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MARCH 1972

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Mortgage, Construction, and Real Estate Markets

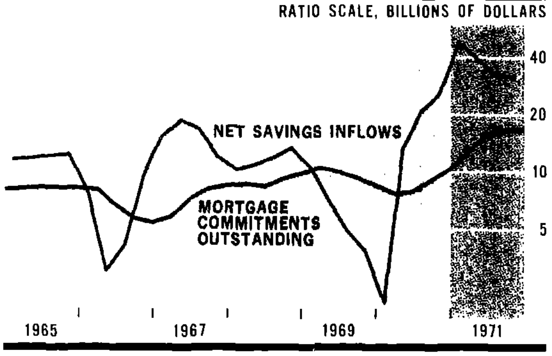
MAINTAINING THE UPSWING that began in the summer of 1970, outlays for new construction expanded to yet another new high this winter. Private residential expenditures, which accounted for all of the increase in real terms in 1971, have continued to dominate the advance. There has been relatively little further change in nonresidential construction expenditures—either public or private.

Thus far in 1972, a year in which general business activity is widely expected to be more expansive than in 1971, mortgage funds have remained ample and reliance on secondary support from Federally sponsored agencies has been limited. With spreads of deposit rates over short-term market rates unusually wide, savings inflows to depositary institutions have remained high.

Under these circumstances, a number of large commercial banks reduced rates paid to savers, but nonbank thrift institutions generally have maintained their deposit rates. Also, mortgage-repayment flows have continued large and lenders' liquidity positions have been strengthened appreciably further. Reflecting these developments, outstanding commitments for mortgages reported by thrift institutions have exceeded earlier peaks.

Even though yields on corporate and other long-term investment instruments moved up somewhat in February, yields on mortgages have continued to decline. This down-

1 RESIDENTIAL MORTGAGE COMMITMENTS edge higher as SAVINGS FLOWS hold near earlier peak



"Net savings inflows" are quarterly averages for savings and loan associations and mutual savings banks at seasonally adjusted annual rates. "Mortgage commitments outstanding," which are mainly residential, are seasonally adjusted end-of-quarter totals for all savings and loan associations and for New York State mutual savings banks. Latest data, Q4.

trend has helped to bolster demands for existing as well as new homes in both the nonsubsidized and the subsidized sectors of the market.

SELECTIVE CONTROLS AND OTHER RECENT INNOVATIONS

Under Phase II of the President's new economic program, the operations of the Construction Industry Stabilization Committee (CISC), which had been established early last year to help moderate inflationary developments in construction wage contracts, were continued along with those of the newly created Pay Board. Subject to the general coordination of the Cost of Living Council, the standard set by the Pay Board for average wage increases negotiated under all types of new contracts is 5.5 per cent a year. And, depending on tax and other considerations, the end-of-year goal for average annual increases in prices—which in the case of real estate relate mainly to rents for certain existing residential rental units—has been established at 2.5 per cent.

Prices of most types of residential and nonresidential real estate for sale were exempted from controls under Phase II, mainly because of the difficulty in comparing such heterogeneous items. Also, because of the administrative burden entailed and the actual and prospective improvement in available supplies, more than two-fifths of existing rental units were removed from rent controls in late January. The majority of these units are in structures with not more than four units and with longer than month-to-month rental agreements.

In January, a statistical and surveillance program covering rates on home mortgages and other types of consumer loans on a sample basis was announced by the new Committee on Interest and Dividends. This program includes a plan for special reports to the Cost of Living Council and to the public and for discussion of developments with lenders as circumstances warrant.

Other official actions designed mainly to help moderate cyclical shifts in mortgage lending and related residential construction activity have also been made effective recently. (In this connection, see also the report beginning on page 215 of this BULLETIN.) Some of these actions broaden the geographic scope and investment range of individual lender groups; others point toward further liberalizing certain loan terms available to borrowers and enhancing the potential liquidity of mortgages held by investors. For example, last August, the Federal Home Loan Bank Board raised to 95 per cent the maximum loan-to-value ratio permitted Federal savings and loan associations on conventional home mortgages subject to certain conditions.

Perhaps more important, early this year, the Federal National Mortgage Association and the still relatively new Federal Home Loan Mortgage Corporation instituted a secondary market for conventional *whole* mortgages based on standardized mortgage documents. The FHLMC, which operates under the aegis of the FHLBB, had already begun to expand this existing market for participations in conventional mortgages. Conventional loans presently account for about two-thirds of the total dollar volume of loans outstanding on 1- to 4-family homes. Trading in this new secondary market remains to be developed further, but this marks the first time that such a market has existed on a basis even potentially comparable to that for Government-underwritten mortgages.

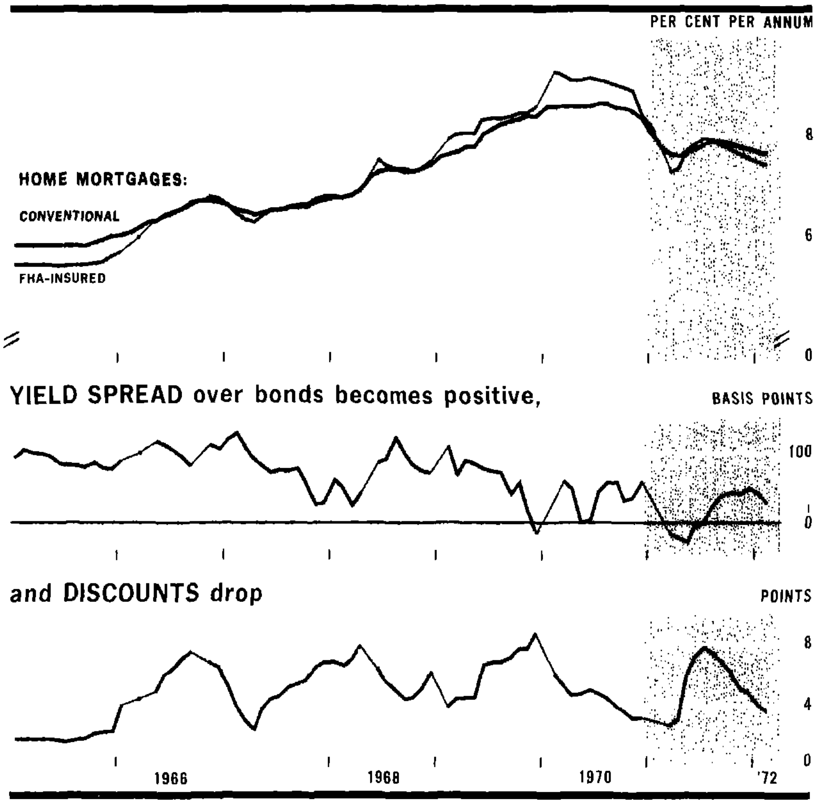
Within the Government-underwritten sector, prospects for improving mortgage liquidity were also increased with the successful introduction last autumn of the first issue of new mortgage-backed serial notes guaranteed by the Government National Mortgage Association. Unlike the regular GNMA "pass-through" instruments that had been introduced earlier, these new notes provide investors with a choice of maturities on a basis similar to those offered on some other types of market securities. In addition, GNMA instituted new programs last August under its special assistance functions. These programs permit GNMA under certain conditions to absorb some of the discount points that sellers might otherwise have to pay. Moreover, to allow sellers in higher-cost areas to participate more fully in such assistance. Congress recently raised the loan limits for eligible homes under these programs from $22,000 to as high as $36,750.

MORTGAGE MARKET DEVELOPMENTS

Mortgage lending commitments outstanding for residential and other properties have remained exceptionally high in early 1972. Mortgage yields required by lenders have continued to move down, and use of the special support available from FNMA and other nondepository sources has remained comparatively small.

Mortgage terms. Contract interest rates for conventional first mortgages on new homes averaged 7.60 per cent in February. Although still quite high by pre-1966 standards,

2 | MORTGAGE YIELDS resume decline after summer,



Mortgage data based on FHA field-office reports. For "conventional," average interest rates are for first mortgages on new homes. For "FHA-insured," weighted averages of private secondary market bid prices for certain new-house mortgages (shown at a discount from par in the bottom panel) converted to annual yield. Thin lines indicate months affected by adjustment in contractual interest rate. For corporate bonds, weighted average of new publicly offered bonds with at least 5-year call protection. (Moody's Aaa and Aa and A adjusted to Aaa.) Latest data, February.

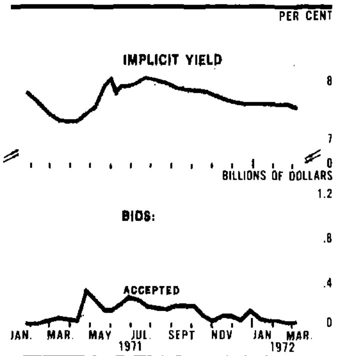
the rate was as much as 25 basis points below the level that had prevailed last August when the President's wage-price freeze was inaugurated. The average rate for mortgages on existing homes, at 7.65 per cent in February, was also at the lowest level since the new economic program was instituted, according to data from the Federal Housing Administration. In some localities, moreover, rates—particularly for high-downpayment loans on new houses—were at or below 7 per cent.

Apart from the dampening of inflationary expectations since August, the recent mortgage-rate decline has reflected the persistence of a still very high level of net savings inflows to thrift institutions. These inflows reached a record for January and February combined. However, continuance of heavy demand for mortgage loans and of uncertainties about future savings inflows, the strength of future demands for funds by corporations and other long-term borrowers, and the likely extent of short-term rate increases have tended to limit the mortgage rate decline. Also, while there has been some shift in emphasis away from the high-cost types of consumer accounts pioneered in recent years, rates on savings deposits at thrift institutions have generally not been lowered despite fairly widespread downward adjustments at commercial banks.

In the relatively sensitive secondary market for Government-underwritten mortgages, yields had begun to turn down in August, and by February they were 51 basis points below their July level, according to the FHA. As a result, discount points, which last summer had again become a serious problem for sellers of new and existing homes utilizing such mortgages, were down to an average of fewer than 4 points by February, based on the 7 per cent contract rate ceiling that has been in effect for more than a year. This improvement has eliminated reliance at this time on GNMA's special assistance programs for subsidizing excessive discounts.

Other distortions that had affected the mortgage markets have also been corrected to some extent under the generally easier credit conditions that have persisted since August. Last autumn, for one of the few times since early 1966, the yield required by lenders on FHA-insured home mortgages dropped below the average contract rate for conventional home mortgages. Also, an unusual negative gross yield-spread for mortgages as against corporate bonds that had developed early last year was eliminated. While the gross yield-spread in favor of FHA-insured home mortgages was

FNMA PURCHASE AUCTION



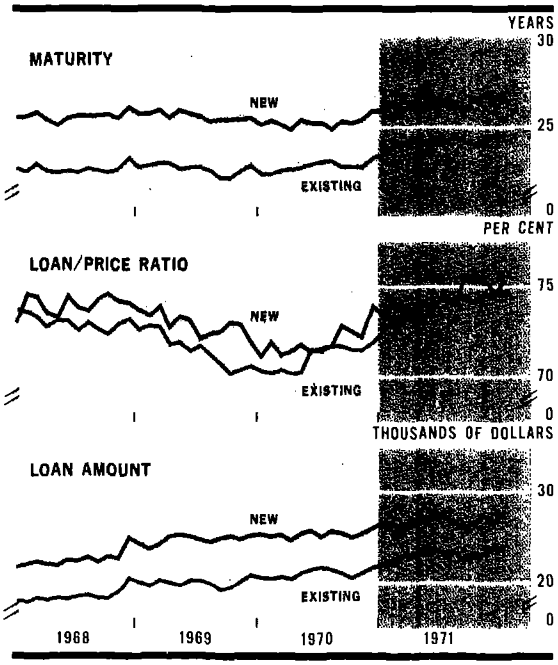
Bids received and accepted for all commitments to purchase Govt.-underwritten home mortgages regardless of maturity. "Implicit yield" is average equivalent secondary market yield accepted by FNMA on short-term commitments. Yields shown are gross before deduction of mortgage-servicing fee. Latest data, auction of Mar. 20.

still quite narrow, it averaged above 35 basis points in the early months of 1972.

Based on results from the FNMA purchase auction for Government-underwritten mortgages on March 6, implicit yields on short-term forward-purchase commitments—the major type in which bidders have been actively interested since last summer—were down further from the 7.61 per cent level reached earlier this winter. Since autumn, bids received by FNMA have fluctuated at a very low level. Mortgage companies, which are the major traders in this market, have found other buyers. In some cases, such companies have opted to build up warehouse lines of uncommitted mortgages at commercial banks under the very favorable terms prevailing—apparently in anticipation of further improvements in secondary mortgage market prices during the period ahead.

In January, maturity and loan-to-price terms on conventional loans were being maintained at or above the abruptly liberalized levels that developed initially in late 1970, as shown in Chart 3. A factor permitting the higher loan-to-price

3 NON-RATE TERMS for CONVENTIONAL HOME MORTGAGES more liberal since late 1970



Monthly data from FHLBB, with cooperation of the FDIC, are for conventional first mortgages originated by major lender groups on single-family homes for purchase only. Latest data, January.

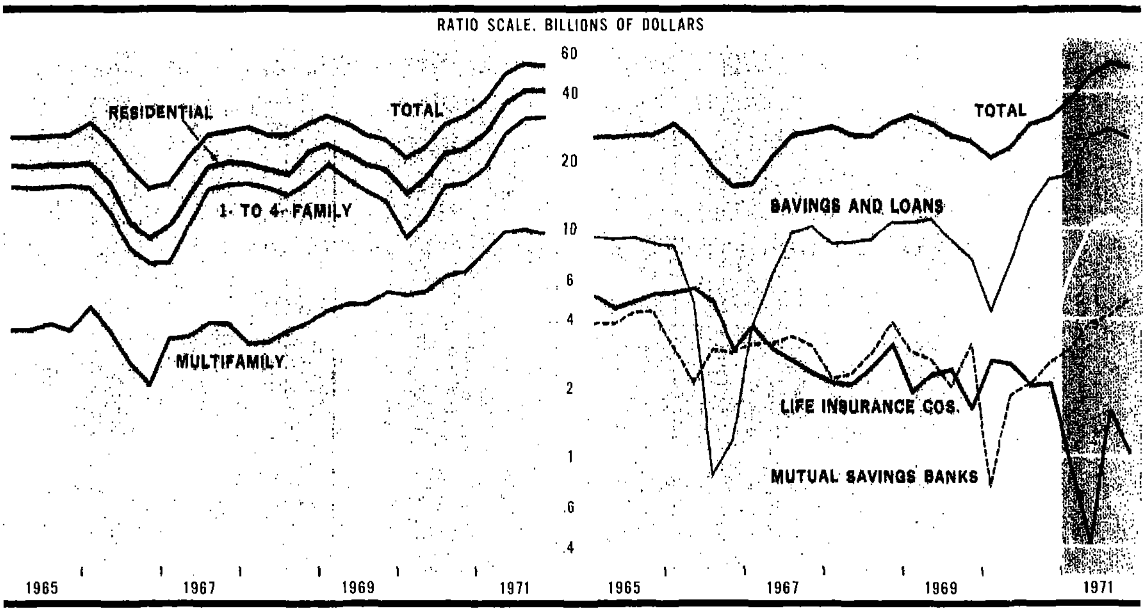
ratios available to borrowers has been increased reliance by lenders on private mortgage insurance, a trend that is likely to grow under prevailing market conditions. Partly reflecting the expansion in loan-to-price ratios, loan amounts, which had changed relatively little during the two preceding years, increased to an appreciable degree during 1971, especially for loans on existing homes.

In the case of multifamily and other income properties, contract rates and other terms have apparently also been liberalized further this winter. Moreover, indications are that equity participation arrangements have been used to a far lesser extent than in other recent years.

Mortgage debt expansion. Seasonally adjusted net mortgage debt formation early this year appeared to be holding at an annual rate very near the remarkably high—$54 billion—pace that had been reached in the third quarter of 1971 after an extended six-quarter rise. In 1971 as a whole, net mortgage flows approximated $48 billion, about 75 per cent more than the previous peak in 1969.

Loans on all types of nonfarm properties shared in the exceptional further advance in 1971. However, the net increase was most marked for mortgages on 1- to 4-family units.

4 NET INCREASES in MORTGAGE DEBT hold near earlier highs for all property-types . . . with major support from SAVINGS AND LOANS and COMMERCIAL BANKS



Quarterly data estimated (and converted to seasonally adjusted annual rates) by Federal Reserve as required to supplement reports of Federal agencies and private sources. Farm mortgage debt net increases are included in net increases shown for "total" and for separate institutions. Q4 and other recent data, preliminary.

As compared with income properties generally, such units, which include condominiums, had experienced a considerable shortfall in necessary funds in 1969 and early 1970. Since then, the resulting overhang of demands has affected not only construction loans and permanent financing of new units but especially transactions in existing homes. Moreover, last year, with interest rates lower and with loan amounts and other mortgage terms more liberal, refinancing of existing homes accelerated, and refinancing of income properties also increased.

Among the major types of lenders, savings and loan associations—long the dominant group in the home mortgage market—led the expansion in mortgage debt, not just in the home sector but in the multifamily property category as well. Altogether, the associations expanded their mortgage portfolios almost as much in 1971 as in the preceding 2½ years combined. Even so, with the aid of some additional borrowing from commercial banks, the associations were able to repay as much as $2.6 billion to the Federal home loan banks —twice the net volume borrowed from that source in 1970. In addition, they purchased a substantial share of the new GNMA-guaranteed mortgage-backed securities that became available during the year, and they took advantage of their liberalized nonmortgage lending privileges to expand their holdings of mobile home debt as well.

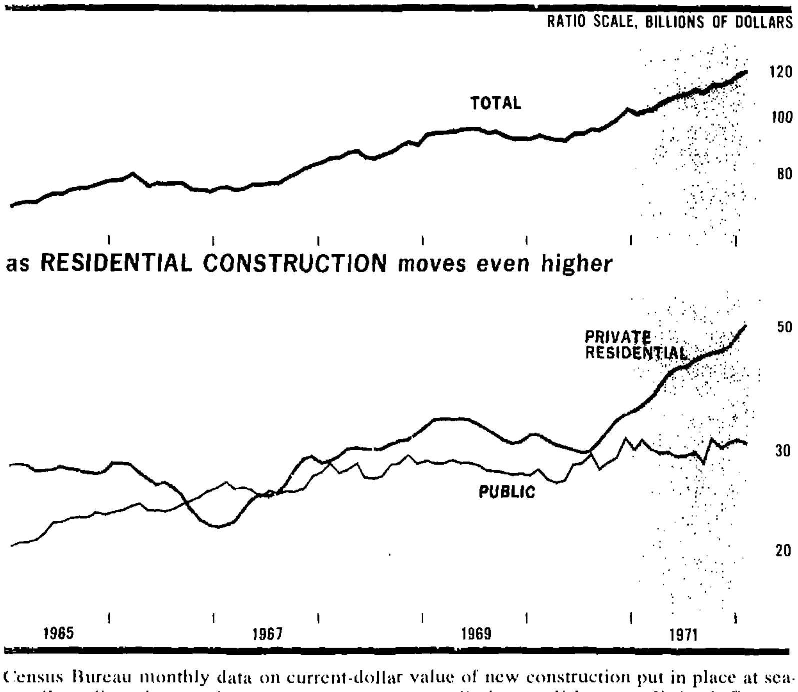
Net takings of mortgages by commercial and mutual savings banks also contributed appreciably to the accelerated pace of mortgage lending in 1971. In fact, net additions by commercial banks reached new peaks for all types of mortgages and those by mutual savings banks were at a 6-year high. Under such circumstances, net purchases by FNMA dropped to the lowest level since 1968 and net purchases by the FHLMC were limited largely to developmental operations. On the other hand, life insurance companies, although benefiting from a sharply reduced demand for policy loans, registered a net decline in home mortgage holdings for the fifth consecutive year and recorded the smallest net increase in over-all mortgage holdings in more than two decades.

NEW CONSTRUCTION

Total outlays for new construction in February were at an estimated seasonally adjusted annual rate of $119 billion. This was 17 per cent above the total for February a year earlier and 10 per cent above the total in 1971 as a whole, a year when such outlays exceeded $100 billion for the first time in history.

Construction costs. Construction costs this winter have apparently continued only a little changed from August, at about 135 per cent of their 1967 average, according to the Commerce Department's composite cost index. However, reflecting their already advanced level, higher costs early this year are estimated to have accounted for half the estimated year-to-year rise in total current-dollar outlays for new construction. Although wage settlements under the CISC have tended to be appreciably less liberal than was the case last

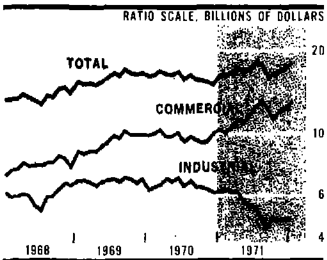
5 | **NEW CONSTRUCTION OUTLAYS continue upward**



Census Bureau monthly data on current-dollar value of new construction put in place at seasonally adjusted annual rates. Recent data, preliminary; February, Federal Reserve estimate.

year, they have ranged above the general stabilization guideline. Moreover, land costs, which are not included in new construction expenditures and which are not under price controls, have continued upward. Costs of building materials had risen sharply early in 1971 after an extended period of limited change, as the pace of residential activity continued to escalate beyond suppliers' expectations. This winter, following the wage-price freeze, prices of lumber and of some related materials increased sharply again as housing starts moved even higher.

BUSINESS CONSTRUCTION



Census Bureau monthly data on current-dollar value of new construction put in place at seasonally adjusted annual rates. Recent data preliminary. Latest, Jan.

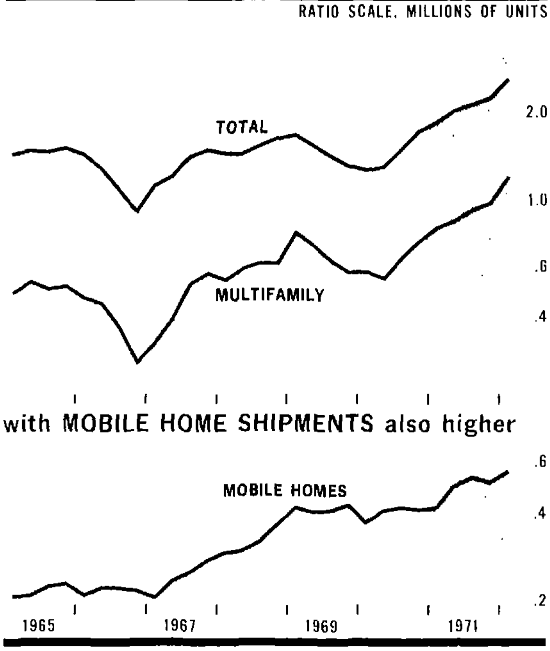
Nonresidential. Seasonally adjusted expenditures for new private nonresidential construction projects early this year were holding somewhat above the record current-dollar rate reached in the second half of last year. Growth in office building activity has apparently slowed, but indications are that outlays for other types of commercial structures—in particular for shopping centers, which tend to follow residential construction—have continued to provide additional support. Outlays for industrial plants, after a sharp further decline through most of 1971, have held at a somewhat improved rate in recent months. Additional increases are likely in 1972, judging from recent surveys of plans for plant and equipment expenditures. Outlays for religious, educational, medical, and other types of institutional structures have also tended higher.

This winter, expenditures for public construction, which had expanded sharply in late 1970, have continued to fluctuate around their year-earlier rate. Although financial market conditions have remained favorable, resistance by some State and local authorities to higher construction costs has limited implementation of some projects. Also requirements for educational buildings have slowed as growth in elementary school enrollments has been tapering off. But allocations of highway funds have been accelerated to help ease unemployment problems in some areas. Also, outlays for water and sewage disposal systems have found increased Federal and local support under conditions of growing concern about ecological problems and the need to accommodate further residential expansion.

Residential. Led by an unprecedented boom in private housing starts, outlays for private residential construction—the major upward force in the economy last year—have continued the rise initiated in mid-1970. Despite some fluctuation, the upsurge in starts has persevered since the first quarter of 1970; and in the first 2 months of this year, it carried well above the exceptional 2.2-million-unit annual rate reached in the fourth quarter of 1971.

In 1971 as a whole, private housing starts exceeded 2 million units for the first time in history. This was as much as 600,000 units above the average for the preceding 2 years. Moreover, it was 7 per cent above the previous high that had stood since 1950, a year when mobile home shipments—which in 1971 accounted for a record of nearly one-half million units—were of insignificant magnitude. In fact, the

6 | PRIVATE HOUSING STARTS continue to rise

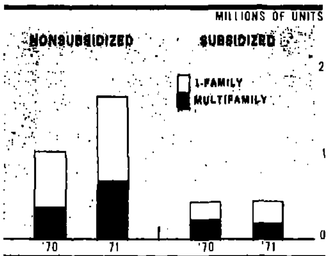


Census Bureau data for private housing starts and Mobile Home Manufacturers Association data for mobile home shipments converted to seasonally adjusted annual rates by Census Bureau and to quarterly averages by *Federal Reserve*. "*Multifamily*" *includes* 2 or more units. Latest figures housing starts, Jan. Feb. average; mobile home shipments, Jan.

combined count of housing starts and mobile home shipments in 1971 aggregated more than 2.5 million units, a figure somewhat above the decennial target set for annual production of new housing in the Housing Act of 1968.

Among conventional starts, multifamily units alone reached a new high in 1971. However, their share of the total remained relatively unchanged, at 44 per cent, as single-family starts also expanded sharply to exceed the 1-million-unit mark for the first year since 1959. Starts of single-family units, which are uniquely dependent on a smoothly functioning market for existing units, had been much more limited than starts of rental apartments by the tight mortgage market conditions and the higher costs that had prevailed in 1970 and earlier years. But in 1971, even though the level of costs was up further, the sharp increase in the availability of mortgage funds at relatively favorable terms reopened the opportunity for upgrading and for first-home purchases that had been postponed earlier. Also, demographic factors were beginning to be more favorable to demand for single-family homes for the first time since the late 1950's, and with the starts rate for apartment units already running more than 40 per cent above the high levels reached in other recent years, builders in 1971

HOUSING STARTS



Based on data from Census Bureau, HUD, and also Farmers Home Administration adjusted to exclude rehabilitations; subsidized starts include publicly owned. 1971 data, preliminary.

were under greater pressure from lenders to reorient supply toward the effective reach of the market for single-family homes.

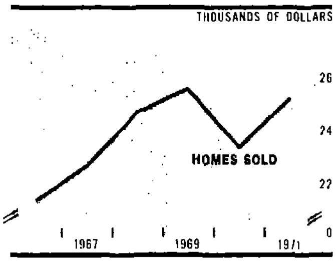
Contributing substantially, too, to the totals for both single-family and multifamily starts last year were units started under the subsidy programs of the Department of Housing and Urban Development and the Farmers Home Administration. Under such programs, effective interest costs to eligible borrowers may be reduced to as low as 1 per cent. Even though starts without such subsidies increased very sharply last year, subsidized starts in total held somewhat above their advanced earlier level. For the second successive year they exceeded the 400,000 average annual target for new low- and moderate-income housing set by the Congress in 1968.

For the calendar year 1972, Government projections indicate that subsidized housing starts might rise above one-half million units. However, this may depend on results of the ongoing review of the over-all effectiveness and the cost of the programs now under way. It also may be influenced by the extent to which builders are able to comply with the new quality criteria introduced by HUD early this year. While allowance for greater-than-usual loan default problems had been made in connection with such programs, the incidence of defaults thus far has considerably exceeded initial expectations.

The record rate of shipments of new mobile homes in 1971, previously mentioned, was particularly striking in light of the even more striking advance registered by conventional residential starts. However, such shipments, which are not included in residential construction outlays, also benefited from the generally easier money market conditions that prevailed over the year as a whole. Moreover, funds for such loans were augmented by further implementation of earlier legislation providing for entry of the savings and loan associations into this segment of the consumer loan market. In addition, the availability of new and improved mobile home parks expanded and community acceptance of such shelter broadened as manufacturers continued to concentrate on the larger, upgraded units that have constituted an increased proportion of sales in recent years.

The median price of new homes sold by speculative builders turned upward again in 1971, reversing a decline that had developed in 1970. However, this upturn reflected mainly

HOME PRICES – MERCHANT BUILDERS



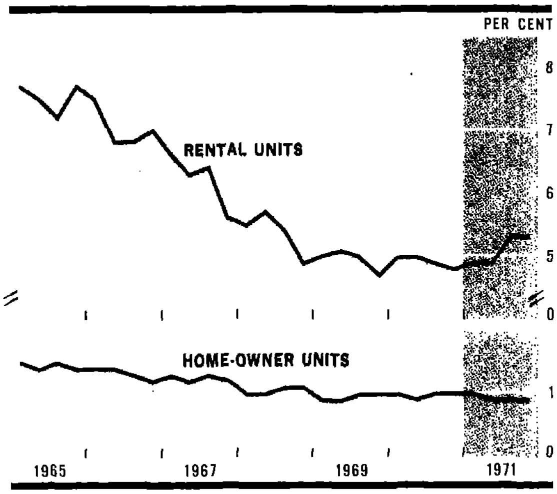
Census Bureau data (under HUD contract) for 1-family homes available from merchant builders. Homes for sale or sold may be at any stage of construction. Prices shown are annual medians. Latest data, 1971.

the shift in the mix of such homes toward nonsubsidized units —which in general are of higher grade—on a sales count that, over-all, ran a third above a year earlier. For 1971 as a whole, the median price was about $25,200—$1,800 more than in 1970. Even so, it was still some $400 short of the median in 1969 as builders concentrated on townhouses and simpler units in an attempt to build closer to the effective reach of the nonsubsidized market. Reflecting the success of this attempt, the median price of homes for sale last year was closer to the median price of the units actually sold than in any year since 1968.

Sales prices of existing homes, which also reflect shifts in the composition of demands, were at a median of $24,810, according to the National Association of Real Estate Boards. This was 8 per cent above a year earlier, compared with a year-to-year rise of 6 per cent in 1970. Meanwhile average rents on prevailing contracts for single-family homes and apartments increased over 4 per cent in each of those years, as measured by the Bureau of Labor Statistics.

Based on the number of units available and fit for occupancy, rental vacancy rates have tended higher as supplies of completed new housing have increased. However, at 5.3 per cent in the fourth quarter of last year, the average was still below the relatively reduced rate in 1967 and was well below the recent high in 1965. Moreover, vacancy rates in the case of homeowner properties, at 0.9 per cent, continued exceptionally low. Regional differences remained typically wide,

7 | **RESIDENTIAL VACANCY RATES** remain at or near recent lows

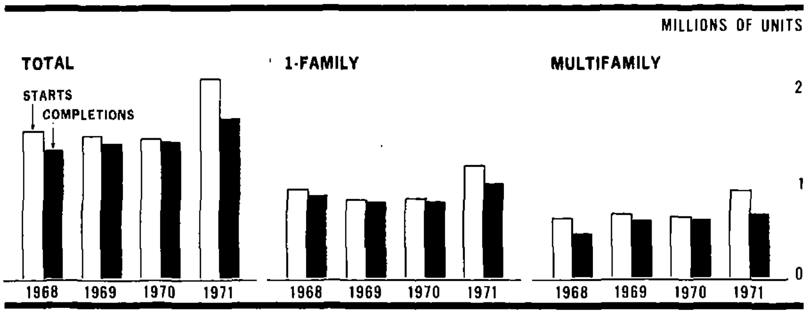


Census Bureau quarterly data. Vacancy rates relate to vacant, not dilapidated dwellings available for rent or sale. Latest figures, Q4.

ranging in the case of rental units from a level of 3.2 per cent in the Northeast to 6.9 per cent in the South. However, in all instances, the regional averages were still appreciably under those that had prevailed in 1965.

While removals from the existing housing stock have apparently also increased as starts have continued upward, the viability of the recent starts pace still remains to be fully tested. This is because an important factor in the relatively low level of vacancy rates thus far has been the widening gap between starts and completions of new units available for occupancy. Although completions have also advanced strongly, they have fallen increasingly short of the upward pace of starts as available building capacity and resource requirements have been extended further. In the case of single-family units, which normally require a relatively brief completion period, completions in 1971 were about 160,000 units fewer than starts. For multifamily units, which—depending on the size of the structure involved—may require up to a year or more for completion, the differential was well above 200,000 units. □

8 | HOUSING STARTS exceed COMPLETIONS



Census Bureau data for private units (under HUD contract for completions). "Multifamily" includes 2 or more units. Data for 1971, preliminary.

Ways to Moderate Fluctuations in the Construction of Housing

Report of the Board of Governors of the Federal Reserve System—March 3, 1972

Recently the staff of the Board of Governors completed an extensive study of short-term cycles in housing production, of their relation to general credit conditions and monetary policy, and of means by which these fluctuations might be moderated. The individual study papers were submitted to the Congress last fall. Since then, the Board has considered what its recommendations in this area should be.

In order to provide the background needed for assessing public policy, this report on ways to moderate fluctuations in the construction of housing begins with a brief review of the salient facts about the problem of short-run variability in housing production.

THE PROBLEM OF SHORT-RUN VARIABILITY IN HOUSING CONSTRUCTION

Wide variations in the rate of homebuilding have occurred throughout the postwar period. These fluctuations have characterized all major classes of permanent dwelling units: multifamily dwellings and single-family homes alike, housing units financed by Federally-backed mortgages, as well as those that are conventionally financed.

Production of mobile homes, on the other hand, has been relatively stable. This category of home construction is less responsive to variations in general credit conditions. The terms of finance and the sources of funds for mobile homes differ considerably from those for traditional dwellings. Also, statutory and regulatory restraints on lending are less stringent for mobile homes.

There is no evidence that short-term fluctuations in traditional types of residential construction are moderating with the passage of time. One of the sharpest postwar declines occurred from the first quarter of 1966 to the first quarter of 1967, when residential construction expenditures fell by about one-fifth. In that period, the Nation's savings and loan associations experienced a marked decline in net deposit inflows. Another sharp reduction in their deposit inflows occurred in 1969. Housing activity during that year did not contract as much as it had in 1966–67, however, because of the greater underlying strength of housing demand, and the large-scale intervention by Federally-sponsored credit agencies to help stabilize the supply of mortgage funds.

Instability in residential construction is not confined to the United States. In Canada and the industrialized countries of Western Europe, downturns in private housing production have occurred repeatedly during periods of credit restraint in recent decades. There is evidence, also, that instability in residential construction afflicts the socialized economies of Eastern Europe—where the allocation of resources is determined through central planning.

Thus, instability of housing construction has been a problem practically everywhere. No quick or easy solution is in sight. Wide-ranging, persistent, and well-considered efforts will be needed to limit the swings in housing construction without compromising our national economic stabilization objectives.

Relation to aggregate economic activity. Short-term swings in our Nation's housing production are related closely to fluctuations in the pace of aggregate economic activity. Housing has provided a balance wheel for the rest of the economy—tending to boom during periods of slack in the economy and to turn down when activity in most other lines was rising briskly. These variations in housing production have helped to temper inflationary pressures in periods of excess aggregate demand and to support economic activity during recessions, thus serving to even out fluctuations in total output and employment.

The tendency for housing production to vary inversely with general economic activity is at times identified as a response of residential construction to changes in monetary policy. There is some truth to this. In the very short run, restrictive monetary policies do result in reduced availability of credit and higher interest rates, just as expansive monetary policies produce a temporary easing in general credit conditions. The experience of recent years indicates, however, that these effects of monetary policy on credit markets are transitory. The more lasting effects on the cost and availability of credit come from the demands for loanable funds, particularly as these demands are influenced by the expected rate of inflation.

Funds for housing typically are in short supply when demands for credit from other sectors rise rapidly—as they did in 1966 and again in 1969. Competition faced by the housing industry for a limited volume of loanable funds may stem from a variety of sources, including Federal deficit financing. The strongest competition, however, usually comes from the business sector. When retained earnings of business firms rise less than the planned increase in their investments in fixed capital and inventories, they must depend more on external sources of finance. The share of total available funds absorbed by businesses then tends to rise, while the share available for housing falls.

The housing industry is not the only economic sector that responds sensitively to changes in general credit conditions. Repeatedly in recent years, State and local governments have been subject to financial constraints when interest rates have risen. Numerous small business firms, too, have had difficulty coping with cyclical changes in the cost and availability of credit. It appears, however, that variations in general credit conditions have had a much larger effect on the rate of residential construction than on other major economic activities.

Sources of the problem. One basic reason for this special effect on the housing industry is the dependence of this industry on nonbank thrift institutions for long-term mortgage funds. Over the past 15 years, savings and loan associations and mutual savings banks have supplied nearly two-thirds of the increase in the Nation's outstanding residential mortgage credit. These institutions depend almost exclusively on consumer-type time and savings deposits as a source of funds, and they make the bulk of these funds available for home financing. As a consequence, when deposit inflows to these institutions shrink, the aggregate supply of residential mortgage credit from private lenders also declines.

Deposit inflows to savings and loan

associations and mutual savings banks have become increasingly volatile over the past two decades. In years when interest rates in the open market have risen, the flow of consumer savings has been diverted away from depository institutions, which pay interest rates that are relatively inflexible, and has moved instead towards market instruments. Conversely, in years when yields on market securities have fallen relative to those paid on deposits, inflows to the depository institutions have risen.

These swings in deposit flows have of late been on a massive scale. With market interest rates rising rapidly, the increase in total deposits at savings and loan associations and mutual savings banks fell by more than half between 1967 and 1969. In 1970, short-term market interest rates fell substantially, and the net deposit inflow doubled—regaining its 1967 level—and then more than doubled again in 1971. Such alternations of feast and famine are bound to create instability in mortgage credit supplies and in homebuilding.

The asymmetry of the assets and liabilities of the nonbank financial intermediaries needs to be carefully noted. These intermediaries provide highly liquid assets for individuals to hold– assets that are close substitutes for short-term market securities on which yields are highly variable. But these intermediaries specialize in mortgage lending, and thus pile up assets with a long average life. Since the average yield on their earning assets changes little in response to variations in current market rates of interest, the nonbank depository institutions are in a poor position to compete for consumers' savings, and to maintain their mortgage lending, when yields on market securities become more attractive.

Thus, by their very nature, these institutions are ill equipped to cope with widely fluctuating market interest rates. Moreover, this problem has been aggravated by the ceilings on rates of interest that depositary institutions may pay to attract consumer savings. The legislative extension of these ceiling rates in 1966 to cover savings and loan associations and mutual savings banks has reduced competition among financial institutions, and it may therefore have spared some individual institutions from a drain of funds to a nearby competitor. But the ceilings have interfered with the ability of all depositary institutions to compete effectively with market securities in periods of rising yields.

There are numerous legal and regulatory obstacles that discourage or prevent lenders from acquiring residential mortgages, thereby contributing to the uneven flow of mortgage credit. Chief among these are the ceilings imposed on the interest rate paid on conventional mortgages by State usury laws and on FHA-insured and VA-guaranteed loans by Federal regulations. At times, these ceiling rates of interest have gotten so far out of touch with market realities that mortgage funds– in certain regions of the country or for certain classes of loans– have literally vanished. Such laws and regulations were originally designed with the purpose of providing borrowers with funds at reasonable rates of interest, but their effect has often been to limit or to prevent the access of borrowers to mortgage credit.

There are other laws and regulations that also prevent funds from moving freely into mortgages. Federally-chartered savings and loan associations, and mutual savings banks in some States, face rather stringent geographical restrictions on lending. The terms on which national banks may make funds available for conventional real estate loans are limited by statute, and their total investment in such assets is also restricted. Many State-chartered commercial banks face statutory restrictions similar to those applicable to national banks. And the Federal Reserve Act discriminates against mortgage loans at the discount window: such loans are eligible as collateral for member bank borrowing only at a penalty rate of interest.

These imperfections of financial markets are not the only source of instability in the housing industry. Some categories of spending respond much more than others to changes in interest rates. Variations in the cost of credit tend to lead to particularly large changes in spending when the asset acquired is very durable, when the purchase is postponable, when there is heavy dependence on external financing, and when interest costs bulk large relative to the buyer's total expenditure. For all these reasons, the demand for housing is highly sensitive to changes in interest rates.

THE COURSE FOR PUBLIC POLICY

Given the factors responsible for the sensitivity of housing to changes in general credit conditions, public policy actions on several fronts are needed to moderate fluctuations in residential building. Legal and regulatory obstacles to the flow of mortgage money need to be removed or reduced. Ways need to be devised for reducing the instability of deposit flows to savings and loan associations and to mutual savings banks. And some significant changes will be required in the character of our Nation's economic stabilization policies.

The most important single contribution that could be made to stability of housing production would be to obtain better control over the forces of inflation. Housing activity in the postwar period has declined whenever our Nation has failed to adopt promptly the policies of restraint needed to avert excess aggregate demand. Improvements in the use of all of our instruments of stabilization policy are clearly needed. But avoidance of sharp fluctuations in interest rates and credit conditions will require heavier reliance on fiscal tools, and less reliance upon monetary policy, to achieve our national economic stabilization objectives. Once variations in general credit conditions are lessened, both the supply of mortgage credit and the rate of housing construction will become more stable.

In considering the proper scope and direction of public policy, it is important to recognize that complete elimination of fluctuations in housing production is not a feasible objective. From time to time, excess aggregate demand will reemerge, and then it will become necessary to curb demand in order to reduce, if not prevent, inflationary pressures. At such times, some curtailment in residential construction need not be against the national interest. During brief periods of excess demand, reduced output of highly durable assets, such as houses, would permit the achievement of restraint in the use of real resources without much sacrifice of current standards of consumption and, in the process, would contribute to holding down inflation. Since the stock of houses is very large, a moderate decline in the rate of new production for several months or a year would have negligible effects on the quantity and quality of the total housing available for use by the public.

In the past, however, credit-induced declines in housing construction have often gone beyond the point of tolerance, creating unnecessary hardships for construction workers, contractors, and those employed in associated industries. These declines have also interfered with improvements in the efficiency of resource use in residential construction—improvements that could lead to lower housing costs if fluctuations in the rate of housing production were moderated. Economic policy, therefore, should seek to redress the balance of restraint during periods of excess aggregate demand—by imposing more restraint on categories of durable goods output other than housing and, in the process, reducing the burden to be borne by the residential construction industry.

Expanding role of Federal housing agencies. In recent years, a number of significant steps have been taken to reduce the severity of short-term declines in housing construction. Federally-sponsored agencies concerned with housing credit or related fields have focused more insistently on the problem; new agencies and programs for dealing with the problem have been established by the Congress; and the powers of existing Federal agencies have been expanded.

The present network of Federally-sponsored credit agencies has demonstrated its capability of contributing powerfully to bolstering the supply of mortgage credit during periods of general credit stringency. During 1969, these agencies supplied directly, or indirectly through loans by the Federal home loan banks to savings and loan associations, over 40 per cent of the net funds borrowed to finance housing. In the absence of these massive operations, a much more precipitous decline in housing construction would have occurred in 1969.

Undoubtedly, additional improvements could be made in Federal credit programs to assist the housing industry when private mortgage funds are in short supply. But it would be unwise to rely entirely on this approach to solve the housing finance problem. The main thrust of new initiatives should strike directly at the sources of fluctuation in housing construction.

Removal of legal and regulatory obstacles to flows of mortgage credit. The Board recommends that the Congress eliminate all interest rate restrictions on FHA-insured and VA-guaranteed loans. Rates on these loans then would reflect market conditions and permit a larger flow of funds into residential construction than would otherwise occur at a time of credit stringency. Legislation enacted in 1968, putting responsibility for determining ceiling rates in the Department of Housing and Urban Development and in the Veterans Administration, was a step forward. More flexible adjustments in ceiling rates are now possible than was the case when these rates were established by congressional statute.

Under present arrangements, however, decisions to change these ceiling rates can never be free from political constraints. There are likely to be recurring periods, therefore, when mortgage discounts rise again to levels that severely limit or actually deny the access of borrowers to this type of credit.

Such troubles can be avoided by abolishing the ceilings. Alternatively, the Congress might instruct HUD and the VA to adopt a mechanical rule that ties the ceiling rate to a market-determined interest rate.

State governments should also be encouraged to remove their usury ceilings, or to raise them to levels at which they would no longer block the flow of funds into mortgages. There is a growing awareness of the damage that usury ceilings have done, as is evidenced by the fact that numerous States in recent years have raised their usury ceilings—some of them only temporarily, however. Action by the Congress in dispensing with ceiling rates on Federally-backed mortgages would encourage State governments to take similar actions.

Several changes in Federal banking laws are needed to remove impediments to investment in residential mortgages by commercial banks. First, the Federal Reserve Act should be modified to permit the Federal Reserve Banks to lend to member banks on the basis of sound mortgage collateral at the regular discount rate. The Board has recommended this action on prior occasions. Second, quantitative limits on acquisitions by national banks of conventional, and some types of FHA-insured, real estate loans should be abolished. These loans presently may not exceed the capital stock and surplus of a bank, or 70 per cent of its time and savings deposits, whichever is greater. Although mortgage acquisitions at present are probably not being limited significantly by this provision, its retention seems unnecessary. Third, the Board recommends rescinding the requirement that conventional real estate loans of national banks may not exceed 90 per cent of the appraised value of the property mortgaged, nor exceed 30 years in maturity. Removal of the maximum maturity provision would be essential to investment by national banks in variable-rate mortgages with variable maturities, as discussed later in this report.

Once these provisions were dropped, investment by national banks in conventional mortgages would be governed principally by considerations of safety and soundness, to be tested by bank examinations, as is the case with most other types of loans. The Board believes, however, that it would be prudent to authorize the Comptroller of the Currency to establish safeguards through such regulations as may prove necessary.

Many State banking laws applying to investment in conventional mortgages by State-chartered banks are similar to national banking laws and regulations. Here, too, action by the Congress in liberalizing the mortgage provisions of the national banking laws would provide guidelines that the States could follow.

Especially stringent geographical restrictions on mortgage lending by depositary institutions are found in regulations applying to conventional mortgage loans of Federal savings and loan associations. Though liberalized about a year ago, these regulations still impose rather narrow limits on the geographical mobility of mortgage funds. It is doubtful whether limits of this kind are needed to protect the soundness of individual associations. In our judgment it would be helpful to drop these restrictions, so that funds of savings and loan associations could be loaned out wherever the need seems greatest.

Such action might prompt States in which mutual savings banks operate to reconsider geographical restrictions on conventional mortgage lending by those institutions.

Elimination of these legal and regulatory constraints on mortgage lending would augment the long-run supply of mortgage funds, as well as lessen short-term fluctuations in mortgage credit supplies.

IMPROVEMENTS IN THE FUNCTIONING OF DEPOSITARY INSTITUTIONS

Let us next consider ways of improving the capability of depositary institutions to compete more effectively for consumer savings during periods of rising market interest rates, and thereby to provide a more even flow of funds to the mortgage market.

The problem that nonbank financial intermediaries face, as noted earlier, stems from their nature as specialized financial institutions that lend chiefly in the mortgage market. These institutions would function better in a world of fluctuating market interest rates if the average life of their earning assets were shortened. This objective could be accomplished by diverting a substantial part of their loanable funds to assets other than residential mortgages. Such a solution, however, could well affect adversely the long-run supply of residential mortgage credit and thus raise the average cost of mortgage borrowing.

There is no fully satisfactory solution to this dilemma. The Board believes, nonetheless, that courses of action are available that will improve the ability of nonbank thrift institutions to stabilize their deposit flows and their mortgage lending, while avoiding an undue reduction in the long-run supply of residential mortgage funds.

In the near term, there are good prospects for reducing the asymmetry of the assets and liabilities of nonbank intermediaries by measures to encourage lengthening in the average maturity of deposits and a reduction in deposit turnover rates. Progress in this direction already has been made in recent years, but further steps could be taken. For example, ceiling rates of interest on deposits established by the supervisory authorities could be modified to provide for greater differentiation of accounts by maturity classes, and to permit higher interest rates to be paid on longer-term deposits. The Board intends to pursue these matters with the other regulatory agencies.

Some benefits also can be gained by encouraging the specialized mortgage lending institutions to put a modest proportion of their earning assets into consumer loans—perhaps a maximum of 10 per cent. Over the long run, this may tend to reduce somewhat the flow of funds from these institutions to the mortgage market. However, since the average effective life of consumer loans is much shorter than that of mortgages, the average yield on earning assets would respond better to changing market interest rates over a period of several years. This would enhance the ability of nonbank depositary institutions to increase their interest rates on deposits at times when market yields were rising and thus at least partially reduce the tendency of consumer savings to shift to market instruments.

Another step well worth considering would be enabling all depositary institutions to offer mortgages with variable interest rates and attendant safeguards, side by side with the traditional fixed-rate mortgage, as a means of home financing. Depositary institutions holding variable-rate mortgages would experience more flexible average earnings rates. Since they could then change deposit interest rates in response to variations in yields on market securities, deposit inflows should be more stable. Short-term fluctuations in mortgage credit supplies would thereby be reduced, so that home buyers could reasonably expect to find mortgage funds available even during times of general credit restriction. This greater cyclical stability of mortgage credit availability could be achieved, moreover, without affecting adversely the long-run supply of mortgage funds.

There are, of course, some problems associated with rate provisions that would involve the absorption by borrowers of some of the risks of interest rate fluctuations. This would be a complicating element in the budgeting and financial planning of a homeowner carrying a mortgage. It would be wrong, however, to assume that he has no capacity at all to absorb such risks. Variation in interest rates are to a significant degree attributable to changes in the rate of inflation. Increases in the interest rate on a variable-rate mortgage, consequently, would generally be accompanied by a rise in the average borrower's income and his debt service capacity. And, of course, there would be times when borrowers would enjoy a decline in their mortgage interest rate, since a variable-rate mortgage contract would need to provide for reductions in the contract rate when market yields moved down, as well as for increases when market yields rose.

In negotiations over this kind of rate provision, professional lenders would have significant bargaining advantages over relatively unsophisticated homeowner borrowers. If such advantages were exploited, an undue share of the burden of interest rate adjustment could be shifted to homeowners. Accordingly, variable-rate mortgages should have protective features to safeguard the interests of borrowers.

For example, it would be wise for public policy to limit the degree to which any individual borrower is subjected to changes in his mortgage interest rate. This could be done by designing a mortgage instrument on which the possible fluctuation in interest rates is restricted to a moderate range. Furthermore, lenders could be required to provide prospective borrowers with data showing the differences in costs that could result over the life of the contract under alternative assumptions as to interest rate movements. Also, the fixed monthly payment form of the variable-rate mortgage would need to be given particular encouragement. In such a mortgage contract, the variation in interest rates under most circumstances would take the form of a lengthening or shortening of the term to maturity rather than a change in the monthly payment. This would be more suitable for borrowers than the variable monthly payment form, since adjustments in other expenditures would then not be required to accommodate changes in outlays for debt service.

The Federal Government could help prepare the way for use of variable-rate mortgages as an instrument in home financing. Thus, HUD and the VA might authorize variable rates on FHA-insured and VA-guaranteed mortgage loans, and the Federal National Mortgage Association and Federal Home Loan Mortgage Corporation could include such mortgages in their secondary market operations. Also, assistance might be given to the community of mortgage lenders in developing a standard contract for variable-rate mortgages, and to the States in developing model legislation to provide mortgage borrowers with adequate safeguards against possible abuses by lenders.

It should be emphasized that the proper role of variable-rate mortgages is additional and complementary to the traditional fixed-rate mortgage contract. Borrowers should have the option of choosing freely between these instruments. Unless a potential borrower expected interest rates to decline, he would usually prefer to finance his home purchase with a fixed-rate mortgage—thereby avoiding the uncertainty inherent in a variable interest rate. In view of this normal preference of borrowers, lenders would probably need to make the initial interest rate and other contract terms more attractive than those on a fixed-rate mortgage.

If promptly implemented, it would probably still take a decade or longer for variable-rate mortgages to reach a sizable fraction of the portfolios of the Nation's depositary institutions. In time, however, this financial innovation might be of substantial help in moderating swings in the availability of mortgage credit and in residential construction.

Steps discussed in this section to strengthen our depositary institutions, if implemented, should speed the day when ceiling rates of interest on consumer time and savings deposits would no longer be needed. Removal of the ceilings would permit savers to be rewarded more fully; it would increase efficiency of financial markets and it would enable each depositary institution to compete with market securities to the maximum extent permitted by its own earnings position.

Although it would be wise to leave standby authority in the hands of the regulatory agencies to impose interest rate ceilings on consumer time and savings deposits in the event of unforeseen contingencies, the Board believes that it is time to begin planning for gradual withdrawal of ceiling rates as an instrument of financial regulation. The Board again recommends, therefore, that the Congress make permanent the authority—which was granted to the regulatory authorities in the fall of 1966 and extended since then on several occasions—to differentiate between kinds of deposits for purposes of deposit rate regulation and to suspend interest rate maxima when it is judged appropriate to do so. It would also be constructive if the Congress saw fit to indicate a desire to have the regulatory authorities formulate, and begin implementation of, a long-range plan for step-by-step removal of effective ceilings.

IMPROVEMENTS IN THE USE OF FISCAL POLICY

Some years will pass before the above recommendations for reform of the depositary institutions and for the removal of legal and regulatory barriers to mortgage fund flows can have their full beneficial effects in stabilizing housing construction. In the short run, the principal hope for lessening the variability of homebuilding lies in gaining a fuller measure of control over inflation—and particularly in improving the use of fiscal policies, so that lesser reliance would need to be placed on changes in credit conditions to stabilize aggregate economic activity. Indeed, as students of the housing problem have long recognized, increased reliance on fiscal policies to stabilize aggregate economic activity has a permanent role to play in any well-conceived program to lessen the instability of housing construction.

Such a course has a number of related advantages. If we succeed in establishing a financial environment conducive to less volatile flows of mortgage credit, other sectors that are sensitive to fluctuations in credit market conditions will also benefit. State and local governments, for example, will not be confronted with such pronounced variations in financing costs, and smaller business firms will experience less difficulty in securing funds when business is booming. Furthermore, greater stability in residential construction will be achieved without sacrificing the broader objectives of stability in aggregate employment, production, and prices. By resorting to a more flexible use of fiscal tools, sectors of the economy in which spending is influenced relatively little by monetary policies could thus be made to bear their share of restraint during periods of excess demand.

A variety of fiscal tools could be used to stimulate or restrict spending in one or more sectors other than housing. However, suggestions for flexibly administered fiscal policies previously set forth by academic economists and others have not been viewed by the Congress with much enthusiasm. The Congress has been understandably reluctant to take steps that might interfere with efforts to rationalize tax policy, or result in manipulating private spending incentives capriciously, or give the Executive Branch excessive control over Federal expenditures or tax rates. It may be possible, however, to overcome these objections with a systematic approach that minimizes the threat of undermining either tax policy or budget policy.

A promising approach is to use fiscal policy to control changes in the rate of business investment. Outlays by business firms on machinery and equipment are large and cyclically volatile. Clearly, greater stability in such purchases would foster a more steady growth rate of aggregate production and employment. These expenditures, furthermore, are relatively insensitive to monetary policy, particularly in the short run. During periods of credit restraint, the business sector has repeatedly drawn on financial and real resources that would otherwise have probably gone into the housing industry.

One instrument of tax policy, the investment tax credit, has in recent years been employed to influence business investment decisions. By now the investment tax credit is well understood by the business community, by the Congress, and by the general public. Its effects on the rate of business fixed investment have been demonstrated in actual experience.

The investment tax credit was originally thought of as a device for providing additional stimulus to business capital expenditures over the long run. However, successive congressional measures dealing with this tax credit since 1966 have suggested that the credit might also be used flexibly to even out the behavior of business investment spending over the course of the business cycle. Thus, the magnitude of the tax credit could be lowered when excess aggregate demand threatened to generate inflationary pressures, or it would be raised when the economy was in need of stimulus. If the tax credit were adjusted in this fashion, variations in business external financing demands would tend to be reduced, fluctuations in market interest rates would tend to diminish, and these developments could contribute to stabilizing the flow of mortgage credit and housing construction.

A flexible use of the investment tax credit would require orderly procedures for adjustment of the rate of credit. Experience suggests that, if timely adjustments are to be made, the Congress would need to assign responsibility to another body for determining when a change in the rate of tax credit should be effected. However, this could be accomplished in ways that protected and preserved the ultimate responsibility of the Congress to determine tax policy and that avoided subjecting the business community to capricious changes in taxes.

For example, the Congress might grant to the President authority to vary the investment tax credit within prescribed limits—say, from zero to 10 or 15 per cent. Once a change in the rate of tax credit was announced by the Executive, it would go into effect 60 days hence, retroactive to the date of the announcement, unless the Senate or the House of Representatives disapproved of the rate change in the intervening period. The Congress might, if it so chose, stipulate that the President could act only after a public recommendation had been made by an advisory body, such as the Council of Economic Advisers.

Under such a system, timely adjustments of the investment tax credit could be achieved, but there would also be ample time for careful deliberation by the Congress to determine whether the proposed fiscal action was in the national interest.

CONCLUDING COMMENTS

The Board recommends that priority consideration be given to establishment of the machinery for a variable investment tax credit. This is the most important single contribution that could be made to easing the plight of the housing industry in recurring periods of credit restriction. The Board also suggests consideration of actions to enable the use of variable-rate mortgages to finance residential structures.

Other recommendations set forth in this report, though less significant individually, would in the aggregate also serve to reduce materially the instability of credit flows to the housing industry.

At present, the residential construction industry is not suffering from any want of credit. Housing activity has been rising rapidly for over a year and a half, with starts reaching a new peak in January of this year. Even now, mortgage interest rates are falling, while inflows of time and savings deposits at commercial banks and nonbank thrift institutions continue at unusually high levels.

These recent developments do not imply that the cyclical problems of housing and housing finance are behind us. On the contrary, they illustrate that the supply of mortgage credit and the rate of housing production are still highly sensitive to changes in general credit conditions.

This is a good time for the Congress to consider carefully the most appropriate steps to help stabilize supplies of mortgage credit. In the course of its deliberations, the Congress will no doubt wish to obtain the judgments of a number of governmental agencies, of consumer groups, of representatives of industry and finance, and of recognized scholars in the housing field.

The Board would urge the Congress to take the opportunity afforded by present conditions in the mortgage credit and housing fields to move forward and put in place the machinery that will be needed for moderating fluctuations in residential construction in the years ahead. □

Staff Economic Studies

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

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

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

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

Study Summary

INTERNATIONAL MONEY MARKETS AND FLEXIBLE EXCHANGE RATES

Stanley W. Black—Staff, Board of Governors

Prepared as a research paper in 1971 and updated in early 1972

In large part, the international monetary crises of the 1960's and 1970's stem from a combination of independent national monetary policies, pegged exchange rates, and ever-broadening international money markets—symbolized by the rise of the Euro-dollar market. This combination is unstable in principle: As divergent monetary policies seek to maintain different short-term interest rates in different countries, short-term arbitrage funds flow toward countries with high interest rates. Under flexible exchange rates, the operations of speculators with diverse views on expected future spot exchange rates tend to be offsetting. But in a regime of pegged exchange rates, the loss of reserves implied by the flow of funds out of countries with low interest rates instills doubts about the ability of the authorities to maintain the pegged rate. The famous "one-way bet" on devaluation replaces dispersed expectations with the politican's nightmare: a bear attack by speculators and businessmen seeking to avoid the effects of devaluation. There are, broadly, three possible resolutions of this kind of instability: (1) greater international coordination of monetary policies, tantamount to abandonment of independent national monetary policies; (2) flexible exchange rates, including such variations as wider bands and the crawling peg; and (3) controls on international money markets, equivalent to restrictions on short-term capital movements. This paper offers new evidence on the workability of flexible exchange rates.

From the portfolio behavior of banks, nonbank institutions, foreigners, and the monetary authority, a theoretical model of equilibrium in money markets and exchange markets is developed and analyzed in terms of stability and comparative statics. The effects of government intervention in spot and forward exchange markets are compared. Intervention in the forward market is shown to be more effective when the spot exchange rate is flexible than when it is pegged. A new proof is provided for the proposition that monetary policy is more powerful under flexible exchange rates than under pegged rates. A dynamic theory of the relationship between current and expected future spot exchange rates and forward exchange rates is developed by an extension of Muth's model of rational expectations.

Empirical equations are estimated for short-term claims and liabilities of the United States vis-a-vis the United Kingdom for the period January 1936 to September 1939. This period was chosen because the dollar–sterling exchange rate was flexible and because a unique body of data is available on forward market commitments. Equations are also presented, for the first time, relating bank and nonbank positions in the forward market to spot foreign exchange holdings and trade commitments. The results show that forward covering was widely practiced. Next, the paper presents equations for spot and forward commitments including dummy variables for expected future spot exchange rates based on the rational expectations hypothesis. These variables allow tests of hypotheses on the stabilizing or destabilizing nature of speculative activity and on the division of that activity between spot and forward markets. The conclusion is that, on balance, the flexible exchange markets of the late 1930's were not destabilizing. In most cases they facilitated the response of participants in the markets to the destabilizing political events of the period.

Treasury and Federal Reserve Foreign Exchange Operations

This 20th joint interim report reflects the Treasury–Federal Reserve policy of making available additional information on foreign exchange operations from time to time. The Federal Reserve Bank of New York acts as agent for both the Treasury and the Federal Open Market Committee of the Federal Reserve System in the conduct of foreign exchange operations.

This report, prepared by Charles A. Coombs, Senior Vice President in charge of the Foreign Department of the Federal Reserve Bank of New York, and Special Manager, System Open Market Account, covers the period October 1971 to March 1972. Previous reports were published semiannually in the BULLETINS *of each year beginning with September 1962.*

On Sunday, August 15, President Nixon announced a major new program of domestic and international economic measures. With respect to international payments, the President introduced a 10 per cent temporary surcharge on dutiable imports into the United States and suspended the convertibility of the dollar into gold and other reserve assets.

The major European governments kept their exchange markets closed all of the following week, as they sought to develop some joint policy response to the U.S. measures. These negotiating efforts failed, and on Monday, August 23, the European governments reopened their exchange markets on an uncoordinated basis. While each government continued to adhere to its pre-August 15 parity, all but the French Government suspended their commitments to defend the previous upper limits of their exchange rates. Such continuing intervention by the Bank of France was confined, however, to a segregated market for commercial and official transactions, while all other transactions were diverted to a financial franc market that was allowed to find its own level. The Japanese Government initially sought to maintain the rate for the yen by continuing to intervene at the ceiling but was swamped by an inflow of dollars, which by the month-end had swollen official reserves by $4.4 billion. On August 28, when official intervention at the ceiling for the yen was suspended, the yen immediately rose by nearly 5 per cent, and would have risen even more sharply in subsequent weeks if the Bank of Japan had not repeatedly intervened to restrain the upward trend.

Over the following 3½ months the spot exchange rates of the major trading currencies moved to widening premiums over their old parities, as shown in the table below:

Currency	*Premium over parity* *Sept. 30*	*Nov. 30*	*Dec. 17*
Belgian franc:			
Commercial	6.4	8.1	9.8
Financial	6.4	8.1	9.8
British pound	3.5	3.9	5.4
Canadian dollar	7.1	7.7	8.5
French franc:			
Commercial	.5	.8	1.8
Financial	3.5	2.4	5.8
German mark	10.4	10.6	12.4
Italian lira	2.1	2.3	4.1
Japanese yen	7.5	10.1	12.3
Netherlands guilder	7.5	9.3	10.5
Swiss franc	3.3	3.3	5.5

The exchange rate structure thus emerging after August 15 was, in most instances, the product of controlled rather than free floating. Many central banks continued to intervene on an *ad hoc* basis, while the market was further strongly influenced by a proliferation of new exchange controls, the U.S. import surcharge, and sharply conflicting official appraisals of an appropriate realignment of parities. Particularly noticeable was market speculation on whether the U.S. Government would participate in a rate realignment in the form of an increase in the U.S. official gold price. As market expectations clustered initially around a 5 per cent increase and, after the November Group of Ten meeting in Rome on a figure closer to 10 per cent, foreign currency rates tended to move up to levels compatible with such projected gold parity adjustments.

TABLE 1
FEDERAL RESERVE RECIPROCAL CURRENCY ARRANGEMENTS
In millions of dollars

Institution	Amount of facility, Mar. 13, 1972
Austrian National Bank	200
National Bank of Belgium	600
Bank of Canada	1,000
National Bank of Denmark	200
Bank of England	2,000
Bank of France	1,000
German Federal Bank	1,000
Bank of Italy	1,250
Bank of Japan	1,000
Bank of Mexico	130
Netherlands Bank	300
Bank of Norway	200
Bank of Sweden	250
Swiss National Bank	1,000
Bank for International Settlements:	
Swiss francs/dollars	600
Other authorized European currencies/dollars	1,000
Total	11,730

More generally, the exchange market atmosphere progressively deteriorated from mid-August until the Group of Ten meeting in Rome revived hope of an early alignment of new parities. Serious operating problems were posed for market participants during the floating rate period, more particularly for those dependent upon efficiently functioning forward markets. Moreover, mounting uncertainties and anxieties arising from the proliferation of exchange controls and fears of potential trade restrictions and retaliation had severe and far-reaching repercussions on business confidence in the major trading countries, particularly in those countries where exports contribute heavily to gross national product. As noted by Chairman Burns:

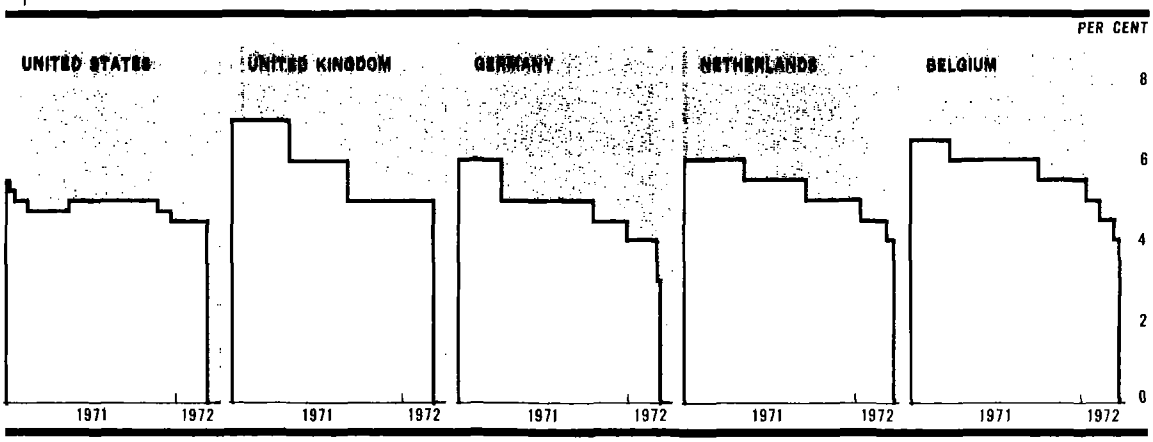
> . . . the dangers were growing of a recession in world economic activity, of increasing recourse to restrictions on international transactions, of a division of the world economy into restrictive blocs, and of serious political frictions among friendly nations. Prompt resolution of the crisis was clearly necessary, and intensive international discussions therefore got under way in the autumn of 1971.

These international discussions culminated on December 18, 1971, in the Smithsonian Agreement of the Group of Ten countries, which specified an exchange rate realignment based on an increase in the \$35 U.S. official gold price by 8.57 per cent to \$38 per ounce. This devaluation of the dollar was accompanied by relatively smaller devaluations of the Swiss franc, the lira, and the Swedish krona against gold, thus slightly reducing their effective appreciation against the U.S. dollar. The German mark, the Japanese yen, the Dutch guilder, and the Belgian franc were revalued upward by differing amounts, thereby further increasing the appreciation of these currencies against the dollar. The pound sterling and the French franc remained at their previous parities, producing an appreciation of these currencies of 8.57 per cent against the dollar. The Canadian dollar continued to float. In the interim prior to congressional and parliamentary approval, the new parities were put into effect through the notification to the International Monetary Fund (IMF) of "central" rates. Finally, it was agreed that the trading bands surrounding these new central rates would be widened to 4.5 per cent.

Currency	*Percentage appreciation of parity against U.S. dollar*
Belgian franc	11.57
British pound	8.57
French franc	8.57
German mark	13.58
Italian lira	7.48
Japanese yen	16.88
Netherlands guilder	11.57
Swedish krona	7.49
Swiss franc	6.36

Announcement of the Smithsonian Agreement was greeted with satisfaction and relief by the exchange markets, rates for a number of major currencies settled at or close to their new floor levels, and sizable reflows of funds to the United States developed through the year-end. Following the turn of the year, however, market optimism shifted to an anxious even skeptical mood as traders began to ponder the long negotiating path to a restructured international financial system. Market concern focused particularly on the risk that certain foreign central banks might suddenly withdraw from their Smithsonian commitments to defend their currencies at the new upper limits, and successive waves of speculation in January and February drove the mark, the guilder, the Belgian franc, and the yen close to or hard against their official ceilings. The central banks concerned intervened decisively and without hesitation, however, and this demonstration had a reassuring effect. In early March, expeditious congressional action on a "clean" gold price bill removed another source of uncertainty that had been breeding unsettling market rumors. Simultaneously, the German Government took action to control borrowing abroad by German industrial firms, which had been a major source of buying pressure on the mark over the last 3 years, while the Japanese Government reinstated controls on speculative buying of the yen. Finally, the interest rate gap between Europe and the United States began to be squeezed out from both sides, as the U.S. Treasury bill rate rose significantly while discount rate cuts in Germany, Belgium, and the Netherlands were announced and recessionary tendencies continued in Europe. Nevertheless, in early March the exchange markets remained nervous, focusing on the many complex issues still to be resolved while awaiting positive indications of basic improvement in the U.S. payments position. When such evidence of an improving trend materializes, the recovery of the dollar on the international

1 | CENTRAL BANK DISCOUNT RATES: January 1971 to March 1972



exchanges should be accelerated by a reversal of the enormous foreign currency positions now outstanding.

Starting in early October 1971 the Federal Reserve from time to time purchased modest amounts of Belgian francs in the market (both spot and forward). These funds together with other franc balances acquired through direct purchases from the National Bank of Belgium and the U.S. Treasury, were used to liquidate a total of $145 million equivalent of earlier swap drawings on the Belgian central bank (Table 2). Swap commitments to the National Bank were thereby brought down to $455 million as of December 21, while an additional $35 million in Belgian francs is owed to the Bank for International Settlements (BIS). This total of $490 million equivalent remains outstanding as of March 13, 1972.

On November 12, the Federal Reserve, using marks held in balances, also made a $10 million paydown on its swap drawings on the German Federal Bank, reducing those commitments to $50 million equivalent, where they remain. Finally, the System took advantage of flows out of sterling in late December to buy pounds in the market and repay, prior to the year-end, $35 million of its $750 million equivalent swap indebtedness to the Bank of England; the remaining $715 million equivalent of this sterling debt was still outstanding on March 13. Thus, including the continuing $1,600 million equivalent of commitments in Swiss francs, outstanding Federal Reserve swap drawings totaled $2,855 million as of the date of this report.

On March 3 the U.S. Treasury redeemed $76.5 million of a maturing $153.0 million equivalent German-mark-denominated note (Table 4); the maturity of the residual $76.5 million equivalent of the security was extended for a further 4 months.

STERLING

Sterling remained strong throughout the first half of 1971, and the spot rate held close to the ceiling of $2.42. Britain's balance of payments on current account registered over that period a surplus of about $850 million, and the succession of monthly trade surpluses had a buoyant effect on market expectations. This strong payments performance reflected, in part, the sluggishness of the domestic economy in which unemployment was rising and output was stagnant. Since prices and

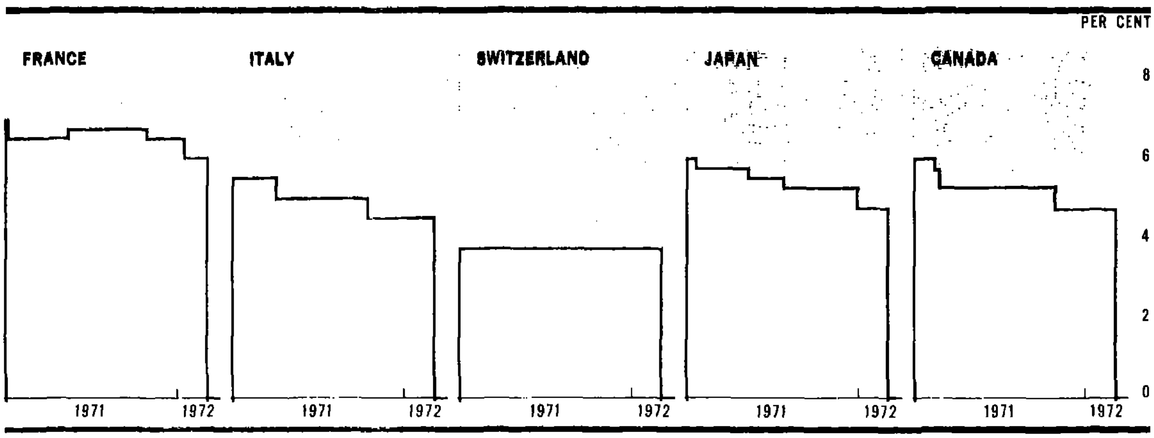


TABLE 2
FEDERAL RESERVE SYSTEM ACTIVITY UNDER ITS RECIPROCAL SWAP LINES
In millions of dollars equivalent

Transactions with	System swap drawings, Jan. 1, 1971	Drawings, or repayments ( )					System swap drawings, Mar. 13, 1972
		1971				1972	
		I	II	III	IV	Jan. 1 Mar. 13	
National Bank of Belgium	210.0	335.0 -125.0	125.0 205.0	260.0	-145.0	.	455.0
Bank of England				750.0	35.0	----	715.0
German Federal Bank		.	60.0	-	-10.0	- -	50.0
Netherlands Bank	300.0	130.0 -300.0	120.0 -250.0	- --		.	---
Swiss National Bank	300.0	150.0 450.0	250.0	750.0	----	-- -	1,000.0
Bank for International Settlements (Swiss francs)	.	..	. . .	600.0	-- .		600.0
Bank for International Settlements (Belgian francs)	. - .	- - .	- -	35.0			35.0
Total	810.0	615.0 875.0	555.0 455.0	2,395.0 -	-190.0	- - .	2,855.0

wages continued to rise at a rapid pace, however, the British authorities maintained a firm grip on monetary and fiscal policy—in particular, keeping domestic liquidity conditions tight—while moving cautiously to stimulate the economy. Interest rates in the United Kingdom remained relatively high and attracted a heavy influx of short-term funds. As both commercial and capital demand converged on the market, the Bank of England was a buyer of dollars on a massive scale throughout the first half of the year. By the end of June the U.K. authorities had repaid $1.7 billion in international credits, added $0.5 billion to official reserves exclusive of the special drawing rights (SDR's) allocation, and transferred $1.7 billion to later months through special arrangements. With this improved liquidity position and further reserve gains in July, the United Kingdom was able to make another repayment—of $614 million—to the IMF in early August, thereby reducing its commitments under the 1969 standby arrangement with the Fund to $1 billion equivalent.

Trading in sterling had remained orderly in July, but early in August the pound was caught up in the general wave of speculative demand that hit all major foreign currencies, and the Bank of England had to absorb further heavy offerings of dollars. To provide cover for these inflows, on August 13 the Federal Reserve activated the swap line with the Bank of England, drawing $750 million equivalent of sterling.

TABLE 3
DRAWINGS AND REPAYMENTS ON FEDERAL RESERVE SYSTEM BY ITS SWAP PARTNERS
In millions of dollars

Banks drawing on System	Drawings on System, Jan. 1, 1971	Drawings, or repayments (-)				Drawings on System, Dec. 31, 1971
		1971				
		I	II	III	IV	
Bank for International Settlements (against German marks)	.	+21.0 -21.0	+6.0 6.0	.	+3.0 -3.0	. .
Total	.	+21.0 -21.0	+6.0 6.0	----	+3.0 3.0	——

In the week following President Nixon's statement of August 15, the British authorities closed the London exchange market by withdrawing the banks' authority to deal in foreign exchange. On Monday, August 23, the London market was reopened with the \$2.42 upper limit being suspended temporarily, although the parity of the pound and the lower limit remained unchanged. On subsequent days, with trading gradually recovering, the sterling rate moved to as high as \$2.48¼, a premium of 3.4 per cent over par.

Following the floating of the Japanese yen, the British authorities feared a renewed speculative influx to sterling. Consequently, on August 27 the Bank of England announced new measures to deter hot money inflows. These included a prohibition of interest payments by banks in the United Kingdom on increases in sterling balances held by nonsterling-area depositors and a complete ban on additional nonresident deposits with other financial institutions and local authorities. Nonresidents were also prohibited from purchasing additional sterling certificates of deposit as well as Government, Government-guaranteed, and local authority securities maturing before October 1, 1976. Finally, permission for the banks to swap foreign currency deposits into sterling for lending to residents was withdrawn. After these measures were announced, the sterling rate fell sharply to around \$2.45½, about 2.3 per cent above par. On the following Thursday, September 2, the Bank of England reduced its discount rate from 6 per cent to 5 per cent. Sterling subsequently steadied, and the spot rate fluctuated around \$2.46 until mid-September when, with the approach of the IMF annual meeting, it began to rise along with other major European currencies. For the third quarter as a whole, Britain's current-account position had remained very strong, with a surplus of nearly \$825 million. Reserves rose by \$1,394 million in the third quarter, reflecting not only heavy new inflows but also \$398 million of receipts earlier in the year that had been deferred under special arrangements.

The upswing in the sterling rate continued into early October, when in active trading the spot rate rose above \$2.49.

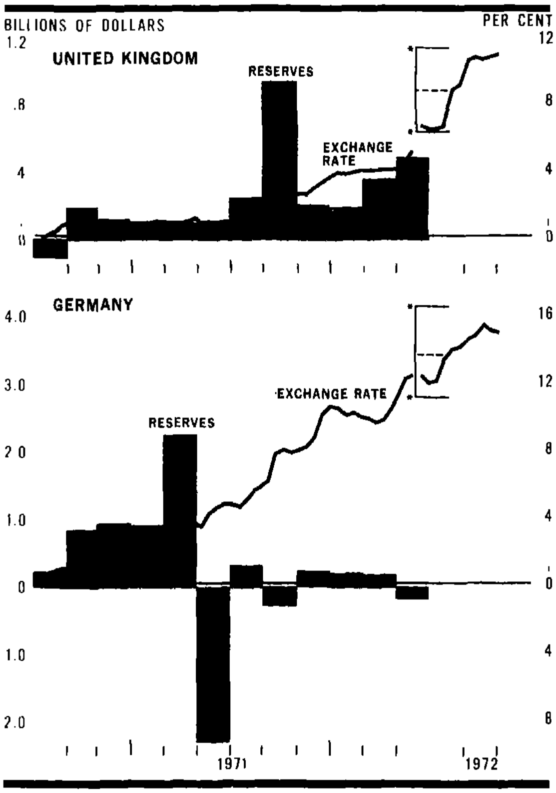
TABLE 4
U.S. TREASURY SECURITIES, FOREIGN CURRENCY SERIES
In millions of dollars equivalent

Issued to	Outstanding, Jan. 1, 1971	Issues, or redemptions (−) 1971 I	1971 II	1971 III	1971 IV	1972 Jan. 1-Mar. 13	Outstanding, Mar. 13, 1972[1]
German Federal Bank	539.6					76.5	535.5
German banks	135.5						153.0
Swiss National Bank	540.6	249.7	831.7 [2]−790.5	333.0			1,216.4
Bank for International Settlements[3]	150.0		157.5 150.0				166.7
Total	1,365.7	249.7	989.3 940.5	333.0	—	 −76.5	2,071.6

[1] For more realistic valuation, on Dec. 31, 1971, the U.S. Treasury provisionally valued its foreign currency obligations to reflect market exchange rates as of that day. Data in this column conform with this new valuation except for the securities that have been renewed so far in 1972, where *the relevant market rate at the time* of each renewal was used.
[2] Denominated in Swiss francs.
[3] Transactions related to activation by the Swiss National Bank of the revaluation clause covering all outstanding Swiss-franc-denominated securities of the U.S. Treasury at the time of the Swiss franc's revaluation in May 1971.
NOTE.—Unless otherwise noted, discrepancies in totals result from minor valuation adjustments and from rounding.

On October 6 the British authorities announced a further tightening of the exchange controls introduced at the end of August. The earlier ban on additions to the holdings by nonsterling-area residents of specified securities was extended to all such securities, irrespective of maturity, as well as to sterling acceptances, commercial bills, and promissory notes. After a brief dip in response to these steps, sterling rose again on oil

2A | CHANGES IN EXCHANGE RATES AND OFFICIAL TRANSACTIONS



Dashed lines are central rates except middle rate for the United Kingdom.

Movements in exchange rates are measured as percentage deviations of weekly averages of New York noon offered rates from the official parities at the beginning of 1971. Changes in reserves are computed from the figures shown in the IMF's *International Financial Statistics*. Starting with December 1971 the relevant figures, expressed in SDR's, were calculated on the basis of the new central rates (rather than, as formerly, on the basis of official parities) and that month's reserve changes therefore reflect such valuation adjustments in addition to actual movements in reserve assets.

*Upper and lower intervention limits established in December 1971.

†New exchange parity.

company demand to meet tax and royalty payments and as Euro-dollar yields declined steeply while domestic money market rates remained relatively firm. British official reserves rose by $197 million in October.

The underlying demand for sterling continued generally strong through mid-November. Following the introduction on November 18 of the Reuss-Javits bill to empower the President to raise the official dollar price of gold by up to 10 per cent and the announcement that the Group of Ten would meet in Rome on November 30 and December 1, demand for sterling swelled still further. With the Bank of England holding the spot rate just above $2.49 through the end of the month, British reserves rose by $362 million in November. On Wednesday, December 1, when reports from Rome indicated definite progress in the Group of Ten discussions, a new rush into sterling and other foreign currencies developed. With pressure mounting not only in the spot market but also in the forward market, where 1-month sterling reached a premium of almost 8 per cent per annum, the Bank of England allowed the spot sterling rate to move up and it crossed the $2.50 level on December 7. With the approach of the December 17–18 meeting of the Group of Ten in Washington, sterling was bid up even further, to the $2.52 level, and it surged to $2.53¾ as the meeting began on Friday, December 17.

Following the agreement reached in Washington on December 18, the British Government announced that there would be no change in sterling's own gold parity. The middle rate for the pound would now be $2.6057, which represented an 8.57 per cent appreciation of sterling relative to the dollar, corresponding to the proposed devaluation of the dollar against gold. The Bank of England's official buying and selling rates were set at \$2.5471 and \$2.6643, respectively, a band of 4.5 per cent around the middle rate. At the same time the authorities revoked the stiff exchange control regulations they had announced on August 27 and October 6 to discourage inflows of nonresident funds.

The London exchange market was officially closed on Monday, December 20, with banks in the United Kingdom barred from dealing in foreign currency. After moving to \$2.57 in the very thin trading that prevailed in New York that day, sterling eased when the London market reopened, holding around \$2.55½ or some ¾ cent above the new floor. The uneasy balance in the market was finally tipped a few days later as some speculative positions began to be unwound and year-end adjustments were made. With the pace of trading quickening substantially, the spot rate fell close to the floor in late December. Taking advantage of this development, the Federal Reserve acquired sterling in the New York market and repaid, prior to the year-end, \$35 million of its \$750 million equivalent swap indebtedness to the Bank of England.

The outflow of funds from the United Kingdom quickly dried up, however, after the year-end adjustments were completed. Spot sterling moved away from the floor, holding around \$2.55 in early January. In addition to the general uncertainty in the exchanges, demand for sterling was buoyed by sizable oil company purchases of pounds and by the sharp drop in Euro-dollar rates at a time when money market conditions in Britain were being tightened by the usual large tax payments falling due during the first quarter. Nevertheless, sterling was still only slightly above the lower limit while most other major European currencies had risen toward, or even above, their central rates. Under these conditions, the market came to view sterling as relatively underpriced, and the possibility that the European Community (EC) countries might narrow the margin of fluctuation between their currencies—and that sterling might be associated in such a move—served to strengthen market sentiment further.

A wave of buying developed in mid-January and, over the course of just a few days, the spot rate jumped by 4 cents to reach more than \$2.59. The market then turned generally quieter and the sterling rate fluctuated between \$2.58 and \$2.59 through the end of January. There was a firm undertone, however, reflecting both the seasonal strength for the pound and the decline in Euro-dollar rates relative to money market rates in London. In early February, sterling advanced again, moving above its middle rate. On February 14 the market reacted to the growing threat to the British economy of the extended coal miners' strike by marking sterling back down to just above \$2.59, but even this dip proved brief as sterling recovered in the general advance of European currencies that occurred later that week. Following the settlement of the coal miners' strike, sterling held close to its middle rate in quieter trading until another flurry of market activity in early March pushed the rate up well above \$2.62.

GERMAN MARK

Following massive inflows of funds to Germany in the early months of 1971, the mark was allowed to float on May 10. The spot mark moved well above its previous ceiling but, when the rate started to settle back in early June, the Federal Bank began selling dollars for marks in order to absorb excess domestic liquidity and to reduce its swollen reserves. At the same time, this policy had the effect of pushing up the mark rate. These dollar sales continued through July, but were suspended in August when the general run on the dollar developed in full force. In early August the mark rate moved up to more than 8 per cent above par.

After President Nixon's address on August 15, formal exchange dealings in Germany were suspended through the full week of August 16–20. During the week, consultations proceeded among the EC countries in search of a common basis for the reopening of the exchange markets. When no agreement was reached, the German Government reopened the market on August 23 with the mark rate floating as before. As trading volume continued at generally reduced levels, the mark fluctuated closely around the pre-August 15 level until mid-September, after which it rose sharply to a premium of more than 10 per cent over par prior to the IMF annual meeting that opened later that month. The German Federal Bank began to intervene in both spot and forward markets to moderate the rise in the rate, and by early October the mark had eased in quieter trading. Meanwhile, the Federal Bank had taken in some $240 million spot and another $775 million for forward delivery.

On October 13 the Federal Bank Council lowered the central bank's discount rate from 5 per cent to 4½ per cent and its "Lombard" rate against secured advances from 6½ per cent to 5½ per cent, both effective the next day. At the same time, reserve requirements against the commercial banks' domestic liabilities were reduced by 10 per cent across the board, effective November 1, but the requirements against liabilities to nonresidents were left unchanged at twice the old rates applying to domestic liabilities, and the additional marginal reserve requirement on liabilities to nonresidents was maintained at 30 per cent. Although this easing of monetary policy was partly a response to the slackening of domestic economic activity, the German authorities indicated that their principal concern was the size of the *de facto* revaluation of the German mark, not only against the dollar but against other currencies as well.

The spot rate dropped sharply following these steps but rebounded just after mid-October when there was a temporary squeeze for domestic liquidity and when rumors again circulated that the mark would soon be revalued by a large amount. German officials attempted to quiet these rumors by repeatedly stressing that Germany would not accept too large a revaluation of the mark, and they reiterated the Government's intention of imposing reserve requirements against the foreign borrowings of nonbanking enterprises. Moreover, in view of the deterioration of the forward market that had resulted from the great uncertainty prevailing in international markets, plans were announced to provide insurance to German exporters against forward exchange risks, particularly on longer-term contracts. (Such a facility was actually put into effect in early 1972.) These pronouncements helped bring the mark rate down again, and it held at a premium of less than 10 per cent over par through the end of October. On November 1, moreover, the cut in the banks' reserve requirements became effective, and the approximately $1 billion equivalent of marks that was thus released contributed to an easing of domestic liquidity conditions. Consequently, the mark continued to decline gradually in quieter trading during the first half of November.

The introduction in the U.S. Congress

on November 18 of a bill to permit an increase in the dollar price of gold of up to 10 per cent aroused market expectations of larger exchange rate adjustments than previously had been anticipated, and there was a new rise in the mark, along with other currencies. In occasionally hectic trading, by November 24 the rate rose to 10.6 per cent over par. The market steadied prior to the Group of Ten meeting in Rome on November 30 and December 1, but when reports from that meeting indicated progress toward a general realignment there was a new surge of demand for marks that carried the rate to a premium of almost 13 per cent by December 6. The following morning in Frankfurt, after Economics and Finance Minister Schiller intimated that the authorities might move to push the mark rate down, notably through a relaxation of monetary policy, that rate dropped, but it snapped back when the German Federal Bank Council took no new measures at its December 8 meeting. In the meantime, the Federal Bank had reentered the spot market, purchasing small amounts of dollars daily over the first 2 weeks of December, and this steady intervention helped to keep the market orderly. Nevertheless, as the December 17–18 Group of Ten meeting drew nearer, the mark rose again close to 13 per cent above par.

Following the Washington meeting, the German authorities kept their exchange markets closed on Monday, December 20, but reopened them the next day, after having established a new central rate of \$0.3103⅛ for the mark, representing an effective revaluation of 13.58 per cent against the dollar. At the same time, the Government announced that it would set margins at \$0.3034⅞ and \$0.3174⅝, that is 2¼ per cent on either side of the central rate. None of the restraints against inflows of foreign funds was removed, but the Government did announce that it would not avail itself for the time being of the power to impose reserve requirements of up to 50 per cent against German firms' borrowings abroad, a power it had sought since last summer and which was finally voted by Parliament on December 17.

Despite the large revaluation against the dollar, no significant movement out of marks developed when trading was resumed in the Frankfurt market on December 21. The spot mark opened somewhat above the new floor in a thin and generally quiet market and then rose later in the day to around \$0.3070, the level that had prevailed just prior to the weekend agreement. In the meantime, German money market conditions had tightened considerably during the first half of December and, when Euro-dollar rates started to decline again, the German Federal Bank Council cut both the central bank's discount rate and its Lombard rate on secured advances by ½ percentage point to 4 per cent and 5 per cent, respectively, effective December 23, and again reduced the banks' reserve requirements against domestic liabilities by 10 per cent as of January 1. (The stiff requirements against liabilities to nonresidents, however, were kept unchanged.) This relaxation of credit policy, combined with a modest unwinding of speculative positions, helped to push the spot mark down temporarily to \$0.3047 on December 29.

Early in the new year, however, doubts began to spread in the exchange markets that a durable settlement of the international monetary crisis really had been achieved. With the press and the markets focusing more and more on the many issues remaining to be resolved, the atmosphere deteriorated progressively over the first weeks of January, and almost any news item or rumor was seized upon as a reason for additional selling of dollars. Consequently, there was renewed buying of marks along with other major European currencies. In active trading, heavy demand drove the spot mark through the new central rate on January 13. Buying pressures remained strong for a few days more, but the wave then crested and the markets turned much calmer. Some profit-taking developed, but the mark remained well above the central rate through the end of January.

A new wave of intense nervousness swept through the foreign exchange markets on Feburary 1 and 2, triggered in part by a sharp rise in the free market price of gold. Once again, the mark rate was bid up and as it rose additional buyers were drawn in. Moving quickly to head off an even sharper upsurge, the Federal Bank intervened forcefully on February 2 as activity reached sizable proportions. When demand continued strong the next day the Federal Bank again entered the market and its sustained intervention soon led to an easing of the rate. Market uncertainties continued, however, and toward midmonth the rate was pushed even higher in a new round of speculation. The Federal Bank again stepped in, dealing heavily in the spot market on February 17, and once more turned the rate downward. On subsequent days, activity was reduced and the mark traded in a narrower range above $0.3150. Then, on February 24, the German authorities took new measures designed to lessen the inflow of funds and to defend the Washington arrangements. The Federal Bank's discount and Lombard rates were cut once more, by 1 full percentage point to 3 per cent and 4 per cent, respectively, effective February 25, while the rediscount quotas of credit institutions were reduced by 10 per cent as of March 1. (At the same time, in an essentially neutral move, marginal reserve requirements against nonresident liabilities were raised from 30 per cent to 40 per cent, but the base period from which accruals in such liabilities are measured was brought forward from November 1970 to November 1971.) For its part, the Ministry of Economics and Finance announced that a 40 per cent reserve requirement would be placed against most foreign borrowings of German nonbanking enterprises, retroactive to January 1. In response to these measures, the spot rate fell back somewhat and held below its upper limit through late February and early March.

The Federal Reserve, using marks already held in balances, made a $10 million paydown on its swap drawings on the German Federal Bank on November 12, thereby reducing those commitments to $50 million equivalent currently outstanding. On March 3 the U.S. Treasury redeemed $76.5 million of a maturing $153.0 million equivalent German-mark-denominated note; the maturity of the residual $76.5 million equivalent of the security was extended for a further 4-month period to July 3, 1972.

BELGIAN FRANC

A strong current account and heavy capital inflows, including a build-up of leads and lags, kept the Belgian franc at or near its upper limit through most of 1970 and early 1971. The National Bank of Belgium was accordingly obliged to absorb sizable amounts of dollars from the market. Rather than have these dollars converted immediately against U.S. reserve assets, the Federal Reserve provided temporary cover through drawings under the swap arrangement with the

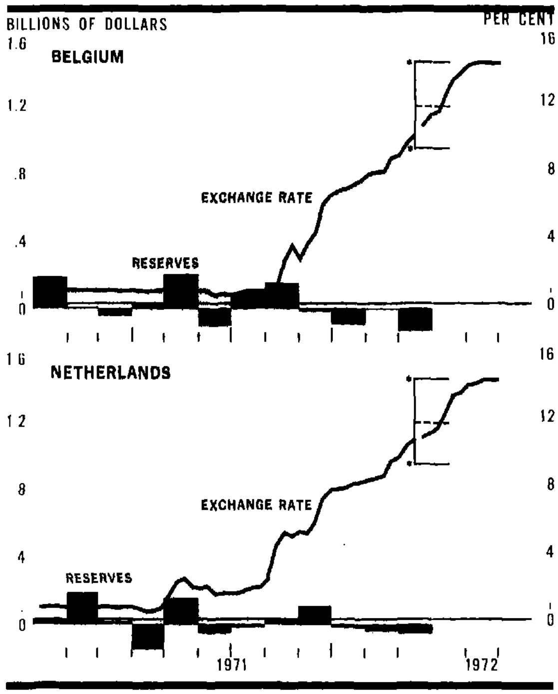
National Bank. When the inflows to Belgium persisted through the first 6 months of 1971, \$330 million of the longest outstanding swap contracts was settled by use of SDR's and U.S. Treasury drawings of francs from the IMF, leaving \$340 million of swap debt remaining by the end of June. With the huge speculative inflows to Belgium in late July and early August, Federal Reserve commitments in Belgian francs rose to \$600 million under the swap line with the National Bank and to \$35 million with the BIS under the swap line for authorized European currencies other than the Swiss franc.

Following President Nixon's speech on August 15 the Belgian authorities kept their exchange market closed for a full week. After the EC decision to open markets again on August 23, the Belgian Government decided to allow the official franc as well as the financial franc to float. In addition, Belgium entered into an agreement with the Netherlands to limit the variation in the rate between the Belgian franc and the guilder to 1.5 per cent on either side of their official parities. Once the market opened, the official rate advanced to almost 3.5 per cent over parity, coming into line with the rate in the financial franc market.

As trading in the Belgian franc became more orderly, the National Bank on September 15 suspended its request of June 1971 that any increase in the Belgian commercial banks' net external liability positions beyond a specified limit be matched by non-interest-bearing Belgian franc deposits with it, and the funds that had been blocked under that measure were returned to the banks. Similarly, a prior request that the banks exercise restraint in their foreign borrowing was suspended. A few days later, the National Bank announced that the quantitative restrictions on the expansion of short-term bank credit would be allowed to expire at the end of September, since the risk of inflationary excess demand for goods and services had been sharply reduced. Finally, the National Bank lowered its discount rate from 6 per cent to 5½ per cent, effective September 23. In the latter part of September the franc rate advanced to a premium of almost 7 per cent over the official parity when European currency rates generally were bid up prior to the IMF annual meeting.

After the Fund meeting, exchange rates tended to ease but the Belgian franc soon turned back upward again, reflecting in part an improvement in Belgium's current-account position. Moreover, liquidity in the Brussels money market was being tightened by a Belgian Treasury borrowing. These pressures continued through the month and with Euro-dollar rates declining concurrently, the un-

2B CHANGES IN EXCHANGE RATES AND OFFICIAL TRANSACTIONS



For notes see p. 234.

covered interest arbitrage differential shifted in favor of Brussels in late October. Consequently, by early November the spot rate had reached a premium of 7.8 per cent over par.

Meanwhile, the Federal Reserve had begun a program of modest purchases of Belgian francs in the market in order to reduce gradually the outstanding swap debt in that currency. These purchases enabled the System to repay $60 million equivalent of franc drawings in October and $20 million in November cutting the total indebtedness to $555 million.

In mid-November the Belgian franc was caught up in the wave of foreign currency buying that followed the introduction in the U.S. Congress of a bill to empower the President to raise the dollar price of gold by up to 10 per cent. The spot franc advanced another 1 per cent by November 24 and, after easing briefly, participated in the general rise of European currencies that developed in early December. By midmonth the franc had reached a premium of 10 per cent above par, as traders sought to anticipate the level that might emerge from a possible currency realignment coming from the Group of Ten meeting in Washington on December 17 and 18.

In early December, the System had made further progress in reducing its Belgian franc swap commitments, using francs acquired from U.S. Treasury balances, directly from the National Bank of Belgium at times when the Belgian Government needed dollars for current payments, from the market, and from deliveries on forward market purchases made earlier in the fall. By December 21, a further $65 million equivalent had been repaid, reducing the outstanding swap commitment in francs to the present total of $490 million. Of these, drawings of $455 million are on the National Bank of Belgium and one of $35 million is on the BIS.

Following the Washington meeting, the Belgian authorities kept their market closed on Monday, December 20, and announced that as of the next day the franc's central rate would be set at $0.022313, an appreciation of 2.76 per cent against gold and an effective total revaluation of 11.57 per cent against the dollar. New intervention points were established at 2¼ per cent above and below the central rate, except that Belgium and the Netherlands (which revalued by the same percentage against the dollar) decided to maintain the close link between their currencies by continuing to intervene when necessary to keep the rate between the franc and the guilder within limits of 1.5 per cent on either side of the central rates. When the Brussels exchange market was reopened on December 21, the Belgian franc held well above the new floor, little changed from the level it had reached during the preceding week. Thereafter the rate rose gradually and by the year-end, when Euro-dollar quotations once again fell below comparable domestic interest yields, it reached the new central rate.

In view of the continuing decline in international interest rates and the increasingly pronounced slowdown of domestic economic activity, the National Bank reduced its lending rates by ½ percentage point effective January 6, the basic discount rate being lowered to 5 per cent. Nevertheless, the franc strengthened further as Euro-dollar rates continued their sharp retreat. The rise gained momentum in mid-January, and the spot franc rose to around 1.5 per cent above the central rate. Although trading volume then diminished, the franc moved even higher over the subsequent 2 weeks as domestic liquidity conditions in Belgium began to tighten. At the end of the month and in early February there was another round of heavy buying of currencies as there were growing doubts in the markets over the durability of the Washington agreement and the willingness of European central banks to absorb dollars in defense of the new rates. Effective February 3 the National Bank cut its lending rates by a further ½ percentage point with the basic discount rate set at 4½ per cent. The demand for francs remained strong, however, and the National Bank intervened in the market on several occasions during February, partly through swap transactions—buying spot dollars against resale forward—and partly through outright purchases of spot dollars in defending the new ceiling rate when a speculative surge developed just after midmonth. These purchases, along with similar operations by other central banks at that time, helped calm the market somewhat. Effective March 2 the National Bank further reduced its lending rates, cutting the basic discount rate by ½ percentage point to 4 per cent and consolidating its other rates at 5 per cent. Nevertheless, the franc rate remained at or close to its upper limit.

DUTCH GUILDER

When the German mark was floated early in May 1971, the Dutch Government felt it had no alternative but to float the guilder as well. The guilder rate subsequently moved to a premium over its previous ceiling, but did not rise in relative terms as far as the mark, since the underlying payments situation for the Netherlands was not particularly favorable and since the Netherlands Bank remained out of the market when the German Federal Bank began actively to push dollars out into the exchanges. The guilder nevertheless was subjected to the same speculative influences as other European currencies and rose sharply in the general run on the dollar in early August, to as high as 5.1 per cent over par.

In the week of August 16–20, official fixings in the Dutch exchange market were suspended, and Dutch and foreign banks dealt guilders only in limited amounts to meet customers' immediate needs. In New York, the rate at one point touched $0.2950 or 6.2 per cent over par. When the Amsterdam market reopened on August 23, the Dutch authorities continued to permit the guilder rate to float, as it had done since May 10, but under an agreement between the Netherlands and Belgium the central banks of the two countries stood ready to intervene in each other's currency in order to maintain the rate between their currencies within limits of 1.5 per cent on either side of the official parities. By early September the guilder rate was holding at just over $0.2900.

During September the Dutch authorities took additional steps to discourage capital inflows. Effective September 6, a so-called "closed circuit for bonds" was introduced, whereby purchases of guilder-denominated bonds by nonresidents from residents could be made only with guilders obtained through the sale of such bonds by nonresidents to residents. Effective September 15, the Netherlands Bank lowered its discounts rate by ½ percentage point to 5 per cent, explaining that the reduction had been made in support of the measures directed at countering foreign capital inflows. The spot guilder rate nevertheless rose strongly in the second half of September, moving up along with most other European currencies, and it held around $0.2975, almost 7¾ per cent over par until mid-October.

In the meantime, the Amsterdam money market was tightening up with the onset of the period of seasonally heavy tax payments, and Dutch residents began to liquidate their German mark positions to meet domestic cash needs. Even though the authorities supplied liquidity to the domestic market by means of purchases of Dutch Government securities, the guilder rate rose further, to a level 8.5 per cent above par by mid-November. The run-up in the rate also had the result of reinforcing the market's bullish outlook for the guilder, so that when domestic liquidity conditions eased sharply in mid-November, following the Dutch Government's monthly payments to municipalities, the guilder rate softened only slightly in response. Moreover, a few days later the guilder was caught in the widespread upswing of foreign currency rates triggered by the introduction in the U.S. Congress on November 18 of a bill to empower the President to raise the official dollar price of gold. The guilder rate soared to a premium of almost 10 per cent over par by late November. After a sharp setback in response to initially discouraging reports of the outlook for the November 30-December 1 meeting of the Group of Ten in Rome, the guilder rate rebounded in the generalized buying of foreign currencies that greeted the progress made at that meeting, and held around a 10.5 per cent premium by the time the Group of Ten convened in Washington for their next meeting, on December 17 and 18.

Following the Washington meeting, the guilder along with the Belgian franc was effectively revalued by 11.57 per cent against the dollar, and new official intervention rates 4½ percentage points apart were established for each of the two currencies, in line with the practice adopted by the other major countries. The Benelux countries, however, also decided to maintain their prior agreement to hold the rate between the guilder and the Belgian franc within limits of 1.5 per cent on either side of their respective central rates. There was little, if any, outflow of speculative funds from the Netherlands when the Amsterdam market was reopened on December 21. The scope for a reflux of nonresident guilder holdings was not large in any case. Since the guilder had been floating for some 7 months, nonresident guilder holdings were not very sizable; in addition, the Dutch authorities had discouraged some inflows of foreign funds by, among other measures, the closed circuit for bonds. The guilder rate thus did not weaken, as the new pattern of exchange rates emerged, but began to rise during late December and early January.

With interest rates falling in foreign centers, the Netherlands Bank reduced all its lending rates by ½ percentage point as of January 6, the discount rate being cut to 4½ per cent. Domestic money market rates declined in response, but the guilder rate soon began to advance again, in part reflecting sizable direct investment inflows and an improvement in the current account as economic activity slowed down in the Netherlands. To a much larger extent, however, the demand for guilders stemmed from the exchange markets' growing concern over the viability of the exchange rate realignment negotiated in Washington. The guilder was pushed through its $0.3082 central rate on January 10 and, 1 week later, it had reached $0.3128½. Tensions in the exchanges then relaxed temporarily, while at the same time money market conditions were considerably eased in the Netherlands by the Government's usual midmonth payments. The guilder consequently developed a somewhat softer tone but by late January was strengthening once more in response to renewed domestic money market pressures.

Early in February, when a surge in the free-market price of gold upset the exchange markets, the guilder rose almost to the upper intervention level, but the pressure was less intense than on other foreign currencies and the Netherlands Bank did not have to intervene. Moreover, by that time, the Dutch authorities had begun to offset the liquidity squeeze in the Amsterdam money market by open market purchases of Dutch Treasury bills. When the supply of such bills dried up, the Netherlands Bank decided to augment domestic liquidity by entering into foreign exchange swaps with its commercial banks and, over the course of several days starting February 9, bought dollars spot against sales for delivery 1 and 3 months hence. These operations relieved some of the upward pressure on the spot rate until a new wave of exchange market uncertainty pushed the spot guilder to the ceiling just after midmonth, and the Netherlands Bank purchased a modest amount of dollars. The guilder traded just away from its upper limit through the end of February. Effective March 2 the Netherlands Bank cut its discount rate by a further ½ percentage point, to 4 per cent, explaining that this move was taken in view of the decline in interest rates abroad. The guilder rate nevertheless remained at or close to its upper limit.

SWISS FRANC

In May 1971, the Swiss franc was revalued by 7.07 per cent, the first change of the franc's external value in 35 years. Despite extremely liquid monetary conditions in Switzerland as a result of the inflows prior to the revaluation, the continuing uncertainty in the exchange market through the rest of the spring and the early summer left Swiss banks reluctant to shift funds into the Euro-dollar market and discouraged traders generally from unwinding their long franc positions. Under these circumstances, the National Bank took measures to calm the market and to absorb excess Swiss franc liquidity. In one operation, the National Bank sold \$250 million to Swiss commercial banks on a swap basis, on condition that the dollars be invested in certificates of deposit in U.S. banks; cover for this operation was provided by means of a Federal Reserve swap drawing of \$250 million equivalent on the line with the Swiss National Bank, thereby reactivating the arrangement. Late in May, reflows did develop and the banks began to purchase substantial amounts of dollars from the central bank. These outflows ceased early in June, however, when the Swiss franc and other European currencies moved up in response to the rise in the German mark, following the initiation of dollar sales by the German Federal Bank. Subsequently, the franc market became quieter and the rate declined later in June and in July, falling almost to the National Bank's selling rate for dollars.

The relative quiet in the Swiss franc market was broken in early August. With other major currencies partly insulated by either exchange controls or floating rates, the Swiss franc began to bear the brunt of the speculative attack against the dollar. The National Bank accordingly negotiated an agreement with the major Swiss banks that would prohibit interest payments and set 100 per cent reserve requirements against additional nonresident deposits. But the inflows

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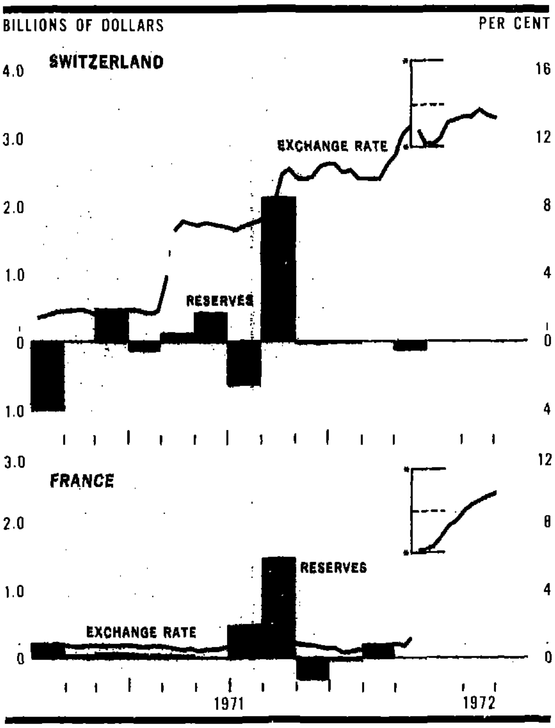

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continued to mount rapidly, and the franc rate was pushed to the National Bank's buying rate for dollars. After taking in large amounts of dollars, the National Bank announced on August 9 that the franc proceeds of any further dollar sales to it would be placed in blocked accounts until the agreement with the banks could be implemented. The Swiss authorities were nevertheless faced with further massive offers of dollars through August 13. In all, the National Bank's reserves rose by some $2.1 billion in the first 2 weeks of August. To provide cover for the intake, the Federal Reserve drew in full its Swiss franc swap lines, raising such commitments in francs from $250 million to $1,600 million (of which $1 billion was drawn on the National Bank and $600 million on the BIS), and the Treasury issued a $333 million Swiss-franc-denominated note.

On August 16, following President Nixon's speech, the Swiss National Bank suspended its exchange operations, thus allowing the franc to float. Then, the National Bank immediately imposed the previously agreed 100 per cent reserve requirement against increases in the banks' foreign liabilities and prohibited the payment of interest on additional short-term deposits in francs made by nonresidents, both measures retroactive to July 31. With the National Bank extending the suspension of its exchange operations from day to day during the week of August 16–20, commercial banks carried on only limited dealings among themselves for immediate needs.

When the other European markets were reopened on August 23, the Swiss National Bank kept its market officially closed. This left the Swiss franc effectively floating, since the commercial banks remained free to trade in foreign currencies. In the general uncertainty and nervousness that prevailed in the markets, the franc rate rose sharply, moving to 3.6 per cent over par by August 26. That day the National Bank announced it had reached an agreement with the three large Swiss banks to discourage speculative inflows. Under the terms of this agreement, the banks could buy a daily maximum of $2 million from any one customer when the spot rate was between $0.2525¼ and $0.2531⅝ and $1 million at rates of $0.2531⅝ or higher. The franc proceeds of any sale in excess of those amounts would be blocked in non-interest-bearing accounts for 3 months. The following day the National Bank reached an agreement with the Swiss Bankers Association to extend to all foreign-owned balances the interest payments ban on foreign funds that had flowed into Switzerland since July 31; originally, the ban had applied only to funds with a maturity of less than 6 months. These and earlier restrictions on dealing in francs, along with the uncertainties generated by an effective floating rate, kept both the size and the number of transactions far below normal. Speculative flows especially were sharply curtailed by the dealing limits set by the National Bank. In addition, with the rise in Euro-dollar rates and the downward drift of the German mark, the spot franc backed away sharply. On September 8 the Swiss Government asked Parliament for emergency authority to take various additional measures to defend the franc if this should again become necessary, such as the power to impose negative interest rates on hot money inflows or to declare the voluntary agreement with the large banks to be legally binding on all Swiss banks; these powers were granted by Parliament on September 29.

The franc rate began rising after mid-September and by the month-end reached the level at which the agreement to limit franc sales to individual customers became operative, but trading continued to be generally quiet. With the holding of speculative positions in francs made expensive by the ban on interest payments, funds began to trickle out of Switzerland in early October, largely for investment in the Euro-currency market. This modest outflow continued over the following weeks, pushing the spot rate back down to the $0.2500 level by late October, some 2 per cent over par, and holding it there through mid-November.

Shortly thereafter, the Swiss franc was caught up in the new burst of speculation in all major European currencies and it advanced to $0.2533, a premium of 3.4 per cent over par. With the rate at this level, the agreement that limited each of the three large Swiss banks' daily sales of francs to any one customer again came into force, and trading volume became very thin. Nevertheless, with the news of progress by the Group of Ten at the Rome meeting, a new upswing of exchange rates developed on December 2 and, as the franc also came in demand, the National Bank suspended the agreement to limit exchange dealing at prescribed levels. The spot rate rose well beyond the previous levels, reaching a premium of some 5.4 per cent in Switzerland on the morning of December 7. Thereupon the National Bank again asked the Swiss banks to limit the sales of francs to individual customers but this time to $1 million equivalent a day, regardless of the rate at which the franc was trading. As previously, any francs sold in excess of the agreed-upon limit were to be blocked in non-interest-bearing accounts with the National Bank. With the new arrangement in effect, trading turned very thin once more and the spot rate receded, only to rise again in the flurry of activity preceding the December 17-18 Washington meeting of the Group of Ten.

Following that meeting the Swiss authorities fixed a central rate for the franc of $0.26041/8—in effect, a revaluation of 6.36 per cent against the dollar from the franc's parity that was established on May 10, and of 13.88 per cent from the parity in force prior to Switzerland's revaluation on that date—and announced new intervention points at rates 2¼ per cent on either side of the new central rate. The establishment of these rates, effective Tuesday, December 21, marked the official reopening of the Swiss market for the first time since August 13. Actual trading conditions were little changed, however, except for the abolition of the December 7 agreement limiting franc sales to any one customer to $1 million a day. The August 16 restrictions, in particular, remained in effect; that is, increases in the banks' net foreign liabilities over the July 31 levels continued to be subjected to a 100 per cent reserve requirement, while interest payments on nonresidents' deposits made after July 31 were still prohibited. When trading began on the morning of December 21, the franc held just above \$0.2580, the level to which it had risen before the Group of Ten meeting in Washington, but then began to ease gradually. By late December modest outflows from Switzerland had brought the spot rate down almost to the new floor, but there was no substantial liquidation of franc positions. The Swiss banks maintained their highly liquid positions as the year-end approached. Moreover, as time passed there were growing market doubts over the durability of the exchange rate realignment. This concern was reinforced by extensive press coverage of the various issues that remained to be resolved and of the difficult negotiations that still lay ahead.

In this wary atmosphere the franc rate continued to hold slightly above the floor well into January, even though domestic monetary conditions had eased considerably once the need for year-end liquidity had passed. In mid-January the spot franc began to rise along with other European currencies, although it tended to lag somewhat. Several rounds of heavy buying brought it near the central rate by early February and pushed it briefly above that level in mid-February. Subsequently the market turned generally quieter, but in early March the Swiss franc was again trading around its central rate. As of the date of this report, the full \$1.6 billion equivalent of Federal Reserve drawings in Swiss francs remained outstanding.

FRENCH FRANC

By early 1971, the French balance of payments had shown a strong recovery following the devaluation of 1969, with substantial improvement in both the current and the capital accounts. Although market demand for the franc was occasionally swollen by the generalized speculative buying of most European currencies during the first half of the year, defensive measures taken by the French authorities helped keep such pressure within bounds. In late June and early July, however, rumors circulated that the French authorities might be amenable to a widening of the trading margins against the dollar and, for the first time in 1971, the speculative focus shifted to the French franc. The spot rate was quickly driven to the ceiling, and the Bank of France had to take in substantial amounts of dollars from the market. To avoid an even heavier influx the Bank of France lowered its domestic intervention rates, pushing French money market yields well below similar Euro-dollar quotations. The authorities also absorbed some of the newly created domestic liquidity through a further hike in minimum reserve requirements. Despite these measures and strong denials of the rumors by French officials, heavy demand for francs continued through July, and the Bank of France recorded a reserve gain of \$498 million for that month. With these and earlier reserve gains the French authorities were able to repay \$609 million to the IMF on August 9, thus clearing away the last of France's indebtedness to the Fund.

The large inflows continued in early August and the French authorities took further steps to stem the tide. Reserve requirements were again raised, and there was some relaxation of existing exchange controls on outpayments. In addition, the banks were instructed not to increase their net external indebtedness or decrease their net claims vis-a-vis nonresidents from current levels. In this connection, the banks were expected to refrain from accepting new deposits in francs from nonresidents whose motivation for holding francs appeared to be speculative. With the franc already in strong demand, this measure was interpreted by the market as evidence of the French authorities' unwillingness to accumulate additional dollars and, in the ensuing confusion, quotations for francs in markets outside France moved above the official ceiling. The Bank of France quickly acted to clarify the instructions, and the market calmed somewhat. Nevertheless, in the general run on the dollar taking place at the time, the demand for francs was unrelenting, and the Bank of France continued to take in dollars on a daily basis though Friday, August 13.

Following President Nixon's speech on August 15, the French exchange market was closed for the week of August 16–20. The French Government reopened the market on Monday, August 23, on the basis of a two-tier exchange system. The Bank of France would defend the franc at the prescribed intervention points only in the official market, through which trade and trade-related service transactions as well as governmental transactions would be effected. All capital transfers, as well as tourist and most other service transactions, would henceforth be strictly segregated in a financial market where the franc rate would be allowed to find its own level. At the same time, measures were taken to prevent leads and lags from developing in the future, including strict limitations on hedging transactions in the forward exchange market and a requirement that imports (other than machinery) be paid for within 3 months from their entry into France, importers being given 1 month to comply with this new rule. Given the inevitable complexity of these exchange regulations, trading in the official franc market was very limited at first, with wide spreads in quotations, but commercial business picked up fairly rapidly. Trading was slower to develop in the financial franc market, where the rate moved to a 2.5 per cent premium over that of the official franc. In the wake of the floating of the yen on August 27, renewed demand developed for the official franc—the only major currency still kept within its prescribed limits—and the Bank of France again had to absorb dollars.

In September, there was some reversal of the previous flows into francs, as the French exchange regulations, which were further elaborated, began to bite. In particular, French exporters and importers had to unwind some of the leads and lags built up prior to mid-August. With the official franc rate dropping below the ceiling, the Bank of France sold substantial amounts of dollars, and reserves declined by $318 million in September. The financial franc rate, which had reached a premium of 4 per cent over the official rate, gradually eased off to a premium of 2¼ per cent by the end of September.

The selling of francs continued in October, as some speculative positions taken 3 months earlier—in July—were being unwound. The official franc rate edged down almost to par by mid-October, but the market for francs was exceedingly thin, and in one burst of demand on October 21 the rate rose almost to the ceiling before settling back. French official reserves declined by a further $38 million for the month as a whole.

Rate movements were even more volatile in the financial franc market. After moving up in early October, the financial franc rate resumed its decline, as expectations of a franc revaluation or upward float receded and as French monetary policy moved gradually but steadily toward ease. The rate fell especially sharply—to 1½ per cent over the official franc rate—on October 20, when the securities currency market was abolished, and French residents were now allowed to buy foreign-held securities freely with currencies purchased in the financial franc market. (Formerly, such portfolio investments had to be effected for the most part with currencies purchased from other residents liquidating foreign securities holdings.) Subsequently the financial franc firmed again, fluctuating around a premium of 2 per cent over the official franc rate, but was held in check by additional steps taken by the authorities. The Bank of France further lowered its domestic money market intervention rates, confirming the easing of its policy on October 28 when it cut its rates on discounts and secured advances by ¼ percentage point to 6½ per cent and 8 per cent, respectively. Then, on November 16, nonresidents were allowed to import into France and to sell in the Paris stock market French shares held abroad, the proceeds of these sales being credited to financial franc accounts.

Shielded by France's severe exchange control regulations, the franc was not subjected to heavy pressure until late in November, when the market began to see prospects for a devaluation of the dollar against gold that would result in an effective revaluation of the franc against the dollar. This shift in expectations led to a surge of demand for francs—notably by French corporations hastening to convert their export proceeds—that drove the spot rate to the ceiling, and the Bank of France had to intervene heavily during the last week of November. For the month as a whole, French official reserves increased by $222 million. With the Group of Ten meeting in Rome closing on an optimistic note on December 1, the buying of francs increased markedly, and the Bank of France's market intake mounted. To stem this rush into francs, on December 3 the French authorities drastically tightened their exchange controls against the inflow of funds, while liberalizing them for outflows.

Among other measures, Finance Minister Giscard d'Estaing announced that, effective 1 week later, nonresidents would be allowed to use their holdings of official or financial francs only for the settlement of authorized transactions with residents and that such balances would no longer be convertible into foreign currencies or usable to acquire domestic money market instruments. Furthermore, the authorities reserved the right to transfer any increase in such balances over the November 30 levels into blocked accounts. In addition, permission was granted to nonresidents to borrow funds of up to 2 years' maturity from French residents without prior authorization from the Bank of France, and the restrictions placed on the forward covering of imports were somewhat liberalized.

These measures had an immediate effect on the market and on the following two trading days, as the spot rate dropped, the Bank of France was able to sell some dollars. Strong demand for francs soon resumed, however, as foreign exchange markets around the world were caught up in speculative ferment in anticipation of the approaching Group of Ten meeting in Washington. The official rate rebounded to the ceiling on December 9 and held there over the subsequent days.

On December 14, following their meeting in the Azores, Presidents Nixon and Pompidou issued a communique stating that they would "work toward a prompt realignment of exchange rates through a devaluation of the dollar and revaluation of some other currencies." This statement that the United States was now prepared to raise the dollar price of gold as part of a broader settlement greatly increased market expectations of a break in the international monetary impasse at the Group of Ten meeting in Washington. The news of the Azores agreement hit the Paris market late on the afternoon of December 14, and the next day there was a heavy demand for francs; with the spot rate at its upper intervention point, the Bank of France was obliged to absorb dollars. The demand pressure was also strong in the forward market, and at one point the premium on 1-month forward francs rose to more than 30 per cent per annum. After the Paris market closed on Friday, December 17, the spot franc surged to $0.1890 in New York.

On Monday, December 20, the French Government kept its exchange market closed and announced that the franc's parity expressed in gold would remain unchanged. At the same time, a new central rate was established for the franc at $0.1954¾, fully reflecting the proposed devaluation of the U.S. dollar against gold. Although the French authorities maintained the two-tier system, they eased or abolished many of the exchange controls imposed since early August. Thus, the December 3 regulations providing for the nonconvertibility of franc balances held by nonresidents and for the possible blocking of additions to such franc holdings were lifted. The August 3 prohibition on increases in the banks' net external debtor positions or decreases in their net creditor positions vis-a-vis nonresidents was likewise eliminated. Furthermore, the National Credit Council rescinded its August 17 order prohibiting interest payments on nonresident franc deposits of less than 91 days, and the Bank of France reduced its reserve requirements and eliminated differential requirements on resident and nonresident liabilities.

Most market participants had not expected so large an appreciation of the franc against the dollar, and profit-taking brought the franc under heavy selling pressure as soon as the Paris exchange market was reopened on December 21. With leads and lags beginning to be unwound, the French authorities sold a considerable amount of dollars in the market as the spot franc edged downward almost to its new floor. Selling pressure on the franc let up in the last days of December, and, early in 1972, with doubts beginning to develop in the markets over the durability of the Washington agreement, the franc rate began to advance. The financial franc, in the meanwhile, had fallen below the official franc's floor on December 21 as speculative positions were unwound, but it subsequently converged with the official franc.

In January the French authorities took a number of steps to stimulate the domestic economy, including reductions by the Bank of France in its rates on discounts and secured advances by ½ percentage point to 6 per cent and 7½ per cent, respectively. While these measures might have been expected to bring about some decline in the franc rate, there was simultaneously a general strengthening of European currencies against the dollar, and the spot franc quickly rose to a level only slightly below the central rate. An additional burst of speculation in early February lifted the franc somewhat above the central rate, and it continued to rise through much of the month with the Bank of France on the sidelines. Once again a modest premium emerged for the financial franc. By early March the commercial franc had risen close to the new ceiling.

ITALIAN LIRA

In the several rounds of speculation in favor of other European currencies during the earlier months of 1971, the Italian lira was largely neglected. Early in August, however, the lira was drawn into the general run on the dollar; the spot rate rose to the ceiling on August 9 and the Italian authorities had to intervene on a number of days during that week. After President Nixon's speech on August 15, the Italian authorities also kept their exchange market closed for a week, while intensive consultations took place within the EC. The lira rate moved up substantially in the New York market—which remained open—but trading was extremely thin and the range between bid and offered rates was very wide. When Italy reopened its exchange market on August 23, the authorities announced that they would no longer intervene at the official limits, although they might enter the market at other rates if this seemed advisable. Demand for lire was quite strong at first, as the tourist season was in full swing, receipts had been backed up during the week of August 16–20, and leads and lags shifted in Italy's favor. The lira held at a premium of roughly 2 percentage points over parity, before settling back somewhat. For the month as a whole, Italian reserves rose by $424 million.

In mid-September, in view of the high rates prevailing in the Euro-dollar market at that time and of the availability of domestic credit, the Italian Electricity Authority (ENEL) decided to prepay in November the $300 million Euro-dollar loan it had contracted in May 1970. Additional Euro-dollar loans of minor amounts were also beginning to be repaid by other Italian official entities, which had been very heavy borrowers during the preceding year and a half. These transactions absorbed some of the sales of dollars in the Italian market and the lira rate remained fairly steady even though other European currencies rose strongly against the dollar later in September. On balance, Italian reserves increased by $146 million in September.

The lira market remained generally quiet in October and much of November, and the spot rate held steady as a number of opposing influences tended to cancel each other out. (Official reserves declined by $42 million in October.) On the one hand, seasonal factors were now turning strongly adverse for Italy's current account, purchases of foreign exchange to repay international borrowings were exerting a drag on the spot rate, and growing political and labor uncertainties were also tending to weaken the lira. Moreover, acting on both

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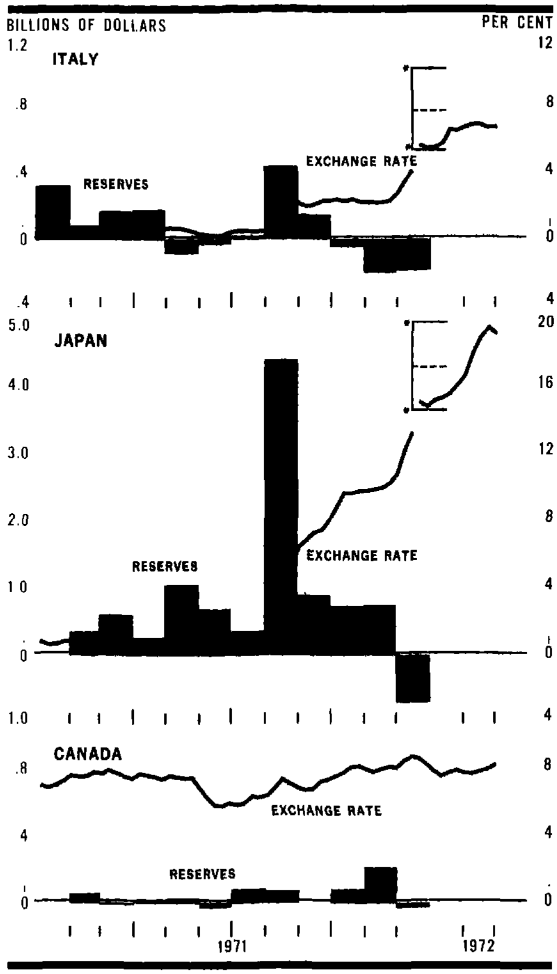

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internal and external grounds to ease domestic credit conditions, on October 14 the Bank of Italy cut its discount rate from 5 per cent to 4½ per cent and its rate against secured advances from 5 per cent to 4 per cent. On the other hand, the upswing in the exchange rates of most other EC countries, at a time when discussions were being actively pursued among Common Market officials as to means of narrowing the trading bands between their currencies, tended to check any decline in the lira rate.

Although both political and economic tensions grew during November the Italian lira was bid up during the last 10 days of the month on market expectations that it would move higher in any settlement of the international monetary situation. Despite continuing large repayments of Italian borrowings abroad, including ENEL's $300 million prepayment, official reserves declined by only $193 million. Then following the Rome meeting of the Group of Ten countries, the lira rose sharply in the first days of December—the spot rate reaching a premium of 3.3 per cent over par.

Fearing that the defensive measures taken at that time by the French Government might deflect a heavy stream of speculative funds toward Italy, the Italian authorities introduced stiff exchange control regulations of their own. Effective Monday, December 6, the Italian banks were instructed to refuse conversion of foreign currencies into lire, unless the proceeds were required for normal trade or service transactions or for nonspeculative capital transactions backed by the appropriate documentation. A few days later, on December 15, the major Italian banks agreed to cease paying interest on all nonresident lira deposits. Nevertheless, demand for lire continued unabated, and the spot rate rose to a premium of more than 4 per cent by December 17, when the Group of Ten meeting began in Washington.

Following that meeting, the Italian authorities established a central rate of $0.0017193/4 for the lira, representing a 7.48 per cent appreciation against the dollar (slightly less than the dollar's proposed devaluation against gold) with new margins of 2¼ per cent on either side. At the same time, they retracted the tough exchange control regulations introduced as of December 6. After the Italian market was reopened on December 21, the rate soon settled near its new floor. Nevertheless, the pressure was not intense, and official support was modest.

A prolonged presidential election in December concluded with the installation of Giovanni Leone late in the month. The formation of a new government proved to be difficult, however, and ultimately Parliament was dissolved and new elections were set for the spring. These political uncertainties and the social and economic problems awaiting the attention of the Government, together with continued prepayments of foreign loans and a possible shift of leads and lags in favor of the dollar, had a depressing influence on the lira rate. Thus, although the rise of other EC currencies pulled the lira upward, in January and February the rate eventually settled somewhat below its central rate and held there through early March.

JAPANESE YEN

With a continuing massive payments surplus and growing speculation over the possibility of a revaluation, the Japanese yen was in heavy demand throughout the early months of 1971. The Japanese authorities responded with a variety of measures, including sharp tightening of their exchange controls against inflows of funds and some easing of controls on outflows. Nevertheless, in the general speculative atmosphere that developed in late July and the first half of August, demand for the yen mounted rapidly and the Bank of Japan bought large amounts of dollars each day.

Following President Nixon's August 15 speech, dealers around the world were more than ever convinced that a revaluation of the yen was imminent. With European exchange markets closed and the Japanese remaining open during the succeeding week, the Bank of Japan had to absorb dollars on a massive scale despite reinforcement of exchange controls. Finally, after further very large exchange gains on August 26 and 27, the Japanese authorities decided to "suspend temporarily the existing fluctuation margin for buying and selling quotations of foreign exchange, while maintaining the present parity of the yen." The vast inflow during August was reflected in a $4.4 billion gain in official reserves for the month as a whole.

In Tokyo, on August 28, the spot yen immediately rose to a premium of 5.5 per cent over par. The rate pushed steadily higher through September, despite substantial further purchases of dollars by the Japanese authorities and some additional tightening of exchange control measures. As a consequence of these measures, banks experienced considerable difficulty in effecting yen payments, and trading in Japanese yen dropped to nominal levels in New York, while in early September the yen was suspended from official trading in Frankfurt, Germany. The Japanese authorities subsequently eased their restrictions slightly, but some payments problems persisted through September. By the end of that month, the yen rate had risen to a premium of 7.5 per cent over par while Japanese reserves had increased by a further $870 million.

In September, the Japanese Government also approved a package of measures designed to help small and medium-sized enterprises facing difficulties as a result of the U.S. import surcharge, and provisions were also made to facilitate the acquisition of forward cover by such firms. Since the foreign exchange banks were prohibited from borrowing additional dollars from abroad and the forward market was in disarray, the Japanese authorities had begun in June to place dollar deposits with the foreign exchange banks to enable them to purchase export bills. Such deposits amounted to $1.2 billion by early October, and additional deposits were subsequently placed with the banks to facilitate the provision of forward cover for the small and medium-sized enterprises.

The yen rate continued its rapid advance during the first half of October but then steadied at a premium of nearly 9.5 per cent over par, as the unwinding of some earlier commercial leads and lags and net sales of Japanese securities by foreigners exerted a dampening effect on the demand for yen. Over the course of October, Japan's official reserves rose by $716 million. The market remained in better balance early in November, but in the general rise of currencies that developed later in the month the yen also came into heavy and sustained demand. By the end of November the spot rate had risen to a premium of more than 10 per cent over par, despite continuing official intervention that added a further $736 million to Japanese reserves. Demand stepped up further in December, as the date of the Washington meeting approached and—after having been briefly driven to a premium of as high as 15 per cent—the yen was quoted in New York at 12.3 per cent over par on the day the meeting convened.

Under the agreement reached by the Group of Ten on December 18, the central rate for the yen was established at $0.003246¾, an effective revaluation of 16.88 per cent against the dollar. The

Japanese authorities kept the Tokyo exchange market closed on Monday, December 20, and in line with actions taken by other countries, abolished some of the measures introduced earlier to block the inflow of funds. The main body of Japan's severe exchange control regulations, however, was left intact. When the Tokyo market reopened on December 21, the spot rate was quoted just above the new floor and a moderate outflow developed. This reflux intensified a few days later, and the Bank of Japan had to extend considerable support before it came to an end. Late in December the Bank of Japan lowered its discount rate by ½ percentage point to 4¾ per cent, in a move designed to soften the domestic impact of the yen's effective revaluation and to help stimulate the Japanese economy.

The yen continued to hold quietly near its floor in the first days of 1972 and, in view of the generally satisfactory behavior of the market, on January 5 the Japanese authorities announced a further and more substantial relaxation of exchange controls. Among other measures, the authorities eliminated the requirement of prior approval by the Bank of Japan for any prepayment of Japanese exports, the curbs on outstanding balances in convertible free-yen accounts, the guideline restraining borrowing of Eurodollars and other short-term funds by Japanese banks, and the special restrictions on the accounts of brokers. Even though other measures limiting the foreign positions of Japanese banks were retained, this easing of the exchange control regulations resulted in 2 days of very heavy demand for yen and the Bank of Japan stepped in to stabilize the market. The speculative pressures that hit the markets late in January brought a sharp demand for yen, particularly for prepayment of Japanese exports, and the rate rose steadily, reaching almost to its upper limit by February 24, while the Bank of Japan intervened to moderate the rise. At that point, the Japanese authorities moved to alleviate some of the pressure by reintroducing controls over prepayments of exports. Thereafter, trading in the yen was more balanced, and the rate held steady through early March.

CANADIAN DOLLAR

The Canadian dollar had been floating since June 1970 and was not drawn into the exchange market upheavals of the spring and early summer of 1971. The spot rate ranged fairly widely, but the Bank of Canada maintained a policy of intervening only to moderate movements in the rate and not to defend a particular level. During the general run on the U.S. dollar in early August, however, the Canadian dollar also was in strong demand, moving up to close to \$0.99. Following President Nixon's August 15 address, the Canadian exchange market remained open. At first, as with other currencies, the Canadian dollar was bid up against the U.S. dollar, nearly reaching \$0.99½, but it quickly dropped back as concern grew that the new U.S. 10 per cent import surcharge might cut deeply into Canadian exports. By the following week the rate had declined to around \$0.98½, and it remained easy through early September.

On September 7 the Canadian Government established a special fund of Canadian \$80 million upon which Canadian companies meeting certain conditions could draw to offset adverse effects on employment as a consequence of the U.S. import surcharge. The Canadian dollar traded quietly through the rest of September but began to move up sharply in October, as Canadian banks started adjusting their exchange positions for the annual reporting date, October 31. When the spot rate reached the \$1.00 level, the Bank of

Canada cut its discount rate by ½ per cent to 4¾ per cent effective October 25, referring to both domestic and external considerations in explaining the move. In early November, liquidity conditions in Canada eased, leading to some reversal of previous inflows and to a softening of the spot rate to around $0.99½ by midmonth. On November 19, in a further step to protect Canadian industry from the effects of the U.S. import surcharge, the Canadian Government approved a plan under which the General Adjustment Assistance Board would be authorized to guarantee a total of Canadian $150 million of bank loans to qualifying companies and to lend directly up to Canadian $8 million to individual firms. Moreover, on November 30 the Bank of Canada reduced the chartered banks' minimum secondary reserve ratio from 9 per cent to 8.5 per cent.

As other major currencies rose strongly against the U.S. dollar in the second half of November, there was also some intermittent upward pressure on the Canadian dollar, but heavy buying of Canadian dollars did not develop until the conclusion in early December of the Group of Ten meeting in Rome. At first, the Bank of Canada resisted a further increase in the rate but subsequently allowed it to rise. In heavy demand, the Canadian dollar was pushed to as high as $1.00½ and remained strong until the December 17-18 meeting of the Group of Ten.

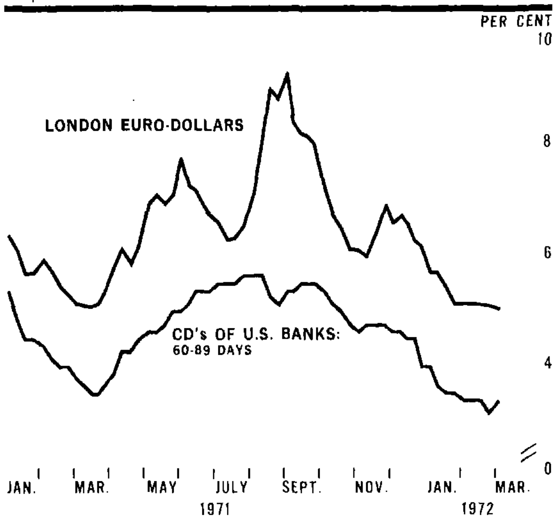
The communique at the conclusion of the Washington meeting reported that general agreement had been reached on the pattern of exchange rates and noted that "Canada intends temporarily to maintain a floating exchange rate and intends to permit fundamental market forces to establish the exchange rate without intervention except as required to maintain orderly conditions." The Canadian markets were open on Monday, December 20, and the spot rate immediately rose to nearly $1.00¾, but expectations of a further appreciation dissipated rapidly, and the Canadian dollar dropped back over succeeding days. Sizable interest and dividend payments on U.S. investments in Canada also began to exert a depressing influence on the spot rate, which fell below the U.S. dollar on December 23.

After easing further early in January, the Canadian dollar settled at around $0.99½ through the rest of that month and most of February. A resumption of short-term capital flows to Canada tended to offset the seasonal weakness of Canada's current account, leaving the market in rough balance. Toward the month-end, substantial new Canadian wheat sales to the Soviet Union were announced and the exchange market turned more bullish for the Canadian dollar. The spot rate was bid back to the $1.00 level and even higher in early March when arbitrage flows to Canada added to the demand.

