7	10.4	9.3	7.2	2.9	.2	5.4	28
29	Corporate	25.3	29.6	31.6	38.9	39.5	46.8	55.3	67.2	77.1	35.8	33.6	38.1	29
30	***Foreign***	**1.5**	**4.0**	**2.8**	**3.7**	**2.7**	**4.6**	**4.3**	**7.5**	**15.4**	**13.0**	**9.6**	**16.4**	30
31	Corporate equities	-.3	.1	.2	.5	.1	*	-.4	-.2	-.3	*	.1	-.1	31
32	*Debt instruments*	*1.8*	*4.0*	*2.7*	*3.2*	*2.7*	*4.6*	*4.7*	*7.7*	*15.7*	*13.0*	*9.5*	*16.6*	32
33	Bonds	.7	1.2	1.1	1.0	.9	.9	1.0	1.0	2.2	6.3	5.9	6.7	33
34	Bank loans n.e.c.	-.2	-.3	-.5	-.2	-.3	1.6	2.9	2.8	4.7	4.0	1.4	6.6	34
35	Open market paper	-.1	.5	-.2	.3	.8	.3	-1.0	2.2	7.1	.1	1.2	1.0	35
36	U.S. Government loans	1.3	2.6	2.2	2.1	1.3	1.8	1.8	1.7	1.7	2.8	3.4	2.3	36
37	Memo: U.S. Govt. cash balance	-.4	1.2	-1.1	.4	2.8	3.2	-.3	1.7	-4.6	2.9	2.7	3.1	37
	Totals net of changes in U.S. Govt. cash balances:													
38	Total funds raised	68.3	81.3	97.1	91.4	95.5	144.2	169.7	189.0	184.7	201.7	184.0	219.1	38
39	By U.S. Government	4.0	11.8	14.6	-4.1	10.0	22.3	17.6	11.4	16.6	82.3	81.4	83.2	39
							Credit market funds raised by financial sectors							
1	**Total funds raised by financial sectors**	**11.7**	**2.0**	**18.3**	**33.7**	**12.6**	**16.5**	**28.9**	**52.0**	**38.0**	**12.1**	**4.9**	**19.3**	1
2	Sponsored credit agencies	4.8	-.6	3.5	8.8	8.2	3.8	6.2	19.6	22.1	11.0	9.1	13.0	2
3	U.S. Government securities	5.1	-.6	3.2	9.1	8.2	3.8	6.2	19.6	21.4	10.2	8.0	12.3	3
4	Loans from U.S. Government	-.2	-.1	.2	-.3	.....	.....	.....	.....	.7	.9	1.1	.6	4
5	Private financial sectors	6.9	2.6	14.9	24.9	4.3	12.7	22.8	32.4	15.9	1.1	4.2	6.3	5
6	Corporate equities	3.7	3.0	6.4	6.1	4.6	3.3	2.4	.8	1.7	1.8	2.1	1.5	6
7	*Debt instruments*	*3.2*	*-.4*	*8.5*	*18.8*	*-.3*	*9.3*	*20.3*	*31.6*	*14.2*	*.7*	*6.3*	*4.8*	7
8	Corporate bonds	.9	1.3	1.1	1.5	3.1	5.1	7.0	2.3	1.4	3.1	3.0	3.3	8
9	Mortgages	-.9	1.0	.4	.2	.7	2.1	1.7	-1.2	-1.3	2.3	2.0	2.6	9
10	Bank loans n.e.c.	-1.0	-2.0	2.5	2.3	-.5	3.0	6.8	13.5	7.5	-5.3	-7.9	-2.7	10
11	Open market paper and RP's	3.3	1.9	3.6	10.7	-5.0	1.8	4.9	9.8	-.1	3.1	4.6	1.5	11
12	Loans from FHLB's	.9	-2.5	.9	4.0	1.3	-2.7	*	7.2	6.7	-4.0	8.1	.2	12
13	**Total funds raised, by sector**	**11.7**	**2.0**	**18.3**	**33.7**	**12.6**	**16.5**	**28.9**	**52.0**	**38.0**	**12.1**	**4.9**	**19.3**	13
14	Sponsored credit agencies	4.8	-.6	3.5	8.8	8.2	3.8	6.2	19.6	22.1	11.0	9.1	13.0	14
15	Private financial sectors	6.9	2.6	14.9	24.9	4.3	12.7	22.8	32.4	15.9	1.1	4.2	6.3	15
16	Commercial banks	-.1	.1	1.2	1.4	-3.1	2.5	4.0	4.5	-1.9	3.3	4.6	2.1	16
17	Bank affiliates	.....	.....	.....	4.2	-1.9	-.4	.7	2.2	2.4	.3	.9	-.3	17
18	Foreign banking agencies	.1	*	.1	.2	.1	1.6	.8	5.1	2.9	-.3	.9	.2	18
19	Savings and loan associations	.1	-1.7	1.1	4.1	1.8	-.1	2.0	6.0	6.3	-2.1	-8.0	3.8	19
20	Other insurance companies	.1	.1	.2	.5	.4	.6	.5	.5	.4	.7	.8	.7	20
21	Finance companies	3.1	1.2	5.7	8.3	1.6	4.2	9.3	9.4	3.9	.9	-2.5	.8	21
22	REIT's	.....	.....	.7	1.3	2.7	3.0	6.1	6.3	1.0	-1.6	-1.8	-1.4	22
23	Open end investment companies	3.7	3.0	5.8	4.8	2.6	1.1	-.7	-1.6	1.0	1.6	2.7	.5	23
							Total credit market funds raised, all sectors, by type							
1	**Total funds raised**	**79.6**	**84.4**	**114.3**	**125.5**	**110.8**	**163.9**	**198.3**	**239.4**	**218.1**	**216.6**	**191.6**	**241.5**	1
2	Investment company shares	3.7	3.0	5.8	4.8	2.6	1.1	-.7	-1.6	1.0	1.6	2.7	.5	2
3	Other corporate equities	1.1	2.5	.6	5.2	7.7	13.6	13.6	9.6	4.6	10.1	9.8	10.4	3
4	*Debt instruments*	*74.9*	*79.0*	*107.9*	*115.5*	*100.4*	*149.1*	*185.4*	*231.3*	*212.5*	*204.9*	*179.0*	*230.6*	4
5	U.S. Government securities	8.8	12.5	16.7	5.5	21.1	29.4	23.6	29.4	33.5	95.4	92.0	98.9	5
6	State and local obligations	5.6	7.8	9.5	9.9	11.2	17.6	14.4	13.7	17.4	15.4	17.1	13.8	6
7	Corporate and foreign bonds	11.8	17.2	15.0	14.5	23.8	24.8	20.2	12.5	23.3	36.7	44.2	29.1	7
8	Mortgages	21.3	23.0	27.4	27.8	26.4	48.9	68.8	71.9	54.5	57.3	51.4	63.2	8
9	Consumer credit	6.4	4.5	10.0	10.4	6.0	11.2	19.2	22.9	9.6	5.3	-1.5	12.0	9
10	Bank loans n.e.c.	9.7	7.5	15.7	17.6	5.8	12.4	28.5	52.1	39.5	-12.6	-26.7	1.3	10
11	Open market paper and RP's	4.4	4.0	5.2	14.1	-1.2	.9	3.3	11.6	13.6	.9	1.9	*	11
12	Other loans	6.9	2.5	8.3	15.8	7.3	4.0	7.4	17.2	21.1	6.4	.6	12.2	12

NOTE.—Full statements for sectors and transaction types quarterly, and annually for flows and for amounts outstanding, may be obtained from Flow of Funds Section, Division of Research and Statistics, Board of Governors of the Federal Reserve System, Washington, D.C. 20551.

DIRECT AND INDIRECT SOURCES OF FUNDS TO CREDIT MARKETS

(Seasonally adjusted annual rates; in billions of dollars)

	Transaction category, or sector	1966	1967	1968	1969	1970	1971	1972	1973	1974	1975	1975 H1	1975 H2	
1	**Total funds advanced in credit markets to nonfinancial sectors**	**66.9**	**80.0**	**95.9**	**88.0**	**92.5**	**135.9**	**158.9**	**180.1**	**176.2**	**194.6**	**176.2**	**212.8**	1
	By public agencies and foreign													
2	**Total net advances**	**11.9**	**11.3**	**12.2**	**15.7**	**28.1**	**41.7**	**18.3**	**33.2**	**49.2**	**39.2**	**41.6**	**36.8**	2
3	U.S. Government securities	3.4	6.8	3.4	.7	15.9	33.8	8.4	11.0	8.6	18.5	28.3	8.8	3
4	Residential mortgages	2.8	2.1	2.8	4.6	5.7	5.7	5.2	7.6	13.8	16.1	15.1	17.2	4
5	FHLB advances to S&L's	.9	-2.5	.9	4.0	1.3	2.7	*	7.2	6.7	4.0	-8.1	.2	5
6	Other loans and securities	4.8	4.9	5.1	6.3	5.2	4.9	4.6	7.5	20.1	8.5	6.3	10.7	6
	By agency–													
7	U.S. Government	4.9	4.6	4.9	2.9	2.8	3.2	2.6	3.0	7.4	13.3	12.7	13.9	7
8	Sponsored credit agencies	5.1	-.1	3.2	8.9	10.0	3.2	7.0	20.3	24.1	12.6	11.1	14.1	8
9	Monetary authorities	3.5	4.8	3.7	4.2	5.0	8.9	.3	9.2	6.2	8.5	7.0	10.1	9
10	Foreign	-1.6	2.0	.3	-.3	10.3	26.4	8.4	.7	11.6	4.7	10.8	-1.4	10
11	Agency borrowing not included in line 1	4.8	-.6	3.5	8.8	8.2	3.8	6.2	19.6	22.1	11.0	9.1	13.0	11
	Private domestic funds advanced													
12	**Total net advances**	**59.8**	**68.1**	**87.2**	**81.1**	**72.6**	**98.1**	**146.7**	**166.5**	**149.1**	**166.4**	**143.7**	**189.0**	12
13	U.S. Government securities	5.4	5.7	13.3	4.8	5.2	-4.4	15.2	18.4	24.9	76.9	63.7	90.2	13
14	State and local obligations	5.6	7.8	9.5	9.9	11.2	17.6	14.4	13.7	17.4	15.4	17.1	13.8	14
15	Corporate and foreign bonds	10.3	16.0	13.8	12.5	20.0	19.5	13.2	10.1	20.6	33.1	41.1	25.1	15
16	Residential mortgages	12.0	13.0	15.5	15.7	12.8	29.1	44.6	44.1	25.6	22.3	19.1	25.5	16
17	Other mortgages and loans	27.4	23.1	35.9	42.2	24.6	33.7	59.5	87.4	67.4	14.8	-5.3	34.7	17
18	Less: FHLB advances	.9	-2.5	.9	4.0	1.3	2.7	*	7.2	6.7	4.0	-8.1	.2	18
	Private financial intermediation													
19	*Credit market funds advanced by private financial institutions*	*45.4*	*63.5*	*75.3*	*55.3*	*74.9*	*110.7*	*153.4*	*158.8*	*131.5*	*123.0*	*115.0*	*130.8*	19
20	Commercial banks	17.5	35.9	38.7	18.2	35.1	50.6	70.5	86.6	64.6	27.3	16.3	38.2	20
21	Savings institutions	7.9	15.0	15.6	14.5	16.9	41.4	49.3	35.1	26.9	56.0	58.8	53.2	21
22	Insurance and pension funds	15.5	12.9	14.0	12.7	17.3	13.3	17.7	22.1	34.3	40.1	40.0	40.2	22
23	Other finance	4.5	-.3	7.0	9.9	5.7	5.3	15.8	15.0	5.7	-.4	-.2	.8	23
24	*Sources of funds*	*45.4*	*63.5*	*75.3*	*55.3*	*74.9*	*110.7*	*153.4*	*158.8*	*131.5*	*123.0*	*115.0*	*130.8*	24
25	Private domestic deposits	22.5	50.0	45.9	2.6	63.2	90.3	97.5	84.9	76.5	96.0	103.6	88.5	25
26	Credit market borrowing	3.2	-.4	8.5	18.8	-.3	9.3	20.3	31.6	14.2	.7	-6.3	4.8	26
27	Other sources	19.8	13.9	21.0	34.0	12.0	11.0	35.5	42.4	40.8	27.7	17.7	37.5	27
28	Foreign funds	3.7	2.3	2.6	9.3	-8.5	-3.2	5.2	6.5	13.6	-.4	6.3	5.6	28
29	Treasury balances	-.5	.2	-.2	*	2.9	2.2	.7	1.0	-5.1	1.7	-2.3	-1.1	29
30	Insurance and pension reserves	13.6	12.0	11.4	10.8	13.1	9.1	13.1	16.7	27.9	27.4	27.6	27.2	30
31	Other, net	3.0	-.6	7.2	13.8	4.4	2.9	16.5	20.2	4.4	2.4	-1.3	5.8	31
	Private domestic nonfinancial investors													
32	Direct lending in credit markets	17.6	4.2	20.4	44.5	-2.6	-3.2	13.7	39.3	31.8	42.7	22.5	63.0	32
33	U.S. Government securities	8.4	-1.4	8.1	17.0	-9.0	14.0	1.6	18.8	18.1	21.2	4.8	47.1	33
34	State and local obligations	2.6	-2.5	-.2	8.7	-1.2	.6	2.1	4.4	10.8	8.3	10.6	5.9	34
35	Corporate and foreign bonds	2.0	4.6	4.7	6.6	10.7	9.3	5.2	1.1	1.7	9.0	11.5	6.5	35
36	Commercial paper	2.3	1.9	5.8	10.2	-4.4	-.6	4.0	11.3	1.6	.4	2.1	-1.4	36
37	Other	2.3	1.7	2.1	2.0	1.4	1.5	.8	3.8	2.9	3.8	2.9	4.8	37
38	Deposits and currency	24.4	52.1	48.3	5.4	66.6	93.7	101.9	88.8	82.8	102.2	110.9	93.5	38
39	Time and saving accounts	20.3	39.3	33.9	-2.3	56.1	81.0	85.2	76.3	71.9	88.7	91.1	86.2	39
40	Large negotiable CD's	-.2	4.3	3.5	-13.7	15.0	7.7	8.7	18.5	23.6	9.7	22.3	2.9	40
41	Other at commercial banks	13.3	18.3	17.5	3.4	24.2	32.9	30.6	29.5	26.6	39.0	44.5	33.4	41
42	At savings institutions	7.3	16.7	12.9	8.0	16.9	40.4	45.9	28.2	21.8	59.4	68.9	49.9	42
43	Money	4.1	12.8	14.5	7.7	10.5	12.7	16.7	12.6	10.8	13.6	19.8	7.3	43
44	Demand deposits	2.1	10.6	12.1	4.8	7.1	9.3	12.3	8.6	4.5	7.4	12.4	2.3	44
45	Currency	2.0	2.1	2.4	2.8	3.5	3.4	4.4	3.9	6.3	6.2	7.3	5.1	45
46	**Total of credit market instr., deposits, and currency**	**42.0**	**56.3**	**68.7**	**49.9**	**64.1**	**90.5**	**115.7**	**128.1**	**114.5**	**144.9**	**133.3**	**156.5**	46
47	Private support rate (in per cent)	17.9	14.1	12.7	17.8	30.4	30.7	11.5	18.4	27.9	20.1	23.6	17.3	47
48	Private financial intermediation (in per cent)	75.9	93.2	86.4	68.3	103.1	112.8	104.5	95.4	88.2	73.9	80.0	69.2	48
49	Total foreign funds	2.1	4.3	2.9	9.1	1.8	23.2	13.6	7.2	25.1	4.4	4.5	4.2	49
		Corporate equities not included above												
1	**Total net issues**	**4.8**	**5.5**	**6.4**	**10.0**	**10.4**	**14.8**	**12.9**	**8.0**	**5.6**	**11.7**	**12.5**	**10.9**	1
2	Mutual fund shares	3.7	3.0	5.8	4.8	2.6	1.1	-.7	-1.6	1.0	1.6	2.7	.5	2
3	Other equities	1.1	2.5	.6	5.2	7.7	13.6	13.6	9.6	4.6	10.1	9.8	10.4	3
4	Acquisitions by financial institutions	6.0	9.1	10.8	12.2	11.4	19.3	16.0	13.4	6.1	8.4	10.4	6.5	4
5	Other net purchases	-1.2	-3.6	-4.4	-2.2	-1.0	-4.5	-3.1	-5.4	-.5	3.3	2.2	4.4	5

Notes

Line

1. Line 2 of p. A-56.
2. Sum of lines 3-6 or 7–10.
6. Includes farm and commercial mortgages.
11. Credit market funds raised by Federally sponsored credit agencies. Included below in lines 13 and 33. Includes all GNMA-guaranteed security issues backed by mortgage pools.
12. Line 1 less line 2 plus line 11. Also line 19 less line 26 plus line 32. Also sum of lines 27, 32, 39, and 44.
17. Includes farm and commercial mortgages.
25. Lines 39 plus 44.
26. Excludes equity issues and investment company shares. Includes line 18.
28. Foreign deposits at commercial banks, bank borrowings from foreign branches, and liabilities of foreign banking agencies to foreign affiliates.
29. Demand deposits at commercial banks.
30. Excludes net investment of these reserves in corporate equities.
31. Mainly retained earnings and net miscellaneous liabilities.
32. Line 12 less line 19 plus line 26.
33–37. Lines 13-17 less amounts acquired by private finance. Line 37 includes mortgages.
39–44. See line 25.
45. Mainly an offset to line 9.
46. Lines 32 plus 38 or line 12 less line 27 plus line 45.
47. Line 2/line 1.
48. Line 19/line 12.
49. Lines 10 plus 28.