EURO-DOLLAR

Euro-dollar rates were bid up sharply in late April and early May of last year, largely reflecting heavy speculation in continental European currencies. In June and July there was some unwinding of those speculative positions and Euro-dollar rates gradually declined during June and most of July. But as the run on the dollar developed in late July and early August, Euro-dollar rates were pushed upward rapidly, and on August 17 (the settlement date for currencies purchased on Friday, August 13), 3-month deposits were at 10 per cent per annum, 7-day funds at 20 per cent, and overnight funds reached above 40 per cent. After the initial squeeze was met, Euro-dollar rates receded somewhat. Nevertheless, with the widespread uncertainties over the ultimate outcome of the negotiations to resolve the many issues raised

3 | YIELD COMPARISONS
3-MONTH MATURITIES EXCEPT WHERE NOTED

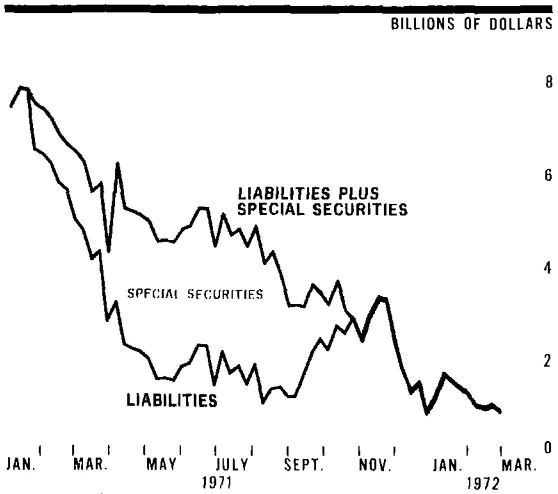


Weekly averages of daily rates.

by the U.S. measures of August 15, investors stayed short of dollars. Euro-dollar rates consequently remained several percentage points above those on comparable investments in national financial centers.

In August the U.S. Treasury began to repay the $3 billion of special certificates that had been placed with the foreign

4 | LIABILITIES OF U.S. BANKS TO FOREIGN BRANCHES



Data as of Wednesday of each week. "Special securities" are branch holdings of special Treasury and Export-Import Bank securities.

branches of U.S. banks earlier in the year. By the end of September, only some $1 billion of the Treasury's certificates remained outstanding. Most of the funds repaid by the Treasury were not returned to the Euro-dollar market, however, since U.S. banks acted to maintain their reserve-free Euro-dollar bases by increasing their own liabilities to branches from about $1 billion in mid-August to around $2.5 billion by the end of September. Among European official borrowers, the Italian Electricity Authority (ENEL) announced in September it would prepay $300 million of its earlier longer-term borrowing in the Euro-dollar market.

In October, following a brief quarter-end squeeze, Euro-dollar rates began an across-the-border retreat that lasted into early November. This reflected in part the continued repayments of official borrowings, as the U.S. Treasury completed the runoff of its special certificates while ENEL and other Italian official entities liquidated indebtedness. More importantly, however, Euro-dollar rates reacted to a fairly widespread decline in short-term interest rates, especially in the United States. By early November, the 3-month Euro-dollar rate had dropped back below 6 per cent, and at the short end of the maturity range, the overnight Euro-dollar rate had fallen into line with, and occasionally below, the Federal funds rate in the United States. Taking advantage of this increased availability of Euro-dollars, large U.S. banks began some modest rebuilding of their borrowings, and from the end of September through mid-November, the banks' liabilities to their branches rose by nearly $900 million, to $3.4 billion. Nevertheless, the market remained fairly thin, as many investors preferred other currencies to dollars, given the risk that exchange rates might move up sharply against the dollar.

Such an exchange rate movement did

in fact develop later in November and early December, as expectations began to grow that a parity realignment might soon be reached and that it would result in a more substantial change in exchange rates against the dollar than previously had been anticipated. Once again the Euro-dollar market began to tighten, with the 3-month rate reaching as high as 7 per cent late in November. Shorter rates rose as well, and as the overnight rate rose well above the Federal funds rate (U.S. rates were continuing to decline, with a second ¼ percentage point cut in Federal Reserve discount rates starting on December 13), U.S. banks once again ran down their liabilities to their foreign branches, returning nearly $2 billion to the Euro-dollar market between mid-November and mid-December. This reflow helped mitigate the rise in Euro-dollar rates and, compared with the earlier periods of speculation during the year, the squeeze on the Euro-dollar market in late November–early December was relatively mild. Moreover, there was little evidence of the usual year-end pressures on the market, as European banks that normally bring funds back from the Euro-dollar market for window dressing and other positioning at that time were already very liquid in their own currencies. And on December 9 the Office of Foreign Direct Investment (OFDI) of the Department of Commerce announced that U.S. corporations could postpone until the end of February 1972 the report on their positions for the end of 1971.

Early in 1972 there was a further decline in short-term interest rates in the United States and other major countries. During this period demand for Euro-dollars was slack, reflecting in part the slower pace of growth of economic activity in Europe. At the same time, banks in the United States continued to run off their Euro-dollar liabilities, and other borrowers—again particularly the Italian official entities—were also liquidating Euro-dollar debts. Consequently, Euro-dollar rates declined further, and the 3-month rate settled to about 5 per cent in late January and held around that level through the end of February. By that time, U.S. interest rates had begun to firm while rates in several European centers were declining, with cuts in central bank discount rates in Germany, Belgium, and the Netherlands in late February and early March. In addition the German Government imposed a 40 per cent reserve requirement on most foreign borrowings by German nonbanking firms; these firms had previously been massive borrowers in the Euro-dollar market. Early in March the market remained generally easy and the 3-month rate edged down to about 4¾ per cent.

Statements to Congress

Statement by Andrew F. Brimmer, Member, Board of Governors of the Federal Reserve System, on "Economic Situation of Blacks in the United States," before the Joint Economic Committee of the Congress, February 23, 1972.

INTRODUCTION

Mr. Chairman and Members of the committee, I am pleased to appear before this committee to discuss recent economic developments in the black community. The invitation requested that I ". . . discuss . . . the situation of minority groups, particularly blacks, in their attempt to surmount discriminatory barriers to equal employment opportunities. . . ." It is in that context that I appear to present my personal views.

On February 9, the Chairman of the Federal Reserve Board appeared before your committee on behalf of the Board as part of the annual hearings on the President's Economic Report. Consequently, I will not travel over that ground again. Moreover, the general assessment of the outlook for the national economy in 1972 has been presented by the Council of Economic Advisers (CEA), and I am in broad agreement with the Council's conclusions.

Therefore, I will not attempt to present a separate estimate or projection of gross national product (GNP) and its components. Instead, within the framework developed by the CEA, I will (1) review recent economic trends in the black community and (2) attempt a rough assessment of the prospects for blacks in the short run.

LONG-RUN TRENDS IN EMPLOYMENT

Most of this statement is focused on economic trends in the black community during the last few years. To put this recent experience in perspective, it might be helpful to summarize briefly the overall economic progress among blacks in the last decade. This progress can be traced in the trends of the labor force, employment, and occupational advancement. In 1970 there were 9.2 million Negroes and other races[1] in the labor force—meaning that they were holding jobs or seeking work. This was a rise of about one-fifth since 1960, a rate of increase somewhat faster than for whites and for the total labor force. However, employment of blacks rose more rapidly than it did for all employees (by 22 per cent to 8.4 million for the former compared with 19.5 per cent to 78.6 million for the latter). Expressed differently, while blacks represented about 11 per cent of the total civilian labor force in both 1960 and 1970, their share of the gains in employment during the decade was somewhat larger: They accounted for nearly 12 per cent of the employment growth, although they held just over 10 per cent of the jobs at the beginning of the period (Table 1).[2]

Advancement in the range of jobs held

[1] Negroes constitute about 92 per cent of all persons in this group. Other races included are American Indians and Orientals. Thus, this statistical series can be taken as an approximate measure of economic trends among blacks.

[2] Copies of tables referred to herein are available upon request to Publications Services, Division of Administrative Services, Board of Governors of the Federal Reserve System, Washington, D.C. 20551.

by Negroes in the last decade was also noticeable. This was particularly true of the improvements in the highest paying occupations. Between 1960 and 1970 the number of blacks in professional and technical positions increased by 131 per cent (to 766,000) while the increase in the total was only 49 per cent (to 11.1 million). Blacks had progressed to the point where they accounted for 6.9 per cent of the total employment in these top categories in the occupational structure in 1970, compared with 4.4 per cent in 1960. They got just over 9 per cent of the net increase in such jobs over the decade. During this same period, the number of Negro managers, officials, and proprietors (the second-highest-paying category) rose two-thirds (to 297,000) compared to an expansion of 17 per cent (to 8.3 million) for all employees in this category.

In the 1960's black workers left low-paying jobs in agriculture and household service at a rate two to three times faster than did white workers. The number of black farmers and farm workers dropped by 63 per cent (to 328,000) in contrast to a decline of about 40 per cent (to 3.1 million) for all persons in the same category. Therefore, in 1970 blacks accounted for about 11 per cent of employment in agriculture, less than their share in 1960 when the proportion was 16 per cent. The exit of blacks from private household employment was even more striking. During the last decade the number of Negroes so employed fell by about 34 per cent (to 652,000); the corresponding drop for all workers was only 21 per cent (to 1.6 million). Although roughly half of all household workers were black in 1960, the ratio had declined to just over two-fifths by 1970. The number of black nonfarm laborers declined (by 9 per cent to 866,000) over the last decade, but the total number of laborers rose somewhat.

Nevertheless, as already indicated, the accelerated movement of blacks out of the positions at the bottom of the occupational pyramid did not flow evenly through the entire occupational structure. For example, Negroes in 1970 still held about 1.5 million of the service jobs outside private households—most of which require only modest skills. This represented almost one-fifth of the total—about the same proportion as in 1960. Moreover, the number of blacks holding semiskilled operative jobs (mainly in factories) rose by 42 per cent (to about 2.0 million) during the decade, compared with an expansion of only 16.5 per cent (13.9 million) for all workers. The result was that blacks' share of the total climbed from 12 per cent to over 14 per cent. Taken together, these two categories of lower-skilled jobs (chiefly in factories or in nonhousehold services) accounted for a somewhat larger share (42 per cent) of total black employment in 1970 than they did in 1960—when their share was about 38 per cent. In contrast, among all employees the proportion was virtually unchanged—27 per cent at the beginning of the decade and 28 per cent at its close.

While Negroes made substantial progress during the 1960's in obtaining clerical and sales jobs—and also registered noticeable gains as craftsmen—their occupational center of gravity remained anchored in those positions requiring little skill and offering few opportunities for further advancement. At the same time, it is also clear from the above analysis that blacks who are well prepared to compete for the higher-paying positions in the upper reaches of the occupational structure have made measurable gains. Nevertheless, compared with their over-all participation in the economy (11 per cent of total employment), the occupational deficit in white collar employment—averaging 40 per cent—remains large.

Data on occupational distribution of total employment by color in 1971 are also shown in Table 1. In general, these figures show the mixed job experience of blacks in the last year. While total employment rose moderately, the number of black jobholders declined slightly. However, the losses were concentrated among blue collar workers, as the number of Negroes employed in white collar jobs continued to expand. Within the blue collar group, the attrition was most noticeable in the case of operatives. This situation was mainly a reflection of the continued sluggishness of activity in the manufacturing sector in which a sizable proportion of blacks is employed. Recent trends in this sector are examined more closely below.

RECENT GROWTH OF THE BLACK LABOR FORCE

But before taking up that task, we might look briefly at the impact of the recent recession on the black labor force. In 1971 there were 9.3 million Negroes and other races in the civilian labor force. In the same year, the total civilian labor force amounted to 84.1 million, so blacks represented 11.1 per cent of the total—the average for the last decade. For 1971 as a whole, the black labor force rose by 124,000, compared with a rise of 1.4 million in the total civilian labor force. Thus, the increase in the black component amounted to 8.9 per cent; in the previous year, blacks had accounted for 12.2 per cent of labor force growth.

To a considerable extent, the slower expansion in the number of blacks in the work force reflected the impact of the recession. The latter's adverse effect on the black community is evident in the increasing tendency for discouraged blacks not even to look for jobs. One can make a rough judgment of a group's willingness to engage in economic activity by tracing its labor force participation rate.[3] For blacks as a group, the participation rate has been declining for a number of years, while it has been rising for whites. For example, the rate for blacks fell from 64.5 per cent in 1960 to 60.9 per cent in 1971; in the same period, the rate for whites rose from 58.8 per cent to 60.1 per cent. These divergent trends were accelerated during the 1970–71 recession. Particularly in the last half of 1971, the participation rate for blacks showed consistent declines at a time that the white participation rate was rising—most probably in response to the sizable growth in white employment. Discouragement over employment prospects evidently has led more blacks to stay out of the labor force during the recovery period than can be explained by longer-term trends in the age-sex composition of the black labor force. Consequently, the behavior of labor force participation rates suggests that the economic situation among blacks deteriorated more in 1971 compared to whites than might be evident on the surface.

SLUGGISH EXPANSION IN JOBS

For the first time in a decade the number of blacks with jobs in 1971 was below that for the previous year. This was not the case with whites. The year-to-year decrease in black employment (while quite modest) was a direct result of the recession and slow recovery in national economic activity in 1970–71. In fact, the employment experience of blacks

[3] The participation rate is defined as the percentage of the civilian noninstitutionalized population age 16 and over that is in the civilian labor force.

during the last 2 years has shown some similarity to that recorded during the 1960–61 business cycle. In general, blacks did *relatively* better than whites in the 1969–70 recession phase of the business cycle and *relatively* worse in the 1970–71 recovery stage.

In 1971 an average of 8.4 million blacks were holding jobs, representing 10.6 per cent of total civilian employment (which amounted to 79.1 million). However, the number of employed blacks in 1971 was about 43,000 below that for the year earlier —while total civilian employment was 490,000 higher. In contrast, in 1970 black employment rose by 62,000, accounting for 8.5 per cent of the gain of 727,000 in total civilian jobs.

Several developments in the national economy help to explain the recent adverse black experience on the jobs front. At the beginning of the economic slowdown in 1969, employment cutbacks were most severe in professional jobs related to the defense and aerospace industries. Blacks comprise only a minute proportion of the labor force in this sector and thus were not affected significantly. Sectors such as services and government (which employ a higher fraction of blacks) continued to expand through 1969. Thus, in the initial stages of the recent business cycle, blacks were less affected than were whites—both by general cyclical forces and by the special situation in the defense and aerospace industries.

In 1970 employment cutbacks in the economy as a whole were more widespread as over-all economic activity declined and as business attempted to control costs. Proportionately, employment grew slightly less for blacks than for whites in 1970. A smaller rise in employment for adult black women than for adult white women—and an actual decline for black teenagers—more than offset a somewhat faster rise in employment for adult black men than for adult white males. However, as mentioned above, the participation rate for blacks continued its long-run decline in 1970 while the white participation rate showed a slight increase. As a consequence, the unemployment rate for blacks did not rise proportionately as much as the rate for whites.

Over-all employment increased very little in the first half of 1971—although economic activity showed a mild recovery. Continuing to be concerned about inflation and low profit levels, businessmen attempted to limit hiring in order to hold down labor costs. In the second half of 1971, total employment rose substantially. However, all of the gains were made by whites. By year-end, white employment was 1,636,000 above the level in December 1970; black employment registered a small decline of 67,000 over the year. Again, the composition of the recovery in national economic activity had a direct bearing on the less favorable job experience of black workers. The manufacturing sector of the economy (which employs a significant proportion of blacks in blue collar jobs) remained weak throughout 1971. In addition, government employment (a sector where blacks are well represented) grew more slowly than it had in recent years prior to 1971. An examination of the recent trends in those industries in which blacks are heavily represented provides some little-noted insights into the situation of blacks in the national economy.

PRIVATE INDUSTRY PERFORMANCE AND BLACK EMPLOYMENT

As indicated above, blacks are heavily dependent on the manufacturing sector for employment. This is especially true of black men. It is hard to obtain detailed statistics to trace the pattern of black employment. The main source of employment data by industry is the series of reports collected from private establishments by the Bureau of Labor Statistics (BLS). This series does not include a racial breakdown of the number of workers reported. In addition, BLS publishes employment data collected by the Bureau of the Census in its household survey. This series as published does include estimates of employment by demographic characteristics—such as age, sex, and race. However, while an industry distribution of employment can be calculated by BLS on the basis of the data collected, such calculations are not published. Finally, the Equal Employment Opportunity Commission (EEOC) collects employment data once each year from the larger companies under the Civil Rights Act of 1964. At my request, BLS has given me permission to use the ratios calculated from the household data showing blacks as a percentage of total employment in each industry. Using the same data, I have calculated the percentage distribution, by broad industry groupings, of total and black employment. Data from these three sources are presented in Tables 2, 3, and 4.

The heavy dependence of blacks on factory jobs is clearly suggested in the EEOC data shown in Table 2. In 1970 (the most recent year for which statistics are available) about 3.0 million blacks were on the payrolls of private employers (mainly large companies) reporting under the EEOC requirements.[4] This number represented 10.3 per cent of the 28.9 million workers reported by these companies. About 1.4 million (48.7 per cent) of the 3.0 million black jobholders reported were employed in manufacturing. This proportion was not appreciably different from that for all EEOC-reported jobholders (50.3 per cent). However, since the EEOC reports are more complete for manufacturing than for other sectors, these ratios tend to overstate the actual degree of reliance on manufacturing as a source of jobs.

A somewhat more balanced picture of the industry distribution of black employment is provided by the BLS household data. As shown in Table 3, when the more comprehensive statistics are analyzed, about 23.0 per cent of black jobholders in 1971 were employed in manufacturing. The corresponding proportion for total employment was 24.7 per cent. The extent to which blacks—compared to all workers—have found jobs in other industries is also shown in Table 3. For example, the proportion of the black work force employed in transportation and public utilities is roughly the same as that for all workers —6.6 per cent and 6.7 per cent, respectively. However, a sizable divergence is evident in the trade field, in which 14.2 per cent of blacks—in contrast to 20.1 per cent of the total—had found jobs. A smaller (but still noticeable) divergence can be seen in the case of finance, insurance, and real estate—which accounted for 5.2 per cent of total employment compared with 3.6 per cent of black employ-

[4] These data are reported annually to the U.S. Equal Employment Opportunity Commission under Title VII of the Civil Rights Act of 1964. The statistics do not cover all employment; they have only limited coverage of small firms, and no reports for governments and educational institutions are included. However, the EEOC reports do cover a substantial proportion of total employment in some industries. About three-quarters of total employment in manufacturing, transportation, communication, and electric and gas utilities are reported, and well over one-half of the total in mining, and in finance, insurance, and real estate is covered. On the other hand, the reports cover only about one-third of total employment in wholesale and retail trade, and in services. Just under one-fifth of contract construction employment is covered. Coverage and other characteristics of the EEOC data are discussed further in the notes to Table 2.

ment. On the other hand, blacks were overly represented in services (29.1 per cent of employed blacks vs. 20.1 per cent of the total).

Within manufacturing blacks were found employed particularly in heavy industry. They were found especially in industries producing transportation equipment (mainly automobiles); in primary metals (particularly steel); in electrical equipment; in food and related products; and in textile mill products. While blacks held about 9.9 per cent of the total jobs in manufacturing as a whole, in several industries, their share of the jobs was considerably higher. For example, as shown in Table 4, in 1971 their shares were: tobacco, 32.5 per cent; lumber and wood products, 20 per cent; primary metals, 14.4 per cent; apparel, 13.2 per cent; food processing, 12.4 per cent; stone, clay and glass, 11.9 per cent; transportation equipment, 11.6 per cent; and furniture, 11.5 per cent.

In weighing these figures on black employment in manufacturing, however, one should not conclude that blacks have found an equal chance for advancement in the Nation's factories. This is far from the case. To a considerable extent, the industries with large numbers of black employees are those in which numerous jobs are unpleasant and routine or which require much physical strength or long endurance. Moreover, blacks are typically found in the lower paid blue collar occupations requiring only limited skills.

Given this exceptional dependence of blacks on factory jobs, the sluggishness in manufacturing during the last 2 years was bound to have a serious impact on the black community. In 1970, while total employment rose by 727,000 (or by 0.9 per cent), factory jobs declined by 768,000 (or by 3.8 per cent). Last year, total employment registered another modest gain of 491,000 (0.6 per cent), but the number of factory workers dropped further—by 761,000 (or by 3.9 per cent). Over this 2-year period, total factory employment declined by 1.5 million, a decrease of 7.7 per cent.

The industries in which blacks have significant representation experienced even larger setbacks: transportation equipment recorded a 2-year decline of 15 per cent; nonelectrical machinery, 12 per cent; electrical machinery, 11.5 per cent; and primary metals, 10 per cent.

In contrast, several sectors which provide a smaller proportion of all black jobs continued to expand total jobs during the recent recession. For example, total employment in wholesale and retail trade rose by nearly 4 per cent during the 2 years 1970 and 1971. The gain in finance, insurance, and real estate amounted to 7 per cent. Employment in services expanded by 6 per cent in the same period. However, in each of these industry groups (except services) blacks generally have a smaller share of the total jobs than they have in the economy as a whole.

On balance, the continued growth of total employment in the trade and service sectors cushioned the impact of the 1970–71 recession in the economy as a whole. But blacks did not share proportionately in these gains because they are generally under-represented in the highly paid expanding sectors and over-represented in low-paid service activities or in those manufacturing industries which were stagnant or declining.

BLACKS IN GOVERNMENT JOBS

In the case of public sector employment, blacks have had a mixed experience over the last 2 years. As mentioned above, blacks constitute an above-average proportion of the persons employed in government service. For example, in May 1971 there were 389,000 blacks employed in civilian jobs in the Federal Government. This represented 15 per cent of the 2.6 million civilians on the Federal payroll at that time. In contrast, blacks accounted for 10.6 per cent of all civilian employees in the country in the same month. Moreover, while Federal employment provided 3.3 per cent of the total civilian jobs, about 4.6 per cent of the blacks holding civilian jobs were on the Federal payroll. In the case of State and local governments (many of which have substantial numbers of blacks in their jurisdiction) the percentage of blacks among all public employees may be even higher than it is in the Federal Government.

Given this situation, the downtrend in employment in the Federal Government in the last 2 years seems to have had a mixed effect on blacks. In the two calendar years 1970 and 1971, total civilian employment in the Federal Government dropped by 93,000, a decline of 3.3 per cent. Here, of course, the cutback in employment reflected a conscious effort to pare the level and scope of Government activities—and was not a by-product of the recession. Exactly how these reductions have affected blacks cannot be determined because of a lack of data for 1971 as a whole. Between May 1970 and May 1971 total Federal employment declined 15,000, and Negro employment declined 798. This net decline among blacks reflected a drop in black employment in blue collar jobs and in lower grade levels of the Postal Field Service. Blacks made further gains in both the higher grades of the postal service and in civil service white collar jobs.

Yet, we know that blacks are still heavily concentrated in the lower grades of the Federal Service where turnover is typically high. Thus, in the light of the decision to reduce Federal Government employment by 5 per cent during the current fiscal year, one might ask whether blacks are likely to be exposed to a much higher rate of attrition than that faced by the average white employee. An informal request to the Civil Service Commission for data to assess this possibility did not yield the necessary statistical information—although the Commission has no indication that the cutback in Government employment is affecting blacks adversely.

Simultaneously, the Federal Reserve Banks were asked to review the situation within the Federal Reserve System. The results of this survey show that, between December 1970 and December 1971, total Bank employment increased by 1.7 per cent, while black employment rose by 3.7 per cent. However, the results also indicated that the turnover rate among black employees was nearly 1½ times as high as that for all employees (30 per cent vs. 21 per cent). The turnover rate was particularly high among blacks in the lower grades, where so many of them are concentrated. The turnover rate for blacks in grades 1-5 was 40 per cent vs. 37 per cent for all employees. In contrast, in grades 6 and over, the turnover rate for blacks was below that for all employees, 10 per cent vs. 13 per cent.

These data for the Federal Reserve Banks are probably indicative of the behavior of black employment in the Federal Government as well. So, when the census of Federal employment is conducted later this year, the results should be studied to see whether the high turnover among blacks has been translated into high attrition rates—and thus into a decline in the percentage of blacks employed in the Federal Government.

In the case of State and local governments, the number of workers on their payrolls expanded by 744,000 (7.9 per cent during the 2 years 1970 and 1971. Most of this growth was at the local level—especially in large urban areas with sizable black populations. Against this background, one would have expected blacks to obtain a significant share of the rise in public service employment at the State and local level.

In conclusion, when these different employment trends are pulled together, a fairly clear—but far from comfortable—picture emerges: the depressed conditions in manufacturing industries (only partially offset by growth in other sectors) have had a seriously adverse effect on black employment in the last two years. The net result has been a halt in the vigorous growth of black employment registered during the last half of the 1960's.

TREND OF UNEMPLOYMENT

In 1971 an average of 919,000 blacks were unemployed; this represented 9.9 per cent of the black civilian labor force. In the case of whites, unemployment averaged 4.1 million, equivalent to an unemployment rate of 5.4 per cent. For all groups combined, unemployment in 1971 averaged 5.0 million, or 5.9 per cent, of the total civilian labor force. Over the last 2 years—and reflecting the impact of the recession—the total number of unemployed workers rose by 2.2 million, an increase of nearly four-fifths. Among blacks, unemployment climbed by 348,000, a rise of more than three-fifths. Almost 60 per cent of the 2-year rise in total unemployment occurred in 1970—which encompassed most of the downward phase of the recession. But in the case of blacks, the increase in joblessness was about evenly divided between 1970 and 1971. On the other hand, black unemployment as a proportion of all unemployed workers declined from 20.2 per cent in 1969 to 18.4 per cent in both 1970 and 1971. Of course, this decline reflected the fact that the number of unemployed whites rose much faster in 1970 than was the case in the black community. And it is noteworthy that by the end of 1971, the proportion had risen back to 19.0 per cent. Nevertheless, while blacks represented 11 per cent of the labor force, they still accounted for nearly one-fifth of total unemployment in 1971.

Of the total rise in black unemployment over the 1970–71 period, half was accounted for by adult men, a third by adult women, and a sixth by teenagers. Unemployment of adult men and teenagers rose more rapidly in 1970, and unemployment of adult women rose more rapidly in 1971. The cutback in manufacturing jobs accounts for much of the rise in black adult male unemployment in the recession year 1970. In 1971 adult females increased their participation in the labor force slightly (most likely in an effort to improve family income at a time when many men were out of work), but the slack job market resulted in increased female unemployment. Black teenagers, on the other hand, significantly reduced their participation in the labor force after experiencing rising joblessness in 1970, and, thus, their unemployment did not rise as rapidly in 1971.

A brief comparison of the unemployment experience during the recent cyclical period and the recession and recovery years of 1960–61 points up several significant facts. As noted earlier, blacks fared relatively better than whites in the recession phase of the cycle in both periods. The level of black unemployment rose 26 per cent from the peak quarter to the trough quarter in the 1960–61 period, compared to a rise of 32 per cent for whites. In the recent period, the level of black unemployment rose 50 per cent from peak to trough, compared with a rise of almost 70 per cent for whites.[5]

In both periods the ratio of black to white unemployment rates declined during the recession phase of the cycle. From the mid-1950's through the 1960's (except for 1965), the black unemployment rate was more than double the white rate. The black–white ratio was still 2.06 in 1969, but it declined to 1.82 in 1970.

In the first year of recovery from the trough in 1970, whites fared relatively better than blacks as evidenced by a rise in the ratio of black to white unemployment rates from 1.64 in November 1970 to 2.00 in January of this year. However, of equal note is the fact that in the recent recovery year, unemployment levels for both blacks and whites continued to rise (by 11.1 per cent for blacks and by 1.7 per cent for whites), whereas in the first year of recovery in the earlier period, unemployment levels declined (by 8.7 per cent for blacks and by 19.6 per cent for whites). The continued low rate of activity in the manufacturing sector of the economy and the only modest growth in other sectors have resulted in a much less dynamic recovery process for employment in the current period.

One further difference between the two cyclical periods which has implications for employment prospects is that teenagers are a much more important factor in the economy today than 10 years ago. Between 1961 and 1971, as a result of a sharp increase in the number of youths in the total population, black teenagers (age 16–19) grew from just over 7 per cent to just over 8 per cent of the black civilian labor force. However, because of their lack of training and work experience, teenagers have remained at about 6 per cent of black employment. As a result, teenagers accounted for 27 per cent of black unemployment in 1971, compared with 16 per cent in 1961.

Clearly, the high and persistent level of black unemployment is a serious matter, and I will return to the subject in the closing section of these comments.

INCOME TRENDS IN THE BLACK COMMUNITY

Another way of looking at the economic situation of blacks is to examine their income. Data for 1970 (the most current year available) show that total money income for black families and unrelated individuals was $42 billion. This was 6.5 per cent of total money income, which amounted to $649 billion in that year. This share should be weighed against the fact that blacks compose about 11.3 per cent of the total population. The median family income of blacks in 1970 was $6,516, a rise of 5.3 per cent over 1969—but still only 64 per cent of the white median income of $10,236.

In general, black families made great strides over the last decade in increasing their income. Black median family income in 1970 was more than double the level in 1961, which appears to compare favorably with a rise of 71 per cent for white families over the same period. However, in absolute terms, black families received an average of $3,720 less than white families in 1970—whereas they received $2,790 less in 1961. This difference in 1970 was equal to 57 per cent of black families' median income. Thus, although blacks have been gaining relative to whites over the decade (and this

[5] It might be noted that the larger rise in unemployment for blacks and for whites in the recent cycle has been due in large part to the faster growth of the civilian labor force. This has been a result of the entrance of the members of the postwar baby boom into working age groups, the changing working habits of women (particularly white women), and the return of numerous Vietnam veterans to civilian life.

progress does not appear to have been seriously interrupted by the recent recession in 1970), they still lag far behind the average American white family.

A second way of comparing income differences is to look at how income is distributed among the respective black and white populations. The most common way of doing this is to use a statistical measure (referred to by economists as the "Gini" coefficient) showing how equally income is distributed within a population. If a given percentage of the population receives an equal percentage of the total income, and this holds true for all groups in the population, then the degree of income inequality would be zero. Calculations of this measure by the Bureau of the Census for black and white families indicate that black income has historically been less equally distributed than white family income even though the differences between the two have narrowed slightly over the last decade. However, in recent periods of declining or slow economic growth, the differences in the income distribution for black and white families have increased. This was true during the brief period of declining economic activity in 1967 and also in 1970.

In general, this pattern of income distribution implies that lower-income black families receive an even smaller proportion of total money income than do lower-income white families in periods of reduced economic growth. Some of the greater sensitivity of the income of black families to cyclical slowdowns may be explained partially by the fact that a rapidly increasing proportion of black families is headed by females (3¼ times as many as white families in 1970, compared with 2½ times as many in 1960). The fact that the average number of earners in black families has actually been declining in the last few years (in contrast to a rise in the average number of earners of white families) may also contribute to the observed results. Thus, although income of blacks appears to have held up quite well in the recent period, it still lags far behind white income. In addition, averages for blacks as a whole may disguise a deteriorating situation for lower-income black families.

FEDERAL INCOME TAXES PAID BY BLACKS

Another perspective on the economic situation of blacks is provided by an analysis of the Federal income taxes paid by them. I have estimated that Negroes and other races paid about $4.68 billion in Federal income taxes in 1969, while their income amounted to $41.22 billion. White families and individuals received $562.33 billion in income and paid Federal income taxes of approximately $81.92 billion. Thus, while blacks and other races constituted about 13 per cent of the population, they received about 6.8 per cent of the adjusted gross income, filed 11.5 per cent of the tax returns, and paid roughly 5.4 per cent of the Federal income taxes in 1969.

This estimate of Federal income taxes paid by blacks was derived on the basis of special tabulations of household sample data collected by the Bureau of the Census for its 1969 report on consumer income.[6] Since Dr. Herman Miller and Mr. Roger Herriot (both of the Census Bureau) had already devised a means of linking Census data to Internal Revenue Service (IRS) statistics relating to Federal income taxes,[7] I applied their method to estimate taxes paid by race. For this purpose, the

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[6] U.S. Bureau of the Census, *Current Population Reports*, Series P-60, No. 75, "Income in 1969 of Families and Persons in the United States," 1970.

[7] See their paper, "Who Paid Taxes in 1968" (Mimeo), March 1971.

special tabulations by the Census Bureau were required.

While the method devised by Miller and Herriot (and used by me) has limitations,[8] it seems accurate enough to yield reasonable results. For example, IRS reports show that there were 75.8 million returns filed in 1969.[9] Of this total, 63.7 million returns were taxable, and they represented $603.5 billion in adjusted gross income. From this income, earners paid $86.6 billion in taxes. Thus, the task was to estimate the proportion and amount of these taxes that were paid by black and white earners separately. The application of the Miller–Herriot method produced the following distribution of returns in 1969.

Adjusted gross income	Percentage distribution of returns[1]	
	Negroes and other races	Whites
Less than $3,000	41	27
$3,000–$6,000	24	17
$6,000–$10,000	20	23
$10,000–$15,000	9	20
Over $15,000	5	14

[1]Totals do not add to 100 because of rounding.

When these percentages are applied to the actual returns reported by the IRS, the estimates of taxes paid by blacks and whites separately are obtained. The fact that Negroes and other races received about 6.8 per cent of the adjusted gross income and paid about 5.4 per cent of the Federal income taxes in 1969 should not be surprising. The reason is that blacks have a lower percentage of persons in the upper income ranges. The special Census calculations show that, for the income measure used for tax purposes, 41 per cent of returns filed by Negroes and other races were in the lowest income category, compared to 27 per cent for whites. In the upper income brackets, 14 per cent of the black returns fell in the $10,000 or more class, while there were 34 per cent of the white returns in this range. Thus, when the progressive tax rates are applied to each group, the whites paid proportionately more.[10]

Finally, these estimates represent only one tax. Although the Federal personal income tax is the largest single revenue source, it is also among the most progressive of taxes. State and local sales taxes and property taxes tend to hit the lower income groups proportionately more than the higher income groups. For the year 1969, 36 per cent of all government revenue was from State and local taxation. Moreover, social security taxes probably hit black families much harder than white families. This is suggested by several considerations: black incomes are lower, and the participation rates are higher for black families. This means that minority groups have more multiple earners than white families. Combined with the fact that social security taxes

[8]For example, capital gains are not recorded in the Census data, but they do play an important part in the calculation of Federal income taxes. However, this may be indirectly compensated for by an adjustment in the Census data to account for trusts and under-reported income in the sample. Furthermore, we found that our estimates of dollar amounts of taxes and adjusted gross income are higher than the actual figures—since there is some income that is simply not reported to the IRS. Our adjusted gross income was 3 per cent above the actual IRS figures. The amount of taxes paid varied by method of estimation. The Miller-Herriot Method gave a figure 9 per cent above the reported level. A second method of estimation that uses effective tax rates (instead of average tax by return) gives taxes within 4 per cent of the amount actually reported. The estimated percentages of taxes paid by race do not vary with the procedure used.

[9]U.S. Internal Revenue Service, *Statistics of Income 1969*, Individual Tax Returns.

[10]Again, it must be remembered that these are estimates and subject to error. In the case of the percentage of returns in the income ranges, we may err on the low side rather than on the high income side because all persons reporting money income of $1 or more are included in the Census sample. Some of these are taken out when finding adjusted gross income but probably not all.

have an income cut-off point, the families of low-earning multiple earners will have to pay more than single earners.

Consequently, when other taxes are combined with Federal income taxes, the gap between income received and Federal income taxes paid by blacks (6.8 per cent vs. 5.4 per cent) is probably narrowed considerably.

THE ECONOMIC OUTLOOK FOR BLACKS

Given these recent developments affecting the economic situation of blacks, the question naturally arises about their prospects in the future. The general economic outlook as contained in the *Economic Report* of the CEA and supported by the consensus of private forecasters is for an acceleration of real economic growth in 1972 to somewhere in the neighborhood of 6 per cent, compared to the 2.7 per cent rate of growth achieved in 1971. In particular, the expected strengthening of activity in the manufacturing sector (in which such a large proportion of black men have found jobs) is of special interest. Thus, the question to which I wish to address myself at this point is this: How will this outlook for the national economy as a whole affect the black community.

It seems fairly certain that a rise in manufacturing activity will increase black employment and income. However, how large the improvement might be cannot be estimated. On the basis of press reports —as well as informal soundings among businessmen—one gets the impression that many manufacturing firms are still moving slowly in expanding their payrolls. Among other factors, a strong desire to control costs by meeting increased output demands through higher productivity rather than higher employment—at least for the present—appears to be moderating the pace at which factory jobs are growing.

I have been particularly interested in trying to gauge the prospects for blacks. In general, from numerous conversations I have had with businessmen, I get the impression that the environment in industry today is much more hospitable toward the hiring and upgrading of blacks than it was even a few years ago. At the same time, I also get the feeling that, although many of the leaders in industry are very conscious of the need to promote equal employment opportunity by increasing their percentage of black employment, in many cases, the rehiring of workers (because of trade union agreements) would have to be done on a seniority basis which would generally not favor blacks or other minority groups that are still relative newcomers in some sectors.

In some industries in which blacks are heavily concentrated, there was a drop in the percentage of minority employment in 1971. This seems to have occurred despite the fact that many of the leading companies in some of these industries are known to have strong programs to increase the percentage of minority workers. This was particularly true in the basic durable goods manufacturing industries where, as mentioned earlier, blacks are heavily represented. A review of the statistics in Table 4 provided by the Bureau of Labor Statistics shows that the percentage of employment accounted for by blacks in the basic durable goods industries declined in both 1970 and 1971. Similar figures (although not included in the table) show that the ratio had risen steadily since 1962 (the first year data were available). In contrast, the percentage of employment accounted for by blacks in the nondurable goods industries continued to increase on average in 1970 but declined in 1971. The better showing in the nondurable industries in 1970 was partially a result of the fact that the nondurable industries showed less of a decline in total employment in 1970 than the durable goods industries. In addition, some nondurable goods industries (notably foods, textiles, and apparel) have been experiencing fairly rapid increases in their proportion of minority employment. However, this pattern conceals the fact that some of those industries (such as textiles and apparel which maintained their black percentages in the recent period) have been declining industries in relation to the economy as a whole. Thus, although the proportion of minority workers employed by them has held up quite well, the actual number of blacks employed in these industries may not expand rapidly.

But on the whole, to the extent that manufacturing industries do participate in the economic growth expected this year, the outcome will have a positive impact on black employment. Continued gains in employment in the service and trade industries as well as by State and local governments will also add to an improvement in black employment. But, again, this expansion might not be large enough to enable the black community to resume the strides in employment and income gains they were beginning to achieve in the second half of the 1960's.

In addition, although employment of blacks can be expected to resume an upward trend in 1972, it can also be expected that the black labor force will grow more rapidly this year than last. Besides the longer-term growth in the labor force based on the rapid growth of the young age groups, the declining participation rate for blacks (particularly evident in the second half of 1971) can be expected to show a return to more normal long-term trends if employment prospects improve. Thus, even with a more rapid growth in employment, over the short term, rises in the civilian labor force could well result in continued high levels of unemployment and high unemployment rates for blacks.

As mentioned above, the unemployment rate for blacks has traditionally been about twice as high as that for whites. Only in a few years (such as 1965, 1970, and 1971—none of which was a year of especially vigorous economic growth) has the black-white unemployment ratio been less than 2 to 1. It will be recalled that the general outlook for the economy in 1972 presented by the Council of Economic Advisers does not expect the total unemployment rate to be below 5 per cent by year-end. The unemployment rate for blacks was 10.6 per cent in January —compared with 5.3 per cent for whites —a ratio of 2 to 1. So given the outlook for the economy as a whole in 1972, there appears to be no basis for expecting blacks to improve their relative unemployment position in the course of this year.

In my judgment, the single most important contribution that can be made this year to enable blacks to make further economic progress is at least to assure the sizable expansion, projected by the CEA, in the national economy in 1972, while at the same time pressing on with the campaign to check inflation.

Statement by Arthur F. Burns, Chairman, Board of Governors of the Federal Reserve System, before the Committee on Banking, Housing and Urban Affairs, U.S. Senate, February 24, 1972.

The Board of Governors of the Federal Reserve System strongly supports enactment of the Par Value Modification Act. Prompt passage of this bill will fulfill an important commitment undertaken by the United States as part of the Smithsonian

Agreement reached by the Group of Ten countries on December 18, 1971.

THE PAR VALUE MODIFICATION ACT

The Par Value Modification Act proposes a new par value for the dollar in the International Monetary Fund. We will thus have a new official dollar price of gold: an ounce of gold will in the future be carried on the books at $38 instead of $35 as at present. The Act does not deal with the issue of convertibility, and therefore does not affect the present suspension of convertibility of dollars into gold or other international reserve assets.

The proposed change in the par value of the dollar will have several financial and accounting consequences. First, the value of the Treasury's gold and other reserve assets will be written up by 8.57 per cent, or about a billion dollars. Second, the Treasury will be able to issue new gold certificates to the Federal Reserve Banks for this amount, and its cash balance will rise to the extent that it does so. Third, the dollar value of subscriptions and contributions to several international financial organizations will need to be increased.

The net result of the various financial and accounting adjustments, as the Secretary of the Treasury has informed this committee in detail, will somewhat improve the Treasury's cash position and leave both budgetary expenditures and the over-all dollar assets and liabilities of the U.S. Government roughly unchanged.

If these consequences were the sole results to be expected from the Par Value Modification Act, there would be no need to rush its passage. But much more than this is involved. As this committee knows, the proposed change in the par value of the dollar was an integral part of the Smithsonian Agreement. Failure to pass promptly the Par Value Act could provoke a renewal of disorderly conditions in financial markets and place in jeopardy the Smithsonian Agreement itself. It is no exaggeration to state that the realignment of currencies which the Smithsonian Agreement achieved is absolutely essential to the reinvigoration of our foreign trade and the eventual restoration of equilibrium in our balance of payments.

BACKGROUND OF THE SMITHSONIAN AGREEMENT

The international monetary crisis we experienced in 1971 was by far the most severe since World War II. It had its roots in events that stretch back over many years, during which a persistent deficit developed in the U.S. balance of payments. The crisis came to a head last summer when increasingly unfavorable reports on our foreign trade released a wave of speculation against the dollar that eventually engulfed foreign exchange markets. The speculation expressed a growing belief that there would soon have to be a substantial upward revaluation of at least some major currencies against the dollar—or, what comes to the same thing, that the dollar would need to depreciate in terms of other major currencies.

On August 15, the President announced a new policy for dealing decisively with the domestic problems of inflation, inadequate productivity, and unemployment, which were weakening confidence in the American economy. Recognizing that curbs on domestic inflation would not suffice to restore equilibrium in the balance of payments, the President sought also to achieve a realignment of currencies and better access to foreign markets for American producers. To set the stage for useful international negotiations, a temporary surcharge was therefore imposed on imports and the convertibility of dollars into gold or other reserve assets was suspended.

As expected, dollar prices of most of the major foreign currencies rose on the exchange markets. Foreign governments, although caught by surprise, soon sought in various ways to adjust to the new monetary and trade conditions. Some imposed restrictions on inflows of funds while permitting their exchange rates to appreciate in a controlled manner. Others resorted to rather comprehensive financial controls in an effort to maintain pre-August 15 exchange rates, at least for trade transactions. Only a few countries permitted their exchange rates to move more or less freely.

The pattern of exchange rates that evolved after August 15 thus failed to meet American objectives. Worse still, restrictions on international transactions were proliferating, with a few countries even imposing restrictions or subsidies on trade itself. Businessmen both here and abroad faced acute uncertainty regarding the exchange rates and governmental restrictions under which trade would be carried on in the future. This uncertainty aggravated recessionary forces already evident in Europe and Japan. It also affected adversely the profit expectations of American companies engaged in foreign operations or foreign trade, thereby inhibiting investment expenditures and economic expansion in the United States.

In these circumstances, the dangers were growing of a recession in world economic activity, of increasing recourse to restrictions on international transactions, of a division of the world economy into restrictive blocs, and of serious political frictions among friendly nations. Prompt resolution of the crisis was clearly necessary, and intensive international discussions therefore got under way in the autumn of 1971.

The settlement negotiated at the Smithsonian meeting of last December provided for an average appreciation of the currencies of the other Group of Ten countries against the dollar of about 12 per cent. Agreement was also reached on a widening of margins for exchange rate variation. Later, a number of other countries decided to revalue their currencies upward against the dollar, but most of the developing countries have elected to maintain their exchange rates against the dollar at the pre-August 15 levels.

Trade agreements were recognized by the participants in the Smithsonian Agreement as relevant to the achievement of lasting equilibrium in the international economy. Negotiations on trade matters of immediate concern to the United States, and which were under way at the time of the agreement, have since then been completed with Japan and the European Community—but not with Canada. The new trade measures should improve the climate for certain U.S. exports. For the longer run, the prospects are now promising for widespread support of comprehensive multilateral negotiations on reducing barriers to trade in both industrial and agricultural products.

For its part in the settlement, the United States agreed to drop the import surcharge and related provisions of the investment tax credit, and to facilitate the realignment of exchange rates by proposing to Congress a change in the par value of the dollar in terms of gold.

Thus, the Par Value Modification Act is before you to honor a critical commitment made in behalf of the U.S. Government at the Smithsonian meeting. The American negotiators would have preferred to achieve the desired appreciation of foreign currencies without doing anything about the official dollar price of gold. Other countries, however, refused to countenance such a passive role by the United States in a multilateral adjustment of exchange rates.

Active participation by the United States in the exchange rate realignment was expected by other countries for various reasons. Some countries regarded it as politically or financially unacceptable to reduce the price of gold in terms of their own currencies—as would have been required if the exchange rate realignment had left the par value of the dollar in terms of gold unchanged. And virtually all countries took the position that no nation should be immune from changing its par value when its balance of payments is in disequilibrium. In our judgment, a negotiated realignment of exchange rates would have been unattainable if the United States had refused to consider a change in the par value of the dollar.

As already noted, the Par Value Modification Act proposes an increase in the official dollar price of gold from $35 to $38 an ounce, that is, by 8.57 per cent. This exact increase reflects a compromise outcome of the negotiations on the realignment of exchange rates. A price significantly higher than $38 per ounce was never seriously considered. An increase amounting to less than 8.5 per cent would have failed to bring forth a realignment of exchange rates as large as the readjustment that was finally accepted. The primary objective of the U.S. negotiators at the Smithsonian meeting was to achieve a substantial upward revaluation of the currencies of other industrial countries against the dollar, and this result was achieved.

It should be noted in passing that under the two-tier system for gold, agreed to in March 1968, the official price of monetary gold and the free market price of gold are effectively separated. For all practical purposes, gold in official reserves is now a different entity from gold that is bought and sold in free markets for industrial, artistic, or hoarding purposes. In particular, the market price of gold has no bearing on the change in the official price of gold proposed in the Par Value Modification Act.

EFFECTS OF THE SMITHSONIAN AGREEMENT

Looking to the future, let me turn briefly to the probable effects of the Smithsonian Agreement. Since dollar prices of foreign currencies are now substantially higher than before, the growth of our imports will tend to slacken and domestic production will be stimulated. On the other hand, the lower price of dollars abroad will make it possible for our exporters to quote lower prices in terms of foreign currencies. Similarly, the lower price of dollars will tend to stimulate foreign investments and travel in the United States.

There is thus every reason to expect the realignment of exchange rates to bring about, in time, a substantial improvement in our foreign trade balance and in our over-all balance of payments. Just how large the improvement will be, and how long it will take for the full improvement to be realized, cannot be predicted with certainty. The experience of other countries indicates that large exchange rate changes will produce large shifts in the balance of payments; but it also indicates that 2 years or so may need to elapse before the full extent of the favorable shift is realized.

While the Smithsonian realignment will have its largest effects on our exports and imports, there should also be favorable effects on other components of the balance of payments, including capital flows to and from the United States. Such capital flows have already been affected. The enormous outflow of speculative funds from the United States came to an end when the Smithsonian Agreement was announced. Since December 18, there has been a small net return flow of funds.

Besides serving to reinvigorate our foreign trade and otherwise improve the balance of payments, the Smithsonian Agreement has increased confidence both at home and abroad in the stability of the world economy. This confidence will be buttressed by passage of the Par Value Modification Act.

UNFINISHED BUSINESS

The Smithsonian Agreement provided not only for a realignment of exchange rates and other measures of immediate concern, but also "that discussions should be promptly undertaken, particularly in the framework of the IMF, to consider reform of the international monetary system over the longer-term." This unfinished business is most important. If we are to avoid a repetition of crises while preserving a monetary framework conducive to the healthy expansion of trade and investment, we must work with other countries to build a new and stronger international economic order.

In the area of exchange rates, the wider margins agreed to in December should prove helpful, especially in moderating short-term capital flows and thereby permitting somewhat greater scope for differences in interest rates among countries. For the longer run, procedures for changing par values will need to be flexible enough to prevent the build-up of large and persistent imbalances in trade and payments among countries.

A searching re-evaluation is also needed of the roles to be played by gold, reserve currencies, and Special Drawing Rights in settling international accounts. Various proposals for modifying the operations of the International Monetary Fund require study and discussion. The circumstances under which the dollar may again be convertible into international reserve assets will have to be reviewed carefully. And determined new efforts will be required to reduce impediments to the international flow of goods, services, and capital.

The issues are many and complex. It will take time to resolve them. But the unfinished business of international monetary reform requires that we get on with the job without delay. Early action by the Congress on the bill before you will set the stage for much needed progress in both the international monetary and international trade areas.

CONCLUDING COMMENT

I have discussed at some length the Smithsonian Agreement because it has given rise to the present hearing. But I cannot conclude this statement without warning that neither the Smithsonian Agreement, nor passage of the bill before you, nor any international monetary or trade reforms that may follow, can of themselves do more than move us toward the objectives of renewed vigor in foreign trade and equilibrium in the balance of payments.

To assure success in these objectives of foreign economic policy, we must have skillful and fully responsible management of monetary and fiscal affairs. The objectives of our foreign economic policy and of our domestic economic policy are interdependent. For the sake of both the one and the other we will need to concentrate on stepping up sharply the productivity of our resources and on regaining prosperity without inflation.

Statement by Arthur F. Burns, Chairman, Board of Governors of the Federal Reserve System, before the Committee on Banking and Currency, House of Representatives, March 2, 1972.

The Board of Governors of the Federal Reserve System strongly supports enactment of the Par Value Modification Act. Prompt passage of this bill will fulfill an important commitment undertaken by the United States as part of the Smithsonian Agreement reached by the Group of Ten countries on December 18, 1971.

THE PAR VALUE MODIFICATION ACT

The Par Value Modification Act proposes a new par value for the dollar in the International Monetary Fund. We will thus have a new official dollar price of gold: an ounce of gold will in the future be carried on the books at $38 instead of $35 as at present. The Act does not deal with the issue of convertibility, and therefore does not affect the present suspension of convertibility of dollars into gold or other international reserve assets.

The proposed change in the par value of the dollar will have several financial and accounting consequences. The value of the Treasury's gold and other reserve assets will be written up by 8.57 per cent, or about a billion dollars. The dollar value of subscriptions and contributions to several international financial organizations will need to be increased. And there will be an increase in the dollar value of certain Treasury and Federal Reserve liabilities connected with operations in foreign currencies.

The net result of the various financial and accounting adjustments, as the Secretary of the Treasury has informed this committee, will improve somewhat the Treasury's cash position and leave both budgetary expenditures and the over-all dollar assets and liabilities of the U.S. Government roughly unchanged.

The Federal Reserve System will be affected by the financial and accounting adjustments in two ways. First, the Treasury will be able to issue new gold certificates to the Federal Reserve Banks in an amount equal to the increment in the book value of the Treasury gold stock. To the extent that it does so, the Treasury's cash balance will rise. A subsequent return of its cash balance to previous levels would of itself result in an increase of bank reserves, but this increase could be offset—in whole or in part—by Federal Reserve open market operations.

The other effect on Federal Reserve transactions and accounts will occur in connection with settlement of commitments under the reciprocal currency arrangements with foreign central banks. Use of a "swap" arrangement by the Federal Reserve entails an obligation to deliver a specified amount of foreign currency at a future date. Similar commitments have been undertaken by the Treasury on its debt securities denominated in foreign currencies. At the present time, the Federal Reserve has outstanding foreign commitments of $2.86 billion, Inasmuch as prices in U.S. dollars of the currencies that are affected—namely, Swiss francs, Belgian francs, pounds sterling, and German marks—have risen since the swap drawings were made, there will be a cost to the Federal Reserve—presently estimated at less than $200 million—of liquidating these drawings.

The purpose of the swap transactions carried out in 1971, as in earlier years, was to defer or reduce declines in reserve assets that might otherwise have occurred. The losses to be taken when the swaps are settled will reduce the earnings of the Federal Reserve System that are turned over to the Treasury. But against this loss the Treasury may have a roughly offsetting profit on the gold and other reserve assets which it still holds because of the willingness of foreign central banks to accept Federal Reserve swap drawings instead of demanding reserve assets from the Treasury.

NEED FOR PROMPT LEGISLATION

I have so far focused attention on the financial and accounting consequences of the Par Value Modification Act. If these were the sole results to be expected from the bill, there would be no need to rush its passage. But much more than this is involved.

As this committee knows, the proposed change in the par value of the dollar was an integral part of the Smithsonian Agreement. Failure to pass promptly the Par Value Act could provoke a renewal of disorderly conditions in financial markets and place in jeopardy the Smithsonian Agreement itself. It is no exaggeration to state that the realignment of currencies which the Smithsonian Agreement achieved is absolutely essential to the reinvigoration of our foreign trade and the eventual restoration of equilibrium in our balance of payments.

BACKGROUND OF THE SMITHSONIAN AGREEMENT

The international monetary crisis we experienced in 1971 was by far the most severe since World War II. It had its roots in events that stretch back over many years, during which a persistent deficit developed in the U.S. balance of payments. The crisis came to a head last summer when increasingly unfavorable reports on our foreign trade released a wave of speculation against the dollar that eventually engulfed foreign exchange markets. The speculation expressed a growing belief that there would soon have to be a substantial upward revaluation of at least some major currencies against the dollar—or, what comes to the same thing, that the dollar would need to depreciate in terms of other major currencies.

On August 15, the President announced a new policy for dealing decisively with the domestic problems of inflation, inadequate productivity, and unemployment, which were weakening confidence in the American economy. Recognizing that curbs on domestic inflation would not suffice to restore equilibrium in the balance of payments, the President sought also to achieve a realignment of currencies and better access to foreign markets for American producers. To set the stage for useful international negotiations, a temporary surcharge was therefore imposed on imports and the convertibility of dollars into gold or other reserve assets was suspended.

As expected, dollar prices of most of the major foreign currencies rose on the exchange markets. Foreign governments, although caught by surprise, soon sought in various ways to adjust to the new monetary and trade conditions. Some imposed restrictions on inflows of funds while permitting their exchange rates to appreciate in a controlled manner. Others resorted to rather comprehensive financial controls in an effort to maintain pre-August 15 exchange rates, at least for trade transactions. Only a few countries permitted their exchange rates to move more or less freely.

The pattern of exchange rates that evolved after August 15 thus failed to meet American objectives. Worse still, restrictions on international transactions were proliferating, with a few countries even imposing restrictions or subsidies on trade itself. Businessmen both here and abroad faced acute uncertainty regarding the exchange rates and governmental restrictions under which trade would be carried on in the future. This uncertainty aggravated recessionary forces already evident in Europe and Japan. It also affected adversely the profit expectations of American companies engaged in foreign operations or foreign trade, thereby inhibiting investment expenditures and economic expansion in the United States.

In these circumstances, the dangers were growing of a recession in world economic activity, of increasing recourse to restrictions on international transactions, of a division of the world economy into restrictive blocs, and of serious political frictions among friendly nations. Prompt resolution of the crisis was clearly necessary, and intensive international discussions therefore got under way in the autumn of 1971.

The settlement negotiated at the Smithsonian meeting of last December provided for an average appreciation of the currencies of the other Group of Ten countries against the dollar of about 12 per cent. Agreement was also reached on a widening of margins for exchange rate variation. Later, a number of other countries decided to revalue their currencies upward against the dollar, but most of the developing countries have elected to maintain their exchange rates against the dollar at the pre-August 15 levels.

Trade agreements were recognized by the participants in the Smithsonian Agreement as relevant to the achievement of lasting equilibrium in the international economy. Negotiations on trade matters of immediate concern to the United States, and which were under way at the time of the agreement, have since then been completed with Japan and the European Community—but not with Canada. The new trade measures should improve the climate for certain U.S. exports. For the longer run, the prospects are now promising for widespread support of comprehensive multilateral negotiations on reducing barriers to trade in both industrial and agricultural products.

For its part in the settlement, the United States agreed to drop the import surcharge and related provisions of the investment tax credit, and to facilitate the realignment of exchange rates by proposing to Congress a change in the par value of the dollar in terms of gold.

Thus, the Par Value Modification Act is before you to honor a critical commitment made in behalf of the U.S. Government at the Smithsonian meeting. The American negotiators would have preferred to achieve the desired appreciation of foreign currencies without doing anything about the official dollar price of gold. Other countries, however, refused to countenance such a passive role by the United States in a multilateral adjustment of exchange rates.

Active participation by the United States in the exchange rate realignment was expected by other countries for various reasons. Some countries regarded it as politically or financially unacceptable to reduce the price of gold in terms of their own currencies—as would have been required if the exchange rate realignment had left the par value of the dollar in terms of gold unchanged. And virtually all countries took the position that no nation should be immune from changing its par value when its balance of payments is in disequilibrium. In our judgment, a negotiated realignment of exchange rates would have been unattainable if the United States had refused to consider a change in the par value of the dollar.

As already noted, the Par Value Modification Act proposes an increase in the official dollar price of gold from $35 to $38 an ounce, that is, by 8.57 per cent. This exact increase reflects a compromise outcome of the negotiations on the realignment of exchange rates. A price significantly higher than $38 per ounce was never seriously considered. An increase amounting to less than 8.5 per cent would have failed to bring forth a realignment of exchange rates as large as the readjustment that was finally accepted. The primary objective of the U.S. negotiators at the Smithsonian meeting was to achieve a substantial upward revaluation of the currencies of other industrial countries against the dollar, and this result was achieved.

It should be noted in passing that under the two-tier system for gold, agreed to in March 1968, the official price of monetary gold and the free market price of gold are effectively separated. For all practical purposes, gold in official reserves is now a different entity from gold that is bought and sold in free markets for industrial, artistic, or hoarding purposes. In particular, the market price of gold has no bearing on the change in the official price of gold proposed in the Par Value Modification Act.

EFFECTS OF THE SMITHSONIAN AGREEMENT

Looking to the future, let me turn briefly to the probable effects of the Smithsonian Agreement. Since dollar prices of foreign currencies are now substantially higher than before, the growth of our imports will tend to slacken and domestic production will be stimulated. On the other hand, the lower price of dollars abroad will make it possible for our exporters to quote lower prices in terms of foreign currencies. Similarly, the lower price of dollars will tend to stimulate foreign investments and travel in the United States.

There is thus every reason to expect the realignment of exchange rates to bring about, in time, a substantial improvement in our foreign trade balance and in our over-all balance of payments. Just how large the improvement will be, and how long it will take for the full improvement to be realized, cannot be predicted with certainty. The experience of other countries indicates that large exchange rate changes will produce large shifts in the balance of payments; but it also indicates that 2 years or so may need to elapse before the full extent of the favorable shift is realized.

While the Smithsonian realignment will have its largest effects on our exports and imports, there should also be favorable effects on other components of the balance of payments, including capital flows to and from the United States. Such capital flows have already been affected. The enormous outflow of speculative funds from the United States came to an end when the Smithsonian Agreement was announced. Since December 18, there has been a small net return flow of funds.

Besides serving to reinvigorate our foreign trade and otherwise improve the balance of payments, the Smithsonian Agreement has increased confidence both at home and abroad in the stability of the world economy. This confidence will be buttressed by passage of the Par Value Modification Act.

UNFINISHED BUSINESS

The Smithsonian Agreement provided not only for a realignment of exchange rates and other measures of immediate concern, but also "that discussions should be promptly undertaken, particularly in the framework of the IMF, to consider reform of the international monetary system over the longer-term." This unfinished business is most important. If we are to avoid a repetition of crises while preserving a monetary framework conducive to the healthy expansion of trade and investment, we must work with other countries to build a new and stronger international economic order.

In the area of exchange rates, the wider margins agreed to in December should prove helpful, especially in moderating short-term capital flows and thereby permitting somewhat greater scope for differences in interest rates among countries. For the longer run, procedures for changing par values will need to be flexible enough to prevent the build-up of large and persistent imbalances in trade and payments among countries.

A searching re-evaluation is also needed of the roles to be played by gold, reserve currencies, and Special Drawing Rights in settling international accounts. Various proposals for modifying the operations of the International Monetary Fund require study and discussion. The circumstances under which the dollar may again be convertible into international reserve assets will have to be reviewed carefully. And determined new efforts will be required to reduce impediments to the international flow of goods, services, and capital.

The issues are many and complex. It will take time to resolve them. But the unfinished business of international monetary reform requires that we get on with the job without delay. Early action by the Congress on the bill before you will set the stage for much needed progress in both the international monetary and international trade areas.

CONCLUDING COMMENT

I have discussed at some length the Smithsonian Agreement because it has given rise to the present hearing. But I cannot conclude this statement without warning that neither the Smithsonian Agreement, nor passage of the bill before you, nor any international monetary or trade reforms that may follow, can of themselves do more than move us toward the objectives of renewed vigor in foreign trade and equilibrium in the balance of payments.

To assure success in these objectives of foreign economic policy, we must have skillful and fully responsible management of monetary and fiscal affairs. The objectives of our foreign economic policy and of our domestic economic policy are interdependent. For the sake of both the one and the other we will need to concentrate on stepping up sharply the productivity of our resources and on regaining prosperity without inflation. □

Law Department

Statutes, regulations, interpretations, and decisions

INTERPRETATION OF REGULATION A

ELIGIBILITY OF CONSUMER LOANS AND FINANCE COMPANY PAPER

Effective February 25, 1972, the Board of Governors has modified its earlier interpretation of this subject (1965 BULLETIN 1409) as set forth below:

The Board of Governors has clarified and modified its position with respect to the eligibility of consumer loans and finance company paper for discount with and as collateral for advances by the Reserve Banks.

Section 13, Paragraph 2, of the Federal Reserve Act authorizes a Federal Reserve Bank, under certain conditions, to discount for member banks "*** notes, drafts, and bills of exchange arising out of actual commercial transactions; that is, notes, drafts, and bills of exchange issued or drawn for agricultural, industrial, or commercial purposes, or the proceeds of which have been used, or are to be used, for such purposes, the Board of Governors of the Federal Reserve System to have the right to determine or define the character of the paper thus eligible for discount, within the meaning of this Act."

It continues to be the opinion of the Board that borrowing for the purpose of purchasing goods is borrowing for a commercial purpose, whether the borrower intends to use the goods himself or to resell them. Hence, loans made to enable consumers to purchase automobiles or other goods should be included under commercial, agricultural, and industrial paper within the meaning of the Federal Reserve Act, and as such are eligible for discounting with the Reserve Banks and as security for advances from the Reserve Banks under section 13, paragraph 8, of the Federal Reserve Act as long as they conform to requirements with respect to maturity and other matters. This applies equally to loans made directly by banks to consumers and to paper accepted by banks from dealers or finance companies. It also applies to notes of finance companies themselves as long as the proceeds of such notes are used to finance the purchase of consumer goods or for other purposes which are eligible within the meaning of the Federal Reserve Act.

If there is any question as to whether the proceeds of a note of a finance company have been or are to be used for a commercial, agricultural, or industrial purpose, a financial statement of the finance company reflecting an excess of notes receivable which appear eligible for rediscount (without regard to maturity) over total current liabilities (i.e., notes due within one year) may be taken as an indication of eligibility. Where information is lacking as to whether direct consumer loans by a finance company are for eligible purposes, it may be assumed that 50 percent of such loans are "notes receivable which appear eligible for rediscount". In addition, that language should be regarded as including notes given for the purchase of mobile homes that are acquired by a finance company from a dealer-seller of such homes.

The principles stated above apply not only to notes of a finance company engaged in making consumer loans but also to notes of a finance company engaged in making loans for other eligible purposes, including business and agricultural loans. Under section 13a of the Federal Reserve Act, paper representing loans to finance the production, marketing, and carrying of agricultural products or the breeding, raising, fattening, or marketing of livestock is eligible for discount if the paper has a maturity of not exceeding nine months. Consequently, a note of a finance company the proceeds of which are used by it to make loans for such purposes is eligible for discount or as security for a Federal Reserve advance, and such a note, unlike the note of a finance company making consumer loans, may have a maturity of up to nine months.

ORDERS UNDER BANK MERGER ACT

CITIZENS BANK OF SCHOOLFIELD, DANVILLE, VIRGINIA

ORDER APPROVING MERGER OF BANKS

Citizens Bank of Schoolfield, Danville, Virginia, a proposed member State bank of the Federal

Reserve System, has applied pursuant to the Bank Merger Act (12 U.S.C. 1828(c)), for the Board's prior approval to merge with Schoolfield Bank & Trust Company, Danville, Virginia, under the charter of the former and the name of the latter.

As required by the Act, notice of the proposed merger, in form approved by the Board, has been published and the Board has requested reports on competitive factors from the Attorney General, the Comptroller of the Currency, and the Federal Deposit Insurance Corporation. The Board has considered all relevant material contained in the record in the light of the factors set forth in the Act.

On the basis of the record, the application is approved for the reasons summarized in the Board's Order of this date relating to the application of First Virginia Bankshares Corporation, Arlington, Virginia, to acquire voting shares of the successor by merger to Schoolfield Bank and Trust Company, Danville, Virginia.[1] The transaction shall not be consummated (a) before the thirtieth calendar day following the date of this Order or (b) later than three months after the date of this Order, unless such period is extended for good cause by the Board or by the Federal Reserve Bank of Richmond pursuant to delegated authority.

By order of the Board of Governors, February 11, 1972.

Voting for this action: Vice Chairman Robertson and Governors Daane, Brimmer, and Sheehan. Absent and not voting: Chairman Burns and Governors Mitchell and Maisel.

(Signed) TYNAN SMITH,
[SEAL] *Secretary of the Board.*

COMMERCE UNION BANK, NASHVILLE, TENNESSEE

ORDER APPROVING APPLICATION FOR MERGER OF BANKS

Commerce Union Bank, Nashville, Tennessee, a member State bank of the Federal Reserve System, has applied for the Board's approval pursuant to the Bank Merger Act (12 U.S.C. 1828(c)) of the merger of that bank with Broadway State Bank, Nashville, Tennessee, under the charter and name of the former. As an incident to the merger, the present offices of Commerce Union Bank will continue as branches thereof.

As required by the Act, notice of the proposed merger, in form approved by the Board, has been published, and the Board has requested reports on competitive factors from the Attorney General, the Comptroller of the Currency, and the Federal Deposit Insurance Corporation. The Board has considered the application and all comments and reports received in light of the factors set forth in the Act.

On the basis of the record, the application is approved for the reasons summarized in the Board's Order of this date relating to the application of Tennessee Valley Bancorp, Inc. to become a bank holding company, provided that said merger shall not be consummated (a) before the thirtieth calendar day following the date of this Order or (b) later than three months after the date of this Order, 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, February 22, 1972.

Voting for this action: Chairman Burns and Governors Robertson, Mitchell, Daane, Brimmer, and Sheehan. Absent and not voting: Governor Maisel.

(Signed) TYNAN SMITH,
[SEAL] *Secretary of the Board.*

ORDERS UNDER SECTION 3 OF BANK HOLDING COMPANY ACT

BANK SECURITIES INC., ALAMOGORDO, NEW MEXICO

ORDER APPROVING ACQUISITION OF BANK

Bank Securities Inc., Alamogordo, New Mexico, 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 60 per cent or more of the voting shares of First National Bank of Portales, Portales, New Mexico ("Bank").

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

Applicant, third largest of four multi-bank holding companies in New Mexico, has six subsidiary banks controlling $91.2 million in deposits representing 5.4 per cent of total deposits held by commercial banks in the State. (All banking data are as of June 30, 1971, and reflect holding company formations and acquisitions approved through November 30, 1971.) Upon acquisition of Bank

[1](See page 288.)

($12.8 million deposits) Applicant's share of deposits in the State would increase by approximately .8 percentage points, and its present ranking would remain unchanged. Bank, the third largest of five banks in the Roosevelt-Curry County area, which approximates its banking market, operates two banking offices in Portales, New Mexico, and controls approximately 14 per cent of commercial bank deposits in the market.

Applicant's acquisition of Bank would constitute its initial entry into the area, and its subsidiary banking office closest to Bank is located approximately 125 miles northwest of Bank. No competition exists between Bank and any of Applicant's subsidiary banks, nor does it appear likely that such competition will develop in the future in light of the distances separating Bank from Applicant's subsidiaries, Bank's relatively small size, and the State's restrictive branching laws. Consummation of this proposal would neither eliminate any meaningful existing competition nor foreclose significant potential competition.

Although it does not appear that any needs of the banking public in Bank's market are going unserved, Applicant proposes to provide additional specialized services such as business and investment counseling and a convenient source of capital to permit the servicing of larger loans. The extension of these services should afford some benefit to the public. The financial and managerial resources and future prospects of Applicant, its subsidiaries and Bank are generally satisfactory and consistent with approval. In addition, Applicant's intention to modify its present management fee policy as concerns its subsidiary banks should have a beneficial effect on the prospects of these banks and the interests of their minority shareholders.

Additional consideration has been given to the form of Applicant's proposal. The Board has on a number of occasions expressed the view that failure to make an equivalent offer to minority shareholders is considered as an adverse circumstance (e.g., 1971 BULLETIN 415 and 688). Applicant plans to purchase for cash 60 per cent of Bank's shares from four individuals, who are principals of Applicant, pursuant to an option agreement executed with these individuals in December 1970. Applicant proposes to offer an exchange of shares to all minority shareholders of Bank at an exchange ratio based upon Applicant's estimated present valuation of its shares rather than at a ratio based upon the actual market price of Applicant's stock at the time of the exchange.

The Board wishes to note the difficulty, even after extensive market investigation, in determining a true market value of closely held, thinly traded bank holding company shares, for the purpose of evaluating the equivalence of a combination cash-exchange offer transaction of the type proposed by Applicant. In view of this difficulty, there exists the possibility that an exchange offer which is not identical to the terms agreed to with holders of a majority of the shares may serve certain private interests to the undue disadvantage of minority shareholders. Therefore, the Board believes that where it is proposed that all shareholders of bank shares are not to be treated identically, the burden rests upon the proponents to demonstrate the substantial equivalence of the offers extended. Upon a review of the material supplied in support of Applicant's proposal, and upon analysis of the current value of its shares and the future prospects and conditions in Applicant's market, the Board concludes that the proposed offer to minority shareholders is substantially equivalent to that given the Bank's original majority shareholders. Accordingly, the Board concludes that the proposed transaction is in the public interest and should be approved.

On the basis of the record, the application is approved for the reasons summarized above. The transaction shall not be consummated (a) before the thirtieth calendar day following the date of this Order or (b) later than three months after the date of this Order, unless such period is 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, February 7, 1972.

Voting for this action: Chairman Burns and Governors Mitchell, Daane, Maisel, Brimmer, and Sheehan. Voting against this action: Governor Robertson.

(Signed) TYNAN SMITH,
[SEAL] *Secretary of the Board.*

DISSENTING STATEMENT OF GOVERNOR ROBERTSON

The Board's action approving Applicant's proposal adds a cover of legitimacy to a transaction which in my view clearly violated the Bank Holding Company Act in its inception.

In January, 1970, Applicant entered into an agreement with principals of Bank owning 60 per cent of Bank's shares whereby Applicant agreed to purchase a portion of these shares at that time and was given an option to purchase the remainder of these shares for cash within one year. Prior to the expiration of this agreement, Applicant, not having applied for Board approval of this acquisition, found itself unable to exercise its option. Consequently, Applicant assigned its purchase option to four individuals, all of whom are officers and/or directors of Applicant, who purchased 55 per cent of Bank's outstanding shares with expressed intention of selling such shares to Applicant. Subsequently, Applicant entered into an option agreement with these purchasers providing for Applicant's purchase of these shares for cash within one year on similar terms to applicant's original agreement with shareholders of Bank.

Had Applicant exercised its original option to purchase Bank's shares prior to receiving Board approval, that transaction would have been prohibited as a violation of § 3 of the Bank Holding Company Act of 1956. Applicant accomplished this prohibited acquisition by means of a scheme involving four of its officials.

The Act does not require prior Board approval of acquisitions of bank shares by individuals acting in their own behalf. However, the facts of the present case establish that Applicant's officials were acting on behalf of Applicant to preserve a corporate opportunity which would be lost at the expiration of the option term after Applicant found itself unable to consummate the purchase. Acquisition by Applicant's representatives was made with the express intention of transferring the shares to Applicant when it became legally permissible. Although Applicant asserts that no agreement or mutual understanding existed between it and these individuals, the fact that all dividends from Bank's shares were assigned to Applicant over the option period indicates the true intended beneficiary of the transaction. These circumstances reveal a clear attempt to avoid the requirements of § 3 of the Act. I conclude that Applicant, "acting through one or more persons", controlled and had the power to vote more than 25 per cent of Bank's shares and thereby violated § 3 of the Act by making this acquisition without Board approval. The Board should neither encourage nor condone this type of statutory evasion by companies desiring to preserve an option until an opportunity for lawful acquisition comes along. The Board's action approving this acquisition can only serve to encourage other attempts to avoid full statutory compliance prior to making a desire acquisition.

In addition, I disagree with the majority's apparent belief that it can or must determine the relative equivalency of an offer to Bank's minority shareholders based upon a guess as to the market for Applicant's shares some time in the future. The failure of Applicant to extend an offer to minority shareholders on the same terms as those extended majority interests improperly places the burden on the Board to establish the relative equivalency of differing offers. This is inappropriate in any case, more so when, as in this case, the proposed exchange is calculated at a predetermined rate based upon the present valuation of Applicant's shares rather than the value at the time of the actual exchange. Judgments such as made by the majority in this case engage the Board in the business of securities market speculation in an effort to reach its conclusions with regard to an exchange offer. Applicant, in my view, has not presented sufficent arguments to support its refusal to extend an exchange offer to minority shareholders based upon the value of its shares at the time of the exchange. For this reason, the proposed transaction is thus not in the public interest.

I would deny the application.

FIRST BANC GROUP OF OHIO, INC., COLUMBUS, OHIO

ORDER APPROVING ACQUISITION OF BANK

First Banc Group of Ohio, Columbus, 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 100 per cent of the voting shares (less directors' qualifying shares) of the successor by merger to Clermont National Bank, Milford, Ohio ("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 acquistion of the shares of the successor organization is treated herein as the proposed acquisition of the shares of Bank.

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

Applicant controls nine banks with deposits of $715.5 million, representing 3.2 per cent of total commercial bank deposits in the State, and is the seventh largest banking organization in Ohio. (All banking data are as of June 30, 1971, and reflect holding company formations and acquisitions approved through November 30, 1971.)[1] Acquisition of Bank (deposits of $48.9 million) would increase Applicant's share of deposits in the State by approximately .2 percentage points, and its present ranking would remain unchanged. Consummation of the proposed transaction would not result in a substantial increase in the concentration of banking resources in the State.

Bank's main office and two of its eight branch offices are located in Milford, Ohio, 16 miles east of Cincinnati, Ohio. It is the seventh largest of 39 banks in the Cincinnati market and controls 1.9 per cent of market deposits. Applicant's subsidiary closest to Bank is located in a separate market approximately 19 miles northwest of Bank. Although some competition exists between bank and Applicant's closest subsidiary, the amount of competition is not considered substantial. Thus, consummation of the proposed acquisition would not have a significantly adverse effect on existing competition.

The amount of potential competition which may be foreclosed by the proposed acquisition is regarded as insubstantial in view of the structure of the Cincinnati banking market, Bank's size, and Ohio's restrictive branch banking laws. The proposal represents Applicant's initial entry into the Cincinnati market, a market in which the top four banking organizations control over 80 per cent of banking deposits, and consummation of the proposal may serve to stimulate competition in this area.

On the basis of the foregoing, the Board concludes that consummation of the proposed transaction would not result in a monopoly, nor be in furtherance of any combination, conspiracy or attempt to monopolize the business of banking in any part of the United States, and would not restrain trade, substantially lessen competition, or tend to create a monopoly in any section of the country.

The financial and managerial resources and future prospects of Applicant, its subsidiary banks and Bank are regarded as satisfactory and consistent with approval. Although there is no evidence that significant banking needs of the communities involved are going unserved, Applicant proposes to expand mortgage, educational, consumer and industrial loans services and provide trust facilities through its lead bank. Accordingly, considerations relating to convenience and needs of the community lend some weight toward approval. 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 consummated (a) before the thirthieth calendar day following the date of this Order or (b) later than three months after the 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, February 7, 1972.

Voting for this action: Chairman Burns and Governors Robertson, Daane, Brimmer, and Sheehan. Absent and not voting: Governors Mitchell and Maisel.

(Signed) TYNAN SMITH,
[SEAL] *Secretary of the Board.*

[1]On January 25, 1972, Applicant received approval from the Board to acquire The Ashland Bank and Savings Company, Ashland, Ohio (deposits of $12.8 million).

FIRST NATIONAL BANKSHARES OF FLORIDA, INC., POMPANO BEACH, FLORIDA

ORDER APPROVING FORMATION OF BANK HOLDING COMPANY

First National Bankshares of Florida, Inc., Pompano Beach, Florida, 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 90 per cent or more of the voting shares of First National Bank of Pompano Beach, Pompano Beach; First National Bank of North Broward County, Lighthouse Point; First National Bank of Margate, Margate, and Beach First National Bank of Pompano Beach, Pompano Beach, all in the State of Florida.

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

Applicant was formed for the purpose of acquiring the four proposed subsidiary banks, all of which are affiliated through common stock ownership. Upon acquisition of Pompano Beach Bank (deposits of $72.5 million), North Broward Bank (deposits of $31.6 million), Margate Bank (deposits of $19 million), and Beach First Bank (deposits of $8.2 million), Applicant would become the largest banking organization (deposits of $131.3 million) within the relevant market, which is approximated by the northern one-third of Broward County and Boca Raton in Palm Beach County.[1] Although Applicant would have 32.6 per cent of the commercial bank deposits in its market area, there would be no increase in market concentration and less than 1 per cent of the total commercial bank deposits in Florida would be held by Applicant's proposed subsidiary banks, thereby making Applicant the eighteenth largest of twenty-three holding companies in the State.

The stockholders of Pompano Beach Bank organized *de novo* North Broward Bank, Margate Bank and Beach First Bank. Pompano Beach Bank's stockholders own between 65 and 90 per cent of the three affiliated banks and have been instrumental in the management of such banks. Since the affiliation among the four banks appears to be strong and is unlikely to diminish, there is no meaningful existing competition. It appears unlikely that competition among the banks will develop in the future or that competing banks would be adversely affected by the holding company formation.

The financial and managerial resources of Applicant and the proposed subsidiaries are satisfactory and consistent with approval. It appears that consummation of the proposal would not have any immediate effects on the convenience and needs of the community, although the improvement and expansion of services may be facilitated by the operational structure of a holding company. Considerations related to the convenience and needs of the communities to be served are, therefore, consistent with approval. 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 consummated (a) before the thirtieth calendar day following the date of this Order or (b) later than three months after the date of this Order, unless such period is extended for good cause by the Board, or by the Federal Reserve Bank of Atlanta pursuant to delegated authority.

[1]Banking data are as of June 30, 1971, and reflect holding company formations and acquisitions approved through December 31, 1971.

By order of the Board of Governors, February 7, 1972.

Voting for this action: Chairman Burns and Governors Robertson, Daane, Brimmer, and Sheehan. Absent and not voting: Governors Mitchell and Maisel.

(Signed) TYNAN SMITH,
[SEAL] *Secretary of the Board.*

ASSOCIATED BANK SERVICES, INC., GREEN BAY, WISCONSIN

ORDER DENYING ACQUISITION OF BANK

Associated Bank Services, Inc., Green Bay, Wisconsin, a bank holding company within the meaning of the Bank Holding Company Act, has applied for the Board's approval under § 3(a)(3) of the Act (12 U.S.C. 1842(a)(3)) to acquire 80 per cent or more of the voting shares of American National Bank of Green Bay ("Bank"), Green Bay, Wisconsin.

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

Applicant controls three banks with aggregate deposits of approximately $215 million, representing 2.1 per cent of the total commercial bank deposits in the State, and is the fourth largest banking organization and bank holding company in Wisconsin.[1] Upon acquisition of Bank ($13.5 million of deposits), Applicant's position in relation to the State's other banking organizations and holding companies would remain unchanged and Applicant's share of deposits in the State would be increased by 0.1 percentage point.

Bank was established in 1963 by officers and directors of Kellogg-Citizens National Bank ("Kellogg"), Applicant's lead bank ($120 million of deposits), and the two banks were affiliated until Kellogg was acquired by Applicant upon its formation in 1970. At present, 44 per cent of Bank's shares are owned by management of Kellogg and 87 per cent of Bank's shares are held by shareholders of Applicant. Bank is the seventh largest of fifteen banks in the Green Bay banking market (which is approximately Brown County), the relevant market, and controls 3.5 per cent of

[1]All banking data are as of June 30, 1971, and reflect holding company formations and acquisitions approved through November 30, 1971.

deposits in that market. Applicant's subsidiary, Kellogg, is the largest banking organization in that market with 31.3 per cent of deposits there. Bank is located in a shopping center less than three miles from Kellogg which is located in downtown Green Bay; and the service areas of Bank and Kellogg overlap. However, due to their previous affiliation and present relationship, it appears that the two banks presently do not compete with each other.

Denial of the application holds out the possibility that the existing ownership links would be broken, and Bank could become an additional independent competitor with a resulting decrease in the share of deposits controlled by Applicant in the relevant market. Furthermore, approval of the proposed acquisition would foreclose Bank as a possible point of entry for another bank holding company; and would solidify Kellogg's and Applicant's already dominant position in the relevant market. On the basis of the record before it, the Board concludes that the effect of approval of the application herein may be substantially to lessen competition in the Green Bay area. Accordingly, this application should be disapproved unless the Board finds that the anticompetitive effects are clearly outweighed in the public interest by the probable effect of the transaction in meeting the convenience and needs of the community to be served.

In our judgment, consummation of Applicant's proposal would result in no significant benefit to the convenience or needs of the community to be served. The record indicates that the area's needs are being served adequately by the banks serving the area. Bank is also providing, directly, or indirectly through Kellogg as its correspondent, the full line of services needed in its service area. If the application is denied, Bank reasonably may be expected to provide similar services with the assistance of one or more correspondents— whether as an independent bank or as a subsidiary of a bank holding company. Considerations relating to the convenience and needs of the communities to be served do not clearly outweigh the anticompetitive effects of the proposed transaction. Considerations relating to financial and managerial resources and future prospects of Applicant, its subsidiaries, and Bank are regarded as consistent with approval of the application but do not add strong weight for approval. On the basis of the record, the Board concludes that approval of the proposed acquisition is not in the public interest, and approval is accordingly denied.

By order of the Board of Governors, February 7, 1972.

Voting for this action: Chairman Burns and Governors Robertson, Mitchell, Daane, Maisel, Brimmer, and Sheehan.

(Signed) TYNAN SMITH,
[SEAL] *Secretary of the Board.*

ORDER APPROVING ACQUISITION OF BANK

Associated Bank Services, Inc., Green Bay, Wisconsin, a bank holding company within the meaning of the Bank Holding Company Act, has applied for the Board's approval, under § 3(a)(3) of the Act (12 U.S.C. 1842(a)(3)), to acquire 80 per cent or more of the voting shares of Neenah West National Bank ("Bank"), Neenah, Wisconsin.

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

Applicant controls three banks with aggregate deposits of approximately $215 million, representing 2.1 per cent of the total commercial bank deposits in the State, and is the fourth largest banking organization and bank holding company in Wisconsin.[1] Applicant's acquisition of Bank ($5.7 million in deposits) would increase Applicant's share of deposits in the State by 0.1 percentage point without affecting Applicant's ranking.

Bank was organized in 1966 by directors and officers of The First National Bank of Neenah ("Neenah National"), and was an affiliate of Neenah National until the latter bank was acquired by Applicant on May 1, 1970. Presently, about 36 per cent of Bank's stock is held by management of Neenah National and over 70 per cent of Bank's stock is held by shareholders of Applicant; the close association that existed appears to be a continuing relationship. It appears that the two banks do not in fact compete with each other, even though the main offices of Bank and Neenah National are located only 1.5 miles apart and there is considerable overlap of the respective service areas.

Bank is the smallest of the 15 banks in the Appleton banking market, the relevant market, which is approximated by the southeast portion of Outagamie County and the northeast portion of Winne-

[1] All banking data are as of June 30, 1971, and reflect holding company formations and acquisitions approved through November 30, 1971.

bago County, and holds 1.7 per cent of deposits in that market. Applicant's subsidiary, Neenah National ($43.6 million in deposits), holds 12.8 per cent of the total deposits in the market. Two Appleton-based holding companies operate five banks in the market and together they control about 47 per cent of total deposits there. Competing in the same market is the third largest banking organization in the State. The acquisition of Bank would have a minimal effect on concentration and, in view of the relationship between Bank and Neenah National, said acquisition apparently would not eliminate any existing competition. If the application were denied, the existing ownership ties might eventually be dissolved and Bank might be able to become an independent competitor. However, in view of the facts of record, including Bank's small size and small market share, and the number and size of banks already in the market, such possible disassociation is not likely to have a significant procompetitive effect. On the basis of the record before it, the Board concludes that consummation of the proposed acquisition would not have a significantly adverse effect on competition in any relevant area. Nor is consummation likely to have any significant adverse effects on Bank's competitors.

Applicant proposes to aid Bank in the technical aspects of lending, investments, data processing, trust services, marketing, accounting and auditing, as well as provide for management succession. While many of these services are already being furnished, it appears that the acquisition would assure the continuation by Bank of present services and the addition of improved and expanded services in the future. Considerations relating to the convenience and needs of the communities to be served lend some weight toward approval of the application.

Considerations relating to financial and managerial resources and future prospects as they relate to Applicant, its subsidiaries and Bank, are regarded as generally satisfactory. Applicant is in a position to assist Bank in meeting its need for additional capital; and proposes to add $100,000 to Bank's capital account. Applicant's acquisition of Bank would enhance Bank's prospects. Banking factors lend weight toward approval. It is the Board's judgment that consummation of the proposed acquisition would be in the public interest and that the application should be approved.

On the basis of the record, the application is approved for the reasons summarized above. The transaction shall not be consummated (a) before the thirtieth calendar day following the date of this Order or (b) later than three months after the date of this Order, 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, February 7, 1972.

Voting for this action: Chairman Burns and Governors Mitchell, Daane, Maisel, Brimmer, and Sheehan. Voting against this action: Governor Robertson.

(Signed) TYNAN SMITH,
[SEAL] *Secretary of the Board.*

DISSENTING STATEMENT OF GOVERNOR ROBERTSON

I would deny the subject application as the acquisition will preclude the possibility of future competition between Bank and Neenah National. Furthermore, Applicant's acquisition of Bank would remove a means of entry for another bank holding company, the result of which would be to enhance competition.

Bank and Applicant's subsidiary, two of the three banks operating in Neenah, are located in an industrial center which borders the western side of Lake Winnebago. Acquisition of Bank will increase Applicant's control of deposits in the city of Neenah from 54.6 per cent to 61.8 per cent and will perpetuate Applicant's dominance in Neenah. Because of the market overlap, these banks are potentially competitive and, if their association were ended by a denial of this application, competition between them could be expected. I conclude that consummation of the acquisition will have an adverse effect on competition and the application should not be approved in the absence of a finding of positive benefits to the public that outweigh such adverse effects.

Applicant proposes to continue providing services already made available through Bank. As the evidence on the record indicates that the banking needs of the community are presently being met, Applicant is not offering to provide any benefits to the public that outweigh the anticompetitive effects of the acquisition.

In my judgment, the application should be denied.

MIDLANTIC BANKS INC., NEWARK, NEW JERSEY

ORDER APPROVING ACQUISITION OF BANK

Midlantic Banks Inc., Newark, New Jersey, 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 100 per cent (less directors' qualifying shares) of the voting shares of Madison National Bank, Madison, New Jersey ("Madison Bank").

Notice of receipt of the application has been given in accordance with § 3(b) of the Act, and the time for filing comments and views has expired. 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)).

On the basis of the record, the application is approved for the reasons set forth in the Board's Statement of this date, with the provision that Applicant merge Madison Bank into one of its subsidiaries within two years of the approval date of this application. The transaction shall not be consummated (a) before the thirtieth calendar day following the date of this Order or (b) later than three months after the date of this Order, 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, February 7, 1972.

Voting for this action: Chairman Burns and Governors Mitchell, Daane, Maisel, Brimmer, and Sheehan. Voting against this action: Governor Robertson.

(Signed) TYNAN SMITH,
Secretary of the Board.

[SEAL]

STATEMENT

Nature of transaction. Midlantic Banks Inc., Newark, New Jersey, a registered bank holding company, has applied to the Board of Governors, pursuant to § 3(a)(3) of the Bank Holding Company Act (12 U.S.C. 1842(a)(3)), for prior approval of the acquisition of 100 per cent (less directors' qualifying shares) of the voting shares of the successor by merger to Madison National Bank, Madison, New Jersey ("Madison Bank").

Statutory considerations. Applicant controls four banks with aggregate deposits of $678 million and is the fourth largest banking organization in New Jersey with 4.9 per cent of the deposits in the State.[1] Acquisition of Madison Bank's deposits by Applicant would not increase the percentage share of deposits in the State held by Applicant to a significant extent. Applicant presently has two subsidiaries in the First Banking District of New Jersey: National Newark and Essex Bank ("National Newark"), a $602 million institution, which is the fourth largest bank in New Jersey and the third largest bank in the Greater Newark Market;[2] and the Sussex and Merchants National Bank of Newton, a $46 million institution which is the largest of four relatively small banks in Sussex County. Applicant also has two small subsidiaries located in the Second and Third Banking Districts. Madison Bank, which is located in the Greater Newark Market, has deposits of only some $9 million, representing but .2 per cent of total market deposits, and is the twenty-eighth largest of 46 banks.

Although both Applicant's lead bank, National Newark, and Madison Bank operate in the Greater Newark Market, there seems to be little present competition between the two due to the tremendous size disparity between National Newark and Madison Bank. Madison Bank is a retail organization, serving smaller customers, whereas, National Newark tends to be more involved in wholesale banking. The acquisition of Madison Bank by Applicant would add little to its market share in the Greater Newark Market. Moreover, the great number of additional banks which would remain in the market, including subsidiaries of five existing bank holding companies, suggests that there will be continued vigor of competition even if the application is approved.

Additionally, approval of the application should provide pro-competitive effects. Madison Bank is located in Madison, New Jersey, which is an affluent community and is relatively attractive to *de novo* branching. However, Madison is presently closed through home office protection accorded Madison Bank. Applicant, as a part of its proposal to acquire Madison Bank, has agreed that it will merge Madison Bank into one of its subsidiaries within two years of approval of this application. This would open Madison to new branching and would provide a better competitive climate. Based on the foregoing and facts of record, the Board concludes that competitive considerations are consistent with approval of the application.

The financial condition of Applicant, its subsidiary banks, and Madison Bank is satisfactory and prospects of all are favorable. These considerations are consistent with approval of the application.

Consummation of the Applicant's proposal would have a beneficial effect on the convenience and needs of Madison since it would remove

[1] Banking data are as of June 30, 1970, and reflect holding company formations and acquisitions approved by the Board through that date.

[2] The Greater Newark Market consists of all of Essex County and parts of Union, Hudson and Morris Counties.

Madison Bank's home office protection within two years of approval of this application resulting in opening that city to branching from without. Applicant proposes to introduce services such as data processing and also plans to expand the scope of commercial lending while taking a more active role in bidding for obligations of local governments. These considerations lend weight for approval of the application.

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

Dissenting Statement of Governor Robertson

I dissent from the majority's approval of this application whereby the third largest banking organization in the Greater Newark Market, with some 17 per cent of market deposits, is permitted to acquire another bank which is a direct competitor. Although Applicant's lead bank, National Newark, and the Madison bank are of disparate size, their service areas overlap. A branch office of National Newark is located only seven miles from Madison Bank and derives a significant amount of deposits and loans from the service area of Madison Bank.

Congress has enjoined this Board from approving any bank acquisition or merger which would substantially lessen competition unless there are public benefits flowing from the acquisition or merger which clearly outweigh the anticompetitive effects. The anticompetitive consequences of this application are serious enough to require a strong showing of offsetting public benefits. No such showing has been made.

The Board's Statement refers to the proposal by Applicant to remove home office protection from Madison, New Jersey, within two years of approval of the application by merging Madison Bank with another subsidiary of Applicant.[1] However, there is nothing to prevent a new bank subsequently being chartered in Madison which would resurrect home office protection. I believe that the removal of home office protection is merely a transitory benefit to competition that should not be given great weight when placed in the scale against anticompetitive consequences of the application.

If Applicant were serious about wanting to provide additional banking services to the residents of the Madison area, it should seek a charter for a new bank there. (Home office protection does not bar the chartering of a new bank.) This would provide public benefits by increasing competition. However, Applicant apparently much prefers to acquire the profitable business of Madison Bank rather than to open a new competing bank. This preference is so strong that it is willing to pay a premium of almost $1.5 million (measured by book value), which represents about 16 per cent of Madison Bank's deposits.

In the complete absence of a showing of public benefits sufficient to outweigh the elimination of direct competition involved in consummation of the acquisition, I would deny the application.

[1] *Under New Jersey law a city of over 7,500 population containing a home office of a bank is closed to de novo branching from without.*

FIRST VIRGINIA BANKSHARES CORPORATION, ARLINGTON, VIRGINIA

Order Approving Acquisition of Bank

First Virginia Bankshares Corporation, Arlington, Virginia, 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 Schoolfield Bank & Trust Company, Danville, Virginia ("Bank").

The bank into which Bank is to be merged has no significance except as a means of acquiring the voting shares of Bank. Accordingly, the proposed acquisition of the shares of the successor organization is treated as the proposed acquisition of the shares of Bank.

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

Applicant, the sixth largest banking organization in Virginia, controls 19 banks with aggregate deposits of $540.8 million, representing 6.4 per cent of total commercial bank deposits in the State.[1] The acquisition of Bank ($14.2 million deposits) would not represent an appreciable increase in Applicant's control of deposits in the State or change its present classification.

[1] Banking data are as of June 30, 1971, and reflect holding company formations and acquisitions approved through December 31, 1971.

Bank controls 8.9 per cent of total deposits among the 9 banks and 20 banking offices operating in the relevant market, which approximates the southern half of Pittsylvania County.[2] Bank operates its two offices in the City of Danville, where it ranks as fourth largest of the seven city banks. The nearest of Applicant's subsidiaries to Bank is located 150 miles from Danville. No significant present competition exists between Bank and any office of Applicant, and it appears that consummation of the proposal would not foreclose the development of potential competition because of the distances involved and Virginia's restrictive branching laws.

The financial and managerial resources of Applicant and Bank are satisfactory and prospects for each appear favorable. Banking factors lend some support for approval since Applicant will assist Bank in securing replacements for the recent loss of two officers of Bank. Convenience and needs considerations also lend weight toward approval because of new and expanded services planned by Applicant, which will improve Bank's ability to compete with representatives of the larger banking organizations in the area. Applicant's planned new services would include an overdraft checking service for Bank and trust services; assistance would also be provided Bank in its staff training program, investment portfolio management, and data processing service. It is the Board's judgment that consummation of the proposal 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 consummated (a) before the thirtieth calendar day following the date of this Order or (b) later than three months after the date of this Order, unless such period is extended for good cause by the Board, or by the Federal Reserve Bank of Richmond pursuant to delegated authority.

By order of the Board of Governors, February 11, 1972.

Voting for this action: Vice Chairman Robertson and Governors Daane, Brimmer and Sheehan. Absent and not voting: Chairman Burns and Governors Mitchell and Maisel.

(Signed) TYNAN SMITH,
[SEAL] *Secretary of the Board.*

FIRST TULSA BANCORPORATION, INC., TULSA, OKLAHOMA

ORDER APPROVING ACQUISITION OF BANK STOCK

First Tulsa Bancorporation, Inc., Tulsa, Oklahoma, 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 14.5 per cent of the voting shares of Southeastern State Bank, Tulsa, Oklahoma ("Bank").

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

Applicant, the largest bank holding company and the third largest banking organization in Oklahoma, controls one bank, The First National Bank and Trust Company of Tulsa, with deposits of $407.7 million, representing 7.0 per cent of the total commercial bank deposits in the State and maintains close relationships with two suburban Tulsa banks, Admiral State Bank and Community State Bank. Both suburban banks are controlled by majority shareholders of Applicant and together hold 3.2 per cent of the commercial bank deposits in the Tulsa banking market (approximated by Tulsa County and portions of Creek and Rogers Counties). (All banking data are as of June 30, 1971.) Upon consummation of the proposal herein, Applicant's share of deposits in the State would increase only slightly, and its position relative to the State's other banking organizations would remain unchanged.

Bank ($8.2 million deposits), one of the smaller banks in the Tulsa banking market, is the smallest of 9 banks in its primary service area, which is approximated by a 30 square mile area in southeast Tulsa. Neither Admiral State Bank, nor Community State Bank compete in the service area of Bank. Applicant's lead bank, the largest bank in Tulsa, is located downtown, eight miles from Bank, and its service area fully encompasses that of Bank. However, there is no meaningful competition between Bank and Applicant's subsidiary bank because shareholders owning 55 per cent of Applicant's stock control approximately 71.3 per cent of Bank's stock. This close relationship has existed since Bank's organization in 1968, and it appears that the relationship would continue to exist regardless of the Board's action on the present application. On the basis of the foregoing, the Board concludes that consummation of the proposed acquisition would not adversely affect competition in any relevant area.

Considerations relating to financial and man-

[2] Includes Chatham and the independent City of Danville

agerial resources and prospects as they relate to Applicant, its subsidiaries, and Bank are satisfactory and consistent with approval of the application although the major banking needs of Bank's service area are presently being met. Applicant will continue to assist Bank in its credit analysis, investment policies, data processing services and loan participations. Thus, considerations relating to the convenience and needs are consistent with approval. 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 consummated (a) before the thirtieth calendar day following the date of this Order or (b) later than three months after the date of this Order, 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, February 11, 1972.

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

(Signed) TYNAN SMITH,
[SEAL] *Secretary of the Board.*

DISSENTING STATEMENT OF GOVERNORS ROBERTSON AND BRIMMER

Applicant, through its control of the largest bank in the Tulsa banking market, indirectly holds 30.7 per cent of the commercial bank deposits in that market. That market is relatively concentrated, the two largest banks holding 56.9 per cent of commercial bank deposits therein. Although Bank apparently is a satellite of Applicant, this is not justification for today's Board action which effectively forecloses the possibility, that this control might be terminated, thus effecting a deconcentration of the relevant market. On the contrary, addressing itself to the importance of the preservation of such a possibility, the Supreme Court has said: "[I]f concentration is already great, the importance of preventing even slight increases in concentration and so preserving the possibility of eventual deconcentration is correspondingly great." *U.S. v. Philadelphia Nat'l Bank*, 374 U.S. 321, n. 42 (1963).

In view of the adverse effect consummation of the proposed acquisition would have on competition and in the absence of a showing of any benefit to the public in this case, we would deny the application.

BANCOHIO CORPORATION, COLUMBUS, OHIO

ORDER APPROVING ACQUISITION OF BANK

BancOhio Corporation, Columbus, 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 80 per cent or more of the voting shares of The Ohio Savings & Trust Company, New Philadelphia, Ohio ("Bank").

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

Applicant, the largest bank holding company and second largest banking organization in Ohio, has 30 subsidiary banks controlling deposits of approximately $1.6 billion, representing 7.3 per cent of the total commercial bank deposits in the State. (All banking data are as of June 30, 1971, and reflect holding company formations and acquisitions approved by the Board through January 31, 1972.) Consummation of the proposal herein would increase the percentage of total State deposits controlled by Applicant slightly to 7.4 per cent and Applicant would remain the State's second largest banking organization.

Bank with deposits of $21.0 million controls 13 per cent of deposits within Tuscarawas County which approximates the relevant market within which the competitive aspects of the proposal are to be considered. Bank is the third largest of eight banks in the market. The two larger banks, one of which is affiliated with the State's fifth largest holding company, hold 43 and 25 per cent, respectively, of market deposits and are the only banks providing significant competition to Bank in its primary service area. Approval of the application should stimulate competition in the New Philadelphia-Dover area and may eventually diminish the percentage of deposits held by the two larger banks.

Applicant's closest subsidiary to Bank is located 30 miles away. There is, therefore, no meaningful existing competition between Bank and any of Applicant's subsidiaries. Due to size, distance, and the presence of intervening banks, it is considered unlikely that future competition will develop between them. Consummation of this proposal would thus foreclose neither existing nor potential competition between Bank and any bank subsidiary of Applicant. Affiliation with Applicant is likely to enable Bank to compete more effectively in the market while not having a detrimental effect on smaller banks within the market. Accordingly, the Board concludes that competitive considerations are consistent with approval.

The financial and managerial resources and future prospects of Applicant and its subsidiaries are regarded as satisfactory. Bank's present management is faced with resolving loan and capital problems. Applicant proposes to utilize its personnel to strengthen loan administration; and Applicant has committed itself to raise Bank's capital to a level acceptable to its supervisory authorities within 18 months through dividend restrictions and the injection of new capital if necessary. Accordingly, considerations related to financial and managerial resources favor approval of the proposed acquisition.

Applicant proposes to provide Bank with expertise which would permit Bank to offer directly FHA and VA insured loans and to expand other banking services. Thus, considerations related to convenience and needs of the communities involved are consistent with approval. 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 consummated (a) before the thirtieth calendar day following the date of this Order or (b) later than three months after the date of this Order, 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, February 14, 1972.

Voting for this action: Vice Chairman Robertson and Governors Mitchell, Daane, Maisel, Brimmer, and Sheehan. Absent and not voting: Chairman Burns.

(Signed) TYNAN SMITH,
[SEAL] *Secretary of the Board.*

FIRST FLORIDA BANCORPORATION, TAMPA, FLORIDA

ORDER APPROVING ACQUISITION OF BANK

First Florida Bancorporation, Tampa, Florida, 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 90 per cent or more of the voting shares of First National Bank of Titusville, Titusville, Florida ("Bank").

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

Applicant controls 23 banks with total aggregate deposits of $445 million, representing 3.0 per cent of commercial bank deposits in Florida and is the sixth largest banking organization in the State.[1] Acquisition of Bank (deposits of $16 million) would not change this ranking and would add only one-tenth per cent to Applicant's share of deposits in the State. There is no existing competition between any of Applicant's subsidiaries or Bank, with the closest subsidiary about 35 miles away. Moreover, due to this distance, the large number of intervening banks and Florida's branching laws, there is little likelihood of substantial competition developing between this or any other of Applicant's subsidiaries and Bank. Additionally, there is little probability of *de novo* entry by Applicant into the Northern Brevard area in which Titusville is located since this area has become economically unattractive due to the cutbacks in the space program at nearby Cape Kennedy. Moreover, Applicant's acquisition of Bank could have pro-competitive effects since Bank is only the sixth largest of 10 banks—with less than 10 per cent of area deposits—and two of the larger area banks are affiliated with large holding companies. Applicant could enable Bank to more vigorously compete with these institutions. Considerations relating to competition are consistent with approval of the application.

The financial and managerial resources and prospects of Applicant, its subsidiary banks, and Bank are satisfactory and consistent with approval. Considerations relating to the convenience and needs of the communities are also consistent with approval of the application. It is the Board's judgment that the proposed transaction would be in the public interest and that the application should be approved.

[1] Banking data are as of June 30, 1971, and reflect holding company formations and acquisitions approved by the Board through December 31, 1971.

On the basis of the record, the application is approved for the reasons summarized above. The transaction shall not be consummated (a) before the thirtieth calendar day following the date of this Order or (b) later than three months after the date of this Order, 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, February 14, 1972.

Voting for this action: Vice Chairman Robertson and Governors Mitchell, Daane, Maisel, Brimmer, and Sheehan. Absent and not voting: Chairman Burns.

(Signed) TYNAN SMITH,
[SEAL] *Secretary of the Board.*

CLEARING BANCORPORATION, INC., CHICAGO, ILLINOIS

ORDER APPROVING FORMATION OF BANK HOLDING COMPANY

Clearing Bancorporation, Inc., Chicago, Illinois, has applied for the Board's approval, under § 3(a)(1) of the Bank Holding Company Act (12 U.S.C. 1842(a)(1)), for the formation of a bank holding company through acquisition of 89.9 per cent or more of the voting shares of State Bank of Clearing, Chicago, Illinois ("Bank").

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

Applicant is a nonoperating corporation formed for the express purpose of acquiring Bank which has aggregate deposits of approximately $48.9 million. (All banking data are as of June 30, 1971.) All shareholders of Bank are beng accorded equal treatment. Since Applicant has no present operations or subsidiaries, it appears that consummation of the proposal would not affect existing or potential competition, nor have an adverse effect on any other bank in the area.

The banking considerations are consistent with approval of the application. The financial and managerial resources of Bank and its prospects are regarded as generally satisfactory. Applicant has not commenced operations; thus, its financial condition, management and prospects are dependent upon those of Bank. Applicant's projected earnings appear to be sufficient to service the debt which it will incur upon consummation of the proposed transaction without adversely affecting Bank's capital structure. The proposed acquisition is not likely to have any significant immediate effect on the convenience and needs of the community. This aspect of the proposal is consistent with approval of the application. It is the Board's judgment that the transaction would be in the public interest and that the application should be approved.

On the basis of the record, the application is approved for the reasons summarized above. The transaction shall not be consummated (a) before the thirtieth calendar day following the date of this Order or (b) later than three months after the date of this Order, 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, February 14, 1972.

Voting for this action: Vice Chairman Robertson and Governors Mitchell, Daane, Maisel, Brimmer, and Sheehan. Absent and not voting: Chairman Burns.

(Signed) TYNAN SMITH,
[SEAL] *Secretary of the Board.*

FIRST AT ORLANDO CORPORATION, ORLANDO, FLORIDA

ORDER APPROVING ACQUISITION OF BANKS

First at Orlando Corporation, Orlando, Florida, 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 at least 90 per cent of the voting shares of The Commercial Bank & Trust Company of Ocala, Ocala, Florida ("Commercial Bank"), and of Citizens Commercial Bank of Ocala, Ocala, Florida ("Citizens Bank"), a proposed new bank.

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

On the basis of the record, the applications are approved for the reasons set forth in the Board's Statement of this date. The transactions shall not be consummated (a) before the thirtieth calendar day following the date of this Order or (b) later than three months after the date of this Order; and (c) Citizens Commercial Bank of Ocala, Ocala, Florida, shall be opened for business not later than six months after the 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 Atlanta pursuant to delegated authority.

By order of the Board of Governors, February 14, 1972.

Approval of acquisition of The Commercial Bank & Trust Company of Ocala. Voting for this action: Chairman Burns and Governors Mitchell, Daane, Maisel, Brimmer, and Sheehan. Voting against this action: Governor Robertson.

Approval of acquisition of Citizens Commercial Bank of Ocala. Voting for this action: Chairman Burns and Governors Mitchell, Daane, and Sheehan. Voting against this action: Governors Robertson, Maisel, and Brimmer.

(Signed) TYNAN SMITH,
[SEAL] *Secretary of the Board.*

STATEMENT

Nature of transaction. First at Orlando Corporation, Orlando, Florida, a registered bank holding company, has applied to the Board of Governors, pursuant to § 3(a)(3) of the Bank Holding Company Act (12 U.S.C. 1842(a)(3)), for prior approval of the acquisition of at least 90 per cent of the voting shares of The Commercial Bank & Trust Company of Ocala, Ocala, Florida ("Commercial Bank") and of Citizens Commercial Bank of Ocala, Ocala, Florida ("Citizens Bank"), a proposed new bank.

Statutory considerations. Applicant controls 20 banks, with aggregate deposits of $670 million, and is the fifth largest banking organization in Florida with 4.6 per cent of deposits in the State. The acquisition of Commercial Bank (deposits of $42 million) and of Citizens Bank, a proposed new bank, would increase Applicant's share of deposits in the State by less than half a per cent.[1]

In connection with the review of the applications the Board has considered a comment from the Department of Justice which concluded that consummation of the proposal would "clearly have an adverse effect on competition". The Department acknowledged that consummation would not eliminate any actual competition between either Citizens Bank or Commercial Bank, and any of Applicant's subsidiaries. However, the Department stated that it believed that consummation of the proposal would have an adverse effect upon potential competition in Marion County in which Ocala is located. The Department stated that Marion County was a particularly fast growing community and a desirable one for *de novo* entry. Moreover, the Department asserted that Marion County was a concentrated market for which potential competition was important. The Department concluded that even though First at Orlando was only one among "several other large banking organizations" which would have to be considered as potential entrants into Marion County, the overall effects of permitting it to acquire both Commercial and Citizens Bank would have an adverse effect on competition.

Applicant took the position in reply to the Department's comments that Marion County was not a concentrated market, pointing out it was one of the least concentrated in Florida. Additionally, Applicant stated that Marion County's rate of growth was lower than the State's growth rate and that Marion County had a smaller population per banking office than was present at the State level. For these reasons, Applicant argued Marion County was not attractive for entry.

There is little, if any, existing competition between the two banks sought to be acquired and any subsidiary of Applicant. Applicant's closest subsidiary is over 35 miles distant and there is little or no service overlap. There also is small likelihood of any competition developing between Commercial Bank and Citizens Bank since shareholders of the former have subscribed for over 98 per cent of the voting shares of the latter, so that Applicant's acquisition of both banks would have little effect on the competitive situation existing between them.

Consummation of the proposal would not have a substantial effect on any potential competition between Applicant and either Commercial Bank or Citizens Bank. Marion County is not a particularly attractive market for *de novo* entry. The ratio of deposits per banking office in Marion County is only a little more than half of the Statewide ratio and Marion County's growth rate is not such that this situation will likely change in the near future. The potential for entry through a foothold acquisition is also limited. The second and third largest banks in the market are already affiliated with holding companies. Two of the remaining independent banks in Marion County are in rural areas and are not of interest to Applicant, while the remaining independent bank has shown no interest in being acquired by Applicant. Finally, when considering the small size of the market with total

[1] Banking data are as of June 30, 1971, and reflect holding company formations and acquisitions approved through November 30, 1971.

deposits of about only $120 million, Marion County with its six banks does not appear to be a particularly concentrated market so that potential competition is not as important as it might be in the context of a more severely concentrated market. Moreover, though Commercial Bank is the largest bank in Marion County, Applicant is unlikely to gain a dominant position since the second and third largest banks in the market are subsidiaries of the second and third largest banking organizations in Florida. The Board concludes that the competitive effects of the proposal are not inconsistent with approval of the applications.

The financial condition of Applicant, its subsidiary banks and of Commercial Bank and Citizens Bank is satisfactory and prospects of each are favorable. These considerations are consistent with approval of the applications. Consummation of Applicant's proposal would have a beneficial effect on the convenience and needs in Marion County since Applicant would enable Commercial Bank and Citizens Bank to increase their effective lending capacities through participation arrangements with Applicant's other subsidiaries. Applicant also proposes to assist Commercial Bank and Citizens Bank in approving and expanding their services, with particular emphasis on trust services. Considerations relating to this factor lend some weight for approval of these applications.

Summary and conclusion. On the basis of all relevant facts contained in the record and in the light of the factors set forth in § 3(c) of the Act, it is the Board's judgment that the proposed transactions are in the public interest and that the applications should be approved.

STATEMENT OF GOVERNORS MAISEL AND BRIMMER
FOR APPROVAL OF THE COMMERCIAL BANK & TRUST COMPANY OF OCALA, AND, IN EFFECT, FOR DENIAL OF CITIZENS COMMERCIAL BANK OF OCALA

In our judgment the acquisition of Commercial Bank alone would be consistent with the public interest. The owners of Commercial Bank also own Citizens Bank and have stated that they would sell the banks only as a package. The interests of the present owners can be harmonized with the public interest by permitting Applicant's acquisition of both banks on condition that it sell the new bank before it is opened for business. Accordingly, we believe it desirable to approve the application of Citizens Bank in limited circumstances that amount to a denial of the application.

In general, we agree with the conclusions of the majority concerning the acquisition of Commercial Bank. No existing competition would be eliminated and the proposal must be evaluated in light of its effects on potential competition. We agree that adverse effects on potential competition in the acquisition of Commercial Bank alone are not serious enough to call for a denial of the application.

Marion County is a concentrated market and in such a market the Board should attempt to preserve as many alternatives for potential entrants as possible. Citizens has one of the best locations in the area, being located near an industrial park, junior college, and housing development; and its chartering will likely foreclose other entrants to that area for some period of time.

We agree, therefore, with the Department of Justice that Applicant's proposed entry into Marion County through the acquisition of the largest bank in the market, and a new bank in one of its most desirable areas, would together have an adverse effect on competition which is not outweighed by any benefits to the public. Owners of both banks have stated that they would sell both banks as a package. Accordingly, since Applicant's acquisition of the larger bank would be in the public interest, we would approve acquisition of both banks, on condition that Applicant sell the new bank before it is opened for business.

DISSENTING STATEMENT OF GOVERNOR ROBERTSON FOR DENIAL OF BOTH APPLICATIONS

Applicant controls 20 banks (deposits $670 million) and is the fifth largest banking organization in the State and the leading banking organization in Central Florida. It has applied to acquire the Commercial Bank & Trust Company of Ocala ($41.7 million deposits) and Citizens Commercial Bank of Ocala, a proposed new bank. Applicant controls the largest banking organizations in Orlando (70 miles to the southwest of Ocala), the largest bank in Leesburg (35 miles to the southeast), the largest bank in Daytona (35 miles to the northeast), and the second largest bank in Gainesville (35 miles to the north).

Commercial Bank is the largest of six banks in Marion County with 34 per cent of deposits; the three largest banks therein control over 80 per cent of market deposits. In § 3 cases the Board should exercise its assigned responsibilities to promote competition, which would advance the public interest. Clearly, Applicant's *de novo* or foothold entry into Marion County would be preferable to the proposed acquisition—from a competitive viewpoint—and could be considered likely because of the projected growth of the area.

Moreover, Applicant's proposal to acquire Citizens Bank significantly increases the adverse competitive effects of the proposal. Citizens Bank's proposed location appears to be desirable and is close to the new Ocala Industrial Park and a new housing development. For Applicant to acquire the largest bank in Marion County alone, or together with the Bank's affiliate, would have a clear and significantly adverse effect on potential competition. Finding no offsetting benefits to the public, I would deny the applications.

FIRST CITY BANCORPORATION OF TEXAS, INC., HOUSTON, TEXAS

ORDER APPROVING ACQUISITION OF BANK

First City Bancorporation of Texas, Inc., Houston, Texas, 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 the assets and assume the liabilities of Midland National Corporation, Midland, which owns 83.3 per cent of the voting shares of The Midland National Bank, Midland ("Midland Bank"), and 24.5 per cent of the voting shares of United Bank Shares, Inc., El Paso, a holding company owning 100 per cent (less directors' qualifying shares) of the shares of Southwest National Bank of El Paso, El Paso ("Southwest Bank"), all in Texas.

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

Applicant, the third largest banking organization in Texas, controls six banks with aggregate deposits of $1,186.3 million, which amounts to 4.5 per cent of the total commercial bank deposits in Texas. Consummation of the proposal herein would increase Applicant's share to 4.8 per cent.[1]

Midland Bank ($78.7 million in deposits), the second largest of eight banks in the Midland-Odessa area, holds 19.2 per cent of deposits there, while the largest bank in this area holds 42.1 per cent of deposits in the area. Applicant's present subsidiaries are all located in or near the Houston SMSA, over 400 miles from Midland Bank. It appears that consummation of the proposal would not eliminate any existing competition and should strengthen Midland Bank's ability to compete with the area's largest bank.

Southwest Bank ($67.3 million in deposits) is the third largest banking organization in the El Paso area, and controls 11.9 per cent of deposits in the area. Two El Paso chain-banking systems have section 3(a)(1) applications pending before the Board. These two systems are the largest and second largest banking organizations in the area and, combined, control 78.2 per cent of deposits, and eight of the 13 banks in the area. Each of Applicant's present subsidiaries is over 700 miles from Southwest Bank. It appears that consummation of the subject proposal would not eliminate any existing competition and may eventually lead to some deconcentration among banks in the El Paso area.

Although the banking needs of the Midland-Odessa and El Paso areas, respectively, are generally being served now, the customers of both Midland Bank and Southwest Bank should benefit from the proposed affiliations. Applicant could lend its expertise to both banks in making oil and petroleum loans, which should benefit the local petroleum-oriented economies. Southwest Bank could benefit from Applicant's expertise with respect to commercial lending and trust activities. Considerations related to the convenience and needs of the communities to be served lend some weight toward approval.

The financial and managerial resources and future prospects of Applicant and its present subsidiaries and of Midland Bank are regarded as generally satisfactory. Southwest Bank is in need of additional capital. Consummation of the proposal herein should assure Southwest Bank of an adequate source for capital funds as needed. Considerations related to the resources and future prospects of Applicant and its present and proposed subsidiaries are consistent with approval. It is the Board's judgment that the proposed transaction is 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 consummated (a) before the thirtieth calendar day following the date of this Order or (b) later than three months after the date of this Order, unless such period is extended for

[1] Since Applicant will indirectly control only 24.5 per cent of the voting shares of Southwest Bank, the deposit totals for that bank have not been included in that figure.

good cause by the Board, or by the Federal Reserve Bank of Dallas pursuant to delegated authority.

By order of the Board of Governors, February 14, 1972.

Voting for this action: Vice Chairman Robertson and Governors Mitchell, Daane, Maisel, Brimmer, and Sheehan. Absent and not voting: Chiarman Burns.

(Signed TYNAN SMITH,
[SEAL] *Secretary of the Board.*

UNITED JERSEY BANKS, HACKENSACK, NEW JERSEY

ORDER APPROVING ACQUISITION OF BANK

United Jersey Banks, Hackensack, New Jersey, 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 (less directors' qualifying shares) of the voting shares of the successor by merger to The City National Bank of Millville, Millville, New Jersey ("City National"). The bank into which City National is to be merged has no significance except as a means of acquiring all of the shares of City National. Accordingly, the proposed acquisition of the shares of the successor organization is treated herein as the proposed acquisition of shares of City National.

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

Applicant, with nine subsidiary banks holding aggregate deposits of $956.9 million, is the largest banking organization in New Jersey with 6.1 per cent of the commercial bank deposits in the State. (All banking data are as of June 30, 1971, and reflect holding company formations and acquisitions approved through November 30, 1971.) Consummation of the proposed acquisition of City National (deposits of $12.4 million) would increase only slightly Applicant's share of statewide commercial bank deposits.

Applicant, through its subsidiary, The Cumberland National Bank of Bridgeton, New Jersey ("Cumberland National"), is the fifth largest banking organization within the relevant market (which is approximated by Cumberland County and adjacent portions of Salem, Gloucester, and Atlantic Counties) with 12.3 per cent of deposits. Approval of the acquisition of City National, the smaller of two banks in Millville and the eighth largest bank in the market, would result in Applicant becoming the largest of twelve banking organizations in the market with 17.2 per cent of deposits.

Although City National and Cumberland National (deposits of $25.5 million) are located eleven miles apart, there appears to be no significant existing competition between the two banks. Moreover, based on the facts of record, it is considered unlikely that potential competition would develop between Applicant and Bank since Applicant is unlikely to enter Millville by chartering a new bank and since *de novo* branching into Millville is barred by the home office protection provision of the New Jersey Banking Statute. Nevertheless, unconditioned approval of this application would appear to have an adverse competitive impact in that home office protection could be perpetuated in Millville thus foreclosing competitors from branching into Millville. This possible anti-competitive effect of approval could be eliminated if home office protection were not perpetuated. Accordingly, approval of the application is conditioned upon Applicant filing a merger application and, subject to supervisory approval, merging City National into Cumberland National within one year of the date of this Order so as to remove home office protection from Millville unless, within such one year period, there is a change in New Jersey law which would accomplish the same result. On that basis and after consideration of the record, the Board concludes that no significant adverse competitive effects are likely to result from approval of the application.

The financial and managerial resources and future prospects of Applicant, its subsidiaries, and the proposed subsidiary appear to be satisfactory. Applicant's ability to provide City National with management succession lends some weight for approval. Applicant proposes to expand City National's trust and investment services, to expand City National's commercial loan programs to include new types of loans, such as accounts receivable financing and construction financing, to provide data processing services, and to improve facilities. Convenience and needs factors, therefore, lend some weight toward approval.

It is the Board's judgment that the proposed acquisition as conditioned is in the public interest and should be approved.

On the basis of the record, the application is approved for the reasons summarized above. This order is entered *on the condition that* United Jersey Banks will file a merger application and, subject to supervisory approval, merge The City National Bank of Millville, Millville, New Jersey, into The Cumberland National Bank of Bridgeton, Bridgeton, New Jersey, within one year of the date of this Order so as to remove home office protection from Millville unless, within such one year period, there is a change in New Jersey law which would accomplish the same result.

The transaction approved hereby shall not be consummated (a) before the thirtieth calendar day following the date of this Order or (b) later than three months after the date of this Order, 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, February 17, 1972.

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

(Signed) TYNAN SMITH,
[SEAL] *Secretary of the Board.*

DISSENTING STATEMENT OF GOVERNOR ROBERTSON

It is incontrovertible that the proposed acquisition would eliminate existing competition between Cumberland National, one of Applicant's subsidiary banks, and City National. Applicant would increase its market share from 12.3 per cent to 17.2 per cent and would become the largest of 12 banking organizations within the market. Furthermore, the proposed acquisition would remove the only independent bank in Millville and one of the few independent banks within the market remaining for acquisition by banking organizations not heretofore represented in the market.

Allowing a major holding company to expand through combination with one of the remaining independent banks, in a market where it is already represented, is undesirable standing alone; but even worse, it could lead to the domination of a market by a few large banking organizations, since it leaves outside organizations only the more difficult route of *de novo* entry. Competition would be better served if City National were preserved as a vehicle for entry by an organization not presently represented in the market.

No matter how one dresses up the convenience and needs factors or managerial and financial considerations, they do not outweigh the anticompetitive effects of the acquisition, a statutory necessity where—as here—competition would be substantially lessened.

On the basis of the record, it is my judgment that the proposed acquisition would not be in the public interest, and that the application should be denied.

CHARTER NEW YORK CORPORATION, NEW YORK, NEW YORK

ORDER APPROVING ACQUISITION OF BANK

Charter New York Corporation, New York, New York, a bank holding company within the meaning of the Bank Holding Company Act, has applied for the Board's approval under § 3(a)(3) of the Act (12 U.S.C. 1842(a)(3)) to acquire 100 per cent of the voting shares of Bank of Babylon, New York ("Bank").

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

Applicant, the ninth largest banking organization in New York, controls nine banks with total domestic deposits of $4.7 billion, representing approximately 4.9 per cent of the State's total commercial deposits. (Unless otherwise noted, banking data are as of June 30, 1971, adjusted to reflect holding company formations and acquisitions through December 30, 1971.) Upon acquisition of Bank (deposits of $57.4 million), Applicant would not increase its present ranking nor significantly enlarge its share of State deposits.

Bank operates seven offices in the Babylon-Islip banking market where it is the third largest of thirteen banks, controlling 12.2 per cent of market deposits.[1] Applicant's closest subsidiary bank is located 50 miles from Bank in New York City. None of Applicant's subsidiary banks may branch into Bank's market until 1976 when Statewide branching will become effective. Applicant's subsidiary banks derive only minimal banking business from Bank's market and, therefore, there is only nominal existing competition. Consummation of the proposal would not eliminate any significant existing competition and would not

[1] Banking data related to market position are as of June 30, 1970.

adversely affect any competing bank in any relevant area.

Some potential competition between Applicant and Bank would be foreclosed upon consummation of the proposal since Applicant could enter Bank's market *de novo* or through acquisition of a smaller bank. However, Applicant does not seem to be a likely *de novo* entrant and only two banks smaller than Bank appear available for acquisition. Competitive considerations related to acquisition of those two banks do not differ materially from the acquisition of Bank. Further, approval of the proposal would remove home office protection from the Village of Babylon and have the pro-competitive effect of enabling other banking institutions to branch into the area. Therefore, consummation of the proposal would have no significant adverse effect on potential competition and may have pro-competitive impact.

The financial and managerial resources of Applicant and Bank are generally satisfactory and consistent with approval. Applicant proposes to expand Bank's services, thereby providing another competitive alternative for specialized banking services. Accordingly, considerations relating to convenience and needs of the community lend some weight toward approval. 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 consummated (a) before the thirtieth calendar day following the date of this Order or (b) later than three months after the date of this Order, 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, February 17, 1972.

Voting for this action: Chairman Burns and Governors Robertson, Mitchell, Daane, Maisel, Brimmer, and Sheehan.

(Signed) TYNAN SMITH,
[SEAL] *Secretary of the Board.*

FIRST NATIONAL FINANCIAL CORPORATION, KALAMAZOO, MICHIGAN

ORDER APPROVING FORMATION OF BANK HOLDING COMPANY

First National Financial Corporation, Kalamazoo, Michigan, has applied for the Board's approval under § 3(a)(1) of the Bank Holding Company Act (12 U.S.C. 1842(a)(1)) of formation of a bank holding company through acquisition of 80 per cent or more of the voting shares of The First National Bank and Trust Company of Michigan, Kalamazoo, Michigan ("Kalamazoo Bank"); The Merchants & Miners Bank, Calumet, Michigan ("Calumet Bank"); and The Deerfield State Bank, Deerfield, Michigan ("Deerfield Bank").

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

Applicant, a newly organized corporation,was formed by the present management of the Kalamazoo Bank for the purpose of becoming a bank holding company. Upon consummation of the proposal herein, Applicant would control three subsidiary banks with total deposits of approximately $282 million, representing about 1.3 per cent of the total commercial bank deposits in Michigan, and would be the eleventh largest banking organization in the State. (All banking data are as of June 30, 1971.)

Kalamazoo Bank ($258.2 million deposits), located in southwestern Michigan, operates 26 offices in and around the city of Kalamazoo, and is the largest of twenty banks operating within its service area, which is approximated by all of Kalamazoo County and portions of the five counties adjacent thereto. Calumet Bank ($17.3 million deposits), located in the Upper Peninsula of Michigan, operates three offices, and is the second largest of the five banks operating within its service area, which is approximated by all the Keweenaw County and the greater portion of Houghton County. Deerfield Bank ($6.5 million deposits), located in southeastern Michigan, operates one office, and is the smallest of the eighteen banks operating within its service area, which is approximated by portions of Lenawee and Monroe Counties. The record discloses that there is no significant existing competition among the proposed subsidiary banks, primarily due to the distances separating the banks (520 miles and 90 miles separate Calumet Bank and Deerfield Bank, respectively, from the closest offices of the Kalamazoo Bank; and the Deerfield Bank is located about 600 miles from the closest office of Calumet Bank.) Moreover, in light of the restrictive Michigan branching law, it does not appear that any significant potential competition would be foreclosed as a result of consummation of Applicant's proposal. It appears that the overall effect of the proposal on competition would be favorable, since the Deerfield Bank and Calumet Bank should be able to compete more effectively in their respective markets as subsidiaries of Applicant.

The financial and managerial resources of Applicant appear to be satisfactory, and its prospects, which are dependent upon those of its subsidiary banks, appear to be favorable. The financial and managerial resources and prospects of Deerfield Bank and Calumet Bank are satisfactory and consistent with approval of the application. The Board notes that the capital position of the Kalamazoo Bank is somewhat lower than desirable and should be augmented. Although the maintenance of adequate capital positions at subsidiary banks of the holding company is a matter of serious concern to the Board, the circumstances of this case do not indicate that the situation warrants denial of the application. The holding company structure should offer better prospects for improving the capital position of the Kalamazoo Bank. Other considerations relating to the financial and managerial resources and prospects of Kalamazoo Bank are satisfactory and consistent with approval of the application.

The considerations relating to convenience and needs of the communities to be served lend weight toward approval of the application. As a subsidiary of a holding company, Kalamazoo Bank would be in a better position to serve the growing needs of its service area. Furthermore, Applicant proposes to assist Deerfield Bank and Calumet Bank in expanding their services to include consumer loans, agricultural loans, economic development, and computer services. Applicant will also be able to assist its subsidiary banks by providing a source of qualified management personnel. It is the Board's judgment that consummation of the proposal 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 consummated (a) before the thirtieth calendar day following the date of this Order or (b) later than three months after the date of this Order, 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, February 17, 1972.

Voting for this action: Chairman Burns and Governors Robertson, Mitchell, Daane, Maisel, Brimmer, and Sheehan.

(Signed) TYNAN SMITH,
[SEAL] *Secretary of the Board.*

UNITED BANKS OF COLORADO, INC., DENVER, COLORADO

ORDER APPROVING ACQUISITION OF BANK

United Banks of Colorado, Inc., Denver, Colorado, a bank holding company within the meaning of the Bank Holding Company Act, has applied for the Board's approval under § 3(a)(3) of the Act (12 U.S.C. 1842(a)(3)) to acquire 80 per cent or more of the voting shares of The St. Vrain Valley Bank, Longmont, Colorado ("Bank").

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

Applicant controls 10 banks with aggregate deposits of $684.7 million, which amounts to 14.9 per cent of the total commercial bank deposits in Colorado.

Bank (deposits $6.8 million) is the smallest of three banks in Longmont and the eighth largest of nine banking organizations in Boulder County, holding 2.9 per cent of deposits in commercial banks in that County. Applicant's nearest subsidiary is located 15 miles from Bank in the City of Boulder, and holds 11.8 per cent of the deposits in Boulder County. Consummation of the proposed transaction would increase Applicant's share of deposits to 14.7 per cent. However, the largest and second largest banking organizations in the County control 40.9 per cent and 15.6 per cent of deposits, respectively, and affiliation with Applicant should enable Bank to compete more effectively with these two larger banking organizations and with the larger banks in Longmont. It appears that consummation of the proposal would not eliminate any meaningful existing competition, and in view of the distance involved and Colorado's laws prohibiting branching, it does not appear that any such competition is likely to develop.

Applicant intends to enlarge Bank's lending capacity through participations, to assist Bank in making agricultural loans, to provide trust services through Applicant's lead bank, and to aid Bank in advertising and market research. Considerations related to the convenience and needs of the community to be served lend some weight in favor of approval. Considerations related to the financial and managerial resources and future prospects of Applicant and its present subsidiaries and of Bank are generally satisfactory and consistent with approval. It is the Board's judgment that the proposed transaction is 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 consummated (a) before the thirtieth calendar day following the date of this Order or (b) later than three months after the date of this Order, 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, February 18, 1972.

Voting for this action: Chairman Burns and Governors Robertson, Mitchell, Daane, Brimmer, and Sheehan. Absent and not voting: Governor Maisel.

(Signed) TYNAN SMITH,
[SEAL] *Secretary of the Board.*

HUNTINGTON BANCSHARES INCORPORATED, COLUMBUS, OHIO

ORDER APPROVING ACQUISITION OF BANK

Huntington Bancshares Incorporated, Columbus, 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 80 per cent or more of the voting shares of The First National Bank of Wadsworth, Wadsworth, Ohio ("Bank").

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

Applicant has 10 subsidiary banks holding aggregate deposits of approximately $880.9 million, representing 4.0 per cent of the commercial bank deposits in Ohio. Acquisition of Bank would increase Applicant's control of commercial bank deposits in the State by approximately 0.1 per cent, and Applicant's rank as the sixth largest banking organization in the State would remain unchanged. Bank ($22.2 million in deposits) is the eleventh largest of fourteen banks in the Akron banking market (approximated by Summit and Portage Counties and the City of Wadsworth), controlling 1.6 per cent of market deposits. (Banking data are as of June 30, 1971, and reflect holding company formations and acquisitions approved through December 31, 1971.)

The nearest subsidiary of Applicant to Bank is the Portage National Bank ("Portage Bank") in Kent, located 25 miles northeast of Bank. Although Portage Bank competes in the Akron banking market, holding 4.6 per cent of market deposits, direct competition between Bank and Portage Bank is not substantial due to the location of the City of Akron and sixty banking offices of other banking institutions in the area intervening between Bank and Portage Bank and the absence of any overlap in the service areas of the two banks. Consummation of the proposed acquisition would not, therefore, eliminate substantial existing competition. Furthermore, the development of potential competition appears unlikely, in view of application of the State's restrictive branching law and in view of the sizable number of intervening banking offices separating them.

The financial and managerial resources and future prospects of Applicant and Bank are satisfactory and consistent with approval of the application. Applicant intends to provide Bank's customers with a qualified trust officer and to assist Bank in the provision of international banking services, as well as to assist Bank in locating future branch sites. Considerations relating to the convenience and needs of the community to be served lend weight toward approval. It is the Board's judgment that the transaction is in the public interest and should be approved.

On the basis of the record, the application is approved for the reasons summarized above. The transaction shall not be consummated (a) before the thirtieth calendar day following the date of this Order or (b) later than three months after the date of this Order, 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, February 18, 1972.

Voting for this action: Chairman Burns and Governors Robertson, Mitchell, Daane, Brimmer, and Sheehan. Absent and not voting: Governor Maisel.

(Signed) TYNAN SMITH,
[SEAL] *Secretary of the Board.*

FIRST SOUTHWEST BANCORPORATION, INC., WACO, TEXAS

ORDER DENYING ACQUISITION OF BANKS

First Southwest Bancorporation, Inc., Waco, Texas, 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 100 per cent (less directors' qualifying shares) of the successors by reorganization to Bellmead State Bank, Waco, and East Texas Bank & Trust Company, Longview, and the successors by merger to Kilgore National Bank, Kilgore, and Sabine National Bank of Port Arthur, Port Arthur, all in Texas.

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

On the basis of the record, the applications are denied for the reasons set forth in the Board's Statement of this date.

By order of the Board of Governors, February 18, 1972.

Voting for this action: Chairman Burns and Governors Robertson, Mitchell, Daane, Maisel, Brimmer, and Sheehan.

(Signed) TYNAN SMITH,
Secretary of the Board.

[SEAL]

STATEMENT

First Southwest Bancorporation, Inc., Waco, Texas, a registered bank holding company, has applied to the Board of Governors, pursuant to section 3(a)(3) of the Bank Holding Company Act of 1956 (12 U.S.C. 1842 (a)(3)), for prior approval of the acquisition of 100 per cent (less directors' qualifying shares) of the voting shares of the successors by reorganization to Bellmead State Bank, Waco ("Bellmead Bank"), and East Texas Bank & Trust Company, Lonview ("Longview Bank"), and the successors by merger to Kilgore National Bank, Kilgore ("Kilgore Bank"), and Sabine National Bank of Port Arthur, Port Arthur ("Port Arthur Bank"), all in Texas. The banks into which the four named existing banks are to be reorganized or merged have significance only insofar as they are a means of acquiring all of the shares of those four banks. Accordingly, the proposed acquisition of the shares of the successor organizations is treated herein as the proposed acquisitions of existing banks.

Statutory considerations. Applicant controls one bank, The First National Bank of Waco, Waco, Texas ("First National"), with deposits of approximately $118.5 million, representing 0.4 per cent of total commercial bank deposits in the State. Applicant also owns 12.9 per cent of voting shares of the Kilgore Bank, and 24.9 per cent of the voting shares of the Bellmead Bank, Longview Bank, Port Arthur Bank, and First Bank and Trust of Richardson, Richardson, Texas ("Richardson Bank"). (All banking data are as of June 30, 1971, and reflect holding company formations and acquisitions approved by the Board through January, 1972.) State-wide concentration of banking resources would not be significantly affected as a result of consummation of the subject proposal.

Applicant's First National Bank and Bellmead Bank are both located within the Waco SMSA, which approximates the relevant banking market with respect to the proposed acquisition of Bellmead Bank. On the basis of deposits, First National Bank, the largest of seven banks within Waco and of 14 banks within the market, controls 35 per cent of the market's commercial bank deposits; Bellmead Bank is the seventh largest bank in the market, controlling 3.6 per cent of market deposits. In addition, Applicant's principal stockholder holds, as an individual and as Trustee, majority control of First Financial Corporation, a registered bank holding company, owning 25.6 per cent of Bellmead Bank and 24 per cent of Westview National Bank, Waco, Texas. Westview National Bank, with deposits of $17.5 million, is the fifth largest bank within Waco and the market, and has 5 per cent of market deposits. Both Bellmead Bank and the Westview National Bank were organized by principals of First National Bank and existing competition between the three banks is regarded as minimal. The combined deposits of these three banks represent 48 per cent of total Waco deposits and 43.5 per cent of total market deposits. The deposits of these three banks, when combined with the deposits of the second largest banking organization in the Waco banking market, places 75 per cent of total market deposits under control or influence of the two largest banking organizations within the market. Denial of the Bellmead application would not alter existing relationships. Nevertheless, the size of the market and the concentration of bank resources within the market are such that, despite the existing relationship, competitive considerations are regarded as slightly adverse.

Kilgore Bank, with deposits of $16.3 million, and Longview Bank, with deposits of $13.6 million, are both located in Gregg County which, together with adjoining portions of Harrison and Rusk Counties, form the relevant banking market. Kilgore Bank is the largest of two banks in Kilgore and the seventh largest in the market area, while Longview Bank is the fourth largest bank in Longview, and the ninth largest bank in the market. The combined deposits of the two banks would make Applicant the third largest banking organization in the market with 11.2 per cent of total market deposits. The two banks have been affiliated since late 1968, when Applicant's principal shareholder and affiliated persons and entities acquired control. Absent this recent common control, it is reasonably concluded that the two banks would compete to some extent. Competitive considerations regarding acquisition of both the Longview and Kilgore Bank are regarded as slightly adverse.

Port Arthur Bank, with deposits of $18.7 million, is the eighth largest bank in its market controlling 3 per cent of market deposits. Port Arthur Bank is located almost 200 miles away from the closest of the other banks in which Applicant has an interest. There is no significant competition between them. Competitive considerations with respect to Port Arthur Bank are regarded as consistent with approval.

Factors relating to the convenience and needs of the communities involved are consistent with, but do not provide significant support for approval of the application. Although the convenience and needs aspects are slightly favorable and the competitive effects of the proposed acquisitions, considered alone, are not serious enough to bar approval, the Board's inquiry does not end there. The Board believes that a holding company should be a source of financial and managerial strength for the banks in its system, rather than vice versa, and that every proposed acquisition should be closely examined to determine whether it serves certain private interests to the undue disadvantage of the interests of the bank or its minority shareholders. In this regard, the history of Applicant and its previous relationships with the banks to be acquired is relevant.

Applicant's principal shareholder and affiliated persons and entities controlled at least 51 per cent of Bellmead Bank, Longview Bank, Kilgore Bank, Port Arthur Bank, and Richardson Bank until mid-December 1970, at which time, Applicant acquired from the above-named its present less than 25 per cent ownership interest in each of the above banks. At the same time, applicant also purchased from its principal shareholder all the shares of Fidelity Services Corporation, Waco, Texas, a bank management and service company. In return, the principal shareholder and affiliated persons and entities received Applicant's two-year promissory notes as payment. Taking into account the differences between the sale for promissory notes and the stock exchanges contemplated in the present transactions, the price per share paid to the principal stockholder and affiliated persons and entities in December, 1970, appears to greatly exceed the approximate value to be offered for the remaining shares. The price per share paid to the principal stockholder and affiliated persons and entities also appears to be far in excess of the price per share originally paid by them and far in excess of the book value of the shares. Applicant has not justified the substantial disparity between the prices the principal shareholder and affiliated persons and entities received and the approximate value offered in the proposed transactions. As the Board has on a number of occasions stated, the failure to make an equivalent offer to minority shareholders is viewed as an adverse circumstance in consideration of an application (e.g., 1971 BULLETIN 415 and 688).

Further concern as to whether Applicant would be a source of strength to its subsidiary banks arises with respect to the relationship between Applicant's subsidiary, Fidelity Services Corporation, and the proposed subsidiary banks. Fidelity Services Corporation has received management fees from the banks involved which in some instances, in the opinion of the Board and other supervisory authorities, appear to be excessive. To the extent that such fees are excessive, their imposition has operated to the detriment of the bank's minority shareholders and possibly to the bank itself.

Applicant contends that the Board's judgment on these applications should not be affected by transactions taking place prior to the 1970 Amendments to the Holding Company Act, that the proposals before the Board are separate from those transactions, and that these previous transactions have been fully disclosed to share holders, who, in any event, have a statutory right of dissent. The Board notes that although full disclosure asserted by Applicant was made at a later date, the initial proxy solicitation with respect to two of the banks did not make such disclosure and that Applicant has withdrawn an application where a substantial number of dissenting votes were cast against reorganization. In any event, the Board's decision is not based on a subjective judgment of particular shareholders' feelings, but rather on a judgment of general management attitude toward the operations of the proposed subsidiary banks as reflected by the totality of circumstances discussed. The Board is unable to conclude that considerations relating to the management factor are consistent with approval of Applicant's proposals.

While denial of the applications may not immediately affect the existing relationships, approval would make these relationships more permanent and would represent Board sanction of the treatment accorded by Applicant to both minority shareholders and the banks involved. The public interest would not be served by such action.

In light of the above, it is the Board's judgment that the proposed transactions would not be in the public interest and should not be approved.

TENNESSEE VALLEY BANCORP, INC., NASHVILLE, TENNESSEE

ORDER APPROVING FORMATION OF BANK HOLDING COMPANY

Tennessee Valley Bancorp, Inc., Nashville, Tennessee, 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 the successor by merger to Commerce Union Bank, Nashville, Tennessee ("Bank").

The bank with which Bank will merge has no significance except as a means of acquiring the voting shares of Bank. Accordingly, the proposed acquisition of the shares of the successor organization is treated herein as the proposed acquisition of the shares of Bank.

Notice of receipt of the application has been given in accordance with § 3(b) of the Act, and the time for filing comments and views has expired. Pursuant to the Board's request for his views and recommendation, the Superintendent of Banks for the State of Tennessee responded that he had no objection to the application. The Board has considered the application and all comments received in the light of the factors set forth in § 3(c) of the Act (12 U.S.C. 1842(c)) and finds that:

Applicant is a newly organized corporation formed for the purpose of becoming a bank holding company. Bank, with deposits of $362.9 million as of June 30, 1971, is the fourth largest bank in the Nashville banking market and the seventh largest bank in the State of Tennessee.

Inasmuch as the proposal constitutes a corporate reorganization and reflects no expansion of corporate interests or significant change in the character of the banking facilities involved, consummation of the proposal would eliminate neither existing nor potential competition; nor does it appear that there would be any adverse effects on any bank in the area.

The financial and managerial resources and prospects of Applicant and Bank are regarded as generally satisfactory and consistent with approval of the application. The convenience and needs of the communities involved would not be immediately affected by consummation of this proposal but improved services may be provided in the future under the more flexible corporate structure of the holding company. It is the Board's judgment that the transaction would be in the public interest, and that the application should be approved.

On the basis of the record, the application is approved for the reasons summarized above. The transaction shall not be consummated (a) before the thirtieth calendar day following the date of this Order or (b) later than three months after the date of this Order, 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, February 22, 1972.

Voting for this action: Chairman Burns and Governors Robertson, Mitchell, Daane, Brimmer, and Sheehan. Absent and not voting: Governor Maisel.

(Signed) TYNAN SMITH,
[SEAL] *Secretary of the Board.*

AMERICAN TRADING COMPANY, BRUNSWICK, GEORGIA

ORDER APPROVING RETENTION OF BANK

American Trading Company, Brunswick, Georgia, a bank holding company within the meaning of the Bank Holding Company Act, has applied for the Board's approval under § 3(a)(1) of the Act (12 U.S.C. 1842(a)(1)) to retain[1] 50.6 per

[1] On April 5, 1971, Applicant without prior Board approval acquired the shares of Bank which it has applied to retain. On June 22, 1971, the Board, in order to avoid impositions of undue hardship, ordered that any company which acquired a bank between December 31, 1970 and June 22, 1971, without first securing prior Board approval because of lack of knowledge of that requirement might file for such approval by August 31, 1971. Applicant apparently lacked knowledge of the requirements of the Act at the time it acquired the shares of Bank, and had filed a tentative application with the Federal Reserve Bank of Atlanta by August 31, 1971.

cent of the voting shares of State Bank of Kingsland, Kingsland, Georgia ("Bank").

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

Prior to its acquisition of Bank, Applicant had been engaged in selling excess capital stock of the American National Bank of Brunswick resulting from severance of that bank from the Citizens and Southern Holding Company. Bank, with deposits of $3.6 million representing 0.05 per cent of deposits held by commercial banks in Georgia, is the fourth largest of eight commercial banks located in the Kingsland banking market which is approximated by Camden and northeastern Charlton Counties in Georgia and northern Nassau County in Florida, and holds approximately 10.3 per cent of commercial bank deposits in that market. (Banking data are as of June 30, 1971.)

Inasmuch as the acquisition constituted a corporate reorganization and reflected no expansion of corporate interests or significant change in the character of the banking facilities involved, consummation of the transaction eliminated neither existing nor potential competition, nor does it appear that there have been any adverse effects on any bank in the area.[2]

The financial and managerial resources and prospects of Applicant and Bank are regarded as satisfactory and consistent with approval of the application in view of Applicant's commitment to raise $200,000 in additional equity capital within sixty days of approval of this application in order to significantly reduce the debt which it incurred in order to purchase shares of Bank. The convenience and needs of the communities involved have been beneficially affected by the acquisition in that, with the aid of Applicant's affiliate, Brunswick Bank, Bank has instituted a mortgage lending program, modernized certain of its operations, and secured a successor to its president who intends to retire this year. It is the Board's judgment that the transaction was 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.

By order of the Board of Governors, February 22, 1972.

Voting for this action: Chairman Burns and Governors Robertson, Mitchell, Daane, Brimmer, and Sheehan. Absent and not voting: Governor Maisel.

(Signed) TYNAN SMITH,
[SEAL] *Secretary of the Board.*

FIRST TENNESSEE NATIONAL CORPORATION, MEMPHIS, TENNESSEE

ORDER APPROVING ACQUISITION OF BANK

First Tennessee National Corporation, Memphis, Tennessee, 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 (less directors' qualifying shares) of the voting shares of the successor by merger to The Kingsport National Bank, Kingsport, Tennessee ("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 the shares of the successor organization is treated herein as the proposed acquisition of the shares of Bank.

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

Applicant controls three banks with total deposits of $811 million, representing 10.4 per cent of total commercial deposits in the State. (Banking data are as of June 30, 1971.) Acquisition of Bank (deposits of $22.6 million) would not significantly increase Applicant's share of total deposits in the State.

Bank operates four offices in the Kingsport banking market which is approximated by the western portion of Sullivan County. Bank controls 21.8 per cent of the deposits in the market and is the second largest of three banks in that market. Applicant's subsidiary office closest to Bank is located seven miles away and is located in the Jonesboro banking market which is approximated by Washington County; there is only nominal existing competition between Bank and Applicant's existing subsidiary. Consummation of the proposal would eliminate only a small

[2]Applicant is affiliated with American National Bank of Brunswick, Brunswick, Georgia ("Brunswick Bank"). However Bank and Brunswick Bank serve different markets, are separated by approximately forty miles and by intervening banks, and are prohibited by restrictive branching laws from establishing branches in each other's market area.

amount of existing competition and would not adversely affect any competing bank in any relevant area.

The financial and managerial resources of Applicant and Bank are generally satisfactory and consistent with approval in that consummation of the proposed transaction will enable Applicant to strengthen Bank's capital structure which, in turn, will enable Bank to become a more effective competitor. Consummation of this proposal would have beneficial effects on the convenience and needs of the communities in that Bank's ability to compete for larger industrial and commercial accounts will be enhanced and *de novo* branch expansion by Bank into the Bristol market (which is located approximately 20 miles east of Kingsport) will be facilitated. Considerations related to the convenience and needs of the communities to be served, therefore, lend some weight for approval. 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 consummated (a) before the thirtieth calendar day following the date of this Order or (b) later than three months after the date of this Order, unless such period is extended for good cause by the Board, or by the Federal Reserve Bank of St. Louis pursuant to delegated authority.

By order of the Board of Governors, February 25, 1972.

Voting for this action: Chairman Burns and Governors Robertson, Mitchell, Daane, Brimmer, and Sheehan. Absent and not voting: Governor Maisel.

(Signed) TYNAN SMITH,
[SEAL] *Secretary of the Board.*

BARNETT BANKS OF FLORIDA, INC., JACKSONVILLE, FLORIDA

ORDER APPROVING ACQUISITION OF BANK

Barnett Banks of Florida, Inc., Jacksonville, Florida, 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 Barnett Bank of West Orlando, Orlando, Florida ("Bank"), a proposed new bank.

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

Applicant controls 31 banks with aggregate deposits of about $943 million, representing 6.4 per cent of the commercial bank deposits in Florida and ranking it third in the State. Since Bank is a proposed new bank no existing competition would be eliminated, nor would concentration be increased in any relevant areas.

Applicant presently operates four banks in the Orlando area; three of these four are recently chartered and Applicant's share of deposits in the Orlando area is 11.4 per cent. Consummation of the proposal will not place Applicant in a dominant position in the Orlando area since the largest organization has something over 40 per cent of area deposits, and two other organizations are approximately Applicant's size. Significant barriers to entry will not be raised since the population per banking office in Bank's service area will still be relatively high. For these reasons and other facts of record, the Board concludes that consummation of the transaction will not adversely affect competition in any relevant area.

The financial and managerial resources and future prospects of Applicant, its subsidiary banks and Bank are generally satisfactory and consistent with approval of the application. Considerations relating to the convenience of the community to be served lend some weight to approval of the application since the service area of Bank appears to be relatively underbanked and would benefit from an additional source of services. The Board finds that the proposed application is in the public interest and should be approved.

On the basis of the record, the application is approved for the reasons summarized above. The transaction shall not be consummated (a) before the thirtieth calendar day following the date of this Order or (b) later than three months after the date of this Order; and (c) Barnett Bank of West Orlando, Orlando, Florida, shall be opened for business not later than six months after the 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 Atlanta pursuant to delegated authority.

By order of the Board of Governors, February 25, 1972.

Voting for this action: Chairman Burns and Governors Robertson, Mitchell, Daane, Brimmer, and Sheehan. Absent and not voting: Governor Maisel.

(Signed) TYNAN SMITH,
[SEAL] *Secretary of the Board.*

FLORIDA BANCORP, INC., POMPANO BEACH, FLORIDA

ORDER APPROVING FORMATION OF BANK HOLDING COMPANY

Florida Bancorp, Inc., Pompano Beach, Florida, has applied for the Board's approval under § 3(a)(1) of the Bank Holding Company Act (12 U.S.C. 1842(a)(1)) of formation of a bank holding company through acquisition of 80 per cent or more of the voting shares of Pompano Beach Bank and Trust Company ("Pompano Bank"), and Oceanside Bank, both located in Pompano Beach, Florida.

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

Applicant, an inactive corporation, was formed for the purpose of acquiring Pompano Bank (deposits of \$38.3 million) and Oceanside Bank (deposits of \$9.8 million).[1] Applicant, upon consummation of the proposal, would control .4 per cent of aggregate commercial bank deposits in Florida, and would become the State's 25th largest bank holding company. In the North Broward County-Boca Raton area (the relevant banking market), Applicant would become the fourth largest of seven competing banking organizations, and would control 11.7 per cent of market area deposits.

The two banks that would form the holding company group are located in Pompano Beach. In spite of the overlapping service area of the two banks, formation of the holding company would not eliminate any substantial amount of present competition nor would it likely foreclose potential competition because of the close affiliation of the two banks. Oceanside Bank was organized in 1969 by the stockholders of Pompano Bank; common stockholders have continuously owned more than 51 per cent of the stock of both banks. The two banks have a common auditor, share advertising, participate a substantial amount of loans with the other, and their disaffiliation appears unlikely. The proposed holding company would compete with two bank holding companies in rapidly growing Broward County, and it appears that the formation would not adversely affect other area banks.

The management of Applicant and the banks to be acquired is generally satisfactory. Applicant plans to increase the capital of both banks; prospects for the group are favorable and banking factors are consistent with approval. Convenience and needs aspects of the proposal are consistent with, and lend some weight toward approval. The holding company form of organization would increase operating efficiencies with respect to loan participations, trust and financial advisory services, purchasing, and the interchanging of personnel. 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 consummated (a) before the thirtieth calendar day following the date of this Order or (b) later than three months after the date of this Order, 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, February 25, 1972.

Voting for this action: Chairman Burns and Governors Robertson, Mitchell, Daane, Brimmer, and Sheehan. Absent and not voting: Governor Maisel.

(Signed) TYNAN SMITH,
[SEAL] *Secretary of the Board.*

THE JACOBUS COMPANY AND INLAND FINANCIAL CORPORATION, MILWAUKEE, WISCONSIN

ORDER APPROVING ACQUISITION OF BANK

The Jacobus Company ("Jacobus") and its majority owned subsidiary Inland Financial Corporation ("Inland"), both of Milwaukee, Wisconsin, bank holding companies within the meaning of the Bank Holding Company Act, have 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 (less directors' qualifying shares) of the voting shares of Heritage Bank-Mayfair, Wauwatosa, Wisconsin ("Bank"). The acquisition will be made by Inland and as a result Jacobus

[1] Banking data are as of June 30, 1971, and reflect holding company formations and acquisitions approved through January 31, 1972.

will indirectly acquire voting shares of the Bank.

Notice of receipt of the application has been given in accordance with § 3(b) of the Act, and the time for filing comments and views has expired. The Board has considered the applications and all comments received in the light of the factors set forth in § 3(c) of the Act (12 U.S.C. 1842(c)) and finds that:

Applicants control one bank with aggregate deposits of approximately $46 million, representing 0.5 per cent of the commercial bank deposits in Wisconsin. Since Bank was only opened on December 13, 1971, its acquisition by Applicants would not significantly increase their share of deposits in any relevant area.

Applicants' only banking subsidiary is located in the Milwaukee area which includes Wauwatosa. However, that subsidiary controls under 1½ per cent of deposits in the market and the acquisition of Bank will not have any significant adverse effects on present or potential competition. Rather, Bank's acquisition by Applicants could have a procompetitive impact on the Milwaukee area, since affiliation of Bank with Inland should make Bank a stronger competitor in an area where there are many subsidiaries of major Wisconsin bank holding companies.

The financial and managerial resources and future prospects of Applicants, its subsidiary bank, and Bank are generally satisfactory and consistent with approval of the application. In this connection, Applicants have assured the Board that the acquisition debt relating to Bank will shortly be paid off through the proceeds obtained from sale of capital stock. Considerations relating to the convenience of the community to be served lend some weight for approval of the applications, since Bank proposes to offer some services which are not widely available in the area at the present time.

Jacobus is a bank holding company only through its ownership of Inland. To be able to expand its activities outside of the field of banking, Jacobus has filed an irrevocable declaration with the Board pursuant to 12 CFR 225.4(d) that it will cease to be a bank holding company by January 1, 1981. Normally, the Board would not approve acquisition of another bank by a company that has filed such a declaration. However, Jacobus has committed itself to divest itself of its interest in Inland within 90 days of the passage of any enabling legislation permitting distribution of Inland shares to Jacobus shareholders on a tax free basis. Legislation is pending which is similar to that included in the original Bank Holding Company Act, and under the proposed legislation Jacobus could divest itself of Inland on a tax free basis. Inland would thereupon become an independent multi-bank holding company. Thus, approval of the application would be in the public interest by separating nonbanking activities from banking at an earlier time than divestiture is required by statute.

Upon consummation of the proposed transaction, Jacobus shall divest itself of Inland within 90 days of the passage of legislation such as referred to above, and, in any event, Applicants shall not retain or acquire any nonbank shares or engage in any non-banking activities to a greater extent or for a longer period than would apply in the case of a bank holding company which became such on the date of such consummation, except to the extent otherwise permitted in any regulation of the Board hereafter adopted specifically relating to the effect of the acquisition of an additional bank on the status of nonbank shares and activities of a one-bank holding company formed prior to 1971, or unless the Board fails to adopt any such regulation before the expiration of two years after the consummation of the proposed acquisition.

On the basis of the record, the applications are approved for the reasons summarized above. The transaction shall not be consummated (a) before the thirtieth calendar day following the date of this Order or (b) later than three months after the date of this Order, 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, February 25, 1972.

Voting for this action: Chairman Burns and Governors Robertson, Mitchell, Daane, Maisel, Brimmer, and Sheehan.

(Signed) TYNAN SMITH,

[SEAL] *Secretary of the Board.*

MERCANTILE BANCORPORATION INC., ST. LOUIS, MISSOURI

ORDER APPROVING ACQUISITION OF BANK

Mercantile Bancorporation Inc., St. Louis, Missouri, 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 at least 90 per cent of the voting shares of Franklin County Bank and Trust Company, Washington, Missouri ("Bank").

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

Applicant, the largest banking organization and largest bank holding company in Missouri on the basis of deposits, has six subsidiary banks with aggregate deposits of $1.134 billion, representing 9.9 per cent of total commercial bank deposits in the State. (All banking data are as of June 30, 1971, adjusted to reflect holding company acquisitions and formations approved by the Board through January 31, 1972.) Consummation of the proposal herein would increase Applicant's share of commercial bank deposits in the State to 10.1 per cent.

Bank ($18.2 million of deposits) is the second largest of seven banks operating in the Washington banking market, which is approximated by the northern half of Franklin County and the southeast corner of Warren County, and holds about 23.5 per cent of the deposits in the market. Although Bank is one of the larger banks in the market, it is not dominant. The first and third largest banks in the market hold, respectively, 26.4 and 23.3 per cent of deposits. Applicant's subsidiary closest to bank is located 40 miles northeast of Bank, and none of Applicant's subsidiaries competes with Bank to any significant extent. Furthermore, in light of the facts of record, including the large number of banks in the area, Missouri's restrictive branching law, and the unattractiveness of Bank's service area for *de novo* entry, the development of potential competition appears unlikely. It appears, therefore, that no meaningful existing competition would be eliminated, nor significant potential competition foreclosed, by consummation of Applicant's proposal, nor that there would be adverse effects on any bank in the area involved.

The financial and managerial resources and future prospects of Applicant, its subsidiaries, and Bank are regarded as satisfactory and consistent with approval of the application. The major banking needs of the Washington area are being met by the existing financial institutions. Applicant proposes, however, to assist Bank in providing trust, bond, and related corporate services. By means of participations with Applicant's subsidiaries, Bank would be better able to increase its lending in the area of home mortgages and business loans. The addition of services and Bank's increased lending capability which would be made possible by consummation of the proposal should benefit the residents of Bank's service area. Considerations relating to convenience and needs of the area are consistent with and lend some weight toward approval of the application. It is the Board's judgment that consummation of the proposed acquisition would be in the public interest, and that the application should be approved.

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

By order of the Board of Governors, February 29, 1972.

Voting for this action: Chairman Burns and Governors Robertson, Mitchell, Daane, Maisel, Brimmer, and Sheehan.

(Signed) TYNAN SMITH,
[SEAL] *Secretary of the Board.*

STATE NATIONAL BANCSHARES, INC., EL PASO, TEXAS

ORDER APPROVING FORMATION OF BANK HOLDING COMPANY

State National Bancshares, Inc., El Paso, Texas, 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 (1) 100 per cent (less directors' qualifying shares) of the voting shares of the successor by merger to The State National Bank of El Paso, El Paso, Texas ("State Bank") and (2) indirect control of 30.07 per cent of the voting shares of Bassett National Bank, El Paso, 24.99 per cent of the voting shares of Citizens State Bank of Ysleta, Ysleta, and 24.27 per cent of the voting shares of The First National Bank of Fabens, Fabens, all in Texas. The bank into which State Bank is to be merged has no significance except as a means of acquiring all of the shares of State Bank. Accordingly, the proposed acquisition of the successor organization is treated herein as the proposed acquisition of the shares of State Bank.

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

Applicant is a recently organized corporation formed for the express purpose of acquiring State Bank ($184.1 million in deposits). The Flory Company,[1] at the present time a wholly-owned subsidiary of State Bank, owns 30.07 per cent of the voting shares of Bassett Bank ($13.7 million in deposits), 24.99 per cent of Ysleta Bank ($6.3 million in deposits), and 24.27 per cent of the voting shares of Fabens Bank ($5.2 million in deposits). (All banking data are as of December 31, 1970.)

State Bank, Bassett Bank, Ysleta Bank, and Fabens Bank are the second, sixth, tenth, and eleventh largest of 13 banks in the El Paso SMSA and control 33.1 per cent, 2.5 per cent, 1.1 per cent, and .9 per cent, respectively, of area deposits. Applicant would become the second largest banking organization in the area[2] with 37.6 per cent of area deposits.

Although all four banks whose shares are to be acquired by Applicant are located in the same area, no meaningful existing or potential competition would be eliminated by consummation of the proposal. State Bank and Bassett Bank have been affiliated since 1964 through common ownership (State Bank shareholders presently own 67.4 per cent of Bassett Bank), and The Flory Company has owned a substantial amount of stock of Ysleta Bank since 1962 and of Fabens Bank since 1965. Since the proposal is a formalization of an existing banking structure and there appears to be little likelihood of discontinuance of the present relationships, consummation of the proposal should have little effect on competition in the El Paso area. Moreover, State Bank is located in downtown El Paso, while the other three banks are suburban or rural banks which service primarily their own local areas. Based upon the foregoing and other facts of record, the Board concludes that consummation of the proposal would not have an adverse effect on competition in any relevant area.

[1] As a part of this transaction, The Flory Company will become a direct subsidiary of Applicant. The Flory Company now holds certain nonbanking interests, which the Act requires that Applicant will divest itself of within two years, or within such other time as may be prescribed by § 4 of the Act.

[2] This reflects the market position of Trans Texas Bancorporation, Inc., whose application to form a bank holding company has been approved by the Board.

On the record before the Board, considerations relating to the financial and managerial resources and future prospects of Applicant and of each of the banks whose shares are to be acquired are generally satisfactory and consistent with approval of the application.

Affiliation with Applicant should enable Bassett Bank, Ysleta Bank, and Fabens Bank to accommodate more easily larger loan requests, especially those from large manufacturing firms locating in the El Paso area. Considerations relating to the convenience and needs of the communities to be served 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 summarized above. The transaction shall not be consummated (a) before the thirtieth calendar day following the date of this Order or (b) later than three months after the date of this Order, unless such period is 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, February 29, 1972.

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

(Signed) TYNAN SMITH,
[SEAL] *Secretary of the Board.*

DISSENTING STATEMENT OF GOVERNOR ROBERTSON

I would disapprove the application of State National Bancshares, Inc., to form a bank holding company. Approval of this application, together with that of Trans Texas Bancorporation, Inc., will result in two holding companies controlling eight out of thirteen banks in the El Paso banking market; these eight banks will hold 78 per cent of the total commercial bank deposits in the El Paso market.

These applications present hard cases. In both instances the smaller banks were formed as satellites of a lead bank in order to follow customers of the lead bank to the suburbs. This clearly is beneficial in that more convenient banking services are thereby provided to the public.

Nevertheless, as the Supreme Court has noted, "*[I]f concentration is already great, the importance of preventing even slight increases in con-*

centration and so preserving the possibility of eventual deconcentration is correspondingly great." *United States* v. *Philadelphia National Bank*, 374 U.S. 321, n. 42 (1963). It is this rule of law which leads me to refrain from approving such an application. A holding company lends a degree of permanence to the banking structure that is not present when there exists merely common ownership by individuals. Denial of this application would preserve the possibility of eventual disaffiliation of the banks and deconcentration of the El Paso area. For these reasons, I would deny the application.

TRANS TEXAS BANCORPORATION, INC., EL PASO, TEXAS

ORDER APPROVING FORMATION OF BANK HOLDING COMPANY

Trans Texas Bancorporation, Inc. ("Applicant"), El Paso, Texas, has applied for the Board approval under § 3(a)(1) of the Bank Holding Company Act (12 U.S.C. 1842(a)(1)) of formation of a bank holding company through acquisition of 80 per cent or more of the voting shares of El Paso National Bank ("El Paso Bank"), First State Bank ("First Bank"), Northgate National Bank of El Paso ("Northgate Bank"), and Border City Bank ("Border Bank") all of El Paso, Texas.

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

Applicant is a recently organized corporation formed for the express purpose of acquiring El Paso Bank ($201.4 million in deposits), First Bank ($18.6 million in deposits), Northgate Bank ($14.0 million in deposits) and Border Bank ($1.0 million in deposits). (All banking data are as of June 30, 1971.) These banks are respectively the 1st, 5th, 6th, and 13th largest of the thirteen banks in the El Paso banking market and control, respectively, 35.5, 3.3, 2.5, and 0.2 per cent of market deposits. Upon consummation of the proposal, Applicant's 41.5 per cent of deposits would make it the largest banking organization in the market. State National Bancshares, Inc., whose application was approved by the Board today, would be the second largest organization with 37.6 per cent of area deposits.

Majority shareholders of El Paso Bank organized First Bank in 1948, Northgate Bank in 1959 and Border Bank in 1971. El Paso Bank is a full service bank serving the entire El Paso area, whereas the other three serve primarily their own particular suburban area. All four banks are in the same market area and absent the common ownership would be competitors to some extent despite the disparities in their size.

The United States Department of Justice advised the Board that in its opinion consummation of the proposal would have a significantly adverse effect on competition. Its advice was based on its view that the subject banks were in actual competition and that there was some degree of impermanence in the control relationship.

On the basis of the record, the Board concludes that there is no significant existing competition between the banks involved. This is due to the fact that two individuals and their business associates control a majority of the voting shares of El Paso Bank, 86 per cent of the shares of First Bank, 86 per cent of the shares of Northgate Bank, and 75 per cent of the shares of Border Bank. The two individuals themselves control over 25 per cent of the voting shares of each of the three smaller banks.

In view of the close relationship between the banks over a long period of time, and the lack of any evidence on the record that dissipation of the common control is likely in the future, the Board concludes that present and potential competition would neither be foreclosed by approval of the application nor encouraged by its denial. Neither does it appear that competition with and between other banks in the area would be affected in any significant way.

Considerations relating to the financial and managerial resources and future prospects of Applicant and the banks concerned are satisfactory and consistent with approval. Since the institutions involved are presently under common control it is unlikely that consummation of the proposal will have a significant effect on the banking convenience and needs of the communities to be served, although Applicant does propose to expand the services offered by the smaller banks. These considerations are consistent with but provide little weight toward approval of the applications. 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 summarized above. The transaction shall not be consummated (a) before the thirtieth calendar day following the date of this Order or (b) later than three months after the date of this Order, unless such period is 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, February 29, 1972.

Voting for this action: Governors Mitchell, Daane, Maisel, Brimmer, and Sheehan. Voting against this action: Governor Robertson. Absent and not voting: Chairman Burns. Governor Robertson dissents for the reasons set forth in his dissent in the matter of the application of State National Bancshares, Inc., to become a bank holding company, which was approved on this date.

(Signed) TYNAN SMITH,
Secretary of the Board.

[SEAL]

ORDERS UNDER SECTIONS 3 AND 4 OF BANK HOLDING COMPANY ACT

BANQUE NATIONALE DE PARIS, PARIS, FRANCE

ORDER APPROVING FORMATION OF BANK HOLDING COMPANY

Banque Nationale de Paris, Paris, France, 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 (less directors' qualifying shares) of French Bank of California, San Francisco, California ("Bank"), a proposed new bank.

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

Applicant, wholly-owned by the French government, is the largest bank in France and the second largest in the European Economic Community. It operates over 1,600 branches in France and, directly or through subsidiaries, has over 300 additional offices located in more than 50 foreign countries. Applicant and its subsidiaries control approximately $9.2 billion in deposits.[1] Applicant engages in banking activities in New York through French American Banking Corporation ("FABC"), its wholly-owned subsidiary chartered as an "investment company" under Article XII of the New York State Banking Law. It also has an agency in San Francisco, California. The Board has previously ruled that FABC is not a "bank" within the meaning of section 2(c) of the Act.

French Bank of California proposes to be primarily a wholesale bank specializing in the financing of international trade. Applicant has one office in San Francisco, but that office is an agency and is not authorized to accept deposits. The proposed new bank is expected to compete principally with other foreign-owned banks and with the international departments of the larger California banks having international banking capabilities. Based on the record before it, the Board concludes that Bank's entry into the California market will have no adverse effects on existing or potential competition. Rather, the addition of Bank will provide increased banking facilities and competition.

The financial and managerial resources and prospects of Applicant and Bank are regarded as satisfactory and consistent with approval of the application. Considerations relating to the convenience and needs of the community to be served lend some weight toward approval, as Bank would become the first commercial banking subsidiary of a European Economic Community member nation in California and could serve as a channel for additional French investment in the United States. It is the Board's judgment that the proposed formation would be in the public interest and that the application should be approved.

In connection with the present application, Applicant also applied for the Board's permission to retain its ownership of FABC and certain investments held indirectly through FABC. Those investments include French American Capital Corporation, New York City, a wholly-owned subsidiary of FABC, and two minority investments of French American Capital Corporation in Locafrance-U.S. Corporation and Indumat Equipment Corporation, each located in New York City. These matters were separately considered by the Board under section 4(c)(9) of the Act and are the subject of another order issued today by the Board.

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

[1] All banking data are as of May 31, 1971

the date of this Order; and (c) French Bank of California, San Francisco, California, shall be opened for business not later than six months after the 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 San Francisco pursuant to delegated authority.

By order of the Board of Governors, February 7, 1972.

Voting for this action: Chairman Burns and Governors Robertson, Daane, Brimmer, and Sheehan. Absent and not voting: Governors Mitchell and Maisel.

(Signed) TYNAN SMITH,
[SEAL] *Secretary of the Board.*

ORDER APPROVING RETENTION OF INVESTMENT IN FRENCH AMERICAN BANKING CORPORATION, FRENCH AMERICAN CAPITAL CORPORATION, AND LOCAFRANCE-U.S. CORPORATION AND DISAPPROVING RETENTION OF INVESTMENT IN INDUMAT EQUIPMENT CORPORATION

Banque Nationale de Paris ("BNP"), Paris, France, has applied for the Board's approval under section 4(c)(9) of the Bank Holding Company Act to retain all of the voting shares of French American Banking Corporation ("FABC"), New York City, and of FABC's wholly-owned subsidiary, French American Capital Corporation ("FACC"), New York City, if BNP becomes a bank holding company.

BNP has received the Board's permission to become a bank holding company through the acquisition of all of the voting stock (less directors' qualifying shares) of a proposed new bank in San Francisco, California, to be named French Bank of California. If the proposed acquisition is consummated, BNP will be a foreign bank holding company within the meaning of § 225.4(g)(1)(iii) of Regulation Y.

FABC is an "investment company" chartered under Article XII of the New York State Banking Law. It is engaged in banking activities, including short- and medium-term lending, acceptances, remittance of funds, foreign exchange transactions, and related activities. FABC receives credit balances for the account of its customers in connection with transactions that it is legally authorized to perform, but does not accept deposits. Except for FABC's investment in the shares of its wholly-owned subsidiary FACC, FABC does not directly own more than 5 per cent of the shares of any company.

FACC is a corporation organized in 1970 under the laws of the State of Delaware that specializes in investing funds for its own account. It plans to expand its activities to provide investment advisory services and corporate financial services, including assistance in mergers and acquisitions. Most of FACC's funds have been placed in short-term investments, including purchase of participations in FABC's loans and investment in negotiable corporate and government notes. FACC has also made venture capital investments and has invested in securities listed on an exchange. Among its venture capital investments, FACC has acquired more than 5 per cent of the voting shares of two United States subsidiaries of French corporations. It has a 15 per cent interest in Locafrance-U.S. Corporation, which is engaged in the business of leasing equipment, and a 15.8 per cent interest in Indumat Equipment Corporation, which sells and leases scaffolding systems. Both such corporations are located in New York City.

Section 4(c)(9) of the Act provides that the prohibitions of section 4 shall not apply to the investments or activities of foreign bank holding companies that conduct the greater part of their business outside the United States, if the Board by regulation or order determines that, under the circumstances and subject to the conditions set forth in the regulation or order, the exemption would not be substantially at variance with the purposes of the Act and would be in the public interest. In § 225.4(g)(2)(iv) of Regulation Y, the Board has determined that a foreign bank holding company may, with the Board's consent, own or control voting shares of any company principally engaged in the United States in financing or facilitating transactions in international or foreign commerce. From the information submitted by the Applicant, it appears that the great majority of FABC's business is conducted with, or on behalf of, foreign customers and that FABC is principally engaged in international or foreign banking in competition with other financial institutions in New York City, including branches or agencies of foreign banks, the international banking departments of New York banks, and Edge Act subsidiaries of other banks. FABC is active in the domestic market for call loans to brokers, bankers' acceptances, and bankers' certificates of deposit; however, such business is small in proportion both to FABC's total business and to the markets for these types of assets in New York City.

In the Board's judgment, FABC's activities meet the conditions for exemption set forth in section 4(c)(9) of the Act and § 225.4(g)(2)(iv) of Regulation Y. In the Board's judgment, FACC's investment activities as described by Applicant are consistent with the purposes of the Act and the public interest, except as noted below and subject to the condition that FACC not invest in more than 5 per cent of the voting shares, or acquire control over the management or policies, of any issuer except with prior Board approval. FACC's proposed investment advisory services and its investment in Locafrance-U.S. Corporation are consistent with the scope of activities permitted to a domestic bank holding company under section 4(c)(8) of the Act and §§ 225.4(a)(5) and (6) of Regulation Y.

The term "corporate financial services" as used by Applicant to describe a proposed new activity of FACC is not specifically defined in the application. The Board is of the view that FACC should be permitted to furnish financial services of a kind authorized by § 225.4(a)(5) of Regulation Y. The Board has not determined that assistance in mergers and acquisitions is included among such services.

FACC's investment in Indumat Equipment Corporation is an investment that would not be permissible to a domestic bank holding company, since Indumat is engaged in the business of selling goods in the United States. The Board believes that such an investment is inappropriate for a foreign bank holding company, and no sound reasons have been advanced by Applicant in support of a contrary conclusion.

Competition in international or foreign banking in the New York market will be promoted if BNP is permitted to retain its investments in FABC and FACC. FABC is a small competitor in this market, and it is in the public interest that such competition be preserved to the extent consistent in other respects with the purposes of the Act.

Based upon the foregoing and other considerations reflected in the record, and based upon the assumption that BNP will become a bank holding company through the acquisition of voting shares of French Bank of California in accordance with its application approved by the Board, the Board has made the following determinations:

1. Pursuant to section 4(c)(9) of the Act and § 225.4(g)(2)(iv) of Regulation Y, the Board consents to the continued ownership by BNP of all of FABC's voting shares.

2. Pursuant to section 4(c)(9) of the Act and § 225.4(g)(3) of Regulation Y, the Board approves the continued indirect ownership by BNP of all of FACC's voting shares, subject to the following conditions:

(a) That FACC limit its corporate financial services to the kind of services authorized by § 225.4(a)(5) of Regulation Y,

(b) That BNP dispose of its indirect 15 per cent interest in Indumat Equipment Corporation within two years from the date as of which it becomes a bank holding company.

3. Pursuant to section 4(c)(9) of the Act and § 225.4(g)(3) of Regulation Y, the Board approves the continued indirect ownership by BNP of 15 per cent of the voting shares of Locafrance-U.S. Corporation, New York City, provided that Locafrance confines its activities to leasing of personal property and equipment in accordance with § 225.4(a)(6) of Regulation Y.

The foregoing determinations are subject to the Board's authority to require reports by, and make examinations of, holding companies and their subsidiaries; 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; and to revocation by the Board if the facts upon which it is based change in any material respect.

By order of the Board of Governors, February 7, 1972.

Voting for this action: Chairman Burns and Governors Robertson, Daane, Brimmer, and Sheehan. Absent and not voting: Governors Mitchell and Maisel.

(Signed) TYNAN SMITH,
[SEAL] *Secretary of the Board.*

NEWPORT SAVINGS AND LOAN ASSOCIATION, NEWPORT, RHODE ISLAND

ORDER APPROVING FORMATION OF BANK HOLDING COMPANY AND CONTINUATION OF THE ACTIVITIES OF A THRIFT INSTITUTION

Newport Savings and Loan Association, Newport, Rhode Island, has applied for the Board's approval under § 3(a)(1) and § 4(c)(8) of the Bank Holding Company Act (12 U.S.C. 1842(a)(1) and 1843(a)(8)) to become a bank holding company through acquisition of 100 per cent of the voting shares of The Island Trust Company, Newport, Rhode Island, a proposed new bank, and to continue thereafter to engage in the activities of a thrift institution.

Pursuant to § 3(b) of the Act, the Board gave written notice of receipt of the application to become a bank holding company to the Bank Commissioner for the State of Rhode Island and requested his views and recommendation. The Commissioner recommended that the application be favorably considered. Subsequently, the Director of the Department of Business Regulation for the State of Rhode Island (whose jurisdiction encompasses the office of the Bank Commissioner) recommended that the application be approved.

Notice of receipt of the application to become a bank holding company was published in the Federal Register on June 19, 1971 (36 Federal Register 11832), providing an opportunity for interested persons to submit comments and views with respect to the proposed transaction. Several letters of comment objected to Newport Savings and Loan Association becoming a bank holding company and continuing thereafter to engage in the activities of a thrift institution.

In view of the issues raised, the Board published notice of a hearing on the matter (36 Federal Register 21708). The hearing was held before available members of the Board on November 29, 1971. All persons desiring to give testimony, present evidence or otherwise participate in the hearing were permitted to do so. Time for filing additional comments and views has expired; all those received and the entire record of the hearing have been considered by the Board.

On the basis of the record and other relevant material, the applications are approved for the reasons set forth in the Board's Statement of this date: *Provided*, That the proposed acquisition shall not be consummated (a) before the thirtieth calendar day following the date of this Order or (b) later than three months after the date of this Order; and that (c) The Island Trust Company shall be opened for business not later than six months after the date of this Order, unless the times specified in (b) and (c) are extended for good cause by the Board, or by the Federal Reserve Bank of Boston pursuant to delegated authority.

By order of the Board of Governors, February 17, 1972.

Voting for this action: Chairman Burns and Governors Robertson, Mitchell, Daane, Maisel, Brimmer, and Sheehan.

(Signed) TYNAN SMITH,
Secretary of the Board.

[SEAL]

STATEMENT

Applicant is a federally insured mutual savings and loan association. Such an association has indefinite corporate life and is a "company" within the meaning of section 2(b) of the Bank Holding Company Act.[1]

The Federal Home Loan Bank Board, Connecticut Bankers Association, and the American Bankers Association, have urged the Board to deny Applicant's proposal to become a bank holding company. In addition, representatives of the Federal Home Loan Bank Board participated in the hearing held in connection with the applications. Two basic issues were raised by the parties objecting to Applicant's proposal. The first is the relationship between the present applications and the Board's consideration, under section 4(c)(8) of the Act, of the permissibility generally of bank holding company ownership of a stock savings and loan association. The second issue relates to the public interest to be served in permitting a mutual association to own a commercial bank.

Applicant presently holds $8.9 million in savings accounts, which represents less than 6 per cent of the deposits and savings in the Newport County market, and is the fifth largest of the nine financial organizations operating in the market. The financial institutions competing with Applicant in the Newport County market include five commercial banks, two mutual savings banks, and a credit union, all of which are authorized to offer checking account services. The two mutual savings banks do so through commercial bank subsidiaries, and the credit union is able to accept demand deposits under a recently enacted State statute that permits a State chartered credit union with shares of over $1 million to accept demand deposits.

Applicant is at a distinct competitive disadvantage in not being able to offer checking account services to its customers. The economic data submitted indicate that Applicant's growth has generally lagged behind that of the area's other financial institutions because of this inability. The overall effect of this proposal should be to

[1] The Rhode Island Legislature, in 1970, specifically authorized such mutual associations to establish *de novo* a bank or trust company or to hold a majority of the issued and outstanding stock of a bank or trust company. Each mutual savings bank in Rhode Island owns a commercial bank subsidiary. In 1970 Congress amended the Bank Holding Company Act to exempt from the Act federally insured mutual savings banks which directly or indirectly own one bank, if such ownership or control existed on the date of enactment of the Bank Holding Company Act Amendments of 1970 and is specifically authorized by applicable State law (§ 2(a)(5)(F)). If Applicant had owned Bank prior to December 31, 1970, its continued ownership of the Bank would have been permissible under Federal and State law

promote competition by enabling Applicant to offer a full range of banking services similar to those offered by its major competitors.

The financial condition of Applicant is generally satisfactory, its management is considered competent, and its prospects upon consummation of this proposal appear favorable. Bank's management would be derived from Applicant, and its prospects appear favorable. The banking needs of the residents of Bank's proposed service area appear to be adequately served at the present time by existing institutions, and consummation of this proposal would result in no new services. However, Applicant would become an additional source of commercial banking services, and this introduction of another banking alternative should benefit the residents of the area. In the Board's judgment, the balance of the banking factors the Board is required to consider under section 3(c) of the Act favors approval.

In view of the history of close affiliation of mutual thrift institutions and commercial banks in Rhode Island, the Board has determined that Applicant's continuing to engage in the activities of a thrift institution after acquisition of shares of the proposed new bank is an activity so closely related to Rhode Island banking as to be a proper incident thereto. The Board believes that this special Rhode Island situation may and should be resolved separately from the question whether operation by a bank holding company of a savings and loan association is generally so closely related to banking that it can be a permissible activity within the meaning of section 4(c)(8) of the Act.

Approval of the applications would add a new bank to the competitive environment and permit the parent thrift institution to compete more effectively with other organizations in which a thrift institution is combined with a commercial bank. This should produce benefits to the public of greater convenience and increased competition without any significant adverse effects. Accordingly, the considerations affecting the competitive factors under section 3(c) and the balance of the public interest factors the Board must consider under section 4(c)(8) in permitting a holding company to engage in an activity on the basis that it is closely related to banking both favor approval.

Conclusion. On the basis of all relevant facts before it, including the record of the hearing relating to this matter, the Board concludes that the proposed transaction would be in the public interest and that the applications should be approved.

MOUNTAIN BANKS, LTD., COLORADO SPRINGS, COLORADO

Order Approving Formation of Bank Holding Company

Mountain Banks, Ltd., Colorado Springs, Colorado, 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 51 per cent or more of the voting shares of The Exchange National Bank of Colorado Springs, Colorado Springs ("Exchange National"); The First National Bank of Pueblo, Pueblo ("First National"); Cherry Creek National Bank, Denver ("Cherry Creek National"); South Denver National Bank, Glendale ("South Denver National"); and Park National Bank of Pueblo, Pueblo ("Park National"), all in Colorado.

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

Applicant proposes to acquire Cherry Creek National ($37.5 million in deposits), the eleventh largest of 81 banks in the Denver banking market, and South Denver National ($10.2 million in deposits), the thirty-eighth largest bank in that market. Cherry Creek National controls 1.4 per cent and South Denver National controls 0.4 per cent of total deposits in commercial banks in the market. South Denver National has been affiliated with Cherry Creek National since it was organized in 1963; the President of Cherry Creek National serves also as chairman of the board of South Denver National, and more than 92 per cent of South Denver National's stock is owned by Cherry Creek National stockholders controlling 90 per cent of the stock of the latter bank. A change in this common control in the foreseeable future appears unlikely. Accordingly, consummation of the proposal would not appear to eliminate any meaningful existing or potential competition between the two banks.

Applicant further proposes to acquire control of three other banks now under common control: First National ($57.5 million in deposits), Park National ($4.7 million in deposits), and Exchange National ($72.6 million). One individual, through family holdings of stock and as beneficiary of family trusts, controls 52 per cent of First National, 63 per cent of Park National, and 55 per cent of Exchange National. First National, the largest bank in the Pueblo banking market, and Park National, the seventh largest of nine banks in that market, control 34.9 per cent and 2.8 per cent, respectively, of total deposits in commercial banks in the market. Park National was established in 1963 as an affiliate of First National and has remained an affiliate since that time. Exchange National controls 18.7 per cent of total commercial bank deposits in the Colorado Springs banking market which is located 43 miles south of Pueblo. In view of the existing relationships between the banks and in view of the fact that these relationships appear unlikely to end in the foreseeable future, it appears that consummation of this proposal would not eliminate any meaningful existing or potential competition between these three banks.

The two banks in the Denver banking market are located approximately 65 miles from Exchange National and 108 miles from First National and Park National. In view of the distances separating the Denver area banks and the three other banks, the numerous intervening banks, and Colorado's laws prohibiting branching, there appears to be no existing competition between the two groups, and such competition appears unlikely to develop.

Consummation of the proposal would create the State's seventh largest banking organization and the sixth largest multibank holding company, controlling 3.9 per cent of the State's total commercial bank deposits. Applicant should thus be able to provide more effective competition to the other holding companies in the three banking markets where its proposed bank subsidiaries are located.

Formation of the holding company would permit the banks to make larger loans through participation agreements, would enable more funds to be channeled into mortgage lending through Exchange National's mortgage lending department, and would coordinate and improve the effectiveness of the trust activities of First National and Exchange National. The banks should benefit from the savings resulting from more efficient auditing, data processing, management selection, training and succession, and marketing functions. Applicant also intends to construct new banking houses for Exchange National and Park National. Considerations related to the convenience and needs of the communities to be served lend weight toward approval.

The financial and managerial resources and future prospects of Applicant are dependent on its proposed bank subsidiaries, all of whose resources and prospects are satisfactory and consistent with approval. It is the Board's judgment that the transaction is in the public interest and that the application should be approved.

In connection with the present application, Applicant has applied to acquire substantially all of the nonbanking assets of Rocky Mountain Financial Services, Inc., a one-bank holding company presently owning Park National. This matter was separately considered by the Board under § 4(c)(8) of the Act and is the subject of another order issued today by the Board.

On the basis of the record, the application is approved for the reasons summarized above. The transaction shall not be consummated (a) before the thirtieth calendar day following the date of this Order or (b) later than three months after the date of this Order, 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, February 25, 1972.

Voting for this action: Chairman Burns and Governors Robertson, Mitchell, Daane, Brimmer, and Sheehan. Absent and not voting: Governor Maisel.

(Signed) TYNAN SMITH,
[SEAL] *Secretary of the Board.*

ORDER APPROVING ACQUISITION OF NONBANKING COMPANIES

Mountain Banks, Ltd., has applied for the Board's approval under § 4(c)(8) of the Act (12 U.S.C. 1843(c)(8)) to acquire all the shares of each of the following companies: Plaza Finance Company, Pueblo, Colorado; Valley Industrial Bank, Blende, Colorado; Bankers Motor Leasing, Inc., Colorado Springs, Colorado; and Cherokee Life Insurance Company, Phoenix, Arizona. These nonbanking companies, as well as a bank, are now owned by Rocky Mountain Financial Services, Inc., Colorado Springs, Colorado, a registered bank holding company. Mountain Banks, Ltd., has today received the Board's permission to become a bank holding company through the acquisition of 51 per cent or more of the voting shares of five banks located in Colorado.

Notice of the application, affording opportunity for interested persons to submit comments and views, has been duly published. The time for filing comments and views has expired and all those received have been considered.

Plaza Finance Company is engaged in the business of a finance company. Valley Industrial Bank is engaged in the business of an industrial bank and does not accept demand depsoits. Both Plaza Finance Company and Valley Industrial Bank engage in certain insurance agency activities which are directly related to their extensions of credit. Bankers Motor Leasing, Inc., engages in full payment leasing of automobiles. The operation by a bank holding company of companies engaged in the above activities has previously been determined by the Board to be closely related to banking. 12 CFR 225.4(a)(1), (2), (6), (9), (11). Cherokee Life Insurance Company formerly engaged in the business of reinsuring credit life and disability insurance but has terminated all business activities and Applicant is not seeking approval for it to engage in any activities.

Plaza Finance Company ($2.4 million in assets)[1] is a consumer finance company doing business in Pueblo, Colorado Springs, Longmont, and Fort Collins.[2] In Pueblo and Colorado Springs (where Applicant will have bank subsidiaries), Plaza Finance is a relatively small competitor, having only $0.8 million of loans outstanding in Pueblo, and $0.4 million of loans outstanding in Colorado Springs; it appears that, in each city, over 50 companies make consumer loans. Accordingly, the proposed acquisition of Plaza Finance would appear to have only very slight adverse effects on competition in the relevant markets.

Valley Industrial Bank makes consumer loans in the Pueblo market, where Applicant has two bank subsidiaries. The industrial bank, however, has only $1.1 million in outstanding loans in a market where over 50 consumer lenders compete. Accordingly, the proposed acquisition of Valley Industrial Bank would appear to have only slightly adverse effects on competition in the Pueblo market.

Bankers Motor Leasing, Inc., which leases automobiles in the Colorado Springs area, does not compete with any of the proposed subsidiaries of Mountain Banks, Ltd. There is no evidence in the record indicating that consummation of the proposed transactions would result in any undue concentration of resources, unfair competition, conflict of interests, unsound banking practices, or other adverse effects on the public interest

Consummation of Applicant's proposed nonbanking acquisitions would result in greater efficiency through the use of centralized auditing and computer services. Several of the proposed subsidiaries appear to be unable to expand their activities significantly because they lack access to additional funds from banks or from their present parent company, Rocky Mountain Financial Services, Inc., Mountain Banks, Ltd., which has access to substantial financial resources, could provide these companies with needed funds, thereby allowing the companies to expand their services to the public. On balance, the Board concludes that these public benefits outweigh any adverse effects on competition.

On the basis of 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 section 4(c)(8) of the Act is favorable, and 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 determination of the activities of a holding company or any of its subsidiaries as the Board finds necessary to assure compliance with the provisions of the Act and the Board's regulations and orders issued thereunder, or to prevent evasions thereof.

By order of the Board of Governors, February 25, 1972.

Voting for this action: Chairman Burns and Governors Robertson, Mitchell, Daane, Brimmer, and Sheehan. Absent and not voting: Governor Maisel.

(Signed) TYNAN SMITH,
[SEAL] *Secretary of the Board.*

ORDERS UNDER SECTION 4(c)(8) OF BANK HOLDING COMPANY ACT

FIRST TULSA BANCORPORATION, INC., TULSA, OKLAHOMA

ORDER DENYING ACQUISITION OF HALL INVESTMENT COMPANY

First Tulsa Bancorporation, Inc., Tulsa, Oklahoma, a bank holding company registered under the Bank Holding Company Act of 1956, as amended, has applied for the Board's approval under section 4(c)(8) of the Act and § 225.4(b)(2) of the Board's Regulation Y to acquire all of the voting shares of Hall Investment Company ("Company"), Tulsa, Oklahoma. Notice of the applica-

[1] Asset data for Plaza Finance Company and for other proposed subsidiaries are as of December 1970

[2] Plaza Finance also owns First Industrial Loan Company, Greeley, Colorado, with outstanding loans of $0.3 million.

tion affording opportunity for interested persons to submit comments and views, was duly published (36 Federal Register 21849). Time for filing comments and views has expired and none have been received.

The operation of a mortgage company by a bank holding company is an activity that the Board has determined to be closely related to banking (12 C.F.R. 225.4(a)(1)). A bank holding company may acquire a company engaged in this activity so long as the proposed acquisition is consistent with the relevant factors specified in section 4(c)(8) of the Act.

Applicant owns the First National Bank and Trust Company of Tulsa ("Bank"), the third largest banking organization in Oklahoma. Bank's total deposits of $407.7 million (deposit data are for June, 1971) represent 7.0 per cent of all commercial bank deposits in the State, and 31.5 per cent of those within Tulsa County. Within Tulsa County, Bank is engaged in extending credit secured by real property through (1) permanent mortgage loans on one-four family residential properties, (2) permanent mortgage loans on income producing properties, and (3) construction loans.

Company, the second largest mortgage company in Tulsa County and the 227th largest mortgage company in the nation, specializes in the origination and servicing of single-family mortgage loans. As of June 1971, Company had a mortgage servicing portfolio of $80.2 million. In addition to its office in Tulsa, Company has recently opened an office in Oklahoma City.

Bank and Company are both engaged in the making of permanent one-four family residential mortgages in Tulsa County. In 1970, Bank originated $4.5 million of such mortgages, and Company originated $7.9 million of such mortgages. It is estimated that Bank's share of the permanent one-four family residential mortgage market in Tulsa County was 4.3 per cent in 1970, whereas Company's share was 7.5 per cent. Consummation of the proposed acquisition would increase Applicant's share of that market to nearly 12 per cent and would eliminate a significant competitive alternative in that market. Furthermore, consummation of the proposed acquisition would foreclose the potential development of further competition between Bank and Company.

Applicant contends that consummation of the proposed acquisition would enable it to provide additional funds for the development of low and moderate income housing in Tulsa and would produce gains in efficiency. The basis for such contention is not clearly evidenced in the record but, in any case, the Board concludes that even if such public benefits were to result, this would not outweigh the adverse effects indicated above.

Based upon the foregoing and other considerations reflected in the record, the Board has concluded that the public interest factors the Board is required to consider under section 4(c)(8) are not favorable to the requested determination and do not outweigh possible adverse effects. Accordingly, the application is hereby denied.

By order of the Board of Governors, February 7, 1972.

Voting for this action: Chairman Burns and Governors Robertson, Maisel, Brimmer, and Sheehan. Absent and not voting: Governors Mitchell and Daane.

(Signed) TYNAN SMITH,

[SEAL] *Secretary of the Board.*

U.S. BANCORP
PORTLAND, OREGON

ORDER APPROVING RETENTION OF SHARES OF U.S. DATACORP

U.S. Bancorp, Portland, Oregon, a bank holding company registered under the Bank Holding Company Act of 1956, as amended, has applied for the Board's approval under section 4(c)(8) of the Act and section 225.4(b)(2) of the Board's Regulation Y to retain shares of U.S. Datacorp, Portland, Oregon. Notice of the application, affording opportunity for interested persons to submit comments and views, was duly published (36 Federal Register 23840). The time for filing comments and views has expired, and none have been received.

The Board has determined that certain types of data processing activities are closely related to banking (12 CFR 225.4(a)(8)). A bank holding company may own shares of a company engaged in such activities if such ownership is consistent with the relevant factors specified in section 4(c)(8) of the Act.

Applicant's only banking subsidiary is United States National Bank of Oregon (deposits $1.5 billion), the second largest bank in Oregon, with control of 37.7 per cent of the total commercial bank deposits in the State. The data processing operations it formerly conducted were transferred to U.S. Datacorp when that company was organized by applicant in January 1971 (apparently on authority of section 4(c)(5) of the Act).

Those operations were conducted principally in Portland, where the offices of United States National Bank of Oregon were located. Applicant expanded the scope and range of U.S. Datacorp's activities (all of the type described in 12 CFR 225.4(a)(8)) by acquiring, immediately after the organization of Datacorp, the assets of Data Planning Corporation, Seattle, Washington, a going concern. (Hence, the Board treats the application to retain the shares of U.S. Datacorp as an application also to retain the assets of Data Planning.)

At the time of its acquisition by Applicant, Data Planning was offering data processing services in the local Seattle market that were, for the most part, similar to the data processing services offered by Applicant's subsidiaries. It was also supplying a computer output microfilm service, for which the relevant market included both Portland and Seattle.

At the time of the acquisition, Applicant competed in the data processing field in Portland with three bank or bank-related firms and 36 other companies. Data Planning was competing in the Seattle market with 42 banks and 80 other companies in the data processing field. In view of the relatively small amount of data processing performed by Applicant and Data Planning, the large number of competitors in the market area of each, the distance between market areas, and other such considerations, it appears that Applicant and Data Planning were not significant competitors with each other at the time of the acquisition, nor that they would become such in the future. Moreover, it appears likely that U.S. Bancorp, through U.S. Datacorp, will be able to expand the range of services offered to the public. The Board concludes that the acquisition by Applicant of the assets of Data Planning did not have significant anticompetitive effects; that the continued operation of U.S. Datacorp by Applicant will not have significant anticompetitive effects; and that, on balance, the public benefits to be expected by permitting U.S. Bancorp to retain shares of U.S. Datacorp outweigh any possible adverse effects on competition.

On the basis of 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 section 4(c)(8) is favorable. Accordingly, the application is approved, and the Applicant is hereby permitted to engage in the activities conducted by U.S. Datacorp that are authorized by 12 CFR 225.4(a)(8). 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, February 25, 1972.

Voting for this action: Chairman Burns and Governors Robertson, Mitchell, Daane, Brimmer, and Sheehan. Absent and not voting: Governor Maisel.

(Signed) TYNAN SMITH,
[SEAL] *Secretary of the Board.*

ORDER UNDER SECTION 4(d) OF BANK HOLDING COMPANY ACT

MILTON HERSHEY SCHOOL AND SCHOOL TRUST, HERSHEY, PENNSYLVANIA

ORDER APPROVING EXEMPTION OF NONBANKING ACTIVITIES OF BANK HOLDING COMPANY

Milton Hershey School and School Trust, Hershey, Pennsylvania, a bank holding company by virtue of 56 per cent ownership of The Hershey National Bank, Hershey, Pennsylvania ("Bank"), has applied to the Board of Governors, pursuant to section 4(d) of the Bank Holding Company Act (12 U.S.C. 1843 (d)), for an exemption from the prohibitions of section 4 (relating to nonbanking activities and acquisitions).

Notice of receipt of the application has been given in accordance with section 4 of the Act, and the time for filing comments and views has expired. The Board has considered the application and all comments received in the light of the factors set forth in section 4(d) of the Act and finds that:

Milton Hershey School was established in 1909 by Milton and Catherine Hershey. In 1930, Milton Hershey transferred his controlling interest in The Hershey National Bank, founded in 1925, to the Milton Hershey School Trust, with the Hershey School as beneficiary. Upon Milton Hershey's death in 1945, Milton Hershey School and School Trust held a controlling interest in Hershey Foods Corporation and other nonbanking interests in and around the town of Hershey, Pennsylvania. Bank ($40 million in deposits as of June 30, 1971) was established to provide banking facilities for the employees of the predecessor to the Hershey Foods Corporation. Over the years, the majority of the bank's customers have been employees of Hershey Foods Corporation. Furthermore, over 90 per cent of Bank's loans are to individuals or small businesses in the Hershey community or its immediate area. The present ownership ties have existed for over 40 years, a period of affiliation within the terms of section 4(d)(1). Bank is well managed and in sound financial condition and Applicant has not abused its relationship with the Bank. There is no reason to believe that permitting this relationship to continue indefinitely will adversely affect either the Bank or the community of Hershey.

At the present time, over 80 per cent of Bank's stock is owned either by Applicant or residents of the Hershey community and its environs. Forced sale would probably result in a loss of this kind of local control. Bank has historically maintained an investment in home, farm, and commercial mortgages of the maximum amount permitted by Federal law, and over 80 per cent of these loans were conventional home mortgages. Approximately 37 per cent of the Bank's loans are commercial loans to small businesses in Hershey or installment loans on automobiles. Bank also makes education loans to individual students. With higher rates of return available on other types of investments, a new owner of Bank would be quite likely to change its investment policy substantially. Because of the nature of the Hershey community and the nature of Bank under present ownership, it is the Board's view that forced sale of Bank would result in control by interests not similarly representative of the Hershey community.

Exemption under 4(d)(3) is contingent upon a finding of a bank's small size in relation to the holding company's total interests. The type of holding company for which such analysis was envisaged is an operating industrial company. Applicant's assets consist of a portfolio of stock investments which are not subject to the type of analysis contemplated under this provision of the Act.

The legislative history of section 4(d) indicates that Congress clearly intended Applicant to be one of the companies entitled to an exemption (House Report No. 91-1747, 91st Cong., 2d Sess., p. 24 and 116 *Cong Rec.*, H. 11790 and S. 20653). After a review of the entire record, the Board concludes that the granting of an exemption pursuant to § 4(d) of the Act would not be substantially at variance with the purposes of the Act.

On the basis of the record, the application is approved for the reasons summarized above; provided, however, that this determination is subject to revocation by the Board if the facts upon which it is based change in any material respect.

By order of the Board of Governors, February 17, 1972.

Voting for this action: Chairman Burns and Governors Robertson, Mitchell, Daane, Maisel, Brimmer, and Sheehan.

(Signed) TYNAN SMITH,
Secretary of the Board.

[SEAL]

Announcements

CHANGES IN BOARD STAFF

Michael A. Greenspan was appointed an Assistant Secretary in the Office of the Secretary, effective March 6, 1972. Prior to joining the Board's staff in 1969, he had been associated with private law firms in New York and Washington, D.C. Mr. Greenspan holds a B.A. degree from Cornell University and a LL.B. degree from Columbia University.

Kenneth A. Kenyon, who had been Deputy Secretary in the Office of the Secretary, retired on February 29, 1972.

VFCR GUIDELINES AMENDED

The Board of Governors effective March 9, 1972, amended the Voluntary Foreign Credit Restraint (VFCR) Guidelines to prevent subsidiary banks in a holding company from consolidating a newly acquired lending ceiling with ceilings of other banks in the same holding company. Consolidation of ceilings, among holding company members, had been permissible if only one of the banks in question had a ceiling on November 11, 1971, when the Guidelines were last revised.

The modification is intended to safeguard the express intention of the Board to make ceilings available to banks that wanted to enter, and actively engage in, the foreign lending field. If ceilings designed to allow banks directly to develop a foreign lending business become available to banks already established in that business, their purpose would be lost, and their use could lead to an unintended expansion of aggregate foreign lending by U.S. banks.

Section II-D(3)(d) of the Guidelines announced November 11, 1971, will henceforth read as follows:

d. CONSOLIDATION OF CEILINGS OF BANK SUBSIDIARIES OF HOLDING COMPANIES. A bank subsidiary (including a bank, Edge Act Corporation, or Agreement Corporation) of a bank holding company may elect to consolidate its ceiling with that of one or more of the holding company's other bank subsidiaries only if each bank subsidiary involved in the contemplated consolidation had a ceiling under the previous Guidelines. Such election should be made known in advance to the respective Federal Reserve Banks. Ceilings adopted under the present Guidelines should not be consolidated. Ceilings that were consolidated before March 9, 1972, in conformity with the Guidelines may remain consolidated.

STATEMENT ON NONDISCRIMINATORY REAL ESTATE FINANCING: DEFERRED EFFECTIVE DATE

The Board of Governors has deferred from March 1 until May 1 the effective date of its statement directing State member banks to give public notice that their real estate financing is nondiscriminatory. The statement was published in the January BULLETIN, pp. 80–82.

The new date conforms with the effective date of regulations issued by the Department of Housing and Urban Development, which has the primary responsibility for enforcement of the Civil Rights Act of 1968. Some provisions of that Act—under which the Board issued its statement—are directed at the real estate lending activities of financial institutions.

The Board also announced that, prior to May 1, 1972, it will distribute free of charge to all State member banks the revised posters and advertising logotypes required by its statement.

National Summary of Business Conditions

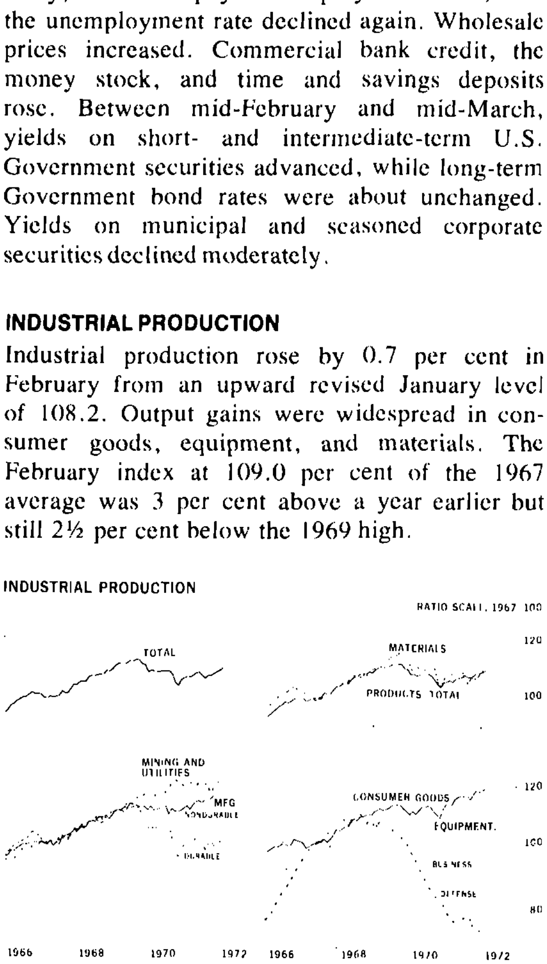
Released for publication March 15

Industrial production increased further in February, nonfarm payroll employment rose, and the unemployment rate declined again. Wholesale prices increased. Commercial bank credit, the money stock, and time and savings deposits rose. Between mid-February and mid-March, yields on short- and intermediate-term U.S. Government securities advanced, while long-term Government bond rates were about unchanged. Yields on municipal and seasoned corporate securities declined moderately.

INDUSTRIAL PRODUCTION

Industrial production rose by 0.7 per cent in February from an upward revised January level of 108.2. Output gains were widespread in consumer goods, equipment, and materials. The February index at 109.0 per cent of the 1967 average was 3 per cent above a year earlier but still 2½ per cent below the 1969 high.

INDUSTRIAL PRODUCTION



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

Auto assemblies rose 3½ per cent and were at an annual rate of about 8½ million units. March production schedules are indicated to be at about the February rates. Output of household appliances, carpeting, and furniture increased further. Production of television sets and nondurable consumer goods (clothing and staples) was maintained. Production of most business equipment lines advanced while output of defense equipment has changed little on balance since December. Among materials, production increased in steel and other durable materials as well as textiles and chemicals.

EMPLOYMENT

Nonfarm payroll employment rose by 83,000 in February reflecting further gains in trade, services, and State and local government. Manufacturing employment changed little, but average weekly hours of production workers recovered from the January decline increasing 0.4 hour to 40.4 hours. The unemployment rate in February declined further to 5.7 per cent from 5.9 per cent in January reflecting some reduction in joblessness of women and married men.

RETAIL SALES

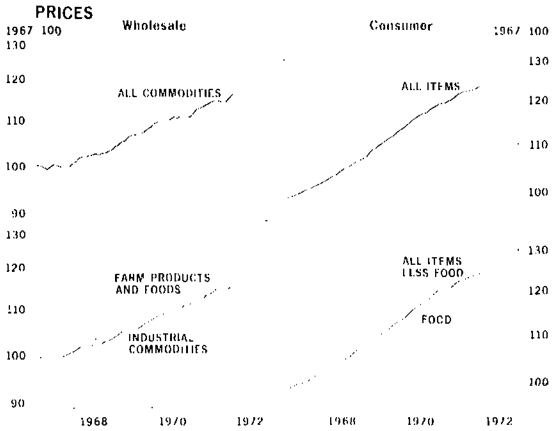
The value of retail sales was virtually unchanged in February from the December-January level and was 6 per cent above February 1971, according to the advance report.

Sales at durable goods stores were down 2 per cent from January, although sales of new domestic-type autos in February were up slightly and sales of new foreign-type were up considerably. Sales at nondurable goods stores were up nearly 1 per cent from January.

WHOLESALE AND CONSUMER PRICES

Wholesale prices, seasonally adjusted, rose 0.7 per cent between January and February. Industrial commodities increased 0.4 per cent reflecting further increases for metals and metal products, textile products, lumber, and plywood as well as higher prices for machinery and equipment, and household furniture and appliances. Prices of farm and food products rose 1.8 per cent, with large increases posted for livestock, meats, fresh fruits, and cotton and wool.

Consumer prices rose 0.3 per cent, seasonally adjusted, in January. Food costs fell as a sharp drop in fresh vegetable and egg prices more than offset rising prices of meats and other foods. New car prices increased, and rising property taxes, utility rates, and public transportation costs pushed the service component up 0.5 per cent.



Bureau of Labor Statistics. "Farm products and foods" is BLS "Farm products, and processed foods and feeds." Latest figures: Consumer, Jan.; Wholesale, Jan.

BANK CREDIT, DEPOSITS, AND RESERVES

Commercial bank credit, adjusted for transfers of loans between banks and their affiliates, increased substantially further in February although somewhat less rapidly than in January. Loan growth moderated in February following a sharp rise in January, and bank acquisitions of municipal and Federal agency securities were smaller than in January. Holdings of U.S. Treasury issues increased considerably, however, following a reduction in January.

The narrowly-defined money stock increased at an annual rate of 14 per cent in February, or much more rapidly than in other recent months. U.S. Government deposits declined sharply. Growth in total time and savings deposits was somewhat below the pace of the two previous months but continued rapid, rising at an annual rate of 16 per cent. The inflow of consumer-type time and savings deposits slowed somewhat but sales of large negotiable CD's increased.

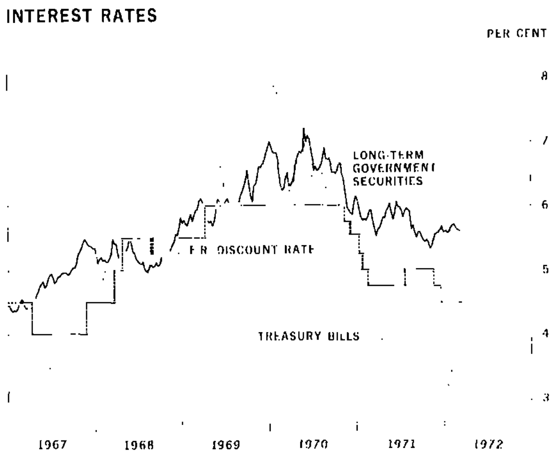
Free reserves of member banks averaged about $140 million over the 5 weeks ending March 1 compared with $180 million in January. Excess reserves declined somewhat while member bank borrowings were about unchanged.

SECURITY MARKETS

Treasury bill rates rose by about 50 to 75 basis points between mid-February and mid-March. The 3-month issue was bid at around 3.95 per cent in the middle of March, up from about 3.05 per cent a month earlier. Yields on short- and intermediate-term Treasury coupon issues advanced by some 20 to 40 basis points over the same period, while long-term Government bond rates were little changed.

Yields on new corporate securities remained steady on balance from mid-February to mid-March while seasoned security rates declined slightly. Although municipal security yields dropped moderately in mid-March, rates were relatively unchanged through most of the period.

Common stock prices continued to rise on average volume.



Discount rate, range or level for all F.R. Banks. Weekly average market yields for U.S. Govt. bonds maturing in 10 years or more and for 90-day Treasury bills. Latest figures: week ending Mar. 11.

Financial and Business Statistics

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Continued on next page

U.S. STATISTICS—Continued

Guide to Tabular Presentation

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.

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

(In millions of dollars)

Period or date	Factors supplying reserve funds: Reserve Bank credit outstanding: U.S. Govt. securities [1]: Total	Bought outright	Held under repurchase agreement	Loans†	Float [2]	Other F.R. assets [3]	Total [4]	Gold stock	Special Drawing Rights certificate account	Treasury currency outstanding
Averages of daily figures										
1939—Dec.	2,510	2,510	....	8	83	....	2,612	17,518	....	2,956
1941—Dec.	2,219	2,219	....	5	170	....	2,404	22,759	....	3,239
1945—Dec.	23,708	23,708	....	381	652	....	24,744	20,047	....	4,322
1950—Dec.	20,345	20,336	9	142	1,117	....	21,606	22,879	....	4,629
1960—Dec.	27,248	27,170	78	94	1,665	....	29,060	17,954	....	5,396
1965—Dec.	40,885	40,772	113	490	2,349	....	43,853	13,799	....	5,565
1967—Dec.	48,891	48,810	81	238	2,030	....	51,268	12,436	....	6,777
1968—Dec.	52,529	52,454	75	765	3,251	....	56,610	10,367	....	6,810
1969—Dec.	57,500	57,295	205	1,086	3,235	2,204	64,100	10,367	....	6,841
1970—Dec.	61,688	61,310	378	321	3,570	1,032	66,708	11,105	400	7,145
1971—Feb.	62,350	62,051	299	328	2,974	1,065	66,797	10,732	400	7,188
Mar.	62,719	62,381	338	319	2,671	896	66,691	10,732	400	7,235
Apr.	63,371	63,153	218	148	3,047	1,103	67,747	10,732	400	7,291
May	64,714	64,368	346	330	2,704	1,076	68,926	10,448	400	7,357
June	64,642	64,574	68	453	2,690	979	68,834	10,332	400	7,419
July	66,001	65,652	349	820	3,001	1,150	71,052	10,332	400	7,437
Aug.	66,324	66,143	181	804	2,572	991	70,749	10,184	400	7,460
Sept.	67,106	66,794	312	501	2,974	900	71,568	10,132	400	7,523
Oct.	67,690	67,488	202	360	3,122	1,105	72,349	10,132	400	7,545
Nov.	68,052	67,655	397	407	3,129	1,013	72,694	10,132	400	7,573
Dec.	69,158	68,868	290	107	3,905	982	74,255	10,132	400	7,611
1972—Jan.	70,687	70,300	387	20	3,405	1,177	75,415	10,132	400	7,656
Feb.[p]	69,966	69,862	104	34	2,991	957	74,027	9,851	400	7,795
Week ending—										
1971—Dec. 1	68,970	68,481	489	705	3,027	859	73,669	10,132	400	7,586
8	68,941	68,822	119	59	3,090	893	73,047	10,132	400	7,594
15	68,761	68,761	....	25	3,473	927	73,245	10,132	400	7,602
22	68,958	68,863	95	141	4,444	988	74,621	10,132	400	7,615
29	69,514	68,938	576	216	4,644	1,096	75,627	10,132	400	7,634
1972—Jan. 5	70,658	69,517	1,141	57	4,260	1,078	76,258	10,132	400	7,626
12	70,712	70,211	501	17	3,594	1,125	75,592	10,132	400	7,634
19	71,130	70,560	570	14	3,353	1,181	75,833	10,132	400	7,649
26	70,561	70,561	....	12	3,024	1,228	74,902	10,132	400	7,658
Feb. 2	70,364	70,364	....	16	2,791	1,279	74,526	10,132	400	7,712
9	70,002	70,002	....	42	2,759	1,307	74,180	10,132	400	7,771
16	70,692	70,261	431	18	2,693	1,150	74,667	9,977	400	7,793
23[p]	70,326	70,326	....	16	3,055	574	74,037	9,588	400	7,811
End of month										
1971—Dec.	70,804	[6] 69,481	1,323	39	4,343	1,068	76,515	10,132	400	7,627
1972—Jan.	70,202	[6] 70,202	....	15	1,884	1,280	73,456	10,132	400	7,759
Feb.[p]	68,425	[6,7] 68,425	....	6	2,725	656	71,875	9,588	400	7,820
Wednesday										
1971—Dec. 1	68,427	[6,7] 68,427	....	66	2,692	962	72,203	10,132	400	7,603
8	69,194	[6] 68,882	312	86	3,053	929	73,344	10,132	400	7,592
15	68,032	[6,7] 68,032	....	28	3,844	983	72,953	10,132	400	7,614
22	68,652	[6] 68,640	12	828	4,059	1,018	74,635	10,132	400	7,622
29	71,759	[6] 69,059	2,700	1,340	4,043	1,114	78,519	10,132	400	7,619
1972—Jan. 5	70,275	[6] 69,689	586	44	4,254	1,099	75,791	10,132	400	7,627
12	70,518	[6] 70,361	157	17	3,103	1,179	74,951	10,132	400	7,644
19	71,451	[6] 70,561	890	24	3,156	1,223	75,995	10,132	400	7,653
26	70,561	[6] 70,561	....	18	2,843	1,261	74,760	10,132	400	7,673
Feb. 2[p]	70,195	[6] 70,195	....	25	2,689	1,311	74,293	10,132	400	7,765
9[p]	69,995	[6] 69,995	....	175	2,510	1,357	74,105	10,132	400	7,788
16[p]	71,928	[6] 70,623	1,305	29	2,930	611	75,641	9,588	400	7,802
23[p]	69,619	[6] 69,619	....	18	2,591	641	72,932	9,588	400	7,813

For notes see 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			Other F.R. accounts[3]	Other F.R. liabilities and capital[3]	Member bank reserves			Period or date
		Treasury	Foreign	Other[2]			With F.R. Banks	Currency and coin[5]	Total	
										Averages of daily figures
7,609	2,402	616	739		248	....	11,473	....	11,473	1939—Dec.
10,985	2,189	592	1,531		292	....	12,812	....	12,812	1941—Dec.
28,452	2,269	625	1,247		493	....	16,027	....	16,027	1945—Dec.
27,806	1,290	615	920	353	739	....	17,391	....	17,391	1950—Dec.
33,019	408	522	250	495	1,029	....	16,688	2,595	19,283	1960—Dec.
42,206	808	683	154	231	389	....	18,747	3,972	22,719	1965—Dec.
47,000	1,428	902	150	451	−204	....	20,753	4,507	25,260	1967—Dec.
50,609	756	360	225	458	−1,105	....	22,484	4,737	27,221	1968—Dec.
53,591	656	1,194	146	458	....	2,192	23,071	4,960	28,031	1969—Dec.
57,013	427	849	145	735	....	2,265	23,925	5,340	29,265	1970—Dec.
55,754	465	1,025	153	778	....	2,232	24,710	5,170	29,880	1971—Feb.
56,123	467	783	139	718	....	2,227	24,601	5,085	29,686	Mar.
56,716	499	1,047	148	752	....	2,194	24,814	5,071	29,885	Apr.
57,155	506	1,112	173	690	....	2,244	25,251	5,168	30,419	May
57,969	491	652	155	698	....	2,227	24,793	5,230	30,023	June
58,847	471	1,546	161	714	....	2,251	25,231	5,316	30,547	July
58,906	477	1,121	181	712	....	2,298	25,098	5,357	30,455	Aug.
59,012	466	1,621	151	712	....	2,296	25,365	5,437	30,802	Sept.
59,185	464	2,100	152	736	....	2,327	25,463	5,397	30,860	Oct.
59,939	470	1,723	133	714	....	2,320	25,500	5,453	30,953	Nov.
61,060	453	1,926	290	728	....	2,287	25,653	5,676	31,329	Dec.
60,201	487	2,821	181	750	....	2,208	26,955	5,910	32,865	1972—Jan.
59,681	436	2,421	172	683	....	2,273	26,407	5,546	31,953	Feb.ᵖ
										Week ending
60,424	457	1,894	169	732	....	2,328	25,783	5,492	31,275	1971—Dec. 1
60,568	456	1,749	133	717	....	2,398	25,151	5,592	30,743	8
61,040	457	1,563	143	710	....	2,219	25,246	5,907	31,153	15
61,242	450	1,895	426	736	....	2,234	25,785	5,366	31,151	22
61,448	448	2,336	471	708	....	2,301	26,081	5,843	31,924	29
61,026	462	2,548	298	862	....	2,152	27,068	5,746	32,814	1972—Jan. 5
60,689	473	2,760	171	727	....	2,155	26,784	6,009	32,793	12
60,225	486	2,515	148	737	....	2,210	27,694	5,971	33,665	19
59,663	508	3,084	160	724	....	2,259	26,695	5,897	32,592	26
59,395	508	3,053	166	755	....	2,318	26,576	5,859	32,435	Feb. 2
59,577	502	3,072	156	764	....	2,382	26,030	5,862	31,892	9
59,774	472	2,915	142	733	....	2,209	26,593	5,664	32,257	16
59,736	372	2,015	167	592	....	2,216	26,739	5,132	31,871	23ᵖ
										End of month
60,979	464	2,020	294	999	....	2,131	27,788	5,743	33,531	1971—Dec.
59,429	505	2,860	147	814	....	2,344	25,650	5,860	31,510	1972—Jan.
59,784	373	884	137	677	....	2,294	25,535	5,419	30,954	Feb.ᵖ
										Wednesday
60,578	460	2,567	128	717	....	2,353	23,536	5,490	29,026	1971—Dec. 1
61,004	463	936	187	779	....	2,429	25,670	5,591	31,261	8
61,271	462	2,127	173	709	....	2,198	24,159	5,908	30,067	15
61,620	452	2,031	473	725	....	2,250	25,238	5,366	30,604	22
61,492	459	1,955	281	754	....	2,362	29,367	5,844	35,211	29
60,992	469	3,071	302	729	....	2,108	26,279	5,743	32,022	1972—Jan. 5
60,656	479	2,108	146	707	....	2,173	26,858	6,016	32,874	12
60,053	506	2,491	127	778	....	2,234	27,992	5,974	33,966	19
59,602	512	2,862	146	716	....	2,279	26,848	5,895	32,743	26
59,554	505	3,173	172	779	....	2,351	26,056	5,861	31,917	Feb. 2ᵖ
59,838	513	2,781	145	739	....	2,405	26,003	5,869	31,872	9ᵖ
59,848	374	2,531	145	612	....	2,198	27,723	5,671	33,394	16ᵖ
59,905	373	1,139	178	590	....	2,236	26,312	5,132	31,444	23ᵖ

† Previously referred to as Discounts and advances.

[1] Includes Federal Agency issues held under repurchase agreements as of Dec. 1, 1966 and Federal Agency issues bought outright as of Sept. 29, 1971.

[2] Beginning with 1960 reflects a minor change in concept; see Feb. 1961 BULLETIN, p. 164.

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

[4] 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 tables on F.R. Banks on following pages. See also note 2.

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

[6] Includes securities loaned—fully secured by U.S. Govt. securities pledged with F.R. Banks.

[7] Reflects securities sold, and scheduled to be bought back, under matched sale/purchase transactions.

RESERVES AND BORROWINGS OF MEMBER BANKS

(In millions of dollars)

Period	All member banks					Reserve city banks: New York City					Reserve city banks: City of Chicago				
	Reserves			Borrowings at F.R. Banks	Free reserves	Reserves			Borrowings at F.R. Banks	Free reserves	Reserves			Borrowings at F.R. Banks	Free reserves
	Total held	Required[1]	Excess			Total held	Required[1]	Excess			Total held	Required[1]	Excess		
1939—Dec.	11,473	6,462	5,011	3	5,008	5,623	3,012	2,611	....	2,611	1,141	601	540	....	540
1941—Dec.	12,812	9,422	3,390	5	3,385	5,142	4,153	989	....	989	1,143	848	295	....	295
1945—Dec.	16,027	14,536	1,491	334	1,157	4,118	4,070	48	192	−144	939	924	14	....	14
1950—Dec.	17,391	16,364	1,027	142	885	4,742	4,616	125	58	67	1,199	1,191	8	5	3
1960—Dec.	19,283	18,527	756	87	669	3,687	3,658	29	19	10	958	953	4	8	−4
1965—Dec.	22,719	22,267	452	454	−2	4,301	4,260	41	111	−70	1,143	1,128	15	23	−8
1967—Dec.	25,260	24,915	345	238	107	5,052	5,034	18	40	−22	1,225	1,217	8	13	−5
1968—Dec.	27,221	26,766	455	765	−310	5,157	5,057	100	230	−130	1,199	1,184	15	85	−70
1969—Dec.	28,031	27,774	257	1,086	−829	5,441	5,385	56	259	−203	1,285	1,267	18	27	−9
1970—Dec.	29,265	28,993	272	321	−49	5,623	5,589	34	25	9	1,329	1,322	7	4	3
1971—Feb.	29,880	29,679	201	328	−127	5,854	5,810	44	29	15	1,403	1,380	23	4	19
Mar.	29,686	29,487	199	319	−120	5,664	5,703	−39	51	−90	1,375	1,384	−9	16	−25
Apr.	29,885	29,745	140	148	−8	5,690	5,696	−6	15	−21	1,392	1,385	7	4	3
May	30,419	30,107	312	330	−18	5,837	5,791	46	113	−67	1,436	1,421	15	13	2
June	30,023	29,892	131	453	−322	5,637	5,674	−37	90	−127	1,387	1,405	−18	21	−39
July	30,547	30,385	162	820	−658	5,729	5,754	−25	86	−111	1,407	1,408	−1	28	−29
Aug.	30,455	30,257	198	804	−606	5,693	5,640	53	164	−111	1,417	1,410	7	7	....
Sept.	30,802	30,596	206	501	−295	5,683	5,674	9	38	29	1,417	1,423	6	4	−10
Oct.	30,860	30,653	207	360	−153	5,678	5,667	11	67	−56	1,425	1,408	17	15	2
Nov.	30,953	30,690	263	407	−144	5,644	5,608	36	107	71	1,408	1,400	8	22	−14
Dec.	31,329	31,164	165	107	58	5,774	5,749	25	35	10	1,426	1,425	1	8	7
1972—Jan.	32,865	32,692	173	20	153	6,066	6,058	8	....	8	1,503	1,512	9	....	−9
Feb.[p]	31,953	31,790	163	34	129	5,804	5,803	....	5	−5	1,437	1,442	5	....	5
Week ending—															
1971—Feb. 3	29,959	29,722	237	283	−46	5,775	5,742	33	....	33	1,331	1,346	−15	....	−15
10	29,760	29,555	205	247	−42	5,685	5,755	−70	....	−70	1,379	1,367	12	....	12
17	30,202	29,905	297	561	−264	6,118	6,043	75	117	−42	1,367	1,388	−21	18	−39
24	29,916	29,599	317	250	67	5,770	5,732	38	....	38	1,417	1,386	31	....	31
July 7	30,313	30,036	277	661	−384	5,689	5,663	26	34	−8	1,388	1,374	14	....	14
14	30,254	30,249	5	991	−986	5,747	5,814	−67	252	−319	1,390	1,412	−22	....	−22
21	30,932	30,650	282	1,121	−839	5,911	5,856	55	65	−10	1,464	1,451	13	116	−103
28	30,623	30,556	67	545	−478	5,671	5,718	−47	30	−77	1,383	1,384	−1	7	−8
Aug. 4	30,894	30,460	434	764	−330	5,781	5,677	104	43	61	1,447	1,434	13	....	13
11	30,330	30,303	27	593	−566	5,625	5,699	−74	....	−74	1,419	1,431	−12	....	−12
18	30,605	30,381	224	1,179	−955	5,816	5,748	68	342	−274	1,416	1,412	4	31	−27
25	30,111	30,020	91	771	−680	5,456	5,522	−66	267	−333	1,387	1,383	4	....	4
Sept. 1	30,519	30,195	324	706	−382	5,679	5,561	118	116	2	1,398	1,399	−1	1	−2
8	30,855	30,650	205	765	−560	5,719	5,759	−40	....	−40	1,428	1,423	5	4	1
15	30,851	30,604	247	457	−210	5,762	5,690	72	....	72	1,441	1,448	−7	3	−10
22	30,360	30,421	−61	329	−390	5,469	5,578	−109	86	−195	1,410	1,413	−3	9	−12
29	31,073	30,730	343	424	−81	5,825	5,689	136	36	100	1,410	1,412	−2	....	−2
Oct. 6	30,993	30,779	214	309	−95	5,644	5,671	−27	29	−56	1,441	1,422	19	....	19
13	30,702	30,653	49	449	−400	5,668	5,693	−25	100	−125	1,413	1,432	−19	7	−26
20	31,071	30,861	210	332	−122	5,808	5,818	−10	35	−45	1,429	1,421	8	4	4
27	30,424	30,373	51	413	−362	5,513	5,508	5	133	−128	1,353	1,364	−11	54	−65
Nov. 3	30,961	30,565	396	216	180	5,681	5,626	55	....	55	1,435	1,400	35	....	35
10	30,580	30,570	10	122	−112	5,589	5,597	−8	21	−29	1,376	1,406	−30	....	−30
17	31,172	30,984	188	287	−99	5,705	5,761	−56	64	−120	1,447	1,433	14	....	14
24	30,716	30,572	144	538	−394	5,589	5,520	69	150	−81	1,358	1,374	−16	47	−63
Dec. 1	31,275	30,685	590	705	−115	5,701	5,538	163	222	−59	1,438	1,386	52	47	5
8	30,743	30,600	143	59	84	5,671	5,604	67	....	67	1,356	1,366	−10	....	−10
15	31,153	30,949	204	25	179	5,699	5,757	−58	....	−58	1,479	1,451	28	....	28
22	31,151	31,180	−29	141	−170	5,747	5,764	−17	79	−96	1,371	1,414	−43	14	−57
29	31,924	31,610	314	216	98	5,793	5,799	−6	76	−82	1,511	1,445	66	21	45
1972—Jan. 5	32,814	32,502	312	57	255	6,200	6,120	80	....	80	1,520	1,526	−6	....	−6
12	32,793	32,688	105	17	88	6,055	6,141	−86	....	−86	1,569	1,549	20	....	20
19	33,665	33,447	218	14	204	6,369	6,267	102	....	102	1,526	1,563	−37	....	−37
26	32,592	32,400	192	12	180	5,766	5,848	−82	....	−82	1,475	1,459	16	....	16
Feb. 2	32,435	32,190	245	16	229	5,936	5,880	56	....	56	1,460	1,451	9	....	9
9	31,892	31,842	50	42	8	5,733	5,825	−92	22	−114	1,439	1,445	−6	....	−6
16	32,257	31,946	311	18	293	6,078	5,895	183	....	183	1,450	1,466	−16	....	−16
23[p]	31,871	31,693	178	16	162	5,686	5,789	−103	....	−103	1,455	1,427	28	....	28

For notes see opposite page.

RESERVES AND BORROWINGS OF MEMBER BANKS—Continued

(In millions of dollars)

Other reserve city banks: Reserves: Total held	Other reserve city banks: Reserves: Required[1]	Other reserve city banks: Reserves: Excess	Other reserve city banks: Borrowings at F.R. Banks	Other reserve city banks: Free reserves	Country banks: Reserves: Total held	Country banks: Reserves: Required[1]	Country banks: Reserves: Excess	Country banks: Borrowings at F.R. Banks	Country banks: Free reserves	Period
3,140	1,953	1,188	....	1,188	1,568	897	671	3	668	1939—Dec.
4,317	3,014	1,303	1	1,302	2,210	1,406	804	4	800	1941—Dec.
6,394	5,976	418	96	322	4,576	3,566	1,011	46	965	1945—Dec.
6,689	6,458	232	50	182	4,761	4,099	663	29	634	1950—Dec.
7,950	7,851	100	20	80	6,689	6,066	623	40	583	1960—Dec.
9,056	8,989	67	228	−161	8,219	7,889	330	92	238	1965—Dec.
10,081	10,031	50	105	−55	8,901	8,634	267	80	187	1967—Dec.
10,990	10,900	90	270	−180	9,875	9,625	250	180	70	1968—Dec.
10,970	10,964	6	479	−473	10,335	10,158	177	321	−144	1969—Dec.
11,548	11,506	42	264	−222	10,765	10,576	189	28	161	1970—Dec.
11,647	11,712	−65	268	−333	10,976	10,777	199	27	172	1971—Feb.
11,732	11,651	81	236	−155	10,915	10,749	166	16	150	Mar.
11,754	11,789	−35	119	−154	11,049	10,875	174	10	164	Apr.
11,923	11,832	91	136	−45	11,223	11,063	160	68	92	May
11,743	11,735	8	181	−173	11,256	11,078	178	161	17	June
11,939	11,929	10	441	−431	11,472	11,294	178	265	−87	July
11,871	11,883	−12	425	−437	11,474	11,324	150	208	−58	Aug.
12,115	12,077	38	318	−280	11,587	11,422	165	141	24	Sept.
12,069	12,050	19	163	−144	11,688	11,528	160	115	45	Oct.
12,106	12,041	65	177	−112	11,795	11,641	154	101	53	Nov.
12,198	12,233	−35	22	−57	11,931	11,757	174	42	132	Dec.
12,954	12,941	13	....	13	12,342	12,181	161	20	141	1972—Jan.
12,122	11,975	147	17	130	12,590	12,569	21	12	9	Feb.p
										Week ending—
11,766	11,759	7	253	−246	11,087	10,875	212	30	182	1971—Feb. 3
11,728	11,702	26	229	−203	10,968	10,731	237	18	219	10
11,733	11,753	−20	380	−400	10,984	10,721	263	46	217	17
11,744	11,673	71	228	−157	10,985	10,808	177	22	155	24
11,847	11,801	46	372	−326	11,389	11,198	191	255	−64	July 7
11,786	11,876	−90	498	−588	11,331	11,147	184	241	−57	14
12,089	12,028	61	607	−546	11,468	11,315	153	333	−180	21
11,946	11,993	−47	296	−343	11,623	11,461	162	212	−50	28
12,094	11,973	121	429	−308	11,572	11,376	196	292	−96	Aug. 4
11,856	11,898	−42	375	−417	11,430	11,275	155	218	−63	11
11,883	11,901	−18	545	−563	11,490	11,320	170	261	−91	18
11,798	11,788	10	372	−362	11,470	11,327	143	132	11	25
11,935	11,896	39	404	−365	11,507	11,339	168	185	−17	Sept. 1
12,182	12,138	44	588	−544	11,526	11,330	196	173	23	8
12,140	12,098	42	324	−282	11,508	11,368	140	130	10	15
11,937	12,013	−76	146	−222	11,544	11,417	127	88	39	22
12,135	12,080	55	231	−176	11,703	11,549	154	157	−3	29
12,165	12,117	48	118	−70	11,743	11,569	174	162	12	Oct. 6
12,011	12,092	−81	234	−315	11,610	11,436	174	108	66	13
12,183	12,110	73	194	−121	11,651	11,512	139	99	40	20
11,876	11,933	−57	129	−186	11,682	11,568	114	97	17	27
12,073	11,976	97	105	−8	11,772	11,563	209	111	98	Nov. 3
11,967	12,050	−83	47	−130	11,648	11,517	131	54	77	10
12,172	12,139	33	174	−141	11,848	11,651	197	49	148	17
11,967	11,973	−6	201	−207	11,802	11,705	97	140	−43	24
12,181	12,025	156	282	−126	11,955	11,736	219	154	65	Dec. 1
11,932	11,992	−60	15	−75	11,784	11,638	146	44	102	8
12,156	12,099	57	....	57	11,819	11,642	177	25	152	15
12,180	12,254	−74	24	−98	11,853	11,748	105	24	81	22
12,521	12,453	68	58	10	12,099	11,913	186	61	125	29
12,871	12,819	52	....	52	12,223	12,037	186	57	129	1972—Jan. 5
12,898	12,927	−29	....	−29	12,271	12,071	200	17	183	12
13,309	13,327	−18	....	−18	12,461	12,290	171	14	157	19
12,932	12,837	95	....	95	12,419	12,256	163	12	151	26
12,686	12,688	−2	....	−2	12,353	12,171	182	16	166	Feb. 2
12,577	12,567	10	....	10	12,143	12,005	138	20	118	9
12,602	12,636	−34	1	−35	12,127	11,949	178	17	161	16
12,641	12,529	112	....	112	12,089	11,948	141	16	125	23p

[1] Beginning Sept. 12, 1968, amount is based on close-of-business figures for reserve period 2 weeks previous to report date.

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

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

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

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

BASIC RESERVE POSITION, AND FEDERAL FUNDS AND RELATED TRANSACTIONS

(In millions of dollars, except as noted)

Reporting banks and week ending—	Basic reserve position					Interbank Federal funds transactions					Related transactions with U.S. Govt. securities dealers		
	Excess reserves[1]	Less—		Net—		Gross transactions			Net transactions		Loans to dealers[3]	Borrowings from dealers[4]	Net loans
		Borrowings at F.R. Banks	Net interbank Federal funds trans.	Surplus or deficit	Per cent of avg. required reserves	Purchases	Sales	Total two-way transactions[2]	Purchases of net buying banks	Sales of net selling banks			
Total—46 banks													
1972—Jan. 5	154	....	6,567	−6,413	46.1	11,770	5,203	4,451	7,319	752	2,024	477	1,547
12	38	....	7,967	−7,929	56.5	12,965	4,998	4,739	8,226	259	1,627	191	1,436
19	63	....	7,448	−7,386	51.5	11,692	4,244	3,789	7,904	455	1,671	173	1,498
26	66	....	6,319	−6,253	46.0	10,909	4,590	3,963	6,946	627	1,851	109	1,742
Feb. 2	100	....	5,897	−5,797	42.8	10,686	4,788	4,108	6,578	681	1,844	73	1,771
9	23	22	6,885	−6,930	51.6	11,669	4,784	4,102	7,567	683	1,639	121	1,518
16	89	1	6,341	−6,253	46.1	11,845	5,504	3,983	7,862	1,521	1,443	303	1,140
23	48	....	5,569	−5,521	41.4	11,458	5,889	4,193	7,265	1,696	1,787	210	1,576
8 in New York City													
1972—Jan. 5	79	....	2,881	−2,802	50.4	3,765	884	884	2,881	....	1,488	77	1,411
12	−18	....	3,078	−3,096	55.6	3,985	907	907	3,078	....	1,183	96	1,087
19	75	....	2,844	−2,769	48.7	3,629	785	785	2,844	....	1,241	69	1,172
26	−8	....	2,374	−2,382	45.0	3,242	868	868	2,374	....	1,403	45	1,358
Feb. 2	53	....	2,214	−2,160	40.6	3,148	934	934	2,214	....	1,397	30	1,366
9	47	22	3,066	−3,135	59.4	3,851	785	785	3,066	....	1,332	56	1,276
16	124	....	3,552	−3,427	63.9	4,350	798	798	3,552	....	1,252	60	1,191
23	−3	....	2,980	−2,984	56.7	3,789	809	809	2,980	....	1,467	52	1,415
38 outside New York City													
1972—Jan. 5	75	....	3,686	−3,611	43.2	8,005	4,319	3,567	4,438	752	535	400	136
12	56	....	4,888	−4,833	57.0	8,980	4,092	3,832	5,148	259	443	95	349
19	12	....	4,604	−4,616	53.3	8,064	3,459	3,004	5,059	455	429	103	326
26	74	....	3,945	−3,872	46.6	7,667	3,722	3,095	4,572	627	448	63	385
Feb. 2	47	....	3,683	−3,637	44.3	7,538	3,854	3,174	4,364	681	448	43	405
9	24	....	3,818	−3,795	46.6	7,818	3,999	3,317	4,501	683	307	65	242
16	−35	1	2,790	−2,826	34.5	7,496	4,706	3,185	4,310	1,521	191	242	−52
23	51	....	2,589	−2,537	31.4	7,669	5,081	3,385	4,284	1,696	320	158	162
5 in City of Chicago													
1972—Jan. 5	12	....	1,361	−1,349	96.6	2,006	644	567	1,439	78	69	....	69
12	15	....	1,799	−1,784	126.0	2,521	722	679	1,843	44	77	....	77
19	−10	....	1,708	−1,718	120.7	2,319	611	574	1,744	36	74	....	74
26	6	....	1,443	−1,436	108.1	2,060	617	569	1,490	47	108	....	108
Feb. 2	14	....	1,390	−1,376	104.3	2,078	688	638	1,441	51	110	....	110
9	1	....	1,510	−1,508	114.8	2,132	622	585	1,547	37	95	....	95
16	9	....	1,406	−1,415	106.1	2,107	700	598	1,509	103	89	....	89
23	18	....	1,288	−1,270	97.9	2,096	808	703	1,393	105	136	....	136
33 others													
1972—Jan. 5	63	....	2,325	−2,262	32.5	5,999	3,674	3,000	2,999	674	466	400	67
12	41	....	3,089	−3,049	43.2	6,459	3,369	3,154	3,305	216	366	95	271
19	−2	....	2,896	−2,898	40.0	5,745	2,849	2,430	3,315	419	355	103	252
26	67	....	2,502	−2,435	34.9	5,608	3,105	2,526	3,082	580	340	63	277
Feb. 2	32	....	2,293	−2,261	32.8	5,459	3,166	2,536	2,924	631	337	43	294
9	23	....	2,309	−2,286	33.5	5,686	3,377	2,732	2,955	646	213	65	148
16	−27	1	1,383	−1,411	20.5	5,389	4,006	2,588	2,801	1,418	102	242	−140
23	33	....	1,301	−1,268	18.7	5,573	4,273	2,682	2,892	1,591	184	158	26

[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 carry-over reserves.

[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.

CURRENT RATES

(Per cent per annum)

Federal Reserve Bank	Loans to member banks: Under Secs. 13 and 13a [1]: Rate on Feb. 29, 1972	Effective date	Previous rate	Loans to member banks: Under Sec. 10(b) [2]: Rate on Feb. 29, 1972	Effective date	Previous rate	Loans to all others under last par. Sec. 13 [3]: Rate on Feb. 29, 1972	Effective date	Previous rate
Boston	4½	Dec. 13, 1971	4¾	5	Dec. 13, 1971	5¼	6½	Dec. 13, 1971	6¾
New York	4½	Dec. 17, 1971	4¾	5	Dec. 17, 1971	5¼	6½	Dec. 17, 1971	6¾
Philadelphia	4½	Dec. 17, 1971	4¾	5	Dec. 17, 1971	5¼	6½	Dec. 17, 1971	6¾
Cleveland	4½	Dec. 17, 1971	4¾	5	Dec. 17, 1971	5¼	6½	Dec. 17, 1971	6¾
Richmond	4½	Dec. 24, 1971	4¾	5	Dec. 24, 1971	5¼	6½	Dec. 24, 1971	6¾
Atlanta	4½	Dec. 23, 1971	4¾	5	Dec. 23, 1971	5¼	6½	Dec. 23, 1971	6¾
Chicago	4½	Dec. 17, 1971	4¾	5	Dec. 17, 1971	5¼	6½	Dec. 17, 1971	6¾
St. Louis	4½	Dec. 13, 1971	4¾	5	Dec. 13, 1971	5¼	6½	Dec. 13, 1971	6¾
Minneapolis	4½	Dec. 23, 1971	4¾	5	Dec. 23, 1971	5¼	6½	Dec. 23, 1971	6¾
Kansas City	4½	Dec. 13, 1971	4¾	5	Dec. 13, 1971	5¼	6½	Dec. 13, 1971	6¾
Dallas	4½	Dec. 24, 1971	4¾	5	Dec. 24, 1971	5¼	6½	Dec. 24, 1971	6¾
San Francisco	4½	Dec. 13, 1971	4¾	5	Dec. 13, 1971	5¼	6½	Dec. 13, 1971	6¾

[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. Maximum maturity: 90 days except that discounts of certain bankers' acceptances and of agricultural paper may have maturities not over 6 months and 9 months, respectively.

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

[3] Advances to individuals, partnerships, or corporations other than member banks secured by direct obligations of, or obligations fully guaranteed as to principal and interest by, the U.S. Govt. or any agency thereof. Maximum maturity: 90 days.

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, 1954	1½	1½
1955—Apr. 14	1½–1¾	1½
15	1½–1¾	1¾
May 2	1¾	1¾
Aug. 4	1¾–2¼	1¾
5	1¾–2¼	2
12	2–2¼	2
Sept. 9	2–2¼	2¼
13	2¼	2¼
Nov. 18	2¼–2½	2½
23	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
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
Nov. 11	4¾–5	5
19	4¾	4¾
Dec. 13	4½–4¾	4¾
24	4½	4½
In effect Feb. 29, 1972	4½	4½

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

The rate charged by the F.R. Bank of N.Y. on repurchase contracts against U.S. Govt. obligations was the same as its rate on loans to member banks under Secs. 13 and 13a, except in the following periods (rates in percentages): **1955**—May 4–6, 1.65; Aug. 4, 1.85; Sept. 1–2, 2.10; Sept. 8, 2.15; Nov. 10, 2.375; **1956**—Aug. 24–29, 2.75; **1957**—Aug. 22, 3.50; **1960**—Oct. 31–Nov. 17, Dec. 28–29, 2.75; **1961**—Jan. 9, Feb. 6–7, 2.75; Apr. 3–4, 2.50; June 29, 2.75; July 20, 31, Aug. 1–3, 2.50; Sept. 28–29, 2.75; Oct. 5, 2.50; Oct. 23, Nov. 3, 2.75; **1962**—Mar. 20–21, 2.75; **1964**—Dec. 10, 3.85; Dec. 15, 17, 22, 24, 28, 30, 31, 3.875; **1965**—Jan. 4–8, 3.875; **1968**—Apr. 4, 5, 11, 15, 16, 5.125; Apr. 30, 5.75; May 1–3, 6, 9, 13–16, 5.75; June 7, 11–13, 19, 21, 24, 5.75; July 5, 16, 5.625; Aug. 16, 19, 5.25; **1971**—Jan. 21, 27, 4.75; Feb. 1–2, 4.50; 4, 11, 4.25; 16–17, 4.00; 18–19, 3.75. Mar. 1–2, 10, 12, 15–18, 24, 29–31, 3.75. Apr. 1–2, 5–6, 3.75; 13, 15, 21, 28, 4.125. May 3–6, 17, 4.125; 18–20, 4.375; 26–27, 4.50; June 1, 4.50; Nov. 15–18, 4.75; Dec. 17, 4.125; 22, 4.05; 23, 3.75; 27, 3.75; 28–29, 3.625; 30, 3.625 and 3.75. 1972—Jan. 3, 5–7, 3.75; 10, 3.625; 11, 13–14, 18–19, 3.50; Feb. 11, 14–16, 3.25.

RESERVE REQUIREMENTS OF MEMBER BANKS

(Per cent of deposits)

Dec. 31, 1949, through July 13, 1966

Effective date [1]	Net demand deposits [2]: Central reserve city banks	Net demand deposits [2]: Reserve city banks	Net demand deposits [2]: Country banks	Time deposits (all classes of banks)
In effect Dec. 31, 1949	22	18	12	5
1951—Jan. 11, 16	23	19	13	6
Jan. 25, Feb. 1	24	20	14	....
1953—July 9, 1	22	19	13	....
1954—June 24, 16	21	....	....	5
July 29, Aug. 1	20	18	12	....
1958—Feb. 27, Mar. 1	19½	17½	11½	....
Mar. 20, Apr. 1	19	17	11	....
Apr. 17	18½	....	....	....
Apr. 24	18	16½	....	....
1960—Sept. 1	17½	....	....	....
Nov. 24	....	....	12	....
Dec. 1	16½	....	....	....
1962—July 28	(3)	....	....	....
Oct. 25, Nov. 1	....	....	....	4

Beginning July 14, 1966

Effective date [1]	Net demand deposits [2,4]: Reserve city banks, Under $5 million	Net demand deposits [2,4]: Reserve city banks, Over $5 million	Net demand deposits [2,4]: Country banks, Under $5 million	Net demand deposits [2,4]: Country banks, Over $5 million	Time deposits [4,5] (all classes of banks): Savings deposits	Time deposits [4,5]: Other time deposits, Under $5 million	Time deposits [4,5]: Other time deposits, Over $5 million
1966—July 14, 21	[6] 16½		[6] 12		[6] 4	[6] 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
In effect Feb. 29, 1972	17	17½	12½	13	3	3	5
Present legal requirement:							
Minimum	10		7		3	3	3
Maximum	22		14		10	10	10

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

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

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

[4] Since Oct. 16, 1969, member banks have been required under Regulation M to maintain reserves against balances above a specified base due from domestic offices to their foreign branches. Effective Jan. 7, 1971, the applicable reserve percentage was increased from the original 10 per cent to 20 per cent. Regulation D imposes a similar reserve requirement on borrowings above a specified base from foreign banks by domestic offices of a member bank. For details concerning these requirements, see Regulations D and M and appropriate supplements and amendments thereto.

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

[6] See preceding columns for earliest effective date of this rate.

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

MARGIN REQUIREMENTS

(Per cent of market value)

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

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.

MAXIMUM INTEREST RATES PAYABLE ON TIME AND SAVINGS DEPOSITS

(Per cent per annum)

Rates Jan. 1, 1962—July 19, 1966

Type of deposit	Effective date: Jan. 1, 1962	July 17, 1963	Nov. 24, 1964	Dec. 6, 1965
Savings deposits: [1]				
12 months or more	4	4	4	4
Less than 12 months	3½	3½		
Other time deposits: [2]				
12 months or more	4			
6 months to 12 months	3½	4	4½	5½
90 days to 6 months	2½			
Less than 90 days (30–89 days)	1	1	4	

Rates beginning July 20, 1966

Type 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: [2]				
Multiple maturity: [3]				
30–89 days	4	4	4	4½
90 days–1 year				5
1 year to 2 years	5	5	5	5½
2 years and over				5¾
Single-maturity:				
Less than $100,000:				
30 days to 1 year				5
1 year to 2 years	5½	5	5	5½
2 years and over				5¾
$100,000 and over:				
30–59 days			5½	(4)
60–89 days			5¾	(4)
90–179 days	5½	5½	6	6¾
180 days to 1 year			6¼	7
1 year or more				7½

1 Closing date for the Postal Savings System was Mar. 28, 1966. Maximum rates on postal savings accounts coincided with those on savings deposits.

2 For exceptions with respect to certain foreign time deposits, see BULLETINS for Oct. 1962, p. 1279; Aug. 1965, p. 1084; and Feb. 1968, p. 167.

3 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.

4 The rates in effect beginning Jan. 21 through June 23, 1970, were 6¼ per cent on maturities of 30–59 days and 6½ per cent on maturities of 60–89 days. Effective June 24, 1970, maximum interest rates on these maturities were suspended until further notice.

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.

DEPOSITS, CASH, AND RESERVES OF MEMBER BANKS

(In millions of dollars)

Four weeks ending December 29, 1971

Item	All member banks	Reserve city banks: New York City	City of Chicago	Other	Country banks
Gross demand—Total	199,926	43,690	8,251	70,930	77,056
Interbank	26,750	12,221	1,543	9,837	3,150
U.S. Govt.	5,597	1,158	283	2,120	2,037
Other	167,580	30,311	6,425	58,974	71,870
Net demand [1]	151,846	27,285	6,486	53,758	64,318
Time	209,649	25,623	7,705	76,449	99,872
Demand balances due from domestic banks	11,512	1,510	162	2,638	7,202
Currency and coin	5,677	464	113	1,798	3,302
Balances with F.R. Banks	25,566	5,264	1,316	10,399	8,587
Total reserves held	31,243	5,728	1,429	12,197	11,889
Required	*31,085*	*5,731*	*1,419*	*12,200*	*11,735*
Excess	*158*	*−3*	*10*	*−3*	*154*

Four weeks ending January 26, 1972

Item	All member banks	Reserve city banks: New York City	City of Chicago	Other	Country banks
Gross demand—Total	203,930	44,766	8,246	72,179	78,739
Interbank	27,971	12,937	1,516	10,121	3,396
U.S. Govt.	5,904	984	250	2,287	2,383
Other	170,055	30,845	6,479	59,772	72,960
Net demand [1]	154,107	27,350	6,488	54,685	65,584
Time	213,086	25,514	7,658	78,360	101,555
Demand balances due from domestic banks	11,994	1,553	148	2,803	7,491
Currency and coin	5,906	480	129	1,875	3,422
Balances with F.R. Banks	27,060	5,618	1,394	11,128	8,922
Total reserves held	32,966	6,098	1,523	13,003	12,344
Required	*32,759*	*6,094*	*1,524*	*12,978*	*12,164*
Excess	*207*	*4*	*−1*	*25*	*180*

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

NOTE.—Averages of daily figures, close of business.

CONSOLIDATED STATEMENT OF CONDITION OF ALL FEDERAL RESERVE BANKS

(In millions of dollars)

Item	Wednesday					End of month		
	1972					1972		1971
	Feb. 23	Feb. 16	Feb. 9	Feb. 2	Jan. 26	Feb. 29	Jan. 31	Feb. 28
Assets								
Gold certificate account	9,475	9,475	9,875	9,875	9,875	9,475	9,875	10,464
Special Drawing Rights certificate account	400	400	400	400	400	400	400	400
Cash	324	322	319	309	306	326	313	266
Loans: †								
Member bank borrowings	18	29	175	25	18	6	15	263
Other								
Acceptances:								
Bought outright	63	68	68	73	77	63	75	54
Held under repurchase agreements		75						
Federal agency obligations:								
Bought outright	738	792	643	643	650	727	650	
Held under repurchase agreements		76						
U.S. Govt. securities:								
Bought outright:								
Bills	29,482	30,575	30,096	30,296	30,655	28,299	30,296	25,801
Certificates– Other								
Notes	36,034	35,952	35,905	35,905	35,905	36,034	35,905	33,624
Bonds	3,365	3,304	3,351	3,351	3,351	3,365	3,351	3,037
Total bought outright	[1] 68,881	[1] 69,831	[1] 69,352	[1] 69,552	[1] 69,911	[1,2] 67,698	[1] 69,552	[1] 62,462
Held under repurchase agreements		1,229						
Total U.S. Govt. securities	68,881	71,060	69,352	69,552	69,911	67,698	69,552	62,462
Total loans and securities	69,700	72,100	70,238	70,293	70,656	68,494	70,292	62,779
Cash items in process of collection	10,820	11,875	10,129	10,846	10,952	10,441	9,221	9,579
Bank premises	153	153	153	152	151	154	152	131
Other assets:								
Denominated in foreign currencies	17	17	17	17	17	17	17	107
IMF gold deposited [3]			144	144	144		144	159
All other	471	441	1,043	998	949	485	967	435
Total assets	91,360	94,783	92,318	93,034	93,450	89,792	91,381	84,320
Liabilities								
F.R. notes	52,676	52,629	52,626	52,346	52,490	52,549	52,229	48,868
Deposits:								
Member bank reserves	26,312	27,723	26,003	26,056	26,848	25,535	25,650	24,409
U.S. Treasurer—General account	1,139	2,531	2,781	3,173	2,862	884	2,860	1,064
Foreign	178	145	145	172	146	137	147	147
Other:								
IMF gold deposited [3]			144	144	144		144	159
All other	590	612	595	635	572	677	670	617
Total deposits	28,219	31,011	29,668	30,180	30,572	27,233	29,471	26,396
Deferred availability cash items	8,229	8,945	7,619	8,157	8,109	7,716	7,337	6,747
Other liabilities and accrued dividends	523	551	545	556	546	521	565	535
Total liabilities	89,647	93,136	90,458	91,239	91,717	88,019	89,602	82,546
Capital accounts								
Capital paid in	752	752	752	752	751	753	752	711
Surplus	742	742	742	742	742	742	742	702
Other capital accounts	219	153	366	301	240	278	285	361
Total liabilities and capital accounts	91,360	94,783	92,318	93,034	93,450	89,792	91,381	84,320
Contingent liability on acceptances purchased for foreign correspondents	265	264	253	253	252	267	253	266
Marketable U.S. Govt. securities held in custody for foreign and international accounts	28,288	28,698	28,917	28,455	28,390	29,317	28,420	13,057

Federal Reserve Notes—Federal Reserve Agents' Accounts

Item	Feb. 23	Feb. 16	Feb. 9	Feb. 2	Jan. 26	Feb. 29	Jan. 31	Feb. 28
F.R. notes outstanding (issued to Bank)	56,792	56,745	56,792	56,892	57,045	56,759	56,963	52,791
Collateral held against notes outstanding:								
Gold certificate account	2,445	2,445	2,445	2,445	2,445	2,445	2,445	3,220
U.S. Govt. securities	56,025	56,025	56,025	56,075	56,075	56,025	56,075	51,665
Total collateral	58,470	58,470	58,470	58,520	58,520	58,470	58,520	54,885

[1] See note 6 on p. A-5.
[2] See note 7 on p. A-5.
[3] See note to table at bottom of page.

STATEMENT OF CONDITION OF EACH FEDERAL RESERVE BANK ON FEBRUARY 29, 1972

(In millions of dollars)

Item	Total	Boston	New York	Phila-delphia	Cleve-land	Rich-mond	Atlan-ta	Chi-cago	St. Louis	Minne-apolis	Kan-sas City	Dallas	San Fran-cisco
Assets													
Gold certificate account	9,475	565	2,936	486	857	993	418	1,300	387	117	290	304	822
Special Drawing Rights certif. acct.	400	23	93	23	33	36	22	70	15	7	15	14	49
F.R. *notes of other banks*	1,365	157	261	128	79	85	279	74	25	24	34	67	152
Other cash	326	10	26	12	38	42	38	40	19	10	35	17	39
Loans: †													
Secured by U.S. Govt. and agency obligations	6		1			*	2			1	2		
Other													
Acceptances:													
Bought outright	63		63										
Held under repurchase agreements													
Federal agency obligations:													
Bought outright	727	34	184	39	55	54	38	118	27	14	30	33	101
Held under repurchase agreements													
U.S. Govt. securities:													
Bought outright	[1,2] 67,698	3,167	17,120	3,590	5,170	5,054	3,568	11,015	2,496	1,306	2,771	3,064	9,377
Held under repurchase agreements													
Total loans and securities	68,494	3,201	17,368	3,629	5,225	5,108	3,608	11,133	2,523	1,321	2,803	3,097	9,478
Cash items in process of collection	13,420	739	2,629	779	976	817	1,487	2,156	686	535	857	896	863
Bank premises	154	2	8	3	25	13	16	17	15	21	17	9	8
Other assets:													
Denominated in foreign currencies	17	1	[3] 5	1	1	1	1	2	1	*	1	1	2
All other	485	46	117	28	35	35	24	70	16	11	17	27	59
Total assets	94,136	4,744	23,443	5,089	7,269	7,130	5,893	14,862	3,687	2,046	4,069	4,432	11,472
Liabilities													
F.R. notes	53,914	2,884	13,305	3,145	4,377	4,789	2,679	9,319	2,089	906	2,016	2,079	6,326
Deposits:													
Member bank reserves	25,535	917	7,030	1,139	1,781	1,327	1,686	3,227	938	618	1,180	1,552	4,140
U.S. Treasurer—General account	884	94	250	20	18	85	76	64	31	49	60	47	90
Foreign	137	6	[4] 45	6	11	6	9	19	4	3	5	7	16
Other:													
All other	706	*	530	2		17	33	93	1		2	4	24
Total deposits	27,262	1,017	7,855	1,167	1,810	1,435	1,804	3,403	974	670	1,247	1,610	4,270
Deferred availability cash items	10,666	740	1,696	657	883	770	1,265	1,781	546	417	708	628	575
Other liabilities and accrued dividends	521	25	131	29	40	39	30	86	19	14	22	23	63
Total liabilities	92,363	4,666	22,987	4,998	7,110	7,033	5,778	14,589	3,628	2,007	3,993	4,340	11,234
Capital accounts													
Capital paid in	753	33	194	39	69	39	51	115	25	17	32	41	98
Surplus	742	34	193	38	68	38	50	111	25	17	32	41	95
Other capital accounts	278	11	69	14	22	20	14	47	9	5	12	10	45
Total liabilities and capital accounts	94,136	4,744	23,443	5,089	7,269	7,130	5,893	14,862	3,687	2,046	4,069	4,432	11,472
Contingent liability on acceptances purchased for foreign correspondents	267	12	[5] 67	14	25	14	19	40	9	6	11	15	35

Federal Reserve Notes—Federal Reserve Agents' Accounts

Item	Total	Boston	New York	Phila-delphia	Cleve-land	Rich-mond	Atlan-ta	Chi-cago	St. Louis	Minne-apolis	Kan-sas City	Dallas	San Fran-cisco
F.R. notes outstanding (issued to Bank)	56,759	3,061	14,089	3,276	4,595	4,950	2,977	9,650	2,168	933	2,099	2,224	6,737
Collateral held against notes outstanding:													
Gold certificate account	2,445	150	500	300	350	285		700	155			5	
U.S. Govt. securities	56,025	3,000	13,800	3,150	4,400	4,720	3,100	9,300	2,080	970	2,175	2,330	7,000
Total collateral	58,470	3,150	14,300	3,450	4,750	5,005	3,100	10,000	2,235	970	2,175	2,335	7,000

† Previously referred to as Discounts and advances.
[1] See note 6 on p. A-5.
[2] See note 7 on p. A-5.
[3] After deducting $12 million participations of other F.R. Banks.
[4] After deducting $92 million participations of other F.R. Banks.
[5] After deducting $200 million participations of other F.R. Banks.

NOTE.—Some figures for cash items in process of collection and for member bank reserves are preliminary.

TRANSACTIONS OF THE SYSTEM OPEN MARKET ACCOUNT

(In millions of dollars)

Month	Outright transactions in U.S. Govt. securities, by maturity: Total — Gross purchases	Total — Gross sales	Total — Redemptions	Treasury bills — Gross purchases	Treasury bills — Gross sales	Treasury bills — Redemptions	Others within 1 year — Gross purchases	Others within 1 year — Gross sales	Others within 1 year — Exch., maturity shifts, or redemptions	1–5 years — Gross purchases	1–5 years — Gross sales	1–5 years — Exch. or maturity shifts
1971—Jan.	1,515	1,547	327	1,515	1,547	327	....	....	....	....	....	....
Feb.	5,832	5,153	....	5,347	5,153	....	....	....	-3,732	174	....	4,092
Mar.	3,142	2,523	240	2,600	2,523	240	....	....	....	263	....	....
Apr.	2,229	1,298	50	2,033	1,298	50	....	....	2	119	....	-2
May	1,291	248	....	1,163	248	....	....	....	464	46	....	-136
June	1,955	1,165	37	1,893	1,165	37	....	....	82	38	....	82
July	2,067	1,617	127	2,067	1,617	127	....	....	....	....	....	....
Aug.	1,818	1,024	....	1,709	1,024	....	....	....	991	84	....	-444
Sept.	2,102	1,088	83	1,818	1,088	83	46	....	104	189	....	-104
Oct.	772	1,133	....	772	1,133	....	....	....	....	....	....	....
Nov.	1,883	1,070	200	1,129	1,070	200	24	....	-3,548	406	....	1,478
Dec.	3,160	1,981	....	3,055	1,981	....	11	....	130	21	....	130
1972 Jan.	915	248	110	499	248	110	16	....	....	187	....	....

Month	Outright transactions in U.S. Govt. securities—Continued: 5–10 years — Gross purchases	5–10 years — Gross sales	5–10 years — Exch. or maturity shifts	Over 10 years — Gross purchases	Over 10 years — Gross sales	Over 10 years — Exch. or maturity shifts	Repurchase agreements (U.S. Govt. securities) — Gross purchases	Repurchase agreements — Gross sales	Net change in U.S. Govt. securities	Federal agency obligations (net) — Outright	Federal agency obligations (net) — Repurchase agreements	Bankers' acceptances — Outright, net	Bankers' acceptances — Under repurchase agreements, net	Net change[1]
1971—Jan.	....	....	....	....	....	....	2,298	2,298	-359	....	....	2	....	-357
Feb.	189	....	-360	121	....	....	4,183	4,183	679	....	....	5	....	673
Mar.	205	....	....	74	....	....	6,561	5,242	1,698	....	186	*	85	1,968
Apr.	62	....	....	16	....	....	5,085	6,404	439	....	-186	3	-85	-707
May	82	....	-327	....	....	....	4,076	4,076	1,043	....	....	8	48	1,099
June	11	....	....	14	....	....	1,165	1,165	754	....	....	-1	-48	705
July	....	....	....	....	....	....	3,044	3,044	323	....	....	7	....	316
Aug.	16	....	547	8	....	....	2,184	1,951	1,027	....	69	-3	55	1,148
Sept.	34	....	....	14	....	....	3,697	3,930	698	61	69	1	-55	634
Oct.	....	....	....	....	....	....	2,616	2,616	361	35	....	1	....	-326
Nov.	267	....	1,920	58	....	150	5,003	5,003	613	244	....	6	....	862
Dec.	67	....	....	6	....	....	4,830	3,607	2,401	145	101	22	181	2,850
1972 Jan.	191	....	....	23	....	....	4,722	5,945	666	165	101	4	181	-787

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

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

CONVERTIBLE FOREIGN CURRENCIES HELD BY FEDERAL RESERVE BANKS

(In millions of U.S. dollar equivalent)

End of period	Total	Pounds sterling	Austrian schillings	Belgian francs	Canadian dollars	Danish kroner	French francs	German marks	Italian lire	Japanese yen	Netherlands guilders	Swiss francs
1968—Dec.	2,061	1,444	....	8	3	....	433	165	1	1	4	3
1969—Dec.	1,967	1,575	....	1	*	....	199	60	125	1	3	4
1970—Nov.	265	161	....	*	*	....	....	98	....	1	*	4
Dec.	257	154	....	*	*	....	....	98	....	1	*	4
1971—Jan.	186	80	....	1	*	....	....	99	....	1	....	5
Feb.	107	*	....	1	*	....	....	100	....	1	....	5
Mar.	34	*	....	1	*	....	....	27	....	1	....	5
Apr.	34	*	....	1	*	....	....	27	....	1	....	5
May	94	*	....	1	*	....	....	87	....	1	....	5
June	96	*	....	2	*	....	....	87	....	1	....	6
July	23	*	....	2	*	....	....	12	....	1	....	8
Aug.	23	*	....	2	*	....	....	12	....	1	....	8
Sept.	23	*	....	2	*	....	....	12	....	1	....	8
Oct.	30	*	....	9	*	....	....	12	....	1	....	8
Nov.	15	*	....	4	*	....	....	2	....	1	....	8

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

(In millions of dollars)

Item	Wednesday					End of month		
	1972					1972		1971
	Feb. 23	Feb. 16	Feb. 9	Feb. 2	Jan. 26	Feb. 29	Jan. 31	Feb. 28
Loans—Total	18	29	175	25	19	6	15	264
Within 15 days	17	28	173	24	17	5	14	263
16 days to 90 days	1	1	2	1	2	1	1	1
91 days to 1 year	....	....	....	....	....	....	....	....
Acceptances—Total	63	143	68	73	77	63	75	54
Within 15 days	21	92	20	20	13	20	19	22
16 days to 90 days	42	51	48	53	64	43	56	32
91 days to 1 year	....	....	....	....	....	....	....	....
U.S. Government securities—Total	68,881	71,060	69,352	69,552	69,911	67,698	69,552	62,462
Within 15 days[1]	4,339	5,894	4,634	4,493	4,622	2,320	3,103	[c] 2,474
16 days to 90 days	16,576	16,697	14,465	14,659	14,671	17,134	16,049	[c] 15,410
91 days to 1 year	14,841	15,477	15,960	16,107	16,325	15,119	16,107	[c] 14,557
Over 1 year to 5 years	26,318	26,245	25,286	25,286	25,286	26,318	25,286	23,356
Over 5 years to 10 years	5,647	5,595	7,855	7,855	7,855	5,647	7,855	5,875
Over 10 years	1,160	1,152	1,152	1,152	1,152	1,160	1,152	790
Federal agency obligations—Total	738	868	643	643	650	727	650	....
Within 15 days[1]	11	89	....	....	7	....	7	....
16 days to 90 days	7	15	28	28	25	6	25	....
91 days to 1 year	175	218	178	178	181	186	181	....
Over 1 year to 5 years	376	377	288	288	288	366	288	....
Over 5 years to 10 years	99	99	91	91	91	99	91	....
Over 10 years	70	70	58	58	58	70	58	....

[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]		
1970—Dec.	10,896.5	5,016.1	2,480.1	5,880.3	3,400.2	77.0	170.6	76.7	52.4	42.6
1971—Jan.	10,688.4	4,825.9	2,453.5	5,862.5	3,408.9	76.3	168.3	76.8	52.6	42.9
Feb.	11,508.9	5,477.4	2,524.1	6,031.5	3,507.4	82.0	191.3	79.5	54.0	43.9
Mar.	11,425.9	5,309.7	2,505.3	6,116.2	3,610.9	79.5	183.5	76.5	53.3	44.1
Apr.	11,658.7	5,356.8	2,597.1	6,301.9	3,704.8	80.5	185.6	78.7	54.4	44.7
May	11,119.2	4,903.9	2,573.9	6,215.3	3,641.4	76.6	171.2	77.9	53.4	43.7
June	11,815.7	5,202.8	2,765.2	6,612.9	3,847.7	80.1	179.3	82.4	55.8	45.3
July	11,770.0	5,147.4	2,773.9	6,622.6	3,848.8	79.8	178.9	82.7	55.8	45.2
Aug.	12,369.5	5,704.9	2,795.7	6,664.7	3,869.0	83.7	198.7	83.4	56.0	45.3
Sept.	12,310.5	5,613.7	2,815.3	6,696.8	3,881.4	83.0	191.7	84.0	56.3	45.4
Oct.	12,270.1	5,776.2	2,710.9	6,493.9	3,783.1	83.3	201.5	81.1	54.7	44.4
Nov.	12,896.2	6,057.5	2,857.1	6,838.6	3,981.6	87.0	211.0	85.2	57.3	46.4
Dec.	[r]12,328.4	5,555.5	2,813.1	[r]6,772.8	[r]3,959.7	83.1	195.6	83.5	56.5	[r]45.9

[1] Excludes interbank and U.S. Govt. demand deposit accounts.

[2] Boston, Philadelphia, Chicago, Detroit, San Francisco-Oakland, and Los Angeles-Long Beach.

NOTE.—Total SMSA's includes some cities and counties not designated as SMSA's.

For description of series, see Mar. 1965 BULLETIN, p. 390.

The data shown here differ from those shown in the Mar. 1965 BULLETIN because they have been revised, as described in the Mar. 1967 BULLETIN, p. 389.

DENOMINATIONS IN CIRCULATION

(In millions of dollars)

End of period	Total in circulation[1]	Coin and small denomination currency: Total	Coin	$1[2]	$2	$5	$10	$20	Large denomination currency: Total	$50	$100	$500	$1,000	$5,000	$10,000
1939	7,598	5,553	590	559	36	1,019	1,772	1,576	2,048	460	919	191	425	20	32
1941	11,160	8,120	751	695	44	1,355	2,731	2,545	3,044	724	1,433	261	556	24	46
1945	28,515	20,683	1,274	1,039	73	2,313	6,782	9,201	7,834	2,327	4,220	454	801	7	24
1947	28,868	20,020	1,404	1,048	65	2,110	6,275	9,119	8,850	2,548	5,070	428	782	5	17
1950	27,741	19,305	1,554	1,113	64	2,049	5,998	8,529	8,438	2,422	5,043	368	588	4	12
1955	31,158	22,021	1,927	1,312	75	2,151	6,617	9,940	9,136	2,736	5,641	307	438	3	12
1959	32,591	23,264	2,304	1,511	85	2,216	6,672	10,476	9,326	2,803	5,913	261	341	3	5
1960	32,869	23,521	2,427	1,533	88	2,246	6,691	10,536	9,348	2,815	5,954	249	316	3	10
1961	33,918	24,388	2,582	1,588	92	2,313	6,878	10,935	9,531	2,869	6,106	242	300	3	10
1962	35,338	25,356	2,782	1,636	97	2,375	7,071	11,395	9,983	2,990	6,448	240	293	3	10
1963	37,692	26,807	3,030	1,722	103	2,469	7,373	12,109	10,885	3,221	7,110	249	298	3	4
1964	39,619	28,100	3,405	1,806	111	2,517	7,543	12,717	11,519	3,381	7,590	248	293	2	4
1965	42,056	29,842	4,027	1,908	127	2,618	7,794	13,369	12,214	3,540	8,135	245	288	3	4
1966	44,663	31,695	4,480	2,051	137	2,756	8,070	14,201	12,969	3,700	8,735	241	286	3	4
1967	47,226	33,468	4,918	2,035	136	2,850	8,366	15,162	13,758	3,915	9,311	240	285	3	4
1968	50,961	36,163	5,691	2,049	136	2,993	8,786	16,508	14,798	4,186	10,068	244	292	3	4
1969	53,950	37,917	6,021	2,213	136	3,092	8,989	17,466	16,033	4,499	11,016	234	276	3	5
1970	57,093	39,639	6,281	2,310	136	3,161	9,170	18,581	17,454	4,896	12,084	215	252	3	4
1971—Jan.	55,345	38,081	6,254	2,190	136	2,971	8,673	17,857	17,264	4,809	11,983	214	251	3	4
Feb.	55,611	38,298	6,266	2,178	136	2,972	8,753	17,994	17,313	4,822	12,022	213	249	3	4
Mar.	56,304	38,785	6,303	2,200	136	3,011	8,835	18,300	17,519	4,892	12,160	212	248	3	4
Apr.	56,592	38,917	6,360	2,206	136	3,001	8,826	18,388	17,675	4,917	12,294	210	246	3	4
May	57,403	39,509	6,410	2,245	136	3,048	8,960	18,711	17,894	4,994	12,438	210	245	3	4
June	58,393	40,263	6,472	2,277	136	3,099	9,137	19,144	18,130	5,075	12,596	209	243	3	4
July	58,558	40,238	6,493	2,260	136	3,068	9,031	19,251	18,321	5,129	12,735	208	242	3	4
Aug.	58,904	40,442	6,537	2,267	136	3,058	9,045	19,398	18,462	5,162	12,845	207	241	2	4
Sept.	58,797	40,284	6,556	2,273	135	3,053	8,987	19,279	18,514	5,155	12,906	206	240	2	4
Oct.	59,216	40,559	6,589	2,302	135	3,071	9,054	19,408	18,657	5,183	13,024	205	239	2	4
Nov.	60,636	41,699	6,714	2,360	135	3,186	9,329	19,975	18,936	5,272	13,216	204	237	2	4
Dec.	61,068	41,831	6,775	2,408	135	3,273	9,348	19,893	19,237	5,377	13,414	203	237	2	4
1972 Jan.	59.429	40,388	6,774	2.281	135	3,083	8,900	19.215	19,042	5.261	13,337	202	235	2	4

1 Outside Treasury and F.R. Banks. Before 1955 details are slightly overstated because they include small amounts of paper currency held by the Treasury and the F.R. Banks for which a denominational breakdown is not available.

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

NOTE.—Condensed from Statement of United States Currency and Coin, issued by the Treasury.

KINDS OF UNITED STATES CURRENCY OUTSTANDING AND IN CIRCULATION

(Condensed from Circulation Statement of United States Money, issued by Treasury Department. In millions of dollars)

Kind of currency	Total, outstanding, Jan. 31, 1972	Held in the Treasury: As security against gold and silver certificates	Held in the Treasury: Treasury cash	Held in the Treasury: For F.R. Banks and Agents	Held by F.R. Banks and Agents	Currency in circulation[1]: 1972 Jan. 31	1971 Dec. 31	1971 Jan. 31
Gold	10,132	(9,875)	[2] 257					
Gold certificates	(9,875)			[3] 9,874	1			
Federal Reserve notes	56,964		192		4,731	52,041	53,678	48,482
Treasury currency—Total	7,759		56		314	7,389	7,390	6,863
Dollars	621		17		24	581	566	482
Fractional coin	6,521		38		290	6,193	6,209	5,773
United States notes	323		1			321	321	311
In process of retirement[4]	294					294	294	298
Total—Jan. 31, 1972	[5] 74,855	(9,875)	505	9,874	5,046	59,429		
Dec. 31, 1971	[5] 75,332	(9,875)	460	9,874	3,929		61,068	
Jan. 31, 1971	[5] 70,957	(10,464)	472	10,463	4,677			55,345

1 Outside Treasury and F.R. Banks. Includes any paper currency held outside the United States and currency and coin held by banks. Estimated totals for Wed. dates shown in table on p. A-5.

2 Includes $144 million gold deposited by and held for the International Monetary Fund.

3 Consists of credits payable in gold certificates, the Gold Certificate Fund—Board of Governors, FRS.

4 Redeemable from the general fund of the Treasury.

5 Does not include all items shown, as gold certificates are secured by gold. Duplications are shown in parentheses.

NOTE.—Prepared from Statement of United States Currency and Coin and other data furnished by the Treasury. For explanation of currency reserves and security features, see the Circulation Statement or the Aug. 1961 BULLETIN, p. 936.

MEASURES OF THE MONEY STOCK

(In billions of dollars)

Month or week	Seasonally adjusted[r] M_1 (Currency plus demand deposits)	M_2 (M_1 plus time deposits at coml. banks other than large time CD's)[1]	M_3 (M_2 plus deposits at nonbank thrift institutions)[2]	Not seasonally adjusted[r] M_1 (Currency plus demand deposits)	M_2 (M_1 plus time deposits at coml. banks other than large time CD's)[1]	M_3 (M_2 plus deposits at nonbank thrift institutions)[2]
1968—Dec.	197.4	378.0	572.6	203.4	383.0	577.5
1969—Dec.	203.7	386.8	588.3	209.8	392.0	593.4
1970—Dec.	214.8	418.2	634.0	221.2	423.5	637.2
1971—Feb.	217.7	430.4	653.4	215.6	427.8	650.4
Mar.	219.7	437.1	663.9	217.5	435.7	662.9
Apr.	221.2	441.5	672.5	222.3	443.7	675.2
May	223.8	446.6	681.0	219.9	443.7	678.2
June	225.5	450.6	687.8	223.7	449.1	687.1
July	227.4	453.4	693.8	226.0	452.0	693.0
Aug.	228.0	454.5	697.6	224.9	451.7	694.5
Sept.	227.6	455.6	701.2	226.2	454.3	699.5
Oct.	227.7	458.3	706.5	227.5	458.0	705.9
Nov.	227.7	460.8	711.6	229.6	461.4	711.4
Dec.	228.2	464.7	718.1	235.1	470.2	723.4
1972—Jan.	228.8	469.9	727.3	235.3	475.3	732.8
Feb.[p]	231.4	475.8	737.4	229.3	472.9	734.2
Week ending—						
1972 Feb. 2	229.8	472.2	....	230.7	472.8	....
9	230.4	473.4	....	230.6	473.1	....
16	231.4	475.8	....	229.9	473.2	....
23	232.4	477.5	....	227.4	471.6	....
Mar. 1[p]	231.5	477.3	....	228.4	473.7	....