Corporate equities

Lines 1 and 3. Includes issues by financial institutions.

1. U.S. INTERNATIONAL TRANSACTIONS—SUMMARY

(In millions of dollars. Quarterly figures are seasonally adjusted except as noted.[1])

Line	Credits (+), debits (−)	1973	1974	1975	1975 I	1975 II	1975 III	1975 IV	1976 I
1	Merchandise exports	71,410	98,310	107,133	27,020	25,848	26,610	27,655	26,939
2	Merchandise imports	70,499	103,679	98,150	25,585	22,598	24,511	25,456	28,447
3	Merchandise trade balance [2]	911	−5,369	8,983	1,435	3,250	2,099	2,199	−1,508
4	Military transactions, net	−2,287	−2,083	−883	−402	−378	−115	12	−4
5	Investment income, net	5,178	10,227	6,007	1,124	1,531	1,682	1,670	2,129
6	Other service transactions, net	102	812	2,163	438	648	619	455	441
7	**Balance on goods and services** [3]	**3,905**	**3,586**	**16,269**	**2,595**	**5,051**	**4,285**	**4,336**	**1,058**
8	Unilateral transfers	−3,883	−7,185	−4,620	−1,179	−1,146	−1,044	−1,251	−1,138
9	Remittance, pensions, and other transfers	−1,945	−1,710	−1,727	−431	−434	−429	−433	−480
10	U.S. Government grants (excluding military)	−1,938	−5,475	−2,893	−748	−712	−615	−818	−658
11	**Balance on current account**	**22**	**−3,598**	**11,650**	**1,416**	**3,905**	**3,241**	**3,085**	**−80**
12	*Not seasonally adjusted*				*2,934*	*3,903*	*529*	*4,284*	*1,467*
13	U.S. Govt. capital transactions, other than official reserve assets, net (outflow, −)	−1,492	1,089	−1,731	−455	−422	−401	−453	795
14	Change in U.S. official reserve assets (increase, −)	209	−1,434	−607	−325	−29	−342	89	−773
15	Gold								
16	SDR's	9	−172	−66	−4	−16	−25	−21	−45
17	Reserve position in IMF	−33	−1,265	−466	−307	−7	−95	−57	−237
18	Foreign currencies	233	3	−75	−14	−6	−222	167	−491
19	Change in U.S. private assets abroad (increase, −)	−13,998	−32,323	−27,061	−6,777	−7,074	−3,109	−10,101	−8,065
20	Bank-reported claims	−5,980	−19,494	−13,238	−3,702	−3,820	−429	−5,287	−3,714
21	Long-term	−933	−1,183	−2,351	−441	−381	−586	−943	−245
22	Short-term	−5,047	−18,311	−10,887	−3,261	−3,439	157	−4,344	−3,469
23	Nonbank-reported claims	−2,378	−3,221	−1,309	363	59	−972	−759	−264
24	Long-term	−396	−474	−384	22	55	−139	−322	−84
25	Short-term	−1,982	−2,747	−925	341	4	−833	−437	−180
26	U.S. purchase of foreign securities, net	−671	−1,854	−6,206	−1,928	−979	−938	−2,361	−2,507
27	U.S. direct investments abroad, net	−4,968	−7,753	−6,307	−1,510	−2,334	−770	−1,694	−1,580
28	Change in foreign official assets in the United States (increase, +)	5,145	10,257	4,603	2,958	1,913	−2,356	2,088	1,856
29	U.S. Treasury securities	114	3,282	4,312	5,298	818	−2,880	1,076	1,713
30	Other U.S. Govt. obligations	582	902	891	494	65	25	307	65
31	Other U.S. liabilities reported by U.S. banks	4,126	5,818	−2,474	−3,203	591	17	121	−571
32	Other foreign official assets	323	254	1,874	369	439	482	584	649
33	Change in foreign private assets in the United States (increase, +)	12,220	21,452	8,544	−565	1,576	4,384	3,148	1,693
34	U.S. bank-reported liabilities	4,702	16,017	653	−2,459	776	1,634	702	881
35	Long-term	227	9	−355	−45	−287	−114	91	166
36	Short-term	4,475	16,008	1,008	−2,414	1,063	1,748	611	715
37	U.S. nonbank-reported liabilities	1,035	1,615	78	322	58	−141	−161	24
38	Long-term	298	−212	313	357	77	−99	−22	−170
39	Short-term	737	1,827	−235	−35	−19	−42	−139	194
40	Foreign private purchases of U.S. Treasury securities, net	−214	697	2,649	752	−423	2,158	162	451
41	*Foreign purchases of other U.S. securities, net*	4,041	378	2,727	344	385	781	1,217	1,026
42	Foreign direct investments in the United States, net	2,656	2,745	2,437	476	780	−48	1,229	−689
43	Allocations of SDR's								
44	Discrepancy	−2,107	4,557	4,602	3,748	131	−1,417	2,143	4,574
45	Owing to seasonal adjustments				1,330	−37	−2,565	1,275	1,357
46	Statistical discrepancy in recorded data before seasonal adjustment	−2,107	4,557	4,602	2,418	168	1,148	868	3,217
	Memoranda:								
	Changes in official assets:								
47	U.S. official reserve assets (increase, −)	209	−1,434	−607	−325	−29	−342	89	−773
48	Foreign official assets in the U.S. (increase, +)	5,145	10,257	4,603	2,958	1,913	−2,356	2,088	1,856
49	Transfers under military grant programs (excluded from lines 1, 4, and 10 above)	2,809	1,817	2,232	797	1,202	56	177	50

For notes see opposite page.

2. MERCHANDISE EXPORTS AND IMPORTS

(Seasonally adjusted; in millions of dollars)

	Exports [1]				Imports [2]				Trade balance			
	1973	1974	1975[r]	1976	1973	1974[3]	1975[r]	1976	1973	1974[3]	1975[r]	1976
Month:												
Jan.	4,955	7,150	9,373	9,103	5,244	6,498	9,635	9,176	−289	+652	−262	−73
Feb.	5,070	7,549	8,755	8,800	5,483	7,318	7,928	8,941	−413	+231	+827	−141
Mar.	5,311	7,625	8,685	8,956	5,414	7,742	7,466	9,607	−103	−117	+1,219	−651
Apr.	5,494	8,108	8,648	9,394	5,360	8,025	7,959	9,596	+133	+83	+689	−202
May	5,561	7,652	8,222	9,578	5,703	8,265	7,266	9,182	−142	−612	+955	+396
June	5,728	8,317	8,716	....	5,775	8,577	7,104	....	−47	−260	+1,613	....
July	5,865	8,307	8,894	....	5,829	8,922	7,832	....	+37	−615	+1,062	....
Aug.	6,042	8,379	8,979	....	6,011	9,267	7,877	....	+32	−888	+1,102	....
Sept.	6,420	8,399	9,146	....	5,644	8,696	8,205	....	+776	−297	+941	....
Oct.	6,585	8,673	9,225	....	5,996	8,773	8,170	....	+589	−100	+1,054	....
Nov.	6,879	8,973	9,409	....	6,684	8,973	8,204	....	+195	....	+1,206	....
Dec.	6,949	8,862	9,250	....	6,291	9,257	8,526	....	+658	−395	+724	....
Quarter:												
I	15,336	22,325	26,813	26,859	16,140	21,558	25,030	27,723	−804	+767	+1,784	−864
II	16,783	24,077	25,585	....	16,839	24,867	22,328	....	−56	−790	+3,257	....
III	18,327	25,085	27,019	....	17,483	26,885	23,915	....	+844	−1,800	+3,104	....
IV	20,413	26,508	27,884	....	18,972	27,003	24,900	....	+1,441	−495	+2,984	....
Year[4]	70,823	97,908	107,191	....	69,476	100,251	96,140	....	+1,347	−2,343	+11,050	....

[1] Exports of domestic and foreign merchandise (f.a.s. value basis); excludes Department of Defense shipments under military grant-aid programs.
[2] General imports, which includes imports for immediate consumption plus entries into bonded warehouses. See also note 3.
[3] Beginning with 1974 data, imports are reported on an f.a.s. transactions value basis; prior data are reported on a Customs import value basis. For calendar year 1974, the f.a.s. import transactions value was $100.3 billion, about 0.7 per cent less than the corresponding Customs import value of $101.0 billion.
[4] Sum of unadjusted figures.

NOTE.—Bureau of the Census data. Details may not add to totals because of rounding.

3. U.S. RESERVE ASSETS

(In millions of dollars)

End of year	Total	Gold stock[1] Total[2]	Gold stock[1] Treasury	Convertible foreign currencies	Reserve position in IMF	SDR's[3]
1961	18,753	16,947	16,889	116	1,690	....
1962	17,220	16,057	15,978	99	1,064	....
1963	16,843	15,596	15,513	212	1,035	....
1964	16,672	15,471	15,388	432	769	....
1965	15,450	13,806	13,733	781	863	....
1966	14,882	13,235	13,159	1,321	326	....
1967	14,830	12,065	11,982	2,345	420	....
1968	15,710	10,892	10,367	3,528	1,290	....
1969	[4]16,964	11,859	10,367	[4]2,781	2,324	....
1970	14,487	11,072	10,732	629	1,935	851
1971	[5]12,167	10,206	10,132	[5]276	585	1,100
1972[6]	13,151	10,487	10,410	241	465	1,958
1973[7]	14,378	11,652	11,567	8	552	2,166
1974	15,883	11,652	11,652	5	1,852	2,374

End of month	Total	Gold stock Total[2]	Gold stock Treasury	Convertible foreign currencies	Reserve position in IMF	SDR's[3]
1975-						
June	16,242	11,620	11,620	25	2,179	2,418
July	16,084	11,618	11,618	2	2,135	2,329
Aug.	16,117	11,599	11,599	28	2,169	2,321
Sept.	16,291	11,599	11,599	247	2,144	2,301
Oct.	16,569	11,599	11,599	413	2,192	2,365
Nov.	16,592	11,599	11,599	423	2,234	2,336
Dec.	16,226	11,599	11,599	80	2,212	2,335
1976-						
Jan.	16,622	11,599	11,599	333	2,314	2,376
Feb.	16,661	11,599	11,599	296	2,390	2,376
Mar.	16,941	11,599	[r]11,599	571	2,420	2,351
Apr.	17,437	[r]11,598	[r]11,598	936	2,578	2,325
May	17,958	11,598	11,598	938	3,113	2,309
June	[8]18,277	11,598	11,598	1,165	[8]3,198	[8]2,316

[1] Includes (a) gold sold to the United States by the IMF with the right of repurchase, and (b) gold deposited by the IMF to mitigate the impact on the U.S. gold stock of foreign purchases for the purpose of making gold subscriptions to the IMF under quota increases. For corresponding liabilities, see Table 5.
[2] Includes gold in Exchange Stabilization Fund.
[3] Includes allocations by the IMF of Special Drawing Rights as follows: $867 million on Jan. 1, 1970; $717 million on Jan. 1, 1971; and $710 million on Jan. 1, 1972; plus net transactions in SDR's.
[4] Includes gain of $67 million resulting from revaluation of the German mark in Oct. 1969, of which $13 million represents gain on mark holdings at time of revaluation.
[5] Includes $28 million increase in dollar value of foreign currencies revalued to reflect market exchange rates as of Dec. 31, 1971.
[6] Total reserve assets include an increase of $1,016 million resulting from change in par value of the U.S. dollar on May 8, 1972; of which, total gold stock is $828 million (Treasury gold stock $822 million), reserve position in IMF $33 million, and SDR's $155 million.
[7] Total reserve assets include an increase of $1,436 million resulting from change in par value of the U.S. dollar on Oct. 18, 1973; of which, total gold stock is $1,165 million (Treas. gold stock $1,157 million), reserve position in IMF $54 million, and SDR's $217 million.
[8] Beginning July 1974, the IMF adopted a technique for valuing the SDR based on a weighted average of exchange rates for the currencies of 16 member countries. The U.S. SDR holdings and reserve position in the IMF are also valued on this basis beginning July 1974. At valuation used prior to July 1974 (SDR 1 = $1.20635) SDR holdings at end of June amounted to $2,435 million, reserve position in IMF, $3,357 million, and total U.S. reserves assets, $18,555.

NOTE.—See Table 20 for gold held under earmark at F.R. Banks for foreign and international accounts. Gold under earmark is not included in the gold stock of the United States.

NOTES TO TABLE 1 ON OPPOSITE PAGE:

[1] Seasonal factors are no longer calculated for capital transactions—lines 14 through 49.
[2] Adjusted to a balance of payments basis; among other adjustments, excludes military transactions and includes imports into the Virgin Islands.
[3] Differs from the definition of "net exports of goods and services" in the national income and product (GNP) account. The GNP definition excludes special military sales from exports and U.S. Govt. interest payments from imports.

NOTE.—Data are from U.S. Dept. of Comm., Bureau of Economic Analysis, *Survey of Current Business*. A detailed description of items in this revised format of U.S. International Transactions will appear in a future issue of the BULLETIN.

4. GOLD RESERVES OF CENTRAL BANKS AND GOVERNMENTS

(In millions of dollars; valued at $35 per fine ounce through Apr. 1972, at $38 from May 1972-Sept. 1973, and at $42.22 thereafter)

End of period	Estimated total world[1]	Intl. Monetary Fund	United States	Estimated rest of world	Algeria	Argentina	Australia	Austria	Belgium	Canada	China, Rep. of (Taiwan)	Denmark	Egypt
1970	41,275	4,339	11,072	25,865	191	140	239	707	1,470	791	82	65	85
1971	41,160	4,732	10,206	26,220	192	90	259	729	1,544	792	80	64	85
1972	44,890	5,830	10,487	28,575	208	152	281	791	1,638	834	87	69	92
1973	49,850	6,478	11,652	31,720	231	169	312	881	1,781	927	97	77	103
1974	49,800	6,478	11,652	31,670	231	169	312	882	1,781	927	97	76	103
1975—June	49,760	6,478	11,620	31,660	231	169	312	882	1,781	927	97	76	103
July	....	6,478	11,618	....	231	169	312	882	1,781	927	97	76	103
Aug.	....	6,478	11,599	....	231	169	312	882	1,781	927	97	76	103
Sept.	49,750	6,478	11,599	31,675	231	169	312	882	1,781	927	97	76	103
Oct.	....	6,478	11,599	....	231	169	312	882	1,781	927	97	76	103
Nov.	....	6,478	11,599	....	231	169	312	882	1,781	927	97	76	103
Dec.	49,740	6,478	11,599	31,665	231	169	312	882	1,781	927	97	76	103
1976—Jan.	....	6,478	11,599	....	231	169	312	882	1,781	927	97	76	103
Feb.	....	6,478	11,599	....	231	169	312	882	1,781	927	97	76	103
Mar.	49,470	6,478	11,599	31,395	231	169	312	882	1,781	916	94	76	103
Apr.	....	6,478	11,598	....	231	....	312	882	1,781	916	94	76	....
May[p]	....	6,478	11,598	....	231	....	312	882	1,781	916	94	76	....