COMPONENTS OF MONEY STOCK MEASURES AND RELATED ITEMS

(In billions of dollars)

Month or week	Seasonally adjusted: Currency	Commercial banks: Demand deposits	Time and savings deposits: CD's[3]	Other	Total	Nonbank thrift institutions[4]	Not seasonally adjusted: Currency	Commercial banks: Demand deposits	Time and savings deposits: CD's[3]	Other	Total	Nonbank thrift institutions[4]	U.S. Govt. deposits[5]
1968—Dec.	43.4	154.0	23.6	180.6	204.2	194.6	44.3	159.1	23.6	179.6	203.2	194.6	5.0
1969—Dec.	46.0	157.7	11.0	183.2	194.1	201.5	46.9	162.9	11.1	182.1	193.2	201.4	5.6
1970—Dec.	49.0	165.8	25.5	203.4	228.9	215.8	50.0	171.3	25.8	202.3	228.1	213.6	7.3
1971—Feb.	49.7	168.0	27.5	212.7	240.2	223.0	49.1	166.5	27.4	212.2	239.6	222.6	8.4
Mar.	50.0	169.7	28.1	217.4	245.4	226.8	49.5	168.0	28.0	218.2	246.2	227.2	5.5
Apr.	50.5	170.7	27.8	220.3	248.1	231.0	50.1	172.3	27.1	221.4	248.5	231.5	5.5
May	50.8	173.0	28.5	222.8	251.3	234.4	50.5	169.4	27.6	223.8	251.4	234.5	7.8
June	51.1	174.5	29.4	225.0	254.4	237.2	51.0	172.7	28.4	225.4	253.8	238.0	5.3
July	51.6	175.8	30.4	225.9	256.4	240.4	51.9	174.1	29.5	226.0	255.5	241.1	6.8
Aug.	51.7	176.3	30.8	226.5	257.3	243.1	51.9	173.0	31.2	226.9	258.1	242.8	6.8
Sept.	51.9	175.7	31.6	228.0	259.6	245.6	51.9	174.3	32.1	228.1	260.3	245.2	7.5
Oct.	52.2	175.5	32.7	230.6	263.3	248.3	52.2	175.3	33.6	230.5	264.1	247.9	5.3
Nov.	52.2	175.5	32.2	233.1	265.3	250.8	52.8	176.9	33.7	231.8	265.5	250.0	3.9
Dec.	52.5	175.7	33.4	236.4	269.9	253.4	53.5	181.5	33.9	235.1	269.0	253.2	6.7
1972—Jan.	52.8	176.0	33.2	241.2	274.4	257.4	52.6	182.7	33.7	240.0	273.7	257.5	7.2
Feb.[p]	53.2	178.2	33.8	244.3	278.1	261.7	52.6	176.6	33.6	243.7	277.3	261.2	7.2
Week ending—													
1972—Feb. 2	52.9	176.9	33.4	242.4	275.8	....	52.0	178.7	33.4	242.1	275.4	....	8.9
9	53.1	177.3	33.5	243.0	276.5	....	52.9	177.6	33.5	242.5	276.0	....	8.3
16	53.2	178.2	33.8	244.4	278.2	....	52.7	177.1	33.4	243.4	276.8	....	6.7
23[p]	53.4	179.0	34.3	245.0	279.3	....	52.6	174.7	34.0	244.2	278.2	....	6.4
Mar. 1[p]	53.2	178.3	33.8	245.8	279.6	....	52.3	176.0	33.8	245.4	279.1	....	7.0

[1] Includes, in addition to currency and demand deposits, savings deposits, time deposits open account, and time certificates of deposits other than negotiable time certificates of deposit issued in denominations of $100,000 or more by large weekly reporting commercial banks.

[2] Includes M_2, plus the average of the beginning and end of month deposits of mutual savings banks and savings and loan shares.

[3] Negotiable time certificates of deposit issued in denominations of $100,000 or more by large weekly reporting commercial banks.

[4] Average of the beginning and end-of-month deposits of mutual savings banks and savings and loan shares.

[5] At all commercial banks.

NOTE.—For description of revised series and for back data, see pp. 880–93 of the November BULLETIN.

Average of daily figures. Money stock consists of (1) demand deposits at all commercial banks other than those due to domestic commercial banks and the U.S. Govt., less cash items in process of collection and F.R. float; (2) foreign demand balances at F.R. Banks; and (3) currency outside the Treasury, F.R. Banks, and vaults of all commercial banks. Time deposits adjusted are time deposits at all commercial banks other than those due to domestic commercial banks and the U.S. Govt.

AGGREGATE RESERVES AND MEMBER BANK DEPOSITS

(In billions of dollars)

Period	Member bank reserves, S.A.[1]			Deposits subject to reserve requirements[2]								Total member bank deposits plus nondeposit items[3]	
				S.A.				N.S.A.					
						Demand				Demand			
	Total	Non-borrowed	Required	Total	Time and savings	Private	U.S. Govt.	Total	Time and savings	Private	U.S. Govt.	S.A.	N.S.A.
1968—Dec.	r27.25	r26.47	26.89	297.6	r164.2	128.3	r5.1	301.2	163.8	133.3	4.1	304.6	308.1
1969—Dec.	r27.98	26.83	27.74	285.4	150.3	129.8	5.3	288.8	149.7	134.6	4.6	305.4	308.8
1970—Dec.	29.13	28.76	28.92	319.0	178.8	133.8	6.4	322.8	178.2	138.7	6.0	330.6	334.4
1971—Feb.	r29.60	r29.24	r29.35	328.1	187.5	135.7	4.9	328.4	187.1	134.3	7.0	336.7	337.0
Mar.	29.78	r29.45	r29.59	332.5	191.7	136.8	4.0	332.2	192.3	135.4	4.5	339.6	339.2
Apr.	29.99	29.86	r29.79	336.9	193.6	137.7	5.6	337.3	193.6	139.0	4.7	342.0	342.4
May	r30.33	r30.11	r30.12	340.4	196.0	139.0	5.4	338.4	195.8	135.9	6.7	344.5	342.5
June	30.53	30.11	r30.33	342.3	198.2	139.8	4.3	340.2	197.6	138.2	4.4	346.7	344.7
July	r30.64	r29.91	r30.47	345.5	199.8	140.6	5.1	344.1	198.9	139.4	5.7	349.8	348.4
Aug.	r30.74	r29.98	r30.57	347.1	200.3	141.0	5.7	344.6	200.8	138.1	5.8	351.0	348.6
Sept.	r31.07	r30.56	r30.91	349.2	202.1	140.5	6.6	348.2	202.7	139.2	6.3	353.3	352.2
Oct.	r30.88	r30.48	r30.69	349.8	205.2	139.9	4.7	350.2	205.9	139.9	4.3	354.7	355.0
Nov.	30.97	r30.54	30.75	352.7	206.4	140.9	5.4	351.6	206.9	141.6	3.1	358.0	357.0
Dec.	31.25	31.08	31.10	357.9	210.2	141.5	6.2	362.2	209.7	146.7	5.7	361.9	366.2
1972—Jan.	r31.77	r31.68	r31.56	r360.9	213.7	r141.0	6.3	r366.3	213.4	r146.9	6.0	r364.9	r370.3
Feb.	31.62	31.58	31.46	363.1	216.4	143.0	3.7	363.5	215.9	141.6	6.0	366.8	367.1

[1] Averages of daily figures. Member bank reserve series reflects actual reserve requirement percentages with no adjustment to eliminate the effect of changes in Regulations D and M. Required reserves were increased by $660 million effective Apr. 16, 1969, and $400 million, effective Oct. 16, 1969. Required reserves were reduced by $500 million (net) effective Oct. 1, 1970.

[2] 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. Data for 1968 are not comparable with later data due to the withdrawal from the System on Jan. 2, 1969, of a large member bank.

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

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

GROSS LOANS AND INVESTMENTS

(In billions of dollars)

Date	Seasonally adjusted				Not seasonally adjusted				Loans[1] plus loans sold to bank affiliates[3]	
			Securities				Securities			
	Total[1, 2]	Loans[1, 2]	U.S. Govt.	Other[2]	Total[1, 2]	Loans[1, 2]	U.S. Govt.	Other[2]	S.A.	N.S.A.
1965—Dec. 31	300.1	198.2	57.1	44.8	307.6	203.2	59.5	44.9	....	....
1966—Dec. 31	316.1	213.9	53.5	48.7	324.0	219.0	56.2	48.8	....	....
1967—Dec. 30	352.0	231.3	59.3	61.4	360.8	236.8	62.5	61.5	....	....
1968—Dec. 31	390.6	258.2	61.0	71.4	400.4	264.4	64.5	71.5	....	....
1969—Dec. 31 [4]	402.1	279.4	51.5	71.2	412.1	286.1	54.7	71.3	283.3	290.0
1970—Dec. 31	435.9	292.0	58.0	85.9	446.8	299.0	61.7	86.1	294.9	301.9
1971—Feb. 24	446.1	295.7	60.8	89.6	442.4	292.1	61.4	88.9	298.6	295.0
Mar. 31	449.5	296.5	61.1	91.9	447.7	294.6	61.6	91.5	299.3	297.5
Apr. 28	452.5	298.2	60.7	93.5	450.9	296.7	60.0	94.2	300.9	299.4
May 26	456.1	300.7	60.4	95.1	453.6	300.0	58.8	94.9	303.5	302.8
June 30	461.1	[5] 301.7	62.8	[5] 96.6	464.8	[5] 307.1	60.3	[5] 97.4	[5] 304.8	[5] 310.2
July 28	463.7	304.1	61.6	98.0	463.0	305.6	59.3	98.2	307.0	308.4
Aug. 25	468.4	309.7	60.9	97.8	466.1	309.3	58.7	98.1	312.4	312.0
Sept. 29p	472.4	313.0	59.9	99.5	472.0	313.4	58.7	99.9	316.0	316.4
Oct. 27p	476.5	316.4	59.1	101.0	475.8	314.5	60.0	101.3	319.3	317.4
Nov. 24p	478.4	317.5	58.9	102.0	478.5	316.0	61.1	101.4	320.3	318.8
Dec. 31p	482.9	318.6	60.3	103.9	494.9	326.3	64.6	104.1	321.5	329.2
1972—Jan. 26p	489.8	324.3	59.8	105.7	488.5	321.2	62.8	104.5	327.3	324.2
Feb. 23p	495.0	327.1	61.1	106.8	490.8	322.9	62.0	105.9	330.0	325.8

[1] Adjusted to exclude domestic commercial interbank loans.

[2] Beginning June 9, 1966, about $1.1 billion of balances accumulated for payment of personal loans were deducted as a result of a change in Federal Reserve regulations.

Beginning June 30, 1966, CCC certificates of interest and Export Import Bank portfolio fund participation certificates totaling an estimated $1 billion are included in "Other securities" rather than "Loans."

[3] Includes loans sold outright by commercial banks to own subsidiaries, foreign branches, holding companies, and other affiliates.

[4] Beginning June 30, 1969, data revised to include all bank-premises subsidiaries and other significant majority-owned domestic subsidiaries; earlier data include commercial banks only. Also, loans and investments are now reported gross, without valuation reserves deducted, rather than net of valuation reserves as was done previously. For a description of the revision, see Aug. 1969 BULLETIN, pp. 642-46. Data shown in this table beginning January 1959 have been revised to include valuation reserves.

[5] Beginning June 30, 1971, Farmers Home Administration insured notes totaling approximately $700 million are included in "Other securities" rather than in "Loans."

NOTE.—Series revised. For monthly data 1959-70, see Dec. 1971 BULLETIN, pp. 974-75. For monthly data, 1948-58, see Aug. 1968 BULLETIN, pp. A-94-A-97. For a description of the seasonally adjusted series see the following Bulletins: July 1962, pp. 797-802; July 1966, pp. 950-55; Sept. 1967, pp. 1511-17; and Dec. 1971, pp. 971-73. 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.

CONSOLIDATED CONDITION STATEMENT

(In millions of dollars)

Date	Assets									Total assets, net—Total liabilities and capital, net	Liabilities and capital	
	Gold stock and SDR certificates[1]	Treasury currency outstanding	Bank credit								Total deposits and currency	Capital and misc. accounts, net
			Total	Loans net[2]	U.S. Treasury securities				Other securities[4]			
					Total	Coml. and savings banks	Federal Reserve Banks	Other[3]				
1947 Dec. 31	22,754	4,562	160,832	43,023	107,086	81,199	22,559	3,328	10,723	188,148	175,348	12,800
1950 Dec. 30	22,706	4,636	171,667	60,366	96,560	72,894	20,778	2,888	14,741	199,008	184,384	14,624
1967 Dec. 30	11,982	6,784	468,943	282,040	117,064	66,752	49,112	1,200	69,839	487,709	444,043	43,670
1968 Dec. 31	10,367	6,795	514,427	311,334	121,273	68,285	52,937	51	81,820	531,589	484,212	47,379
1969 Dec. 31[5]	10,367	6,849	532,663	335,127	115,129	57,952	57,154	23	82,407	549,879	485,545	64,337
1970 Dec. 31	11,132	7,149	580,899	354,447	127,207	64,814	62,142	251	99,245	599,180	535,157	64,020
1971 Feb. 24	11,100	7,200	577,500	347,300	127,200	64,800	61,700	700	103,000	595,800	529,600	66,300
Mar. 31	11,100	7,300	586,700	350,100	129,900	65,000	64,200	800	106,600	605,100	539,100	66,000
Apr. 28	11,100	7,300	589,300	351,100	128,300	63,400	64,000	900	110,000	607,800	544,300	63,400
May 26	10,700	7,400	594,700	355,300	128,100	62,200	64,900	900	111,300	612,800	550,400	62,300
June 30	10,732	7,420	608,204	363,301	130,479	63,565	65,518	1,396	114,424	626,356	560,032	66,324
July 28	10,700	7,400	605,300	360,100	129,700	62,800	65,800	1,100	115,400	623,400	559,500	64,000
Aug. 25	10,500	7,500	611,300	365,700	130,000	62,200	66,400	1,400	115,600	629,300	563,500	65,800
Sept. 29p	10,500	7,500	617,000	368,100	131,300	62,200	67,600	1,600	117,500	635,000	567,500	67,600
Oct. 27p	10,500	7,600	621,500	368,800	133,700	63,400	67,800	2,500	119,000	639,600	570,800	68,800
Nov. 24p	10,500	7,600	625,200	369,500	136,500	64,500	69,500	2,500	119,200	643,300	574,300	69,100
Dec. 29p	10,500	7,600	642,900	379,600	141,600	67,900	71,200	2,500	121,700	661,000	598,100	62,900
1972 Jan. 26p	10,500	7,700	639,900	378,300	138,700	66,200	69,900	2,500	123,000	658,100	590,100	68,000
Feb. 23p	10,000	7,800	639,800	378,900	136,800	65,300	68,900	2,500	124,200	657,600	589,200	68,400

DETAILS OF DEPOSITS AND CURRENCY

Date	Money stock						Related deposits (not seasonally adjusted)							
	Seasonally adjusted[6]			Not seasonally adjusted			Time				Foreign, net[10]	U.S. Government		
	Total	Currency outside banks	Demand deposits adjusted[7]	Total	Currency outside banks	Demand deposits adjusted[7]	Total	Commercial banks[8]	Mutual savings banks[9]	Postal Savings System[3]		Treasury cash holdings	At coml. and savings banks	At F.R. Banks
1947 Dec. 31	110,500	26,100	84,400	113,597	26,476	87,121	56,411	35,249	17,746	3,416	1,682	1,336	1,452	870
1950 Dec. 30	114,600	24,600	90,000	117,670	25,398	92,272	59,246	36,314	20,009	2,923	2,518	1,293	2,989	668
1967 Dec. 30	181,500	39,600	141,900	191,232	41,071	150,161	242,657	182,243	60,414	....	2,179	1,344	5,508	1,123
1968 Dec. 31	199,600	42,600	157,000	207,347	43,527	163,820	267,627	202,786	64,841	....	2,455	695	5,385	703
1969 Dec. 31[5]	206,800	45,400	161,400	214,689	46,358	168,331	260,992	193,533	67,459	....	2,683	596	5,273	1,312
1970 Dec. 31	209,400	47,800	161,600	219,422	49,779	169,643	302,591	230,622	71,969	....	3,148	431	8,409	1,156
1971 Feb. 24	204,900	48,500	156,400	203,800	47,900	155,900	313,900	240,400	73,500	....	2,500	500	7,500	1,400
Mar. 31	214,100	49,300	164,800	208,200	48,800	159,400	322,100	247,000	75,100	....	2,500	500	5,000	900
Apr. 28	207,200	48,900	158,300	207,400	48,500	158,800	324,200	248,300	75,900	....	2,300	500	8,600	1,400
May 26	212,400	49,500	162,900	209,900	49,400	160,500	328,400	251,700	76,800	....	2,300	500	8,500	900
June 30	217,900	50,000	167,900	215,010	50,491	164,519	331,873	253,651	78,222	....	2,482	454	8,939	1,274
July 28	213,900	50,400	163,500	213,700	50,500	163,200	334,000	255,800	78,200	....	2,500	500	7,400	1,400
Aug. 25	214,700	50,300	164,400	213,000	50,600	162,300	336,300	257,700	78,600	....	2,500	500	10,000	1,400
Sept. 29p	213,800	50,400	163,400	212,400	50,500	161,900	340,700	261,400	79,400	....	2,400	500	9,500	2,000
Oct. 27p	215,400	51,000	164,400	216,300	50,900	165,400	343,400	263,600	79,800	....	2,500	500	6,500	1,700
Nov. 24p	215,800	51,100	164,700	219,200	52,500	166,700	345,800	265,500	80,300	....	2,600	500	4,700	1,400
Dec. 29p	223,200	51,100	172,100	230,100	52,200	177,800	351,500	270,000	81,600	....	2,500	500	11,600	2,000
1972 Jan. 26p	216,100	51,800	164,300	218,900	51,100	167,800	355,600	273,900	81,700	....	2,400	500	9,800	2,900
Feb. 23p	219,100	52,200	166,900	218,000	51,600	166,400	359,400	277,400	82,100	....	2,600	400	7,800	1,100

1 Includes Special Drawing Rights certificates beginning January 1970.

2 Beginning with data for June 30, 1966, about $1.1 billion in "Deposits accumulated for payment of personal loans" were excluded from "Time deposits" and deducted from "Loans" at all commercial banks. These changes resulted from a change in Federal Reserve regulations. See table (and notes), *Deposits Accumulated for Payment of Personal Loans*, p. A-32. See footnote 1 on p. A-23.

3 After June 30, 1967, Postal Savings System accounts were eliminated from this Statement.

4 See second paragraph of note 2.

5 Figures for this and later dates take into account the following changes (beginning June 30, 1969) for commercial banks: (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. See also note 1.

6 Series began in 1946; data are available only for last Wed. of month.

7 Other than interbank and U.S. Govt., less cash items in process of collection.

8 See first paragraph of note 2.

9 Includes relatively small amounts of demand deposits. Beginning with June 1961, also includes certain accounts previously classified as other liabilities.

10 Reclassification of deposits of foreign central banks in May 1961 reduced this item by $1,900 million ($1,500 million to time deposits and $400 million to demand deposits).

NOTE.—For back figures and descriptions of the consolidated condition statement and the seasonally adjusted series on currency outside banks and demand deposits adjusted, see "Banks and the Monetary System," Section 1 of *Supplement to Banking and Monetary Statistics*, 1962, and BULLETINS for Jan. 1948 and Feb. 1960. Except on call dates, figures are partly estimated and are rounded to the nearest $100 million.

For description of substantive changes in official call reports of condition beginning June 1969, see BULLETIN for Aug. 1969, pp. 642–46.

PRINCIPAL ASSETS AND LIABILITIES AND NUMBER, BY CLASS OF BANK

(Amounts in millions of dollars)

Class of bank and date	Loans and investments: Total	Loans and investments: 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	Number of banks
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
1945—Dec. 31	124,019	26,083	90,606	7,331	34,806	160,312	150,227	14,065		105,921		30,241	219	8,950	14,011
1947—Dec. 31 [6]	116,284	38,057	69,221	9,006	37,502	155,377	144,103	12,792	240	1,343	94,367	35,360	65	10,059	14,181
1966—Dec. 31	322,661	217,726	56,163	48,772	69,119	403,368	352,287	19,770	967	4,992	167,751	158,806	4,859	32,054	13,767
1967—Dec. 30	359,903	235,954	62,473	61,477	77,928	451,012	395,008	21,883	1,314	5,234	184,066	182,511	5,777	34,384	13,722
1968—Dec. 31	401,262	265,259	64,466	71,537	83,752	500,657	434,023	24,747	1,211	5,010	199,901	203,154	8,899	37,006	13,679
1969—Dec. 31 [7]	421,597	295,547	54,709	71,341	89,984	530,665	435,577	27,174	735	5,054	208,870	193,744	18,360	39,978	13,661
1970—Dec. 31	461,194	313,334	61,742	86,118	93,643	576,242	480,940	30,608	1,975	7,938	209,335	231,084	19,375	42,958	13,686
1971—Feb. 24	458,040	307,740	61,430	88,870	82,450	561,810	463,950	25,850	1,990	7,060	188,180	240,870	21,500	43,050	13,700
Mar. 31	463,500	310,380	61,620	91,500	94,350	580,930	483,470	30,640	1,990	4,520	198,860	247,460	22,130	43,530	13,713
Apr. 28	467,030	312,840	60,030	94,160	88,680	578,200	479,640	26,430	2,020	8,150	194,310	248,730	24,070	43,740	13,717
May 26	469,010	315,380	58,770	94,860	84,530	576,610	478,570	24,400	2,080	7,900	191,930	252,260	23,390	43,910	13,720
June 30	480,524	322,886	60,254	97,383	96,141	599,429	503,018	31,313	2,207	8,412	206,918	254,168	22,547	45,311	13,729
July 28	478,300	320,870	59,280	98,150	85,880	587,470	489,140	26,650	2,030	6,790	197,310	256,360	24,050	44,800	13,734
Aug. 25	482,230	325,450	58,720	98,060	85,300	591,080	491,180	26,380	2,110	9,390	195,020	258,280	24,620	44,980	13,739
Sept. 29[p]	489,640	331,000	58,740	99,900	88,180	602,070	497,530	27,050	2,500	8,920	197,180	261,880	26,850	45,110	13,753
Oct. 27[p]	491,270	329,910	60,020	101,340	95,590	610,880	505,960	28,950	2,610	5,940	204,350	264,110	27,240	45,530	13,768
Nov. 24[p]	495,560	333,040	61,140	101,380	95,350	614,570	504,830	28,250	2,600	4,200	203,760	266,020	30,870	45,710	13,776
Dec. 29[p]	511,670	343,530	64,550	103,590	95,830	632,780	524,890	27,020	2,650	11,120	213,610	270,490	30,960	46,080	13,784
1972—Jan. 26[p]	506,410	339,100	62,810	104,500	91,860	622,090	519,020	28,550	2,820	9,240	203,950	274,460	26,510	46,560	13,787
Feb. 23[p]	509,540	341,650	61,980	105,910	95,060	628,400	521,730	31,130	2,850	7,240	202,620	277,890	29,330	47,000	13,787
Member 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
1945—Dec. 31	107,183	22,775	78,338	6,070	29,845	138,304	129,670	13,576	64	22,179	69,640	24,210	208	7,589	6,884
1947—Dec. 31	97,846	32,628	57,914	7,304	32,845	132,060	122,528	12,353	50	1,176	80,609	28,340	54	8,464	6,923
1966—Dec. 31	263,687	182,802	41,924	38,960	60,738	334,559	291,063	18,788	794	4,432	138,218	128,831	4,618	26,278	6,150
1967—Dec. 30	293,120	196,849	46,956	49,315	68,946	373,584	326,033	20,811	1,169	4,631	151,980	147,442	5,370	28,098	6,071
1968—Dec. 31	325,086	220,285	47,881	56,920	73,756	412,541	355,414	23,519	1,061	4,309	163,920	162,605	8,458	30,060	5,978
1969—Dec. 31 [7]	336,738	242,119	39,833	54,785	79,034	432,270	349,883	25,841	609	4,114	169,750	149,569	17,395	32,047	5,869
1970—Dec. 31	365,940	253,936	45,399	66,604	81,500	465,644	384,596	29,142	1,733	6,460	168,032	179,229	18,578	34,100	5,766
1971—Feb. 24	362,488	248,916	44,840	68,732	72,296	452,887	369,632	24,680	1,744	5,730	150,712	186,766	20,440	34,213	5,754
Mar. 31	366,723	250,777	45,193	70,753	83,092	469,355	386,692	29,399	1,749	3,726	159,983	191,835	21,107	34,658	5,751
Apr. 28	368,539	252,040	43,704	72,795	78,152	465,677	382,149	25,278	1,776	6,957	155,728	192,410	22,983	34,799	5,747
May 26	369,182	253,513	42,601	73,068	73,902	462,599	379,887	23,243	1,838	6,663	153,227	194,916	22,237	34,944	5,742
June 30	378,233	259,530	44,038	74,665	84,743	482,225	400,973	29,965	1,980	6,984	165,827	196,218	21,700	35,822	5,736
July 28	376,133	257,988	42,844	75,301	75,342	471,089	388,088	25,436	1,804	5,496	157,436	197,916	23,131	35,555	5,730
Aug. 25	379,269	261,993	42,337	74,939	74,807	473,923	389,558	25,169	1,883	7,907	155,336	199,263	23,749	35,723	5,730
Sept. 29	385,391	266,575	42,369	76,447	77,361	483,064	394,598	25,829	2,274	7,369	157,000	202,126	25,843	35,827	5,724
Oct. 27	386,028	264,847	43,586	77,595	83,963	490,047	401,167	27,616	2,385	4,840	162,600	203,726	26,203	36,179	5,725
Nov. 24	389,468	267,287	44,630	77,551	83,788	492,995	399,678	26,941	2,372	3,317	161,905	205,143	29,776	36,303	5,729
Dec. 29	402,687	276,319	47,130	79,238	84,104	507,884	416,570	25,656	2,418	9,399	170,172	208,925	29,855	36,562	5,728
1972—Jan. 26	397,951	272,452	45,723	79,776	80,580	498,591	411,462	27,230	2,596	7,643	162,307	211,686	25,429	37,028	5,718
Feb. 23[p]	400,338	274,508	45,102	80,728	83,258	503,720	413,339	29,738	2,627	5,931	161,031	214,012	28,227	37,340	5,718
Reserve city member: New York City: [8]															
1941—Dec. 31	12,896	4,072	7,265	1,559	6,637	19,862	17,932	4,202	6	866	12,051	807	......	1,648	36
1945—Dec. 31	26,143	7,334	17,574	1,235	6,439	32,887	30,121	4,640	17	6,940	17,287	1,236	195	2,120	37
1947—Dec. 31	20,393	7,179	11,972	1,242	7,261	27,982	25,216	4,453	12	267	19,040	1,445	30	2,259	37
1966—Dec. 31	46,536	35,941	4,920	5,674	14,869	64,424	51,837	6,370	467	1,016	26,535	17,449	1,874	5,298	12
1967—Dec. 30	52,141	39,059	6,027	7,055	18,797	74,609	60,407	7,238	741	1,084	31,282	20,062	1,880	5,715	12
1968—Dec. 31	57,047	42,968	5,984	8,094	19,948	81,364	63,900	8,964	622	888	33,351	20,076	2,733	6,137	12
1969—Dec. 31 [7]	60,333	48,305	5,048	6,980	22,349	87,753	62,381	10,349	268	694	36,126	14,944	4,405	6,301	12
1970—Dec. 31	62,347	47,161	6,009	9,177	21,715	89,384	67,186	12,508	956	1,039	32,235	20,448	4,500	6,486	12
1971—Feb. 24	60,791	46,610	5,378	8,803	20,393	86,749	63,848	11,367	919	879	29,352	21,331	5,855	6,510	12
Mar. 31	59,912	45,457	5,683	8,772	27,111	93,161	71,345	14,672	846	573	33,114	22,140	5,741	6,723	12
Apr. 28	60,115	45,741	5,316	9,058	23,718	89,486	67,750	12,261	920	1,392	30,793	22,384	6,285	6,743	12
May 26	59,029	45,441	5,007	8,581	19,816	84,885	63,973	10,254	846	1,388	28,552	22,933	6,072	6,797	12
June 30	61,059	47,243	5,116	8,700	26,200	92,767	73,710	15,221	937	1,199	32,816	23,536	4,531	6,860	12
July 28	59,988	46,382	4,837	8,769	22,281	88,057	67,319	12,062	835	939	29,379	24,104	5,954	7,008	12
Aug. 25	60,886	47,659	4,793	8,434	21,431	88,217	67,392	11,918	939	1,564	28,578	24,393	6,201	7,078	12
Sept. 29	61,997	48,700	4,713	8,584	23,254	90,982	68,633	12,471	1,013	1,283	29,229	24,637	6,818	7,061	12
Oct. 27	61,734	47,971	5,088	8,675	24,405	91,671	68,923	13,005	1,086	710	29,561	24,561	6,748	7,207	12
Nov. 24	61,776	47,626	5,582	8,568	23,026	90,162	67,792	12,988	1,196	392	28,785	24,431	6,954	7,257	12
Dec. 29	63,429	49,219	5,231	8,979	23,043	92,432	70,247	11,618	1,117	1,977	31,106	24,429	7,908	7,180	12
1972—Jan. 26	62,539	48,337	5,405	8,797	23,684	91,726	71,017	13,443	1,258	1,395	30,660	24,261	5,854	7,253	12
Feb. 23	61,856	48,221	5,190	8,445	23,615	91,094	69,674	15,152	1,258	878	28,084	24,302	6,906	7,306	12

For notes see p. A-23.

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

(Amounts in millions of dollars)

Class of bank and date	Loans and investments: Total	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	Number of banks
Reserve city member (cont.):															
City of Chicago: [8, 9]															
1941—Dec. 31	2,760	954	1,430	376	1,566	4,363	4,057	1,035	......	127	2,419	476	......	288	13
1945—Dec. 31	5,931	1,333	4,213	385	1,489	7,459	7,046	1,312	......	1,552	3,462	719	......	377	12
1947—Dec. 31	5,088	1,801	2,890	397	1,739	6,866	6,402	1,217	......	72	4,201	913	......	426	14
1966—Dec. 31	11,802	8,756	1,545	1,502	2,638	14,935	12,673	1,433	25	310	6,008	4,898	484	1,199	11
1967—Dec. 30	12,744	9,223	1,574	1,947	2,947	16,296	13,985	1,434	21	267	6,250	6,013	383	1,346	10
1968—Dec. 31	14,274	10,286	1,863	2,125	3,008	18,099	14,526	1,535	21	257	6,542	6,171	682	1,433	9
1969—Dec. 31 [7]	14,365	10,771	1,564	2,030	2,802	17,927	13,264	1,677	15	175	6,770	4,626	1,290	1,517	9
1970—Dec. 31	15,745	11,214	2,105	2,427	3,074	19,892	15,041	1,930	49	282	6,663	6,117	1,851	1,586	9
1971—Feb. 24	15,479	11,000	2,048	2,431	3,083	19,482	14,264	1,451	58	252	6,010	6,493	2,125	1,618	9
Mar. 31	16,056	11,345	2,179	2,532	2,695	19,609	14,665	2,074	130	168	5,598	6,695	1,961	1,635	9
Apr. 28	15,726	11,051	1,940	2,735	3,159	19,874	15,048	1,326	123	414	6,415	6,770	2,304	1,622	9
May 26	15,853	11,293	1,677	2,883	3,011	19,741	14,951	1,300	143	419	6,181	6,908	2,180	1,616	9
June 30	16,477	11,777	1,736	2,964	3,080	20,477	15,636	1,489	85	317	6,648	7,097	2,359	1,637	9
July 28	16,128	11,724	1,565	2,839	3,199	20,233	15,413	1,448	150	277	6,389	7,149	2,489	1,634	9
Aug. 25	16,346	12,113	1,528	2,705	3,089	20,364	15,234	1,365	142	380	5,997	7,350	2,447	1,638	9
Sept. 29	16,704	12,273	1,671	2,760	2,756	20,438	15,571	1,339	191	374	6,028	7,639	1,952	1,649	9
Oct. 27	16,526	11,938	1,732	2,856	3,576	21,049	15,933	1,553	228	240	6,386	7,526	2,462	1,669	9
Nov. 24	16,651	11,945	1,780	2,926	3,856	21,333	15,364	1,431	219	102	6,097	7,515	2,712	1,649	9
Dec. 29	17,032	12,203	1,772	3,057	3,601	21,646	16,340	1,403	226	463	6,706	7,542	2,838	1,661	9
1972—Jan. 26	16,614	11,901	1,657	3,056	3,488	21,059	15,730	1,460	213	378	6,243	7,436	2,673	1,781	9
Feb. 23	17,234	12,505	1,576	3,153	3,311	21,489	15,791	1,509	207	267	6,305	7,503	2,935	1,796	9
Other reserve city: [8, 9]															
1941—Dec. 31	15,347	7,105	6,467	1,776	8,518	24,430	22,313	4,356	104	491	12,557	4,806	......	1,967	351
1945—Dec. 31	40,108	8,514	29,552	2,042	11,286	51,898	49,085	6,418	30	8,221	24,655	9,760	2	2,566	359
1947—Dec. 31	36,040	13,449	20,196	2,396	13,066	49,659	46,467	5,627	22	405	28,990	11,423	1	2,844	353
1966—Dec. 31	95,831	69,464	13,040	13,326	24,228	123,863	108,804	8,593	233	1,633	49,004	49,341	1,952	9,471	169
1967—Dec. 30	105,724	73,571	14,667	17,487	26,867	136,626	120,485	9,374	310	1,715	53,288	55,798	2,555	10,032	163
1968—Dec. 31	119,006	83,634	15,036	20,337	28,136	151,957	132,305	10,181	307	1,884	57,449	62,484	4,239	10,684	161
1969—Dec. 31 [7]	121,324	90,896	11,944	18,484	29,954	157,512	126,232	10,663	242	1,575	58,923	54,829	9,881	11,464	157
1970—Dec. 31	133,718	96,158	14,700	22,860	31,263	171,733	140,518	11,317	592	2,547	59,328	66,734	10,391	12,221	156
1971—Feb. 24	131,751	92,932	14,498	24,321	26,701	164,992	133,375	9,169	686	2,262	52,063	69,195	10,014	12,321	156
Mar. 31	134,204	94,302	14,636	25,266	29,361	170,513	138,409	9,791	692	1,592	55,594	70,740	11,044	12,474	156
Apr. 28	134,119	94,416	13,830	25,873	28,581	169,509	136,752	9,036	652	3,066	53,562	70,436	11,889	12,502	156
May 26	134,244	95,022	13,409	25,813	28,193	169,420	137,136	9,009	714	2,671	53,519	71,223	11,325	12,561	156
June 30	137,326	97,061	14,552	25,713	30,901	175,607	142,776	10,166	735	2,954	57,622	71,299	12,153	12,826	156
July 28	136,792	97,128	13,487	26,177	26,803	170,828	138,268	9,150	684	1,999	54,884	71,551	11,822	12,785	156
Aug. 25	137,513	98,538	13,132	25,843	27,341	172,142	138,865	9,111	667	3,366	54,235	71,486	12,375	12,854	156
Sept. 29	140,060	100,339	13,121	26,600	27,832	175,407	140,334	9,237	846	2,982	54,557	72,712	13,927	12,922	156
Oct. 27	139,515	98,621	13,810	27,084	30,995	177,945	143,113	10,006	847	1,963	56,832	73,465	13,732	13,012	156
Nov. 24	141,421	100,284	14,203	26,934	32,048	180,956	142,820	9,537	733	1,264	57,068	74,218	16,692	13,012	156
Dec. 29	148,089	105,081	15,800	27,208	32,244	187,971	151,249	9,524	851	3,935	60,082	76,857	15,647	13,164	156
1972—Jan. 26	145,436	103,311	14,796	27,329	29,154	182,373	147,352	9,306	901	3,057	56,144	77,944	13,528	13,427	156
Feb. 23	146,609	104,067	14,768	27,774	30,945	185,420	148,824	9,901	938	2,492	57,121	78,372	14,927	13,463	156
Country member: [8, 9]															
1941—Dec. 31	12,518	5,890	4,377	2,250	6,402	19,466	17,415	792	30	225	10,109	6,258	4	1,982	6,219
1945—Dec. 31	35,002	5,596	26,999	2,408	10,632	46,059	43,418	1,207	17	5,465	24,235	12,494	11	2,525	6,476
1947—Dec. 31	36,324	10,199	22,857	3,268	10,778	47,553	44,443	1,056	17	432	28,378	14,560	23	2,934	6,519
1966—Dec. 31	109,518	68,641	22,419	18,458	19,004	131,338	117,749	2,392	69	1,474	56,672	57,144	308	10,309	5,958
1967—Dec. 30	122,511	74,995	24,689	22,826	20,334	146,052	131,156	2,766	96	1,564	61,161	65,569	552	11,005	5,886
1968—Dec. 31	134,759	83,397	24,998	26,364	22,664	161,122	144,682	2,839	111	1,281	66,578	73,873	804	11,807	5,796
1969—Dec. 31 [7]	140,715	92,147	21,278	27,291	23,928	169,078	148,007	3,152	84	1,671	67,930	75,170	1,820	12,766	5,691
1970—Dec. 31	154,130	99,404	22,586	32,140	25,448	184,635	161,850	3,387	135	2,592	69,806	85,930	1,836	13,807	5,589
1971—Feb. 24	154,467	98,374	22,916	33,177	22,119	181,664	158,145	2,693	81	2,337	63,287	89,747	2,446	13,764	5,577
Mar. 31	156,551	99,673	22,695	34,183	23,925	186,072	162,273	2,862	81	1,393	65,677	92,260	2,361	13,826	5,574
Apr. 28	158,579	100,832	22,618	35,129	22,694	186,808	162,599	2,655	81	2,085	64,958	92,820	2,505	13,932	5,570
May 26	160,056	101,757	22,508	35,791	22,882	188,553	163,827	2,680	135	2,185	64,975	93,852	2,660	13,970	5,565
June 30	163,371	103,449	22,634	37,289	24,563	193,374	168,852	3,087	224	2,512	68,742	94,286	2,656	14,499	5,559
July 28	163,225	102,754	22,955	37,516	23,059	191,971	167,088	2,776	135	2,281	66,784	95,112	2,866	14,128	5,553
Aug. 25	164,524	103,683	22,884	37,957	22,946	193,200	168,067	2,775	135	2,597	66,526	96,034	2,726	14,153	5,553
Sept. 29	166,630	105,263	22,864	38,503	23,519	196,237	170,060	2,782	224	2,730	67,186	97,138	3,146	14,195	5,547
Oct. 27	168,253	106,317	22,956	38,980	24,987	199,382	173,198	3,052	224	1,927	69,821	98,174	3,261	14,291	5,548
Nov. 24	169,620	107,432	23,065	39,123	24,858	200,544	173,702	2,985	224	1,559	69,955	98,979	3,418	14,385	5,552
Dec. 29	174,137	109,816	24,327	39,994	25,216	205,835	178,734	3,111	224	3,024	72,278	100,097	3,462	14,557	5,551
1972—Jan. 26	173,362	108,903	23,865	40,594	24,254	203,438	177,363	3,021	224	2,813	69,260	102,045	3,374	14,567	5,541
Feb. 23p	174,639	109,715	23,568	41,356	25,387	205,717	179,050	3,176	224	2,294	69,521	103,835	3,459	14,775	5,541

For notes see p. A-23.

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 and investments: 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	Number of banks
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
1945 Dec. 31	121,809	25,765	88,912	7,131	34,292	157,544	147,775	13,883		23,740	80,276	29,876	215	8,671	13,297
1947 Dec. 31	114,274	37,583	67,941	8,750	36,926	152,733	141,851	12,615	54	1,325	92,975	34,882	61	9,734	13,398
1963 Dec. 20	252,579	155,261	62,723	34,594	50,337	310,730	273,657	15,077	443	6,712	140,702	110,723	3,571	25,277	13,284
1964 Dec. 31	275,053	174,234	62,499	38,320	59,911	343,876	305,113	17,664	733	6,487	154,043	126,185	2,580	27,377	13,486
1965 Dec. 31	303,593	200,109	59,120	44,364	60,327	374,051	330,323	18,149	923	5,508	159,659	146,084	4,325	29,827	13,540
1966 Dec. 31	321,473	217,379	55,788	48,307	68,515	401,409	351,438	19,497	881	4,975	166,689	159,396	4,717	31,609	13,533
1967 Dec. 30	358,536	235,502	62,094	60,941	77,348	448,878	394,118	21,598	1,258	5,219	182,984	183,060	5,531	33,916	13,510
1968 Dec. 31	399,566	264,600	64,028	70,938	83,061	498,071	432,719	24,427	1,155	5,000	198,535	203,602	8,675	36,530	13,481
1969 June 30[7]	408,620	283,199	53,723	71,697	87,311	513,960	423,957	24,889	800	5,624	192,357	200,287	14,450	38,321	13,464
Dec. 31	419,746	294,638	54,399	70,709	89,090	527,598	434,138	26,858	695	5,038	207,311	194,237	18,024	39,450	13,464
1970 June 30	421,141	294,963	51,248	74,929	84,885	526,484	431,094	26,017	829	8,040	191,752	204,456	18,215	41,159	13,478
Dec. 31	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
1971 June 30	478,302	321,575	59,991	96,735	95,181	595,819	501,283	30,953	2,166	8,391	205,736	254,036	22,297	44,816	13,547
National member:															
1941 Dec. 31	27,571	11,725	12,039	3,806	14,977	43,433	39,458	6,786		1,088	23,262	8,322	4	3,640	5,117
1945 Dec. 31	69,312	13,925	51,250	4,137	20,144	90,220	84,939	9,229		14,013	45,473	16,224	78	4,644	5,017
1947 Dec. 31	65,280	21,428	38,674	5,178	22,024	88,182	82,023	8,375	35	795	53,541	19,278	45	5,409	5,005
1963 Dec. 20	137,447	84,845	33,384	19,218	28,635	170,233	150,823	8,863	146	3,691	76,836	61,288	1,704	13,548	4,615
1964 Dec. 31	151,406	96,688	33,405	21,312	34,064	190,289	169,615	10,521	211	3,604	84,534	70,746	1,109	15,048	4,773
1965 Dec. 31	176,605	118,537	32,347	25,720	36,880	219,744	193,860	12,064	458	3,284	92,533	85,522	2,627	17,434	4,815
1966 Dec. 31	187,251	129,182	30,355	27,713	41,690	235,996	206,456	12,588	437	3,035	96,755	93,642	3,120	18,459	4,799
1967 Dec. 30	208,971	139,315	34,308	35,348	46,634	263,375	231,374	13,877	652	3,142	106,019	107,684	3,478	19,730	4,758
1968 Dec. 31	236,130	159,257	35,300	41,572	50,953	296,594	257,884	15,117	657	3,090	116,422	122,597	5,923	21,524	4,716
1969 June 30[7]	242,241	170,834	29,481	41,927	52,271	305,800	251,489	14,324	437	3,534	113,134	120,060	9,895	22,628	4,700
Dec. 31	247,526	177,435	29,576	40,514	54,721	313,927	256,314	16,299	361	3,049	121,719	114,885	12,279	23,248	4,668
1970 June 30	247,862	176,376	28,191	43,295	51,942	312,480	254,261	14,947	393	5,066	113,296	120,559	13,051	24,106	4,637
Dec. 31	271,760	187,554	34,203	50,004	56,028	340,764	283,663	18,051	982	4,740	122,298	137,592	13,100	24,868	4,620
1971 June 30	281,830	192,339	33,759	55,732	57,244	352,807	294,025	16,575	1,441	5,118	121,096	149,795	15,629	25,999	4,598
State member:															
1941 Dec. 31	15,950	6,295	7,500	2,155	8,145	24,688	22,259	3,739		621	13,874	4,025	1	2,246	1,502
1945 Dec. 31	37,871	8,850	27,089	1,933	9,731	48,084	44,730	4,411		8,166	24,168	7,986	130	2,945	1,867
1947 Dec. 31	32,566	11,200	19,240	2,125	10,822	43,879	40,505	3,978	15	381	27,068	9,062	9	3,055	1,918
1963 Dec. 20	72,680	46,866	15,958	9,855	15,760	91,235	78,553	5,655	236	2,295	40,725	29,642	1,795	7,506	1,497
1964 Dec. 31	77,091	51,002	15,312	10,777	18,673	98,852	86,108	6,486	453	2,234	44,005	32,931	1,372	7,853	1,452
1965 Dec. 31	74,972	51,262	12,645	11,065	15,934	93,640	81,657	5,390	382	1,606	39,598	34,680	1,607	7,492	1,406
1966 Dec. 31	77,377	54,560	11,569	11,247	19,049	99,504	85,547	6,200	357	1,397	41,464	36,129	1,498	7,819	1,351
1967 Dec. 30	85,128	58,513	12,649	13,966	22,312	111,188	95,637	6,934	516	1,489	45,961	40,736	1,892	8,368	1,313
1968 Dec. 31	89,894	61,965	12,581	15,348	22,803	116,885	98,467	8,402	404	1,219	47,498	40,945	2,535	8,536	1,262
1969 June 30[7]	88,346	64,007	9,902	14,437	26,344	119,358	93,858	9,773	285	1,341	45,152	37,307	4,104	8,689	1,236
Dec. 31	90,088	65,560	10,257	14,271	24,313	119,219	94,445	9,541	248	1,065	48,030	35,560	5,116	8,800	1,201
1970 June 30	88,404	64,439	9,133	14,832	23,598	117,209	91,967	10,175	299	1,891	42,620	36,983	4,457	9,078	1,166
Dec. 31	94,760	66,963	11,196	16,600	25,472	125,460	101,512	11,091	750	1,720	45,734	42,218	5,478	9,232	1,147
1971 June 30	96,939	67,726	10,279	18,934	27,499	129,955	107,484	13,389	539	1,865	44,731	46,959	6,071	9,823	1,138
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
1945 Dec. 31	14,639	2,992	10,584	1,063	4,448	19,256	18,119	244		1,560	10,635	5,680	7	1,083	6,416
1947 Dec. 31	16,444	4,958	10,039	1,448	4,083	20,691	19,340	262	4	149	12,366	6,558	7	1,271	6,478
1963 Dec. 20	42,464	23,550	13,391	5,523	5,942	49,275	44,280	559	61	726	23,140	19,793	72	4,234	7,173
1964 Dec. 31	46,567	26,544	13,790	6,233	7,174	54,747	49,389	658	70	649	25,504	22,509	99	4,488	7,262
1965 Dec. 31	52,028	30,310	14,137	7,581	7,513	60,679	54,806	695	83	618	27,528	25,882	91	4,912	7,320
1966 Dec. 31	56,857	33,636	13,873	9,349	7,777	65,921	59,434	709	87	543	28,471	29,625	99	5,342	7,384
1967 Dec. 30	64,449	37,675	15,146	11,629	8,403	74,328	67,107	786	89	588	31,004	34,640	162	5,830	7,440
1968 Dec. 31	73,553	43,378	16,155	14,020	9,305	84,605	76,368	908	94	691	34,615	40,060	217	6,482	7,504
1969 June 30[7]	78,032	48,358	14,341	15,333	8,696	88,802	78,610	791	78	749	34,070	42,921	451	7,004	7,528
Dec. 31	82,133	51,643	14,565	15,925	10,056	94,453	83,380	1,017	85	924	37,561	43,792	629	7,403	7,595
1970 June 30	84,875	54,149	13,924	16,802	9,346	96,794	84,865	894	137	1,083	35,837	46,913	708	7,975	7,675
Dec. 31	92,399	57,489	16,039	18,871	11,208	106,457	93,998	1,091	141	1,438	40,005	51,322	571	8,326	7,735
1971 June 30	99,532	61,509	15,953	22,070	10,439	113,058	99,774	989	186	1,409	39,908	57,283	597	8,993	7,811

For notes see p. A-23.

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 and investments: 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	Number of banks
Noninsured nonmember:															
1941—Dec. 31	1,457	455	761	241	763	2,283	1,872	329		1,291		253	13	329	852
1945—Dec. 31	2,211	318	1,693	200	514	2,768	2,452	181		1,905		365	4	279	714
1947—Dec. 31 [6]	2,009	474	1,280	255	576	2,643	2,251	177	185	18	1,392	478	4	325	783
1963—Dec. 20	1,571	745	463	362	374	2,029	1,463	190	83	17	832	341	93	389	285
1964—Dec. 31	2,312	1,355	483	474	578	3,033	2,057	273	86	23	1,141	534	99	406	274
1965—Dec. 31	2,455	1,549	418	489	572	3,200	2,113	277	85	17	1,121	612	147	434	263
1967—Dec. 30	2,638	1,735	370	533	579	3,404	2,172	285	58	15	1,081	733	246	457	211
1968—Dec. 31	2,901	1,875	429	597	691	3,789	2,519	319	56	10	1,366	767	224	464	197
1969—June 30 [7]	2,809	1,800	321	688	898	3,942	2,556	298	81	15	1,430	731	290	502	209
Dec. 31	2,982	2,041	310	632	895	4,198	2,570	316	41	16	1,559	638	336	528	197
1970—June 30	3,043	2,073	321	650	746	4,140	2,280	321	69	36	1,247	606	331	549	193
Dec. 31	3,079	2,132	304	642	934	4,365	2,570	375	101	40	1,298	756	226	532	184
1971—June 30	2,968	2,057	263	648	960	4,356	2,480	360	41	20	1,182	877	250	495	182
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
1945—Dec. 31	16,849	3,310	12,277	1,262	4,962	22,024	20,571	425		14,101		6,045	11	1,362	7,130
1947—Dec. 31	18,454	5,432	11,318	1,703	4,659	23,334	21,591	439	190	167	13,758	7,036	12	1,596	7,261
1963—Dec. 20	44,035	24,295	13,854	5,885	6,316	51,304	45,743	749	144	743	23,972	20,134	165	4,623	7,458
1964—Dec. 31	48,879	27,899	14,273	6,707	7,752	57,780	51,447	931	156	672	26,645	23,043	198	4,894	7,536
1965—Dec. 31	54,483	31,858	14,555	8,070	8,085	63,879	56,919	972	168	635	28,649	26,495	238	5,345	7,583
1967—Dec. 30	67,087	39,409	15,516	12,162	8,983	77,732	69,279	1,071	147	603	32,085	35,372	408	6,286	7,651
1968—Dec. 31	76,454	45,253	16,585	14,617	9,997	88,394	78,887	1,227	150	701	35,981	40,827	441	6,945	7,701
1969—June 30 [7]	80,841	50,159	14,662	16,021	9,594	92,743	81,166	1,090	160	765	35,500	43,652	741	7,506	7,737
Dec. 31	85,115	53,683	14,875	16,556	10,950	98,651	85,949	1,333	126	940	39,120	44,430	965	7,931	7,792
1970—June 30	87,919	56,222	14,245	17,452	10,092	100,934	87,145	1,215	207	1,119	37,084	47,520	1,038	8,523	7,868
Dec. 31	95,478	59,621	16,342	19,514	12,143	110,822	96,568	1,466	243	1,478	41,303	52,078	796	8,858	7,919
1971—June 30	102,500	63,566	16,216	22,718	11,398	117,414	102,254	1,348	227	1,429	41,091	58,160	847	9,489	7,993

1 Beginning June 30, 1966, loans to farmers directly guaranteed by CCC were reclassified as securities, and Export-Import Bank portfolio fund participations were reclassified from loans to securities. This reduced Total loans and increased "Other securities" by about $1 billion. Total loans include Federal funds sold, and beginning with June 1967 securities purchased under resale agreements, figures for which are included in "Federal funds sold, etc.," on p. A-24.

Beginning June 30, 1971, Farmers Home Administration notes are classified as "Other securities" rather than "Loans." As a result of this change, approximately $700 million was transferred to "Other securities" for the period ending June 30, 1971, for all commercial banks.

See also table (and notes) at the bottom of p. A-32.

2 See first two paragraphs of note 1.

3 Reciprocal balances excluded beginning with 1942.

4 Includes items not shown separately. See also note 1.

5 See last paragraph of note 1.

6 Beginning with Dec. 31, 1947, the series was revised; for description, see note 4, p. 587, May 1964 BULLETIN.

7 Figure takes into account the following changes beginning 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.

8 Regarding reclassification as a reserve city, see Aug. 1962 BULLETIN, p. 993. For various changes between reserve city and country status in 1960–63, see note 6, p. 587, May 1964 BULLETIN.

9 Beginning Jan. 4, 1968, a country bank with deposits of $321 million was reclassified as a reserve city bank. Beginning Feb. 29, 1968, a reserve city bank in Chicago with total deposits of $190 million was reclassified as a country bank.

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

For the period June 1941–June 1962 member banks include mutual savings banks as follows: three before Jan. 1960, two through Dec. 1960, and one through June 1962. Those banks are not included in insured commercial banks.

Beginning 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.

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

Data for national banks for Dec. 31, 1965, have been adjusted to make them comparable with State bank data.

Figures are partly estimated except on call dates.

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

LOANS AND INVESTMENTS BY CLASS OF BANK

(In millions of dollars)

Class of bank and call date	Total loans[1] and investments	Federal funds sold, etc.[2]	Other loans[1]: Total[3, 4]	Other loans: Commercial and industrial	Other loans: Agricultural[5]	For purchasing or carrying securities: To brokers and dealers	For purchasing or carrying securities: To others	To financial institutions: Banks	To financial institutions: Others	Real estate	Other, to individuals[3]	Other[5]	Investments: Total	U.S. Treasury securities[6]: Bills and certificates	U.S. Treasury securities: Notes	U.S. Treasury securities: Bonds	State and local govt. securities	Other securities[5]
Total:[2]																		
1947—Dec. 31	116,284	.....	38,057	18,167	1,660	830	1,220	115	.....	9,393	5,723	947	69,221	9,982	6,034	53,205	5,276	3,729
1969—Dec. 31[10]	422,728	9,928	286,750	108,443	10,329	5,739	4,027	2,488	15,062	70,020	63,256	7,388	54,709	.....	.....	.....	59,183	12,158
1970—Dec. 31	461,998	16,241	297,897	112,486	11,155	6,332	3,536	2,660	15,855	72,492	65,807	7,574	61,742	.....	.....	.....	69,637	16,481
1971—June 30	481,270	15,663	307,969	114,362	12,226	5,634	3,493	2,844	16,958	75,777	69,149	7,527	60,254	.....	.....	.....	77,994	19,389
All insured:																		
1941—Dec. 31	49,290	.....	21,259	9,214	1,450	614	662	40	.....	4,773	4,505		21,046	988	3,159	16,899	3,651	3,333
1945—Dec. 31	121,809	.....	25,765	9,461	1,314	3,164	3,606	49	.....	4,677	2,361	1,132	88,912	21,526	16,045	51,342	3,873	3,258
1947—Dec. 31	114,274	.....	37,583	18,012	1,610	823	1,190	114	.....	9,266	5,654	914	67,941	9,676	5,918	52,347	5,129	3,621
1969—Dec. 31[10]	419,746	9,693	284,945	107,685	10,314	5,644	3,991	2,425	14,890	69,669	63,008	7,319	54,399	.....	.....	.....	58,840	11,869
1970—Dec. 31	458,919	15,942	296,064	111,540	11,141	6,207	3,516	2,581	15,713	72,302	65,556	7,507	61,438	.....	.....	.....	69,301	16,174
1971—June 30	478,302	15,381	306,194	113,411	12,211	5,555	3,480	2,718	16,825	75,615	68,942	7,437	59,991	.....	.....	.....	77,687	19,048
Member—Total:																		
1941—Dec. 31	43,521	.....	18,021	8,671	972	594	598	39	.....	3,494	3,653		19,539	971	3,007	15,561	3,090	2,871
1945—Dec. 31	107,183	.....	22,775	8,949	855	3,133	3,378	47	.....	3,455	1,900	1,057	78,338	19,260	14,271	44,807	3,254	2,815
1947—Dec. 31	97,846	.....	32,628	16,962	1,046	811	1,065	113	.....	7,130	4,662	839	57,914	7,803	4,815	45,295	4,199	3,105
1969—Dec. 31[10]	337,613	7,356	235,639	96,095	6,187	5,408	3,286	2,258	14,035	53,207	48,388	6,776	39,833	.....	.....	.....	47,227	7,558
1970—Dec. 31	366,520	12,677	241,840	97,954	6,538	5,963	3,028	2,345	14,688	54,600	49,829	6,895	45,399	.....	.....	.....	55,662	10,042
1971—June 30	378,769	12,026	248,040	98,573	7,094	5,333	3,024	2,496	15,770	56,934	52,037	6,777	44,038	.....	.....	.....	61,963	12,702
New York City:																		
1941—Dec. 31	12,896	.....	4,072	2,807	8	412	169	32	.....	123	522		7,265	311	1,623	5,331	729	830
1945—Dec. 31	26,143	.....	7,334	3,044	.....	2,453	1,172	26	.....	80	287	272	17,574	3,910	3,325	10,339	606	629
1947—Dec. 31	20,393	.....	7,179	5,361	.....	545	267	93	.....	111	564	238	11,972	1,642	558	9,772	638	604
1969—Dec. 31[10]	60,333	802	47,503	28,189	12	3,695	776	1,047	4,547	3,835	3,595	1,807	5,048	.....	.....	.....	6,192	788
1970—Dec. 31	62,347	774	46,386	27,189	15	4,174	686	1,169	3,741	3,883	3,907	1,622	6,009	.....	.....	.....	7,757	1,420
1971—June 30	61,059	996	46,247	26,948	20	3,822	637	1,106	4,210	4,202	3,916	1,385	5,116	.....	.....	.....	7,298	1,401
City of Chicago:																		
1941—Dec. 31	2,760	.....	954	732	6	48	52	1	.....	22	95		1,430	256	153	1,022	182	193
1945—Dec. 31	5,931	.....	1,333	760	2	211	233	.....	.....	36	51	40	4,213	1,600	749	1,864	181	204
1947—Dec. 31	5,088	.....	1,801	1,418	3	73	87	.....	.....	46	149	26	2,890	367	248	2,274	213	185
1969—Dec. 31[10]	14,365	215	10,556	6,444	50	337	262	186	1,219	842	862	354	1,564	.....	.....	.....	1,837	192
1970—Dec. 31	15,745	475	10,739	6,502	42	356	191	138	1,284	864	1,015	346	2,105	.....	.....	.....	2,055	372
1971—June 30	16,477	612	11,164	6,515	41	373	245	218	1,465	861	1,078	367	1,736	.....	.....	.....	2,580	384
Other reserve city:																		
1941—Dec. 31	15,347	.....	7,105	3,456	300	114	194	4	.....	1,527	1,508		6,467	295	751	5,421	956	820
1945—Dec. 31	40,108	.....	8,514	3,661	205	427	1,503	17	.....	1,459	855	387	29,552	8,016	5,653	15,883	1,126	916
1947—Dec. 31	36,040	.....	13,449	7,088	225	170	484	15	.....	3,147	1,969	351	20,196	2,731	1,901	15,563	1,342	1,053
1969—Dec. 31[10]	121,628	3,021	88,180	37,701	1,386	878	1,300	876	6,006	19,706	17,569	2,757	11,944	.....	.....	.....	16,625	1,859
1970—Dec. 31	133,861	6,007	90,293	38,627	1,428	909	1,322	798	7,015	19,848	17,322	3,024	14,700	.....	.....	.....	19,771	3,089
1971—June 30	137,451	5,010	92,176	38,189	1,601	786	1,419	893	7,517	20,722	17,929	3,120	14,552	.....	.....	.....	22,409	3,304
Country:																		
1941—Dec. 31	12,518	.....	5,890	1,676	659	20	183	2	.....	1,823	1,528		4,377	110	481	3,787	1,222	1,028
1945—Dec. 31	35,002	.....	5,596	1,484	648	42	471	4	.....	1,881	707	359	26,999	5,732	4,544	16,722	1,342	1,067
1947—Dec. 31	36,324	.....	10,199	3,096	818	23	227	5	.....	3,827	1,979	224	22,857	3,063	2,108	17,687	2,006	1,262
1969—Dec. 31[10]	141,286	3,318	89,401	23,762	4,739	498	947	148	2,263	28,824	26,362	1,858	21,278	.....	.....	.....	22,572	4,718
1970—Dec. 31	154,568	5,420	94,421	25,637	5,052	524	828	239	2,648	30,005	27,585	1,903	22,586	.....	.....	.....	26,079	6,062
1971—June 30	163,782	5,407	98,452	26,922	5,433	352	723	279	2,577	31,148	29,113	1,905	22,634	.....	.....	.....	29,675	7,614
Nonmember:																		
1947—Dec. 31	18,454	.....	5,432	1,205	614	20	156	2	.....	2,266	1,061	109	11,318	2,179	1,219	7,920	1,073	625
1969—Dec. 31[10]	85,115	2,572	51,111	12,348	4,141	329	741	231	1,028	16,813	14,868	612	14,875	.....	.....	.....	11,956	4,600
1970—Dec. 31	95,478	3,564	56,058	14,532	4,617	369	507	316	1,168	17,891	15,978	679	16,342	.....	.....	.....	13,975	5,538
1971—June 30	102,500	3,638	59,929	15,789	5,131	301	468	348	1,187	18,843	17,112	749	16,216	.....	.....	.....	16,031	6,687

1 Beginning with June 30, 1948, figures for various loan items are shown gross (i.e., before deduction of valuation reserves); they do not add to the total and are not entirely comparable with prior figures. Total loans continue to be shown net. See also note 10.

2 Includes securities purchased under resale agreements. Prior to June 30, 1967, they were included in loans—for the most part in loans to "Banks." Prior to Dec. 1965, Federal funds sold were included with "Total" loans and loans to "Banks."

3 See table (and notes), *Deposits Accumulated for Payment of Personal Loans*, p. A-32.

4 Breakdowns of loan, investment, and deposit classifications are not available before 1947; summary figures for 1941 and 1945 appear in the table on pp. A-20—A-23.

5 Beginning with June 30, 1966, loans to farmers directly guaranteed by CCC were reclassified as "Other securities," and Export-Import Bank portfolio fund participations were reclassified from loans to "Other securities." This increased "Other securities" by about $1 billion.

6 Beginning with Dec. 31, 1965, components shown at par rather than at book value; they do not add to the total (shown at book value) and are not entirely comparable with prior figures. See also note 10.

For other notes see opposite page.

RESERVES AND LIABILITIES BY CLASS OF BANK

(In millions of dollars)

Class of bank and call date	Reserves with F.R. Banks	Currency and coin	Balances with domestic banks[7]	Demand deposits adjusted[8]	Demand deposits: Interbank: Domestic[7]	Demand deposits: Interbank: Foreign[9]	Demand deposits: U.S. Govt.	Demand deposits: State and local govt.	Demand deposits: Certified and officers' checks, etc.	Demand deposits: IPC	Time deposits: Interbank	Time deposits: U.S. Govt. and Postal Savings	Time deposits: State and local govt.	Time deposits: IPC[3]	Borrowings	Capital accounts
Total:[3]																
1947—Dec. 31	17,796	2,216	10,216	87,123	11,362	1,430	1,343	6,799	2,581	84,987	240	111	866	34,383	65	10,059
1969—Dec. 31[10]	21,449	7,320	20,314	172,079	24,553	2,620	5,054	17,558	11,899	179,413	735	211	13,221	181,443	18,360	39,978
1970—Dec. 31	23,319	7,046	23,136	173,912	27,442	3,166	7,938	17,763	8,540	183,032	1,975	463	23,225	208,201	19,375	42,958
1971—June 30	24,066	7,634	21,546	168,263	28,699	2,614	8,412	17,276	11,949	177,692	2,207	517	26,221	228,176	22,517	45,311
All insured:																
1941—Dec. 31	12,396	1,358	8,570	37,845	9,823	673	1,762	3,677	1,077	36,544	158	59	492	15,146	10	6,844
1945—Dec. 31	15,810	1,829	11,075	74,722	12,566	1,248	23,740	5,098	2,585	72,593	70	103	496	29,277	215	8,671
1947—Dec. 31	17,796	2,145	9,736	85,751	11,236	1,379	1,325	6,692	2,559	83,723	54	111	826	33,946	61	9,734
1969—Dec. 31[10]	21,449	7,292	19,528	170,280	24,386	2,471	5,038	17,434	11,476	178,401	695	211	13,166	180,860	18,024	39,450
1970—Dec. 31	23,319	7,028	22,332	172,351	27,235	2,998	7,898	17,636	8,352	182,048	1,874	462	23,150	207,519	19,149	42,427
1971—June 30	24,066	7,610	20,748	168,860	28,519	2,434	8,392	17,185	11,736	176,815	2,166	517	26,132	227,387	22,297	44,816
Member Total:																
1941—Dec. 31	12,396	1,087	6,246	33,754	9,714	671	1,709	3,066	1,009	33,061	140	50	418	11,878	4	5,886
1945—Dec. 31	15,811	1,438	7,117	64,184	12,333	1,243	22,179	4,240	2,450	62,950	64	99	399	23,712	208	7,589
1947—Dec. 31	17,797	1,672	6,270	73,528	10,978	1,375	1,176	5,504	2,401	72,704	50	105	693	27,542	54	8,464
1969—Dec. 31[10]	21,449	5,676	11,931	133,435	23,441	2,399	4,114	13,274	10,483	145,992	609	186	9,951	140,308	17,395	32,047
1970—Dec. 31	23,319	5,445	13,744	133,169	26,260	2,882	6,460	13,250	7,309	147,473	1,733	406	18,406	160,998	18,578	34,100
1971—June 30	24,066	5,870	12,971	127,670	27,605	2,360	6,983	12,953	10,654	142,220	1,980	462	20,534	175,757	21,700	35,822
New York City:																
1941—Dec. 31	5,105	93	141	10,761	3,595	607	866	319	450	11,282	6	.....	29	778	.....	1,648
1945—Dec. 31	4,015	111	78	15,065	3,535	1,105	6,940	237	1,338	15,712	17	10	20	1,206	195	2,120
1947—Dec. 31	4,639	151	70	16,653	3,236	1,217	267	290	1,105	17,646	12	12	14	1,418	30	2,259
1969—Dec. 31[10]	4,358	463	455	21,316	8,708	1,641	694	1,168	6,605	28,354	268	45	207	14,692	4,405	6,301
1970—Dec. 31	4,683	436	1,308	19,770	10,283	2,225	1,039	1,171	3,286	27,779	956	71	1,464	18,913	4,500	6,486
1971—June 30	4,716	466	1,193	15,264	13,504	1,717	1,199	789	6,032	25,994	937	68	1,896	21,572	4,531	6,860
City of Chicago:																
1941—Dec. 31	1,021	43	298	2,215	1,027	8	127	233	34	2,152	.....	.....	.....	476	.....	288
1945—Dec. 31	942	36	200	3,153	1,292	20	1,552	237	66	3,160	.....	.....	.....	719	.....	377
1947—Dec. 31	1,070	30	175	3,737	1,196	21	72	285	63	3,853	.....	2	9	902	.....	426
1969—Dec. 31[10]	869	123	150	5,221	1,581	96	175	268	229	6,273	15	1	216	4,409	1,290	1,517
1970—Dec. 31	1,148	126	160	5,120	1,853	77	282	240	210	6,213	49	.....	568	5,549	1,851	1,586
1971—June 30	991	126	247	5,044	1,439	51	318	352	211	6,084	85	3	741	6,353	2,359	1,636
Other reserve city:																
1941—Dec. 31	4,060	425	2,590	11,117	4,302	54	491	1,144	286	11,127	104	20	243	4,542	.....	1,967
1945—Dec. 31	6,326	494	2,174	22,372	6,307	110	8,221	1,763	611	22,281	30	38	160	9,563	2	2,566
1947—Dec. 31	7,095	562	2,125	25,714	5,497	131	405	2,282	705	26,003	22	45	332	11,045	1	2,844
1969—Dec. 31[10]	9,044	1,787	3,456	44,169	10,072	590	1,575	3,934	1,928	53,062	242	86	4,609	50,439	9,881	11,464
1970—Dec. 31	9,710	1,748	3,731	44,093	10,805	512	2,547	3,793	2,035	53,499	592	222	8,489	58,165	10,391	12,221
1971—June 30	10,394	1,822	4,069	43,872	9,631	535	2,954	3,716	2,455	51,451	735	249	8,863	62,312	12,153	12,826
Country:																
1941—Dec. 31	2,210	526	3,216	9,661	790	2	225	1,370	239	8,500	30	31	146	6,082	4	1,982
1945—Dec. 31	4,527	796	4,665	23,595	1,199	8	5,465	2,004	435	21,797	17	52	219	12,224	11	2,525
1947—Dec. 31	4,993	929	3,900	27,424	1,049	7	432	2,647	528	25,203	17	45	337	14,177	23	2,934
1969—Dec. 31[10]	7,179	3,302	7,870	62,729	3,080	72	1,671	7,905	1,721	58,304	84	54	4,920	70,768	1,820	12,766
1970—Dec. 31	7,778	3,135	8,544	64,185	3,319	68	2,592	8,045	1,779	59,982	135	112	7,885	78,370	1,836	13,807
1971—June 30	7,964	3,455	7,461	63,490	3,031	56	2,513	8,095	1,956	58,691	223	143	9,033	85,521	2,656	14,499
Nonmember:[3]																
1947—Dec. 31	....	544	3,947	13,595	385	55	167	1,295	180	12,284	190	6	172	6,858	12	1,596
1969—Dec. 31[10]	....	1,644	8,383	38,644	1,112	222	940	4,284	1,416	33,420	126	25	3,269	41,135	965	7,931
1970—Dec. 31	....	1,602	9,392	40,743	1,182	284	1,478	4,513	1,230	35,560	243	57	4,819	47,200	796	8,858
1971—June 30	....	1,765	8,576	40,593	1,094	254	1,429	4,323	1,295	35,472	227	55	5,688	52,419	847	9,489

7 Beginning with 1942, excludes reciprocal bank balances.
8 Through 1960 demand deposits other than interbank and U.S. Govt., less cash items in process of collection; beginning with 1961, demand deposits other than domestic commercial interbank and U.S. Govt., less cash items in process of collection.
9 *For reclassification of certain deposits in 1961, see note 6, p. 589, May 1964* BULLETIN.
10 Beginning June 30, 1969, reflects (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. See also notes 1 and 6.

NOTE.—Data are for all commercial banks in the United States; member banks in U.S. possessions were included through 1968 and then excluded.
For the period June 1941–June 1962 member banks include mutual savings banks as follows: three before Jan. 1960, two through Dec. 1960, and one through June 1962. Those banks are not included in all insured or total banks.
A small noninsured member bank engaged exclusively in trust business is treated as a noninsured bank and not as a member bank for the period June 30, 1969—June 30, 1970.
Comparability of figures for classes of banks is affected somewhat by changes in F.R. membership, deposit insurance status, and the reserve classifications of cities and individual banks, and by mergers, etc.
For other notes see opposite page.

ASSETS AND LIABILITIES OF LARGE COMMERCIAL BANKS

(In millions of dollars)

Wednesday	Total loans and investments	Loans: Federal funds sold, etc.[1]: Total	Federal funds sold, etc.: To commercial banks	Federal funds sold, etc.: To brokers and dealers involving—: U.S. Treasury securities	Federal funds sold, etc.: To brokers and dealers involving—: Other securities	Federal funds sold, etc.: To others	Other: Total	Other: Commercial and industrial	Other: Agricultural	For purchasing or carrying securities: To brokers and dealers: U.S. Treas-ury secs.	For purchasing or carrying securities: To brokers and dealers: Other secs.	For purchasing or carrying securities: To others: U.S. Treas-ury secs.	For purchasing or carrying securities: To others: Other secs.	To nonbank financial institutions: Pers. and sales finan. cos., etc.	To nonbank financial institutions: Other
Large banks—Total															
1971															
Feb. 3	258,935	9,690	7,639	1,502	328	221	174,995	80,260	2,010	1,409	3,428	102	2,331	6,980	6,010
10	259,230	10,252	7,858	1,956	355	83	174,697	80,306	2,011	1,593	3,332	102	2,330	6,622	5,995
17	256,506	7,804	7,071	330	338	65	174,810	80,715	2,032	770	3,468	101	2,315	6,706	6,014
24	257,126	9,012	7,453	1,194	342	23	174,502	80,760	2,023	1,170	3,267	105	2,324	6,386	6,019
1972															
Jan. 5	285,934	12,941	11,695	881	170	195	191,436	83,262	2,322	916	5,067	157	2,475	6,239	7,976
12	282,712	11,152	9,912	730	254	256	190,566	82,802	2,315	914	4,829	152	2,494	6,204	7,965
19	280,615	10,335	9,152	764	248	171	190,070	82,579	2,305	866	4,933	156	2,468	6,164	7,915
26	279,671	10,513	9,263	841	246	163	189,027	81,760	2,315	880	5,021	161	2,484	6,075	7,789
Feb. 2p	281,037	10,718	9,633	723	227	135	189,771	82,047	2,315	1,106	5,093	161	2,484	6,030	7,801
9p	280,464	10,958	10,128	515	207	108	189,478	82,082	2,320	964	4,926	163	2,495	6,121	7,843
16p	281,544	11,625	10,995	386	177	67	190,115	82,583	2,317	624	5,223	179	2,509	6,184	7,929
23p	281,250	10,496	9,568	582	238	108	190,667	82,494	2,333	797	5,358	182	2,497	6,196	7,967
New York City															
1971															
Feb. 3	58,024	1,671	1,519	45	....	107	42,490	25,412	16	1,146	2,186	12	619	2,132	1,406
10	57,289	1,317	1,201	70	2	44	42,468	25,468	15	1,371	2,137	13	615	1,957	1,399
17	56,408	1,048	1,001	30	....	17	42,452	25,658	15	671	2,223	13	616	2,134	1,427
24	56,986	1,693	1,588	90	....	15	42,344	25,754	15	1,000	2,080	16	614	1,936	1,468
1972															
Jan. 5	59,128	1,158	1,120	....	29	9	44,442	25,350	28	694	3,384	48	609	1,650	1,731
12	58,868	1,384	1,280	10	24	70	44,191	25,236	28	745	3,227	42	604	1,695	1,795
19	58,486	1,115	1,043	15	24	33	44,011	25,196	27	672	3,276	45	595	1,717	1,740
26	58,802	1,663	1,604	....	21	38	43,706	24,882	27	677	3,426	48	602	1,704	1,737
Feb. 2p	59,227	1,340	1,319	....	....	21	44,309	25,067	28	923	3,382	48	607	1,698	1,779
9p	58,440	980	936	....	....	44	44,155	25,158	26	800	3,266	49	608	1,779	1,803
16p	58,493	1,492	1,437	48	....	7	44,311	25,324	26	490	3,431	49	619	1,819	1,850
23p	58,202	669	638	....	....	31	44,610	25,107	26	650	3,575	52	611	1,923	1,892
Outside New York City															
1971															
Feb. 3	200,911	8,019	6,120	1,457	328	114	132,505	54,848	1,994	263	1,242	90	1,712	4,848	4,604
10	201,941	8,935	6,657	1,886	353	39	132,229	54,838	1,996	222	1,195	89	1,715	4,665	4,596
17	200,098	6,756	6,070	300	338	48	132,358	55,057	2,017	99	1,245	88	1,699	4,572	4,587
24	200,140	7,319	5,865	1,104	342	8	132,158	55,006	2,008	170	1,187	89	1,710	4,450	4,551
1972															
Jan. 5	226,806	11,783	10,575	881	141	186	146,994	57,912	2,294	222	1,683	109	1,866	4,589	6,245
12	223,844	9,768	8,632	720	230	186	146,375	57,566	2,287	169	1,602	110	1,890	4,509	6,170
19	222,129	9,220	8,109	749	224	138	146,059	57,383	2,278	194	1,657	111	1,873	4,447	6,175
26	220,869	8,850	7,659	841	225	125	145,321	56,878	2,288	203	1,595	113	1,882	4,371	6,052
Feb. 2p	221,810	9,378	8,314	723	227	114	145,462	56,980	2,287	183	1,711	113	1,877	4,332	6,022
9p	222,024	9,978	9,192	515	207	64	145,323	56,924	2,294	164	1,660	114	1,887	4,342	6,040
16p	223,051	10,133	9,558	338	177	60	145,804	57,259	2,291	134	1,792	130	1,890	4,365	6,079
23p	223,048	9,827	8,930	582	238	77	146,057	57,387	2,307	147	1,783	130	1,886	4,273	6,075

For notes see p. A-30.

ASSETS AND LIABILITIES OF LARGE COMMERCIAL BANKS—Continued

(In millions of dollars)

Loans (cont.)						Investments						
Other (cont.)						U.S. Treasury securities						
	To commercial banks								Notes and bonds maturing—			
Real estate	Domestic	Foreign	Consumer instalment	Foreign govts.[2]	All other	Total	Bills	Certificates	Within 1 yr.	1 to 5 yrs.	After 5 yrs.	Wednesday
												Large banks Total
												1971
34,278	457	1,465	21,703	788	13,774	28,576	6,267	....	4,722	14,840	2,747	Feb. 3
34,297	465	1,460	21,633	795	13,756	28,259	5,868	....	4,717	14,954	2,720	10
34,369	534	1,485	21,579	777	13,945	27,762	5,425	....	3,033	15,007	4,297	17
34,422	462	1,469	21,567	772	13,756	27,593	5,232	....	2,994	15,221	4,146	24
												1972
38,520	918	2,929	24,228	894	15,533	28,968	4,368	....	3,890	16,583	4,127	Jan. 5
38,647	874	2,848	24,187	924	15,411	28,148	3,675	....	3,948	16,452	4,073	12
38,768	755	2,859	24,143	887	15,272	27,843	3,873	....	3,893	16,235	3,842	19
38,849	811	2,671	24,167	912	15,132	27,821	3,877	....	3,879	16,230	3,835	26
38,887	816	2,609	24,182	910	15,330	27,881	3,909	....	4,005	16,218	3,749	Feb. 2[p]
38,945	845	2,654	24,125	905	15,090	27,497	3,473	....	4,026	16,218	3,780	9[p]
39,056	837	2,527	24,087	886	15,174	27,156	3,222	....	4,547	15,658	3,729	16[p]
39,135	785	2,596	24,077	910	15,340	27,455	3,597	....	4,605	15,554	3,699	23[p]
												New York City
												1971
3,527	145	815	1,899	495	2,680	5,790	1,491	....	903	2,969	427	Feb. 3
3,525	146	800	1,860	505	2,657	5,548	1,242	....	889	2,985	432	10
3,546	223	824	1,859	491	2,752	4,972	1,073	....	383	2,880	636	17
3,552	145	831	1,857	494	2,582	5,062	1,115	....	376	2,984	587	24
												1972
4,042	390	1,227	1,951	567	2,771	5,231	712	....	702	3,130	687	Jan. 5
4,074	341	1,155	1,951	557	2,741	4,956	586	....	701	3,071	598	12
4,089	253	1,210	1,932	566	2,693	5,069	901	....	670	3,014	484	19
4,117	274	1,095	1,943	543	2,631	5,193	1,011	....	684	3,015	483	26
4,126	286	1,085	1,940	542	2,798	5,285	955	....	855	3,045	430	Feb. 2[p]
4,130	318	1,144	1,943	549	2,582	5,097	711	....	839	3,073	474	9[p]
4,156	330	1,066	1,926	544	2,681	4,731	621	....	969	2,683	458	16[p]
4,167	234	1,125	1,928	579	2,741	5,012	893	....	990	2,708	421	23[p]
												Outside New York City
												1971
30,751	312	650	19,804	293	11,094	22,786	4,776	....	3,819	11,871	2,320	Feb. 3
30,772	319	660	19,773	290	11,099	22,711	4,626	....	3,828	11,969	2,288	10
30,823	311	661	19,720	286	11,193	22,790	4,352	....	2,650	12,127	3,661	17
30,870	317	638	19,710	278	11,174	22,531	4,117	....	2,618	12,237	3,559	24
												1972
34,478	528	1,702	22,277	327	12,762	23,737	3,656	....	3,188	13,453	3,440	Jan. 5
34,573	533	1,693	22,236	367	12,670	23,192	3,089	....	3,247	13,381	3,475	12
34,679	502	1,649	22,211	321	12,579	22,774	2,972	....	3,223	13,221	3,358	19
34,732	537	1,576	22,224	369	12,501	22,628	2,866	....	3,195	13,215	3,352	26
34,761	530	1,524	22,242	368	12,532	22,596	2,954	....	3,150	13,173	3,319	Feb. 2[p]
34,815	527	1,510	22,182	356	12,508	22,400	2,762	....	3,187	13,145	3,306	9[p]
34,900	507	1,461	22,161	342	12,493	22,425	2,601	....	3,578	12,975	3,271	16[p]
34,968	551	1,471	22,149	331	12,599	22,443	2,704	....	3,615	12,846	3,278	23[p]

For notes see p. A-30.

ASSETS AND LIABILITIES OF LARGE COMMERCIAL BANKS—Continued

(In millions of dollars)

Wednesday	Investments (cont.)					Cash items in process of collection	Reserves with F.R. Banks	Currency and coin	Balances with domestic banks	Investments in subsidiaries not consolidated	Other assets	Total assets/ total liabilities
	Other securities											
	Total	Obligations of State and political subdivisions		Other bonds, corp. stock, and securities								
		Tax warrants[3]	All other	Certif. of participation[4]	All other[5]							
Large banks—Total												
1971												
Feb. 3	45,674	6,486	32,919	1,201	5,068	31,869	17,978	3,202	6,365	724	14,894	333,967
10	46,022	6,688	33,044	1,225	5,065	30,801	16,105	3,381	7,027	723	14,911	332,178
17	46,130	6,838	32,972	1,229	5,091	36,933	21,808	3,454	7,326	732	14,763	341,522
24	46,019	6,850	32,981	1,150	5,038	29,520	17,212	3,529	6,416	733	14,497	329,033
1972												
Jan. 5	52,589	8,483	36,604	1,608	5,894	33,802	19,747	3,744	7,578	826	16,191	367,822
12	52,846	8,489	37,024	1,574	5,759	32,925	20,438	3,959	7,345	885	15,986	364,250
19	52,367	8,201	36,813	1,560	5,793	34,370	21,173	3,795	7,333	890	15,762	363,938
26	52,310	8,242	36,664	1,548	5,856	33,094	19,897	3,796	6,902	923	15,723	360,006
Feb. 2p	52,667	8,489	36,837	1,533	5,808	32,493	19,477	3,488	7,043	937	16,294	360,769
9p	52,531	8,438	36,703	1,546	5,844	29,959	19,413	3,488	8,862	933	16,021	359,140
16p	52,648	8,408	36,714	1,542	5,984	33,385	21,013	3,519	8,658	933	15,786	364,838
23p	52,632	8,412	36,667	1,516	6,037	32,783	19,509	3,742	9,399	933	15,881	363,497
New York City												
1971												
Feb. 3	8,073	1,489	5,239	134	1,211	14,437	4,359	430	1,128	340	5,315	84,033
10	7,956	1,375	5,342	111	1,128	15,461	4,642	446	1,546	341	5,308	85,033
17	7,936	1,440	5,273	100	1,123	17,251	6,112	435	1,612	343	5,314	87,475
24	7,887	1,431	5,241	88	1,127	13,695	4,431	423	1,185	345	5,224	82,289
1972												
Jan. 5	8,297	1,529	5,448	307	1,013	13,314	5,881	470	1,494	329	5,372	85,988
12	8,337	1,593	5,547	274	923	13,971	5,682	474	1,663	387	5,298	86,343
19	8,291	1,552	5,519	292	928	15,807	5,988	452	1,611	389	5,174	87,907
26	8,240	1,623	5,376	293	948	16,514	4,635	442	1,380	424	4,979	87,176
Feb. 2p	8,293	1,659	5,412	285	937	14,133	4,926	433	1,384	425	5,114	85,642
9p	8,208	1,602	5,407	296	903	13,812	4,969	428	3,543	425	5,077	86,694
16p	7,959	1,572	5,248	278	861	14,426	5,534	426	3,193	424	4,972	87,468
23p	7,911	1,619	5,164	262	866	14,008	4,867	435	3,652	424	5,092	86,680
Outside New York City												
1971												
Feb. 3	37,601	4,997	27,680	1,067	3,857	17,432	13,619	2,772	5,237	384	9,579	249,934
10	38,066	5,313	27,702	1,114	3,937	15,340	11,463	2,935	5,481	382	9,603	247,145
17	38,194	5,398	27,699	1,129	3,968	19,682	15,696	3,019	5,714	389	9,449	254,047
24	38,132	5,419	27,740	1,062	3,911	15,825	12,781	3,106	5,231	388	9,273	246,744
1972												
Jan. 5	44,292	6,594	31,156	1,301	4,881	20,488	13,866	3,274	6,084	497	10,819	281,834
12	44,509	6,896	31,477	1,300	4,836	18,954	14,756	3,485	5,682	498	10,688	277,907
19	44,076	6,649	31,294	1,268	4,865	18,563	15,185	3,343	5,722	501	10,588	276,031
26	44,070	6,619	31,288	1,255	4,908	16,580	15,262	3,354	5,522	499	10,744	272,830
Feb. 2p	44,374	6,830	31,425	1,248	4,871	18,360	14,551	3,055	5,659	512	11,180	275,127
9p	44,323	6,836	31,296	1,250	4,941	16,147	14,444	3,060	5,319	508	10,944	272,446
16p	44,689	6,836	31,466	1,264	5,123	18,959	15,479	3,093	5,465	509	10,814	277,370
23p	44,721	6,793	31,503	1,254	5,171	18,775	14,642	3,307	5,747	509	10,789	276,817

For notes see p. A-30.

ASSETS AND LIABILITIES OF LARGE COMMERCIAL BANKS—Continued

(In millions of dollars)

Deposits: Demand: Total	Demand: IPC	Demand: States and political subdivisions	Demand: U.S. Govt.	Demand: Domestic interbank: Commercial	Demand: Domestic interbank: Mutual savings	Demand: Foreign: Govts., etc.[2]	Demand: Foreign: Commercial banks	Demand: Certified and officers' checks	Time and savings: Total[6]	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.[2]	Wednesday
															Large banks Total
															1971
141,118	94,417	7,179	6,766	21,460	700	789	2,332	7,475	123,599	49,455	53,719	14,159	1,564	4,253	Feb. 3
137,735	93,071	6,642	4,893	21,926	663	799	2,380	7,361	124,539	49,792	54,249	14,332	1,573	4,129	10
145,511	98,303	7,045	5,246	22,949	735	836	2,505	7,892	124,737	50,140	54,389	14,164	1,568	3,974	17
135,248	93,728	6,483	4,332	20,178	608	796	2,319	6,804	125,800	50,458	54,864	14,506	1,541	3,930	24
															1972
152,453	106,524	7,083	4,120	22,819	834	764	2,549	7,760	141,316	55,190	61,055	17,483	2,140	4,980	Jan. 5
148,690	104,767	6,761	3,443	22,270	798	750	2,495	7,406	142,098	55,388	61,442	17,565	2,282	4,988	12
149,096	103,490	6,500	4,584	21,816	663	756	2,454	8,833	142,432	55,605	61,573	17,549	2,287	4,930	19
146,780	99,505	6,492	5,854	22,417	688	701	2,411	8,712	142,834	55,719	61,718	17,634	2,286	4,987	26
146,564	99,963	7,714	4,531	22,211	739	716	2,488	8,202	142,532	55,869	61,371	17,528	2,262	4,993	Feb. 2[p]
143,520	97,979	6,436	4,765	23,783	687	666	2,414	6,790	142,934	56,032	61,450	17,600	2,328	5,038	9[p]
145,910	101,714	6,403	3,193	23,677	686	690	2,325	7,222	143,205	56,218	61,578	17,536	2,318	5,060	16[p]
146,174	100,311	6,323	4,471	24,809	643	753	2,527	6,337	144,122	56,422	62,052	17,709	2,313	5,131	23[p]
															New York City
															1971
42,251	22,073	926	1,850	9,817	386	644	1,729	4,826	19,724	4,710	10,619	1,050	875	2,335	Feb. 3
42,146	22,228	529	1,079	10,611	361	642	1,742	4,954	19,971	4,748	10,938	1,032	858	2,262	10
44,059	23,223	771	1,115	10,654	388	677	1,812	5,419	19,955	4,795	10,983	1,027	855	2,162	17
40,030	22,375	550	850	9,304	320	623	1,653	4,355	20,290	4,830	11,302	1,020	856	2,149	24
															1972
41,398	23,648	637	872	9,308	485	617	1,721	4,110	23,301	5,367	12,385	1,583	1,073	2,774	Jan. 5
41,344	22,927	697	789	10,050	461	587	1,730	4,103	23,588	5,429	12,550	1,587	1,174	2,758	12
43,214	23,597	659	978	9,877	349	607	1,702	5,445	23,609	5,464	12,552	1,593	1,200	2,716	19
43,811	22,217	585	1,345	11,245	388	545	1,689	5,797	23,620	5,481	12,526	1,631	1,196	2,698	26
41,383	21,811	1,173	823	9,880	399	567	1,764	4,966	23,499	5,502	12,333	1,679	1,178	2,695	Feb. 2[p]
42,170	21,995	386	1,007	12,236	370	526	1,695	3,955	23,528	5,532	12,273	1,709	1,209	2,713	9[p]
42,512	23,153	405	548	11,723	358	538	1,625	4,162	23,524	5,562	12,283	1,650	1,196	2,736	16[p]
42,538	22,237	388	843	12,957	332	605	1,736	3,440	23,780	5,600	12,443	1,674	1,194	2,772	23[p]
															Outside New York City
															1971
98,867	72,344	6,253	4,916	11,643	314	145	603	2,649	103,875	44,745	43,100	13,109	689	1,918	Feb. 3
95,589	70,843	6,113	3,814	11,315	302	157	638	2,407	104,568	45,044	43,311	13,300	715	1,867	10
101,452	75,080	6,274	4,131	12,295	347	159	693	2,473	104,782	45,345	43,406	13,137	713	1,812	17
95,218	71,353	5,933	3,482	10,874	288	173	666	2,449	105,510	45,628	43,562	13,486	685	1,781	24
															1972
111,055	82,876	6,446	3,248	13,511	349	147	828	3,650	118,015	49,823	48,670	15,900	1,067	2,206	Jan. 5
107,346	81,840	6,064	2,654	12,220	337	163	765	3,303	118,510	49,959	48,892	15,978	1,108	2,230	12
105,882	79,893	5,841	3,606	11,939	314	149	752	3,388	118,823	50,141	49,021	15,956	1,087	2,214	19
102,969	77,288	5,907	4,509	11,172	300	156	722	2,915	119,214	50,238	49,192	16,003	1,090	2,289	26
105,181	78,152	6,541	3,708	12,331	340	149	724	3,236	119,033	50,367	49,038	15,849	1,084	2,298	Feb. 2[p]
101,350	75,984	6,050	3,758	11,547	317	140	719	2,835	119,406	50,500	49,177	15,891	1,119	2,325	9[p]
103,398	78,561	5,998	2,645	11,954	328	152	700	3,060	119,681	50,656	49,295	15,886	1,122	2,324	16
103,636	78,074	5,935	3,628	11,852	311	148	791	2,897	120,342	50,822	49,609	16,035	1,119	2,359	23[p]

For notes see p. A-30.

ASSETS AND LIABILITIES OF LARGE COMMERCIAL BANKS—Continued

(In millions of dollars)

Wednesday	Federal funds purchased, etc.[7]	Borrowings from— F.R. Banks	Borrowings from— Others	Other liabilities etc.[8]	Reserves for— Loans	Reserves for— Securities	Total capital accounts	Memoranda: Total loans (gross) adjusted[9]	Memoranda: Total loans and investments (gross) adjusted[9]	Memoranda: Demand deposits adjusted[10]	Large negotiable time CD's included in time and savings deposits[11]: Total	Large negotiable time CD's: Issued to IPC's	Large negotiable time CD's: Issued to others	Gross liabilities of banks to their foreign branches
Large banks—Total														
1971														
Feb. 3	19,044	218	1,034	19,940	4,070	79	24,865	176,589	250,839	81,023	26,925	17,427	9,498	6,432
10	19,049	236	968	20,644	4,071	79	24,857	176,626	250,907	80,115	27,343	17,768	9,575	6,234
17	19,891	1,499	964	19,934	4,069	81	24,836	175,009	248,901	80,383	27,146	17,715	9,431	5,871
24	18,037	227	933	19,770	4,070	80	24,868	175,599	249,211	81,218	27,422	17,936	9,486	5,667
1972														
Jan. 5	27,085	16	1,052	14,857	4,072	76	26,895	191,764	273,321	91,712	33,316	20,637	12,679	1,208
12	26,208	2	1,071	15,005	4,097	77	27,002	190,932	271,926	90,052	33,715	20,947	12,768	1,721
19	24,752	....	1,046	15,288	4,098	76	27,150	190,498	270,708	88,326	33,744	21,027	12,717	1,568
26	22,795	....	1,034	15,163	4,103	76	27,221	189,466	269,597	85,415	33,851	21,032	12,819	1,419
Feb. 2p	23,653	2	1,062	15,399	4,106	85	27,366	190,040	270,588	87,329	33,356	20,576	12,780	1,301
9p	24,856	155	1,087	15,008	4,119	76	27,385	189,463	269,491	85,013	33,465	20,507	12,958	1,062
16p	27,302	8	1,088	15,781	4,120	76	27,348	189,908	269,712	85,655	33,436	20,525	12,911	1,000
23p	25,483	....	1,095	15,061	4,122	76	27,364	190,810	270,897	84,111	34,012	20,861	13,151	1,062
New York City														
1971														
Feb. 3	5,090	....	116	9,413	1,210	....	6,229	42,497	56,360	16,147	8,063	5,716	2,347	4,141
10	5,698	....	83	9,704	1,209	....	6,222	42,438	55,942	14,995	8,306	6,022	2,284	3,866
17	6,293	499	84	9,153	1,210	....	6,222	42,276	55,184	15,039	8,310	6,058	2,252	3,776
24	5,573	....	83	8,893	1,214	....	6,206	42,304	55,253	16,181	8,514	6,295	2,219	3,449
1972														
Jan. 5	7,009	....	210	5,990	1,171	....	6,909	44,090	57,618	17,904	10,929	7,165	3,764	822
12	6,877	....	193	6,247	1,189	....	6,905	43,954	57,247	16,534	11,220	7,351	3,869	1,195
19	6,651	....	178	6,190	1,190	....	6,875	43,830	57,190	16,552	11,306	7,441	3,865	962
26	5,347	....	177	6,121	1,190	....	6,910	43,491	56,924	14,707	11,294	7,410	3,884	1,042
Feb. 2p	6,283	....	169	6,130	1,199	....	6,979	44,044	57,622	16,547	11,066	7,164	3,902	947
9p	6,564	155	220	5,881	1,202	....	6,974	43,881	57,186	15,115	11,100	7,098	4,002	739
16p	7,161	....	245	5,857	1,201	....	6,968	44,036	56,726	15,815	11,178	7,186	3,992	616
23p	6,197	....	280	5,722	1,204	....	6,959	44,407	57,330	14,730	11,374	7,337	4,037	702
Outside New York City														
1971														
Feb. 3	13,954	218	918	10,527	2,860	79	18,636	134,092	194,479	64,876	18,862	11,711	7,151	2,291
10	13,351	236	885	10,940	2,862	79	18,635	134,188	194,965	65,120	19,037	11,746	7,291	2,368
17	13,598	1,000	880	10,781	2,859	81	18,614	132,733	193,717	65,344	18,836	11,657	7,179	2,095
24	12,464	227	850	10,877	2,856	80	18,662	133,295	193,958	65,037	18,908	11,641	7,267	2,218
1972														
Jan. 5	20,076	16	842	8,867	2,901	76	19,986	147,674	215,703	73,808	22,387	13,472	8,915	386
12	19,331	2	878	8,758	2,908	77	20,097	146,978	214,679	73,518	22,495	13,596	8,899	526
19	18,101	....	868	9,098	2,908	76	20,275	146,668	213,518	71,774	22,438	13,586	8,852	606
26	17,448	....	857	9,042	2,913	76	20,311	145,975	212,673	70,708	22,557	13,622	8,935	377
Feb. 2p	17,370	2	893	9,269	2,907	85	20,387	145,996	212,966	70,782	22,290	13,412	8,878	354
9p	18,292	....	867	9,127	2,917	76	20,411	145,582	212,305	69,898	22,365	13,409	8,956	323
16p	20,141	8	843	9,924	2,919	76	20,380	145,872	212,986	69,840	22,258	13,339	8,919	384
23p	19,286	....	815	9,339	2,918	76	20,405	146,403	213,567	69,381	22,638	13,524	9,114	360

1 Includes securities purchased under agreements to resell.
2 Includes official institutions and so forth.
3 Includes short-term notes and bills.
4 Federal agencies only.
5 Includes corporate stock.
6 Includes U.S. Govt. and foreign bank deposits, not shown separately.
7 Includes securities sold under agreements to repurchase.
8 Includes minority interest in consolidated subsidiaries.
9 Exclusive of loans and Federal funds transactions with domestic commercial banks.
10 All demand deposits except U.S. Govt. and domestic commercial banks, less cash items in process of collection.
11 Certificates of deposit issued in denominations of $100,000 or more.

COMMERCIAL AND INDUSTRIAL LOANS OF LARGE COMMERCIAL BANKS

(In millions of dollars)

Industry	Outstanding					Net change during—							
	1972					1972		1971	1971			1971	
	Feb. 23	Feb. 16	Feb. 9	Feb. 2	Jan. 26	Feb. p	Jan. p	Dec. p	IV p	III p	II p	2nd r half	1st half
Durable goods manufacturing:													
Primary metals	2,027	2,020	2,013	2,036	1,975	32	14	46	162	−120	−25	282	145
Machinery	4,104	4,187	4,121	4,077	4,182	78	198	57	600	231	34	−831	218
Transportation equipment	2,695	2,658	2,570	2,609	2,566	129	−96	10	−101	24	−99	77	190
Other fabricated metal products	1,640	1,641	1,637	1,629	1,615	25	101	2	259	130	132	389	197
Other durable goods	2,520	2,520	2,495	2,444	2,443	77	52	130	328	11	112	−317	258
Nondurable goods manufacturing:													
Food, liquor, and tobacco	2,805	2,777	2,801	2,829	2,793	12	100	61	205	293	166	498	−709
Textiles, apparel, and leather	2,321	2,297	2,235	2,214	2,181	140	112	142	273	31	115	304	279
Petroleum refining	1,135	1,127	1,149	1,151	1,129	6	45	91	56	4	61	52	404
Chemicals and rubber	2,146	2,152	2,118	2,120	2,091	55	−163	92	437	155	33	−592	166
Other nondurable goods	1,694	1,702	1,687	1,690	1,698	4	124	27	96	60	31	36	140
Mining, including crude petroleum and natural gas	3,604	3,607	3,632	3,669	3,670	66	137	17	17	204	274	187	−383
Trade: Commodity dealers	1,476	1,543	1,628	1,652	1,630	154	−46	165	460	72	−174	532	235
Other wholesale	4,315	4,282	4,336	4,339	4,372	−57	61	124	132	392	207	524	208
Retail	4,162	4,128	4,034	4,011	4,077	85	45	497	340	81	172	259	336
Transportation	5,573	5,604	5,561	5,557	5,558	15	88	−22	78	246	308	324	30
Communication	1,341	1,356	1,349	1,360	1,326	15	12	51	249	24	184	225	231
Other public utilities	2,636	2,684	2,687	2,714	2,629	7	97	45	176	349	182	525	147
Construction	3,935	3,947	3,890	3,837	3,741	194	−76	45	77	106	54	183	82
Services	8,022	8,018	7,905	7,934	7,911	111	37	227	276	13	378	289	187
All other domestic loans	5,738	5,723	5,712	5,651	5,614	124	40	238	305	305	296	610	118
Bankers' acceptances	1,886	1,915	1,901	1,921	1,928	42	366	484	696	462	389	1,158	455
Foreign commercial and industrial loans	3,187	3,221	3,229	3,215	3,215	−28	10	246	254	324	102	578	238
Total classified loans	68,962	69,109	68,690	68,659	68,364	598	1,922	741	303	1,803	474	1,500	566
Total commercial and industrial loans	82,494	82,583	82,082	82,047	81,760	734	2,010	1,208	335	1,279	994	1,614	504

See NOTE to table below.

"TERM" COMMERCIAL AND INDUSTRIAL LOANS OF LARGE COMMERCIAL BANKS

(In millions of dollars)

Industry	Outstanding									Net change during—				
	1972	1971								1971				1971
	Feb. 23	Jan. 26	Dec. 29	Nov. 24	Oct. 27	Sept. 29	Aug. 25	July 28	June 30	IV	III	II	I	2nd Half
Durable goods manufacturing:														
Primary metals	1,346	1,315	1,362	1,406	1,496	1,524	1,481	1,534	1,586	162	62	−43	102	224
Machinery	2,092	2,179	2,285	2,396	2,478	2,489	2,505	2,511	2,536	204	−47	52	93	−251
Transportation equipment	1,627	1,605	1,620	1,592	1,626	1,689	1,582	1,552	1,559	69	130	54	−20	61
Other fabricated metal products	707	699	713	707	744	775	804	802	814	−62	39	82	10	−101
Other durable goods	1,144	1,117	1,135	1,162	1,203	1,214	1,269	1,239	1,233	−79	19	16	128	−98
Nondurable goods manufacturing:														
Food, liquor, and tobacco	983	987	1,021	1,010	975	985	938	946	968	36	17	−2	−15	53
Textiles, apparel, and leather	589	567	576	577	585	607	609	597	597	−31	10	20	−40	21
Petroleum refining	819	848	892	867	900	857	841	901	891	35	−34	23	299	1
Chemicals and rubber	1,371	1,330	1,441	1,528	1,661	1,785	1,809	1,821	1,817	−344	−32	−26	6	376
Other nondurable goods	994	1,010	1,024	1,018	1,048	1,018	1,006	1,008	1,020	6	−2	−79	−72	4
Mining, including crude petroleum and natural gas	2,891	2,927	3,039	2,998	3,023	2,934	3,000	3,017	2,990	105	−56	130	−206	49
Trade: Commodity dealers	132	119	115	104	116	109	117	101	97	6	12	17	1	18
Other wholesale	900	915	893	860	868	847	834	845	836	46	11	60	20	57
Retail	1,354	1,349	1,383	1,428	1,482	1,471	1,450	1,416	1,414	−88	57	3	12	−31
Transportation	4,357	4,397	4,440	4,448	4,461	4,571	4,471	4,596	4,597	−131	26	253	286	−157
Communication	430	432	427	427	418	420	422	471	468	7	48	66	−13	41
Other public utilities	1,351	1,305	1,316	1,292	1,304	1,272	1,180	1,141	1,094	44	178	122	−46	222
Construction	1,343	1,257	1,244	1,255	1,245	1,192	1,202	1,225	1,187	52	5	107	36	57
Services	3,596	3,539	3,488	3,438	3,408	3,347	3,311	3,237	3,258	141	89	124	75	230
All other domestic loans	1,627	1,570	1,431	1,413	1,388	1,390	1,362	1,311	1,249	41	141	−21	15	182
Foreign commercial and industrial loans	1,957	1,995	2,076	1,956	1,940	1,892	1,950	1,908	1,892	184	....	100	76	184
Total loans	31,610	31,462	31,921	31,883	32,369	32,378	32,143	32,179	32,103	−457	275	−6	−249	−182

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

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

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

GROSS DEMAND DEPOSITS OF INDIVIDUALS, PARTNERSHIPS, AND CORPORATIONS[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 commercial banks:						
1970—June	17.1	85.3	49.0	1.6	9.6	162.5
Sept.	17.0	88.0	51.4	1.4	10.0	167.9
Dec.	17.3	92.7	53.6	1.3	10.3	175.1
1971—Mar.	18.3	86.1	54.1	1.4	10.4	170.3
June	17.9	89.9	56.0	1.3	10.7	175.8
Sept.	17.9	91.5	57.5	1.2	9.7	177.9
Dec.	18.5	98.0	58.6	1.3	10.7	187.0
Weekly reporting banks:						
1970—Dec.	13.5	56.1	23.3	1.2	5.6	99.7
1971—Jan.	13.9	54.4	24.1	1.2	5.6	99.3
Feb.	13.9	52.2	23.1	1.2	5.5	95.8
Mar.	14.1	52.4	23.9	1.3	5.7	97.3
Apr.	14.1	53.4	25.3	1.3	5.7	99.8
May	13.7	52.9	24.1	1.2	5.5	97.4
June	14.0	54.2	24.4	1.2	6.0	99.8
July	14.1	54.7	24.8	1.2	5.4	100.3
Aug.	13.5	53.4	24.1	1.2	5.1	97.2
Sept.	13.8	54.6	24.5	1.2	5.5	99.6
Oct.	13.9	55.5	24.5	1.1	5.4	100.4
Nov.	13.7	55.8	24.6	1.1	5.4	100.7
Dec.	14.3	58.6	24.9	1.2	5.9	104.9
1972—Jan.^{p}	14.4	56.8	25.4	1.1	6.0	103.7

[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, 1968	Dec. 31, 1969	Dec. 31, 1970	June 30, 1971
All commercial	1,216	1,131	804	746
Insured	1,216	1,129	803	745
National member	730	688	433	407
State member	207	188	147	129
All member	937	876	580	536
All member—Cont.				
Other reserve city	332	304	143	125
Country	605	571	437	411
All nonmember	278	255	224	210
Insured	278	253	223	209
Noninsured	....	2	1	1

NOTE.—These hypothecated deposits are excluded from Time deposits and Loans at all commercial banks beginning with June 30, 1966, as shown in the tables on pp. A-20, A-21, and A-26—A-30 (consumer instalment loans), and in the table at the bottom of p. A-18. These changes resulted from a change in Federal Reserve regulations. See June 1966 BULLETIN, p. 808.

These deposits have not been deducted from Time deposits and Loans for commercial banks as shown on pp. A-22 and A-23 and on pp. A-24 and A-25 (IPC only for time deposits).

LOANS SOLD OUTRIGHT BY COMMERCIAL BANKS

(Amounts outstanding; in millions of dollars)

Date	To own subsidiaries, foreign branches, holding companies, and other affiliates			To all others except banks		
	Total	By type of loan		Total	By type of loan	
		Commercial and industrial	All other		Commercial and industrial	All other
1971—Nov. 3	2,880	1,695	1,185	1,575	393	r1,182
10	2,866	1,710	r1,152	1,576	391	1,185
17	2,809	1,740	1,069	1,597	412	1,185
24	2,845	1,757	1,088	1,596	398	1,198
Dec. 1	2,934	1,723	1,211	1,592	400	1,192
8	2,852	1,675	1,177	1,634	398	1,236
15	2,744	1,619	1,125	1,635	395	1,240
22	r2,841	1,655	r1,186	r1,620	387	r1,233
29	r2,840	1,632	r1,208	r1,661	378	r1,283
1972—Jan. 5	r2,827	1,596	r1,231	r1,654	371	r1,283
12	r2,795	1,603	r1,192	r1,629	362	r1,267
19	r2,741	1,583	r1,158	r1,622	362	r1,260
26	r2,965	1,729	r1,236	r1,602	351	r1,251
Feb. 2	2,969	1,731	1,238	1,615	345	1,270
9	2,911	1,749	1,162	1,604	345	1,259
16	2,837	1,735	1,102	1,624	347	1,277
23	2,873	1,718	1,155	1,640	340	1,300

NOTE.—Amounts sold under repurchase agreement are excluded. Figures include small amounts sold by banks other than large weekly reporting banks.

COMMERCIAL AND FINANCE COMPANY PAPER AND BANKERS' ACCEPTANCES OUTSTANDING

(In millions of dollars)

End of period	Commercial and finance company paper					Dollar acceptances									
	Total	Placed through dealers		Placed directly		Total	Held by—						Based on—		
							Accepting banks			F.R. Banks		Others			
		Bank related	Other[1]	Bank related	Other[2]		Total	Own bills	Bills bought	Own acct.	Foreign corr.		Imports into United States	Exports from United States	All other
1965	9,058	......	1,903	......	7,155	3,392	1,223	1,094	129	187	144	1,837	792	974	1,626
1966	13,279	......	3,089	......	10,190	3,603	1,198	983	215	193	191	2,022	997	829	1,778
1967	16,535	......	4,901	......	11,634	4,317	1,906	1,447	459	164	156	2,090	1,086	989	2,241
1968	20,497	......	7,201	......	13,296	4,428	1,544	1,344	200	58	109	2,717	1,423	952	2,053
1969	31,709	1,216	10,601	3,078	16,814	5,451	1,567	1,318	249	64	146	3,674	1,889	1,153	2,408
1970	31,765	409	12,262	1,940	17,154	7,058	2,694	1,960	735	57	250	4,057	2,601	1,561	2,895
1971—Jan.	32,295	362	13,071	r1,688	17,194	6,912	2,742	2,058	684	59	270	3,841	2,589	1,555	2,768
Feb.	32,506	383	13,538	1,518	17,067	6,984	3,089	2,306	784	54	266	3,575	2,618	1,520	2,847
Mar.	31,223	355	13,215	1,337	16,316	7,174	2,953	2,276	678	138	255	3,827	2,681	1,519	2,974
Apr.	31,367	431	13,058	1,363	16,515	7,301	2,893	2,320	573	56	236	4,115	2,748	1,510	3,043
May	31,115	392	12,608	1,356	16,759	7,494	2,927	2,382	545	112	253	4,203	2,889	1,479	3,126
June	29,472	448	11,288	1,285	16,451	7,645	2,807	2,355	451	62	230	4,546	3,028	1,467	3,150
July	29,746	469	11,001	1,339	16,937	7,454	2,594	2,168	426	55	228	4,577	3,118	1,388	2,948
Aug.	30,057	454	11,494	1,338	16,771	8,377	2,612	2,131	481	107	245	5,413	3,405	1,505	3,467
Sept.	29,946	395	11,909	1,505	16,137	8,148	2,803	2,227	575	51	259	5,036	3,286	1,470	3,391
Oct.	31,205	454	11,897	1,527	17,327	7,811	3,000	2,350	650	52	261	4,499	3,148	1,366	3,296
Nov.	31,164	406	11,825	1,624	17,309	7,479	2,852	2,204	648	58	258	4,312	2,848	1,392	3,239
Dec.	29,934	495	10,923	1,478	17,038	7,889	3,480	2,689	791	261	254	3,894	2,834	1,546	3,509
▶ Dec.	30,824	495	10,923	1,478	17,928	......	......	......	......	......	......	......	......	......	......
1972—Jan.	31,857	505	11,922	1,582	17,848	7,601	2,917	2,157	761	75	253	4,356	2,558	1,584	3,458

▶ Data for commercial and finance company paper on new basis beginning December 1971. The new series reflects inclusion of paper issued directly by real estate investment trusts and several additional finance companies.

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

[2] As reported by finance companies that place their paper directly with investors.

PRIME RATE CHARGED BY BANKS

(Per cent per annum)

In effect during—	Rate
1929	5½–6
1930	3½–6
1931	2¾–5
1932	3¼–4
1933	1½–4
1934–1947 (Nov.)	1½
Effective date	
1947—Dec.[1]	1¾
1948—Aug.[1]	2
1950—Sept. 22	2¼
1951—Jan. 8	2½
Oct. 17	2¾
Dec. 19	3
1953—Apr. 27	3¼

Effective date	Rate
1954—Mar. 17	3
1955—Aug. 4	3¼
Oct. 14	3½
1956—Apr. 13	3¾
Aug. 21	4
1957—Aug. 6	4½
1958—Jan. 22	4
Apr. 21	3½
Sept. 11	4
1959—May 18	4½
Sept. 1	5
1960—Aug. 23	4½
1965—Dec. 6	5
1966—Mar. 10	5½
June 29	5¾
Aug. 16	6

Effective date	Rate
1967—Jan. 26–27	5½–5¾
Mar. 27	5½
Nov. 20	6
1968—Apr. 19	6½
Sept. 25	6–6¼
Nov. 13	6¼
Dec. 2	6½
18	6¾
1969—Jan. 7	7
Mar. 17	7½
June 9	8½
1970—Mar. 25	8
Sept. 21	7½
Nov. 12	7¼
23	7
Dec. 22	6¾
1971—Jan. 6	6½
15	6¼
18	6

Effective date	Rate
1971—Feb. 16	5¾
Mar. 11	5¼–5½
19	5¼
Apr. 23	5¼–5½
May 11	5½
July 6	5½–6
7	6
Oct. 20	5¾
Nov. 1	5¾–5⅝
4	5½–5⅝
8	5½
22	5⅜–5½
29	5¼–5½
Dec. 6	5¼–5⅜–5½
27	5¼–5½
31	5¼
1972—Jan. 3	5–5⅛–5¼
17	4¾–5¼
24	4⅝–5
31	4½–4¾
Feb. 28	4⅜–4½–4¾

1 Date of change not available.

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	
	Nov. 1971	Aug. 1971	Nov. 1971	Aug. 1971	Nov. 1971	Aug. 1971	Nov. 1971	Aug. 1971	Nov. 1971	Aug. 1971	Nov. 1971	Aug. 1971
	Short-term											
35 centers	6.18	6.51	7.51	7.68	7.05	7.27	6.51	6.88	6.26	6.58	5.93	6.27
New York City	5.86	6.25	7.33	7.49	6.79	7.00	6.17	6.64	5.99	6.37	5.78	6.17
7 other Northeast	6.40	6.77	7.75	7.88	7.31	7.52	6.73	7.07	6.46	6.81	6.00	6.42
8 North Central	6.13	6.46	7.13	7.37	6.89	7.17	6.45	6.83	6.13	6.45	5.95	6.27
7 Southeast	6.47	6.77	7.72	7.75	7.16	7.36	6.65	6.87	6.39	6.62	6.01	6.46
8 Southwest	6.43	6.64	7.38	7.62	6.83	7.06	6.44	6.79	6.27	6.74	6.31	6.31
4 West Coast	6.21	6.54	7.93	8.06	7.29	7.43	6.64	7.11	6.65	6.55	5.92	6.31
	Revolving credit											
35 centers	5.98	6.31	7.24	7.40	6.74	7.08	6.16	6.49	6.01	6.36	5.94	6.28
New York City	5.94	6.31	6.78	6.74	6.52	6.74	6.02	6.33	5.85	6.28	5.94	6.30
7 other Northeast	6.16	6.64	8.17	8.25	7.20	7.67	6.15	6.62	6.30	6.86	6.11	6.58
8 North Central	6.10	6.37	7.21	7.63	6.79	7.12	6.22	6.47	5.93	6.61	6.09	6.30
7 Southeast	6.04	6.18	6.52	6.52	6.56	6.57	6.30	6.26	6.25	6.09	5.81	6.14
8 Southwest	6.70	6.92	7.54	7.77	6.72	6.90	6.57	7.31	6.63	6.71	6.77	6.86
4 West Coast	5.88	6.20	7.65	8.03	6.69	7.13	6.10	6.41	5.94	6.17	5.84	6.17
	Long-term											
35 centers	6.44	6.67	7.55	7.54	6.95	7.46	6.79	7.10	6.57	6.92	6.35	6.54
New York City	6.36	6.31	6.39	6.12	6.24	6.80	6.40	6.60	6.50	6.65	6.35	6.26
7 other Northeast	6.64	6.78	8.36	8.41	7.00	7.48	7.08	7.27	7.50	6.67	6.27	6.59
8 North Central	6.58	6.99	7.69	7.08	7.38	7.74	6.79	6.85	6.32	6.82	6.53	7.00
7 Southeast	7.28	7.73	6.97	7.34	6.29	7.60	7.78	8.71	7.78	7.27	7.05	7.00
8 Southwest	6.44	7.12	6.85	7.47	6.93	7.48	6.63	7.47	6.11	8.02	6.46	6.68
4 West Coast	6.20	6.55	8.16	7.72	7.19	7.35	6.64	7.04	6.16	6.60	6.12	6.45

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

MONEY MARKET RATES

(Per cent per annum)

Period	Prime coml. paper 4- to 6-months[1]	Finance co. paper placed directly, 3- to 6-months[2]	Prime bankers' acceptances, 90 days[1]	Federal funds rate[3]	U.S. Government securities (taxable)[4] 3-month bills[5] Rate on new issue	Market yield	6-month bills[5] Rate on new issue	Market yield	9- to 12-month issues Bills (market yield)[5]	Other[6]	3- to 5-year issues[7]
1964	3.97	3.83	3.77	3.50	3.549	3.54	3.686	3.68	3.74	3.76	4.06
1965	4.38	4.27	4.22	4.07	3.954	3.95	4.055	4.05	4.06	4.09	4.22
1966	5.55	5.42	5.36	5.11	4.881	4.85	5.082	5.06	5.07	5.17	5.16
1967	5.10	4.89	4.75	4.22	4.321	4.30	4.630	4.61	4.71	4.84	5.07
1968	5.90	5.69	5.75	5.66	5.339	5.33	5.470	5.48	5.45	5.62	5.59
1969	7.83	7.16	7.61	8.22	6.677	6.64	6.853	6.84	6.77	7.06	6.85
1970	7.72	7.23	7.31	7.17	6.458	6.42	6.562	6.55	6.53	6.90	7.37
1971	5.11	4.91	4.85	4.66	4.348	4.33	4.511	4.51	4.67	4.75	5.77
1971—Feb.	4.47	4.37	4.09	3.72	3.773	3.69	3.806	3.78	3.84	3.80	5.31
Mar.	4.19	4.05	3.80	3.71	3.323	3.38	3.431	3.50	3.61	3.66	4.74
Apr.	4.57	4.27	4.36	4.15	3.780	3.85	3.927	4.03	4.09	4.21	5.42
May	5.10	4.69	4.91	4.63	4.139	4.13	4.367	4.34	4.64	4.93	6.02
June	5.45	5.24	5.33	4.91	4.699	4.74	4.890	4.95	5.32	5.57	6.36
July	5.75	5.54	5.60	5.31	5.405	5.39	5.586	5.62	5.73	5.89	6.77
Aug.	5.73	5.57	5.57	5.57	5.078	4.93	5.363	5.22	5.52	5.67	6.39
Sept.	5.75	5.44	5.49	5.55	4.668	4.69	4.934	4.97	5.20	5.31	5.96
Oct.	5.54	5.30	5.05	5.20	4.489	4.46	4.626	4.60	4.75	4.74	5.68
Nov.	4.92	4.81	4.78	4.91	4.191	4.22	4.338	4.38	4.49	4.50	5.50
Dec.	4.74	4.60	4.45	4.14	4.023	4.01	4.199	4.23	4.40	4.38	5.42
1972—Jan.	4.08	3.95	3.92	3.50	3.403	3.38	3.656	3.66	3.78	3.99	5.33
Feb.	3.93	3.78	3.52	3.29	3.180	3.18	3.594	3.63	4.05	4.07	5.51
Week ending—											
1971—Nov. 6	5.03	4.97	4.78	5.16	4.233	4.18	4.346	4.34	4.41	4.37	5.41
13	4.88	4.88	4.75	4.93	4.174	4.18	4.340	4.37	4.47	4.40	5.47
20	4.93	4.80	4.75	4.88	4.122	4.15	4.255	4.31	4.42	4.46	5.47
27	4.88	4.66	4.81	4.86	4.236	4.33	4.411	4.49	4.61	4.69	5.63
Dec. 4	4.88	4.73	4.75	4.68	4.324	4.28	4.431	4.42	4.60	4.63	5.52
11	4.88	4.70	4.58	4.59	4.091	4.11	4.207	4.28	4.53	4.54	5.48
18	4.75	4.63	4.50	4.20	3.944	4.04	4.144	4.27	4.50	4.40	5.45
25	4.75	4.50	4.40	3.89	4.023	4.02	4.263	4.25	4.38	4.30	5.43
1972—Jan. 1	4.50	4.50	4.18	4.05	3.731	3.73	3.952	4.03	4.09	4.15	5.27
8	4.38	4.20	4.10	3.57	3.735	3.59	4.043	3.92	4.03	4.11	5.31
15	4.10	3.98	3.88	3.71	3.109	3.16	3.375	3.43	3.65	3.92	5.20
22	3.98	3.85	3.88	3.54	3.276	3.31	3.452	3.58	3.64	3.94	5.32
29	3.88	3.80	3.85	3.43	3.493	3.46	3.754	3.71	3.79	4.00	5.47
Feb. 5	3.98	3.88	3.75	3.23	3.367	3.35	3.733	3.78	4.05	4.05	5.55
12	4.00	3.78	3.50	3.25	3.141	3.09	3.594	3.56	4.00	3.92	5.51
19	3.93	3.75	3.45	3.43	3.066	3.04	3.537	3.50	3.95	4.04	5.47
26	3.88	3.75	3.43	3.34	3.145	3.22	3.513	3.64	4.11	4.21	5.50

1 Averages of daily offering rates of dealers.

2 Averages of daily rates, published by finance companies, for varying maturities in the 90-179 day range.

3 Seven-day average for week ending Wednesday.

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

5 Bills quoted on bank discount rate basis.

6 Certificates and selected note and bond issues.

7 Selected note and bond issues.

BOND AND STOCK YIELDS

(Per cent per annum)

Period	Government bonds: United States (long-term)	Government bonds: State and local: Total[1]	Government bonds: State and local: Aaa	Government bonds: State and local: Baa	Corporate bonds: Total[1]	Corporate bonds: By selected rating: Aaa	Corporate bonds: By selected rating: Baa	Corporate bonds: By group: Industrial	Corporate bonds: By group: Railroad	Corporate bonds: By group: Public utility	Stocks: Dividend/price ratio: Preferred	Stocks: Dividend/price ratio: Common	Stocks: Earnings/price ratio: Common
1962	3.95	3.30	3.03	3.67	4.62	4.33	5.02	4.47	4.86	4.51	4.50	3.37	6.06
1963	4.00	3.28	3.06	3.58	4.50	4.26	4.86	4.42	4.65	4.41	4.30	3.17	5.68
1964	4.15	3.28	3.09	3.54	4.57	4.40	4.83	4.52	4.67	4.53	4.32	3.01	5.54
1965	4.21	3.34	3.16	3.57	4.64	4.49	4.87	4.61	4.72	4.60	4.33	3.00	5.87
1966	4.66	3.90	3.67	4.21	5.34	5.13	5.67	5.30	5.37	5.36	4.97	3.40	6.72
1967	4.85	3.99	3.74	4.30	5.82	5.51	6.23	5.74	5.89	5.81	5.34	3.20	5.71
1968	5.25	4.48	4.20	4.88	6.51	6.18	6.94	6.41	6.77	6.49	5.78	3.07	5.84
1969	6.10	5.73	5.45	6.07	7.36	7.03	7.81	7.22	7.46	7.49	6.41	3.24	6.05
1970	6.59	6.42	6.12	6.75	8.51	8.04	9.11	8.26	8.77	8.68	7.22	3.83	6.28
1971	5.74	5.62	5.22	5.89	7.94	7.39	8.56	7.57	8.38	8.13	6.69	3.14	....
1971—Feb.	5.84	5.28	4.92	5.73	7.75	7.08	8.39	7.24	8.39	7.94	6.32	3.18	....
Mar.	5.71	5.26	5.00	5.56	7.84	7.21	8.46	7.36	8.39	8.08	6.48	3.10	5.52
Apr.	5.75	5.49	5.22	5.85	7.86	7.25	8.45	7.43	8.37	8.05	6.59	2.99	....
May	5.96	5.99	5.71	6.36	8.03	7.53	8.62	7.68	8.40	8.23	6.82	3.04	....
June	5.94	5.98	5.65	6.36	8.14	7.64	8.75	7.80	8.43	8.39	6.99	3.10	5.74
July	5.91	6.12	5.75	6.58	8.14	7.64	8.76	7.85	8.46	8.34	7.03	3.13	....
Aug.	5.78	5.84	5.56	6.21	8.12	7.59	8.76	7.80	8.48	8.30	7.04	3.18	....
Sept.	5.56	5.45	5.09	5.86	7.97	7.44	8.59	7.64	8.39	8.12	6.90	3.09	5.65
Oct.	5.46	5.05	4.75	5.38	7.88	7.39	8.48	7.58	8.25	8.04	6.75	3.16	....
Nov.	5.44	5.20	4.94	5.53	7.77	7.26	8.38	7.46	8.13	7.96	6.78	3.31	....
Dec.	5.62	5.24	4.99	5.55	7.75	7.25	8.38	7.42	8.12	7.92	6.81	3.10	....
1972—Jan.	5.62	5.13	4.84	5.49	7.66	7.19	8.23	7.34	7.98	7.85	6.57	2.96	....
Feb.	5.67	5.29	5.01	5.63	7.68	7.27	8.23	7.39	8.00	7.84	6.67	2.92	....
Week ending—													
1971—Dec. 4	5.58	5.50	5.20	5.85	7.79	7.28	8.42	7.47	8.14	7.96	6.78	3.21	....
11	5.59	5.25	5.00	5.55	7.79	7.27	8.42	7.46	8.15	7.97	6.76	3.17	....
18	5.63	5.21	5.00	5.35	7.76	7.24	8.39	7.43	8.14	7.92	6.87	3.12	....
25	5.68	5.18	5.00	5.40	7.74	7.23	8.36	7.41	8.12	7.89	6.83	3.02	....
1972—Jan. 1	5.60	5.04	4.75	5.40	7.70	7.22	8.31	7.37	8.06	7.88	6.79	2.99	....
8	5.61	5.05	4.75	5.40	7.67	7.19	8.27	7.36	8.02	7.86	6.68	2.97	....
15	5.57	5.00	4.65	5.40	7.65	7.17	8.21	7.33	8.00	7.84	6.52	2.95	....
22	5.61	5.16	4.90	5.50	7.63	7.16	8.18	7.31	7.95	7.82	6.49	2.94	....
29	5.67	5.31	5.05	5.65	7.67	7.22	8.24	7.36	7.95	7.87	6.57	2.99	....
Feb. 5	5.70	5.36	5.10	5.70	7.68	7.25	8.26	7.39	7.99	7.85	6.62	2.93	....
12	5.71	5.26	5.00	5.60	7.70	7.29	8.25	7.42	8.00	7.84	6.71	2.91	....
19	5.65	5.26	5.00	5.60	7.68	7.28	8.23	7.39	8.01	7.83	6.64	2.91	....
26	5.63	5.29	4.95	5.60	7.67	7.26	8.21	7.35	8.01	7.83	6.71	2.92	....
Number of issues[2]	8	20	5	5	119	20	30	40	29	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, Aaa-rated railroad bonds are no longer a component of the railroad average or the Aaa composite series.

[2] Number of issues varies over time; figures shown reflect most recent count.

NOTE.—Annual yields are averages of monthly or quarterly data. **Bonds:** Monthly and weekly yields are computed as follows: (1) *U.S. Govt.:* Averages of daily figures for bonds maturing or callable in 10 years or more. (2) *State and local govt.:* General obligations only, based on Thurs. figures. (3) *Corporate:* Averages of daily figures. (2) and (3) are from Moody's Investors Service series.

Stocks: Standard and Poor's corporate series. Dividend/price ratios are based on Wed. figures; earnings/price ratios are as of end of period. Preferred stock ratio is based on eight median yields for a sample of noncallable issues—12 industrial and two 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] Begins June 30, 1965, at 10.90. On that day the average price of a share of stock listed on the American Stock Exchange was $10.90.

NOTE.—Annual data are averages of monthly figures. Monthly and weekly data are averages of daily figures unless otherwise noted and are computed as follows: *U.S. Govt. bonds,* derived from average market yields in table on preceding page on basis of an assumed 3 per cent, 20-year bond. *Municipal and corporate bonds,* derived from average yields as computed by Standard and Poor's Corp., on basis of a 4 per cent, 20-year bond; Wed. closing prices. *Common stocks,* derived from component common stock prices. *Average daily volume of trading,* normally conducted 5 days per week for 5½ hours per day, or 27½ hours per week. In recent years shorter days and/or weeks have cut total weekly trading to the following number of hours: **1967**—Aug. 8–20, 20; **1968**—Jan. 22–Mar. 1, 20; June 30–Dec. 31, 22; **1969**—Jan. 3–July 3, 20; July 7–Dec. 31–22.5; **1970**—Jan. 2–May 1, 25.

Terms on Mortgages:

[1] Fees and charges—related to principal mortgage amount—include loan commissions, fees, discounts, and other charges, which provide added income to the lender and are paid by the borrower. They exclude any closing costs related solely to transfer of property ownership.

NOTE.—Compiled by Federal Home Loan Bank Board in cooperation with Federal Deposit Insurance Corporation. Data are weighted averages based on probability sample survey of characteristics of mortgages originated by major institutional lender groups (including mortgage companies) for purchase of single-family homes. Data exclude loans for refinancing, reconditioning, or modernization; construction loans to homebuilders; and permanent loans that are coupled with construction loans to owner-builders. Series beginning 1965, not strictly comparable with earlier data. See also the table on Home-Mortgage Yields, p. A-55.

SECURITY PRICES

Period	Bond prices (per cent of par)			Common stock prices										Volume of trading in stocks (thousands of shares)	
				New York Stock Exchange											
				Standard and Poor's index (1941–43=10)				New York Stock Exchange index (Dec. 31, 1965=50)					American Stock Exchange total index[1]		
	U.S. Govt. (long-term)	State and local	Corporate AAA	Total	Industrial	Railroad	Public utility	Total	Industrial	Transportation	Utility	Finance		NYSE	AMEX
1962	86.94	112.0	96.2	62.38	65.54	30.56	59.16	......	......	......	......	......	......	3,820	1,225
1963	86.31	111.3	96.8	69.87	73.39	37.58	64.99	......	......	......	......	......	8.52	4,573	1,269
1964	84.46	111.5	95.1	81.37	86.19	45.46	69.91	......	......	......	......	......	9.81	4,888	1,570
1965	83.76	110.6	93.9	88.17	93.48	46.78	76.08	......	......	......	......	......	12.05	6,174	2,120
1966	78.63	102.6	86.1	85.26	91.09	46.34	68.21	44.16	43.79	48.23	44.77	44.43	14.67	7,538	2,752
1967	76.55	100.5	81.8	91.93	99.18	46.72	68.10	50.77	51.97	53.51	45.43	49.82	19.67	10,143	4,508
1968	72.33	93.5	76.4	98.70	107.49	48.84	66.42	55.37	58.00	50.58	44.19	65.85	27.72	12,971	6,353
1969	64.49	79.0	68.5	97.84	107.13	45.95	62.64	54.67	57.45	46.96	42.80	70.49	28.73	11,403	5,001
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	22.59	10,532	3,376
1971	68.80	80.0	65.0	98.29	108.35	41.94	59.33	54.22	57.92	44.35	39.53	70.38	25.22	17,429	4,234
1971—Feb.	66.78	81.5	66.8	97.11	106.62	38.78	62.49	53.42	56.45	40.37	42.30	68.19	25.02	19,540	6,054
Mar.	67.94	82.8	65.8	99.60	109.59	39.70	62.42	54.89	58.43	41.71	41.60	70.66	25.88	16,955	5,570
Apr.	67.57	80.4	65.1	103.04	113.68	42.29	62.06	56.81	60.65	45.35	41.73	73.91	26.43	19,126	5,685
May	65.72	75.6	63.7	101.64	112.41	42.05	59.20	56.00	60.21	45.48	39.70	70.89	26.03	15,157	4,157
June	65.84	74.8	63.5	99.72	110.26	42.12	57.90	55.06	59.25	44.90	38.71	70.01	25.61	13,802	3,488
July	66.16	74.0	63.2	99.00	109.09	42.05	60.08	54.83	58.70	44.02	39.72	70.42	25.46	12,634	3,080
Aug.	67.33	77.4	63.4	97.24	107.26	43.55	57.51	53.73	57.62	44.83	38.17	69.41	24.84	14,574	3,473
Sept	69.35	81.7	64.2	99.40	109.85	47.18	56.48	54.95	59.13	48.09	37.53	72.14	25.47	12,038	3,259
Oct.	70.33	84.7	65.2	97.29	107.28	44.58	57.41	53.76	57.52	47.02	37.93	71.24	25.24	13,340	3,622
Nov.	70.47	84.1	r66.4	92.78	102.21	41.19	55.86	51.17	54.50	44.29	36.87	68.98	24.10	13,163	3,234
Dec.	68.80	83.5	66.5	99.17	109.67	43.17	57.07	54.76	58.85	48.34	37.52	72.28	25.04	17,171	4,777
1972—Jan.	68.79	84.6	67.1	103.30	114.12	45.16	60.19	57.19	61.33	50.56	40.02	74.24	26.46	18,072	5,516
Feb.	68.32	83.8	66.7	105.24	116.86	45.66	57.41	58.45	63.36	52.80	38.56	73.74	27.52	18,817	6,328
Week ending—															
1972—Feb. 5	68.00	82.4	66.7	104.43	115.69	45.94	58.51	57.99	62.57	52.33	39.16	74.20	27.26	19,941	7,075
12	67.95	84.2	66.4	105.10	116.67	45.75	57.48	58.34	63.16	52.76	38.75	73.87	27.43	19,102	6,312
19	68.51	84.4	66.9	105.22	116.93	45.66	56.75	58.44	63.44	52.91	38.18	73.54	27.53	18,643	6,014
26	68.66	84.1	66.9	105.58	117.30	45.34	57.21	58.64	63.70	52.93	38.33	73.31	27.67	16,910	5,981

For notes see opposite page.

TERMS ON CONVENTIONAL FIRST MORTGAGES

Period	New homes						Existing homes					
	Contract rate (per cent)	Fees & charges (per cent)[1]	Maturity (years)	Loan/price ratio (per cent)	Purchase price (thous. of dollars)	Loan amount (thous. of dollars)	Contract rate (per cent)	Fees & charges (per cent)[1]	Maturity (years)	Loan/price ratio (per cent)	Purchase price (thous. of dollars)	Loan amount (thous. of dollars)
1965	5.74	.49	25.0	73.9	25.1	18.3	5.87	.55	21.8	72.7	21.6	15.6
1966	6.14	.71	24.7	73.0	26.6	19.2	6.30	.72	21.7	72.0	22.2	15.9
1967	6.33	.81	25.2	73.6	28.0	20.4	6.40	.76	22.5	72.7	24.1	17.4
1968	6.83	.89	25.5	73.9	30.7	22.4	6.90	.83	22.7	73.0	25.6	18.5
1969	7.66	.91	25.5	72.8	34.1	24.5	7.68	.88	22.7	71.5	28.3	19.9
1970	8.27	1.03	25.1	71.7	35.5	25.2	8.20	.92	22.8	71.1	30.0	21.0
1971	7.60	.87	26.2	74.3	36.3	26.5	7.54	.77	24.2	73.9	31.7	23.1
1971—Jan.	8.03	.92	25.8	73.3	36.2	26.4	7.94	.82	23.5	72.5	30.7	22.0
Feb.	7.74	1.00	26.2	73.9	37.0	26.2	7.67	.79	24.0	73.1	31.1	22.5
Mar.	7.52	.83	25.9	73.7	35.9	26.0	7.47	.77	24.1	73.5	31.7	23.0
Apr.	7.37	.73	26.3	73.6	36.0	26.2	7.34	.75	24.2	73.6	31.8	23.1
May	7.36	.71	26.1	74.0	36.7	26.7	7.33	.71	24.0	73.2	32.3	23.3
June	7.38	.74	26.3	73.7	37.5	27.3	7.38	.74	24.3	73.9	32.9	23.9
July	7.51	.90	26.3	74.5	36.8	27.1	7.50	.75	24.2	74.5	31.6	23.2
Aug.	7.60	.84	26.2	73.9	36.5	26.5	7.58	.76	24.5	74.2	31.9	23.5
Sept.	7.67	.97	25.8	75.3	35.1	25.9	7.63	.79	24.2	74.5	30.7	22.5
Oct.	7.68	.97	26.4	75.5	35.2	26.3	7.62	.79	24.1	74.2	31.2	22.9
Nov.	7.65	.87	26.7	75.4	36.7	27.3	7.56	.79	24.3	74.6	31.6	23.2
Dec. r	7.62	.93	26.6	74.5	36.4	26.5	7.51	.80	24.6	74.6	32.5	23.9
1972—Jan.	7.62	.91	26.5	75.3	37.6	27.8	7.46	.76	24.5	74.6	32.4	23.8

For notes see opposite page.

STOCK MARKET CUSTOMER FINANCING

(In millions of dollars)

End of period	Margin credit at brokers and banks [1]											Other security credit at banks [4]	Free credit balances at brokers [5]	
	Regulated [2]										Unregulated [3]			
	By source			By type										
	Total	Brokers	Banks	Margin stock		Convertible bonds		Subscription issues			Nonmargin stock credit at banks			
				Brokers	Banks	Brokers	Banks	Brokers	Banks				Margin accts.	Cash accts.
1971—Jan.	5,044	4,224	820	4,000	734	188	69	36	17		1,104	1,220	433	2,080
Feb.	5,174	4,311	863	4,090	776	186	70	35	17		1,121	1,205	484	2,259
Mar.	5,392	4,531	861	4,300	772	193	72	38	18		1,137	1,183	465	2,333
Apr.	5,598	4,776	822	4,530	739	206	67	40	16		1,122	1,206	445	2,216
May	5,701	4,874	827	4,620	754	213	57	41	16		1,122	1,235	431	2,084
June	5,783	4,976	807	4,720	733	213	58	43	16		1,228	1,263	415	2,023
July	5,860	5,050	810	4,790	737	215	56	45	17		1,091	1,183	410	1,841
Aug.	5,917	5,121	796	4,850	723	227	58	44	15		1,208	1,206	405	1,838
Sept.	5,990	5,208	782	4,930	713	230	54	48	15		1,182	1,237	364	1,734
Oct.	6,016	5,238	778	4,950	711	239	53	49	14		1,194	1,204	393	1,765
Nov.	5,995	5,198	797	4,910	731	242	51	46	15		1,193	1,209	412	1,758
Dec.	6,835	6,000	835	5,700	764	258	57	42	14		1,197	1,298	387	1,837
1972—Jan.	6,850	5,989	861	5,700	789	252	56	37	16		1,182	1,313	448	2,040

[1] Margin credit includes all credit extended to purchase or carry stocks or related equity instruments and secured at least in part by stock (see Dec. 1970 BULLETIN). Credit extended by brokers is end-of-month data for member firms of the NYSE. 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 Board of Governors of the Federal Reserve System's list of OTC margin stocks. At banks, loans to purchase or carry nonmargin stocks are unregulated; at brokers, such stocks have no loan value.

[4] Includes loans to purchase or carry margin stock if these are unsecured or secured entirely by unrestricted collateral (see Dec. 1970 BULLETIN).

[5] Free credit balances are in accounts with no unfulfilled commitments to the brokers and are subject to withdrawal by customers on demand.

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
1971—Jan.	4,000	12.1	19.6	28.3	17.1	10.0	12.8
Feb.	4,090	11.4	19.5	31.1	16.3	9.3	12.3
Mar.	4,300	11.8	20.0	33.0	16.2	7.2	11.8
Apr.	4,530	11.8	20.3	35.0	15.0	6.2	11.7
May	4,620	10.6	15.7	36.7	18.0	7.4	11.6
June	4,720	9.6	14.4	34.9	20.1	8.6	12.2
July	4,790	8.3	12.2	29.1	25.2	11.0	14.1
Aug.	4,850	9.3	14.4	35.4	19.6	8.9	12.6
Sept.	4,930	8.7	13.1	34.3	20.7	9.9	13.3
Oct.	4,950	7.5	10.9	28.7	24.4	12.1	16.3
Nov.	4,910	7.3	10.7	25.9	26.2	13.1	16.8
Dec.	5,700	8.6	12.7	27.1	29.9	10.2	11.5
1972—Jan.	5,400	8.7	13.5	27.1	32.6	8.5	9.6

[1] See note 1 to table above.

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

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

(Per cent of total, except as noted)

End of period	Net credit status	Equity class of accounts in debit status		Total balance (millions of dollars)
		60 per cent or more	Less than 60 per cent	
1971—Jan.	49.2	43.6	7.2	4,260
Feb.	49.1	44.2	6.7	4,380
Mar.	48.6	45.5	5.9	4,400
Apr.	46.8	48.1	5.1	4,500
May	46.5	47.1	6.4	4,360
June	45.1	47.8	7.0	4,250
July	45.2	46.7	8.1	4,190
Aug.	44.6	48.0	7.4	4,230
Sept.	44.2	47.0	8.8	4,160
Oct.	45.5	45.2	9.3	4,060
Nov.	44.6	45.1	10.2	4,000
Dec.	35.0	55.7	9.4	7,300
1972—Jan.	36.8	55.9	7.3	5,780

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[2]	Other liabilities	General reserve accounts	Mortgage loan commitments[3] classified by maturity (in months): 3 or less	3-6	6-9	Over 9	Total
1963	36,007	607	5,863	440	5,074	912	799	49,702	44,606	943	4,153	.....	.....	.....	.....	2,549
1964	40,328	739	5,791	391	5,099	1,004	886	54,238	48,849	989	4,400	.....	.....	.....	.....	2,820
1965	44,433	862	5,485	320	5,170	1,017	944	58,232	52,443	1,124	4,665	.....	.....	.....	.....	2,697
1966	47,193	1,078	4,764	251	5,719	953	1,024	60,982	55,006	1,114	4,863	.....	.....	.....	.....	2,010
1967	50,311	1,203	4,319	219	8,183	993	1,138	66,365	60,121	1,260	4,984	742	982		799	2,523
1968	53,286	1,407	3,834	194	10,180	996	1,256	71,152	64,507	1,372	5,273	811	1,034		1,166	3,011
1969	55,781	1,824	3,296	200	10,824	912	1,307	74,144	67,026	1,588	5,530	584	485	452	946	2,467
1970—Dec.	57,775	2,255	3,151	197	12,876	1,270	1,471	78,995	71,580	1,690	5,726	619	322	302	688	1,931
1971—Jan.	58,014	2,365	3,196	206	13,457	1,129	1,564	79,930	72,441	1,739	5,750	638	322	285	705	1,950
Feb.	58,194	2,592	3,328	222	13,919	1,270	1,575	81,100	73,366	1,926	5,809	723	352	283	790	2,148
Mar.	58,540	2,636	3,356	246	14,882	1,287	1,635	82,581	75,002	1,746	5,832	840	413	322	864	2,439
Apr.	58,796	2,727	3,340	278	15,519	1,254	1,656	83,570	75,824	1,882	5,863	993	445	360	1,005	2,804
May	59,111	2,813	3,441	330	16,070	1,261	1,659	84,686	76,656	2,116	5,914	1,152	470	385	1,171	3,178
June	59,546	2,696	3,409	319	16,649	1,281	1,665	85,565	77,683	1,956	5,926	1,118	517	343	1,244	3,222
July	59,935	2,545	3,558	326	16,969	1,198	1,750	86,282	78,130	2,198	5,924	1,015	582	347	1,260	3,204
Aug.	60,350	2,685	3,517	338	17,159	1,151	1,692	86,892	78,437	2,423	6,031	978	557	374	1,246	3,155
Sept.	60,622	2,782	3,467	339	17,282	1,177	1,742	87,410	79,236	2,129	6,045	1,086	509	422	1,196	3,213
Oct.	61,036	2,840	3,382	343	17,292	1,250	1,712	87,856	79,648	2,150	6,059	1,125	415	484	1,230	3,253
Nov.	61,473	2,891	3,346	357	17,452	1,280	1,695	88,495	80,165	2,218	6,112	1,129	554	461	1,231	3,375
Dec.	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

[1] Also includes securities of foreign governments and international organizations and nonguaranteed issues of U.S. Govt. agencies.

[2] See note 8, p. A-19.

[3] Commitments outstanding of banks in New York State as reported to the Savings Banks Assn. of the State of New York. Data include building loans beginning with Aug. 1967.

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

LIFE INSURANCE COMPANIES

(In millions of dollars)

End of period	Total assets	Government securities: Total	United States	State and local	Foreign[1]	Business securities: Total	Bonds	Stocks	Mortgages	Real estate	Policy loans	Other assets
Statement value:												
1963	141,121	12,438	5,813	3,852	2,773	60,780	53,645	7,135	50,544	4,319	6,655	6,385
1964	149,470	12,322	5,594	3,774	2,954	63,579	55,641	7,938	55,152	4,528	7,140	6,749
1965	158,884	11,679	5,119	3,530	3,030	67,599	58,473	9,126	60,013	4,681	7,678	7,234
1966	167,022	10,837	4,823	3,114	2,900	69,816	61,061	8,755	64,609	4,883	9,117	7,760
1967	177,832	10,573	4,683	3,145	2,754	76,070	65,193	10,877	67,516	5,187	10,059	8,427
1968	188,636	10,509	4,456	3,194	2,859	82,127	68,897	13,230	69,973	5,571	11,306	9,150
Book value:												
1966	167,022	10,864	4,824	3,131	2,909	68,677	61,141	7,536	64,661	4,888	9,911	8,801
1967	177,361	10,530	4,587	2,993	2,950	73,997	65,015	8,982	67,575	5,188	10,060	11,011
1968	187,695	10,483	4,365	3,036	3,082	79,403	68,575	10,828	70,071	5,573	11,284	10,881
1969	197,208	10,914	4,514	3,221	3,179	84,566	70,859	13,707	72,027	5,912	13,825	9,964
1970—Dec.[r]	207,254	11,068	4,574	3,306	3,188	88,518	73,098	15,420	74,375	6,320	16,064	10,909
1971—Jan.	208,206	11,027	4,557	3,298	3,172	90,127	74,326	15,801	74,370	6,341	16,109	10,232
Feb.	209,885	11,126	4,632	3,319	3,175	91,038	74,696	16,342	74,437	6,453	16,220	10,611
Mar.	211,500	11,023	4,540	3,335	3,148	92,629	75,192	17,437	74,516	6,485	16,293	10,554
Apr.	212,698	10,946	4,454	3,375	3,117	93,756	75,604	18,152	74,536	6,535	16,370	10,555
May	213,414	10,954	4,433	3,403	3,118	94,197	76,096	18,101	74,552	6,591	16,433	10,687
June	214,279	10,786	4,242	3,412	3,132	95,031	76,644	18,387	74,535	6,644	16,516	10,767
July	215,284	11,031	4,466	3,430	3,135	95,683	77,333	18,350	74,583	6,729	16,590	10,668
Aug.	216,436	11,076	4,475	3,452	3,149	96,429	77,581	18,848	74,707	6,749	16,679	10,796
Sept.	217,489	11,000	4,345	3,484	3,171	97,199	78,121	19,078	74,799	6,811	16,782	10,898
Oct.	218,257	11,016	4,331	3,485	3,200	97,778	78,890	18,888	74,864	6,876	16,850	10,873
Nov.	219,353	11,150	4,473	3,484	3,193	98,443	79,384	19,059	74,903	6,949	16,948	10,960
Dec.	221,573	11,129	4,427	3,518	3,184	99,430	78,912	20,518	75,596	7,097	17,027	11,294

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

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

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

SAVINGS AND LOAN ASSOCIATIONS

(In millions of dollars)

End of period	Assets: Mortgages	Assets: Investment securities[1]	Assets: Cash	Assets: Other[2]	Total assets—Total liabilities	Liabilities: Savings capital	Liabilities: Reserves and undivided profits	Liabilities: Borrowed money[3]	Liabilities: Loans in process	Liabilities: Other	Mortgage loan commitments[4]: Made during period	Mortgage loan commitments[4]: Outstanding at end of period
1961	68,834	5,211	3,315	4,775	82,135	70,885	5,708	2,856	1,550	1,136	....	1,872
1962	78,770	5,563	3,926	5,346	93,605	80,236	6,520	3,629	1,999	1,221	....	2,193
1963	90,944	6,445	3,979	6,191	107,559	91,308	7,209	5,015	2,528	1,499	....	2,572
1964	101,333	6,966	4,015	7,041	119,355	101,887	7,899	5,601	2,239	1,729	....	2,549
1965	110,306	7,414	3,900	7,960	129,580	110,385	8,704	6,444	2,198	1,849	....	2,707
1966	114,427	7,762	3,366	8,378	133,933	113,969	9,096	7,462	1,270	2,136	....	1,482
1967	121,805	9,180	3,442	9,107	143,534	124,531	9,546	4,738	2,257	2,462	....	3,004
1968	130,802	[1]11,116	2,962	9,571	152,890	131,618	10,315	5,705	2,449	2,803	....	3,584
1969 [5]	140,232	10,873	2,438	8,606	162,149	135,538	11,228	9,728	2,455	3,200	807	2,812
1970 [5]	150,331	13,020	3,506	9,326	176,183	146,404	11,991	10,911	3,078	3,799	1,602	4,393
1971—Jan.[r]	151,272	15,468	2,916	9,278	178,934	148,958	12,035	10,465	3,046	4,430	1,665	4,565
Feb.[r]	152,434	16,767	3,235	9,416	181,852	151,402	12,041	10,068	3,152	5,189	2,069	5,225
Mar.[r]	154,199	18,297	3,362	9,560	185,418	155,510	12,023	9,809	3,491	4,585	3,130	6,445
Apr.[r]	156,343	18,264	3,132	9,723	187,462	157,721	12,010	8,602	3,868	5,261	3,370	7,359
May[r]	158,516	18,615	2,986	9,976	190,093	159,881	12,027	7,745	4,327	6,113	3,505	8,300
June[r]	161,209	18,571	2,769	10,002	192,551	162,986	12,336	7,874	4,725	4,630	3,537	8,545
July[r]	163,720	19,281	2,139	10,084	195,224	164,524	12,337	8,011	4,944	5,408	3,144	8,555
Aug.[r]	166,111	18,972	2,077	10,312	197,472	165,633	12,329	8,203	5,023	6,284	2,880	8,311
Sept.[r]	168,233	18,663	2,056	10,474	199,426	168,303	12,339	8,388	4,996	5,400	2,639	8,004
Oct.[r]	170,106	18,971	2,166	10,603	201,846	169,796	12,327	8,353	5,001	6,369	2,537	7,806
Nov.[r]	172,047	19,096	2,284	10,811	204,238	171,358	12,325	8,439	4,960	7,156	2,511	7,759
Dec.	174,385	18,293	2,783	10,842	206,303	174,472	13,187	9,048	5,072	4,524	2,345	7,237
1972—Jan.[p]	175,819	19,709	2,794	10,937	209,259	177,737	13,249	8,064	4,875	5,334	2,490	7,506

[1] U.S. Govt. securities only through 1967. Beginning 1968 the total reflects liquid assets and other investment securities. Included are U.S. Govt. obligations, Federal agency securities, State and local govt. securities, time deposits at banks, and miscellaneous securities, except FHLBB stock. Compensating changes have been made in "Other assets."

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

[3] Consists of advances from FHLBB and other borrowing.

[4] Insured savings and loan assns. only. Data on outstanding commitments are comparable with those shown for mutual savings banks (on preceding page) except that figures for loans in process are not included above but are included in the figures for mutual savings banks.

[5] Balance sheet data for all operating savings and loan associations were revised by the Federal Home Loan Bank Board for 1969 and 1970.

NOTE.—Federal Home Loan Bank Board 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.

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	Federal home loan banks — Assets: Investments	Federal home loan banks — Assets: Cash and deposits	Federal home loan banks — Liabilities and capital: Bonds and notes	Federal home loan banks — Liabilities and capital: Member deposits	Federal home loan banks — Liabilities and capital: Capital stock	Federal National Mortgage Assn. (secondary market operations): Mortgage loans (A)	Federal National Mortgage Assn. (secondary market operations): Debentures and notes (L)	Banks for cooperatives: Loans to cooperatives (A)	Banks for cooperatives: Debentures (L)	Federal intermediate credit banks: Loans and discounts (A)	Federal intermediate credit banks: Debentures (L)	Federal land banks: Mortgage loans (A)	Federal land banks: Bonds (L)
1967	4,386	2,598	127	4,060	1,432	1,395	5,348	4,919	1,506	1,253	3,411	3,214	5,609	4,904
1968	5,259	2,375	126	4,701	1,383	1,402	6,872	6,376	1,577	1,334	3,654	3,570	6,126	5,399
1969	9,289	1,862	124	8,422	1,041	1,478	10,541	10,511	1,732	1,473	4,275	4,116	6,714	5,949
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
1971—Jan.	10,326	4,101	112	9,836	2,751	1,599	15,619	15,311	2,119	1,786	5,055	4,845	7,210	6,395
Feb.	9,926	4,187	105	9,182	3,094	1,619	15,552	15,111	2,164	1,819	5,177	4,959	7,258	6,645
Mar.	9,689	4,322	116	8,756	3,425	1,628	15,420	15,122	2,153	1,819	5,380	5,077	7,347	6,645
Apr.	8,269	4,235	192	7,876	2,828	1,627	15,308	15,477	2,113	1,900	5,568	5,336	7,426	6,700
May	7,268	4,400	96	7,419	2,379	1,620	15,242	15,142	2,056	1,830	5,729	5,468	7,502	6,640
June	7,241	3,718	132	7,329	2,112	1,602	15,363	14,795	2,041	1,770	5,909	5,639	7,579	6,640
July	7,338	3,211	85	7,297	1,699	1,600	15,674	15,638	1,997	1,726	5,905	5,712	7,650	6,884
Aug.	7,513	2,744	86	7,218	1,532	1,603	16,204	15,260	1,942	1,791	5,866	5,742	7,709	6,884
Sept.	7,637	2,584	117	7,190	1,522	1,600	16,732	16,241	1,942	1,791	5,841	5,713	7,767	6,884
Oct.	7,640	2,740	99	7,390	1,450	1,603	17,202	16,984	2,030	1,745	5,763	5,680	7,826	7,063
Nov.	7,708	2,545	101	7,139	1,548	1,607	17,535	17,138	2,076	1,763	5,633	5,606	7,870	7,063
Dec.	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—Jan.	7,238	3,412	156	7,139	1,949	1,647	17,977	17,442	7,971	1,867	2,098	5,537	5,720	7,063

NOTE.—Data from Federal Home Loan Bank Board, Federal National Mortgage Assn., and Farm Credit Admin. Among omitted balance sheet items are capital accounts of all agencies, except for stock of FHLB's. Bonds, debentures, and notes are valued at par. They include only publicly offered securities (excluding, for FHLB's bonds held within the FHLB System) and are not guaranteed by the U.S. Govt.; for a listing of these securities, see table below. Loans are gross of valuation reserves and represent cost for FNMA and unpaid principal for other agencies.

OUTSTANDING ISSUES OF FEDERALLY SPONSORED AGENCIES, JANUARY 31, 1971

Agency, and date of issue and maturity	Coupon rate	Amount (millions of dollars)
Federal home loan banks		
Bonds:		
11/25/69 – 2/25/72	8.20	200
6/26/70 – 2/25/72	8.20	300
5/25/70 – 5/25/72	8.15	200
7/27/71 – 8/25/72	6¼	400
9/25/70 – 11/27/72	7⅜	250
9/27/71 – 11/27/72	5¾	310
2/25/70 – 2/26/73	8.35	350
5/23/71 – 2/26/73	5.70	400
3/25/71 – 5/25/73	4.20	400
10/27/70 – 8/27/73	7.20	450
1/26/70 – 1/25/74	8.40	300
6/26/70 – 2/25/74	8.40	250
8/27/71 – 2/25/74	7.10	250
6/25/71 – 5/25/74	6.35	300
8/25/69 – 8/25/74	7.65	183
11/25/69 – 11/25/74	8.05	232
1/26/71 – 2/25/75	6.10	250
8/25/70 – 5/26/75	8.00	265
7/27/70 – 8/25/75	7.95	300
12/18/70 – 11/25/75	6.50	350
8/27/71 – 2/25/76	7⅜	250
6/25/71 – 5/25/77	6.95	200
3/25/70 – 2/25/80	7.75	350
10/15/70 – 10/15/80	7.80	200
10/27/71 – 11/27/81	6.60	200
Federal National Mortgage Association— Secondary market operations		
Discount notes	......	1,300
Capital debentures:		
9/30/68 – 10/1/73	6.00	250
4/1/70 – 4/1/75	8.00	200
9/30/71 – 10/1/96	4.38	250
Mortgage-backed bonds:		
9/9/70 – 10/2/72	7.50	400
6/1/70 – 6/2/75	8.38	250
9/29/70 – 10/1/90	8.63	200
Debentures:		
2/10/60 – 2/10/72	5⅛	98
3/10/69 – 3/10/72	6¾	250
10/14/69 – 3/10/72	6¾	200
12/11/61 – 6/12/72	4⅜	100
2/10/70 – 6/12/72	8.70	300
5/11/70 – 9/11/72	8.40	400
6/10/70 – 9/11/72	7.40	200
11/10/69 – 12/11/72	8.00	200
10/13/70 – 12/11/72	7.20	400
Federal National Mortgage Association—Cont.		
Debentures—Cont:		
11/10/70 – 3/12/73	7.30	450
12/12/69 – 3/12/73	8.30	250
6/12/61 – 6/12/73	4¼	146
7/10/70 – 6/12/73	8.35	350
7/12/71 – 6/12/73	6.75	550
3/10/70 – 9/10/73	8.10	300
6/10/71 – 9/10/73	6.13	350
12/10/70 – 12/10/73	5.75	500
8/10/71 – 12/10/73	7.15	500
12/1/71 – 3/11/74	5.45	400
4/10/70 – 3/11/74	7.75	350
8/5/70 – 6/10/74	7.90	400
11/10/71 – 6/10/74	5.70	350
9/10/69 – 9/10/74	7.85	250
2/10/71 – 9/10/74	5.65	300
5/10/71 – 12/10/74	6.10	250
9/10/71 – 12/10/74	6.45	450
11/10/70 – 3/10/75	7.55	300
10/12/71 – 3/10/75	6.35	600
4/12/71 – 6/10/75	5.25	500
10/13/70 – 9/10/75	7.50	350
3/11/71 – 3/10/76	5.65	500
6/10/71 – 6/10/76	6.70	250
11/10/71 – 9/10/76	6.13	300
7/12/71 – 12/10/76	7.45	300
2/13/62 – 2/10/77	4½	198
12/10/70 – 6/10/77	6.38	250
5/10/71 – 6/10/77	6.50	150
9/10/71 – 9/12/77	6.88	300
10/12/71 – 12/11/78	6.75	300
12/10/71 – 12/10/79	6.55	350
1/21/71 – 6/10/81	7.25	250
9/10/71 – 9/10/81	7.25	250
2/10/71 – 6/10/82	6.65	250
3/11/71 – 6/10/83	6.75	200
11/10/71 – 9/12/83	6.75	250
4/12/71 – 6/11/84	6.25	200
12/10/71 – 12/10/84	6.90	250
Banks for cooperatives		
Debentures:		
8/2/71 – 2/1/72	6⅛	491
10/4/71 – 4/3/72	5⅝	295
11/1/72 – 5/1/72	4.85	290
12/1/71 – 6/1/72	4½	346
10/1/70 – 10/1/73	7.30	100
1/3/72 – 10/1/73	4.65	346
Federal intermediate credit banks		
Debentures:		
5/3/71 – 2/1/72	4.60	583
6/1/71 – 3/1/72	5.70	461
7/1/71 – 4/3/72	5.85	394
8/2/71 – 5/1/72	6¼	614
9/1/72 – 6/1/72	5.55	403
10/4/71 – 7/3/72	8.15	422
11/1/71 – 8/1/72	4.95	594
12/1/71 – 9/5/72	4⅞	529
1/3/72 – 10/2/72	4¾	397
3/2/70 – 3/1/73	7.75	203
9/1/70 – 7/2/73	5.55	200
7/1/71 – 1/2/74	6.85	212
1/4/71 – 7/1/74	5.95	224
1/3/72 – 7/1/75	5.70	302
Federal land banks		
Bonds:		
2/15/57 – 2/15/67–72	4½	72
8/20/68 – 2/15/72	5.70	230
2/23/71 – 4/20/72	4.45	300
4/20/71 – 4/20/72	4¼	437
6/22/70 – 7/20/72	8.20	442
9/14/56 – 9/15/72	3⅞	109
9/22/69 – 9/15/72	8.35	337
10/23/72 – 10/23/72	5⅞	200
7/20/71 – 10/23/72	6.50	446
7/20/70 – 1/22/73	7.95	407
2/20/63 – 2/20/73–78	4⅛	148
1/20/70 – 7/20/73	8.45	198
8/20/73 – 7/20/73	7.95	350
4/20/70 – 10/22/73	7.80	300
2/20/72 – 2/20/74	4½	155
10/20/70 – 4/22/74	7.30	354
10/21/71 – 7/27/74	5.85	326
4/20/71 – 10/21/74	5.30	300
2/20/70 – 1/20/75	8⅜	220
4/20/65 – 4/21/75	4⅜	200
7/20/71 – 10/20/75	7.20	300
2/21/66 – 2/24/76	5.00	123
7/20/66 – 7/20/76	5⅜	150
10/27/71 – 10/20/77	6.35	300
5/2/66 – 4/20/78	5⅛	150
2/20/67 – 1/22/79	5.00	285
2/23/71 – 4/20/81	6.70	224

NOTE.—These securities are not guaranteed by the U.S. Govt.; see also note to table at bottom of opposite page.

FEDERAL FISCAL OPERATIONS: SUMMARY

(In millions of dollars)

Period	U.S. budget: Receipt-expenditure account: Budget receipts	U.S. budget: Receipt-expenditure account: Net expenditures	U.S. budget: Net lending	U.S. budget: Budget outlays[1]	U.S. budget: Budget surplus or deficit (−)	Means of financing: Borrowings from the public[2]: Public debt securities	Plus: Agency securities	Less: Investments by Govt. accounts: Special issues	Less: Investments by Govt. accounts: Other	Less: Special notes[3]	Equals: Total borrowing	Less: Cash and monetary assets: Treasury operating balance	Less: Cash and monetary assets: Other	Other means of financing, net[4]
Fiscal year:														
1968	153,671	172,802	6,030	178,833	−25,161	21,357	5,944	3,271	2,049	−1,119	23,100	−397	1,700	3,364
1969	187,784	183,072	1,476	184,548	3,236	6,142	633	7,364	2,089	−1,384	[2] −1,295	596	1,616	269
1970	193,743	194,456	2,131	196,588	−2,845	17,198	−1,739	9,386	676	....	5,397	2,151	−581	−982
1971	188,392	210,318	1,107	211,425	−23,033	27,211	−347	6,616	800	....	19,448	710	−979	3,586
Half year:														
1970—Jan.–June	102,910	96,893	767	97,661	5,248	2,693	−1,310	5,451	346	....	−4,415	2,918	−896	1,188
July–Dec. r	87,583	104,117	99	104,216	16,633	18,240	−21	1,807	157	....	16,257	54	−882	−453
1971—Jan.–June	100,830	106,234	1,008	107,242	−6,412	8,971	−328	4,810	642	....	3,191	657	54	4,120
July–Dec.	93,100	110,608	948	111,557	−18,377	26,001	−1,119	2,803	523	....	21,556	973	80	−2,122
Month:														
1971—Jan.	r15,768	r16,834	r287	r17,121	r 1,353	818	r1,015	551	r85	....	r664	1,518	r422	r2,630
Feb.	15,130	16,717	−170	16,546	−1,417	2,324	−1,001	1,464	−382	....	240	−1,718	−193	−734
Mar.	13,205	18,328	318	18,646	−5,441	1,003	518	522	324	....	675	−3,370	57	1,453
Apr.	21,024	17,769	49	17,818	3,206	223	−345	221	−71	....	−271	4,365	527	1,957
May	13,190	16,882	270	17,152	−3,961	4,954	40	2,095	702	....	2,197	−1,973	−723	−931
June	22,508	19,669	297	19,965	+2,543	1,285	−553	1,059	−17	....	−310	1,835	−268	−478
July	13,198	18,507	49	18,556	−5,358	7,169	−960	1,861	122	....	4,226	−1,559	−690	−1,117
Aug.	15,652	19,276	306	19,582	−3,930	9,293	20	2,309	150	....	6,854	2,337	−819	−1,407
Sept.	19,710	18,265	−69	18,196	+1,513	−2,324	−503	−1,019	+194	....	−2,003	470	281	1,239
Oct.	12,462	18,677	115	18,791	6,630	−334	50	−1,690	−1	....	1,407	−3,318	−290	1,314
Nov.	14,945	18,798	149	18,947	−4,002	2,686	−10	40	47	....	2,590	−2,324	−17	−928
Dec.	17,213	17,085	399	17,484	271	9,511	284	1,291	22	....	8,482	1,328	5,653	−1,230
1972—Jan.	17,596	19,226	243	19,469	−1,873	−1,269	−474	−1,508	−369	....	134	−191	1,026	2,573

End of period	Selected balances: Treasury operating balance: F.R. Banks	Treasury operating balance: Tax and loan accounts	Treasury operating balance: Other depositaries[5]	Treasury operating balance: Total	Federal securities: Public debt securities	Federal securities: Agency securities	Less: Investments of Govt. accounts: Special issues	Less: Investments of Govt. accounts: Other	Less: Special notes[3]	Equals: Total held by public	Memo: Debt of Govt.-sponsored corps.—Now private[6]
Fiscal year:											
1968	1,074	4,113	111	5,298	347,578	24,399	59,374	19,766	2,209	290,629	10,041
1969	1,258	4,525	112	5,894	353,720	14,249	66,738	20,923	825	279,483	24,991
1970	1,005	6,929	111	8,045	370,919	12,510	76,124	21,599	825	284,880	35,789
1971	1,274	7,372	109	8,755	398,130	12,163	82,740	22,400	825	304,328	36,886
Calendar year:											
1970	1,156	6,834	109	8,099	389,158	12,491	77,931	21,756	825	301,138	38,802
1971	2,020	9,173	113	11,306	424,131	11,044	85,544	22,922	825	325,884	....
Month:											
1971—Jan.	976	8,532	109	9,616	388,341	13,504	77,380	21,842	825	301,798	38,693
Feb.	1,064	6,725	109	7,898	390,664	12,503	78,843	21,461	825	302,038	38,183
Mar.	858	3,561	109	4,528	391,668	13,021	79,366	21,784	825	302,713	37,814
Apr.	1,322	7,462	109	8,893	391,891	12,676	79,586	21,714	825	302,442	38,694
May	874	5,938	109	6,920	396,845	12,716	81,681	22,417	825	304,638	37,275
June	1,274	7,372	109	8,755	398,130	12,163	82,740	22,400	825	304,328	36,886
July	1,274	7,372	113	8,755	405,299	11,203	84,601	22,522	825	308,554	37,985
Aug.	987	8,408	113	9,508	414,962	11,223	86,910	22,672	825	315,408	37,116
Sept.	2,102	7,763	113	9,978	412,268	10,720	85,904	22,853	825	313,406	37,380
Oct.	1,876	4,667	113	6,655	411,934	10,770	84,213	22,853	825	314,812	39,530
Nov.	1,996	2,223	113	4,331	414,620	10,760	84,253	22,900	825	317,402	39,392
Dec.	2,020	9,173	113	11,306	424,131	11,044	85,544	22,922	825	325,884	390,860
1972—Jan.	2,860	8,118	[5] 134	11,112	422,862	10,570	84,037	22,522	825	326,017	....

[1] Equals net expenditures plus net lending.

[2] The decrease in Federal securities resulting from conversion to private ownership of Govt.-sponsored corporations (totaling $9,853 million) is not included here. In the bottom panel, however, these conversions decrease the outstanding amounts of Federal securities held by the public mainly by reductions in agency securities. The Federal National Mortgage Association (FNMA) was converted to private ownership in Sept. 1968 and the Federal intermediate credit banks (FICB) and banks for cooperatives in Dec. 1968.

[3] 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.

[4] Includes accrued interest payable on public debt securities, deposit funds, miscellaneous liability and asset accounts, and seigniorage.

[5] 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).

[6] Includes debt of Federal home loan banks, Federal land banks, R.F.K. Stadium Fund, FNMA (beginning Sept. 1968), FICB, and banks for cooperatives (beginning Dec. 1968).

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

FEDERAL FISCAL OPERATIONS: DETAIL

(In millions of dollars)

Period	Budget receipts: Total	Individual income taxes: Withheld	Individual income taxes: Non-withheld	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 contributions[1]: Payroll taxes	Social insurance taxes and contributions: Employment taxes and contributions[1]: Self-empl.	Social insurance taxes and contributions: Unempl. insur.	Social insurance taxes and contributions: Other net receipts[2]	Social insurance taxes and contributions: Net total	Excise taxes	Customs	Estate and gift	Misc. receipts[3]
Fiscal year:																
1968	153,671	57,301	20,951	9,527	68,726	29,897	1,232	27,680	1,544	3,346	2,052	34,622	14,079	2,038	3,051	2,491
1969	187,784	70,182	27,258	10,191	87,249	38,338	1,660	32,521	1,715	3,328	2,353	39,918	15,222	2,319	3,491	2,908
1970	193,743	77,416	26,236	13,240	90,412	35,037	2,208	37,190	1,942	3,465	2,700	45,298	15,705	2,430	3,644	3,424
1971	188,392	76,490	24,262	14,522	86,230	30,320	3,535	39,751	1,948	3,673	3,206	48,578	16,614	2,591	3,735	3,858
Half year:																
1970 Jan.-June	102,910	38,619	20,465	12,759	46,325	19,858	1,226	20,134	1,811	2,196	1,416	25,558	7,464	1,168	2,148	1,615
July-Dec.	r87,584	37,465	5,569	565	42,469	12,744	1,467	17,768	133	1,348	1,576	20,826	8,153	1,317	1,537	2,006
1971 Jan.-June	100,830	39,045	18,693	13,957	43,781	17,576	2,068	21,983	1,815	2,325	1,630	27,752	8,462	1,274	2,198	1,853
July-Dec.	93,180	38,449	5,589	574	43,465	13,262	1,448	19,643	155	1,518	1,673	22,989	8,961	1,838	2,395	1,718
Month:																
1971 Jan.	r15,768	r6,336	4,280	40	r10,576	1,085	558	2,178	113	165	264	2,720	1,195	199	269	r284
Feb.	15,130	7,246	654	1,407	6,493	683	310	4,835	141	721	248	5,944	1,505	175	280	361
Mar.	13,205	6,605	1,392	4,631	3,366	3,887	363	3,472	152	77	288	3,990	1,443	226	329	328
Apr.	21,024	5,939	7,951	4,261	9,630	4,360	345	3,294	1,085	301	290	4,970	1,351	221	589	248
May	13,190	6,224	735	3,114	3,846	878	255	4,893	209	1,005	258	6,366	1,459	204	379	313
June	22,508	6,690	3,681	505	9,867	6,684	236	3,311	115	57	279	3,764	1,510	250	352	318
July	13,198	6,221	490	191	6,519	1,163	284	2,987	......	205	272	3,464	1,532	227	319	258
Aug.	15,652	6,706	306	91	6,920	688	236	5,049	......	660	287	5,996	1,482	244	311	245
Sept.	19,710	5,513	3,755	76	9,192	4,505	198	3,299	152	60	273	3,784	1,490	363	263	312
Oct.	12,462	5,941	396	55	6,282	1,111	375	2,592	......	116	274	2,983	1,412	334	391	324
Nov.	14,945	7,245	264	55	7,455	730	218	3,408	......	424	288	4,120	1,656	343	566	293
Dec.	17,213	6,823	379	106	7,096	5,064	138	2,308	3	52	278	2,642	1,389	329	545	286
1972 Jan.	17,596	6,627	4,318	1	10,944	1,228	158	3,044	124	153	295	3,615	743	259	621	344

Period	Budget outlays[4]: Total	National defense	Intl. affairs	Space research	Agriculture	Natural resources	Commerce and transp.	Commun. develop. and housing	Education and manpower	Health and welfare	Veterans	Interest	General govt.	Intragovt. transactions[5]
Fiscal year:														
1968	178,833	80,517	4,619	4,721	5,943	1,655	8,094	4,076	6,739	43,780	6,882	13,744	2,561	4,499
1969	184,548	81,232	3,785	4,247	6,221	2,081	7,921	1,961	6,525	49,395	7,640	15,791	2,866	-5,117
1970	196,588	80,295	3,570	3,749	6,201	2,480	9,310	2,965	7,289	56,785	8,677	18,312	3,336	6,380
1971	211,425	77,663	3,093	3,381	5,097	2,676	11,282	3,382	8,649	70,213	9,787	19,608	3,970	-7,376
1972 e r 6	236,610	78,030	3,960	3,180	7,345	4,376	11,872	4,039	10,140	82,249	11,127	20,067	5,302	7,877
1973 e 6	246,257	78,310	3,844	3,191	6,891	2,450	11,550	4,844	11,281	87,775	11,745	21,161	5,531	-8,590
Half year:														
1970 Jan.-June	97,661	39,683	1,627	1,910	711	1,017	4,651	1,291	4,314	30,432	4,537	9,687	1,817	4,015
July-Dec.	104,216	38,521	1,409	1,720	4,633	1,561	5,808	1,677	3,744	32,710	4,626	9,597	1,818	-3,607
1971 Jan.-June	107,242	39,178	1,684	1,661	464	1,101	5,488	1,705	4,905	37,503	5,162	10,014	2,147	-3,770
July-Dec.	111,557	35,755	1,752	1,777	5,999	1,952	6,030	2,181	4,355	38,131	5,003	10,050	2,392	-3,822
Month:														
1971 Jan.	r17,121	r6,160	184	262	632	r411	826	373	676	5,899	768	1,631	367	-247
Feb.	16,546	5,851	236	295	-89	234	759	217	686	5,929	797	1,695	294	-357
Mar.	18,646	6,674	392	333	-52	230	1,000	206	912	6,139	964	1,709	399	-260
Apr.	17,818	6,337	328	252	-21	250	1,015	286	683	6,093	883	1,683	323	-294
May	17,152	6,043	358	274	94	255	707	230	752	5,858	877	1,667	361	-325
June	19,965	8,122	185	245	-101	560	1,162	394	1,191	7,588	874	1,626	403	-2,284
July	18,556	5,187	340	377	1,784	293	572	545	684	6,191	798	1,651	380	-240
Aug.	19,582	5,595	308	291	963	432	1,643	291	661	6,385	892	1,668	533	386
Sept.	18,196	5,979	303	273	336	344	947	292	924	6,169	758	1,800	287	-246
Oct.	18,791	6,106	303	266	1,134	309	1,030	272	501	6,499	833	1,418	396	-276
Nov.	18,947	6,175	286	286	568	302	892	256	851	6,437	942	1,811	334	343
Dec.	17,484	6,713	181	285	852	271	875	402	722	6,444	896	1,702	473	2,332
1972 Jan.	19,469	6,161	347	259	699	264	813	434	813	6,807	1,023	1,737	390	-277

1 Old-age, disability, and hospital insurance, and Railroad Retirement accounts.

2 Supplementary medical insurance premiums and Federal employee retirement contributions.

3 Deposits of earnings by Federal Reserve Banks and other miscellaneous receipts.

4 Outlays by functional categories are published in the *Monthly Treasury Statement* (beginning April 1969). Monthly back data (beginning July 1968) are published in the *Treasury Bulletin* of June 1969.

5 Consists of government contributions for employee retirement and interest received by trust funds.

6 Estimates presented in the Jan. 1973 *Budget Document*. Breakdowns do not add to totals because special allowances for contingencies, Federal pay increase, and allowance for revenue sharing, totaling $2,250 million for fiscal 1972, and $5,000 million for fiscal 1973, are not included.

NOTE.- Half years may not add to fiscal year totals due to revisions in series which 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: Total	Marketable: Total	Marketable: Bills	Marketable: Certificates	Marketable: Notes	Marketable: Bonds [2]	Convertible bonds	Nonmarketable: Total [3]	Nonmarketable: Savings bonds & notes	Special issues [4]
1941—Dec.	57.9	50.5	41.6	2.0	....	6.0	33.6	....	8.9	6.1	7.0
1946—Dec.	259.1	233.1	176.6	17.0	30.0	10.1	119.5	....	56.5	49.8	24.6
1965—Dec.	320.9	270.3	214.6	60.2	....	50.2	104.2	2.8	52.9	50.3	46.3
1966—Dec.	329.3	273.0	218.0	64.7	5.9	48.3	99.2	2.7	52.3	50.8	52.0
1967—Dec.	344.7	284.0	226.5	69.9	....	61.4	95.2	2.6	54.9	51.7	57.2
1968—Dec.	358.0	296.0	236.8	75.0	....	76.5	85.3	2.5	56.7	52.3	59.1
1969—Dec.	368.2	295.2	235.9	80.6	....	85.4	69.9	2.4	56.9	52.2	71.0
1970—Dec.	389.2	309.1	247.7	87.9	....	101.2	58.6	2.4	59.1	52.5	78.1
1971 Feb.	390.7	309.8	248.1	89.3	....	104.3	54.5	2.4	59.3	52.8	78.9
Mar.	391.7	309.7	247.5	89.0	....	104.3	54.2	2.4	59.9	53.0	80.0
Apr.	391.9	310.4	245.9	87.5	....	104.3	54.1	2.4	62.1	53.2	79.7
May	396.8	313.2	245.6	89.1	....	102.5	54.0	2.3	65.2	53.4	81.7
June	398.1	313.5	245.5	86.7	....	104.8	54.0	2.3	65.7	53.6	82.8
July	405.3	318.9	247.6	88.9	....	104.8	53.9	2.3	68.9	53.8	84.7
Aug.	414.6	325.8	249.7	89.6	....	108.2	51.9	2.3	73.8	54.0	87.0
Sept.	412.3	324.5	249.9	88.6	....	109.5	51.8	2.3	72.2	54.2	86.0
Oct.	411.9	325.8	252.2	89.0	....	111.5	51.8	2.3	71.3	54.4	84.3
Nov.	414.6	328.4	254.5	89.8	....	114.0	50.7	2.3	71.6	54.7	84.4
Dec.	424.1	336.7	262.0	97.5	....	114.0	50.6	2.3	72.3	54.9	85.7
1972 Jan.	422.9	336.9	261.9	97.5	....	114.0	50.4	2.3	72.7	55.1	84.2
Feb.	424.0	336.5	261.2	98.1	....	112.9	50.2	2.3	73.0	55.3	85.6

[1] Includes non-interest-bearing debt (of which $624 million on Feb. 29, 1972, 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, foreign currency series, foreign series, and Rural Electrification Administration bonds; before 1954, Armed Forces leave bonds; before 1956, tax and savings notes; and before Oct. 1965, Series A investment bonds.

[4] Held only by U.S. Govt. agencies and trust funds and the Federal home loan banks.

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

OWNERSHIP OF PUBLIC DEBT

(Par value, in billions of dollars)

End of period	Total gross public debt	Held by—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]
1939—Dec.	41.9	6.1	2.5	33.4	12.7	2.7	5.7	2.0	.4	1.9	7.5	.2	.3
1946—Dec.	259.1	27.4	23.4	208.3	74.5	11.8	24.9	15.3	6.3	44.2	20.0	2.1	9.3
1965—Dec.	320.9	59.7	40.8	220.5	60.7	5.3	10.3	15.8	22.9	49.7	22.4	16.7	16.7
1966—Dec.	329.3	65.9	44.3	219.2	57.4	4.6	9.5	14.9	24.3	50.3	24.3	14.5	19.4
1967—Dec.	344.7	73.1	49.1	222.4	63.8	4.1	8.6	12.2	24.1	51.2	22.8	15.8	19.9
1968—Dec.	358.0	76.6	52.9	228.5	66.0	3.6	8.0	14.2	24.4	51.9	23.9	14.3	22.4
1969—Dec.	368.2	89.0	57.2	222.0	56.8	2.9	7.1	13.3	25.4	51.8	29.1	11.4	24.1
1970—Dec.	389.2	97.1	62.1	229.9	62.7	2.8	7.0	10.5	23.1	52.1	29.8	20.6	21.4
1971—Jan.	388.3	96.7	61.8	229.9	61.7	2.7	7.3	11.1	23.2	52.1	29.1	20.9	21.6
Feb.	390.7	98.0	62.5	230.2	61.3	2.8	7.2	10.2	24.0	52.3	28.3	22.9	21.1
Mar.	391.7	98.8	64.2	228.7	61.8	2.8	6.8	10.7	22.8	52.5	26.9	25.4	18.9
Apr.	391.9	99.1	63.7	229.1	60.5	2.8	6.8	9.9	21.8	52.8	26.2	29.2	19.1
May	396.8	101.8	64.8	230.2	59.4	2.9	6.8	9.6	21.8	53.0	25.0	33.8	18.1
June	398.1	102.9	65.5	229.7	61.0	2.9	6.6	10.1	21.4	53.2	24.8	32.7	17.2
July	405.3	104.9	65.8	234.6	60.5	2.9	6.7	11.6	21.9	53.4	24.8	35.4	17.3
Aug.	414.6	107.3	66.9	240.4	59.5	2.8	6.7	10.9	21.1	53.6	24.5	42.7	18.6
Sept.	412.3	106.5	67.6	238.2	60.0	2.8	6.5	10.0	21.0	53.7	24.1	42.4	17.7
Oct.	411.9	104.7	67.2	240.0	60.9	2.8	6.5	11.1	20.8	54.0	23.7	42.8	17.4
Nov.	414.6	104.7	67.8	242.1	61.5	2.7	6.5	12.0	20.6	54.2	23.4	44.1	17.1
Dec.	424.1	106.0	70.2	247.9	65.3	2.7	6.6	12.6	20.4	54.4	23.0	46.9	16.0
1972—Jan.	422.9	104.4	69.6	248.9	62.8	2.7	6.5	12.2	21.1	54.6	22.8	48.2	18.0

[1] Consists of investments of foreign and international accounts in the United States.

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

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

The debt and ownership concepts were altered beginning with the Mar. 1969 BULLETIN. The new concepts (1) exclude guaranteed securities and (2) remove from U.S. Govt. agencies and trust funds and add to other miscellaneous investors the holdings of certain Govt.-sponsored but privately owned agencies and certain Govt. deposit accounts.

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:								
1968—Dec. 31	236,812	108,611	75,012	33,599	68,260	35,130	8,396	16,415
1969—Dec. 31	235,863	118,124	80,571	37,553	73,301	20,026	8,358	16,054
1970—Dec. 31	247,713	123,423	87,923	35,500	82,318	22,554	8,556	10,863
1971—Dec. 31	262,038	119,141	97,505	21,636	93,648	29,321	9,530	10,397
1972—Jan. 31	261,918	119,152	97,517	21,635	93,645	29,318	9,484	10,317
U.S. Govt. agencies and trust funds:								
1968—Dec. 31	15,402	2,438	1,034	1,404	4,503	2,964	2,060	3,438
1969—Dec. 31	16,295	2,321	812	1,509	6,006	2,472	2,059	3,437
1970—Dec. 31	17,092	3,005	708	2,297	6,075	3,877	1,748	2,387
1971—Dec. 31	18,444	1,380	605	775	7,614	4,676	2,319	2,456
1972—Jan. 31	18,355	1,235	565	670	7,674	4,667	2,323	2,456
Federal Reserve Banks:								
1968—Dec. 31	52,937	28,503	18,756	9,747	12,880	10,943	203	408
1969—Dec. 31	57,154	36,023	22,265	13,758	12,810	7,642	224	453
1970—Dec. 31	62,142	36,338	25,965	10,373	19,089	6,046	229	440
1971—Dec. 31	70,218	36,032	31,033	4,999	25,299	7,702	584	601
1972—Jan. 31	69,552	35,259	30,296	4,963	25,287	7,855	559	593
Held by private investors:								
1968—Dec. 31	168,473	77,670	55,222	22,448	50,877	21,223	6,133	12,569
1969—Dec. 31	162,414	79,780	57,494	22,286	54,485	9,912	6,075	12,164
1970—Dec. 31	168,479	84,080	61,250	22,830	57,154	12,631	6,579	8,036
1971—Dec. 31	173,376	81,729	65,867	15,862	60,735	16,943	6,627	7,340
1972—Jan. 31	174,011	82,658	66,656	16,002	60,684	16,796	6,602	7,268
Commercial banks:								
1968—Dec. 31	53,174	18,894	9,040	9,854	23,157	10,035	611	477
1969—Dec. 31	45,173	15,104	6,727	8,377	24,692	4,399	564	414
1970—Dec. 31	50,917	19,208	10,314	8,894	26,609	4,474	367	260
1971—Dec. 31	51,363	14,920	8,287	6,633	28,823	6,847	555	217
1972—Jan. 31	49,517	13,531	7,007	6,524	28,716	6,537	533	201
Mutual savings banks:								
1968—Dec. 31	3,524	696	334	362	1,117	709	229	773
1969—Dec. 31	2,931	501	149	352	1,251	263	203	715
1970—Dec. 31	2,745	525	171	354	1,168	339	329	385
1971—Dec. 31	2,742	416	235	181	1,221	499	281	326
1972—Jan. 31	2,700	352	188	164	1,217	508	298	325
Insurance companies:								
1968—Dec. 31	6,857	903	498	405	1,892	721	1,120	2,221
1969—Dec. 31	6,152	868	419	449	1,808	253	1,197	2,028
1970—Dec. 31	6,066	893	456	437	1,723	849	1,369	1,231
1971—Dec. 31	5,679	720	325	395	1,499	993	1,366	1,102
1972—Jan. 31	5,605	656	289	367	1,482	1,005	1,371	1,091
Nonfinancial corporations:								
1968—Dec. 31	5,915	4,146	2,848	1,298	1,163	568	12	27
1969—Dec. 31	5,007	3,157	2,082	1,075	1,766	63	12	8
1970—Dec. 31	3,057	1,547	1,194	353	1,260	242	2	6
1971—Dec. 31	6,021	4,191	3,280	911	1,492	301	16	20
1972—Jan. 31	5,654	3,954	3,206	748	1,339	315	20	26
Savings and loan associations:								
1968—Dec. 31	4,724	1,184	680	504	1,675	1,069	346	450
1969—Dec. 31	3,851	808	269	539	1,916	357	329	441
1970—Dec. 31	3,263	583	220	363	1,899	281	243	258
1971—Dec. 31	3,002	629	343	286	1,449	587	162	175
1972—Jan. 31	3,129	713	416	297	1,443	646	148	180
State and local governments:								
1968—Dec. 31	13,426	5,323	4,231	1,092	2,347	805	1,404	3,546
1969—Dec. 31	13,909	6,416	5,200	1,216	2,853	524	1,225	2,893
1970—Dec. 31	11,204	5,184	3,803	1,381	2,458	774	1,191	1,598
1971—Dec. 31	9,823	4,592	3,832	760	2,268	783	918	1,263
1972—Jan. 31	10,231	5,123	4,398	725	2,095	793	910	1,310
All others:								
1968—Dec. 31	80,853	46,524	37,591	8,933	19,526	7,316	2,411	5,075
1969—Dec. 31	85,391	52,926	42,648	10,278	20,199	4,053	2,545	5,665
1970—Dec. 31	91,227	56,140	45,092	11,048	22,037	5,672	3,078	4,298
1971—Dec. 31	94,746	56,261	49,565	6,696	23,983	6,933	3,329	4,237
1972—Jan. 31	97,175	58,329	51,152	7,177	24,392	6,992	3,322	4,135

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

Beginning with Dec. 1968, certain Govt.-sponsored but privately owned agencies and certain Govt. deposit accounts have been removed from U.S. Govt. agencies and trust funds and added to "All others." Comparable data are not available for earlier periods.

Data complete for U.S. Govt. agencies and trust funds and F.R. Banks but for other groups are based on Treasury Survey data. Of total marketable issues held by groups, the proportion held on latest date by those reporting in the Survey and the number of owners surveyed were: (1) about 90 per cent by the 5,656 commercial banks, 486 mutual savings banks, and 738 insurance companies combined; (2) about 50 per cent by the 467 nonfinancial corporations and 487 savings and loan assns.; and (3) about 70 per cent by 502 State and local govts.

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

DEALER TRANSACTIONS

(Par value, in millions of dollars)

Period	U.S. Government securities										U.S. Govt. agency securities
	Total	By maturity				By type of customer					
		Within 1 year	1-5 years	5-10 years	Over 10 years	Dealers and brokers		Com-mercial banks	All other		
						U.S. Govt. securities	Other				
1971—Jan.	3,482	2,629	564	248	40	1,346	130	1,364	642		671
Feb.	3,316	2,291	579	397	49	1,178	145	1,232	760		679
Mar.	3,072	2,122	506	388	57	1,036	143	1,204	688		567
Apr.	2,458	1,881	328	216	33	828	116	878	636		516
May	2,322	1,695	406	192	29	837	100	742	643		480
June	2,195	1,802	273	92	28	727	110	687	672		418
July	2,484	2,103	280	74	28	814	131	837	702		471
Aug.	2,482	1,848	512	97	25	859	129	855	640		462
Sept.	2,115	1,598	271	219	26	759	99	725	532		482
Oct.	2,646	1,905	438	268	36	988	117	906	634		659
Nov.	2,691	1,668	523	418	81	906	157	940	687		547
Dec.	3,139	2,317	497	266	58	1,006	214	1,190	730		569
1972 - Jan.	3,191	2,268	571	309	44	879	391	1,120	801		623
Week ending—											
1972 Jan. 5	3,289	2,579	375	261	72	918	257	1,299	815		565
12	4,046	2,843	771	374	57	1,132	483	1,446	985		754
19	2,675	1,840	475	321	39	730	317	924	705		513
26	2,343	1,778	368	162	36	675	324	783	561		595
Feb. 2	3,789	2,389	934	439	27	994	549	1,307	939		609
9	3,067	2,198	638	205	26	941	368	1,018	741		515
16	3,603	2,456	806	310	31	1,114	337	1,251	901		735
23	3,008	2,133	626	219	31	829	333	1,043	804		631

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.

DEALER POSITIONS

(Par value, in millions of dollars)

Period	U.S. Government securities, by maturity					U.S. Govt. agency securi-ties
	All maturi-ties	Within 1 year	1-5 years	5-10 years	Over 10 years	
1971—Jan.	5,634	4,626	525	403	80	966
Feb.	4,655	3,320	569	691	75	946
Mar.	4,421	3,511	437	404	70	981
Apr.	4,870	4,019	415	416	20	1,118
May	2,646	2,115	189	331	11	818
June	2,735	2,477	116	130	12	776
July	3,011	3,018	−23	26	−11	771
Aug.	2,897	2,473	344	70	11	698
Sept.	3,856	3,089	355	377	36	926
Oct.	4,353	3,612	394	310	37	903
Nov.	5,846	3,725	914	943	265	1,063
Dec.	5,335	3,877	626	600	232	1,101
1972—Jan.	5,561	4,665	437	365	94	847
Week ending—						
1971—Dec. 1	6,120	4,379	746	751	244	1,153
8	5,213	3,702	636	640	235	1,123
15	5,157	3,781	576	567	232	1,056
22	5,097	3,625	674	555	243	1,059
29	5,775	4,328	623	592	231	1,163
1972 Jan. 5	5,567	4,312	513	573	169	1,042
12	5,189	4,134	477	467	110	779
19	5,708	4,807	432	397	72	743
26	5,721	4,933	443	268	77	960

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

Average of daily figures based on number of trading days in the period.

DEALER FINANCING

(In millions of dollars)

Period	All sources	Commercial banks		Corpora-tions[1]	All other
		New York City	Else-where		
1971—Jan.	6,198	1,888	1,695	527	2,088
Feb.	5,684	1,673	1,318	369	2,324
Mar.	4,543	1,356	926	399	1,862
Apr.	5,700	1,759	1,415	724	1,802
May	3,389	1,095	475	517	1,301
June	3,163	1,061	523	435	1,145
July	3,516	1,151	391	721	1,254
Aug.	3,071	894	390	821	967
Sept.	4,146	1,049	856	811	1,430
Oct.	4,511	1,188	704	921	1,699
Nov.	6,455	1,877	932	1,564	2,082
Dec.	5,517	1,375	912	1,659	1,571
1972—Jan.	5,714	1,296	904	1,750	1,763
Week ending—					
1971—Dec. 1	5,852	1,547	901	1,552	1,852
8	5,852	1,558	968	1,713	1,614
15	5,277	1,419	777	1,646	1,434
22	5,382	1,318	1,034	1,627	1,404
29	5,326	1,126	841	1,662	1,696
1972 Jan. 5	5,984	1,512	806	1,759	1,907
12	5,276	979	709	1,729	1,860
19	5,881	1,173	874	1,791	2,043
26	5,846	1,494	1,070	1,781	1,501

[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.

U.S. GOVERNMENT MARKETABLE AND CONVERTIBLE SECURITIES, FEBRUARY 29, 1972

(In millions of dollars)

Issue and coupon rate	Amount	Issue and coupon rate	Amount	Issue and coupon rate	Amount	Issue and coupon rate	Amount
Treasury bills		**Treasury bills—Cont.**		**Treasury notes—Cont.**		**Treasury bonds**	
Mar. 2, 1972	3,901	July 27, 1972	1,603	Aug. 15, 1973.....8⅛	1,839	June 15, 1967-72..2½	1,227
Mar. 9, 1972	3,903	July 31, 1972	1,703	Oct. 1, 1973.....1½	30	Sept. 15, 1967-72..2½	1,951
Mar. 16, 1972	3,901	Aug. 3, 1972	1,600	Feb. 15, 1974.....7¾	2,960	Dec. 15, 1967-72..2½	2,552
Mar. 23, 1972	3,910	Aug. 10, 1972	1,600	Apr. 1, 1974.....1½	34	Feb. 15, 1972.....4	980
Mar. 30, 1972	3,903	Aug. 17, 1972	1,801	May 15, 1974.....7¼	4,333	Aug. 15, 1972.....4	1,455
Mar. 31, 1972	1,701	Aug. 24, 1972	1,803	Aug. 15, 1974.....5⅝	10,284	Aug. 15, 1973.....4	3,894
Apr. 6, 1972	3,901	Aug. 31, 1972	1,700	Oct. 1, 1974.....1½	42	Nov. 15, 1973.....4⅛	4,341
Apr. 13, 1972	3,903	Sept. 30, 1972	1,702	Nov. 15, 1974.....5¾	7,212	Feb. 15, 1974.....4⅛	2,472
Apr. 20, 1972	3,901	Oct. 31, 1972	1,700	Feb. 15, 1975.....5¾	5,148	May 15, 1974.....4¼	2,855
Apr. 21, 1972†	4,033	Nov. 30, 1972	1,701	Feb. 15, 1975.....5⅞	2,045	Nov. 15, 1974.....3⅞	2,237
Apr. 27, 1972	3,902	Dec. 31, 1972	1,200	Apr. 1, 1975.....1½	8	May 15, 1975-85..4¼	1,209
Apr. 30, 1972	1,702	Jan. 31, 1973	1,200	May 15, 1975.....6	6,760	June 15, 1978-83..3¼	1,522
May 4, 1972	3,902	Feb. 28, 1973	1,200	Aug. 15, 1975.....5⅞	7,679	Feb. 15, 1980.....4	2,586
May 11, 1972	3,901			Oct. 1, 1975.....1½	30	Nov. 15, 1980.....3½	1,901
May 18, 1972	4,007			Nov. 15, 1975.....7	3,115	Aug. 15, 1981.....7	807
May 25, 1972	4,001			Feb. 15, 1976.....6¼	3,739	Feb. 15, 1982.....6⅜	2,193
May 31, 1972	1,701	**Treasury notes**		Apr. 1, 1976.....1½	27	May 15, 1985.....3¼	1,030
June 1, 1972	1,601	Apr. 1, 1972.....1½	34	May 15, 1976.....5¾	2,784	Nov. 15, 1986.....6⅛	1,216
June 8, 1972	1,601	May 15, 1972.....4¾	3,676	May 15, 1976.....6½	2,697	Aug. 15, 1987-92..4¼	3,789
June 15, 1972	1,600	May 15, 1972.....6¾	1,378	Aug. 15, 1976.....7½	4,194	Feb. 15, 1988-93..4	244
June 21, 1972†	3,026	Aug. 15, 1972.....5	2,572	Oct. 1, 1976.....1½	7	May 15, 1989-94..4⅛	1,539
June 22, 1972	1,602	Oct. 1, 1972.....1½	33	Nov. 15, 1976.....6¼	1,283	Feb. 15, 1990.....3½	4,481
June 29, 1972	1,601	Nov. 15, 1972.....6	2,285	Feb. 15, 1977.....8	5,163	Feb. 15, 1995.....3	1,073
June 30, 1972	1,701	Feb. 15, 1973.....6½	2,514	Aug. 15, 1977.....7¾	2,264	Nov. 15, 1998.....3½	3,608
July 6, 1972	1,601	Feb. 15, 1973.....4⅞	4,268	Feb. 15, 1978.....6¼	8,389		
July 13, 1972	1,600	Apr. 1, 1973.....1½	34	Nov. 15, 1978.....6	8,208	**Convertible bonds**	
July 20, 1972	1,601	May 15, 1973.....7¼	5,844			**Investment Series B**	
						Apr. 1, 1975-80..2¾	2,316

† Tax-anticipation series.

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

NEW ISSUES OF STATE AND LOCAL GOVERNMENT SECURITIES

(In millions of dollars)

Period	All issues (new capital and refunding)									Issues for new capital						
	Total	Type of issue				Type of issuer			Total amount deliv-ered[3]	Total	Use of proceeds					
		General obli-gations	Reve-nue	HAA[1]	U.S. Govt. loans	State	Special district and stat. auth.	Other[2]			Edu-cation	Roads and bridges	Util-ities[4]	Hous-ing[5]	Veter-ans' aid	Other pur-poses
1964	10,847	6,417	3,585	637	208	1,628	3,812	5,407	10,069	10,201	3,392	688	2,437	727	120	2,838
1965	11,329	7,177	3,517	464	170	2,401	3,784	5,144	11,538	10,471	3,619	900	1,965	626	50	3,311
1966	11,405	6,804	3,955	325	312	2,590	4,110	4,695	....	11,303	3,738	1,476	1,880	533	......	3,667
1967	14,766	8,985	5,013	477	334	2,842	4,810	7,115	....	14,643	4,473	1,254	2,404	645	......	5,867
1968	16,596	9,269	6,517	528	282	2,774	5,946	7,884	....	16,489	4,820	1,526	2,833	787	......	6,523
1969	11,881	7,725	3,556	402	197	3,359	3,596	4,926	....	11,838	3,252	1,432	1,734	543	......	4,884
1970	18,164	11,850	6,082	131	103	4,174	5,595	8,399	....	18,110	5,062	1,532	3,525	466	......	7,526
1971	24,962	15,220	8,681	1,000	62	5,999	8,714	10,246	....	24,495	5,278	2,642	5,214	2,068	......	9,293
1971—Jan.	2,732	1,613	997	121	2	577	1,156	999	....	2,721	509	390	436	373	......	1,013
Feb.	1,851	1,225	619	....	7	585	627	639	....	1,835	520	133	315	123	......	743
Mar.	2,258	1,309	949	....	1	447	660	1,152	....	2,244	570	183	702	28	......	762
Apr.	1,891	1,305	581	....	5	430	510	952	....	1,841	491	66	471	19	......	795
May	2,167	1,091	869	197	10	486	1,095	585	....	2,159	625	448	433	222	......	430
June	2,013	1,320	684	....	8	779	337	896	....	2,004	385	394	699	14	......	512
July	1,989	1,306	506	171	5	477	606	905	....	1,942	301	120	231	219	......	1,071
Aug.	1,903	1,141	754	....	9	459	735	707	....	1,894	352	158	377	159	......	846
Sept.	2,098	1,313	523	258	3	348	706	1,044	....	2,053	463	65	458	271	......	796
Oct.	1,728	836	890	....	3	341	840	548	....	1,626	291	210	353	96	......	678
Nov.	2,264	1,394	869	....	1	629	874	761	....	2,134	418	338	500	246	......	631
Dec.	2,068	1,367	440	253	8	441	568	1,058	....	2,042	353	137	239	298	......	1,016
1972—Jan.	1,762	1,116	644	....	2	639	543	578	....	1,690	383	146	437	56	......	668

[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.—The figures in the first column differ from those shown on the following page, which are based on *Bond Buyer* data. The principal difference is in the treatment of U.S. Govt. loans.

Investment Bankers Assn. data; par amounts of long-term issues based on date of sale unless otherwise indicated.

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
1964	37,122	10,656	1,205	10,544	760	13,957	10,865	3,623	7,243	412	2,679
1965	40,108	9,348	2,731	11,148	889	15,992	13,720	5,570	8,150	725	1,547
1966	45,015	8,231	6,806	11,089	815	18,074	15,561	8,018	7,542	574	1,939
1967	68,514	19,431	8,180	14,288	1,817	24,798	21,954	14,990	6,964	885	1,959
1968	65,562	18,025	7,666	16,374	1,531	21,966	17,383	10,732	6,651	637	3,946
1969	52,496	4,765	8,617	11,460	961	26,744	18,347	12,734	5,613	682	7,714
1970r	88,666	14,831	16,181	17,762	949	38,945	30,315	25,384	4,931	1,390	7,240
1971	105,233	17,325	16,283	24,370	2,165	45,090	32,123	24,775	7,354	3,670	9,291
1970—Dec.	7,652	402	924	2,245	100	3,982	3,322	2,436	886	170	490
1971—Jan.	7,438	436	1,050	2,614	223	3,115	2,627	2,033	594	76	413
Feb.	6,522	431	1,224	1,823	44	3,000	2,476	2,201	275	100	424
Mar.	11,069	517	1,300	2,104	1,073	6,075	4,782	4,135	647	311	982
Apr.	7,244	467	700	1,859	177	4,042	2,623	2,116	507	537	882
May	6,969	466	1,000	2,114	118	3,271	2,638	2,148	491	54	579
June	10,994	2,779	1,812	1,988	40	4,375	3,042	2,283	760	104	1,228
July	9,316	1,153	2,049	1,951	17	4,147	1,951	1,331	619	1,527	669
Aug.	9,346	3,228	1,500	1,850	237	2,532	1,844	1,428	416	270	418
Sept.	9,445	1,698	1,774	2,044	161	3,768	2,573	1,966	607	165	1,031
Oct.r	8,353	412	2,169	1,882	113	3,777	2,694	2,390	304	180	903
Nov.r	9,040	2,414	750	1,684	10	4,182	3,283	3,000	283	124	774
Dec.	7,651	402	924	2,245	100	3,980	3,270	2,436	834	168	541

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
1964	2,819	228	902	220	944	38	2,139	620	669	1,520	3,391	466
1965	4,712	704	1,153	251	953	60	2,332	604	808	139	3,762	514
1966	5,861	1,208	1,166	257	1,856	116	3,117	549	1,814	189	1,747	193
1967	9,894	1,164	1,950	117	1,859	466	4,217	718	1,786	193	2,247	186
1968	5,668	1,311	1,759	116	1,665	1,579	4,407	873	1,724	43	2,159	662
1969	4,448	1,904	1,888	3,022	1,899	247	5,409	1,326	1,963	225	2,739	1,671
1970r	9,192	1,320	1,963	2,540	2,213	47	8,016	3,001	5,053	83	3,878	1,638
1971	9,426	2,152	2,272	2,390	1,998	420	7,605	4,195	4,227	1,592	6,601	2,212
1970—Dec.	933	123	221	142	332	12	725	230	271	5	840	148
1971—Jan.	647	69	259	239	167	....	608	68	391	....	555	112
Feb.	644	17	72	112	89	1	752	317	672	11	248	66
Mar.	2,123	294	289	186	160	1	895	557	481	52	834	204
Apr.	819	316	198	243	268	67	607	660	247	26	484	107
May	631	158	143	131	250	89	447	141	403	2	763	113
June	1,031	175	497	290	182	115	616	439	204	14	513	300
July	383	200	159	188	157	62	520	212	232	1,390	500	144
Aug.	262	212	76	175	76	12	687	162	359	....	385	126
Sept.	991	154	123	295	120	29	578	492	235	46	525	179
Oct.r	571	91	150	172	185	5	703	230	432	....	624	224
Novr	637	174	61	232	145	6	672	545	261	9	660	303
Dec.	687	293	246	127	199	33	520	371	311	42	510	335

[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
1966	19,799	7,541	12,258	15,629	4,542	11,088	4,169	3,000	1,169
1967	25,964	7,735	18,229	21,299	5,340	15,960	4,664	2,397	2,267
1968	25,439	12,377	13,062	19,381	5,418	13,962	6,057	6,959	−900
1969	28,841	10,813	18,027	19,523	5,767	13,755	9,318	5,045	4,272
1970	38,707	9,079	29,628	29,495	6,667	22,825	9,213	2,411	6,801
1970—III	9,385	2,089	7,297	7,598	1,546	6,051	1,788	542	1,245
IV	11,936	2,577	9,359	9,034	2,069	6,964	2,902	508	2,394
1971—I	11,241	2,015	9,226	8,765	1,776	6,989	2,476	239	2,237
II[r]	13,212	2,979	10,233	8,974	2,681	6,294	4,238	299	3,939
III	10,746	1,992	8,754	6,159	1,649	4,510	4,586	343	4,244

Period	Type of issuer											
	Manufacturing		Commercial and other[2]		Transportation[3]		Public utility		Communication		Real estate and financial[1]	
	Bonds & notes	Stocks	Bonds & notes	Stocks	Bonds & notes	Stocks	Bonds & notes	Stocks	Bonds & notes	Stocks	Bonds & notes	Stocks
1966	4,324	32	616	−598	956	718	2,659	533	1,668	575	864	−90
1967	7,237	832	1,104	282	1,158	165	3,444	652	1,716	467	1,302	−130
1968	4,418	−1,842	2,242	821	987	149	3,669	892	1,579	120	1,069	−741
1969	3,747	69	1,075	1,558	946	186	4,464	1,353	1,834	241	1,687	866
1970	6,641	870	853	1,778	1,104	36	6,861	2,917	4,806	94	2,564	1,107
1970—III	2,169	39	263	326	21	−15	1,917	750	991	6	691	139
IV	2,054	374	407	404	428	58	1,777	1,189	1,135	51	1,165	318
1971—I	2,076	520	201	416	271	33	1,897	948	1,194	66	1,349	255
II[r]	2,296	885	446	757	461	374	1,347	1,261	919	38	825	624
III	852	676	10	678	195	230	1,493	814	832	1,442	1,148	404

[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 opposite 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
1960	2,097	842	1,255	17,026	973	16,053
1961	2,951	1,160	1,791	22,789	980	21,809
1962	2,699	1,123	1,576	21,271	1,315	19,956
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	774	56,694	3,163	53,531

Month	Sales and redemption of own shares			Assets (market value at end of period)		
	Sales[1]	Redemptions	Net sales	Total[2]	Cash position[3]	Other
1971—Jan.	487	242	245	50,251	3,663	46,588
Feb.	349	322	27	51,300	3,600	47,700
Mar.	468	425	43	53,618	3,328	50,290
Apr.	547	394	153	55,883	3,046	52,837
May	307	428	121	53,610	2,607	51,003
June	434	467	−33	53,560	2,830	50,730
July	371	444	−73	51,424	2,856	48,568
Aug.	432	394	38	53,798	3,016	50,782
Sept.	304	471	−167	53,291	2,511	50,780
Oct.	596	419	177	51,160	2,885	48,275
Nov.	397	334	63	50,958	3,172	47,786
Dec.	453	411	42	55,045	3,038	52,007
1972—Jan.	521	475	46	56,694	3,163	53,531

[1] Includes contractual and regular single purchase sales, voluntary and contractual accumulation plan sales, and reinvestment of investment income dividends; excludes reinvestment of realized capital gains dividends.
[2] Market value at end of period less current liabilities.
[3] Cash and deposits, receivables, all U.S. Govt. securities, and other short-term debt securities, less current liabilities.

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

SALES, PROFITS, AND DIVIDENDS OF LARGE CORPORATIONS

(In millions of dollars)

Industry	1965	1966	1967	1968	1969	1968 I	1968 II	1968 III	1968 IV	1969[1] I	1969[1] II	1969[1] III	1969[1] IV
Manufacturing													
Total (177 corps.):													
Sales	177,237	195,738	201,399	225,740	243,449	53,633	57,732	53,987	60,388	57,613	61,392	61,061	63,383
Profits before taxes	22,046	23,487	20,898	25,375	25,622	5,985	6,878	5,580	6,932	6,565	6,887	5,851	6,319
Profits after taxes	12,461	13,307	12,664	13,787	14,090	3,298	3,609	3,030	3,850	3,579	3,750	3,244	3,517
Dividends	6,527	6,920	6,989	7,271	7,757	1,716	1,731	1,746	2,078	1,838	1,916	1,885	2,118
Nondurable goods industries (78 corps.):[2]													
Sales	64,897	73,643	77,969	84,861	92,033	20,156	21,025	21,551	22,129	21,764	23,198	23,445	23,626
Profits before taxes	7,846	9,181	9,039	9,866	10,333	2,387	2,492	2,545	2,442	2,524	2,664	2,641	2,504
Profits after taxes	4,786	5,473	5,379	5,799	6,103	1,428	1,411	1,471	1,489	1,492	1,559	1,529	1,523
Dividends	2,527	2,729	3,027	3,082	3,289	743	751	763	825	812	808	820	849
Durable goods industries (99 corps.):[3]													
Sales	112,341	122,094	123,429	140,879	151,416	33,477	36,707	32,435	38,259	35,849	38,195	37,616	39,756
Profits before taxes	14,200	14,307	11,822	15,510	15,290	3,598	4,386	3,036	4,490	4,041	4,224	3,210	3,815
Profits after taxes	7,675	7,834	6,352	7,989	7,989	1,871	2,198	1,559	2,361	2,087	2,190	1,715	1,997
Dividends	4,000	4,191	3,964	4,189	4,469	972	981	983	1,253	1,026	1,108	1,065	1,270
Selected industries:													
Foods and kindred products (25 corps.):													
Sales	16,427	19,038	20,134	22,1 9	24,593	5,184	5,389	5,737	5,799	5,714	5,923	6,631	6,325
Profits before taxes	1,710	1,916	1,967	2,227	2,425	498	563	590	576	534	581	666	644
Profits after taxes	896	1,008	1,041	1,093	1,171	255	260	285	293	261	275	314	321
Dividends	509	564	583	616	661	150	155	155	156	162	165	164	170
Chemical and allied products (20 corps.):													
Sales	18,158	20,007	20,561	22,808	24 494	5,436	5,697	5,782	5,893	5,845	6,230	6,236	6,183
Profits before taxes	2,891	3,073	2,731	3,117	3,258	760	807	806	744	844	875	818	721
Profits after taxes	1,630	1,737	1,579	1,618	1,773	390	419	412	398	448	473	441	411
Dividends	926	948	960	1,002	1,031	236	236	243	287	252	251	254	274
Petroleum refining (16 corps.):													
Sales	17,828	20,887	23,258	24,218	25,586	5,890	6.013	6,100	6,214	6,107	6,610	6,264	6,605
Profits before taxes	1,962	2,681	3,004	2,866	2,941	767	692	740	667	726	728	750	737
Profits after taxes	1,541	1,898	2,038	2,206	2,224	592	520	561	534	562	558	554	550
Dividends	737	817	1,079	1,039	1,123	253	255	258	273	282	273	282	286
Primary metals and products (34 corps.):													
Sales	26,548	28.558	26,532	30,171	33,674	7,150	8,427	7.461	7,133	7,671	8,612	8,448	8,943
Profits before taxes	2,931	3,277	2,487	2,921	3,052	669	915	601	735	691	828	715	818
Profits after taxes	1,689	1,903	1,506	1,750	1,912	376	550	343	482	431	504	435	542
Dividends	818	924	892	952	987	224	230	233	264	242	245	247	253
Machinery (24 corps.):													
Sales	25,364	29,512	32,721	35,660	38,719	8,371	8,864	8,907	9,517	8,957	9,757	10,542	9,463
Profits before taxes	3,107	3,612	3,482	4,134	4,377	936	1,008	1,112	1,079	1,071	1,167	1,141	998
Profits after taxes	1,626	1,875	1,789	2,014	2,147	448	499	537	531	526	576	568	477
Dividends	774	912	921	992	1,128	247	248	248	249	270	271	293	294
Automobiles and equipment (14 corps.):													
Sales	42,712	43,641	42,306	50,526	52,290	12,343	13,545	9,872	14,767	13,328	13,638	11,300	14,024
Profits before taxes	6,253	5.274	3,906	5,916	5,268	1,507	1,851	640	1,918	1,663	1,542	652	1,411
Profits after taxes	3,294	2.877	1,999	2,903	2,604	783	847	330	943	806	750	342	706
Dividends	1,890	1.775	1,567	1,642	1,723	364	364	364	550	365	436	366	556
Public utility													
Railroad:													
Operating revenue	10,208	10.661	10,377	10,859	11,451	2,611	2,758	2,708	2,782	2,741	2,916	2,836	2,958
Profits before taxes	979	1,094	385	678	683	127	206	149	196	128	220	149	186
Profits after taxes	815	906	319	565	461	112	174	110	169	98	173	98	92
Dividends	468	502	538	515	488	117	132	100	166	116	136	100	136
Electric power:													
Operating revenue	15,816	16.959	17,954	19,421	21,075	5,106	4,553	4,869	4,892	5,480	4,913	5,370	5,312
Profits before taxes	4,213	4.414	4,547	4,789	4,938	1,351	1,040	1,271	1,125	1,384	1,065	1,366	1,123
Profits after taxes	2,586	2.749	2,908	3,002	3,186	863	641	764	733	873	707	827	779
Dividends	1,838	1,938	2,066	2,201	2,299	539	555	543	565	580	577	561	581
Telephone:													
Operating revenue	11,320	12,420	13,311	14,430	16,057	3,486	3,544	3,629	3,771	3,853	3,975	4,044	4,185
Profits before taxes	3,185	3.537	3,694	3,951	4,098	971	989	990	1,001	1,070	1,043	979	1,006
Profits after taxes	1,718	1,903	1,997	1,961	2,080	525	441	493	502	540	523	497	520
Dividends	1,153	1,248	1,363	1,428	1,493	351	318	396	363	368	371	373	381

[1] Manufacturing figures reflect changes by a number of companies in accounting methods and other reporting procedures.
[2] Includes 17 corporations in groups not shown separately.
[3] Includes 27 corporations in groups not shown separately.

NOTE.—*Manufacturing corporations:* Data are obtained primarily from published reports of companies.
Railroad: Interstate Commerce Commission data for Class I line-haul railroads.
Electric power: Federal Power Commission data for Class A and B electric utilities, except that quarterly figures on operating revenue and profits before taxes are partly estimated by the Federal Reserve to include affiliated nonelectric operations.
Telephone: Data obtained from Federal Communications Commission on revenues and profits for telephone operations of the Bell System Consolidated (including the 20 operating subsidiaries and the Long Lines and General Depts. of American Telephone and Telegraph Co.) and for two affiliated telephone companies. Dividends are for the 20 operating subsidiaries and the two affiliates.
All series: Profits before taxes are income after all charges and before Federal income taxes and dividends.
Back data available from the Division of Research and Statistics.

Series have been temporarily discontinued.

CORPORATE PROFITS, TAXES, AND DIVIDENDS

(In billions of dollars)

Year	Profits before taxes	Income taxes	Profits after taxes	Cash dividends	Undistributed profits	Corporate capital consumption allowances[1]	Quarter	Profits before taxes	Income taxes	Profits after taxes	Cash dividends	Undistributed profits	Corporate capital consumption allowances[1]
1964	66.8	28.3	38.4	17.8	20.6	33.9	1970—I	75.6	34.1	41.5	25.0	16.6	54.4
1965	77.8	31.3	46.5	19.8	26.7	36.4	II	75.8	34.5	41.3	24.9	16.4	55.7
1966	84.2	34.3	49.9	20.8	29.1	39.5	III	78.5	35.6	42.9	25.2	17.7	56.7
1967	79.8	33.2	46.6	21.4	25.3	43.0	IV	71.6	32.3	39.2	25.0	14.3	58.0
1968	87.6	39.9	47.8	23.6	24.2	46.8	1971—I	83.0	38.3	44.8	25.6	19.2	59.4
1969	84.2	39.7	44.5	24.4	20.0	51.3	II	86.9	39.1	47.8	25.4	22.4	61.0
1970	75.4	34.1	41.2	25.0	16.2	56.2	III	85.8	37.5	48.2	25.7	22.5	62.7
1971[p]	85.2	37.7	47.4	25.5	21.9	61.9							

[1] Includes depreciation, capital outlays charged to current accounts, and accidental damages.

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

CURRENT ASSETS AND LIABILITIES OF CORPORATIONS

(In billions of dollars)

End of period	Net working capital	Current assets: Total	Cash	U.S. Govt. securities	Notes and accts. receivable: U.S. Govt.[1]	Notes and accts. receivable: Other	Inventories	Other	Current liabilities: Total	Notes and accts. payable: U.S. Govt.[1]	Notes and accts. payable: Other	Accrued Federal income taxes	Other
1964	170.0	372.2	47.3	18.6	3.4	169.9	113.5	19.6	202.2	2.7	140.3	17.0	42.2
1965	180.7	410.2	49.9	17.0	3.9	190.2	126.9	22.3	229.6	3.1	160.4	19.1	46.9
1966	188.2	442.6	49.3	15.4	4.5	205.2	143.1	25.1	254.4	4.4	179.0	18.3	52.8
1967	198.9	470.4	54.1	12.7	5.1	216.0	153.4	29.0	271.4	5.8	190.6	14.1	60.8
1968	212.0	513.8	58.0	14.2	5.1	237.1	165.8	33.6	301.8	6.4	209.8	16.4	69.1
1969	213.2	555.9	54.9	12.7	4.8	261.0	184.8	37.8	342.7	7.3	238.1	16.6	80.6
1970—I	213.3	561.0	52.9	12.5	4.7	264.5	188.0	38.5	347.7	7.2	238.4	18.0	84.2
II	213.6	566.3	52.5	10.7	4.4	268.7	190.2	39.9	352.7	7.0	244.1	14.6	87.1
III	214.0	567.6	53.7	9.3	4.2	270.0	191.8	38.5	353.6	6.8	243.0	15.4	88.3
IV	217.0	572.1	56.9	9.7	4.2	268.1	194.4	38.8	355.2	6.6	244.5	15.9	88.1
1971—I	220.4	576.9	55.8	10.1	4.2	269.8	196.8	40.1	356.5	6.1	240.3	18.6	91.4
II	226.3	582.6	58.6	10.3	3.9	273.2	197.4	39.3	356.3	5.3	241.2	16.8	93.0
III	231.3	591.9	59.8	10.6	3.9	276.9	199.5	41.2	360.6	5.2	242.2	18.7	94.7

[1] Receivables from, and payables to, the U.S. Govt. exclude amounts offset against each other on corporations' books.

NOTE.—Securities and Exchange Commission estimates; excludes banks, savings and loan assns., insurance companies, and investment companies.

BUSINESS EXPENDITURES ON NEW PLANT AND EQUIPMENT

(In billions of dollars)

Period	Total	Manufacturing: Durable	Manufacturing: Nondurable	Mining	Transportation: Railroad	Transportation: Air	Transportation: Other	Public utilities: Electric	Public utilities: Gas and other	Communications	Other[1]	Total (S.A. A.R.)
1965	54.42	11.50	11.94	1.46	1.99	1.22	1.68	4.43	1.70	5.30	13.19	....
1966	63.51	14.06	14.14	1.62	2.37	1.74	1.64	5.38	2.05	6.02	14.48	....
1967	65.47	14.06	14.45	1.65	1.86	2.29	1.48	6.75	2.00	6.34	14.59	....
1968	67.76	14.12	14.25	1.63	1.45	2.56	1.59	7.66	2.54	6.83	15.14	....
1969	75.56	15.96	15.72	1.86	1.86	2.51	1.68	8.94	2.67	8.30	16.05	....
1970	79.71	15.80	16.15	1.89	1.78	3.03	1.23	10.65	2.49	10.10	16.59	....
1971	81.21	14.15	15.84	2.16	1.67	1.88	1.38	12.86	2.44	10.77	18.05	....
1972[2] r	89.77	16.11	16.50	2.20	1.75	2.42	1.55	14.58	2.86	12.30	19.51	....
1970 IV	21.66	4.26	4.40	.50	.43	.76	.33	3.12	.63	2.81	4.42	78.63
1971—I	17.68	3.11	3.58	.49	.34	.34	.28	2.70	.41	2.50	3.94	79.32
II	20.60	3.52	4.03	.54	.47	.60	.36	3.20	.63	2.81	4.44	81.61
III	20.14	3.40	3.91	.55	.42	.39	.37	3.35	.71	2.62	4.42	80.75
IV	22.79	4.12	4.32	.59	.45	.56	.37	3.60	.69	2.84	5.26	83.18
1972 I[2] r	19.56	3.43	3.60	.53	.45	.52	.35	3.15	.45	7.08		87.54
II[2]	22.49	4.01	4.15	.54	.42	.78	.35	3.60	.72	7.92		89.09

[1] Includes trade, service, construction, finance, and insurance.
[2] Anticipated by business.

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

MORTGAGE DEBT OUTSTANDING

(In billions of dollars)

End of period	All properties: All holders	All properties: Financial institutions[1]	All properties: Other holders[2]: U.S. agencies	All properties: Other holders[2]: Individuals and others	Farm: All holders	Farm: Financial institutions[1]	Farm: Other holders[3]	Nonfarm: All holders	Nonfarm: 1- to 4-family houses[4]: Total	Nonfarm: 1- to 4-family houses[4]: Finan. institutions[1]	Nonfarm: 1- to 4-family houses[4]: Other holders	Nonfarm: Multifamily and commercial properties[5]: Total	Nonfarm: Multifamily and commercial properties[5]: Finan. institutions[1]	Nonfarm: Multifamily and commercial properties[5]: Other holders	Nonfarm: Mortgage type[6]: FHA—VA—underwritten	Nonfarm: Mortgage type[6]: Conventional
1941	37.6	20.7	4.7	12.2	6.4	1.5	4.9	31.2	18.4	11.2	7.2	12.9	8.1	4.8	3.0	28.2
1945	35.5	21.0	2.4	12.1	4.8	1.3	3.4	30.8	18.6	12.2	6.4	12.2	7.4	4.7	4.3	26.5
1964	300.1	241.0	11.4	47.7	18.9	7.0	11.9	281.2	197.6	170.3	27.3	83.6	63.7	19.9	77.2	204.0
1965	325.8	264.6	12.4	48.7	21.2	7.8	13.4	304.6	212.9	184.3	28.7	91.6	72.5	19.1	81.2	223.4
1966	347.4	280.8	15.8	50.9	23.3	8.4	14.9	324.1	223.6	192.1	31.5	100.5	80.2	20.3	84.1	240.0
1967	370.2	298.8	18.4	53.0	25.5	9.1	16.3	344.8	236.1	201.8	34.2	108.7	87.9	20.9	88.2	256.6
1968	397.5	319.9	21.7	55.8	27.5	9.7	17.8	370.0	251.2	213.1	38.1	118.7	97.1	21.6	93.4	276.6
1969 I	403.7	324.7	22.6	56.4	28.1	9.8	18.3	375.7	254.8	216.0	38.8	120.9	98.9	21.9	94.5	281.2
II	411.7	331.0	23.4	57.1	28.8	10.1	18.7	382.9	259.5	219.9	39.5	123.4	101.0	22.4	96.6	286.2
III	418.7	335.7	24.9	58.1	29.2	10.1	19.1	389.5	263.4	222.5	40.9	126.0	103.1	22.9	98.5	291.0
IV	425.3	339.1	26.8	59.4	29.5	9.9	19.6	395.9	266.8	223.6	43.2	129.0	105.5	23.5	100.2	295.7
1970—I	429.4	340.7	28.6	60.1	29.8	9.8	20.0	399.6	268.5	223.8	44.7	r131.1	107.1	23.9	101.9	297.6
II	435.6	344.5	30.0	61.1	30.3	9.8	20.5	405.2	271.7	225.7	46.0	133.5	109.1	24.5	103.2	302.0
III	443.4	349.7	31.7	61.9	30.8	10.0	20.8	412.5	276.0	228.5	47.5	136.5	111.4	25.1	106.8	305.7
IV	451.7	355.9	33.0	62.8	31.2	10.1	21.1	420.5	280.2	231.4	48.8	140.3	114.6	25.7	109.2	311.3
1971—I	459.0	361.8	33.6	63.6	31.8	10.1	21.7	427.2	283.6	234.5	49.4	143.6	117.5	26.1	111.0	316.2
II	471.1	372.0	35.2	63.9	31.9	9.7	22.2	439.3	290.8	240.7	49.5	148.5	121.9	26.6	114.4	324.9

[1] Commercial banks (including nondeposit trust companies but not trust depts.), mutual savings banks, life insurance companies, and savings and loan assns.

[2] U.S. agencies include former FNMA and, beginning fourth quarter 1968, new GNMA as well as FHA, VA, PHA, Farmers Home Admin., and in earlier years, RFC, HOLC, and FFMC. They also include U.S. sponsored agencies—new FNMA, Federal land banks, GNMA (Pools), and the FHLMC. Other U.S. agencies (amounts small or separate data not readily available) included with "individuals and others."

[3] Derived figures; includes debt held by Federal land banks and farm debt held by Farmers Home Admin.

[4] For multifamily and total residential properties, see p. A 54.

[5] Derived figures; includes small amounts of farm loans held by savings and loan assns.

[6] Data by type of mortgage on nonfarm 1- to 4-family properties alone are shown on p. A-54.

NOTE.—Based on data from Federal Deposit Insurance Corp., Federal Home Loan Bank Board, Institute of Life Insurance, Depts. of Agriculture and Commerce, Federal National Mortgage Assn., Federal Housing Admin., Public Housing Admin., Veterans Admin., Government National Mortgage Assoc., Federal Home Loan Mortgage Corp., and Comptroller of the Currency.

Figures for first three quarters of each year are F.R. estimates.

MORTGAGE LOANS HELD BY BANKS

(In millions of dollars)

End of period	Commercial bank holdings[1]: Total	Commercial: Residential: Total	Commercial: Residential: FHA-insured	Commercial: Residential: VA-guaranteed	Commercial: Residential: Conventional	Commercial: Other nonfarm	Commercial: Farm	Mutual savings bank holdings[2]: Total	Mutual: Residential: Total	Mutual: Residential: FHA-insured	Mutual: Residential: VA-guaranteed	Mutual: Residential: Conventional	Mutual: Other nonfarm	Mutual: Farm
1941	4,906	3,292	......	......	......	1,048	566	4,812	3,884	......	......	......	900	28
1945	4,772	3,395	......	......	......	856	521	4,208	3,387	......	......	......	797	24
1964	43,976	28,933	7,315	2,742	18,876	12,405	2,638	40,556	36,487	12,287	11,121	13,079	4,016	53
1965	49,675	32,387	7,702	2,688	21,997	14,377	2,911	44,617	40,096	13,791	11,408	14,897	4,469	52
1966	54,380	34,876	7,544	2,599	24,733	16,366	3,138	47,337	42,242	14,500	11,471	16,272	5,041	53
1967	59,019	37,642	7,709	2,696	27,237	17,931	3,446	50,490	44,641	15,074	11,795	17,772	5,732	117
1968	65,696	41,433	7,926	2,708	30,800	20,505	3,758	53,456	46,748	15,569	12,033	19,146	6,592	117
1968—III	63,779	40,251	7,768	2,657	29,826	19,771	3,757	52,496	46,051	15,367	11,945	18,739	6,329	116
IV	65,696	41,433	7,926	2,708	30,800	20,505	3,758	53,456	46,748	15,569	12,033	19,146	6,592	117
1969—I	67,146	42,302	7,953	2,711	31,638	20,950	3,894	54,178	47,305	15,678	12,097	19,530	6,756	117
II	69,079	43,532	8,060	2,743	32,729	21,459	4,088	54,844	47,818	15,769	12,151	19,898	6,908	117
III	70,336	44,331	8,065	2,793	33,470	21,924	4,081	55,359	48,189	15,813	12,169	20,207	7,053	117
IV	70,705	44,573	7,960	2,663	33,950	22,113	4,019	56,138	48,682	15,862	12,166	20,654	7,342	114
1970—I	70,854	44,568	7,888	2,496	34,184	22,248	4,038	56,394	48,874	15,865	12,105	20,904	7,413	107
II	71,291	44,845	7,800	2,575	34,469	22,392	4,054	56,880	49,260	15,931	12,092	21,237	7,519	101
III	72,393	45,318	7,885	2,583	34,850	22,825	4,250	57,402	49,628	16,017	12,127	21,654	7,671	103
IV	73,275	45,640	7,919	2,589	35,131	23,284	4,351	57,948	49,937	16,087	12,008	21,842	7,893	119
1971—I	74,424	46,343	7,971	2,595	35,777	23,595	4,486	58,680	50,553	16,157	12,010	22,386	8,014	113
II	76,639	48,163	8,146	2,636	37,381	24,477	3,999	59,643	51,362	16,281	12,011	23,069	8,174	107

[1] Includes loans held by nondeposit trust companies, but not bank trust depts.

[2] Data for 1941 and 1945, except for totals, are special F.R. estimates.

NOTE.—Second and fourth quarters, Federal Deposit Insurance Corporation series for all commercial and mutual savings banks in the United States and possessions. First and third quarters, estimates based on special F.R. interpolations after 1963 or beginning 1964. For earlier years, the basis for first- and third-quarter estimates included F.R. commercial bank call report data and data from the National Assn. of Mutual Savings Banks.

MORTGAGE ACTIVITY OF LIFE INSURANCE COMPANIES

(In millions of dollars)

Period	Loans acquired: Total	Nonfarm: Total	Nonfarm: FHA-insured	Nonfarm: VA-guaranteed	Nonfarm: Other [1]	Farm	Loans outstanding (end of period): Total	Nonfarm: Total	Nonfarm: FHA-insured	Nonfarm: VA-guaranteed	Nonfarm: Other	Farm
1945	976	....	....	....	....	....	6,637	5,860	1,394	....	4,466	766
1963	9,172	8,306	1,598	678	6,030	866	50,544	46,752	10,756	6,401	29,595	3,792
1964	10,433	9,386	1,812	674	6,900	1,047	55,152	50,848	11,484	6,403	32,961	4,304
1965	11,137	9,988	1,738	553	7,697	1,149	60,013	55,190	12,068	6,286	36,836	4,823
1966	10,217	9,223	1,300	467	7,456	994	64,609	59,369	12,351	6,201	40,817	5,240
1967	8,470	7,633	757	444	6,432	837	67,516	61,947	12,161	6,122	43,664	5,569
1968	7,925	7,153	755	346	6,052	722	69,973	64,172	12,469	5,954	45,749	5,801
1969	7,531	6,943	663	220	6,108	537	72,027	66,254	12,271	5,701	48,282	5,773
1970	7,127	6,763	401	82	6,280	314	74,345	68,693	11,325	5,390	51,978	5,652
1970—Dec.	1,143	1,099	44	8	1,047	44	74,345	68,693	11,325	5,390	51,978	5,652
1971—Jan.	448	423	17	7	399	25	74,370	68,779	11,383	5,368	52,028	5,591
Feb.	449	425	17	5	407	24	74,437	68,871	11,338	5,346	52,187	5,566
Mar.	623	579	33	5	541	44	74,516	68,973	11,302	5,316	52,355	5,543
Apr.	578	533	18	8	507	45	74,536	68,993	11,237	5,284	52,472	5,543
May	491	442	24	8	410	49	74,552	68,425	11,186	5,254	51,985	5,554
June	537	494	29	9	456	42	74,535	68,973	11,123	5,219	52,631	5,562
July	590	551	20	8	523	39	74,583	69,017	11,048	5,180	52,789	5,566
Aug.	735	684	23	8	601	51	74,707	69,121	10,975	5,142	52,438	5,586
Sept.	672	636	73	10	515	36	74,799	69,209	10,950	5,104	52,590	5,590
Oct.	607	568	28	11	487	39	74,864	69,270	10,884	5,071	52,749	5,594
Nov.	607	565	20	9	492	42	74,903	69,302	10,843	5,047	52,854	5,596
Dec.	1,346	1,285	18	10	1,252	61	75,596	69,995	10,760	5,001	53,660	5,601

[1] Includes mortgage loans secured by land on which oil drilling or *extracting operations are in process.*

NOTE.—Institute of Life Insurance data. For loans acquired, the monthly figures may not add to annual totals; and for loans outstanding the end-of-Dec. figures may differ from end-of-year figures because (1) monthly figures represent book value of ledger assets, whereas year-end figures represent annual statement asset values, and (2) data for year-end adjustments are more complete. Beginning 1970 monthly and year-earlier data are on a statement balance basis.

MORTGAGE ACTIVITY OF SAVINGS AND LOAN ASSOCIATIONS

(In millions of dollars)

Period	Loans made: Total [1]	Loans made: New home construction	Loans made: Home purchase	Loans outstanding (end of period): Total [2]	FHA-insured	VA-guaranteed	Conventional
1945	1,913	181	1,358	5,376	....	....	....
1963	25,173	7,185	10,055	90,944	4,696	6,960	79,288
1964	24,913	6,638	10,538	101,333	4,894	6,683	89,756
1965	24,192	6,013	10,830	110,306	5,145	6,398	98,763
1966	16,924	3,653	7,828	114,427	5,269	6,157	103,001
1967	20,122	4,243	9,604	121,805	5,791	6,351	109,663
1968	21,983	4,916	11,215	130,802	6,658	7,012	117,132
1969	21,847	4,757	11,254	140,347	7,917	7,658	124,772
1970	21,387	4,150	10,239	150,562	10,195	8,507	131,860
1971—Jan.	1,667	307	752	151,503	10,473	8,673	132,357
Feb.	1,887	346	818	152,665	10,810	8,766	133,089
Mar.	2,795	521	1,143	154,430	12,123	8,922	134,320
Apr.	3,168	597	1,306	156,574	11,560	9,128	135,886
May	3,438	620	1,451	158,747	11,885	9,299	137,563
June	4,301	718	2,109	161,440	12,273	9,580	139,587
July	4,151	686	2,087	163,951	12,592	9,784	141,575
Aug.	4,111	641	2,225	166,342	12,852	10,034	143,456
Sept.	3,672	628	1,951	168,464	13,130	10,232	145,102
Oct.	3,405	609	1,717	170,106	13,278	10,374	146,454
Nov.	3,298	589	1,661	172,047	13,521	10,582	147,944
Dec.	3,592	573	1,590	174,385	13,798	10,848	149,739
1972—Jan.	2,625	480	1,249	175,819	13,984	11,014	150,821

[1] Includes loans for repairs, additions and alterations, refinancing, etc. not shown separately.

[2] Beginning with 1958, includes shares pledged against mortgage loans; beginning with 1966, includes junior liens and real estate sold on contract; and beginning with 1967, includes downward structural adjustment for change in universe.

NOTE.—Federal Home Loan Bank Board data.

FEDERAL HOME LOAN BANKS

(In millions of dollars)

Period	Advances	Repayments	Advances outstanding (end of period): Total	Short-term [1]	Long-term [2]	Members' deposits
1945	278	213	195	176	19	46
1964	5,565	5,025	5,325	2,846	2,479	1,199
1965	5,007	4,335	5,997	3,074	2,923	1,043
1966	3,804	2,866	6,935	5,006	1,929	1,036
1967	1,527	4,076	4,386	3,985	401	1,432
1968	2,734	1,861	5,259	4,867	392	1,382
1969	5,531	1,500	9,289	8,434	855	1,041
1970	3,256	1,929	10,615	3,081	7,534	2,331
1971	2,714	5,392	7,936	3,002	4,934	1,789
1971—Jan.	43	331	10,326	2,924	7,403	2,750
Feb.	27	428	9,926	2,697	7,230	3,093
Apr.	71	1,492	8,269	2,226	6,043	2,828
May	151	1,151	7,267	2,322	4,945	2,376
June	238	264	7,241	2,397	4,844	2,111
July	309	213	7,338	2,544	4,794	r1,696
Aug.	358	183	7,514	2,812	4,702	1,528
Sept.	327	203	7,637	2,844	4,793	1,522
Oct.	306	303	7,640	2,874	4,766	1,450
Nov.	364	296	7,709	2,829	4,880	1,549
Dec.	490	262	7,936	3,002	4,934	1,789
1972—Jan.	186	885	7,238	2,569	4,669	1,948

[1] Secured or unsecured loans maturing in 1 year or less.

[2] Secured loans, amortized quarterly, having maturities of more than 1 year but not more than 10 years.

NOTE.—Federal Home Loan Bank Board data.

MORTGAGE DEBT OUTSTANDING ON RESIDENTIAL PROPERTIES

(In billions of dollars)

End of period	All residential			Multifamily[1]		
	Total	Financial institutions	Other holders	Total	Financial institutions	Other holders
1941	24.2	14.9	9.4	5.9	3.6	2.2
1945	24.3	15.7	8.6	5.7	3.5	2.2
1963	211.2	176.7	34.5	29.0	20.7	8.3
1964	231.1	195.4	35.7	33.6	25.1	8.5
1965	250.1	213.2	36.9	37.2	29.0	8.2
1966	264.0	223.7	40.3	40.3	31.5	8.8
1967p	280.0	236.6	43.4	43.9	34.7	9.2
1968p	298.6	250.8	47.8	47.3	37.7	9.6
1969—III	314.1	262.7	51.4	50.6	40.2	10.4
IV	319.0	265.0	54.0	52.2	41.3	10.9
1970—I	321.7	265.9	55.8	53.2	42.9	10.3
II	326.3	268.9	57.4	54.5	43.2	11.3
III	332.2	272.8	59.4	56.1	44.3	11.8
IV	338.2	277.2	61.0	58.0	45.8	12.2
1971—I	343.3	281.6	61.7	59.7	47.2	12.5
II	353.1	290.1	63.0	62.3	49.4	12.9

[1] Structures of five or more units.

NOTE.—Based on data from same source as for "Mortgage Debt Outstanding" table (second preceding page).

MORTGAGE DEBT OUTSTANDING ON NONFARM 1- to 4-FAMILY PROPERTIES

(In billions of dollars)

End of period	Total	Government-underwritten			Conventional
		Total	FHA-insured	VA-guaranteed[1]	
1954	18.6	4.3	4.1	.2	14.3
1963	182.2	65.9	35.0	30.9	116.3
1964	197.6	69.2	38.3	30.9	128.3
1965	212.9	73.1	42.0	31.1	139.8
1966	223.6	76.1	44.8	31.3	147.6
1967p	236.1	79.9	47.4	32.5	156.1
1968p	251.2	84.4	50.6	33.8	166.8
1969—I	254.8	85.3	51.4	33.9	169.6
II	259.5	87.1	52.2	34.9	172.3
III	263.5	88.8	53.4	35.5	174.6
IV	266.8	90.2	54.5	35.7	176.6
1970—I	268.5	91.6	55.6	36.0	176.9
II	271.7	92.2	56.1	36.0	179.6
III	276.0	95.1	58.1	37.0	181.0
IV	280.2	97.3	59.9	37.3	182.9
1971—I	283.6	98.2	61.0	37.3	185.3
II	290.9	100.4	62.8	37.6	190.5

[1] Includes outstanding amount of VA vendee accounts held by private investors under repurchase agreement.

NOTE.—For total debt outstanding, figures are FHLBB and F.R. estimates. For conventional, figures are derived.

Based on data from FHLBB, Federal Housing Admin., and Veterans Admin.

GOVERNMENT-UNDERWRITTEN RESIDENTIAL LOANS MADE

(In millions of dollars)

Period	FHA-insured					VA-guaranteed		
	Total	Mortgages		Projects[1]	Property improvements[2]	Total[3]	Mortgages	
		New homes	Existing homes				New homes	Existing homes
1945	665	257	217	20	171	192	......	......
1964	8,130	1,608	4,965	895	663	2,846	1,023	1,821
1965	8,689	1,705	5,760	591	634	2,652	876	1,774
1966	7,320	1,729	4,366	583	641	2,600	980	1,618
1967	7,150	1,369	4,516	642	623	3,405	1,143	2,259
1968	8,275	1,572	4,924	1,123	656	3,774	1,430	2,343
1969	9,129	1,551	5,570	1,316	693	4,072	1,493	2,579
1970	11,981	2,667	5,447	3,250	617	3,442	1,311	2,131
1970—Oct.	1,218	304	564	292	57	341	117	224
Nov.	1,063	273	497	248	45	318	106	212
Dec.	1,351	280	472	549	50	316	109	207
1971—Jan.	999	295	476	187	41	297	102	195
Feb.	951	284	450	185	32	256	90	166
Mar.	1,097	318	531	202	46	303	98	205
Apr.	1,136	293	467	330	46	350	98	252
May	1,203	290	504	354	55	417	111	306
June	1,372	322	629	399	21	519	127	392
July	1,340	338	646	304	53	561	135	426
Aug.	1,393	407	710	216	60	577	146	431
Sept.	1,242	320	543	290	89	693	188	506
Oct.	1,202	318	504	276	105	......	......	......
Nov.	1,220	358	511	273	77	757	226	526

[1] Monthly figures do not reflect mortgage amendments included in annual totals.

[2] Not ordinarily secured by mortgages.

[3] Includes a small amount of alteration and repair loans, not shown separately; only such loans in amounts of more than $1,000 need be secured.

NOTE.—Federal Housing Admin. and Veterans Admin. data. FHA-insured loans represent gross amount of insurance written; VA-guaranteed loans, gross amounts of loans closed. Figures do not take into account principal repayments on previously insured or guaranteed loans. For VA-guaranteed loans, amounts by type are derived from data on number and average amount of loans closed.

DELINQUENCY RATES ON HOME MORTGAGES

(Per 100 mortgages held or serviced)

End of period	Loans not in foreclosure but delinquent for—				Loans in foreclosure
	Total	30 days	60 days	90 days or more	
1963	3.30	2.32	.60	.38	.34
1964	3.21	2.35	.55	.31	.38
1965	3.29	2.40	.55	.34	.40
1966	3.40	2.54	.54	.32	.36
1967	3.47	2.66	.54	.27	.32
1968	3.17	2.43	.51	.23	.26
1969	3.22	2.43	.52	.27	.27
1967—I	3.04	2.17	.56	.31	.38
II	2.85	2.14	.45	.26	.34
III	3.15	2.36	.52	.27	.31
IV	3.47	2.66	.54	.27	.32
1968—I	2.84	2.11	.49	.24	.32
II	2.89	2.23	.44	.22	.28
III	2.93	2.23	.48	.22	.26
IV	3.17	2.43	.51	.23	.26
1969—I	2.77	2.04	.49	.24	.26
II	2.68	2.06	.41	.21	.25
III	2.91	2.18	.47	.26	.25
IV	3.22	2.43	.52	.27	.27
1970—I	2.96	2.14	.52	.30	.31
II	2.83	2.10	.45	.28	.31
III	3.10	2.26	.53	.31	.25
IV	3.64	2.67	.61	.36	.33
1971—I	3.21	2.26	.56	.39	.40
II	3.27	2.36	.53	.38	.38

NOTE.—Mortgage Bankers Association of America data from reports on 1- to 4-family FHA-insured, VA-guaranteed, and conventional mortgages held by more than 400 respondents, including mortgage bankers (chiefly), commercial banks, savings banks, and savings and loan associations.

GOVERNMENT NATIONAL MORTGAGE ASSOCIATION ACTIVITY

(In millions of dollars)

End of period	Mortgage holdings			Mortgage transactions (during period)		Mortgage commitments	
	Total	FHA-insured	VA-guaranteed	Purchases	Sales	Made during period	Outstanding
1967	3,348	2,756	592	860	....	1,045	1,171
1968	4,220	3,569	651	1,089	1	867	1,266
1969	4,820	4,220	600	827	....	615	1,130
1970	5,184	4,634	550	621	....	897	738
1970–Nov.	5,141	4,587	554	35	....	42	776
Dec.	5,184	4,634	550	70	....	37	738
1971–Jan.	5,188	4,641	546	35	....	27	705
Feb.	5,213	4,670	543	38	....	21	682
Mar.	5,241	4,703	538	56	....	100	707
Apr.	5,244	4,710	534	39	....	120	786
May	5,261	4,731	530	40	....	171	906
June	5,275	4,751	524	43	43	424	1,247
July	5,282	4,761	520	25	25	487	1,586
Aug.	5,279	....	....	....	....	....	....
Sept.	5,259	4,749	510	....	....	....	....
Oct.	5,245	....	....	....	....	....	....
Nov.	5,260	....	....	24	....	....	....

NOTE.—Government National Mortgage Assn. data. Data prior to Sept. 1968 relate to Special Assistance and Management and Liquidating portfolios of former FNMA and include mortgages subject to participation pool of Government Mortgage Liquidation Trust, but exclude conventional mortgage loans acquired by former FNMA from the RFC Mortgage Co., the Defense Homes Corp., the Public Housing Admin., and Community Facilities Admin.

FEDERAL NATIONAL MORTGAGE ASSOCIATION ACTIVITY

(In millions of dollars)

End of period	Mortgage holdings			Mortgage transactions (during period)		Mortgage commitments	
	Total	FHA-insured	VA-guaranteed	Purchases	Sales	Made during period	Outstanding
1967	5,522	4,048	1,474	1,400	12	1,736	501
1968	7,167	5,121	2,046	1,944	....	2,697	1,287
1969	10,950	7,680	3,270	4,121	....	6,630	3,539
1970	15,502	11,071	4,431	5,078	....	8,047	5,203
1970–Nov.	15,396	10,981	4,416	294	....	541	4,930
Dec.	15,502	11,071	4,431	165	....	600	5,203
1971–Jan.	15,520	11,092	4,428	75	4	139	5,092
Feb.	15,448	11,061	4,391	60	72	80	4,865
Mar.	15,420	11,012	4,408	76	46	33	4,380
Apr.	15,308	10,933	4,375	58	105	457	4,381
May	15,242	10,893	4,349	91	92	871	920
June	15,363	10,970	4,393	239	10	1,294	5,750
July	15,674	11,184	4,490	407	....	576	5,709
Aug.	16,304	11,662	4,642	659	....	1,219	5,146
Sept.	16,732	....	....	635	....	572	5,327
Oct.	17,202	....	....	....	....	....	....
Nov.	17,535	....	....	406	....	893	5,466

NOTE.—Federal National Mortgage Assn. data. Data prior to Sept. 1968 relate to secondary market portfolio of former FNMA. Mortgage commitments made during the period include some multifamily and nonprofit hospital loan commitments in addition to 1- to 4- family loan commitments accepted in FNMA's free market auction system, and through the FNMA-GNMA Tandem Plan (Program 18).

HOME-MORTGAGE YIELDS

(In per cent)

Period	Primary market (conventional loans)			Secondary market
	FHLBB series (effective rate)		FHA series	Yield on FHA-insured new home loans
	New homes	Existing homes	New homes	
1968	6.97	7.03	7.12	7.21
1969	7.81	7.82	7.99	8.26
1970	8.44	8.35	8.52	9.05
1971	7.60	7.54	7.75	7.70
1971—Jan.	8.18	8.08	7.95	....
Feb.	7.91	7.80	7.75	....
Mar.	7.66	7.60	7.60	7.32
Apr.	7.49	7.47	7.55	7.37
May	7.47	7.45	7.65	7.75
June	7.50	7.50	7.70	7.89
July	7.66	7.63	7.80	7.97
Aug.	7.74	7.71	7.85	7.92
Sept.	7.83	7.76	7.85	7.84
Oct.	7.84	7.75	7.80	7.75
Nov.	7.79	7.71	7.75	7.62
Dec.	r7.62	7.51	7.70	7.59
1972—Jan.	7.62	7.46	7.60	7.49

NOTE.—Annual data are averages of monthly figures. The FHA data are based on opinion reports submitted by field offices on prevailing local conditions as of the first of the succeeding month. Yields on FHA-insured mortgages 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. Gaps in data are due to periods of adjustment to changes in maximum permissible contract interest rates. The FHA series on average contract interest rates on conventional first mortgages in primary markets are unweighted and are rounded to the nearest 5 basis points. The FHLBB effective rate series reflects fees and charges as well as contract rates (as shown in the table on conventional first-mortgage terms, p. A-37) and an assumed prepayment at end of 10 years.

FEDERAL NATIONAL MORTGAGE ASSOCIATION AUCTIONS

Date of auction	Government-underwritten home loans			Conventional home loans		
	Mortgage amounts		Average yield (short-term commitments)	Mortgage amounts		Average yield (short-term commitments)
	Offered	Accepted		Offered	Accepted	
	In millions of dollars		In percent	In millions of dollars		In percent
1 71—Aug. 25	634.6	153.5	8.01	....	....	....
Sept. 8	445.2	188.6	7.91	....	....	....
20	437.5	193.0	7.89	....	....	....
Oct. 4	365.1	194.8	7.89	....	....	....
18	219.8	103.6	7.85	....	....	....
Nov. 1	126.0	56.4	7.79	....	....	....
15	145.2	102.0	7.71	....	....	....
29	210.6	101.1	7.67	....	....	....
Dec. 12	232.5	70.2	7.63	....	....	....
27	222.7	148.1	7.63	....	....	....
1972—Jan. 10	136.9	72.9	7.62	....	....	....
24	103.6	54.9	7.61	....	....	....
Feb. 7	88.7	63.9	7.61	62.4	34.9	7.74
22	68.6	44.8	7.61	21.1	11.5	7.64

NOTE.—Average secondary market yields are gross—before deduction of 38 basis-point fee paid for mortgage servicing. They reflect the average accepted bid yield 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. Beginning Oct. 18, 1971, the maturity on new short-term commitments was extended from 3 to 4 months. Mortgage amounts offered by bidders are total eligible bids received.

TOTAL CREDIT

(In millions of dollars)

End of period	Total	Instalment: Total	Instalment: Automobile paper	Instalment: Other consumer goods paper	Instalment: Repair and modernization loans [1]	Instalment: Personal loans	Noninstalment: Total	Noninstalment: Single-payment loans	Noninstalment: Charge accounts	Noninstalment: Service credit
1939	7,222	4,503	1,497	1,620	298	1,088	2,719	787	1,414	518
1941	9,172	6,085	2,458	1,929	376	1,322	3,087	845	1,645	597
1945	5,665	2,462	455	816	182	1,009	3,203	746	1,612	845
1950	21,471	14,703	6,074	4,799	1,016	2,814	6,768	1,821	3,367	1,580
1955	38,830	28,906	13,460	7,641	1,693	6,112	9,924	3,002	4,795	2,127
1960	56,141	42,968	17,658	11,545	3,148	10,617	13,173	4,507	5,329	3,337
1965	90,314	71,324	28,619	18,565	3,728	20,412	18,990	7,671	6,430	4,889
1966	97,543	77,539	30,556	20,978	3,818	22,187	20,004	7,972	6,686	5,346
1967	102,132	80,926	30,724	22,395	3,789	24,018	21,206	8,428	6,968	5,810
1968	113,191	89,890	34,130	24,899	3,925	26,936	23,301	9,138	7,755	6,408
1969	122,469	98,169	36,602	27,609	4,040	29,918	24,300	9,096	8,234	6,970
1970	126,802	101,161	35,490	29,949	4,110	31,612	25,641	9,484	8,850	7,307
1971	137,237	109,545	38,310	32,447	4,356	34,432	27,692	10,300	9,818	7,574
1971—Jan.	125,077	100,101	35,004	29,575	4,067	31,455	24,976	9,480	8,094	7,402
Feb.	123,815	99,244	34,869	28,928	4,051	31,396	24,571	9,506	7,353	7,712
Mar.	123,604	99,168	35,028	28,591	4,045	31,504	24,436	9,557	7,207	7,672
Apr.	125,047	100,028	35,496	28,682	4,077	31,773	25,019	9,676	7,689	7,654
May	126,025	100,692	35,819	28,706	4,126	32,041	25,333	9,765	8,004	7,564
June	127,388	101,862	36,349	28,976	4,186	32,351	25,526	9,862	8,214	7,450
July	128,354	102,848	36,763	29,165	4,240	32,680	25,506	9,854	8,271	7,381
Aug.	129,704	104,060	37,154	29,477	4,295	33,134	25,644	9,997	8,305	7,342
Sept.	130,644	104,973	37,383	29,840	4,330	33,420	25,671	10,061	8,305	7,305
Oct.	131,606	105,763	37,759	30,072	4,357	33,575	25,843	10,097	8,435	7,311
Nov.	133,263	107,097	38,164	30,586	4,370	33,977	26,166	10,182	8,634	7,350
Dec.	137,237	109,545	38,310	32,447	4,356	34,432	27,692	10,300	9,818	7,574
1972 Jan.	135,830	108,826	38,111	32,096	4,319	34,300	27,004	10,324	8,929	7,751

[1] Holdings of financial institutions; holdings of retail outlets are included in "other consumer goods paper."

NOTE.—Consumer credit estimates cover loans to individuals for household, family, and other personal expenditures, except real estate mortgage loans. For back figures and description of the data, see "Consumer Credit," Section 16 (New) of *Supplement to Banking and Monetary Statistics*, 1965, and pp. 983–1003 of the BULLETIN for Dec. 1968.

INSTALMENT CREDIT

(In millions of dollars)

End of period	Total	Financial institutions: Total	Financial institutions: Commercial banks	Financial institutions: Finance cos. [1]	Financial institutions: Credit unions	Financial institutions: Miscellaneous lenders [1]	Retail outlets: Total	Retail outlets: Automobile dealers [2]	Retail outlets: Other retail outlets
1939	4,503	3,065	1,079	1,836	132	18	1,438	123	1,315
1941	6,085	4,480	1,726	2,541	198	15	1,605	188	1,417
1945	2,462	1,776	745	910	102	19	686	28	658
1950	14,703	11,805	5,798	5,315	590	102	2,898	287	2,611
1955	28,906	24,398	10,601	11,838	1,678	281	4,508	487	4,021
1960	42,968	36,673	16,672	15,435	3,923	643	6,295	359	5,936
1965	71,324	61,533	28,962	24,282	7,324	965	9,791	315	9,476
1966	77,539	66,724	31,319	26,091	8,255	1,059	10,815	277	10,538
1967	80,926	69,490	32,700	26,734	8,972	1,084	11,436	285	11,151
1968	89,890	77,457	36,952	29,098	10,178	1,229	12,433	320	12,113
1969	98,169	84,982	40,305	31,734	11,594	1,349	13,187	336	12,851
1970	101,161	87,064	41,895	31,123	12,500	1,546	14,097	327	13,770
1971	109,545	94,086	45,976	32,140	14,191	1,779	15,459	360	15,099
1971—Jan.	100,101	86,308	41,611	30,791	12,353	1,553	13,793	324	13,469
Feb.	99,244	85,910	41,446	30,511	12,351	1,602	13,334	323	13,011
Mar.	99,168	86,015	41,563	30,326	12,509	1,617	13,153	325	12,828
Apr.	100,028	86,805	42,094	30,369	12,686	1,656	13,223	330	12,893
May	100,692	87,491	42,482	30,441	12,874	1,694	13,201	334	12,867
June	101,862	88,544	43,011	30,609	13,206	1,718	13,318	339	12,979
July	102,848	89,458	43,509	30,906	13,296	1,747	13,390	344	13,046
Aug.	104,060	90,536	44,112	31,098	13,570	1,756	13,524	347	13,177
Sept.	104,973	91,279	44,603	31,133	13,780	1,763	13,694	349	13,345
Oct.	105,763	91,943	44,947	31,331	13,875	1,790	13,820	354	13,466
Nov.	107,097	92,901	45,396	31,643	14,052	1,810	14,196	359	13,837
Dec.	109,545	94,086	45,976	32,140	14,191	1,779	15,459	360	15,099
1972—Jan.	108,826	93,668	45,878	31,948	14,062	1,780	15,158	359	14,799

[1] Finance companies consist of those institutions formerly classified as sales finance, consumer finance, and other finance companies. Miscellaneous lenders include savings and loan associations and mutual savings banks.

[2] Automobile paper only; other instalment credit held by automobile dealers is included with "other retail outlets."

See also NOTE to table above.

INSTALMENT CREDIT HELD BY COMMERCIAL BANKS

(In millions of dollars)

End of period	Total	Automobile paper		Other consumer goods paper	Repair and modernization loans	Personal loans
		Purchased	Direct			
1939	1,079	237	178	166	135	363
1941	1,726	447	338	309	161	471
1945	745	66	143	114	110	312
1950	5,798	1,177	1,294	1,456	834	1,037
1955	10,601	3,243	2,062	2,042	1,338	1,916
1960	16,672	5,316	2,820	2,759	2,200	3,577
1965	28,962	10,209	5,659	4,166	2,571	6,357
1966	31,319	11,024	5,956	4,681	2,647	7,011
1967	32,700	10,927	6,267	5,126	2,629	7,751
1968	36,952	12,213	7,105	6,060	2,719	8,855
1969	40,305	12,784	7,620	7,415	2,751	9,735
1970	41,895	12,433	7,587	8,633	2,760	10,482
1971	45,976	13,003	8,752	9,805	2,864	11,552
1971—Jan.	41,611	12,253	7,530	8,613	2,727	10,488
Feb.	41,446	12,165	7,561	8,535	2,704	10,481
Mar.	41,563	12,147	7,667	8,499	2,692	10,558
Apr.	42,094	12,268	7,825	8,595	2,702	10,704
May	42,482	12,361	7,942	8,676	2,729	10,774
June	43,011	12,484	8,098	8,821	2,765	10,843
July	43,509	12,614	8,220	8,931	2,803	10,941
Aug.	44,112	12,753	8,318	9,074	2,838	11,129
Sept.	44,603	12,831	8,380	9,235	2,860	11,297
Oct.	44,947	12,932	8,509	9,301	2,874	11,331
Nov.	45,396	13,015	8,680	9,412	2,875	11,414
Dec.	45,976	13,003	8,752	9,805	2,864	11,552
1972—Jan.	45,878	12,957	8,734	9,783	2,835	11,569

See NOTE to first table on preceding page.

INSTALMENT CREDIT HELD BY FINANCE COMPANIES

(In millions of dollars)

End of period	Total	Automobile paper	Other consumer goods paper	Repair and modernization loans	Personal loans
1939	1,836	932	134	151	619
1941	2,541	1,438	194	204	705
1945	910	202	40	62	606
1950	5,315	3,157	692	80	1,386
1955	11,838	7,108	1,448	42	3,240
1960	15,435	7,703	2,553	173	5,006
1965	24,282	9,400	4,425	224	10,233
1966	26,091	9,889	5,171	191	10,840
1967	26,734	9,538	5,479	154	11,563
1968	29,098	10,279	5,999	113	12,707
1969	31,734	11,053	6,514	106	14,061
1970	31,123	9,941	6,648	94	14,440
1971	32,140	10,279	6,521	107	15,233
1971—Jan.	30,791	9,754	6,605	93	14,339
Feb.	30,511	9,672	6,493	93	14,253
Mar.	30,326	9,674	6,363	93	14,196
Apr.	30,369	9,781	6,280	98	14,210
May	30,441	9,810	6,236	100	14,295
June	30,609	9,918	6,224	101	14,366
July	30,906	10,037	6,230	101	14,538
Aug.	31,098	10,077	6,249	103	14,669
Sept.	31,133	10,077	6,268	104	14,684
Oct.	31,331	10,177	6,306	105	14,743
Nov.	31,643	10,248	6,325	106	14,964
Dec.	32,140	10,279	6,521	107	15,233
1972—Jan.	31,948	10,197	6,501	108	15.142

NOTE.—Finance companies consist of those institutions formerly classified as sales finance, consumer finance, and other finance companies.

INSTALMENT CREDIT HELD BY OTHER FINANCIAL LENDERS

(In millions of dollars)

End of period	Total	Automobile paper	Other consumer goods paper	Repair and modernization loans	Personal loans
1939	150	27	5	12	106
1941	213	47	9	11	146
1945	121	16	4	10	91
1950	692	159	40	102	391
1955	1,959	560	130	313	956
1960	4,566	1,460	297	775	2,034
1965	8,289	3,036	498	933	3,822
1966	9,314	3,410	588	980	4,336
1967	10,056	3,707	639	1,006	4,704
1968	11,407	4,213	727	1,093	5,374
1969	12,943	4,809	829	1,183	6,122
1970	14,046	5,202	898	1,256	6,690
1971	15,970	5,916	1,022	1,385	7,647
1971—Jan.	13,906	5,143	888	1,247	6.628
Feb.	13,953	5,148	889	1,254	6,662
Mar.	14,126	5,215	901	1,260	6,750
Apr.	14,342	5,292	914	1,277	6,859
May	14,568	5,372	927	1,297	6,972
June	14,924	5,510	952	1,320	7,142
July	15,043	5,548	958	1,336	7,201
Aug.	15,326	5,659	977	1,354	7,336
Sept.	15,543	5,746	992	1,366	7,439
Oct.	15,665	5,787	999	1,378	7,501
Nov.	15,862	5,862	1,012	1,389	7,599
Dec.	15,970	5,916	1,022	1,385	7,647
1972—Jan.	15,842	5.864	1.013	1,376	7.589

NOTE.—Other financial lenders consist of credit unions and miscellaneous lenders.

NONINSTALMENT CREDIT

(In millions of dollars)

End of period	Total	Single-payment loans		Charge accounts		Service credit
		Commercial banks	Other financial institutions	Retail outlets	Credit cards[1]	
1939	2,719	625	162	1,414	....	518
1941	3,087	693	152	1,645	....	597
1945	3,203	674	72	1,612	....	845
1950	6,768	1,576	245	3,291	76	1,580
1955	9,924	2,635	367	4,579	216	2,127
1960	13,173	3,884	623	4,893	436	3,337
1965	18,990	6,690	981	5,724	706	4,889
1966	20,004	6,946	1,026	5,812	874	5,346
1967	21,206	7,340	1,088	5,939	1,029	5,810
1968	23,301	7,975	1,163	6,450	1,305	6,408
1969	24,300	7,900	1,196	6,650	1,584	6,970
1970	25,641	8,205	1,279	6,932	1,918	7,307
1971	27,692	8,916	1,384	7,597	2,221	7,574
1971—Jan.	24,976	8,196	1,284	6,144	1,950	7,402
Feb.	24,571	8,205	1,301	5,435	1,918	7,712
Mar.	24,436	8,249	1,308	5,316	1,891	7,672
Apr.	25,019	8,350	1,326	5,774	1,915	7,654
May	25,333	8,425	1,340	6,046	1,958	7,564
June	25,526	8,512	1,350	6,199	2,015	7,450
July	25,506	8,498	1,356	6,173	2,098	7,381
Aug.	25,644	8,633	1,364	6,120	2,185	7,342
Sept.	25,671	8,694	1,367	6,101	2,204	7,305
Oct.	25,843	8,722	1,375	6,269	2,166	7,311
Nov.	26,166	8,795	1,387	6,482	2,152	7,350
Dec.	27,692	8,916	1,384	7,597	2,221	7,574
1972—Jan.	27,004	8.937	1,387	6,719	2,210	7.751

[1] Service station and miscellaneous credit-card accounts and home-heating-oil accounts. Bank credit card accounts outstanding are included in estimates of instalment credit outstanding.

See also NOTE to first table on preceding page.

INSTALMENT CREDIT EXTENDED AND REPAID, BY TYPE OF CREDIT

(In millions of dollars)

Period	Total		Automobile paper		Other consumer goods paper		Repair and modernization loans		Personal loans	
	S.A.[1]	N.S.A.	S.A.[1]	N.S.A.	S.A.[1]	N.S.A.	S.A.[1]	N.S.A.	S.A.[1]	N.S.A.
					Extensions					
1965	....	78,586	....	27,227	....	22,750	....	2,266	....	26,343
1966	....	82,335	....	27,341	....	25,591	....	2,200	....	27,203
1967	....	84,693	....	26,667	....	26,952	....	2,113	....	28,961
1968	....	97,053	....	31,424	....	30,593	....	2,268	....	32,768
1969	....	102,888	....	32,354	....	33,079	....	2,278	....	35,177
1970	....	104,130	....	29,831	....	36,781	....	2,145	....	35,373
1971	....	117,638	....	34,638	....	40,979	....	2,550	....	39,471
1971—Jan.	8,916	7,545	2,461	1,997	3,252	2,868	177	122	3,026	2,558
Feb.	9,081	7,489	2,687	2,336	3,204	2,431	197	155	2,993	2,567
Mar.	9,533	9,575	2,897	3,074	3,210	3,076	209	197	3,217	3,228
Apr.	9,751	10,079	2,872	3,100	3,415	3,363	205	219	3,259	3,397
May	9,690	9,562	2,756	2,883	3,295	3,148	200	235	3,439	3,296
June	9,715	10,667	2,838	3,301	3,433	3,538	224	263	3,220	3,565
July	9,675	10,098	2,773	3,032	3,399	3,415	218	248	3,285	3,403
Aug.	10,049	10,300	3,004	3,066	3,465	3,465	222	253	3,358	3,516
Sept.	10,156	9,849	3,147	2,927	3,462	3,454	227	237	3,320	3,231
Oct.	10,031	9,797	2,992	3,037	3,467	3,423	229	225	3,343	3,112
Nov.	10,572	10,711	3,162	3,105	3,595	3,737	214	215	3,601	3,654
Dec.	10,130	11,966	2,973	2,780	3,604	5,061	217	181	3,336	3,944
1972—Jan.	10,184	8,766	2,978	2,470	3,706	3,297	221	156	3,279	2,843
					Repayments					
1965	....	69,957	....	23,543	....	20,518	....	2,116	....	23,780
1966	....	76,120	....	25,404	....	23,178	....	2,110	....	25,428
1967	....	81,306	....	26,499	....	25,535	....	2,142	....	27,130
1968	....	88,089	....	28,018	....	28,089	....	2,132	....	29,850
1969	....	94,609	....	29,882	....	30,369	....	2,163	....	32,195
1970	....	101,138	....	30,943	....	34,441	....	2,075	....	33,679
1971	....	109,254	....	31,818	....	38,481	....	2,304	....	36,651
1971—Jan.	8,829	8,605	2,623	2,483	3,145	3,242	175	165	2,886	2,715
Feb.	8,979	8,346	2,636	2,471	3,212	3,078	188	171	2,943	2,626
Mar.	9,038	9,651	2,696	2,915	3,164	3,413	196	203	2,982	3,120
Apr.	9,088	9,219	2,566	2,632	3,249	3,272	184	187	3,089	3,128
May	9,197	8,898	2,640	2,560	3,211	3,124	188	186	3,158	3,028
June	9,190	9,497	2,678	2,771	3,233	3,268	192	203	3,087	3,255
July	8,914	9,112	2,565	2,618	3,203	3,226	188	194	2,958	3,074
Aug.	9,222	9,088	2,697	2,675	3,262	3,153	196	198	3,067	3,062
Sept.	9,157	8,936	2,732	2,698	3,172	3,091	199	202	3,054	2,945
Oct.	9,107	9,007	2,634	2,661	3,219	3,191	197	198	3,057	2,957
Nov.	9,306	9,377	2,662	2,700	3,254	3,223	199	202	3,191	3,252
Dec.	9,230	9,518	2,696	2,634	3,188	3,200	198	195	3,148	3,489
1972—Jan.	9,547	9,485	2,761	2,669	3,501	3,648	201	193	3,084	2,975
					Net change in credit outstanding[2]					
1965	....	8,629	....	3,684	....	2,232	....	150	....	2,563
1966	....	6,215	....	1,937	....	2,413	....	90	....	1,775
1967	....	3,387	....	168	....	1,417	....	−29	....	1,831
1968	....	8,964	....	3,406	....	2,504	....	136	....	2,918
1969	....	8,279	....	2,472	....	2,710	....	115	....	2,982
1970	....	2,992	....	−1,112	....	2,340	....	70	....	1,694
1971	....	8,384	....	2,820	....	2,498	....	246	....	2,820
1971—Jan.	87	−1,060	−162	−486	107	−374	2	−43	140	−157
Feb.	102	−857	51	−135	−8	−647	9	−16	50	−59
Mar.	495	−76	201	159	46	−337	13	6	235	108
Apr.	663	860	306	468	166	91	21	32	170	269
May	493	664	116	323	84	24	12	49	281	268
June	525	1,170	160	530	200	270	32	60	133	310
July	761	986	208	414	196	189	30	54	327	329
Aug.	827	1,212	307	391	203	312	26	55	291	454
Sept.	999	913	415	229	290	363	28	35	266	286
Oct.	924	790	358	376	248	232	32	27	286	155
Nov.	1,266	1,334	500	405	341	514	15	13	410	402
Dec.	900	2,448	277	146	416	1,861	19	14	188	455
1972—Jan.	637	719	217	199	205	−351	20	−37	195	−132

[1] Includes adjustments for differences in trading days.

[2] Net changes in credit outstanding are equal to extensions less repayments.

NOTE.—Estimates are based on accounting records and often include financing charges. Renewals and refinancing of loans, purchases and sales of instalment paper, and certain other transactions may increase the amount of extensions and repayments without affecting the amount outstanding.

For back figures and description of the data, see "Consumer Credit," Section 16 (New) of *Supplement to Banking and Monetary Statistics*, 1965, and pp. 983–1003 of the BULLETIN for Dec. 1968.

INSTALMENT CREDIT EXTENDED AND REPAID, BY HOLDER

(In millions of dollars)

Period	Total		Commercial banks		Finance companies		Other financial lenders		Retail outlets	
	S.A.[1]	N.S.A.	S.A.[1]	N.S.A.	S.A.[1]	N.S.A.	S.A.[1]	N.S.A.	S.A.[1]	N.S.A.
Extensions										
1965	....	78,586	....	29,528	....	25,192	....	9,436	....	14,430
1966	....	82,335	....	30,073	....	25,406	....	10,362	....	16,494
1967	....	84,693	....	30,850	....	25,496	....	10,911	....	17,436
1968	....	97,053	....	36,332	....	28,836	....	12,850	....	19,035
1969	....	102,888	....	38,533	....	30,854	....	14,245	....	19,256
1970	....	104,130	....	39,136	....	29,662	....	14,619	....	20,713
1971	....	117,638	....	45,099	....	32,036	....	17,312	....	23,191
1971—Jan.	8,916	7,545	3,338	2,885	2,411	1,961	1,288	1,055	1,879	1,644
Feb.	9,081	7,489	3,478	2,988	2,513	2,121	1,282	1,117	1,808	1,263
Mar.	9,533	9,575	3,646	3,783	2,681	2,686	1,394	1,418	1,812	1,688
Apr.	9,751	10,079	3,676	3,948	2,624	2,672	1,475	1,552	1,976	1,907
May	9,690	9,562	3,600	3,671	2,798	2,655	1,441	1,493	1,851	1,743
June	9,715	10,667	3,806	4,207	2,490	2,832	1,513	1,724	1,906	1,904
July	9,675	10,098	3,644	3,917	2,676	2,791	1,423	1,506	1,932	1,884
Aug.	10,049	10,300	3,919	4,062	2,699	2,729	1,452	1,582	1,979	1,927
Sept.	10,156	9,849	3,989	3,932	2,718	2,549	1,488	1,439	1,961	1,929
Oct.	10,031	9,797	3,832	3,752	2,733	2,655	1,490	1,414	1,976	1,976
Nov.	10,572	10,711	4,140	3,931	2,853	3,015	1,564	1,535	2,015	2,230
Dec.	10,130	11,966	3,939	4,023	2,760	3,370	1,454	1,477	1,977	3,096
1972—Jan.	10,184	8,766	3,826	3,366	2,695	2,247	1,482	1,244	2,181	1,909
Repayments										
1965	....	69,957	....	25,663	....	22,551	....	8,310	....	13,433
1966	....	76,120	....	27,716	....	23,597	....	9,337	....	15,470
1967	....	81,306	....	29,469	....	24,853	....	10,169	....	16,815
1968	....	88,089	....	32,080	....	26,472	....	11,499	....	18,038
1969	....	94,609	....	35,180	....	28,218	....	12,709	....	18,502
1970	....	101,138	....	37,961	....	29,858	....	13,516	....	19,803
1971	....	109,254	....	41,018	....	31,019	....	15,388	....	21,829
1971—Jan.	8,829	8,605	3,385	3,169	2,486	2,293	1,199	1,195	1,759	1,948
Feb.	8,979	8,346	3,369	3,153	2,656	2,401	1,186	1,070	1,768	1,722
Mar.	9,038	9,651	3,387	3,666	2,674	2,871	1,207	1,245	1,770	1,869
Apr.	9,088	9,219	3,332	3,417	2,580	2,629	1,315	1,336	1,861	1,837
May	9,197	8,898	3,375	3,283	2,698	2,583	1,323	1,267	1,801	1,765
June	9,190	9,497	3,541	3,678	2,550	2,664	1,299	1,368	1,800	1,787
July	8,914	9,112	3,351	3,419	2,485	2,494	1,293	1,387	1,785	1,812
Aug.	9,222	9,088	3,456	3,459	2,590	2,537	1,288	1,299	1,888	1,793
Sept.	9,157	8,936	3,460	3,441	2,614	2,514	1,266	1,222	1,817	1,759
Oct.	9,107	9,007	3,439	3,408	2,495	2,457	1,319	1,292	1,854	1,850
Nov.	9,306	9,377	3,470	3,482	2,579	2,703	1,360	1,338	1,897	1,854
Dec.	9,230	9,518	3,451	3,443	2,596	2,873	1,324	1,369	1,859	1,833
1972—Jan.	9,547	9,485	3,620	3,464	2,586	2,439	1,346	1,372	1,995	2,210
Net change in credit outstanding [2]										
1965	....	8,629	....	3,865	....	2,641	....	1,126	....	997
1966	....	6,215	....	2,357	....	1,809	....	1,025	....	1,024
1967	....	3,387	....	1,381	....	643	....	742	....	621
1968	....	8,964	....	4,252	....	2,364	....	1,351	....	997
1969	....	8,279	....	3,353	....	2,636	....	1,536	....	754
1970	....	2,992	....	1,590	....	-611	....	1,103	....	910
1971	....	8,384	....	4,081	....	1,017	....	1,924	....	1,362
1971—Jan.	87	-1,060	-47	284	-75	-332	89	-140	120	-304
Feb.	102	-857	109	-165	-143	-280	96	47	40	-459
Mar.	495	-76	259	117	7	-185	187	173	42	-181
Apr.	663	860	344	531	44	43	160	216	115	70
May	493	664	225	388	100	72	118	226	50	-22
June	525	1,170	265	529	-60	168	214	356	106	117
July	761	986	293	498	191	297	130	119	147	72
Aug.	827	1,212	463	603	109	192	164	283	91	134
Sept.	999	913	529	491	104	35	222	217	144	170
Oct.	924	790	393	344	238	198	171	122	122	126
Nov.	1,266	1,334	670	449	274	312	204	197	118	376
Dec.	900	2,448	488	580	164	497	130	108	118	1,263
1972—Jan.	637	-719	206	-98	109	-192	136	-128	186	-301

[1] Includes adjustments for differences in trading days.

[2] Net changes in credit outstanding are equal to extensions less repayments, except in certain months when data for extensions and repayments have been adjusted to eliminate duplication resulting from large transfers of paper. In those months the differences between extensions and repayments for some particular holders do not equal the changes in their outstanding credit. Such transfers do not affect total instalment credit extended, repaid, or outstanding.

NOTE.—"Other financial lenders" include credit unions and miscellaneous lenders. See also NOTE to preceding table and Note 1 at bottom of p. A-56.