End of period	France	Germany	Greece	India	Iran	Iraq	Italy	Japan	Kuwait	Lebanon	Libya	Mexico	Netherlands
1970	3,532	3,980	117	243	131	144	2,887	532	86	288	85	176	1,787
1971	3,523	4,077	98	243	131	144	2,884	679	87	322	85	184	1,909
1972	3,826	4,459	133	264	142	156	3,130	801	94	350	93	188	2,059
1973	4,261	4,966	148	293	159	173	3,483	891	120	388	103	196	2,294
1974	4,262	4,966	152	293	158	173	3,483	891	148	389	103	154	2,294
1975—June	4,262	4,966	153	293	158	173	3,483	891	154	389	103	154	2,294
July	4,262	4,966	153	293	158	173	3,483	891	154	389	103	154	2,294
Aug.	4,262	4,966	153	293	158	173	3,483	891	154	389	103	154	2,294
Sept.	4,262	4,966	153	293	158	173	3,483	891	160	389	103	154	2,294
Oct.	4,262	4,966	153	293	158	173	3,483	891	160	389	103	154	2,294
Nov.	4,262	4,966	153	293	158	173	3,483	891	160	389	103	154	2,294
Dec.	4,262	4,966	153	293	158	173	3,483	891	169	389	103	154	2,294
1976—Jan.	4,262	4,966	153	293	158	173	3,483	891	169	389	103	152	2,294
Feb.	4,262	4,966	153	293	158	173	3,483	891	176	....	103	152	2,294
Mar.	4,262	4,966	153	293	158	173	3,483	891	176	....	103	....	2,294
Apr.	4,262	4,966	153	293	158	173	3,483	891	183	....	103	....	2,294
May[p]	4,262	4,966	153	....	158	....	3,483	891	214	....	103	....	2,294

End of period	Pakistan	Portugal	Saudi Arabia	South Africa	Spain	Sweden	Switzerland	Thailand	Turkey	United Kingdom	Uruguay	Venezuela	Bank for Intl. Settlements[2]
1970	54	902	119	666	498	200	2,732	82	126	1,348	162	384	−282
1971	55	921	108	410	498	200	2,909	82	130	777	148	391	310
1972	60	1,021	117	681	541	217	3,158	89	136	801	133	425	218
1973	67	1,163	129	802	602	244	3,513	99	151	887	148	472	235
1974	67	1,175	129	771	602	244	3,513	99	151	888	148	472	250
1975—June	67	1,175	129	744	602	244	3,513	99	151	888	148	472	262
July	67	1,175	129	742	602	244	3,513	99	151	888	135	472	264
Aug.	67	1,175	129	744	602	244	3,513	99	151	888	135	472	264
Sept.	67	1,175	129	762	602	244	3,513	99	151	888	135	472	254
Oct.	67	1,175	129	754	602	244	3,513	99	151	888	135	472	256
Nov.	67	1,175	129	752	602	244	3,513	99	151	888	135	472	259
Dec.	67	1,170	129	749	602	244	3,513	99	151	888	135	472	246
1976—Jan.	67	1,170	129	753	602	244	3,513	99	151	888	135	472	213
Feb.	67	1,170	129	749	602	244	3,513	99	151	888	135	472	205
Mar.	67	1,170	129	[3]543	602	244	3,513	99	151	888	135	472	206
Apr.	69	....	129	539	602	244	3,513	99	151	....	....	472	....
May[p]	69	....	129	538	....	244	3,513	99	151	....	....	472	245

[1] Includes reported or estimated gold holdings of international and regional organizations, central banks and govts. of countries listed in this table, and also of a number not shown separately here, and gold to be distributed by the Tripartite Commission for the Restitution of Monetary Gold; excludes holdings of the U.S.S.R., other Eastern European countries, and People's Republic of China.

The figures included for the Bank for International Settlements are the Bank's gold assets net of gold deposit liabilities. This procedure avoids the overstatement of total world gold reserves since most of the gold deposited with the BIS is included in the gold reserves of individual countries.

[2] Net gold assets of BIS, i.e., gold assets minus gold deposit liabilities.

[3] Reflects South African Reserve Bank sale of gold spot and repurchase forward.

5. U.S. LIABILITIES TO FOREIGN OFFICIAL INSTITUTIONS, AND LIQUID LIABILITIES TO ALL OTHER FOREIGNERS

(In millions of dollars)

End of period	Total	Liquid liabilities to IMF arising from gold transactions[1]	Liabilities to foreign countries — Official institutions[2]					Liquid liabilities to commercial banks abroad[6]	Liquid liabilities to other foreigners			Liquid liabilities to nonmonetary intl. and regional organizations[8]
			Total	Short-term liabilities reported by banks in U.S.	Marketable U.S. Treas. bonds and notes[3]	Nonmarketable U.S. Treas. bonds and notes[4]	Other readily marketable liabilities[5]		Total	Short-term liabilities reported by banks in U.S.	Marketable U.S. Treas. bonds and notes[3,7]	
1964	29,364	800	15,786	13,220	1,125	1,283	158	7,303	3,753	3,377	376	1,722
1965	29,568	834	15,825	13,066	1,105	1,534	120	7,419	4,059	3,587	472	1,431
1966[9]	31,144	1,011	14,840	12,484	860	583	913	10,116	4,271	3,743	528	906
	31,019	1,011	14,895	12,539	860	583	913	9,936	4,272	3,744	528	905
1967[9]	35,819	1,033	18,201	14,034	908	1,452	1,807	11,209	4,685	4,127	558	691
	35,667	1,033	18,194	14,027	908	1,452	1,807	11,085	4,678	4,120	558	677
1968[9]	38,687	1,030	17,407	11,318	529	3,219	2,341	14,472	5,053	4,444	609	725
	38,473	1,030	17,340	11,318	462	3,219	2,341	14,472	4,909	4,444	465	722
1969[9]	[10]45,755	1,109	[10]15,975	11,054	346	[10]3,070	1,505	23,638	4,464	3,939	525	659
	45,914	1,019	15,998	11,077	346	3,070	1,505	23,645	4,589	4,064	525	663
1970—Dec.	47,009	566	23,786	19,333	306	3,452	695	17,137	4,676	4,029	647	844
	46,960	566	23,775	19,333	295	3,452	695	17,169	4,604	4,039	565	846
1971—Dec.[11]	67,681	544	51,209	39,679	1,955	9,431	144	10,262	4,138	3,691	447	1,528
	67,808	544	50,651	39,018	1,955	9,534	144	10,949	4,141	3,694	447	1,523
1972—Dec.	82,862	....	61,526	40,000	5,236	15,747	543	14,666	5,043	4,618	425	1,627
1973—Dec.[r]	92,490	....	66,861	[12]43,923	5,701	[12]15,564	1,673	17,694	5,932	5,502	430	2,003
1974—Dec.[9]	119,240	....	76,801	53,057	5,059	16,339	2,346	30,314	8,803	8,305	498	3,322
	119,152	....	76,808	53,064	5,059	16,339	2,346	30,079	8,943	8,445	498	3,322
1975 May	122,365	....	80,015	52,408	6,064	18,067	3,476	28,913	9,123	8,500	623	4,314
June	122,136	....	80,819	51,929	6,139	19,169	3,582	27,990	9,310	8,656	654	4,017
July	123,054	....	80,068	50,393	6,180	19,616	3,879	29,035	9,337	8,627	710	4,614
Aug.	129,468	....	79,556	49,915	6,296	19,466	3,879	30,340	9,668	8,997	671	4,904
Sept.	123,335	....	78,128	48,080	6,472	19,666	3,910	30,318	9,901	9,200	701	4,988
Oct.	123,477	....	80,047	49,602	6,644	19,666	4,135	28,467	10,021	9,283	738	4,942
Nov.	126,517	....	79,532	49,124	6,474	19,726	4,208	32,191	10,234	9,527	707	4,560
Dec.	126,273	....	80,286	49,170	6,599	19,976	4,541	29,579	10,765	10,036	729	5,643
1976 Jan.	127,910	....	80,863	49,147	6,841	20,051	4,824	30,993	10,510	9,775	735	5,544
Feb.	131,077	....	81,485	49,659	6,941	20,051	4,834	33,197	10,822	10,077	745	5,573
Mar.	129,135	....	81,973	49,632	7,422	20,051	4,868	30,527	10,891	10,115	776	5,744
Apr.[p]	135,793	....	83,326	50,426	7,716	20,151	5,033	35,241	11,537	10,757	780	5,689
May[p]	137,966	....	84,462	51,491	7,752	20,151	5,068	36,513	11,317	10,555	762	5,674

[1] Includes (a) liability on gold deposited by the IMF to mitigate the impact on the U.S. gold stock of foreign purchases for gold subscriptions to the IMF under quota increases, and (b) U.S. Treasury obligations at cost value and funds awaiting investment obtained from proceeds of sales of gold by the IMF to the United States to acquire income-earning assets.

[2] Includes Bank for International Settlements; also includes European Fund through Dec. 1972.

[3] Derived by applying reported transactions to benchmark data.

[4] Excludes notes issued to foreign official nonreserve agencies.

[5] Includes long-term liabilities reported by banks in the United States and debt securities of U.S. Federally sponsored agencies and U.S. corporations.

[6] Includes short-term liabilities payable in dollars to commercial banks abroad and short-term liabilities payable in foreign currencies to commercial banks abroad and to other foreigners.

[7] Includes marketable U.S. Treasury bonds and notes held by commercial banks abroad.

[8] Principally the International Bank for Reconstruction and Development and the Inter-American and Asian Development Banks.

[9] Data on the 2 lines shown for this date differ because of changes in reporting coverage. Figures on first line are comparable with those shown for the preceding date; figures on second line are comparable with those shown for the following date.

[10] Includes $101 million increase in dollar value of foreign currency liabilities resulting from revaluation of the German mark in Oct. 1969.

[11] Data on the second line differ from those on first line because certain accounts previously classified as official institutions are included with banks; a number of reporting banks are included in the series for the first time; and U.S. Treasury securities payable in foreign currencies issued to official institutions of foreign countries have been increased in value to reflect market exchange rates as of Dec. 31, 1971.

[12] Includes $162 million increase in dollar value of foreign currency liabilities revalued to reflect market exchange rates, as follows: short-term liabilities, $15 million; and nonmarketable U.S. Treasury notes, $147 million.

NOTE.—Based on Treasury Dept. data and on data reported to the Treasury Dept. by banks and brokers in the United States. Table excludes IMF holdings of dollars, and U.S. Treasury letters of credit and nonnegotiable, non-interest-bearing special U.S. notes held by other international and regional organizations.

6. U.S. LIABILITIES TO OFFICIAL INSTITUTIONS OF FOREIGN COUNTRIES, BY AREA

(Amounts outstanding; in millions of dollars)

End of period	Total foreign countries	Western Europe[1]	Canada	Latin American republics	Asia	Africa	Other countries[2]
1972	61,526	34,197	4,279	1,733	17,577	777	2,963
1973	66,861	45,764	3,853	2,544	10,887	788	3,025
1974—Dec.[3]	76,801	44,328	3,662	4,419	18,604	3,161	2,627
	76,808	44,328	3,662	4,419	18,611	3,161	2,627
1975—May	r80,015	45,485	3,101	4,600	r20,464	3,448	2,917
June	r80,819	45,483	3,008	4,723	r20,536	3,800	3,269
July	r80,068	44,458	2,966	4,763	r21,430	3,319	3,132
Aug.	r79,556	44,210	2,929	4,937	r21,114	3,392	2,794
Sept.	r78,128	43,481	3,011	4,840	r20,889	3,145	2,762
Oct.	r80,047	45,010	3,049	4,254	r22,115	3,018	2,601
Nov.	r79,532	44,744	3,218	4,056	r21,949	2,951	2,614
Dec.	r80,286	45,312	3,132	4,447	r22,518	2,983	1,894
1976—Jan.	r80,863	45,406	3,420	3,552	r23,775	2,724	1,986
Feb.r	r81,485	44,761	3,654	3,377	r24,941	2,731	2,021
Mar.	81,973	43,567	3,673	3,779	26,329	2,718	1,907
Apr.p	83,326	43,570	3,600	3,850	27,727	2,805	1,774
May p	84,461	43,237	3,590	3,827	28,891	3,140	1,777

[1] Includes Bank for International Settlements; also includes European Fund through 1972.

[2] Includes countries in Oceania and Eastern Europe, and Western European dependencies in Latin America.

[3] See note 9 to Table 5.

NOTE.—Data represent short- and long-term liabilities to the official institutions of foreign countries, as reported by banks in the United States; foreign official holdings of marketable and nonmarketable U.S. Treasury securities with an original maturity of more than 1 year, except for nonmarketable notes issued to foreign official nonreserve agencies; and investments by foreign official reserve agencies in debt securities of U.S. Federally sponsored agencies and U.S. corporations.

7. SHORT-TERM LIABILITIES TO FOREIGNERS REPORTED BY BANKS IN THE UNITED STATES, BY TYPE

(Amounts outstanding; in millions of dollars)

End of period	To all foreigners							IMF gold investment	To nonmonetary international and regional organizations[5]				
	Total[1]	Payable in dollars					Payable in foreign currencies		Total	Deposits		U.S. Treasury bills and certificates	Other short-term liab.[6]
		Total	Deposits: Demand	Deposits: Time[2]	U.S. Treasury bills and certificates[3]	Other short-term liab.[4]				Demand	Time[2]		
1972	60,696	60,200	8,290	5,603	31,850	14,457	496	....	1,412	86	202	326	799
1973	69,074	68,477	11,310	6,882	31,886	18,399	597	....	1,955	101	83	296	1,474
1974—Dec.[7]	94,847	94,081	14,068	10,106	35,662	34,246	766		3,171	139	111	497	2,424
	94,760	93,994	14,064	10,010	35,662	34,258	766		3,171	139	111	497	2,424
1975—May	93,735	93,070	11,929	10,374	40,628	30,139	665	....	3,914	115	133	1,994	1,672
June	92,517	91,933	12,596	10,662	38,265	30,535	584	....	3,943	106	183	996	2,708
July	92,500	91,939	12,218	10,385	38,564	30,772	560	....	4,444	146	134	2,518	1,646
Aug.	94,055	93,493	12,218	10,703	38,529	32,043	562	....	4,804	110	148	3,156	1,389
Sept.	92,499	91,945	13,422	10,400	36,653	31,470	554	....	4,901	107	127	3,008	1,659
Oct.	91,935	91,300	12,159	10,584	37,749	30,808	635	....	4,583	132	150	2,397	1,903
Nov.	95,313	94,673	12,813	10,293	37,297	34,270	637	....	4,471	145	156	1,605	2,562
Dec.	94,077	93,478	13,579	10,664	37,414	31,821	599	....	5,293	139	186	2,554	2,412
1976—Jan.	94,848	94,239	12,295	10,732	38,789	32,424	600	....	4,925	114	217	2,498	2,096
Feb.	97,454	96,800	13,349	10,272	39,657	33,522	654	....	4,520	118	162	2,435	1,805
Mar.	95,043	94,473	13,089	10,538	37,977	32,868	570	....	4,769	130	192	2,495	1,952
Apr.p	101,943	101,176	14,244	10,285	39,349	37,297	767	....	5,519	140	193	2,739	2,447
May p	104,071	103,339	13,840	10,155	40,179	39,165	732	....	5,508	91	185	2,876	2,356

For notes see opposite page.

7. SHORT-TERM LIABILITIES TO FOREIGNERS REPORTED BY BANKS IN THE UNITED STATES, BY TYPE—Continued

(Amounts outstanding; in millions of dollars)

End of period	Total to official, banks and other foreigners: Total	Payable in dollars: Deposits: Demand	Deposits: Time[2]	U.S. Treasury bills and certificates[3]	Other short-term liab.[4]	Payable in foreign currencies	To official institutions[8]: Total	Payable in dollars: Deposits: Demand	Deposits: Time[2]	U.S. Treasury bills and certificates[3]	Other short-term liab.[6]	Payable in foreign currencies
1973	67,119	11,209	6,799	31,590	16,925	597	43,923	2,125	3,911	31,511	6,248	127
1974—Dec.[7]	91,676	13,928	9,995	35,165	31,822	766	53,057	2,951	4,257	34,656	11,066	127
	91,589	13,925	9,899	35,165	31,834	766	53,064	2,951	4,167	34,656	11,163	127
1975—May	89,821	11,814	10,241	38,634	28,468	665	52,408	2,175	4,324	38,372	7,537	....
June	88,659	12,494	10,654	37,269	27,658	584	52,039	2,564	4,321	36,994	8,160	....
July	88,590	12,086	10,288	36,079	29,577	560	50,643	2,492	4,098	35,803	8,250	....
Aug.	89,249	12,121	10,251	35,406	30,909	562	49,932	2,493	3,939	35,055	8,445	....
Sept.	87,598	13,315	10,273	33,645	29,811	554	48,080	2,452	3,957	33,284	8,387	....
Oct.	87,352	12,027	10,434	35,359	28,897	635	49,602	2,448	3,948	34,983	8,223	....
Nov.	90,842	12,668	10,137	35,692	31,708	637	49,124	2,242	3,594	35,247	8,041	....
Dec.	88,785	13,440	10,478	34,860	29,416	591	49,170	2,644	3,438	34,175	8,913	....
1976—Jan.	89,915	12,181	10,514	36,291	30,328	600	49,147	2,449	3,291	35,633	7,774	....
Feb.	92,933	13,232	10,110	37,222	31,728	642	49,659	2,703	2,908	36,628	7,420	....
Mar.	90,274	12,960	10,346	35,482	30,921	565	49,632	2,680	2,767	34,983	9,202	....
Apr.[p]	96,424	14,104	10,092	36,610	34,855	763	50,426	2,782	2,319	36,115	9,209	....
May[p]	98,559	13,749	9,969	37,303	36,810	727	51,491	2,799	2,392	36,780	9,520	....