MARKET GROUPINGS

(1967 = 100)

Grouping	1967 proportion	1971 average[p]	1971 Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	1972 Jan.[p]
Total index	100.00	106.4	105.3	105.7	105.5	106.2	107.0	107.2	106.1	105.3	106.2	106.4	107.0	107.6	108.2
Products, total	**62.21**	**106.2**	**104.6**	**105.0**	**104.5**	**105.5**	**105.9**	**106.1**	**106.8**	**106.2**	**106.2**	**106.9**	**107.6**	**107.6**	**108.1**
Final products	*48.95*	*104.4*	*102.9*	*103.0*	*102.5*	*103.6*	*103.9*	*104.5*	*104.9*	*105.0*	*104.6*	*105.3*	*105.9*	*105.6*	*106.0*
Consumer goods	28.53	115.6	112.8	112.9	112.7	114.6	115.7	116.1	116.0	116.0	115.0	116.9	118.2	117.7	118.3
Equipment	20.42	88.9	88.9	89.3	88.4	88.1	87.8	88.2	89.3	89.6	90.2	89.0	88.8	88.6	88.8
Intermediate products	13.26	112.8	110.9	112.5	112.0	112.4	113.5	112.4	113.8	110.7	112.5	113.0	114.0	114.9	115.5
Materials	**37.79**	**106.8**	**106.5**	**106.8**	**107.1**	**107.5**	**108.9**	**109.0**	**105.3**	**104.0**	**106.2**	**105.6**	**106.0**	**107.5**	**108.4**
Consumer goods															
Durable consumer goods	*7.86*	*114.3*	*108.1*	*110.6*	*111.6*	*112.2*	*117.2*	*116.1*	*115.8*	*115.8*	*113.6*	*115.3*	*115.5*	*115.6*	*115.7*
Automotive products	2.84	119.4	110.9	117.8	117.8	113.7	123.1	121.2	120.1	121.1	118.0	119.6	119.6	119.8	114.5
Autos	1.87	108.3	104.1	112.8	112.2	103.2	108.3	107.9	107.9	108.5	108.0	107.8	109.2	109.4	102.8
Auto parts and allied goods	.97	140.8	124.1	127.4	128.6	133.9	151.4	146.8	143.6	145.2	153.4	142.2	139.7	139.6	136.9
Home goods	*5.02*	*111.5*	*106.5*	*106.5*	*108.2*	*111.4*	*113.9*	*113.3*	*113.5*	*112.9*	*111.1*	*112.9*	*113.4*	*113.2*	*116.3*
Appliances, TV, and radios	1.41	111.2	104.9	102.5	107.9	116.4	120.7	116.9	115.0	112.1	105.7	110.7	113.4	112.7	120.5
Appliances and A/C	.92	127.2	122.6	117.6	124.9	126.0	132.1	129.3	126.0	128.0	121.7	131.1	135.5	129.4	138.9
TV and home audio	.49	81.4	71.8	74.0	76.1	98.6	99.4	93.9	94.5	82.4	75.6	72.6	71.8	81.3	86.3
Carpeting and furniture	1.08	112.9	106.4	110.1	108.3	110.7	111.7	113.6	114.8	114.7	116.1	115.3	117.3	116.0	117.2
Misc. home goods	2.53	110.8	107.5	107.5	108.1	109.0	111.1	111.2	112.0	112.5	112.1	113.1	111.7	112.3	113.7
Nondurable consumer goods	*20.67*	*116.1*	*114.6*	*113.8*	*113.1*	*115.5*	*115.1*	*116.1*	*116.1*	*116.1*	*115.6*	*117.5*	*119.3*	*118.5*	*119.3*
Clothing	4.32	101.3	99.7	97.3	96.9	101.0	102.6	101.9	102.4	100.3	102.5	103.5	103.6	105.3	......
Consumer staples	16.34	120.0	118.5	118.1	117.4	119.4	118.5	119.9	119.8	120.2	119.1	121.2	123.5	122.0	123.3
Consumer foods and tobacco	8.37	113.3	114.0	112.6	111.8	112.7	113.2	113.5	112.0	112.6	110.4	113.9	117.2	115.3	115.5
Nonfood staples	7.98	126.9	123.2	123.9	123.2	126.4	124.2	126.5	128.0	128.4	128.2	128.9	130.1	129.0	131.4
Consumer chemical products	2.64	133.2	131.8	131.8	131.6	134.0	133.2	130.9	133.1	133.1	133.5	131.7	136.9	134.0	135.9
Consumer paper products	1.91	107.9	104.4	104.6	103.0	108.2	105.0	109.9	106.9	106.2	109.2	110.3	111.5	114.8	115.8
Consumer fuel and lighting	3.43	132.4	127.0	128.9	127.9	130.5	128.0	132.5	135.9	137.2	134.7	137.1	135.2	133.2	136.5
Residential utilities	2.25	140.2	132.0	135.2	133.2	136.4	135.1	140.6	145.1	146.2	144.2	147.0	144.5	140.9	145.1
Equipment															
Business equipment	*12.74*	*96.1*	*94.2*	*96.0*	*95.0*	*95.1*	*94.4*	*95.0*	*96.3*	*96.8*	*97.8*	*97.4*	*97.0*	*97.0*	*97.6*
Industrial equipment	6.77	92.4	91.5	93.4	92.4	92.4	90.9	90.9	91.8	92.0	92.4	92.6	93.2	92.8	93.3
Building and mining equip.	1.45	92.9	90.6	94.3	92.4	91.2	91.5	88.8	88.9	96.4	96.6	95.5	95.2	94.0	97.3
Manufacturing equipment	3.85	81.4	82.9	82.2	81.3	82.1	79.5	80.1	81.1	79.9	80.5	81.1	81.3	81.5	81.4
Power equipment	1.47	120.6	115.0	121.7	121.5	120.5	120.2	121.3	122.7	119.7	119.5	119.7	122.2	121.0	120.4
Commercial, transit, farm eq*	5.97	100.3	97.2	99.0	98.0	98.2	98.4	99.6	101.5	102.2	103.8	102.8	101.3	101.8	102.5
Commercial equipment	3.30	108.6	105.5	107.0	106.6	107.1	107.6	107.6	109.9	109.9	112.0	111.0	109.1	109.4	109.6
Transit equipment	2.00	89.0	88.6	89.1	87.2	87.3	87.3	90.5	88.4	90.2	90.2	90.4	88.6	92.1	93.5
Farm equipment	.67	92.5	82.0	88.8	88.0	86.6	86.6	87.7	99.9	100.0	103.9	99.5	101.1	93.4	94.2
Defense and space equipment	*7.68*	*77.1*	*80.0*	*78.1*	*77.5*	*76.5*	*76.9*	*77.1*	*77.7*	*77.9*	*77.7*	*75.1*	*75.3*	*74.8*	*74.3*
Military products	5.15	80.4	82.6	80.4	79.8	79.1	79.5	80.5	81.4	82.2	82.3	79.0	78.7	78.1	77.7
Intermediate products															
Construction products	5.93	113.0	111.1	111.9	112.6	113.4	115.5	113.5	115.3	109.4	111.3	112.7	112.9	116.1	116.8
Misc. intermediate products	7.34	112.7	110.8	113.1	111.4	111.6	111.9	111.6	112.7	111.7	113.4	113.4	114.9	113.9	114.5
Materials															
Durable goods materials	*20.91*	*100.8*	*101.5*	*101.6*	*101.9*	*102.2*	*104.8*	*103.0*	*98.7*	*94.9*	*98.7*	*100.4*	*99.5*	*99.9*	*102.2*
Consumer durable parts	4.75	101.4	99.4	101.4	103.2	102.8	105.1	104.8	98.8	100.4	100.7	101.8	99.4	99.2	101.0
Equipment parts	5.41	86.5	88.4	87.6	86.4	86.0	88.9	87.1	87.0	82.1	86.0	86.9	86.0	85.6	88.1
Durable materials nec	10.75	107.8	109.0	108.8	109.2	110.2	112.8	110.2	104.6	99.0	104.1	106.6	106.4	107.4	109.8
Nondurable goods materials	*13.99*	*113.8*	*111.7*	*112.1*	*112.0*	*112.7*	*112.8*	*115.5*	*112.3*	*114.8*	*114.7*	*114.6*	*116.0*	*116.7*	*115.8*
Textile, paper, and chem. mat.	8.58	116.0	111.2	111.7	111.9	113.2	113.7	117.5	113.4	117.8	118.8	118.8	121.7	123.0	120.3
Nondurable materials n.e.c.	5.41	110.3	112.5	112.7	112.3	111.9	111.3	112.0	110.5	109.9	108.2	108.3	107.1	106.7	108.7
Fuel and power, industrial	2.89	116.3	117.8	118.6	121.1	121.0	119.7	121.1	119.7	117.2	119.3	99.4	105.0	118.2	117.9
Supplementary groups															
Home goods and clothing	9.34	106.8	103.4	102.3	102.9	106.6	108.7	108.0	108.3	107.1	107.1	108.5	108.9	109.6	110.7
Containers	1.82	116.7	119.2	119.6	108.1	113.5	117.8	115.5	118.2	117.2	115.0	116.8	119.1	120.8	120.1
Gross value of products in market structure															
(In billions of 1963 dollars)															
Products, total	......	*391.8*	*386.2*	*388.6*	*385.9*	*390.2*	*391.6*	*392.6*	*395.2*	*393.0*	*392.8*	*395.3*	*396.1*	*394.9*	*398.0*
Final products	......	302.2	297.7	298.5	297.4	300.4	301.3	303.2	304.6	305.4	302.9	305.2	305.9	304.0	306.0
Consumer goods	......	213.5	209.1	209.5	209.6	212.6	213.4	214.8	216.4	215.5	212.1	215.7	217.1	215.8	216.5
Equipment	......	88.8	88.7	89.2	87.9	87.9	87.6	88.5	88.1	90.1	90.7	89.4	88.8	88.1	89.4
Intermediate products	......	89.6	88.4	89.9	88.5	89.3	90.2	89.6	90.8	87.7	89.7	90.1	90.2	90.8	91.8

For NOTE see p. A-63.

* Referred to as "nonindustrial equipment" in the article published in the July 1971 BULLETIN, pp. 551–76.

INDUSTRY GROUPINGS

(1967 = 100)

Grouping	1967 proportion	1971 average[p]	1971 Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	1972 Jan.[p]
Manufacturing	*88.55*	*104.8*	*103.3*	*103.9*	*103.2*	*104.4*	*105.7*	*105.6*	*104.9*	*103.6*	*104.9*	*105.4*	*105.3*	*105.7*	*106.4*
Durable	52.33	98.9	98.1	98.6	98.3	99.1	100.5	100.1	99.4	96.6	98.5	99.1	98.0	98.4	99.4
Nondurable	36.22	113.3	110.9	111.7	110.4	112.1	113.3	113.7	113.0	113.8	114.2	114.6	115.9	116.2	116.5
Mining and utilities	11.45	119.6	119.3	119.9	120.2	120.6	119.0	120.7	120.3	120.0	120.3	116.1	118.7	120.4	121.3
Mining	6.37	106.9	111.1	110.1	111.4	110.4	108.6	108.9	105.7	106.5	106.0	97.7	102.3	107.7	107.8
Utilities	5.08	135.5	129.6	132.2	131.5	133.2	132.1	135.6	138.7	137.0	138.4	139.3	139.6	136.5	138.3
Durable manufactures															
Primary and fabricated metals	*12.55*	*104.0*	*106.8*	*106.0*	*105.8*	*108.6*	*111.5*	*108.3*	*104.2*	*93.8*	*99.5*	*100.9*	*98.7*	*100.7*	*103.8*
Primary metals	6.61	100.9	108.1	105.5	106.6	108.7	114.3	108.1	98.2	81.0	93.9	95.7	91.4	94.4	101.3
Iron and steel, subtotal	4.23	96.5	106.9	104.8	105.2	109.1	112.9	105.3	99.0	66.2	85.9	88.7	81.9	85.5	95.2
Fabricated metal products	5.94	107.4	105.4	106.6	104.9	108.5	108.5	108.5	110.8	108.0	105.7	106.9	106.9	107.7	106.4
Machinery and allied goods	*32.44*	*94.1*	*93.0*	*93.5*	*93.0*	*92.7*	*93.8*	*94.4*	*94.7*	*94.5*	*95.2*	*95.3*	*94.6*	*94.2*	*94.3*
Machinery	17.39	95.4	93.4	94.2	94.0	94.2	95.3	95.2	97.4	95.6	96.3	97.0	96.3	96.7	97.1
Nonelectrical machinery	9.17	92.9	90.1	92.3	91.1	91.4	90.9	91.6	94.9	94.1	95.0	95.3	93.3	94.4	93.7
Electrical machinery	8.22	98.2	97.1	96.3	97.1	97.4	100.2	99.2	100.2	97.3	97.8	98.9	99.6	99.4	101.0
Transportation equipment	9.29	91.3	91.1	92.6	91.3	89.5	90.9	91.7	88.5	91.1	91.7	92.4	91.6	89.8	89.3
Motor vehicles and parts	4.56	111.6	107.7	113.0	112.2	108.4	110.2	111.7	106.7	111.6	111.8	112.9	113.4	111.7	111.5
Aerospace and misc. trans. eq.	4.73	71.9	75.2	72.9	71.2	71.4	72.3	72.4	71.0	71.5	72.4	72.6	70.7	68.7	67.9
Instruments	2.07	108.5	106.5	105.3	105.5	106.7	108.0	108.5	110.9	109.1	110.5	111.2	110.4	109.3	111.1
Ordnance, private and Govt.	3.69	87.0	87.9	85.5	85.7	85.2	86.0	88.8	88.8	90.0	90.2	85.6	85.1	84.7	84.0
Lumber, clay, and glass	*4.44*	*111.3*	*106.9*	*109.8*	*110.8*	*113.0*	*112.3*	*111.0*	*111.2*	*110.4*	*111.1*	*112.7*	*113.0*	*113.8*	*115.6*
Lumber and products	1.65	113.3	109.7	110.8	110.3	112.5	110.0	111.0	115.4	113.1	113.9	117.3	117.9	119.4	123.2
Clay, glass, and stone products	2.79	110.1	105.3	109.2	111.1	113.3	113.7	111.1	108.7	108.8	109.4	109.9	110.1	110.5	111.3
Furniture and miscellaneous	*2.90*	*110.0*	*105.2*	*107.1*	*105.6*	*109.5*	*109.9*	*111.3*	*113.5*	*111.3*	*112.0*	*112.1*	*111.5*	*112.7*	*113.3*
Furniture and fixtures	1.38	98.7	94.2	96.0	95.0	98.7	97.6	100.9	99.9	99.6	100.8	100.3	101.6	100.4	101.2
Miscellaneous manufactures	1.52	120.3	115.2	117.2	115.4	119.3	121.2	120.7	126.1	122.0	122.2	122.6	120.5	123.9	124.3
Nondurable manufactures															
Textiles, apparel, and leather	*6.90*	*100.6*	*98.6*	*98.0*	*97.3*	*99.8*	*101.5*	*102.4*	*100.2*	*100.1*	*102.5*	*102.2*	*101.6*	*103.9*	*102.2*
Textile mill products	2.69	108.4	103.1	105.4	105.3	106.3	107.5	109.1	108.5	110.5	111.0	110.1	110.2	112.8	108.1
Apparel products	3.33	97.8	97.4	94.5	94.0	97.3	99.7	97.1	97.0	96.0	99.5	100.0	99.5	101.1	......
Leather and products	.88	87.3	89.5	89.0	85.4	89.9	89.8	89.3	86.7	84.1	87.6	87.2	82.9	86.8	90.0
Paper and printing	*7.92*	*107.8*	*107.1*	*108.1*	*104.6*	*106.9*	*106.9*	*106.0*	*106.8*	*108.2*	*108.3*	*109.0*	*110.6*	*110.8*	*112.3*
Paper and products	3.18	116.0	116.9	116.0	111.0	114.4	115.1	113.4	115.5	117.8	116.4	116.1	119.5	120.0	121.4
Printing and publishing	4.74	102.2	100.5	102.8	100.2	101.8	101.4	101.0	101.0	101.7	102.9	104.3	104.5	104.7	106.1
Chemicals, petroleum, and rubber	*11.92*	*124.4*	*118.2*	*120.9*	*120.5*	*122.4*	*124.2*	*125.3*	*124.0*	*126.2*	*127.3*	*126.5*	*127.8*	*127.8*	*128.4*
Chemicals and products	7.86	125.9	119.3	121.7	121.0	123.4	123.7	126.8	125.0	127.6	129.7	128.2	130.7	130.3	130.8
Petroleum products	1.80	115.8	117.2	117.1	116.3	115.8	112.7	115.0	114.8	115.8	113.7	115.7	116.0	118.3	118.1
Rubber and plastics products	2.26	126.1	115.5	120.6	122.7	124.5	127.2	129.1	128.0	129.9	129.6	129.0	127.6	126.6	127.9
Foods and tobacco	*9.48*	*113.5*	*113.9*	*113.1*	*112.2*	*112.9*	*113.6*	*113.7*	*113.8*	*112.8*	*111.1*	*113.2*	*115.6*	*115.0*	*115.6*
Foods	8.81	114.6	114.6	114.1	113.8	114.1	114.6	115.4	115.2	114.0	111.9	114.3	117.0	116.7	117.3
Tobacco products	.67	97.7	106.6	100.1	90.3	96.9	100.3	92.1	96.6	98.2	100.3	98.5	98.2	93.8	......
Mining															
Metal, stone, and earth minerals	*1.26*	*104.5*	*113.6*	*113.6*	*111.6*	*106.5*	*104.6*	*104.9*	*91.6*	*96.8*	*98.1*	*102.0*	*110.9*	*111.1*	*107.8*
Metal mining	.51	121.4	140.1	139.0	135.1	124.7	122.6	117.3	93.5	104.8	109.7	117.1	136.7	137.7	129.6
Stone and earth minerals	.75	93.2	95.6	96.3	95.6	94.2	92.4	96.4	90.2	91.4	90.1	91.7	93.4	92.7	93.0
Coal, oil, and gas	*5.11*	*107.5*	*110.6*	*109.3*	*111.4*	*111.4*	*109.6*	*109.9*	*109.2*	*108.9*	*108.0*	*96.7*	*100.2*	*106.8*	*107.7*
Coal	.69	99.0	112.3	108.8	116.2	115.5	110.2	109.4	109.4	109.4	109.7	29.1	55.7	112.4	104.8
Oil and gas extraction	4.42	108.9	110.3	109.3	110.6	114.3	109.6	110.0	109.2	108.8	107.7	107.3	107.2	106.0	108.1
Utilities															
Electric	3.91	138.0	131.5	134.9	133.6	135.5	133.8	138.3	142.0	139.7	141.5	142.3	142.3	138.0	140.2
Gas	1.17	127.0	123.0	123.6	124.3	......	......	......	......	......	......	......	......	......	......

For NOTE see p. A-63.

MARKET GROUPINGS

(1967 = 100)

Grouping	1967 proportion	1971 average^p	1971 Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	1972 Jan.^{p}
Total index	100.00	106.4	103.2	106.1	106.0	106.5	107.3	109.7	102.1	105.5	109.8	109.8	107.2	104.1	106.1
Products, total	**62.21**	**106.2**	**101.8**	**104.7**	**104.5**	**105.0**	**105.1**	**109.0**	**103.9**	**107.5**	**111.7**	**111.2**	**107.4**	**102.9**	**105.3**
Final products	*48.95*	*104.4*	*101.0*	*103.4*	*103.0*	*102.9*	*102.7*	*107.2*	*101.6*	*105.6*	*110.0*	*109.3*	*105.6*	*101.0*	*104.3*
Consumer goods	28.53	115.6	110.3	113.2	112.9	113.6	113.5	119.3	111.9	118.4	123.1	122.9	117.3	110.2	115.9
Equipment	20.42	88.9	88.1	89.6	89.1	88.0	87.6	90.4	87.1	87.6	91.8	90.3	89.2	88.2	88.1
Intermediate products	13.26	112.8	104.7	109.5	110.2	112.6	113.8	115.5	112.4	114.5	118.1	118.1	114.1	109.8	109.0
Materials	**37.79**	**106.8**	**105.4**	**108.3**	**108.4**	**109.0**	**110.8**	**110.9**	**99.2**	**102.3**	**106.8**	**107.6**	**107.0**	**106.1**	**107.3**
Consumer goods															
Durable consumer goods	*7.86*	*114.3*	*107.3*	*113.8*	*114.8*	*114.7*	*117.3*	*120.5*	*101.9*	*108.6*	*121.5*	*125.7*	*118.9*	*106.9*	*114.9*
Automotive products	2.84	119.4	115.6	125.1	125.3	121.9	127.2	130.5	94.9	102.0	128.6	135.8	123.7	102.4	118.8
Autos	1.87	108.3	113.5	124.1	123.4	112.5	120.2	120.8	69.4	76.5	112.0	124.0	115.6	87.5	112.0
Auto parts and allied goods	.97	140.8	119.6	127.0	128.9	139.9	140.8	149.0	144.0	151.0	160.5	158.6	139.4	130.9	132.0
Home goods	*5.02*	*111.5*	*102.6*	*107.4*	*108.8*	*110.7*	*111.7*	*114.9*	*105.8*	*112.4*	*117.5*	*120.0*	*116.2*	*109.5*	*112.7*
Appliances, TV, and radios	1.41	111.2	102.5	108.9	113.6	116.1	117.1	117.3	102.5	104.1	113.4	125.3	116.2	97.9	117.6
Appliances and A/C	.92	127.2	120.1	124.7	133.6	133.1	132.2	136.1	122.3	114.4	128.0	142.8	131.6	107.5	135.8
TV and home audio	.49	81.4	69.5	79.3	76.2	84.3	88.8	81.9	65.4	84.8	86.2	92.5	87.4	80.1	83.5
Carpeting and furniture	1.08	112.9	108.0	114.7	111.4	111.1	108.6	112.6	97.9	114.9	119.5	116.6	120.5	118.6	119.0
Misc. home goods	2.53	110.8	100.4	103.4	105.1	107.5	110.0	114.4	111.0	116.0	118.9	118.5	114.4	112.1	107.3
Nondurable consumer goods	*20.67*	*116.1*	*111.4*	*113.0*	*112.2*	*113.2*	*112.1*	*118.8*	*115.7*	*122.1*	*123.7*	*121.8*	*116.7*	*111.5*	*116.2*
Clothing	4.32	101.3	95.0	102.0	102.5	102.6	101.4	105.5	93.6	105.6	107.0	110.7	100.5	90.9	.....
Consumer staples	16.34	120.0	115.7	115.9	114.8	116.0	114.9	122.3	121.6	126.5	128.1	124.7	121.0	117.0	120.7
Consumer foods and tobacco	8.37	113.3	108.1	108.5	108.7	110.0	110.8	116.6	112.6	118.6	120.0	120.5	115.7	109.0	109.3
Nonfood staples	7.98	126.9	123.7	123.7	121.2	122.3	119.1	128.3	131.2	134.7	136.5	129.2	126.5	125.3	132.7
Consumer chemical products	2.64	133.2	123.9	125.7	125.7	131.2	132.4	142.2	131.8	139.4	145.2	139.1	136.8	124.6	127.7
Consumer paper products	1.91	107.9	99.6	101.8	100.1	107.1	102.0	110.2	109.6	113.9	116.0	113.9	110.7	108.9	110.5
Consumer fuel and lighting	3.43	132.4	137.0	134.3	129.6	123.8	118.4	127.6	142.7	142.6	141.2	130.0	127.4	135.1	148.9
Residential utilities	2.25	140.2	146.7	143.0	137.1	129.2	122.3	132.4	154.4	153.2	153.0	136.6	132.5	141.7	163.5
Equipment															
Business equipment	*12.74*	*96.1*	*92.7*	*96.6*	*96.0*	*95.3*	*94.2*	*98.0*	*93.3*	*93.9*	*100.3*	*99.4*	*97.2*	*95.6*	*96.1*
Industrial equipment	6.77	92.4	90.8	93.9	92.8	92.4	90.3	92.6	90.4	90.1	94.9	94.3	93.6	92.2	92.6
Building and mining equip.	1.45	92.9	89.8	93.3	90.3	91.7	90.9	91.6	87.0	90.5	98.2	97.0	99.0	95.7	96.4
Manufacturing equipment	3.85	81.4	81.9	84.3	82.9	82.0	79.1	81.5	79.3	78.5	83.3	81.9	81.1	80.8	80.4
Power equipment	1.47	120.6	115.1	119.6	120.9	120.3	119.2	122.6	122.7	119.8	122.0	124.0	120.9	118.7	120.5
Commercial, transit, farm eq.*	5.97	100.3	94.8	99.7	99.7	98.5	98.6	104.2	96.6	98.3	106.5	105.2	101.3	99.4	100.0
Commercial equipment	3.30	108.6	101.8	105.3	104.7	105.3	106.0	112.4	112.6	110.7	115.6	112.0	109.4	107.4	105.8
Transit equipment	2.00	89.0	87.1	91.5	91.0	88.9	89.0	93.8	75.1	82.6	92.3	95.3	91.0	89.8	91.9
Farm equipment	.67	92.5	83.4	96.7	100.9	93.7	90.9	94.3	81.7	83.8	103.7	101.2	92.1	88.9	95.8
Defense and space equipment	*7.68*	*77.1*	*80.5*	*78.1*	*77.7*	*76.0*	*76.7*	*77.8*	*76.7*	*77.1*	*77.8*	*75.2*	*75.8*	*75.8*	*74.7*
Military products	5.15	80.4	82.8	80.3	80.1	78.9	79.7	81.8	80.8	81.6	82.2	78.7	78.9	78.6	77.9
Intermediate products															
Construction products	5.93	113.0	103.3	109.9	111.6	115.8	118.0	118.6	112.3	111.9	115.9	117.5	112.6	108.8	108.6
Misc. intermediate products	7.34	112.7	105.8	109.1	109.1	110.0	110.4	113.0	112.4	116.6	119.8	118.6	115.4	110.6	109.3
Materials															
Durable goods materials	*20.91*	*100.8*	*99.8*	*103.2*	*104.2*	*104.1*	*107.2*	*106.3*	*92.1*	*92.0*	*99.9*	*102.3*	*100.2*	*98.6*	*100.4*
Consumer durable parts	4.75	101.4	102.9	104.6	104.5	102.0	106.4	104.5	88.3	92.0	100.1	104.2	103.8	104.0	104.5
Equipment parts	5.41	86.5	87.8	88.9	89.0	87.0	89.4	89.4	81.7	80.1	86.9	86.6	85.2	85.7	87.5
Durable materials n.e.c.	10.75	107.8	104.4	109.8	111.8	113.7	116.6	115.6	99.1	98.0	106.3	109.4	106.2	102.7	105.1
Nondurable goods materials	*13.99*	*113.8*	*110.9*	*113.3*	*112.0*	*113.7*	*114.3*	*115.8*	*107.2*	*114.5*	*114.8*	*117.4*	*117.5*	*114.4*	*115.0*
Textile, paper, and chem. mat.	8.58	116.0	110.4	114.3	112.8	115.6	116.0	118.0	106.5	116.9	118.7	121.3	123.0	119.2	119.5
Nondurable materials n.e.c.	5.41	110.3	111.6	111.6	110.8	110.8	111.6	112.4	108.2	110.6	108.6	111.2	108.9	106.7	107.8
Fuel and power, industrial	2.89	116.3	119.9	120.5	121.9	121.4	119.5	120.4	111.4	117.7	118.3	98.5	105.7	119.9	120.0
Supplementary groups															
Home goods and clothing	9.34	106.8	99.1	104.9	105.9	106.9	106.9	110.6	100.2	109.3	112.6	115.7	108.9	100.9	106.5
Containers	1.82	116.7	112.6	119.2	108.1	113.8	119.6	119.1	113.0	121.2	120.1	123.5	118.0	111.7	113.5

For NOTE see p. A-63.

* Referred to as "Nonindustrial equipment" in the article published in the July 1971 BULLETIN, pp. 551–76.

INDUSTRY GROUPINGS

(1967 = 100)

Grouping	1967 pro-portion	1971 average[p]	1971 Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	1972 Jan.[p]
Manufacturing, total	*88.55*	*104.8*	*100.9*	*104.3*	*104.4*	*105.0*	*106.0*	*108.3*	*99.7*	*103.1*	*108.1*	*109.2*	*106.2*	*102.1*	*103.8*
Durable	52.33	98.9	96.8	100.2	100.6	100.4	101.7	102.7	93.2	93.6	100.6	101.6	98.9	96.0	98.0
Nondurable	36.22	113.3	106.8	110.2	109.8	111.7	112.1	116.3	109.2	116.8	119.0	120.1	116.8	110.9	112.0
Mining and utilities	11.45	119.6	120.6	119.7	119.4	117.9	117.0	120.7	121.9	124.2	123.8	114.9	115.3	119.7	123.4
Mining	6.37	106.9	108.7	108.6	109.7	110.4	110.9	111.0	103.0	107.7	106.4	98.0	101.8	107.5	105.4
Utilities	5.08	135.5	135.6	133.7	131.5	127.3	124.6	132.8	145.7	144.9	145.7	136.1	132.3	135.1	146.0
Durable manufactures															
Primary and fabricated metals	*12.55*	*104.0*	*105.7*	*110.0*	*111.0*	*112.0*	*114.6*	*111.1*	*95.8*	*90.0*	*99.0*	*101.5*	*98.9*	*97.9*	*102.7*
Primary metals	6.61	100.9	106.6	111.6	115.2	115.8	119.8	112.6	87.9	76.2	91.1	94.5	90.3	89.5	99.9
Iron and steel, subtotal	4.23	96.5	105.2	110.7	114.3	117.1	119.1	109.0	90.4	62.4	81.9	86.2	80.7	81.3	93.7
Fabricated metal products	5.94	107.4	104.7	108.2	106.3	107.7	108.8	109.5	104.7	105.3	107.7	109.3	108.4	107.3	105.7
Machinery and allied goods	*32.44*	*94.1*	*92.8*	*95.1*	*94.9*	*93.4*	*94.4*	*96.7*	*88.8*	*90.3*	*97.6*	*98.1*	*95.5*	*92.2*	*94.1*
Machinery	17.39	95.4	92.4	96.0	95.8	94.9	94.8	97.0	92.2	92.6	99.5	99.4	96.8	94.4	96.1
Nonelectrical machinery	9.17	92.9	88.9	94.3	93.6	92.5	91.4	94.2	91.8	90.6	97.2	95.5	93.4	92.3	92.5
Electrical machinery	8.22	98.2	96.3	97.8	98.3	97.5	98.6	100.2	92.6	94.9	102.0	103.8	100.6	96.7	100.0
Transportation equipment	9.29	91.3	93.1	95.4	94.6	91.6	94.2	96.1	77.8	81.7	93.2	97.2	93.6	87.2	91.2
Motor vehicles and parts	4.56	111.6	112.9	118.9	117.7	112.0	116.9	120.5	86.1	93.5	114.4	122.4	117.5	105.9	116.5
Aerospace and misc. trans. eq.	4.73	71.9	74.1	72.8	72.3	72.0	72.4	72.6	69.7	70.4	72.8	73.0	70.6	69.2	66.9
Instruments	2.07	108.5	103.4	102.2	103.7	103.4	106.9	110.8	110.9	111.4	114.9	114.4	111.0	109.2	107.9
Ordnance, private and Govt.	3.69	87.0	88.4	86.3	86.2	85.2	86.2	89.2	88.1	88.9	89.8	85.0	85.2	85.1	84.5
Lumber, clay, and glass	*4.44*	*111.3*	*97.7*	*104.5*	*108.7*	*113.2*	*114.5*	*116.6*	*110.4*	*116.0*	*116.5*	*118.1*	*113.0*	*106.6*	*105.7*
Lumber and products	1.65	113.3	98.8	110.6	112.1	114.5	112.5	117.5	112.2	117.6	119.5	121.6	115.3	108.4	111.0
Clay, glass, and stone products	2.79	110.1	97.0	100.9	106.7	112.5	115.7	116.1	109.4	115.1	114.7	116.1	111.6	105.6	102.5
Furniture and miscellaneous	*2.90*	*110.0*	*102.3*	*107.4*	*106.6*	*108.7*	*107.6*	*112.3*	*104.2*	*112.0*	*115.9*	*115.3*	*115.6*	*113.5*	*110.2*
Furniture and fixtures	1.38	98.7	96.2	100.7	98.5	98.6	95.8	99.3	86.8	98.0	101.8	100.6	104.6	103.4	103.3
Miscellaneous manufactures	1.52	120.3	107.9	113.6	114.0	117.9	118.4	124.1	120.0	124.8	128.8	128.7	125.6	122.7	116.5
Nondurable manufactures															
Textiles, apparel, and leather	*6.90*	*100.6*	*95.7*	*101.8*	*101.7*	*101.6*	*101.3*	*104.6*	*90.8*	*104.4*	*104.9*	*107.8*	*101.3*	*92.9*	*99.1*
Textile mill products	2.69	108.4	102.0	107.6	108.2	108.5	110.4	114.0	96.9	114.5	113.6	113.8	111.0	102.1	106.9
Apparel products	3.33	97.8	92.3	99.4	99.4	99.3	97.4	100.8	89.9	100.4	102.4	107.3	98.1	88.1	......
Leather and products	.88	87.3	88.8	92.7	90.4	88.8	87.9	89.8	75.2	88.7	88.0	91.3	83.5	82.7	89.3
Paper and printing	*7.92*	*107.8*	*101.3*	*105.4*	*103.2*	*107.4*	*106.8*	*108.5*	*103.5*	*111.6*	*113.4*	*114.8*	*112.1*	*105.0*	*106.1*
Paper and products	3.18	116.0	115.5	118.9	113.6	117.8	116.2	116.6	105.7	117.6	116.1	122.1	120.5	111.0	119.9
Printing and publishing	4.74	102.2	91.7	96.4	96.2	100.4	100.5	103.1	102.1	107.5	111.5	109.9	106.5	100.9	96.8
Chemicals, petroleum, and rubber	*11.92*	*124.4*	*114.7*	*119.4*	*119.7*	122.2	*123.2*	*128.6*	*121.6*	*126.7*	*130.7*	*129.9*	*129.0*	*125.8*	*124.5*
Chemicals and products	7.86	125.9	115.1	118.9	119.5	124.3	125.3	131.1	124.2	128.6	133.1	130.8	131.2	127.6	126.2
Petroleum products	1.80	115.8	112.4	113.5	112.0	110.9	111.7	119.1	118.9	120.9	118.9	117.8	115.2	116.5	113.3
Rubber and plastics products	2.26	126.1	115.3	125.8	126.4	124.0	125.0	127.7	114.8	124.7	131.9	136.6	132.2	126.9	127.6
Foods and tobacco	*9.48*	*113.5*	*109.5*	*108.8*	*108.8*	*109.6*	*110.5*	*115.9*	*112.0*	*117.7*	*119.4*	*121.2*	*116.8*	*110.3*	*110.7*
Foods	8.81	114.6	109.7	109.2	110.2	110.9	111.4	117.2	114.0	118.6	120.4	122.3	118.2	112.7	112.1
Tobacco products	.67	97.7	106.4	103.0	90.5	92.7	99.3	98.5	86.2	105.7	106.5	106.1	99.0	78.7	......
Mining															
Metal, stone, and earth minerals	*1.26*	*104.5*	*97.7*	*98.7*	*101.0*	*107.2*	*116.9*	*118.3*	*97.3*	*104.1*	*104.1*	*105.8*	*103.9*	*100.5*	*92.9*
Metal mining	.51	121.4	115.0	118.3	117.9	126.1	145.7	147.7	106.8	116.9	118.7	117.9	114.8	111.3	106.4
Stone and earth minerals	.75	93.2	86.0	85.3	89.5	94.4	97.4	98.3	90.9	95.4	94.2	97.6	96.6	93.1	83.7
Coal, oil, and gas	*5.11*	*107.5*	*111.4*	*111.0*	*111.8*	*111.2*	*109.4*	*109.2*	*104.4*	*108.6*	*107.0*	*96.0*	*101.3*	*109.2*	*108.5*
Coal	.69	99.0	111.1	109.1	114.7	117.6	112.4	111.6	82.7	116.5	112.6	31.1	56.9	111.7	103.6
Oil and gas extraction	4.42	108.9	111.4	111.3	111.3	114.1	108.9	108.8	107.8	107.4	106.1	106.2	108.2	108.8	109.3
Utilities															
Electric	3.91	138.0	139.3	136.7	133.6	128.0	124.2	134.6	151.3	150.0	150.8	138.0	132.8	136.2	150.1
Gas	1.17	127.0	123.0	123.6	124.3	......	......	......	......	......	......	......	......	......	......

NOTE.—Published groupings include some series and subtotals not shown separately. A description and historical data will be available at a later date. Figures for individual series and subtotals are published in the monthly Business Indexes release.

SELECTED BUSINESS INDEXES

(1967=100, except as noted)

Period	Industrial production: Total	Market: Total	Products: Final products: Total	Final products: Consumer goods	Final products: Equipment	Intermediate products	Materials	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
1952	......	......	......	......	......	......	......	......	92.8	......	74.1	93.4	54.5	52	79.5	88.6
1953	......	......	......	......	......	......	......	......	95.5	......	76.3	98.2	60.3	54	80.1	87.4
1954	51.9	51.8	50.8	53.3	47.9	55.1	52.0	51.5	84.1	......	74.4	89.6	55.1	54	80.5	87.6
1955	58.5	56.6	54.9	59.5	48.9	62.6	61.5	58.2	90.0	......	76.9	92.9	61.1	59	80.2	87.8
1956	61.1	59.7	58.2	61.7	53.7	65.3	63.1	60.5	88.2	......	79.6	93.9	64.6	61	81.4	90.7
1957	61.9	61.1	59.9	63.2	55.9	65.3	63.1	61.2	84.5	......	80.3	92.2	65.4	64	84.3	93.3
1958	57.9	58.6	57.1	62.6	50.0	63.9	56.8	56.9	75.1	......	78.0	83.9	60.3	64	86.6	94.6
1959	64.8	64.4	62.7	68.7	54.9	70.5	65.5	64.1	81.4	......	81.0	88.1	67.8	69	87.3	94.8
1960	66.2	66.2	64.8	71.3	56.4	71.0	66.4	65.4	80.1	......	82.4	88.0	68.8	70	88.7	94.9
1961	66.7	66.9	65.3	72.8	55.6	72.4	66.4	65.6	77.6	......	r82.1	84.5	68.0	70	89.6	94.5
1962	72.2	72.1	70.8	77.7	61.9	76.9	72.4	71.4	81.4	......	84.4	87.3	73.3	75	90.6	94.8
1963	76.5	76.2	74.9	82.0	65.6	81.1	77.0	75.8	83.0	86.1	86.1	87.8	76.0	79	91.7	94.5
1964	81.7	81.2	79.6	86.8	70.1	87.3	82.6	81.2	85.5	89.4	88.6	89.3	80.1	83	92.9	94.7
1965	89.2	88.1	86.8	93.0	78.7	93.0	91.0	89.1	89.0	93.2	92.3	93.9	88.1	91	94.5	96.6
1966	97.9	96.8	96.1	98.6	93.0	99.2	99.8	98.3	91.9	94.8	97.1	99.9	97.8	97	97.2	99.8
1967	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	87.9	100.0	100.0	100.0	100.0	100	100.0	100.0
1968	105.7	105.8	105.8	106.6	104.7	105.7	105.7	105.7	87.7	113.2	103.1	101.4	108.3	109	104.2	102.5
1969	110.7	109.7	109.0	111.1	106.1	112.0	112.4	110.5	86.5	123.7	106.7	103.2	116.6	114	109.8	106.5
1970	106.7	106.0	104.4	110.3	96.1	111.9	107.8	105.2	r78.2	......	107.3	98.1	114.2	120	116.3	110.4
1971p	106.5	106.2	104.5	115.6	88.9	112.8	106.8	104.8	r74.4	132.0	107.4	94.3	116.9	122	121.3	113.9
1971—Jan.	105.3	104.6	102.9	112.8	88.9	110.9	106.5	103.3		117.0	107.0	94.7	114.8	124	119.2	111.8
Feb.	105.7	105.0	103.0	112.9	89.3	112.5	106.8	103.9	r74.7	126.0	106.9	94.4	115.0	126	119.4	112.8
Mar.	105.5	104.5	102.5	112.7	88.4	112.0	107.1	103.2		141.0	107.0	94.0	114.7	127	119.8	113.0
Apr.	106.2	105.5	103.6	114.6	88.1	112.4	107.5	104.4		161.0	107.2	94.4	115.4	128	120.2	113.3
May	107.0	105.9	103.9	115.7	87.8	113.5	108.9	105.7	r75.4	141.0	107.5	94.8	117.6	128	120.8	113.8
June	107.2	106.1	104.5	116.1	88.2	112.4	109.0	105.6		147.0	107.3	94.3	117.7	129	121.5	114.3
July	106.1	106.8	104.9	116.0	89.3	113.8	105.3	104.9		151.0	107.1	93.9	116.8	129	121.8	114.6
Aug.	105.3	106.2	105.0	116.0	89.6	110.7	104.0	103.6	r73.9	153.0	107.1	93.5	116.5	133	122.1	114.9
Sept.	106.2	106.2	104.6	115.0	90.2	112.5	106.2	104.9		156.0	107.6	94.5	117.0	135	122.2	114.5
Oct.	106.4	106.9	105.3	116.9	89.0	113.0	105.6	105.4		137.0	107.6	94.1	117.8	134	122.4	114.4
Nov.	107.0	107.6	105.9	118.2	88.8	114.0	106.0	105.3	r73.8	155.0	107.9	94.4	r118.4	136	122.6	114.5
Dec.	107.6	107.6	105.6	117.7	88.6	114.9	107.5	105.7		160.0	108.1	r94.2	r121.1	r133	123.1	115.4
1972—Jan.	108.2	108.1	106.0	118.3	88.8	115.5	108.4	106.4	......	165.0	r108.7	r94.5	r122.0	r134	123.2	116.3
Feb.p	109.0	108.7	106.7	119.0	89.5	116.1	109.7	107.2	......	......	108.9	94.6	123.7	......	......	117.3

[1] Employees only; excludes personnel in the Armed Forces.
[2] Production workers only.
[3] F.R. index based on Census Bureau figures.
[4] Prices are not seasonally adjusted.

NOTE.—*All series:* Data are seasonally adjusted unless otherwise noted.
Capacity utilization: Based on data from Federal Reserve, McGraw-Hill Economics Department, and Department of Commerce.

Construction contracts: F. W. Dodge Co. monthly index of dollar value of total construction contracts, including residential, nonresidential, and heavy engineering; does not include data for Alaska and Hawaii.
Employment and payrolls: Based on Bureau of Labor Statistics data; includes data for Alaska and Hawaii beginning with 1959.
Prices: Bureau of Labor Statistics data.

CONSTRUCTION CONTRACTS AND PRIVATE HOUSING PERMITS

(In millions of dollars, except as noted)

Type of ownership and type of construction	1970	1971	1971: Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	1972: Jan.
Total construction [1]	**67,097**	**78,878**	**4,383**	**4,993**	**6,386**	**7,743**	**7,555**	**8,077**	**7,670**	**7,712**	**6,814**	**6,568**	**6,405**	**6,286**	**6,234**
By type of ownership:															
Public	23,362	24,183	1,464	1,578	1,722	2,074	2,065	2,795	2,683	2,299	2,010	1,837	1,960	1,696	2,137
Private [1]	45,058	56,408	2,919	3,415	4,663	5,669	5,489	5,489	4,987	5,413	4,804	4,731	4,445	4,590	4,097
By type of construction:															
Residential building [1]	24,910	35,226	1,631	1,819	2,729	3,168	3,310	3,485	3,357	3,255	3,196	3,170	3,001	2,997	......
Nonresidential building	24,180	26,577	1,711	1,654	2,199	2,080	2,264	2,800	2,621	2,120	2,246	2,064	2,128	1,959	......
Nonbuilding	18,489	20,509	1,041	1,520	1,458	2,495	1,981	1,792	1,691	2,337	1,371	1,332	1,274	1,959	......
Private housing units authorized (In thousands, S.A., A.R.)	1,324	1,885	1,635	1,563	1,627	1,638	1,927	1,849	2,052	2,006	1,900	2,173	1,961	2,292	2,186

[1] Because of improved collection procedures, data for 1-family homes beginning Jan. 1968 are not strictly comparable with those for earlier periods. 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 F. W. Dodge Co. does not include data for Alaska or Hawaii. Totals of monthly data exceed annual totals because adjustments—negative—are made into accumulated monthly data after original figures have been published.

Private housing units authorized are Census Bureau series for 13,000 reporting areas with local building permit systems.

VALUE OF NEW CONSTRUCTION ACTIVITY

(In millions of dollars)

Period	Total	Private: Total	Private: Residential	Private: Nonresidential: Total	Private: Nonresidential: Buildings: Industrial	Private: Nonresidential: Buildings: Commercial	Private: Nonresidential: Buildings: Other buildings [1]	Private: Nonresidential: Other	Public: Total	Public: Military	Public: Highway	Public: Conservation & development	Public: Other [2]
1962 [3]	59,965	42,096	25,150	19,443	2,842	5,144	3,631	5,052	17,869	1,266	6,365	....	....
1963 [4]	64,563	45,206	27,874	21,735	2,906	4,995	3,745	5,376	19,357	1,179	7,084	....	....
1964	67,413	47,030	28,010	21,786	3,565	5,396	3,994	5,727	20,383	910	7,133	....	....
1965	73,412	51,350	27,934	21,714	5,118	6,739	4,735	6,491	22,062	830	7,550	....	....
1966	76,002	51,995	25,715	19,352	6,679	6,879	5,037	7,517	24,007	727	8,405	....	....
1967	77,503	51,967	25,568	18,985	6,131	6,982	4,993	8,356	25,536	695	8,591	....	....
1968	86,626	59,021	30,565	24,030	6,021	7,761	4,382	9,719	27,605	808	9,321	....	....
1969	93,347	65,384	33,200	25,941	6,783	9,401	4,971	10,288	27,963	879	9,252	....	....
1970	94,265	66,147	31,748	24,156	6,538	9,754	5,125	12,036	28,118	719	9,986	....	....
1971 Jan.	100,645	70,637	35,629	35,008	6,169	10,262	5,334	13,243	30,008	856	....	1,620	....
Feb.	102,340	70,743	36,509	34,234	6,258	10,106	5,009	12,861	31,597	812	....	1,566	....
Mar.	103,027	72,961	37,678	35,283	6,072	10,734	5,099	13,378	30,066	863	....	1,676	....
Apr.	105,875	76,263	39,589	36,674	6,110	11,262	5,355	13,947	29,612	824	....	1,756	....
May	107,591	77,880	41,500	36,380	5,766	11,038	5,289	14,287	29,711	848	....	1,702	....
June	109,210	79,941	42,326	37,615	5,508	11,795	5,815	14,497	29,269	865	....	1,614	....
July	109,957	80,484	42,689	37,795	5,428	12,690	5,499	14,178	29,473	1,142	....	2,150	....
Aug.	111,910	82,071	43,927	38,144	4,852	13,069	5,482	14,741	29,839	900	....	1,609	....
Sept.	110,031	81,442	44,739	36,703	4,597	11,702	5,591	14,813	28,573	786	....	1,570	....
Oct.	113,680	81,837	45,067	36,770	4,993	11,510	5,372	14,895	31,843	881	....	1,540	....
Nov. r	113,626	83,204	45,281	37,923	4,885	12,188	5,670	15,180	30,422	938	....	1,697	....
Dec. r	115,578	84,550	46,302	38,248	4,914	12,391	5,770	15,173	31,028	918	....	1,454	....
1972 Jan.	118,316	86,772	48,497	38,275	4,914	13,198	5,816	14,347	31,544	1,025	....	1,914	....

[1] Includes religious, educational, hospital, institutional, and other buildings.
[2] Sewer and water, formerly shown separately, now included in "Other."
[3] Beginning July 1962, reflects inclusion of new series affecting most private nonresidential groups.
[4] Beginning 1963, reflects inclusion of new series under "Public" (for State and local govt. activity only).

NOTE. Census Bureau data, monthly series at seasonally adjusted annual rates.

NEW HOUSING UNITS

(In thousands)

Period	Units started: Private (S.A., A.R.): Total	Region: Northeast	Region: North Central	Region: South	Region: West	Type of structure: 1-family	Type of structure: 2- to 4-family	Type of structure: 5- or more-family	Private and public (N.S.A.): Total	Private and public (N.S.A.): Private	Private and public (N.S.A.): Public	Government underwritten (N.S.A.): Total	Government underwritten (N.S.A.): FHA	Government underwritten (N.S.A.): VA	Mobile home shipments (N.S.A.)
1963	1,610	261	328	591	431	1,021	589		1,642	1,610	32	292	221	71	151
1964	1,529	253	339	582	355	972	108	450	1,562	1,529	32	264	205	59	191
1965	1,473	270	362	575	266	964	87	422	1,510	1,473	37	246	197	49	216
1966	1,165	207	288	473	198	779	61	325	1,196	1,165	31	195	158	37	217
1967	1,292	215	337	520	220	844	72	376	1,322	1,292	30	232	180	53	240
1968	1,508	227	369	619	294	900	81	527	1,548	1,508	40	283	227	56	318
1969	1,467	206	349	588	323	810	87	571	1,500	1,467	33	288	237	51	413
1970	1,434	218	294	612	310	813	85	536	1,467	1,434	33	479	418	61	401
1971	2,051	263	434	869	485	1,151	120	780	1,467	1,434	33	479	418	61	401
1971 Jan. r	1,810	245	331	774	460	1,007	106	697	115	111	4	37	32	5	25
Feb. r	1,794	231	337	762	463	1,005	112	677	105	102	2	32	27	5	28
Mar. r	1,938	233	413	821	471	1,080	117	741	169	168	1	40	33	7	36
Apr. r	1,951	224	435	841	450	1,122	120	709	204	201	3	53	45	8	43
May r	2,046	257	412	860	517	1,152	115	779	204	199	5	49	41	8	41
June r	2,008	250	396	864	498	1,150	127	731	197	194	3	55	46	9	47
July r	2,091	271	436	849	535	1,162	131	798	197	194	3	52	43	9	45
Aug. r	2,219	279	493	941	505	1,198	143	878	206	205	2	55	46	9	50
Sept. r	2,029	249	454	876	449	1,172	137	720	176	174	2	58	50	9	53
Oct. r	2,038	242	435	895	465	1,155	108	774	182	180	2	47	39	8	50
Nov. r	2,228	305	483	950	489	1,242	102	883	179	176	3	57	48	9	40
Dec. r	2,433	420	503	993	515	1,341	120	972	157	154	3	92	85	7	34
1972 Jan.	2,549	456	501	994	598	1,448	128	973	156	154	2	37	24	13	......

NOTE.—Starts are Census Bureau series (including farm starts) except for Govt.-underwritten, which are from Federal Housing Admin. and Veterans Admin. and represent units started, including rehabilitation units under FHA, based on field office reports of first compliance inspections. Data may not add to totals because of rounding.

Mobile home shipments are as reported by Mobile Homes Manufacturers Assn.

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.): Total	Employed[1]: Total	Employed[1]: In nonagricultural industries	Employed[1]: In agriculture	Unemployed	Unemployment rate[2] (per cent; S.A.)
1966	131,180	52,288	78,893	75,770	72,895	68,915	3,979	2,875	3.8
1967 [3]	133,319	52,527	80,793	77,347	74,372	70,527	3,844	2,975	3.8
1968	135,562	53,291	82,272	78,737	75,920	72,103	3,817	2,817	3.6
1969	137,841	53,602	84,240	80,734	77,902	74,296	3,606	2,832	3.5
1970	140,182	54,280	85,903	82,715	78,627	75,165	3,462	4,088	4.9
1971	142,596	55,666	86,929	84,113	79,120	75,732	3,387	4,993	5.9
1971—Feb.	141,670	56,017	86,311	83,361	78,475	75,190	3,285	4,886	5.9
Mar.	141,885	56,286	86,385	83,455	78,446	75,059	3,387	5,009	6.0
Apr.	142,088	56,308	86,670	83,788	78,732	75,192	3,540	5,056	6.0
May	142,285	56,331	86,836	83,986	78,830	75,418	3,412	5,156	6.1
June	142,482	54,698	86,217	83,401	78,600	75,299	3,301	4,801	5.8
July	142,685	53,877	86,727	83,930	79,014	75,640	3,374	4,916	5.9
Aug.	142,886	54,433	87,088	84,313	79,199	75,792	3,407	5,114	6.1
Sept.	143,104	56,220	87,240	84,491	79,451	76,088	3,363	5,040	6.0
Oct.	143,321	55,968	87,467	84,750	79,832	76,416	3,416	4,918	5.8
Nov.	143,517	55,802	87,812	85,116	80,020	76,601	3,419	5,096	6.0
Dec.	143,723	56,181	87,883	85,225	80,098	76,698	3,400	5,127	6.0
1972—Jan.	144,697	57,550	88,301	85,707	80,636	77,243	3,393	5,071	5.9
Feb.	144,895	57,577	88,075	85,535	80,623	77,266	3,357	4,912	5.7

[1] Includes self-employed, unpaid family, and domestic service workers.
[2] Per cent of civilian labor force.
[3] Beginning 1967, data not strictly comparable with previous data. Description of changes available from Bureau of Labor Statistics.

NOTE.—Bureau of Labor Statistics. Information relating to persons 16 years of age and over is obtained on a sample basis. Monthly data relate to the calendar week that contains the 12th day; annual data are averages of monthly figures.

EMPLOYMENT IN NONAGRICULTURAL ESTABLISHMENTS, BY INDUSTRY DIVISION

(In thousands of persons)

Period	Total	Manufacturing	Mining	Contract construction	Transportation & public utilities	Trade	Finance	Service	Government
1966	63,955	19,214	627	3,275	4,151	13,245	3,100	9,551	10,792
1967	65,857	19,447	613	3,208	4,261	13,606	3,225	10,099	11,398
1968	67,915	19,781	606	3,285	4,310	14,084	3,382	10,623	11,845
1969	70,284	20,167	619	3,435	4,429	14,639	3,564	11,229	12,202
1970	70,616	19,369	622	3,345	4,504	14,922	3,690	11,630	12,535
1971	70,699	18,610	601	3,259	4,481	15,174	3,800	11,917	12,858
SEASONALLY ADJUSTED									
1971—Feb.	70,391	18,684	622	3,198	4,526	15,059	3,749	11,809	12,744
Mar.	70,480	18,609	622	3,264	4,520	15,074	3,758	11,841	12,792
Apr.	70,599	18,639	623	3,282	4,505	15,107	3,769	11,843	12,831
May	70,769	18,702	622	3,275	4,518	15,148	3,788	11,858	12,858
June	70,657	18,608	619	3,255	4,500	15,135	3,807	11,895	12,838
July	70,531	18,533	597	3,228	4,476	15,158	3,806	11,921	12,812
Aug.	70,529	18,457	609	3,219	4,428	15,223	3,804	11,946	12,843
Sept.	70,853	18,616	616	3,250	4,460	15,273	3,821	11,962	12,855
Oct.	70,848	18,560	521	3,290	4,442	15,270	3,834	11,996	12,935
Nov.	71,042	18,603	525	3,320	4,434	15,278	3,851	12,044	12,987
Dec.	71,185	18,566	607	3,245	4,465	15,315	3,860	12,089	13,038
1972—Jan.ᵖ	71,603	18,611	615	3,318	4,511	15,451	3,876	12,135	13,086
Feb.ᵖ	71,686	18,627	613	3,236	4,499	15,514	3,882	12,185	13,130
NOT SEASONALLY ADJUSTED									
1971—Feb.	69,450	18,532	606	2,846	4,454	14,721	3,715	11,667	12,909
Mar.	69,782	18,488	608	2,967	4,466	14,789	3,735	11,758	12,971
Apr.	70,309	18,482	617	3,164	4,469	14,974	3,758	11,867	12,978
May	70,738	18,554	622	3,265	4,500	15,071	3,780	11,953	12,993
June	71,355	18,746	634	3,414	4,549	15,192	3,837	12,050	12,933
July	70,452	18,448	613	3,480	4,534	15,132	3,867	12,040	12,338
Aug.	70,542	18,651	625	3,509	4,486	15,151	3,865	11,994	12,261
Sept.	71,184	18,840	623	3,471	4,509	15,242	3,829	11,986	12,684
Oct.	71,379	18,709	522	3,478	4,455	15,327	3,826	12,020	13,042
Nov.	71,638	18,693	524	3,410	4,447	15,537	3,836	12,032	13,159
Dec.	72,034	18,595	605	3,177	4,469	16,089	3,841	12,029	13,229
1972—Jan.ᵖ	70,661	18,441	601	2,963	4,439	15,270	3,837	11,941	13,169
Feb.ᵖ	70,733	18,475	597	2,880	4,427	15,166	3,847	12,039	13,302

NOTE.—Bureau of Labor Statistics; data include all full- and part-time employees who worked during, or received pay for, the pay period that includes the 12th of the month. Proprietors, self-employed persons, domestic servants, unpaid family workers, and members of the Armed Forces are excluded.

Beginning with 1969, series has been adjusted to Mar. 1970 benchmark.

PRODUCTION WORKER EMPLOYMENT IN MANUFACTURING INDUSTRIES

(In thousands of persons)

Industry group	Seasonally adjusted[1]				Not seasonally adjusted[1]			
	1971		1972		1971		1972	
	Feb.	Dec.	Jan.p	Feb.p	Feb.	Dec.	Jan.p	Feb.p
Total	**13,507**	**13,474**	**13,523**	**13,539**	**13,378**	**13,514**	**13,372**	**13,408**
Durable goods	**7,625**	**7,594**	**7,625**	**7,640**	**7,591**	**7,629**	**7,578**	**7,602**
Ordnance and accessories	102	90	90	89	104	91	90	89
Lumber and wood products	486	516	519	509	472	508	501	494
Furniture and fixtures	369	391	394	393	367	395	394	391
Stone, clay, and glass products	494	502	510	507	476	497	491	489
Primary metal industries	997	920	930	929	998	916	926	930
Fabricated metal products	1,006	1,011	1,016	1,026	1,001	1,024	1,014	1,021
Machinery	1,183	1,174	1,170	1,174	1,195	1,170	1,170	1,186
Electrical equipment and supplies	1,177	1,191	1,195	1,206	1,175	1,204	1,197	1,203
Transportation equipment	1,237	1,221	1,218	1,215	1,246	1,245	1,231	1,223
Instruments and related products	256	259	259	264	256	261	259	263
Miscellaneous manufacturing industries	318	319	324	328	303	317	306	313
Nondurable goods	**5,882**	**5,880**	**5,898**	**5,899**	**5,787**	**5,885**	**5,794**	**5,806**
Food and kindred products	1,186	1,175	1,185	1,176	1,111	1,164	1,122	1,100
Tobacco manufactures	66	57	58	59	63	61	58	57
Textile-mill products	841	855	863	865	837	858	857	861
Apparel and related products	1,189	1,185	1,180	1,185	1,192	1,184	1,165	1,188
Paper and allied products	529	529	529	528	524	533	525	523
Printing, publishing, and allied industries	671	661	664	663	669	668	661	661
Chemicals and allied products	586	580	580	580	584	578	574	578
Petroleum refining and related industries	118	118	114	115	113	115	110	110
Rubber and misc. plastic products	433	459	463	464	433	463	461	464
Leather and leather products	263	261	262	264	263	263	262	265

[1] Data adjusted to 1970 benchmark.

NOTE.—Bureau of Labor Statistics; data cover production and related workers only (full- and part-time) who worked during, or received pay for, the pay period that includes the 12th of the month.

HOURS AND EARNINGS OF PRODUCTION WORKERS IN MANUFACTURING INDUSTRIES

Industry group	Average hours worked[1] (per week; S.A.)				Average weekly earnings[1] (dollars per week; N.S.A.)				Average hourly earnings[1] (dollars per hour; N.S.A.)			
	1971		1972		1971		1972		1971		1972	
	Feb.	Dec.	Jan.p	Feb.p	Feb.	Dec.	Jan.p	Feb.p	Feb.	Dec.	Jan.p	Feb.p
Total	**39.8**	**40.3**	**40.0**	**40.4**	**138.29**	**150.18**	**147.26**	**148.40**	**3.51**	**3.69**	**3.70**	**3.71**
Durable goods	**40.3**	**40.9**	**40.5**	**41.0**	**149.23**	**162.70**	**158.78**	**160.37**	**3.74**	**3.93**	**3.94**	**3.95**
Ordnance and accessories	41.4	42.0	41.6	42.9	155.32	168.75	168.40	172.94	3.77	3.98	4.00	4.05
Lumber and wood products	39.8	40.8	40.8	40.6	120.26	130.15	127.28	126.72	3.06	3.19	3.19	3.16
Furniture and fixtures	39.6	39.9	40.5	40.8	109.91	121.88	118.90	118.90	2.84	2.98	2.98	2.98
Stone, clay, and glass products	41.3	41.6	41.8	42.1	144.13	155.58	153.38	155.70	3.55	3.74	3.75	3.77
Primary metal industries	40.6	41.0	40.4	41.1	165.65	184.50	183.87	187.37	4.09	4.50	4.54	4.57
Fabricated metal products	40.4	40.9	40.5	41.1	146.07	159.83	155.98	157.14	3.67	3.87	3.88	3.88
Machinery	40.1	41.3	41.0	41.4	156.39	174.30	170.97	173.05	3.90	4.16	4.17	4.18
Electrical equipment and supplies	39.7	40.3	40.0	40.4	134.46	147.24	144.04	144.04	3.43	3.60	3.61	3.61
Transportation equipment	41.5	41.7	40.5	41.2	181.15	196.35	185.84	186.30	4.44	4.62	4.60	4.60
Instruments and related products	39.7	40.4	40.5	40.3	136.76	147.70	146.69	144.84	3.48	3.62	3.64	3.63
Miscellaneous manufacturing industries	38.4	39.2	39.0	39.5	111.72	120.48	118.42	119.65	2.94	3.05	3.06	3.06
Nondurable goods	**39.1**	**39.5**	**39.4**	**39.7**	**123.84**	**133.73**	**132.16**	**133.23**	**3.20**	**3.36**	**3.38**	**3.39**
Food and kindred products	40.7	40.3	40.0	40.0	132.80	142.51	139.35	139.00	3.32	3.51	3.51	3.51
Tobacco manufactures	36.1	35.6	34.7	33.7	107.51	118.44	112.88	111.55	3.02	3.29	3.32	3.36
Textile-mill products	40.2	41.0	41.3	41.2	101.60	108.73	109.34	111.11	2.54	2.62	2.68	2.71
Apparel and related products	35.0	35.9	35.8	36.2	86.06	91.55	90.62	92.26	2.48	2.55	2.56	2.57
Paper and allied products	41.8	42.3	42.1	42.8	148.21	162.64	159.64	162.39	3.58	3.80	3.81	3.83
Printing, publishing, and allied industries	37.4	37.5	37.5	37.6	151.37	165.68	161.01	161.88	4.08	4.36	4.34	4.34
Chemicals and allied products	41.5	41.7	41.7	41.9	158.59	170.11	170.15	170.97	3.84	4.06	4.10	4.10
Petroleum refining and related industries	42.9	42.7	42.3	42.8	189.93	196.70	202.73	205.94	4.49	4.65	4.85	4.88
Rubber and misc. plastic products	39.9	40.9	40.7	41.0	131.47	145.44	142.97	144.49	3.32	3.53	3.53	3.55
Leather and leather products	36.9	37.9	38.1	38.9	95.20	102.56	102.26	104.64	2.58	2.65	2.67	2.69

[1] Data adjusted to 1970 benchmark.

NOTE.—Bureau of Labor Statistics; data are for production and related workers only.

CONSUMER PRICES

(1967 = 100)

Period	All items	Food	Housing						Apparel and upkeep	Transportation	Health and recreation				
			Total	Rent	Home-ownership	Fuel oil and coal	Gas and electricity	Furnishings and operation			Total	Medical care	Personal care	Reading and recreation	Other goods and services
1929	51.3	48.3	....	76.0	....	....	....	....	48.5	....	....	....	....	....	....
1933	38.8	30.6	....	54.1	....	....	....	....	36.9	....	....	....	....	....	....
1941	44.1	38.4	53.7	57.2	....	40.5	81.4	....	44.8	44.2	....	37.0	41.2	47.7	49.2
1945	53.9	50.7	59.1	58.8	....	48.0	79.6	....	61.5	47.8	....	42.1	55.1	62.4	56.9
1960	88.7	88.0	90.2	91.7	86.3	89.2	98.6	93.8	89.6	89.6	85.1	79.1	90.1	87.3	87.8
1961	89.6	89.1	90.9	92.9	86.9	91.0	99.4	93.7	90.4	90.6	86.7	81.4	90.6	89.3	88.5
1962	90.6	89.9	91.7	94.0	87.9	91.5	99.4	93.8	90.9	92.5	88.4	83.5	92.2	91.3	89.1
1963	91.7	91.2	92.7	95.0	89.0	93.2	99.4	94.6	91.9	93.0	90.0	85.6	93.4	92.8	90.6
1964	92.9	92.4	93.8	95.9	90.8	92.7	99.4	95.0	92.7	94.3	91.8	87.3	94.5	95.0	92.0
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
1971—Jan.	119.2	115.5	122.7	112.9	133.4	116.7	111.5	115.4	117.6	117.5	119.8	124.9	115.3	117.3	118.9
Feb.	119.4	115.9	122.6	113.6	132.3	117.2	112.8	115.9	118.1	117.5	120.2	125.8	115.4	117.5	119.1
Mar.	119.8	117.0	122.4	113.9	131.2	117.4	113.3	116.4	118.6	117.8	120.6	126.8	115.8	117.7	119.4
Apr.	120.2	117.8	122.5	114.4	130.9	117.3	113.9	117.0	119.1	118.1	121.2	127.5	116.3	118.4	119.7
May	120.8	118.2	123.2	114.7	131.6	117.2	114.4	118.1	120.2	118.8	121.6	128.1	116.5	118.9	119.9
June	121.5	119.2	124.0	115.2	133.0	117.4	114.6	118.7	120.1	119.6	122.1	128.6	116.8	119.3	120.3
July	121.8	119.8	124.5	115.4	133.5	117.5	114.7	118.9	119.3	119.5	122.6	129.3	117.1	119.6	121.2
Aug.	†122.1	120.0	125.1	115.8	134.4	117.8	115.7	119.1	119.0	†119.3	123.1	130.0	117.5	119.7	121.8
Sept.	†122.2	119.1	125.5	116.1	135.1	117.8	115.7	119.4	120.6	†118.6	123.6	130.4	117.6	120.5	122.4
Oct.	†122.4	118.9	125.9	116.4	135.7	117.8	115.7	119.5	121.6	†119.3	123.5	129.6	117.9	120.5	122.6
Nov.	122.6	119.0	126.4	116.6	136.7	118.1	116.2	119.5	121.9	118.8	123.7	129.7	117.9	120.8	122.8
Dec.	123.1	120.3	126.8	116.9	137.0	118.1	118.2	119.6	121.8	118.6	123.9	130.1	117.9	121.1	123.0
1972 Jan.	123.2	120.3	127.3	117.1	137.8	118.7	119.0	119.5	120.2	119.0	124.3	130.5	118.1	121.4	123.5

NOTE.—Bureau of Labor Statistics index for city wage-earners and clerical workers.
† Reflects effect of refund of Federal excise tax on new cars.

WHOLESALE PRICES: SUMMARY

(1967 = 100)

Period	All commodities	Farm products	Processed foods and feeds	Industrial commodities													
				Total	Textiles, etc.	Hides, etc.	Fuel, etc.	Chemicals, etc.	Rubber, etc.	Lumber, etc.	Paper, etc.	Metals, etc.	Machinery and equipment	Furniture, etc.	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
1961	94.5	96.3	91.0	94.8	97.7	91.7	97.2	100.7	99.2	91.0	95.2	91.9	91.9	98.4	97.6	......	93.3
1962	94.8	98.0	91.9	94.8	98.6	92.7	96.7	99.1	96.3	91.6	96.3	91.2	92.0	97.7	97.6	......	93.7
1963	94.5	96.0	92.5	94.7	98.5	90.0	96.3	97.9	96.8	93.5	95.6	91.3	92.2	97.0	97.1	......	94.5
1964	94.7	94.6	92.3	95.2	99.2	90.3	93.7	98.3	95.5	95.4	95.4	93.8	92.8	97.4	97.3	......	95.2
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
1971—Jan.	111.8	108.9	111.8	112.2	106.9	111.7	113.5	103.8	108.4	112.2	109.0	116.5	114.2	109.3	118.8	109.5	112.3
Feb.	112.8	113.9	113.3	112.5	106.7	112.4	113.0	104.2	109.1	117.5	109.3	116.4	114.6	109.7	119.0	109.7	112.6
Mar.	113.0	113.0	113.7	112.8	106.9	112.5	112.8	104.5	109.1	123.4	109.3	116.5	114.9	109.6	120.9	109.5	112.8
Apr.	113.3	113.0	113.5	113.3	107.5	114.0	113.0	104.5	109.0	124.6	109.6	117.8	115.0	109.7	121.6	109.7	112.7
May	113.8	114.0	114.5	113.7	107.8	114.4	114.2	104.3	108.7	124.9	109.9	118.5	115.3	109.9	121.8	109.8	112.5
June	114.3	116.0	114.9	113.9	108.5	114.2	114.4	104.4	108.7	126.1	110.2	118.5	115.5	109.8	122.2	110.0	112.6
July	114.6	113.4	116.0	114.5	109.2	114.2	114.4	104.4	109.7	130.6	110.5	119.4	115.7	110.0	123.3	110.3	112.8
Aug.	114.9	113.2	115.4	115.1	109.7	114.4	114.8	104.3	109.8	134.6	110.6	121.1	116.1	110.2	124.2	110.5	113.0
Sept.	114.5	110.5	114.6	115.0	109.7	114.7	115.3	104.3	109.7	134.3	110.6	121.1	116.0	110.2	124.2	109.6	113.0
Oct.	114.4	111.3	114.1	115.0	109.6	114.7	114.8	104.2	109.5	131.8	110.6	121.0	116.0	110.2	124.1	110.7	113.0
Nov.	114.5	112.2	114.4	114.9	109.8	115.1	114.7	103.8	109.5	131.3	110.6	120.9	115.9	110.2	124.0	110.8	113.1
Dec.	115.4	115.8	115.9	115.3	110.6	116.2	115.0	103.4	109.4	132.7	110.7	120.8	116.2	110.2	124.2	112.9	113.2
1972—Jan.	116.3	117.8	117.2	115.9	111.3	117.8	116.0	103.4	109.5	134.9	110.8	121.4	116.5	110.2	124.3	113.4	113.7

[1] For transportation equipment, Dec. 1968=100.

WHOLESALE PRICES: DETAIL

(1967=100)

Group	1971 Jan.	1971 Nov.	1971 Dec.	1972 Jan.
Farm products:				
Fresh and dried produce	115.7	127.1	126.3	124.9
Grains	111.0	87.8	95.3	94.1
Livestock	102.2	121.0	124.7	132.2
Live poultry	96.3	92.3	87.2	94.3
Plant and animal fibers	87.0	97.3	102.5	109.5
Fluid milk	117.6	118.8	119.0	120.5
Eggs	113.3	88.5	114.4	92.6
Hay and seeds	108.7	109.0	109.2	108.7
Other farm products	119.9	111.8	117.3	118.0
Processed foods and feeds:				
Cereal and bakery products	111.0	111.5	111.6	112.2
Meat, poultry, and fish	108.6	117.1	120.4	125.4
Dairy products	112.8	116.3	117.4	117.3
Processed fruits and vegetables	111.2	115.4	115.8	116.0
Sugar and confectionery	118.6	119.1	120.2	120.1
Beverages and beverage materials	115.0	116.6	116.4	116.4
Animal fats and oils	114.6	130.1	122.3	121.4
Crude vegetable oils	124.9	128.6	118.2	114.2
Refined vegetable oils	141.0	130.4	122.7	121.0
Vegetable oil end products	119.4	122.8	122.0	121.7
Miscellaneous processed foods	111.8	113.0	113.1	113.6
Manufactured animal feeds	108.1	100.3	104.5	103.8
Textile products and apparel:				
Cotton products	107.1	112.5	113.6	116.7
Wool products	96.2	92.3	91.5	92.0
Manmade fiber textile products	97.2	103.2	104.3	105.4
Apparel	112.3	113.8	113.8	113.8
Textile housefurnishings	103.3	104.1	106.1	106.2
Miscellaneous textile products	106.8	121.2	136.2	137.4
Hides, skins, leather, and products:				
Hides and skins	98.9	123.1	128.6	136.0
Leather	108.2	113.5	117.0	120.0
Footwear	116.0	117.1	117.1	118.1
Other leather products	107.4	109.1	109.8	110.6
Fuels and related products, and power:				
Coal	176.0	182.9	190.2	192.7
Coke	145.9	150.5	150.5	150.5
Gas fuels	109.3	108.8	107.9	110.0
Electric power	109.8	116.2	116.3	118.9
Crude petroleum	113.2	113.2	113.2	113.2
Petroleum products, refined	107.9	106.2	106.1	106.1
Chemicals and allied products:				
Industrial chemicals	101.8	101.7	101.1	101.4
Prepared paint	114.5	115.9	115.9	116.2
Paint materials	103.6	99.7	101.9	102.7
Drugs and pharmaceuticals	101.9	102.4	102.5	102.3
Fats and oils, inedible	133.7	125.3	115.9	111.3
Agricultural chemicals and products	91.7	90.3	90.3	90.3
Plastic resins and materials	89.5	89.2	89.0	88.6
Other chemicals and products	111.0	112.5	112.4	112.4
Rubber and plastic products:				
Crude rubber	99.5	98.5	98.5	99.2
Tires and tubes	107.5	110.8	110.8	110.3
Miscellaneous rubber products	117.0	119.2	119.2	119.7
Plastic construction products (Dec. 1969=100)	95.3	94.1	93.8	93.7
Unsupported plastic film and sheeting (Dec. 1970=100)	100.0	100.1	100.0	100.0
Laminated sheets, high pressure (Dec. 1970=100)	100.7	98.0	97.9	98.2
Lumber and wood products:				
Lumber	113.0	141.9	143.8	146.9
Millwork	114.2	123.7	124.3	124.9
Plywood	104.9	115.9	117.8	120.2
Other wood products	117.8	119.5	119.1	119.6

Group	1971 Jan.	1971 Nov.	1971 Dec.	1972 Jan.
Pulp, paper, and allied products:				
Pulp, paper and products, excluding building paper and board	109.4	110.9	111.0	111.1
Woodpulp	112.2	111.5	111.5	111.5
Wastepaper	107.8	117.2	124.6	124.9
Paper	112.6	114.7	114.7	114.9
Paperboard	99.3	102.9	102.7	102.7
Converted paper and paperboard	109.3	110.1	110.1	110.3
Building paper and board	100.1	104.7	104.6	104.7
Metals and metal products:				
Iron and steel	117.6	125.3	125.3	126.8
Steelmill products	116.8	128.2	128.2	129.6
Nonferrous metals	115.4	116.0	114.9	114.4
Metal containers	115.8	124.2	124.2	124.2
Hardware	115.3	117.7	117.7	118.4
Plumbing equipment	113.2	118.3	118.4	118.2
Heating equipment	113.6	116.5	116.3	115.9
Fabricated structural metal products	115.2	120.3	120.4	121.6
Miscellaneous metal products	117.7	119.7	120.9	121.3
Machinery and equipment:				
Agricultural machinery and equip.	116.3	117.5	118.6	119.9
Construction machinery and equip.	120.2	122.0	123.2	124.3
Metalworking machinery and equip.	115.2	118.2	118.4	118.5
General purpose machinery and equipment	117.0	120.2	120.5	120.8
Special industry machinery and equipment	119.3	122.0	122.1	122.6
Electrical machinery and equip.	108.8	109.3	109.3	109.5
Miscellaneous machinery	116.1	117.8	117.9	118.3
Furniture and household durables:				
Household furniture	112.9	115.4	115.5	116.0
Commercial furniture	117.5	118.2	118.2	118.3
Floor coverings	100.8	97.6	97.9	98.1
Household appliances	107.0	107.6	107.4	106.9
Home electronic equipment	94.4	93.4	93.4	93.3
Other household durable goods	119.4	122.0	122.1	122.3
Nonmetallic mineral products:				
Flat glass	123.1	123.1	123.6	123.6
Concrete ingredients	117.6	124.3	124.2	124.4
Concrete products	117.1	122.6	122.9	123.4
Structural clay products excluding refractories	111.4	114.9	114.9	114.8
Refractories	126.7	127.1	127.1	127.1
Asphalt roofing	108.8	131.2	131.2	131.2
Gypsum products	97.0	112.1	114.1	113.4
Glass containers	131.9	131.5	131.5	131.5
Other nonmetallic minerals	121.0	125.6	125.6	125.7
Transportation equipment:				
Motor vehicles and equipment	113.9	115.3	117.5	117.9
Railroad equipment	119.0	122.5	122.6	123.7
Miscellaneous products:				
Toys, sporting goods, small arms, ammunition	111.7	112.8	113.1	113.5
Tobacco products	116.8	116.8	116.7	117.4
Notions	111.3	111.7	111.7	111.7
Photographic equipment and supplies	105.6	106.5	106.5	106.4
Other miscellaneous products	111.3	112.9	113.0	113.9

NOTE.—Bureau of Labor Statistics indexes.

GROSS NATIONAL PRODUCT

(In billions of dollars)

Item	1929	1933	1941	1950	1967	1968	1969	1970	1971	1970 IV	1971 I	1971 II	1971 III	1971 IV
Gross national product	103.1	55.6	124.5	284.8	793.9	864.2	929.1	974.1	1,046.8	988.4	1,020.8	1,040.0	1,053.4	1,072.9
Final purchases	*101.4*	*57.2*	*120.1*	*278.0*	*785.7*	*857.1*	*921.7*	*971.3*	*1,044.5*	*984.7*	*1,017.7*	*1,035.4*	*1,054.6*	*1,070.4*
Personal consumption expenditures	77.2	45.8	80.6	191.0	492.1	536.2	579.6	615.8	662.1	624.7	644.9	657.4	668.8	677.2
Durable goods	9.2	3.5	9.6	30.5	73.1	84.0	89.9	88.6	100.5	84.9	96.6	99.1	102.8	103.6
Nondurable goods	37.7	22.3	42.9	98.1	215.0	230.8	247.6	264.7	278.6	270.9	273.2	277.8	280.2	283.3
Services	30.3	20.1	28.1	62.4	204.0	221.3	242.1	262.5	282.9	268.9	275.0	280.5	285.8	290.3
Gross private domestic investment	16.2	1.4	17.9	54.1	116.6	126.0	137.8	135.3	151.6	137.3	143.3	152.9	150.8	159.4
Fixed investment	*14.5*	*3.0*	*13.4*	*47.3*	*108.4*	*118.9*	*130.4*	*132.5*	*149.3*	*133.6*	*140.2*	*148.3*	*152.0*	*157.0*
Nonresidential	*10.6*	*2.4*	*9.5*	*27.9*	*83.3*	*88.8*	*98.6*	*102.1*	*108.7*	*100.8*	*104.7*	*108.3*	*109.3*	*112.6*
Structures	5.0	.9	2.9	9.2	28.0	30.3	34.5	36.8	38.2	37.1	36.7	38.5	38.7	39.0
Producers' durable equipment	5.6	1.5	6.6	18.7	55.3	58.5	64.1	65.4	70.5	63.7	68.1	69.8	70.6	73.6
Residential structures	4.0	.6	3.9	19.4	25.1	30.1	31.8	30.4	40.6	32.8	35.4	40.0	42.7	44.4
Nonfarm	3.8	.5	3.7	18.6	24.5	29.5	31.2	29.7	40.1	32.2	35.0	39.5	42.1	43.8
Change in business inventories	1.7	−1.6	4.5	6.8	8.2	7.1	7.4	2.8	2.2	3.7	3.1	4.6	−1.2	2.4
Nonfarm	1.8	−1.4	4.0	6.0	7.5	6.9	7.3	2.5	1.7	3.3	2.9	4.1	−2.0	2.0
Net exports of goods and services	1.1	.4	1.3	1.8	5.2	2.5	2.0	3.6	......	2.7	4.7	.1	......	−4.6
Exports	7.0	2.4	5.9	13.8	46.2	50.6	55.6	62.9	65.3	63.2	66.2	66.5	68.2	60.4
Imports	5.9	2.0	4.6	12.0	41.0	48.1	53.6	59.3	65.3	60.5	61.5	66.4	68.2	65.0
Government purchases of goods and services	8.5	8.0	24.8	37.9	180.1	199.6	209.7	219.4	233.0	223.7	227.9	229.6	233.8	240.8
Federal	*1.3*	*2.0*	*16.9*	*18.4*	*90.7*	*98.8*	*99.2*	*97.2*	*97.6*	*95.9*	*96.4*	*96.0*	*97.6*	*100.3*
National defense	......	......	13.8	14.1	72.4	78.3	78.4	75.4	71.4	73.2	72.6	71.4	70.2	71.4
Other	......	......	3.1	4.3	18.4	20.5	20.7	21.9	26.2	22.7	23.7	24.6	27.4	28.9
State and local	7.2	6.0	7.9	19.5	89.4	100.8	110.6	122.2	135.5	127.9	131.6	133.6	136.2	140.5
Gross national product in constant (1958) dollars	203.6	141.5	263.7	355.3	675.2	706.6	724.7	720.0	739.4	715.9	729.7	735.8	740.7	751.3

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*, July 1968, July 1969, July 1970, July 1971, and Supplement, Aug. 1966.

NATIONAL INCOME

(In billions of dollars)

Item	1929	1933	1941	1950	1967	1968	1969	1970	1971p	1970 IV	1971 I	1971 II	1971 III	1971 IVp
National income	86.8	40.3	104.2	241.1	653.6	711.1	763.7	795.9	850.8	802.1	831.7	847.3	855.2	......
Compensation of employees	51.1	29.5	64.8	154.6	467.2	514.6	565.5	601.9	641.9	609.3	627.3	638.0	645.6	656.6
Wages and salaries	*50.4*	*29.0*	*62.1*	*146.8*	*423.1*	*464.9*	*509.6*	*541.4*	*574.2*	*547.2*	*561.4*	*571.0*	*577.3*	*587.0*
Private	45.5	23.9	51.9	124.4	337.3	369.2	405.5	426.6	450.4	429.9	440.3	448.4	452.3	460.3
Military	.3	.3	1.9	5.0	16.2	17.9	19.0	19.4	18.6	18.6	19.2	18.6	18.0	18.6
Government civilian	4.6	4.9	8.3	17.4	69.5	77.8	85.1	95.5	105.2	98.6	101.8	104.0	106.9	108.1
Supplements to wages and salaries	*.7*	*.5*	*2.7*	*7.8*	*44.2*	*49.7*	*56.0*	*60.5*	*67.7*	*62.1*	*65.9*	*67.0*	*68.3*	*69.6*
Employer contributions for social insurance	.1	.1	2.0	4.0	21.9	24.3	27.8	29.6	34.0	30.1	33.3	33.6	34.2	35.0
Other labor income	.6	.4	.7	3.8	22.3	25.4	28.2	30.8	33.7	32.0	32.6	33.4	34.1	34.6
Proprietors' income	15.1	5.9	17.5	37.5	62.1	64.2	67.0	66.9	68.3	65.9	66.4	67.2	69.2	70.5
Business and professional	9.0	3.3	11.1	24.0	47.3	49.5	50.3	51.0	52.1	51.5	51.6	51.9	52.3	52.5
Farm	6.2	2.6	6.4	13.5	14.8	14.7	16.8	15.8	16.3	14.4	14.8	15.2	17.0	18.1
Rental income of persons	5.4	2.0	3.5	9.4	21.1	21.2	22.6	23.3	24.3	23.7	23.8	24.2	24.5	24.6
Corporate profits and inventory valuation adjustment	10.5	1.2	15.2	37.7	78.7	84.3	78.6	70.8	80.7	69.0	79.5	82.5	80.0	......
Profits before tax	*10.0*	*1.0*	*17.7*	*42.6*	*79.8*	*87.6*	*84.2*	*75.4*	*85.2*	*71.6*	*83.0*	*86.9*	*85.8*	......
Profits tax liability	1.4	.5	7.6	17.8	33.2	39.9	39.7	34.1	37.8	32.3	38.3	39.1	37.5	......
Profits after tax	*8.6*	*.4*	*10.1*	*24.9*	*46.6*	*47.8*	*44.5*	*41.2*	*47.4*	*39.2*	*44.8*	*47.8*	*48.2*	......
Dividends	5.8	2.0	4.4	8.8	21.4	23.6	24.4	25.0	25.5	25.0	25.6	25.4	25.7	25.3
Undistributed profits	2.8	−1.6	5.7	16.0	25.3	24.2	20.0	16.2	21.9	14.3	19.2	22.4	22.5	......
Inventory valuation adjustment	.5	−2.1	−2.5	−5.0	−1.1	−3.3	−5.5	−4.5	−4.4	−2.6	−3.5	4.4	−5.8	−4.0
Net interest	4.7	4.1	3.2	2.0	24.4	26.9	29.9	33.0	35.6	34.2	34.8	35.4	35.9	36.4

NOTE.—Dept. of Commerce estimates. Quarterly data are seasonally adjusted totals at annual rates. See also NOTE to table above.

RELATION OF GROSS NATIONAL PRODUCT, NATIONAL INCOME, AND PERSONAL INCOME AND SAVING

(In billions of dollars)

Item	1929	1933	1941	1950	1967	1968	1969	1970	1971p	1970 IV	1971 I	1971 II	1971 III	1971 IVp
Gross national product	103.1	55.6	124.5	284.8	793.9	864.2	929.1	974.1	1,046.8	988.4	1,020.8	1,040.0	1,053.4	1,072.9
Less: Capital consumption allowances	7.9	7.0	8.2	18.3	68.9	74.5	81.1	87.6	95.2	89.8	92.0	93.9	96.2	98.7
Indirect business tax and nontax liability	7.0	7.1	11.3	23.3	70.4	78.6	85.7	92.9	102.1	95.8	99.0	100.2	103.0	106.2
Business transfer payments	.6	.7	.5	.8	3.1	3.4	3.7	3.9	4.3	4.1	4.2	4.2	4.3	4.4
Statistical discrepancy	.7	.6	.4	1.5	-.7	-2.7	-4.1	4.5	4.7	1.6	-4.3	4.9	-4.7	......
Plus: Subsidies less current surplus of government enterprises	-.1	......	.1	.2	1.4	.7	1.1	1.7	1.0	1.7	1.8	.7	.7	.7
Equals: National income	86.8	40.3	104.2	241.1	653.6	711.1	763.7	795.9	850.8	802.1	831.7	847.3	855.2	......
Less: Corporate profits and inventory valuation adjustment	10.5	-1.2	15.2	37.7	78.7	84.3	78.6	70.8	80.7	69.0	79.5	82.5	80.0	......
Contributions for social insurance	.2	.3	2.8	6.9	42.4	47.1	54.0	57.6	65.2	58.5	64.0	64.6	65.4	66.6
Excess of wage accruals over disbursements	......	......	......	......	......	......	......	......	......	......	......	......	......	......
Plus: Government transfer payments	.9	1.5	2.6	14.3	48.7	56.1	62.2	75.6	90.4	80.7	83.7	92.2	92.5	93.3
Net interest paid by government and consumers	2.5	1.6	2.2	7.2	23.6	26.1	29.0	31.7	31.9	32.4	31.8	31.4	32.2	32.2
Dividends	5.8	2.0	4.4	8.8	21.4	23.6	24.4	25.0	25.5	25.0	25.6	25.4	25.7	25.3
Business transfer payments	.6	.7	.5	.8	3.1	3.4	3.7	3.9	4.3	4.1	4.2	4.2	4.3	4.4
Equals: Personal income	85.9	47.0	96.0	227.6	629.3	688.9	750.3	803.6	857.0	816.7	833.5	853.4	864.6	876.7
Less: Personal tax and nontax payments	2.6	1.5	3.3	20.7	83.0	97.9	116.2	115.9	115.8	115.2	111.6	113.8	116.0	121.7
Equals: Disposable personal income	83.3	45.5	92.7	206.9	546.3	591.0	634.2	687.8	741.3	701.5	722.0	739.6	748.5	755.0
Less: Personal outlays	79.1	46.5	81.7	193.9	506.0	551.2	596.3	633.7	680.7	643.0	663.3	676.0	687.6	696.0
Personal consumption expenditures	77.2	45.8	80.6	191.0	492.1	536.2	579.6	615.8	662.1	624.7	644.9	657.4	668.8	677.2
Consumer interest payments	1.5	.5	.9	2.4	13.2	14.3	15.8	16.9	17.7	17.4	17.6	17.7	17.8	17.9
Personal transfer payments to foreigners	.3	.2	.2	.5	.7	.8	.9	.9	.9	.9	.9	.9	1.0	.9
Equals: Personal saving	4.2	-.9	11.0	13.1	40.4	39.8	37.9	54.1	60.5	58.5	58.6	63.6	61.0	59.0
Disposable personal income in constant (1958) dollars	150.6	112.2	190.3	249.6	477.5	499.0	513.5	531.5	550.6	532.5	542.7	550.5	553.2	556.1

NOTE.—Dept. of Commerce estimates. Quarterly data are seasonally adjusted totals at annual rates. See also NOTE to table opposite.

PERSONAL INCOME

(In billions of dollars)

Item	1970	1971	1971 Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	1972 Jan.p
Total personal income	803.6	857.0	829.9	832.4	838.3	843.0	848.6	868.6	857.7	866.1	869.9	871.2	874.9	883.9	891.1
Wage and salary disbursements	541.4	574.2	558.7	560.6	564.8	567.7	572.0	573.2	572.9	579.2	579.8	581.3	584.8	594.8	600.9
Commodity-producing industries	200.7	205.7	202.4	201.8	203.3	204.4	206.1	206.4	205.0	205.3	206.7	207.4	208.1	211.4	212.9
Manufacturing only	*158.3*	*160.8*	*159.0*	*158.5*	*159.2*	*159.6*	*161.1*	*161.4*	*160.2*	*160.2*	*161.1*	*162.0*	*162.2*	*165.3*	*165.8*
Distributive industries	129.1	138.8	134.1	135.2	136.5	137.2	138.3	138.1	138.0	140.0	140.7	140.9	141.6	144.7	145.6
Service industries	96.7	105.9	101.9	102.4	103.3	103.9	105.0	105.7	106.3	107.4	107.7	108.1	108.7	109.9	111.2
Government	114.8	123.8	120.3	121.2	121.6	122.1	122.6	123.0	123.6	126.6	124.7	124.9	126.4	128.8	131.1
Other labor income	30.8	33.7	32.4	32.6	32.8	33.1	33.4	33.7	33.9	34.1	34.3	34.4	34.6	34.8	35.0
Proprietors' income	66.8	68.4	66.3	66.3	66.6	66.9	67.1	67.4	68.3	69.3	70.1	70.4	70.6	70.7	70.8
Business and professional	51.0	52.1	51.6	51.5	51.7	51.8	51.9	52.1	52.2	52.3	52.3	52.4	52.5	52.6	52.5
Farm	15.8	16.3	14.7	14.8	14.9	15.1	15.2	15.3	16.1	17.0	17.8	18.0	18.1	18.1	18.3
Rental income	23.3	24.3	23.9	23.5	24.0	24.1	24.2	24.3	24.4	24.5	24.5	24.5	24.6	24.6	24.7
Dividends	25.0	25.5	25.6	25.7	25.5	25.5	25.6	25.2	25.6	25.7	25.7	25.7	25.7	24.3	25.8
Personal interest income	64.7	67.5	66.7	66.6	66.4	66.6	66.7	66.9	67.4	68.1	68.8	68.7	68.6	68.4	68.7
Transfer payments	79.6	94.7	86.8	87.8	89.1	89.8	90.5	109.0	96.2	96.5	97.9	97.4	97.6	98.2	98.7
Less: Personal contributions for social insurance	28.0	31.2	30.5	30.7	30.9	30.9	31.0	31.1	31.1	31.4	31.4	31.4	31.6	32.0	33.6
Nonagricultural income	781.4	834.0	808.6	810.8	816.6	821.1	826.5	846.5	834.8	842.4	845.3	846.4	850.1	859.2	866.2
Agricultural income	22.2	23.0	21.3	21.5	21.7	21.9	22.1	22.2	22.9	23.7	24.6	24.7	24.7	24.8	24.9

NOTE.—Dept. of Commerce estimates. Monthly data are seasonally adjusted totals at annual rates. See also NOTE to table opposite.

1. SUMMARY OF FLOW OF FUNDS ACCOUNTS FOR THIRD QUARTER 1971

(Seasonally adjusted annual rates; in billions of dollars)

	Sector	Private domestic nonfinancial sectors								U.S. Govt.		Financial sectors												Rest of the world		All sectors		Discrepancy	Natl. savings and investment	
		Households		Business		State and local govts.		Total				Total		Sponsored credit agencies		Monetary auth.		Coml. banks[1]		Pvt. nonbank finance										
	Transaction category	U	S	U	S	U	S	U	S	U	S	U	S	U	S	U	S	U	S	U	S			U	S	U	S	U		
1	Gross saving		183.9		98.8		−.9		281.8		−30.1		6.9		.1		*		3.6		3.1				5.5		264.0		258.5	1
2	Capital consumption		96.4		84.4				180.8				2.7						1.1		1.6						183.4		183.4	2
3	Net saving (1–2)		87.5		14.4		−.9		101.0		−30.1		4.2		.1		*		2.5		1.5				5.5		80.6		75.1	3
4	Gross investment (5+10)	184.2		87.0		−1.7		269.4		−28.8		6.7		−.1		*		1.5		5.3				13.2		260.5		3.5	246.5	4
5	Private capital expenditures	136.4		122.3				258.7				1.0								1.0						259.7		4.3	259.7	5
6	Consumer durables	103.2						103.2																		103.2			103.2	6
7	Residential construction	27.6		16.6				44.2																		44.2			44.2	7
8	Plant and equipment	5.6		103.8				109.4				1.0								1.0						110.4			110.4	8
9	Inventory change			1.9				1.9																		1.9			1.9	9
10	Net financial investment (11–12)	47.8		−35.3		−1.7		10.7		−28.8		5.7		−.1		*		1.5		4.3				13.2		.8		−.8	−13.2	10
11	Financial uses	104.1		15.0		13.2		132.3		11.8		157.4		9.9		11.0		59.2		77.3				16.4		318.0			3.3	11
12	Financial sources		56.4		50.3		14.9		121.6		40.6		151.7		9.9		11.0		57.8		73.0				3.3		317.2		16.4	12
13	Gold, SDR's, and official fgn. exchange									*		*				*								*	*	*	*			13
14	Treasury currency and SDR ctfs.										.5	.5				.5										.5	.5	*		14
15	Demand deposits and currency												26.1				1.9		24.2							27.3	26.1			15
16	Private domestic	8.1		2.0		1.1		11.2				.6	11.8	−.6			.9		10.9	1.2						11.7	11.8	*		16
17	U.S. Government									14.9			13.6				.6		13.0							14.9	13.6	−1.2		17
18	Foreign												.7				.4		.3					.7			.7			18
19	Time and savings accounts	56.5						71.2				1.1	73.1							1.1							73.1			19
20	At commercial banks	23.9		2.2		12.5		38.5		*		*	39.4						39.4	*				.9			39.4			20
21	At savings institutions	32.6						32.6				1.1	33.7							1.1	33.7						33.7			21
22	Life insurance reserves	5.0						5.0			.1		4.9								4.9						5.0			22
23	Pension fund reserves	20.3						20.3			3.2		17.0								17.0						20.3			23
24	Interbank items											9.3	9.3			.2	9.5	9.1	−.2							9.3	9.3			24
25	Corporate shares	.7			12.2			.7	12.2			15.2	2.9							15.2	2.9			−.3	.5		15.6			25
26	Credit market instruments	8.6	51.9	−3.4	35.7	−.9	14.4	4.3	102.0	1.1	32.6	125.8	18.0	10.0	8.0	10.4		50.7	1.1	54.7	8.8			24.3	2.8	155.4	155.4			26
27	U.S. Government securities	3.5		−7.9		−3.8		−8.3			32.7	20.1	8.0	.4	8.0	9.6		11.2		−1.1				28.8			40.7			27
28	State and local obligations	−2.5		1.4		.1	14.3	−.9	14.3			15.2						13.5		1.7							14.3			28
29	Corporate and foreign bonds	5.3			14.3	2.7		8.1	14.3			8.8	1.5						.8	8.8	.7			*	1.1		16.9			29
30	Home mortgages	.6	29.0		−.4	*		.6	28.6	−.9	*	29.7	.8	6.5				4.3		18.9	.8						29.4			30
31	Other mortgages	1.7	1.5		21.6			1.7	23.1	.2		21.2		1.9				5.1		14.3							23.1			31
32	Consumer credit		14.6	2.9				2.9	14.6			11.7						6.9		4.8							14.6			32
33	Bank loans n.e.c.		5.3		−.1				5.2			7.9	1.4					7.9			1.4				1.3		7.9			33
34	Other loans		1.5	.2	.3		.1	.2	1.9	1.8		11.1	6.2	1.2		.8		1.8	.3	7.2	5.9			−4.6	.5		8.5			34
35	Security credit	.6	3.6					.6	3.6			3.1	*					−.6		3.6	*			.1	.2		3.7			35
36	To brokers and dealers	.6						.6				−.7	*					−.6		−.1	*			.1			*			36
37	To others		3.6						3.6			3.7						*		3.7					.2		3.7			37
38	Taxes payable				−1.5	.6		.6	−1.5	−3.0			−1.6				−.6		*		−1.0					−2.4	−3.1	−.7		38
39	Trade credit		.6	7.1	6.2		.5	7.1	7.3	−.7	.9	.4								.4				−.2	.7	6.5	8.9	2.4		39
40	Equity in noncorporate business	.5			.5			.5	.5																		.5			40
41	Miscellaneous claims	3.7	.3	7.1	−2.8			10.8	−2.5	−.4	3.3	1.5	2.0	.5	1.0		.3	*	−6.8	1.0	6.6			−8.9	−1.1	3.0	1.8	−1.2		41
42	Sector discrepancies (1–4)	−.3		11.8		.8		12.3		−1.3		.2						2.1		−2.1				−7.7		3.5		3.5	12.0	42

[1] Commercial banks and unconsolidated affiliates.

2. SUMMARY OF FUNDS RAISED AND ADVANCED IN U.S. CREDIT MARKETS

(Seasonally adjusted annual rates; in billions of dollars)

	Transaction category, or sector	1966	1967	1968	1969	1970	1969		1970				1971			
							III	IV	I	II	III	IV	I	II	III	
							Funds raised, by type and sector									
1	**Total funds raised by nonfinancial sectors**	**68.5**	**83.5**	**96.9**	**90.4**	**97.5**	**88.4**	**86.8**	**81.4**	**103.7**	**94.6**	**110.6**	**112.8**	**173.7**	**167.5**	1
2	U.S. Government	3.5	13.0	13.4	-3.6	12.8	-.7	1.2	3.0	16.0	12.2	20.0	-.7	45.6	24.6	2
3	Public debt securities	2.3	8.9	10.3	-1.3	12.9	-4.9	4.9	3.5	18.1	11.4	18.5	2.2	45.8	24.7	3
4	Budget agency issues	1.2	4.1	3.1	-2.4	.1	5.6	-3.7	.5	-2.0	.8	1.5	-2.9	-.2	*	4
5	***All other nonfinancial sectors***	**64.9**	**70.5**	**83.5**	**94.1**	**84.7**	**89.1**	**85.7**	**78.3**	**87.7**	**82.4**	**90.6**	**113.5**	**128.1**	**142.9**	5
6	Corporate equity shares	.9	2.4	-.7	4.8	6.8	6.0	9.2	5.9	6.0	5.4	9.9	9.2	15.3	17.0	6
7	Debt instruments	64.0	68.1	84.2	89.3	77.9	83.2	76.4	72.4	81.7	77.1	80.7	104.2	112.9	125.9	7
8	Debt capital instruments	39.0	46.6	50.9	49.1	58.8	45.2	42.5	45.6	54.6	60.0	74.7	82.0	85.7	84.4	8
9	State and local govt. secs.	5.7	8.7	9.6	8.1	11.8	5.6	4.7	8.9	10.2	8.9	19.3	25.3	16.6	18.0	9
10	Corporate and fgn. bonds	11.0	15.9	14.0	13.1	21.1	12.1	11.1	15.0	22.4	22.2	24.8	25.0	24.1	14.1	10
11	Mortgages	22.3	22.0	27.3	27.9	25.8	27.5	26.7	21.7	22.0	28.9	30.7	31.7	45.1	52.3	11
12	*Home mortgages*	*11.4*	*11.6*	*15.2*	*15.7*	*12.8*	*15.7*	*13.9*	*10.7*	*11.1*	*15.2*	*14.2*	*14.9*	*25.2*	*28.8*	12
13	*Other residential*	*3.1*	*3.6*	*3.5*	*4.8*	*5.9*	*4.8*	*5.6*	*4.6*	*5.4*	*6.5*	*6.9*	*7.1*	*9.8*	*10.2*	13
14	*Commercial*	*5.7*	*4.7*	*6.6*	*5.5*	*5.4*	*5.3*	*5.8*	*4.8*	*4.2*	*5.2*	*7.5*	*7.5*	*8.8*	*11.0*	14
15	*Farm*	*2.1*	*2.1*	*2.1*	*1.9*	*1.8*	*1.8*	*1.5*	*1.5*	*1.4*	*2.1*	*2.1*	*2.2*	*1.2*	*2.3*	15
16	Other private credit	25.0	21.6	33.3	40.2	19.2	38.0	33.9	26.7	27.0	17.0	6.0	22.2	27.2	41.5	16
17	Bank loans n.e.c.	10.3	9.6	13.4	15.7	2.7	11.7	14.2	7.6	9.0	1.9	7.6	4.2	13.4	22.6	17
18	Consumer credit	7.2	4.6	11.1	9.3	4.3	8.9	7.5	4.8	6.1	6.2	.2	4.1	9.2	13.9	18
19	Open market paper	1.0	2.1	1.6	3.3	3.8	2.7	1.0	5.0	2.2	.5	7.5	2.9	-3.7	2.7	19
20	Other	6.4	5.2	7.3	11.8	8.4	14.6	11.2	9.4	9.8	8.4	5.9	10.9	8.3	2.3	20
21	***By borrowing sector***	**64.9**	**70.5**	**83.5**	**94.1**	**84.7**	**89.1**	**85.7**	**78.3**	**87.7**	**82.4**	**90.6**	**113.5**	**128.1**	**142.9**	21
22	Foreign	1.5	4.1	3.0	3.7	2.6	2.3	2.4	2.6	1.7	2.2	4.0	4.3	6.7	7.2	22
23	State and local governments	6.4	8.8	9.9	8.5	12.2	5.8	5.1	9.4	10.4	9.7	19.5	25.7	16.7	18.1	23
24	Households	23.2	19.7	31.8	32.2	21.6	31.5	28.2	22.8	21.5	24.8	17.2	23.3	40.8	41.2	24
25	Nonfinancial business	33.8	37.9	38.8	49.7	48.3	49.4	49.9	43.4	54.2	45.7	50.0	60.2	63.9	76.3	25
26	*Corporate*	*24.9*	*29.3*	*30.3*	*39.1*	*38.8*	*37.4*	*41.0*	*36.9*	*45.2*	*33.6*	*39.2*	*47.2*	*49.9*	*59.4*	26
27	*Nonfarm noncorporate*	*5.5*	*5.0*	*5.8*	*7.4*	*6.3*	*8.7*	*6.4*	*3.5*	*5.2*	*8.7*	*7.7*	*8.2*	*9.4*	*12.7*	27
28	*Farm*	*3.5*	*3.5*	*2.7*	*3.2*	*3.2*	*3.3*	*2.5*	*3.0*	*3.8*	*3.3*	*3.1*	*4.8*	*4.6*	*4.2*	28
							Funds advanced directly in credit markets									
1	**Total funds raised**	**68.5**	**83.5**	**96.9**	**90.4**	**97.5**	**88.4**	**86.8**	**81.4**	**103.7**	**94.6**	**110.6**	**112.8**	**173.7**	**167.5**	1
	Advanced directly by-															
2	U.S. Government	4.9	4.6	4.9	2.5	3.2	3.7	2.3	3.9	3.6	3.5	1.8	4.3	4.3	2.3	2
3	U.S. Govt. credit agencies, net	.3	.5	-.2	.2	1.2	-.1	1.5	-.7	1.6	.9	3.0	2.4	-6.3	-1.5	3
4	Funds advanced	5.1	.1	3.2	9.0	9.9	10.5	14.1	13.7	7.1	8.7	10.1	.3	5.7	6.5	4
5	Less funds raised in cr. mkt.	4.8	.6	3.5	8.8	8.7	10.6	12.5	14.4	5.5	7.8	7.0	2.0	.6	7.9	5
6	Federal Reserve System	3.5	4.8	3.7	4.2	5.0	-.5	9.3	1.2	5.5	7.7	5.5	16.1	1.4	7.6	6
7	Commercial banks, net	16.7	36.6	39.5	12.2	31.3	.9	12.1	1.0	23.3	63.6	37.3	37.6	59.2	44.0	7
8	Funds advanced	16.8	36.9	39.7	16.5	29.5	4.2	18.9	10.1	27.4	52.1	28.4	35.9	59.8	44.9	8
9	Less funds raised	.1	.2	.2	4.3	-1.8	5.0	6.8	9.1	4.1	11.6	8.9	1.7	.6	.9	9
10	Private nonbank finance	25.9	34.4	34.2	30.1	38.9	25.6	24.4	25.3	42.4	42.0	45.8	71.3	81.9	59.8	10
11	Savings institutions, net	7.8	16.8	14.6	10.4	14.7	6.8	5.6	4.7	15.3	18.0	20.7	45.5	49.9	35.1	11
12	Insurance	19.3	18.7	22.0	21.8	24.9	20.6	19.5	23.2	27.1	24.1	25.3	29.9	33.9	27.2	12
13	Finance n.e.c., net	1.3	-1.1	-2.5	-2.1	-.7	1.8	.7	-2.6	*	*	-.3	4.0	1.9	-2.6	13
14	Foreign	-1.8	2.8	2.5	1.3	10.9	5.1	-1.1	9.4	9.5	4.9	19.6	27.5	30.1	32.1	14
15	Private domestic nonfinancial	19.1	-.2	12.3	39.8	7.1	55.5	38.4	41.2	17.9	27.9	-2.5	46.4	3.1	23.3	15
16	Business	3.6	.2	7.4	13.8	1.0	18.1	7.0	15.1	12.3	-28.5	-2.9	1.8	9.7	10.2	16
17	State and local governments	3.4	2.1	.4	6.1	-3.8	7.7	5.6	-2.5	5.3	7.8	.4	1.8	3.0	2.9	17
18	Households	11.9	*	5.8	18.3	10.6	26.4	25.3	24.8	8.8	8.1	.5	-46.3	-5.2	14.6	18
19	Less: Net security credit	.2	2.2	1.4	-1.6	-1.4	-3.2	-.4	-3.8	-2.1	.2	.6	.1	4.5	4.4	19
							Sources of funds supplied to credit markets									
1	**Total borrowing by nonfinancial sectors**	**68.5**	**83.5**	**96.9**	**90.4**	**97.5**	**88.4**	**86.8**	**81.4**	**103.7**	**94.6**	**110.6**	**112.8**	**173.7**	**167.5**	1
	Supplied directly and indirectly by pvt. domestic nonfin. sectors:															
2	Total	42.8	51.3	60.8	44.5	68.2	47.6	44.3	55.1	72.0	69.2	76.6	81.5	94.5	93.6	2
3	Deposits	23.7	51.5	48.5	4.7	61.1	-7.9	5.9	13.9	54.1	97.1	79.2	127.9	91.4	70.2	3
4	Demand dep. and currency	4.0	12.4	14.8	7.1	6.1	7.6	8.2	2.0	7.0	7.3	8.3	15.5	23.1	4.6	4
5	Time and svgs. accounts	19.7	39.1	33.7	2.4	54.9	-15.5	-2.3	11.9	47.1	89.9	70.8	112.4	68.3	65.6	5
6	*At commercial banks*	*12.5*	*22.5*	*20.8*	*10.5*	*38.4*	*-21.3*	*6.4*	*7.4*	*31.9*	*68.2*	*46.3*	*61.9*	*26.5*	*31.5*	6
7	*At savings institutions*	*7.2*	*16.6*	*12.9*	*8.1*	*16.5*	*5.8*	*4.2*	*4.4*	*15.2*	*21.7*	*24.5*	*50.4*	*41.9*	*34.1*	7
8	Credit market instr., net	19.1	-.2	12.3	39.8	7.1	55.5	38.4	41.2	17.9	27.9	-2.5	46.4	3.1	23.3	8
9	*U.S. Govt. securities*	*8.5*	*-1.7*	*7.7*	*15.0*	*-6.9*	*23.2*	*14.1*	*6.5*	*-8.0*	*-6.8*	*-19.2*	*-49.5*	*.8*	*4.7*	9
10	*Pvt. credit market instr.*	*11.4*	*7.8*	*13.4*	*27.0*	*15.2*	*29.6*	*27.5*	*37.6*	*23.9*	*22.1*	*21.5*	*15.4*	*11.6*	*22.7*	10
11	*Corporate equities*	*-1.0*	*-4.1*	*-7.4*	*3.8*	*-2.6*	*-.6*	*-3.7*	*-6.7*	*.1*	*.7*	*-4.3*	*-12.3*	*4.9*	*.4*	11
12	Less security debt	-.2	2.2	1.4	-1.6	1.4	-3.2	.4	-3.8	-2.1	-.2	.6	.1	4.5	4.4	12
	Other sources:															
13	Foreign funds	.7	4.6	4.3	9.6	2.4	10.4	-.6	10.8	2.7	-4.5	.7	9.7	27.1	37.4	13
14	At banks	2.5	1.7	1.8	8.3	-8.4	5.3	.5	1.3	-6.8	-9.4	-18.9	-17.8	-3.0	5.3	14
15	Direct	1.8	2.8	2.5	1.3	10.9	5.1	-1.1	9.4	9.5	4.9	19.6	27.5	30.1	32.1	15
16	Chg. in U.S. Govt. cash balance	-.4	1.2	-1.1	.4	2.6	1.6	3.9	1.0	2.1	1.4	6.1	18.8	17.4	.6	16
17	U.S. Government loans	4.9	4.6	4.9	2.5	3.2	3.7	2.3	3.9	3.6	3.5	1.8	4.3	4.3	2.3	17
18	Pvt. insur. and pension reserves	16.7	17.5	18.5	18.7	21.0	18.7	18.9	18.7	22.7	19.8	22.8	25.3	24.2	19.7	18
19	Sources n.e.c.	3.8	4.3	9.5	14.7	.1	6.4	18.1	-8.1	.7	5.3	2.5	10.7	6.1	13.9	19

3. PRINCIPAL FINANCIAL TRANSACTIONS

(Seasonally adjusted annual rates; in billions of dollars)

	Transaction category, or sector	1966	1967	1968	1969	1970	1969 III	1969 IV	1970 I	1970 II	1970 III	1970 IV	1971 I	1971 II	1971 III	
	Demand deposits and currency															
1	**Net incr. in banking system liability**	2.6	14.8	14.8	8.5	10.1	11.0	13.2	5.1	9.8	8.9	16.9	-1.9	39.9	6.2	1
2	U.S. Government deposits	-.4	1.1	-1.2	.6	2.5	1.9	4.2	1.1	2.0	.7	6.0	-19.2	17.3	.6	2
3	Money supply	3.0	13.7	16.0	7.9	7.7	9.1	9.0	4.0	7.8	8.2	10.8	17.3	22.6	5.6	3
4	Domestic sectors	3.9	13.4	15.7	7.6	7.4	8.5	9.0	2.6	8.2	8.6	10.3	17.5	22.8	5.7	4
5	Households	3.1	9.4	11.1	5.9	4.7	9.5	5.1	5.4	7.4	5.0	1.0	7.3	16.2	10.0	5
6	Nonfinancial business	.7	.8	1.8	-.8	-.9	-4.3	3.0	-2.3	-2.7	.7	.9	-1.2	2.9	-1.7	6
7	State and local governments	-.1	-1.0	.7	3.2	1.2	3.9	2.9	-.3	1.0	1.1	3.1	2.5	1.1	1.1	7
8	Financial sectors	-.1	1.0	.9	.5	1.3	.9	.8	.5	1.2	1.4	2.0	1.9	-.3	1.1	8
9	Mail float	.3	3.2	1.2	-1.2	1.1	-1.5	-2.8	.7	1.3	.5	3.3	6.9	2.9	-4.8	9
10	Rest of the world	-1.0	.3	.3	.3	.3	.6	*	1.4	-.4	-.5	.5	-.1	-.2	-.2	10
	Time and savings accounts															
1	**Net increase Total**	20.2	40.8	33.3	-1.6	53.9	-15.4	3.4	16.8	44.3	87.5	67.1	113.3	72.9	68.0	1
2	At commercial banks– Total	13.3	23.8	20.6	-9.7	36.7	-21.2	-1.1	11.6	28.5	65.6	41.3	61.1	29.5	33.1	2
3	Corporate business	-.7	2.9	1.9	9.8	12.8	-11.0	-4.2	.5	6.1	32.3	12.2	9.0	1.5	1.1	3
4	State and local governments	1.3	2.4	3.2	5.9	9.9	10.3	4.6	6.4	10.3	13.4	9.6	12.1	3.5	11.9	4
5	Foreign	.8	1.2	.3	1.0	1.9	.4	5.7	4.3	-3.5	3.2	5.1	-1.4	2.6	1.6	5
6	Households	11.9	17.1	15.7	5.2	15.8	*	2.4	.5	15.5	22.5	24.5	40.8	21.5	18.4	6
7	At savings institutions	7.0	17.0	12.8	8.1	17.2	5.7	4.5	5.2	15.8	21.9	25.8	52.2	43.4	34.9	7
	Liabilities–															
8	Savings and loan assns.	3.6	10.6	7.5	4.1	11.1	2.9	.7	2.0	9.8	15.6	16.9	36.7	28.6	25.3	8
9	Mutual savings banks	2.6	5.1	4.2	2.6	4.4	1.5	2.2	1.6	4.4	4.7	7.0	12.4	11.6	6.6	9
10	Credit unions	.8	1.2	1.1	1.4	1.7	1.3	1.5	1.6	1.7	1.5	1.9	3.1	3.1	3.0	10
	Assets–															
11	Households	7.2	16.6	12.9	8.1	16.5	5.8	4.2	4.4	15.2	21.7	24.5	50.4	41.9	34.1	11
12	Cr. union deps. at S & L's	.2	.3	-.1	*	.7	-.1	.3	.8	.6	.2	1.3	1.8	1.5	.8	12
	U.S. Government securities															
1	**Total net issues**	8.7	12.5	16.7	5.5	21.6	10.0	13.8	17.5	21.6	20.1	27.0	-2.6	46.3	32.7	1
2	Household savings bonds	.6	1.0	.4	-.4	.3	.8	.1	-.9	-.2	.5	1.7	1.9	2.7	2.4	2
3	Direct excluding savings bonds	1.8	7.9	9.9	.9	12.6	5.6	4.8	4.4	18.3	10.9	16.8	.3	43.1	22.2	3
4	Budget agency issues	*	.1	1.5	-.4	1.3	-.8	-.2	2.1	.2	1.0	1.7	.8	.4	*	4
5	Sponsored agency issues	5.1	-.6	3.2	9.1	8.7	10.6	12.5	14.4	5.5	7.8	7.0	-2.0	.6	7.9	5
6	Loan participations	1.3	4.0	1.7	-1.9	-1.3	-4.8	-3.3	-2.6	-2.2	-.1	-.2	-3.6	-.5	.1	6
7	**Net acquisitions, by sector**	8.7	12.5	16.7	5.5	21.6	10.0	13.8	17.5	21.6	20.1	27.0	-2.6	46.3	32.7	7
8	U.S. Government (agency sec.)	1.3	-.1	.1	-1.3	-.1	-.8	-1.0	.1	*	.1	-.6	*	*	......	8
9	Sponsored credit agencies	1.0	*	-.1	-.2	1.7	.5	1.2	2.0	-.5	1.0	4.4	-1.8	-2.7	-2.8	9
10	Direct marketable	.3	.9	-.1	-.5	1.9	-.8	.4	2.8	.8	1.2	4.3	3.9	-.2	-2.8	10
11	FHLB special issue	.6	.9	......	.3	-.2	.3	.8	.8	.2	-.2	.1	2.0	-2.6	.1	11
12	Federal Reserve System	3.5	4.8	3.8	4.2	5.0	-.4	9.2	1.1	5.4	7.9	5.6	15.8	1.7	7.6	12
13	Foreign	-2.4	2.1	-.5	-1.8	9.1	2.7	-3.7	8.0	8.2	4.7	15.5	26.3	28.7	29.0	13
14	Commercial banks	-3.6	9.3	3.4	-9.5	9.0	-9.5	-5.2	.5	6.8	11.0	17.6	2.2	14.7	-5.2	14
15	Direct	-3.4	6.3	2.2	-9.3	5.8	-7.6	6.2	-.7	6.8	8.9	8.0	.1	11.3	-8.2	15
16	Agency issues	-.2	3.0	1.3	-.3	3.2	-1.9	1.0	1.3	*	2.1	9.6	2.1	3.4	3.0	16
17	Nonbank finance	.4	-1.9	2.2	-.8	3.7	-4.7	.8	-.7	9.8	2.2	3.7	4.4	3.1	-.6	17
18	Direct	-.2	2.2	.4	-2.4	1.5	7.3	.6	-3.2	7.6	-.7	2.5	-7.3	2.5	-3.7	18
19	Agency issues	.5	.3	1.8	1.6	2.2	2.6	-.2	2.6	2.2	2.9	1.2	11.8	.6	3.1	19
20	Pvt. domestic nonfinancial	8.5	-1.7	7.7	15.0	-6.9	23.2	14.1	6.5	-8.0	-6.8	-19.2	-49.5	.8	4.7	20
21	Savings bonds – Households	.6	1.0	.4	-.4	.3	-.8	.1	-.9	-.2	.5	1.7	1.9	2.7	2.4	21
22	Direct excl. savings bonds	3.3	-3.0	4.1	8.7	10.5	18.8	5.0	-2.7	-9.2	10.8	-19.2	-32.7	1.7	.4	22
23	Agency issues	4.7	.4	3.2	6.7	3.4	5.2	9.1	10.1	1.4	3.5	-1.7	-18.7	-3.6	1.8	23
	Private securities															
1	**Total net issues, by sector**	18.5	28.2	23.9	27.7	42.3	25.1	26.3	31.3	41.0	39.3	57.7	65.0	58.8	53.0	1
2	State and local governments	5.7	8.7	9.6	8.1	11.8	5.6	4.7	8.9	10.2	8.9	19.3	25.3	16.6	18.0	2
3	Nonfinancial corporations	11.4	17.0	12.1	16.4	27.0	16.1	19.8	20.2	28.9	25.7	33.4	32.8	37.8	30.2	3
4	Finance companies	.8	1.0	.8	1.6	2.5	1.4	1.3	1.3	2.3	2.8	3.8	4.5	2.5	3.7	4
5	Commercial banks	.1	.2	.2	.1	.1	*	-.1	.2	*	*	*	.9	.4	.2	5
6	Rest of the world	.5	1.3	1.3	1.5	.9	2.0	.5	.7	-.4	2.0	1.3	1.4	1.6	.9	6
7	**Net purchases**	18.5	28.2	23.9	27.7	42.3	25.1	26.3	31.3	41.0	39.3	57.7	65.0	58.8	53.0	7
8	Households	3.2	-1.8	1.2	3.0	8.1	5.2	5.3	6.9	9.8	2.5	13.3	-3.3	4.2	13.0	8
9	Nonfinancial corporations	1.0	-.2	-1.1	5.1	1.4	5.5	5.0	.6	2.0	1.6	1.2	6.1	3.2	.7	9
10	State and local governments	1.1	1.9	.4	2.6	.2	.9	1.4	.4	.7	-.8	.6	2.8	2.7	2.6	10
11	Commercial banks	1.9	9.8	8.9	.3	10.8	-1.1	-1.7	5.0	8.9	14.5	14.7	20.1	14.9	7.8	11
12	Mutual savings banks	.3	2.3	1.6	.6	1.7	*	.2	1.2	2.0	1.2	2.5	8.3	6.7	1.5	12
13	Insurance and pension funds	12.9	16.6	17.6	16.8	18.7	15.0	15.4	17.0	20.6	13.9	23.2	26.7	33.0	25.5	13
14	Finance n.e.c.	-2.2	-.9	-3.6	-2.8	.1	-1.1	-2.2	-.3	-3.5	4.3	-.1	3.3	-5.5	.4	14
15	Security brokers and dealers	.1	.2	-.9	.2	.7	2.3	-2.6	*	.2	5.2	-2.7	1.4	-6.1	-.7	15
16	Investment companies, net	2.4	-1.1	-2.8	-3.0	-.6	-3.4	.3	-.3	3.7	-1.0	2.5	1.9	.6	1.1	16
17	Portfolio purchases	1.4	1.5	1.9	2.7	1.8	2.7	4.6	1.3	-1.0	2.4	4.5	2.1	.4	.9	17
18	Net issues of own shares	3.7	2.6	4.7	5.7	2.4	6.1	4.2	1.6	2.7	3.4	2.1	.2	-.2	-.1	18
19	Rest of the world	.3	.6	2.3	2.1	1.4	.7	2.9	.6	.5	2.1	2.3	1.0	-.5	1.5	19
	Bank loans n.e.c.															
1	**Total net borrowing**	9.0	7.5	15.7	17.8	2.1	11.1	17.6	5.2	10.3	5.0	-11.8	11.1	15.6	20.0	1
2	Households	.4	2.1	3.1	2.4	.8	.9	1.5	2.3	-1.1	1.2	1.0	2.7	5.4	-1.4	2
3	Nonfinancial business	10.1	7.7	10.6	13.5	2.3	12.3	12.8	4.6	10.4	.9	-6.7	1.8	5.4	18.8	3
4	Rest of the world	-.2	-.2	-.3	-.2	-.4	-1.5	-.1	.6	-.3	-.2	-1.9	-.2	2.7	5.2	4
5	Financial sectors	-1.3	-2.1	2.3	2.1	-.5	-.6	3.4	-2.3	1.2	3.0	-4.1	6.9	2.1	-2.7	5

Notes to Table 2

Funds raised, by type and sector. Credit flows included here are the amounts shown on lines 25–34 of Table 1 by households, business, governments, and foreigners. All funds raised by financial sectors are excluded. U.S. Govt. budget issues (line 4) are loan participation certificates issued by CCC, Export-Import Bank, FNMA, and GNMA, together with security issues by FHA, Export-Import Bank, and TVA. Issues by federally sponsored credit agencies are excluded as borrowing by financial institutions. Such issues are in line 5 of the next section of the table and in U.S. Govt. securities in Table 3. Corporate share issues are net cash issues by nonfinancial and foreign corporations. Mortgages exclude loans in process. Open market paper is commercial paper issued by nonfinancial corporations plus bankers' acceptances.

Funds advanced directly in credit markets. Net purchases, by sector, of the credit instruments shown in the section above. Financial sectors' purchases are shown net of their own funds raised in credit-market forms—securities and loans on lines 25–34 of Table 1. Lines 3, 7, 10, 14, and 15 reflect such adjustments. In addition, security credit is included in funds advanced as an asset and deducted from funds advanced as a liability, netting to zero in the totals. Security credit assets are in lines 8, 13, and 14 and subtracted in line 19. Security credit liabilities are in line 19 and subtracted in lines 14 and 19.

Lines 3–5 cover federally sponsored agencies. Commercial banks include bank affiliates not consolidated in bank reports. Savings institutions are savings and loan assns., mutual savings banks, and credit unions. Insurance consists of life companies, fire and casualty companies, private pension funds, and State and local govt. retirement funds. Finance n.e.c. is finance companies, open-end investment companies, security brokers and dealers, agencies of foreign banks, and banks in U.S. possessions.

Sources of funds supplied to credit markets. In this section lending by financial sectors is replaced by sources of funds to financial sectors. *Foreign funds at banks* are deposits and foreign branch claims on U.S. home offices. Sources n.e.c. consist mainly of retained income and miscellaneous liabilities of financial sectors less their miscellaneous assets.

Notes to Table 3

Demand deposits and currency. Lines 5–8 are holder record; line 9 is difference between holder and bank record.

U.S. Government securities. Includes issues by sponsored credit agencies not consolidated into the U.S. Govt. sector and not included in funds raised in Table 2. Sponsored agencies are listed in notes to Table 4, p. A-73.9. Loan participations include FNMA, GNMA, Export-Import Bank, and CCC certificates. Where not shown separately, loan participations are grouped with agency issues. All figures are changes in par values of holdings.

Private securities. Total excludes open-end investment company shares, which are deducted on line 18.

Bank loans n.e.c. Includes lending by bank affiliates.

4. SECTOR STATEMENTS OF SAVING AND INVESTMENT

(Seasonally adjusted annual rates; in billions of dollars)

	Category	1966	1967	1968	1969	1970	1969 III	1969 IV	1970 I	1970 II	1970 III	1970 IV	1971 I	1971 II	1971 III	
							Households, personal trusts, and nonprofit organizations									
1	Personal income	587.2	629.3	688.9	750.3	803.6	759.3	772.2	784.3	803.8	809.8	816.7	833.5	853.4	864.6	1
2	Less: Personal taxes & nontaxes	75.4	83.0	97.9	116.2	115.9	116.1	117.7	116.7	118.0	113.5	115.2	111.6	113.9	116.0	2
3	Personal outlays	479.3	506.0	551.2	596.3	633.7	600.9	611.4	621.4	631.5	638.9	643.0	663.3	676.0	687.6	3
4	Equals: Personal saving, NIA basis	32.5	40.4	39.8	37.9	54.1	42.3	43.1	46.2	54.2	57.4	58.5	58.6	63.6	61.0	4
5	Plus: Credits from Govt. insur.[1]	5.3	5.3	5.9	6.2	9.0	7.2	3.7	6.6	13.1	7.5	8.9	9.0	13.0	7.9	5
6	Capital gains dividends[2]	1.3	1.7	2.5	2.5	.9	2.2	1.1	1.4	1.2	.8	.2	.4	1.3	.9	6
7	Net durables in consumpt.	15.2	12.4	16.7	15.5	8.4	14.1	13.6	10.4	10.7	9.2	3.1	14.2	15.9	18.9	7
8	Equals: Net saving	54.3	59.8	64.8	62.2	72.4	65.8	61.5	64.6	79.2	74.9	70.7	82.2	93.7	88.7	8
9	Plus: Capital consumption	64.3	69.9	77.2	84.8	91.2	85.8	87.3	89.0	90.8	92.1	92.8	93.8	94.7	95.5	9
10	On owner-occ. homes	7.4	7.8	8.3	8.8	9.2	8.9	9.0	9.1	9.2	9.3	9.4	9.6	9.7	9.8	10
11	On nonprofit pl. and eq.	1.3	1.4	1.5	1.6	1.7	1.6	1.6	1.6	1.7	1.7	1.7	1.7	1.7	1.8	11
12	On consumer durables	55.6	60.7	67.4	74.4	80.3	75.3	76.7	78.2	80.0	81.1	81.7	82.4	83.3	83.9	12
13	Equals: Gross savings	118.6	129.7	142.0	147.0	163.5	151.6	148.8	153.6	170.0	167.0	163.5	175.9	188.3	184.2	13
14	**Gross investment**	**119.8**	**132.0**	**140.5**	**141.2**	**162.9**	**145.7**	**143.0**	**148.9**	**168.7**	**166.2**	**167.3**	**177.1**	**187.0**	**184.5**	14
15	Capital expend. (net of sales)	94.2	94.6	109.7	116.7	112.9	116.5	114.9	113.8	115.5	112.8	109.2	123.4	128.9	133.7	15
16	Residential construction	18.9	17.0	21.1	21.6	18.9	21.7	19.3	19.7	19.4	17.3	19.2	21.7	24.2	25.3	16
17	Consumer durable goods	70.8	73.1	84.0	89.9	88.6	89.4	90.3	88.6	90.7	90.4	84.9	96.6	99.1	102.8	17
18	Plant and equip. (nonprofit)	4.5	4.5	4.5	5.1	5.3	5.3	5.4	5.5	5.4	5.2	5.1	5.1	5.5	5.6	18
19	**Net finan. investment**	**25.6**	**37.3**	**30.8**	**24.5**	**50.0**	**29.2**	**28.1**	**35.2**	**53.2**	**53.4**	**58.1**	**53.7**	**58.1**	**50.8**	19
20	*Net acquis. of financial assets*	*49.3*	*61.1*	*65.6*	*55.2*	*70.6*	*56.6*	*58.0*	*53.8*	*71.7*	*80.0*	*76.8*	*79.6*	*103.2*	*96.2*	20
21	Demand dep. and curr.	3.1	9.4	11.1	5.9	4.7	9.5	5.1	5.4	7.4	5.0	1.0	7.3	16.2	10.0	21
22	Savings accounts	19.1	33.7	28.6	13.3	32.2	5.8	6.6	5.0	30.7	44.2	49.1	91.2	63.3	52.6	22
23	At commercial banks	11.9	17.1	15.7	5.2	15.8	*	2.4	.5	15.5	22.5	24.5	40.8	21.5	18.4	23
24	At savings institutions	7.2	16.6	12.9	8.1	16.5	5.8	4.2	4.4	15.2	21.7	24.5	50.4	41.9	34.1	24
25	Credit market instruments	12.9	4.2	13.2	22.2	13.1	27.0	29.0	31.5	8.9	7.4	4.8	-34.0	-.3	14.2	25
26	U.S. Govt. securities	7.3	.9	5.2	13.2	.3	18.6	17.9	14.8	-3.3	4.1	-14.5	-44.9	-9.4	.3	26
27	State and local oblig.	2.1	-1.3	.9	1.5	-1.5	-.8	-.2	1.2	-.4	-9.5	2.7	.9	-.2	6.0	27
28	Corporate and fgn. bonds	2.0	3.6	5.4	5.4	12.2	6.5	9.2	12.3	10.2	11.3	14.9	9.9	9.3	6.6	28
29	Mortgages	1.4	1.0	1.8	2.1	2.2	2.7	2.2	3.1	2.3	1.5	1.7	1.9	*	1.3	29
30	Investment company shares	3.7	2.6	4.7	5.7	2.4	6.1	4.2	1.6	2.7	3.4	2.1	.2	-.2	-.1	30
31	Other corporate shares	-4.7	-6.7	-12.2	-9.5	-5.0	-6.7	-7.9	-8.3	-2.8	-2.7	-6.4	-12.5	-4.7	.5	31
32	Life insurance reserves	4.6	4.8	4.5	4.9	4.9	5.0	4.9	4.9	4.9	4.9	4.8	4.9	4.9	5.0	32
33	Pension fund reserves	13.4	14.1	15.3	15.4	18.6	16.1	15.0	15.3	21.4	16.7	20.9	22.6	23.5	16.9	33
34	Net invest. in noncorp. bus.	-4.1	-3.6	-2.2	-3.9	-2.3	-4.3	-2.7	-2.6	-2.1	-2.5	-2.0	-4.3	-1.6	-4.9	34
35	Security credit	*	1.1	.7	-.8	-.5	-1.8	1.1	-1.3	-1.8	1.2	*	1.6	-1.2	-1.1	35
36	Miscellaneous	1.2	1.5	1.8	2.1	2.5	-.1	2.6	2.3	2.5	2.5	2.5	2.6	3.2	3.2	36
37	*Net increase in liabilities*	*23.6*	*23.7*	*34.8*	*30.7*	*20.6*	*27.3*	*29.9*	*18.6*	*18.5*	*26.7*	*18.7*	*25.9*	*45.1*	*45.4*	37
38	Credit market instruments	23.2	19.7	31.8	32.2	21.6	31.5	28.2	22.8	21.5	24.8	17.2	23.3	40.8	41.2	38
39	Home mortgages	12.3	10.5	14.9	16.2	12.5	16.3	14.9	11.0	12.2	13.7	13.0	13.3	23.6	25.4	39
40	Other mortgages	1.3	1.2	1.1	1.3	1.4	1.3	1.3	1.3	1.3	1.4	1.4	1.4	1.4	1.5	40
41	Instalment cons. credit	6.2	3.4	9.0	8.3	3.0	8.0	7.1	4.1	4.8	4.4	-1.3	2.8	6.8	11.6	41
42	Other consumer credit	1.0	1.2	2.1	1.0	1.3	1.0	.4	.6	1.3	1.9	1.6	1.3	2.4	2.3	42
43	Bank loans n.e.c.	.4	2.1	3.1	2.4	.8	.9	1.5	2.3	-1.1	1.2	1.0	2.7	5.4	-1.4	43
44	Other loans[3]	2.0	1.3	1.7	3.0	2.6	4.1	3.0	3.4	3.0	2.3	1.6	1.7	1.2	1.8	44
45	Security credit	-.2	3.3	2.1	-2.5	-1.9	-5.1	.7	-5.2	-3.9	.9	.6	1.7	3.3	3.2	45
46	Trade debt	.3	.4	.5	.5	.6	.5	.5	.5	.5	.6	.6	.6	.6	.6	46
47	Miscellaneous	.4	.3	.4	.4	.4	.4	.5	.4	.4	.4	.4	.3	.3	.3	47
48	Discrepancy (13–14)	-1.2	-2.2	1.5	5.8	.6	5.9	5.8	4.6	1.4	.8	-3.8	-1.2	1.3	-.3	48

NOTE.—For notes see p. A-73.9.

4. SECTOR STATEMENTS OF SAVING AND INVESTMENT—Continued

(Seasonally adjusted annual rates; in billions of dollars)

	Category	1966	1967	1968	1969	1970	1969 III	1969 IV	1970 I	1970 II	1970 III	1970 IV	1971 I	1971 II	1971 III	
	Nonfinancial business—Total															
1	Income before taxes [1]	139.1	136.2	142.4	138.4	129.7	137.5	133.3	130.9	132.1	130.1	125.5	136.1	139.3	139.7	1
2	Gross saving	77.7	78.4	80.0	78.9	82.0	80.4	77.5	81.6	82.1	82.3	82.6	88.9	93.1	93.7	2
3	Gross investment	69.6	68.3	73.7	73.6	80.2	75.5	73.9	80.2	82.8	79.7	78.7	79.5	83.1	75.0	3
4	***Capital expenditures***	**97.0**	**94.0**	**99.0**	**109.2**	**109.1**	**112.9**	**111.5**	**104.1**	**107.4**	**114.2**	**110.8**	**114.5**	**121.1**	**117.7**	4
5	Fixed investment	82.2	85.8	91.9	101.8	106.3	102.5	105.8	103.7	105.3	109.1	107.1	111.4	116.5	118.9	5
6	Business plant & equipment	76.1	77.8	82.9	91.6	94.8	93.5	95.0	93.4	94.8	97.6	93.6	97.7	100.8	101.5	6
7	1-4 family resident. const. [2]	−.7	2.0	.9	−.1	1.0	−1.4	.2	−.1	−.6	1.8	3.0	2.9	2.2	3.0	7
8	Other residential	6.8	6.1	8.1	10.3	10.4	10.5	10.7	10.4	11.2	9.7	10.5	10.8	13.5	14.4	8
9	Change in inventories [3]	14.8	8.2	7.1	7.4	2.8	10.4	5.7	.4	2.1	5.1	3.7	3.1	4.6	−1.2	9
10	**Net financial investment**	**−27.4**	**−25.7**	**−25.3**	**−35.6**	**−28.9**	**−37.4**	**−37.7**	**−23.9**	**−24.6**	**−34.5**	**−32.2**	**−35.0**	**−38.0**	**−42.7**	10
11	*Financial uses of funds, net*	*16.5*	*15.8*	*27.4*	*29.6*	*21.2*	*28.6*	*22.6*	*37.0*	*25.1*	*8.3*	*14.9*	*27.6*	*23.2*	*28.4*	11
12	*Financial sources of funds, net*	*43.9*	*41.5*	*52.6*	*65.2*	*50.1*	*66.0*	*60.3*	*60.9*	*49.7*	*42.8*	*47.1*	*62.6*	*61.2*	*71.1*	12
13	Corporate share issues	1.2	2.3	.8	4.3	6.8	5.6	9.1	6.3	6.2	5.0	9.6	9.0	15.7	17.0	13
14	Credit market instruments	32.7	35.6	39.6	45.4	41.5	43.8	40.8	37.1	48.0	40.7	40.4	51.3	48.2	59.3	14
15	Corporate bonds	10.2	14.7	12.9	12.1	20.3	10.5	10.7	13.9	22.7	20.7	23.8	23.8	22.1	13.1	15
16	Home mortgages	−1.0	1.1	.3	−.6	.3	−.7	−1.0	−.3	−1.1	1.4	1.2	1.6	1.6	3.4	16
17	Other mortgages	9.7	9.2	11.0	11.0	11.7	10.5	11.6	9.7	9.6	12.3	15.1	15.5	18.4	22.0	17
18	Bank loans n.e.c.	10.1	7.7	10.6	13.5	2.3	12.3	12.8	4.6	10.4	.9	−6.7	1.8	5.4	18.8	18
19	Other loans [4]	3.6	2.8	4.8	9.3	7.0	11.2	6.7	9.2	6.4	5.3	7.0	8.7	.8	1.9	19
20	Trade debt	7.4	6.4	10.2	19.7	4.3	23.5	12.8	14.5	*	2.0	.7	−4.3	−6.8	−4.3	20
21	Other liabilities	2.7	−2.7	3.7	−4.1	−2.5	−7.0	−2.3	2.9	−4.5	−4.9	−3.6	6.6	4.0	−.8	21
22	Discrepancy (2–3)	8.0	10.1	6.3	5.4	1.8	4.8	3.6	1.4	−.7	2.6	3.9	9.5	10.0	18.7	22
	Farm and nonfarm noncorporate business [5]															
1	Net income [1]	69.8	71.2	73.5	76.4	76.5	76.5	76.7	77.5	77.2	75.6	75.7	76.1	77.2	79.4	1
2	Gross saving [6]	16.5	16.9	18.3	19.5	20.5	19.7	19.6	22.0	20.2	20.2	20.2	21.6	21.9	22.4	2
3	Gross investment	16.5	16.9	18.3	19.5	20.5	19.7	19.6	22.0	20.2	20.2	20.2	21.6	21.9	22.4	3
4	***Capital expenditures***	**19.9**	**22.1**	**22.8**	**24.3**	**24.9**	**24.6**	**24.2**	**24.0**	**24.9**	**25.8**	**24.8**	**30.9**	**30.7**	**32.8**	4
5	Fixed investment	19.5	21.1	22.2	23.4	24.7	22.5	24.5	23.9	24.0	24.9	25.9	28.2	29.7	31.5	5
6	Change in inventories [3]	.4	.9	.6	.9	.2	2.1	−.2	.1	.9	.9	−1.1	2.7	1.0	1.3	6
7	**Net financial investment**	**−3.4**	**−5.1**	**−4.5**	**−4.8**	**−4.3**	**−5.0**	**−4.6**	**−2.0**	**−4.7**	**−5.6**	**−4.7**	**−9.3**	**−8.7**	**−10.5**	7
8	*Financial uses of funds, net*	*1.1*	*1.2*	*1.8*	*1.8*	*1.7*	*2.3*	*1.5*	*1.1*	*1.5*	*2.4*	*1.9*	*1.1*	*2.0*	*2.1*	8
9	*Financial sources of funds, net*	*4.5*	*6.3*	*6.3*	*6.5*	*6.1*	*7.3*	*6.1*	*3.1*	*6.2*	*8.1*	*6.5*	*10.4*	*10.7*	*12.6*	9
10	Credit market instruments	9.0	8.5	8.5	10.5	9.5	12.0	8.9	6.5	8.9	12.1	10.8	13.1	14.0	16.8	10
11	Mortgages	4.5	5.8	5.5	5.7	6.7	5.6	4.8	5.1	5.1	8.0	8.4	8.3	8.4	12.7	11
12	Bank loans n.e.c.	2.2	1.3	1.8	2.5	1.1	3.5	2.2	−1.0	2.1	2.4	.9	1.1	3.6	3.2	12
13	Other loans [4, 7]	2.2	1.4	1.3	2.4	1.8	2.8	1.9	2.4	1.7	1.7	1.4	3.6	2.0	.9	13
14	Trade debt, net	−.4	1.4	*	−.1	−1.2	−.4	−.2	−.8	−.7	−1.5	−2.3	1.7	−1.7	.7	14
15	Proprietors' net investment [8]	−4.1	−3.6	−2.2	−3.9	−2.3	−4.3	−2.7	−2.6	−2.1	−2.5	−2.0	−4.3	−1.6	−4.9	15
	Nonfinancial corporate business															
1	Profits before tax	71.1	66.1	72.2	67.5	57.7	64.2	63.2	59.2	59.2	60.0	52.4	63.5	66.6	66.2	1
2	Less: Profits tax accruals	30.0	28.3	34.0	33.3	27.0	31.7	31.2	27.6	27.7	28.1	24.7	30.8	32.0	30.2	2
3	Net dividends paid	18.1	18.8	20.8	20.9	21.0	20.9	21.0	21.0	21.2	21.2	20.8	21.2	20.4	21.3	3
4	Equals: Undistributed profits	22.9	19.0	17.5	13.3	9.6	11.6	11.1	10.6	10.3	10.7	6.9	11.4	14.1	14.7	4
5	Plus: Foreign branch profits, net	1.8	2.1	2.5	2.5	2.6	2.5	2.5	2.8	2.5	2.7	2.7	2.8	3.4	2.8	5
6	Investment valuation adj.	−1.8	−1.1	−3.3	−5.5	−4.5	−3.2	−6.7	−5.8	−4.2	−5.5	−2.6	−3.5	4.4	−5.8	6
7	Capital consumption	38.2	41.5	45.1	49.2	53.8	49.8	51.0	52.1	53.3	54.2	55.4	56.7	58.1	59.7	7
8	Equals: Gross internal funds	61.2	61.5	61.7	59.5	61.5	60.7	57.9	59.7	61.8	62.1	62.4	67.4	71.2	71.4	8
9	Gross investment (10 + 15)	53.1	51.3	55.4	54.1	59.7	55.9	54.2	58.2	62.6	59.5	58.5	57.9	61.2	52.7	9
10	***Capital expenditures***	**77.1**	**72.0**	**76.1**	**84.9**	**84.2**	**88.3**	**87.3**	**80.1**	**82.5**	**88.3**	**86.0**	**83.6**	**90.5**	**84.9**	10
11	Fixed investment	62.7	64.7	69.7	78.4	81.6	80.0	81.4	79.8	81.3	84.1	81.2	83.2	86.8	87.4	11
12	Plant and equipment	61.6	62.5	67.4	75.6	78.3	77.8	78.1	77.0	78.5	80.6	76.9	78.8	81.4	81.3	12
13	Residential construction	1.1	2.3	2.3	2.8	3.3	2.2	3.3	2.8	2.8	3.5	4.3	4.3	5.4	6.1	13
14	Change in inventories [3]	14.4	7.3	6.4	6.5	2.6	8.3	5.9	.3	1.2	4.2	4.8	.4	3.7	−2.5	14
15	**Net financial investment**	**−24.0**	**−20.6**	**−20.7**	**30.8**	**24.5**	**−32.4**	**−33.1**	**−21.9**	**−19.9**	**28.8**	**−27.5**	**25.7**	**−29.3**	**−32.2**	15
16	*Financial uses of funds, net*	*15.5*	*14.6*	*25.6*	*27.8*	*19.5*	*26.2*	*21.2*	*35.9*	*23.6*	*5.9*	*13.1*	*26.5*	*21.2*	*26.3*	16
17	Liquid assets	1.9	2.1	8.6	1.3	8.9	.1	4.6	11.8	14.0	1.4	8.5	4.3	11.3	6.4	17
18	Demand dep. and curr.	.7	.7	1.6	−.9	−1.0	−4.4	2.9	−2.4	−2.9	.6	.8	−1.3	2.8	−1.8	18
19	Time deposits	−.7	2.9	1.9	−9.8	12.8	−11.0	−4.2	.5	6.1	32.3	12.2	9.0	1.5	1.1	19
20	U.S. Govt. securities	−1.2	−2.8	1.7	−1.7	−3.2	−2.2	−8.0	−5.4	1.3	−3.9	−4.5	−3.5	9.9	4.2	20
21	Open market paper	2.0	1.5	4.4	8.6	−1.1	12.2	8.9	18.6	7.4	−29.1	−1.2	−6.1	−6.1	2.3	21
22	State and local oblig.	1.0	−.2	−1.1	5.1	1.4	5.5	5.0	.6	2.0	1.6	1.2	6.1	3.2	.7	22
23	Consumer credit	1.2	.9	1.7	1.3	1.4	1.5	.8	1.5	1.4	1.7	1.1	1.9	2.1	2.3	23
24	Trade credit	11.3	7.7	13.9	17.3	6.2	18.7	14.6	18.6	4.8	2.0	−.7	11.6	−.2	3.3	24
25	Other financial assets [9]	1.0	3.8	1.4	8.0	3.0	5.9	1.2	3.9	3.4	.7	4.2	8.8	8.0	14.4	25
26	*Financial sources of funds, net*	*39.4*	*35.2*	*46.3*	*58.6*	*44.0*	*58.7*	*54.2*	*57.8*	*43.5*	*34.7*	*40.5*	*52.2*	*50.5*	*58.6*	26
27	Net new share issues	1.2	2.3	.8	4.3	6.8	5.6	9.1	6.3	6.2	5.0	9.6	9.0	15.7	17.0	27
28	Credit market instruments	23.7	27.0	31.1	34.8	32.0	31.8	31.9	30.6	39.1	28.6	29.6	38.2	34.2	42.4	28
29	Corporate bonds	10.2	14.7	12.9	12.1	20.3	10.5	10.7	13.9	22.7	20.7	23.8	23.8	22.1	13.1	29
30	Mortgages	4.2	4.5	5.8	4.8	5.3	4.2	5.7	4.3	3.4	5.8	7.8	8.7	11.6	12.6	30
31	Bank loans n.e.c.	7.9	6.4	8.8	11.0	1.2	8.8	10.6	5.6	8.3	−1.5	−7.7	.7	1.8	15.7	31
32	Other loans [10]	1.4	1.4	3.6	7.0	5.2	8.4	4.8	6.8	4.7	3.6	5.6	5.0	−1.2	1.0	32
33	Profit tax liability	.2	−4.7	2.1	−1.9	−3.3	−4.7	−2.6	−2.5	−4.6	−3.0	−3.3	2.8	8.4	.4	33
34	Trade debt	7.8	4.9	10.1	19.7	5.5	23.9	13.0	15.3	.7	3.5	3.0	−6.0	−5.0	−5.0	34
35	Other liabilities	6.5	5.6	3.8	1.7	3.1	2.0	2.9	8.0	2.2	.6	1.7	8.1	−2.8	3.8	35
36	Discrepancy (8–9)	8.0	10.1	6.3	5.4	1.8	4.8	3.6	1.4	−.7	2.6	3.9	9.5	10.0	18.7	36

NOTE.—For notes see p. A-73.9.

4. SECTOR STATEMENTS OF SAVING AND INVESTMENT—Continued

(Seasonally adjusted annual rates; in billions of dollars)

	Category	1966	1967	1968	1969	1970	1969 III	1969 IV	1970 I	1970 II	1970 III	1970 IV	1971 I	1971 II	1971 III	
	State and local governments—General funds [1]															
1	Net surplus, NIA basis	1.3	−1.6	−.3	.1	.5	.5	1.8	1.1	1.9	.2	−1.3	.8	2.8	4.6	1
2	Less: Retirement cr. to households	4.0	3.9	4.6	4.6	6.6	4.8	2.8	5.2	9.5	5.7	5.9	6.8	8.9	5.8	2
3	Equals: Gross saving	−2.7	−5.5	−5.0	−4.5	−6.0	−4.2	−1.0	−4.0	−7.6	−5.5	−7.1	−7.7	−6.1	−1.2	3
4	**Net financial investment**	−2.1	−5.6	−5.5	−6.3	−6.3	−5.6	−2.4	−7.2	−5.7	−4.4	−7.8	−9.6	−9.5	−2.5	4
5	*Net acq. of financial assets*	*4.8*	*3.8*	*5.0*	*2.7*	*6.5*	*.7*	*3.2*	*2.7*	*5.1*	*5.8*	*12.2*	*16.6*	*7.8*	*16.2*	5
6	Currency and demand deposits	−.1	−1.0	.7	3.2	1.2	3.9	2.9	−.3	1.0	1.1	3.1	2.5	1.1	1.1	6
7	Time deposits	1.3	2.4	3.2	−5.9	9.9	−10.3	−4.6	6.4	10.3	13.4	9.6	12.1	3.5	11.9	7
8	Credit market instruments	3.4	2.1	.4	6.1	−3.8	7.7	5.6	−2.5	−5.3	−7.8	.4	1.8	3.0	2.9	8
9	U.S. Government securities	2.4	.2	.8	3.5	−4.0	6.8	4.2	−2.9	−6.0	−7.0	−.2	−1.1	.3	.2	9
10	Direct	2.2	−.4	−.3	1.8	−3.1	3.4	2.8	−3.2	−3.5	−5.4	−.2	.9	.6	1.5	10
11	U.S. Govt. agency sec.	.1	.6	1.0	1.7	−.9	3.4	1.4	.3	−2.5	−1.5	*	−1.9	−.2	−1.3	11
12	State and local securities	*		*	.3	.4	.2	.6	.2	.7	.3	.5	.1	.2	.3	12
13	Corporate bonds	1.1	1.9	−.4	2.3	−.2	.8	.8	.2	*	−1.1	*	2.7	2.5	2.3	13
14	Home mortgages	*	*	.1	*	*	*	*	*	*		*	*	*	*	14
15	Tax receivables	.2	.3	.7	−.6	−.9	−.7	−.7	−.9	−.9	−.9	−.9	.2	.2	.2	15
16	*Net increase in liabilities*	*6.9*	*9.5*	*10.5*	*9.0*	*12.8*	*6.3*	*5.6*	*9.9*	*10.9*	*10.2*	*20.0*	*26.2*	*17.3*	*18.7*	16
17	Credit mkt. borrowing	6.4	8.8	9.9	8.5	12.2	5.8	5.1	9.4	10.4	9.7	19.5	25.7	16.7	18.1	17
18	State and local obligations	5.7	8.7	9.6	8.1	11.8	5.6	4.7	8.9	10.2	8.9	19.3	25.3	16.6	18.0	18
19	Short-term	.7	1.8	.1	3.1	3.8	2.9	2.7	3.0	3.2	1.9	7.2	7.4	3.2	4.0	19
20	Other	5.1	6.8	9.4	5.0	8.0	2.7	2.0	5.9	7.0	7.0	12.0	17.9	13.4	14.0	20
21	U.S. Government loans	.6	.2	.3	.4	.4	.3	.5	.5	.2	.8	.2	.4	.2	.1	21
22	Trade debt	.5	.6	.6	.5	.5	.5	.5	.5	.5	.5	.5	.5	.5	.5	22
23	Discrepancy (7–8)	−.7	.1	.5	1.8	.2	1.4	1.5	3.2	−1.8	−1.1	.7	1.9	3.4	1.3	23
	U.S. Government [2]															
1	Total receipts, NIA basis	142.5	151.2	175.0	196.9	191.5	195.8	196.8	191.6	193.8	191.3	189.3	196.5	197.8	197.8	1
2	Personal taxes	61.7	67.5	79.7	94.9	92.2	94.0	95.2	93.8	94.5	89.7	91.0	86.6	87.6	88.8	2
3	Corporate profits tax accruals	32.1	30.7	36.7	36.3	30.6	34.9	34.5	30.6	30.9	31.9	29.0	34.1	34.8	33.2	3
4	Indirect taxes	15.7	16.3	18.0	19.0	19.3	19.4	19.1	19.0	19.1	19.7	19.4	20.7	19.9	19.7	4
5	Insurance receipts	33.0	36.7	40.7	46.8	49.3	47.4	48.0	48.2	49.2	50.0	49.8	55.1	55.5	56.1	5
6	Total expenditures, NIA basis	142.8	163.6	181.5	189.5	205.1	190.7	193.4	196.1	207.9	206.7	209.8	212.7	221.4	224.6	6
7	Goods and services	77.8	90.7	98.8	99.2	97.2	100.3	99.5	100.2	96.8	96.1	95.9	96.4	96.0	97.6	7
8	Grants and donations	29.0	30.7	34.1	37.2	45.2	36.9	39.5	39.7	46.4	46.8	48.1	47.4	50.2	50.0	8
9	Net interest	9.5	10.2	11.7	13.1	14.6	13.3	14.0	14.3	14.3	15.0	14.8	14.0	13.3	13.9	9
10	Insurance benefits	26.4	32.0	36.9	40.0	48.1	40.2	40.4	41.9	50.5	48.9	51.0	55.0	62.0	63.0	10
11	Net surplus, NIA basis	−.2	−12.4	−6.5	7.3	−13.6	5.1	3.4	−4.5	−14.1	−15.5	−20.5	−16.2	−23.6	−26.7	11
12	Less: Insur. credits to households [3]	1.4	1.4	1.3	1.6	2.5	2.4	.9	1.5	3.6	1.8	3.0	2.1	4.1	2.2	12
13	Equals: Gross saving	−1.6	−13.8	−7.8	5.7	−16.1	2.7	2.5	−6.0	−17.7	−17.3	−23.4	−18.3	−27.7	−28.9	13
14	**Net financial investment**	−.1	−13.1	−8.4	5.4	−15.2	2.6	2.0	−4.8	−18.9	−14.0	−23.1	−20.1	−26.6	−27.7	14
15	*Net acquis. of finan. assets*	*5.4*	*2.9*	*7.4*	*3.0*	*.6*	*4.0*	*5.6*	*	*−.6*	*.3*	*2.9*	*−17.1*	*−22.6*	*−1.7*	15
16	Demand deposits & currency	−.1	1.0	−1.7	1.1	2.5	2.6	4.0	.6	2.5	.7	6.4	−19.7	−16.6	1.2	16
17	Credit market instruments	4.9	4.6	4.9	2.5	3.2	3.7	2.3	3.9	3.6	3.5	1.8	4.3	4.3	2.3	17
18	Agency securities [4]	1.3	−.1	.1	−1.3	−.1	−.8	−1.0	.1	*	.1	−.6	*	*		18
19	Mortgages	.8	.9	1.1	.7	.3	.7	.8	.3	.5	.3	.3	.2	.4	*	19
20	Other loans	2.8	3.8	3.7	3.1	3.0	3.8	2.4	3.5	3.1	3.1	2.1	4.5	3.9	2.3	20
	Excess of tax accruals															
21	over receipts	−.7	−4.4	1.7	−2.9	−2.8	−4.3	−2.3	−1.1	−4.2	−1.7	−4.1	2.3	7.2	−.9	21
22	Other financial assets [5]	1.3	1.8	2.5	2.2	−2.3	2.1	1.6	−3.3	−2.5	−2.1	−1.3	−4.0	−5.5	−4.3	22
23	*Net increase in liabilities*	*5.5*	*16.0*	*15.9*	*−2.5*	*15.9*	*1.4*	*3.5*	*4.9*	*18.2*	*14.3*	*26.0*	*3.0*	*49.2*	*26.0*	23
24	U.S. Government securities	3.5	13.0	13.4	−3.6	12.8	−.7	1.2	3.0	16.0	12.2	20.0	−.7	45.6	24.6	24
25	Savings bonds—households	.6	1.0	.4	−.4	.3	−.8	.1	−.9	−.2	.5	1.7	1.9	2.7	2.4	25
26	Direct excl. savings bonds	1.8	7.9	9.9	−.9	12.6	5.6	4.8	4.4	18.3	10.9	16.8	.3	43.1	22.2	26
27	Budget agency sec. [6]	1.2	4.1	3.1	−2.4	−.1	−5.6	−3.7	−.5	−2.0	.8	1.5	−2.9	−.2	*	27
28	Life & retirement reserves	1.4	1.4	1.3	1.6	2.5	2.4	.9	1.5	3.6	1.8	3.0	2.1	4.1	2.2	28
29	Other liabilities [7]	.6	1.6	1.1	−.4	.6	−.3	1.4	.4	−1.4	.3	3.1	1.5	−.5	−.8	29
30	Discrepancy (13–14)	−1.5	−.7	.6	.3	−.9	*	.5	−1.2	1.2	−3.3	−.3	1.7	−1.1	−1.2	30
31	Memo: Corp. tax receipts, net	32.8	35.1	35.0	39.2	33.4	39.3	36.8	31.7	35.1	33.6	33.1	31.8	27.6	34.1	31
	Federally sponsored credit agencies [8]															
1	Current surplus	.1	.1	.1	.1	.1	.1	.1	.1	.1	.1	.1	.1	.1	.1	1
2	*Net increase in assets*	*5.3*	*−.1*	*3.2*	*9.2*	*10.8*	*11.1*	*13.7*	*15.8*	*6.8*	*9.9*	*10.7*	*2.1*	*−5.6*	*8.8*	2
3	Credit market instruments	5.1	−.1	3.2	9.0	9.9	10.5	14.1	13.7	7.1	8.7	10.1	.3	−5.7	6.5	3
4	U.S. Government securities	1.0	*	−.1	−.2	1.7	−.5	1.2	2.0	−.5	1.0	4.4	−1.8	−2.7	−2.8	4
5	Residential mortgages	1.9	1.1	1.6	3.9	5.4	4.7	6.6	5.8	5.4	6.3	4.0	1.4	6.0	8.1	5
6	Farm mortgages	.7	.7	.5	.6	.5	.6	.3	.3	.5	.5	.5	.5	.8	.8	6
7	Other loans	1.6	−1.8	1.2	4.8	2.3	5.7	5.9	5.6	1.7	.9	1.1	.2	−9.8	.3	7
8	To coops (BC)	.2	.2	.1	.2	.3	−.1	.3	.3	.1	.4	.4	.3	.1	−.7	8
9	To farmers (FICB)	.4	.5	.2	.6	.7	.4	.8	1.0	.7	.2	.9	1.1	1.0	.4	9
10	To S & L's (FHLB)	.9	−2.5	.9	4.0	1.3	5.3	4.8	4.4	.8	.3	−.2	−1.2	−10.8	.7	10
11	*Net increase in liabilities*	*5.2*	*−.2*	*3.2*	*9.1*	*10.8*	*11.4*	*13.3*	*15.8*	*6.7*	*9.9*	*10.8*	*2.1*	*−5.7*	*8.6*	11
12	Credit market instruments	4.8	−.6	3.5	8.8	8.7	10.6	12.5	14.4	5.5	7.8	7.0	−2.0	.6	7.9	12
13	Agency securities	5.1	−.6	3.2	9.1	8.7	10.6	12.5	14.4	5.5	7.8	7.0	−2.0	.6	7.9	13
14	U.S. Government loans	−.2	−.1	.2	−.3											14
15	Miscellaneous liabilities	.4	.5	−.3	.4	2.1	.8	.8	1.3	1.2	2.1	3.7	4.1	−6.3	.6	15

NOTE.—For notes see p. A-73.9.

4. SECTOR STATEMENTS OF SAVING AND INVESTMENT—Continued

(Seasonally adjusted annual rates; in billions of dollars)

	Category	1966	1967	1968	1969	1970	1969		1970				1971			
							III	IV	I	II	III	IV	I	II	III	
	Monetary authorities [1]															
1	Current surplus	*	*	*	*	*	*	*	*	*	*	*	*	*	*	1
2	**Net acquisition of financial assets**	4.2	4.8	3.7	4.2	5.3	5.5	7.4	6.1	1.1	9.9	4.0	11.5	.7	10.1	2
3	Gold and foreign exchange [2]	−.3	−.5	−1.2	−.1	−1.4	2.0	−1.5	.8	−2.0	−1.0	−3.3	−.9	−1.3	−1.1	3
4	Treas. currency and SDR ctfs.	.7	.5	.2	*	.7	.2	.3	1.9	.3	.4	.3	.5	.6	.3	4
5	F.R. float	.3	*	.9	.1	.8	3.4	1.4	2.4	−3.1	1.2	2.7	2.1	−2.1	5.0	5
6	F.R. loans to domestic banks	.1	*	*	*	.2	.4	−2.0	−.2	.4	1.6	−1.2	−2.1	2.0	−1.7	6
7	Credit market instruments	3.5	4.8	3.7	4.2	5.0	−.5	9.3	1.2	5.5	7.7	5.5	16.1	1.4	7.6	7
8	U.S. Government securities	3.5	4.8	3.8	4.2	5.0	−.4	9.2	1.1	5.4	7.9	5.6	15.8	1.7	7.6	8
9	**Net increase in liabilities**	4.2	4.7	3.7	4.2	5.3	5.5	7.4	6.1	1.1	9.9	4.0	11.5	.7	10.1	9
10	Member bank reserves	1.3	1.3	.7	.3	2.1	3.0	.3	4.3	−1.3	5.7	−.5	9.7	−4.6	1.2	10
11	Vault cash of coml. banks [3]	.6	.5	1.3	.1	−.3	.1	−.5	−1.5	−.2	−.4	1.0	.6	.8	−.8	11
	Demand deposits and currency															
12	U.S. Government	.2	.9	−1.0	.5	−.4	.1	2.3	−1.2	−3.2	2.3	.6	−1.3	−.6	4.8	12
13	Foreign [4]	.2	*	.1	−.1	*	−.1	−.1	.3	−.2	−.2	−.1	.2	−.1	*	13
14	Currency outside banks	2.0	2.1	2.4	2.8	3.5	2.5	4.2	3.7	5.6	3.2	1.5	3.3	6.1	3.5	14
15	Other	−.1	*	.2	.6	.4	−.2	1.2	.4	.5	−.8	1.6	−1.1	−1.0	1.3	15
	Commercial banks and affiliates [5]															
1	Current surplus	2.5	2.3	3.0	3.5	3.5	3.6	3.6	3.5	3.4	3.6	3.6	3.7	3.5	3.7	1
2	**Net acquisition of financial assets**	20.1	39.9	44.0	19.7	38.0	14.9	9.3	31.9	30.5	55.2	34.3	53.2	67.0	45.7	2
3	Total loans and investments	16.8	36.9	39.7	16.5	29.5	4.2	18.9	10.1	27.4	52.1	28.4	35.9	59.8	44.9	3
4	Credit market instruments	16.2	35.4	38.4	17.7	28.1	7.3	18.5	10.8	33.5	43.0	25.4	40.0	60.6	40.8	4
5	U.S. Government securities [6]	−3.6	9.3	3.4	−9.5	9.0	−9.5	−5.2	.5	6.8	11.0	17.6	2.2	14.7	−5.2	5
6	Direct	−3.4	6.3	2.2	−9.3	5.8	−7.6	−6.2	−.7	6.8	8.9	8.0	.1	11.3	−8.2	6
7	Agency issues	*	.3	1.1	1.1	4.1	1.2	4.1	2.9	1.4	2.3	9.7	3.5	3.6	3.3	7
8	Loan partic. certificates	−.2	2.7	.2	−1.3	−.9	−3.0	−3.1	−1.6	−1.5	−.3	−.1	−1.5	−.2	−.3	8
9	Other securities and mtg.	6.6	14.3	15.5	5.5	13.2	3.0	1.5	7.4	9.5	17.7	18.0	26.8	25.3	19.3	9
10	State and local obligations	1.9	9.0	8.6	.4	10.1	−.9	−1.5	5.0	8.0	14.5	12.9	18.6	13.4	7.8	10
11	Corporate bonds	.1	.8	.3	−.1	.7	−.2	−.2	......	.9	......	1.8	1.5	1.5	......	11
12	Home mortgages	2.4	2.4	3.5	3.0	.9	2.1	2.1	1.0	.6	1.1	.9	3.7	7.0	6.0	12
13	Other mortgages	2.3	2.2	3.2	2.3	1.4	2.0	1.1	1.4	*	2.0	2.4	3.0	3.4	5.6	13
14	Other credit exc. security	13.3	11.7	19.5	21.7	6.0	13.8	22.2	2.8	17.2	14.3	10.2	11.0	20.6	26.6	14
15	Consumer credit	2.6	1.8	4.9	3.3	1.9	2.7	3.0	1.0	2.3	3.8	.4	1.7	3.9	6.7	15
16	Bank loans n.e.c.	9.1	7.5	15.7	17.8	2.1	11.1	17.6	5.1	10.1	5.3	11.8	11.1	15.6	20.0	16
17	Open market paper	1.6	2.4	−1.1	.5	2.0	*	1.6	−3.3	4.8	5.2	1.1	−1.8	1.2	−.1	17
18	Security credit	.5	1.5	1.3	−1.1	1.3	−3.1	.4	−.7	−6.1	9.1	3.0	−4.1	−.8	4.1	18
19	Vault cash & mem. bk. reserves	1.9	1.8	2.0	.4	1.8	3.1	−.2	2.8	−1.5	5.4	.4	10.3	−3.8	.4	19
20	Loans to affiliate banks	......	......	......	.6	.1	.4	.3	.5	−.1	−.3	.2	1.8	−.2	*	20
21	Miscellaneous assets	1.4	1.2	2.3	2.2	6.6	7.3	−9.8	18.5	4.7	−2.0	5.2	5.2	11.2	.4	21
22	**Net increase in liabilities**	18.9	38.1	42.2	18.0	35.9	13.3	7.7	30.2	28.1	53.0	32.5	51.4	63.2	45.8	22
23	Demand deposits, net	.3	11.9	13.3	5.2	7.1	8.4	6.8	2.3	7.7	3.5	14.9	−4.1	34.5	−2.2	23
24	U.S. Government	−.5	.2	−.2	*	2.8	1.8	1.9	2.3	5.2	−1.5	5.4	17.9	17.8	−4.2	24
25	Other [7]	.8	11.6	13.5	5.2	4.2	6.7	4.8	*	2.4	5.1	9.4	13.8	16.6	2.0	25
26	Time deposits	13.3	23.8	20.6	−9.7	36.7	−21.2	−1.1	11.6	28.5	65.6	41.3	61.1	29.5	33.1	26
27	Large negotiable CD's	−.8	4.7	3.1	−12.6	15.2	−14.2	−3.3	5.3	7.6	34.3	13.4	5.8	4.0	18.2	27
28	Other	14.0	19.1	17.4	2.9	21.6	−7.0	2.2	6.3	20.9	31.3	27.9	55.3	25.5	14.9	28
29	Commercial paper issues	......	......	......	4.2	−1.9	5.0	6.9	8.9	4.1	−11.5	−8.9	−2.6	.2	.7	29
30	Bank security issues	.1	.2	.2	.1	.1	*	−.1	.2	*	*	*	.9	.4	.2	30
31	F.R. float	.3	*	.9	.1	.8	3.4	1.4	2.4	−3.1	1.2	2.7	−2.1	−2.1	5.0	31
32	Borrowing at F.R. Banks	.1	*	*	*	.2	.4	−2.0	−.2	.4	1.6	−1.2	−2.1	2.0	−1.7	32
33	Loans from affiliates	......	......	......	.6	.1	.4	.3	.5	−.1	−.3	.2	1.8	−.2	*	33
34	Profit tax liabilities	*	−.1	−.1	.1	.3	*	−.3	1.0	.2	.3	−.1	.2	−.4	.1	34
35	Liabilities to foreign branches	2.7	.2	1.8	7.0	−6.8	4.3	−5.3	−4.4	−2.9	−5.7	−14.3	−16.2	−5.4	3.9	35
36	Other miscellaneous liabilities	2.3	2.2	5.5	10.4	−.6	12.5	1.2	7.9	−6.6	−1.7	−2.0	14.5	4.7	6.7	36
37	Discrepancy	.8	.2	.6	.7	.4	.9	1.0	.8	*	.3	.6	1.0	−1.3	2.7	37
	Memo: Amounts included above for unconsolidated bank affiliates:															
38	**Net acquisition of financial assets**	......	......	......	4.4	−1.0	6.6	.9	12.0	4.8	−11.8	−9.0	1.4	.6	−.4	38
39	Bank loans n.e.c.	......	......	......	3.8	−1.1	6.2	.6	11.5	4.9	−11.5	−9.2	−.4	.8	−.4	39
40	Loans to affiliate banks	......	......	......	.6	.1	.4	.3	.5	−.1	−.3	.2	1.8	−.2	*	40
41	**Net increase in liabilities**	......	......	......	4.4	−1.0	6.6	.9	12.0	4.8	−11.8	−9.0	1.4	.6	−.4	41
42	Commercial paper issues	......	......	......	4.2	−1.9	5.0	6.9	8.9	4.1	−11.5	−8.9	−2.6	.2	.7	42
43	Miscellaneous liabilities	......	......	......	.2	.9	1.5	−5.9	3.1	.7	−.2	*	4.0	.5	−1.1	43

NOTE.—For notes see p. A-73.9.

4. SECTOR STATEMENTS OF SAVING AND INVESTMENT—Continued

(Seasonally adjusted annual rates; in billions of dollars)

	Category	1966	1967	1968	1969	1970	1969 III	1969 IV	1970 I	1970 II	1970 III	1970 IV	1971 I	1971 II	1971 III	
	Private nonbank financial institutions—Total[1]															
1	Current surplus	1.6	1.3	.2	-.2	1.5	.1	.9	.1	.9	2.0	3.0	3.1	2.5	3.0	1
2	Physical investment (life insurance)	.5	.6	.7	.8	.9	.8	.8	.9	.9	.9	.9	1.0	1.0	1.0	2
3	**Net acquisition of financial assets**	**34.9**	**42.4**	**50.0**	**48.4**	**51.4**	**42.0**	**49.6**	**33.5**	**45.9**	**63.7**	**62.6**	**86.0**	**73.6**	**68.5**	3
4	Demand deposits and currency	-.1	1.0	.9	.5	1.3	.1	1.5	.7	1.2	1.3	2.0	1.8	-.2	.3	4
5	Time deposits (MSB)	*	*	*	-.1	......	......	......	......	......	......	......	.2	.3	*	5
6	Svgs. and loan shares (Cr. union)	-.2	.3	.1	*	.7	.1	.3	.8	.6	.2	1.3	1.8	1.5	.8	6
7	Corporate shares	5.9	8.3	9.4	12.7	11.2	12.0	15.1	14.7	9.2	6.4	14.3	21.5	20.0	15.5	7
8	Credit market instruments	27.3	27.1	36.2	36.0	36.6	34.0	26.9	19.8	36.9	51.8	37.7	50.4	54.4	47.8	8
9	U.S. Government securities	.4	1.9	2.2	-.8	3.7	-4.7	-.8	-.7	9.8	2.2	3.7	4.4	3.1	-.6	9
10	State and local obligations	.8	1.2	1.2	1.0	1.4	1.5	.7	1.9	.2	2.0	1.9	1.3	*	3.2	10
11	Corporate and foreign bonds	8.0	11.1	9.6	6.6	10.4	6.4	1.8	2.9	12.9	14.3	11.4	15.7	14.2	8.5	11
12	Home mortgages	5.1	8.0	8.6	8.6	7.0	7.1	5.5	1.6	4.5	10.2	11.7	13.2	17.3	17.6	12
13	Other mortgages	6.8	6.7	7.0	6.7	8.7	7.2	7.4	7.0	8.2	8.4	11.3	9.7	13.8	14.6	13
14	Consumer credit	2.9	1.4	3.8	4.2	.6	3.6	3.4	2.3	2.2	-.4	-1.8	.8	2.5	4.0	14
15	Other loans	3.3	.6	3.8	9.7	4.8	12.9	8.9	4.8	-.4	15.2	-.3	5.3	3.6	.5	15
16	Security credit	-.1	2.8	2.0	-2.6	1.4	-5.2	1.8	4.6	-3.4	.4	2.1	2.1	2.6	3.2	16
17	Trade credit	.2	.3	.3	.4	.4	.4	.4	.4	.4	.4	.4	.4	.4	.4	17
18	Miscellaneous assets	2.0	2.6	1.4	1.5	2.6	.6	3.5	1.7	.9	3.3	4.7	7.9	5.5	.5	18
19	**Net increase in liabilities**	**34.7**	**43.3**	**49.7**	**50.5**	**51.6**	**44.9**	**50.9**	**33.2**	**46.2**	**64.2**	**63.0**	**82.5**	**70.7**	**66.6**	19
20	Time and savings accounts	7.0	17.0	12.8	8.1	17.2	5.7	4.5	5.2	15.8	21.9	25.8	52.2	43.4	34.9	20
21	Insurance and pension reserves	16.7	17.5	18.5	18.7	21.0	18.7	18.9	18.7	22.7	19.8	22.8	25.3	24.2	19.7	21
22	Credit market instruments	2.9	-.8	6.7	12.4	3.8	14.2	12.6	4.5	5.0	3.8	1.9	4.0	-1.6	4.4	22
23	Finance company bonds	.8	1.0	.8	1.6	2.5	1.4	1.3	1.3	2.3	2.8	3.8	4.5	2.5	3.7	23
24	Mortgage loans in process	-.9	1.0	.2	*	.6	-.3	.6	-1.2	*	1.6	2.2	1.6	3.8	1.7	24
25	Bank loans n.e.c.	-1.3	2.1	2.3	2.1	-.5	.6	3.4	2.3	1.2	3.0	-4.1	6.9	2.1	-2.7	25
26	Other loans	4.3	-.7	3.3	8.6	1.2	13.8	8.5	6.8	1.4	3.6	.1	-9.0	-10.0	1.6	26
27	Finance company paper	3.4	1.8	2.5	4.6	-.2	8.5	3.7	2.4	.6	3.9	.3	-7.8	.8	.9	27
28	FHLB loans	.9	-2.5	.9	4.0	1.3	5.3	4.8	4.4	.8	.3	-.2	-1.2	10.8	.7	28
29	Investment company shares	3.7	2.6	4.7	5.7	2.4	6.1	4.2	1.6	2.7	3.4	2.1	.2	-.2	-.1	29
30	Security credit	.6	2.1	2.0	-2.0	1.2	-5.1	2.6	1.5	-7.4	9.4	4.5	-1.6	-3.0	2.5	30
31	Taxes payable	*	-.1	.2	.1	.2	.3	.1	*	-.1	.4	.7	.1	.5	-.3	31
32	Miscellaneous liabilities	3.8	5.0	4.8	7.5	5.8	4.9	8.0	4.7	7.4	5.6	5.3	2.2	8.5	5.5	32
33	Discrepancy	.8	1.5	-.9	1.1	.9	2.2	1.4	-1.0	.3	1.5	2.6	-1.4	-1.4	.1	33
	Savings and loan associations															
1	**Net acquisition of financial assets**	**4.6**	**9.7**	**9.7**	**9.5**	**14.3**	**8.2**	**6.8**	**5.5**	**12.7**	**17.9**	**21.2**	**37.8**	**26.6**	**29.4**	1
2	Demand deposits & currency[2]	-.5	-.3	-.4	-.2	.1	......	*	.2	*	.1	.2	.5	.7	.6	2
3	Credit market instruments	4.2	9.1	10.1	9.9	11.5	9.0	6.1	4.0	10.4	14.2	17.2	31.8	30.9	29.3	3
4	U.S. Government securities	.4	1.6	.7	.3	1.2	.1	-1.3	.3	3.2	1.5	.2	14.4	5.1	1.8	4
5	Home mortgages	2.9	6.0	7.2	7.8	7.2	7.0	5.5	3.0	4.9	9.3	11.7	12.6	18.3	18.8	5
6	Other mortgages	.9	1.5	2.1	1.8	3.0	2.0	1.8	1.3	2.2	3.4	5.3	4.8	7.5	8.7	6
7	Consumer credit	*	*	.1	*	*	*	.1	.1	.1	.1	*	-.1	.1	.1	7
8	Misc. financial transactions	.9	.9	*	-.2	2.7	.9	.8	1.3	2.3	3.6	3.8	5.6	-5.1	-.6	8
9	**Net increase in liabilities**	**4.0**	**9.3**	**8.9**	**8.6**	**13.6**	**7.4**	**5.4**	**4.9**	**11.8**	**17.1**	**20.5**	**37.0**	**25.9**	**28.5**	9
10	Savings shares	3.6	10.6	7.5	4.1	11.1	2.9	.7	2.0	9.8	15.6	16.9	36.7	28.6	25.3	10
11	Credit market instruments	.1	1.7	1.1	4.1	1.9	5.1	4.6	2.5	.8	1.7	2.4	.3	-5.4	2.9	11
12	Mortgage loans in process	.9	1.0	.2	*	.6	.3	-.6	-1.2	*	1.6	2.2	1.6	3.8	1.7	12
13	Borrowing from FHLB	.9	2.5	.9	4.0	1.3	5.3	4.8	4.4	.8	.3	-.2	-1.2	-10.8	.7	13
	Mutual savings banks															
1	**Net acquisition of financial assets[3]**	**2.8**	**5.4**	**4.6**	**3.1**	**4.7**	**1.8**	**2.1**	**2.6**	**5.2**	**5.0**	**6.0**	**13.4**	**12.5**	**7.3**	1
2	Corporate shares	*	.2	.3	.2	.3	.2	.2	.3	.3	.3	.3	.3	.3	.3	2
3	Credit market instruments	2.6	5.0	4.1	2.9	3.9	1.2	2.6	2.0	4.5	3.9	5.1	11.9	11.7	6.2	3
4	U.S. Government securities	-.5	-.3	-.2	-.5	.2	-1.0	-.8	-.6	.6	.5	.3	-.5	1.1	.6	4
5	State and local govt. securities	-.1	*	*	*	*	*	*	*	*	*	......	.2	.3	.1	5
6	Corporate bonds	.3	2.1	1.3	.3	1.4	.3	.1	.9	1.7	.9	2.2	7.8	6.2	1.1	6
7	Home mortgages	1.6	1.8	1.4	1.4	.9	1.1	1.4	.2	1.1	1.1	1.3	.9	1.0	1.3	7
8	Other mortgages	1.1	1.4	1.4	1.3	.9	1.0	1.7	.5	.8	1.0	1.3	2.1	2.8	2.9	8
9	Savings deposits	2.6	5.1	4.2	2.6	4.4	1.5	2.2	1.6	4.4	4.7	7.0	12.4	11.6	6.6	9
10	Miscellaneous liabilities	*	.1	.1	.2	.1	*	.3	.1	.5	.1	-.4	.1	.4	.3	10
	Life insurance companies															
1	**Net acquisition of financial assets[3]**	**8.3**	**8.7**	**9.8**	**9.2**	**9.3**	**9.1**	**9.2**	**9.6**	**9.4**	**9.1**	**9.2**	**13.5**	**11.0**	**11.6**	1
2	Corporate shares	.3	1.0	1.4	1.7	2.0	1.1	2.1	2.2	2.3	.5	2.9	4.5	3.4	3.2	2
3	Credit market instruments	7.8	7.4	7.7	6.6	6.8	7.5	4.6	6.2	7.2	8.6	5.3	7.5	8.1	9.0	3
4	U.S. Government securities	.3	-.3	-.1	-.4	*	-.8	.1	-.5	.5	.1	-.3	-1.0	.4	-.3	4
5	State and local obligations	.4	-.1	.2	*	.1	.2	-.1	*	-.1	.2	.1	*	.3	.3	5
6	Corporate bonds	2.4	3.8	3.9	1.5	1.5	1.5	-.6	.7	2.4	1.3	1.8	3.4	4.7	5.5	6
7	Home mortgages	.6	.5	-.7	-1.1	-1.4	-.8	-2.1	-1.3	-1.2	-1.2	-1.8	-1.5	-2.1	-2.2	7
8	Other mortgages	4.0	3.4	3.2	3.1	3.7	3.2	3.8	4.0	3.7	3.3	3.9	2.4	2.5	3.8	8
9	Other loans	1.5	1.0	1.2	3.4	2.9	4.2	3.6	3.4	1.9	5.0	1.5	4.1	2.3	1.8	9
10	**Net increase in liabilities**	**7.9**	**8.8**	**9.1**	**9.2**	**9.3**	**9.3**	**9.3**	**9.3**	**9.3**	**9.3**	**9.3**	**12.1**	**9.5**	**10.9**	10
11	Life insurance reserves	4.5	4.7	4.6	4.8	4.8	4.9	4.8	4.8	4.8	4.8	4.8	4.8	4.8	5.0	11
12	Pension fund reserves	2.1	2.6	2.9	2.9	3.1	2.9	3.0	3.0	3.0	3.1	3.1	5.9	3.4	4.2	12
13	Other liabilities	1.2	1.6	1.5	1.4	1.4	1.3	1.5	1.4	1.6	1.3	1.2	1.3	1.6	1.7	13

NOTE.—For notes see p. A-73.9.

4. SECTOR STATEMENTS OF SAVING AND INVESTMENT—Continued

(Seasonally adjusted annual rates; in billions of dollars)

	Category	1966	1967	1968	1969	1970	1969 III	1969 IV	1970 I	1970 II	1970 III	1970 IV	1971 I	1971 II	1971 III	
								Private pension funds								
1	**Net acquisition of financial assets**	6.1	6.3	6.4	6.3	6.6	6.1	8.3	5.7	5.3	6.2	9.0	7.8	7.2	4.8	1
2	Demand deposits and currency	*	.4	.3	*	.2	−.3	.4	.3	−.3	.8	−.1	.7	−1.3	.4	2
3	Corporate shares	3.7	4.6	4.7	5.4	4.6	4.5	6.5	5.2	3.8	2.7	6.8	9.6	11.6	6.9	3
4	Credit market instruments	1.9	.5	1.1	.9	2.0	2.7	.7	.9	1.8	3.2	2.1	−2.5	−2.4	−2.5	4
5	U.S Government securities	−.5	−.6	.4	.1	.4	.9	−.5	−.4	.6	2.1	−.6	.6	−1.1	.6	5
6	Corporate bonds	1.9	.9	.7	.6	1.6	1.6	.8	1.1	1.2	1.3	2.8	−2.6	−.5	−2.4	6
7	Mortgages	.5	.1	*	.1	*	.3	.3	.2	*	−.1	*	−.6	−.8	−.7	7
8	Miscellaneous	.6	.8	.3	.1	−.2	−.7	.8	−.7	*	−.4	.3	*	−.8	−.1	8
								State and local govt. employee retirement funds								
1	**Net acquisition of financial assets**	4.0	3.9	4.6	4.6	6.6	4.8	2.8	5.2	9.5	5.7	5.9	6.8	8.9	5.8	1
2	Demand deposits and currency	.1	.1	*	*	.2	*	*	−.4	.6	−.2	.7	......	.5	−.1	2
3	Corporate shares	.5	.7	1.3	1.7	2.1	1.5	2.1	1.9	2.2	1.5	2.9	2.8	3.1	3.8	3
4	Credit market instruments	3.4	2.8	3.2	2.9	4.1	3.2	.6	3.5	6.5	4.2	2.1	3.9	5.1	1.9	4
5	U.S. Government securities	.2	−1.0	.4	−.2	−.3	*	−.8	−.1	−.4	*	−.8	−1.2	−1.0	.1	5
6	Direct	.1	−1.1	−.3	−.4	−.4	−.4	−.8	−.2	−.5	......	−.7	−.6	−.4	−.8	6
7	U.S. Govt. agency sec.	.1	.1	.6	.2	*	.4	.1	.1	.1	*	*	−.6	−.7	.8	7
8	State and local obligations	−.1	−.1	*	−.2	−.3	*	−.5	−.1	−.6	−.2	−.5	−.1	−.2	−.3	8
9	Other cr. mkt. instruments	3.8	4.5	4.2	5.1	6.9	4.7	3.9	5.6	9.8	6.0	6.2	7.9	9.4	5.9	9
10	Corporate bonds	2.5	3.4	2.5	3.0	3.9	2.3	1.9	2.6	6.3	3.9	2.7	4.8	5.4	2.8	10
11	Mortgages	.8	.5	.4	.3	.9	.9	−.1	1.1	1.3	.6	.6	.3	.9	−.7	11
12	Other	.1	.4	.1	*	.2	*	.1	.2	.2	.2	.2	.1	.2	.1	12
								Other insurance companies								
1	Current surplus	.5	.4	.1	*	.5	*	−.1	−.1	.2	.8	1.1	1.1	1.0	1.1	1
2	**Net acquisition of financial assets**	2.1	2.0	3.1	3.0	3.7	.5	3.4	3.7	3.6	3.7	3.7	4.6	5.4	5.3	2
3	Demand deposits and currency	*	*	.1	*	*	−.1	*	*	*	*	*	*	*	*	3
4	Corporate shares	.4	.3	.8	1.0	1.0	.3	1.3	1.4	1.1	.1	1.3	1.5	3.0	3.0	4
5	Credit market instruments	1.5	1.4	1.9	1.6	2.3	−.2	1.7	2.0	2.0	3.2	2.0	2.7	2.0	1.9	5
6	U.S. Government securities	−.4	−.7	−.2	−.4	*	−2.2	−.3	*	.1	.5	−.4	*	−.3	−.7	6
7	State and local obligations	1.3	1.4	1.0	1.2	1.1	1.3	1.2	1.1	1.1	1.0	1.0	1.2	1.1	1.2	7
8	Corporate bonds	.6	.7	1.2	.8	1.2	.7	.8	.8	.8	1.6	1.4	1.5	1.1	1.4	8
9	Commercial mortgages	*	*	*	*	*	*	*	*	*	*	*	*	*	*	9
10	Trade credit	.2	.3	.3	.4	.4	.4	.4	.4	.4	.4	.4	.4	.4	.4	10
11	**Net increase in liabilities**	1.8	2.1	2.4	3.4	3.7	1.4	3.9	3.6	3.6	3.8	3.9	3.8	4.3	4.2	11
12	Discrepancy	.1	.5	−.5	.4	.6	.9	.4	−.2	.2	.9	1.3	.3	*	.1	12
								Finance companies								
1	**Net acquisition of financial assets**	2.6	.9	5.5	8.0	1.9	8.7	7.5	2.1	4.0	2.0	−.6	4.2	4.1	1.4	1
2	Demand deposits and currency	.2	.2	.2	.3	.3	.3	.3	.3	.3	.3	.3	.3	.3	.3	2
3	Home mortgages	−.6	.4	.6	.3	.1	−.5	.2	−.7	−.4	1.2	.4	1.7	.8	.3	3
4	Consumer credit	1.8	.6	2.4	2.6	−.6	2.2	2.1	1.3	.9	−2.1	−2.6	−.8	.4	1.7	4
5	Other loans (to business)	1.2	−.4	2.2	4.8	2.1	6.7	4.9	1.2	3.2	2.6	1.3	3.0	2.6	−.9	5
6	**Net increase in liabilities**	2.8	.9	5.5	8.2	1.9	9.1	8.0	2.0	4.2	2.1	−.6	4.3	3.8	1.6	6
7	Corporate bonds	.8	1.0	.8	1.6	2.5	1.4	1.3	1.3	2.3	2.8	3.8	4.5	2.5	3.7	7
8	Bank loans n.e.c.	−1.4	−2.0	2.3	2.1	−.5	−.7	2.9	−1.7	1.3	3.2	−4.7	7.6	.4	−3.1	8
9	Open market paper	3.4	1.8	2.5	4.6	−.2	8.5	3.7	2.4	.6	−3.9	.3	−7.8	.8	.9	9
								Open-end investment companies								
1	Current surplus	−1.2	−1.5	−2.2	−2.4	−.8	−2.1	−.8	−1.4	−1.1	−.7	−.1	−.3	−1.2	−.8	1
2	**Net acquisition of financial assets**	2.5	1.1	2.5	3.3	1.6	4.1	3.4	.2	1.6	2.6	1.9	−.1	−1.4	−.9	2
3	Demand deposits and currency	*	.2	.1	−.1	*	−.1	*	*	−.5	.3	.2	.4	*	−.1	3
4	Corporate shares	1.0	1.5	1.5	2.5	1.1	3.3	4.3	4.2	−1.0	−.8	2.1	2.1	.9	−.5	4
5	Credit market instruments	1.5	−.5	.9	.9	.5	.9	−.9	−3.9	3.2	3.1	−.4	−2.5	−2.3	−.4	5
6	U.S. Government securities	.6	−.5	.2	−.5	.2	.2	−1.3	−.8	8.3	−7.0	.1	.2	−1.0	−.7	6
7	Corporate bonds	.4	*	.4	.2	.7	.6	.3	−2.9	*	3.2	2.4	*	−.4	1.4	7
8	Open market paper	.5	*	.3	1.2	−.4	1.3	.2	−.3	−5.2	6.9	−2.9	−2.7	−.8	−1.1	8
9	Net stock issues [4]	3.7	2.6	4.7	5.7	2.4	6.1	4.2	1.6	2.7	3.4	2.1	.2	−.2	−.1	9

NOTE.—For notes see p. A-73.9.

4. SECTOR STATEMENTS OF SAVING AND INVESTMENT—Continued

(Seasonally adjusted annual rates; in billions of dollars)

	Category	1966	1967	1968	1969	1970	1969 III	1969 IV	1970 I	1970 II	1970 III	1970 IV	1971 I	1971 II	1971 III	
							Rest of the world									
1	**Net U.S. exports**	5.3	5.2	2.5	2.0	3.6	2.8	2.7	3.5	4.2	4.0	2.7	4.7	.1	*	1
2	U.S. exports	43.4	46.2	50.6	55.6	62.9	58.3	59.2	61.5	63.2	63.7	63.2	66.2	66.5	68.2	2
3	U.S. imports	38.1	41.0	48.1	53.6	59.3	55.5	56.6	58.0	59.0	59.7	60.5	61.5	66.4	68.2	3
4	Transfer receipts from U.S.	2.8	3.0	2.9	2.9	3.1	2.8	3.0	3.0	3.0	3.2	3.3	3.1	3.4	3.7	4
5	Current account balance [1]	2.4	2.2	.4	.9	.4	-.1	.3	.5	1.2	-.8	.7	1.6	3.2	3.7	5
6	**Net financial investment**	-2.0	-1.2	.9	3.7	.6	4.1	.4	.6	.3	1.5	.1	2.7	12.0	25.7	6
7	*Net acquis. of financial assets*	*3.3*	*7.6*	*8.5*	*10.3*	*5.2*	*12.4*	*-.2*	*8.8*	*4.8*	*5.2*	*2.0*	*12.5*	*23.3*	*34.4*	7
8	Gold and SDR's [2]	.6	1.2	1.2	-1.0	.8	*	-2.8	.4	-.1	1.4	2.2	.9	2.6	1.8	8
9	U.S. demand dep. & currency	-1.0	.3	.3	.3	.3	.6	*	1.4	-.4	-.5	.5	-.1	-.2	-.2	9
10	Time deposits	.8	1.2	-.3	1.0	-1.9	.4	5.7	4.3	-3.5	-3.2	-5.1	-1.4	2.6	1.6	10
11	U.S. corporate shares	.3	.7	2.0	1.6	.7	.7	2.0	-.3	-.3	1.5	1.9	.3	*	.9	11
12	U.S. Government securities	2.4	2.1	-.5	-1.8	9.1	2.7	-3.7	8.0	8.2	4.7	15.5	26.3	28.7	29.0	12
13	Other credit market instr. [3]	.9	.1	.8	1.5	1.1	1.7	.7	1.8	1.7	-1.1	2.3	.4	1.8	2.6	13
14	Other financial assets [4]	4.7	2.0	4.9	8.7	-5.0	6.3	2.1	-6.0	-.7	2.3	-15.4	-13.8	-12.2	-1.3	14
15	*Net increase in liabilities*	*5.3*	*8.7*	*7.6*	*6.7*	*4.6*	*8.3*	*.7*	*8.1*	*4.5*	*3.7*	*1.9*	*9.9*	*11.3*	*8.8*	15
16	Official U.S. fgn. exchange [5]	*	1.1	2.1	.3	-2.5	2.8	-1.9	2.3	-4.2	-1.7	-1.9	-2.5	-.7	-3.7	16
17	Foreign corporate shares	.3	.1	.2	.5	*	.4	.1	-.4	-.2	.4	.3	.3	-.4	*	17
18	Corporate bonds	.7	1.2	1.1	1.0	.8	1.7	.4	1.1	.3	1.6	.9	1.1	2.0	.9	18
19	Loans [6]	1.1	2.8	1.7	2.2	1.7	.3	1.9	1.9	2.1	.3	2.7	2.9	5.1	6.3	19
20	Other liabilities [7]	3.8	3.6	2.6	2.7	4.5	3.2	-1.1	7.9	7.0	3.2	-.2	8.1	5.4	5.2	20
21	Discrepancy [8]	.4	-1.1	-.5	-2.8	1.1	-4.1	-.1	-1.1	1.5	-2.2	.5	4.3	-8.8	-22.0	21

Notes to Table 4

Households

1 Imputed saving associated with growth of government life insurance and retirement reserves.
2 From open-end investment companies.
3 Policy loans, hypothecated deposits, and U.S. Govt. loans to nonprofit organizations.

Business

1 Excludes imputed rental income from owner-occupied houses.
2 Change in work in process.
3 After inventory valuation adjustment.
4 Excludes CCC-guaranteed loans, treated as U.S. Govt. purchases on NIA basis.
5 Includes corporate farms.
6 Noncorporate net income is treated as payment in full to proprietors in the household sector. Gross saving consists of capital consumption allowances plus corporate farm retained profits.
7 Loans from U.S. Govt. and commercial loans from finance companies.
8 Includes earnings retained in business; see note 6 above.
9 Direct investments abroad, foreign currency holdings, and unallocated current assets.
10 Commercial paper, commercial loans from finance companies, and U.S. Govt. loans.

Governments

1 Retirement funds are on p. A-73.8.
2 Unified budget basis for all years. Excludes sponsored agencies shown below.
3 Govt. life insurance, employee retirement, and R.R. retirement programs.
4 Securities of sponsored credit agencies only.
5 Mainly official foreign exchange and IMF position of Treasury. Includes net purchases of Special Drawing Rights, which are assets of the Exchange Stabilization Fund. Initial allocation of SDR's in January is excluded, however, from these tables on transactions.
6 Loan participation certificates and securities issued by Export-Import Bank, GNMA, CCC, Federal Housing Administration, and TVA. Includes mortgage liabilities of Defense Dept. and Coast Guard and block sales of Farmers Home Administration insured notes.
7 Includes net sales of SDR certificates to Federal Reserve System.
8 Home loan banks, land banks, intermediate credit banks, banks for cooperatives, Federal National Mortgage Association (before 1969, secondary market operations only), and mortgage pools issuing GNMA-guaranteed securities.

Banking

1 Federal Reserve System plus those Treasury accounts included in "Member Bank Reserves, Federal Bank Credit, and Related Items" (p. A-4). Excludes Exchange Stabilization Fund, which is in U.S. Govt. accounts.
2 Includes F.R. holdings of foreign currencies. On Special Drawing Rights, see notes 5 and 7 to Governments table. SDR certificates as assets of the Federal Reserve are on line 4 of this table.
3 Includes vault cash of nonmember banks.
4 IMF deposits are net in line 3.
5 This section represents a combined statement for commercial banks plus affiliates not consolidated in bank reports (see lines 38-43 below). Based on balance sheet estimates for last day of quarter. Reported bank data, as on p. A-19, are frequently for last Wednesday of month or other reporting date. Excludes banks in U.S. possessions.
6 Net change in par value of holdings.
7 Net of F.R. float, shown separately in line 31.

Nonbank finance

1 In addition to types shown, includes credit unions, agencies of foreign banks, security brokers and dealers, and banks in possessions.
2 Excludes deposits at FHLB, which are included in Miscellaneous, line 8.
3 Includes cash and other assets, not shown separately.
4 Includes retained capital gains dividends.

Rest of the world

1 Line 4 minus line 1. The current balance is shown here from the viewpoint of the rest of the world and is thus opposite in sign from U.S. balance of payments statements and U.S. national income accounts.
2 Net purchases of gold and Special Drawing Rights from the U.S. only. Excludes acquisitions of gold from outside the U.S. Also excludes January allocation of SDR's.
3 Corporate bonds and acceptances.
4 Trade credit, direct investment in the United States, bank liabilities to foreign branches, deposits at agencies of foreign banks, security credit, and unallocated assets.
5 Includes net IMF position.
6 Bank loans, acceptances, and loans from U.S. Govt.
7 Trade debt, direct investment abroad, foreign currencies other than in line 15, subscriptions to international organizations except IMF, and unidentified liabilities.
8 Errors and omissions in U.S. balance of payments statement.

1. U.S. BALANCE OF PAYMENTS

(In millions of dollars)

Line	Credits +; debits –	1969	1970	1970 II	1970 III	1970 IV	1971 I	1971 II	1971 III[p]
	Summary—Seasonally adjusted								
1	Merchandise trade balance [1]	660	2,110	751	704	142	269	-1,040	-537
2	Exports	36,490	41,980	10,582	10,696	10,461	11,030	10,720	11,481
3	Imports	-35,830	-39,870	-9,831	-9,992	-10,319	-10,761	-11,760	-12,018
4	Military transactions, net	-3,341	-3,371	-808	-884	-770	-667	-669	-715
5	Travel and transportation, net	-1,780	-1,979	-500	-553	-478	-427	-610	-601
6	Investment income, net [2]	5,975	6,242	1,469	1,571	1,626	1,783	2,169	1,670
7	U.S. direct investments abroad	7,340	7,906	1,905	1,973	1,988	2,033	2,409	2,053
8	Other U.S. investments abroad	3,199	3,503	886	882	851	864	832	845
9	Foreign investments in the United States	-4,564	-5,167	-1,322	-1,284	-1,213	-1,114	-1,072	-1,228
10	Other services, net	497	588	133	157	150	212	176	177
11	**Balance on goods and services** [3]	**2,011**	**3,592**	**1,045**	**995**	**670**	**1,170**	**26**	**-6**
12	Remittances, pensions, and other transfers	-1,266	-1,410	-362	-359	-351	-342	-355	-388
13	**Balance on goods, services, and remittances**	**745**	**2,182**	**683**	**636**	**319**	**828**	**-329**	**-394**
14	U.S. Government grants (excluding military)	-1,644	-1,739	-391	-444	-485	-428	-483	-527
15	**Balance on current account**	**-899**	**444**	**292**	**192**	**-166**	**400**	**-812**	**-921**
16	U.S. Government capital flows excluding nonscheduled repayments, net [4]	-2,106	-1,837	-480	-396	-450	-602	-679	-428
17	Nonscheduled repayments of U.S. Government assets	-87	244	114	2	40	4	102	72
18	U.S. Government nonliquid liabilities to other than foreign official reserve agencies	263	-436	-224	82	-263	-82	-53	-176
19	Long-term private capital flows, net	-50	-1,453	-272	-220	7	-1,003	-1,795	-1,648
20	U.S. direct investments abroad	-3,254	-4,445	-1,257	-897	-934	-1,370	-1,393	-1,399
21	Foreign direct investments in the United States	832	969	105	218	160	92	-16	319
22	Foreign securities	-1,494	-942	93	-488	-337	353	-388	-224
23	U.S. securities other than Treasury issues	3,112	2,190	374	720	792	559	196	564
24	Other, reported by U.S. banks	477	199	68	44	56	-121	236	-289
25	Other, reported by U.S. nonbanking concerns	277	576	345	183	270	190	42	19
26	**Balance on current account and long-term capital** [4]	**-2,879**	**-3,038**	**-570**	**-340**	**-832**	**-1,283**	**-3,237**	**-3,101**
27	Nonliquid short-term private capital flows, net	-602	-545	-140	115	-175	-384	-394	-1,167
28	Claims reported by U.S. banks	-658	1,015	-268	-189	-396	73	171	991
29	Claims reported by U.S. nonbanking concerns	-35	360	-23	-50	-171	-125	-138	-248
30	Liabilities reported by U.S. nonbanking concerns	91	830	151	124	392	186	-85	72
31	Allocations of special drawing rights (SDR's)		867	217	217	216	180	179	179
32	Errors and omissions, net	-2,603	-1,104	-375	-437	-233	-1,017	-2,330	-5,204
33	**Net liquidity balance**	**-6,084**	**-3,821**	**-868**	**-675**	**-1,024**	**-2,504**	**-5,782**	**-9,293**
34	Liquid private capital flows, net	8,786	-6,000	-536	-1,400	-2,454	-3,029	51	-2,828
35	Liquid claims	124	242	-160	-17	157	-315	90	-520
36	Reported by U.S. banks	-209	-119	-127	-53	-79	-90	35	-405
37	Reported by U.S. nonbanking concerns	333	361	-33	36	236	-225	55	-115
38	Liquid liabilities	8,662	-6,242	-376	-1,383	-2,611	-2,714	-39	-2,308
39	To foreign commercial banks	9,166	-6,507	-441	-1,315	-2,888	-3,065	-92	-2,092
40	To international and regional organizations	-63	179	-124	82	79	279	198	155
41	To other foreigners	-441	86	189	-150	198	72	-145	-371
42	***Official reserve transactions balance***	**2,702**	**-9,821**	**-1,404**	**-2,075**	**-3,478**	**-5,533**	**-5,731**	**-12,121**
	Financed by changes in—								
43	Nonliquid liabilities to foreign official reserve agencies reported by U.S. Government	-162	535	735	-12	77	-8	-8	-9
44	Nonliquid liabilities to foreign official agencies reported by U.S. banks	-836	-810	-235	-233	-188	-202	-160	-173
45	Liquid liabilities to foreign official agencies	-517	7,619	99	1,736	2,765	5,061	5,240	11,109
46	U.S. official reserve assets, net	-1,187	2,477	805	584	824	682	659	1,194
47	Gold	-967	787	14	395	422	109	456	300
48	SDR's		-851	-254	-251	-76	-55	17	-29
49	Convertible currencies	814	2,152	818	34	469	373	-66	72
50	Gold tranche position in IMF	-1,034	389	227	406	9	255	252	851
	Memoranda:								
51	Transfers under military grant programs, (excluded from lines 2, 4, and 14)	756	613	191	116	169	191	162	256
52	Reinvested earnings of foreign incorporated affiliates of U.S. firms (excluded from lines 7 and 20)	2,532	2,885	(5)	(5)	(5)	(5)	(5)	(5)
53	Reinvested earnings of U.S. incorporated affiliates of foreign firms (excluded from lines 9 and 21)	431	434	(5)	(5)	(5)	(5)	(5)	(5)

For notes see end of table.

1. U.S. BALANCE OF PAYMENTS—Continued

(In millions of dollars)

Credits +, debits −	1969	1970	1970 II	1970 III	1970 IV	1971 I	1971 II	1971 III^p
Balances excluding allocations of SDR's—Seasonally adjusted								
Net liquidity balance	−6,084	−4,688	−1,085	−892	−1,240	2,684	−5,961	−9,472
Official reserve transactions balance	2,702	−10,688	−1,621	−2,292	3,694	5,713	−5,910	−12,300
Balances not seasonally adjusted								
Balance on goods and services (line 11)	2,011	3,592	1,300	−291	1,349	1,513	228	−1,400
Balance on goods, services, and remittances (line 13)	745	2,182	925	657	1,002	1,188	140	1,795
Balance on current account (line 15)	−899	444	487	−1,060	552	732	−670	−2,282
Balance on current account and long-term capital [4] (line 26)	2,879	−3,038	−899	−1,535	706	1,256	−3,615	−4,428
Balances including allocations of SDR's:								
Net liquidity (line 33)	6,084	−3,821	−1,704	1,454	−152	−1,843	−6,596	−10,112
Official reserve transactions (line 42)	2,702	−9,821	−2,069	2,612	3,174	−4,718	−6,462	12,679
Balances excluding allocations of SDR's:								
Net liquidity	−6,084	−4,688	1,704	−1,454	−152	−2,560	−6,596	−10,112
Official reserve transactions	2,702	10,688	−2,069	−2,612	−3,174	5,435	6,462	12,679

[1] Adjusted to balance of payments basis; excludes transfers under military grants, exports under U.S. military agency sales contracts and imports of U.S. military agencies.

[2] Includes fees and royalties from U.S. direct investments abroad or from foreign direct investments in the United States.

[3] Equal to net exports of goods and services in national income and product accounts of the United States.

[4] Includes some short-term U.S. Govt. assets.

[5] Not available.

NOTE.—Data are from U.S. Department of Commerce, Office of Business Economics. Details may not add to totals because of rounding.

2. MERCHANDISE EXPORTS AND IMPORTS

(Seasonally adjusted; in millions of dollars)

Period	Exports [1] 1969	Exports 1970	Exports 1971	Exports 1972	Imports [2] 1969^r	Imports 1970	Imports 1971	Imports 1972	Trade balance 1969	Trade balance 1970	Trade balance 1971	Trade balance 1972
Month:												
Jan.	[3] 2,161	3,406	3,733	4,221	[3] 2,002	3,223	3,683	4,540	159	183	50	−319
Feb.	[3] 2,266	3,547	3,691	....	[3] 2,672	3,278	3,550	....	−406	269	141	....
Mar.	[3] 3,188	3,376	3,815	....	[3] 2,982	3,218	3,565	....	206	158	250	....
Apr.	[3] 3,318	3,409	3,521	....	[3] 3,183	3,263	3,754	....	135	146	−232	....
May	[3] 3,268	3,661	3,783	....	[3] 3,257	3,338	3,983	....	11	323	−201	....
June	[3] 3,179	3,730	3,661	....	[3] 3,152	3,266	4,019	....	27	465	−358	....
July	3,182	3,699	3,493	....	3,074	3,255	3,790	....	108	444	−297	....
Aug.	3,366	3,592	3,678	....	3,163	3,346	3,934	....	203	246	−256	....
Sept.	3,341	3,553	4,511	....	3,078	3,428	4,245	....	263	125	265	....
Oct.	3,342	3,689	2,710	....	3,192	3,501	3,531	....	150	188	−821	....
Nov.	3,398	3,499	3,160	....	3,180	3,428	3,387	....	218	71	227	....
Dec.	3,280	3,570	3,859	....	3,078	3,404	4,132	....	202	166	−274	....
Quarter:												
I	7,615	10,328	11,239	....	7,655	9,719	10,798	....	40	609	441	....
II	9,765	10,800	10,965	....	9,591	9,867	11,755	....	174	933	790	....
III	9,889	10,845	11,681	....	9,315	10,029	11,969	....	574	816	288	....
IV	10,020	10,758	9,728	....	9,450	10,333	11,051	....	570	425	−1,323	....
Year[4]	37,332	42,662	43,555	....	36,043	39,963	45,602	....	1,289	2,699	−2,047	....

[1] Exports of domestic and foreign merchandise; excludes Dept. of Defense shipments of grant-aid military equipment and supplies under Mutual Security Program.

[2] General imports including imports for immediate consumption plus entries into bonded warehouses.

[3] Significantly affected by strikes.

[4] Sum of unadjusted figures.

NOTE.—Bureau of the Census data. Details may not add to totals because of rounding.

3. U.S. NET MONETARY GOLD TRANSACTIONS WITH FOREIGN COUNTRIES AND INTERNATIONAL ORGANIZATIONS

(Net sales (−) or net acquisitions; in millions of dollars at $35 per fine troy ounce)

Area and country	1963	1964	1965	1966	1967	1968	1969	1970	1971	1970	1971			
										IV	I	II	III	IV
Western Europe:														
Austria	-82	-55	-100	-25	......	......	4	......	......	......	......	......	......	......
Belgium	......	-40	-83	......	......	-58	......	......	-110	......	......	-110	......	......
France	-518	-405	-884	-601	......	600	325	-129	-473	-129	......	-282	-191	......
Germany, Fed. Rep. of	......	-225	......	......	......	......	500	......	......	......	......	......	......	......
Ireland	......	-1	2	-2	-2	-52	41	2	......	......	......	......	......	......
Italy	......	200	-80	-60	-85	-209	-76	......	......	......	......	......	......	......
Netherlands	......	-60	-35	......	......	-19	......	-50	-25	-30	-25	......	......	......
Spain	-130	-32	-180	......	......	......	......	51	......	......	......	......	......	......
Switzerland	......	-81	-50	-2	-30	-50	-25	-50	-175	......	-75	-50	-50	......
United Kingdom	329	618	150	80	-879	-835	......	......	......	......	......	......	......	......
Bank for Intl. Settlements	......	......	......	......	......	......	200	......	......	......	......	......	......	......
Other	1	-6	-35	-49	16	-47	11	-29	-13	-21	15	-6	-22	......
Total	-399	-88	-1,299	-659	-980	-669	969	-204	796	-180	-85	-448	-263	......
Canada	......	......	......	200	150	50	......	......	......	......	......	......	......	......
Latin American republics:														
Argentina	-30	......	......	-39	-1	-25	-25	-28	......	-23	......	......	......	......
Brazil	72	54	25	-3	-1	*	......	-23	......	-23	......	......	......	......
Colombia	......	10	29	7	......	......	*	-1	......	......	......	......	......	......
Venezuela	......	......	-25	......	......	......	......	......	......	......	......	......	......	......
Other	-11	-9	13	-6	11	-40	-29	-80	-5	-66	*	-4	*	......
Total	32	56	17	-41	9	-65	-54	-131	-5	-111	*	-4	*	......
Asia:														
Iraq	......	......	-10	-4	-21	42	......	......	......	......	......	......	......	......
Japan	......	......	......	-56	......	......	......	-119	......	-119	......	......	......	......
Lebanon	......	-11	......	-11	-1	-95	......	......	-35	......	-35	......	......	......
Malaysia	......	......	......	......	......	-34	......	......	-10	......	......	-10	......	......
Philippines	25	20	*	-1	......	9	40	-4	-2	-8	1	-1	-1	......
Saudi Arabia	......	......	......	......	......	-50	......	......	......	......	......	......	......	......
Singapore	......	......	......	......	......	-81	11	......	30	......	......	......	-30	......
Other	-13	-6	-14	-14	-22	-75	-9	[2] -91	39	-71	21	21	-1	......
Total	12	3	-24	-86	-44	-366	42	-213	-38	-197	-15	10	-32	-1
All other	-36	-7	-16	-22	[3] -166	[3] -68	-1	81	6	-75	-1	-4	*	*
Total foreign countries	-392	-36	-1,322	-608	-1,031	-1,118[1]	957	[4] -631	-845	[4] -563	-102	-445	-296	1
Intl. Monetary Fund[5]	......	......	[6] -225	177	22	-3	10	-156	-22	[4] 142	-7	-11	-4	......
Grand total	-392	-36	1,547	-431	-1,009	-1,121	967	787	867	-422	-109	-457	-300	1

[1] Includes purchase from Denmark of $25 million.
[2] Includes purchase from Kuwait of $25 million.
[3] Includes sales to Algeria of $150 million in 1967 and $50 million in 1968.
[4] Data for IMF include the U.S. payment of $385 million increase in its gold subscription to the IMF and gold sold by the IMF to the United States in mitigation of U.S. sales to other countries making gold payments to the IMF. The country data include U.S. gold sales to various countries in connection with the IMF quota payments. Such U.S. sales to countries and resales to the United States by the IMF total $548 million each.
[5] Includes IMF gold sales to and purchases from the United States, U.S. payment of increases in its gold subscription to IMF, gold deposits by the IMF (see note 1 (b) to Table 4), and withdrawal of deposits. The first withdrawal, amounting to $17 million, was made in June 1968.
IMF sold to the United States a total of $800 million of gold ($200 million in 1956, and $300 million in 1959 and in 1960) with the right of repurchase; proceeds from these sales invested by IMF in U.S. Govt. securities. In Sept. 1970 IMF repurchased $400 million.
[6] Payment to the IMF of $259 million increase in U.S. gold subscription less gold deposits by the IMF.

Notes to Table 5 on opposite page:

[1] Represents net IMF sales of gold to acquire U.S. dollars for use in IMF operations. Does not include transactions in gold relating to gold deposit or gold investment (see Table 6).

[2] Positive figures represent purchases from the IMF of currencies of other members for equivalent amounts of dollars; negative figures represent repurchase of dollars, including dollars derived from charges on purchases and from other net dollar income of the IMF. The United States has a commitment to repurchase within 3 to 5 years, but only to the extent that the holdings of dollars of the IMF exceed 75 per cent of the U.S. quota. Purchases of dollars by other countries reduce the U.S. commitment to repurchase by an equivalent amount.

[3] Includes dollars obtained by countries other than the United States from sales of gold to the IMF.

[4] Represents the U.S. gold tranche position in the IMF (the U.S. quota minus the holdings of dollars of the IMF), which is the amount that the United States could purchase in foreign currencies automatically if needed. Under appropriate conditions, the United States could purchase additional amounts equal to its quota.
[5] Includes $259 million gold subscription to the IMF in June 1965 for a U.S. quota increase, which became effective on Feb. 23, 1966. In figures published by the IMF from June 1965 through Jan. 1966, this gold subscription was included in the U.S. gold stock and excluded from the reserve position.
[6] Includes $30 million of special drawing rights.

NOTE.—The initial U.S. quota in the IMF was $2,750 million. The U.S. quota was increased to $4,125 million in 1959, to $5,160 million in Feb. 1966, and to $6,700 million in Dec. 1970. Under the Articles of Agreement, subscription payments equal to the quota have been made 25 per cent in gold and 75 per cent in dollars.

4. 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[3]	SDR's[4]
1958...	22,540	20,582	20,534	....	1,958	....
1959...	21,504	19,507	19,456	....	1,997	....
1960...	19,359	17,804	17,767	....	1,555	....
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	[6]13,806	[6]13,733	781	[6]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...	[7]16,964	11,859	10,367	[7]2,781	2,324	....
1970...	14,487	11,072	10,732	629	1,935	851
1971...	[8]12,167	10,206	10,132	[8]276	585	1,100

End of month	Total	Gold stock[1] Total[2]	Gold stock[1] Treasury	Convertible foreign currencies[5]	Reserve position in IMF[3]	SDR's[4]
1971						
Feb....	14,534	11,039	10,732	327	1,700	1,468
Mar....	14,342	10,963	10,732	256	1,680	1,443
Apr....	14,307	10,925	10,732	257	1,682	1,443
May...	13,811	10,568	10,332	318	1,678	1,247
June...	13,504	10,507	10,332	322	1,428	1,247
July....	13,283	10,453	10,332	250	1,433	1,147
Aug....	12,128	10,209	10,132	248	574	1,097
Sept....	12,131	10,207	10,132	250	577	1,097
Oct....	12,146	10,207	10,132	259	580	1,100
Nov....	12,131	10,206	10,132	243	582	1,100
Dec....	[8]12,167	10,206	10,132	[8]276	585	1,100
1972						
Jan....	12,879	10,206	10,132	276	587	1,810
Feb....	12,330	9,662	9,588	276	582	1,810

[1] Includes (a) gold sold to the United States by the International Monetary Fund with the right of repurchase, and (b) gold deposited by the IMF to mitigate the impact on the U.S. gold stock of foreign purchases for the purpose of making gold subscriptions to the IMF under quota increases. For corresponding liabilities, see Table 6.

[2] Includes gold in Exchange Stabilization Fund.

[3] The United States has the right to purchase foreign currencies equivalent to its reserve position in the IMF automatically if needed. Under appropriate conditions the United States could purchase additional amounts equal to the U.S. quota. See Table 5.

[4] Includes allocations by the IMF of Special Drawing Rights as follows: (in millions of dollars) 867 on Jan. 1, 1970; 717 on Jan. 1, 1971; and 710 on Jan. 1, 1972; plus net transactions in SDRs.

[5] For holdings of F.R. Banks only, see pp. A-12 and A-13.

[6] Reserve position includes, and gold stock excludes, $259 million gold subscription to the IMF in June 1965 for a U.S. quota increase which became effective on Feb. 23, 1966. In figures published by the IMF from June 1965 through Jan. 1966, this gold subscription was included in the U.S. gold stock and excluded from the reserve position.

[7] 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.

[8] Includes $28 million increase in dollar value of foreign currencies revalued to reflect market exchange rates as of Dec. 31, 1971.

NOTE.—See Table 23 for gold held under earmark at F.R. Banks for foreign and international accounts. Gold under earmark is not included in the gold stock of the United States.

5. U.S. POSITION IN THE INTERNATIONAL MONETARY FUND

(In millions of dollars)

Period	Transactions affecting IMF holdings of dollars (during period): U.S. transactions with IMF: Payments of subscriptions in dollars	Net gold sales by IMF[1]	Transactions in foreign currencies[2]	IMF net income in dollars	Transactions by other countries with IMF: Purchases of dollars[3]	Repurchases in dollars	Total change	IMF holdings of dollars (end of period): Amount	Per cent of U.S. quota	U.S. reserve position in IMF (end of period)[4]
1946—1957	2,063	600	....	−45	−2,670	827	775	775	28	1,975
1958—1963	1,031	150	....	60	−1,666	2,740	2,315	3,090	75	1,035
1964—1966	776	....	1,640	45	723	6	1,744	4,834	94	[5]326
1967	....	....	....	20	114	....	−94	4,740	92	420
1968	....	....	84	20	−806	....	−870	3,870	75	1,290
1969	....	22	....	19	1,343	268	1,034	2,836	55	2,324
1970	1,155	[6]712	150	25	−854	741	1,929	4,765	71	1,935
1971	....	*	1,362	−28	−24	40	1,350	6,115	91	585
1971—Feb.	....	*	....	*	....	*	....	5,000	75	1,700
Mar.	....	....	....	*	....	20	20	5,020	75	1,680
Apr.	....	....	....	−3	....	1	2	5,018	75	1,682
May	....	....	....	−2	−1	7	4	5,022	75	1,678
June	....	....	250	−1	....	1	250	5,272	79	1,428
July	....	....	....	−5	....	....	−5	5,267	79	1,433
Aug.	....	....	862	−3	....	....	859	6,126	91	574
Sept.	....	....	....	−3	....	....	−3	6,123	91	577
Oct.	....	....	....	−3	....	....	−3	6,120	91	580
Nov.	....	....	....	−2	....	....	−2	6,118	91	582
Dec.	....	....	....	−3	....	....	−3	6,115	91	585
1972—Jan.	....	....	....	−2	....	....	−2	6,113	91	587
Feb.	....	....	....	5	....	....	5	6,118	91	582

For notes see opposite page.

6. U.S. LIQUID LIABILITIES TO FOREIGNERS

(In millions of dollars)

End of period	Total	Liabilities to Intl. Monetary Fund arising from gold transactions: Total	Gold deposit [1]	Gold investment [2]	Liabilities to foreign countries: Official institutions [3]: Total	Short-term liabilities reported by banks in U.S.	Marketable U.S. Govt. bonds and notes [4]	Nonmarketable convertible U.S. Treasury bonds and notes	Banks and other foreigners: Total	Short-term liabilities reported by banks in U.S.	Marketable U.S. Govt. bonds and notes [4]	Liabilities to nonmonetary intl. and regional organizations [5]: Total	Short-term liabilities reported by banks in U.S.[6]	Marketable U.S. Govt. bonds and notes [4]
1957	[7] 15,825	200	....	200	....	7,917	....	....	....	5,724	....	....	542	....
1958	[7] 16,845	200	....	200	....	8,665	....	....	....	5,950	....	....	552	....
1959	19,428	500	....	500	10,120	9,154	966	....	7,618	7,077	541	1,190	530	660
1960 [8]	20,994	800	....	800	11,078	10,212	866	....	7,591	7,048	543	1,525	750	775
	21,027	800	....	800	11,088	10,212	876	....	7,598	7,048	550	1,541	750	791
1961 [8]	22,853	800	....	800	11,830	10,940	890	....	8,275	7,759	516	1,948	703	1,245
	22,936	800	....	800	11,830	10,940	890	....	8,357	7,841	516	1,949	704	1,245
1962 [8]	24,068	800	....	800	12,748	11,997	751	....	8,359	7,911	448	2,161	1,250	911
	24,068	800	....	800	12,714	11,963	751	....	8,359	7,911	448	2,195	1,284	911
1963 [8]	26,361	800	....	800	14,387	12,467	1,217	703	9,214	8,863	351	1,960	808	1,152
	26,322	800	....	800	14,353	12,467	1,183	703	9,204	8,863	341	1,965	808	1,157
1964 [8]	28,951	800	....	800	15,428	13,224	1,125	1,079	11,001	10,625	376	1,722	818	904
	29,002	800	....	800	15,424	13,220	1,125	1,079	11,056	10,680	376	1,722	818	904
1965	29,115	834	34	800	15,372	13,066	1,105	1,201	11,478	11,006	472	1,431	679	752
1966 [8]	29,904	1,011	211	800	13,600	12,484	860	256	14,387	13,859	528	906	581	325
	29,779	1,011	211	800	13,655	12,539	860	256	14,208	13,680	528	905	580	325
1967 [8]	33,271	1,033	233	800	15,653	14,034	908	711	15,894	15,336	558	691	487	204
	33,119	1,033	233	800	15,646	14,027	908	711	15,763	15,205	558	677	473	204
1968 [8]	33,828	1,030	230	800	12,548	11,318	529	701	19,525	18,916	609	725	683	42
	33,614	1,030	230	800	12,481	11,318	462	701	19,381	18,916	465	722	683	39
1969 [8]	41,735	1,019	219	800	11,955	11,054	346	[9] 555	28,102	27,577	525	659	609	50
	41,894	1,019	219	800	11,978	11,077	346	[9] 555	28,234	27,709	525	663	613	50
1970—Dec.[8] r	43,291	566	166	400	20,068	19,333	306	429	21,813	21,166	647	844	820	24
	43,242	566	166	400	20,057	19,333	295	429	21,773	21,208	565	846	820	26
1971—Jan.r	43,666	559	159	400	20,491	19,775	287	429	21,548	20,936	612	1,068	1,043	25
Feb.r	44,063	559	159	400	22,320	21,599	292	429	20,191	19,582	609	993	951	42
Mar.r	45,483	559	159	400	24,840	24,119	292	429	18,958	18,360	598	1,126	985	141
Apr.r	47,676	548	148	400	27,252	26,531	292	429	18,587	17,984	603	1,289	1,148	141
Mayr	51,820	548	148	400	32,090	31,346	292	452	17,845	17,276	569	1,337	1,195	142
Juner	51,401	548	148	400	30,639	26,808	379	3,452	18,890	18,317	573	1,324	1,181	143
Julyr	53,295	544	144	400	32,952	26,868	632	5,452	18,409	17,830	579	1,390	1,247	143
Aug.r	59,914	544	144	400	40,671	34,016	870	5,785	17,202	16,659	543	1,497	1,343	154
Sept.r	60,770	544	144	400	42,150	35,081	1,015	6,054	16,596	16,081	515	1,480	1,325	155
Oct.r	62,089	544	144	400	43,390	36,063	1,272	6,055	16,722	16,212	510	1,433	1,278	155
Nov.	62,483	544	144	400	45,068	37,266	1,747	6,055	15,406	14,925	481	1,465	1,310	155
Dec.[10] p	64,154	544	144	400	47,696	39,681	1,955	6,060	14,393	13,946	447	1,521	1,365	156
	64,207	544	144	400	47,049	39,001	1,955	6,093	15,091	14,644	447	1,523	1,367	156

[1] Represents liability on gold deposited by the International Monetary Fund to mitigate the impact on the U.S. gold stock of foreign purchases for the purpose of making gold subscriptions to the IMF under quota increases.

[2] U.S. Govt. obligations at cost value and funds awaiting investment obtained from proceeds of sales of gold by the IMF to the United States to acquire income-earning assets. Upon termination of investment, the same quantity of gold can be reacquired by the IMF.

[3] Includes Bank for International Settlements and European Fund.

[4] Derived by applying reported transactions to benchmark data; breakdown of transactions by type of holder estimated for 1960–63. Includes securities issued by corporations and other agencies of the U.S. Govt. that are guaranteed by the United States.

[5] Principally the International Bank for Reconstruction and Development and the Inter-American Development Bank.

[6] Includes difference between cost value and face value of securities in IMF gold investment account. Liabilities data reported to the Treasury include the face value of these securities, but in this table the cost value of the securities is included under "Gold investment." The difference, which amounted to $14 million at the end of 1971, is included in this column.

[7] Includes total foreign holdings of U.S. Govt. bonds and notes, for which breakdown by type of holder is not available.

[8] Data on the two lines shown for this date differ because of changes in reporting coverage. Figures on the first line are comparable with those shown for the preceding date; figures on the second line are comparable with those shown for the following date.

[9] Includes $17 million increase in dollar value of foreign currency liabilities resulting from revaluation of the German mark in Oct. 1969.

[10] Data on second line differ from those on first line because certain accounts previously classified as "Official institutions" are included in "Banks" and a number of reporting banks are included in the series for the first time.

NOTE.—Based on Treasury Dept. data and on data reported to the Treasury Dept. by banks and brokers in the United States. Data correspond to statistics following in this section, except for minor rounding differences. Table excludes IMF "holdings of dollars," and holdings of U.S. Treasury letters of credit and non-negotiable, non-interest-bearing special United States notes held by other international and regional organizations.

7. U.S. LIQUID LIABILITIES TO OFFICIAL INSTITUTIONS OF FOREIGN COUNTRIES, BY AREA

(Amounts outstanding; in millions of dollars)

End of period	Total foreign countries	Western Europe [1]	Canada	Latin American republics	Asia	Africa	Other countries [2]
1967	15,646	9,872	996	1,131	3,145	249	253
1968 [3]	12,548	7,009	533	1,354	3,168	259	225
	12,481	7,001	532	1,354	3,122	248	224
1969 [3]	[4] 11,955	5,823	495	1,679	3,190	546	222
	11,978	5,823	495	1,702	3,190	546	222
1970—Dec. [3] r	20,068	13,021	662	1,562	4,060	407	356
	20,057	13,016	662	1,562	4,055	407	355
1971—Jan. r	20,491	13,680	678	1,388	4,041	381	323
Feb. r	22,320	15,374	727	1,389	4,162	325	343
Mar. r	24,840	17,151	801	1,236	4,997	242	413
Apr. r	27,252	19,119	818	1,244	5,285	257	529
May r	32,090	22,720	865	1,213	6,395	286	611
June r	30,639	20,676	843	1,262	6,895	271	692
July r	32,952	22,447	921	1,286	7,252	285	761
Aug. r	40,671	25,460	1,185	1,348	11,545	312	821
Sept. r	42,150	26,035	1,173	1,229	12,631	296	786
Oct. r	43,390	26,550	1,241	1,298	13,235	276	790
Nov.	45,068	27,554	1,345	1,275	13,776	248	870
Dec. [5] p	47,696	29,411	1,340	1,361	14,300	415	869
	47,049	29,451	1,340	1,376	13,602	415	865

[1] Includes Bank for International Settlements and European Fund.
[2] Includes countries in Oceania and Eastern Europe, and Western European dependencies in Latin America.
[3] See note 8 to Table 6.
[4] Includes $17 million increase in dollar value of foreign currency liabilities resulting from revaluation of the German mark in Oct. 1969.
[5] Data on second line differ from those on the first line because certain accounts previously classified as "Official institutions" are included in "Banks" and a number of reporting banks are included in the series for the first time.

NOTE.—Data represent short-term liabilities to the official institutions of foreign countries, as reported by banks in the United States, and foreign official holdings of marketable and convertible nonmarketable U.S. Govt. securities with an original maturity of more than 1 year.

8. SHORT-TERM LIABILITIES TO FOREIGNERS REPORTED BY BANKS IN THE UNITED STATES, BY TYPE

(Amounts outstanding; in millions of dollars)

End of period	Total [1]	To all 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	IMF gold investment [5]	To nonmonetary international and regional organizations [6]: Total	Deposits: Demand	Deposits: Time [2]	U.S. Treasury bills and certificates	Other short-term liab. [4]
1969	40,199	39,770	20,460	6,959	5,015	7,336	429	800	613	62	83	244	223
1970 Dec. [7] p	41,719	41,351	15,785	5,924	14,123	5,519	368	400	820	69	159	211	381
	41,761	41,393	15,795	5,961	14,123	5,514	368	400	820	69	159	211	381
1971 Jan. r	42,154	41,776	14,769	5,673	14,453	6,881	378	400	1,043	115	155	273	499
Feb. r	42,532	42,122	13,520	5,473	16,390	6,739	410	400	951	64	149	279	459
Mar. r	43,864	43,212	11,854	5,158	18,703	7,497	652	400	985	73	166	242	503
Apr. r	46,063	45,426	10,466	4,952	22,356	7,652	637	400	1,148	62	202	206	678
May r	50,217	49,598	10,002	4,900	26,961	7,735	619	400	1,195	49	221	209	716
June r	46,706	46,046	10,869	4,968	22,763	7,446	660	400	1,181	60	232	164	724
July r	46,345	45,693	10,274	4,955	23,439	7,025	652	400	1,247	79	224	170	774
Aug. r	52,418	51,768	9,294	5,026	30,198	7,250	650	400	1,343	61	202	269	810
Sept. r	52,887	52,490	10,605	5,054	29,772	7,059	397	400	1,325	92	212	146	875
Oct. r	53,953	53,573	11,860	5,101	29,758	6,854	380	400	1,278	78	175	168	856
Nov.	53,901	53,531	10,883	5,257	30,723	6,668	370	400	1,310	69	202	157	882
Dec. [8] p	55,392	55,006	10,402	5,202	33,025	6,377	386	400	1,365	73	185	210	896
	55,412	55,020	6,460	4,250	33,025	11,285	392	400	1,367	73	187	210	896
1972—Jan. p	56,450	56,018	6,157	4,279	33,906	11,676	432	400	1,521	86	200	338	897

For notes see the following page.

8. SHORT-TERM LIABILITIES TO FOREIGNERS REPORTED BY BANKS IN THE UNITED STATES, BY TYPE—Continued

(Amounts outstanding; in millions of dollars)

End of period	To residents of foreign countries						To official institutions[9]					
	Total	Payable in dollars				Payable in foreign currencies	Total	Payable in dollars				Payable in foreign currencies
		Deposits		U.S. Treasury bills and certificates[3]	Other short-term liab.[4]			Deposits		U.S. Treasury bills and certificates[3]	Other short-term liab.[4]	
		Demand	Time[2]					Demand	Time[2]			
1969	38,786	20,397	6,876	3,971	7,113	429	11,077	1,930	2,942	3,844	2,159	202
1970—Dec.[7] r	40,499	15,716	5,765	13,511	5,138	368	19,333	1,652	2,554	13,367	1,612	148
	40,541	15,726	5,802	13,511	5,133	368	19,333	1,652	2,554	13,367	1,612	148
1971—Jan. r	40,711	14,654	5,518	13,781	6,381	378	19,775	1,744	2,490	13,638	1,755	148
Feb. r	41,181	13,456	5,324	15,711	6,280	410	21,599	1,688	2,433	15,550	1,778	150
Mar. r	42,479	11,781	4,991	18,061	6,993	652	24,119	1,579	2,243	17,916	1,981	400
Apr. r	44,515	10,404	4,750	21,750	6,973	637	26,531	1,628	2,204	20,119	2,180	400
May r	48,622	9,953	4,679	26,352	7,019	619	31,346	1,643	2,204	24,702	2,377	[10] 420
June r	45,125	10,809	4,736	22,199	6,722	660	26,808	1,463	2,251	20,097	2,577	420
July r	44,698	10,195	4,732	22,869	6,249	652	26,868	1,469	2,307	19,605	3,067	420
Aug. r	50,675	9,233	4,823	29,529	6,439	650	34,016	1,264	2,371	26,674	3,286	421
Sept. r	51,162	10,513	4,843	29,226	6,183	397	35,081	1,450	2,392	27,855	3,226	158
Oct. r	52,275	11,781	4,926	29,190	5,997	380	36,063	1,231	2,480	28,982	3,212	158
Nov.	52,191	10,814	5,054	30,166	5,786	370	37,266	1,263	2,505	30,071	3,269	158
Dec.[8] p	53,627	10,329	5,017	32,415	5,480	386	39,681	1,620	2,504	32,311	3,088	158
	53,645	6,387	4,063	32,415	10,388	392	39,001	1,327	2,076	32,311	3,122	165
1972—Jan. p	54,529	6,071	4,079	33,168	10,779	432	39,551	1,185	2,076	33,049	3,075	166

End of period	Total	To banks[11]					To other foreigners					To banks and other foreigners; payable in foreign currencies
		Payable in dollars										
		Total	Deposits		U.S. Treasury bills and certificates	Other short-term liab.[4]	Total	Deposits		U.S. Treasury bills and certificates	Other short-term liab.[4]	
			Demand	Time[2]				Demand	Time[2]			
1969	27,709	23,419	16,756	1,999	20	4,644	4,064	1,711	1,935	107	312	226
1970—Dec.[7] r	21,166	16,917	12,376	1,326	14	3,202	4,029	1,688	1,886	131	325	220
	21,208	16,949	12,385	1,354	14	3,197	4,039	1,688	1,895	131	325	220
1971—Jan. r	20,936	16,668	11,220	1,185	13	4,250	4,038	1,689	1,843	130	376	230
Feb. r	19,582	15,219	10,041	1,016	12	4,150	4,103	1,727	1,875	148	353	260
Mar. r	18,360	14,029	8,476	879	10	4,665	4,078	1,726	1,870	135	347	253
Apr. r	17,984	13,617	6,970	654	1,516	4,477	4,129	1,805	1,892	116	315	238
May r	17,276	13,036	6,573	590	1,518	4,354	4,041	1,737	1,885	131	287	199
June r	18,317	14,121	7,586	649	2,016	3,869	3,956	1,760	1,835	86	276	240
July r	17,830	13,704	7,030	600	3,168	2,905	3,894	1,696	1,825	96	277	232
Aug. r	16,659	12,590	6,284	665	2,769	2,872	3,839	1,684	1,787	87	280	230
Sept. r	16,081	12,196	7,486	739	1,286	2,686	3,646	1,577	1,712	85	272	239
Oct. r	16,212	12,256	8,845	786	120	2,504	3,734	1,705	1,660	89	281	222
Nov.	14,925	10,982	7,871	879	9	2,223	3,732	1,680	1,670	87	296	211
Dec.[8] p	13,946	10,039	7,048	865	8	2,118	3,679	1,661	1,648	96	273	228
	14,644	10,722	3,400	320	8	6,995	3,694	1,660	1,666	96	271	228
1972—Jan. p	14,978	10,942	3,185	335	4	7,418	3,769	1,701	1,667	115	285	267

[1] Data exclude "holdings of dollars" of the International Monetary Fund.

[2] Excludes negotiable time certificates of deposit, which are included in "Other."

[3] Includes nonmarketable certificates of indebtedness issued to official institutions of foreign countries.

[4] Principally bankers' acceptances, commercial paper, and negotiable time certificates of deposit. See also note 8(a).

[5] U.S. Treasury bills and certificates obtained from proceeds of sales of gold by the IMF to the United States to acquire income-earning assets. Upon termination of investment, the same quantity of gold can be re-acquired by the IMF.

[6] Principally the International Bank for Reconstruction and Development and the Inter-American Development Bank.

Includes difference between cost value and face value of securities in IMF gold investment account.

[7] Data on the two lines shown for this date differ because of changes in reporting coverage. Figures on the first line are comparable in coverage with those shown for the preceding date; figures on the second line are comparable with those shown for the following date.

[8] Data on second line differ from those on first line because (a) those liabilities of U.S. banks to their foreign branches and those liabilities of U.S. agencies and branches of foreign banks to their head offices and foreign branches which were previously reported as deposits are included in "Other short-term liabilities"; (b) certain accounts previously classified as "Official institutions" are included in "Banks"; and (c) a number of reporting banks are included in the series for the first time.

[9] Foreign central banks and foreign central govts. and their agencies, and Bank for International Settlements and European Fund.

[10] Increase in valuation resulting from revaluation of Swiss franc.

[11] Excludes central banks, which are included in "Official institutions."

NOTE. "Short-term" refers to obligations payable on demand or having an original maturity of 1 year or less. For data on long-term liabilities reported by banks, see Table 10. Data exclude the "holdings of dollars" of the International Monetary Fund; these obligations to the IMF constitute contingent liabilities, since they represent essentially the amount of dollars available for drawings from the IMF by other member countries. Data exclude also U.S. Treasury letters of credit and non-negotiable, non-interest-bearing special U.S. notes held by the Inter-American Development Bank and the International Development Association.

9. 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	1970	1971									1972
	Dec. r	May r	June r	July r	Aug. r	Sept. r	Oct. r	Nov.	Dec.[1] p		Jan. p
Europe:											
Austria	185	185	203	274	244	244	255	246	254	254	261
Belgium-Luxembourg	597	903	761	781	916	901	875	736	691	701	735
Denmark	189	148	175	201	164	173	171	168	168	168	177
Finland	117	107	110	131	116	116	136	134	160	160	156
France	2,267	2,275	2,467	3,242	3,663	3,302	2,842	2,858	3,150	3,150	3,234
Germany	7,520	12,472	7,268	5,446	5,082	5,339	5,606	5,733	6,601	6,596	6,972
Greece	184	146	152	159	160	179	184	175	170	170	167
Italy	1,330	1,833	1,760	1,777	2,032	2,286	2,231	1,953	1,886	1,888	1,704
Netherlands	762	661	609	461	283	302	315	289	270	270	306
Norway	324	465	506	574	649	655	658	714	685	685	702
Portugal	274	280	270	271	295	314	307	308	303	303	299
Spain	198	232	200	208	204	185	202	185	203	203	187
Sweden	503	625	681	718	723	729	729	757	792	792	803
Switzerland	1,948	2,312	2,093	1,914	3,355	3,268	3,306	3,265	3,249	3,249	3,271
Turkey	46	43	21	27	26	27	48	67	68	68	36
United Kingdom	5,504	5,157	6,121	6,209	6,124	6,342	7,223	7,711	7,374	7,379	7,892
Yugoslavia	37	38	33	39	31	41	34	40	34	34	35
Other Western Europe[2]	594	795	1,000	1,417	1,517	1,446	1,404	1,396	1,369	1,376	1,265
U.S.S.R.	15	9	9	10	10	11	12	8	14	14	28
Other Eastern Europe	54	50	66	61	45	61	56	67	53	53	111
Total	22,648	28,737	24,506	23,921	25,639	25,921	26,594	26,809	27,496	27,515	28,342
Canada	4,056	3,136	3,292	3,250	3,316	3,472	3,803	3,590	3,439	3,441	3,593
Latin America:											
Argentina	539	505	447	501	499	419	415	437	441	441	435
Brazil	346	335	361	428	418	358	360	383	343	342	376
Chile	266	256	257	235	252	247	211	189	191	191	180
Colombia	247	169	183	178	168	178	181	179	188	188	185
Cuba	7	7	6	7	7	6	6	6	6	6	6
Mexico	821	800	790	705	728	672	680	706	713	715	757
Panama	147	165	166	147	149	127	150	150	154	154	158
Peru	225	190	200	162	146	162	163	163	164	164	164
Uruguay	118	112	116	116	127	117	116	108	108	108	108
Venezuela	735	729	786	782	787	806	915	874	963	963	870
Other Latin American republics	620	582	582	624	623	597	608	615	654	655	644
Bahamas and Bermuda	745	940	960	1,074	885	661	346	376	657	656	339
Netherlands Antilles and Surinam	98	105	101	97	101	87	94	85	87	87	97
Other Latin America	39	56	46	46	49	44	42	46	38	37	43
Total	4,952	4,953	5,002	5,100	4,940	4,482	4,285	4,317	4,706	4,708	4,363
Asia:											
China Mainland	33	33	35	35	34	34	34	34	39	39	39
Hong Kong	258	313	306	301	311	296	316	336	311	312	304
India	302	245	255	222	193	150	154	142	89	89	114
Indonesia	73	60	71	67	59	57	69	65	63	63	54
Israel	135	125	132	128	115	108	130	133	150	150	133
Japan	5,150	8,192	8,673	8,691	13,136	13,793	14,014	13,919	14,294	14,295	14,179
Korea	199	193	201	187	185	195	189	216	201	196	224
Philippines	285	340	321	333	328	322	294	304	302	304	269
Taiwan	275	293	291	300	281	268	294	248	258	258	280
Thailand	508	306	281	237	183	144	131	107	126	126	121
Other	717	595	571	634	551	568	631	579	595	595	784
Total	7,936	10,696	11,137	11,135	15,376	15,936	16,255	16,082	16,428	16,427	16,503
Africa:											
Congo (Kinshasa)	14	15	16	19	44	25	16	12	12	12	12
Morocco	11	9	9	7	10	11	8	9	9	9	10
South Africa	83	64	61	71	74	81	74	74	78	78	53
U.A.R. (Egypt)	17	14	15	19	13	25	16	13	24	24	14
Other	395	291	285	299	303	321	331	314	474	474	510
Total	521	392	385	415	444	463	445	422	597	597	599
Other countries:											
Australia	389	668	757	830	914	854	854	919	919	916	1,087
All other	39	40	46	47	46	34	39	51	42	42	42
Total	428	708	803	877	960	888	893	970	961	957	1,129
Total foreign countries	40,541	48,622	45,125	44,698	50,675	51,162	52,275	52,191	53,627	53,645	54,529
International and regional:											
International[3]	975	1,256	1,230	1,242	1,342	1,309	1,276	1,278	1,330	1,332	1,475
Latin American regional	131	201	210	237	262	279	266	287	298	298	305
Other regional[4]	114	138	141	168	139	137	136	145	137	139	141
Total	1,220	1,595	1,581	1,647	1,743	1,725	1,678	1,710	1,765	1,767	1,921
Grand total	41,761	50,217	46,706	46,345	52,418	52,887	53,953	53,901	55,392	55,412	56,450

For notes see the following page.

9. 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 [5]

Area or country	1969	1970		1971	
	Dec.	Apr.	Dec.	Apr.	Dec.
Other Western Europe:					
Cyprus	11	15	10	7	2
Iceland	9	10	10	10	11
Ireland, Rep. of	38	32	41	29	16
Other Latin American republics:					
Bolivia	68	76	69	59	55
Costa Rica	52	43	41	43	62
Dominican Republic	78	96	99	90	123
Ecuador	76	72	79	72	57
El Salvador	69	79	75	80	78
Guatemala	84	110	100	97	117
Haiti	17	19	16	19	18
Honduras	29	29	34	44	42
Jamaica	17	17	19	19	19
Nicaragua	63	76	59	47	50
Paraguay	13	17	16	15	17
Trinidad & Tobago	8	11	10	14	10
Other Latin America:					
British West Indies	30	38	33	38	(6)
Other Asia:					
Afghanistan	16	15	26	15	19
Burma	2	5	4	3	10
Cambodia	1	1	2	2	5
Ceylon	3	4	4	4	4
Iran	35	41	32	50	59
Iraq	26	6	11	7	(6)
Other Asia—Cont.:					
Jordan	17	30	14	3	2
Kuwait	46	66	54	36	20
Laos	3	4	5	2	3
Lebanon	83	82	54	60	46
Malaysia	30	48	22	29	23
Pakistan	35	34	38	27	33
Ryukyu Islands (incl. Okinawa)	25	26	18	39	29
Saudi Arabia	106	166	106	41	79
Singapore	17	25	57	43	35
Syria	4	6	7	3	4
Vietnam	94	91	179	161	159
Other Africa:					
Algeria	14	13	17	13	23
Ethiopia (incl. Eritrea)	20	33	19	12	11
Ghana	10	7	8	6	8
Kenya	43	47	38	13	9
Liberia	23	41	22	21	23
Libya	288	430	195	91	(6)
Nigeria	11	11	17	25	(6)
Southern Rhodesia	2	2	1	2	2
Sudan	3	1	1	1	1
Tanzania	10	18	9	10	6
Tunisia	6	7	7	6	9
Uganda	5	7	8	5	3
Zambia	20	38	10	14	(6)
All other:					
New Zealand	16	18	25	22	23

[1] Data in the two columns shown for this date differ because of changes in reporting coverage. Figures in the first column are comparable in coverage with those shown for the preceding date; figures in the second column are comparable with those shown for the following date.

[2] Includes Bank for International Settlements and European Fund.

[3] Data exclude "holdings of dollars" of the International Monetary Fund but include IMF gold investment.

[4] Asian, African, and European regional organizations, except BIS and European Fund, which are included in "Europe."

[5] Represent a partial breakdown of the amounts shown in the "other" categories (except "Other Eastern Europe").

[6] Not available.

10. LONG-TERM LIABILITIES TO FOREIGNERS REPORTED BY BANKS IN THE UNITED STATES

(Amounts outstanding; in millions of dollars)

End of period	Total	To intl. and regional	To foreign countries				Country or area						
			Total	Official institutions	Banks [1]	Other foreigners	Argentina	Other Latin America	Israel	Japan	Thailand	Other Asia	All other countries
1968	3,166	777	2,389	2,341	8	40	284	257	241	658	201	651	97
1969	2,490	889	1,601	1,505	55	41	64	175	41	655	70	472	124
1970 r	1,703	789	914	695	166	54	13	138	6	385	8	122	240
1971 Jan. r	1,567	713	854	637	163	53	13	139	6	341	8	109	238
Feb. r	1,470	687	784	574	160	50	13	109	6	317	1	102	235
Mar. r	1,350	630	720	494	167	59	13	91	6	262	1	96	251
Apr. r	1,187	577	611	407	147	57	13	92	7	186	1	85	225
May r	1,142	548	594	393	144	57	13	94	8	182	1	83	213
June r	1,129	557	572	334	189	48	13	87	8	130	1	80	252
July r	1,024	501	524	284	189	51	13	88	8	83	1	91	239
Aug. r	895	480	415	172	190	53	13	66	8	12	1	92	223
Sept. r	878	473	405	161	189	55	15	62	8	12	1	90	217
Oct.	935	483	452	159	236	57	15	84	8	12	1	92	240
Nov.	911	446	465	170	237	59	15	101	7	8	*	89	245
Dec. p	909	445	465	156	253	56	2	109	6	3	*	83	261
1972—Jan. p	998	541	458	145	255	58	2	105	6	1	....	70	273

[1] Excludes central banks, which are included with "Official institutions."

11. ESTIMATED FOREIGN HOLDINGS OF MARKETABLE U.S. GOVERNMENT BONDS AND NOTES

(End of period; in millions of dollars)

	1971												1972
	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.p	Jan.p
Europe:													
Belgium-Luxembourg	6	6	6	6	6	6	6	6	6	6	6	6	6
Norway	*	*	*	*	*	*	*	*	*	*	*	*	*
Switzerland	33	34	34	31	30	29	29	29	29	29	60	60	53
United Kingdom	520	518	510	519	485	490	496	460	432	427	362	323	279
Other Western Europe	20	24	25	25	25	25	25	25	49	71	82	85	95
Eastern Europe	6	6	6	6	6	6	6	6	5	5	5	5	5
Total	586	589	582	587	552	557	562	525	521	538	516	480	438
Canada	178	177	174	173	175	174	175	175	175	175	179	181	179
Latin America:													
Latin American republics	2	2	1	1	1	1	1	1	1	1	1	1	1
Other Latin America	6	6	6	6	6	6	6	6	6	6	6	6	6
Total	8	8	7	7	7	7	7	7	7	7	7	7	7
Asia:													
India	20	20	20	20	20	20	20	20	20	20	20	......	......
Japan	56	55	55	55	55	142	395	633	755	1,009	1,488	1,717	2,007
Other Asia	10	10	10	10	10	10	10	10	10	10	10	10	10
Total	85	85	85	85	85	172	425	663	784	1,038	1,518	1,727	2,017
Africa	43	43	43	43	43	43	43	43	43	25	8	8	8
All other	*	*	*	*	*	*	*	*	*	*	*	*	*
Total foreign countries	899	901	890	895	861	952	1,211	1,413	1,530	1,782	2,228	2,402	2,650
International and regional:													
International	......	17	115	115	115	115	115	126	126	126	126	126	126
Latin American regional	25	25	26	26	27	27	28	28	29	29	30	30	31
Total	25	42	141	141	142	142	143	154	155	155	156	156	157
Grand total	923	943	1,031	1,036	1,003	1,095	1,354	1,567	1,685	1,937	2,383	2,558	2,807

NOTE.—Data represent estimated official and private holdings of marketable U.S. Govt. securities with an original maturity of more than 1 year, and are based on benchmark surveys of holdings and regular monthly reports of securities transactions (see Table 16).

12. NONMARKETABLE U.S. TREASURY BONDS AND NOTES ISSUED TO OFFICIAL INSTITUTIONS OF FOREIGN COUNTRIES

(In millions of dollars or dollar equivalent)

End of period	Total	Payable in dollars								Payable in foreign currencies			
		Total	Bel-gium	Can-ada [1]	Ger-many	Italy [2]	Korea	Tai-wan	Thai-land	Total	Ger-many [3]	Italy	Switz-erland
1969	[4] 3,181	1,431	32	1,129	....	135	15	20	100	[4] 1,750	[4] 1,084	125	541
1970	3,563	2,480	32	2,289	....	25	15	20	100	1,083	542	......	541
1971—Feb.	3,563	2,480	32	2,289	....	25	15	20	100	1,083	542	......	541
Mar.	3,563	2,480	32	2,289	....	25	15	20	100	1,083	542	......	541
Apr.	3,563	2,480	32	2,289	....	25	15	20	100	1,083	542	......	541
May	[5] 3,592	2,480	32	2,289	....	25	15	20	100	[5] 1,111	542	......	[5] 569
June	6,592	5,480	32	2,289	3,000	25	15	20	100	1,111	542	......	569
July	8,592	7,480	32	2,289	5,000	25	15	20	100	1,111	542	......	569
Aug.	8,924	7,479	32	2,289	5,000	23	15	20	100	1,444	542	......	902
Sept.	9,193	7,479	32	2,289	5,000	23	15	20	100	1,714	542	......	1,172
Oct.	9,195	7,479	32	2,289	5,000	23	15	20	100	1,716	542	......	1,174
Nov.	9,271	7,554	32	2,365	5,000	22	15	20	100	1,716	542	......	1,174
Dec.	[6] 9,657	7,829	32	2,640	5,000	22	15	20	100	[6] 1,827	612	......	1,215
1972—Jan.	9,658	7,829	32	2,640	5,000	22	15	20	100	1,828	612	......	1,216
Feb.	9,658	7,829	32	2,640	5,000	22	15	20	100	1,828	612	......	1,216

[1] Includes bonds issued in 1964 to the Government of Canada in connection with transactions under the Columbia River treaty. Amounts outstanding end of 1967 through Oct. 1968, $114 million; Nov. 1968 through Sept. 1969, $84 million; Oct. 1969 through Sept. 1970, $54 million; and Oct. 1970 through Oct. 1971, $24 million.

[2] Bonds issued to the Government of Italy in connection with military purchases in the United States.

[3] In addition, nonmarketable U.S. Treasury notes amounting to $125 million equivalent were issued to a group of German commercial banks in June 1968. The dollar value of these notes was increased by $10 million in Oct. 1969 and by $18 million as of Dec. 31, 1971.

[4] Includes an increase in dollar value of $84 million resulting from revaluation of the German mark in Oct. 1969.

[5] Increase in valuation resulted from redemption of outstanding Swiss franc securities at old exchange rate and reissue of securities at new exchange rate with same maturity dates, at time of revaluation of Swiss franc. The new issues include some certificates of indebtedness issued to replace notes which were within a year of maturity.

[6] Includes $106 million increase in dollar value of foreign currency obligations revalued to reflect market exchange rates as of Dec. 31, 1971. Dollar costs of repayment will be subject to negotiation as to settlement terms after prospective action on devaluation of the dollar.

13. 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	1970	1971									1972
	Dec.[r]	May[r]	June[r]	July[r]	Aug.[r]	Sept.[r]	Oct.[r]	Nov.	Dec.[1] [p]		Jan.[p]
Europe:											
Austria	6	6	5	5	8	5	4	10	11	11	8
Belgium-Luxembourg	50	73	58	48	95	60	53	63	57	57	71
Denmark	40	54	51	46	47	47	50	48	49	49	50
Finland	66	139	133	129	117	114	113	116	135	135	137
France	113	120	106	124	155	148	132	179	266	267	311
Germany	186	358	250	231	259	252	197	227	240	235	202
Greece	26	24	22	21	22	21	24	23	30	30	30
Italy	101	131	120	133	140	130	114	139	155	161	166
Netherlands	61	85	87	84	92	82	70	90	105	105	92
Norway	54	64	67	61	71	68	66	66	65	67	72
Portugal	11	20	18	13	11	12	10	12	12	12	14
Spain	52	70	61	64	66	62	58	68	70	70	83
Sweden	97	129	135	138	117	116	113	120	118	118	125
Switzerland	100	163	148	162	253	145	136	143	145	145	147
Turkey	9	30	14	11	26	20	4	3	3	3	4
United Kingdom	379	819	550	499	804	454	409	535	565	564	535
Yugoslavia	35	36	37	38	37	29	27	22	19	19	20
Other Western Europe	13	15	17	18	16	16	16	11	12	12	13
U.S.S.R	3	2	2	2	2	2	4	10	28	28	33
Other Eastern Europe	45	50	44	48	37	39	33	33	37	37	44
Total	1,449	2,389	1,927	1,876	2,375	1,821	1,634	1,918	2,121	2,124	2,157
Canada	1,085	1,021	1,003	980	994	1,128	1,165	1,171	1,580	1,581	1,542
Latin America:											
Argentina	326	322	316	334	329	337	327	316	304	305	310
Brazil	325	397	424	417	436	412	418	410	434	440	452
Chile	200	158	155	156	151	143	138	142	139	139	126
Colombia	284	294	299	315	335	353	353	378	380	380	376
Cuba	13	13	13	13	13	13	13	13	13	13	13
Mexico	909	886	879	943	977	901	808	839	936	936	1,004
Panama	95	104	109	99	113	97	95	109	125	125	110
Peru	147	153	156	173	169	190	198	201	176	176	163
Uruguay	63	52	43	44	41	31	32	39	41	41	41
Venezuela	283	232	230	239	249	243	251	249	268	268	271
Other Latin American republics	342	313	314	309	303	319	326	337	373	374	366
Bahamas and Bermuda	196	274	238	286	271	265	242	264	264	262	263
Netherlands Antilles and Surinam	19	20	19	18	15	17	21	20	18	18	20
Other Latin America	22	22	27	31	36	27	32	23	25	26	23
Total	3,222	3,239	3,222	3,377	3,437	3,347	3,253	3,340	3,495	3,501	3,538
Asia:											
China Mainland	2	1	1	1	1	1	1	1	1	1	1
Hong Kong	39	56	60	69	71	78	77	71	72	70	61
India	13	20	19	18	18	20	22	17	21	21	22
Indonesia	56	34	30	63	60	57	39	40	41	41	37
Israel	120	112	117	123	116	125	103	132	129	129	124
Japan	3,890	3,607	3,502	3,224	4,085	4,047	3,738	3,888	4,295	4,296	4,149
Korea	178	231	259	252	252	217	286	329	348	348	330
Philippines	137	115	125	126	119	110	111	129	136	147	150
Taiwan	95	127	130	127	123	113	105	94	109	109	123
Thailand	109	114	116	123	127	147	145	148	173	173	175
Other	167	211	200	203	239	249	235	226	252	252	237
Total	4,807	4,629	4,559	4,329	5,211	5,163	4,862	5,074	5,576	5,586	5,407
Africa:											
Congo (Kinshasa)	4	6	6	18	22	21	22	21	21	21	21
Morocco	6	6	5	6	6	5	5	4	4	4	4
South Africa	77	103	98	131	137	144	146	152	154	158	163
U.A.R. (Egypt)	13	16	14	12	11	12	11	9	10	10	11
Other	79	104	111	109	111	110	105	94	103	103	95
Total	180	235	235	276	288	291	289	281	293	296	294
Other countries:											
Australia	64	81	94	105	118	134	140	140	159	159	162
All other	16	17	20	21	22	23	22	24	27	27	31
Total	80	98	114	126	140	158	162	164	186	186	193
Total foreign countries	10,823	11,611	11,059	10,963	12,445	11,909	11,365	11,948	13,251	13,275	13,130
International and regional	3	2	3	3	2	3	3	4	3	3	3
Grand total	10,826	11,613	11,062	10,966	12,447	11,912	11,368	11,952	13,254	13,278	13,134

[1] Data in the two columns shown for this date differ because of changes in reporting coverage. Figures in the first column are comparable in coverage with those shown for the preceding date; figures in the second column are comparable with those shown for the following date.

NOTE.—Short-term claims are principally the following items payable on demand or with a contractual maturity of not more than 1 year: loans made to, and acceptances made for, foreigners; drafts drawn against foreigners, where collection is being made by banks and bankers for their own account or for account of their customers in the United States; and foreign currency balances held abroad by banks and bankers and their customers in the United States. Excludes foreign currencies held by U.S. monetary authorities.

14. 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	Payable in dollars: Loans to—: Total	Payable in dollars: Loans to—: Official institutions	Payable in dollars: Loans to—: Banks[1]	Payable in dollars: Loans to—: Others	Payable in dollars: Collections outstanding	Payable in dollars: Acceptances made for acct. of foreigners	Payable in dollars: Other	Payable in foreign currencies: Total	Payable in foreign currencies: Deposits with foreigners	Payable in foreign currencies: Foreign govt. securities, coml. and finance paper	Payable in foreign currencies: Other
1969	9,667	9,151	3,278	262	1,943	1,073	2,015	3,202	656	516	352	89	74
1970[r]	10,826	10,175	3,051	119	1,720	1,212	2,389	3,985	750	651	393	92	166
1971 Jan.[r]	10,431	9,924	2,860	110	1,575	1,175	2,363	3,969	732	506	308	79	120
Feb.[r]	10,576	10,040	2,949	88	1,594	1,267	2,353	3,990	749	535	334	111	90
Mar.[r]	10,706	10,142	3,002	100	1,598	1,304	2,335	4,053	752	564	365	102	96
Apr.[r]	10,768	10,234	3,110	107	1,754	1,250	2,279	4,127	718	534	339	92	103
May[r]	11,613	10,977	3,377	156	1,929	1,293	2,349	4,177	1,074	636	449	78	109
June[r]	11,062	10,497	3,405	147	1,969	1,288	2,378	3,993	721	565	374	102	89
July[r]	10,966	10,427	3,563	200	2,051	1,312	2,364	3,682	818	539	382	62	94
Aug.[r]	12,447	11,814	4,294	191	2,682	1,421	2,357	4,162	1,001	633	497	46	90
Sept.[r]	11,912	11,230	3,835	188	2,236	1,410	2,372	4,052	972	682	481	104	97
Oct.[r]	11,368	10,672	3,520	135	2,056	1,329	2,307	3,877	969	696	473	111	112
Nov.	11,952	11,280	4,028	167	2,431	1,430	2,306	3,901	1,046	671	484	89	99
Dec.[2] [p]	13,254	12,370	4,533	222	2,628	1,684	2,473	4,260	1,104	884	591	119	174
	13,278	12,394	3,988	222	2,098	1,679	2,475	4,270	1,650	884	591	119	174
1972—Jan.[p]	13,134	12,374	3,907	208	2,063	1,636	2,473	4,251	1,743	760	518	93	149

[1] Excludes central banks which are included with "Official institutions."

[2] Data on second line differ from those on first line because [a] those claims of U.S. banks on their foreign branches and those claims of U.S agencies and branches of foreign banks on their head offices and foreign branches which were previously reported as "Loans" are included in "Other short-term claims"; and [b] a number of reporting banks are included in the series for the first time.

15. 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	Type: Payable in dollars: Loans to—: Official institutions	Type: Payable in dollars: Loans to—: Banks[1]	Type: Payable in dollars: Loans to—: Other foreigners	Type: Payable in dollars: Other long-term claims	Type: Payable in foreign currencies	Country or area: United Kingdom	Country or area: Other Europe	Country or area: Canada	Country or area: Latin America	Country or area: Japan	Country or area: Other Asia	Country or area: All other countries
1969	3,250	2,806	502	209	2,096	426	18	67	411	408	1,329	88	568	378
1970	3,075	2,698	504	236	1,958	352	25	71	411	312	1,325	115	548	292
1971—Jan.[r]	2,968	2,621	485	213	1,923	323	24	70	412	278	1,287	117	523	280
Feb.[r]	2,964	2,649	484	213	1,952	289	26	77	420	266	1,264	121	521	295
Mar.[r]	3,050	2,744	501	226	2,017	277	30	111	424	268	1,277	125	548	297
Apr.[r]	3,088	2,783	504	227	2,053	271	33	117	439	275	1,279	120	554	304
May[r]	3,252	2,940	523	251	2,167	279	32	107	498	277	1,269	208	548	343
June[r]	3,223	2,919	475	241	2,203	278	26	112	519	266	1,234	225	514	353
July[r]	3,294	2,992	489	253	2,250	282	20	118	530	266	1,277	219	515	370
Aug.[r]	3,393	3,090	513	265	2,311	276	28	120	546	259	1,337	221	539	371
Sept.[r]	3,440	3,121	514	269	2,338	291	28	126	570	264	1,351	225	536	366
Oct.	3,494	3,181	533	266	2,382	286	26	127	580	261	1,323	240	565	397
Nov.	3,537	3,237	555	282	2,401	276	23	138	586	244	1,357	240	564	407
Dec.[p]	3,616	3,319	563	309	2,447	275	22	128	590	219	1,435	246	571	426
1972—Jan.[p]	3,640	3,344	563	307	2,474	272	24	132	581	238	1,437	241	583	427

[1] Excludes central banks, which are included with "Official institutions."

16. PURCHASES AND SALES BY FOREIGNERS OF LONG-TERM SECURITIES, BY TYPE

(In millions of dollars)

Period	Marketable U.S. Govt. bonds and notes [1]: Net purchases or sales: Total	Intl. and regional	Foreign: Total	Foreign: Official	Foreign: Other	U.S. corporate securities [2]: Purchases	Sales	Net purchases or sales	Foreign bonds: Purchases	Sales	Net purchases or sales	Foreign stocks: Purchases	Sales	Net purchases or sales
1969	−45	11	−56	−115	59	15,483	12,795	2,688	1,552	2,581	−1,029	1,519	2,037	−517
1970	56	−25	82	−41	123	11,426	9,844	1,582	1,490	2,441	−951	1,033	r998	r35
1971p	1,672	130	1,542	1,661	−119	14,523	13,134	1,389	1,689	2,567	−879	1,385	1,431	−46
1971—Jan.	37	−1	38	−8	46	1,242	1,022	220	116	424	−307	90	95	−5
Feb.	19	17	2	5	−3	1,516	1,411	105	126	107	19	68	111	−44
Mar.	88	99	−11	....	−11	1,411	1,314	97	176	190	−14	85	121	−36
Apr.	5	*	5	*	4	1,383	1,412	−29	174	234	−60	117	179	−63
May	−33	1	−33	....	−33	1,163	1,126	37	118	218	−100	94	120	−26
June r	92	*	91	87	4	1,004	1,019	−15	139	239	−100	98	130	−31
July	260	1	259	253	6	1,038	1,002	36	112	137	−26	102	144	−42
Aug. r	212	11	202	238	−36	1,152	1,013	139	110	313	−203	124	102	22
Sept.	118	1	117	145	−28	1,043	795	249	131	138	−7	118	96	22
Oct.	252	*	252	257	−5	965	972	−7	163	257	−95	157	104	52
Nov.	446	1	445	474	−29	940	845	94	138	135	3	137	76	61
Dec.p	175	1	175	209	−34	1,664	1,202	462	185	174	11	195	151	44
1972—Jan.p	248	1	247	305	−57	1,531	1,264	267	127	423	−296	189	169	20

[1] Excludes nonmarketable U.S. Treasury bonds and notes issued to official institutions of foreign countries; see Table 12.

[2] Includes State and local govt. securities, and securities of U.S. Govt. agencies and corporations that are not guaranteed by the United States. Also includes issues of new debt securities sold abroad by U.S. corporations organized to finance direct investments abroad.

NOTE.—Statistics include transactions of international and regional organizations.

17. NET PURCHASES OR SALES BY FOREIGNERS OF U.S. CORPORATE STOCKS, BY COUNTRY

(In millions of dollars)

Period	Total	France	Germany	Netherlands	Switzerland	United Kingdom	Other Europe	Total Europe	Canada	Latin America	Asia	Africa	Other countries	Intl. & regional
1969	1,487	150	216	189	490	−245	295	1,094	125	136	90	7	−1	36
1970	626	58	195	128	110	−33	24	482	−9	47	85	−1	1	22
1971p	730	86	131	219	166	−50	71	624	−93	39	108	*	−2	54
1971—Jan.	130	−13	27	14	26	7	46	107	11	6	−3	*	−1	11
Feb.	−32	−23	28	9	−6	−23	21	7	−34	−5	*	*	*	*
Mar.	−26	−26	11	2	−27	−11	−8	−59	1	18	9	*	*	6
Apr.	−5	8	−10	8	−4	−18	−8	−24	−7	11	11	*	−1	6
May	10	9	*	13	10	−6	−3	24	−17	−4	1	−1	*	7
June	−11	3	3	12	9	−19	−24	−17	−11	−4	7	*	*	14
July	−4	12	−6	15	−10	6	−13	4	−24	2	15	*	*	−2
Aug.	79	10	7	38	24	−33	−7	38	11	13	16	1	*	*
Sept.	155	24	33	9	38	11	17	132	10	7	4	*	*	2
Oct.	−47	8	−4	2	4	−30	*	−21	−21	−17	5	*	1	7
Nov.	*	9	−9	22	1	−1	20	42	−14	−38	6	*	*	4
Dec.p	480	66	51	76	101	67	31	392	2	49	39	*	*	−2
1972—Jan.p	234	33	30	60	93	−1	−20	194	−4	5	27	*	*	12

18. NET PURCHASES OR SALES BY FOREIGNERS OF U.S. CORPORATE BONDS, BY COUNTRY

(In millions of dollars)

Period	Total	France	Germany	Netherlands	Switzerland	United Kingdom	Other Europe	Total Europe	Canada	Latin America	Asia	Africa	Other countries	Intl. and regional
1969	1,202	97	200	14	176	251	83	822	32	14	-11	-1	10	336
1970	956	35	48	37	134	118	91	464	128	25	28	1	-12	324
1971p	659	15	35	-1	171	327	39	586	37	19	-2	*	-21	39
1971—Jan.	89	*	-6	*	15	2	*	12	28	-4	*	*	*	52
Feb.	137	4	3	2	16	21	39	85	-4	1	1	*	-12	65
Mar.	123	10	14	-1	32	32	5	92	11	6	3	*	*	11
Apr.	-23	3	-3	*	7	7	5	19	-2	4	-6	*	*	-39
May	27	-1	27	*	-5	19	-6	33	*	3	-1	*	-2	-6
June	-4	-1	-1	*	-2	-4	*	-8	11	2	-3	*	-2	-3
July	40	-2	-1	1	3	20	1	22	-10	3	*	*	*	24
Aug.	60	-3	-1	-1	*	49	-3	42	*	1	1	*	*	17
Sept.	94	*	-1	*	21	69	-3	86	16	5	*	*	*	-14
Oct.	40	5	1	*	53	24	2	83	-8	-2	-1	*	*	-33
Nov.	94	*	4	-1	42	70	6	122	7	-1	2	*	-5	-31
Dec.p	-18	-1	-1	-2	-11	18	-6	-3	-13	*	1	*	....	-3
1972—Jan.p	33	3	2	1	-14	20	38	49	10	-2	3	*	*	-27

NOTE.—Statistics include State and local govt. securities, and securities of U.S. Govt. agencies and corporations that are not guaranteed by the United States. Also includes issues of new debt securities sold abroad by U.S. corporations organized to finance direct investments abroad.

19. 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
1969	-1,547	66	-1,613	74	-1,128	98	-474	6	20
1970r	-915	-254	-662	50	-586	11	-129	6	20
1971p	-925	-310	-614	34	-286	-53	-345	3	32
1971—Jan.	-312	-197	116	2	-90	1	29	*	2
Feb.	-24	-4	-20	24	27	4	29	*	1
Mar.	-50	11	-61	6	-34	11	-44	-1	1
Apr.	-122	-46	-77	34	29	5	79	*	1
May	-126	4	130	-4	62	-13	52	*	2
June r	-132	13	-145	-3	-93	5	-72	6	14
July	-67	7	-74	16	-6	-2	-53	*	2
Aug. r	-180	-152	-29	23	-23	16	-14	1	1
Sept.	15	8	6	1	7	3	8	*	1
Oct.	-43	32	-75	22	-111	13	24	1	2
Nov.	64	11	53	37	32	28	8	1	3
Dec.p	55	2	53	23	52	-9	-11	4	2
1972—Jan.p	-276	-242	-34	10	-23	-31	7	*	3

20. 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)
1969—Mar.	553	393
June	566	397
Sept.	467	297
Dec.	434	278
1970—Mar.	368	220
June	334	182
Sept.	291	203
Dec.r	349	281
1971—Mar.	511	314
June	419	300
Sept.	333	320
Dec.p	311	312

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.

21a. ASSETS OF FOREIGN BRANCHES OF U.S. BANKS

(In millions of dollars)

Location and currency form	Month-end	Total	Claims on U.S.			Claims on foreigners					Other
			Total	Parent bank	Other	Total	Other branches of parent bank	Other banks	Official institutions	Nonbank foreigners	
IN ALL FOREIGN COUNTRIES											
Total, all currencies	1969—Dec.	36,468	15,380	13,660	1,720	20,145	3,524	9,756	537	6,327	944
	1970—Oct.	44,099	11,467	9,274	2,193	31,337	6,048	14,538	544	10,217	1,295
	Nov.	45,011	10,344	8,003	2,340	33,278	6,372	15,419	692	10,794	1,390
	Dec.	47,279	9,686	7,248	2,438	36,192	6,881	16,979	695	11,636	1,402
	1971—Jan.	47,131	8,794	6,125	2,670	36,035	7,308	16,368	641	11,717	2,302
	Feb.	47,211	7,863	5,131	2,731	36,847	7,687	16,715	673	12,314	2,501
	Mar.	48,263	6,769	4,055	2,714	38,623	7,838	17,284	744	12,757	2,871
	Apr.	49,419	5,047	2,511	2,536	39,902	8,468	17,387	746	13,301	4,471
	May	50,542	4,398	2,191	2,207	41,543	8,317	18,100	797	14,329	4,600
	June	52,705	4,853	2,661	2,191	43,266	8,924	19,042	849	14,451	4,587
	July	52,714	4,833	2,619	2,214	43,063	8,788	18,455	1,005	14,815	4,817
	Aug.	54,828	4,092	2,036	2,056	46,348	9,126	20,725	1,128	15,360	4,388
	Sept.	56,930	5,067	2,970	2,097	48,771	9,706	22,262	1,128	15,676	3,091
	Oct.	57,444	5,854	3,649	2,204	49,526	10,153	21,885	1,158	16,331	2,064
Payable in U.S. dollars	1969—Dec.	29,099	15,130	13,642	1,489	13,622	1,994	8,074	349	3,205	346
	1970—Oct.	32,699	11,193	9,252	1,941	21,027	3,737	11,222	334	5,735	479
	Nov.	32,991	10,073	7,987	2,086	22,405	4,009	11,876	434	6,086	513
	Dec.	34,537	9,400	7,233	2,167	24,163	4,208	13,248	362	6,795	524
	1971—Jan.	34,221	8,546	6,112	2,434	24,260	4,504	12,553	370	6,833	1,414
	Feb.	33,842	7,657	5,118	2,538	24,606	4,716	12,214	423	7,253	1,579
	Mar.	34,960	6,560	4,043	2,516	26,409	5,070	13,307	453	7,580	1,990
	Apr.	35,717	4,856	2,501	2,356	27,337	5,654	13,209	529	7,944	3,525
	May	36,037	4,193	2,172	2,020	28,264	5,534	13,815	552	8,542	3,581
	June	37,622	4,648	2,651	1,998	29,412	5,609	14,625	586	8,593	3,562
	July	37,092	4,613	2,610	2,003	28,693	5,648	13,780	713	8,552	3,787
	Aug.	37,801	3,875	2,025	1,851	30,658	5,791	15,427	865	8,576	3,268
	Sept.	38,698	4,828	2,950	1,877	32,059	6,028	16,407	851	8,774	1,811
	Oct.	38,541	5,610	3,633	1,977	32,525	6,093	16,277	873	8,981	705
IN UNITED KINGDOM											
Total, all currencies	1969—Dec.	24,130	11,311	10,043	1,267	12,417	1,702	6,953	289	3,473	403
	1970—Oct.	26,806	8,403	6,925	1,478	17,923	2,802	9,451	257	5,413	479
	Nov.	27,082	7,276	5,735	1,541	19,244	2,957	10,147	390	5,750	562
	Dec.	28,451	6,729	5,214	1,515	21,121	3,475	11,095	316	6,235	601
	1971—Jan.	28,478	6,064	4,380	1,684	21,330	3,700	10,898	300	6,432	1,084
	Feb.	28,115	5,194	3,487	1,706	21,663	3,915	10,760	338	6,650	1,258
	Mar.	28,711	4,658	2,897	1,761	22,539	3,890	11,419	355	6,875	1,514
	Apr.	29,082	3,143	1,598	1,545	23,414	4,307	11,584	412	7,111	2,524
	May	29,952	2,746	1,401	1,345	24,627	4,218	11,957	433	8,020	2,579
	June	31,276	3,188	1,827	1,361	25,545	4,393	12,632	418	8,101	2,542
	July	30,710	3,098	1,700	1,398	25,140	4,448	11,953	520	8,218	2,473
	Aug.	32,119	2,608	1,340	1,268	27,249	4,462	13,744	558	8,486	2,262
	Sept.	33,280	3,390	2,143	1,247	28,464	4,882	14,683	512	8,387	1,426
	Oct.	33,408	4,116	2,772	1,344	28,458	5,189	14,536	524	8,210	834
Payable in U.S. dollars	1969—Dec.	20,641		11,230		9,201	955	6,265		1,982	209
	1970—Oct.	21,702		8,290		13,136	1,841	7,951		3,344	276
	Nov.	21,549		7,153		14,067	1,920	8,635		3,512	328
	Dec.	22,574		6,596		15,655	2,223	9,420		4,012	323
	1971—Jan.	22,478		5,950		15,710	2,483	9,129		4,099	818
	Feb.	21,924		5,102		15,849	2,541	9,043		4,266	972
	Mar.	22,576		4,566		16,791	2,657	9,750		4,384	1,219
	Apr.	22,786		3,057		17,534	3,133	9,861		4,541	2,194
	May	23,028		2,651		18,156	3,030	10,128		4,999	2,221
	June	24,228		3,098		18,918	3,231	10,674		5,013	2,211
	July	23,282		3,010		18,155	3,219	10,031		4,906	2,116
	Aug.	23,848		2,528		19,451	3,245	11,336		4,870	1,868
	Sept.	24,418		3,289		20,123	3,369	11,883		4,871	1,006
	Oct.	24,481		4,012		20,069	3,440	11,859		4,771	399
IN THE BAHAMAS											
Total, all currencies	1969—Dec.	3,044	1,538	1,293	244	1,478		951		527	28
	1970—Oct.	4,194	990	500	491	3,141		1,972		1,168	63
	Nov.	4,200	1,056	493	563	3,084		1,813		1,271	60
	Dec.	4,731	1,119	455	664	3,554		2,096		1,458	58
	1971—Jan.	4,663	1,135	396	739	3,324		1,916		1,408	205
	Feb.	4,561	1,072	283	789	3,286		1,721		1,565	203
	Mar.	4,755	879	162	718	3,605		1,994		1,611	271
	Apr.	5,245	935	169	766	3,641		1,918		1,723	669
	May	5,347	773	113	660	3,880		2,038		1,843	694
	June	5,733	839	203	635	4,212		2,317		1,895	683
	July	6,022	890	267	623	4,403		2,337		2,066	729
	Aug.	5,925	728	139	589	4,573		2,564		2,009	624
	Sept.	6,213	855	219	636	5,010		2,906		2,104	348
	Oct.	6,586	897	246	651	5,580		2,996		2,584	109

22. LIABILITIES OF U.S. BANKS TO THEIR FOREIGN BRANCHES AND FOREIGN BRANCH HOLDINGS OF SPECIAL U.S. GOVERNMENT SECURITIES

(Amounts outstanding; in millions of dollars)

Wednesday	Liabilities[1]	Liab. plus sec.[2]
1966		
Mar. 30	1,879	
June 29	1,951	
Sept. 28	3,472	
Dec. 28	4,036	
1967		
Mar. 29	3,412	
June 28	3,166	
Sept. 27	4,059	
Dec. 27	4,241	
1968		
Mar. 27	4,920	
June 26	6,202	
Sept. 25	7,104	
Dec. 31 (1/1/69)	6,039	
1969		
Mar. 26	9,621	
June 25	13,269	
Sept. 24	14,349	
Dec. 31	12,805	
1970		
Jan. 28	13,605	....
Feb. 25	13,086	....
Mar. 25	11,885	....
Apr. 29	11,944	....
May 27	12,346	....
June 24	12,172	....
July 29	10,469	....
Aug. 26	10,629	....
Sept. 30	9,663	....
Oct. 28	9,297	....
Nov. 25	8,435	....
Dec. 30	7,676	....
1971		
Jan. 27	6,536	7,536
Feb. 24	5,666	6,666
Mar. 31	2,858	4,358
Apr. 28	2,158	5,166
May 26	1,579	4,587
June 30	1,492	4,500
July 7	2,189	5,197
14	1,740	4,787
21	1,880	4,927
28	1,495	4,645
Aug. 4	1,905	5,055
11	1,110	4,296
18	1,376	4,562
25	1,405	4,075
1971—Cont.		
Sept. 1	1,233	3,403
8	1,239	3,409
15	1,701	3,355
22	2,153	3,807
29	2,475	3,578
Oct. 6	2,222	3,325
13	2,723	3,275
20	2,601	3,153
27	2,917	2,917
Nov. 3	2,467	2,467
10	2,964	2,964
17	3,358	3,358
24	3,342	3,342
Dec. 1	2,408	2,408
8	1,867	1,867
15	1,386	1,386
22	1,544	1,544
29	909	909
1972		
Jan. 5	1,208	1,208
12	1,721	1,721
19	1,568	1,568
26 r	1,419	1,419
Feb. 2	1,301	1,301
9	1,062	1,062
16	1,006	1,006
23	1,068	1,068

1 Represents gross liabilities of reporting banks to their branches in foreign countries.
2 For period Jan. 27, 1971 through Oct. 20, 1971, includes U.S. Treasury Certificates Eurodollar Series and special Export-Import Bank securities held by foreign branches. Beginning July 28, 1971, all of the securities held are U.S. Treasury Certificates Eurodollar Series.