End of period	Total	To banks[9]: Payable in dollars: Total	Deposits: Demand	Deposits: Time[2]	U.S. Treasury bills and certificates	Other short-term liab.[4]	To other foreigners: Payable in dollars: Total	Deposits: Demand	Deposits: Time[2]	U.S. Treasury bills and certificates	Other short-term liab.[6]	To banks and other foreigners: Payable in foreign currencies
1973	23,196	17,224	6,941	529	11	9,743	5,502	2,143	2,359	68	933	469
1974—Dec.[7]	38,619	29,676	8,248	1,942	232	19,254	8,304	2,729	3,796	277	1,502	639
	38,525	29,441	8,244	1,936	232	19,029	8,445	2,729	3,796	277	1,643	639
1975—May	37,414	28,249	6,856	1,821	105	19,466	8,500	2,784	4,096	156	1,465	665
June	36,620	27,261	7,075	2,009	99	18,078	8,775	2,855	4,324	176	1,421	584
July	37,947	28,113	6,906	1,339	124	19,744	9,273	2,688	4,851	152	1,582	560
Aug.	39,317	29,708	6,923	1,836	121	20,827	9,048	2,705	4,476	230	1,637	562
Sept.	39,518	29,764	7,982	1,775	89	19,918	9,200	2,881	4,541	272	1,506	554
Oct.	37,750	27,832	6,811	1,777	100	19,143	9,282	2,769	4,708	276	1,530	635
Nov.	41,718	31,554	7,587	1,694	135	22,139	9,527	2,839	4,850	311	1,528	637
Dec.	39,615	28,988	7,549	2,140	335	18,964	10,036	3,248	4,901	349	1,538	591
1976—Jan.	40,767	30,393	6,832	2,162	369	21,030	9,774	2,900	5,061	289	1,523	600
Feb.	43,275	32,555	7,418	2,086	275	22,775	10,078	3,111	5,116	320	1,532	642
Mar.	40,642	29,961	7,246	2,318	217	20,181	10,115	3,034	5,261	282	1,538	565
Apr.[p]	45,998	34,478	7,883	2,367	134	24,095	10,757	3,439	5,406	361	1,551	763
May[p]	47,068	35,785	7,732	2,151	151	25,751	10,555	3,219	5,426	372	1,538	727

1 Data exclude IMF holdings of dollars.

2 Excludes negotiable time certificates of deposit, which are included in "Other short-term liabilities."

3 Includes nonmarketable certificates of indebtedness and Treasury bills issued to official institutions of foreign countries.

4 Includes liabilities of U.S. banks to their foreign branches, liabilities of U.S. agencies and branches of foreign banks to their head offices and foreign branches, bankers' acceptances, commercial paper, and negotiable time certificates of deposit.

5 Principally the International Bank for Reconstruction and Development and the Inter-American and Asian Development Banks.

6 Principally bankers' acceptances, commercial paper, and negotiable time certificates of deposit.

7 Data on the 2 lines shown for this date differ because of changes in reporting coverage. Figures on the first line are comparable in coverage with those shown for the preceding date; figures on the second line are comparable with those shown for the following date.

8 Foreign central banks and foreign central govts. and their agencies, Bank for International Settlements, and European Fund through Dec. 1972.

9 Excludes central banks, which are included in "Official institutions."

NOTE.—"Short term" obligations are those payable on demand or having an original maturity of 1 year or less. For data on long-term liabilities reported by banks, see Table 9. Data exclude International Monetary Fund holdings of dollars; these obligations to the IMF constitute contingent liabilities, since they represent essentially the amount of dollars available for drawings from the IMF by other member countries. Data exclude also U.S. Treasury letters of credit and nonnegotiable, noninterest-bearing special U.S. notes held by the Inter-American Development Bank and the International Development Association.

8. SHORT-TERM LIABILITIES TO FOREIGNERS REPORTED BY BANKS IN THE UNITED STATES, BY COUNTRY

(End of period. Amounts outstanding; in millions of dollars)

Area and country	1974 Dec.[1]	1974 Dec.[1]	1975 Aug.	1975 Sept.	1975 Oct.	1975 Nov.	1975 Dec.	1976 Jan.	1976 Feb.	1976 Mar.	1976 Apr.[p]	1976 May[p]
Europe:												
Austria	607	607	667	688	606	635	700	714	693	581	585	577
Belgium-Luxembourg	2,506	2,506	2,891	2,865	2,918	2,938	2,917	2,697	2,460	2,395	2,332	2,213
Denmark	369	369	308	311	327	361	332	375	434	678	681	649
Finland	266	266	406	391	367	380	391	309	313	334	350	403
France	4,287	4,287	5,493	5,950	6,608	7,172	7,733	7,499	6,480	6,210	4,856	4,529
Germany	9,420	9,429	5,277	4,797	5,047	4,841	4,407	3,873	4,518	4,245	5,880	5,256
Greece	248	248	307	361	331	313	284	263	340	261	289	299
Italy	2,617	2,617	1,056	1,426	1,398	1,071	1,112	1,052	1,044	1,338	1,504	1,418
Netherlands	3,234	3,234	3,301	3,059	3,199	3,301	3,148	3,132	3,558	3,397	3,281	3,111
Norway	1,040	1,040	1,052	982	886	970	996	888	925	798	915	797
Portugal	310	310	268	207	236	190	194	243	221	209	213	189
Spain	382	382	288	459	414	402	426	445	400	386	462	392
Sweden	1,138	1,138	2,203	2,195	2,252	2,241	2,286	2,266	2,312	2,287	2,352	2,437
Switzerland	9,986	10,137	8,282	8,048	8,205	8,029	8,556	8,611	8,648	8,854	8,965	9,129
Turkey	152	152	134	116	128	120	118	88	104	106	113	101
United Kingdom	7,559	7,584	8,342	6,268	6,722	7,177	6,885	7,611	8,236	6,724	6,589	7,096
Yugoslavia	183	183	104	128	138	175	126	83	178	222	179	174
Other Western Europe[2]	4,073	4,073	2,291	2,443	2,428	2,370	2,970	2,313	2,116	2,144	2,002	2,250
U.S.S.R.	82	82	50	39	42	38	40	45	43	38	34	45
Other Eastern Europe	206	206	160	272	153	128	200	160	201	159	161	153
Total	48,667	48,852	42,882	41,005	42,405	42,853	43,821	42,669	43,224	41,368	41,742	41,217
Canada	3,517	3,520	3,637	3,944	3,567	4,091	3,075	3,885	4,721	4,126	4,173	4,997
Latin America:												
Argentina	886	886	1,054	984	1,135	1,150	1,147	1,208	1,134	1,169	1,238	1,368
Bahamas	1,448	1,054	2,190	1,503	2,221	2,989	1,834	3,197	2,946	1,715	4,592	5,146
Brazil	1,034	1,034	921	1,016	1,083	1,075	1,227	1,191	1,135	1,320	1,421	1,192
Chile	276	276	280	293	270	266	317	248	248	273	317	367
Colombia	305	305	367	379	366	387	414	484	536	516	571	629
Mexico	1,770	1,770	1,824	1,872	1,956	2,183	2,078	1,899	2,048	2,004	2,133	2,218
Panama	488	510	649	752	765	840	1,097	1,145	953	779	961	1,098
Peru	272	272	208	245	247	249	244	219	223	235	219	230
Uruguay	147	165	160	208	168	175	172	185	204	242	216	216
Venezuela	3,413	3,413	4,242	4,247	3,531	3,188	3,290	2,711	2,571	2,574	2,742	2,739
Other Latin American republics	1,316	1,316	1,371	1,469	1,399	1,368	1,500	1,431	1,455	1,640	1,714	1,671
Netherlands Antilles and Surinam	158	158	105	119	113	118	129	129	143	119	121	125
Other Latin America	526	596	1,534	1,897	1,046	2,141	1,501	1,613	2,441	1,735	2,530	1,880
Total	12,038	11,754	14,907	14,983	14,305	16,131	14,950	15,665	16,037	14,322	18,774	18,880
Asia:												
China, People's Rep. of (China Mainland)	50	50	55	94	104	93	123	263	224	101	120	139
China, Republic of (Taiwan)	818	818	1,054	1,058	1,061	1,051	1,025	1,010	1,072	1,100	1,134	1,131
Hong Kong	530	530	577	741	684	683	623	667	682	741	709	803
India	261	261	214	214	194	181	126	203	324	338	423	632
Indonesia	1,221	1,221	289	234	612	418	369	762	583	498	920	1,121
Israel	386	389	343	322	364	342	386	292	309	346	319	324
Japan	10,897	10,897	11,218	11,128	9,940	10,776	10,142	10,544	11,737	12,232	12,789	13,240
Korea	384	384	374	342	400	386	390	395	382	361	360	327
Philippines	747	747	669	604	580	593	698	601	616	605	525	578
Thailand	333	333	255	207	194	193	252	279	224	225	244	218
Middle East oil-exporting countries[3]	4,633	4,608	4,804	5,111	5,785	5,987	6,440	6,428	6,535	7,395	7,899	8,456
Other	813	820	919	970	925	885	869	970	933	1,290	1,017	980
Total	21,073	21,082	20,770	21,025	20,844	21,589	21,443	22,414	23,621	25,233	26,458	27,949
Africa:												
Egypt	103	103	295	188	185	255	342	177	180	314	231	197
South Africa	130	130	147	254	177	108	168	218	133	186	177	202
Oil-exporting countries[4]	2,814	2,814	2,872	2,649	2,447	2,372	2,238	2,134	2,208	1,919	2,256	2,423
Other	504	504	552	560	575	643	622	563	609	680	598	651
Total	3,551	3,551	3,866	3,651	3,385	3,377	3,370	3,091	3,131	3,099	3,262	3,472
Other countries:												
Australia	2,742	2,742	3,114	2,912	2,766	2,712	2,013	2,046	2,070	2,001	1,931	1,950
All other	89	89	75	78	80	87	114	143	131	125	84	93
Total	2,831	2,831	3,189	2,989	2,846	2,800	2,127	2,190	2,201	2,126	2,015	2,043
Total foreign countries	91,676	91,589	89,252	87,598	87,352	90,842	88,786	89,915	92,933	90,274	96,424	98,559
International and regional:												
International[5]	2,900	2,900	4,500	4,621	4,303	4,217	5,069	4,629	4,189	4,459	5,269	5,247
Latin American regional	202	202	215	186	190	193	187	219	261	181	141	156
Other regional[6]	69	69	88	94	90	61	37	85	70	128	108	107
Total	3,171	3,171	4,804	4,901	4,583	4,471	5,293	4,933	4,520	4,768	5,519	5,512
Grand total	94,847	94,760	94,055	92,499	91,935	95,313	94,078	94,848	97,453	95,043	101,943	104,071

For notes see opposite page.

8. SHORT-TERM LIABILITIES TO FOREIGNERS REPORTED BY BANKS IN THE UNITED STATES, BY COUNTRY—Continued

(End of period. Amounts outstanding; in millions of dollars)

Supplementary data[7]

Area and country	1973 Dec.	1974 Apr.	1974 Dec.	1975 Apr.	1975 Dec.
Other Western Europe:					
Cyprus	19	10	7	17	6
Iceland	8	11	21	20	33
Ireland, Rep. of	62	53	29	29	......
Other Latin American republics:					
Bolivia	68	102	96	93	110
Costa Rica	86	88	118	120	124
Dominican Republic	118	137	128	214	169
Ecuador	92	90	122	157	......
El Salvador	90	129	129	144	171
Guatemala	156	245	219	255	260
Haiti	21	28	35	34	38
Honduras	56	71	88	92	99
Jamaica	39	52	69	62	41
Nicaragua	99	119	127	125	133
Paraguay	29	40	46	38	43
Trinidad and Tobago	17	21	107	31	......
Other Latin America:					
Bermuda	242	201	116	100	......
British West Indies	109	354	449	627	......
Other Asia:					
Afghanistan	22	11	18	19	41
Burma	12	42	65	49	......

Area and country	1973 Dec.	1974 Apr.	1974 Dec.	1975 Apr.	1975 Dec.
Other Asia—Cont.:					
Cambodia	2	4	4	4	......
Jordan	6	6	22	30	39
Laos	3	3	3	5	2
Lebanon	62	68	126	180	......
Malaysia	58	40	63	92	77
Pakistan	105	108	91	118	74
Singapore	141	165	245	215	......
Sri Lanka (Ceylon)	13	13	14	13	13
Vietnam	88	98	126	70	62
Other Africa:					
Ethiopia (incl. Eritrea)	79	118	95	76	60
Ghana	20	22	18	13	......
Kenya	23	20	31	32	19
Liberia	42	29	39	33	53
Southern Rhodesia	2	1	2	3	1
Sudan	3	2	4	14	12
Tanzania	12	12	11	21	......
Tunisia	7	17	19	23	29
Uganda	6	11	13	38	22
Zambia	22	66	22	18	78
All other:					
New Zealand	39	33	47	36	42

1 Data in the 2 columns shown for this date differ because of changes in reporting coverage. Figures in the first column are comparable in coverage with those for the preceding date; figures in the second column are comparable with those shown for the following date.
2 Includes Bank for International Settlements.
3 Comprises Bahrain, Iran, Iraq, Kuwait, Oman, Qatar, Saudi Arabia, and United Arab Emirates (Trucial States).
4 Comprises Algeria, Gabon, Libya, and Nigeria.
5 Data exclude holdings of dollars of the International Monetary Fund.
6 Asian, African, and European regional organizations, except BIS, which is included in "Europe."
7 Represent a partial breakdown of the amounts shown in the other categories (except "Other Eastern Europe").

9. LONG-TERM LIABILITIES TO FOREIGNERS REPORTED BY BANKS IN THE UNITED STATES

(Amounts outstanding; in millions of dollars)

End of period	Total	To intl. and regional	To foreign countries: Total	To foreign countries: Official institutions	To foreign countries: Banks[1]	To foreign countries: Other foreigners	Country or area: Germany	Country or area: United Kingdom	Country or area: Total Europe	Country or area: Total Latin America	Country or area: Middle East[2]	Country or area: Other Asia[3]	Country or area: All other countries
1972	1,018	580	439	93	259	87	165	63	260	136	....	33	10
1973	1,462	761	700	310	291	100	159	66	470	132	....	83	16
1974	1,285	822	464	124	261	79	146	43	227	115	94	8	20
1975—May	1,497	579	918	601	248	69	123	57	199	121	569	5	22
June	1,460	512	948	806	247	70	120	59	197	121	599	2	23
July	1,493	432	1,060	1,041	242	77	121	61	201	121	709	5	24
Aug.	1,446	372	1,074	751	243	81	120	61	202	123	719	6	23
Sept.	1,468	395	1,073	753	241	79	118	61	201	121	721	6	23
Oct.	1,385	311	1,072	748	241	83	118	61	206	126	712	4	24
Nov.	1,391	297	1,093	749	261	83	115	61	206	147	712	4	24
Dec.	1,757	415	1,340	951	289	100	164	61	256	140	913	9	24
1976—Jan.	1,875	306	1,567	1,042	402	123	264	65	373	142	1,005	8	41
Feb.	1,859	286	1,571	1,065	398	107	262	64	369	141	1,024	12	26
Mar.	2,062	157	1,904	1,091	442	371	256	78	393	147	1,310	16	40
Apr.p	2,062	172	1,888	1,076	385	427	259	87	416	99	1,335	14	25
Mayp	2,064	135	1,927	1,079	381	466	256	87	403	104	1,379	16	26

1 Excludes central banks, which are included with "Official institutions."
2 Comprises oil-exporting countries as follows: Bahrain, Iran, Iraq, Kuwait, Oman, Qatar, Saudi Arabia, and United Arab Emirates (Trucial States).
3 Until Dec. 1974 includes Middle East oil-exporting countries.

10. ESTIMATED FOREIGN HOLDINGS OF MARKETABLE U.S. TREASURY BONDS AND NOTES

(End of period; in millions of dollars)

Area and country	1974 Dec.	1975 May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	1975 Jan.	Feb.	Mar.p	Apr.p
Europe:													
Belgium-Luxembourg	10	14	14	14	14	14	14	13	13	13	13	13	14
Germany	9	209	209	209	210	217	216	216	215	212	238	247	228
Sweden	251	251	252	252	278	275	275	275	276	276	275	276	276
Switzerland	30	34	37	37	41	44	54	58	55	68	72	75	89
United Kingdom	493	564	522	536	520	501	441	414	363	374	370	386	389
Other Western Europe	88	97	97	98	102	114	152	152	117	199	204	371	455
Eastern Europe	5	5	5	5	5	5	5	4	4	4	4	4	4
Total	885	1,174	1,135	1,151	1,169	1,170	1,157	1,134	1,044	1,146	1,176	1,372	1,455
Canada	713	412	412	408	406	404	399	400	393	393	416	416	422
Latin America:													
Latin American republics	12	11	13	13	13	13	13	33	33	33	31	31	31
Netherlands Antilles[1]	83	118	134	178	149	149	158	160	161	159	131	121	120
Other Latin America	5	4	5	5	5	5	6	6	6	7	8	8	8
Total	100	133	152	196	167	168	177	199	200	199	170	160	159
Asia:													
Japan	3,498	3,496	3,496	3,496	3,496	3,502	3,520	3,269	3,271	3,268	3,212	3,217	3,217
Other Asia	212	1,291	1,397	1,418	1,498	1,648	1,798	1,849	2,075	2,195	2,337	2,637	2,830
Total	3,709	4,787	4,893	4,914	4,994	5,149	5,319	5,118	5,346	5,473	5,549	5,854	6,047
Africa	151	181	181	201	211	261	311	311	321	340	350	396	411
All other	......	......	......	......	......	......	......	......	......	......	......	......	......
Total foreign countries	5,557	6,687	6,773	6,870	6,945	7,153	7,362	7,161	7,304	7,552	7,662	8,198	8,495
International and regional:													
International	97	342	29	128	66	52	324	60	322	593	1,034	957	153
Latin American regional	53	57	44	40	35	35	35	29	29	19	19	19	16
Total	150	399	74	169	101	87	359	89	351	612	1,053	975	170
Grand total	5,708	7,087	6,847	7,039	7,048	7,240	7,721	7,250	7,655	8,164	8,715	9,173	8,665

[1] Includes Surinam until Jan. 1976.

NOTE. Data represent estimated official and private holdings of marketable U.S. Treasury securities with an original maturity of more than 1 year, and are based on a benchmark survey of holdings as of Jan. 31, 1971, and monthly transactions reports (see Table 14).

11. SHORT-TERM CLAIMS ON FOREIGNERS REPORTED BY BANKS IN THE UNITED STATES, BY TYPE

(Amounts outstanding; in millions of dollars)

End of period	Total	Payable in dollars: Total	Loans to: Total	Loans to: Official institutions	Loans to: Banks[1]	Loans to: Others[2]	Collections outstanding	Acceptances made for acct. of foreigners	Other	Payable in foreign currencies: Total	Deposits with foreigners	Foreign govt. securities, coml. and finance paper	Other
1972	15,676	14,830	5,671	163	2,970	2,538	3,276	3,226	2,657	846	441	223	182
1973	20,723	20,061	7,660	284	4,538	2,838	4,307	4,160	3,935	662	428	119	115
1974	39,030	37,835	11,301	381	7,342	3,579	5,637	11,237	9,659	1,195	668	289	238
1975—May	45,866	44,810	11,853	366	7,636	3,852	5,537	10,959	16,460	1,056	478	301	277
June	45,710	44,497	11,347	494	6,796	4,057	5,345	10,641	17,165	1,212	591	335	286
July	45,542	44,368	11,705	572	6,837	4,296	5,383	10,204	17,076	1,175	608	296	271
Aug.	45,441	44,293	13,084	626	7,960	4,499	5,314	9,977	15,917	1,148	610	240	298
Sept.	45,564	44,433	12,706	572	7,520	4,614	5,314	10,071	16,342	1,130	576	236	319
Oct.	47,697	46,390	12,632	632	7,483	4,517	5,465	10,134	18,160	1,306	734	231	341
Nov.	48,127	46,846	13,075	670	7,929	4,476	5,363	10,610	17,799	1,281	625	340	316
Dec.	49,876	48,588	13,352	586	7,736	5,030	5,467	11,132	18,637	1,288	612	301	376
1976—Jan.	51,275	50,043	13,609	669	8,132	4,808	5,311	11,047	20,077	1,232	682	263	286
Feb.	53,749	52,348	14,233	754	8,699	4,771	5,191	10,994	21,941	1,401	728	241	431
Mar.	53,390	52,069	13,551	763	7,971	4,817	5,367	11,134	22,018	1,321	794	145	382
Apr.p	55,662	54,213	14,547	769	8,823	4,955	5,325	11,297	23,044	1,449	920	156	373
May p	56,387	54,969	15,870	1,051	9,545	5,275	5,380	11,315	22,403	1,419	878	141	399

[1] Excludes central banks which are included with "Official institutions."

[2] Includes international and regional organizations.

12. SHORT-TERM CLAIMS ON FOREIGNERS REPORTED BY BANKS IN THE UNITED STATES, BY COUNTRY

(End of period. Amounts outstanding; in millions of dollars)

Area and country	1974	1975					1976				
	Dec.	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May[p]
Europe:											
Austria	21	28	20	19	32	15	20	23	22	39	25
Belgium-Luxembourg	384	598	536	555	463	352	401	417	430	398	427
Denmark	46	60	46	50	54	49	55	55	55	59	57
Finland	122	143	130	127	133	128	132	120	128	105	109
France	673	741	906	1,329	1,195	1,403	1,336	1,451	1,240	1,233	1,109
Germany	589	448	443	496	659	427	486	426	474	452	448
Greece	64	50	54	56	91	49	55	52	53	63	62
Italy	345	336	363	438	418	370	369	402	360	406	492
Netherlands	348	338	313	264	285	300	316	267	269	290	267
Norway	119	106	102	102	92	71	66	63	66	71	76
Portugal	20	22	18	15	19	16	20	20	21	18	32
Spain	196	214	245	256	261	249	274	262	231	241	321
Sweden	180	185	182	152	182	167	124	111	121	105	116
Switzerland	335	290	214	274	314	232	245	278	340	400	355
Turkey	15	43	56	54	121	86	59	82	73	68	90
United Kingdom	2,570	4,067	3,724	3,792	3,858	4,586	4,506	4,707	4,429	5,295	4,987
Yugoslavia	22	40	37	34	55	38	37	49	64	50	47
Other Western Europe	22	62	23	22	25	27	26	29	29	27	41
U.S.S.R.	46	79	106	144	165	103	101	84	85	63	70
Other Eastern Europe	131	110	110	96	103	114	124	159	109	107	109
Total	6,245	7,960	7,630	8,275	8,526	8,781	8,752	9,056	8,599	9,491	9,239
Canada	2,776	2,340	2,626	2,728	2,742	2,812	3,015	2,978	2,917	3,253	3,364
Latin America:											
Argentina	720	1,115	1,219	1,343	1,229	1,203	1,246	1,338	1,290	1,374	1,342
Bahamas	3,398	6,627	6,432	7,250	6,856	7,513	7,981	9,830	10,303	10,267	9,814
Brazil	1,415	1,505	1,491	1,536	1,785	2,200	2,132	2,173	2,318	2,351	2,414
Chile	290	435	405	351	381	360	312	343	324	349	352
Colombia	713	667	684	662	649	689	651	586	545	539	518
Mexico	1,972	2,762	2,705	2,623	2,565	2,800	2,776	3,079	3,034	3,236	3,452
Panama	503	578	721	903	886	1,032	1,262	1,167	1,108	785	989
Peru	518	646	624	599	565	588	624	634	597	638	621
Uruguay	63	73	54	52	56	51	68	62	46	39	33
Venezuela	704	956	1,109	1,051	980	1,086	1,001	925	1,040	1,077	1,280
Other Latin American republics	866	1,005	1,014	1,041	969	980	1,045	1,061	986	1,052	1,153
Netherlands Antilles and Surinam	62	54	57	59	46	49	53	43	33	32	32
Other Latin America	1,142	2,091	1,684	2,202	2,555	1,816	3,059	3,253	2,708	3,718	3,993
Total	12,366	18,516	18,199	19,673	19,522	20,417	22,224	24,495	24,331	25,456	25,993
Asia:											
China, People's Rep. of (China Mainland)	4	13	5	11	11	22	10	17	22	18	9
China, Republic of (Taiwan)	500	503	606	601	681	735	725	729	775	793	868
Hong Kong	223	190	231	257	258	258	234	225	229	200	228
India	14	38	21	17	16	21	19	26	25	26	34
Indonesia	157	88	91	86	92	105	129	131	162	162	171
Israel	255	358	398	389	387	491	419	365	307	314	285
Japan	12,514	10,294	10,400	10,253	10,429	10,760	10,109	9,870	10,202	10,114	10,003
Korea	955	1,502	1,515	1,555	1,505	1,556	1,605	1,715	1,600	1,713	1,677
Philippines	372	410	340	338	347	377	434	507	510	520	559
Thailand	458	494	474	501	499	495	535	516	537	533	491
Middle East oil-exporting countries[1]	330	493	624	446	506	524	525	600	646	605	742
Other	441	572	651	702	665	683	734	705	731	632	785
Total	16,222	14,956	15,357	15,156	15,396	16,025	15,477	15,405	15,747	15,631	15,210
Africa:											
Egypt	111	141	125	127	130	104	106	101	103	110	106
South Africa	329	492	504	513	540	546	547	546	575	631	672
Oil-exporting countries[2]	115	134	190	207	215	231	213	230	226	210	211
Other	300	347	343	380	409	351	349	330	270	301	336
Total	855	1,114	1,162	1,227	1,294	1,231	1,215	1,207	1,174	1,252	1,325
Other countries:											
Australia	466	466	509	532	554	535	503	492	521	498	547
All other	99	88	80	105	91	73	87	113	98	79	67
Total	565	554	589	638	645	608	589	605	619	577	615
Total foreign countries	39,030	45,438	45,562	47,696	48,126	49,875	51,272	53,747	53,387	55,660	56,386
International and regional	....	3	1	*	1	1	3	2	3	2	1
Grand total	39,030	45,441	45,564	47,697	48,127	49,876	51,275	53,749	53,390	55,662	56,387

1 Comprises Bahrain, Iran, Iraq, Kuwait, Oman, Qatar, Saudi Arabia, and United Arab Emirates (Trucial States).

2 Comprises Algeria, Gabon, Libya, and Nigeria.

NOTE.—Short-term claims are principally the following items payable on demand or with a contractual maturity of not more than 1 year: loans made to, and acceptances made for, foreigners; drafts drawn against foreigners, where collection is being made by banks and bankers for their own account or for account of their customers in the United States; and foreign currency balances held abroad by banks and bankers and their customers in the United States. Excludes foreign currencies held by U.S. monetary authorities.

13. LONG-TERM CLAIMS ON FOREIGNERS REPORTED BY BANKS IN THE UNITED STATES

(Amounts outstanding; in millions of dollars)

End of period	Total	Type: Payable in dollars: Loans to—: Total	Official institutions	Banks[1]	Other foreigners[2]	Other long-term claims	Payable in foreign currencies	Country or area: Total Europe	Canada	Total Latin America	Japan	Middle East[3]	Other Asia[4]	All other countries[2]
1972	5,063	4,588	844	430	3,314	435	40	853	406	2,020	353	....	918	514
1973	5,996	5,446	1,160	591	3,694	478	72	1,272	490	2,116	251	....	1,331	536
1974	7,183	6,494	1,333	931	4,230	609	80	1,907	501	2,613	258	384	977	542
1975—May	7,906	7,215	1,283	1,198	4,733	610	81	2,325	491	2,864	254	242	1,047	683
June	7,995	7,184	1,274	1,226	4,683	719	92	2,303	461	2,880	264	241	1,150	696
July	8,308	7,425	1,292	1,319	4,815	792	90	2,344	471	3,037	270	241	1,223	723
Aug.	8,265	7,394	1,276	1,336	4,782	787	85	2,395	438	3,003	259	237	1,204	728
Sep.	8,539	7,637	1,348	1,364	4,926	809	93	2,426	508	3,132	265	237	1,195	775
Oct.	8,860	7,907	1,266	1,516	5,125	840	114	2,534	595	3,168	292	222	1,214	835
Nov.	9,070	8,050	1,303	1,547	5,201	903	118	2,529	569	3,281	293	249	1,218	931
Dec.	9,485	8,435	1,380	1,692	5,362	934	116	2,675	555	3,448	296	220	1,276	1,016
1976—Jan.	9,412	8,349	1,290	1,636	5,423	945	118	2,677	552	3,382	289	205	1,278	1,030
Feb.	9,511	8,352	1,268	1,632	5,452	1,012	148	2,602	576	3,471	289	210	1,270	1,093
Mar.	9,800	8,641	1,316	1,740	5,584	1,011	149	2,702	570	3,605	292	296	1,195	1,140
Apr.p	9,980	8,783	1,337	1,842	5,603	1,081	116	2,721	558	3,785	307	196	1,279	1,133
May p	10,238	8,990	1,379	1,918	5,693	1,133	115	2,824	607	3,965	307	196	1,263	1,075

[1] Excludes central banks, which are included with "Official institutions."
[2] Includes international and regional organizations.
[3] Comprises Middle East oil-exporting countries as follows: Bahrain, Iran, Iraq, Kuwait, Oman, Qatar, Saudi Arabia, and United Arab Emirates (*Trucial States*).
[4] Until Dec. 1974 includes Middle East oil-exporting countries.

14. PURCHASES AND SALES BY FOREIGNERS OF LONG-TERM SECURITIES, BY TYPE

(In millions of dollars)

Period	Marketable U.S. Treas. bonds and notes[1]: Net purchases or sales (−): Total	Intl. and regional	Foreign: Total[4]	Official	Other	U.S. corporate securities[2,3]: Purchases	Sales	Net purchases or sales (−)	Foreign bonds[3]: Purchases	Sales	Net purchases or sales (−)	Foreign stocks[3]: Pur-Sales	Sales	Net purchases or sales (−)
1973	305	−165	470	465	6	18,574	13,810	4,764	1,474	2,467	−993	1,729	1,554	176
1974	−472	101	−573	−642	69	16,183	14,677	1,506	1,036	3,254	2,218	1,907	1,722	185
1975	1,971	201	1,770	1,540	230	20,360	15,212	5,148	2,386	8,687	−6,300	1,538	1,719	−182
1976—Jan.–May	1,021	174	1,210	1,153	58	11,719	9,313	2,406	1,937	5,199	−3,262	881	986	−105
1975—May	3	−89	92	123	−31	1,846	1,679	167	172	345	−173	145	157	−12
June	−240	−326	86	56	31	1,754	1,332	422	215	852	−637	129	143	−15
July	192	95	96	41	56	2,251	1,278	973	315	1,008	−693	109	119	−10
Aug.	9	−67	77	117	−40	1,421	1,338	82	158	318	−160	89	256	−167
Sept.	192	−14	206	175	31	1,257	1,124	134	194	285	−91	91	79	11
Oct.	481	272	209	173	37	2,023	1,362	662	195	678	−484	137	161	−24
Nov.	−470	−270	−201	−171	−30	1,605	1,231	374	248	991	−743	107	78	29
Dec.	405	262	143	121	21	1,859	958	901	282	1,471	−1,190	148	97	51
1976—Jan.	509	261	248	242	6	2,798	2,069	729	462	800	−339	145	139	6
Feb.	551	441	110	101	10	2,503	2,086	418	402	1,547	−1,145	162	218	−56
Mar.p	458	−78	536	481	55	2,524	1,972	552	360	1,282	−922	193	246	52
Apr.p	−508	−805	297	294	4	2,260	1,689	570	341	758	−417	182	143	40
May	11	7	19	37	18	1,634	1,496	138	372	811	−439	198	240	42

[1] Excludes nonmarketable U.S. Treasury bonds and notes issued to official institutions of foreign countries.
[2] Includes State and local govt. securities, and securities of U.S. Govt. agencies and corporations. Also includes issues of new debt securities sold abroad by U.S. corporations organized to finance direct investments abroad.
[3] Includes transactions of international and regional organizations.
[4] Includes transactions (in millions of dollars) of oil-exporting countries in Middle East and Africa as shown in the tabulation in the opposite column:

	Middle East	Africa
1975p	1,773	170
1976—Jan.–May p	987	110
1975 May	175	20
June	106	......
July	1	20
Aug.	80	10
Sept.	150	50
Oct.	150	50
Nov.	51	......
Dec.	176	10
1976—Jan.	115	20
Feb.	116	10
Mar.	282	45
Apr.p	270	15
May p	207	20

15. NET PURCHASES OR SALES BY FOREIGNERS OF U.S. CORPORATE STOCKS, BY COUNTRY

(In millions of dollars)

Period	Purchases	Sales	Net purchases or sales (-)	France	Germany	Netherlands	Switzerland	United Kingdom	Total Europe	Canada	Total Latin America	Middle East[1]	Other Asia[2]	Other[3]
1973	12,767	9,978	2,790	439	2	339	686	366	2,104	99	4	....	577	5
1974	7,634	7,095	540	203	39	330	36	377	281	6	33	....	288	10
1975	15,066	10,600	4,465	262	250	359	897	569	2,464	356	-7	1,470	140	39
1976 Jan.-May[p]	9,215	7,196	2,019	108	140	32	210	266	743	156	146	848	101	14
1975—May	1,527	1,149	378	-6	4	27	100	59	193	36	1	113	36	-2
June	1,321	1,063	258	32	1	19	71	36	152	21	8	87	9	19
July	1,669	1,080	589	55	31	80	139	75	396	20	13	153	2	6
Aug.	1,153	712	441	52	52	47	83	38	302	21	6	82	26	16
Sept.	882	642	240	10	7	22	64	7	123	20	15	72	32	8
Oct.	1,407	1,042	365	16	7	17	36	48	142	59	7	130	21	6
Nov.	1,114	809	304	22	40	5	42	44	132	36	-1	122	12	4
Dec.	1,355	686	669	28	40	64	123	32	297	102	9	268	13	3
1976—Jan.	2,060	1,544	517	1	136	48	2	88	208	40	76	198	6	1
Feb.	2,095	1,724	371	14	12	-14	63	41	133	48	11	175	5	5
Mar.	2,137	1,555	582	79	26	6	147	69	327	16	28	153	42	16
Apr.[p]	1,690	1,279	410	10	10	31	21	49	84	23	25	254	22	-1
May[p]	1,207	1,092	115	3	44	4	23	19	9	30	7	67	16	4

[1] Comprises Middle East oil-exporting countries as follows: Bahrain, Iran, Iraq, Kuwait, Oman, Qatar, Saudi Arabia, and United Arab Emirates (Trucial States).