23. MATURITY OF EURO-DOLLAR DEPOSITS IN FOREIGN BRANCHES OF U.S. BANKS

(End of month; in billions of dollars)

Maturity of liability	1971 Oct.	1971 Nov.	1971 Dec.
Overnight	1.77	1.49	1.86
Call	1.58	1.73	1.52
Other liabilities, maturing in following calendar months after report date:			
1st	8.50	9.33	11.20
2nd	5.68	6.26	4.75
3rd	4.97	3.67	3.85
4th	2.06	1.94	2.15
5th	1.76	2.00	2.15
6th	1.77	1.96	1.71
7th	.35	.30	.46
8th	.27	.44	.27
9th	.42	.24	.29
10th	.21	.25	.29
11th	.24	.29	.24
12th	.25	.21	.25
Maturities of more than 1 year	.78	.87	.82
Total	**30.65**	**30.99**	**31.80**

NOTE.—Includes interest-bearing U.S. dollar deposits and direct borrowings of all branches in the Bahamas and of all other foreign branches for which such deposits and direct borrowings amount to $50 million or more.
Details may not add to totals due to rounding.

24. DEPOSITS, U.S. GOVT. 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. Govt. securities[1]	Assets in custody: Earmarked gold
1969	134	7,030	12,311
1970	148	16,226	12,926
1971—Feb.	147	18,033	12,981
Mar.	201	20,534	13,057
Apr.	162	22,879	13,095
May	208	28,126	13,447
June	199	26,544	13,509
July	162	28,574	13,559
Aug.	122	35,914	13,821
Sept.	166	36,921	13,819
Oct.	135	38,207	13,819
Nov.	177	39,980	13,820
Dec.	294	43,195	13,815
1972 Jan.	147	44,359	13,815
Feb.	137	45,699	14,359

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.

NOTE.—Excludes deposits and U.S. Govt. 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.

25. SHORT-TERM LIQUID CLAIMS ON FOREIGNERS REPORTED BY NONBANKING CONCERNS

(Amounts outstanding; in millions of dollars)

End of period	Total	Payable in dollars: Deposits	Payable in dollars: Short-term investments[1]	Payable in foreign currencies: Deposits	Payable in foreign currencies: Short-term investments[1]	United Kingdom	Canada
1968	1,638	1,219	87	272	60	979	280
1969[2]	1,319	952	116	174	76	610	469
	1,491	1,062	161	183	86	663	534
1970—Dec. r	1,141	697	150	173	121	372	436
1971—Jan. r	1,299	861	144	177	116	520	381
Feb. r	1,356	849	173	190	144	548	418
Mar. r	1,469	983	165	175	145	706	383
Apr. r	1,488	972	178	200	138	687	397
May r	1,551	938	160	293	161	622	430
June r	1,470	926	183	240	122	634	365
July r	1,478	942	197	238	101	579	395
Aug. r	1,661	1,078	208	246	128	639	480
Sept. r	1,579	983	204	285	107	519	489
Oct. r	1,604	1,010	211	277	106	540	531
Nov. r	1,622	1,024	210	246	143	612	517
Dec.	1,597	1,026	219	233	120	560	564

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.
2 Data on the two lines for this date differ because of changes in reporting coverage. Figures on the first line are comparable in coverage with those shown for the preceding date; figures on the second line are comparable with those shown for the following date.

NOTE.—Data represent the liquid assets abroad of large nonbanking concerns in the United States. They are a portion of the total claims on foreigners reported by nonbanking concerns in the United States and are included in the figures shown in Tables 25 and 26.

26. 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				
	1970		1971			1970		1971		
	Sept.	Dec.r	Mar.r	June r	Sept.p	Sept.r	Dec.r	Mar.r	June	Sept.p
Europe:										
Austria	6	8	11	12	10	9	10	10	10	13
Belgium-Luxembourg	66	46	47	58	60	54	47	49	61	59
Denmark	3	2	9	3	3	16	17	16	17	14
Finland	1	2	2	2	2	13	11	8	15	16
France	141	126	112	117	142	154	150	159	181	182
Germany, Fed. Rep. of	166	139	122	105	126	192	209	191	228	209
Greece	3	4	4	5	6	28	28	34	27	40
Italy	69	77	71	69	74	161	163	175	172	177
Netherlands	124	128	115	102	85	62	62	65	74	66
Norway	6	5	4	5	5	13	16	15	14	17
Portugal	10	13	14	18	18	14	15	13	20	11
Spain	48	24	27	35	37	73	81	93	91	92
Sweden	35	34	28	31	28	25	40	53	40	37
Switzerland	185	159	122	85	100	45	47	38	62	95
Turkey	3	4	3	5	3	13	8	17	9	11
United Kingdom	661	842	723	647	662	1,055	698	1,020	961	840
Yugoslavia	1	2	1	1	1	17	17	16	16	21
Other Western Europe	21	11	1	2	2	9	9	12	11	14
Eastern Europe	5	4	4	3	3	24	24	16	16	16
Total	1,556	1,628	1,422	1,304	1,366	1,977	1,652	1,997	2,027	1,928
Canada	215	221	206	193	178	703	751	715	708	783
Latin America:										
Argentina	10	11	14	17	19	61	61	65	66	66
Brazil	17	19	15	17	13	107	120	105	118	129
Chile	11	11	13	8	14	42	48	40	44	48
Colombia	6	6	6	6	6	37	37	36	31	40
Cuba	*	*	*	*	*	1	1	1	1	1
Mexico	28	22	20	20	21	149	156	143	151	146
Panama	5	5	6	6	6	18	18	21	17	20
Peru	6	4	4	4	5	29	36	35	36	34
Uruguay	5	4	4	4	4	5	6	7	6	6
Venezuela	14	18	17	17	14	68	67	69	69	73
Other L.A. republics	35	37	29	29	33	97	99	95	96	104
Bahamas and Bermuda	94	154	158	152	228	153	160	210	263	340
Neth. Antilles and Surinam	24	23	5	7	4	10	9	8	9	9
Other Latin America	5	6	5	6	8	23	29	21	25	22
Total	260	320	296	293	376	799	846	855	931	1,036
Asia:										
Hong Kong	8	9	8	8	9	19	17	19	25	25
India	41	38	25	22	26	42	34	39	39	36
Indonesia	7	9	5	6	11	14	21	20	21	24
Israel	21	24	28	19	21	21	23	24	25	21
Japan	135	144	165	158	177	314	323	349	372	411
Korea	1	1	11	10	10	29	42	50	54	52
Philippines	7	7	7	7	6	32	30	31	56	43
Taiwan	8	9	10	11	17	27	33	32	38	43
Thailand	4	4	4	3	4	13	11	12	13	16
Other Asia	47	50	59	122	140	145	145	155	159	201
Total	281	296	322	366	420	657	678	730	802	872
Africa:										
Congo (Kinshasa)	15	2	2	2	2	4	3	5	6	4
South Africa	24	34	31	45	45	29	30	32	38	38
U.A.R. (Egypt)	2	1	2	1	1	11	9	10	9	9
Other Africa	51	41	19	33	32	48	50	53	67	70
Total	90	78	54	82	80	92	92	100	120	122
Other countries:										
Australia	74	75	81	81	68	70	80	86	82	85
All other	5	7	8	8	9	15	15	13	17	24
Total	79	82	89	89	77	84	94	99	99	109
International and regional	*	*	*	*	1	1	1	3	4	4
Grand total	2,482	2,626	2,389	2,327	2,498	4,314	4,114	4,499	4,692	4,854

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.

27. SHORT-TERM LIABILITIES TO AND CLAIMS ON FOREIGNERS REPORTED BY NONBANKING CONCERNS, BY TYPE

(Amounts outstanding; in millions of dollars)

End of period	Liabilities: Total	Liabilities: Payable in dollars	Liabilities: Payable in foreign currencies	Claims: Total	Claims: Payable in dollars	Claims: Payable in foreign currencies: Deposits with banks abroad in reporter's name	Claims: Payable in foreign currencies: Other
1967—Sept.	1,353	1,029	324	2,555	2,116	192	246
Dec.[1]	1,371	1,027	343	2,946	2,529	201	216
	1,386	1,039	347	3,011	2,599	203	209
1968—Mar.	1,358	991	367	3,369	2,936	211	222
June	1,473	1,056	417	3,855	3,415	210	229
Sept.	1,678	1,271	407	3,907	3,292	422	193
Dec.	1,608	1,225	382	3,783	3,173	368	241
1969—Mar.	1,576	1,185	391	4,014	3,329	358	327
June	1,613	1,263	350	4,023	3,316	429	278
Sept.	1,797	1,450	346	3,874	3,222	386	267
Dec.[1] r	1,786	1,399	387	3,710	3,124	221	365
	2,095	1,654	441	4,124	3,495	244	385
1970—Mar. r	2,204	1,724	480	4,238	3,699	219	320
June r	2,357	1,843	513	4,417	3,825	234	358
Sept. r	2,482	1,956	526	4,314	3,708	301	306
Dec. r	2,626	2,159	467	4,114	3,532	234	349
1971—Mar. r	2,389	1,957	432	4,499	3,890	232	377
June r	2,327	1,919	408	4,692	4,037	303	352
Sept. p	2,498	2,082	416	4,854	4,146	377	332

[1] Data on the two lines shown for this date differ because of changes in reporting coverage. Figures on the first line are comparable with those shown for the preceding date; figures on the second line are comparable with those shown for the following date.

28. 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	Claims by country or area: United Kingdom	Other Europe	Canada	Brazil	Mexico	Other Latin America	Japan	Other Asia	Africa	All other
1967—Sept.	411	1,452	40	212	309	212	84	283	109	103	87	13
Dec.[1]	414	1,537	43	257	311	212	85	278	128	117	89	16
	428	1,570	43	263	322	212	91	274	128	132	89	16
1968—Mar.	582	1,536	41	265	330	206	61	256	128	145	84	21
June	747	1,568	32	288	345	205	67	251	129	134	83	33
Sept.	767	1,625	43	313	376	198	62	251	126	142	82	32
Dec.	1,129	1,790	147	306	419	194	73	230	128	171	83	38
1969—Mar.	1,285	1,872	175	342	432	194	75	222	126	191	72	43
June	1,325	1,952	168	368	447	195	76	216	142	229	72	40
Sept.	1,418	1,965	167	369	465	179	70	213	143	246	71	42
Dec.[1] r	1,725	2,215	152	433	496	172	73	388	141	249	69	42
	2,331	2,360	152	442	562	177	77	416	142	271	75	46
1970—Mar. r	2,385	2,741	159	735	573	181	74	454	158	288	71	47
June r	2,613	2,753	161	712	580	177	65	474	166	288	76	54
Sept. r	2,813	2,882	157	720	620	180	63	583	144	284	73	58
Dec. r	3,129	2,946	146	708	669	183	60	614	140	292	71	64
1971—Mar. r	3,196	2,979	154	688	670	182	63	611	161	302	77	72
June r	3,190	2,990	151	692	677	180	64	625	138	313	75	76
Sept. p	2,922	2,899	135	675	666	175	63	583	133	319	76	74

[1] Data on the two lines shown for this date differ because of changes in reporting coverage. Figures on the first line are comparable with those shown for the preceding date; figures on the second line are comparable with those shown for the following date.

FOREIGN EXCHANGE RATES

(In cents per unit of foreign currency)

Period	Argentina (peso)	Australia (dollar)	Austria (schilling)	Belgium (franc)	Canada (dollar)	Ceylon (rupee)	Denmark (krone)	Finland (markka)	France (franc)
1968	.28473	111.25	3.8675	2.0026	92.801	16.678	13.362	23.761	20.191
1969	.28492	111.10	3.8654	1.9942	92.855	16.741	13.299	23.774	[4]19.302
1970	[1]26.589	111.36	3.8659	2.0139	[2]95.802	16.774	13.334	23.742	18.087
1971	22.502	113.61	4.0009	2.0598	99.021	16.800	13.508	23.758	18.148
1971—Jan.	24.829	111.82	3.8665	2.0145	98.831	16.792	13.361	23.722	18.119
Feb.	24.831	112.38	3.8651	2.0148	99.261	16.792	13.359	23.722	18.122
Mar.	24.835	112.42	3.8670	2.0145	99.367	16.792	13.368	23.722	18.129
Apr.	24.673	112.38	3.8696	2.0144	99.237	16.792	13.353	23.727	18.126
May	24.156	112.42	[3]3.9676	2.0164	99.138	16.792	13.334	23.735	18.094
June	23.602	112.43	4.0021	2.0109	97.913	16.792	13.342	23.735	18.092
July	22.642	112.42	4.0040	2.0133	97.912	16.792	13.334	23.735	18.136
Aug.	20.757	113.17	4.0264	2.0351	98.670	16.792	13.435	23.735	18.130
Sept.	19.919	114.78	4.0844	2.0921	98.717	16.839	13.672	23.830	18.112
Oct.	19.923	115.76	4.1261	2.1353	99.537	16.820	13.768	23.800	18.073
Nov.	19.925	115.89	4.1280	2.1572	99.607	16.806	13.773	23.773	18.096
Dec.	19.928	117.48	4.2041	2.1986	100.067	16.797	13.994	23.852	18.549
1972—Jan.	19.960	119.10	4.2516	2.2514	99.411	16.653	14.219	24.077	19.329
Feb.	[1]19.960	119.10	4.3108	2.2810	99.528	16.650	14.306	24.099	19.650

Period	Germany (Deutsche mark)	India (rupee)	Ireland (pound)	Italy (lira)	Japan (yen)	Malaysia (dollar)	Mexico (peso)	Netherlands (guilder)
1968	25.048	13.269	239.35	.16042	.27735	32.591	8.0056	27.626
1969	[5]25.491	13.230	239.01	.15940	.27903	32.623	8.0056	27.592
1970	27.424	13.233	239.59	.15945	.27921	32.396	8.0056	27.651
1971	28.768	13.338	244.42	.16174	.28779	32.989	8.0056	28.650
1971—Jan.	27.496	13.269	240.58	.16045	.27932	32.515	8.0056	27.820
Feb.	27.594	13.311	241.78	.16036	.27969	32.615	8.0056	27.814
Mar.	27.538	13.304	241.87	.16063	.27971	32.616	8.0056	27.816
Apr.	27.516	13.315	241.79	.16070	.27972	32.604	8.0056	27.776
May	[6]28.144	13.330	241.87	.16059	.27979	32.642	8.0056	[6]28.135
June	28.474	13.346	241.87	.16009	.27979	32.720	8.0056	28.065
July	28.728	13.347	241.85	.16048	.27980	32.733	8.0056	28.097
Aug.	29.277	13.345	243.46	.16157	.28113	32.737	8.0056	28.693
Sept.	29.794	13.401	246.94	.16292	.29583	33.354	8.0056	29.308
Oct.	30.065	13.349	249.06	.16332	.30202	33.573	8.0056	29.772
Nov.	30.005	13.353	249.33	.16324	.30418	33.627	8.0056	30.006
Dec.	30.593	13.388	252.66	.16652	.31249	34.135	8.0056	30.503
1972—Jan.	30.956	13.415	257.05	.16923	.31978	34.737	8.0002	31.072
Feb.	31.390	13.638	260.37	.17036	.32769	35.080	8.0000	31.468

Period	New Zealand (dollar)	Norway (krone)	Portugal (escudo)	South Africa (rand)	Spain (peseta)	Sweden (krona)	Switzerland (franc)	United Kingdom (pound)
1968	111.37	14.000	3.4864	139.10	1.4272	19.349	23.169	239.35
1969	111.21	13.997	3.5013	138.90	1.4266	19.342	23.186	239.01
1970	111.48	13.992	3.4978	139.24	1.4280	19.282	23.199	239.59
1971	113.71	14.205	3.5456	140.29	1.4383	19.592	24.325	244.42
1971—Jan.	111.94	14.003	3.5000	139.81	1.4290	19.365	23.227	240.58
Feb.	112.50	14.001	3.5031	140.51	1.4290	19.332	23.266	241.78
Mar.	112.54	14.010	3.5019	140.56	1.4290	19.369	23.254	241.87
Apr.	112.50	14.028	3.5000	140.51	1.4291	19.368	23.263	241.79
May	112.54	13.556	3.5013	140.56	1.4291	19.357	[7]24.253	241.87
June	112.55	14.062	3.5027	140.57	1.4290	19.370	24.409	241.87
July	112.53	14.073	3.5016	140.55	1.4292	19.371	24.423	241.85
Aug.	113.28	14.244	3.5289	141.46	1.4335	19.502	24.813	243.46
Sept.	114.95	14.494	3.5970	140.88	1.4415	19.732	25.118	246.94
Oct.	115.88	14.599	3.6275	140.43	[8]1.4457	19.914	25.157	249.06
Nov.	116.01	14.578	3.6342	140.40	1.4533	19.989	25.104	249.33
Dec.	117.31	14.816	3.6494	137.22	1.4822	20.434	25.615	252.66
1972—Jan.	119.36	14.913	3.6474	131.27	1.5162	20.731	25.693	257.09
Feb.	119.39	15.029	3.6690	132.98	1.5170	20.858	25.890	260.37

[1] A new Argentine peso, equal to 100 old pesos, was introduced on Jan. 1, 1970. Since Apr. 6, 1971, the official exchange rate is set daily by the Government of Argentina. Average for Feb. 1–27, 1972.

[2] On June 1, 1970, the Canadian Government announced that, for the time being, Canada will not maintain the exchange rate of the Canadian dollar within the margins required by IMF rules.

[3] Effective May 9, 1971, the Austrian schilling was revalued to 24.75 per U.S. dollar.

[4] Effective Aug. 10, 1969, the French franc was devalued from 4.94 to 5.55 francs per U.S. dollar.

[5] Effective Oct. 26, 1969, the new par value of the German mark was set at 3.66 per U.S. dollar.

[6] Effective May 10, 1971, the German mark and Netherlands guilder have been floated.

[7] Effective May 10, 1971, the Swiss franc was revalued to 4.08 per U.S. dollar.

[8] Effective Oct. 20, 1971, the Spanish peseta was revalued to 68.455 per U.S. dollar.

NOTE. Effective Aug. 16, 1971, the U.S. dollar convertibility to gold was suspended; as from that day foreign central banks did not have to support the dollar rate in order to keep it within IMF limits.

During December 1971, certain countries established central rates against the U.S. dollar in place of former IMF parities.

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.

CENTRAL BANK RATES FOR DISCOUNTS AND ADVANCES TO COMMERCIAL BANKS

(Per cent per annum)

Country	Rate as of Jan. 31, 1971		Changes during the last 12 months												Rate as of Feb. 29, 1972
			1971										1972		
	Per cent	Month effective	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	
Argentina	6.0	Dec. 1957												18.0	18.0
Austria	5.0	Jan. 1970													5.0
Belgium	6.5	Dec. 1970	6.0						5.5				5.0	4.5	4.5
Brazil	20.0	July 1969													20.0
Canada	5.25	Feb. 1971								4.75					4.75
Ceylon	6.5	Jan. 1970													6.5
Chile	14.0	July 1969					8.0						7.0		7.0
Colombia	8.0	May 1963													8.0
Costa Rica	4.0	June 1966													4.0
Denmark	8.0	Jan. 1971		7.5									7.0		7.0
Ecuador	8.0	Jan. 1970													8.0
Egypt, Arab Rep. of	5.0	May 1962													5.0
El Salvador	4.0	Aug. 1964													4.0
Ethiopia	6.50	Aug. 1970													6.50
Finland	7.0	Apr. 1962				8.50							7.75		7.75
France	6.5	Jan. 1971			6.75					6.5			6.0		6.0
Germany, Fed. Rep. of	6.0	Dec. 1970		5.0						4.5		4.0		3.0	3.0
Ghana	5.5	Mar. 1968					8.0								8.0
Greece	6.5	Sept. 1969													6.5
Honduras	4.0	Feb. 1966													4.0
Iceland	5.25	Jan. 1966													5.25
India	6.0	Jan. 1971													6.0
Indonesia	6.0	May 1969													6.0
Iran	8.0	Aug. 1969								7.0					7.0
Ireland	7.25	Jan. 1971		6.19	6.06	6.00	5.94	6.12	5.12	5.12	4.94	4.81		4.81	4.81
Italy	5.5	Mar. 1970		5.0						4.5					4.5
Jamaica	6.0	May 1969		5.5								5.0			5.0
Japan	5.75	Jan. 1971			5.5		5.25					4.75			4.75
Korea	23.0	Dec. 1970				20.0				5.0			3.5		3.5
Mexico	4.5	June 1942													4.5
Morocco	3.50	Nov. 1951													3.50
Netherlands	6.0	Aug. 1969		5.5					5.0				4.5		4.5
New Zealand	7.0	Mar. 1961													7.0
Nigeria	4.50	June 1968													4.50
Norway	4.5	Sept. 1969													4.5
Pakistan	5.0	June 1965													5.0
Peru	9.5	Nov. 1959													9.5
Philippine Republic	10.0	June 1969													10.0
Portugal	3.75	Feb. 1971													3.75
South Africa	5.5	Aug. 1968	6.5												6.5
Spain	6.25	Jan. 1971		6.0						5.0					5.0
Sweden	7.0	July 1969	6.5	6.0					5.5		5.0				5.0
Switzerland	3.75	Sept. 1969													3.75
Taiwan	9.8	Dec. 1970			9.25										9.25
Thailand	5.0	Oct. 1959													5.0
Tunisia	5.0	Sept. 1966													5.0
Turkey	9.0	Sept. 1970													9.0
United Kingdom	7.0	Apr. 1970		6.0					5.0						5.0
Venezuela	5.0	Oct. 1970													5.0
Vietnam	18.0	Sept. 1970													18.0

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;

Chile—Various rates ranging from 1 per cent to 17 per cent; 20 per cent for loans to make up reserve deficiencies.

Colombia—5 per cent for warehouse receipts covering approved lists of products, 6 and 7 per cent for agricultural bonds, and 12 and 18 per cent for rediscounts in excess of an individual bank's quota;

Costa Rica—5 per cent for paper related to commercial transactions (rate shown is for agricultural and industrial paper);

Ecuador—5 per cent for special advances and for bank acceptances for agricultural purposes, 7 per cent for bank acceptances for industrial purposes, and 10 per cent for advances to cover shortages in legal reserves;

Ethiopia—5 per cent for export paper and 6 per cent for Treasury bills.

Honduras—Rate shown is for advances only.

Indonesia—Various rates depending on type of paper, collateral, commodity involved, etc.;

Japan—Penalty rates (exceeding the basic rate shown) for borrowings from the central bank in excess of an individual bank's quota;

Morocco—Various rates from 3 per cent to 4.6 per cent depending on type of paper, maturity, collateral, guarantee, etc.

Peru—3.5, 5, and 7 per cent for small credits to agricultural or fish production, import substitution industries and manufacture of exports; 8 per cent for other agricultural, industrial and mining paper;

Philippines—6 per cent for financing the production, importation, and distribution of rice and corn and 7.75 per cent for credits to enterprises engaged in export activities. Preferential rates are also granted on credits to rural banks; and

Venezuela—2 per cent for rediscounts of certain agriculture 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.

Vietnam—10 per cent for export paper; treasury bonds are rediscounted at a rate 4 percentage points above the rate carried by the bond; and there is a penalty rate of 24 per cent for banks whose loans exceed quantitative ceilings.

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[3]	Treasury bills, 3 months	Day-to-day money	Clearing banks' deposit rates[4]	Day-to-day money[5]	Treasury bills, 60–90 days[6]	Day-to-day money[7]	Treasury bills, 3 months	Day-to-day money	Private discount rate
1970	6.12	6.22	8.26	6.70	5.73	5.23	8.67	6.54	8.67	5.97	6.47	5.14
1971	3.62	3.76	6.41	5.57	4.93	3.84	....	4.54	6.10	4.34	3.76	5.24
1971—Feb.	4.51	4.90	8.06	6.75	6.08	5.00	6.00	5.75	7.32	5.05	5.41	5.25
Mar.	3.30	3.48	8.06	6.66	6.12	5.00	5.77	5.75	7.36	4.49	3.27	5.25
Apr.	3.04	2.65	7.06	5.75	5.15	4.00	5.53	4.75	4.23	3.59	1.13	5.25
May	3.06	2.76	7.06	5.65	5.36	4.00	5.84	4.75	2.31	3.88	1.84	5.25
June	3.15	3.01	6.74	5.60	4.71	4.00	6.45	4.25	6.95	4.39	2.91	5.25
July	3.58	3.64	6.42	5.57	5.00	4.00	5.62	4.25	6.33	4.03	2.69	5.25
Aug.	3.88	3.94	5.99	5.75	5.05	4.00	5.69	4.25	6.18	4.24	5.53	5.25
Sept.	3.93	4.16	[3] 5.42	4.83	4.39	[4] 3.00	5.99	4.25	7.01	4.34	3.80	5.25
Oct.	3.79	4.16	[8] 4.90	4.63	4.29	2.88	5.95	3.75	7.50	4.47	5.35	5.25
Nov.	3.31	3.60	4.74	4.48	3.75	2.70	5.51	3.75	4.58	4.06	3.79	5.25
Dec.	3.25	3.63	4.42	4.36	3.46	2.50	5.28	3.25	5.78	3.90	4.91	5.12
1972—Jan.	3.29	3.71	4.48	4.36	3.94	2.50	....	....	4.20	3.61	4.44	5.00
Feb.	3.48	3.79	4.85	4.37	4.43	2.50	....	....	4.20	....	....	....

[1] Based on average yield of weekly tenders during month.
[2] Based on weekly averages of daily closing rates.
[3] Data for 1968 through Sept. 1971 are for bankers' acceptances, 3 months.
[4] Data for 1968 through Sept. 1971 are for bankers' allowance on deposits.
[5] Rate shown is on private securities.
[6] Rate in effect at end of month.
[7] Monthly averages based on daily quotations.
[8] Bill rates in table are buying rates for prime paper.

NOTE.—For description and back data, see "International Finance," Section 15 of *Supplement to Banking and Monetary Statistics*, 1962.

ARBITRAGE ON TREASURY BILLS

(Per cent per annum)

Date	United States and United Kingdom					United States and Canada					
	Treasury bill rates					Treasury bill rates					
	United Kingdom (adj. to U.S. quotation basis)	United States	Spread (favor of London)	Premium (+) or discount (−) on forward pound	Net incentive (favor of London)	Canada: As quoted in Canada	Canada: Adj. to U.S. quotation basis	United States	Spread (favor of Canada)	Premium (+) or discount (−) on forward Canadian dollars	Net incentive (favor of Canada)
1971											
Sept. 3	4.89	4.42	.47	1.71	2.18	3.89	3.80	4.42	−.62	1.22	.60
10	4.72	4.59	.16	1.47	1.63	3.79	3.70	4.59	−.89	1.26	.37
17	4.72	4.68	.04	1.64	1.68	3.88	3.77	4.68	−.91	1.14	.23
24	4.77	4.67	.10	3.30	3.40	3.99	3.90	4.67	−.77	1.05	.28
Oct. 1	4.77	4.52	.25	1.88	2.13	4.05	3.95	4.52	−.57	.75	.18
8	4.73	4.45	.28	1.97	2.25	4.00	3.81	4.45	−.54	.42	−.12
15	4.63	4.35	.28	1.93	2.21	3.92	3.83	4.35	−.52	.26	−.26
22	5.53	4.38	1.15	.44	1.59	3.71	3.63	4.38	−.75	.04	−.71
29	4.53	4.30	.23	−.66	−.43	3.47	3.39	4.30	−.91	.04	−.87
Nov. 5	4.51	4.06	.45	.26	.71	3.35	3.28	4.06	−.78	.12	−.66
12	4.51	4.11	.40	.48	.88	3.31	3.24	4.11	−.87	.24	−.63
19	4.49	4.06	.43	1.09	1.52	3.33	3.26	4.06	−.80	.44	−.36
26	4.47	4.36	.11	2.13	2.24	3.30	3.23	4.36	−1.13	.60	−.59
Dec. 3	4.29	4.21	.08	2.56	2.64	3.40	3.33	4.21	−.88	.58	−.30
10	4.19	4.01	.18	1.75	1.93	3.30	3.23	4.01	−.78	.62	−.16
17	4.35	3.98	.37	2.37	2.74	3.17	3.10	3.98	−.88	.64	−.24
24	4.41	3.78	.63	1.10	1.73	3.18	3.09	3.78	−.69	.56	.13
31	4.41	3.70	.71	.81	1.52	3.20	3.14	3.70	−.56	.72	.16
1972											
Jan. 7	4.32	3.45	.87	.93	1.80	3.33	3.26	3.45	−.19	.52	.33
14	4.29	3.09	1.20	1.76	2.96	3.24	3.17	3.09	.08	.40	.48
21	4.31	3.29	1.02	.61	1.63	3.24	3.17	3.29	−.12	.32	.20
28	4.29	3.34	.95	−.06	.89	3.38	3.31	3.34	−.03	.20	.17
Feb. 4	4.29	3.24	1.05	−.13	.92	3.55	3.46	3.24	.22	−.08	.14
11	4.32	2.89	1.43	.28	1.15	3.43	3.35	2.89	.46	−.48	.02
18	4.32	2.97	1.35	−.44	.91	3.48	3.40	2.97	.43	−.92	−.49
25	4.31	3.22	1.09	−.37	.72	3.47	3.39	3.22	.17	−1.00	−.83

NOTE.—*Treasury bills:* All rates are on the latest issue of 91-day bills. U.S. and Canadian rates are market offer rates 11 a.m. Friday; U.K. rates are Friday opening market offer rates in London.

Premium or discount on forward pound and on forward Canadian dollar: Rates per annum computed on basis of midpoint quotations (between bid and offer) at 11 a.m. Friday in New York for both spot and forward pound sterling and for both spot and forward Canadian dollars.

All series: Based on quotations reported to F.R. Bank of New York by market sources.

For description of series and for back figures, see Oct. 1964 BULLETIN, pp. 1241–60. For description of adjustments to U.K. and Canadian Treasury bill rates, see notes to Table 1, p. 1257, and to Table 2, p. 1260, Oct. 1964 BULLETIN.

GOLD RESERVES OF CENTRAL BANKS AND GOVERNMENTS

(In millions of dollars)

End of period	Estimated total world[1]	Intl. Monetary Fund	United States	Estimated rest of world	Algeria	Argentina	Australia	Austria	Belgium	Brazil	Burma	Canada	Chile
1965	[2]43,230	[3]1,869	13,806	27,285	6	66	223	700	1,558	63	84	1,151	44
1966	43,185	2,652	13,235	27,300	6	84	224	701	1,525	45	84	1,046	45
1967	41,600	2,682	12,065	26,855	155	84	231	701	1,480	45	84	1,015	45
1968	40,905	2,288	10,892	27,725	205	109	257	714	1,524	45	84	863	46
1969	41,015	2,310	11,859	26,845	205	135	263	715	1,520	45	84	872	47
1970	41,275	4,339	11,072	25,865	191	140	239	714	1,470	45	63	791	47
1971—Jan.	....	4,380	11,040	....	191	140	240	714	1,470	45	63	791	47
Feb.	....	4,400	11,039	....	191	140	240	714	1,468	45	42	791	47
Mar.	41,240	4,404	10,963	25,875	191	140	239	714	1,466	45	42	791	47
Apr.	....	4,338	10,925	....	191	140	253	728	1,502	46	42	791	47
May	....	4,448	10,568	....	191	140	254	747	1,592	46	22	792	47
June	41,250	4,523	10,507	26,220	191	140	254	747	1,584	46	22	792	47
July	....	4,479	10,453	....	192	140	259	746	1,600	46	22	792	47
Aug.	....	4,695	10,209	....	192	140	259	752	1,584	46	22	792	47
Sept.	41,210	4,722	10,207	26,280	192	140	259	722	1,572	46	22	792	....
Oct.	....	4,724	10,207	....	192	140	259	722	1,564	46	22	792	....
Nov.	....	4,726	10,206	....	192	140	259	722	1,564	46	22	792	....
Dec.	p41,200	4,732	10,206	p26,260	192	90	259	729	1,544	46	22	792	....
1972—Jan.p	....	4,732	10,206	....	192	....	260	729	1,544	....	22	792	....

End of period	Colombia	Denmark	Finland	France	Germany, Fed. Rep. of	Greece	India	Iran	Iraq	Ireland	Israel	Italy	Japan
1965	35	97	84	4,706	4,410	78	281	146	110	21	56	2,404	328
1966	26	108	45	5,238	4,292	120	243	130	106	23	46	2,414	329
1967	31	107	45	5,234	4,228	130	243	144	115	25	46	2,400	338
1968	31	114	45	3,877	4,539	140	243	158	193	79	46	2,923	356
1969	26	89	45	3,547	4,079	130	243	158	193	39	46	2,956	413
1970	17	64	29	3,532	3,980	117	243	131	144	16	43	2,887	532
1971—Jan.	17	64	29	3,532	3,979	114	243	131	144	16	43	2,886	532
Feb.	17	64	29	3,531	3,978	99	243	131	144	16	43	2,885	534
Mar.	16	64	29	3,527	3,977	99	243	131	144	16	43	2,884	539
Apr.	16	64	29	3,527	4,029	99	243	131	143	16	43	2,884	636
May	16	64	29	3,523	4,035	99	243	130	143	16	43	2,884	641
June	16	64	29	3,523	4,046	99	243	131	143	16	43	2,884	641
July	16	64	29	3,523	4,077	99	243	131	143	16	43	2,884	670
Aug.	14	64	49	3,523	4,076	99	243	131	143	16	43	2,884	679
Sept.	14	64	49	3,523	4,077	98	243	131	143	16	43	2,884	679
Oct.	14	64	49	3,523	4,077	98	243	131	143	16	43	2,884	679
Nov.	14	64	49	3,523	4,077	98	243	131	143	16	43	2,884	679
Dec.	14	64	49	3,523	4,077	98	243	131	144	16	43	2,884	679
1972—Jan.p	14	64	49	3,523	4,077	98	....	131	144	16	43	2,884	679

End of period	Kuwait	Lebanon	Libya	Malaysia	Mexico	Morocco	Netherlands	Norway	Pakistan	Peru	Philippines	Portugal	Saudi Arabia
1965	52	182	68	2	158	21	1,756	31	53	67	38	576	73
1966	67	193	68	1	109	21	1,730	18	53	65	44	643	69
1967	136	193	68	31	166	21	1,711	18	53	20	60	699	69
1968	122	288	85	66	165	21	1,697	24	54	20	62	856	119
1969	86	288	85	63	169	21	1,720	25	54	25	45	876	119
1970	86	288	85	48	176	21	1,787	23	54	40	56	902	119
1971—Jan.	86	288	85	48	176	21	1,812	23	54	40	58	902	119
Feb.	86	322	85	48	176	21	1,812	23	54	40	59	902	119
Mar.	86	322	85	48	176	21	1,812	23	54	40	60	902	119
Apr.	86	322	85	48	182	21	1,863	31	54	40	61	902	119
May	87	322	85	53	182	21	1,867	32	54	40	62	902	119
June	87	322	85	58	182	21	1,867	32	55	40	63	902	119
July	87	322	85	58	184	21	1,888	34	55	40	64	895	119
Aug.	87	322	85	58	184	21	1,889	34	55	40	65	907	127
Sept.	87	322	85	58	184	21	1,889	34	55	40	66	911	127
Oct.	87	322	85	58	184	21	1,889	34	55	40	67	911	127
Nov.	87	322	85	58	....	21	1,889	34	55	40	67	918	128
Dec.	87	322	85	58	....	21	1,909	33	55	....	67	921	128
1972—Jan.p	87	322	85	58	....	....	1,908	33	55	....	68	921	128

For notes see end of table.

GOLD RESERVES OF CENTRAL BANKS AND GOVERNMENTS—Continued

(In millions of dollars)

End of period	South Africa	Spain	Sweden	Switzerland	Taiwan	Thailand	Turkey	U.A.R. (Egypt)	United Kingdom	Uruguay	Venezuela	Yugoslavia	Bank for Intl. Settlements [4]
1965	425	810	202	3,042	55	96	116	139	2,265	155	401	19	−558
1966	637	785	203	2,842	62	92	102	93	1,940	146	401	21	−424
1967	583	785	203	3,089	81	92	97	93	1,291	140	401	22	−624
1968	1,243	785	225	2,624	81	92	97	93	1,474	133	403	50	−349
1969	1,115	784	226	2,642	82	92	117	93	1,471	165	403	51	−480
1970	666	498	200	2,732	82	92	126	85	1,349	162	384	52	−282
1971—Jan.	632	498	200	2,731	82	92	126	85	1,246	162	384	32	−173
Feb.	632	498	200	2,731	82	82	126	85	1,224	162	384	32	−173
Mar.	634	498	200	2,806	82	82	127	85	1,123	162	384	32	−73
Apr.	630	498	200	2,806	84	81	127	85	1,022	152	389	52	13
May	630	498	200	2,807	82	81	127	85	905	152	389	52	118
June	551	498	200	2,857	82	81	127	85	804	151	389	52	213
July	481	498	200	2,909	82	81	127	85	803	148	391	52	225
Aug.	486	498	200	2,909	81	81	127	85	778	148	391	52	210
Sept.	479	498	200	2,909	81	82	127	85	778	148	391	52	215
Oct.	460	498	200	2,909	80	82	127	85	778	148	391	52	227
Nov.	443	498	200	2,909	80	82	122	85	778	148	391	30	249
Dec.	410	498	200	2,909	80	82	130	....	775	148	391	30	310
1972—Jan.p	403	498	200	2,909	80	82	130	....	....	....	391	....	332

[1] Includes reported or estimated gold holdings of international and regional organizations, central banks and govts. of countries listed in this table and also of a number not shown separately here, and gold to be distributed by the Tripartite Commission for the Restitution of Monetary Gold; excludes holdings of the U.S.S.R., other Eastern European countries, and China Mainland.

The figures included for the Bank for International Settlements are the Bank's gold assets net of gold deposit liabilities. This procedure avoids the overstatement of total world gold reserves since most of the gold deposited with the BIS is included in the gold reserves of individual countries.

[2] Adjusted to include gold subscription payments to the IMF made by some member countries in anticipation of increase in Fund quotas, except those matched by gold mitigation deposits with the United States and United Kingdom; adjustment is $270 million.

[3] Excludes gold subscription payments made by some member countries in anticipation of increase in Fund quotas: for most of these countries the increased quotas became effective in Feb. 1966.

[4] Net gold assets of BIS, i.e., gold in bars and coins and other gold assets minus gold deposit liabilities.

NOTE.—For back figures and description of the data in this and the following tables on gold (except production), see "Gold," Section 14 of *Supplement to Banking and Monetary Statistics*, 1962.

GOLD PRODUCTION

(In millions of dollars at $35 per fine troy ounce)

Period	World production [1]	Africa			North and South America					Asia			Other	
		South Africa	Ghana	Congo (Kinshasa)	United States	Canada	Mexico	Nicaragua	Colombia	India	Japan	Philippines	Australia	All other
1965	1,440.0	1,069.4	26.4	2.3	58.6	125.6	7.6	5.4	11.2	4.6	18.1	15.3	30.7	64.8
1966	1,445.0	1,080.8	24.0	5.6	63.1	114.6	7.5	5.2	9.8	4.2	19.4	15.8	32.1	62.9
1967	1,410.0	1,068.7	26.7	5.4	53.4	103.7	5.8	5.2	9.0	3.4	23.7	17.2	28.4	59.4
1968	1,420.0	1,088.0	25.4	5.9	53.9	94.1	6.2	4.9	8.4	4.0	21.5	18.5	27.6	61.6
1969	1,420.0	1,090.7	24.8	6.0	60.1	89.1	6.3	3.7	7.7	3.4	23.7	20.0	24.5	60.0
1970p	1,450.0	1,128.0	24.8	6.2	63.5	84.3	6.9	3.8	7.1	3.7	24.8	21.1	21.7	54.1
1970—Dec.	....	89.7	2.1	....	....	r6.9	....	....	.5	.3	....	....	2.0	....
1971—Jan.	....	91.3	....	....	....	7.0	....	....	.4	.4	2.2	....	r1.6	....
Feb.	....	89.6	....	....	....	6.6	....	....	.6	.4	2.3	....	r1.5	....
Mar.	....	94.3	....	....	....	6.7	....	....	.5	.4	2.4	....	r2.6	....
Apr.	....	91.9	....	....	....	6.5	....	....	.5	.4	2.2	....	1.8	....
May	....	91.5	....	....	....	6.7	....	....	.5	.3	1.6	....	r1.7	....
June	....	92.0	....	....	....	6.7	....	....	.1	.4	2.4	....	1.8	....
July	....	93.4	....	....	....	5.8	....	....	1.1	....	2.4	....	2.1	....
Aug.	....	92.3	....	....	....	6.3	....	....	.6	....	2.4	....	....	....
Sept.	....	91.3	....	....	....	6.1	....	....	.6	....	2.4	....	....	....
Oct.	....	93.4	....	....	....	6.3	....	....	....	....	2.1	....	....	....
Nov.	....	91.7	....	....	....	6.6	....	....	....	....	....	....	....	....
Dec.	....	85.7	....	....	....	5.9	....	....	....	....	....	....	....	....

[1] Estimated; excludes U.S.S.R., other Eastern European countries, China Mainland, and North Korea.

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

(Averages of daily figures; in millions of dollars)

Period or date	Factors supplying reserve funds									
	Reserve Bank credit outstanding							Gold stock	Special Drawing Rights certificate account	Treasury currency outstanding
	U.S. Govt. securities[1]			Discounts and advances	Float	Other F.R. assets[2]	Total			
	Total	Bought outright	Held under repurchase agreement							
1971—Jan.	62,068	61,941	127	370	3,636	1,216	67,363	10,732	400	7,157
Feb.	62,350	62,051	299	328	2,974	1,065	66,797	10,732	400	7 188
Mar.	62,719	62,381	338	319	2,671	892	66,691	10,732	400	7,235
Apr.	63,371	63,153	218	148	3,047	1,103	67,747	10,732	400	7,291
May	64,714	64,368	346	330	2,704	1,076	68,926	10,448	400	7,357
June	64,642	64,574	68	453	2,690	979	68,834	10,332	400	7,419
July	66,001	65,652	349	820	3,001	1,150	71,052	10,332	400	7,437
Aug.	66,324	66,143	181	804	2,572	991	70,749	10,184	400	7,460
Sept.	67,106	66,794	312	501	2,974	900	71,568	10,132	400	7,523
Oct.	67,690	67,488	202	360	3,122	1,105	72,349	10,132	400	7,545
Nov.	68,052	67,655	397	407	3,129	1,013	72,694	10,132	400	7,573
Dec.	69,158	68,868	290	107	3,905	982	74,255	10,132	400	7,611
Week ending—1970—Dec. 30	61,704	61,554	150	270	4,643	1,097	67,783	11,117	400	7,171
1971—Jan. 6	62,477	62,091	386	407	4,393	1,164	68,538	10,732	400	7,148
13	62,110	62,110	....	277	3,718	1,182	67,347	10,732	400	7,151
20	61,970	61,874	96	472	3,910	1,222	67,643	10,732	400	7,155
27	61,889	61,809	80	354	3,022	1,256	66,586	10,732	400	7,164
Feb. 3	61,956	61,783	173	283	2,620	1,264	66,201	10,732	400	7,172
10	61,769	61,722	47	247	3,163	1,284	66,528	10,732	400	7,177
17	62,936	62,161	775	561	2,632	1,166	67,401	10,732	400	7,189
24	62,350	62,152	198	250	3,472	797	66,944	10,732	400	7,195
Mar. 3	62,627	62,479	148	258	2,723	844	66,520	10,732	400	7,210
10	62,206	62,169	37	421	2,906	829	66,414	10,732	400	7,223
17	63,032	62,301	731	290	2,549	879	66,867	10,732	400	7,230
24	62,510	62,423	87	333	2,853	922	66,699	10,732	400	7,242
31	63,076	62,581	495	257	2,482	966	66,874	10,732	400	7,255
Apr. 7	63,268	62,709	559	197	2,718	1,010	67,308	10,732	400	7,268
14	63,114	62,921	193	150	2,958	1,053	67,338	10,732	400	7,284
21	63,526	63,394	132	84	3,259	1,177	68,110	10,732	400	7,296
28	63,476	63,424	52	176	3,252	1,152	68,131	10,732	400	7,309
May 5	64,238	63,808	430	174	2,753	1,186	68,438	10,732	400	7,326
12	64,504	63,981	523	99	2,540	1,297	68,537	10,561	400	7,345
19	64,804	64,452	352	306	2,964	1,109	69,276	10,332	400	7,354
26	64,942	64,764	178	267	2,787	851	68,955	10,332	400	7,372
June 2	64,877	64,777	100	646	2,461	923	69,007	10,332	400	7,390
9	64,432	64,432	....	153	2,750	911	68,310	10,332	400	7,404
16	64,385	64,385	....	403	2,627	959	68,437	10,332	400	7,417
23	64,302	64,117	185	619	2,917	1,007	68,936	10,332	400	7,429
30	65,352	65,295	57	750	2,588	1,047	69,802	10,332	400	7,434
July 7	65,772	65,461	311	661	2,965	1,092	70,586	10,332	400	7,431
14	65,826	65,669	157	991	3,179	1,145	71,216	10,332	400	7,430
21	66,435	65,694	741	1,121	3,189	1,156	71,982	10,332	400	7,440
28	66,055	65,721	334	545	2,734	1,187	70,600	10,332	400	7,443
Aug. 4	66,182	65,822	360	764	2,583	1,222	70,819	10,332	400	7,443
11	66,158	65,872	286	593	2,517	1,257	70,585	10,246	400	7,453
18	66,067	65,956	111	1,179	2,692	1,044	71,029	10,132	400	7,457
25	66,353	66,353	....	771	2,711	726	70,615	10,132	400	7,465
Sept. 1	66,779	66,635	144	706	2,433	776	70,766	10,132	400	7,475
8	67,156	66,726	430	765	2,594	817	71,439	10,132	400	7,494
15	67,082	66,596	486	457	2,920	894	71,455	10,132	400	7,522
22	66,687	66,687	....	329	3,602	923	71,591	10,132	400	7,532
29	67,393	67,071	322	424	2,863	963	71,730	10,132	400	7,542
Oct. 6	68,079	67,657	422	309	2,720	1,007	72,205	10,132	400	7,530
13	67,748	67,662	86	449	2,803	1,071	72,136	10,132	400	7,525
20	67,810	67,496	314	332	3,585	1,113	72,925	10,132	400	7,549
27	67,334	67,257	77	413	3,091	1,160	72,053	10,132	400	7,560
Nov. 3	67,390	67,276	114	216	3,262	1,207	72,132	10,132	400	7,549
10	67,307	67,155	152	122	3,105	1,240	71,847	10,132	400	7,557
17	67,828	67,414	414	287	3,268	1,061	72,535	10,132	400	7,573
24	68,400	67,867	533	538	3,214	796	73,056	10,132	400	7,576
Dec. 1	68,970	68,481	489	705	3,027	859	73,669	10,132	400	7,586
8	68,941	68,822	119	59	3,090	893	73,047	10,132	400	7,594
15	68,761	68,761	....	25	3,473	927	73,245	10,132	400	7,602
22	68,958	68,863	95	141	4,444	988	74,621	10,132	400	7,615
29	69,514	68,938	576	216	4,644	1,096	75,627	10,132	400	7,634

For notes see opposite page.

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

(Averages of daily figures; in millions of dollars)

Factors absorbing reserve funds									
Currency in circulation	Treasury cash holdings	Deposits, other than member bank reserves, with F.R. Banks			Other F.R. liabilities and capital[2]	Member bank reserves			Period or date
		Treasury	Foreign	Other		With F.R. Banks	Currency and coin[3]	Total	
56,192	445	1,028	155	786	2,109	24,938	5,550	30,488	1971 Jan.
55,754	465	1,025	153	778	2,232	24,710	5,170	29,880	Feb.
56,123	467	783	139	718	2,227	24,601	5,085	29,686	Mar.
56,716	499	1,047	148	752	2,194	24,814	5,071	29,885	Apr.
57,155	506	1,112	173	690	2,244	25,251	5,168	30,419	May
57,969	491	652	155	698	2,227	24,793	5,230	30,023	June
58,847	471	1,546	161	714	2,251	25,231	5,316	30,547	July
58,906	477	1,121	181	712	2,298	25,098	5,357	30,455	Aug.
59,012	466	1,621	151	712	2,296	25,365	5,437	30,802	Sept.
59,185	464	2,100	152	736	2,327	25,463	5,397	30,860	Oct.
59,939	470	1,723	133	714	2,320	25,500	5,453	30,953	Nov.
61,060	453	1,926	290	728	2,287	25,653	5,676	31,329	Dec.
57,424	409	1,205	162	711	2,231	24,329	5,514	29,843	Week ending—1970—Dec. 30
57,021	430	973	154	1,053	2,006	25,181	5,430	30,611	1971—Jan. 6
56,654	430	1,039	158	711	2,061	24,578	5,664	30,242	13
56,099	440	925	158	718	2,120	25,470	5,559	31,029	20
55,585	465	1,184	159	737	2,169	24,583	5,589	30,172	27
55,442	468	900	143	807	2,237	24,510	5,449	29,959	Feb. 3
55,664	466	1,163	147	771	2,300	24,326	5,434	29,760	10
55,946	465	1,226	157	759	2,097	25,073	5,129	30,202	17
55,816	463	816	155	759	2,243	25,019	4,897	29,916	24
55,719	469	924	138	768	2,321	24,522	5,020	29,542	Mar. 3
56,000	467	1,044	136	732	2,379	24,011	5,393	29,404	10
56,300	463	547	141	742	2,139	24,897	5,058	29,955	17
56,213	465	743	121	698	2,141	24,691	4,791	29,482	24
56,110	475	806	162	694	2,198	24,817	5,123	29,940	31
56,428	489	1,048	148	828	2,281	24,486	5,184	29,670	Apr. 7
56,971	497	807	162	727	2,208	24,381	5,244	29,625	14
56,880	502	945	141	760	2,112	25,199	4,739	29,938	21
56,610	506	1,338	140	704	2,166	25,108	5,049	30,157	28
56,715	519	1,035	154	714	2,262	25,497	5,283	30,780	May 5
57,164	507	1,314	167	689	2,299	24,703	5,381	30,084	12
57,266	499	1,248	162	697	2,148	25,344	5,018	30,362	19
57,165	502	1,045	187	677	2,225	25,260	4,986	30,246	26
57,482	506	890	187	703	2,304	25,057	5,219	30,276	June 2
57,851	494	394	151	695	2,328	24,534	5,352	29,886	9
58,078	494	9	150	695	2,148	25,012	5,213	30,225	16
58,005	493	670	155	689	2,169	24,916	5,003	29,919	23
58,011	480	1,464	166	693	2,233	24,921	5,371	30,292	30
58,671	460	1,535	170	707	2,307	24,898	5,415	30,313	July 7
59,182	460	1,778	162	721	2,264	24,811	5,443	30,254	14
58,955	470	1,602	166	703	2,183	26,074	4,858	30,932	21
58,683	488	1,383	137	708	2,236	25,142	5,481	30,623	28
58,691	484	1,121	174	746	2,322	25,456	5,438	30,894	Aug. 4
59,014	475	1,157	169	726	2,406	24,737	5,593	30,330	11
59,112	473	1,038	176	730	2,190	25,298	5,307	30,605	18
58,875	479	1,153	184	681	2,253	24,986	5,125	30,111	25
58,711	473	1,213	194	691	2,324	25,167	5,352	30,519	Sept. 1
59,063	464	1,318	165	711	2,402	25,341	5,514	30,855	8
59,354	458	1,388	139	708	2,226	25,236	5,615	30,851	15
58,992	470	1,760	150	704	2,234	25,345	5,015	30,360	22
58,685	473	2,009	146	718	2,299	25,473	5,600	31,073	29
58,825	466	2,148	183	765	2,398	25,483	5,510	30,993	Oct. 6
59,316	459	2,093	134	763	2,379	25,050	5,652	30,702	13
59,347	460	2,117	145	730	2,252	25,954	5,117	31,071	20
59,174	456	2,183	156	711	2,281	25,184	5,240	30,424	27
59,307	483	1,795	134	726	2,355	25,412	5,549	30,961	Nov. 3
59,594	479	1,598	119	710	2,422	25,014	5,566	30,580	10
59,925	465	1,582	123	725	2,244	25,577	5,595	31,172	17
60,107	464	1,927	123	686	2,265	25,591	5,125	30,716	24
60,424	457	1,894	169	732	2,328	25,783	5,492	31,275	Dec. 1
60,568	456	1,749	133	717	2,398	25,151	5,592	30,743	8
61,040	457	1,563	143	710	2,219	25,246	5,907	31,153	15
61,242	450	1,895	426	736	2,234	25,785	5,366	31,151	22
61,448	448	2,336	471	708	2,301	26,081	5,843	31,924	29

1 U.S. Govt. securities include Federal agency obligations.
2 Beginning Apr. 16, 1969, "Other F.R. assets" and "Other F.R. liabilities and capital" are shown separately; formerly, they were netted together and reported as "Other F.R. accounts."
3 Part allowed as reserves Dec. 1, 1959—Nov. 23, 1960; all allowed thereafter. Beginning with Jan. 1963, figures are estimated except for weekly averages. Beginning Sept. 12, 1968, amount is based on close-of-business for reserve period 2 weeks previous to report date.

RESERVES AND BORROWINGS OF MEMBER BANKS

(In millions of dollars)

Period	All member banks					Reserve city banks — New York City					Reserve city banks — City of Chicago				
	Reserves			Borrowings at F.R. Banks	Free reserves	Reserves			Borrowings at F.R. Banks	Free reserves	Reserves			Borrowings at F.R. Banks	Free reserves
	Total held	Required	Excess			Total held	Required	Excess			Total held	Required	Excess		
Jan.	30,488	30,209	279	370	−91	5,976	5,917	59	40	19	1,387	1,392	−5	1	−6
Feb.	29,880	29,679	201	328	−127	5,854	5,810	44	29	15	1,403	1,380	23	4	19
Mar.	29,686	29,487	199	319	−120	5,664	5,703	−39	51	−90	1,375	1,384	−9	16	−25
Apr.	29,885	29,745	140	148	−8	5,690	5,696	−6	15	−21	1,392	1,385	7	4	3
May	30,419	30,107	312	330	−18	5,837	5,791	46	113	−67	1,436	1,421	15	13	2
June	30,023	29,892	131	453	−322	5,637	5,674	−37	90	−127	1,387	1,405	−18	21	−39
July	30,547	30,385	162	820	−658	5,729	5,754	−25	86	−111	1,407	1,408	−1	28	−29
Aug.	30,455	30,257	198	804	−606	5,693	5,640	53	164	−111	1,417	1,410	7	7	......
Sept.	30,802	30,596	206	501	−295	5,683	5,674	9	38	−29	1,417	1,423	−6	4	−10
Oct.	30,860	30,653	207	360	−153	5,678	5,667	11	67	−56	1,425	1,408	17	15	2
Nov.	30,953	30,690	263	407	−144	5,644	5,608	36	107	−71	1,408	1,400	8	22	−14
Dec.	31,329	31,164	165	107	58	5,774	5,749	25	35	−10	1,426	1,425	1	8	−7
Week ending—															
1970 Dec. 30	29,843	29,409	434	270	164	5,843	5,693	150	......	150	1,362	1,332	30	......	30
1971—Jan. 6	30,611	30,035	576	407	169	6,064	5,902	162	71	91	1,396	1,411	−15	......	−15
13	30,242	30,210	32	277	−245	5,850	5,910	−60	......	−60	1,402	1,384	18	......	18
20	31,029	30,937	92	472	−380	6,165	6,198	−33	92	−125	1,424	1,464	−40	5	−45
27	30,172	29,890	282	354	−72	5,752	5,760	−8	26	−34	1,373	1,335	38	......	38
Feb. 3	29,959	29,722	237	283	−46	5,775	5,742	33	......	33	1,331	1,346	−15	......	−15
10	29,760	29,555	205	247	−42	5,685	5,755	−70	......	−70	1,379	1,367	12	......	12
17	30,202	29,905	297	561	−264	6,118	6,043	75	117	−42	1,367	1,388	−21	18	−39
24	29,916	29,599	317	250	67	5,770	5,732	38	......	38	1,417	1,386	31	......	31
Mar. 3	29,542	29,372	170	258	−88	5,583	5,568	15	......	15	1,387	1,402	−15	......	−15
10	29,404	29,322	82	421	−339	5,595	5,657	−62	120	−182	1,355	1,367	−12	44	−56
17	29,955	29,690	265	290	−25	5,853	5,830	23	46	−23	1,447	1,419	28	......	28
24	29,482	29,414	68	333	−265	5,664	5,669	−5	59	−64	1,354	1,365	−11	14	−25
31	29,940	29,564	376	257	119	5,847	5,714	133	......	133	1,390	1,379	11	14	−3
Apr. 7	29,670	29,393	277	197	80	5,569	5,631	−62	......	−62	1,367	1,351	16	......	16
14	29,625	29,417	208	150	58	5,748	5,652	96	17	79	1,346	1,367	−21	......	−21
21	29,938	29,857	81	84	−3	5,728	5,784	−56	......	−56	1,381	1,384	−3	......	−3
28	30,157	30,109	48	176	−128	5,625	5,682	−57	46	−103	1,430	1,418	12	18	−6
May 5	30,780	30,415	365	174	191	5,907	5,817	90	46	44	1,440	1,449	−9	......	−9
12	30,084	29,854	230	99	131	5,657	5,716	−59	39	−98	1,424	1,393	31	......	31
19	30,362	30,260	102	306	−204	5,986	5,967	19	143	−124	1,426	1,455	−29	41	−70
26	30,246	30,072	174	267	−93	5,768	5,781	−13	100	−113	1,435	1,416	19	18	1
June 2	30,276	29,991	285	646	−361	5,693	5,638	55	171	−116	1,387	1,396	−9	......	−9
9	29,886	29,813	73	153	−80	5,648	5,680	−32	46	−78	1,414	1,413	1	......	1
16	30,225	29,959	266	403	−137	5,742	5,729	13	129	−116	1,473	1,467	6	......	6
23	29,919	29,709	210	619	−409	5,648	5,607	41	103	−62	1,338	1,351	−13	77	−90
30	30,292	30,060	232	750	−518	5,676	5,699	−23	107	−130	1,405	1,394	11	11	......
July 7	30,313	30,036	277	661	−384	5,689	5,663	26	34	−8	1,388	1,374	14	......	14
14	30,254	30,249	5	991	−986	5,747	5,814	−67	252	−319	1,390	1,412	−22	......	−22
21	30,932	30,650	282	1,121	−839	5,911	5,856	55	65	−10	1,464	1,451	13	116	−103
28	30,623	30,556	67	545	−478	5,671	5,718	−47	30	−77	1,383	1,384	−1	7	−8
Aug. 4	30,894	30,460	434	764	−330	5,781	5,677	104	43	61	1,447	1,434	13	......	13
11	30,330	30,303	27	593	−566	5,625	5,699	−74	......	−74	1,419	1,431	−12	......	−12
18	30,605	30,381	224	1,179	−955	5,816	5,748	68	342	−274	1,416	1,412	4	31	−27
25	30,111	30,020	91	771	−680	5,456	5,522	−66	267	−333	1,387	1,383	4	......	4
Sept. 1	30,519	30,195	324	706	−382	5,679	5,561	118	116	2	1,398	1,399	−1	1	−2
8	30,855	30,650	205	765	−560	5,719	5,759	−40	......	−40	1,428	1,423	5	4	1
15	30,851	30,604	247	457	−210	5,762	5,690	72	......	72	1,441	1,448	−7	3	−10
22	30,360	30,421	−61	329	−390	5,469	5,578	−109	86	−195	1,410	1,413	−3	9	−12
29	31,073	30,730	343	424	−81	5,825	5,689	136	36	100	1,410	1,412	−2	......	−2
Oct. 6	30,993	30,779	214	309	−95	5,644	5,671	−27	29	−56	1,441	1,422	19	......	19
13	30,702	30,653	49	449	−400	5,668	5,693	−25	100	−125	1,413	1,432	−19	7	−26
20	31,071	30,861	210	332	−122	5,808	5,818	−10	35	−45	1,429	1,421	8	4	4
27	30,424	30,373	51	413	−362	5,513	5,508	5	133	−128	1,353	1,364	−11	54	−65
Nov. 3	30,961	30,565	396	216	180	5,681	5,626	55	......	55	1,435	1,400	35	......	35
10	30,580	30,570	10	122	−112	5,589	5,597	−8	21	−29	1,376	1,406	−30	......	−30
17	31,172	30,984	188	287	−99	5,705	5,761	−56	64	−120	1,447	1,433	14	......	14
24	30,716	30,572	144	538	−394	5,589	5,520	69	150	−81	1,358	1,374	−16	47	−63
Dec. 1	31,275	30,685	590	705	−115	5,701	5,538	163	222	−59	1,438	1,386	52	47	5
8	30,743	30,600	143	59	84	5,671	5,604	67	......	67	1,356	1,366	−10	......	−10
15	31,153	30,949	204	25	179	5,699	5,757	−58	......	−58	1,479	1,451	28	......	28
22	31,151	31,180	−29	141	−170	5,747	5,764	−17	79	−96	1,371	1,414	−43	14	−57
29	31,924	31,610	314	216	98	5,793	5,799	−6	76	−82	1,511	1,445	66	21	45

For notes see opposite page.

RESERVES AND BORROWINGS OF MEMBER BANKS—Continued

(In millions of dollars)

Other reserve city banks: Reserves: Total held	Other reserve city banks: Reserves: Required	Other reserve city banks: Reserves: Excess	Other reserve city banks: Borrowings at F.R. Banks	Other reserve city banks: Free reserves	Country banks: Reserves: Total held	Country banks: Reserves: Required	Country banks: Reserves: Excess	Country banks: Borrowings at F.R. Banks	Country banks: Free reserves	Period
11,974	11,962	12	294	−282	11,151	10,938	213	35	178	1971—Jan.
11,647	11,712	−65	268	−333	10,976	10,777	199	27	172	Feb.
11,732	11,651	81	236	−155	10,915	10,749	166	16	150	Mar.
11,754	11,789	−35	119	−154	11,049	10,875	174	10	164	Apr.
11,923	11,832	91	136	−45	11,223	11,063	160	68	92	May
11,743	11,735	8	181	−173	11,256	11,078	178	161	17	June
11,939	11,929	10	441	−431	11,472	11,294	178	265	−87	July
11,871	11,883	−12	425	−437	11,474	11,324	150	208	58	Aug.
12,115	12,077	38	318	−280	11,587	11,422	165	141	24	Sept.
12,069	12,050	19	163	−144	11,688	11,528	160	115	45	Oct.
12,106	12,041	65	177	−112	11,795	11,641	154	101	53	Nov.
12,198	12,233	−35	22	−57	11,931	11,757	174	42	132	Dec.
										Week ending
11,682	11,666	16	245	−229	10,956	10,718	238	25	213	1970—Dec. 30
12,028	11,903	125	310	−185	11,123	10,819	304	26	278	1971—Jan. 6
11,912	11,996	−84	249	−333	11,078	10,920	158	28	130	13
12,214	12,246	−32	332	−364	11,226	11,029	197	43	154	20
11,862	11,800	62	286	−224	11,185	10,995	190	42	148	27
11,766	11,759	7	253	−246	11,087	10,875	212	30	182	Feb. 3
11,728	11,702	26	229	−203	10,968	10,731	237	18	219	10
11,733	11,753	−20	380	−400	10,984	10,721	263	46	217	17
11,744	11,673	71	228	−157	10,985	10,808	177	22	155	24
11,633	11,655	−22	242	−264	10,939	10,747	192	16	176	Mar. 3
11,537	11,572	−35	244	−279	10,917	10,726	191	13	178	10
11,774	11,724	50	231	−181	10,881	10,717	164	13	151	17
11,567	11,613	−46	245	−291	10,897	10,767	130	15	115	24
11,752	11,694	58	221	−163	10,951	10,777	174	22	152	31
11,758	11,634	124	184	−60	10,976	10,777	199	13	186	Apr. 7
11,622	11,702	−80	127	−207	10,909	10,696	213	6	207	14
11,807	11,826	−19	80	−99	11,022	10,863	159	4	155	21
11,910	11,955	−45	98	−143	11,192	11,054	138	14	124	28
12,044	11,939	105	101	4	11,389	11,210	179	27	152	May 5
11,826	11,752	74	42	32	11,177	10,993	184	18	166	12
11,805	11,871	−66	71	−137	11,145	10,967	178	51	127	19
11,820	11,780	40	93	−53	11,223	11,095	128	56	72	26
11,891	11,857	34	317	−283	11,305	11,100	205	158	47	June 2
11,693	11,753	−60	52	−112	11,131	10,967	164	55	109	9
11,812	11,749	63	113	−50	11,198	11,014	184	161	23	16
11,703	11,640	63	286	−223	11,230	11,111	119	153	−34	23
11,827	11,759	68	324	−256	11,384	11,208	176	308	−132	30
11,847	11,801	46	372	−326	11,389	11,198	191	255	−64	July 7
11,786	11,876	−90	498	−588	11,331	11,147	184	241	−57	14
12,089	12,028	61	607	−546	11,468	11,315	153	333	−180	21
11,946	11,993	−47	296	−343	11,623	11,461	162	212	−50	28
12,094	11,973	121	429	−308	11,572	11,376	196	292	−96	Aug. 4
11,856	11,898	−42	375	−417	11,430	11,275	155	218	−63	11
11,883	11,901	−18	545	−563	11,490	11,320	170	261	−91	18
11,798	11,788	10	372	−362	11,470	11,327	143	132	11	25
11,935	11,896	39	404	−365	11,507	11,339	168	185	17	Sept. 1
12,182	12,138	44	588	544	11,526	11,330	196	173	23	8
12,140	12,098	42	324	−282	11,508	11,368	140	130	10	15
11,937	12,013	−76	146	222	11,544	11,417	127	88	39	22
12,135	12,080	55	231	−176	11,703	11,549	154	157	3	29
12,165	12,117	48	118	−70	11,743	11,569	174	162	12	Oct. 6
12,011	12,092	−81	234	−315	11,610	11,436	174	108	66	13
12,183	12,110	73	194	−121	11,651	11,512	139	99	40	20
11,876	11,933	−57	129	−186	11,682	11,568	114	97	17	27
12,073	11,976	97	105	−8	11,772	11,563	209	111	98	Nov. 3
11,967	12,050	−83	47	−130	11,648	11,517	131	54	77	10
12,172	12,139	33	174	−141	11,848	11,651	197	49	148	17
11,967	11,973	−6	201	−207	11,802	11,705	97	140	43	24
12,181	12,025	156	282	−126	11,955	11,736	219	154	65	Dec. 1
11,932	11,992	−60	15	−75	11,784	11,638	146	44	102	8
12,156	12,099	57	....	57	11,819	11,642	177	25	152	15
12,180	12,254	−74	24	−98	11,853	11,748	105	24	81	22
12,521	12,453	68	58	10	12,099	11,913	186	61	125	29

NOTE.—Averages of daily figures. Monthly data are averages of daily figures within the calendar month; they are not averages of the 4 or 5 weeks ending on Wed. that fall within the month.

Total reserves held: Based on closing figures for balances with F.R. Banks and opening figures for allowable cash.

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

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

ASSETS AND LIABILITIES OF LARGE COMMERCIAL BANKS, 1971

(In millions of dollars)

Wednesday	Total loans and investments	Loans: Federal funds sold, etc.[1]: Total	Federal funds sold, etc.: To commercial banks	Federal funds sold, etc.: To brokers and dealers involving—: U.S. Treasury securities	Federal funds sold, etc.: To brokers and dealers involving—: Other securities	Federal funds sold, etc.: To others	Other: Total	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 finan. institutions: Pers. and sales finan. cos., etc.	To nonbank finan. institutions: Other
Jan. 6......	261,112	9,495	7,761	1,119	387	228	177,769	81,510	2,051	1,523	3,768	105	2,358	7,069	6,077
13......	258,245	8,994	7,467	1,127	282	118	175,596	81,025	2,016	1,062	3,513	108	2,365	6,708	5,994
20......	255,968	7,715	6,695	631	238	151	174,760	80,918	2,017	882	3,132	105	2,381	6,687	6,029
27......	255,528	7,872	6,505	1,009	230	128	174,427	80,017	2,016	1,373	3,465	122	2,322	6,555	6,056
Feb. 3......	258,935	9,690	7,639	1,502	328	221	174,995	80,260	2,010	1,409	3,428	102	2,331	6,980	6,010
10......	259,230	10,252	7,858	1,956	355	83	174,697	80,306	2,011	1,593	3,332	102	2,330	6,622	5,995
17......	256,506	7,804	7,071	330	338	65	174,810	80,715	2,032	770	3,468	101	2,315	6,706	6,014
24......	257,126	9,012	7,453	1,194	342	23	174,502	80,760	2,023	1,170	3,267	105	2,324	6,386	6,019
Mar. 3......	259,537	9,022	7,825	822	335	40	175,775	81,068	2,035	1,284	3,694	132	2,345	6,781	5,990
10......	258,016	7,787	6,459	907	326	95	175,175	81,188	2,028	788	3,754	107	2,359	6,588	6,007
17......	259,619	8,278	7,323	495	360	100	176,146	81,794	2,033	822	3,676	126	2,354	6,746	6,148
24......	257,906	7,440	6,539	537	290	74	175,778	81,419	2,038	872	3,515	106	2,347	6,721	6,159
31......	260,047	8,287	6,884	880	390	133	176,251	81,162	2,048	854	3,970	93	2,339	7,009	6,261
Apr. 7......	264,276	10,302	7,783	1,994	412	113	177,104	80,976	2,059	1,677	4,236	94	2,346	7,035	6,002
14......	265,060	10,715	8,459	1,597	454	205	176,955	81,101	2,083	1,096	4,195	90	2,331	7,084	6,056
21......	264,265	9,525	8,330	735	310	150	177,038	81,255	2,100	891	3,885	90	2,343	7,209	6,159
28......	260,499	8,233	7,101	773	267	92	176,594	81,072	2,095	575	3,721	93	2,330	7,035	6,271
May 5......	262,254	8,214	7,470	391	257	96	177,742	81,299	2,118	552	4,094	113	2,321	7,306	6,464
12......	264,470	9,709	8,521	528	261	399	179,146	81,621	2,133	713	4,245	111	2,361	7,365	6,607
19......	262,151	9,049	7,971	462	182	434	178,874	81,715	2,149	462	4,076	110	2,348	7,039	6,645
26......	259,757	6,974	6,073	405	138	358	178,362	81,370	2,181	561	3,722	125	2,344	6,836	6,708
June 2......	263,583	9,071	8,094	596	268	113	179,640	81,703	2,198	773	3,769	125	2,347	7,259	6,715
9......	262,290	8,923	8,066	540	140	177	178,281	81,292	2,217	629	3,645	114	2,349	6,781	6,646
16......	266,350	9,126	8,308	424	234	160	181,622	82,556	2,223	795	3,934	117	2,355	7,420	6,854
23......	263,883	8,412	7,653	483	130	146	180,709	82,338	2,238	433	3,732	141	2,366	7,120	6,927
30......	266,785	7,757	7,015	518	28	196	182,693	82,156	2,261	888	4,175	124	2,412	7,597	7,282
July 7......	268,681	9,087	8,060	830	58	139	182,782	82,461	2,247	990	3,725	127	2,401	7,480	7,242
14......	265,221	7,549	6,970	452	17	110	181,816	82,204	2,236	608	3,789	127	2,420	7,073	7,173
21......	263,221	7,060	6,545	359	13	143	180,970	81,849	2,227	546	3,554	142	2,420	7,010	7,013
28......	264,132	8,433	7,705	569	40	119	180,561	81,488	2,219	667	3,490	147	2,415	6,828	6,980
Aug. 4......	265,418	8,829	8,263	409	13	144	181,714	81,528	2,210	482	4,074	148	2,403	7,057	7,081
11......	264,797	8,594	8,119	386	17	72	181,671	81,356	2,207	613	3,791	149	2,394	7,180	7,121
18......	266,380	8,825	8,083	504	66	172	183,615	82,248	2,191	724	3,907	118	2,405	6,764	7,226
25......	266,399	8,600	7,699	679	64	158	183,873	82,310	2,185	780	3,951	119	2,428	6,601	7,105
Sept. 1......	268,878	9,419	8,435	708	120	156	185,231	82,671	2,174	665	4,493	136	2,413	6,834	7,204
8......	268,898	9,664	8,629	861	38	136	184,756	82,633	2,155	661	4,207	124	2,416	6,579	7,181
15......	274,526	11,585	9,542	1,798	64	181	187,151	83,560	2,162	1,096	4,567	174	2,430	6,802	7,293
22......	270,672	9,461	8,225	1,036	63	137	186,045	83,589	2,153	822	4,296	144	2,429	6,264	7,278
29......	271,244	9,830	8,942	698	61	129	186,254	83,435	2,149	708	4,475	128	2,432	6,307	7,310
Oct. 6......	271,318	9,484	8,415	803	78	188	186,059	83,194	2,151	677	4,519	130	2,426	6,301	7,282
13......	272,409	9,989	9,238	487	95	169	186,722	83,242	2,162	596	4,453	131	2,408	6,594	7,380
20......	270,901	9,363	7,676	1,271	80	336	185,829	83,063	2,170	819	4,551	129	2,404	5,904	7,274
27......	270,687	7,409	6,613	514	66	216	186,069	83,003	2,180	644	4,601	129	2,413	5,946	7,258
Nov. 3......	275,834	10,457	9,410	695	121	231	187,455	83,091	2,189	1,181	4,807	135	2,387	6,240	7,490
10......	275,443	10,604	9,298	982	106	218	186,882	82,933	2,199	1,275	4,820	132	2,364	5,914	7,352
17......	274,806	9,347	8,681	397	74	195	186,803	82,854	2,209	729	4,815	138	2,377	5,877	7,426
24......	272,851	8,118	7,704	271	90	53	186,611	82,562	2,202	585	4,854	132	2,387	5,855	7,440
Dec. 1......	278,589	10,351	8,866	1,226	154	105	188,294	82,875	2,201	1,124	5,006	137	2,408	6,283	7,602
8......	276,008	9,343	8,586	527	148	82	187,508	82,927	2,219	761	4,486	134	2,417	6,008	7,554
15......	283,198	11,536	9,548	1,590	189	209	190,761	83,853	2,230	1,047	5,098	175	2,413	6,526	7,741
22......	282,255	10,465	9,214	826	132	293	191,505	83,674	2,256	863	5,545	137	2,424	6,362	7,834
29......	283,725	10,557	9,550	641	117	249	192,135	83,770	2,279	815	5,435	146	2,439	6,600	7,904
▶ Dec. 29......	565	13	13	......	......	......	349	97	6	1	1	......	......	3	......

For notes see p. A-106.

ASSETS AND LIABILITIES OF LARGE COMMERCIAL BANKS, 1970—Continued

(In millions of dollars)

Loans (cont.) — Other (cont.) — Real estate	Loans (cont.) — Other (cont.) — To commercial banks — Domestic	Loans (cont.) — Other (cont.) — To commercial banks — Foreign	Loans (cont.) — Other (cont.) — Consumer instalment	Loans (cont.) — Other (cont.) — Foreign govts.[2]	Loans (cont.) — Other (cont.) — All other	Investments — U.S. Treasury securities — Total	Investments — U.S. Treasury securities — Bills	Investments — U.S. Treasury securities — Certificates	Investments — U.S. Treasury securities — Notes and bonds maturing— Within 1 yr.	Investments — U.S. Treasury securities — Notes and bonds maturing— 1 to 5 yrs.	Investments — U.S. Treasury securities — Notes and bonds maturing— After 5 yrs.	Wednesday
34,257	669	1,535	21,788	813	14,246	28,631	6,512	....	4,243	15,069	2,807	Jan. 6
34,229	627	1,538	21,772	812	13,827	28,329	6,245	....	4,267	14,997	2,820	13
34,234	660	1,515	21,717	796	13,687	28,349	6,237	....	4,388	15,004	2,720	20
34,274	619	1,564	21,709	784	13,551	28,268	5,943	....	4,640	14,916	2,769	27
34,278	457	1,465	21,703	788	13,774	28,576	6,267	....	4,722	14,840	2,747	Feb. 3
34,297	465	1,460	21,633	795	13,756	28,259	5,868	....	4,717	14,954	2,720	10
34,369	534	1,485	21,579	777	13,945	27,762	5,425	....	3,033	15,007	4,297	17
34,422	462	1,469	21,567	772	13,756	27,593	5,232	....	2,994	15,221	4,146	24
34,408	418	1,508	21,545	758	13,809	28,222	5,949	....	3,032	15,207	4,034	Mar. 3
34,489	427	1,510	21,499	760	13,671	28,123	5,862	....	3,056	15,264	3,941	10
34,483	470	1,453	21,511	755	13,775	27,709	5,467	....	3,045	15,193	4,004	17
34,533	483	1,399	21,539	787	13,860	27,046	4,706	....	3,123	15,164	4,053	24
34,560	454	1,342	21,591	781	13,787	28,060	5,676	....	3,141	15,186	4,057	31
34,450	583	1,456	21,605	769	13,816	28,380	6,110	....	3,066	15,111	4,093	Apr. 7
34,577	579	1,481	21,673	800	13,809	28,387	6,143	....	3,104	15,104	4,036	14
34,655	530	1,417	21,699	784	14,021	28,075	5,854	....	3,125	15,128	3,968	21
34,737	562	1,495	21,810	803	13,995	26,569	4,409	....	3,161	15,070	3,929	28
34,754	561	1,390	21,871	765	14,134	26,506	4,211	....	3,258	15,081	3,956	May 5
34,873	671	1,723	21,944	806	13,973	26,154	3,938	....	3,273	14,995	3,948	12
34,941	657	1,867	21,989	798	14,078	25,231	3,365	....	3,322	14,820	3,724	19
35,058	636	1,873	22,088	812	14,048	25,568	3,862	....	3,319	14,736	3,651	26
35,096	631	1,735	22,163	831	14,295	25,453	3,801	....	3,543	14,553	3,556	June 2
35,197	575	1,749	22,194	833	14,060	25,566	3,986	....	3,543	14,496	3,541	9
35,374	548	1,957	22,298	818	14,373	25,586	4,056	....	3,660	14,330	3,540	16
35,527	584	1,871	22,375	811	14,246	25,052	3,574	....	3,631	14,371	3,476	23
35,675	618	1,719	22,665	731	14,390	26,637	4,228	....	2,691	15,324	3,394	30
35,656	586	1,925	22,692	795	14,455	27,110	4,858	....	3,574	15,321	3,357	July 7
35,933	591	1,836	22,740	800	14,286	26,613	4,576	....	3,560	15,168	3,309	14
36,095	588	1,812	22,743	797	14,174	25,936	4,020	....	3,582	15,051	3,283	21
36,177	555	1,786	22,801	812	14,196	25,396	3,544	....	3,596	15,012	3,244	28
36,216	561	1,860	22,849	802	14,443	25,182	3,431	....	3,556	14,923	3,272	Aug. 4
36,371	579	1,974	22,884	809	14,243	25,030	3,300	....	3,593	14,876	3,261	11
36,518	777	2,682	22,935	820	14,300	25,006	2,901	....	3,350	15,831	2,924	18
36,653	794	2,819	23,015	823	14,290	24,952	2,858	....	3,367	15,853	2,874	25
36,734	857	2,534	23,112	810	14,594	24,921	2,808	....	3,387	16,009	2,717	Sept. 1
36,824	880	2,629	23,126	806	14,535	25,072	2,583	....	3,422	16,018	3,049	8
37,009	865	2,655	23,169	830	14,539	25,275	2,816	....	3,694	15,693	3,072	15
37,126	849	2,672	23,208	836	14,379	25,204	2,758	....	3,766	15,614	3,066	22
37,206	886	2,610	23,323	805	14,480	25,080	2,680	....	3,825	15,470	3,105	29
37,235	840	2,597	23,341	775	14,591	24,984	2,613	....	3,954	15,373	3,044	Oct. 6
37,399	851	2,603	23,383	782	14,738	24,981	2,537	....	4,080	15,306	3,058	13
37,495	815	2,447	23,424	772	14,562	25,176	2,827	....	4,036	15,392	2,921	20
37,557	862	2,484	23,476	814	14,702	26,187	2,847	....	4,055	16,445	2,840	27
37,615	852	2,342	23,517	753	14,856	26,476	2,912	....	4,277	16,386	2,901	Nov. 3
37,757	830	2,433	23,584	768	14,521	26,421	2,847	....	4,318	16,383	2,873	10
37,887	822	2,497	23,595	790	14,787	27,547	2,791	....	3,398	17,008	4,350	17
38,025	844	2,585	23,667	806	14,667	27,285	2,622	....	3,410	16,876	4,377	24
38,049	855	2,417	23,723	789	14,825	28,298	3,732	....	3,437	16,719	4,410	Dec. 1
38,078	841	2,552	23,760	851	14,920	27,312	2,936	....	3,478	16,608	4,290	8
38,238	886	2,729	23,887	897	15,041	28,280	3,948	....	3,659	16,514	4,159	15
38,390	936	2,920	23,974	900	15,290	28,003	3,628	....	3,768	16,399	4,208	22
38,400	904	3,002	24,117	918	15,406	28,944	4,339	....	3,766	16,607	4,232	29
89	....	....	103	1	48	67	4	....	12	49	2	Dec. 29 ◄

For notes see p. A-106.

ASSETS AND LIABILITIES OF LARGE COMMERCIAL BANKS, 1971—Continued

(In millions of dollars)

Wednesday	Investments (cont.) — Other securities — Total	Obligations of State and political subdivisions — Tax warrants[3]	Obligations of State and political subdivisions — All other	Other bonds, corp. stock, and securities — Certif. of participation[4]	Other bonds, corp. stock, and securities — All other[5]	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
Jan. 6	45,217	6,715	32,384	1,220	4,898	33,290	19,626	3,539	7,205	716	14,638	340,126
13	45,326	6,795	32,509	1,202	4,820	33,388	18,260	3,733	6,535	717	14,504	335,382
20	45,144	6,675	32,413	1,178	4,878	31,484	20,562	3,506	6,021	720	14,778	333,039
27	44,961	6,237	32,629	1,207	4,888	29,753	18,865	3,563	5,664	721	14,476	328,570
Feb. 3	45,674	6,486	32,919	1,201	5,068	31,869	17,978	3,202	6,365	724	14,894	333,967
10	46,022	6,688	33,044	1,225	5,065	30,801	16,105	3,381	7,027	723	14,911	332,178
17	46,130	6,838	32,972	1,229	5,091	36,933	21,808	3,454	7,326	732	14,763	341,522
24	46,019	6,850	32,981	1,150	5,038	29,520	17,212	3,529	6,416	733	14,497	329,033
Mar. 3	46,518	6,808	33,347	1,170	5,193	33,232	18,471	3,159	6,662	738	15,018	336,817
10	46,931	7,088	33,510	1,149	5,184	30,671	18,625	3,307	6,558	737	14,765	332,679
17	47,486	7,203	33,748	1,185	5,350	33,724	19,508	3,373	6,723	738	14,719	338,404
24	47,642	7,041	34,036	1,205	5,360	29,639	18,167	3,431	6,368	738	15,314	331,563
31	47,449	6,898	33,831	1,184	5,536	36,285	19,482	3,327	7,495	738	15,482	342,856
Apr. 7	48,490	7,294	34,256	1,180	5,760	31,817	17,959	3,158	7,108	735	15,247	340,300
14	49,003	7,347	34,611	1,190	5,855	36,812	18,041	3,528	7,073	736	15,280	346,530
21	49,627	7,947	34,570	1,192	5,918	34,086	18,648	3,486	6,403	740	15,211	342,839
28	49,103	7,762	34,353	1,169	5,819	32,616	19,298	3,560	6,611	741	15,166	338,491
May 5	49,792	7,849	34,866	1,172	5,905	33,651	21,038	3,127	6,744	756	15,630	343,200
12	49,461	7,709	34,666	1,201	5,885	32,276	17,961	3,436	7,275	756	15,721	341,895
19	48,997	7,360	34,673	1,159	5,805	32,058	19,461	3,455	6,345	759	15,595	339,824
26	48,853	7,388	34,593	1,175	5,697	28,468	19,688	3,569	5,968	756	15,552	333,758
June 2	49,419	7,828	34,754	1,144	5,693	33,938	18,154	3,459	7,381	757	15,598	342,870
9	49,520	7,868	34,822	1,124	5,706	31,082	18,855	3,422	6,419	760	15,307	338,135
16	50,016	7,865	35,262	1,128	5,761	35,329	18,291	3,483	6,896	760	15,374	346,483
23	49,710	7,814	35,100	1,094	5,702	31,342	18,493	3,551	6,504	766	15,252	339,791
30	49,698	7,548	35,130	1,319	5,701	38,776	18,187	3,504	7,358	771	15,680	351,061
July 7	49,702	7,573	35,200	1,335	5,594	36,859	16,966	3,318	7,244	781	15,863	349,712
14	49,243	7,490	34,942	1,373	5,438	32,470	18,906	3,652	5,938	781	15,360	342,328
21	49,255	7,521	34,879	1,373	5,482	32,104	20,248	3,564	5,842	782	15,299	341,060
28	49,742	7,628	35,319	1,350	5,445	31,178	18,369	3,666	5,862	784	15,454	339,445
Aug. 4	49,693	7,801	34,967	1,364	5,561	31,875	20,057	3,220	6,169	786	15,696	343,221
11	49,502	7,675	35,089	1,342	5,396	31,516	17,972	3,486	5,577	784	15,685	339,817
18	48,934	7,466	34,851	1,282	5,335	30,303	18,588	3,494	5,823	786	15,446	340,820
25	48,974	7,424	34,954	1,260	5,336	29,811	19,311	3,615	5,818	786	15,654	341,394
Sept. 1	49,307	7,650	35,026	1,285	5,346	33,541	19,383	3,482	6,475	791	15,976	348,526
8	49,406	7,949	34,865	1,273	5,319	31,971	19,085	3,525	6,677	791	15,828	346,775
15	50,515	8,380	35,301	1,339	5,495	36,268	17,805	3,608	6,919	794	15,734	355,654
22	49,962	8,065	35,147	1,310	5,440	33,213	18,468	3,641	6,002	796	15,647	348,439
29	50,080	8,091	35,246	1,315	5,428	32,231	18,741	3,704	6,243	799	15,798	348,760
Oct. 6	50,791	8,369	35,703	1,314	5,405	33,254	18,741	3,329	7,054	802	15,702	350,200
13	50,717	8,424	35,441	1,333	5,519	35,609	19,749	3,690	7,042	803	15,465	354,767
20	50,533	8,187	35,390	1,352	5,604	34,209	18,040	3,644	6,774	813	15,399	349,780
27	51,022	8,311	35,673	1,399	5,639	35,312	20,826	3,778	6,526	814	15,429	353,372
Nov. 3	51,446	8,598	35,857	1,389	5,602	40,042	18,946	3,481	7,405	817	15,656	362,181
10	51,536	8,375	35,844	1,454	5,863	31,370	17,925	3,532	6,885	817	15,488	351,460
17	51,109	8,015	35,766	1,462	5,866	31,598	19,681	3,601	7,059	819	15,099	352,663
24	50,837	7,846	35,671	1,452	5,868	33,553	22,152	3,508	7,294	819	15,121	355,298
Dec. 1	51,646	8,106	36,194	1,509	5,837	35,306	16,899	3,744	8,429	833	15,667	359,467
8	51,845	8,289	36,302	1,497	5,757	31,358	19,190	3,696	7,747	848	15,825	354,672
15	52,621	8,452	36,855	1,541	5,773	37,590	17,706	3,867	8,205	849	15,614	367,029
22	52,282	8,322	36,663	1,518	5,779	34,895	18,592	3,838	7,545	849	16,175	364,149
29	52,089	8,076	36,655	1,534	5,824	32,565	22,465	4,173	7,326	857	16,253	367,364
▶ Dec. 29	136	5	92	5	34	19	12	13	47	....	32	688

For notes see p. A-106.

ASSETS AND LIABILITIES OF LARGE COMMERCIAL BANKS, 1971—Continued

(In millions of dollars)

Deposits															
Demand									Time and savings[1]						Wednesday
Total	IPC	States and political subdivisions	U.S. Govt.	Domestic interbank: Commercial	Domestic interbank: Mutual savings	Foreign: Govts., etc.[2]	Foreign: Commercial banks	Certified and officers' checks	Total[6]	IPC: Savings	IPC: Other	States and political subdivisions	Domestic interbank	Foreign govts.[2]	
147,456	102,523	6,996	4,101	22,981	788	780	2,359	6,928	120,810	48,801	52,491	13,387	1,289	4,372	Jan. 6
142,365	99,341	6,307	3,009	21,967	763	827	2,411	7,740	121,956	48,834	53,293	13,504	1,531	4,331	13
139,595	97,026	6,114	4,994	20,396	662	850	2,483	7,070	122,741	48,974	53,616	13,813	1,579	4,299	20
138,251	94,851	6,460	6,599	19,649	636	872	2,286	6,898	123,072	49,145	53,756	13,905	1,585	4,253	27
141,118	94,417	7,179	6,766	21,460	700	789	2,332	7,475	123,599	49,455	53,719	14,159	1,564	4,253	Feb. 3
137,735	93,071	6,642	4,893	21,926	663	799	2,380	7,361	124,539	49,792	54,249	14,332	1,573	4,129	10
145,511	98,303	7,045	5,246	22,949	735	836	2,505	7,892	124,737	50,140	54,389	14,164	1,568	3,974	17
135,248	93,728	6,483	4,332	20,178	608	796	2,319	6,804	125,800	50,458	54,864	14,506	1,541	3,930	24
141,127	96,043	6,693	4,944	22,253	639	770	2,229	7,556	127,043	51,023	55,385	14,685	1,581	3,859	Mar. 3
136,350	95,173	6,264	3,080	20,814	616	742	2,360	7,301	128,105	51,544	55,947	14,666	1,586	3,823	10
140,449	97,508	6,181	3,950	21,309	644	734	2,380	7,743	128,975	52,025	56,008	14,659	1,569	4,166	17
134,078	95,117	6,469	2,144	19,647	594	740	2,243	7,124	129,029	52,379	55,842	14,608	1,579	4,110	24
146,456	99,253	6,957	2,889	24,703	785	805	2,271	8,793	129,128	52,973	55,514	14,498	1,545	4,079	31
140,700	97,898	6,409	1,971	22,666	829	764	2,324	7,839	128,799	53,083	55,171	14,424	1,526	4,084	Apr. 7
146,284	101,985	6,419	2,717	21,466	725	863	2,225	9,884	128,678	53,027	54,927	14,557	1,513	4,150	14
143,976	98,472	6,380	5,483	22,070	662	794	2,214	7,901	128,584	53,021	54,290	15,066	1,568	4,160	21
141,474	97,099	6,353	5,833	20,750	631	778	2,329	7,701	129,293	53,044	54,779	15,229	1,570	4,161	28
143,385	96,055	7,674	5,685	21,760	714	828	2,370	8,299	129,488	53,159	54,859	15,205	1,595	4,178	May 5
142,094	96,567	6,654	6,653	21,083	652	877	2,291	7,317	129,741	53,259	55,020	15,316	1,529	4,117	12
139,272	96,205	6,549	5,114	20,320	635	793	2,176	7,480	130,518	53,397	55,376	15,285	1,563	4,391	19
136,097	95,925	6,249	5,317	18,615	841	765	2,214	6,171	131,099	53,434	55,645	15,384	1,578	4,553	26
143,627	100,713	7,228	2,718	22,042	677	813	2,327	7,109	131,110	53,535	55,720	15,234	1,572	4,535	June 2
136,508	96,525	6,014	1,517	20,947	646	807	2,236	7,816	131,793	53,524	56,465	15,157	1,615	4,531	9
145,450	100,438	6,801	4,717	21,983	628	803	2,262	7,818	130,778	53,476	55,553	14,926	1,637	4,678	16
138,625	97,162	6,558	3,280	20,460	594	752	2,384	7,435	131,394	53,429	56,135	14,964	1,687	4,685	23
152,972	102,131	7,632	5,332	24,967	794	745	2,404	8,967	131,856	53,644	56,451	14,742	1,782	4,736	30
148,574	100,871	6,463	5,081	24,032	851	829	2,512	7,935	131,598	53,497	56,316	14,865	1,647	4,775	July 7
141,186	100,266	6,017	3,396	20,398	715	731	2,415	7,248	132,058	53,314	56,764	14,970	1,614	4,859	14
140,680	98,066	5,812	4,907	20,525	651	716	2,402	7,601	132,318	53,303	56,859	15,034	1,627	4,968	21
139,736	97,285	6,158	3,901	20,844	621	762	2,368	7,797	132,932	53,140	57,172	15,276	1,601	5,197	28
139,404	97,190	6,620	2,890	21,489	703	760	2,358	7,394	132,924	53,133	57,472	15,067	1,566	5,144	Aug. 4
138,109	96,119	6,611	2,333	21,126	617	1,283	2,298	7,722	133,179	53,113	57,708	15,111	1,536	5,208	11
139,164	96,218	6,212	6,001	20,164	620	949	2,461	6,539	133,494	53,070	58,082	15,068	1,597	5,173	18
139,672	95,700	6,062	6,272	20,562	608	803	2,416	7,249	133,827	52,986	58,184	15,258	1,691	5,195	25
145,012	99,588	6,601	4,838	21,934	604	835	2,543	8,069	134,070	52,969	58,417	15,285	1,721	5,173	Sept. 1
141,702	97,871	6,377	4,242	22,287	661	807	2,399	7,058	134,361	53,039	58,562	15,258	1,746	5,234	8
149,396	103,322	6,518	4,928	22,537	606	883	2,449	8,153	133,811	53,008	58,091	15,182	1,826	5,201	15
142,345	97,646	6,262	5,145	21,850	559	747	2,374	7,762	134,798	53,099	58,653	15,324	1,904	5,323	22
141,160	96,333	6,368	5,647	21,200	641	764	2,416	7,791	136,161	53,313	59,737	15,411	1,997	5,249	29
142,194	97,663	6,570	3,088	23,307	824	783	2,330	7,629	136,739	53,486	59,984	15,506	2,092	5,226	Oct. 6
143,537	100,823	5,864	2,460	22,839	745	850	2,340	7,616	137,207	53,498	60,424	15,480	2,124	5,230	13
141,925	99,180	5,970	2,815	22,862	666	796	2,305	7,331	137,167	53,583	60,250	15,608	2,127	5,158	20
144,435	100,492	6,112	3,551	22,730	725	830	2,432	7,563	137,160	53,605	60,294	15,571	2,109	5,142	27
150,019	101,233	7,205	2,811	25,319	832	789	2,448	9,382	136,746	53,691	60,127	15,347	1,967	5,176	Nov. 3
138,824	98,517	6,538	1,622	21,513	683	720	2,326	6,905	136,956	53,805	60,128	15,393	1,980	5,212	10
140,199	100,108	6,387	2,362	21,270	625	748	2,491	6,208	137,429	53,948	60,399	15,404	2,039	5,201	17
141,548	99,624	6,388	2,231	22,096	579	718	2,596	7,316	137,979	54,022	60,874	15,427	2,096	5,130	24
149,106	103,293	7,196	2,237	24,305	622	901	2,755	7,797	138,217	54,124	60,890	15,588	2,083	5,095	Dec. 1
142,761	100,478	6,262	1,770	22,775	665	779	2,533	7,499	138,861	54,034	61,475	15,717	2,135	5,064	8
155,695	107,563	6,960	5,021	23,746	611	852	2,322	8,620	138,813	54,167	60,550	16,562	2,091	5,010	15
152,295	105,978	6,913	6,313	21,904	585	789	2,387	7,426	139,921	54,214	60,924	17,229	2,109	5,000	22
152,699	106,885	6,563	7,571	20,880	636	962	2,402	6,800	140,932	54,542	61,274	17,550	2,129	4,973	29
▶ 276	250	9	5	1	4	....	....	7	325	195	111	19	....	....	Dec. 29 ◀

For notes see p. A-106.

ASSETS AND LIABILITIES OF LARGE COMMERCIAL BANKS, 1971—Continued

(In millions of dollars)

Wednesday	Federal funds purchased etc.[7]	Borrowings from—		Other liabilities, etc.[8]	Reserves for—		Total capital accounts	Memoranda						
		F.R. Banks	Others		Loans	Securities		Total loans (gross) adjusted[9]	Total loans and investments (gross) adjusted[9]	Demand deposits adjusted[10]	Large negotiable time CD's included in time and savings deposits[11] — Total	Issued to IPC's	Issued to others	Gross liabilities of banks to their foreign branches
Jan. 6	20,014	258	1,364	21,391	4,012	75	24,746	178,834	252,682	87,084	26,231	17,141	9,090	7,438
13	19,012	245	1,329	21,635	4,059	72	24,709	176,496	250,151	84,001	26,979	17,640	9,339	7,861
20	17,905	1,445	1,216	21,319	4,059	77	24,682	175,120	248,613	82,721	27,210	17,747	9,463	7,823
27	16,700	674	1,157	19,898	4,062	77	24,679	175,175	248,404	82,250	27,140	17,669	9,471	6,535
Feb. 3	19,044	218	1,034	19,940	4,070	79	24,865	176,589	250,839	81,023	26,925	17,427	9,498	6,432
10	19,049	236	968	20,644	4,071	79	24,857	176,626	250,907	80,115	27,343	17,768	9,575	6,234
17	19,891	1,499	964	19,934	4,069	81	24,836	175,009	248,901	80,383	27,146	17,715	9,431	5,871
24	18,037	227	933	19,770	4,070	80	24,868	175,599	249,211	81,218	27,422	17,936	9,486	5,667
Mar. 3	19,176	245	887	19,158	4,077	81	25,023	176,554	251,294	80,698	27,748	18,108	9,640	5,018
10	17,882	1,502	829	18,740	4,078	80	25,112	176,076	251,130	81,785	28,100	18,487	9,613	4,807
17	19,692	551	828	18,676	4,076	80	25,077	176,631	251,826	81,466	28,315	18,400	9,915	4,177
24	18,482	795	865	19,074	4,078	80	25,082	176,196	250,884	82,648	28,058	18,173	9,885	4,329
31	18,854	377	828	17,772	4,059	79	25,303	177,200	252,709	82,579	27,458	17,623	9,835	2,858
Apr. 7	21,853	167	1,058	18,157	4,054	81	25,431	179,040	255,910	84,246	27,238	17,397	9,841	3,260
14	23,648	212	1,067	17,149	4,047	82	25,363	178,632	256,022	85,289	27,173	17,349	9,824	2,317
21	23,428	78	1,024	16,324	4,044	82	25,299	177,703	255,405	82,337	26,676	16,626	10,050	2,253
28	20,111	694	932	16,509	4,045	83	25,350	177,164	252,836	82,275	27,153	17,010	10,143	2,158
May 5	22,448	748	997	16,444	4,048	85	25,557	177,925	254,223	82,289	27,061	16,934	10,127	2,004
12	23,559	15	1,061	15,752	4,032	86	25,555	179,663	255,278	82,082	27,118	17,014	10,104	1,598
19	22,380	920	995	16,150	4,030	85	25,474	179,295	253,523	81,780	27,541	17,182	10,359	1,628
26	18,744	1,235	995	16,002	4,020	84	25,482	178,627	253,048	83,697	28,003	17,296	10,707	1,579
June 2	21,347	16	922	16,031	4,032	83	25,702	179,986	254,858	84,929	27,926	17,245	10,681	1,877
9	22,380	560	898	16,167	4,030	83	25,716	178,563	253,649	82,962	28,760	17,702	11,058	1,938
16	22,601	201	914	16,836	4,010	95	25,598	181,892	257,494	83,421	27,811	16,988	10,823	2,323
23	21,531	513	919	17,082	4,020	83	25,624	180,884	255,646	83,543	28,393	17,409	10,984	2,323
30	19,048	353	972	15,952	3,997	78	25,833	182,817	259,152	83,897	28,460	17,450	11,010	1,512
July 7	21,656	376	1,305	16,079	3,990	79	26,055	183,223	260,035	82,602	28,491	17,423	11,068	2,083
14	20,823	1,697	1,075	15,417	3,988	76	26,008	181,804	257,660	84,922	29,252	17,991	11,261	1,730
21	20,137	1,382	1,014	15,484	4,006	76	25,963	180,897	256,088	83,144	29,492	18,085	11,407	1,879
28	20,073	642	1,015	14,976	4,012	76	25,983	180,734	255,872	83,813	30,233	18,383	11,850	1,505
Aug. 4	23,195	552	1,146	15,750	4,013	76	26,161	181,719	256,594	83,150	30,428	18,569	11,859	1,912
11	21,657	454	1,140	14,997	4,012	113	26,156	181,567	256,099	83,134	30,750	18,783	11,967	1,104
18	20,827	1,017	1,058	15,043	4,011	77	26,129	183,580	257,520	82,696	31,302	19,239	12,063	1,374
25	19,499	1,692	1,203	15,269	4,008	77	26,147	183,980	257,906	83,027	31,512	19,273	12,239	1,409
Sept. 1	22,042	829	1,173	15,019	4,001	76	26,304	185,358	259,586	84,699	31,572	19,368	12,204	1,237
8	23,520	273	1,104	15,468	4,003	77	26,267	184,911	259,389	83,202	31,828	19,640	12,188	1,243
15	24,744	286	1,146	15,959	4,002	75	26,235	188,329	264,119	85,663	31,309	19,145	12,164	1,704
22	22,774	820	1,113	16,335	3,990	89	26,175	186,432	261,598	82,137	32,075	19,652	12,423	2,143
29	22,989	209	1,132	16,788	4,004	89	26,228	186,256	261,416	82,082	32,959	20,594	12,365	2,476
Oct. 6	23,356	125	1,108	16,086	4,002	89	26,501	186,288	262,063	82,545	33,268	20,723	12,545	2,224
13	25,181	939	1,037	16,321	4,003	89	26,453	186,622	262,320	82,629	33,847	21,227	12,620	2,724
20	22,230	428	1,051	16,496	3,998	89	26,396	186,701	262,410	82,039	33,637	21,034	12,603	2,523
27	21,642	1,906	1,050	16,581	4,004	89	26,505	186,003	263,212	82,842	33,603	21,081	12,522	2,915
Nov. 3	27,002	179	1,120	16,350	4,011	90	26,664	187,650	265,572	81,847	33,166	20,734	12,432	2,443
10	26,992	168	1,042	16,678	4,026	69	26,705	187,358	265,315	84,319	33,339	20,845	12,494	2,964
17	25,816	333	1,083	17,116	4,019	77	26,591	186,647	265,303	84,969	33,597	21,139	12,458	3,363
24	24,935	2,236	1,019	16,927	4,012	75	26,567	186,181	264,303	83,668	34,000	21,483	12,517	3,342
Dec. 1	23,698	24	1,034	16,547	4,024	76	26,741	188,924	268,868	87,258	33,880	21,317	12,563	2,408
8	25,305	66	1,053	15,741	4,003	90	26,792	187,424	266,581	86,858	34,317	21,714	12,603	1,867
15	25,158	8	1,040	15,520	4,009	77	26,709	191,863	272,764	89,338	33,292	20,862	12,430	1,386
22	23,644	793	1,038	15,769	3,995	76	26,618	191,820	272,105	89,183	33,746	21,203	12,543	1,544
29	26,046	1,249	1,020	14,762	3,895	77	26,684	192,238	273,271	91,683	33,951	21,282	12,669	909
▶ Dec. 29	1	....	4	21	4	....	57	349	552	251	....	....	....	....

▶ These amounts represent accumulated adjustments originally made to offset the cumulative effect of mergers.

1 Includes securities purchased under agreements to resell.
2 Includes official institutions and so forth.
3 Includes short-term notes and bills.
4 Federal agencies only.
5 Includes corporate stock.
6 Includes U.S. Govt. and foreign bank deposits, not shown separately.
7 Includes securities sold under agreements to repurchase.
8 Includes minority interest in consolidated subsidiaries.
9 Exclusive of loans and Federal funds transactions with domestic commercial banks.
10 All demand deposits except U.S. Govt. and domestic commercial banks, less cash items in process of collection.
11 Certificates of deposit issued in denominations of $100,000 or more

"TERM" COMMERCIAL AND INDUSTRIAL LOANS OF LARGE COMMERCIAL BANKS

(In millions of dollars)

Industry	1971 Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.
Durable goods manufacturing:												
Primary metals	1,543	1,563	1,629	1,621	1,665	1,586	1,534	1,481	1,524	1,495	1,406	1,362
Machinery	2,663	2,631	2,588	2,733	2,591	2,536	2,511	2,505	2,479	2,476	2,396	2,285
Transportation equipment	1,647	1,633	1,613	1,515	1,440	1,559	1,552	1,582	1,689	1,626	1,592	1,620
Other fabricated metal products	748	745	732	768	804	814	802	804	775	743	707	713
Other durable goods	1,109	1,224	1,217	1,193	1,202	1,233	1,239	1,269	1,214	1,204	1,162	1,135
Nondurable goods manufacturing:												
Food, liquor, and tobacco	946	967	970	979	916	968	946	938	985	971	1,010	1,021
Textiles, apparel, and leather	674	659	617	592	609	597	597	609	607	585	577	576
Petroleum refining	1,190	1,142	914	932	919	891	901	841	857	900	867	892
Chemicals and rubber	1,793	1,827	1,843	1,815	1,719	1,817	1,821	1,809	1,785	1,654	1,528	1,441
Other nondurable goods	1,115	1,115	1,099	1,065	1,057	1,020	1,008	1,006	1,018	1,047	1,018	1,024
Mining, including crude petroleum and natural gas	3,352	3,268	3,120	3,087	3,056	2,990	3,017	3,000	2,934	3,021	2,998	3,039
Trade:												
Commodity dealers	79	79	80	81	88	97	101	117	109	116	104	115
Other wholesale	777	748	776	807	804	836	845	834	847	862	860	893
Retail	1,444	1,452	1,411	1,398	1,417	1,414	1,416	1,450	1,471	1,475	1,429	1,383
Transportation, communication, and other public utilities:												
Transportation	4,714	4,746	4,850	4,739	4,664	4,597	4,596	4,471	4,571	4,444	4,448	4,440
Communication	398	398	402	426	439	468	471	422	420	418	427	427
Other public utilities	1,028	1,055	972	990	1,037	1,094	1,141	1,180	1,272	1,304	1,292	1,316
Construction	1,036	1,049	1,080	1,149	1,174	1,187	1,225	1,202	1,192	1,240	1,255	1,244
Services	3,175	3,143	3,134	3,242	3,181	3,258	3,237	3,311	3,347	3,397	3,438	3,488
All other domestic loans	1,348	1,321	1,270	1,225	1,261	1,249	1,311	1,362	1,390	1,390	1,413	1,431
Foreign commercial and industrial loans	1,723	1,716	1,792	1,840	1,882	1,892	1,908	1,950	1,892	1,940	1,956	2,076
Total loans	32,502	32,481	32,109	32,197	31,925	32,103	32,179	32,143	32,378	32,308	31,883	31,921

NOTE.—Figures are for the last Wednesday of the month.

COMMERCIAL AND INDUSTRIAL LOANS OF LARGE COMMERCIAL BANKS

(In millions of dollars)

Industry	1971 Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.
Durable goods manufacturing:												
Primary metals	2,158	2,149	2,288	2,306	2,310	2,350	2,244	2,148	2,179	2,169	2,158	2,063
Machinery	5,331	5,324	5,262	5,288	5,334	5,302	5,297	5,176	5,076	4,810	4,586	4,458
Transportation equipment	2,901	2,849	2,877	2,693	2,624	2,686	2,695	2,648	2,730	2,724	2,656	2,662
Other fabricated metal products	1,906	1,898	1,959	2,002	2,020	2,088	2,088	2,084	2,033	1,932	1,787	1,727
Other durable goods	2,506	2,538	2,664	2,698	2,748	2,796	2,836	2,821	2,834	2,803	2,674	2,569
Nondurable goods manufacturing:												
Food, liquor, and tobacco	2,872	2,670	2,632	2,519	2,359	2,328	2,389	2,417	2,623	2,708	2,748	2,869
Textiles, apparel, and leather	2,214	2,306	2,456	2,483	2,494	2,558	2,620	2,694	2,660	2,543	2,468	2,380
Petroleum refining	1,449	1,414	1,349	1,163	1,175	1,153	1,124	1,073	1,122	1,143	1,092	1,132
Chemicals and rubber	2,748	2,760	2,807	2,818	2,824	2,793	2,823	2,717	2,691	2,530	2,398	2,308
Other nondurable goods	1,906	1,896	1,900	1,857	1,850	1,864	1,845	1,856	1,895	1,880	1,825	1,811
Mining, including crude petroleum and natural gas	3,991	3,958	3,895	3,824	3,805	3,767	3,748	3,733	3,800	3,846	3,758	3,792
Trade:												
Commodity dealers	1,364	1,347	1,303	1,262	1,145	1,165	1,173	1,150	1,254	1,274	1,458	1,655
Other wholesale	3,606	3,626	3,705	3,761	3,880	3,914	3,962	4,013	4,242	4,331	4,332	4,398
Retail	4,024	4,038	4,155	4,282	4,369	4,396	4,382	4,415	4,379	4,521	4,582	4,404
Transportation, communication, and other public utilities:												
Transportation	6,150	6,147	6,243	6,100	6,022	5,969	5,883	5,678	5,661	5,627	5,618	5,628
Communication	1,428	1,426	1,378	1,404	1,421	1,481	1,590	1,572	1,555	1,411	1,395	1,343
Other public utilities	2,430	2,366	2,146	1,998	1,982	2,105	2,328	2,368	2,455	2,572	2,732	2,716
Construction	3,415	3,440	3,536	3,658	3,735	3,776	3,674	3,664	3,723	3,762	3,805	3,782
Services	7,382	7,260	7,195	7,368	7,408	7,528	7,610	7,597	7,599	7,556	7,638	7,764
All other domestic loans	4,731	4,708	4,728	4,745	4,845	4,885	5,082	5,088	5,312	5,378	5,390	5,525
Bankers' acceptances	1,614	1,595	1,584	1,484	1,440	1,247	1,069	1,306	1,567	1,709	1,784	2,072
Foreign commercial and industrial loans	2,309	2,350	2,490	2,485	2,629	2,693	2,700	2,868	3,007	2,965	2,945	3,126
Total classified loans	68,435	68,065	68,552	68,198	68,419	68,844	69,162	69,086	70,397	70,194	69,829	70,184
Total commercial and industrial loans of large commercial banks	80,868	80,510	81,326	81,101	81,501	82,009	82,000	81,860	83,178	83,126	82,860	83,420

For Wednesday figures and NOTE, see following two pages.

COMMERCIAL AND INDUSTRIAL LOANS OF LARGE COMMERCIAL BANKS—Continued

(In millions of dollars)

Industry	Wednesday												
	Jan. 6	Jan. 13	Jan. 20	Jan. 27	Feb. 3	Feb. 10	Feb. 17	Feb. 24	Mar. 3	Mar. 10	Mar. 17	Mar. 24	Mar. 31
Durable goods manufacturing:													
Primary metals	2,195	2,158	2,158	2,122	2,122	2,137	2,159	2,177	2,216	2,285	2,297	2,324	2,316
Machinery	5,308	5,386	5,384	5,244	5,298	5,327	5,326	5,345	5,268	5,374	5,310	5,181	5,177
Transportation equipment	2,896	2,893	2,908	2,904	2,862	2,869	2,868	2,797	2,886	2,892	2,908	2,859	2,838
Other fabricated metal products	1,928	1,938	1,910	1,849	1,887	1,894	1,904	1,905	1,940	1,935	1,966	1,979	1,973
Other durable goods	2,550	2,536	2,483	2,454	2,495	2,512	2,536	2,609	2,617	2,627	2,691	2,686	2,700
Nondurable goods manufacturing:													
Food, liquor, and tobacco	3,012	2,873	2,848	2,757	2,724	2,670	2,648	2,638	2,672	2,669	2,659	2,600	2,561
Textiles, apparel, and leather	2,240	2,232	2,195	2,189	2,202	2,252	2,369	2,401	2,406	2,443	2,478	2,471	2,482
Petroleum refining	1,469	1,439	1,449	1,438	1,431	1,429	1,418	1,380	1,401	1,414	1,379	1,369	1,183
Chemicals and rubber	2,800	2,761	2,771	2,662	2,710	2,774	2,774	2,783	2,782	2,801	2,816	2,823	2,813
Other nondurable goods	1,903	1,922	1,909	1,892	1,911	1,893	1,896	1,886	1,899	1,886	1,919	1,907	1,889
Mining, including crude petroleum and natural gas	4,014	3,935	4,007	4,008	3,948	3,938	3,965	3,982	3,910	3,897	3,886	3,890	3,894
Trade: Commodity dealers	1,360	1,363	1,362	1,373	1,377	1,371	1,328	1,312	1,301	1,277	1,318	1,300	1,318
Other wholesale	3,654	3,606	3,596	3,567	3,633	3,603	3,647	3,622	3,666	3,690	3,735	3,733	3,702
Retail	4,043	3,949	4,091	4,013	4,016	4,011	4,049	4,074	4,144	4,114	4,174	4,135	4,209
Transportation, communication, & other public utilities:													
Transportation	6,191	6,168	6,118	6,124	6,145	6,158	6,150	6,136	6,227	6,187	6,248	6,273	6,278
Communication	1,436	1,425	1,431	1,419	1,452	1,419	1,421	1,414	1,377	1,369	1,375	1,412	1,355
Other public utilities	2,450	2,446	2,453	2,371	2,403	2,330	2,348	2,384	2,298	2,158	2,180	2,075	2,019
Construction	3,395	3,428	3,429	3,409	3,421	3,418	3,460	3,463	3,504	3,515	3,535	3,547	3,580
Services	7,417	7,420	7,377	7,315	7,283	7,256	7,258	7,242	7,206	7,169	7,190	7,201	7,207
All other domestic loans	4,811	4,752	4,717	4,643	4,654	4,757	4,751	4,668	4,732	4,733	4,758	4,672	4,748
Bankers' acceptances	1,694	1,656	1,602	1,506	1,565	1,582	1,598	1,636	1,595	1,659	1,570	1,570	1,525
Foreign commercial & industrial loans	2,252	2,301	2,283	2,395	2,319	2,294	2,382	2,400	2,416	2,458	2,512	2,520	2,545
Total classified loans	69,018	68,587	68,481	67,654	67,858	67,894	68,255	68,254	68,463	68,552	68,904	68,527	68,312
Total commercial & industrial loans of large commercial banks	81,150	81,025	80,918	80,017	80,260	80,306	80,715	80,760	81,068	81,188	81,794	81,419	81,162

Industry	Wednesday												
	Apr. 7	Apr. 14	Apr. 21	Apr. 28	May 5	May 12	May 19	May 26	June 2	June 9	June 16	June 23	June 30
Durable gooos manufacturing:													
Primary metals	2,306	2,302	2,299	2,317	2,315	2,295	2,309	2,320	2,314	2,360	2,417	2,370	2,291
Machinery	5,230	5,275	5,355	5,290	5,302	5,384	5,353	5,299	5,283	5,260	5,428	5,328	5,211
Transportation equipment	2,742	2,724	2,674	2,631	2,624	2,632	2,616	2,626	2,610	2,636	2,732	2,715	2,739
Other fabricated metal products	1,954	2,004	2,030	2,018	2,012	2,024	2,023	2,019	2,042	2,049	2,124	2,122	2,105
Other durable goods	2,704	2,674	2,710	2,704	2,740	2,766	2,747	2,741	2,743	2,773	2,846	2,805	2,812
Nondurable goods manufacturing:													
Food, liquor, and tobacco	2,548	2,487	2,545	2,494	2,394	2,343	2,383	2,317	2,324	2,253	2,307	2,362	2,395
Textiles, apparel, and leather	2,497	2,510	2,479	2,445	2,496	2,513	2,494	2,474	2,521	2,516	2,587	2,568	2,597
Petroleum refining	1,160	1,155	1,156	1,182	1,147	1,189	1,181	1,181	1,169	1,168	1,161	1,143	1,122
Chemicals and rubber	2,795	2,827	2,826	2,823	2,836	2,869	2,827	2,766	2,742	2,776	2,813	2,786	2,846
Other nondurable goods	1,858	1,862	1,863	1,844	1,832	1,865	1,850	1,852	1,863	1,848	1,866	1,883	1,858
Mining, including crude petroleum and natural gas	3,840	3,809	3,825	3,820	3,810	3,789	3,801	3,821	3,798	3,776	3,816	3,827	3,620
Trade: Commodity dealers	1,322	1,297	1,234	1,197	1,131	1,158	1,159	1,132	1,176	1,160	1,177	1,166	1,144
Other wholesale	3,744	3,765	3,768	3,768	3,839	3,904	3,909	3,868	3,912	3,879	3,944	3,927	3,909
Retail	4,292	4,296	4,276	4,262	4,392	4,261	4,423	4,400	4,406	4,291	4,416	4,484	4,381
Transportation, communication, & other public utilities:													
Transportation	6,135	6,135	6,061	6,067	6,015	5,981	6,026	6,066	6,055	5,919	5,949	5,953	5,970
Communication	1,359	1,396	1,439	1,422	1,356	1,424	1,463	1,441	1,448	1,421	1,481	1,514	1,539
Other public utilities	2,004	1,962	2,030	1,996	2,032	1,981	1,953	1,961	2,076	2,049	2,073	2,128	2,201
Construction	3,621	3,662	3,700	3,650	3,712	3,709	3,751	3,767	3,775	3,796	3,841	3,832	3,634
Service	7,305	7,337	7,399	7,432	7,474	7,371	7,409	7,380	7,431	7,492	7,538	7,592	7,585
All other domestic loans	4,656	4,751	4,766	4,809	4,851	4,882	4,874	4,774	4,789	4,800	4,895	4,898	5,044
Bankers' acceptances	1,540	1,500	1,448	1,453	1,502	1,488	1,413	1,355	1,356	1,326	1,248	1,170	1,136
Foreign commercial & industrial loans	2,471	2,482	2,459	2,530	2,476	2,677	2,660	2,698	2,750	2,670	2,725	2,674	2,647
Total classified loans	68,083	68,212	68,342	68,154	68,288	68,505	68,624	68,258	68,583	69,218	69,384	69,247	68,786
Total commercial & industrial loans of large commercial banks	80,976	81,101	81,255	81,072	81,299	81,621	81,715	81,370	81,703	81,292	82,556	82,338	82,156

For NOTE see facing page.

COMMERCIAL AND INDUSTRIAL LOANS OF LARGE COMMERCIAL BANKS—Continued

(In millions of dollars)

Industry	Wednesday												
	July 7	July 14	July 21	July 28	Aug. 4	Aug. 11	Aug. 18	Aug. 25	Sept. 1	Sept. 8	Sept. 15	Sept. 22	Sept. 29
Durable goods manufacturing:													
Primary metals	2,278	2,258	2,242	2,199	2,182	2,140	2,136	2,132	2,157	2,149	2,212	2,208	2,171
Machinery	5,346	5,380	5,265	5,196	5,198	5,191	5,210	5,104	5,075	5,092	5,131	5,101	4,980
Transportation equipment	2,717	2,712	2,710	2,642	2,666	2,655	2,641	2,628	2,644	2,650	2,824	2,770	2,763
Other fabricated metal products	2,097	2,102	2,092	2,063	2,077	2,117	2,089	2,055	2,035	2,043	2,086	2,028	1,975
Other durable goods	2,822	2,854	2,838	2,830	2,835	2,812	2,819	2,819	2,810	2,833	2,865	2,839	2,823
Nondurable goods manufacturing:													
Food, liquor, and tobacco	2,407	2,370	2,400	2,378	2,393	2,370	2,425	2,481	2,509	2,570	2,636	2,713	2,688
Textiles, apparel, and leather	2,621	2,608	2,610	2,643	2,659	2,684	2,723	2,710	2,739	2,697	2,694	2,602	2,566
Petroleum refining	1,139	1,124	1,106	1,129	1,084	1,074	1,065	1,068	1,121	1,104	1,127	1,141	1,118
Chemicals and rubber	2,869	2,826	2,826	2,770	2,749	2,712	2,706	2,701	2,697	2,666	2,715	2,684	2,691
Other nondurable goods	1,841	1,850	1,842	1,846	1,846	1,863	1,860	1,857	1,859	1,859	1,915	1,926	1,918
Mining, including crude petroleum and natural gas	3,736	3,757	3,726	3,771	3,696	3,737	3,746	3,752	3,762	3,762	3,826	3,825	3,824
Trade: Commodity dealers	1,204	1,154	1,178	1,156	1,128	1,118	1,158	1,197	1,242	1,256	1,290	1,265	1,216
Other wholesale	3,948	3,967	3,963	3,970	3,961	3,972	4,023	4,096	4,219	4,201	4,225	4,264	4,301
Retail	4,379	4,390	4,392	4,365	4,460	4,407	4,408	4,385	4,329	4,341	4,332	4,432	4,462
Transportation, communication, & other public utilities:													
Transportation	5,904	5,902	5,867	5,860	5,712	5,683	5,658	5,658	5,643	5,608	5,628	5,703	5,724
Communication	1,620	1,624	1,579	1,536	1,606	1,598	1,555	1,531	1,558	1,534	1,538	1,584	1,563
Other public utilities	2,311	2,323	2,339	2,341	2,436	2,373	2,339	2,324	2,405	2,403	2,429	2,487	2,550
Construction	3,663	3,666	3,683	3,685	3,647	3,656	3,656	3,697	3,691	3,686	3,745	3,753	3,740
Services	7,619	7,610	7,625	7,585	7,592	7,610	7,606	7,580	7,608	7,577	7,609	7,601	7,598
All other domestic loans	5,095	5,091	5,076	5,066	5,042	5,021	5,106	5,185	5,262	5,328	5,308	5,313	5,349
Bankers' acceptances	1,106	1,081	1,047	1,042	1,075	1,069	1,524	1,554	1,537	1,601	1,544	1,556	1,598
Foreign commercial & industrial loans	2,730	2,685	2,705	2,678	2,729	2,737	2,958	3,045	3,034	3,012	3,055	2,961	2,971
Total classified loans	69,452	69,334	69,111	68,751	68,773	68,599	69,411	69,559	69,936	69,972	70,734	70,756	70,589
Total commercial and industrial loans	82,461	82,204	81,849	81,488	81,528	81,356	82,248	82,310	82,671	82,633	83,560	83,589	83,435

Industry	Wednesday												
	Oct. 6	Oct. 13	Oct. 20	Oct. 27	Nov. 3	Nov. 10	Nov. 17	Nov. 24	Dec. 1	Dec. 8	Dec. 15	Dec. 22	Dec. 29
Durable goods manufacturing:													
Primary metals	2,170	2,183	2,164	2,160	2,205	2,194	2,176	2,055	2,077	2,065	2,108	2,054	2,009
Machinery	4,856	4,842	4,815	4,728	4,682	4,659	4,568	4,437	4,431	4,460	4,553	4,467	4,380
Transportation equipment	2,766	2,749	2,684	2,696	2,691	2,655	2,624	2,652	2,671	2,595	2,707	2,675	2,662
Other fabricated metal products	1,982	1,965	1,898	1,882	1,854	1,813	1,761	1,718	1,731	1,726	1,745	1,716	1,716
Other durable goods	2,834	2,853	2,790	2,736	2,721	2,711	2,639	2,625	2,629	2,596	2,574	2,550	2,495
Nondurable goods manufacturing:													
Food, liquor, and tobacco	2,697	2,684	2,735	2,727	2,735	2,672	2,755	2,832	2,868	2,832	2,854	2,898	2,893
Textiles, apparel, and leather	2,593	2,585	2,517	2,476	2,477	2,476	2,483	2,435	2,426	2,432	2,414	2,334	2,293
Petroleum refining	1,131	1,120	1,167	1,155	1,099	1,096	1,092	1,083	1,094	1,101	1,132	1,160	1,174
Chemicals and rubber	2,549	2,562	2,496	2,512	2,437	2,425	2,385	2,346	2,303	2,321	2,317	2,343	2,254
Other nondurable goods	1,890	1,895	1,871	1,865	1,867	1,836	1,801	1,795	1,804	1,796	1,817	1,817	1,822
Mining, including crude petroleum and natural gas	3,845	3,836	3,844	3,858	3,732	3,721	3,791	3,790	3,755	3,750	3,812	3,836	3,807
Trade: Commodity dealers	1,205	1,234	1,313	1,343	1,389	1,438	1,495	1,511	1,566	1,652	1,692	1,690	1,676
Other wholesale	4,320	4,325	4,328	4,350	4,336	4,342	4,340	4,309	4,354	4,375	4,397	4,429	4,433
Retail	4,490	4,478	4,525	4,590	4,613	4,570	4,524	4,619	4,636	4,525	4,442	4,293	4,122
Transportation, communication, & other public utilities:													
Transportation	5,663	5,647	5,609	5,588	5,578	5,619	5,608	5,668	5,615	5,602	5,670	5,608	5,646
Communication	1,464	1,431	1,386	1,364	1,441	1,401	1,374	1,365	1,348	1,335	1,441	1,276	1,314
Other public utilities	2,557	2,517	2,572	2,640	2,770	2,773	2,704	2,681	2,752	2,705	2,650	2,748	2,726
Construction	3,731	3,759	3,783	3,777	3,825	3,812	3,810	3,772	3,760	3,749	3,806	3,778	3,817
Services	7,515	7,535	7,582	7,590	7,601	7,630	7,674	7,647	7,685	7,696	7,782	7,845	7,874
All other domestic loans	5,361	5,423	5,338	5,389	5,351	5,398	5,396	5,416	5,435	5,421	5,513	5,604	5,654
Bankers' acceptances	1,707	1,731	1,714	1,681	1,722	1,735	1,868	1,810	1,898	1,980	2,079	2,109	2,294
Foreign commercial & industrial loans	2,969	2,967	2,973	2,949	2,924	2,930	2,946	2,979	2,979	3,078	3,112	3,178	3,225
Total classified loans	70,295	70,321	70,104	70,056	70,050	69,906	69,814	69,545	69,817	69,792	70,617	70,408	70,286
Total commercial and industrial loans	83,194	83,242	83,063	83,003	83,091	82,933	82,854	82,562	82,875	82,927	83,853	83,674	83,770

NOTE.—Data for sample of about 160 banks reporting changes in their larger loans; these banks hold about 70 per cent of total commercial and industrial loans of all weekly reporting member banks and about 60 per cent of those of all commercial banks.

Monthly figures are averages of figures for Wednesday dates.

LOANS SOLD OUTRIGHT BY COMMERCIAL BANKS

(Amounts outstanding; in millions of dollars)

Date	To own subsidiaries, foreign branches, holding companies, and other affiliates			To all others except banks		
	Total	By type of loan		Total	By type of loan	
		Commercial and industrial	All other		Commercial and industrial	All other
1971—Jan. 6	3,117	2,250	867	1,696	446	1,250
13	3,010	2,195	815	1,673	429	1,244
20	2,956	2,171	785	1,673	422	1,251
27	2,887	2,118	769	1,684	424	1,260
Feb. 3	3,025	2,117	908	1,675	432	1,243
10	3,004	2,116	888	1,672	426	1,246
17	2,910	2,076	834	1,651	420	1,231
24	2,923	2,107	816	1,641	407	1,234
Mar. 3	2,909	2,010	899	1,646	409	1,237
10	2,860	1,998	862	1,660	414	1,246
17	2,770	1,933	837	1,647	418	1,229
24	2,714	1,911	803	1,657	412	1,245
31	2,858	1,853	1,005	1,644	413	1,231
Apr. 7	2,670	1,765	905	1,632	417	1,215
14	2,580	1,696	884	1,637	416	1,221
21	2,621	1,770	851	1,663	424	1,239
28	2,702	1,853	849	1,660	417	1,243
May 5	2,867	1,912	955	1,684	417	1,267
12	2,774	1,861	913	1,692	420	1,272
19	2,769	1,879	890	1,688	410	1,278
26	2,776	1,881	895	1,733	415	1,318
June 2	2,861	1,827	1,034	1,724	414	1,310
9	2,797	1,838	959	1,730	419	1,311
16	2,752	1,807	945	1,737	422	1,315
23	2,801	1,877	924	1,743	419	1,324
30	3,058	1,931	1,127	1,568	436	1,132
July 7	2,815	1,794	1,021	1,548	448	1,100
14	2,835	1,838	997	1,569	434	1,135
21	2,841	1,865	976	1,559	444	1,115
28	2,838	1,835	1,003	1,564	435	1,129
Aug. 4	2,803	1,878	925	1,604	470	1,134
11	2,884	1,965	919	1,610	450	1,160
18	2,655	1,772	883	1,611	468	1,143
25	2,764	1,829	935	1,608	460	1,148
Sept. 1	2,998	1,849	1,149	1,601	436	1,165
8	2,822	1,823	999	1,605	438	1,167
15	2,818	1,819	999	1,599	425	1,174
22	2,906	1,836	1,070	1,600	417	1,183
29	2,960	1,896	1,064	1,598	421	1,177
Oct. 6	2,884	1,799	1,085	1,588	409	1,179
13	2,879	1,801	1,078	1,571	402	1,169
20	2,904	1,832	1,072	1,572	393	1,179
27	2,928	1,804	1,124	1,572	393	1,179
Nov. 3	2,880	1,695	1,185	1,575	393	1,182
10	2,866	1,710	1,156	1,576	391	1,185
17	2,809	1,740	1,069	1,597	412	1,185
24	2,845	1,757	1,088	1,596	398	1,198
Dec. 1	2,934	1,723	1,211	1,592	400	1,192
8	2,852	1,675	1,177	1,634	398	1,236
15	2,744	1,619	1,125	1,635	395	1,240
22	2,841	1,655	1,186	1,620	387	1,233
29	2,840	1,632	1,208	1,661	378	1,283

NOTE.—Amounts sold under repurchase agreement are excluded. Figures include small amounts sold by banks other than large weekly reporting banks.

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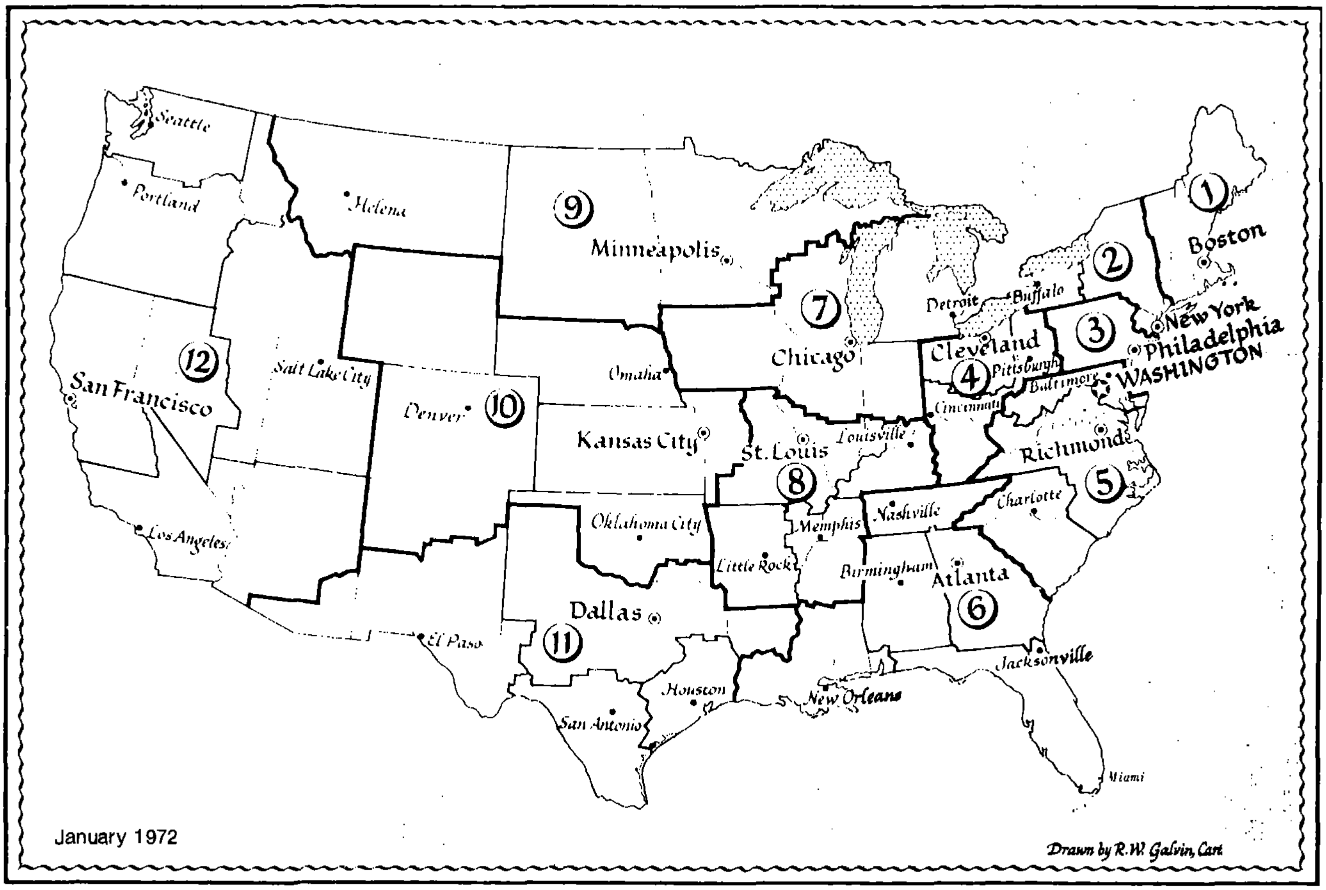
BOUNDARIES OF FEDERAL RESERVE DISTRICTS AND THEIR BRANCH TERRITORIES



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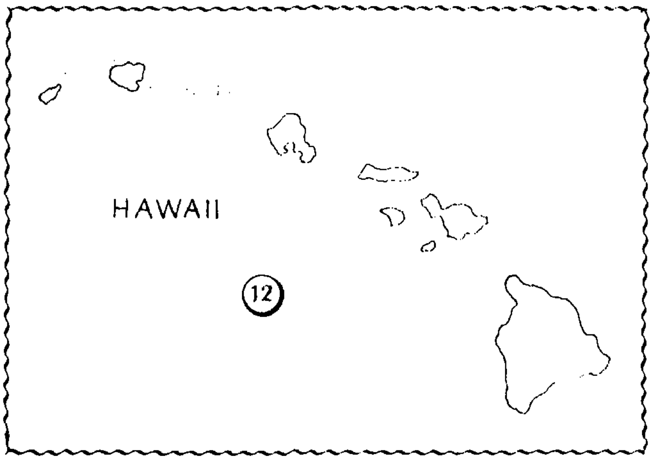

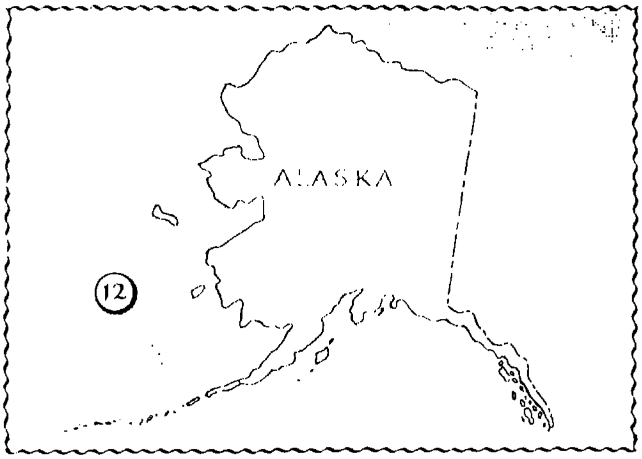

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Board of Governors of the Federal Reserve System

Federal Reserve Bank Cities • Federal Reserve Branch Cities

· Federal Reserve Bank Facilities