[2] Until 1975 includes Middle East oil-exporting countries.

[3] Includes international and regional organizations.

16. NET PURCHASES OR SALES BY FOREIGNERS OF U.S. CORPORATE BONDS, BY COUNTRY

(In millions of dollars)

Period	Total	France	Germany	Netherlands	Switzerland	United Kingdom	Total Europe	Canada	Total Latin America	Middle East[1]	Other Asia[2]	Total Africa	Other countries	Intl. and regional
1973	1,948	201	-33	19	307	275	1,204	49	44	....	588	*	10	52
1974	966	96	33	183	96	373	719	45	43	....	632	*	10	483
1975	681	82	-11	-16	116	80	116	127	30	1,437	-42	5	1	-993
1976 Jan.-May[p]	411	9	47	7	49	180	66	45	10	500	83	10	20	16
1975—May	-212	3	1	-1	7	-81	72	7	1	81	11	*	*	-218
June	164	9	*	8	5	32	58	4	*	65	1	*	*	38
July	384	27	16	6	35	80	183	33	1	179	4	*	*	-17
Aug.	-358	13	-3	-18	-6	69	73	6	1	1	1	*	*	292
Sept.	107	-13	6	25	7	121	-19	-5	5	82	7	*	*	162
Oct.	296	1	50	2	12	89	51	38	11	209	-4	3	*	11
Nov.	69	39	8	-17	9	41	-25	-2	6	75	4	1	*	11
Dec.	232	2	3	3	8	56	74	6	6	140	-12	1	*	16
1976—Jan.	212	-1	4	-1	-2	-161	7	29	3	219	-21	-2	-10	-13
Feb.	47	2	-1	2	20	2	23	4	6	30	-34	1	*	18
Mar.	31	3	-56	-3	5	11	-70	9	1	35	20	4	-10	20
Apr.[p]	160	3	9	-5	4	26	25	7	3	179	-14	7	*	4
May[p]	22	3	2	*	23	19	2	3	3	37	6	*	*	13

[1] See note 1 to Table 15.

[2] See note 2 to Table 15.

NOTE.—Statistics include State and local govt. securities, and securities of U.S. Govt. agencies and corporations. Also includes issues of new debt securities sold abroad by U.S. corporations organized to finance direct investments abroad.

17. NET PURCHASES OR SALES BY FOREIGNERS OF LONG-TERM FOREIGN SECURITIES, BY AREA

(In millions of dollars)

Period	Total	Intl. and regional	Total foreign countries	Europe	Canada	Latin America	Asia	Africa	Other countries
1973	-818	139	-957	-141	-569	-120	168	3	37
1974	2,033	60	-1,973	-546	-1,508	-93	144	7	22
1975	-6,515	-2,225	4,290	-47	-3,178	306	619	15	-154
1976—Jan.-May[p]	3,367	288	-3,079	-263	2,507	-109	-220	24	4
1975—May	-184	31	-215	39	-167	*	-88	-2	2
June	-655	*	-655	-22	-478	*	-30	2	-127
July	-699	-475	-224	-26	-109	-25	-69	*	4
Aug.	-362	-21	341	24	-204	-164	1	1	2
Sept.	-80	18	-98	-19	-129	25	24	-1	1
Oct.	-508	5	-513	48	-460	-48	-56	-3	6
Nov.	714	-62	-652	27	-584	6	3	-2	-48
Dec.	-1,139	-839	-299	80	-310	9	-78	-1	1
1976—Jan.	333	94	-426	-109	-304	-9	-4	-3	2
Feb.	-1,201	-139	-1,063	33	-973	5	-110	-4	-14
Mar.	975	9	-984	-168	-727	-72	-14	5	2
Apr.[p]	-377	94	-283	*	-281	6	-15	4	2
May[p]	481	-158	-323	-19	-222	-39	-77	32	3

18. FOREIGN CREDIT AND DEBIT BALANCES IN BROKERAGE ACCOUNTS

(Amounts outstanding; in millions of dollars)

End of period	Credit balances (due to foreigners)	Debit balances (due from foreigners)
1973—Sept.	290	255
Dec.	333	231
1974—Mar.	383	225
June	354	241
Sept.	298	178
Dec.	293	194
1975—Mar.	349	209
June	380	233
Sept.	343	258
Dec.	365	319
1976—Mar.[p]	411	333

NOTE.—Data represent the money credit balances and money debit balances appearing on the books of reporting brokers and dealers in the United States, in accounts of foreigners with them, and in their accounts carried by foreigners.

19a. ASSETS OF FOREIGN BRANCHES OF U.S. BANKS

(In millions of dollars)

Location and currency form	Month-end	Total	Claims on U.S.: Total	Claims on U.S.: Parent bank	Claims on U.S.: Other	Claims on foreigners: Total	Claims on foreigners: Other branches of parent bank	Claims on foreigners: Other banks	Claims on foreigners: Official institutions	Claims on foreigners: Nonbank foreigners	Other
IN ALL FOREIGN COUNTRIES Total, all currencies	1973—Dec.	121,866	5,091	1,886	3,205	111,974	19,177	56,368	2,693	33,736	4,802
	1974—Dec.	151,905	6,900	4,464	2,435	138,712	27,559	60,283	4,077	46,793	6,294
	1975 Apr.[r]	156,911	5,841	3,061	2,780	145,147	29,715	60,307	4,354	50,771	5,924
	May[r]	158,407	7,737	4,898	2,838	144,457	28,229	60,345	4,495	51,388	6,213
	June[r]	164,117	5,542	2,344	3,198	152,123	31,628	63,757	4,843	51,896	6,451
	July[r]	162,511	5,926	2,795	3,131	149,946	31,055	62,468	4,798	51,626	6,639
	Aug.[r]	167,672	9,151	6,098	3,054	151,897	32,062	62,486	4,901	52,449	6,623
	Sept.[r]	167,886	6,575	3,268	3,307	154,905	32,216	65,065	4,863	52,761	6,407
	Oct.[r]	171,465	7,924	4,896	3,027	156,989	33,571	64,273	5,237	53,909	6,553
	Nov.[r]	173,736	8,705	5,777	2,928	158,179	34,464	64,408	5,516	53,790	6,852
	Dec.[r]	176,493	6,726	3,665	3,061	163,414	34,592	68,403	5,879	54,540	6,352
	1976- Jan.[r]	178,925	7,995	5,007	2,988	164,682	36,723	66,592	6,121	55,246	6,248
	Feb.[r]	180,779	8,937	5,903	3,033	165,411	34,770	69,122	6,332	55,187	6,431
	Mar.	185,957	6,737	3,460	3,277	172,680	38,435	72,244	6,661	55,341	6,540
	Apr.[p]	188,574	9,096	6,091	3,005	172,932	39,116	70,508	7,213	56,095	6,546
Payable in U.S. dollars	1973—Dec.	79,445	4,599	1,848	2,751	73,018	12,799	39,527	1,777	18,915	1,828
	1974—Dec.	105,969	6,603	4,428	2,175	96,209	19,688	45,067	3,289	28,164	3,157
	1975 Apr.[r]	109,222	5,476	3,018	2,458	101,034	21,444	45,175	3,600	30,816	2,711
	May[r]	112,670	7,327	4,834	2,493	102,389	21,885	45,405	3,686	31,413	2,954
	June[r]	118,436	5,115	2,282	2,833	110,294	25,183	49,149	3,950	32,012	3,026
	July[r]	118,558	5,519	2,744	2,776	109,544	25,001	48,590	3,930	32,023	3,495
	Aug.[r]	122,781	8,827	6,044	2,783	110,654	25,758	48,071	4,148	32,676	3,299
	Sept.[r]	124,373	6,238	3,211	3,027	115,178	26,055	51,493	4,042	33,589	2,957
	Oct.[r]	127,355	7,506	4,822	2,684	116,673	27,367	50,062	4,363	34,881	3,176
	Nov.[r]	130,233	8,350	5,725	2,625	118,603	28,329	50,992	4,646	34,637	3,280
	Dec.[r]	132,901	6,392	3,628	2,764	123,512	28,490	54,764	4,951	35,307	2,997
	1976—Jan.[r]	134,366	7,659	4,967	2,692	123,618	29,827	52,671	5,229	35,891	3,090
	Feb.[r]	135,918	8,622	5,859	2,763	124,070	28,399	54,497	5,364	35,809	3,226
	Mar.	137,811	6,458	3,413	3,046	128,246	30,156	56,039	5,719	36,331	3,107
	Apr.[p]	140,591	8,801	6,022	2,778	128,719	31,122	54,496	6,158	36,943	3,071
IN UNITED KINGDOM Total, all currencies	1973—Dec.	61,732	1,789	738	1,051	57,761	8,773	34,442	735	13,811	2,183
	1974—Dec.	69,804	3,248	2,472	776	64,111	12,724	32,701	788	17,898	2,445
	1975—Apr.	69,248	2,017	1,126	891	65,330	13,314	33,079	919	18,018	1,902
	May	68,707	2,535	1,689	845	64,269	12,491	32,443	920	18,415	1,904
	June	70,751	1,834	641	1,192	66,868	13,765	34,634	948	17,522	2,049
	July	70,382	1,904	807	1,097	66,277	14,414	33,431	923	17,509	2,202
	Aug.	72,455	3,795	2,698	1,097	66,428	15,213	32,998	948	17,268	2,232
	Sept.	72,120	2,042	1,076	967	67,923	15,249	34,759	825	17,091	2,155
	Oct.	72,742	2,681	1,699	982	67,631	16,555	32,806	830	17,440	2,430
	Nov.	73,924	3,112	2,137	975	68,494	17,549	33,189	852	16,904	2,319
	Dec.	74,883	2,375	1,449	926	70,354	17,557	35,102	881	16,814	2,153
	1976 Jan.	73,437	2,253	1,469	784	68,983	18,026	33,094	1,034	16,828	2,202
	Feb.	72,963	2,947	2,270	677	67,843	16,050	34,887	964	15,941	2,174
	Mar.	74,668	2,112	1,237	875	70,300	17,363	36,723	927	15,287	2,256
	Apr.[p]	74,055	2,325	1,497	827	69,505	18,344	34,879	934	15,348	2,226
Payable in U.S. dollars	1973—Dec.	40,323	1,642	730	912	37,816	6,509	23,389	510	7,409	865
	1974—Dec.	49,211	3,146	2,468	678	44,693	10,265	23,716	610	10,102	1,372
	1975—Apr.	48,797	1,885	1,109	776	45,923	10,995	23,990	721	10,217	989
	May	48,506	2,404	1,671	733	45,180	10,656	23,320	698	10,506	922
	June	51,365	1,669	623	1,045	48,713	12,054	25,761	721	10,178	983
	July	51,665	1,742	793	949	48,787	12,664	25,143	713	10,267	1,136
	Aug.	53,456	3,661	2,681	980	48,763	13,315	24,540	740	10,168	1,032
	Sept.	54,256	1,910	1,054	856	51,369	13,488	27,008	596	10,277	977
	Oct.	54,192	2,552	1,687	865	50,494	14,654	24,691	592	10,557	1,146
	Nov.	56,221	2,988	2,123	865	52,145	15,555	25,600	638	10,353	1,087
	Dec.	57,361	2,257	1,445	812	54,137	15,645	27,669	648	10,175	967
	1976—Jan.	55,067	2,141	1,459	683	52,046	15,574	25,311	837	10,325	880
	Feb.	55,041	2,856	2,261	595	51,266	14,278	26,741	715	9,532	918
	Mar.	55,115	2,010	1,234	775	52,147	14,450	27,526	691	9,482	958
	Apr.[p]	54,516	2,205	1,484	721	51,419	15,374	25,820	633	9,593	891
IN BAHAMAS AND CAYMANS[1] Total, all currencies	1973—Dec.	23,771	2,210	317	1,893	21,041	1,928	9,895	1,151	8,068	520
	1974—Dec.	31,733	2,464	1,081	1,383	28,453	3,478	11,354	2,022	11,599	815
	1975—Apr.	35,666	2,588	1,006	1,582	32,358	4,320	12,229	2,419	13,390	720
	May	38,198	4,126	2,468	1,658	33,214	4,270	13,181	2,531	13,232	858
	June	39,646	2,634	987	1,647	36,181	5,831	13,747	2,772	13,831	831
	July	39,614	2,787	1,134	1,653	35,676	5,015	14,065	2,747	13,849	1,150
	Aug.	41,624	4,117	2,580	1,536	36,555	5,222	14,117	2,891	14,324	953
	Sept.	41,601	3,189	1,289	1,900	37,479	5,220	14,604	3,020	14,635	933
	Oct.	44,166	3,989	2,295	1,694	39,225	5,604	15,414	3,308	14,899	952
	Nov.	44,471	4,544	2,929	1,615	38,973	5,321	15,134	3,434	15,084	954
	Dec.	45,203	3,229	1,477	1,752	41,040	5,411	16,298	3,576	15,756	933
	1976—Jan.	48,694	4,488	2,614	1,874	43,104	6,296	17,195	3,677	15,935	1,102
	Feb.	50,276	4,765	2,750	2,014	44,396	6,257	17,556	3,908	16,675	1,115
	Mar.	51,075	3,482	1,425	2,056	46,636	6,745	18,205	4,251	17,434	957
	Apr.[p]	54,398	5,695	3,835	1,860	47,536	6,437	18,503	4,680	17,917	1,166

For notes see p. A-74.

19b. LIABILITIES OF FOREIGN BRANCHES OF U.S. BANKS

(In millions of dollars)

Total	To U.S. Total	To U.S. Parent bank	To U.S. Other	To foreigners Total	Other branches of parent bank	Other banks	Official institutions	Nonbank foreigners	Other	Month-end	Location and currency form
											IN ALL FOREIGN COUNTRIES
121,866	5,610	1,642	3,968	111,615	18,213	65,389	10,330	17,683	4,641	1973—Dec.	Total, all currencies
151,905	11,982	5,809	6,173	132,990	26,941	65,675	20,185	20,189	6,933	1974—Dec.	
156,913	14,999	8,766	6,233	135,773	30,123	62,301	23,267	20,082	6,141	1975—Apr. r	
158,407	16,920	10,426	6,494	135,176	27,855	64,714	22,263	20,344	6,311	May r	
164,117	18,697	12,283	6,414	138,813	31,693	64,996	21,169	20,955	6,607	June r	
162,511	17,771	11,609	6,162	138,477	31,673	65,968	20,387	20,449	6,263	July r	
167,673	17,335	10,173	7,162	143,944	31,926	70,216	21,114	20,688	6,395	Aug. r	
167,886	18,502	11,026	7,476	143,182	31,567	70,853	19,780	20,981	6,202	Sept. r	
171,465	19,154	11,282	7,872	146,085	33,216	70,579	20,642	21,648	6,227	Oct. r	
173,736	19,858	11,201	8,657	147,067	33,892	70,623	21,200	21,352	6,811	Nov. r	
176,493	20,204	12,149	8,056	149,854	34,127	72,182	22,773	20,771	6,435	Dec. r	
178,925	22,570	12,691	9,879	150,439	35,568	72,347	21,710	20,814	5,916	1976—Jan. r	
180,779	24,474	14,091	10,383	150,306	34,916	70,863	23,189	21,331	6,005	Feb. r	
185,957	24,612	15,288	9,325	155,481	37,502	72,657	22,493	22,830	5,863	Mar.	
188,574	26,705	14,543	12,161	156,084	38,508	72,092	21,857	23,627	5,785	Apr. p	
80,374	5,027	1,477	3,550	73,189	12,554	43,641	7,491	9,502	2,158	1973—Dec.	Payable in U.S. dollars
107,890	11,437	5,641	5,795	92,503	19,330	43,656	17,444	12,072	3,951	1974—Dec.	
111,364	14,340	8,580	5,760	93,599	21,547	41,000	19,909	11,143	3,425	1975—Apr. r	
115,281	16,316	10,249	6,067	95,526	21,585	43,865	18,928	11,148	3,439	May r	
120,648	18,077	12,087	5,990	98,969	25,072	44,208	17,968	11,720	3,602	June r	
120,763	17,157	11,402	5,755	100,348	25,422	45,903	17,393	11,630	3,258	July r	
125,328	16,689	9,992	6,698	105,216	25,646	49,427	18,080	12,064	3,423	Aug. r	
126,850	17,871	10,823	7,048	105,765	25,607	50,726	16,777	12,654	3,213	Sept. r	
129,569	18,477	11,078	7,399	107,701	27,118	49,930	17,476	13,177	3,390	Oct. r	
133,291	19,159	11,008	8,151	110,239	28,030	50,475	18,407	13,326	3,893	Nov. r	
135,907	19,486	11,923	7,563	112,915	28,233	51,503	19,982	13,197	3,507	Dec. r	
138,558	21,930	12,519	9,411	113,313	29,464	51,876	18,906	13,068	3,315	1976—Jan. r	
139,900	23,733	13,846	9,887	112,802	28,513	50,498	20,317	13,476	3,365	Feb. r	
142,095	23,822	15,016	8,806	115,292	29,829	51,625	19,518	14,318	2,982	Mar.	
145,560	25,961	14,286	11,674	116,539	31,273	51,135	19,080	15,051	3,060	Apr. p	
											IN UNITED KINGDOM
61,732	2,431	136	2,295	57,311	3,944	34,979	8,140	10,248	1,990	1973—Dec.	Total, all currencies
69,804	3,978	510	3,468	63,409	4,762	32,040	15,258	11,349	2,418	1974—Dec.	
69,248	4,596	1,342	3,254	62,625	5,394	28,666	17,812	10,753	2,026	1975—Apr.	
68,708	4,772	1,337	3,435	61,772	5,325	28,957	16,726	10,764	2,164	May	
70,751	4,668	1,451	3,217	63,857	7,030	30,030	15,524	11,274	2,226	June	
70,382	4,679	1,718	2,961	63,501	6,475	30,636	15,312	11,077	2,203	July	
72,457	5,251	1,904	3,348	65,012	6,260	32,097	15,617	11,038	2,194	Aug.	
72,120	5,112	1,833	3,279	64,962	6,396	33,130	14,486	10,950	2,046	Sept.	
72,742	4,905	1,766	3,139	65,699	6,746	32,334	14,909	11,711	2,138	Oct.	
73,924	5,497	2,028	3,468	66,267	6,470	33,340	15,180	11,275	2,161	Nov.	
74,883	5,646	2,122	3,523	67,261	6,494	32,985	16,553	11,229	1,976	Dec.	
73,437	5,645	1,749	3,896	65,914	6,444	33,534	15,053	10,882	1,878	1976—Jan.	
72,963	5,491	1,914	3,577	65,544	6,648	31,444	16,463	10,989	1,928	Feb.	
74,668	5,382	1,549	3,833	67,217	7,099	32,485	15,905	11,729	2,069	Mar.	
74,055	6,105	1,764	4,340	65,977	6,898	31,307	15,521	12,250	1,974	Apr. p	
39,689	2,173	113	2,060	36,646	2,519	22,051	5,923	6,152	870	1973—Dec.	Payable in U.S. dollars
49,666	3,744	484	3,261	44,594	3,256	20,526	13,225	7,587	1,328	1974—Dec.	
49,177	4,297	1,313	2,984	43,758	3,886	17,997	15,158	6,717	1,122	1975—Apr.	
49,479	4,487	1,314	3,173	43,784	4,220	18,640	14,135	6,789	1,208	May	
51,848	4,369	1,412	2,957	46,312	5,962	20,039	13,083	7,228	1,167	June	
51,826	4,421	1,684	2,737	46,217	5,478	20,775	12,915	7,049	1,188	July	
54,017	4,975	1,873	3,103	47,912	5,288	22,087	13,249	7,287	1,129	Aug.	
54,683	4,889	1,808	3,081	48,814	5,456	23,645	12,182	7,531	980	Sept.	
54,478	4,696	1,735	2,961	48,660	5,708	22,452	12,500	7,999	1,123	Oct.	
56,696	5,288	2,009	3,279	50,185	5,478	23,641	12,999	8,066	1,223	Nov.	
57,820	5,415	2,083	3,332	51,466	5,442	23,349	14,498	8,176	940	Dec.	
56,039	5,446	1,732	3,714	49,676	5,422	23,369	13,070	7,816	917	1976—Jan.	
55,848	5,311	1,901	3,410	49,606	5,471	21,911	14,326	7,899	931	Feb.	
56,266	5,179	1,509	3,670	50,126	5,969	21,973	13,710	8,474	961	Mar.	
[2] 55,750	5,880	1,723	4,156	48,992	5,771	20,732	13,450	9,040	877	Apr. p	
											IN BAHAMAS AND CAYMANS[1]
23,771	1,573	307	1,266	21,747	5,508	14,071	492	1,676	451	1973—Dec.	Total, all currencies
31,733	4,815	2,636	2,180	26,140	7,702	14,050	2,377	2,011	778	1974—Dec.	
35,667	7,420	5,083	2,337	27,536	8,756	13,694	2,769	2,318	711	1975—Apr.	
38,198	9,090	6,766	2,324	28,309	6,872	16,018	2,977	2,441	799	May	
39,646	10,866	8,322	2,544	27,987	8,075	14,482	3,036	2,393	793	June	
39,614	9,991	7,407	2,584	28,933	8,401	15,539	2,500	2,492	690	July	
41,624	8,800	5,715	3,085	31,913	9,128	17,317	2,860	2,607	911	Aug.	
41,601	9,928	6,490	3,439	30,861	8,918	16,834	2,570	2,540	812	Sept.	
44,166	10,833	7,056	3,778	32,327	9,725	17,296	2,775	2,577	961	Oct.	
44,471	11,082	6,710	4,372	32,239	10,553	15,972	3,230	2,483	1,150	Nov.	
45,203	11,146	7,628	3,519	32,950	10,569	16,726	3,308	2,348	1,106	Dec.	
48,694	13,110	8,088	5,022	34,475	11,169	17,603	3,416	2,287	1,109	1976—Jan. r	
50,276	15,016	9,197	5,820	34,159	10,231	18,081	3,407	2,440	1,100	Feb. r	
51,075	15,469	10,915	4,554	34,931	10,850	18,332	2,998	2,751	676	Mar.	
54,398	16,821	9,904	6,917	36,604	11,903	18,872	2,970	2,858	972	Apr. p	

For notes see p. A-74.

20. DEPOSITS, U.S. TREAS. SECURITIES, AND GOLD HELD AT F.R. BANKS FOR FOREIGN OFFICIAL ACCOUNT

(In millions of dollars)

End of period	Deposits	Assets in custody	
		U.S. Treas. securities[1]	Earmarked gold
1972	325	50,934	[2]15,530
1973	251	52,070	[2]17,068
1974	418	55,600	16,838
1975—June	373	61,406	16,803
July	369	60,999	16,803
Aug.	342	60,120	16,803
Sept.	324	58,420	16,795
Oct.	297	60,307	16,751
Nov.	346	60,512	16,745
Dec.	352	60,019	16,745
1976—Jan.	294	61,796	16,669
Feb.	412	62,640	16,666
Mar.	305	61,271	16,660
Apr.	305	62,527	16,657
May	303	63,225	16,647
June	349	63,212	16,633

[1] Marketable U.S. Treasury bills, certificates of indebtedness, notes, and bonds and nonmarketable U.S. Treasury securities payable in dollars and in foreign currencies.

[2] The value of earmarked gold increased because of the changes in par value of the U.S. dollar in May 1972, and in Oct. 1973.

NOTE.—Excludes deposits and U.S. Treasury securities held for international and regional organizations. Earmarked gold is gold held for foreign and international accounts and is not included in the gold stock of the United States.

21. SHORT-TERM LIQUID CLAIMS ON FOREIGNERS REPORTED BY NONBANKING CONCERNS

(Amounts outstanding; in millions of dollars)

End of period	Total	Payable in dollars		Payable in foreign currencies		United Kingdom	Canada
		Deposits	Short-term investments[1]	Deposits	Short-term investments[1]		
1972	2,374	1,910	55	340	68	911	536
1973	3,164	2,588	37	435	105	1,118	765
1974	3,337	2,583	56	429	268	1,350	959
1975—Mar.	3,306	2,450	67	407	384	1,079	1,129
Apr.	3,440	2,474	48	373	545	1,089	1,274
May	3,264	2,238	47	453	526	931	1,239
June	3,214	2,162	193	427	432	997	1,127
July	3,293	2,191	226	475	402	904	1,107
Aug.	3,523	2,276	219	508	520	1,052	1,307
Sept.	3,659	2,443	246	474	496	1,139	1,248
Oct.	3,488	2,484	330	425	249	1,199	1,153
Nov.	3,824	2,661	423	456	284	1,289	1,330
Dec.	3,675	2,653	284	496	241	1,288	1,090
1976—Jan.	4,075	3,016	320	464	274	1,469	1,263
Feb.	4,346	3,233	341	447	325	1,480	1,333
Mar.p	4,396	3,341	393	434	228	1,683	1,322
Apr.p	4,925	3,851	412	424	238	2,050	1,354

[1] Negotiable and other readily transferable foreign obligations payable on demand or having a contractual maturity of not more than 1 year from the date on which the obligation was incurred by the foreigner.

NOTE.—Data represent the liquid assets abroad of large nonbanking concerns in the United States. They are a portion of the total claims on foreigners reported by nonbanking concerns in the United States and are included in the figures shown in Table 22.

22. SHORT-TERM LIABILITIES TO AND CLAIMS ON FOREIGNERS REPORTED BY NONBANKING CONCERNS, BY TYPE

(Amount outstanding; in millions of dollars)

End of period	Liabilities			Claims			
	Total	Payable in dollars	Payable in foreign currencies	Total	Payable in dollars	Payable in foreign currencies	
						Deposits with banks abroad in reporter's name	Other
1972—June	2,925	2,452	472	5,326	4,685	374	268
Sept.	2,933	2,435	498	5,487	4,833	426	228
Dec.[1]	3,119	2,635	484	5,721	5,074	410	237
	3,417	2,948	469	6,302	5,643	393	267
1973—Mar.	3,320	2,848	472	7,017	6,147	456	414
June	3,319	2,796	523	7,285	6,444	493	349
Sept.	3,579	2,931	648	7,625	6,698	528	399
Dec.	4,006	3,290	716	8,482	7,569	493	421
1974—Mar.	4,414	3,590	823	10,475	9,541	407	526
June	5,139	4,184	955	11,046	10,122	429	496
Sept.	5,605	4,656	949	10,698	9,730	430	537
Dec.	5,828	4,905	922	11,268	10,201	473	594
1975—Mar.	5,804	4,940	864	10,910	9,769	453	688
June	5,802	4,972	830	10,866	9,574	479	813
Sept.	5,876	5,028	848	11,692	10,333	525	834
Dec.p	5,776	5,169	607	12,079	10,899	555	626

[1] Data on the 2 lines shown for this date differ because of changes in reporting coverage. Figures on the first line are comparable with those shown for the preceding date; figures on the second line are comparable with those shown for the following date.

23. SHORT-TERM LIABILITIES TO AND CLAIMS ON FOREIGNERS REPORTED BY NONBANKING CONCERNS

(End of period. Amounts outstanding; in millions of dollars)

Area and country	Liabilities to foreigners					Claims on foreigners				
	1974	1975				1974	1975			
	Dec.	Mar.	June	Sept.	Dec.p	Dec.	Mar.	June	Sept.	Dec.p
Europe:										
Austria	20	26	22	18	14	26	15	13	15	16
Belgium-Luxembourg	519	480	340	336	294	128	137	132	131	134
Denmark	24	23	14	8	9	42	35	22	24	39
Finland	16	16	12	14	14	120	77	87	114	91
France	202	151	137	150	148	430	328	287	311	299
Germany	313	352	293	276	149	339	276	346	319	363
Greece	39	25	27	21	19	65	59	69	56	33
Italy	125	109	110	156	171	397	309	300	380	381
Netherlands	119	122	143	154	113	148	157	135	139	165
Norway	9	9	8	13	20	36	35	41	48	40
Portugal	19	13	13	13	4	81	42	32	39	44
Spain	56	54	59	74	81	369	359	324	315	408
Sweden	38	32	30	47	24	89	66	74	100	62
Switzerland	138	155	168	167	129	136	86	113	220	241
Turkey	8	12	14	22	25	26	33	28	31	28
United Kingdom	1,258	1,161	1,033	924	913	1,853	1,657	1,557	1,785	1,892
Yugoslavia	40	52	45	60	76	22	33	32	24	36
Other Western Europe	5	5	4	5	6	21	23	16	19	14
Eastern Europe	70	54	49	38	31	142	114	154	170	219
Total	3,018	2,851	2,523	2,496	2,241	4,469	3,840	3,763	4,241	4,504
Canada	306	258	281	296	286	1,618	1,855	1,948	2,101	2,013
Latin America:										
Argentina	36	31	30	28	31	67	73	63	52	58
Bahamas	291	307	277	210	186	594	615	631	686	660
Brazil	118	121	127	116	96	463	378	349	385	399
Chile	22	23	15	13	14	106	69	57	41	38
Colombia	14	11	11	14	14	51	51	47	47	47
Cuba	*	*	*	*	*	1	1	1	1	1
Mexico	63	72	74	84	85	295	322	305	299	333
Panama	28	18	27	19	24	132	110	128	103	92
Peru	14	18	16	19	23	44	46	50	48	41
Uruguay	2	3	3	2	3	5	15	5	5	4
Venezuela	49	39	45	56	97	190	180	166	152	165
Other L.A. republics	83	65	67	69	71	193	193	179	163	154
Neth. Antilles and Surinam	26	56	60	76	35	20	16	13	12	12
Other Latin America	81	114	125	122	118	147	196	159	192	295
Total	828	878	876	827	796	2,305	2,268	2,151	2,184	2,299
Asia:										
China, People's Republic of (China Mainland)	17	8	6	2	6	17	19	32	45	65
China, Rep. of (Taiwan)	93	102	100	101	97	139	122	125	152	164
Hong Kong	19	19	30	29	18	63	83	85	85	111
India	7	10	21	21	7	37	32	39	48	39
Indonesia	60	63	87	104	137	92	117	147	137	169
Israel	50	62	62	45	29	44	46	60	63	53
Japan	348	327	273	279	296	1,239	1,326	1,250	1,265	1,137
Korea	75	47	43	63	69	201	165	178	207	265
Philippines	25	19	17	15	14	95	83	91	93	99
Thailand	10	9	6	8	18	24	30	25	21	22
Other Asia	536	642	841	908	1,027	385	396	468	534	557
Total	1,239	1,308	1,488	1,575	1,717	2,337	2,419	2,501	2,650	2,682
Africa:										
Egypt	3	5	34	34	37	15	24	15	15	22
South Africa	43	54	65	79	99	101	104	104	79	92
Zaire	18	17	9	9	6	24	18	17	22	28
Other Africa	129	142	215	220	249	234	242	227	273	298
Total	193	217	323	341	391	374	387	364	389	440
Other countries:										
Australia	56	60	37	52	55	116	97	99	79	101
All other	30	31	18	21	14	49	45	39	48	39
Total	86	91	55	73	70	165	141	138	127	140
International and regional	158	201	257	267	276	*	1	1	....	1
Grand total	5,828	5,804	5,802	5,876	5,776	11,268	10,910	10,866	11,692	12,079

NOTE.—Reported by exporters, importers, and industrial and commercial concerns and other nonbanking institutions in the United States. Data exclude claims held through U.S. banks, and intercompany accounts between U.S. companies and their foreign affiliates.

24. LONG-TERM LIABILITIES TO AND CLAIMS ON FOREIGNERS REPORTED BY NONBANKING CONCERNS

(Amounts outstanding; in millions of dollars)

End of period	Total liabilities	Claims										
		Total	Country or area									
			United Kingdom	Other Europe	Canada	Brazil	Mexico	Other Latin America	Japan	Other Asia	Africa	All other
1971—Dec.	3,138	3,068	128	704	717	174	60	653	136	325	86	84
1972—June	3,300	3,206	108	712	748	188	61	671	161	377	86	93
Sept.	3,448	3,187	128	695	757	177	63	662	132	390	89	96
Dec.[1]	3,540	3,312	163	715	775	184	60	658	156	406	87	109
	3,603	3,274	191	745	749	187	64	703	133	378	86	38
1973—Mar.	3,781	3,411	156	802	764	165	63	796	123	393	105	45
June	3,798	3,446	180	805	756	146	65	825	124	390	108	48
Sept.	4,000	3,620	216	822	788	147	73	832	134	449	108	51
Dec.	3,886	3,678	290	761	792	145	79	829	125	488	115	53
1974—Mar.	3,836	3,808	369	737	824	194	81	809	123	488	122	61
June	3,536	3,809	363	699	844	184	138	756	123	515	126	61
Sept.	3,371	3,949	370	704	881	181	145	796	119	571	122	59
Dec.	3,768	4,159	364	642	918	187	143	1,044	112	569	127	54
1975—Mar.	4,044	4,139	340	654	962	182	160	1,006	102	540	139	54
June	4,155	4,086	299	634	970	182	154	979	98	556	146	68
Sept.	4,104	4,228	366	620	993	177	222	926	95	608	154	67
Dec.p	4,128	4,347	395	581	1,054	170	210	1,017	90	603	167	61

[1] Data on the 2 lines shown for this data differ because of changes in reporting coverage. Figures on the first line are comparable with those shown for the preceding date; figures on the second line are comparable with those shown for the following date.

25. OPEN MARKET RATES

(Per cent per annum)

Month	Canada		United Kingdom				France	Germany, Fed. Rep. of		Netherlands		Switzerland
	Treasury bills, 3 months[1]	Day-to-day money[2]	Prime bank bills, 3 months	Treasury bills, 3 months	Day-to-day money	Clearing banks' deposit rates	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
1973	5.43	5.27	10.45	9.40	8.27	7.96	8.92	6.40	10.18	4.07	4.94	5.09
1974	7.63	7.69	12.99	11.36	9.85	9.48	12.87	6.06	8.76	6.90	8.21	6.67
1975	7.36	7.34	10.57	10.16	10.13	7.23	7.89	3.51	4.23	4.41	3.65	6.25
1975—June	6.96	6.88	9.72	9.43	7.00	6.25	7.31	3.38	4.91	2.76	1.37	6.50
July	7.22	7.17	9.86	9.71	7.34	6.25	7.25	3.38	3.98	2.98	1.99	6.50
Aug.	7.72	7.42	10.59	10.43	8.59	6.43	7.16	3.38	1.93	2.89	1.51	6.00
Sept.	8.37	7.74	10.43	10.36	9.40	6.50	6.91	3.38	4.25	2.60	.94	5.50
Oct.	8.28	7.92	11.38	11.42	9.88	6.93	6.53	3.13	3.27	4.22	4.35	5.50
Nov.	8.44	8.29	11.21	11.10	11.34	7.00	6.74	3.13	3.36	4.67	4.19	5.50
Dec.	8.59	8.66	10.88	10.82	9.61	7.00	6.42	3.13	3.84	4.88	4.34	5.50
1976—Jan.	8.59	8.75	9.83	9.87	9.08	5.75	6.38	3.13	3.58	4.52	3.76	5.00
Feb.	8.70	8.74	8.86	8.81	8.42	6.50	7.27	3.13	3.08	2.86	3.05	5.00
Mar.	9.04	9.05	8.66	8.46	6.25	....	7.63	3.13	3.62	2.50	2.12	4.78
Apr.	8.97	8.65	9.10	8.97	7.69	....	7.56	3.13	2.76	2.96	2.50	4.50
May	8.93	8.96	....	10.45	10.16	....	7.53	3.13	3.68	3.60	3.98	4.50
June	8.99	9.04	....	10.94	10.69	....	7.63	3.13	4.23	....	....	4.50

[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] Monthly averages based on daily quotations.

NOTE.—For description and back data, see "International Finance," Section 15 of *Supplement to Banking and Monetary Statistics*, 1962.

NOTES TO TABLES 19a AND 19b ON PAGES A-70 AND A-71, RESPECTIVELY:

[1] Cayman Islands included beginning Aug. 1973.
[2] Total assets and total liabilities payable in U.S. dollars amounted to $50,655 million and $51,185 million, respectively, on Apr. 30, 1976.

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

For a given month, total assets may not equal total liabilities because some branches do not adjust the parent's equity in the branch to reflect unrealized paper profits and paper losses caused by changes in exchange rates, which are used to convert foreign currency values into equivalent dollar values.

26. CENTRAL BANK RATES FOR DISCOUNTS AND ADVANCES TO COMMERCIAL BANKS

(Per cent per annum)

Country	Rate as of June 30, 1976: Per cent	Rate as of June 30, 1976: Month effective	Country	Rate as of June 30, 1976: Per cent	Rate as of June 30, 1976: Month effective
Argentina	18.0	Feb. 1972	Italy	12.0	Mar. 1976
Austria	4.0	June 1976	Japan	6.5	Oct. 1975
Belgium	7.0	Mar. 1976	Mexico	4.5	June 1942
Brazil	28.0	May 1976	Netherlands	5.0	June 1976
Canada	9.5	Mar. 1976	Norway	5.0	Oct. 1975
Denmark	8.5	Mar. 1976	Sweden	6.0	June 1976
France	8.0	Sept. 1975	Switzerland	2.0	June 1976
Germany, Fed. Rep. of	3.5	Sept. 1975	United Kingdom	11.5	May 1976
			Venezuela	5.0	Oct. 1970

NOTE.—Rates shown are mainly those at which the central bank either discounts or makes advances against eligible commercial paper and/or govt. securities for commercial banks or brokers. For countries with more than one rate applicable to such discounts or advances, the rate shown is the one at which it is understood the central bank transacts the largest proportion of its credit operations. Other rates for some of these countries follow:

Argentina—3 and 5 per cent for certain rural and industrial paper, depending on type of transaction;

Brazil—8 per cent for secured paper and 4 per cent for certain agricultural paper;

Japan—Penalty rates (exceeding the basic rate shown) for borrowings from the central bank in excess of an individual bank's quota;

United Kingdom—The bank's minimum lending rate, which is the average rate of discount for Treasury bills established at the most recent tender plus one-half per cent rounded to the nearest one-quarter per cent above;

Venezuela—2 per cent for rediscounts of certain agricultural paper, 4½ per cent for advances against government bonds, and 5½ per cent for rediscounts of certain industrial paper and on advances against promissory notes or securities of first-class Venezuelan companies.

27. FOREIGN EXCHANGE RATES

(In cents per unit of foreign currency)

Period	Australia (dollar)	Austria (schilling)	Belgium (franc)	Canada (dollar)	Denmark (krone)	France (franc)	Germany (deutsche mark)	India (rupee)	Ireland (pound)	Italy (lira)	Japan (yen)
1972	119.23	4.3228	2.2716	100.937	14.384	19.825	31.364	13.246	250.08	.17132	.32995
1973	141.94	5.1649	2.5761	99.977	16.603	22.536	37.758	12.071	245.10	.17192	.36915
1974	143.89	5.3564	2.5713	102.257	16.442	20.805	38.723	12.460	234.03	.15372	.34302
1975	130.77	5.7467	2.7253	98.297	17.437	23.354	40.729	11.926	222.16	.15328	.33705
1975—June	133.55	6.0338	2.8603	97.426	18.392	24.971	42.726	12.210	228.03	.15982	.34077
July	130.95	5.7223	2.7123	97.004	17.477	23.659	40.469	11.777	218.45	.15387	.33741
Aug.	128.15	5.4991	2.6129	96.581	16.783	22.848	38.857	11.379	211.43	.14963	.33560
Sept.	126.87	5.4029	2.5485	97.437	16.445	22.367	38.191	11.281	208.34	.14740	.33345
Oct.	126.26	5.4586	2.5662	97.557	16.601	22.694	38.737	11.244	205.68	.14745	.33076
Nov.	126.26	5.4535	2.5618	98.631	16.564	22.684	38.619	11.238	204.84	.14721	.33053
Dec.	125.38	5.3986	2.5311	98.627	16.253	22.428	38.144	11.134	202.21	.14645	.32715
1976 Jan.	125.65	5.4300	2.5443	99.359	16.231	22.339	38.425	11.178	202.86	.14245	.32826
Feb.	125.85	5.4628	2.5554	100.652	16.278	22.351	39.034	11.186	202.62	.13021	.33157
Mar.	124.79	5.4383	2.5480	101.431	16.273	21.657	39.064	11.157	194.28	.12113	.33276
Apr.	123.72	5.4964	2.5667	101.668	16.553	21.411	39.402	11.123	184.63	.11371	.33433
May	123.37	5.4535	2.5517	102.02	16.487	21.272	39.035	11.080	180.79	.11676	.33444
June	122.75	5.4136	2.5220	102.71	16.314	21.109	38.797	10.980	176.40	.11780	.33424

Period	Malaysia (dollar)	Mexico (peso)	Nether-lands (guilder)	New Zealand (dollar)	Norway (krone)	Portugal (escudo)	South Africa (rand)	Spain (peseta)	Sweden (krona)	Switzer-land (franc)	United Kingdom (pound)
1972	35.610	8.0000	31.153	119.35	15.180	3.7023	129.43	1.5559	21.022	26.193	250.08
1973	40.988	8.0000	35.977	136.04	17.406	4.1080	143.88	1.7178	22.970	31.700	245.10
1974	41.682	8.0000	37.267	140.02	18.119	3.9506	146.98	1.7337	22.563	33.688	234.03
1975	41.753	8.0000	39.632	121.16	19.180	3.9286	136.47	1.7424	24.141	38.743	222.16
1975—June	43.856	8.0000	41.502	130.86	20.393	4.1124	146.31	1.7922	25.532	40.086	228.03
July	41.442	8.0000	39.154	127.73	19.241	3.9227	139.75	1.7446	24.213	38.272	218.45
Aug.	39.779	8.0000	37.887	111.79	18.304	3.7700	139.72	1.7140	23.174	37.332	211.43
Sept.	38.219	8.0000	37.229	105.50	17.834	3.7048	131.40	1.6914	22.501	36.905	208.35
Oct.	38.931	8.0000	37.658	104.74	18.089	3.7359	114.84	1.6883	22.769	37.555	205.68
Nov.	38.929	8.0000	37.638	104.75	18.116	3.7318	114.69	1.6869	22.788	37.683	204.84
Dec.	38.670	8.0000	37.234	103.77	17.988	3.6836	114.75	1.6765	22.685	37.970	202.21
1976—Jan.	38.696	8.0000	37.429	104.06	17.992	3.6562	114.80	1.6751	22.831	38.418	202.86
Feb.	38.998	8.0000	37.529	104.25	18.098	3.6394	114.79	1.5523	22.861	38.912	202.62
Mar.	39.047	8.0000	37.149	102.42	18.022	3.4987	114.83	1.4947	22.702	38.980	194.28
Apr.	39.032	8.0000	37.215	100.19	18.201	3.3759	114.84	1.4864	22.709	39.531	184.63
May	39.079	8.0000	36.811	99.33	18.184	3.3195	114.85	1.4788	22.653	40.205	180.79
June	39.148	8.0000	36.524	98.09	18.020	3.2145	114.94	1.4724	22.475	40.484	176.40

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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CHANGES IN TIME AND SAVINGS DEPOSITS AT COMMERCIAL BANKS, October 1975–January 1976. 7/76.

Index to Statistical Tables

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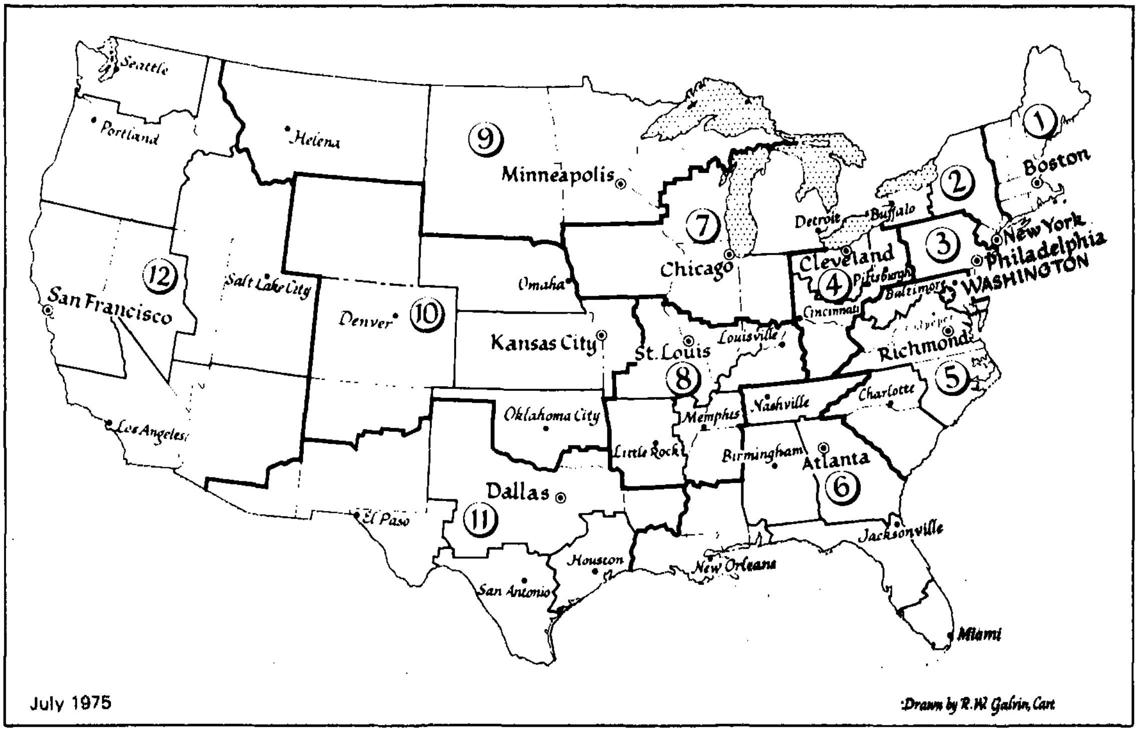
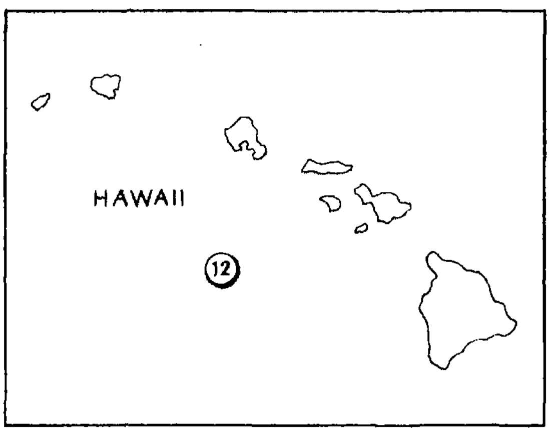
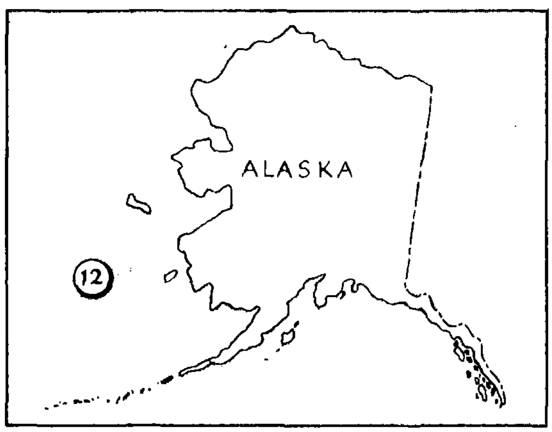
References are to pages A-2 through A-75 although the prefix "A" is omitted in this index

The Federal Reserve System

Boundaries of Federal Reserve Districts and Their Branch Territories







LEGEND

- Boundaries of Federal Reserve Districts
- Boundaries of Federal Reserve Branch Territories
- Board of Governors of the Federal Reserve System
- Federal Reserve Bank Cities
- Federal Reserve Branch Cities
- Federal Reserve Bank Facility

Guide to Tabular Presentation and Statistical Releases

SYMBOLS AND ABBREVIATIONS

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

GENERAL INFORMATION

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

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

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

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

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

LIST PUBLISHED SEMIANNUALLY, WITH LATEST BULLETIN REFERENCE

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Anticipated schedule of release dates for individual releases	June 1976	A-82